

**MAKENA SURF AOA
BOARD OF DIRECTORS MEETING
Tuesday, June 14, 2016**

Time: 8:00 a.m.

Place: Makena Surf Boardroom

Directors Present:

Mr. Donald Baron, President
Mr. Dick Clotfelter, Secretary
Mr. Paul Imwalle, Treasurer (via teleconference)
Mrs. Betty Kay Anderson
Mr. Richard Michaels
Mrs. Dusty Pence (via teleconference)
Mr. Greg Wolf (via teleconference)

Management:

Mrs. Ann Shipman, General Manager
Ms. Lysa Tracy, Management Consultants Hawaii
Ms. Enza Froio, Recording Secretary, Aloha Office Services

Call to Order: President Baron called the meeting to order at 8:13 a.m.

Proof of Notice: President Baron verified that meeting notices were posted on property in two places and emailed, faxed and/or mailed to all Board members on May 27, 2016.

Determination of Quorum: A quorum was established with 7 of the 7 Directors present in person or via teleconference.

Additions/Changes to Agenda:

- Frank Salvador will provide a presentation prior to approval of the minutes.
- The Manager's Report will be presented after the committee reports.
- Additions under New Business
 - Unit B202 Letters
 - Fitness Center
 - Allocation of assessments and percentages on the A building
 - Code of Conduct Policy

Frank Salvador – Tennis Proposal

Mr. Salvador proposed developing a tennis program at Makena Surf that includes clinics, junior clinics during school breaks, private lessons, round robins and monthly pot luck gatherings. In exchange Mr. Salvador would maintain the interior of the tennis courts and supply the latest Wilson racquets and balls for teaching. Mr. Salvador would retain 100% of lesson revenue.

In response to Board member inquiries, the following was noted:

- The proposed program is strictly for owners and Makena Surf guests only.

- During the high season, Mr. Salvador anticipates use of one (1) court for 3 to 4 hours daily. He is willing to block a court for his lessons that is less popular to owners.
- Mr. Salvador would continue to hold the free clinics. The clinics are held once per week or twice per week, depending on occupancy, between the hours of 8:00 a.m. to 9:00 a.m.

Mr. Salvador recommends the courts be washed once per week. He further recommended the courts be blown on a daily basis, which would remain a Makena Surf responsibility.

Mr. Salvador was excused from the meeting at 8:29 a.m.

The Board will further discuss this item under New Business.

Approval of Minutes:

The February 25, 2016 Board of Directors meeting minutes were presented for approval. The following corrections were noted:

- Page 7, Treasurer’s Report, third paragraph, should read: “As of December 31, 2015, expenses were underspent by \$55,000 and will be added to the Reserves.”
- Page 3, fourth paragraph, correct the spelling of “Louchheim” and “hardwood”.
- Page 8, last paragraph, second sentence should read “...other than that DRH is paying...”

Motion: *To approve the minutes of the Board of Directors meeting dated February 25, 2016, as corrected. (Anderson/Imwalle)*

CARRIED unanimously.

The February 27, 2016 Annual Meeting minutes were presented for approval as to form and content only.

Mrs. Shipman stated that, at a recent meeting with MCH, a parliamentarian recommended the Board approve the Annual Meeting minutes as to form and content only in order to distribute to owners for review. The minutes would then be officially approved at the next Annual Meeting at which time owners may propose amendments; or in the interim owners may forward comments to the AOA office.

Mr. Michaels noted that the current procedure is to distribute *unapproved* annual meeting minutes in print via the newsletter and on the website. He disagrees with this procedure as it lends to the potential for inaccurate information to be published.

Motion: *That the draft Annual Meeting minutes are not published in the newsletter or online and are presented to owners in the Annual Meeting mailing packet in January. (Michaels/Clotfelter)*

Motion **FAILED**.

In Favor: Michaels, Clotfelter, Anderson

Opposed: Pence, Wolf, Imwalle, Baron

The Board agreed that a “draft” watermark will be reflected on all pages of meeting minutes until approved.

Motion: *To approve the 2016 Annual Meeting minutes as to form and content. (Anderson/Wolf)*

Mr. Michaels requested a review of the meeting recording to clarify discussions with regard to the EV Charging Station on Pages 14-16. He specifically questioned the language “capital costs” in the second motion on Pages 15-16.

Amended Motion: *To approve the 2016 Annual Meeting minutes as to form and content subject to audio verification of any questioned content prior to distribution. (Anderson/Wolf)*

CARRIED unanimously.

The February 27, 2016 Organizational Board of Directors Meeting minutes were presented for approval as to form and content only.

Motion: *To approve the Organizational Board of Directors Meeting minutes dated February 27, 2016 as presented. (Anderson/Wolf)*

CARRIED unanimously.

REPORTS OF OFFICERS AND MANAGEMENT

President’s Report

President Baron presented his report. He thanked all Board members for working with him on the transition of the Presidency position from Mrs. Anderson, noting that “to follow in her footsteps is a big project”. He further thanked General Manager Ann Shipman for being his “right hand person on property”.

F210 Wall Reconstruction

During construction of F210, Pete Graham (Grand Design, LLC) discovered mold on the inside wall of the bedroom, which was caused by water overflow from the roof. About three (3) weeks ago, President Baron authorized the waterproofing of the lanais on the upstairs, the stringers, and connections at F210 be done during the tile work.

As a preventative measure, this waterproofing work will be performed in E Building (two), F building, and G building (1) in the areas where there is water overflow from the roof.

Motion: *To approve the Grand Design LLC proposal for \$4,205 for the F210 wall reconstruction. (Anderson/Wolf)*

CARRIED unanimously.

Gallagher Bassett Services, Inc. (Buildings Appraisal)

Due to the question about the Association's insurance policy that was raised at the Annual Meeting, the Makena Surf buildings were appraised. The first appraisal received was \$54 million. However, President Baron and Mr. Clotfelter found that the A and C buildings were incorrect, which brought the appraisal to \$58,606,744.

Mr. Clotfelter expressed dissatisfaction with the appraiser's work, noting there was inconsistency between buildings; and that G Building is undervalued. Payment to the appraiser has been withheld due to dissatisfaction in performance.

President Baron stated that the Association is currently insured at \$65 million, which is a blanket coverage for the whole property per occurrence. He commented that coverage of 10 to 12% over the appraisal value is adequate and "safe".

Mr. Clotfelter stated his opinion that the per square foot cost for each building should be the same, noting that all buildings should be built to the same caliber if replacement was required. Based on Building E, which was appraised at the highest per square foot value, the entire property should be insured at \$78 million. Mr. Clotfelter is comfortable with the Association being insured at \$65 million for the interim, but requested another appraisal be done.

Motion: *To authorize Mr. Clotfelter to have discussions with Atlas Insurance to resolve the appraisal issue; and to continue with a blanket coverage of \$65 million for the Makena Surf AOA pending Mr. Clotfelter's report at the November meeting; and that Mr. Clotfelter have the control to decide if Gallagher Bassett Services should be paid for their appraisal services. (Anderson/Wolf)*

CARRIED unanimously.

Gutters Proposal

President Baron has met with A-O Raingutters and Supplies, a distributor identified by Mrs. Shipman. The first quote received was \$328,000, which was then reduced to \$319,000 after negotiations; a great price for top-of-the-line copper gutters for all buildings.

President Baron originally considered having the ocean-side buildings done this year and the street-side buildings done five (5) years later. However, due to the leaks that have occurred in the building and the condition of the existing gutters, it is recommended that the project be done in entirety, which would further result in a lower price from the contractor and a uniform appearance throughout the property.

President Baron reviewed the specifications of the proposal. Using Anodized Aluminum US10, Bronze color, rather than copper, would result in an additional savings of \$80,000 in material costs, reducing the cost from \$319,000 to \$240,000. Anodized aluminum would slowly become darker in color over the 30 years but will not turn green like copper, and has a longer life. The Board reviewed samples of the gutter material, which could be used in up to 80 feet sections, allowing for fewer connections and seams.

President Baron explained that a project cost of \$319,000 would drop the currently 58% funded Reserves to as low as 40% funded, but after three (3) to four (4) years, the Reserves would return to over 60% funded.

Treasurer Imwalle stated that the current Reserves reflect about \$290,000 for gutters and are 56% funded, which means monies of \$150,000 are currently available. To allow the Reserves to go down to 40% funded would be in violation of Hawaii law. Mrs. Anderson stated that the State understands the process that an association builds up the Reserves, and then uses those monies for a project, which reduces the percent funding; and the State is acceptable of a reduced percentage funding, provided that the Association shows the intent to build up the Reserves again.

It was noted that the gutters are reflected in the Reserves project list that was approved by the Board in November 2015.

Motion: *To spend a maximum of \$319,000 (based on copper material) to replace the gutters on Buildings B, E, F and G, and noting that the Board preferred the anodized aluminum product if it can be secured for this project. (Anderson/Pence)*

Motion **CARRIED.**

In Favor: Anderson, Michaels, Clotfelter, Wolf, Baron

Abstained: Pence, Imwalle

Landscape and Maintenance Report

Mrs. Anderson provided a written report to the Board of Directors. She acknowledged the *entire* crew involved with the renovations at C building, noting that it looks beautiful.

She further commended Mrs. Shipman for developing a complete and comprehensive Procedures Manual.

Treasurer's Report

Treasurer Imwalle presented his report. An audit was completed in April and found all items to be in accordance with accounting procedures. President Baron signed off on the audit on May 4, 2016.

Treasurer Imwalle reiterated his request that MCH provide financial reports earlier in the month.

The Board directed MCH to transfer \$250,000 in the money market account to a laddered 6-month CD. Mrs. Shipman stated that the accountant has been directed to notify Ms. Lysa Tracy/MCH of any account reaching the FDIC limit. Ms. Tracy further clarified that the \$250,000 FDIC limit is per account (not per institution).

The financial reports as of April 30, 2016 were reviewed. Treasurer Imwalle noted the following:

- Additional income of about \$45,000 is projected due to signing the two (2) leases that were not known in November.
- Underspent on building maintenance, tree trimming, payroll, and workers comp.
- Budgeted \$19,000 in contingency, of which none has been spent.
- Total expenses were underspent by \$18,000.
- There are excess revenues over expenses of \$27,000, of which \$9,000 is increased revenue in rentals that was not budgeted.

EV station expenses have been put into the Reserves as a capital expense. The Board agreed to apply these expenses to the contingency line item given that the Operating budget is currently in a better position than the Capital Reserves and directed Mrs. Shipman to proceed accordingly.

Treasurer Imwalle further clarified that the flagstone replacement expense of \$39,230 and the stringer repairs and replacement expense of \$40,770 will be covered under the \$400,000 assessment. Ms. Tracy will reflect these items in the budget accordingly.

COMMITTEE REPORTS

Construction & Maintenance Report

Solar

President Baron reported that all documents have been signed with MECO and Rising Sun Solar (RSS). Construction will commence mid-July/early August and will last about two (2) months, with a completion deadline of the week before Thanksgiving.

EV Stations

President Baron reported final permits are expected in the next two (2) days. Construction has commenced but the wires cannot be installed until receipt of final permit.

Trellis Pool Area

Mrs. Shipman reported that the trellis is showing signs of rot. She provided a proposal of \$34,000 to replace the trellis and requested Board members to inspect the area.

Mrs. Anderson noted that she previously reviewed this item with Bob Brooks several times and it was concluded there was not a structural concern. Mr. Brooks had suggested a simpler and less costly idea to repair (not replace) the trellis and suggested that Mrs. Shipman consult Mr. Brooks.

Flagstone

Mrs. Shipman reported that the flagstone has been refurbished and cleaned. The red stones are in the process of being replaced. The contractor is performing well.

Remodels

Mr. Wolf reported that a total of 12 remodeling projects (Levels 2 or 3) are in process at F and G buildings. AOA documents have been delivered on all remodels. Some electrical and plumbing permits are being awaited but all projects are progressing.

Mrs. Shipman agreed that this construction period has been progressing smoothly and that contractors have been cooperative with the rules and policies.

Flat Roof Resurface

Mrs. Shipman reported that Finishing Touch Roofing has completed the re-coating of all low slope roofs using a Hydrocoat finish coat.

She further noted that the base of the air-conditioner at Unit B207 had rotted and the owner is replacing the air-conditioner. Mrs. Shipman will follow up.

EV Station

Mr. Michaels reported that the concrete base for the EV station is installed. The station was shipped from the mainland and has been delivered. Electrical permits are being awaited in order to complete installation. The station can serve two (2) vehicles.

President Baron stated that his preference is to not expend funds for a second EV station until there is such a need on property.

Security Report

Mr. Michaels reported that there have been no break-ins in the last three (3) months. The equipment is working well.

He discussed the coordination of ensuring the occupancy list reflects what is actually occurring on property. In early April, Mr. Michaels requested the security guards to put a notice in his box on each occurrence whereby activity is witnessed in a unit that is empty according to the occupancy list. In two (2) months, there were 18 instances that involved 14 units where such occurred, and concluded to be due to the following reasons:

- Individuals (mainly owners) extend their stay but do not inform the office.
- Individuals arrive without the AOA office knowing.
- Some arrivals/extensions are reported to the office but the information is not reflected on the occupancy list that day. Mrs. Shipman indicated that this is a rare occurrence.

Mr. Michaels and Mrs. Shipman agree that owners should not be bothered with an issue like this but at the same time want to ensure that unauthorized individuals are not on property. President Baron suggested that for those instances that occur after 10:00 p.m., Dave Wilson or the security guard put an official notice on the front door asking the person to report their arrival to the AOA office in the morning. If the guard is suspicious, then immediate action should be taken. Mrs. Shipman will direct the security guards accordingly.

GUEST SPEAKER

President Baron explained that Unit F109 is under the guidelines for the flood zone with FEMA and is currently under construction. The Board has requested Ron Brown, Wailea Interiors & Remodeling, to raise the elevation of Unit F109 in order to be out of the flood zone at the Association's expense.

Mr. Brown stated that the lanai tile was just completed as part of the F109 remodel. The unit is gutted and there are no structural concerns. The estimated total cost to redo the unit is \$70,000, plus a contractor mark up of 10%. The floor will be raised using wood flooring with the exception of the lanai, which would be poured. This will result in a shorter ceiling height, which could negatively affect the sale-ability of the property. Additionally, the Fleetwood doors are en route and are non-refundable. It takes about nine (9) weeks to re-order but the November 1st deadline would still be met.

Mr. Brown further stated that the owner of Unit F109 has indicated refusal to spend any money to address the FEMA issue and that it is a problem of the AOA to resolve.

Mrs. Anderson provided history on this issue. About 6 years ago, FEMA established new lines of 15 feet based on a 100-year hurricane or tsunami storm. At that time, the Board voted to have a surveyor re-survey Buildings E and F and then submit through Elaine on Oahu for FEMA. At the end of the process, all of E building was approved. The Board made the decision to submit only on E building rather than alert FEMA of an issue with two (2) units in F Building. The Board then voted to spend as much as \$50,000 to build a wall that was recommended by Francis Cerizo (now retired) of the Maui County Building Permit Office. F109 and F110 are about nine (9) inches below the FEMA minimum required elevation. The wall would be filled and sod was recommended to meet the FEMA requirement with no guarantee of success. The owners of both units have refused to participate in the wall solution.

President Baron stated that currently, the Association is paying more than \$52,000 more per year in flood insurance due to FEMA issues at F109 and F110.

Mr. Brown was excused from the meeting at 11:46 a.m.

Motion: *That the Board approves an expenditure not to exceed \$77,000 to be offered to Ken Kowashima (F109) and his contractor Wailea Interiors to raise the floor level during his remodel to meet the FEMA 15-foot elevation standards in an attempt to solve the FEMA problems as related to F109 only. (Anderson/Pence)*

CARRIED unanimously.

President Baron requested Mr. Clotfelter to work with our attorney to devise a contract after approval from the owner is received.

With regard to F110, the Association could build a wall for an approximate expense of \$25,000 but it is not certain if the wall will be approved by FEMA. President Baron requested Mrs. Anderson to follow up on F110 in order to determine if the wall is a viable solution.

Newsletter

Mrs. Pence will reference the meeting minutes as a guideline for content to be included in the newsletter. She requested the minutes be available in a timelier manner.

Mrs. Pence reiterated her request for photos and fun articles for inclusion in the newsletter.

The meeting was recessed at 12:10 p.m. to inspect the trellis area and reconvened at 12:20 p.m.

Construction & Maintenance (cont'd)

Trellis Pool Area

Mr. Clotfelter reported that the Board's inspection showed that the ends of the beams that hold up the trellis have rotted and can be repaired (via splice and re-stain) rather than replaced. This item will be handled as a building maintenance item.

UNFINISHED BUSINESS

FEMA Problem

Mrs. Anderson will contact Elaine on Oahu to make a recommendation via email about what needs to be done to ensure that the wall at F110 will work with FEMA.

DRH Rental Area Remodel

President Baron provided a sketch of the remodeling opportunities in the DRH rental area. The sketch will be provided to DRH.

5-Night Rental Minimum

Mrs. Anderson referred to the legal opinion of Dave Merchant, as distributed. Based on this opinion, she encouraged President Baron and Mrs. Shipman to develop a ballot regarding the proposed 5-night rental minimum. A copy of the ballot and the letter that would be sent to the owners with the ballot were provided to the Board for review.

Mr. Mark Joseph (B303) previously requested President Baron's permission to provide a letter in opposition to the 5-night rental minimum for inclusion in the January mailing. Permission was granted and Mr. Joseph provided such a document. A copy was distributed to the Board.

Due to the conflict around this topic, Mrs. Anderson proposed the following resolution:

Motion: *To place the 5-night minimum stay requirement item into abeyance until next year's Annual Meeting and that the Board reviews the idea of balloting this issue at the November Board of Directors Meeting. (Anderson/Pence)*

CARRIED unanimously.

Mr. Clotfelter requested that the AOA office monitor and maintain a record of how many bookings of less than five (5) nights are made from now through November.

NEW BUSINESS

Spa Clean/Re-Grout

Mrs. Shipman reported that an owner had indicated a desire to repair or replace the spa at his own expense and that she requested Mr. Clotfelter to research the request. Mr. Clotfelter stated that an inspection shows that paint and touch-up grout only is needed.

Hussong, B202 Water Intrusion

The letters dated June 2nd, 8th and 14th were discussed. President Baron, Mrs. Anderson, and Mrs. Shipman will review the facts of the June 14th letter and distribute to Mr. and Mrs. Hussong and Bruce Winchell (Attorney for Mr. and Mrs. Hussong). The Board continues to make attempts to resolve this matter.

Fitness Center

Mr. Kepler and Mrs. Frank have provided their collection of data on the fitness center, including documents regarding equipment and noise abatement, to Mrs. Anderson.

President Baron noted that the upstairs area has two (2) feet less interior space and would not comfortably accommodate the boardroom table. Additionally, having the fitness center downstairs could cause more disruption to the AOA office. It was reiterated that the Board/meeting room is open for all owners to use.

This item will be further discussed at the November meeting. In the interim, President Baron and Mr. Clotfelter will finalize measurements in order to determine the best location for the fitness center.

Construction Moratorium

Mr. Michaels stated that Building B was scheduled for construction in 2015 and again in 2017. Although 2016 was the “quiet” year, construction has occurred including the emergency lanai situation for B301; tile installation on second and third floors; solar work; and flagstone work. Mr. Michaels proposed the Board consider a one-year moratorium on construction in 2017. Board members noted that owners have plans already in progress for a remodel in 2017 and have invested monies. In addition, stopping construction for one year halts the work of good contractors. Mr. Michaels proposed a moratorium in 2018. Board members reiterated concern regarding the loss of good contractors.

A202/A203

The Owner of A201 emailed the Board inquiring of the assessment amount for A202 and A203 (3-bedroom, 2-story units), which is less than the assessment amount for A201 and A204 (2-bedroom, single story units). The Board researched this item.

Numbers were provided by DRH and are reflected in the Association’s CC&Rs as follows:

- A201 – correctly assessed based on a square footage of 2,299
- A204 – correctly assessed based on a square footage of 2,242

- A202 – assessed at 1,950 feet but the lanai/loft area of 1,332 feet was not assessed. A202 was assessed at .97818% but should have been 1.64635%.
- A203 –assessed at 1,938 feet but the lanai/loft area of 1,315 feet was not assessed. A203 was assessed at .97216% but should have been 1.63180%.

Mr. Michaels provided history on this topic. Originally, Building A was proposed to have eight (8) units; four (4) ground floor units with the advantage of being on the ground; two (2) upper units with the advantage of being corners; and two (2) upper middle units (A202 and A203) with no real advantage. At that time, Mr. Ernie Schrenzel, a realtor and owner of five (5) units was the President of the Makena Surf AOA Board. In order to accommodate the builders of A Building, Mr. Schrenzel allowed the installation of lofts. At that time, Mr. Torchiana of Destination Resorts Hawaii indicated that the lofts would be considered limited common element. Mr. Torchiana had explained that if the percentage for these units was increased because of the lofts, than the voting percentage of the other units would decrease, so the idea was that it is not fair to the other owners that their voting percentages would decrease because this extra space was added. Instead, the units with the lofts would be charged maintenance fees based on the total square footage. Mrs. Anderson recalls being in the meeting when Mr. Torchiana stated this would happen. However, Mr. Torchiana did not follow through on charging a maintenance fee based on square footage for A202 and A203. It was noted that Building A was added to the property in 1994.

Ms. Tracy, MCH, stated that it will take an amendment to change the Association CC&Rs. The Board will need to decide if it is worth the time, effort, and expense to proceed with an amendment.

The square footage is correct in the CC&Rs and indicates the lofts are limited common element; this is the legal definition and cannot be changed.

The Board acknowledged the owner for raising the question. The Board has investigated the matter and refers to the condominium documents with regard to the arrangement made in the development of Building A and what is considered limited common element. The Board directed Mrs. Shipman to draft an email to the owners of A201 and A204 for review.

GENERAL MANAGER’S REPORT

Mrs. Shipman reviewed her written report, as provided to the Board of Directors.

She inquired if the dryer vents should be cleaned at one time as a preventative maintenance project. The Board recommends evaluating this item after the Capital Reserve projects are addressed.

Mrs. Shipman provided a status on termite activity. She will follow up on Units G101, E301, E201, E302, and E103.

Mrs. Shipman will continue to assess the condition of the lanai railings and will assess the condition of the window and door frames.

Mrs. Shipman recommends the website be password-protected and be utilized to make announcements and post financials. President Baron will further discuss with Mal Johnson.

NEW BUSINESS (cont'd)

Frank Salvador Proposal

The Board supported Mr. Salvador's proposal and directed Mrs. Shipman to request Mr. Salvador to provide a written proposal/agreement.

Code of Conduct

Mrs. Pence provided a draft Code of Conduct, in the form of a pledge, for the Board's review and approval.

Mrs. Pence quoted two (2) incidents that recently occurred that led her to make this proposal. She stated that one (1) incident was related to how the topic of the electric vehicle station was handled. She chose to not speak of the details of the second incident but noted that two (2) Board members, Mr. Michaels and Mr. Wolf, are unaware of the incident. She stated that past history should not be contingent on whether or not a Board member accepts the Code of Conduct.

Motion: *To accept the proposed Code of Conduct and that each Board member must sign the document in order to serve on the Board of Directors. (Pence/Anderson)*

Amended Motion: *To accept the proposed Code of Conduct and that each incoming Board member must sign the document in order to serve on the Board of Directors. (Pence/Anderson)*

Motion **CARRIED.**

In Favor: Pence, Anderson, Imwalle, Wolf, Baron

Opposed: Michaels, Clotfelter

Mr. Clotfelter requested that Mrs. Pence disclose the details of the second incident to which she originally referred. Mrs. Pence deferred to President Baron.

President Baron provided an explanation of the second incident that occurred between two (2) Board members several days prior to the 2016 Annual Meeting. The two (2) Board members involved in the incident were provided the opportunity to speak on the matter.

The Board agreed to move forward and work together.

DATE OF NEXT MEETING

The next Board of Directors Meeting is scheduled for Monday, November 14, 2016 at 8:00 a.m. on property.

ADJOURNMENT

Motion: *To adjourn the meeting at 2:52 p.m. (Anderson/Wolf)*

CARRIED unanimously.

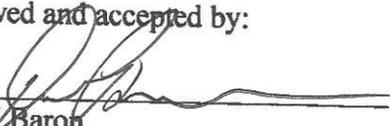
Respectfully submitted,
Enza Froio
Aloha Office Services
Recording Secretary

Reviewed and accepted by:



Dick Clotfelter
Secretary, Makena Surf AOA

Reviewed and accepted by:



Donald Baron
President, Makena Surf AOA

**MAKENA SURF AOA
BOARD OF DIRECTORS MEETING
MOTIONS
June 14, 2016**

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Motion **FAILED**.

In Favor: Michaels, Clotfelter, Anderson
Opposed: Pence, Wolf, Imwalle, Baron

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Motion **CARRIED**.

In Favor: Anderson, Michaels, Clotfelter, Wolf, Baron
Abstained: Pence, Imwalle

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Amended Motion: *To accept the proposed Code of Conduct and that each incoming Board member must sign the document in order to serve on the Board of Directors. (Pence/Anderson)*

Motion **CARRIED**.

In Favor: Pence, Anderson, Imwalle, Wolf, Baron
Opposed: Michaels, Clotfelter

Motion: *To adjourn the meeting at 2:52 p.m. (Anderson/Wolf)*

CARRIED unanimously.