

MINUTES OF THE BOARD OF DIRECTORS' MEETING
OF MAKAHA VALLEY PLANTATION
JANUARY 20, 2009
ON SITE -Kiana Cabana

APPROVED

OWNER'S FORUM

At 6:30 p.m., Chairperson Marjorie Collier welcomed all owners in attendance and opened the floor for those present to address the Board. The Chair thanked everyone for their comments and closed Owner's Forum at 7:00 p.m.

CALL TO ORDER

The regularly, scheduled meeting of the Makaha Valley Plantation Board of Directors was called to order at 7:00 p.m. by the President Collier.

ESTABLISH A QUORUM

A quorum was established.

Members Present: President Marjorie Collier, Vice President Robin Heath, Treasurer Greg Solokowski and Secretary Jim Sherman; Directors Frank Mead, Keith Marin and Shannon Palacio

Members Absent: None.

By Invitation: Larry Tucker, Site Manager
Ralph Ahles, Management Executive, Hawaiiana Management Co.,
Tiso Maanaina, AOA Security Supervisor (SO)

APPROVAL OF MINUTES

On **motion** of Secretary Sherman, the minutes of the regular Board of Directors meeting of October 24, 2008 were unanimously approved as submitted.

REPORTS

- A. **Security** – Security Chief Tiso Maanaina provided the board with a 24 month summary of incidents including the month of December, 2008. The suggestion was made to have Site Manager Tucker work with SO Tiso on providing a more detailed report rather than a summary page of comparison numbers from past months.
- B. **Treasurer** – Director Sokolowski reviewed and **moved** to accept the October, November and December, 2008 financial statements subject to audit. The motion carried unanimously.
- C. **General Manager's Report** – A General Manager's report for the period covering October, 2008 to January, 2009 had been distributed to the Board prior to the meeting. Site Manager Tucker addressed with the Board projects completed, projects in progress and future projects under consideration. (*See attached report for complete details*)

D. COMMITTEES

1. Security – Committee Chairperson Marini – No Report.
2. Documents – Committee Chairperson Mead reported he had received a 2005 copy of the House Rules and requested he receive all amendments to the rules since then for review. Mr. Mead also suggested that a 'Board Meeting Minutes' book be kept on file and up-to-date on site at the office.
3. Personnel - Committee Chairperson Sherman reported he met with the three lead employees of Landscape, Maintenance and Housekeeping and addressed job descriptions, wages, etc. Mr. Sherman stated that he would meet with Larry Tucker, the new General Manager to go over personnel issues.
4. Budget/Financial – Committee Chairperson Sokolowski – No Report.
5. Communications – Committee Chairperson Heath reported that the communication channel 2 needs music put back on it and the website needs to be updated. Director Palacio volunteered to assist GM Tucker on these matters.
6. Building and Grounds – Committee Chairperson Marini reported on cracked fountains at building 4A and will work with GM Tucker on setting up a plan to repair building foundations around the project. A question was raised about the price for window tinting being broadcasted on channel 2 by T & T Window Tinting. GM Tucker will call T & T Tinting for a better price and also change the broadcast to state that owners have a choice on tinting vendors as long as the approved specifications are followed.

UNFINISHED BUSINESS

- A. Water Intrusion Repairs – ME Ahles reported that two contractors had submitted proposals on doing the repairs – Shibata Contracting at \$63,000 per stack (3 units); Commercial Werks at \$84,000 per stack (3 units). On **motion** of Vice President Heath, the Board **unanimously approved** to select Shibata Contracting to repair three stacks during 2009. Management is to work with Shibata Contracting in the selection of the stacks to be repaired and to give ample notice to the owners/residents of the units selected for repair.
- B. Air Condition Exterior Covers – On **motion** of Treasurer Sokolowski, the board **unanimously approved** to allow individual owners who have a/c units protruding from windows to be enclosed with a metal lattice cover painted to match the building exterior color as an alternate to a wood lattice cover.

NEW BUSINESS

- A. Lanai Enclosures – In response to owner requests to enclose their lanais to the top of the railings, a **motion** was made by Treasurer Sokolowski to permit owners to enclose their lanais in accordance with specifications as to color and material used up to the height of the lanai railings. **In Favor:** Directors Heath, Palacio and Mead; **Against:** Directors Sokolowski, Sherman, Marini and Collier; **Abstaining:** None. The **motion failed**.

A second **motion** was made by Vice President Heath to permit owners of the "A" units only to enclose their lanais as specified subject to legal review on the limitation to only "A" units. **In Favor:** Directors Heath, Palacio, Mead and Marini; **Against:** Sokolowski and Sherman; **Abstaining:** Collier. The **motion carried**.

- B. Building 87 Restoration – Property Manager Ahles reported on the current status of the repairs to Building #87 damaged by the water main break on November 14, 2008 and the repairs to Unit 161-C damaged by a fire on October 29, 2008. Both repairs are being performed by 3-Point Restoration which was selected by the Association's insurance carrier.
- C. Appointment of Shannon Palacio to the Board – On **motion** of Vice President Heath, the Board **unanimously approved** to appoint Shannon Palacio back on the board to replace Les Eldridge who was appointed due to Mr. Palacio's temporary relocation to the Big Island of Hawaii.

(At 8:20 p.m. President Collier called for a recess)

EXECUTIVE SESSION

At 8:30 p.m. President Collier announced that the board needed to go into executive session to discuss several legal and personnel issues. All owner present who were non-board members were excused.

At 9:00 p.m. President Collier announced that the board was back in regular session.

The following actions related to personnel issues were noted after discussion in executive session:

- 1) Auto Reimbursement – GM Tucker is to be reimbursed \$300 for auto expenses covering the period from December 11, 2008 through January 31, 2009 due to the unavailability of the resident manager's unit on site for lodging.

- 2) Lodging Compensation – GM Tucker is to be compensated a lodging allowance covering the period from December 11, 2008 through January 31, 2009 due to the unavailability of the resident manager's unit on site for lodging.
- 3) Waiver of Medial Coverage – GM Tucker will receive an additional \$250 per month in compensation in lieu of the Association providing an employee medical coverage benefit.
- 4) Interim Management – Shirley Landford is to receive additional compensation for the period from October 16, 2008 to December 11, 2008 for assuming the role of on site management during Otis King's absence due to illness.
- 5) Severance Pay – Otis King is to receive two (2) months severance pay for his 5 years of service as the general manager of Makaha Valley Plantation.
- 6) Hire Replacement GM – Larry Tucker was hired as the new general manager to replace Otis King who was released due to permanent disability.

The following actions related to legal issues were noted after discussion in executive session:

- 1) 7-C Owner – Board approved to reduce a fine from \$200 to \$100.
- 2) 9-B Owner – Board approved to reduce late fees from \$767 to \$383.
- 3) 49-B Owner – Board approved to accept deficiency judgment payment of \$13,000.
- 4) 166-A Owner – Board approved to accept a maintenance fee payment plan.
- 5) 159-A Owner – Board approved to allow lanai enclosure request.

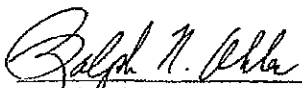
DATE, TIME & PLACE OF NEXT MEETING

The next regularly scheduled Board of Directors meeting will be held on Monday, February 16, 2009, 6:30 p.m. on site at the Kiana Cabana.

ADJOURNMENT

There being no further business to conduct, President Collier adjourned the regular meeting of the board at 9:15 p.m.

Submitted by:



Ralph Ahles, Management Executive
Hawaiiana Management Company