

WASSUP!

at **Kihei Akahi**

Board of Directors

- Steve Werth
President
- Della Halvorson
Vice-President
- Brian Hove
Secretary
- Neal Halstead
Treasurer
- Dave Kochel
Director
- Joan Remkus
Director



Welcome new Owners!

A big e komo mai to...

- Unit C-516 - Julian & Joan Foldes from Chandler, AZ
- Unit A-107 - Bev & Peter Brill, Calgary, AB

REMINDER:

Please continue to be proactive to preventable water leak issues with the utilization of water detectors and annual plumbing inspections. Water leak detectors are available locally at many of the major hardware/home centers or online at sites such as Amazon.com



PRESIDENT'S MESSAGE

Aloha everyone!

Thanks to everyone who made the Annual Owners Meeting & Potluck Dinner a success. Special thanks goes out to the DMI management team for their preplanning efforts, all the owners who made the annual trek to attend the meeting, and the Directors for their preparation and participation. The Potluck dinner, which was preceded by an Open House of B-101 (with Joan & Della serving tasty Mai Tai's), was a huge success in terms of attendance and fun! Special thanks go out to owners Artie Pardi and Bruce Boege, who provided some beautiful poolside music.

Now that the renovation of B-101 is complete, the Board faced a very difficult decision on who should occupy the residence. Our two options, a long term lease or employee-occupied, were thoroughly analyzed by your Directors. At our Board meeting in February, the Board unanimously voted to direct staff to initiate contract discussions with Justin Him to develop an employment agreement that included the B-101 conditions of occupancy, job description, wages, and residency restrictions. We understood that a condition of Justin's occupancy included his family bringing their beloved indoor pet with them. Our management agent with DMI strongly advised us not to enter into an agreement that knowingly violated our own House Rules, no matter how great the benefit to the complex. There was a short discussion about getting an attorney's opinion, however, we did not feel it would be favorable to our situation. Shortly thereafter, the Board rescinded its previous decision and unanimously voted to direct staff to initiate contract discussions with DMI's Real Estate Division to handle property management responsibilities of B-101. On March 1st, an application was submitted to DMI from a local couple for a 12-month lease beginning April 1st. After a year, the lease would revert to a month-to-month lease, which will allow your new Board time to reevaluate its options for 2016.

Justin, as many of you know, is one of our most trusted and loyal employees. During this long and arduous process, he has continued to display the traits we have come to expect from our employees. He has been open-minded, dignified, and gracious during these discussions that required a major commitment from him and his wonderful wife, Kristy. The Board will be forever grateful for his kindness during the process.

Speaking of employees, this past month I received some very special emails from owners who expressed their praise and recognition for the contributions from Joe Kuzara and Zalde Gorospe. Their work ethic and dedication noted by these two owners was passed on to our Site Manager, Dave Haynes. Nice job, Joe and Zalde !!

This past year, your Directors have spent a great deal of time and energy dealing with staff development issues. Trust me when I say that dealing with the emotions of people you truly care about is significantly harder than dealing with brick and mortar. Thanks to all the owners who supported and advised the Directors along the way. You know who you are!

Mahalo!





Kihei Akahi Annual Owners Meeting & Potluck: January 17th, 2015!

Owners coming together to make the Annual Owners Meeting, the B-101 Open House, and Potluck Dinner a special time. From constructive input, to good food, drinks, and local entertainment provided by owners, a good time was had by all. Join us next year on January 16th, 2016.



KIHEI AKAHI - FUTURE OF RECYCLING

~ by Dave Kochel

Prior to April 2014, the Association contracted with Maui Disposal for a twice per week collection of glass, plastics, and aluminum. The staff handled the disposal of cardboard and paper. In April of 2014, Maui Disposal imposed a significant increase in the cost for the disposal of recyclables going from \$368.70 per month per collection to \$790.00 per month per collection. In the ensuing months, the Board struggled with this non-budgeted increase wanting to balance the financial impact with desire to be environmentally conscious.

After considering a range of options from continuing with the program in place to discontinuing the recycling program, the solution that appeared to best balance economics and environment seemed to be continuing with a recycling program, but limiting it to the recyclable material upon which Hawaii has a 5¢ deposit. The specific elements of the new program are as follows:

- The Maui Disposal contract was terminated – \$9,480 savings
- Recycling of limited glass, aluminum and plastic will be handled in-house – The Akahi Recycling Area will still be set up to accept deposit containers with the HI5 (Hawaii 5¢ deposit) symbol. The primary containers that fit into this category are glass beer bottles, beer and soft drink aluminum cans and water and soft drink plastic bottles.
- Revenue will be generated – It is estimated that by the staff transporting the deposit containers to the Redemption Center, there will be a positive cash flow to the Association in excess of \$5,000 per year.
- Cardboard and newspaper will no longer be recycled – The staff time that had been devoted to this task will now be used to sort and take deposit containers to the Redemption Center. Contractors will be required to take their own cardboard off-site, hopefully to the Recycling Center.

It is believed that the existing dumpsters for trash with the existing frequency of collection will be able to handle the added waste from this trimmed down recycling program. If that proves to be true, this new program will have an approximate \$15,000 per year positive benefit.

Two years ago, the County of Maui embarked on a pilot program to collect recyclables curbside in two sections of Kihei. This program was discontinued as of February 1, 2015. The County's Environmental Management Director cited "budgetary shortfalls and a lack of viability to extend curbside recycling islandwide" as the reason for ceasing the program. He said it was costing \$130 per ton to dispose of the material collected, that it would cost \$1.8 million to take the program islandwide, and that it would provide only a 3.3% landfill diversion.

Unlike the County, your Board has identified an approach that retains a significant recycling component while still being cost beneficial. The cooperation of you and your guests will be greatly appreciated.

To inform everyone of our new policy, the following "Recycling Guide" will be presented to owners and guests upon check-in.

RECYCLING GUIDE

We only accept HI5 redeemable recyclables (DEPOSIT CONTAINERS ONLY).

Instructions:

- Look for the HI-5 mark on beverage containers: soft drinks, soda, juice, tea, coffee drinks, water, beer, malt beverages, mixed spirits and wine coolers in aluminum, glass or plastic containers up to 68 fluid ounces.
- Empty container of liquid and debris.
- Please rinse the container.
- Please leave the HI-5 label visible on beverage containers. It is usually located on the top of aluminum cans and the container label on the plastic and glass bottles.
- Save space! Flattened aluminum and plastic containers are accepted.

The Kihei Recycling Center, located at E. Welakahao Road at Piilani Hwy, is open 7 am to 7 pm every day for those wishing to recycle additional materials.



**NO Wine Bottles
NO Glass Jars
NO Plastic Milk Containers
NO Newspaper
NO Cardboard**

Window Replacement Procedures

An operational area that needs to be “cleaned up” is the consistent method of submitting, approving, installing, and inspecting window replacements by owners looking to improve their window openings. We have asked our Site Manager, Dave Haynes, to revisit the documentation process that owners and management use when requesting a new installation.

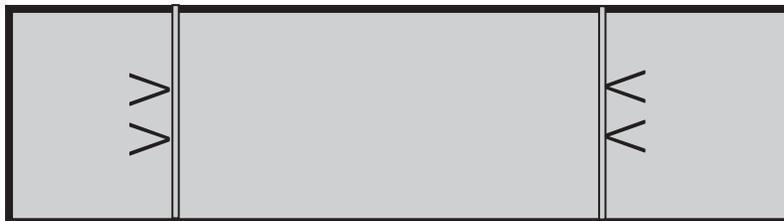
The first step is to identify the windows that have been previously approved and attempt to find some common features

that reflect the design features of the original windows. This past winter, your Directors took on the task of identifying the designs of windows of the C & D bedroom windows, and began the process of changing

our procedures. During the 2015 February Board of Directors meeting, the Board adopted the following bedroom window replacement requirement:

A bedroom window replacement for the “C” and “D” buildings consisting of three sections of clear or opaque glass divided into a 26”/54”/26” configuration with either jalousies or sliders bookending a stationary center pane.

As for the lanai windows, that is going to take some time to evaluate the current installations since access to view these



window designs is limited. Several owners have installed a variety of designs that, in principle, keep the outside look of the original window configuration consistent. In the past, this principle of a consistent appearance from the outside was paramount to Board approval. However, different Boards and/or management interpreted window design drawings differently. This has resulted in several unique, but not entirely similar, windows that have been approved and installed. It is the goal

of this Board to identify and require a consistent look, while allowing the homeowner to be somewhat creative in the selection process. Once we have inventoried and identified the currently

approved installations, we will look at adopting a lanai window replacement requirement. As an owner, you can help by allowing management to enter and photograph your window replacements for documentation purposes only.

Once the approval process has been completed, the House Rules will be amended to reflect the changes, as well as identify the approved window designs. Our hope is to streamline the process of upgrading your windows, while providing a uniform look that enhances our property.

Guess what we have at the bottom of our driveway?!

Public Works just installed a flashing crosswalk sign on South Kihei Road at Kamaole II Beach Park! A huge MAHALO to Berney Coleman and Kihei Akahi Site Manager, Dave Haynes, for putting the request in!



Hospitality Internet Service - UPDATE (by Della Halvorson)

Hopefully by now all owners are aware of our saga with the Hospitality Internet being discontinued on August 31, 2015. DMI sent out a notice to all owners with instructions on how to transition prior to the termination of the plan. We're still working on details for those that want to hold off until the last minute, so stay tuned if you're in that camp! It has been a fairly smooth transition for some owners, others, unfortunately, not so much. We were hoping it would be easy, but don't think you're alone if your conversion has been less than easy! My best advice is to follow the steps sent out by DMI and be prepared that it might not go as smoothly - Oceanic

has so many people that need to be involved to get all the steps done in the proper order. Some owners that have been through the process suggest you take the option of having a tech come out, especially if you select phone service.

Please don't hesitate to contact me if you have any further questions or if I can help: Della < KA.BOD.Della@gmail.com >

Name that Pool Rule Contest!!

Here's your opportunity to win a \$50 gift certificate to Café O'Lei for lunch. Simply submit an entry in our "Pool Rule #1" sweepstakes, and not only do you get to be a part of changing the culture at our pools, but you get to feast on a plate of Caesar salad, Macadamia Nut Crusted Mahi-mahi, and wash it down with a Longboard Lager. Doesn't get much better than that!

Here's the deal. Over the past year, owners have weighed in on various incidents of pool behavior that has, in their opinion, bordered on rudeness. These issues have been discussed extensively via our Facebook Group, Trip Advisor reviews, and letters to the Board. Several suggestions, including video monitoring systems, increased security presence, family vs. adults only segregation, quiet zone expansions, house rule changes and self-monitoring have been explored.

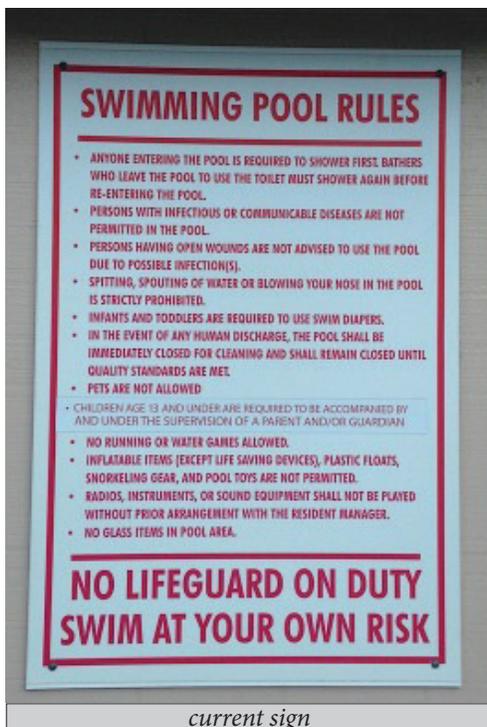
To start with, we would like to simply change the Pool Rule signage at both pools. Take a look at the Swimming Pool Rules signs that are currently posted. For one thing, nobody has the eyesight to read all of these rules from any distance. Furthermore, some are just insulting to the intelligence of our owners and guests. "In the event of any human discharge, the pool shall be immediately closed for cleaning and shall remain closed until quality standards are met." is actually a rule. Sounds like a scene out of Caddyshack! Our signs have rules about infectious or communicable diseases, open wounds, spitting, blowing your nose, human discharge, and even swimming pets (in a no pet facility). Really? Can't we do better?

Here's what is being considered, and we need your help with the wording of Rule #1.

1. RESPECT!!! (See details below!)
2. No lifeguard on duty.
3. No diving off pool edge or excessive splashing.
4. No glassware in pool area.
5. Please rinse of all sand before entering pool.
6. No children under 14 without adult supervision.

We need your help in altering the behavioral culture around the pool area. The rule needs to address areas of the aloha spirit, respecting others, sharing space, having fun, and enjoying our oasis. (Hopefully in seven words or less).

Please submit your ideas to <stevewerth@cox.net> and hopefully we can begin changing our image soon!



current sign



just an example - not final design



Upper Pool "Oasis" Concept

~ by Della Halvorson

As Steve mentioned above, there has been discussion on the ways to improve the culture of the upper pool area. One concept that Joan touched upon at the Annual Owners Meeting was possibly expanding the pool deck around the back side of the washrooms creating a bit of an oasis for those wanting to be near the pool but out of the "splash-zone".

This expanded deck area would be perfect for owners and guests that prefer a quieter area to read and sunbathe.

What do you think? Join the conversation and contact Steve with your thoughts:

<stevewerth@cox.net>



RBOAA - Hawaii Legislative Session Update

RBOAA (Rental By Owner Awareness Association) represents rental property owners. Here is our Hawaii Legislative Update from Neal Halstead (C-409):

The past few months have been very busy - and very challenging - for RBOAA. In January we faced about a dozen bills, all of which were designed to significantly impact how we are able to rent out our condos to tourists. At one point, all but a couple of the bills were "deferred", i.e. the Representatives and Senators decided to put the bills on ice. Usually, this means they are dead. But this year, one of the deferred bills got re-referred and came back to life with a vengeance. And, then, just before the break, 4 new bills were introduced - a very unusual procedure. As of the mid-session break in early March, this is where we are.

SB519. This bill has been amended a couple of times, but now essentially extends the current rules for 5 years. We must have a local contact (who can be any resident of Maui, not necessarily a real estate licensee) and we must post our tax registration number in our ads and in our condo. I consider this bill a significant win for those of us who rent out our condos.

HB825. This is the bill which came back to life and it is bad for us. It is being supported by the hotel industry and opposed by RBOAA and by the property managers. This bill, if enacted, would make vacation rental a regulated industry in Hawaii and would require us to go through an onerous initial application process and then an annual recertification. The bill allows for our licenses to operate to be revoked for any reason, would require us to have a trust account at a bank in Hawaii, would allow investigators access to our units without notice,

Bill SB519:
Make sure to post your GET/TAT Registration numbers on your listing, website and in your suite!

would subject us to financial audits on 3 days notice and penalties for non-compliance of \$10,000. In my opinion, this bill is designed to have many of us throw in the towel and take our units off the market, directing tourists back into the hotels. HCR48, HR22, SCR50 and SR22. These four bills, all identically worded, are the starting point for us to become a regulated industry. The state auditor needs to determine if there is a need for consumer protection for reasons of health, safety or welfare. Amazingly, the justification for the audit is a Honolulu

Star Advertiser editorial which stated that all transient vacation rentals do not collect and remit taxes and otherwise operate illegally. This audit will take 12 months and once completed, it will either say there is no need for regulation and HB825 will die or it will say there is need for regulation and HB825 will become law. Not surprisingly, the draft bill, as worded will only allow the hotel industry to provide data to the state auditor. RBOAA is working to get this provision changed so

that facts, no matter where sourced, can be included in the study.

RBOAA is working hard to ensure that our right to own and rent out our property is maintained. But travel to Honolulu to testify, legal advice and lobbyist assistance do not come free. Please consider joining and financially supporting RBOAA. www.rboaa.org

NOTICE: Pool Bathroom Upgrades

A capital project that is slated to begin this summer is the refurbishing of our Upper and Lower pool bathrooms. This remodel is financed through our reserve funds that are set aside for maintaining our facilities. The plan is to remove and replace the tile flooring, as well as the tile walls of the showers. In addition, a cabinet with some countertop space is desired at the upper pool bathrooms. We will be going out to bid once the Board agrees upon the particular specifications.



KiheiAkahiOwners.net - Our website needs a facelift!

~ by Della Halvorson

The Board will be looking at what technical items should be included, but we wanted to ask owners what you think! Is there something that you think we should consider including in our facelift?

Email me with your ideas at <ka.bod.della@gmail.com>

Many thanks for your encouragement and keep in touch by emailing President Steve Werth at <stevewerth@cox.net> or Communications Chair, Della Halvorson at <ka.bod.della@gmail.com>

