

REGULAR BOARD OF DIRECTORS' MEETING

Kalele Kai
One Keahole Place
Poolside Cabana
Thursday August 28, 2008
Honolulu, Hawaii

PRESENT: President Merrill Werblun, Vice President Brad Oakes, Secretary Colin Kurata, Directors: James Propotnick, Kimiko Hayashi and Marv Tangren

EXCUSED: Treasurer Paul Jordan, Directors Sharon Peterson

BY INVITATION: Eric Woytenko, Resident Manager, Bryan Liu, and Kristi Hirota of Certified Management

CALL TO ORDER:

There being a quorum present, President Werblun called the meeting to order at 6:30 pm.

MINUTES OF PREVIOUS MEETINGS:

Motion made by Director Propotnick, seconded by Director Hayashi, to approve the minutes of the Regular Board of Directors Meeting of July 24, 2008. Motion carried unanimously.

ORDER OF BUSINESS

- A. Treasurer ---Financial Statements: The July 2008 financial statement was reviewed, accepted and filed.
- B. Committees and Taskforces
 1. Legal/House Rules:
 - **Mandatory Insurance:** Account Executive Liu reported that 93 out of 229 owners have complied with the mandatory insurance policy. The Board instructed Certified Management to send out reminder letters to those who have not complied. The letter shall include a suggestion for owners to come to the office and have the insurance cover page copied and that a 30-45 day time limit is established so the Board can review the results in October.
 - **Initiation of Fine Policy:** Account Executive Liu reported that Resident Manager Woytenko has issued courtesy letters reminding owners of house rule violations. All owners have complied with the Resident Mangers reminder except one owner who is on vacation.
 2. **Security and Safety:** Director Tangren shared his concern on the locking of the security gates. He further shared his concerns on the use of the pool during the summer months and the weekends. He has been and will continue to work with Resident Manager Woytenko on addressing these concerns.

3. Buildings and Maintenance: Resident Manager Woytenko reported that Kone Elevators would be assisting in removing and reinstalling the laminated panels. Resident Manager Woytenko further noted that the weight difference after replacing the tiles in the elevators would be 31.5 pounds less. This is under the 300-pound limit that Pacific Elevators has said, in writing, would have necessitated re-weighting the elevators. The cost for Kone to remove and re-install the laminated panels will be \$5,600.00. The total cost of the project will be \$7,550.00.

Pacific Elevator requested an indemnification letter from Kone to perform the work. Resident Manager Woytenko will work with Kone, Pacific Elevator and attorney Chris Goodwin on acquiring the indemnification letter.

4. Energy cost containment: Secretary Kurata reported that the "ground work" is done for the replacement and testing of the 3 electric exhaust fans. HECO is doing the testing for the Kilowatt savings and Resident Manager Woytenko is doing the testing for the air volume movement. The initial numbers looks favorable and it is the hope of the committee to make recommendations at the next meeting.

Secretary Kurata further reported that the wind turbine technology would be installed next week. The committee will report to the board at the next meeting on the installation and the use of this system.

President Werblun mentioned that the intake system, which is deteriorating, would also be looked at as a part of the retrofit to the ventilation system.

- C. Resident Manager Report: Resident Manager Eric Woytenko gave an update on the ongoing and upcoming projects to be completed around the property.
 - Mandatory Unit Air Conditioning maintenance: Since the February 2007 Board of Directors meeting, in which the Board made it mandatory for owners to service their Air Conditioning unit, the management office has on record 95 owners out of 229 being in compliance. The Board instructed Certified Management to send out reminder letters to all owners to provide proof of the cleaning within 30 days. Resident Manager Woytenko stated that if unit owners do not comply, the Association would clean the Air Conditioning units and charge the owner for the service.

D. Unfinished Business: No unfinished business

E. New Business:

- Secretary Kurata distributed a letter to the board detailing typographical errors and other concerns on the revised house rules. President Werblun stated that Certified Management would be sending out a corrected version of the house rules that address the typographical errors. President Werblun further stated that the house rules were reviewed and approved, by legal counsel Chris Goodwin, and any other issue(s) to reconsider can be put on the agenda for next month.

Secretary Kurata stated that items in the house rules were changed and he has an e-mail that legal counsel Chris Goodwin did not review the changes to the house rules.

Discussion was held on whether legal counsel Chris Goodwin was aware of the changes to the house rules. President Werblun stated that there was one informal board meeting with legal counsel in attendance. There were two informal board meeting in which Director Moon presented

suggested changes and that the Board had full and thorough discussions on the proposed changes. President Werblun asked the other board member to state what they recalled at those meetings. The majority of the board agreed that legal counsel was fully aware of the changes and had participated in the informal meetings that created the revised house rules.

F. Open dialog:

- Ruth Nobler, unit 1208 asked various questions about the revised house rules. Ms. Nobler's questions were answered to her satisfaction.

NEXT MEETING:

The next Regular Board of Directors' Meeting will be held on Thursday August 28, 2008 at 6:30 pm.

ADJOURNMENT:

There being no further business, the meeting was adjourned at 7:50 pm.

Approved

Secretary

Submitted by:
Certified Management Inc.
Agent for Kalele Kai AOA