

DRAFT
ASSOCIATION OF APARTMENT OWNERS OF KAUAI BEACH VILLAS
SPECIAL TELEPHONIC BOARD OF DIRECTORS MEETING
September 22, 2025 – 9 A.M. (HST)
MINUTES

The Association of Apartment Owners of Kauai Beach Villas held a Special Telephonic Board Meeting on Monday, September 22, 2025 at 09:02 A.M. (HST). A quorum of the Board was present.

The following Individuals were present:

AOAO Board of Directors:

Larry Warner	President
Linda Kolstad	Vice President
Jim DeRose	Secretary
George Keeney	Treasurer (excused)
Kevin Garner	Director

Wyndham Management Staff:

Kanani Ragasa	General Manager
Liane Henderson	Administrative Assistant/Recording Secretary
Monica Pasco	Manager, Association Governance – Hawaii

Counsel Present:

Maxwell Kopper	Porter Kiakona Kopper, LLP
Chuck Choi	CHOI & ITO

Invited Guests:

Eduardo Limon	Project Manager, The Hardy Group
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Owners Present:

Judy Dalton, Laurie Fagen, Gary Schmauch, Allan Rouhier, Richard Leach, Sandy Anderson, Bruce Gascoigne, Chris Riley, Robin Hogquist, Joyce Hazelquist

Call to Order

President Warner called the meeting to order at 09:02 A.M.(HST).

Proof of Notice

President Warner noted for the record that Notice of this meeting was posted and sent to all Directors pursuant to the Bylaws.

APPROVAL OF MINUTES:

- a. **August 18, 2025 Special Telephonic BOD Meeting: Director Garner moved to dispense with the reading of the minutes and approve as presented. The motion was seconded by VP Kolstad and carried unanimously.**

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NEW BUSINESS:

- a. **Accept the Vote of the Special Owners Meeting: Vice President Kolstad moved to accept the results of the Owners Votes at the September 19, 2025 Special Owners Meeting as follows:**

Motion 1 directed the Board of Directors to file Chapter 11 bankruptcy for the Association. Pursuant to the association's bylaws, in order for this motion to pass it required a "yes" vote by a majority of apartment owners in person or by proxy at a meeting at which quorum shall be present. Motion 1 passed with 81.829% of the owners at the meeting at which quorum was present in person and by proxy voting "YES".

Motion 2 directs the Board of Directors to accept one or more units at the project as tenant in common. In order to pass, motion 2 required a vote of Apartment Owners owning not less than 67% of the common interests to vote "yes". Motion 2 passed with 70.352% of the common interests voting "YES".

The motion was seconded by Director Garner and carried 3:1, with Secretary DeRose dissenting.

- b. **Escrow Payments Approval for Hardy Group Project Management Expenses: VP Kolstad moved to approve payments to The Hardy Group for Project Management Expenses in the amount of \$41,910.10 and to Wiss, Janney, Elstner Associates Inc. in the amount of \$13,277.33 for Project Reoccupy, for a total combined amount of \$55,187.43. The motion was seconded by Secretary DeRose and carried unanimously.**
- c. **Discuss appointment of ACW Group as Broker of Record for the AOA D&O Insurance and Crime Policy: VP Kolstad moved to appoint ACW Group, LLC as Broker of Record for the AOA D&O Insurance and Crime Policy. The motion was seconded by Director Garner and carried unanimously.**
- d. **Seal Masters of Hawaii Change Order #1: VP Kolstad moved to accept the Seal Masters of Hawaii change Order #1 to reflect a contract sum increase of \$113,554.93 as presented. The motion was seconded by Director Garner and carried unanimously.**

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- e. Authorize President Warner to Manage Seal Masters Hawaii Construction Contract for Project Reoccupy: VP Kolstad moved to authorize President Warner to manage the Seal Masters Hawaii Construction Contract for Project Reoccupy. The motion was seconded by Director Garner and carried unanimously.**

The Board, Management, Association Counsel and invited Guests entered Executive Session at 9:19 A.M.(HST).

The Board, Management and Association Counsel exited Executive Session and reconvened to regular session at 10:29 A.M.(HST).

VP Kolstad moved to approve the payment of \$90,000 to Wiss, Janney, Elstner Associates Inc. for professional engineering services for Project Remediate as presented. The motion was seconded by Director Garner and carried unanimously.

Adjournment: There being no further business requiring a motion, President Warner adjourned the meeting at 10:30A.M. (HST).

*Prepared by: Liane Henderson, Recording Secretary
Respectfully submitted by: Jim DeRose, Board Secretary
Approved by the Board on October 8, 2025*