

BANYAN HARBOR

ADOPTED MEETING MINUTES
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**BANYAN HARBOR ASSOCIATION OF APARTMENT OWNERS
BOARD OF DIRECTORS MEETING
Thursday, September 14, 2000 9:00 AM
BANYAN HARBOR, UNIT A1 / TELECONFERENCE**

The meeting was called to order by President Shirley Akita at 9:00 a.m.

1. ROLL CALL

Board Members

At Banyan Harbor: Shirley Akita, President
Loren Knott, Vice President
Carol Medeiros, Treasurer
Catherine Martin, Director

Via Telephone: Dick Rentz, Secretary
Dick Reis, Director
Harry Baker, Director

Outrigger Lodging Services

Rick Ball, Vice President, Outrigger Lodging Services
Tore Wistrom, Principal, Resort Consultant Inc.
Stephanie Nakamatsu, Accountant, Banyan Harbor
Chris Gampon, General Manager, Banyan Harbor

Donna Chu, Recording Secretary

Others Present:

Linda Garcia, Owner unit 79
Ben Bregman, Timeshare Developer

2. PROOF OF NOTICE

Chris reported that notice was posted August 11, 2000.

3. APPROVAL OF MEETING MINUTES

- a. **Board Meeting, May 6, 2000** – Corrections were noted as follows:
- Page 4 typo in Aloha Committee vote corrected
 - Aloha Committee Execution session – note that “no” action was taken
 - Manager’s Report- add last name to differentiate Carol Medeiros from Carol Smith

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MOTION: *To approve minutes as corrected.*

MOVED BY: Carol Medeiros, Second: Catherine Martin
VOTE: Unanimous, **PASSED**

4. MANAGEMENT REPORTS

- a. **President's Report** - President Akita acknowledged the hard work of Chris & his staff re: Banyan Harbor banyan tree fire which gained attention throughout the community. Shirley thanked Chris for handling this matter on a personal level with county officials. The situation ended very well and thanked Chris & Staff on behalf of the Board.
- b. **Manager's Report** - Chris reported staff continues to work well as a team. Banyan Harbor lost a maintenance employee, Brett Soboleski (a 10 yr employee) and Brett will be missed. He went to work for a Lihue Complex & had a nice departure.

Other Items Covered:

- i. **Sewage treatment plant** - Jack Wilhelm of Aqua engineers brought to Chris' attention the fact that the generator that runs the STP pump station when the electricity fails, does not supply power to the STP plant. Jack recently had encountered a situation that prompted him to ask if a generator could be installed to run essential functions during power outages.

MOTION: *To approve the purchase of a generator for the STP plant at a cost not to exceed \$5000 and that the payment be made from the capital reserve fund.*

MOVED BY: Loren Knott, Second: Harry Baker
VOTE: Unanimous, **PASSED**

- ii. **Mail** - Chris noted that the Front Desk Staff has been accepting mail for owners who are not residents at Banyan Harbor. Chris feels that this is not a service that should be provided as there is some liability in holding items that may be of value for owners who come once in a while to pick up the mail delivered to the property. The Staff has been confronted by owners who were upset because mail they thought should have been delivered here was not. The Staff has even been accused of stealing mail from an owner who wasn't going to be home to accept delivery and had his mail sent here. Chris feels this is unreasonable. We currently do not accept any large articles and would like to stop accepting mail for non-residents who feel we can be used as an extension of the post-office since we are here until 8pm.

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MOTION: *To no longer accept mail and other packages for non occupants and This be included in the Banyan Harbor House Rules.*

MOVED BY: Harry Baker, Second: Dick Reis
VOTE: Unanimous, **PASSED**

- iii. **Request from Unit Owner Mary Borath (74)** - Mary would like to install a storage unit in her garage. If approved, Mary will work with the Maintenance department to ensure the right look, size, and structure.

MOTION: *To approve the construction of the storage unit as long as it is in keeping with the current look of the building exteriors.*

DISCUSSION: *Carol Medeiros noted that by adding the storage unit, the owner may be reducing her own parking allotment to only one car. Shirley asked that the owner be made aware of this.*

MOVED BY: Loren Knott, Second: Carol Medeiros
VOTE: Unanimous, **PASSED**

- iv. **Power of Attorney** - Chris noted that from time to time there is a need to lien or release liens on individual owners and that he is not able to do this without calling on Shirley or Dick Rentz to sign the documents. Chris noted that the Timeshare Board has extended a power of attorney to him in order to accomplish these tasks without need for their intervention. Chris suggests the AOA Board also provide a power of attorney to help expedite this function.

MOTION: *To authorize a Power of Attorney to allow Chris to sign liens and release of liens on behalf of the Association.*

DISCUSSION: Loren noted that this needs to be a broad power of attorney.

MOVED BY: Loren Knott, Second: Carol Medeiros
VOTE: Unanimous, **PASSED**

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- v. **Fire / Land issues** - Chris commented on the Banyan Harbor tree fire; there was no negative publicity. He met with Grove Farm Officials; Kauai Museum; and a group who would like to take care of the tree. There was indication that the museum may have a benefactor that may be willing to pay for the cleanup of the burnt area. One of the topics brought up during the meeting by Grove Farm was that no one had ever approached them to purchase the land adjacent to the Banyan Harbor. It was noted that any offer would be given due consideration.

MOTION: *To Submit a purchase offer to Grove Farm to offer \$10,000 for the purchase of the parcel of land contingent on the approval of Banyan Harbor Homeowners during the Annual Meeting to be held during February 2001*

MOVED BY: Dick Rentz, Second: Dick Reis
VOTED: Unanimous, **PASSED**

Tore Wistrom volunteered to draw up the offer at no cost to the Association

5. FINANCIAL REPORTS

- a. **July 2000 Financial-** Rick Ball reported on year-to-date revenues and expenses as of July 31, 2000. Revenues came in at budget ; payroll expenses favorable by \$5400; telephone is also showing a savings of just over \$1,800; utilities are running over budget by \$6,000. As Chris reported in his GM letters, this is due to the high fees being charged by Kauai Electric. The result is a net earning that is over budget by \$980.
- b. **Collection** -Tore Wistrom reported that the accounts he had handled previously were fulfilled. He does not have any new accounts assigned to him

Chris reported there are 2 delinquent owners (87 and 131). Both owners have indicated that they believe payment for the back maintenance fees was made. Neither owner has been able to produce any backup to substantiate their claim. Warning letters were sent to each of the owners to advise them that without backup or proper payment, their account will be assigned to the Association's attorney for collection and lien processing.

MOTION: *To notify owner of unit 87 that if delinquency is not paid, we can and will enforce our right to collect the rent from the tenant.*

MOVED BY: Carol Medeiros, Second Loren Knott
VOTE: Unanimous, **PASSED**

President Akita noted that unit 131 should be handled through the attorney since there are not tenants to collect rents from.

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- c. **Replacement Reserve** - Rick Ball addressed revised reserve study. He noted that two items were added. HVAC for the administration upstairs and downstairs was included (project #12). Also added was misc. mechanical equipment. The timeline for all of the projects was reviewed with greater detail than in the past. Rick feels that the revised study is a good reflection of where we should be.

6. UNFINISHED BUSINESS

- a. **Declaration & By-Laws** - Chris reported that the final version came through and has been signed in front of a notary by Shirley Akita and Dick Rentz. The document was not recorded due to margin errors with Land Court "TCT" numbers printed by Chris' office. New lists with the proper margins and font sizes will be produced and resubmitted for recording. The recording is expected to take 60 – 90 days due to the volume of TCT numbers that need to be verified.
- b. **ADA** - President Akita reported that this issue would be discussed during an executive session.
- c. **Rust on A/C units** - Chris reported that Drake (Maint. Supervisor) ordered replacement sleeves for one timeshare unit in June. That has not arrived yet. Chris speculates that the delay is due to the unusual nature of the order. When the part is received we will install it right away.

Shirley Akita asked about what was being done with the air-conditioners that are installed over the 2nd bedroom of a townhouse unit. Chris reported that these air-conditioners should be a self-evaporating type. He added that due to the humid climate, it is necessary to install an additional evaporation device into each air-conditioner for the process to work right.

MOTION: <i>For air-conditioners that cannot connect to the AOA drainage system, to require additional evaporation devices. HOUSE RULES</i>

MOVED BY: Loren Knott, Second: All
VOTE: Unanimous, **PASSED**

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- d. **Meeting Dates 2001** - Rick Ball reviewed the dates, confirmed and proposed, for the 2000 / 2001 meeting schedule. The discussion of dates ended with the confirmation of the following dates for AOA.

DATE	TYPE	TIME
Thursday November 30, 2000	Board	11:00am
Friday February 23, 2001	Board	11:00am
Saturday February 24, 2001	Annual	1:00pm
Thursday May 31, 2001	Board	11:00am
Wednesday September 12, 2001	Board	9:00am (telecon)
Thursday November 29, 2001	Board	11:00am

MOTION: To approve the meeting dates as noted.

DISCUSSION: Loren wanted to confirm that the September 12, 2001 meeting was a conference call. This was confirmed by the other Board Members.

MOVED BY: Dick Rentz, Second: Dick Reis

VOTED: Unanimous, **PASSED**

- e. **Other Unfinished Business.** – Other topics discussed were listed as follows:

1. **Pool Heater** – Loren Knott asked for confirmation on the status of the pool heater and any blanket that may be installed. Chris reported that the heater was installed but has not run during the summer season. Chris noted that it is likely that the heater will be reactivated during October.

7. NEW BUSINESS

- a. **Inter Company Allocations 2001-** Tore Wistrom reported on the report he sent to all Board members in August. He noted that very few changes were recommended. Tore also reviewed the portion of the report that focused on the Timeshare and Rental relationships. Tore noted that the only changes to AOA relationships are to the amounts recovered for electricity.

Loren felt that the electricity recovery should be based on a sliding scale per actual use. As opposed to the fixed formula used now. Tore reported that all of the calculations are based on a 12 month period. Loren agreed that this is a sound calculation but due to the recent increases, these totals should be derived from a 6 month period instead of 12 months.

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MOTION: *To have the electricity recovery recalculated based on a 6 month Period; have the new total reflect the recovery for 2001; and to approve the allocations with this reflected.*

MOVED BY: Dick Rentz, Second: Dick Reis

VOTE: For: Shirley Akita, Loren Knott, Dick Rentz, Dick Reis,
Harry Baker, Cathy Martin
Against: Carol Medeiros

PASSED

- b. **Insurance** - Rick Ball commented on the insurance renewal in October; He noted that the savings seen in 2000 will be offset by increases in insurance premiums for 2001.
- c. **Auditor's Report for 1999** – Hearing no last minute questions, a motion to accept the audit was made.

MOTION: *To accept the Auditor's report as distributed*

MOVED BY: Dick Rentz, Second: Loren Knott

VOTE: Unanimous, **PASSED**

Ms. Akita congratulated Stephanie Nakamatsu for job well done in accounting.

- d. **Car Wash Area** - Chris reported that residents have asked to wash their cars on property. For several reasons (inconvenience to neighbors, debris left behind, mud and dirt left on the pavement, etc.) Chris and his staff have advised the residents that they need to arrange to have their vehicles washed off-property. Chris asked for Board's position on this matter.

MOTION: *To not allow washing of cars on property and include this in House Rules.*

MOVED BY: Shirley Akita, Second, Dick Rentz

VOTED: Unanimous, **PASSED**

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- e. **House Rules, Auto Storage** – Chris reported at the last meeting there was discussion on stopping people from leaving their cars on property for long term storage. Since that time he has advised several homeowners that they should make arrangements to relocate their vehicles to an off-site storage facility. Chris ran into opposition to his requests since there was nothing in the House Rules that restricted this. Carol noted that it is important that cars are actively used if only for the need to maintain the property properly.

MOTION: *To include language in the House Rules that will eliminate the storage of unused vehicles on the property.*

DISCUSSION: *Loren would like to make sure that the Board has the power to make this decision before it is passed on to the residents and homeowners and added to the House Rules.*

MOVED BY: Carol Medeiros, Second: Loren Knott

MOTION: *Table this issue until the next Board Meeting to allow time to verify that this restriction is within the Board's power.*

MOVED BY: Dick Rentz, Second: Harry Baker
VOTE: Unanimous, **PASSED**

- f. **Cable TV – In Room Channel** – Chris reported that a local company has proposed installing an in-room channel onto the existing cable system. If installed the channel would run with advertising for activities in our area. The Banyan Harbor will also have an opportunity to highlight on-site specials within the broadcast. Chris noted that this is still in the preliminary stages but he brought this to both Boards attention as it will affect all televisions on the property. When additional information on this technology is available future reports will be made. It is the Board's feeling that if this is accepted, the supplier is not to advertise an activity desk, other than the one at Banyan Harbor.

MOTION: *To give Chris authority to investigate proposal for presentation at the next meeting.*

MOVED BY: Dick Rentz, Second, Loren Knott
VOTE: Unanimous, **PASSED**

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- g. **Other New Business-** President Akita asked for any other new business. The following was discussed.
- i. **Trash Containers** - Cathy Martin asked about the need to increase the number of trash removal days per week, or add another dumpster to prevent overflow. Chris reported that he has included another dumpster in the 2001 budget.
 - ii. **Pest Control** – Cathy Martin noted that she has a roach problem in her unit. Chris advised her to put bugs she finds in her unit into a ziplock bag and deliver it to the front desk. The front desk can then forward that to the pest control contractor so they can take the appropriate steps to eliminate the problem.
 - iii. **Board Request** - Linda Garcia reported that she sent a letter asking for the Board to intervene in her claim against another homeowner for flood damages. She asked the Board's position on this as she did not see any response to her letter as yet. Linda was advised that a letter was sent to her indicating that the AOA was no responsible for settling this damage claim. Each member of the Board had reviewed the letter. A copy of the letter was provided to Linda by Carol Medeiros.
 - iv. **Maintenance of BBQ** – Linda Garcia reported that the barbecues at the pool do not have lava rocks inside. Shirley Akita reported that some of the newer barbecues do not need the stones in them. Chris will check with Maintenance on this.

MOTION: To go to EXECUTIVE SESSION.

MOVED BY: Loren Knott, second: Carol Medeiros
VOTE: Unanimous, **PASSED**

Meeting adjourned to executive session: 11:05am

Meeting reconvened: 11:30 AM

President Akita reported that during the executive session the Board discussed keeping in compliance w/ ADA and made a recommendation to the management company with references to budget and employees salaries.

8. ADJOURNMENT

Meeting adjourned at 11:35 AM.

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