

MINUTES OF 9TH ANNUAL KUAU BAYVIEW HOMEOWNERS' MEETING
APRIL 26, 2005
(Draft Until Approved by Owners at 2006 AGM)

DIRECTORS PRESENT: Stephan Bielawski (President); Robert Pellettieri (Vice President/Treasurer); Julie Barnes Foley (Secretary); Jo Moyes; Michael Ebeling; Gail Burns and Bridget Reardon.

OTHERS PRESENT: 22 homeowners were in attendance and 25 proxies were held. Other present were Sharron Courter and Mary Orwig from the office of Sharron Courter CPA.

CALL TO ORDER & INTRODUCTIONS

President Bielawski called the meeting to order at the Paia Community Center, Paia, Maui, at 7:0pm and introduced the Board members. President Bielawski announced that the meeting would be held under Robert's Rules of Order and an open floor discussion would be held at the end of the meeting. At that time, anyone wishing to speak should raise their hand and state their name for the record. Each party will be given two minutes to address a topic or ask a question.

MINUTES FROM 2004 MINUTES

President Bielawski stated that he had been approached by homeowners who felt the draft of the minutes from the 2004 annual meeting did not reflect the meeting accurately. Therefore, an amended version of the minutes of the 2004 annual meeting was distributed to the homeowners in attendance. A motion to accept the minutes of the 2004 annual meeting as amended was made by Bob Foley. The motion was seconded by Dave Dalgetty. A majority of those present voted in favor of accepting the amended minutes, with two homeowners voting against the motion. A motion to ratify the amended minutes was made by Jennifer Maskrey and seconded by Bob Foley. The motion passed by a majority, with two homeowners voting against the motion.

PRESIDENT'S OVERVIEW

President Bielawski presented an overview of the past year stating that many of the board members are serving on a board for the first time and the past year was spent getting organized and learning association business. The board inherited a self-management model, but during the course of the year, the board moved to a hybrid of self-management in that the board keeps the management functions and contracts out the financial record keeping and landscaping. The board also retained an attorney on an as-needed basis. The board engaged the services of Sharron Courter, CPA, who keeps all of the financial records and Strong Roots Landscaping to do the landscaping of the entry way common area, which has received compliments over the past year. In August, the board personally sponsored a picnic with approximately 60 homeowners attending, and we are looking into having another picnic this summer.

Treasurer/Vice President Pellettieri advised the homeowners present that the first item of business for the board was to establish good financial footing. In that regard, an audit performed by Sharron Courter. In Ms. Courter's management letter to the association, six items that required board action were noted and the board took action to correct those weaknesses.

At beginning of our term, the operating and reserve funds were combined. This board took steps to separate out the reserve funds from the operating funds.

A motion was made by Bob Pellettieri to carry \$5,464.69 of year 2004 to the 2005 year. A second was made by Lynn Wellner. On a hand vote, the motion carried by majority.

Vice President/Treasurer Pellettieri acknowledged that the homeowners' dues did increase for 2005. This increase is attributed to managing the association and protecting its assets and increasing insurance coverage from \$1 million to \$5 million, an increase of \$1,370 in premiums. This amount makes up 13% of the budget. The previous coverage was at the lower end of the range. The board felt an increase in insurance coverage would lead to homeowners' willingness to serve on the board. The landscaping and bookkeeping services are increases from the previous year's budget.

Vice President/Treasurer Pellettieri advised that the 2004 budget would need to be ratified. Lynn Wellner made a motion to ratify the 2004 budget; seconded by Dave Dalgetty. On a hand vote, the motion carried by majority.

Mike Dooley had a question regarding the retention basin entry on the budget. Vice President/Treasurer Pellettieri advised the retention basin is an ongoing issue and that there are no county regulations as far as how it needs to be maintained. The Department of Health checks for mosquito larva and they require access. Darlene Brothers objected to any work being done on the retention basin and stated that it was not necessary to grub the area. Vice President/Treasurer Pellettieri stated that it was never the board's intention to grub and that would require a permit from the County. The intention of the board is to clear down the driveway so it is accessible and clean the basin bottom since no one can get near the two storm drain outlets. President Bielawski explained that the board had made a decision to have the retention basin cleaned based on the need for access and health and safety reasons.

Mike Burns made a motion to ratify the 2005 budget; seconded by Mike Dooley. On a hand vote, the motion carried by majority.

Director Jo Moyes gave the design review committee report. She reported that the number of members of the committee had been increased to five members with one alternate. The members are Dave Dalgetty, Gail Burns, Marion Haskins, Mike Ebeling and Director Moyes serves as chairperson. Marty Prouty is the alternate. In the past year, the committee has received 12 applications – four were for a fence; one needed amending, all approved; five were house extensions, two amended, and four of the five were approved and the fifth plan was submitted for preliminary review and the committee has received no further submissions. Also applications for a deck, a gazebo and a satellite dish were approved. Director Moyes reminded the homeowners that all outside revisions must be approved and, if the county requires a permit for the revision, the committee would like to have a copy of the permit before any work is started. The committee must approve the application before the start of any work and the work must be started within 12 months of receiving approval. Any applications and plans can be mailed to the post office box or dropped in the drop box at 30 Hoe Place. The committee meets within two weeks of receiving an application and notifies the homeowner by mail of their decision.

Director Ebeling presented the report of the grievance committee. The grievance committee and design review committee have the same members. Throughout the course of the year, there were ten official grievances – four were for yards not maintained in accordance with the DC&Rs, three were for a loose dog, two were parking issues and one was regarding a short-term rental. If anyone has a grievance, please advise any committee member.

President Bielawski introduced Lynn Wellner and congratulated her on spearheading a drive to recycle phone books. Lynn reported that she received 100 phone books and she will continue her recycling efforts.

President Bielawski stated that one position on the board was up for election, the position currently held by Bridget Reardon. The floor was opened to nominations. Darlene Brothers nominated Ann Pitcaithley; Bob Foley nominated Bridget Reardon. Ballots were passed out, counted and Sharron Courter announced the majority vote was to Bridget Reardon.

Vice President/Treasurer Pellettieri stated that a review of the governing documents would be made to ascertain whether any changes need to be made. Any recommendations on changes would be sent to the homeowners for input.

Director Moyes reported on the speed hump project. She indicated that every homeowner had been notified through the efforts of the committee consisting of Kim Bielawski, Director Burns and herself. Director Moyes reported that the board supported the initiative because of a concern regarding cars traveling too fast in the subdivision. All streets but Kaiea Place and North Laelua have the requisite percentage of homeowner approval to be placed on the county's waiting list. There is no homeowner expense involved. Speed humps are installed at county expense when their budget allows and the street has over 80% of homeowner approval. When the county is ready, county engineers will notify us. There is then a review period of 30 days to give the homeowners an opportunity to review the position of speed humps. After the expiration of 30 days, the county will proceed with installation of the speed humps.

President Bielawski announced open forum.

Nancy Snow stated she appreciated the professionalism of the current board and said the lack of homeowner attendance was due in part to the lack of controversy during the past year.

Ann Pitcaithley stated there was a lot of rental units and wanted to know if the tenants were aware of the DC&Rs. President Bielawski reported that the board planned to implement a welcome letter to be sent to new owners advising the owners of the general way the association does business, what is involved in being a member of the association and that tenants will be held accountable for following the provisions of the DC&Rs. Director Ebeling reiterated that if there was a problem, submit a grievance so the board could address the issue. Without a grievance, the board has no basis for involvement.

Mary Sweet stated her concerns regarding parking and the number of vehicles at any one residence

Trudi Ringsby added that homeowners as well as renters are breaking the rules.

Lynn Wellner asked that grievance forms be kept in the drop-off box. Director Ebeling stated the forms would be in the box after tomorrow.

Gary Blumenstein thanked the committee for their hard work with regard to the speed hump issue. He offered to speak with any owners on the two streets that had not responded to see if they could be persuaded to sign the petition.

Ann Pitcaithley stated it was her opinion that the money the board proposed to spend on the retention basin was too much and asked that we consult with an expert regarding the proposed work. President Bielawski told Ms. Pitcaithley if she could find a C27 licensed landscaper to have them contact any board member.

Jennifer Maskrey inquired regarding the time frame for the work to be done on retention basin. Vice President/Treasurer Pellettieri advised that it was hoped the work could have been started before the

meeting, but the need to have a licensed, insured contractor has delayed the start of clean up. Jennifer reminded the group regarding last year's fire in the retention basin and hoped the work would be started soon.

A motion was made by Lynn Wellner that the board pursue private recycling in Kuau Bayview if a good rate could be secured. Ann Pitcaithley seconded the motion. On a hand vote, the motion carried by majority.

Mary Sweet stated that she had been to almost every public meeting that has been held regarding the Paia bypass. She said that hardly anyone from Kuau Bayview attends the meetings and if there is no representation from the association, we might as well forget a bypass being put in place.

Darlene Brother asked the Board to contact Jordan Santos at the county regarding the work to be done on the retention basin. She also asked if there was a letter from Department of Health threatening to fine us for non-accessibility and she questions that as being valid reason for a fine. She states it is her opinion that this expenditure must be presented to the owners for their opinion before proceeding.

Steve Ross stated that there has already been one fire and with summer coming up the work should be done as soon as possible.

Kim Bielawski inquired regarding the vegetation encroaching on sidewalk areas wondered if this was a county issue. Director Ebeling advised that she could file a grievance and if it was something the homeowner was responsible for, the board would deal with it.

Jennifer Maskrey asked if she needed board approval for a deck in her back yard, even though not visible to the street. Director Moyes advised her that approval must be given before commencing any work.

Darlene Brothers complained that she received an unsigned letter from the board that was extremely rude.

A motion was made by Dave Dalgetty, seconded by Nancy Snow, to adjourn the meeting. By hand vote, the motion carried by majority. President Bielawski adjourned the meeting at 8:40 p.m.

Julie Barnes Foley
Secretary

These minutes are approved for distribution.

Stephen Bielawski, President