

ASSOCIATION OF APARTMENT OWNERS
KU'AU BAYVIEW
THIRD ANNUAL HOMEOWNERS MEETING
April 27, 1999

DIRECTORS PRESENT: Don Varni, President; Talbot Shibley, Vice President; JoAnn Yee, Secretary; Ben Bland, Treasurer; Debbie Schonewill, Director; Jeff Faulkner, Director.

DIRECTORS EXCUSED: Brian Ross.

OTHERS PRESENT: Cindy Mendes, Account Manager, Oihana Property Management; Bobbie Benjamim, Oihana Property Management; Lola Ledbetter, Recording Secretary.

CALL TO ORDER:

President Don Varni called the Third Annual Homeowners Meeting of Ku'au Bayview to order at 6:20 P.M., in the Paia Community Center Meeting Hall, Paia, Maui, Hawaii.

PROOF OF NOTICE:

Cindy Mendes, Oihana Property management, certified that Proof of Notice of the Third Annual Homeowners Meeting of Ku'au Bayview was mailed to all owners of record, with accompanying proxy, and filed in the office of the Managing Agent on March 24, 1999.

ESTABLISHMENT OF QUORUM:

Ms. Mendes announced that 31 lots were represented in person and 16 lots by proxy, for a total of 47 lots, establishing a quorum.

SECRETARY'S REPORT:

MOTION: To approve the minutes of the Annual Homeowners Meeting dated April 22, 1998 as circulated. Seconded and carried unanimously.
(Morris/Givens)

TREASURER'S REPORT:

Ben Bland reviewed the 1998 Financial Statement dated December 31, 1998, a copy of which is attached hereto these minutes.

Mr. Bland stated all financial records are available for review by any owner, at the office of Oihana Property Management. Owners are requested to call for an appointment.

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Discussion on the Financial Statement included:

- 1) Landscaping/Front entrance - The Board is currently soliciting bids for a new landscape maintenance contractor in an effort to upgrade the overall landscaping throughout the property and, in particular, the front entrance.
- 2) Mailboxes - Ms. Yee stated that initially, A&B agreed to pay for the purchase and installation of the mailboxes, with the understanding the Association would reimburse half of the balance. However, A&B subsequently offered to waive this reimbursement, thus eliminating the expense to the Association.

MOTION: **Resolved, that any excess of membership income over membership expenses for the past year be applied against the subsequent tax year member assessments as provided by IRS Revenue Ruling 70-604.**

Resolved, that any amounts collected by or paid to the Association in excess of operating expenses for the past year be set aside for future major repairs and replacements and allocated to capital components as provided by the guidelines established by Revenue Ruling 70-604, 75-370 and 75-371. Such amounts shall be added to replacement funds shall be allocated to the various components at the discretion of the Board of Directors.

Seconded and carried unanimously. (Williams/Daly)

COMMITTEE REPORTS:

SPEED HUMPS:

Ms. Yee stated several owners, for safety reasons, have expressed interest in petitioning the County to install speed humps on the streets. She stated all owners on the street where the speed hump would be installed must vote on the petition, either in favor, opposed or as an abstention. A majority approval is required before the humps will be installed. President Varni noted that all streets, with the exception of Lae, have been approved for the speed humps.

DESIGN REVIEW COMMITTEE:

Debbie Schonewill, Chairman of the Design Review Committee (DRC), stated that every new homeowner is sent a set of the Design Rules. She stated that any owner interested in receiving a copy of the Design Rules should contact Oihana.

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Ms. Schonewill reported the DRC reviewed 23 submittal's in 1998 of which 21 modification requests were approved. Of the two requests not approved, one was a complaint the DRC responded to, and the second, was an issue clearly defined in the CC&R's.

PARK:

Debbie Schonewill, Chairman of the Park Committee, stated she testified at the last County meeting with regard to the park at Ku'au Bayview. She reviewed the past efforts of Stan Kuriama, A&B, who worked diligently to deed the land over to the County for a park. The park was recently successfully dedicated to the County who has allocated funds for the design phase of the project. Ms. Schonewill stated the park will be built on the right hand side of the property (the farthest basin cannot be built on) and can include restrooms.

Ms. Schonewill asked owners to consider volunteering to chair the Park Committee. She stressed the importance of involving all homeowners and the Paia community to have input in the entire process of this project. She stated that because the County does not have all the money necessary to build the park, funds will need to be raised and donated (to the County) for the project to proceed. Any owner who is interested in serving on this committee was asked to contact Ms. Schonewill.

Ms. Yee thanked and commended Ms. Schonewill for her time and efforts on the Design Review and Park Committee's. Ms. Schonewill received a warm round of applause.

NEIGHBORHOOD CRIME WATCH:

President Varni reported that a second Neighborhood Crime Watch meeting was held and attended by approximately 20 owners. The Paia Main Street Association is circulating a petition to request another liaison local police for the Crime Watch program, as the previous officer retired.

PRESIDENT'S REPORT:

President Varni stated the Board worked on various issues over the past year, in particular with the completion of landscaping for newly constructed homes. He stated that once all construction is completed and the landscaping planted and established, the sub-division will be very nice. Owners have been requested to complete their landscaping by May, 1999 (in the front) and September, 1999 for those owners who need to complete the back of their lots, at which time the Board will begin to enforce the governing documents and levy fines for non-compliance.

President Varni advised the Board is aware that the front landscaping has deteriorated. As stated earlier in this meeting, the Board is currently soliciting bids from other landscape contractors to replace the one.

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ELECTION OF DIRECTORS:

President Varni announced there are 4 positions to be filled on the Board, for the expiring terms of JoAnn Yee, Tal Shibley, Brian Ross, and Jeff Faulkner. Tal Shibley has placed his name as a candidate for re-election. Homeowners who have placed their names as candidates for the election are: Karen Crowther and Wesley Shyer. Ms. Yee and Mr. Faulkner, both representing A&B, have chosen not to run for re-election as A&B only has three houses left to sell.

Mr. Shyer gave a brief introduction of himself. President Varni read the previously submitted resume of Ms. Crowther, who was not present at the meeting.

President Varni asked for nominations from the floor. Ms. Yee nominated Tal Shibley. Ms. Schonewill nominated Jeff Chong. President Varni nominated Lisa Daly.

President Varni closed the nominations. Ms. Mendes explained the voting procedures. The meeting recessed at 7:08 P.M. for voting and reconvened at 7:19 P.M.

INSPECTOR TO THE ELECTION:

President Varni appointed Mary Sweet as the Inspector to the Election to assist Oihana in the tabulation of ballots.

OWNERS FORUM:

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

- 1) Jeff Chong expressed concern with the fire hazard issue created by the relocation of the cane field road, approximately 15 to 20 feet closer to his residence, and the reduction in the buffer space between (his residence) and the cane field. President Varni responded the new Board will address this issue with the proper officials at H,C&S.
- 2) As there are only a few houses left to be sold, Lisa Daly requested A&B to remove the for sale sign in front of Ku'au Bayview. Ms. Yee stated A&B will take this request under consideration.
- 3) There was general discussion on various violations to the House Rules as well as the Design Review Rules, i.e., visible clothes lines, refuse containers, etc. The Board will review these comments and continue to enforce the rules as necessary.
- 4) Street lights - Mr. Bland suggested, and the owners agreed, to form a committee to review shielding the street lights to direct the light onto the streets versus into the residences.

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President Varni asked that all complaints from owners be submitted to the Board, in writing and signed, for review and follow up. Owners were encouraged to review and become familiar with the Association's documents (CC&R's).

RATIFICATION:

**MOTION: To ratify the actions of the Board since the last Annual Meeting.
Seconded and carried unanimously. (Shyer/Moore)**

ELECTION RESULTS:

President Varni announced the new Directors to the Board. They are: Tal Shibley, Jeff Chong, Lisa Daly, and Karen Crowther.

ADJOURNMENT:

**MOTION: To adjourn the meeting. Seconded and carried unanimously.
(Yee/Bland)**

The meeting adjourned at 7:35 P.M.

Respectfully submitted,



Laurie "Lola" Ledbetter
Recording Secretary

**MINUTES OF BOARD OF DIRECTORS
ORGANIZATIONAL MEETING
April 27, 1999**

DIRECTORS PRESENT: Don Varni, Talbot Shibley, Ben Bland, Deb Schonewill, Lisa Daly, Jeff Chong.
DIRECTORS ABSENT: Karen Crowther
OTHERS PRESENT: Cindy Mendes, Oihana Property Management; Lola Ledbetter, Recording Secretary

CALL TO ORDER:

Don Vami called the Organizational Meeting to order at 7:40 pm. A quorum was established with 6 of the 7 Directors present.

ELECTION OF OFFICERS:

The following Officers were elected for the 1999-2000 year:

President:	Don Varni
Vice President:	Jeff Chong
Secretary:	Tal Shibley
Treasurer:	Ben Bland

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