

BANYAN HARBOR ASSOCIATION OF APARTMENT OWNERS

BOARD MEETING

Thursday May 20, 2004 – 11:00am

Banyan Harbor – D54

1. ROLL CALL

President Martin called the meeting to order at 11:10am

Board Members Present (Banyan Harbor)

Cathy Martin, President Gus Enderlin, Vice-President Linda Garcia, Treasurer
Elinor Weeks, Secretary Ray Smith, Director Charles Looney, Director

Board Member Present (teleconference)

Alan Snodgrass, Director (Present via teleconference)

Outrigger Lodging Services

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

Others in Attendance

Ben Bregman, Unit 87, Timeshare Developer Bob Martin, Unit 137

2. PROOF OF NOTICE

Chris reported that notice for the meeting was posted during February of 2004, and the agenda posted on 04/15/2004.

3. APPROVAL OF MEETING MINUTES

- a. **Board Meeting, February 20, 2004** – Corrections to the minutes were noted.

MOTION: *To approve the minutes as corrected*

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

- b. **Organizational Meeting, February 21, 2004** – Cathy asked if there were any corrections to the minutes. Hearing none, the following motion was made.

MOTION: *To approve the minutes as distributed.*

MADE BY: Gus Enderlin, Second: Linda Garcia
VOTE: Unanimous
RESULT: **PASSED**

4. MANAGEMENT REPORTS

- a. **President's Report** – Cathy thanked the members of the Board for their confidence. Cathy is pleased to see that there are five full-time residents on the Board.
- b. **Manager's Report** – Chris reported that the staff is working well together. Chris also reported on the projects that are underway or scheduled for completion during 2004. Chris added that the asphalt overlay project, currently underway, is moving along well. Chris has been preparing for the work for some time and has been communicating with the tenants regularly in regard to schedules and work areas. The result has been a very smooth operation. Several homeowners have stepped up to assist where they could. Chris recognized the help of Bob Garcia (Unit #79) for volunteering time to help shuttle tenants to and from their vehicles and around the work areas. Bob's assistance was much appreciated. Linda reported that the pavers have been very professional.

5. FINANCIAL REPORTS

- a. **March 2004 Financial** – Rick reviewed the Year-to-date financial results as of the end of March 2004. Rick noted that expenses such as utilities remain over budget forecasts. Rick reported that preliminary reports generated for April look good and the negative net earning is being reduced.
- b. **Reserve Study** – Rick reviewed current and pending 2004 projects. Rick noted that the pool re-tiling project would be moved to fall of 2005 instead of fall of 2004. The move was made to accommodate other projects scheduled for this year.
- c. **Reserve / Investments** – Chris reported that as instructed by the Board, the balance on the Merrill Lynch account was brought to \$100k and a certificate of deposit purchased for the 12-month maximum period. Chris reported on the maturity date and interest of the investment. Chris also reported that as of April 30, 2004 all of the investments at Morgan Stanley will be held in a liquid assets account. Once the large projects scheduled for this year are cleared, a decision will be made as to how much of the funds will be assigned for reinvestment.

6. UNFINISHED BUSINESS

- a. **Property Signage / Monument Sign** – Chris reported on the installation of the building signs. Chris reported that additional directional signs will be purchased to finish that project.

Rick reported that new room number signs will also be ordered as well. The new signs will conform to ADA requirements.

Chris reported that progress on the monument sign has stalled. Shirley Akita, who was heading this effort, will be selling her unit and has asked that we take over the project. Chris will try to obtain the permission necessary to install the sign.

- b. **Building L, Soil Testing / Repair Options** – Chris reported that no schedule is set for the core sampling. Chris has had difficulties coordinating with Shinsato Engineering on Oahu. Cathy reported that she received a report from the owners of #141 indicating that the settlement is continuing. Chris will try to get a commitment from Larry Shinsato to move the project ahead as soon as his schedule will allow.
- c. **Modifications to Unit E-61 & E-62** – Chris reported on the history of the project and that he has obtained a bid to correct the problems in the bedroom. Chris will provide the proposal to the unit owner so he can deal directly with the project.

- d. **Termite Report, Follow-up** – Chris reported on the history of the project and that a letter had gone out to each of the individually affected unit owners so that corrective measures would begin. Chris will have maintenance follow-up with the individual owners to ensure they respond to the letter within the time permitted.
- e. **Ramp to Front Office** – Cathy spoke about the project that was currently underway. Chris reported that since the approval to install the ramp last year, May was the first opportunity that the contractor had to start the project. Chris expects the ramp and other improvements to be a great addition to the office building.
- f. **Swimming Pool / Salt Water System / Gunite** – Chris reported that the salt water system is scheduled for installation. The work will likely be completed toward the end of summer based on work load. The plaster project will be put off until 2005 due to scheduling with the contractor and other projects pending for 2004.
- g. **Other Unfinished Business** – Other unfinished business was discussed as follows:
 - i. **Lot Fronting Building “B”** – Tore reported on the status of the property. It is likely that a rental property will be built as soon as the owner can obtain the proper permit(s). Ray believes it is a good idea to open communications with the new owner to stay abreast of his plans. Ray volunteered to contact the owner.

7. NEW BUSINESS

- a. **Horse Shoe Pit** – Chris reviewed the history of the request to locate an area that could be used for a horseshoe pit. Chris indicated that he had inspected the property several times over the years for the purpose of locating a suitable location for such an installation. Thus far, there is no area that Chris is comfortable with. Chris is concerned with the safety issue of having large metal objects (horseshoes) thrown about where there are other people in the surrounding area. Alan agreed that this is not a good idea for Banyan Harbor.

MOTION:	<i>That after review of (1) Bob Silva’s request for a horseshoe pit; and (2) the Board’s policy decision of 09/12/2001 that there is no suitable /safe location for this activity.</i>
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MOVED BY: Gus Enderlin, Second: Ray Smith
VOTE: Unanimous
RESULT: **PASSED**

- b. **Pool Sign** – Rick reported that at the February Annual Homeowners Meeting, Mr. Landauer (Unit #100) suggested the installation of a sign at the pool reviewing the rules in Hawaiian. The decision at the time of the meeting was that the sign was not in-line with standards. Then Board President Shirley Akita advised that the Board would further evaluate Mr. Landauer’s suggestion and make a final decision by the May 2004 Board meeting.

MOTION:	<i>To stay with the current signs (standard/simple), and support the decision made at the Annual Homeowner’s Meeting. Mr. Landauer’s efforts are appreciated.</i>
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MOVED BY: Elinor Weeks, Second: Charles Looney
VOTE: Unanimous
RESULT: **PASSED**

- c. **Activity Desk** – Chris reported that Gayle Lee has decided not to continue her activity desk operations. Gayle has offered her contract for the operations to Ben Bregman. Ben has agreed to take over the operation and is planning on expanding its current presence. Ben is here today to obtain the Board's approval for his new operation and initial plan.

Ben Bregman reviewed his plans for the desk. Ben would like to increase the number of activities the desk organizes (both on and off-property). Cathy asked if residents will be able to participate if they choose to. Ben indicated that the activities will be open to all guests and residents at Banyan Harbor. Alan Suggested that instead of the base-plus rent formula used now, that fixed rent for the desk space be adopted. Charles agrees that this is a better arrangement for both parties.

Changes to the contract were suggested. Chris will provide Ben with a contract that includes the Boards revision for his signature.

MOTION:	Approve the Activity Desk contract with Ben Bregman as corrected.
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MOVED BY: Linda Garcia, Second: Elinor Weeks
VOTE: Unanimous
RESULT: PASSED

- d. **Annual Meeting Issues / Security** – Tore reported that Alan Snodgrass had brought up issues he felt the Board needed to attend to. The issues include:
- i. **Board functions** – There was questions at the Annual meeting as to the use of AOA funds to host Board functions. The Board's position on this matter is that functions are held as a part of doing business. The relationship between both Boards has vastly improved through regular communications. No change will be made in this practice.
 - ii. **Toddlers in the pool** – Chris reported that Security does patrol the pool area. They will ask residents and guest to remove children in diapers when they see them in the pool. Chris added that there will always be an issue in that if someone is intent on having their child in the pool, they will find a way to do so.
 - iii. **Security** – Chris reported that the issues brought up at the Annual meeting were addressed with the security department.
 - iv. **Board members** – Bob Silva expressed his concern that Timeshare was taking over the Board of Directors. Chris reported that he spoke with Mr. Silva regarding this. Chris reported to Mr. Silva that owners are free to elect/re-elect the members of their choice and that the timeshare still holds a minority voice in the Association.
 - v. **Noise from Gardening** – Chris reported that he and the staff have paid attention to this concern. Chris has purchased electric pressure washers and have adjusted the hours that certain areas are worked on.

- e. **Other New Business** – Other new business was discussed as follows.
 - i. **Mahalo from Harry Baker** – Harry asked Chris to extend his thanks to all of the Board members for supporting his efforts while on the Board. Harry sends his best wishes.
 - ii. **Maintenance** – Gus commended the Maintenance staff for doing a great job in maintaining the buildings. Gus noticed siding in higher areas that may need attention. Chris will work with Maintenance to identify and repair any problem areas.
 - iii. **Meeting Date** – Meeting dates for the remainder of 2004 were reviewed. The Board decided to move the September teleconference meeting to Thursday September 16, 2004. The 2004 meeting dates will stand as follows.

Meeting Date	Meeting Day	Meeting Type	Start Time
September 16, 2004	Thursday	Board – Teleconference	11am
November 17, 2004	Wednesday	Board	11am

- f. **Executive Session (Owner Relations)** – Report below
REPORT: No Action was taken on this matter
- g. **Executive Session (ADA)** – Report below
REPORT: The Board accepted the report reviewed by management and asked management to move forward.
- h. **Executive Session (E-53 Pet Request)** – Report below
REPORT: The Board asked that the owner obtain a letter from a qualified professional prior to any approval being granted.

8. ADJOURNMENT

The meeting was adjourned at 3:15pm.