

**ASSOCIATION OF APARTMENT OWNERS OF
KIHEI KAI NANI
BOARD OF DIRECTORS MEETING
May 17, 2017**

DIRECTORS PRESENT: Ethel Belway, President; Carole Eiserloh, Secretary; José Placencia, Treasurer; Andy Tickner, Wayne Braid, Dianne Durossette, Patricia Hoskin, Directors.

OTHERS PRESENT: Johnny Johnson, Site Manager; Laura Diaz, Rental Staff; John Sullivan, Account Executive, Destination Maui, Inc.; Kristin Rocco, Recording Secretary, Aloha Office Services.

OWNERS PRESENT: Jeff Kern (101, 207, 217); Nicholas Hurz (260); Robert O'Brien (227).

CALL TO ORDER:

The Board of Directors Meeting was called to order at 9:03 a.m. at the offices of Destination Maui, Inc., 380 Huku Li'i Place, Suite 206, Kihei, Maui, Hawaii. A quorum was established.

CERTIFICATION OF MEETING NOTICE:

Notice of the Meeting was mailed to all Directors of record and filed in the office of the Managing Agent and posted on property in accordance with the Hawaii Revised Statutes.

APPROVAL OF PREVIOUS MINUTES:

The minutes dated January 25, 2017 Board of Directors Meeting were presented for approval.

Motion: *To approve the minutes of the Board of Directors Meeting dated January 25, 2017 as presented. (Placencia/Eiserloh)*

CARRIED unanimously.

The minutes dated January 28, 2017 Annual Owners Meeting were presented for approval.

Motion: *To approve the minutes of the Annual Owners Meeting dated January 28, 2017 as presented. (Placencia/Braid)*

CARRIED unanimously.

The minutes dated January 28, 2017 Board of Directors Organizational Meeting were presented for approval.

Motion: *To approve the minutes of the Board of Directors Organizational Meeting dated January 28, 2017 as presented. (Tickner/Placencia)*

CARRIED unanimously.

REPORTS OF OFFICERS:

President's Report

President Belway presented her report, highlighting the following:

- Lot 1A has been purchased.
- Some water lines were broken and repaired.
- Sewer repairs were finished.
- Driveway repair was finished.
- Walkway decks installed on 334, 360, and 349.

Secretary's Report

Secretary Eiserloh thanked President Belway and Mr. Braid as contributors to the Lot 1A letter that was sent to owners.

Secretary Eiserloh stated the newsletter was distributed and response has been good.

Treasurer's Report

Treasurer Placencia presented his report. He reviewed the Association's financials as of March 31, 2017 as follows:

- The Operating cash balance is \$298,820.00.
- The statutory Reserve balance is \$650,017.00.
- Total Assets are \$1,087,750.00.
- Total Expenses over Revenue for this period was -\$1,254.00
- Year-to-date total Expenses over Revenue are -\$18,000.00.

SITE MANAGER'S REPORT:

Mr. Johnson provided information for the Board in the meeting packet.

MANAGING AGENT'S REPORT:

Mr. Sullivan's written report was provided in the meeting packet.

COMMITTEE REPORTS:

Landscaping

Ms. Hoskin reported the following:

- A Landscape Committee meeting is in the process of being scheduled.
- Orchids are doing well in present locations.
- Hibiscus is blooming.

- Building 13 looks fantastic.
- Suggested adding ground cover around Building 11.

- A dead plant at the back of the Pavilion requires removal. Replacement plant suggested is Oleander.

Maintenance and Plumbing

Ms. Belway reviewed her written report and highlighted the following items:

- The decks have been completed on 334, 360, and 349.
- Connected the water lines on Buildings 9, 10, 11, 12, and 13 to the main line under the driveway.
- Clean-out repairs on the sewer have been completed.
- A 30-foot-long line by Building 13 was replaced.
- Plants were installed near edge of stonewall to prevent people from jumping, and Mr. Johnson installed a step so that surfboards can be accessed.
- A strip in the middle of the driveway was repaired.

Lot 1A

Ms. Eiserloh stated that the ballot with regard to the purchase of Lot 1A gained over 74% of approval from the Owners. The purchase of the lot also included the purchase of the Kihei Kai Nani driveway, which was previously an easement. Owners' payments for the Lot 1A purchase are due by May 31, 2017.

High-Risk Components

President Belway reported that there have been no reports of breaking sewer lines thus far this year. She noted that high-risk components will be replaced this summer and that all units that have not had their lines replaced will need to be inspected.

Community News

President Belway reported that she and other homeowners attended a meeting with the developers of the Kamaole Grand and presented a paper voicing their concerns. The construction of a rock wall along the north border has been declined due to cost.

The Wailea Rotary Club is installing life preserver stations on the beaches, with completion by May 29, 2017.

OLD BUSINESS:

Smoking Resolution

President Belway noted that the ballot for the Smoking Resolution has not been sent.

Website

Mr. Braid suggested the website be moved to WordPress as a more user-friendly option than the current host. The cost to have the site updated to WordPress is \$799 plus tax. The monthly fee will not change.

Office Roof

President Belway met with an architect regarding replacement of the office roof. The architect recommends that an engineer inspect the building due to concerns regarding the soundness of the structure.

President Belway has received one bid on the roofing project, and Site Manager Johnson stated he had received a second bid, which has not yet been distributed to the Board.

A committee was formed to follow through with plans to re-roof the building, check for any existing structural issues, and possibly extend the building to create more office/laundry room space. Site Manager Johnson, Mr. Kern, Mr. Tickner, and Ms. Hoskin volunteered to be on the committee.

Building 9 Ramp

The ramp at Building 9 will be installed soon.

RATIFICATION OF THE BOARDS ACTIONS

- Motion:** *To ratify the following actions of the Board since the previous meeting:*
- *Installing the walking decks at 334, 360, and 349.*
 - *Connecting the water lines on Buildings 9, 10, 11, 12, and 13 to the main line under the driveway.*
 - *Finishing the sewer repairs at Building 13 with other clean-ups.*
 - *Repairing the driveway's center blacktop.*
 - *Repairing Building 6 roof.*
- (Placencia/Tickner)*

CARRIED unanimously.

NEW BUSINESS:

Lot 1A Purchase

- Motion:** *That President Belway be authorized to sign the Lot 1A purchase of sale as drafted by Tom Pierce. (Braid/Placencia)*

CARRIED unanimously.

Website

- Motion:** *To redo the website in WordPress format at a cost of \$799 plus tax. (Braid/Tickner)*

CARRIED unanimously.

Installation of Office Space Wall

Motion: *To approve renovations to the office space up to a cost of \$2,500, including installation of a wall to divide the office space, to be completed by Mr. Johnson. (Braid/Placencia)*

CARRIED unanimously.

OWNER'S COMMENTS:

- An owner suggested the Board consider purchasing the domain name KKN.org to simplify the site address. Mr. Braid will further research.

DATE OF NEXT MEETING:

The next Board of Directors Meeting is scheduled October 4, 2017 at 9:00 a.m.

RECESS TO EXECUTIVES SESSION:

The meeting was recessed to Executive Session at 10:14 a.m. The regular meeting was reconvened at 11:23 a.m.

RESULTS OF EXECUTIVE SESSION:

Motion: *To allow portable air conditioning units in bedroom windows, subject to specifications provided by Kihei Kai Nani; and further, Owners will sign statements understanding their liability for installing such window units for water, or any other damage. (Eiserloh/Placencia)*

CARRIED unanimously.

Motion: *That all firearms, air guns, crossbows and similar devices must be cased or disarmed in common area. (Hoskin/Tickner)*

CARRIED unanimously.

ADJOURNMENT:

The meeting was unanimously adjourned at 11:26 a.m.

Respectfully submitted,
Kristin Rocco
Aloha Office Services
Recording Secretary

Approved by the Board of Directors