

**Kalele Kai AOA  
One Keahole Place  
Honolulu, Hawaii 96825**

**MINUTES**

REGULAR MEETING of the BOARD OF DIRECTORS of the Association of Apartment Owners of KALELE KAI.

DATE: Thursday, August 27, 2009

PLACE: Poolside Cabana  
Kalele Kai AOA  
One Keahole Place  
Honolulu, Hawaii 96825

PRESENT: President Brad Oakes, Vice President Dr. Merrill Werblun, Secretary Colin Kurata, Directors Kimiko Hayashi, Anne Palagyi and Col Richard Van Ness.

EXCUSED/ABSENT: Treasurer Paul Jordan, Directors Marvin Tangren and James Propotnick.

BY INVITATION: Resident Manager Bryan Liu, Account Executive Al Denys, SVP, New Accounts Division, Certified Management, Inc., Account Executive Kristi Hirota-Schmidt, VP, Marketing, Certified Management, Inc. and Ms. Tracy Wong, Insurance Solutions.

CALL TO ORDER: President Oakes called the meeting to order at 6:35 p.m. and introduced Ms. Wong, Insurance Solutions, who provided the Board of Directors an update on the AOA's policies to include hurricane deductible options. At the conclusion of her presentation and after discussion, Director Palagyi moved to purchase a short term policy which reduced the AOA's hurricane deductible for all buildings to 2% for a cost of \$4,965.00 for the remaining term of the policy. The motion was seconded and passed unanimously.

*Note: Secretary Kurata arrived at 6:45 p.m.*

MINUTES: After discussion, Director Van Ness moved to approve, as written, the Regular Minutes of the Board of Directors' Meeting of July 23, 2009. The motion was seconded and passed unanimously.

TREASURER'S REPORT:

1. President Oakes and AE Denys reviewed the Treasurer's report as prepared by Treasurer Jordan regarding the Financial Statements for the periods ending July 31, 2009. Secretary Kurata moved to file the July 31, 2009 financial statements, subject to audit. The motion was seconded and passed unanimously.

2. **Delinquencies:** The Board of Directors reviewed the AOA's delinquencies as of August 27, 2009 in Executive Session and authorized further collection action as recommended.

#### COMMITTEE/TASK FORCE REPORTS:

1. Building and Maintenance Committee: N/A.
2. Tree Replacement Committee: Chair Van Ness provided the Board of Directors an update on their progress in reviewing all of the options developed jointly with the committee and with the AOA's arborist for tree trimming, tree removal (i.e. coral tree), where needed, and tree replacement. After discussion, Director Van Ness moved to accept the committee's recommendations for the trimming, re-planting and removing trees. The motion was seconded and passed unanimously.
3. Energy Committee: N/A.

#### RESIDENT MANAGER'S REPORT:

Resident Manager Liu reviewed his Resident Manager's report with the Board of Directors. Highlights included general repairs, landscaping, maintenance activities and personnel staffing issues. The following items, after discussion, were approved by the Board of Directors as follows: a) Vice President Werblun moved to approve the revised chiller maintenance contract as presented by RM Liu. The motion was seconded and passed unanimously; b) Director Palagyi to accept the RM's proposal for the purchase and installation of four (4) additional security cameras for a total of \$3,027.02. The motion was seconded and passed unanimously and c) Vice President Werblun moved to approve the completion of the elevator floor and panel replacement project in 2009 as presented by RM Liu for a cost of \$5,727.78. The motion was seconded and passed unanimously.

#### UNFINISHED BUSINESS:

1. Boat Moorings Amendment to the AOA's Documents - Update: President Oakes briefed the Board of Directors that the boat moorings amendment balloting and documents have been completed and that the AOA's attorney will be formally record the amendment on August 28, 2009 and that the Board of Directors could now approve the boat mooring rules. After discussion, Secretary Kurata moved to adopt those rules. The motion was seconded and passed unanimously.
2. Unit #3311: Covered in Executive Session.
3. Kalele Kai Service of Process Policy: The Board of Directors reviewed the AOA's revised draft policy on process service, which would be effective beginning on January 1, 2010. After reviewing the service of process policy, Vice President Werblun moved to approve the policy as revised. The motion was seconded and passed unanimously.

NEW BUSINESS:

1. Insurance Solutions Presentation- Hurricane Deductible: See above.
2. Vice President Werblun's Resignation from the Board of Directors: Vice President Werblun announced that he was resigning from the Board of Directors as of September 4, 2009 due to the sale of his unit. President Oakes, on behalf of the Board of Directors regretfully accepted his resignation and on behalf of the Board of Directors and the Kalele Kai AOA thanked him for all of his efforts over the years as a member of the Kalele Kai Board of Directors for his service and dedication to the AOA.

CORRESPONDENCE: N/A.

ANNOUNCEMENTS: President Oakes informed the attendees that there would be an Open Forum Town Meeting for all owners on September 17, 2009 at the Cabana. Also, President Oakes announced that there would be a farewell party for Vice President and Mrs. Werblun at the cabana on Saturday, September 19<sup>th</sup> at 6:00 p.m.

EXECUTIVE SESSION: President Oakes announced that at the conclusion of the regular meeting, the Board of Directors would enter into Executive Session to discuss legal issues.

NEXT MEETING: Thursday, September 24, 2009 at 6:30 p.m.

ADJOURNMENT: With no further business to discuss, President Oakes adjourned the meeting at 7:42 p.m. and entered into Executive Session, which was from 8:00 p.m. until 8:25 p.m.

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Colin Kurata  
Secretary

Submitted by:  
Certified Management, Inc.  
Agent for KALELE KAI AOA

Albert J. Denys, Jr., CMCA<sup>®</sup>, AMS<sup>®</sup>, PCAM<sup>®</sup>  
Senior Vice President, New Accounts Division

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