

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

DATE: Monday, March 02, 2015

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

BOARD OF DIRECTORS PRESENT:

President Ken Middleton
VP Robert Fagerson
Treasurer Wendell Akita
Secretary Elizabeth Reilly
Director Bernadette Gruzinsky
Director Rick King
Director Noah Parker
Director Monica Shigenaga
Director Dr. Franklin Smith

BY INVITATION:

Joseph Barros, Site Manager, departed after the *Site Manager's Report*
John Brewer, CMCA[®], AMS[®], Association Manager, Hawaiian Properties, Ltd.

OWNER'S PRESENT:

Herlin Smith, departed 9:30 p.m.
Ellen Parker, departed 9:30 p.m.

CALL TO ORDER: Noting the presence of a quorum of the Board of Directors, President Middleton called the meeting to order at 8:08 p.m.

OWNER'S FORUM: Owners present declined.

APPROVAL OF MINUTES: Director Dr. Smith moved to approve the following minutes:

- 1) Special Board of Directors meeting held on July 07, 2014
 - 2) Regular Board of Directors meeting held on November 06, 2014
 - 3) Executive Session of the Regular Board of Directors meeting held on November 06, 2014
- 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:** Treasurer Akita moved to accept the financial statements for October through December 2014, audited by Daniel Sullivan, CPA; and January 2015 subject to audit. The motion was unanimously approved, motion adopted.

3) Reserve Account(s) & Maturing CD(s):

a) The Board of Directors ratified the approval to transfer \$2,434.29 from the Association's reserve accounts in December 2014 to pay operating expenses.

b) **Homestreet Bank CD No. 5319328196 Matures on March 12, 2015:** Treasurer Akita moved to reinvest the funds in a twelve (12) month term CD at the financial institution paying the highest interest. The motion was unanimously approved, motion adopted.

c) **Purchase Nine (9) Month Term CD:** Treasurer Akita moved to purchase a nine (9) month term CD at the financial institution paying the highest interest in the amount of \$40,000.00 to complete the 'quarterly maturity laddering' of the Association's reserve funds. The motion was unanimously approved, motion adopted.

SITE MANAGER'S REPORT:

1) SM Barros and Zack Zimmer submitted a written report on February 26, 2015. SM Barros also gave a verbal update.

UNFINISHED BUSINESS:

1) **New Owner Letter Mailed from Hawaiian Properties, Ltd.:** Deferred.

2) **House Rules & Association Policies:** Deferred. The committee scheduled a meeting for Monday, April 06, 2015 at the clubhouse, 800 Lunalilo Home Road, Honolulu, HI 96825, 7:00 p.m.

3) Clubhouse Reservations:

a) **Vendor 'Proof of Insurance' vs. 'Additional Insured' Policy:** The Board of Directors unanimously agreed that vendors must continue to name the Association as an additional insured on insurance policies prior to providing any services on Association property.

b) **Clubhouse Reservation Form Revisions:** Deferred.

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

5) **Donations to Event Coordinators/Instructors:** Tabled.

6) **Reimbursements to Board Members:** President Middleton moved to approve the policy that Board members are not permitted to use personal funds to pay for any Association expenses, goods or services, see copy attached to these minutes. The motion was seconded and unanimously approved, motion adopted.

7) **Association Charge Accounts:** President Middleton moved to approve the policy that Board members shall not be authorized on any Association charge/credit accounts, see copy attached to these minutes. The motion was seconded and unanimously approved, motion adopted.

8) **Requests for Bids/Proposals:** President Middleton moved to approve the policy allowing Board members to request bids/proposals on behalf of the Association with the conditions included in the policy, see copy attached to these minutes. The motion was seconded and unanimously approved, motion adopted.

9) **Selection & Approval of Bids/Proposals**: President Middleton moved to approve the policy as submitted, see copy attached to these minutes. The motion was seconded and unanimously approved, motion adopted.

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

11) **Board of Director Communications**: "Acknowledgement of the Board Member Conduct & Confidentiality Policies for the Board of Directors of Mariner's Cove Association" was distributed to all Board members.

NEW BUSINESS:

1) **Ratify Approval of \$100.00 Payment to Jo Ann Kocher**: The Board of Directors ratified the approval.

2) **Property Management**: Tabled.

3) **Purchase Ext. Hedge Trimmer**: Deferred.


4) **Purchase Power Washer**: Deferred.

5) **MCA Website Information**: Deferred to allow Board members to review.

NEXT REGULAR BOARD OF DIRECTORS MEETING: Monday, May 18, 2015. The meeting will be held on site in the club house, 800 Lunalilo Home Road, Honolulu, HI 96825. Call to Order is at 7:00 p.m.

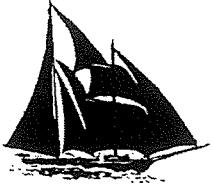
EXECUTIVE SESSION: From 10:32 p.m. until 11:17 p.m. for legal and personnel issues.

ADJOURNMENT: There being no further business to discuss President Middleton adjourned the meeting at 10:32 p.m.



John Brewer, CMCA[®], AMS[®]
Recording Secretary

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



Mariner's Cove Association

800 Lunalilo Home Road • Honolulu, Hawaii 96825 • (808) 395-1191

Policy regarding Reimbursement(s) to Board of Director Members

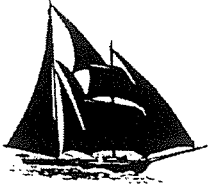
In the Regular Board of Directors meeting held on March 02, 2015, the Board of Directors approved the following policy:

Board members are not permitted to use personal funds to pay for any Association expenses, goods or services.

**ORIGINAL SIGNED
COPY ON FILE**

Elizabeth Reilly
Secretary

May 18, 2015
Date



Mariner's Cove Association

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Policy regarding Association Charge Accounts for the Board of Directors

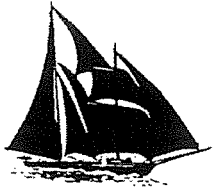
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Board members shall not be authorized on any Association charge/credit accounts.

**ORIGINAL SIGNED
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Elizabeth Reilly
Secretary

May 18 2015
Date



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Policy regarding Requests for Bids/Proposals by Board Members on behalf of the Association

In the Regular Board of Directors meeting held on March 02, 2015, the Board of Directors approved the following policy:

Board members shall not be authorized to request bids or proposals on behalf of the Association unless approved by a majority of the Board of Directors at a duly called meeting. The minutes must record approval of authorization and include the name(s) of the company(s).

The Board member must instruct the vendor(s) to submit any bids/proposals directly to the Managing Agent.

Managing Agent will distribute bids/proposals to the Board of Directors.

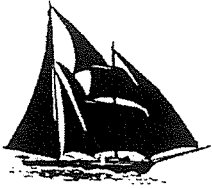
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Elizabeth Reilly
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Policy regarding Selection & Approval for Bids/Proposals

HRS 421J-5 Meetings of the board of directors; committee or subcommittee. (a) All meetings of the board of directors, other than executive sessions, shall be open to all members to provide input on the matters being discussed. Members who are not on the Board of Directors may participate in any deliberation or discussion, other than during executive sessions, unless a majority of the quorum of the board of directors votes otherwise.

HRS 421J-5 (d) No board member shall vote by proxy at board meetings.

HRS 421J-5 (e) A director who has a conflict of interest on any issue before the board shall disclose the nature of the conflict of interest prior to a vote on that issue at the board meeting, and the minutes of the meeting shall record the fact that a disclosure was made.

HRS 421J-5 (g) Minutes of the meetings of the board of directors shall include the recorded vote of each board member present on all motions except motions voted upon in executive session.

In the Regular Board of Directors meeting held on March 02, 2015, the Board of Directors approved the following policy:

Therefore, in compliance with Hawaii State law, all bids/proposals will be voted on at a duly called meeting of the board of directors at which a quorum of the board of directors is present. Only Board members present are eligible to vote.

Board members will disclose any conflicts of interest prior to a vote and disclosure shall be recorded in the meeting minutes.

The minutes of the meeting shall record the vote of each board member present.

In the event a proposal or bid submitted requires approval by the Board of Directors prior to a duly called meeting of the board of directors (in emergency situations or something that must be repaired or purchased due to safety/liability issues) a telephone poll may be conducted by the Secretary of the Board or the Managing Agent. The vote shall be recorded in the minutes of the next duly called meeting of the board of directors.

ORIGINAL SIGNED

Elizabeth Reilly
Secretary

COPY ON FILE

May 18, 2015

Date