

APPROVED

**MINUTES OF THE BOARD OF DIRECTORS'
REGULAR MEETING
ASSOCIATION OF APARTMENT OWNERS
KALELE KAI**

Date: Wednesday, August 9, 2006

Place: One Keahole Place
Poolside Cabana
Honolulu, Hawaii 96825

ESTABLISHMENT OF A QUORUM

There being five or more Board members present at the meeting, a quorum was established.

Present: President Richard Rosic, Vice President James Propotnick, Secretary Colin Kurata, Directors Sharon Peterson, Raymond Tanaka, Zig Palagyi, Fred Rodrigues and Kimiko Hayashi

Excused/Absent: Treasurer Paul Jordan

Guests: Councilman Charles Djou
Roland Merritt, Property Manager
Ralph Ahles, Property Manager
Eric Woytenko, Resident Manager
Suzanne Fukumoto, Recording Secretary

Owners Present:

| | |
|------------------------------|-------------------------------|
| Gloria Young #3603 | John & Carole Lilleberg #1609 |
| Marion Battif #3601 | Elaine Ng #3612 |
| Masando Hayashi #1406 | Duwayne Uyehara #2510 |
| Ruth Nobler #1208 | Mel Ramos #2403 |
| Alfred Hradecky #2503 | Darrin Wong #1516 |
| Bernard & Helen Hurtig #1508 | George Fisher #3110 |
| Ned Peterson #1608 | Ed Van Gorder #2610 |
| Joan Harms #1514 | Chris Nielsen #3611 |

GUEST SPEAKER (6:15 p.m.)

Councilman Charles Djou attended the meeting to answer questions regarding the upcoming development of the Hale Alii project and traffic concerns.

CALL TO ORDER

President Richard Rosic called the Regular Meeting of the Board of Directors of Kalele Kai to order at 7:00 p.m.

APPROVAL OF MINUTES

The minutes of July 12, 2006 Regular Meeting were distributed and reviewed by the Board. There being no corrections, on **motion** of Director Tanaka and seconded by Secretary Kurata, the minutes were unanimously approved as submitted.

FINANCIAL REPORT

The financial statement for the month on July 2006 was approved, subject to audit.

RESIDENT MANAGER'S REPORT

Resident Manager Eric Woytenko gave an update on the upcoming and on-going projects to be completed around the property.

COMMITTEE REPORTS

- A. Security (Jim Propotnick) – None.
- B. Legal/House Rules (Colin Kurata) – The following was reported:
 - 1. Building #2 Dog Violation – The owner on the 6th floor has sent a letter to all the residents residing on the 6th floor apologizing for 18 incidents cited and paid for the cleanup cost which went into the employee fund. The Pet Rules have been recently distributed to all pet owners.
 - 2. Roaming Cat Violation – The complaint has been filed to remove the roaming cat.

UNFINISHED BUSINESS

- A. Kayak Storage Relocation – Not discussed.
- B. Vending Machine 1st 30 Day Review – President Rosic reported that the vending machine purchases are doing well and added \$32.00 of revenue into the employee fund.

NEW BUSINESS

- A. Rescind Motion for Membership Approval – At the July 12, 2006 meeting the Board approved to send out written consent ballots to the membership to give the Board authority to 1) design and allow lanai wind screens; 2) change the waterfront landscape and; 3) to install a permanent awning to the cabana. On **motion** of Secretary Kurata and seconded by Vice President Propotnick, the Board unanimously agreed to rescind the motion of July 12, 2006 for further review.

- B. Investment – On motion of Secretary Kurata and seconded by Vice President Propotnick, the Board unanimously agreed to close the money market account with Wachovia and transfer the funds to the Smith Barney money market account.
- C. HECO Energy Scout Program – The matter was deferred for further review.
- D. A/C Service in Individual Units – Not discussed.
- E. Items Deferred – President Rosic reported that 1) move-in/renovation fees; 2) new entryway system; 3) lower unit landscape renovation; 4) cabana awning & windscreen approval and; 5) kayak relocation will be temporarily deferred for further review.
- F. Owners Correspondence – President Rosic reported on the following:
1. Unit #3410 – Ms. Ready submitted a letter asking for more details regarding the cabana awning and windscreen installations.
 2. Unit #3112 – Ms. DeWeese submitted a letter requesting that the lower unit landscaping of Building #3 should be done at the same time as the Town Homes. The matter was deferred to the landscaping committee.
 3. Unit #1316 – Mr. Whatley submitted a letter suggesting that advance notice should be posted when the chiller is shut down.


DATE, TIME, AND PLACE OF NEXT MEETING

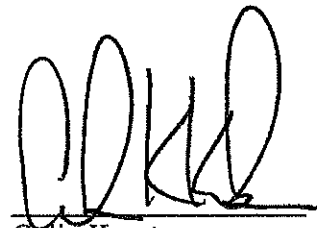
The next Board of Directors' meeting was scheduled to be held on Wednesday, September 13, 2006 at 6:30 p.m. at the poolside cabana.

ADJOURNMENT

There being no further business to discuss, President Rosic adjourned the meeting at 7:25 p.m.

Respectfully Submitted,


Suzanne Fukumoto
Recording Secretary


Colin Kurata
Board Secretary