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**Haleakala Gardens AOA**  
**BOD Meeting & Owner's Forum**  
November 20, 2008  
6:00 PM  
Haleakala Gardens Clubhouse

**CALL TO ORDER:**

Bill Lawson called the meeting to order at 6:00 PM.

**BOD MEMBERS IN ATTENDANCE:**

Bill Lawson, Kathy Piimauna, Brennan Henders, David Haake, Victor Ajlouny (via telephone), and Steve Folger.

**OWNERS IN ATTENDANCE:**

Unit #17A, Unit # 15B, and Unit #9B.

**OTHERS IN ATTENDANCE:**

Mary Jane "Janie" Kramer, (CPMMI, Managing Agent for Haleakala Gardens AOA).

**DETERMINATION OF QUORUM:**

Quorum was established by a majority of the BOD members present.

**APPROVAL OF PREVIOUS BOD MEETING MINUTES:**

The BOD Meeting Minutes from September 23, 2008 were reviewed and the BOD then voted on the approval of the Minutes.

**MOTION:** Steve made a motion to approve the BOD Meeting Minutes from September 23, 2008 and the motion was seconded. The motion was approved unanimously.

**TREASURER'S REPORT:**

Kathy reviewed the current Financial Statements and all of the operating expenses and other expenditures. After discussion of the Balance Sheet and other figures contained in the Budget Comparison Sheet, that the AOA is still \$78,571.63 in the red, but should start to turn around over the coming months.

**OLD BUSINESS:**

*Structural Engineering Report Update –*

The BOD discussed the issue with the Structural Engineer, that he will not do a report for just one building. Kathy suggested that the BOD find a Structural Engineer that will do just one building, so that the Owner that wants to install the solar panels, can proceed with the installation. Steve then questioned the savings that will be incurred, after going through all the

reports, etc. Bill stated that it would be \$4,000-\$5,000 just to install the solar panels. The attendees discussed the savings on the electrical billing of 40% or so, but the roof has to be structurally sound to be able to install any roof top panels, etc. The BOD continued this discussion and stressed the need to make sure the roof is not damaged before anything is installed on the roofs. Dave and the attendees then asked how the roof could be repaired if the panels are installed prior to the roof being inspected. A lengthy discussion incurred regarding this issue and ways to possibly resolve this issue.

Victor suggested that each Unit do their own Structural Report, and Bill added that it should be handled on a case-by-case basis. Victor also stated that there is no guarantee that each building is structurally sound, and the attendees discussed this further.

*House Rules Revised –*

The BOD decided to table this issue at this time. The attendees did discuss the issue of having the Owner's permission, if the Unit is being rented out, to get approval for access to the Unit to do repairs if necessary. Further discussion incurred regarding if political activity is allowed or not, and Paul added that he was on the Committee for such issues.

*Irrigation Repairs –* The BOD decided to table this issue as well.

*Stair Repairs/Railing Issues Bids –* The BOD stated that they have been reviewing the bids and voted upon the stair repairs that need to be done as soon as possible.

**MOTION:** Steve made a motion to accept the bid from Aloha Builders for the stair repairs and Kathy seconded the motion. The motion was approved unanimously.

The attendees further discussed the timeframe involved in completing the repairs and need further clarification as to when Aloha Builders will be able to complete the project.

The BOD also discussed the repair of the trellises within the complex and voted on the proposal that was received for these repairs as well.

**MOTION:** Dave made a motion to accept the bid for the repair of the trellises and Brennan seconded the motion. The motion was approved unanimously.

*Landscaping Proposals –*

Victor asked the BOD to wait for the other proposals to be received within the next few days, and then have the BOD review them and vote upon this issue via email.

**MOTION:** Victor made a motion to table the landscaping proposals for a few days until all proposals are received and Dave seconded the motion. The motion was approved unanimously.

*Proposal from American Savings Bank –*

CPMMI discussed the refinance information that was contained in the packet for the BOD to review. The outstanding balance on the Resident Manager's Unit is approximately \$102,800. Bill asked CPMMI to get information from ASB what the fees would be involved to refinance the

loan on this Unit. The BOD discussed the possibilities of using the monies that could be received from refinancing this loan before raising the Members dues.

*2009 Budget Approval -*

Kathy stated that the BOD needs to address the capital improvements issues that need to be done which have been delayed for years. Kathy believes that there needs to be a 20% increase in maintenance fees and Bill stated that a Special Assessment may have to be levied if the AOA cannot obtain funds from other sources. Bill believes that this is too much for the Owners to absorb at this time. Bill also believes that there is equity that can be utilized from the Resident Manager's Unit and that the AOA could benefit from the refinancing of the loan. The BOD discussed this issue further and Victor stated that within 30 days of this meeting the BOD will meet to discuss the information that they need to make a decision.

Kathy insisted that these capital improvements are needed and an increase is needed in 2009 and does not want to wait for another 30 days. She is concerned that these improvements won't be done until the second quarter of next year and wants to increase the Owners maintenance fees by 20%. Kathy and Bill disagreed on the timeframe for the BOD to make these decisions and discussed the figures further. The Budget was further discussed and arguments were made by each of the BOD members. Victor suggested that the BOD postpone the approval of the Budget for 30 days until all figures are received to make this important decision.

David reiterated that this is the most important issue that the AOA has to deal with and wants to make sure that the BOD meets in 30 days and that there are no more postponements. Bill also discussed the issue of foreclosures that have occurred within the community and how this has affected the maintenance fees and income of the AOA.

**MOTION:** Victor made a motion to postpone the approval of the 2009 Budget until all the figures are received by the BOD, regarding the refinancing, etc., and Bill seconded the motion. Steve, Bill and Victor approved the motion. Kathy, Brennan and David were not in favor of this motion. There was a tie in the voting process at this point.

CPMMI will contact ASB to get the figures for the refinancing, etc. as soon as possible. Kathy asked for a new Budget to be drafted and be ready within 30 days.

**OLD BUSINESS:**

*Resident Manager Agreement –*

This will be discussed under the Executive Session at the end of the meeting. Victor stated that he did not receive a copy of the final agreement, CPMMI stated that it was included in the email that was sent to all BOD members. The BOD will discuss it in the Executive Session.

**NEW BUSINESS:**

*Resident Manager Report –*

Paul discussed the trimming of the Plumeria and Autograph trees, and the bids that were received to complete this project. He stated that last year he received a bid for \$9,700, and this

year received another bid for \$10,600. Paul then stated his regular duties to the BOD, as well as focusing on the issues with the sprinklers and dry rot repairs that have been done. He also added that the installation of the sensor lights that were done years ago and the need to have them replaced. He added that he has been doing various small stair repairs and wants to make sure the property is safe. He also will work with CPMMI to get the contact information for Owners that need to be informed of various violations. He then added that he has put notices on the cars that need to be towed. Paul then stated that he will continue to try and get the VIN numbers off of the abandoned cars and notify the Owners before proceeding with the disposal of the cars.

Paul asked what happened with the siding issue and the BOD stated that they will receive a response by February 2009.

*Proposal from Oceanic Cable – Group Internet/Cable Plan*

CPMMI obtained group pricing from Oceanic Cable for the community, and will compose a Memo for a sign-up sheet for the residents that are interested in getting service. The BOD discussed this issue and the pricing further and the stipulations that are involved if the AOA members are charged as part of their "dues", etc. At this point Victor disconnected his telephone connection and left the meeting. One of the BOD members stated that there may not be a big response since most of the Owners live "off-island", but the pricing may be less expensive than what they are paying now. CPMMI will follow-up on the Memo and see how many residents are interested in this idea.

*BOD Member Attendance –*

Kathy had discussed previously that there may be a problem with some of the BOD members not attending the meetings. There are 9 BOD members, and usually the regular 5 or 6 members attend the meetings. Bill pointed out that there is a clause in the CC&R's to dismiss BOD members that have 3 unexcused absences and that there has been no communication from some of the BOD members. The BOD discussed this issue further.

*Update on Delinquent Accounts/Liens –*

The BOD began to discuss this topic, and then stated that it will be discussed in Executive Session.

*Incident/Safety Reports –*

CPMMI discussed a letter that was received from concerned Owners from Bldg. 16, as well as a complaint from some of the Owners about a tenant that is creating problems. There have been complaints from neighbors that the tenants do not have electricity and are using candles and extension cords to get power to their Unit. CPMMI has sent letters to the Owner and has contacted HUD in regards to this situation. CPMMI further discussed the results of the correspondence with the Owner, and how the Owner should handle this situation. Bill stated that he ~~works~~ works for HUD and that they can be contacted to do an inspection and take care of the situation from that point forward.

*Worked*

At this point, the BOD moved to go into Executive Session and the other attendees were asked to leave the meeting.

**OWNERS FORUM:**

Mrs. Bonilla (Unit #15B) addressed the BOD and discussed her concerns with some landscaping issues. She suggested that the common areas be kept clean and be maintained on a regular schedule. The issues with the roots from certain trees that are coming through the asphalt were also discussed. Other topics discussed were parking related issues and the abandoned cars that are in space #431. All the attendees agreed that the abandoned, junk cars need to be addressed by the BOD and either put on the street for the County to tag and tow away, or start fining the Owners of the abandoned cars that are parked in their stalls.

After further discussion, the Owner of Unit #17A asked the BOD to have a letter drafted, that should be sent to the Owner via certified return receipt. The BOD agreed that all Owners with abandoned vehicles should be sent a letter to resolve the situation within 10 days of receipt of the letter, or the BOD will have to take further measures to dispose of the cars.

The Owner of Unit #17A also is concerned about the lanai areas that need to be cleaned up. The Owner complained that nothing has been done, and the CC&R's need to be enforced. Paul (Resident Manager) stated that he has 30 violation letters that are awaiting the BOD member's approval to be sent out to resolve these issues. At this point, the Owner's Forum portion of the meeting ended.

**EXECUTIVE SESSION:**

The BOD went into Executive Session to discuss delinquent accounts and the Resident Manager Contract, etc.

**NEXT BOD MEETING DATE:**

The next BOD meeting will be scheduled upon receipt of the information from the bank.

**ADJOURNMENT:**

The meeting adjourned at 8:30 PM.

Respectfully Submitted by:



Mary Jane Kramer, (Managing Agent for Haleakala Gardens AOAO)  
Lisa Snyder- (CPMMI - Transcription Secretary)