

**ASSOCIATION OF APARTMENT OWNERS OF
KIHEI KAI NANI
ANNUAL OWNERS MEETING
Saturday, January 28, 2017**

DIRECTORS PRESENT: Ethel Belway, President; Carole Eiserloh, Secretary; Jose Placencia, Treasurer; Andy Tickner, Director.

OTHERS PRESENT: Johnny Johnson, Site Manager; Destination Maui, Inc. Representatives: Ron Kawahara, President; Carol Gentz Account Executive; Kris Baptist, Sarah Freitas, Lisa Aipa and Kristin Davis, Tally Clerks; Rachel Hastilow, Aloha Office Services.

OWNERS PRESENT: Owners are on file with Destination Maui, Inc.

ROLL CALL (DETERMINATION OF QUORUM):

The Bylaws of the Association of Apartment Owners of Kihei Kai Nani specify that a quorum exists when there is present at any meeting, in person or by proxy, a majority of apartment owners. *Owners comprising 57.26% of the common interest were present in person or represented by proxy, thus constituting a quorum.*

CALL TO ORDER:

The Annual Owners Meeting was called to order at 9:03 a.m.

CERTIFICATION OF MEETING NOTICE:

Carol Gentz, Destination Maui, Inc. (DMI) certified that a Notice of Meeting was mailed to owners of record filed in the office of the managing agent and notice was posted at the property 72 hours in advance of the meeting pursuant to Section 125(d) of Chapter 514-B, Condominium Property Regime of the Hawaii Revised Statutes.

APPROVAL OF MINUTES:

The minutes of the last Annual Meeting were included in the meeting packet. Hearing no objection, the reading of the minutes is waived.

Motion: *To approve the minutes of the January 30, 2016 Annual Owners Meeting, as presented. (Wright, #235/Ewing, #121)*

CARRIED unanimously.

REPORT OF OFFICERS:

President's Report

A written report was submitted and is on file.

Treasurer's Report

A written report was submitted and is on file.

Managing Agent's Report

A written report was submitted and is on file.

Site Manager's Report

A written report was submitted and is on file.

COMMITTEE REPORTS:

Landscaping Committee

The Landscaping Committee presented a report and highlighted the following:

- Some trimming has been done near the south wall and new plants have been added.
- There were problems with tree roots connecting with the fence on the north and south sides of the property and also a major tree came down recently during a storm. These issues have been resolved. New plants will replace the fallen tree.
- Ms. Eiserloh acknowledged Site Manager Johnny Johnson for renegotiating a landscape contract with Island Plant.

Maintenance and Plumbing Committee

The Maintenance and Plumbing Committee presented a report and highlighted the following:

- This year, four (4) stacks have been replaced: two (2) for remodels and two (2) for leaks.
- The waterline by buildings 9 and 10 broke on the driveway side of the shut off valve, and was replaced in the first week of January.
- The AOA are hoping to replace the two (2) lines that supply buildings 11, 12 and 13 this year.

High Risk Components

The bottom floor units will be checked for high-risk components to make sure the hot water heaters are not leaking.

Lot 1A

Negotiations are underway and a settlement is anticipated soon, at which time an update will be provided to the ownership.

ELECTION OF DIRECTORS:

Article III, Section 2 of the project By-Laws specifies that the affairs of the Association shall be governed by a Board of Directors composed of seven (7) persons, each of whom shall be an owner, co-owner, vendee under an agreement for sale, or an officer of any corporate Owner of an Apartment. There are four (4) vacancies, of which three (3) positions are for a three (3) year terms and one (1) position is for a two (2) year term, to be filled on the Board of Directors. Remaining on the Board are Ethel Belway, Carole Eiserloh and Andy Tickner. Jose Placencia has expressed an interest in being re-elected to the Board. Owners DiAnne Durossette and Patricia Hoskin have expressed interest in running for the Board. Candidate resumes were included in the meeting packet. Candidates were given two (2) minutes to introduce themselves.

President Belway requested further nominations from the floor. James Wright, #235, nominated Wayne Braid, #362, who accepted the nomination and was given an opportunity to speak. Hearing no further nominations, the nominations were closed.

The voting procedures were explained. Cindy Kern, #217, and Laurie Armstrong, #223, were appointed to serve as tellers.

The meeting was recessed for voting purposes at 9:35 a.m.

Jose Placencia left the meeting at 9:59 a.m.

The meeting was reconvened at 10:01 a.m.

ELECTION OF DIRECTORS:

The following were elected to serve on the Board:

Jose Placencia	<i>three-year term</i>
Wayne Braid	<i>three-year term</i>
Patricia Hoskin	<i>three-year term</i>
DiAnne Durossette	<i>two-year term</i>

An Organizational Board of Directors Meeting will immediately follow this meeting.

Motion: *To destroy all ballots and proxies after 30 days.
(Wright, #235/Ewing, #121)*

CARRIED unanimously.

OLD BUSINESS:

There is none.

NEW BUSINESS:

Tax Resolution

Motion: *Resolved, by the Owners of the Association of Apartment Owners of Kihei Kai Nani that any excess of membership income over membership expenses for the year ended November 30, 2017, shall be applied against the subsequent tax year member assessments as provided by IRS Revenue Ruling 70-604.
(Unidentified Owner/Cieri, #262)*

CARRIED unanimously.

Earthquake Resolution

The Association is not in a designated earthquake zone and does not currently carry earthquake insurance due to the prohibitive expense. The cost of earthquake insurance is approximately \$31,016 per year with a \$25,000 minimum deductible.

Motion: *To waive earthquake coverage for the Association.
(Hoskin, #163/Armstrong, #223)*

CARRIED unanimously.

Flood Resolution

The Association is not in a designated flood zone and does not currently carry flood insurance due to the prohibitive expense. The cost of flood insurance is approximately \$124,000 per year with a deductible of \$5,000 per claim.

Motion: *To waive flood coverage for the Association.
(Hoskin, #163/Armstrong, #223)*

CARRIED unanimously.

OWNER'S FORUM:

Smoking

Owners present expressed a preference to prohibit smoking in the units or common areas. It was suggested that there could be designated smoking areas. The Board will send a ballot to owners to vote on the smoking policy. It was suggested that email be used and/or that stamped addressed envelopes be sent by mail.

BBQ Area

Ms. Nicholas, #117, requested a BBQ on the north side of the pavilion. President Belway stated there is a liability issue with having a BBQ on the north side.

Roosters

An unidentified owner suggested hiring professionals to remove the roosters.

Office Hours

Charles Emmons, #158, asked why the office is closed for one hour during the middle of the day. It was noted that this is for the staff to have a lunch break. A suggestion was made to have a notice on the office window, stating numbers to contact in case of an emergency while the office is closed.

Raised Concrete

An unidentified owner stated there a raised concrete area by the BBQ on lot 1A. Mr. Johnson will investigate.

Signs

A 'No Skateboarding/Scooter' sign was suggested for the property.

Pool

Becky Jeffs, #166, suggested solar heating or a pool cover to increase the temperature of the water. The Board is researching this item.

Dumpsters

A discussion was had regarding the dumpster locations and usage times. There was a suggestion to place the usage rules and maps on the back of each unit's door.

Deliveries

Ms. Nicholas, #117, stated that Coconuts have deliveries at 5:00 a.m. President Belway stated the Board can send a letter to ask that this be stopped.

Thanksgiving & Christmas Meals

Donna Berg, 112, thanked the volunteers who helped with Thanksgiving and Christmas.

DATE OF NEXT MEETING:

The next Annual Owners Meeting will be held on Saturday, January 27, 2018.

ADJOURNMENT:

The meeting was adjourned at 11:06 a.m.

Respectfully submitted,

Rachel Hastilow
Aloha Office Services
Recording Secretary

Approved for distribution by _____.