

**MAKENA SURF AOA  
BOARD OF DIRECTORS MEETING  
Monday, November 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  
Mrs. Betty Kay Anderson  
Mr. Richard Michaels  
Mrs. Dusty Pence  
Mr. Greg Wolf

**Management:**

Mrs. Ann Shipman, General Manager  
Ms. Enza Froio, Recording Secretary, Aloha Office Services

**Owners Present:**

Mr. and Mrs. Pauli, C106 (arrived at 10:32 a.m.)  
Mrs. Gymme Frank, E106 (arrived at 11:14 a.m.)

**Call to Order:** President Baron called the meeting to order at 8:02 a.m.

**Proof of Notice:** President Baron verified that meeting notices were posted on property in three (3) places and emailed, faxed and/or mailed to all Board members on October 25, 2016.

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

**Approval of Minutes:**

The June 14, 2016 Board of Directors meeting minutes were presented for approval. Corrections were noted.

**Motion:**      *To approve the minutes of the Board of Directors meeting dated June 14, 2016, as amended. (Anderson/Pence)*

**CARRIED** unanimously.

**REPORTS OF OFFICERS AND MANAGEMENT**

**President's Report**

President Baron stated that the property has been greatly improved. He recognized the good decisions made by the Board and the efforts of Ms. Shipman and the crew.

**Treasurer's Report**

Treasurer Imwalle presented his report. He reiterated that the condition of the property is much improved, mainly to the efforts of General Manager Ann Shipman and her

management style. He noted his preference for the General Manager to have the leeway to run the organization as she sees fit within the parameters of the budget that the Board oversees and controls.

Treasurer Imwalle reviewed the proposed 2017 budget. Operating Revenue is an overall 5% increase due to a 3.5% increase in fees and increase in rental results. Total expenses are projected to have a 6% increase. The Reserves will be approximately 61% funded at year-end 2016; and approximately 70% funded at year-end 2017.

There is a substantial increase in Refuse, noting a 31% increase in green waste effective October 2016. Mrs. Shipman will further research how green waste is processed on Maui in order to determine the best way for Makena Surf to handle its green waste.

The expense for Elizabeth Erickson, E'Scapes, Landscape Consultant, remains at \$19,000. Mrs. Shipman has indicated that Elizabeth's services are needed once per week but may be reduced in early 2017. Elizabeth's fees are reflected in "Grounds Enhancement Materials" and Reserves ("Landscape Upgrade"). Mrs. Anderson requested the total fees paid to Elizabeth in the year 2016 and recommends this expense be placed under a different category.

The total expense for the tile project is \$370,000. Of the \$400,000 special assessment for the tile project, the \$30,000 remaining will be used for the glass railings.

Mrs. Anderson noted that a contingency in the past years was \$0/\$10,000 to \$20,000 and should be in the Budget but not in the Reserve spending. The Board agreed to remove the \$10,000 Landscaping Contingency in the Reserve list and place in the Operating.

Mrs. Anderson stated that for the last 20 years, the range of amount of money that has been assigned in "contingency" was zero to \$20,000, and was used for unanticipated "projects" without the General Manager needing the Board's approval. She questioned the need for an excessive contingency.

President Baron explained that the increased contingency is mainly the result of presuming the need to continue with an annual increase of 3% to 3.5% in the monthly fee. Also, for the past three (3) years, the Association has benefited from significant energy efficient savings. President Baron suggested this year's fee be increased relative to the inflation rate of 1.8% on Maui. This will also reduce the contingency.

Treasurer Imwalle stated that excess monies contribute to a savings for an aging property. The Board is being responsible by building the Reserves.

The Board requested Mrs. Shipman to discuss Payroll. Mrs. Shipman stated that the budget reflects a 7% increase for Payroll. She explained her reasons for the increase, citing statistics for the median household income and living wages for Maui County. Criteria used by Mrs. Shipman to offer a pay increase to an employee are as follows: exceeding expectations, being accurate and on time, having a good attitude, being willing to grow, longevity, positive and proactive attitude, going above and beyond, and being reliable.

Mrs. Shipman cited reasons to pay a “living wage” to employees, noting that better employees are gained without a low wage mentality; paying well garners goodwill in the community; word of mouth is powerful in the community; and that there is a 30% loss of productivity if the employee is “stressed”.

Mrs. Shipman reviewed the list of employees whom she would like to give a raise.

**Motion:** *To provide General Manager Ann Shipman a percentage increase in payroll to distribute to employees per her discretion. (Anderson/Clotfelter)*

**CARRIED** unanimously.

Mrs. Pence suggested the Board set an overall philosophy with regard to an incentive based program to allow for both percent increase and bonus/incentive rewards based on performance. Mrs. Pence agreed to work with Mrs. Shipman on a draft philosophy for review at the next meeting.

**Motion:** *To give a blanket 5% increase on Payroll in 2017 for General Manager Ann Shipman to use per her discretion. (Imwalle/Pence)*

Motion **FAILED**.

In Favor: Imwalle, Clotfelter, Anderson

Opposed: Michaels, Pence, Wolf, Baron

**Motion:** *To give a blanket 6% increase on Payroll in 2017 for General Manager Ann Shipman to use per her discretion. (Michaels/Pence)*

Motion **CARRIED**.

Opposed: Clotfelter

The Board clarified that the increase is a one-time “adjustment”, and that Mrs. Shipman must provide a clear explanation for giving an employee an increase.

**Motion:** *To give General Manager Ann Shipman a \$3,000 bonus (gross) for her services in 2016. (Pence/Anderson)*

**CARRIED** unanimously.

The bonus for Mrs. Shipman will come out of contingency. President Baron will arrange a face-to-face meeting with Mrs. Shipman to present the bonus.

**Motion:** *To approve a budget for 2017 with an increase of 1.8% in the monthly fee. (Anderson/Clotfelter)*

**CARRIED** unanimously.

President Baron reviewed 2017 Reserve Projects as follows:

- Roof shed on the North side. (Project will be done via in-house staff)
- Lanai glass A building.
- Pool Deck Coating. It was noted that the project could be postponed with the implementation of an improved patching process. Mrs. Shipman will contact Bob Brooks for a recommendation.
- Removed Landscape Contingency.
- South pool shower replacement project increased to \$3,500.

## **MANAGER'S REPORT**

Mrs. Shipman provided a written report to the Board of Directors. She recommends that the painting project and the window trim/sliding glass doors/underneath the gutters project be completed via contracted labor v. in-house staff. The Board requested Mrs. Shipman to further report on these items at the next meeting.

Mrs. Shipman further noted that repairs at the tennis courts were done at no charge to the Association.

Termite issues have arisen in G and E buildings. Tenting of all buildings could be needed in the future. Treating of incoming wood for new construction has been very helpful.

*Mr. and Mrs. Pauli, C106, arrived at 10:32 a.m.*

## **Landscape and Maintenance Report**

Mrs. Anderson provided a written report to the Board of Directors.

The Makai side of C buildings was identified as an area in need of attention due to excessively high weeds, dead border plants, and poor grass. This issue was reviewed in March. Efforts were made and the area was significantly improved with the exception of the grass. This is the fault of a combination of issues including that the wrong grass was ordered and planted. Mr. and Mrs. Pauli have waited three (3) years for improvements.

Mrs. Pauli stated that new grass has been installed twice. The ground was not properly prepped prior to installation of sod. Irrigation was not addressed appropriately. She requested the area be improved prior to the arrival of guests in December/January. Mrs. Shipman stated that the longer-term plan was to install "stolens" in problematic areas, although this will not have an immediate effect. Mrs. Pauli stated that "stolens" would not resolve the issue as the wrong kind of grass was installed.

The Board agreed that the ground must be properly prepped before laying the sod.

**Motion:** *To give the makai side of C buildings' grass from C103 to C107 a complete redo with Mrs. Shipman and Elizabeth Erickson's discretion, to be done as soon as possible.  
(Anderson/Michaels)*

**CARRIED** unanimously.

The goal is to complete the project in the first two weeks of December.

## COMMITTEE REPORTS

### Construction & Maintenance Report

#### *Solar*

President Baron reported that Rising Sun Solar and MECO have inspected all of the connections and have found all to be in good order.

Atlas Insurance filed the improper address PO Box. Once the revised paperwork is received from Atlas, the net metering will proceed and the system should be powered in mid-December. The Association will receive half of a month at no charge since Rising Sun Solar will not charge until the beginning of the month.

#### *Remodels*

Mr. Wolf reported that there are 17 remodels, of which seven (7) are incomplete. Of the seven, it is questionable that two (2) (Units F105 and F306) will be completed and therefore run the risk of being charged the fee of \$1,000 per day.

Mrs. Shipman will ensure that weekend security personnel are aware to enforce the policy of no parking along curbs.

President Baron and Mrs. Anderson clarified that painting and carpet-laying can be done year round as long as not part of a construction remodel. This policy was approved by a previous Board and went into effect because on numerous occasions owners were trying to extend their construction period by finishing painting and carpet-laying after the close of the construction period.

#### *EV Station – Richard Michaels*

Mr. Michaels reported that the EV station is installed and operating.

*Mrs. Gymme Frank, E106, arrived at 11:14 a.m.*

#### *EV Station – Don Baron*

President Baron stated that he initially emailed information about the EV station to all Board members but excluded Mr. Michaels. Mrs. Pence advised President Baron that this action was inappropriate. Subsequently, President Baron included Mr. Michaels on communication moving forward and Mr. Michaels has accepted his apology.

President Baron reiterated the homeowners' request for the AOA to pay for the installation of two (2) double charging stations (one in the main parking lot and one in the A/B parking lot) and to incorporate the mechanism for the individual users to pay for the capital costs.

The actual total cost of one double charging station was \$21,824 (compared to the anticipated cost of \$15,000). The amount was taken from the Operating contingency fund.

President Baron proposed the following formula to charge individual users of the EV charging station: According to the MECO bill for Building A, the average cost is .34

cents per kilowatt for the last 12 months; plus administrative fees of 10% (Chargepoint Billing), or 3.4 cents per kilowatt; plus 15% for equipment cost reimbursement, or 5.1 cents per kilowatt (per owners request to pay back the capital costs). The result is a total usage fee of 42.5 cents per kilowatt. The payback would take approximately 30 years at this rate.

**Motion:** *To accept the formula to charge an individual a fee of MECO cents per kilowatt for use of the EV station, which includes an addition of 15% of the Chargepoint cost per owners' request to pay back the capital costs, as proposed by President Baron; and for Mrs. Shipman to review the actual cost that MECO charges plus 10% for billing every two (2) to six (6) months; and the Board will review the formula annually at the budget meeting. (MECO plus 15% plus 10%). (Clotfelter/Anderson)*

Motion **CARRIED.**

Opposed: Pence

Mrs. Pence proposed that the usage fee include an additional 30% of the MECO cost (rather than 15%), noting that Mr. Michaels specifically requested the installation of the EV station and had at one point, offered to pay for the full expense of the installation.

President Baron noted that there are other charging stations on the island, of which some are free and/or less costly; however, the station on property provides convenience. Mr. Michaels stated in the last four months he has only used the EV station at Makena Surf.

President Baron stated that when the EV station was initially installed, there was power to the meter but other mechanisms were not intact. The cellular number to transmit bills to the office was not in place so Mr. Michaels received an error message when he used the station. Therefore, Mr. Michaels received free charges on June 27 and July 3. Mr. Michaels explained that he charged 185 miles of power into his vehicle for \$23.16 on July 8<sup>th</sup>. The two charges that he received for free were 184 miles. The Board agreed that Mr. Michaels will reimburse the Association a total of \$23.16 for the two (2) short charges.

Mrs. Pence pointed out that homeowners voted for the installation of two (2) EV stations and questioned why only one (1) had been installed. The Board agreed to follow up on this item with owners at the Annual Meeting in February 2017.

## **Security Report**

Mr. Michaels stated there are no incidents to report.

He recommends performing an analysis and potential upgrade of the gate intercom system due to poor audio reception experienced by security personnel. He noted that security receives gate calls on cell phones while owners receive gate calls on their landlines. Mr. Michaels will work with Mrs. Shipman on this matter.

Mr. Michaels further stated receipt of an owner request to connect their mainland cell phone number to the gate in order to remotely “buzz in” a guest. Mr. Michaels and Mrs. Shipman agreed to decline the request, as it is a long distance call and to not set a precedent. A guest can continue to call the office and/or security.

## **Newsletter**

Mrs. Pence reiterated her request for photos and fun articles for inclusion in the newsletter. Cindy Kellogg is unable to write her column next year. Any owner who would like to contribute is encouraged.

## **UNFINISHED BUSINESS**

### **FEMA**

Mrs. Anderson requested Mrs. Shipman and President Baron to send a letter to the escrow office with regard to F110. Elaine from the Ekna Services, Inc. office on Oahu has expressed negative feelings about the wall being a viable solution. At some point, the Board may want to consider hiring a professional to perform a comprehensive research on what FEMA would allow.

This item will remain on the agenda.

### **DRH Rental Area Remodel**

President Baron reported that the remodel has been completed for a total approximate cost of \$3,000, of which Makena Surf gave one (1) month free rent. Photos were provided for review.

### **Fitness Center**

President Baron reported that an engineering study of the upstairs area shows that the room is built to code with a capacity of up 50 pounds per square foot. However, due to the inefficiency of one of the beams, the upstairs area could not support a fitness facility or a boardroom.

Sean Combs, Destination Residences, has expressed an interest for the upstairs area to meet clients and is willing to trade off the two areas, which have the same square footage. Destination Residences would use the upstairs area for meeting clients and the existing DRH office & maintenance.

Mrs. Anderson further noted that installing a fitness center where there had been a rental entity is a change in use of common element. A consent form to approve a change in use of common element has been drafted.

The installation of a fitness center would not result in an additional cost in the insurance premium. The total estimated project cost is \$40,000 to \$45,000 (including equipment and air-conditioning). An assessment would not be required.

**Motion:** *That the Board recommends the fitness center proposal to the owners; and to include the proposal, along with the estimated cost of the installation, equipment and maintenance, and the potential ballot for “change in the use of the common element”, in the January mailing to the owners for discussion and/or vote at the 2017 Annual Meeting. (Imwalle/Clotfelter)*

**CARRIED** unanimously.

## **Code of Conduct**

Mrs. Pence stated the following:

“At our June 14<sup>th</sup> meeting, the Board adopted a “Code of Conduct”, which incoming Board members are required to sign. Two directors (Michaels and Clotfelter) opposed passage. Four directors (Anderson, Baron, Imwalle, and Pence) signed the code of conduct voluntarily, shortly after passage.

On June 22<sup>nd</sup>, Mr. Baron initiated a discussion of the EV station and stated that he was recusing Mr. Michaels from the discussion due to conflict of interest.

Mrs. Pence immediately protested the involuntary recusal. She was ignored. Mr. Wolf weighed in eventually, agreeing with Mrs. Pence. After repeated protests, Mrs. Pence told Mr. Baron that she intended to include Mr. Michaels if Mr. Baron did not do so immediately.

Mr. Baron then sent Mr. Michaels the first email. Mrs. Pence asked Mr. Baron if he had sent all the discussion. He said he had. She attempted to confirm this with Mr. Michaels, who said he had received only the one email. Mrs. Pence then forwarded the entire discussion thread to Mr. Michael.

This was a gross defiance of Item 2 in the Code of Conduct: “I will be open and transparent when conducting business with my fellow board members or homeowners.”

It was also a violation of Item 5 on the part of all board members (except Mr. Michaels): “If I become aware of serious violations of these codes of conduct by another board member, I will make the entire board aware of those violations.”

A majority of the board agreed to abide by the code of conduct. Those who did not should have respected the spirit of the code as a model for future boards.

I am deeply disappointed in the behavior of those board members who accepted Mr. Michaels’ exclusion without protest. I have no quarrel with one-on-one discussion of a topic in advance of full board discussion, but when it is time to discuss something as a board, everyone should be included.

I believe every board member owes Mr. Michaels an apology.”

Mrs. Pence apologized to Mr. Michaels.



Mr. Baron clarified that he forwarded Mr. Michaels four (4) emails and has copies of such. Mr. Baron offered his apology to Mr. Michaels again.

Mrs. Anderson apologized to Mr. Michaels, noting her opinion that Mr. Michaels should have been involved from the start but then should have been asked to recuse himself.

Mr. Imwalle apologized to Mr. Michaels. He agreed with Mrs. Anderson's comment.

Mr. Wolf and Mr. Clotfelter apologized to Mr. Michaels.

Mr. Michaels accepted all apologies. He agrees that when there is a conflict of interest the person should be recused from voting but not from discussion of the topic. The Board agreed. Mrs. Pence noted that Mr. Michaels did previously agree to recuse himself from voting on this topic.

### **5-Night Rental Minimum**

Mrs. Anderson stated that the Board previously agreed to put into abeyance the 5-night minimum stay requirement until this meeting. To facilitate the owners voting on this, she recommends sending the ballot to the owners in advance of the Annual Meeting mailing. This is a Bylaw amendment and requires 67% approval of the ownership. The amendment cannot be voted on at the Annual Meeting, although ballots could be made available at the Annual Meeting. A copy of the letter and the ballot was included in the Board meeting packet for review.

Mrs. Anderson noted the challenge in achieving a 67% ownership vote and recommends office staff make reminder phone calls to owners. Failure to vote is a "no" vote.

**Motion:** *To submit a ballot to approve an amendment to the Bylaws of Makena Surf to adopt a 5-night minimum rental stay requirement.*

*And to include with the ballot mailing, the explanatory letter from the Board, the letter previously submitted by Mr. Mark Joseph (B303), and a "pro" letter yet to be written.*

*(Anderson/Clotfelter)*

**CARRIED** unanimously.

### **Appraisal**

The Board is comfortable with the adjusted appraisal of \$65 million.

### **Makena Surf – Insurance Claims Policy**

The Board agrees with the insurance claims policy as presented. Mrs. Shipman will distribute to rental agents and owners.

## **Gutters**

President Baron explained the cause of the delay in the gutter project. There were numerous Rising Sun Solar employees working on the roof while A-O Gutters employees were trying to work on the gutters at the G building. A-O Gutters was requested to move to the F building, after which time A-O Gutters left Makena Surf for two (2) weeks to tend to another large project on the Big Island. Makena Surf was not aware that A-O Gutters had accepted another large project. In the meantime, solar installation was completed at F and G buildings and solar work was beginning on B building by the time A-O Gutters returned to Makena Surf. In the end, this allowed for a better process without various employees colliding with each other. A-O Gutters is now in the process of finishing F building.

A-O Gutters is unable to complete the project before Christmas and has indicated that E building will take about one (1) month to complete.

The Board agreed to allow A-O Gutters to perform work from November 14 through 19, plus the weeks of November 28, December 5 and December 12 including Saturdays; to cease work on December 17; and to re-commence work on April 17, 2017. President Baron and Mrs. Shipman will notify A-O Gutters accordingly.

Mr. Michaels stated his preference for completing B building (rather than E Building) in December due to issues with gutters and floods. President Baron and Mrs. Shipman will request A-O Gutters to complete the 3<sup>rd</sup> floor in E building and the 3<sup>rd</sup> floor in B building by December 17th.

Mrs. Anderson further requested President Baron and Mrs. Shipman to continue to update the Board on progress of the project via email.

Mr. Imwalle noted that he has witnessed A-O Gutters employees walking on the tile roof at the F building. President Baron and Mrs. Shipman will address this issue.

## **Drones**

The Board clarified that recreational use of drones from private units or on the common element is prohibited.

## **NEW BUSINESS**

### **Door and Window Trim Rot**

As discussed in the Manager's Report.

### **High-Risk Components**

**Motion:**

*In accordance with HRS-514B, to give the General Manager the discretion to do an inspection of high-risk components in each unit every 3 to 5 years depending on perceived need; and to charge the owner of each unit the inspection fee and to require the owner to complete any identified repairs and provide proof to the AOA that the repairs have been completed by a licensed contractor within 90 days of notification. If the owner does not comply, the AOA will have the repairs done by a licensed contractor and charge back the expense to the owner's maintenance account.*

*(Pence/Wolf)*

**CARRIED** unanimously.

**Board Travel Reimbursement**

Mr. Wolf proposed that Board members be reimbursed for a portion of travel expenses for work done on behalf of the Board. Mrs. Anderson stated that the Maui Condominium Council discourages such a policy as it tends to attract individuals to run for a Board position for this reason.

There was a consensus of Board members to not consider this item any further.

**Basketball Hoop Request**

The Board discussed the F207 request for installation of a basketball hoop. Overall concern was noted about noise intrusion, interference with tennis playing, limiting play to daytime hours, and a sign-up procedure.

There was a consensus of the Board to suggest to the owner of F207 to present a proposal at the 2017 Annual Owners Meeting. President Baron will email the owner accordingly.

**Office Manager Job Description**

The Board discussed the performance of Marj Canada, Office Manager; and that Ms. Canada had mis-posted her time allowed for sick pay and vacation pay. No fraud was detected. Mrs. Shipman has corrected the hours and President Baron has given Ms. Canada a verbal warning. A written warning will be given this week.

**Code of Conduct – Past Incident**

Mr. Clotfelter brought up the past incident that occurred between him and Mrs. Anderson. After a brief discussion, both Mr. Clotfelter and Mrs. Anderson agreed to drop all past history incidents on a personal level.

**DATE OF NEXT MEETING**

The next Board of Directors Meeting is scheduled for Thursday, February 23, 2017 at 8:00 a.m. on property. The Annual Owners Meeting is scheduled for Saturday, February 25, 2017 at 9:30 a.m.


**ADJOURNMENT**

**Motion:**      *To adjourn the meeting at 3:02 p.m. (Anderson/Wolf)*

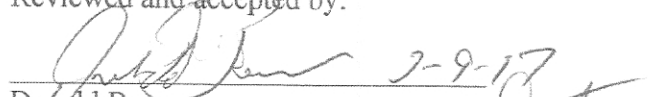
**CARRIED** unanimously.

Respectfully submitted,  
Enza Froio  
*Aloha Office Services*  
Recording Secretary

Reviewed and accepted by:

  
\_\_\_\_\_  
Dick Clotfelter  
Secretary, Makena Surf AOA

Reviewed and accepted by:

 2-9-17  
\_\_\_\_\_  
Donald Baron  
President, Makena Surf AOA

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

**Motion:** *To approve the minutes of the Board of Directors meeting dated June 14, 2016, as amended. (Anderson/Pence)*

**CARRIED** unanimously.

**Motion:** *To provide General Manager Ann Shipman a percentage increase in payroll to distribute to employees per her discretion. (Anderson/Clotfelter)*

**CARRIED** unanimously.

**Motion:** *To give a blanket 5% increase on Payroll in 2017 for General Manager Ann Shipman to use per her discretion. (Imwalle/Pence)*

Motion **FAILED**.

In Favor: Imwalle, Clotfelter, Anderson

Opposed: Michaels, Pence, Wolf, Baron

**Motion:** *To give a blanket 6% increase on Payroll in 2017 for General Manager Ann Shipman to use per her discretion. (Michaels/Pence)*

Motion **CARRIED**.

Opposed: Clotfelter

**Motion:** *To give General Manager Ann Shipman a \$3,000 bonus (gross) for her services in 2016. (Pence/Anderson)*

**CARRIED** unanimously.

**Motion:** *To approve a budget for 2017 with an increase of 1.8% in the monthly fee. (Anderson/Clotfelter)*

**CARRIED** unanimously.

**Motion:** *To give the makai side of C buildings' grass from C103 to C107 a complete redo with Mrs. Shipman and Elizabeth Erickson's discretion, to be done as soon as possible. (Anderson/Michaels)*

**CARRIED** unanimously.

**Motion:**

*To accept the formula to charge an individual a fee of MECO cents per kilowatt for use of the EV station, which includes an addition of 15% of the Chargepoint cost per owners' request to pay back the capital costs, as proposed by President Baron; and for Mrs. Shipman to review the actual cost that MECO charges plus 10% for billing every two (2) to six (6) months; and the Board will review the formula annually at the budget meeting. (MECO plus 15% plus 10%). (Clotfelter/Anderson)*

Motion **CARRIED**.

Opposed: Pence

**Motion:**

*That the Board recommends the fitness center proposal to the owners; and to include the proposal, along with the estimated cost of the installation, equipment and maintenance, and the potential ballot for "change in the use of the common element", in the January mailing to the owners for discussion and/or vote at the 2017 Annual Meeting. (Imwalle/Clotfelter)*

**CARRIED** unanimously.

**Motion:**

*To submit a ballot to approve an amendment to the Declaration of Condominium Property Regime of Makena Surf to adopt a 5-night minimum rental stay requirement.*

*And to include with the ballot mailing, the explanatory letter from the Board, the letter previously submitted by Mr. Mark Joseph (B303), and a "pro" letter yet to be written.*

*(Anderson/Clotfelter)*

**CARRIED** unanimously.

**Motion:**

*In accordance with HRS-514B, to give the General Manager the discretion to do an inspection of high-risk components in each unit every 3 to 5 years depending on perceived need; and to charge the owner of each unit the inspection fee and to require the owner to complete any identified repairs and provide proof to the AOA that the repairs have been completed by a licensed contractor within 90 days of notification. If the owner does not comply, the AOA will have the repairs done by a licensed contractor and charge back the expense to the owner's maintenance account.*

*(Pence/Wolf)*

**CARRIED** unanimously.

**Motion:** *To adjourn the meeting at 3:02 p.m. (Anderson/Wolf)*

**CARRIED** unanimously.