

**ASSOCIATION OF APARTMENT OWNERS OF
WAILEA FAIRWAY VILLAS
BOARD OF DIRECTORS MEETING
Friday, April 7, 2023**

DIRECTORS PRESENT: Alan Cook, President; Mary Jurkonis, Vice President; Renee Stigers, Secretary; L. A. Bannowsky, Rick Duguay, Karen Frangipane, Doug Hellstrom, Directors.

OTHERS PRESENT: Steven Berger, Site Manager.

OWNERS PRESENT: Matt Welsch, R201; Charles Haase, T102; Cliff Dunning, D201; Hector and Ana Sanchez, V103; Michael Luckado, K202; Judy Beneventi, F103; Andy Krakoff, L101; John and Joan Moore, W102; Pat Logan, Z103; Tara Weikum, W201; Cathy, George and Kim Henry, B202; Marc Warensky, B102; Jeff Henry, A201; Joe O'Donnell, G201; Nova Kitayama, B201; Rob and Sharon Zurn, U103; and Jim Dionizio, P102.

CALL TO ORDER:

Mr. Cook called the meeting to order at 9:04 a.m. Hawaii Standard Time via Zoom. A quorum was established.

MEETING NOTICE:

Mr. Berger stated that Meeting Notice was emailed to Directors of record, filed in the office of the managing agent on March 29, 2023; and posted on property in accordance with Section 125 of Chapter 514B Hawaii Revised Statutes.

MEETING RULES:

The Meeting Rules of Conduct were reviewed.

CONSENT CALENDAR:

Motion: *To approve the Board of Directors Meeting minutes dated January 20, 2023 as written. (Bannowsky/Frangipane)*

CARRIED unanimously.

REPORTS:

President's Report

Mr. Cook presented his report.

- Reviewed the Board organization.
- New restrictions from the County and the Fire Department regarding barbecue grills on lanais will be discussed in the Owners' Forum.

- In late January 2023, Island Plant was purchased by Brightview Landscape Services (a mainland company). There were no changes to the contract, staffing, or operations.
- Per legal advice, the Owners' Forum will not be included in the regular meeting minutes. Alternatives will be discussed.

Treasurer's Report

Mr. Cook reviewed the Association's financials.

- Current Reserve balance is \$2,037,604.16.
- Four (4) Mutual of Omaha CDs totaling \$564,983 are due for renewal in 2023. Current interest rates range from 0.4% to 2.65%.
- Three (3) Edward Jones CDs totaling \$600,000 are due for renewal in 2023. Current interest rates range from 2.7% to 2.8% The average interest rates with Edward Jones are about 4.8% for a nine-month CDs.
- Reserve money market savings balance is \$441,000. This is a higher balance then needed as there are no major upcoming reserve projects. Some monies will be reinvested in higher interest CDs.
- As of February 28, 2023, the Association expenses were underbudget overall.

Site Manager's Report

Mr. Berger discussed the following items:

- \$15,000 is budgeted in Reserves in 2023 for landscaping replacements, of which the Board previously approved allocating \$8,000 to Operating to continue with the ground cover restoration project and other improvements which has been used for extensive plantings around the property specifically at Buildings D, G, H, K, P, V, X, W, and Z as well as to clean up the Monkeypod tree that fell in the storm. An additional \$7,000 from Reserves to Operating will be requested to continue with improvements this year.
- With the rainy weather, the irrigation for the entire property was turned off from January 25 to February 6 which resulted in a savings of \$3,500 on the water bill compared to the same billing period for the prior year.
- Trimmed Monkeypod trees in February.
- Removed eight (8) African Tulip trees from the Ekolu border at no cost (negotiated as part of the Island Plant contract).
- Planted 23-gallon size variegated Hau at the Ekolu border. Once the Hau starts growing and filling out, the bougainvillea behind the hedge will be thinned and eventually removed.
- Replacement of the ground cover that runs the length of the property on Kalai Waa Street. Purple Ruellia have been interplanted on the lanai side of Buildings X and Y and will continue. Once the Purple Ruellia is established, the Hemigraphis will be removed but will serve as a weed barrier in the meantime. The cost of the project is \$2,100. Island Plant is growing needed plants in their nursery to save with cost. Regarding water savings from these plantings, the existing Hemigraphis is watered for 12 to 15 minutes per day depending on the season for seven (7) days a week. The Purple Ruellia that has been planted between the driveway entrances of Buildings V and Y is watered for 10 minutes a day for five (5) days a week.

- Replaced the flow switch for the spa.

OLD BUSINESS:

Update on EV Charging Stations

Mr. Duguay stated that a team from Hawaiian Electric's "charge-up initiative" had been on site to inspect the site and assess the property's electrical infrastructure. A decision on approved applications is anticipated by the end of April.

Update on Website

Mr. Cook stated that the staging version of the web site is nearly complete and will soon be available as an operational version and/or for use by owners.

Update on Smoking Ballot

Mr. Berger stated that the smoking ballot has not been approved. 76 out of 118 units have returned ballots with 46% of ballots received In Favor and 19% Opposed. An ownership vote of 67% In Favor is required to pass the ballot. The deadline to vote is May 31, 2023.

Update on Review of House Rules

The proposed revised House Rules are nearly complete and will undergo a legal review prior to sending to owners for feedback which is in accordance with the Bylaws.

Discussion on Rock Wall at the End of the Gulch

An attempt was made to solicit bids from a number of contractors but only one (1) bid was received. The Board does not discuss pricing of bids in open session but made an exception in this case as only one (1) bid was received. The original bid was \$25,000 and was for more extensive work than is needed. It was concluded to utilize small machinery to move boulders, to create a dry stack wall, and to level and slope the bottom area in order to remove the green fence and realign the aesthetics of the property. Water will be redirected toward the center of the gulch and away from potential hazards to building B. The revised bid is \$16,450 and excludes the cost of sod replacement in the area.

Car Wash Station at Building W

Owners who expressed feedback via email requested that no changes be made to the car wash stations. Owners of Buildings W, V, and X are mainly impacted by use of the car wash station at Building W via property damage (overspray) and inconvenience (inability to access parking spaces). The Board decided to pause the previously approved motion to close the car wash station at Building W. The Board is considering options to balance the needs of the varying groups of owners including a request for owners to voluntarily use the car wash station at the end of Building B to lower traffic at the car wash station at Building W.

Mr. Berger explained that at the January 20, 2023 meeting, the Board approved a motion to close the car wash station at Building W. Subsequently, legal counsel advised that two (2) directors that voted should have recused themselves. Per legal advice, the two (2) directors were requested to recuse themselves and Mr. Cook called for a new motion. No motion was brought forth. The car wash stations will remain as is.

John Moore W102, requested the Board to consider the installation of a timer on the car wash station to prevent use by unauthorized persons outside of the posted hours.

NEW BUSINESS:

Ratification - Deductible

Motion: *To ratify the Board's decision to assess the \$25,000 deductible on the Association Master Policy to Unit X102 in accordance with Hawaii Revised Statute 143(d)(3). (Bannowsky/Jurkonis)*

CARRIED unanimously.

Allocation of Funds – Pool Loungers

Motion: *To allocate funds in the amount of \$2,768 from Reserves for the purchase of 10 new pool loungers. (Hellstrom/Jurkonis)*

CARRIED unanimously.

Allocation of Funds – Landscape Replacements/Restoration

Motion: *To allocate funds in the amount of \$7,000 from Reserves for landscape replacements/ground cover restoration in 2023. (Hellstrom/Bannowsky)*

CARRIED unanimously.

DATE OF NEXT MEETING:

The next Board of Directors Meeting is scheduled for Friday, July 21, 2023 at 9:00 a.m. HST.

OWNERS' FORUM:

The meeting was recessed for a brief Owners' Forum.

Per legal advice, the Owners' Forum is not included in the minutes of the meeting. The Board agreed for Mr. Berger to provide a written summary of the Owners' Forum on the web site for owners' reference. The document will be updated as needed.

EXECUTIVE SESSION:

Motion: *To recess to Executive Session at 11:19 a.m. HST to discuss legal, contractual, and personnel matters. (Stigers/Jurkonis)*

CARRIED unanimously.

Motion: *To adjourn Executive Session and reconvene to regular session at 1:35 p.m. HST. (Frangipane/Bannowsky)*

CARRIED unanimously.

MOTIONS FROM EXECUTIVE SESSION:

Motion: *To appoint the Board President as the Board representative at the DOJ mediation conference in April and to report information back to the Board thereafter. (Frangipane/Jurkonis)*

CARRIED unanimously.

Motion: *To waive the fine for M102. (Bannowsky/Jurkonis)*

CARRIED unanimously.

Motion: *To sustain the fine for P201. (Hellstrom/Duguay)*

CARRIED unanimously.

BOARD MEMBER RESIGNATION:

Motion: *To accept Doug Hellstrom's resignation from the Board. (Duguay/Bannowsky)*

CARRIED unanimously.

Doug Hellstrom left the meeting at 1:40 p.m. HST.

Motion: *To appoint Rueven Gitter to fill the vacancy on the Board of Directors. (Frangipane/Stigers)*

CARRIED unanimously.

Mr. Cook called for nominations for Board Treasurer. There were none.

Motion: *To establish a Finance Committee comprised of Alan Cook, Rick Duguay, and L.A. Bannowsky. (Stigers/Jurkonis)*

CARRIED unanimously.

ADJOURNMENT:

The meeting was adjourned at 1:45 p.m. HST.

Respectfully submitted,

Association of Apartment Owners of
Wailea Fairway Villas
Board of Directors Meeting
April 7, 2023
Page 6 of 6

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