

BANYAN HARBOR

ADOPTED MEETING MINUTES

REVISION DATE: 20 May 2004

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**BANYAN HARBOR ASSOCIATION OF APARTMENT OWNERS
BOARD MEETING
Friday February 20, 2004 – 11:00am
BANYAN HARBOR D43**

1. ROLL CALL

President Akita called the meeting to order at 11:05am

Board Members Present

Shirley Akita, President
Linda Garcia, Director

Gus Enderlin, Treasurer
Alan Snodgrass, Director

Harry Baker, Secretary

Board Member – Late Arrival (12:50pm)

Elinor Weeks, Director

Board Members Absent

Cathy Martin, Vice-President

Outrigger Lodging Services

Rick Ball, Vice-President, Outrigger Lodging Services
Chris A. Gampon, General Manager, Banyan Harbor
Stephanie Nakamatsu, Accounting, Banyan Harbor
Tore Wistrom, Consultant, Outrigger Lodging Services

Others in Attendance

Bob Martin, Unit #137
Meryl Ferrari, Unit #23

Dan Bothe, Unit #141
Gayle Enderlin, Unit #114

Note:

Motions noted as passing unanimously do not reflect the opinion of Directors Martin or Weeks.

2. PROOF OF NOTICE

Chris reported that notice was posted on 01/14/2004

3. APPROVAL OF MEETING MINUTES

- a. Board Meeting, November 19, 2003 – correction to the minutes were noted.

MOTION:	To accept the minutes as corrected.
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MOVED BY: Harry Baker, Second: Linda Garcia
VOTE: Unanimous
RESULT: **PASSED**

4. MANAGEMENT REPORTS

- a. **President's Report** – Shirley expressed her appreciation for the work done by the Board and management. Shirley thanked everyone for working as a team on the many projects undertaken through her years as President. Shirley reflected on the improvements made since Hurricane Iniki to the present, noting that Banyan Harbor is a property that all homeowners can be proud of. Shirley reported that along with the improvements made in the AOA, the Timeshare Association has also experienced vast improvements. While attending the Timeshare's Board meeting today, Shirley learned that in the past seven years, timeshare sale prices have increased many times, just as the prices for whole owned units have. Shirley is encouraged by the people who are running for the Board and trusts the commitment with all entities will continue after her term ends on Saturday February 21, 2004.

- b. **Manager's Report** – Chris reported that the staff continues to work well together. Chris reviewed the projects that are scheduled for 2004. Major projects include repaving the parking lot, building a new ADA ramp for access at the Front Office, stairway improvements, refinishing the pool plaster, installing a generator for the sewage treatment plant, and changing the filtration system for the pool from a chemical base to natural salt based chlorine, Chris has also designated five parking stalls to be used for handicapped vehicles. The stalls will be striped and signs installed after the parking lot is repaved .

5. FINANCIAL REPORTS

- a. **December 2003 Financial** – Rick reported that revenues are close to budget. Rising costs have been mitigated resulting in a year-end profit of \$3,226. Rick recommends leaving the \$3,226 in the operating account.

MOTION: *To keep the \$3,226 in the operating account.*

MOVED BY: Harry Baker, Second: Gus Enderlin
VOTE: Unanimous
RESULT: *PASSED*

- b. **Reserve Study** – Rick reviewed the upcoming projects for 2004. Rick reported that the price for the asphalt overlay was adjusted to \$130,000 based on proposals received from the paving contractor.

EDITOR'S NOTE:

Agenda Item 6-B discussed immediately after 5-B (Reserve Study). Agenda item 6-B discussed out of sequence to accommodate Mr. Larry Shinsato of Shinsato Engineering. Director Elinor Weeks was not present during that discussion. Item 6-B is presented in agenda order for these minutes.

EDITOR'S NOTE:

Director Elinor Weeks joins the Board meeting at 12:50PM

- c. **Reserve / Investments** – Rick reviewed options for certificates of deposit. Based on the current rates of return, management recommends keeping investments to 12-months.

MOTION: *To add \$4,000 to the Merrill Lynch account and invest \$100,000 of that account into a 12-month certificate of deposit.*

MOVED BY: Linda Garcia, Second: Elinor Weeks
VOTE: Unanimous
RESULT: *PASSED*

6. UNFINISHED BUSINESS

- a. **Property Signage** – Chris displayed a sample of the new building signs that will be installed. Chris added that new directional signs will also be installed.

Shirley reported that she and Chris have been trying to work with county officials to get the approval necessary to install a monument sign at the edge of the county property fronting Banyan Harbor. The process has stalled in the County Parks Office. Shirley will make additional attempts to convince county officials accept our proposal. Shirley reported that Steve Layne of Garden Island Inn is interested in installing a matching wall on his side of Kailikea Road.

- b. **Building L Engineering Report / Repair Options** – Chris introduced Mr. Larry Shinsato, Engineer and owner of Shinsato Engineering. The Board used the opportunity to ask questions of Mr. Shinsato. As a result of the inquiry Mr. Shinsato recommended that additional testing, such as core sampling, be performed to determine soil condition and create a better profile of building “L” soil foundation. Mr. Shinsato recommended core samples be taken in three areas. He estimates the cost of taking the samples will be between \$5,000 and \$6,000.

After further discussion with Owners Martin and Bothe the Board decided to inspect the owner units to get a better idea of effects of any settlement.

Recess: 12:20pm to inspect units L137 and L141

Reconvene: 12:50pm

MOTION: *To authorize Shinsato Engineering to perform core sampling.*

MOVED BY: Gus Enderlin, Second: Harry Baker

VOTE: Unanimous

RESULT: **PASSED**

Larry Shinsato recommended additional floor level measurements be taken to get a better profile of building “L”.

MOTION: *To request owners in building “L” monitor any cracks w/ marks and dates.*

MOVED BY: Alan Snodgrass, Second: Harry Baker

VOTE: Unanimous

RESULT: **PASSED**

- c. **Modifications to Units E-61 and E-62** – This item discussed in executive session.

Executive session report: The Board directed Chris to turn the file over to legal counsel if the owner does not comply with the Associations requirements.

- d. **Rain Gutters** – Chris reported that this project is complete.
- e. **Ramp to Front Office** – Chris reported that weather permitting, construction will begin in April. The project should be completed before the next Board meeting.
- f. **Swimming Pool – Salt Water System** – Chris reported that the conversion will be made after the pool is resurfaced. The resurfacing schedule will be set after confirmed dates for the asphalt overlay are set.
- g. **Other Unfinished Business** – Other unfinished business was discussed as follows:
- i. **Termite inspection** – Tore reviewed the report provided by Mokihana Pest Control. The report identified locations where Mokihana found dry-wood termites. The items identified areas that need to be attended to by individual owners.

MOTION: *To inform owners of needed action and have them report back when work is completed.*

MOVED BY: Harry Baker, Second: Elinor Weeks

DISCUSSION: Owners should be advised that the items identified will be inspected to ensure they have attended to the problem.

VOTE: Unanimous

RESULT: **PASSED**

7. NEW BUSINESS

- a. **Annual Meeting** – Chris reviewed material for the Annual Homeowners Meeting to be held on Saturday February 21, 2004. Chris reported that there should be no problem meeting quorum requirement for the meeting.
- b. **Audit 2003, Proposal** – Chris reported that Terry Wong, CPA submitted a proposal to perform the AOA's annual audit for \$2,500. This is the same price he has charged for the past several years.

MOTION: *To accept the proposal from Terry Wong to complete the Association's annual audit.*

MOVED BY: Harry Baker, Second: Linda Garcia
VOTE: Unanimous
RESULT: **PASSED**

- c. **Activity Desk Audit** – Chris reported that the activity desk audit will take place in April and cost \$1,500. The audit will review the year 2003 to verify that remittance was in accordance with the Association's contract with Kauai Vacation Helpers.
- d. **Meeting Dates 2005** – Rick reported that during the Timeshare meeting, they confirmed the date of Saturday February 26 for their 2005 annual meeting. Rick suggested that the AOA also set dates for 2005. The 2005 annual meeting date will be announced during the Annual Homeowner's Meeting on Saturday, February 21, 2004. Proposed dates are:

ASSOCIATION OF APARTMENT OWNERS			
MEETING DATE	MEETING DAY	MEETING TYPE	START TIME
February 25	Friday	Board	11AM
February 26	Saturday	ANNUAL	1PM
May 19	Thursday	Board	11AM
September 14	Wednesday	Board (Telecon)	9AM
November 16	Wednesday	Board	11AM

MOTION: *To accept the dates as proposed.*

MOVED BY: Elinor Weeks, Second: Gus Enderlin
VOTE: Unanimous
RESULT: **PASSED**

- e. **Other New Business** – Other new business was discussed as follows:
 - i. **Appreciation gathering** – Ben Bregman, Homeowner and Timeshare Developer announced that he would like to show his appreciation to the Boards and Management by inviting them to a gathering to be held prior to the May Board meeting. Ben will send invitations prior to the event which he plans to hold on May 19, 2004.

- f. **Executive Session (ADA)** – the meeting was adjourned for executive session to discuss item 6-C and any ADA issues.

Adjourned: 2:30PM

Reconvened: 3:10PM

<i>Executive session report: (ADA) The Board instructed Chris to move ahead with the construction of the Front Office Ramp as planned.</i>
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Other report listed under item 6-C

8. ADJOURNMENT

Hearing no further business the meeting was adjourned at 3:15PM