

**TIMESHARE ASSOCIATION  
Annual Homeowners' Meeting  
Saturday February 12, 2000  
Kauai Marriott**

**I. CALL TO ORDER & ROLL CALL**

The meeting was called to order by President Solberg at 9:00AM

**Board Members**

James Solberg, *President*  
Loren Knott, *Vice President*  
Sharon Baker, *Secretary*  
Robert Garcia, *Treasurer*  
Ed Madamba, *Director*

**Outrigger Lodging Services**

Rick Ball, *Vice-President, Outrigger Lodging Service*  
Chris Gampon, *General Manager, Banyan Harbor*  
Stephanie Nakamatsu, *Accountant, Banyan Harbor (Recording Secretary)*  
Tore Wistrom, *Principal, Resort Consultant, Inc.*

*Attendance by owners reflected in Official Registration Book*

**II. PROOF OF NOTICE & QUORUM**

Chris reported that notice of the meeting was Mailed / posted on January 14, 2000.

<b>Quorum:</b>	Intervals represented by proxy:	381
	<u>Intervals represented in person</u>	<u>14</u>
	<b>Total Intervals represented</b>	<b>395</b>

**III. APPROVAL OF MINUTES**

**Annual Meeting, February 27, 1999 –**

**MOTION:** *To approve the minutes as distributed.*

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

**IV. MANAGEMENT REPORTS**

- a. **President's Report** – President Solberg reported that the most significant topic is the loan negotiated with the Bank of Hawaii. It provides the option of going forward with the renovation of the remaining Timeshare units. We had previously provided for renovation of 3 to 5 units per year out of the general revenues. The Board felt that the schedule, as it was, would create a never-ending scenario of units in mixed condition. As such the

Board felt that arranging financing to complete all of the units at once was the best solution. We do have a contractor that will work with us in early May. Our hope is to conclude all of the work by the month of July. The revenues that are coming in by way of regular maintenance fees will cover the loan repayment and provide a little bit of excess so other reserve items can be attended to as necessary.

- b. **Manager's Report** –Chris Gampon reported that the property continues to look great. There have been improvements that owners may have noticed and others that remain unseen. Some of the improvements included adding an individual to the staff to work on the reserve projects that can be undertaken in-house. Dry rot repairs have been made throughout the property. That project will continue in 2000. The lobby was renovated in 1999. This was a long time coming and the result is fantastic. Many building walkways have been refinished with a topcoat of color. New pool furniture was installed. Stairway treads and landings were replaced based on the condition of the wood or mounting hardware. The biggest project undertaken was the parking area resealing and striping. That project really stands out. We will continue to work on finding ways to improve the property both operationally and physically.

Chris also noted that the outlook on the island is looking good. The Marriott is working through the approval process to convert the old Waiohai Hotel in Poipu into a timeshare facility. Also in Poipu is Alexander & Baldwin's plan to build a timeshare resort in the Kukuiula area. There are still talks about opening the Coco Palms as timeshare but this does not look good. There is also a proposal for an eco-resort on the Westside of the island.

Where the renovations are concerned, Chris has been in contact with RCI and they have agreed to help us with the scheduling during the renovation period. They will restrict inward trading at Banyan Harbor during that period. This will not affect our owners who want to bank their units with RCI.

- c. **Budget 2000 Review** – Rick Ball reported that the Board of Directors has approved the 2000 budget with no increase in maintenance fees. \$102,000 of the forecasted revenue is earmarked to go into the special reserve account. This will work to fund the projects outlined by President Solberg. After all expenses are paid and reserve funds transferred we are forecasting a surplus of \$22,816. The expenses forecasted for the year 2000 were positively affected by a decrease of insurance premiums.

Rick also reviewed the year-end financial results for 1999. Revenues were favorable to the budget forecast by \$14,427 totaling \$806,959. Expenses totaled \$796,000 for a net earning of \$10,917 at year-end. The Board of Directors took action at the February 11, 2000 board meeting to designate this surplus to be rolled-over into the special reserve as authorized in the annual meeting last year. Chris and his staff have done a good job in controlling expenses.

V. ELECTION

- a. **Nominations** – President Solberg read the names of all of the owners who submitted statements to run for a position on the Board. They are: Sharon Baker, Loren Knott, James Solberg, and Christine Farber.

**MOTION:** *To nominate the slate of individuals listed on the Biographical Sketch form distributed to all homeowners.*

**MOVED BY:** Ed Madamba, Second: Robert Garcia

**DISCUSSION:** President Solberg asked for any nominations from the floor. Hearing none, he asked for the vote.

**VOTE:** Unanimous, **PASSED**

- b. **Election of Inspectors** – Inspectors for all issues will be: Linda Garcia & Dick Reis.
- c. **Introduction of Candidates** - President Solberg introduced the candidates present who indicated their desire to run for a Board Position.
- d. **Election & Election Results** - President Solberg reported that the tally of votes have resulted in the election of Sharon Baker, Loren Knott, and James Solberg (himself).

Election results were as follows:

<b>CANDIDATE</b>	<b>VOTES</b>
Solberg, James	239.0
Knott, Loren	174.6
Baker, Sharon	167.2
Christine Farber	35.2

VI. OLD BUSINESS

- a. **Amendment 5** - This item discussed last in order to accommodate adjourning the meeting for this issue. (see “Other new business “Amendments”)
- b. **AOAO Documents** – Chris Gampon reported that the restated Declaration and By-Laws for the AOAO is still in the process of review and preparation. A letter was submitted to the AOAO Board indicating that additional time was necessary before it would be available.
- c. **Jacuzzi** – see below
- d. **Heating of the pool** – see below

President Solberg asked that this item and the heating of the pool be addressed as one item. The report is below.

Chris Gampon reported that since both the Jacuzzi and the heating of the pool are issues schedule to be voted on during the AOA session to be held later today, both issues were presented to the Timeshare Owners for voting. The results of those votes were tracked by unit. Per the Timeshare's governing documents ballots were prepared for each unit based on the majority preference of the owners responding in the respective units. Chris reported that as a whole the Jacuzzi vote was: 206 vote for and 125 against the measure. For the pool heating: 186 for and 141 against.

### VII. NEW BUSINESS

- a. **Refurbishing 2000** - Tore Wistrom reported that this issue was covered well already. The plan is to start the renovations at or around May 8<sup>th</sup>. Furniture has been order and deposits have already been made in order to secure delivery in a timely fashion.

**Audit 1999 – President** Solberg reported that a proposal to perform the annual audit was submitted by Terry Wong. Mr. Wong is the same individual who performed the Timeshare Associations audit last year.

<b>MOTION:</b>	<b>To accept the proposal for audit as submitted by Terry Wong</b>
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**MOVED BY:** Loren Knott, Second: Sharon Baker  
**VOTE:** Unanimous **PASSED**

- b. **Roll Over** – The following motion was made.

<b>MOTION:</b>	<b><i>That the Banyan Harbor Timeshare Association direct, that the amount by which the member's assessments in the fiscal year 2000 exceeds the total expenses of the Association for the purpose of managing, operating, maintaining and replacement of the Association's property be applied to the reserve account.</i></b>
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**MOVED BY:** Sharon Baker, Second: Ed Madamba  
**VOTE:** Unanimous, **PASSED**

- c. **Other New Business** –

**Amendments** - President Solberg reported that this item of business is for the consideration of amending the Timeshare documents to extend the date that a unit can be annexed into the Timeshare Association. This amendment may be adopted by the affirmative vote of a majority of owners participating in a duly called annual or special meeting. Although this issue can be adopted at this time, the Board has decided to adjourn this meeting in order to allow for the notification of all Timeshare owners and to provide the full text of the proposed amendment for their review.

As such, the Board proposes that this meeting be adjourned to Saturday May 06, 2000 at 9:00 AM for the purpose of voting on the proposed amendment to extend the date of annexation and transacting such other business as may properly come before the Board.

***MOTION: To adjourn the meeting to May 06, 2000 9:00AM***

**MOVED BY:** Loren Knott, Second: Sharon Baker

**VOTE:** Unanimous **PASSED**

## VIII. ADJOURNMENT

Hearing no further business, the meeting was adjourned to May 06, 2000 at 9:00am.

ADJOURNED MEETING MINUTES

TIMESHARE ASSOCIATION

Adjourned - Annual Homeowners' Meeting

February 12, 2000, May 06, 2000

MAY 06, 2000

In order to consider additional amendments this meeting was adjourned to June 30, 2000. Notice of the adjournment, along with proxies and amendment text and explanations were mailed to all Timeshare Owners on June 06, 2000.

JUNE 30, 2000

I. CALL TO ORDER

The meeting was called to order by Treasurer Robert Garcia at 8:30 am

II. ROLL CALL

Board Members

Robert Garcia, Treasurer

Outrigger Lodging Services

Chris Gampon, General Manager, Banyan Harbor

Stephanie Nakamatsu, Accountant, Banyan Harbor (Recording Secretary)

Tore Wistrom, Principal, Resort Consultant, Inc. [proxy holder]

Cathy Martin, Director AOA [proxy holder]

Moore, Terrance (#1 & #122)

Nakamura, Burt (#122)

III. PROOF OF NOTICE

Chris Gampon reported that notice was mailed to all interval owners on June 06, 2000.

IV. PROOF OF QUORUM

Quorum:	Intervals represented by proxy:	413
	Intervals represented in person	<u>6</u>
	<b>Total Intervals represented</b>	<b>419</b>

V. APPOINTMENT OF MEETING CHAIRPERSON PROTEM

Treasurer Garcia reported that in the absence of the President and Vice-President of the Association, a Chairperson Protem must be appointed to conduct any business. As Treasurer of the Timeshare Association, he had been asked to Chair this meeting. In order to confirm this protem appointment a motion from the floor was required.

**MOTION:** *To approve Robert Garcia as Chairperson Protem*

**MOVED BY:** Tore Wistrom [*proxy holder*], Second: Burt Nakamura  
**VOTE:** Unanimous, **PASSED**

**VI. APPOINTMENT OF MEETING SECRETARY PROTEM**

Chairperson Garcia announced that in the absence of the Secretary of the Timeshare Association, a Recording Secretary must be appointed. Stephanie Nakamatsu of Outrigger Lodging Services, Banyan Harbor Accountant has agreed to provide this service.

Chairperson Garcia asked if there were any objections from the floor. Hearing no objections, the Chair appointed Stephanie Nakamatsu as Recording Secretary for this meeting.

**VII. NEW BUSINESS**

- a. **Appointment of Inspectors** - Chairperson Garcia reported that the purpose of this adjourned meeting was to vote on three proposed amendments. In order to verify the vote on those amendments two inspectors were required. The inspectors will count the ballots submitted for this and any other vote taken during this meeting. Chairperson Garcia asked Tore Wistrom and Cathy Martin to act as inspectors for the meeting.

Chairperson Garcia asked if there were any objection to the appointments. Hearing none both individuals were appointed to inspect and tally ballots.

- b. **Amendment Vote** - Before proceeding with the vote, Chairperson Garcia outlined each of the proposed amendments:

- Amendment 1: *Related to loans and leases*
- Amendment 2: *Corrected a reference error of a previous amendment*
- Amendment 3: *Related to the annexation / de-annexation of units to the Timeshare program.*

Chairperson Garcia asked if there were any questions regarding the three proposed amendments. Hearing none, he asked for the vote.

- i. **Results of Voting** - Chairperson Garcia reported all three amendments passed with the following votes:

	<u>APPROVE</u>	<u>DISAPPROVE</u>
Amendment 1:	346	38
Amendment 2:	366	18
Amendment 3:	352	32

- c. **Other New Business** - Chairperson Garcia asked if there was any other business. Hearing none he asked for a motion to adjourn.

VIII. ADJOURNMENT

**MOTION:** *To adjourn the annual meeting*

**MOVED BY:** Tore Wistrom, Second: Cathy Martin

**VOTE:** Unanimous, **PASSED**

The meeting was adjourned at 9am