

WEST MOLOKAI RESORT CONDOMINIUM – AOA
BOARD MEETING MINUTES
November 10, 2006
Maunaloa Theater

OLD BUSINESS

1. President Harvey Fox called the meeting to order November 10, 2006.

Welcome greeting from the Board of Directors.

Introduction of Board and Castle to all homeowners:

Board: Members Harvey Fox, George Williams, Jim Drehle, Eva Lock, Rick Siler

Castle Reps: Renette Carpio, Dean Yamamoto, Millie Lite

Invited guest: Peter Nicholas CEO of the Molokai Ranch

Introduction of New Home Owners.

Homeowners present: Pat Tomasello(1183), Krista Siler (2186), Connie Fox (8B), , Ells and Irene Henderson (2223), Chris Ward (5B), Harald and Kaarina Craig (1191 & 1146), Ewart Lock (1222), Jeff and Rika Kent (3B), Rick and Suzy Joy (8A), Suzy and Jay Wakefield (1184), Frank Tanner (2131), Fred and Margaret (Betsy) Thompson (2133), Wm. Lapp (2202), Kevin Donnelly (2252), Mal and Noreen Wienges (2241), Steve Jaquess and Emanuela Vimiguena (2192), Terry and Barbara Kyte (2155), Marty and Jan Stewart (2163), Inez Williams (2134), Dale Matlock and Joyce DeLuna (1145), Paul Riggs (2162) Kathleen Doering (2183), Richard Sullivan (2183) Eva Boyd (2185), Kevin Boyd (2185), Skip and Nancy Post (1131), Rick Owens (1214), Mark Owens (1153), Dana Wellington and Richard Podesta (2253), Jim and Carrie Thomas (2132 & 1144), Ellyn and Tom Dooley (1161), Floyd Conroy (2224), Yvonne Wheeler (2176), Cheryl and Larry Andresen (2242 & 2231), Chuck and Carol Webb (4B & 1146).

2. Introduction of new Manager Afa Tauteetia.

3. Announcement: Robert's Rules of Order shall govern the Proceedings. No objections were made by the homeowners.

4. Invited Guest Peter Nicholas spoke about the reopening of the Kaluakoi Hotel. He said that it all depends on the approval of the lots at LA'AU POINT. So far \$1 million has been spent on architectural drawings for the hotel and hotel structures. He is hoping to start the renovations by April '08. James Millar left all the plans, so the homeowners could have a look.

5. Approval of Minutes – 03/16/06. Board of Directors Meeting.
Motion by Eva Lock , Second by Harvey Fox. Motion passed unanimously.
Next Board Meeting: March 13, 2007.

6. Affirm votes taken during the year. Fines 4-0 – Owners who started renovations without Board approval \$ 250. Owners who have completed renovations \$ 500. Carts 4-0 - Purchase of 2 new utility carts. Web Site 4-0 – To spend \$ 500 to complete web site. Purchase of parking lot material 4-0

7. Treasurer's Report (Jim Drehle)
Reserves: \$ 836.890 in CD's.
Delinquencies Harold and Nancy Bray Unit 2191.
Delinquency Policy: 30 days late a letter, 60 days late another letter, 90 days late and start of foreclosure.

8. Ground Projects (George Williams)
Fertilization of lawn is done twice a year and plants once a month. Coconut trees are trimmed every 6 months.

9. Golf Cart Purchase (George Williams)

One new golf cart is on property. Second cart will arrive soon. Handicap parking signs are now in place.

10. Building Project for 2006 (Rick Siler)

5 stairs have been completely rebuilt.

Bees: We are still fighting them. Treated by staff

Painting: We have the paint. Very little painting was done this year due to manpower shortage.

Berms: Some issues with 2 buildings still to be worked on. Building new one and added ditches. They worked during the last rain.

Buildings: Huge ongoing project. Any help from homeowners to paint their lanais is welcome. See Afa for paint!

Parking Lot Seal: It is badly needed. Material on hand and application will be done by our staff.

Cost: \$ 25,000 to pay a contractor - \$2500 if done by our staff. Schedule on Web Site.

www.kepuhi.com

Parked cars to be removed for 1 week. If cars have to be towed, it will be at the owner's expense.

NEW BUSINESS

1. President's Announcement:

Staffing problems: Harvey and Rick spent 10 days on Molokai in July (at their own expense) to recruit staff. They hired Afa Tauetia as Manager. Franklin Augostiro and Ruben Griffin were hired in September.

Roofing: BEACHSIDE CONSTRUCTION of Honolulu has submitted one of the bids to replace the roofs. Plywood will cover the end of the buildings before roofing material is put in place. That will prevent bees from entering.

MOTION to extend medical coverage for Leonard Garaganza until March 31, 2007.

MOTION: J.D. Second G.W. Vote was passed unanimously

2. Approval of Building Projects 2007

The Board has selected "FUTURE ROOFS" an all aluminum product with Kaylar coating. It is non-glare with variegated colors similar to a shake roof. It comes with a 50-year non pro rated warranty.

MOTION: R.S. Second G.W. Vote was unanimous to proceed.

Painting: Dry rot to be removed before painting is done. Board wants to hire one more full time person as full time painter. Wage about \$36,000 /year including PT&B.

MOTION: R.S. Second E.L. Vote was unanimous.

3. Reserve Study: CD's and cash of \$ 698,409 maturing in 07 and \$145,939 in Feb. 08 We are looking into a possibility of a line of credit for AOA if cash flow is tight. Reserve funds are projected to increase by another \$60,000 for this year mainly due to shortage of staff during the year.

NEXT YEAR'S BUDGET:

Property Insurance rates are going up 50% for our property from \$92,000 to \$136,000.

Electricity is up 5 %. Therefore the monthly dues for maintenance will increase 3% in January 2007. The Budget Meeting is held every year about a week before our Annual Meeting and is open for Homeowners to attend. Please join us next year.

MOTION to approve next years budget

MOTION: J.D. Second H.F. Unanimous.

SPECIAL ASSESSMENT: To cover the cost of the roofs, the special assessment will be between \$ 5200 - \$ 5700 per unit. These are the two numbers from Harvey's letter and the Reserve Fund. Final bids on the roof are still being negotiated and the final assessment will probably occur in the next three months.

4. Committee Reports:

LEGAL: Harald Craig. Nothing substantial to report.

POOL: Eva Lock . The black spots in the pool are the lining showing through when the coating chips off. Nothing will be done till hotel renovations take place.

WEB.SITE: Rick Joy/ Dale Matlock. The web site is up and running. Check it out. www.kepuhi.com

LOCKERS: Connie Fox. There are 54 rentable lockers. They are now all rented and we will collect \$ 5,760/year.

TELEPHONE: Steve Jacques. We now have a 1-year contract with NEXTEL at a saving of \$ 600/ year.

5 TOP RULES: Krista Siler. Every condo should have a copy on display in their unit. Please obey these rules. Everyone who was not at the meeting, please pick up a laminated copy at the office.

FIRE: Rick Joy / Brice Chambers. Fire drill was completed. All fire hydrants work. There are no fire hoses by cottage 1 & 2. Board will purchase 2 new fire hoses.

TV ANTENNAS: Chris Ward. A whole new system will cost between \$145,000 and \$160,000, not possible now. Henry Bush will do repairs when needed and replace old connection boxes with new ones at a reasonable rate.

DEFIBRILLATOR: Pat Tomasello. Liability is an issue. We have received no response from the Heart and Stroke Foundation about liability. For the price of \$900 an individual automated defibrillator (Phillips) can be purchased.

FIRE STATION: Suzy Wakefield is still trying to establish a fire station on the West End . Suzy encourages all to write a letter to the New Mayor of Maui County asking for support.

5. Grounds: George Williams .

Palm trees to be trimmed every 6 months. Lawns fertilized twice a year. Flower beds once a month. Major focus next year will be on the buildings.

6. Homeowners Forum:

Jay Wakefield: Voiced approval for the special assessment and suggested one payment by Jan. 08.

Richard Sullivan: Voiced approval of Beachside Construction and Material.

Paul Riggs: Specifications about the new roof are available from Rick Siler.

Skip Post: Thanks to Betsy Thompson for providing material handed out at her expense.

Carrie Thomas: Is special assessment pro rated the same as dues? Yes. If the cottages are \$5000, 1 BR would be \$4000, Studio would be \$3000. Who will replace the plywood? The roofers will replace the plywood. Carrie also asked if salt water could replace the chlorinated water in the pool? That will be up to the Ranch.

Kevin Donnelly: Fire Hoses – when do you want to buy them? As soon as we can find a vendor and procure, type of fittings and hose size.

Re. staff: André is off on Workman's Compensation. What is the cost of the 2 new utility carts? \$16,000

Chris Ward: Ke Nani Kai drainage floats the water down our way. Sue Savio will contact them about possible liability.

Irene Henderson: Thanks to Eva for organizing the social events.

7. There being no further business, Motion to adjourn by R.S.

Submitted by,

Eva Lock, AOA Secretary