

**ASSOCIATION OF APARTMENT OWNERS  
SANDS OF KAHANA  
ANNUAL HOMEOWNERS MEETING  
February 8, 1997**

**DIRECTORS PRESENT:** Michael Kaplan, Sandy Boothe, Kazuko Shimaoka, Barney Saunders, Artie Spector.

**OTHERS PRESENT:** Carl Hardin, President, Heritage Properties; Wayne Cober, Vice President; Heritage Properties; Kitty Williamson, Interpreter; Laurie Ledbetter, Recording Secretary; Jim Hentz, Heritage Properties; Les Weingard, Beach Shack Concession; Suzanne Sullivan, Tennis Pro; Pat Sullivan, Sullivan Properties.

**CALL TO ORDER:**

President Michael Kaplan welcomed all of the homeowners to the Annual Homeowners Meeting of the Association of Apartment Owners of the Sands of Kahana and called the meeting to order on Saturday, February 8, 1996 at 9:10 A.M., in the Meeting Room of the Sands of Kahana, 4299 Lower Honoapiilani Rd., Lahaina, Hawaii.

**ESTABLISHMENT OF QUORUM:**

A quorum was established with 94.3 168% of the ownership represented either in person or by proxy.

**PROOF OF NOTICE:**

Mr. Hardin announced that Proof of Notice of tile Annual Meeting was mailed to all owners of record and posted on the property.

**APPROVAL OF MINUTES:**

**MOTION:**

**To approve the minutes of the Annual Homeowners Meeting dated 1/20/96 as circulated. (Spector/Saunders)**

**REPORT OF THE PRESIDENT:**

President Kaplan stated that he is pleased with the renovation work that is being done to the exterior of the buildings. Management will report further on this issue later in the meeting.

**REPORT OF THE VICE PRESIDENT:**

Mrs. Boothe reported that Island Plant Company was hired in November. She reviewed the problems that have occurred in the transition of new landscaping companies and the Board's commitment to bring the quality of landscaping up to a high standard. Mrs. Boothe stated that in a recent meeting with Them Foster, owner of island plant Company, all landscaping issues were discussed in detail and Mr. Foster made aware of the improvement that is required or notice to terminate the contract will be given.

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Mrs. Boothe reported that used cargo mats, in good condition, have been located and ordered from a ship salvage yard on the mainland. The mats will wrap around and extend the life of the sand bags which form the "seawall".

There was discussion by the Board and homeowners about various management, landscaping and cleaning/maintenance issues as well as clarification on whose responsibility various items are assigned to. Discussion included the following:

- 1) The cleaning of the parking garage is the responsibility of the landscaping company (Island Plant Company). The elevators are cleaned by the maintenance company (Allied).
- 2) Management's responsibility with regard to the day-to-day operation of the property and overseeing that the contractual work is completed properly. Discussion included the suggestion that the board consider hiring an on-site manager for this purpose.
- 3) Exterior window washing is completed quarterly, however, in tile winter months, the washing schedule is determined by the weather conditions.
- 4) Doors/Door jams will be re-done when the spauling project is completed.
- 5) Tiles in the hallways will be stripped and cleaned with an acid wash when the spauling work is completed. This has been done by Allied Maintenance on Building 1 and the results were excellent.
- 6) Handicapped parking spaces are frequently used by the housekeeping staff and the outside contractor's employees. Mr. Hardin slated that Management will address this situation with the Housekeeping staff and contractors. The Board was asked to review having one handicapped parking space in the interior of each building. President Kaplan stated the new Board will review this request.

A suggestion was made that the front desk assign placards to owners and guests that require a handicapped parking space. The Board directed Management to implement this suggestion as soon as possible.

- 7) Mrs. Boothe reported that the bougainvillea plants are on property. Once new control valves and tubing for the drip system are installed (approx. 1 week), the plants will then be put in the planter boxes.
- 8) Owners were encouraged to return any lounge chairs that are in their units, back to the grounds where they belong.

**ELECTION OF DIRECTORS:**

President Kaplan announced that there are 2 positions to be filled on the Board of Directors for the expiring terms of Sandy Boothe and Artie Spector. Both Mrs. Boothe and Mr. Spector have placed their names as candidates for the election.

President Kaplan asked if there were nominations from the floor. Pat Sullivan nominated Sandy Boothe and Artie Spector.

**MOTION:**

**To close the nominations and to cast a unanimous ballot for Sandy Boothe and Artie Spector to the Board of Directors, Seconded and carried unanimously. (Sullivan/Jennewein)**

**TENNIS PROGRAM:**

The Sands of Kahana Tennis Pro, Suzanne Sullivan, reviewed the tennis program now available at the property for which she was commended by homeowners for developing and implementing. Mrs. Sullivan stated that Mariano Pascual is her assistant at the tennis courts, assuring the continuous flow of the program when Mrs. Sullivan is not on property.

Mrs. Boothe suggested that Mrs. Sullivan create a brochure outlining the tennis program and that every owner/guest be given one upon check-in. President Kaplan stated the Vacation Club would also be interested in sending information on the tennis program with every reservation confirmation. Les Weingard suggested and homeowners agreed, that an overall information packet be developed that outlines all of the amenities at the property and that the front desk hand one out to everyone at check-in.

**STANDARD MOTIONS:**

**MOTION :**

**To instruct the Board of Directors to hold an organizational meeting immediately following the Annual Meeting for the purpose of electing officers of the Association to serve until the next Annual Meeting, Seconded and carried unanimously. (Spector/Boothe)**

**MOTION:**

**The Association of Apartment Owners of the Sands of Kahana hereby directs that any Association income which exceeds expenses for the fiscal year ending January 31, 1997 be "rolled forward" and applied to the Operating Expenses of the Association for the fiscal year ending January 31, 1998 in accordance with IRS Revenue Ruling 70-604, Seconded and carried unanimously. (McKay/Woolford)**

**MOTION:**

**To approve reimbursement of the Directors out of pocket travel expenses to attend duly called meeting of the Association in an amount not to exceed \$500. Seconded and carried unanimously. (McMahon/Lowther)**

**ALLIED BUILDING MAINTENANCE:**

Jim Tilley, owner of Allied Building Maintenance, joined tile meeting at this point. Mr. Tilley reviewed the duties that his company provides for the Association as written in his contract. Homeowners present addressed specific areas of concern to Mr. Tilley and the overall poor performance by Allied over the past few months.

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Mr. Tilley apologized for the problems that have occurred and stated that Allied has not performed up to proper standards in the past few months. In an effort to bring the work performance up to an acceptable level, he has hired a new supervisor and all new employees.

Various discussion points included:

1) Mr. Tilley was complimented for the cleaning of the tiles in the hallways. This acid cleaning is not included in Allied's contract with the Association. The initial tile cleaning is being done at no cost to the Association and is being considered as restitution by Allied, for the cleaning and janitorial problems that have occurred. Mrs. Boothe stated that after the initial tile cleaning, any compensation to Allied for on-going maintenance of the tiles, will be addressed in contract negotiations.

2) President Kaplan asked Management to work with Allied and Housekeeping to improve the cleanliness of the elevators.

3) Management will conduct weekly walk-thru's with Allied (versus monthly). Management will give Allied a list of all areas that need addressing including comments and suggestions from homeowners.

4) Mr. Tilley was asked to make unannounced inspections of the property to check the quality of work by his staff.

5) Consideration should have been given by the Board for providing additional janitorial services during the spauling project.

6) All windows will be cleaned after the tile hallways are cleaned.

**ISLAND PLANT COMPANY:**

Thom Foster, owner of Island Plant Company, joined the meeting and also reviewed the duties that his company provides for the Association. (Island Plant Company has been at the property for approximately 40 working days.) Homeowners also addressed specific areas of concern to Mr. Foster regarding the overall lack of quality in the landscaping.

Mr. Foster stated that the following items will be addressed along with the other day-to-day landscaping duties:

- 1) The cleanliness of the parking garage areas are an on-going maintenance item that will be addressed and will include dealing with the soil build-up, leaves, cigarette butts, etc.
- 2) The fish pond has been cleaned out after run off from the last heavy rain dirtied the pond.
- 3) The trees will be trimmed in February and March.
- 4) Approximately 35 exterior landscaping valves in the irrigation system were not functioning

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properly and have been repaired. Mr. Foster stated this is time-consuming and tedious work as there are no irrigation plans for the property and the staff must visually locate the valves to repair.

5) Island Plant Company guarantees 700 hours of work per month. Currently there is 4-5 men on property including a supervisor that works 8 hours a day, 5 days a week. A minimum crew is on property Saturday and Sunday.

6) Landscape renovation will start in the near future, once the buildings are painted and after the spauling repair is completed.

7) Mr. Foster reported that he has received basic approval on a proposal submitted for plantings that will be put in baron areas around the property. Mrs. Boothe stated that Island Plant Company will replace the landscaping around Building 1 that was destroyed by the painting contractor. The contractor has been put on notice that they will pay for any excessive damage that is done during the painting. She stated that the baron areas in Building 3 & 4 will be replaced after all the work is done. She asked for the owners patience in accomplishing this.

8) Mr. Foster was asked to have his staff clearly identify themselves while on property by wearing uniform shirts at all times.

9) Management was advised that employees are only allowed to smoke in designated areas, including security personnel.

**BEACH SHACK:**

Mr. Weingard stated that the Beach Shack is fully insured and Management has a copy on file. He asked if the Board has discussed having towel service at the shack. Mrs. Boothe stated that no action has been taken at this time but she will be reviewing in the near future.

Mr. Weingard thanked the Board and homeowners for their patience and cooperation during the transition period before the Beach Shack opening. Homeowners thanked Mr. Weingard for his efforts and the amenity addition that the Beach Shack has brought to the property.

At the request of the homeowners, Management was asked to leave the meeting at this point. There was discussion on the pros and cons of continuing the meeting officially to discuss concerns about the overall Management of the property by Heritage Properties or adjourning the Annual meeting and having the discussion off the record.

President Kaplan assured homeowners present that if the meeting was adjourned, that the Board would listen and address all of the concerns brought forth.

**NEXT ANNUAL MEETING DATE:**

The next Annual Meeting will be held on Saturday, February 21, 1998 at 9:00 A.M. on property.

**ADJOURNMENT:**

**MOTION:**

**To adjourn tile meeting. Seconded and carried unanimously. (Lowther/Spector)**

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**The meeting was adjourned at 11:15 A.M.**

Respectfully submitted,

Laurie "Lola" Ledbetter  
Recording Secretary