

**MINUTES OF THE BOARD OF DIRECTORS' MEETING**  
**THE COLLECTION**  
**JULY 27, 2017**

**CALL TO ORDER**

President Kraulik called the meeting to order at 6:00 p.m.

**BOARD MEMBER ATTENDANCE.**

Members Present: President Joe Kraulik, Vice President Henry Lew, Secretary Howard Kam (*Arrived 6:07 p.m.*) Treasurer Sun Kim, Directors Ken Shimada, Ryan Kamo, Sandra Billington, Carleton Ching and Lee Cranmer.

Members Absent: None.

Present by Invitation: Jon McKenna, Management Executive, Hawaiiana Management  
Al Guzman, General Manager, The Collection  
Victoria Chai, Executive Assistant, The Collection

**MINUTES**

VP Lew moved to approve the Regular Meeting minutes of June 22, 2017 as submitted. The motion carried unanimously.

**DEVELOPER'S REPORT -**

Developer representative Sandra Billington submitted and reviewed a written report.

**MANAGEMENT REPORT**

Management Executive McKenna submitted and reviewed a written report.

**GENERAL MANAGER'S REPORT**

GM Guzman submitted and reviewed a written report.

1. 2<sup>nd</sup> Floor Parking Garage (Tower) and Midrise (Lofts) Mezzanine Door, Request for Automatic Door FOB Installation – Secretary Kam moved, seconded by Director Billington, to approve the proposals submitted by M. Watanabe Electrical and IPD to install the automatic door FOB mechanisms at the locations listed above at a cost of \$16,082 (plus tax). President Kraulik, VP Lew, Secretary Kam, and Directors Shimada, Kamo, Billington, and Ching voted in favor. Treasurer Kim and Director Cranmer opposed. The motion carried.
2. Tower Garage Safety Measures – Director Kamo moved, seconded by Director Ching, to approve the installation of pavement markers to delineate driving lanes at a cost of \$2,693 and, to strip the garage turns to delineate driving lanes at a cost of \$1,800. All work will take place within the Tower parking garage. The motion carried unanimously.

**TREASURER'S REPORT**

The financial statements for June 2017 were reviewed and accepted, subject to audit.

## **COMMITTEE REPORTS**

- A. Executive Committee – No report.
- B. Ad-Hoc Committee, Purchase Opportunity – Management Executive (ME) McKenna reported escrow and loan documents have been received. The loan documents are under review by Association attorney Chris Goodwin, who will be providing an opinion letter in accordance with Section 3.3.2 of the Bylaws. ME McKenna has reviewed the terms and conditions of both sets of documents to ensure they are in accordance with the Board's resolution to purchase and finance the GM unit, storage, and parking. Hearing no objections and, in accordance with Board approval provided at the February 21, 2017 Regular Board meeting, it was recommended and unanimously approved to authorize the President and Secretary to sign all documents on behalf of the Association.
- As the work of the Committee has been completed, the Committee was dissolved.
- C. Budget & Finance Committee – No report.
- D. Design Review & Building Maintenance Committee – Chair Kamo reported there were three (3) design review applications received, reviewed, and approved during the months of June and July.
- E. Governance Committee – Chair Kraulik informed the Board the next Committee met on July 25<sup>th</sup> at 6:00 p.m.
- a. Amendment to Association Rules (Tower) –
- i. Section 6.1, Pets – Treasurer Kim moved, seconded by VP Lew, to add; “A dog's allowed maximum weight shall be 40 lbs.” and, that the weight limit only applies to owners who have purchased a unit from today forward (owner's who presently own pets greater than 40 lbs. prior to today are grandfathered). VP Lew, Treasurer Kim, Director Ching, and President Kraulik voted in favor. Secretary Kam and Directors Cranmer, Billington, and Kamo opposed. Director Shimada abstained. The motion failed.
  - ii. Section 6.2, Pets – Treasurer Kim moved, seconded by Director Ching to add; “Dogs outside of Units shall be carried or on a short leash the length of which being no more than 2 feet from the handler's feet.” The motion carried unanimously.
  - iii. Section 6.5, Pets – Director Cranmer moved, seconded by Secretary Kam, to add; “Dogs that are prohibited are those that demonstrate a propensity for dominant or aggressive behavior as indicated by, but not limited to, any of the following conduct: unprovoked barking, growling or snarling at people approaching the pet; aggressiveness toward people; biting or scratching people and/or other pets.” The motion carried unanimously.

- iv. Section 11.4, Recreation Facilities (Spa) – VP Lew moved, seconded by Director Kamo, to add; “The maximum number of users in each spa is six (6). For health reasons and, as a courtesy to other Residents and Guests waiting to use the spa, the maximum spa use at one time is for 15 minutes.” President Krahulik, VP Lew, and Director Kamo voted in favor. Secretary Kam, Treasurer Kim, and Director’s Shimada, Ching, and Cranmer opposed. Director Billington abstained. The motion failed.
  
- b. Amenities Cancellation, No Show Fee – Deferred back to Committee for additional review.
  
- c. Section 10.2, Mandatory Guest Sign In – VP Lew moved, seconded by Director Cranmer, to amend the Tower Association Rules to state; “All guests must sign in at the front desk.” President Krahulik, VP Lew, Treasurer Kim, and Directors Kamo, Billington, Ching, and Cranmer voted in favor. Director Shimada opposed, Secretary Kam abstained. The motion carried.
  
- F. Social Activities – Chair Billington reported movie night held July 20<sup>th</sup> was a fun and successful event and the next Committee meeting was scheduled for August 1<sup>st</sup>, 10:00 a.m., in the 7<sup>th</sup> Floor Club Room.

#### **UNFINISHED BUSINESS**

- A. Tower Sub Meter Readings (Lost Data) – Deferred to Executive Session. The Board approved to request Multifamily Utility Company waive five (5) months of fees.
  
- B. Elevator Maintenance Contract (Midrise – Lofts) – Director Cranmer moved, seconded by Secretary Kam, to approve the proposal submitted by Schindler Elevator Corporation to provide monthly maintenance service to the two (2) elevators that serves the Midrise (Lofts) building at an annual cost of \$10,680 (plus tax). The contract will commence on November 2, 2017 and continue for a 5-year period until November 1, 2022. Payment will be monthly with no additional interest fee as identified in the proposal. Prior to execution, ME McKenna was directed to verify that the Association contracts do not require a termination clause be placed within the contract (see 90 day termination clause in Section 3.2.4 of Bylaws). The motion carried unanimously.
  
- C. President’s Mid-Year Report – President Krahulik distributed his mid-year report to the Board.
  
- D. Rules for Owner Participation at Board Meetings – VP Lew moved, seconded by Director Cranmer, to approve the Rules for Owner Participation at Board Meetings. The motion carried unanimously.

#### **NEW BUSINESS**

*(Director Billington excused herself at 8:11 p.m.)*

- A. Ad-Hoc Safety Committee – Deferred. A Request for Action will be developed for review by the Board at the next Regular Meeting.
- B. Short-Term Rentals, Enforcement – VP Lew moved, seconded by President Krahulik, to approve hiring Steve Goodenow of The Hawaii Investigative Group LLC to investigate, confirm, and report on short-term rentals being practiced at The Collection. Further, all costs incurred by The Collection to prove short term rental activity exist, shall be assessed back to the homeowner committing the violation per Association Rules Section 13.1. Cost is not to exceed \$1,500. President Krahulik, VP Lew, Secretary Kam, and Directors Kamo, Ching, Shimada, and Cranmer voted in favor. Treasurer Kim opposed. The motion carried.
- C. Start-Up Expenses, Reimbursement to A&B – Treasurer Kim moved, seconded by Secretary Kam, to authorize reimbursing \$131,454.71 of the total \$318,944.04 in AOOU start-up expenses submitted by A&B properties, which has been reviewed by Treasurer Kim. Furthermore, the Board authorized the Executive Committee to approve the reimbursement of the remaining \$187,489.33 claim to A&B properties upon its review and approval by the Treasurer and provide her report thereon at the next Board meeting. The motion carried unanimously.

#### **NEXT BOARD MEETING**

The next Regular Board of Directors meeting will be held on Thursday, August 24, 2017, 6:00 p.m., in the 7<sup>th</sup> Floor Club Room.

#### **EXECUTIVE SESSION**

The meeting adjourned into Executive Session to discuss legal and personnel matters at 8:49 p.m. and was called back to order at 9:22p.m.

**ADJOURNMENT.** The Meeting was adjourned at 9:22 p.m.

Respectfully Submitted:

*Jon McKenna*

Jon McKenna

Board Approved On: August 24, 2017