

AOAO Koa Lagoon

Board of Directors' Meeting Minutes

October 31, 2021

Board Members Present – President, Marie Bader; Secretary, Valerie Oliver, Treasurer Barbara Wroblewski, Kerry Beasley, and Charles Heikkinen.

Owners Present – Maxine Johnson and Vincent Johnson, Pam Bello, Devon Balocco and Bonnie Ruff.

Guests Present – Brett Fahnstock, Property Manager.

LOCATION

The meeting was held over Zoom via the internet.

CALL TO ORDER

President, Marie Bader called the meeting to order at 10:00 A.M. Hawaii Standard Time.

CERTIFICATION OF NOTICE OF MAILING

Notice of this meeting was sent to all owners and posted on property 72 hr. prior to the meeting.

ESTABLISHMENT OF A QUORUM

A quorum was reached with five board members present.

APPROVAL OF THE PAST MEETING MINUTES

Motion – Kerry Beasley moved to approve of the September 19, 2021, board meeting minutes and executive session meeting minutes. Seconded, by Barbara Wroblewski and the motion passed unanimously.

FINANCIAL UPDATE

Management read the September financial report and explained the year-to-date variances.

- Revenue is on target.
- Most of the interest income will get adjusted to show as income in 2020 as we just completed the 2020 audit, and she recorded the interest income from the CDs in 2020.
- The property insurance paid out about 28k for the water damage to 104 which increased the revenues.
- The following expenses were noted:
 - Legal fees are over budget
 - The insurance for the water damage was paid to repair the damage
 - Maintenance and Repair are over due to several repairs
 - Landscaping is over due to cutting the coconut trees
 - Reserve expenses as of the end of September are about 126K.

- Management along with the Treasurer transferred 75K from reserves to operating in September 2021 to cover reserve expenses.

2022 BUDGET

Management reviewed the proposed 2022 budget. The proposed 2022 budget has the following items:

1. 4.29% increase in fees.
2. Reserve funding is to go from \$9,139 per month to \$9,517 per month.
3. An increase in insurance premium mostly related to the property insurance which is tied to no fire sprinklers in the building and the increase in the cost to do repairs because of inflation.
4. Utilities increased by 4.73%
5. Repair and maintenance items increased by 4.88%.

Motion: Kerry Beasley moved to approve the proposed 2022 budget with a 4.29% increase in fees. Seconded by Barbara Wroblewski and motion passed unanimously.

306 AND 506 LANAI PROJECT AND NOW 204

The 306-lanai repair permit is ready to be picked up at the county. The county has not released the 506 permit and it is still under review even though it is the same repair as 306. 204 needs some repair but only to fill in the cracks and seal. It does not need the knee wall repair like the other two lanais. The 204 work will be done soon and the 306 and 506 work is expected start on May 9th. More details of the 306/506 work schedule will be developed.

FIRST FLOOR TILE CLEANING

The first-floor tile cleaning will be done November 29 and 30 by Surface Solutions.

ROOF FAN AND DUCT PROJECT UPDATE

Three fans have been installed so far. The ducts have been fixed in both bathrooms of the 04 stack. Six fans have recently been ordered from All-Temp. Once these fans arrive, all fans will be installed from the 04 stack to the 07 stack and those fans will be left on 24 hr. per day, 7 days per week. Eventually, the 01 to 03 stack fans will be ordered. Also, the restroom ducts in all stacks besides the 04 stack need repair as well.

Motion: Valerie Oliver moved to purchase the six exhaust fans per the All-Temp proposal for \$17,220.47. Seconded by Kerry Beasley and passed unanimously.

ANNUAL FIRE ALARM TESTING

Management presented a fire alarm test quote from Soto Security for \$781.25. The alarms need to be tested ASAP.

Motion: Kerry Beasley moved to approve of the Soto quote for \$781.25 to test the fire alarms. Seconded by Barbara Wroblewski and passed unanimously.

204 COMMON PIPE REPLACEMENT

Unit 204 has been under renovation and the common pipes were replaced while the plumbing chase was open. All the sewer lines were replaced. The 1.5-foot sections that run through the floor to 104 were sleeved since they cannot be replaced.

206 LANAI HANDRAIL

The 206-lanai handrail needs to be repaired and then replaced once the replacement handrail has been selected and confirmed. For now, a repair will be done and once the new handrail is chosen, the 206-lanai handrail will be replaced.

A Committee was formed to select the new handrail that is the best match to the existing handrail. The County says the existing handrail is not to code so the handrail on 306 and 506 must be replaced when the lanai repair is being done. Pam Bello and Brett Fahnestock will make up this committee and promptly report back to the board. The handrail color will be bronze. It is expected the new handrail will be very similar to the existing with the exception that there be no more than a 4" gap between the vertical posts and pickets.

FISHPOND

Some questions were raised about the fishpond. Are the fish too big and are there too many? Can the fishpond look better? Management will work with owners to improve the fishpond and be sure the right fish are in there and they are not too big.

MAILBOXES

Barbara Wroblewski is working with Kimberley at the Kihei Post Office so that new mailboxes can be installed. The existing mailboxes are breaking down.

Motion: Valerie Oliver moved to have Barbara proceed with getting new mailboxes to replace the existing mailboxes, with the approval of the Kihei Post Office. The color of the new mailboxes is to be silver or stainless steel looking. The cost is in the \$3,000 range. Seconded by Kerry Beasley and passed unanimously.

ADJOURNMENT – The meeting was adjourned at 10:57 A.M. Hawaii Standard Time.



AOAO Koa Lagoon, Secretary Valerie Oliver