

APPROVED

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

Date: Wednesday, September 13, 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, Treasurer Paul Jordan Directors Raymond Tanaka, Zig Palagyi and Fred Rodrigues

Excused/Absent: Directors Sharon Peterson and Kimiko Hayashi

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

Owners Present:

Bernard & Helen Hertig #1508	Eric Tan #3406
George Fisher #3110	Joan Harms #1514
Ruth Kim #1506	Carl Fratzke #1408
Pia Jordan #1502	Darrin Wong #1516
Alfred Hradecky #2503	Ann Palagyi #3113
Ruth Nobler #1208	John & Carole Lilleberg #1609
Ned Peterson #1608	

CALL TO ORDER

President Richard Rosic called the Regular Meeting of the Board of Directors of Kalele Kai to order at 6:35 p.m.

APPROVAL OF MINUTES

The minutes of August 9, 2006 Regular Meeting were distributed and reviewed by the Board. There being no corrections, on motion of Director Tanaka and seconded by Vice President Propotnick, the minutes unanimously approved as submitted.

FINANCIAL REPORT

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

OWNER CONCERNS/CORRESPONDENCE

None.

RESIDENT MANAGER'S REPORT

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

COMMITTEE REPORTS

- A. Security (Jim Propotnick) – Mr. Propotnick reported that some graffiti was found around the property, therefore security cameras will be reviewed for the 2007 budget preparation.
- B. Legal/House Rules (Colin Kurata) – None.
- C. Budget (Paul Jordan) – Discussed under financial report.

UNFINISHED BUSINESS

- A. Revised Move in/out Fees – Effective September 15, 2006, new owners/renters will be charged a non-refundable move in/out fee of \$250 and present owners/renters will be charged a non-refundable move-out fee of \$150. On **motion** of Director Rodrigues and seconded by Vice President Propotnick, the Board unanimously approved the move in/out fees.
- B. Fining Fees – The matter was deferred to the Compliance Committee to prepare a fining fee schedule for Board review.
- C. Water Main Break/Asphalt Repairs – Due to a result of a water main break caused by a corroded pipe line, on **motion** of Director Rodrigues and seconded by Vice President Propotnick, the Board unanimously approved the asphalt repairs for a cost of \$14,730 with a reimbursement charge to the AOA of \$6,600 from the owner of who was responsible for the additional damages to the asphalt during renovations to their Townhouse.
- D. Cabana Awning Update – The matter was deferred to the next Board meeting to receive details on installing a quality type of awning. Mr. Rosic encouraged everyone to visit the Blue Water Grill to view the type of awning that is installed that may be compatible for Kalele Kai.
- F. Renovation Fees - The matter was deferred for further review and clarification on the type of renovations that require a \$25 per day fee.

(Mr. Kurata arrived at 7:30 p.m.)

NEW BUSINESS

- A. Property Manager Re-Assignment – President Rosic announced that Property Manager Ahles has been promoted to President of Metropolitan Management and is assigning Roland Merritt as the Property Manager for Kalele Kai.


DATE, TIME, AND PLACE OF NEXT MEETING

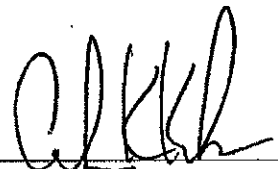
The next Board of Directors' meeting was scheduled to be held on Wednesday, October 11, 2006 at 6:30 p.m. at the poolside cabana.

ADJOURNMENT

The meeting was adjourned at 7:40 p.m.

Respectfully Submitted,


Suzanne Fukumoto
Recording Secretary


Colin Kurata
Board Secretary