

**ASSOCIATION OF APARTMENT OWNERS**  
**MAKAHA VALLEY PLANTATION**

**MINUTES - Board of Directors Meeting**

**Date:** May 25, 1993

**Place:** Makua Room, Sheraton Makaha Resort

**Present:** Dick O'Donnell, Tom Youngblood, Blythe Thomas,  
Melody Murphy, Cecil Bindel

**By Invitation:** Charles Houtchens, Resident Manager  
Marie Calder-Clayton, Hawaiiana Management Co.:  
Emerald Souza, Assistant Manager: Capt. John McFarland, Security:  
Betty Thomas - 181-A: Aldene Doherty - 184-B:  
Dorothy Smith - 034-A: Flora May Majewski - 031-A:  
Jerald Hatt - 186-A: Betty O'Donnell - 196-A:  
M/M Bob Eskola - 087C: Evelyn Bindel - 010-C:  
Tom Powers - 088-A: Gladys Singleton - 055-A:  
M/M Michael Wechsler - 146-C: Teresita Trippett - 028-A:  
Natalie Robinson - 083-A: Loretta McDaniel - 182-A:  
Bonnie Sorensen - 002-B: Diana Hemingson - 116-A:  
Dolly White - 068-B: S. P. Brawley - 013-A:  
M/M Cliff Weber - 163-A: Irene Houtchens - 047-A:  
Charles Grant/Anna Epperson - 153A: Theresa Garner - 044-A.

A quorum being present, President O'Donnell called the meeting to order at 7:02 PM.

**The Minutes of the meetings of February 23 and April 14, were approved unanimously as distributed.**

**Correspondence**

- 1) Purington 92B/C, 153B - Information
- 2) Patterson - 166A - Information.
- 3) Board of Water Supply - to New Business
- 4) Sharp - 23-C (2) & Response - Information

**Reports of the Officers**

Reports of President O'Donnell, Treasurer Murphy, Resident Manager Houtchens, and Security Captain McFarland are attached.

**Special Assessment** - Moved by Richard O'Donnell that we rescind the Special Assessment decided upon at the April 14th meeting, since it is planned to redo the Budget and the 10-year plan - Carried unanimously

**Unfinished Business**

**NONE**

**New Business**

**Accident-Free Days** - February was a Black Month: Dave Roesler was the winner for March and Richard Vazquez for the month of April.

2) **Akahi Services Contract** - A committee consisting of Cecil Bindel and Loretta McDaniel is to look into our options and also get bids from other contractors.

3) **Audit 1993** - The State law requires an audit each year. Mr. Daniel Sullivan, CPA, has been doing our audits for the past several years. He has proposed to do our audit and file our tax returns, do a surprise verification and the office audit for \$2175.00 plus tax. Moved by Blythe Thomas that we accept Mr. Sullivan's proposal as outlined above. Carried unanimously.

4) **Ratification of Telephone Vote for Additional Heat Pumps** - Ratification carried unanimously.

5) **Ratification of Telephone Vote to Permit Covering Inside Front of Lanai with Plywood** - Discussion took place - the Board felt, after discussion, that it would be improper to allow this, and ratification did not take place.

6) **Sale of Apple II Computer** - Secretary Thomas reported that we had removed the Apple II computer when the new 386 computer was installed. We sold this to an owner, but when it was installed it failed to work. Repairs will cost \$401.00 - the owner decided she did not want this, and we now have it back. Treasurer Murphy advised she would try to sell this through cards on bulletin boards and if this is not successful we will probably donate it to a school.

7) **Increase in Computer Capacity** - The storage capacity of the new 386 computer is exhausted. Treasurer Murphy will look into the problem and report at the next meeting.

8) **Security Check of Walk-Ins** - Director Bindel has suggested that walk-ins should be checked at the Front Gate. Recommended that Security be asked to check out any unknown persons entering the gate.

9) **Sealmasters - 754 Area** - Bid to repair damages done to pavement when it was necessary to dig up ground to locate water leaks - total \$1350.00 plus tax. To be held until new budget is established.

10) **Board of Water Supply** - BWS requires all back flow check valves be in operating order by July 4, 1993. All 32 of our sprinkler back flow valves failed. Moved by Dick O'Donnell that we comply with the requirement, and that we will get three bids and take the lowest bid. Passed unanimously.

11) **Enerqu Unlimited - Bill** - Moved by Melody Murphy that we advise Mr. Chiswick that he may remove his valve, but the Association will not pay the bill. Carried unanimously.

12) **Coconut Palm Trimming** - Our palm trees are presently loaded with coconuts which may soon fall and cause injury or damage. Moved by Dick O'Donnell that we accept the bid from Joe's Tree Trimming Service for approximately \$15.00 per tree. Carried unanimously.

13) **Parking Stalls** - After much discussion, it was moved by Tom Youngblood that we eliminate the stall in 664 area. Carried: Aye - O'Donnell, Youngblood, Murphy and Bindel: Nay - Thomas.

The meeting adjourned at 9:06 PM.

Next meeting:           Monthly Meeting  
                          Tuesday, July 27, 1993, 7:00 PM  
                          Makua Room, Sheraton Makaha Resort

W. Blythe Thomas, Secretary

## Report of the President

Most of my remarks will be elaborated upon by our Treasurer during her report. During the early part of March, I became aware, as did the balance of the Board, that we were experiencing a shortfall in our budget to the tune of approximately \$5800 per month, or a total shortfall at years' end of approximately \$70,000. This was brought about because of the ongoing monthly expenses for heat pumps and golf carts were not included in our budget. I believe the ultimate responsibility for this lies with our Management representative, however, no one on the Board or on the Budget Committee noticed this at the time. Compounding this shortfall were uncontrollable expenses in the approximate amount of \$60,000, for water leaks, pressure controls and gate valves.

The Board also, during this period, approved the purchase of a computer system and a new copier. Hindsight always being 20/20 and needless to say, had we recognized the aforementioned, we might not have approved the expenditures for the copier and computer at that time.

As a result, our cash and reserves became dangerously low. On April 14th, we met and considered and voted on a special assessment in the approximate amount of \$330.00. Still not satisfied, and wanting to be absolutely sure we were doing the right thing, we asked for another meeting, this time with Hawaiiana President Dick Gourley. Mr. Gourley has recommended we redo our budget and our 10-year plan, taking into consideration upcoming increases in several utilities, etc. This is presently in process. He has also furnished us with a chart, depicting maintenance fees versus expenses over the last 5 years.

The chart shown on the third page of your agenda, shows the comparison of Maintenance Fees, Monthly Revenue and Monthly Expenses over the past five years. While the previous Boards felt that they were doing well by holding down Maintenance Fees, it may well not have been a favor. As can be seen by the chart, the Maintenance Fees have increased by 21% over this period, while the monthly expenses have increased by almost 39%, the bulk of which were uncontrollable utilities.

Dick O'Donnell, President.

## Report of the Treasurer

April, 1993

Total Receipts		\$ 123,391.88
Operating Expenses	(99,362.02)	
Major Improvements	(40,329.11)	
Total Association Cash & Reserves		120,605.97

Melody Murphy, Treasurer.

## Report of the Resident Manager

During January, February and March 1993, there was quite a lot of work done in the 707 area to deter termites. It was discovered that a vertical post in 107-A was badly infested with termites to about half way up the post. This post had to be replaced, along with five others under the building. The heavy timbers had to be treated with a strong termite treatment. These two jobs were \$873.60 and \$410.80. Since the 707 area is the only location we have located termites, all the wood under the buildings was treated starting at 99 through 104. There was no sign of termites in that building. This building was \$494.00. Building 109 through 116 was done at a cost of \$1222.00. A strong odor was reported for about a week. As well as this job was done, I was told we should not expect any further problems in the 707 area for about 15 years.

The letter which was read by Mr. Thomas earlier in this meeting from the Board of Water Supply pertained to the back flow system and is actually a part of the MVP sprinkler system. There are eight different areas which have double check valves and two gate valves. This inspection is a new law, and these valves will be checked annually. Cost of the inspection was \$437.50. All 32 valves failed the inspection, which was carried out by Western Pacific Mechanical, one of the few firms authorized to make these inspections. These must be replaced by a qualified engineering firm who, after replacement will certify them for 12 months. At present, I do not have the cost, but these will have to be replaced as soon as possible. This should be taken up under New Business.

Several owners have requested more plantings in their areas, many of which I have already planned to do. At present we have between 5000 and 6000 plants in the nursery but most of them will not be ready for transplanting for a few more months. So, if you are one of the persons mentioned, please have just a bit more patience.

During our hot water problems in 754 and 757 areas, we also had a problem in 665 area. This was difficult to understand, as it is the smallest of all the nine areas. In an attempt to isolate this problem, Mr. Peter Chiswick of Energy Unlimited installed a meter in the hot water line. Shortly after the installation, the problem disappeared. Mr. Chiswick had also installed a meter in the 754 area, and removed it when the problem there was located, but he did not remove the meter at the 665 area. After receiving his bill of April 13th for \$494.00 (tax included), Mr. Thomas asked him what this was for. He advised Mr. Thomas that I had broken the meter by turning on the recirculating pump. I haven't quite figured out how to recirculate the water without using the recirculating pump. Mr. Thomas asked Todd Wenke of TR Enterprises to check the meter, and he could find no problem with it. When Mr. Thomas told Mr. Chiswick this, Mr. Chiswick replied that he didn't want the meter back anyway. Under these circumstances, I would recommend that the Board of Directors do not approve the payment of this bill.

Probably some of you have noticed that there are very large coconuts preparing to fall from our coconut palms. I recommend that the trimming of the palms be done as soon as possible in order to save possible injuries or replacement of windshields. I would request that the President add this to New Business.

Parking deposits for March were \$3352.00, and April \$3605.00. Registration Fees, since we started in January 1992, are now at a grand total of \$8463.00. The total income from Channel 2 to date is \$995.00. Accordingly, this indicates that this may well be fully paid within four years.

Charles Houtchens, Resident Manager.