

**MINUTES OF THE BOARD OF DIRECTORS' MEETING
OF MAKAHA VALLEY PLANTATION
JULY 26th, 2006
ON SITE -Kiana Cabana**

OWNER'S FORUM

At 6:48 p.m., the Chair opened owner's forum, welcomed new owners to the meeting and opened the floor to allow those present to address the board. The Chair thanked everyone for their comments and attendance and closed owner's forum at 6:55 p.m.

CALL TO ORDER

The regularly, scheduled meeting of the Makaha Valley Plantation Board of Directors was called to order at 7:06 p.m. by the Chair, President Monty Glover.

ESTABLISH A QUORUM

A quorum was established.

Members Present: Monty Glover Bob Cunningham Greg Sokolowski
 Jean Connolly Marjorie Collier Frank Mead (by teleconference)

Members Excused: Jim Sherman

By Invitation: Tiso Maanaina, AOA Security Supervisor
 Belinda Johnson, Site Supervisor, Securitas
 Ty Tyskewicz, Branch Manager, Securitas
 Otis King, General Manager (GM) – Excused from Meeting
 Shirley Landford, Administrative Assistant
 Sheryl Brown, CMCA®, Senior Management Executive, Hawaiiana Management Co., Ltd. (SME)

APPROVAL OF AGENDA

Director Sokolowski moved to approve the agenda as revised to strike Item B under "New Business" and correct the date to Thursday, July 27th, 2006, for installation of the salt water system for the Kiana pool under the General Manager's report. The motion passed with unanimous consent.

APPROVAL OF MINUTES

The minutes of the regular Board of Directors meeting of June 28, 2006 were accepted as revised to reflect Item A, New Business – "Director Sokolowski moved to impose a special assessment to partially fund the increased insurance renewal premium, with the amount to be determined at a special Board of Directors Meeting to be held at the call of the President. The motion passed with unanimous consent."

REPORTS

- A. Security. The MVP security report from Supervisor Tiso Maanaina had been previously distributed to the board; SS Maanaina explained the large number of parking citations were due to residents not being home to immediately address the House Rule violation, as were the number of residents available immediately to respond to correct other house rule violations. Mr. Maanaina noted there had been nine domestic disturbances on site over the past month.

- B. Treasurer – Treasurer Sokolowski reported the Association was continuing to save money with having the new purchase order system in place for Association staff ordering of all association supplies, with accrual of an additional \$30,000 in operating/reserve funds. Treasurer Sokolowski acknowledged and thanked Association staff for their continued efforts to minimize expenses. As recommended by Treasurer Sokolowski, the Board accepted the June 2006 financial statement subject to audit.
- C. General Manager's Report – The GM report had been previously distributed; there was no discussion. The following items were noted without further comment:
1. Stairwell Light Fixture Replacements – Four site areas have been completed with exchange of the new inexpensive and energy efficient light fixtures with five areas remaining on the work schedule.
 2. Road Reflectors – The GM reported the work was in progress to install reflectors on the center line of all property driveways. The Board commended the GM for suggesting and implementing this improvement.

D. Committees

- (a) Security – There was no report.
- (b) Documents – Amendment to declaration for Board authority to choose coverage amounts using good business judgment.

GUEST SPEAKER – SUE SAVIO, INSURANCE ASSOCIATES

The regular order of business was suspended to allow Sue Savio of Insurance Associates to address the increased insurance premiums for 2006-2007.

E. Committees – Continued:

- (a) Personnel - No report.
- (b) Budget & Finance – Director Sokolowski and SME Brown acknowledged they will begin preparation of the draft 2007 budget.
- (c) Communications – Chair Glover reported the website had been “down” for a few days but was now again operational. Chair Glover and Director Connolly agreed to prepare a draft newsletter soon.

UNFINISHED BUSINESS

- A. Structural Investigation Report – No final report had yet been received from Smith Hawaii.
- B. Proposed Easement – SME Brown stated a copy of the fully executed agreement had not yet been forwarded to Hawaiiana Management Company for the association, but had been informed by Director Mead the agreement had been signed by M&M Corporation.
- C. Management Services for Association Unit 165A – The Chair informed the board the association office staff were not properly trained or licensed to negotiate rentals for the association unit #165.

Director Cunningham moved to allow the management contract with Foster Realty for unit #165 to remain in place through the term of the agreement. The motion passed with unanimous consent.

D. Written Consent to Remove Ala Mahiku Sauna & Change Use of Putting Green – Deferred to Documents Committee.

NEW BUSINESS

A. Owner Correspondence

1. Appeal #1 – The owner appealed a citation for an item (Tamura grocery bag) on their lanai and a box left on the stairwell. Director Collier moved to waive the warning for the box on the stairwell to clear the owner's record of the house rule citation and to waive the fine for storage of the grocery bag on the lanai, reducing the action to a warning, with refund for payment of the fine. The motion passed with unanimous consent.
2. Appeal #2 – The owner appealed a citation for driving in excess of the posted speed limit on property. Director Collier moved to reduce the fine to a warning only because the first issued warning pertained to another driver of the same vehicle. The motion passed with unanimous consent.

B. Posted Speed Limit – Director Mead moved to increase the posted speed limit from 10 mph to 15 mph with immediate fining for speed violations. Directors Mead and Glover voted in favor of the motion. The motion failed with a majority of Directors Sokolowski, Connolly, Cunningham and Collier voting "nay". Director Collier moved to allow the current speed limit to remain at 10 mph with an allowance up to 5 mph in excess of the posted 10 mph limit on the main roadways only, with issuance of up to three warning citations for speed violations on the main roadways and application of fines for the fourth or more main roadway speed violation. The motion passed with unanimous consent.

EXECUTIVE SESSION

Director Sokolowski moved to recess to Executive Session 7:36 p.m. The motion passed with unanimous consent. The Board reconvened into regular session at 7:50 p.m.

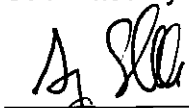
NEXT MEETING

The next regularly scheduled Board of Directors meeting will be on Wednesday, August 23, 2006 at 6:30 p.m. at the Kiana Cabana on site.

ADJOURNMENT

There being no further business to conduct, the meeting was adjourned at 7:50

Submitted by:



Greg Sokolowski for Jean Connolly
Secretary

Hawaiiana Management Company,
Agent for Makaha Valley Plantation
Sheryl Brown, CMCA®, Senior Management Executive,
Recording Secretary