

APPROVED

**KULEANA CLUB ASSOCIATION OF INTERVAL OWNERS
BOARD OF DIRECTORS MEETING MINUTES
Monday, March 31, 2025**

I. CALL TO ORDER/ ROLL CALL

The meeting was called to order by Gary Sullivan at 9:00 a.m. HI at the Kuleana Club Resort and via Zoom conference call. The following persons participated in the meeting:

Board Members:

Gary Sullivan, President
Dustin Schmitt, Vice President
Blake Van Kampen, Secretary
Devin Valentine, Director (Zoom)
Brenda Brown, Director (Zoom)

Capital Vacations and Resort Management:

Thom Rogers, Resort General Manager
Debbie Wood, Area Vice President, Hospitality Operations
Cory Humble, Senior Vice President, Hospitality Operations
Jessica Richens, Administrator/ Association Governance (Zoom)

II. APPROVAL OF AGENDA

Gary Sullivan requested adding D. Ratifying Management Agreement under VII. New Business to the Agenda.

MOTION: Blake Van Kampen moved to approve the agenda as amended. Motion was seconded by Dustin Schmitt and approved unanimously.

III. OWNER FORUM CORRESPONDENCE

The Board reviewed correspondence from owner Goshorn. Management reported the owners concerns have been addressed.

IV. APPROVAL OF PREVIOUS MEETING MINUTES

A. Approve November 11, 2024 Board Meeting Minutes.

MOTION: Brenda Brown moved to approve the November 11, 2024 Board Meeting Minutes as presented. Motion was seconded by Devin Valentine and approved unanimously.

V. REPORTS

A. Year-end Financial Statements- December 2024

Debbie Wood reviewed the year-end December 2024 financial statements. She reported the cash flow that projects \$259,109 in the operating account and \$701,808 at year end.

APPROVED**B. Month-end Financial Statements- February 2025**

Debbie Wood reviewed the month-end February 2025 financial statements. She reported the cash flow that projects \$112,425 in the operating account and \$470,999 without next year's receipts. Debbie concluded as of the month- end February 2025, 70.59% of the assessments had been collected.

C. Delinquency Report

As of March 11, 2025 there were 290 total delinquent accounts to the Association that represents 18.3% of the total owner base. The Board addressed the Uncollectible weeks.

D. HOA Association Inventory

There are 101 weeks owned by the Association.

VI. ONSITE**A. Manager's Report**

Thom Rogers provided an update on the resort's current status, covering topics such as rentals, complaints about the furniture when moving around the units, the new housekeeping company, and offsite linen services.

He also reported on the progress of phase one refurbishments to the units, highlighting a few items that need attention, including ottomans staining fabric when flipped, issues with fans, remotes, and cable boxes, as well as the installation of nightlights in the bathrooms.

Thom provided an update on the after-hours phone system and discussed the need for replacing the safes in the units.

Thom also shared his plan to establish House Rules for guests, which will outline fee structures for things like extra cleaning charges, guest authorizations, and issues related to guests entering units before a completed turn. The Board discussed the need for detailed terms and conditions for guests. Additionally, there was a discussion about raising the cleaning fee to a \$250 deposit.

Thom addressed the need to hire a part-time Tech Employee for assist on Fridays and Saturdays.

MOTION: Blake Van Kampen moved to approve hiring a part-time employee at 16 hours per week to assist on Fridays and Saturdays after guest arrivals. Motion was seconded by Devin Valentine and approved unanimously.

B. Comment Cards

Informational only; no action taken.

APPROVED**C. Occupancy Report**

Thom Rogers reviewed the year-end occupancy for 2024 and the early months of 2025. He noted that occupancy in March and April has slowed.

VII. OLD BUSINESS**A. Reserve Update**

Debbie Wood emphasized the need for a Reserve Study, as one has not been conducted since the 1990s. The Board requested Thom Rogers to obtain proposals from Associates Reserve and Hawaii Inspectors, the company assisting the AOA with the exterior reserve study and present them at the July Board Meeting.

B. Refurbishment Update

Thom Rogers presented proposals for phase two of the refurbishment project, focusing on the replacement of sliding glass doors. The Board reviewed proposals from Rainbow Glass and Mirror.

MOTION: Dustin Schmitt moved to approve the replacement of 26 sliding glass doors and two side windows in units 702 and 608, based on the presented proposal, at a cost not to exceed \$440,000, with completion by September 30, 2025. Motion was seconded by Blake Van Kampen and approved unanimously.

VIII. NEW BUSINESS**A. AOA Update**

Dustin Schmitt provided an update on the AOA research on plumbing and drainage issues that were discussed, along with an estimated cost for completing the necessary repairs and upgrades.

Dustin also reported the AOA has hired a company for a Reserve Study for the exterior of the units and grounds.

B. Trading Places Legacy Affiliation

Debbie Wood and Cory Humble introduced the Trading Places Affiliation addressing added benefits to the owners.

C. Annual Meeting Review

The Board reviewed the 2025 Annual Meeting Handout for April 1, 2025.

D. Ratifying Management Agreement

The Board reviewed the amended Management Agreement addressing items including the KPI and 2.5% increase in fees.

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IX. EXECUTIVE SESSION

MOTION: Brenda Brown moved to enter Executive Session at 11:10 a.m. HI. Motion was seconded by Dustin Schmitt and approved unanimously.

The Board adjourned Executive Session at 11:40 a.m. HI.

The Board requested Management review the KPI in the amended Management Agreement with the IT/ Security service fee and reconvene later that afternoon.

The Board declined the Trading Places Legacy Affiliation offer.

X. OTHER

- A. 2025 Meeting Dates
 - July 7, 2025- Budget Meeting
 - November 10, 2025- Board Meeting

XI. ADJOURNMENT

The Board adjourned the Meeting at 11:53 a.m. HI and requested to reconvene at 2:15 p.m. HI.

XII. CALL TO ORDER

The meeting was called to reconvene by Gary Sullivan at 2:17 p.m. HI at the Kuleana Club Resort and via Zoom conference call.

XIII. MANAGEMENT AGREEMENT

Cory Humble confirmed his commitment to working with the Board on their request to remove the \$4,000 annual IT service fee from the amended management agreement while maintaining the 2.5% increase in management fees. He also noted that negotiations for a longer-term agreement will take place in November/December when the newly proposed management agreement is up for review.

MOTION: Dustin Schmitt moved to approve the amended management agreement, incorporating the 2.5% fee increase and the removal of the \$4,000 KPI IT/Security fee. Motion was seconded by Brenda Brown and approved unanimously.

XIV. OTHER

Dustin Schmitt reported that the AOA has established multiple committees, including plumbing, grounds/landscaping, and insurance. The AOA Board has invited participation from Interval Owners who may be interested in serving on these committees.

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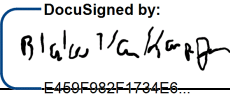
Dustin also discussed additional AOA projects, including the renovation of the pool deck, which is expected to take approximately two to three months, the installation of new pool fencing, dark sky lighting throughout the complex, fumigation of the 200 building, and updates to the fire alarm system.

Thom Rogers updated the Board on the restrictions related to short-term rentals, as well as the restrictions and petition for district rezoning.

Debbie Wood updated the Board on the insurance renewal and will follow up by circulating it for Board approval.

XV. ADJOURNMENT

The meeting adjourned at 2:34 p.m. HI.

BY:  DATE: 8/29/2025
Blake VanKampen, Secretary