

Association of Apartment Owners  
Maui Sands I  
Board of Directors' Teleconference Meeting Minutes  
March 17, 2016

Board Members Present: John Cush, President; Jean Rachkowski, Secretary; Dave Bontorin, Treasurer; and Directors Wendy Cush and Shanna Stubbs

Board Member Absent: Dave Stuffer

Owner Present: Rosa Davis

Other Attendees: Doug Lefler, Hawaiiana Management Company; and Louise Rockett, Recording Secretary

I. CALL TO ORDER

President John Cush called the Association of Apartment Owners of Maui Sands I Board of Directors' Teleconference Meeting to order at 2:02 p.m.

II. DECLARATION OF QUORUM

A quorum was declared with five Directors present.

III. PROOF OF NOTICE

It was certified that notice of meeting was emailed to all Directors on March 14, 2016, in accordance with the Association governing documents, and it was posted on property in compliance with Hawaii State Law.

IV. APPROVAL OF MINUTES

MOTION: To approve the Minutes of January 16, 2016, Board of Directors' Meeting.

John Cush / Shanna Stubbs      Unanimous Approval

V. PRESIDENT'S REPORT

President Cush recognized that not much work has been accomplished on property over the past two months. A lot of paperwork, however, has been filed regarding items that need to be done. Projects and daily activities are being "held up" because of confusion as to action protocol.

Every Friday, the Aloha event has received good reviews; however, the costs of the weekly function are non-budgeted.

The physical landscape of the property is in good shape. Preparation is ongoing for the upcoming painting and renovation projects.

Progress is being made, albeit slowly.

## VI. TREASURER'S REPORT

Treasurer Bontorin updated the Board on the financial status of the Association for the last three months of the calendar year. Overall, the funding in the Reserves is growing. The Treasurer, however, voiced concerns about upcoming costs, including property insurance, backflow preventer installation, flood insurance increases, delinquencies and posting errors.

(Rosa Davis joined the meeting at this time.)

## VII. UNFINISHED BUSINESS

### A. Building 4 and 5 Renovation Update

There was an update on the following upcoming projects associated with Buildings 4 and 5 Renovation Projects: Railings, carpet, light fixtures and landscaping. Proposals for the projects were included with the information distributed to the Board.

The President consulted with the landscaper this week, in particular about concerns regarding the landscaping surrounding Buildings 4 and 5. The goal of the consultation was to clean out overgrowth around these buildings before the renovation work commences, and the landscaper is proceeding to protect the foliage during the course of the projects at the same time.

Two proposals for the railing project were received. The President said that the quotes received were not "apples to apples" bids. The Board evaluated the proposals received comparatively, including costs, scope and materials. The President said the total cost per unit for the railings was \$5,000.

Management was asked to update the year-old bids and provide a recommendation for the preferred choice of contractor. The President suggested the Board view railings installed by the contractors at other properties before making a decision. Some of the Directors wanted to make a decision and move forward.

MOTION: To accept East and West Aluminum Craft Company as the railing contractor. Further, an updated bid will be solicited. The bid will be accepted if it is the same amount as the bid received or only a 10% increase.

Jean Rachkowski / Shanna Stubbs Unanimous Approval

The Buildings 4 and 5 Renovation Projects are scheduled to commence on April 18, 2016. The Annual Owners Meeting is scheduled on April 23, 2016, and there were questions about modifying construction dates. It was agreed to maintain the schedule, as is.

The President recommended that a Project Manager be assigned to supervise the

projects. Options were discussed, including Allyson.

Discussion on the deckings followed. Bids were received in January, but Director Rachkowski does not consider the bid viable at this time. A Motion was previously made and approved, so the Board is authorized to move forward.

MOTION: That owners can also install carpeting on the lanais.

Jean Rachkowski

There was no second on this motion; hence, it died.

Mr. Lefler cited the Association House Rules regarding carpeting. The President suggested that the House Rules be changed to not permit carpeting, and Dave Bontorin highly urged that the rules be changed. Optional lanai surfaces were discussed, quartz-sand paint and Duradek. It was noted that the financial responsibility for the surface installation is the owner.

The scope of the work and project logistics was evaluated at length.

It was agreed that a previous vote to engage the services of Kawika's would stand.

The hallway and walkway carpeting project will move forward with Kawika's doing the work. The carpeting currently on the walkways will remain.

Mr. Lefler will inform Allyson that the lighting fixtures are "good to go".

#### B. Backflow Preventer

The Board needs to provide engineering drawings for the County so that a permit be granted to install the Backflow Preventer and Manhole Cover. The President detailed the scope of work for permit approval and installation.

MOTION: To approve Mike Sylva's recommendation to provide an engineering study and to move forward with the installation of the manhole cover and the backflow preventer, giving Hawaiiana the authority to move this project forward, at a cost not to exceed \$40,000.

Dave Bontorin / Shanna Stubbs      Unanimous Approval

It was noted that Maui Sands II has offered to become part of this project, and no action was taken in this regard.

#### C. Priority of Project

The Priority of Projects List was read (see attached).

Mr. Lefler reported that spalling repairs bids have been solicited. He considered this project a major priority. In response to a request, Mr. Lefler outlined emergency project



protocol.

MOTION: To approve the spalling work by Lionell, under the condition that the bid is a reasonable amount.

Jean Rachkowski / Shanna Stubbs Unanimous Approval

Mr. Lefler will finalize the bid and forward to the Board for review and approval tomorrow. If there is no response from the Board, Mr. Lefler will assume he has approval to move forward with the project.

MOTION: To authorize Mr. Lefler to move forward in a similar fashion with the seawall and sinkhole repairs, under the condition the bids received are a reasonable amount.

Dave Bontorin / Shanna Stubbs Unanimous Approval

There are other action items on the priority list. The rusted handle on the isolation valve for Building 2 is currently being addressed. There was a request for an update on the repair and cleaning of the down spouts and gutters.

Director Bontorin suggested authorizing Mr. Lefler to expend an approved amount on some of these smaller, less costly items. These items, it was noted, are already approved in the monthly budget under Building Repairs. It was agreed by consensus to direct Mr. Lefler to address projects on a one-by-one-basis without securing unanimous approval from the Board as long as expenditures are within the monthly budget.

Mr. Lefler is working closely with Allyson to improve the Inter-Board-Management communication process.

D. Manager's Unit 1A

With a plan agreed upon, Mr. Lefler will work with Allyson in the solicitation of proposals.

VIII. NEW BUSINESS

A. Maintenance Management Software (landport.net)

Director Stubbs has explored alternatives to become more efficient at Maui Sands I. She suggested landport.net software, outlining the advantages and benefits. The pros and cons of purchasing the software were assessed.

Mr. Lefler suggested simply implementing an Excel action checklist spreadsheet. He is working with Allyson on this option, including instructions to update, contents and data input.

Director Stubbs asked the Board to review the information about Maintenance Management Software previously emailed.

B. Owner Information

A form has been drafted and sent to the membership, asking owners for contact information and email addresses, and a number have been returned to Allyson.

On the form is an important checkpoint at the bottom of the form: "Owners should check only if you wish to be contacted via email for Association information." This allows the management company to communicate with the owner via email.

The forms will be available for signature at the Annual Meeting, and copies will be forwarded to owners with the Annual Meeting Notice. This will save the Association money on copies and postage. Also, Canadian owners will receive communications on a timelier basis.

Director Stubbs suggested owners need to have access to information on the website. The website address is mauisands.org. As part of the contract with Hawaiiana, the Association has the option of a website through their company website. Mr. Lefler asked for direction. The Association can continue with the mauisands.org website or move forward with the Hawaiiana website offer. In the latter case, Mr. Lefler would like to know who would maintain the website. No action with regard to the website was made. The email contact form will be sent to owners along with the Annual Meeting Notification and provided at the Annual Meeting for owners.

C. Reserve Study

Two proposals for a Reserve Study were presented and reviewed, including scope, updates and costs. Mr. Lefler answered questions the Board had about the drafting of the Association long-range capital improvement plan and Hawaii State Law funding level requirements. Further, he explained how the study is calculated.

Reserve funding strategy was discussed. Once completed by the professional, the Board can make adjustments.

The Board agreed to defer a decision on the Reserve Study proposal, as it needs more time to review the proposals presented. A decision will be made at the next Board of Directors' Meeting in April.

D. Oceanic Proposal

Director Stubbs asked Oceanic for a proposal to add Internet to the cable service. The increase cost for the service is about \$20. The Treasurer voiced concern about owners who do not want the service and the increased cost. Owners will be asked their preference at the Annual Owners Meeting. Director Stubbs noted the advantages of having improved cable installed, including aesthetics, group rate and better wiring. With some unanswered questions, Director Stubbs will conduct further research.

E. Rental Contract

Doug Lefler recommended the Association sign a formal agreement with the rental agent

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for services provided for the rental of Association-owned units, including the filing of GET information.

MOTION: To authorize Jean Rachkowski to sign the Rental Contract with the Rental Agent, Maui Showcase Properties.

John Cush / Dave Bontorin Unanimous Approval

IX. NEXT MEETING DATE

The next Board of Directors' Meeting will be held on April 16, 2016, on property at 9 a.m. Hawaii Time.

X. OWNERS' FORUM

There was an Owners' Forum, and the following topics were discussed: 1) Concerns about the mailing of coupons to owners on automatic pay; and 2) Amending the Bylaws to change the quorum or conducting a virtual meeting;

XI. EXECUTIVE SESSION

The Board moved to Executive Session at 4:23 p.m. to discuss personnel issues.

Regular business resumed at 4:43 p.m.

XII. ADJOURNMENT

The meeting adjourned at 4:45 p.m.

Respectfully submitted,

*Louise Rockett*

Louise Rockett  
Transcriptionist