

**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, October 22, 2009

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

PRESENT: President Brad Oakes, Vice President/Secretary Colin Kurata, Treasurer Paul Jordan Directors Kimiko Hayashi, Anne Palagyi, Marvin Tangren, Col Richard Van Ness and James Propotnick.

EXCUSED/ABSENT: Director Mark Hertel.

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

CALL TO ORDER: President Oakes called the meeting to order at 6:32 p.m.

MINUTES: After discussion, Director Palagyi moved to approve, as written, the Regular Minutes of the Board of Directors' Meeting of September 24, 2009. The motion was seconded and passed unanimously.

TREASURER'S REPORT:

1. Treasurer Jordan reviewed his Treasurer's report for the period ending September 30, 2009. After the review of the Financial Statements, Vice President/Secretary Kurata moved to file the 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 October 22, 2009 and authorized further collection action as recommended.

COMMITTEE REPORTS:

1. Building and Maintenance Committee: President Oakes did informed the Board of Directors that the repairs to Building #2's elevator would be completed very soon as we were informed that the repaired elevator part was being shipped back to Hawaii from the mainland and upon receipt the elevator would be finally repaired.

2. Tree Replacement Committee: Chair Van Ness provided an update to the Board of Directors noting that the two new trees were ordered and that those trees are to be delivered shortly.
3. Energy Committee: N/A.
4. Lobby Furniture Building #3: Chair Palagyi provided an update noting that the orders were placed and some items would be delivered in the next several weeks.
5. Fines Committee: Chair Tangren informed the Board of Directors that there were some recent safety violations that needed to be addressed. He noted that he was working with the Resident Manager to revise the violations letters and to notify those violators.

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. It was also noted that the AOAO did receive a refund check of \$7,643.98 for the chiller repairs.

UNFINISHED BUSINESS:

1. 2010 Operating Budget and Reserve Analysis: Treasurer Jordan reviewed the draft 2010 operating budget and reserve analysis with the Board of Directors. Upon completion of that review and after reaching consensus for each line item, Director Van Ness moved to approve the 2010 Operating Budget and Reserve Analysis as presented. The motion was seconded and passed unanimously. The approved budget provides for \$173,116.00 per month in revenues, for total operating expenses of \$166,328.00 per month and transfer of \$27,141.00 per month to the reserves. Maintenance fees to support the approved budget are \$169,070.00 per month, effective January 1, 2010. A management fee of \$2,680.00 per month, tax inclusive, is effective January 1, 2010.

NEW BUSINESS:

1. Request by Owner to Permanently Use a Common Area Handicapped Parking Stall: After discussion, it was noted that it has always been the policy of Kalele Kai to allow the handicapped parking stalls to be available to all owners on a first come, first served basis and that those stalls were never intended to be permanently allocated to any specific individual for their exclusive use as it is a designated common area open to all owners. RM Liu was instructed to notify the owner that their request was denied.

CORRESPONDENCE: N/A.

ANNOUNCEMENTS: President Oakes informed the attendees that due to the Thanksgiving Holiday on November 26, 2009, the November Board of Directors meeting was rescheduled to Thursday, November 19, 2009.

EXECUTIVE SESSION: N/A.

NEXT MEETING: Thursday, November 19, 2009 at 6:30 p.m. AE Denys noted that due to a scheduling conflict with another AOAO, he would be unable to attend the rescheduled meeting. AE Hirota will represent Certified Management. Inc. at the November 19, 2009 meeting.

ADJOURNMENT: With no further business to discuss, President Oakes adjourned the meeting at 7:40 p.m.

Colin Kurata
Vice President/Secretary

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

Albert J. Denys, Jr., CMCA[®], AMS[®], PCAM[®]
Senior Vice President, New Accounts Division

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