GUEST REGISTRATION and SECURITY POLICY \$30 FEE

Since our automatic front gate was installed, Kanaloa has had a Universal Check-in policy in place, now called the Guest Registration and Security policy. Castle offered to manage the program, using the Front Desk, which is completely funded by owners who rent their units through Castle. However, Castle was often short-staffed, and the program was never run well. The gate was often left open, people would be let in without instructions, and there was insufficient gate-card accounting. We had no idea who was on property. This is dangerous for the security of the property, violates the legal requirements for Condotels, and can be disastrous when evacuation orders are received from the County.

When the pandemic hit, the State and County had certain requirements before we were allowed to open for business, including fulfilling our obligation to keep an accurate manifest of people on the property. The manifest requirement brought to a head the necessity of making our Guest Registration policy work. At the same time, Castle reduced the number of Front Desk personnel assigned to Kanaloa, making enforcement of the policy even more difficult.

The Board asked Castle what it would take to meet the governmental requirements so Kanaloa could open for business, and we could finally make the Guest Registration program work properly. Castle said they could do it for a \$30 fee per check-in, which is the same amount Castle had been charging its own renters before the pandemic. At the time, Castle had only one person working the Front Desk, and we understood the fee would pay for additional personnel needed to fully implement the registration program and maintain the required manifest. Knowing this was an emergency situation, the Board agreed to this charge and Castle agreed the fee would be reviewed as business picked up to determine if it was appropriate.

In reviewing the effectiveness of this program, we realized Security, which is totally funded by the AOAO, was being greatly impacted, as much as the Front Desk. Many people were not following the policy, not reporting to the Front Desk as requested, and having to be chased down or later contacted in their units, all done by Security.

Since so much of the additional expense of the UCI was being borne by Security, the Board determined it would be more effective to collect the registration fee for the AOAO and reimburse Castle for their additional expenses, rather than having the money go to Castle. At present, the plan is for the AOAO to pay for two person-hours per day for staffing the Front Desk and one full-time Security position.

At this time, we intend to leave the fee at \$30, paid to the AOAO, and review the amount in the future. Since Kanaloa's beginnings, the Front Desk has been totally funded by the owners in the on-site rental program. This worked out well in the past because nearly all owners who rented were in the program. Over the years, with the advent of the internet, more and more owners are renting on their own or through other companies. This has reduced funding for the Front Desk with fewer owners financing it. The Front Desk was formerly open until 8 pm. This was changed to 5 pm and staffing was reduced.

To meet legal requirements, to provide safety in emergencies, and to keep our lovely property secure, the Board feels strongly that we must make this Guest Registration policy work. In the interest of fairness, we feel the program should be funded by ALL owners who rent, not just those renting through the on-site program, and NOT by non-renting owners.

Kanaloa Board of Directors