

**MARINER'S COVE ASSOCIATION  
MINUTES OF  
THE REGULAR BOARD OF DIRECTORS MEETING**

**DATE:** Thursday, November 06, 2014

**PLACE:** On-Site, Club House  
800 Lunalilo Rd.  
Honolulu, HI 96825

**BOARD OF DIRECTORS PRESENT:**

President Noah Parker  
Treasurer Wendell Akita  
Secretary Elizabeth Reilly  
Director Robert Fagerson  
Director Bernadette Gruzinsky  
Director Gus Hannemann, departed 8:31 p.m.  
Director Dr. Franklin Smith, departed 10:26 p.m.

**EXCUSED:**

VP Ken Middleton  
Director Rick King

**BY INVITATION:**

Joseph Barros, Site Manager, departed after the *Site Manager's Report*  
John Brewer, CMCA<sup>®</sup>, AMS<sup>®</sup>, Association Manager, Hawaiian Properties, Ltd.

**OWNER'S PRESENT:** None.

**CALL TO ORDER:** Noting the presence of a quorum of the Board of Directors, President Parker called the meeting to order at 7:00 p.m.

**OWNER'S FORUM:** No owners present.

**APPROVAL OF MINUTES:**

- 1) Special Board of Directors meeting held on July 07, 2014: Not available, deferred to the next Regular Board of Directors meeting.
- 2) Regular Board of Directors meeting held on August 18, 2014: Director Dr. Smith moved to approve the minutes. The motion was seconded and unanimously approved, motion adopted.
- 3) Special Board of Directors Meeting held on September 18, 2014: Director Dr. Smith moved to approve the minutes. The motion was seconded and unanimously approved, motion adopted.
- 4) Executive Session of the Regular Board of Directors meeting held on September 18, 2014: Director Dr. Smith moved to approve the minutes. The motion was seconded and unanimously approved, motion adopted.

**FINANCIAL:**

- 1) **Treasurer's Report:** Treasurer Akita gave a verbal report.
- 2) **Acceptance of the financials:** Director Dr. Smith moved to accept the financial statements for August and September 2014, subject to audit. The motion was unanimously approved, motion adopted.

3) **Reserve Account(s) & Maturing CD(s)**: Director Hannemann moved to purchase a CD in the amount of \$40,000.00 with a twelve (12) month term at the financial institution paying the highest interest in December 2014. The motion was seconded and unanimously approved, motion adopted.

**SITE MANAGER'S REPORT:**

- 1) SM Barros and Zack Zimmer submitted a written report on November 03, 2014. SM Barros also gave a verbal update.
- 2) Secretary Reilly moved that SM Barros submit a written log of complaints received to the Board of Directors on a quarterly basis. The motion was seconded and unanimously approved. Motion adopted.

**UNFINISHED BUSINESS:**

- 1) **New Owner Letter Mailed from Hawaiian Properties, Ltd.**: Deferred.
- 2) **House Rules & Association Policies**: Deferred, pending committee report.
- 3) **Refuse Collection**: Secretary Reilly moved to approve the least expensive revised bid from Rolloffs or West Oahu Aggregate. The motion was seconded and unanimously approved. Motion adopted. AM Brewer was instructed to request the revised bids.

Director Hannemann departed the meeting at 8:31 p.m.

4) **2015 Budget & Capital Reserve Study:**

a) Treasurer Akita moved to approve the 2015 budget and Capital Reserve Study with a 5.5% increase in dues as proposed.

The voting was as follows:  
President Parker: Opposed  
Treasurer Akita: In favor  
Secretary Reilly: Opposed  
Director Fagerson: Abstain  
Director Gruzinsky: Opposed  
Director Dr. Smith: In favor

Results: Two (2) in favor; three (3) opposed & one (1) abstention. Motion lost.

b) Director Gruzinski moved to approve the 2015 budget and Capital Reserve Study without an increase in dues.

The voting was as follows:  
President Parker: In favor  
Treasurer Akita: Opposed  
Secretary Reilly: In favor  
Director Fagerson: Abstain  
Director Gruzinsky: In favor  
Director Dr. Smith: Opposed

Results: Three (3) in favor; two (2) opposed & one (1) abstention. Motion lost.

c) Director Dr. Smith moved to approve the 2015 budget and Capital Reserve Study with a 2.5% increase in dues.

The voting was as follows:

President Parker: Opposed

Treasurer Akita: In favor

Secretary Reilly: Opposed

Director Fagerson: In favor

Director Gruzinsky: Opposed

Director Dr. Smith: In favor

Results: Three (3) in favor; three (3) opposed. Motion lost.

Director Dr. Smith departed the meeting at 10:26 p.m.

d) Director Gruzinski moved to approve the 2015 budget and Capital Reserve Study without an increase in dues.

The voting was as follows:

President Parker: In favor

Treasurer Akita: Opposed

Secretary Reilly: In favor

Director Fagerson: Opposed

Director Gruzinsky: In favor

Results: Three (3) in favor; two (2) opposed. Motion adopted. No increase in dues for 2015.

**5) Reimburse President Parker for Gary Yamamoto Electrical Repair:** The Board of Directors ratified the approval to reimburse President Parker in the amount of \$487.00.

**6) Walker-Moody Advertisement Sign on Property:** The Board of ratified that permission was denied.

**POLICIES & PROCEDURES FROM SPECIAL BOARD OF DIRECTORS MEETING HELD ON SEPTEMBER 18, 2014:**

**7) Clubhouse Reservations:** Deferred.

**8) Association Sponsored Events:** Deferred.

**9) Donations to Event Coordinators/Instructors:** Deferred.

**10) Reimbursements to Board Members:** Deferred.

**11) Association Charge Accounts:** Deferred.

**12) Requests for Bids/Proposals:** Deferred.

**14) Association Equipment & Supplies:** Deferred.

**15) Board of Director Communications:** Deferred.

**NEW BUSINESS:**

**1) Association's Insurance Policies through Business Insurance Services:**

a) **Renewal:** The Board of Directors ratified the approval to renew the Association's master insurance policies.

b) **Coverage Checklist:** The Board of Directors will review the checklist and contact AM Brewer if they want any quotes for additional/new coverage.

**2) Grounds Maintenance & Policies:** Deferred to Executive Session.

**3) Ratify Approval of Tropical Tree Services Estimate #3462 in the Amount of \$1,041.88 for Coconut Palm, Trees & Hedge Trimming:** The Board of Directors ratified the approval.

**4) Ratify Approval to Reimburse Sarah Herrmann \$83.36 for 2013 Keiki Christmas Party Expenses:** The Board of Directors ratified the approval.

**5) 2014 Keiki Christmas Party:** The Board of Directors unanimously opposed sponsorship.

**6) 2014 Winter Newsletter:** The deadline for the Board of Directors to submit the final copy of the 2015 Winter newsletter is November 26, 2014.

**7) 2015 Annual & Regular Board of Directors Meeting Schedule:** The Board of Directors unanimously approved the following:

2015 Annual Meeting:

Monday, March 02, 2015

Regular Board of Directors Meetings:

Monday, March 02, 2015, following the 2015 Annual Meeting

Monday, May 18, 2015

Monday, August 17, 2015

Monday, November 02, 2015

**NEXT REGULAR BOARD OF DIRECTORS MEETING:** Monday, March 02, 2015. The meeting will follow the 2015 Annual & Organizational meetings on site in the clubhouse.

**EXECUTIVE SESSION:** From 10:29 p.m. until 10:46 p.m. for legal and personnel issues.

**ADJOURNMENT:** There being no further business to discuss President Parker adjourned the meeting at 10:29 p.m.

John Brewer, CMCA<sup>®</sup>, AMS<sup>®</sup>  
Recording Secretary

Hawaiian Properties Ltd.  
Managing Agent for  
Mariner's Cove Association