

## **Minutes of the Board Of Director Meeting**

### **Kanaloa At Kona**

**April 29, 2016 – 1:45pm**

**Call to Order:** President Forbes Burdette called the meeting to order and 1pm

**Present:** Forbes Burdette, George Pittman, Steve Tanberg, Rex Sawyer, Jerry Ernst, Bill Dallenbach and Bill Lamberton

**Guests:** Castle Resorts - Robin Graf, Dean Yamamoto, Stephen Hicks

**Approval of Minutes:** Forbes Burdette asked for approval of the minutes from the February 5, 2016 Board of Directors meeting.

Motion: George Pittman (3204)

Second: Steve Tanberg (1902)

Vote: Approved Unanimously

### **Investment Report: Rex Sawyer**

The Kanaloa at Kona reserve account cash balance as of March 31, 2016 was \$1,442,966. These funds were invested in 11 CD's with a face value of \$1,395,000. The remaining balance was invested in the UBS Government money market portfolio. Interest rates on the CDs varied from .45 to .85% with maturities from April 2016 to December 2016.

Subsequent to the last meeting the board made the following changes to investments as directed by Board of Directors motion: the HFS Federal Credit Union certificate for \$150,000 matured and we transferred the funds to UBS and purchased a 12-month CD for \$150,000 with Old National Bank at .70%. A 12-month CD for \$125,000 was purchased at First Niagara Bank at an interest rate of .70% with maturing funds with Goldman Sachs. A CD with Bank of India for \$120,000 matured and a 12-month CD with Whitney Bank for \$120,000 at an interest rate of .70% was purchased.

A CD for \$80,000 matured on 4/29/16 with Bank of China. The following motion was made:

To purchase a 12-month Certificate of Deposit for \$100,000 with \$20,000 taken from the money market fund added to the maturing funds.

Motion: Rex Sawyer (2204)

Second: Bill Lamberton (3704)

Vote: Approved Unanimously

## **Grounds & Maintenance Report: George Pittman**

The team selected by Castle has been very productive over the 6 months I have been on property. There have been some Lahala Trees removed around the property to improve the views, new planting of over 400 plants completed. New irrigation controllers have been ordered and will replace the older and somewhat unreliable ones. The palm tree trimming was completed during this period. Maintenance completed an additional recycle station near the maintenance shop. They also refurbished and painted all the trash areas with the exception of the one by the main pool. This trash area will require some additional work and will be completed during the 3rd quarter. The demo of the restaurant equipment was started during this period. This work will continue as time permits. The concrete pad in back of the restaurant was removed. Carport lights are being replaced on an as needed basis with LED lights. A program of cleaning dryer ducts has started.

## **General Managers Report: Stephen Hicks**

We are awaiting delivery of our new washer for the Laundry Center. The Building painting project has begun and is on schedule, painting should be completed in late September, Main Pool Spa renovation is scheduled for late May. Ocean Pool Cabana we contacted two contractors but received a quote from only one.

## **Old Business**

Motion: Krochina Engineering – Mapping of all work to be done to repair and upgrade the cement pillars supporting buildings throughout the property. Jerry Ernst has worked on the scope of work provided by Krochina Engineering. Approve \$3,500 for the work done by Krochina Engineering.

Motion: Jerry Ernst (1704)

Second: George Pittman (3204)

Vote: Approved Unanimously

## **New Business:**

Motion – Change House **Rule #23** No Smoking- Remove common recreation areas from house rules and include No Vaping. **New Rule 23** Smoking and Vaping is prohibited on lanais and all areas of the property.

Motion: Steve Tanberg (1902)

Second: Bill Dallenbach (3401)

Vote: Approved Unanimously

Motion to approve the Independent Audit conducted by Roen K Hirose, CPA, LLC for 2015 financial year.

Motion Bill Lamberton

Second: Steve Tanberg

Vote: Approved Unanimously

Motion - Convert part-time maintenance position to full time

Motion: George Pittman (3204)

Second: Steve Tanberg (1902)

Vote: Approved Unanimously

Motion - Approve proposal from John Rogge to renovate Ocean Pool Cabana at a cost of \$76,140.00. Work to begin in August 2016.

Motion: Forbes Burdette (304)

Second: George Pittman (3204)

Motion - Approve replacement of fluorescent parking stall lights with LED lights as needed over the next two years. Total Cost approximately \$9,921.00, reserve item.

Motion: George Pittman (3204)

Second: Bill Dallenbach (3401)

Vote: Approved Unanimously

Motion - 2604 owner request for installation of new window consistent with established standards.

Motion: Bill Lamberton (3704)

Second: Bill Dallenbach (3401)

Vote: Approved Unanimously

Motion - 1501 owner request for installation of new window consistent with established standards.

Motion: George Pittman (3204)

Second: Bill Lamberton (3704)

Vote: Approved Unanimously

Motion - 1502 owner request for installation of A/C compressor under unit 1502 living room window

Motion: George Pittman (3204)

Second: Bill Dallenbach (3401)

Vote: Approved Unanimously

Motion - 104 owner request for installation of A/C compressor under building.

Motion: George Pittman (3204)

Second: Bill Dallenbach (3401)

Vote: Approved Unanimously

**There being no further business before the Board, the meeting is adjourned.**

**Next meeting to be held: July 29, 2016.**

