

MINUTES OF THE ORGANIZATIONAL MEETING
OF THE BOARD OF DIRECTORS
OF MAKAHA VALLEY PLANTATION
MARCH 16, 1996

CALL TO ORDER

The Organizational Meeting of the Board of Directors of Makaha Valley Plantation was called to order by The Chair at 11:44 a.m.

ESTABLISH A QUORUM

A quorum was established.

Members Present: Cecil Bindel David Duke
 Bette Larrabee Alvin Silva
 Wayne Thompson

Present by Invitation: Jim Coupland, Management Executive, Hawaiiana Management Co.
 Charla Trevenen, Recording Secretary

ELECTION OF OFFICERS

It was unanimously agreed that the Officers remain the same. The following Directors are the Officers of the Board:

President:	Cecil Bindel	Vice President:	Bette Larrabee
Secretary:	Alvin Silva	Treasurer:	David Duke

DATE, TIME AND PLACE OF NEXT MEETING

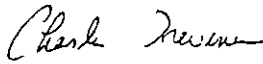
The next Board of Directors' meeting was scheduled for Tuesday, March 19, 1996.

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 11:47 p.m.

Respectfully submitted:

Approved:


Charla Trevenen
Recording Secretary

Alvin Silva
Secretary

MINUTES OF THE ANNUAL MEETING
OF THE ASSOCIATION OF APARTMENT OWNERS
OF MAKAHA VALLEY PLANTATION
MARCH 16, 1996

DETERMINATION OF QUORUM

A quorum was established with 56.0404 percent of the owners represented in person or by proxy. The final quorum was 56.7666%.

CALL TO ORDER

The 1996 Annual Meeting of the Association of Apartment Owners of Makaha Valley Plantation was called to order at 10:02 a.m. by the Chair Cecil Bindel.

PROOF OF NOTICE OF MEETING

A notice of this annual meeting was sent to all owners of record on February 16, 1996. A copy of this notice has been made a part of the annual meeting file.

INTRODUCTION OF BOARD MEMBERS AND GUESTS

Owners were welcomed to the annual meeting and the Board of Directors and invited guests were introduced:

Board Members: Cecil Bindel, President
 Bette Larrabee, Vice President
 Alvin Silva, Secretary
 David Duke, Treasurer
 Wayne Thompson, Director

By Invitation: Steve Glanstein, Parliamentarian
 John Morris, Attorney for the Association
 Jim Coupland, Management Executive, Hawaiiiana Management Co.
 Charla Trevenen, Recording Secretary
 Harlow Todaro, Resident Manager
 Trudy Benigno, Anne Kekoolani, Denise Sasaki, Norma Vicencio, Tally Clerks
 Tom Horner, Insurance Factors

PARLIAMENTARY AUTHORITY

In accordance with the Bylaws, Article II, Section 11, the meeting was conducted under the most recent edition of Robert's Rules of Order, Newly Revised. Mr. Glanstein, who is a Professionally Registered Parliamentarian, assisted in the order of business. There being no objections, the meeting was conducted using the proposed meeting rules. A copy of the rules was made a part of the annual meeting file and kept in the offices of Hawaiiiana Management Company. The Chair appointed Bob Houser (29) as the meeting's timekeeper for any debates.

APPROVAL OF MINUTES OF PRECEDING ANNUAL MEETING

The minutes of the March 18, 1995 annual meeting were distributed to the owners with the 30-Days Annual Meeting Notice and approved by the owners as distributed.

REPORTS OF OFFICERS

A. President's Report. The Chair reported on the following items:

1. Hot Water: The heat pumps have not been working properly. The Board will review the possibility of switching to a gas water heater backup. Upon inspection of two units, it was found that the hot water and cold water lines were mixed, causing hot water to disperse in the cold line and vice versa. The Board will also review this matter.
2. The Board: The Chair stated that the Board has been working together very closely to accomplishing the work that needs to be done for the project.

B. Vice President's Report. Bette Larrabee reported on a the following items:

1. Office Staff: Ms. Larrabee thanked the Office staff, Emerald and Peggy, for their help in the office.
2. The Board: The Board has worked well together this past year. The monthly meetings have been well-attended and started on time. The Board worked together with completing the employees handbook which has been reviewed by the Association's Attorney. Meetings with the employees have proven to be very productive. The close circuit monitor is being used to put out important notices and information. If owners want to view the information, they can pick it up on channel 2 on their television set. There were some payroll changes at the beginning of the year. Sick leave was implemented. A program was put together to have orientation meetings with new renters and new owners. A fine accounting system was set up by the Board, but the Board will be discussing some fine-tuning of the rules. The Board does not like the idea of a fine system, but there are too many people being bothered by others.

Ms. Larrabee stated that the Board has worked very closely the past year with the help of the owners and residents of Makaha Valley Plantation, Tom Horner, Jim Coupland, and John Morris.

The Chair stated that Ms. Larrabee has also put in alot of her own time to get the job done for the owners.

C. Treasurer's Report. David Duke reported on the following:

Cash Balance:

As of December 1994	\$255,000.00
As of December 1995	\$482,000.00

The Board closely monitors the expenditures. Repairs are being made and the project maintained to keep its value. The concerns that the Board is addressing are the following:

1. Retrofitting the heat pumps.
2. Budgeting expenditures: \$70,000 loan; \$3,000 for heat pump repairs in 1995; and \$6,000 for heat pump repairs in 1996.
3. A workman's comp claim is being addressed by the insurance carrier. The impact is not known at this time.
4. Delinquencies are being worked on by the Association Attorney and the Management company.

Mr. Duke said that the Board is committed to stay within the budget in 1996. Thanks was given to the Budget Committee for their hard work in putting together the 1996 budget. Thanks was given to the members of the Board for working as a team to insure financial stability. And, finally, thanks was given to the owners for their help. The Board will continue to work together in stabilizing the financial situation of the project.

- D. Secretary's Report. Alvin Silva reported that during the past year, the Board has worked very well together. There have been improvements at Makaha Valley Plantation. The financial status is looking very good. There was a modest increase in maintenance fees which was needed. As Secretary of the Board, Mr. Silva tries to give the Board good meeting minutes with consistency. One of the major projects that the Board undertook was the revision of the House Rules. The Board is reviewing the draft of the House Rules and will be discussing it in their meetings. Once the review is completed, it will be reviewed by the Association Attorney. A copy will be sent to all owners. The process has been a long one and fair to everyone.

AUDITOR'S REPORT

Terry S. C. Wong, CPA, has audited the books for the accounting year ending December 31, 1995. A copy was made available to the owners who registered at today's meeting. There being no objections, the Auditor's report was adopted.

SELECTION OF INSPECTORS OF ELECTION

The following inspectors volunteered to be inspectors of the election:

Toshio Yatsushiro (132C) Don Drussell (189B)

ELECTION OF THREE DIRECTORS

Section I of Article III of the project Bylaws specifies that the affairs of the Association shall be governed by a Board of Directors composed of five persons, each of whom shall be an owner, a co-owner, or spouse of an owner of an apartment in the project. There were three vacancies on the Board to be filled. The term of office is for two years. Remaining on the Board are Bette Larrabee and Alvin Silva.

A. Nominations. The Chair stated that there were several owners who expressed their desire to serve on the Board. Those individuals were:

Charles Andrews (37C) Cecil Bindel (10C) David Duke (2B)
Jerald Hatt (186A) Walter Savedra (134A) Wayne Thompson (130B)
Margaret Weber (163A)

Hearing no further nominations, the Chair declared the nominations closed.

Each nominee gave a brief synopsis of their background and expressed their desire to serve on the Board.

B. Explanation of the System of Voting. The Chair explained the system of voting according to the Association's bylaws. Election of Directors was by percentage voting and by secret ballot. The Chair recognized the property manager, Jim Coupland, to explain the ballot procedures. Cumulative voting was not permitted.

There being no objections, the meeting was recessed at 10:48 a.m. for the purpose of casting and counting the ballots.

There being no objections, the meeting was called back to order at 11:15 a.m. The Chair declared the voting closed.

C. Results of the Election. The Chair announced the results of the election as follows:

Wayne Thompson	34.7652%	Two Years
David Duke	34.3154%	Two Years
Cecil Bindel	29.2202%	Two Years
Jerald Hatt	19.7914%	

MINUTES OF THE ANNUAL MEETING
MAKAHA VALLEY PLANTATION
March 16, 1996
Page 5

Margaret Weber	18.2712%
Walter Savedra	9.9726%
Charles Andrews	6.7119%
Alvin Silva	.2099%
Don Knox	.1721%

The Chair thanked all of the owners for their interest in running for the Board.

NEW BUSINESS

- A. Resolution on Assessments. The following resolution was moved for adoption:

"RESOLVED, by the owners of Makaha Valley Plantation, Association of Apartment Owners, that the amount by which members' assessment in 1996 exceed the total payments of the Association for maintenance, repairs and other expenses and capital expenditures of the Association as the Board of Directors has appropriately paid or determined payable, shall be applied to 1997 regular member assessments."

There being no objections, the resolution was adopted.

- C. Approval of Property Management Contract. In accordance with Article V, Section 2 of the Bylaws, approval of the property management contract is required by a majority of the owners. The Board has recommended approval of the property management contract with Hawaiiana Management Company.

There being no objections, the Property Management Contract was approved.

ADJOURNMENT

There being no further business, the meeting was adjourned at 11:20 a.m.

Respectfully submitted:

Approved:



Charla Trevenen
Recording Secretary

Alvin Silva
Secretary