

**PAHIO at Kauai Beach Villas Interval Owners' Association
Board of Directors' Special Meeting
Teleconference
Friday, August 3, 2018
12:00 p.m. HST**

Minutes

I. CALL TO ORDER

President Kolstad called the meeting to order at 12:06 p.m. HST. Board members in attendance were Linda Lee Kolstad, Larry Warner, Jack Goodstein, Danielle Ramos and Trish Harrington. Representing Management were Jay Anderson, Vice President of Resort Operations and Business Development; Sherri Weeks Rivera, Regional Vice President of Resort Operations; Clinton Owen, General Manager and Jennifer Langdon, Assistant General Manager. Hayley Suel recorded the meeting minutes.

II. KBR POOL USE EXPENSE

President Kolstad advised the Board that the total cost for KBV IOA and AOAO pool use is approximately \$275,000. The Board discussed the proposal for the IOA to subsidize the program in the amount of \$125K, to prevent a significant increase to the 2019 AOAO maintenance fees, given that the AOAO is unable to generate revenue.

On motion of Vice President Warner, seconded by Director Goodstein, the Board moved that the Kauai Beach Villas Interval Owners Association (KBV IOA) provide an annual payment to Kauai Beach Villas Association of Apartment Owners (KBV AOAO), commencing January 1, 2019, in the amount of \$23.34 per interval to subsidize the Pool Licensing Agreement between KBV AOAO and Kauai Beach Resort Association of Apartment Owners (KBR AOAO), for the duration of that agreement. Furthermore, this sum is to be revisited annually by the KBV IOA Board of Directors to ensure that the subsidy amount is sufficient to support the continuation of the pool usage program, should the IOA determine that continuation of the program is in the best interest of our owners. The motion passed 5-0.

On motion of Vice President Warner, seconded by Director Goodstein, the Board moved to ask the KBV AOAO to start the agreement effective August 1, 2018 if the KBR AOAO will agree to accept not to exceed \$18,000 per month, inclusive of General Excise Tax, for August through December 31, 2018 and the KBV IOA will pay the full fee. The motion passed 4-1, Director Harrington voted against.

III. ADJOURNMENT

On consensus, the meeting was adjourned at 12:57 p.m. HST.