

**ASSOCIATION OF APARTMENT OWNERS OF
MAUI SANDS I
BOARD OF DIRECTORS MEETING
Thursday, October 19, 2017**

DIRECTORS PRESENT: Rosa McAllister, Secretary; Jean Rachkowski, Treasurer.

Via Teleconference: David Bontorin, President; Jerry Blanchard,
Karen Schoepp, Directors

OTHERS PRESENT: Jerry Roberts, Site Manager; Kathleen Stading, Angela
Sommerfield, Associa Hawaii.

OWNERS PRESENT: On File with Associa.

CALL TO ORDER:

Mr. Bontorin called the Board of Directors Meeting of the Association of Apartment Owners of Maui Sands I to order on Thursday, October 19, 2017 at 2:00 p.m.

DECLARATION OF QUORUM:

A quorum was established with five (5) directors present in person or via teleconference.

OWNERS' FORUM:

Ms. Rachkowski read the two (2) emails sent to the Board as follows:

- 1) Joe Aurelio, 1M, requested the Board to not impose any more assessments.
- 2) Ryan Logtenberg requested discussion on the following items: what terms are being negotiated on the lease extension if any and the level of importance on getting a lease extension; statistics on delinquency units; what arrangements have been made with Maui Sands 2 on the shower; and solar PV for common area on pool roofs. Mr. Bontorin stated that some of these items will be covered on today's meeting agenda and others will be researched.

Ms. Stading stated that legal opinion is that the Board is within the rights of the law to not allow owner's participation via teleconference at a Board Meeting as it is disruptive. Owners may submit a request/concern to Associa or the President for addition to the agenda and to be addressed by the Board. Owners may call-in to the Board meeting but will be muted.

AGENDA CHANGES APPROVAL

Ms. Rachkowski noted the following addition under Ratification of Actions: "Ratify Renting 1A".

APPROVAL OF PREVIOUS MEETING MINUTES:

The minutes of the February 2017 Board of Directors Meeting and the April 2017 Annual Owners Meeting have not been received from Aloha Management.

REVIEW/CORRECTION/RATIFY OF FINANCIALS:

Ms. Stading stated that Associa is still working on receiving financials from Aloha Management. The transition has been challenging.

The Board agreed to defer approval of the financials.

REPORTS:

President's Report

Mr. Bontorin stated challenges in the transition of management companies due to the lack of cooperation from Aloha Management. Associa has been fantastic and has contributed countless hours to get the Association's financials back on track. The Association is collecting money and moving forward.

The Resident Manager position has been changed to part-time Site Manager position. Ongoing projects include the parking realignment and lease negotiations.

Treasurer's Report

Treasurer Rachkowski reported that as of July 31, 2017, the Association has \$152,000 in Reserve Funds and \$135,000 in Operating Funds.

There have been six (6) delinquent units since around 2010, of which four (4) are rented and covering the maintenance fees; and two (2) have been taken over by the bank or an owner. There is one (1) severe delinquent owner.

Site Manager's Report

Jerry Roberts highlighted the following items:

- He is not receiving all of the registration forms and about 1/3 of those received have incomplete information.
- Parking passes for windshields are not being used; citations have been placed on the vehicle windows.
- Both pool gates require repair at about \$200 each.
- Parking spaces 14, 15, 16 are only 11.5 feet long and can be extended another foot if work is done to the stucco wall located behind these parking spaces.
- Unit 1A was broken into and the locks have been changed. The unit is now secured.
- One (1) temporary guest has requested to borrow a kayak. The Board advised against this for liability reasons.

Association Manager's Report

Ms. Stading reported that security reports are received via email twice per day. The Site Manager will receive these emails and save on a folder on the office computer.

RATIFICATION OF PAST ACTION:

Motion: *To ratify the selection of CDF Engineering and Scott Construction to proceed with permit application and seawall repair.
(Shcoep/Rachkowski)*

CARRIED unanimously.

Motion: *To ratify the hiring of Associa Hawaii as the new association management company beginning August 1, 2017.
(Shcoep/McAllister)*

CARRIED unanimously.

Motion: *To approve the hiring of Jerry Roberts as part-time Site Manager.
(Rachkowski/Shcoep)*

CARRIED unanimously.

Motion: *To ratify the hiring of People Who Clean (PWC) janitorial service for common area. (McAllister/Bontorin)*

CARRIED unanimously.

Motion: *To ratify the hiring of Securitas for security.
(Shcoep/Rachkowski)*

CARRIED unanimously.

Motion: *To ratify tiling the front entrance area of Unit 4A with the approved tile. (Shcoep/Bontorin)*

Motion **CARRIED.**

Abstained: McAllister

Motion: *To ratify renting Unit 1A through a rental company.
(Shcoep/Rachkowski)*

CARRIED unanimously.

UNFINISHED BUSINESS:

There is none.

NEW BUSINESS:

Adopt Act 81

Motion: *To adopt Act 81 regarding Owner Participation Rules at Board Meetings as follows:*

Owners who are attending the meeting in person may participate in discussions of agenda items at the meeting at the appropriate time as announced by the Chair.

The Board reserves the right to limit discussion to three (3) minutes per owner in order to accomplish association business

In an effort to maintain an orderly business meeting, Owners who are unable to attend in person may call in to listen to the Board meeting but will not be allowed to speak.

Any owner who is not able to attend may send in a short and concise written request no longer than one page about specific items on the agenda and that request will be read by the Board.

(McAllister/Rachkowski)

CARRIED unanimously.

Parking Protocol

Motion: *To approve the Parking Protocol and to make it available to owners on the web site. (Rachkowski/McAllister)*

CARRIED unanimously.

The Board requested Mr. Roberts to draft a registration form for the resident owners and long-term renters for the Board's review and approval.

Discussion of Loan or Special Assessment for Seawall Repair

Mr. Bontorin reiterated that the landowner feels it is the responsibility of the AOAO to repair the seawall. The Board is pushing back. The repair of the seawall and its' associated cost is the Board's biggest challenge and is being seriously considered. Mr. Bontorin stated that Board members are owners and are challenged like all other owners on how to fund such a project.

Ms. McAllister reiterated that Board members are elected to represent owners. The Board has been pushing back with the negotiation team to extend the lease. She noted that to make such a sizable repair with only 19 years left is daunting.

The following items were highlighted:

- Work/repairs to the seawall could not be done during high tides and could potentially be done in phases.
- Banks have indicated that they will not loan money due to the delinquencies at Maui Sands I. Delinquencies will be discussed in Executive Session.
- Funding of the seawall needs to be discussed and owners will be asked for input.

Bids for Backflow Preventer

Three (3) bids were received. The bid from Maui Plumbing was substantially lower but there are questions on the scope of work that would be provided.

Motion: *To accept the TJ Gomes bid for \$18,120 for the backflow preventer, subject to allowing one (1) week to further research the Maui Plumbing bid. (McAllister/Bontorin)*

CARRIED unanimously.

Auditor for 2016 & 2016

Associa will forward proposals for the Board's review upon receipt.

RECESS TO EXECUTIVE SESSION:

Motion: *To adjourn to Executive Session at 3:40 p.m. to discuss delinquencies and legal matters. (Bontorin/McAllister)*

CARRIED unanimously.

ADJOURNMENT:

The meeting was unanimously adjourned at 4:37 p.m.

Respectfully submitted,

Enza Froio
Recording Secretary