

January 15, 2025

Owners of Makaha Surfside

**Re: Proposal to Approve Electronic Meetings and Electronic Voting**

Dear Owners:

Enclosed, please find a Written Consent and Return Envelope for a proposal to amend the Amended By-Laws of the Association of Apartment Owners of Makaha Surfside ("Bylaws") to allow the Board of Directors to hold electronic meetings and to allow electronic voting. The following briefly explains the proposal.

During the COVID-19 pandemic it became apparent that alternatives to in-person meetings were necessary. In response, in 2021 the legislature amended Hawaii Revised Statute ("HRS") § 514B-121 to allow for electronic meetings, voting by mail or machine voting during a declared state of emergency unless prohibited by the Association's governing documents. The amendment also allowed such meetings and voting methods in any instance where authorized in an association's declaration or bylaws. HRS 514B-121 was further amended in 2024 to remove the reference to machine voting and to provide Associations with additional methods to authorize electronic meetings and electronic voting in the absence of a state or emergency or if the bylaws and declaration did not authorize it. These newly added procedures would have to be undertaken for each instance in which there was an electronic meeting or electronic voting which would be expensive and cumbersome for the Association. The Board believes that authorizing electronic meetings and electronic voting will allow owners to more fully and conveniently participate and increase owner involvement. The Board also believes amending the Bylaws is the most effective way to proceed as it can be done once rather than having to repeatedly authorize electronic participation prior to each meeting as required by the other methods outlined in the new law.

The Association's Declaration and Bylaws do not currently prohibit electronic meetings or electronic voting, nor do they specifically authorize them. Therefore, in order to hold electronic meetings and electronic voting the Bylaws must be amended. The law requires that the amendment must be approved by at least sixty-seven percent (67%) of the owners.

***What is Proposed.*** Your Board is seeking to amend Article III, Section 6 titled "Voting" and a new subsection 9 of Article III titled "Place of Meetings" of the Bylaws to authorize electronic meetings and electronic voting.

***Why Passage of the Proposal is Needed.*** The Board is seeking ownership approval to amend the Bylaws in order to have the language authorizing electronic meetings and

electronic voting included in the Bylaws to avoid the need for obtaining additional owner approval for each separate instance of electronic meetings, or electronic or mail voting. Doing so will assist owners in being able to participate and vote in meetings without having to be physically present. The Bylaws amendment, if passed, will clarify that the Association is authorized to hold electronic meetings at the discretion of the Board and also to authorize electronic voting. For these reasons, your Board believes that the proposal to amend the Bylaws is in the Association's best interest.

If this proposal is approved by at least sixty-seven percent (67%) of the owners, Article III, Section 6 of the Bylaws shall be amended as follows (additions in ***bold italics***):

Section 6. Voting. Voting shall be on a percentage basis, and the percentage of the total vote to which the owner of any interest is entitled shall be the percentage assigned to such interest in accordance with the Declaration. Any specified percentage of the owners means the owners of interests to which they are appurtenant such percentage of the common interests as are established in accordance with the Declaration. Any person, firm, corporation, trust or other legal entity or a combination thereof, owning any unit in said Project duly recorded in his or its name, the ownership whereof shall be determined by the records of the Office of the Assistant Registrar of the Land Court, State of Hawaii, shall be a member of the Association, and either in person or by proxy entitled to vote the percentage of vote assigned to each interest so owned at all meetings of the Association. Any provision to the contrary notwithstanding co-owners or joint owners shall be deemed one owner entitled to the percentage vote allocated to their interest. ***Electronic voting may be authorized by the Board in its sole discretion.***

If this proposal is approved by at least sixty-seven percent (67%) of the owners, a new subsection 9 of Article III of the Bylaws will be added as follows (additions noted in ***bold italics***):

***Section 9. Place of Meetings. All meetings of the Association shall be held at the address of the Project or such other suitable place within the State of Hawaii as determined by the Board of Directors; provided that the Board, at its sole discretion, may authorize any meeting to be conducted in whole or in part by means of the internet, teleconference, or other electronic transmission technology in a manner that allows owners and proxies of owners the opportunity to read or hear the proceedings as they occur, vote on matters submitted to owners, make comments, pose questions, and participate in deliberation or discussion. An owner or proxy of an Owner participating in a meeting by means authorized by this section shall be deemed to be present in person at the meeting.***

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of Makaha Surfside  
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***PLEASE VOTE!***

For the foregoing reasons, the above proposal is being submitted to you for approval. Please fill in your name(s) and the number(s) of the apartment(s) you own on the Written Consent form, cast your vote on the proposal, sign it, and send it to the property manager in the envelope provided as soon as possible. A prompt response will eliminate the need for follow up mailings and the associated expense.

Sincerely,

BOARD OF DIRECTORS  
OF ASSOCIATION OF OWNERS  
OF MAKAHA SURFSIDE

Enclosures: (1) Written Consent and (2) Return Envelope