

**MINUTES OF KUAU BAYVIEW 4th ANNUAL HOMEOWNERS' MEETING
May 3, 2000**

DIRECTORS PRESENT: Don Vami, President; Lisa Daily, Debra Schonewill, Ben Bland.
DIRECTORS ABSENT: Talbot Shibley, Jeff Chong, Karen Chun.
OTHERS PRESENT: Cindy Mendes, Account Manager, Oihana Property Management; Vivi-Ann Olsson, Assisting Oihana; Lola Ledbetter, Recording Secretary.

CALL TO ORDER:

President Don Vami called the Fourth Annual Homeowners Meeting of Kuau Bayview to order on Wednesday, May 3, 2000 at 6:30 pm, in the Paia Community Center Meeting Hall, Paia, Maui, Hawaii. President Vami welcomed homeowners and thanked them for their interest in the Association and their attendance at the Annual Meeting.

ESTABLISHMENT OF QUORUM:

President Vami announced that only 32% of the ownership was represented in person, or by proxy; however, this does not constitute a quorum as 50% representation is required. As the Association cannot conduct its official business, this meeting will be informational only.

President Vami stated the existing Directors will remain in place with the exception of Debra Schonewill and Jeff Chong. The Board will appoint interim Directors at the next regularly scheduled Board Meeting. President Vami stated Ms Schonewill has resigned due to her recent appointment to the Paia Main Street Board of Directors.

PRESIDENT'S REPORT:

A copy of President Varni's report is attached to these minutes.

TREASURER'S REPORT:

Ben Bland briefly summarized the year end Financial Statement dated December 31, 1999. Mr Bland also updated the homeowners on the status of the delinquent accounts and the legal action taken.

The Association completed the year under budget with a net profit of \$6,300. There was no increase to the monthly Maintenance Fees for the current fiscal year, and the Board does not anticipate any increase to the fees for the next fiscal year.

SPEED HUMPS:

President Varni stated the County of Maui required 100% participation of homeowners (not renters) to approve the installation of speed humps. As 100% approval could not be obtained, no further action could be taken.

STREET LIGHT SHIELDING:

Owners were encouraged to volunteer to solicit sufficient signatures from owners in an effort to have shields installed on the street lights.

FRONT LANDSCAPE COMMITTEE:

President Varni reported the Front Landscape Committee was successful in having the landscaping at the front entry of the property upgraded. The work was completed and received with positive comments.

NEIGHBORHOOD CRIME WATCH:

The community held one Neighborhood Crime Watch meeting with a presentation from the Maui Police Department.

NEWSLETTER:

Ms Schonewill suggested a Newsletter Committee be established to update homeowners, on a bi-annual basis, on items of interest and action being taken by the Board and Committees on various issues. Mrs Bland and Lisa Daly volunteered to serve on this Committee, with the President and Committee Chairpersons contributing articles to the Newsletter.

DESIGN REVIEW COMMITTEE:

Ms Schonewill acknowledged the time and efforts of the Design Review Committee members. They included: Debra Schonewill, Chairman; Members: Steve Rose, Mike Gibbons, Matthew Williams, and Chris Laidman (alternate). She stated the Committee met once a month for the last two years. In 1998, the Committee reviewed 20 design requests and 26 requests in 1999, of which the majority were approved.

Ms Schonewill reviewed the authority and job spectrum of the Design Review Committee. Homeowners were encouraged to report any violations to the Board of Directors who will work with Oihana to enforce the Association documents.

PARK:

Ms Schonewill reported that the County has accepted the land behind the subdivision for a park. Plans have already been submitted for design of the park, which are expected to be approved by the end of this month. Once the project commences, the park could be completed by the end of 2001.

Ms Schonewill stressed the importance of continued commitment and involvement by the Kuau Bayview homeowners. She stated a portion of the funds are currently allocated in the County budget; however, additional money must be raised to complete this project. Homeowners who want to make a personal donation to the park can send it with their monthly Maintenance Fees, designated for the park, at which time it will be allocated to a specific Park Account.

On behalf of the Association, Mrs Bland thanked and commended Ms Schonewill for her time and efforts on the Park Committee which was instrumental in bringing the project to its current status. President Varni also acknowledged Ms Schonewill for the excellent work of the Design Review Committee over the past 2 years. Ms Schonewill received a warm round of applause from homeowners.

OWNERS' FORUM:

The following items were discussed under the Owners' Forum portion of the meeting:

- 1) Unleashed animals -Owners should contact the Maui Humane Society for any violations of the leash law.
- 2) Parking - Owners were apprised that there is a 4' parking restriction from every driveway. Anyone having a problem with automobiles parking too close to their driveways should contact the Maui Police Department who will respond and write citations for this violation.

ADJOURNMENT:

President Varni adjourned the Informational Annual Meeting at 7:15 pm.

Respectfully submitted,
/s/ Laurie Ledbetter
Laurie Lola Ledbetter
Recording Secretary

May 3, 2000

President's Report

Kuau Bayview Homeowners' Association

Here we are, almost four years since the first owners moved into this new development. Each of us had much to do to make our homes attractive and our yards pleasant and appealing. We had raw unlandscaped lots, many of them with steep banks presenting difficult challenges. A lot of us elected to put up rock walls and terraces. Some of us have built fences and installed irrigation systems. All of us have done much weeding, digging, fertilizing, planting, and watering. Others have taken on even more challenges and built decks, expanded lanais, added windows and doors, and built trellises and gazebos. As the trees and plantings mature the results are apparent, and we now live in a very beautiful and nicely landscaped subdivision.

Your Homeowners' Association has been involved with this work right from the start. In addition to its fiscal duties, the Board has the responsibility of seeing to it that all owners comply with the DCC&Rs and Bylaws. Part of this includes seeing to it that landscaping and improvements are completed in the prescribed time. This hasn't been an easy task, it is ongoing, and there are still deficiencies. We have had to work with various owners and try to make allowances for owners with cash shortages, family emergencies, and illnesses. There are a handful that are uncooperative or do not care. The policy of the Board has been to be patient and understanding where there is justification, and to be firm, levy fines, and continue to press for completion of landscaping in the absence of any reason for leniency. Some have asked about the few lots that are not completely landscaped or not being maintained. We continue to press these owners. In one case the Board paid to have the weeds cut and charged the owner. One home went through foreclosure and has now been resold and the new owner is working to get the landscaping completed. This is still a primary concern of the Board and will continue to be so.

We had seven responses with comments as a result of the annual meeting notice mailing. We encourage you to speak up about issues that concern you, as we get almost no contact or feedback from owners. There is a concern about loose dogs and cats. Owners are required to keep their animals contained or leashed, and the Board has no specific enforcement powers. We will, however, write the offender a letter if we receive a direct complaint with the offender's name and address. If the problem persists, then it must be taken up with the Animal Control/Humane Society. Street parking is another issue that was asked about. This has become a more serious problem only recently and the Board has just begun to address it. There are restrictions on parking in Ku' au Bayview as well as on all County streets and owners are encouraged to call the Maui Police Department to report offenders. It is the position of the current Board that we would have to hire a private security company to effect any serious enforcement and there is no money available in the budget without raising monthly maintenance fees.

It has also come to the attention of the Board that there may be homeowners who are running illegal vacation rental operations in their homes. This type of business is required to be licensed by the County, and if you know that this is going on, we encourage you to request the County to look into their licensing. The Board can act only when it has proof of such activity, such as advertising, and then it will take action to stop the illegal activity.

Other issues that have come before the Board are the front entry landscaping, speed humps, and street light shielding. The front entry has been re-landscaped, is being well-maintained, and looks great. We were unable to get the required 100% response from owners on the petitions for the speed humps (renters are not allowed to participate) and therefore the issue is currently inactive. The same is true for the petition for street light shielding.

Overall I am pleased to report that there has been no increase in fees for the past two years and no increase is anticipated this year. We as your Board are concerned about maintaining property values and in keeping Ku'au Bayview a desirable and pleasant place to live. We welcome your participation and comments. There are several committees that are active and invite you to volunteer to work on one or more,

or to chair a committee that you feel strongly about. This will give you the opportunity to be directly involved with your community.

Thank you for your support.

Respectfully,
/ Donald Varni /
President