

**AOUO THE COLLECTION  
BOARD OF DIRECTORS' MEETING  
NOVEMBER 29, 2018  
MINUTES**

**I. CALL TO ORDER**

President Wang called the regular meeting of the Board of Directors for AOUO The Collection to order at 5:34 PM in the onsite conference room. Recording Secretary for this meeting was Debi Balmilero, Management Executive for Hawaiiana Management Company, Ltd.

**II. ATTENDANCE**

**Board Members:** President Wei-Kung Wang; Vice President Debbie Ishihara-Wong; Secretary Joseph Kraulik; Treasurer Rodney Funakoshi; Directors Carleton Ching, Taylor Nguyen (*arrived at 5:45 PM*); Ryan Kamo (*arrived at 5:45 PM*), Tyler Street, and Henry Lew (*via videoconference*)

**Excused:** None.

**By Invitation:** Debi Balmilero, CMCA<sup>®</sup>, AMS<sup>®</sup>, PCAM<sup>®</sup>, Management Executive, Hawaiiana Management Company, Ltd.; Al Guzman, General Manager, The Collection, Christopher Goodwin, AOUO Attorney (*Executive Session only*); Sue Savio, Insurance Associates (*Regular Session only*); Christine Hom and Ryan Strada, Financial Advisors, Morgan Stanley (*Regular Session only*)

**Guests:** Unit M304, Rey Aguda; Unit 503 Francis Calleon; Unit 603 Herbert Hinazumi; Unit 909, Erin Oda; Unit 1010 Shirley Arakakai; Unit 1102, Kevin Kwan; Unit 1203, Ratcliff Lee; Unit 2004, Lee Miyashiro; Unit 2208, Peter Wood; Unit 2302, Russell Ryan; Unit 2401, Myong Cha Chon; Unit 2806, Sandra Furuike; Unit 3006, Roy Howard; Unit 3703, Jose Beltrano; Unit 4103, Carol Ing (*Note: Guests were present only during Regular Session*)

**III. EXECUTIVE SESSION**

Immediately upon calling the meeting to order, President Wang announced adjournment into Executive Session to discuss legal matters.

The following actions were taken during Executive Session:

**A. Mediation**

President Wang appointed a mediation committee to address the thirty-nine outstanding items the subject of the mediation to be considered at the mediation to be scheduled next month.

The Board, by unanimous consent of those Directors present, delegated the mediation committee with full authority to resolve the outstanding mediation for any non-monetary issues, but any monetary issue and/or requiring expenditure of AOUO funds will need to be brought back to the Board for review and decision.

**B. Board Member Removal**

President Wang advised the Board he had appointed a committee in accordance with Section 4.1.1 of the Bylaws to investigate a request for a Board Member removal or discipline as per Section 3.5.1 of the Bylaws and report back to the Board with the results of its investigation.

Secretary Joseph Kraulik advised the committee had investigated the allegations contained in the request and determined that a violation had not occurred warranting removal of the director in accordance with Section 3.5.1 of the Bylaws. Following consideration Secretary Kraulik's report, the Board took no action in response to this request.

Upon adjournment of the Executive Session, President Wang called the Regular Session back to

order at 6:30 PM.

IV. PRESENTATION

Sue Savio of Insurance Associates provided the Board with updated information on the new Director's and Officer's Policy and the updated deductible of seventy-five thousand dollars for any new claim that is made. She recommended that the Board obtain a rider to extend the current policy for current claims for a two-year time period.

V. INTRODUCTION

President Wang noted that the Board has chosen a new Hawaiiana Management Executive, Deborah Balmilero to serve The Collection.

VI. MINUTES

A **motion** was made by Secretary Kraulik and seconded by Vice President Ishihara-Wong approved the October 11 & 16, 2018 regular board meeting minutes as presented. The motion carried unanimously.

VII. REPORTS

A. Treasurer's Report

The Board, by unanimous consent of those Directors present, accepted the September and October, 2018 financial statements, subject to audit.

B. General Manager

The written report from the General Manager was reviewed and is on file with the managing agent and in the onsite office. GM Guzman provided information on the following items:

a. Revised RFA Process

GM Guzman provided, as part of his General Manager's Report, provided the Association Policy 100-Request for Action Revision Draft. He noted that the existing RFA process will be simplified: resident requests and inquiries beyond the jurisdiction of management will be referred to the Board. A log to monitor these requests will be continued.

A **motion** was made by Treasurer Funakoshi and seconded by Carleton to approve the revised RFA Process as provided by GM Guzman. The motion carried unanimously.

b. Pesticide sign

GM Guzman noted that the current product used on the exterior premises dries in one hour and that warning signs are posted a day in advance to any treatment.

c. RFA-13-2017 & PI update

GM Guzman noted that the private investigator hired to investigate any non-conforming activities on the property does not work on a contingency basis for any investigation.

d. Update on BBQ grill & Tower garage door

GM Guzman noted that a barbeque grill that was removed for safety concerns has since been replaced. All charges paid by the developer.

He noted that the Tower garage door repair was also paid for by the developer.

e. Update on Security Certificate of Residential Specialists

GM Guzman notes that the security guard cards are required for employment for all RS staff. Twelve staff members have received their updated cards and one member is obtaining theirs.

C. Budget & Finance Committee (Chair Rodney Funakoshi, Members Joe Krahulik, Taylor Nguyen, Roy Howard, Russell Ryan, Debbie Ishihara-Wong, Wei-Kung Wang)

Chair Funakoshi notes that a committee meeting will be held on December 12, 2018 at 4:30 PM in the General Manager's Office.

D. Building, Grounds & Design Review Committee (Chair Ryan Kamo)

Chair Kamo notes that the committee is working with a consultant to develop a new RFP for solar and photovoltaic options. Once completed, proposals will be solicited and provided to the Board along with the committee's recommendation.

a. RFA 32 – Dog Park Policies, Signage

Chair Kamo notes that the committee reviewed the current signage and found it to be appropriate for the building's current needs and that fob sensors are not needed in the area. He also notes that the committee reviewed the existing rules and found that they are working well for the staff.

A **motion** was made by Director Ching and seconded by Director Nguyen to accept the committee's recommendation. The motion carried unanimously.

b. RFA 34-2018 Midrise Fitness Room Upgrades

Chair Kamo noted that the committee reviewed the request for action #34-2018 that asks for upgrades and additions to the Midrise Fitness Room. He notes that the committee recommends the deferment of the request for a television in the mid-rise gym due to the cable and internet connection issues that are present with the current room location and configuration, recommends the purchase and installation of a small trash bin and wipe dispenser and to purchase a new dip station for \$573 from the mid-rise funds.

A **motion** was made by Director Kamo and seconded by Director Ching to accept the committee's recommendation to install wipes, trash bin and the purchase of a dip station for \$573 that will be billed to the mid-rise. The motion carried unanimously.

E. Commercial Report

Commercial Representative Tyler Street noted that one new facility, Blue Tree Café will be opening in late December 2018.

F. Governance Committee (GC) (Chair Carleton Ching, Members Wei-Kung Wang, Kevin Kwan, Kathy Davey and Carin Lim)

GC Chair Ching provided the GC's recommendation which stated: The GC recommends that the Board defer any further action to establish a dog weight limit and to change the house rules. The recent homeowner survey was inconclusive; only 30.7% of The Collections owners responded.

The Board accepted the GC recommendation. GM Guzman will monitor and remind owners to comply with the House Rules.

G. Social Activities Committee (Chair Rodney Funakoshi)

Chair Funakoshi noted that the Halloween party hosted approximately 150 participants and was a great success. He noted that the committee will be hosting a holiday party on December 7, 2018 from 6-8 PM in the Tower Club Room. He urges Board participation.

VIII. OWNERS FORUM

Unit 909: Erin Oda noted more activities would help with building a community and that The Collection is one of the only buildings without weight limits for pets.

Unit 2302: Russell Ryan noted that the finance committee met for the investment policy and the solar policy review. He suggests that the insurance changes be added to the current budget for next year as well as use their review of the analysis of the finances for the installation of a solar system.

Unit 3006: Roy Howard noted that the budget and finance committee did meet and discussed the investment policy that needs to be addressed. He also requested that the ownership get involved in all board activities.

Unit 2806: Sandra Furuike noted that the budget and finance committee sent out an invitation to meet at midnight the night before the meeting which was about twelve hours before the meeting started on a holiday, Monday, Veterans Day.

Unit 3610: Rodney Funakoshi noted that he will hold a budget and finance committee meeting on December 12, 2018.

## IX. UNFINISHED BUSINESS

### A. Written Consents

A **motion** was made by Director Ching and seconded by Treasurer Funakoshi to approve the draft written consent ballots for amendments addressing short term rentals and smoking ban with modifications to the letter to the owners. There were seven votes in favor with Director Nguyen opposed. The motion carried.

## X. NEW BUSINESS

### A. Insurance D & O – New Policy & Rider for Current Policy

A **motion** was made Vice President Ishihara-Wong and seconded by Director Kamo to purchase tail rider insurance to extend the current Director's and Officer's insurance policy for a two-year time period as recommended by the insurance broker to cover current claims on the existing policies. The motion carried unanimously.

### B. RFA 39-2018: Fob System Modification

This item was reviewed and deferred while further research is undertaken by the General Manager.

### C. Management Contract

A **motion** was made by President Wang and second Director Ching to approve the appointment of Hawaiiiana Management Company as a qualified successor managing agent for an interim period on a month-to-month basis as well as for the Board to solicit proposals from other management companies. The motion carried unanimously.

A **motion** was made by Treasurer Funakoshi and seconded by Vice President Ishihara-Wong to seek approval by owners of a Bylaws Amendment by written consent to remove the requirement for approval of the appointment and terms of compensation of the Managing Agent at each annual meeting. The motion carried unanimously.

### D. Investment Policy

Christine Hom and Ryan Strada of Morgan Stanley along with Director Nguyen provided a recommendation on an investment policy.

This item was deferred to the Budget and Finance Committee.

### E. Midrise Committee

Director Nguyen requested a committee be formed to review cost savings for the upcoming budget years with a focus on the midrise costs and operations.

A **motion** was made by Director Nguyen and seconded by Director Ching to initiate a midrise committee. There were there were four votes in favor with five votes opposing (President Wang, Vice President Ishihara-Wang, Secretary Krahulik, and Director Lew) and Treasurer Funakoshi abstaining. The motion failed.

XI. NEXT MEETING

The next regular Board of Directors meeting of AOOU The Collection will be at the call of the Board President or on **Thursday, January 24, 2019 at 6 PM, Onsite Tower Club Room.**

XII. 2019 MEETING SCHEDULE (6 PM)

February 28, March 28, April 25, 2019 (*Annual Meeting 6 PM*)

XIII. ADJOURNMENT

There being no objection, President Wang adjourned the Regular Board of Directors' meeting at 8:42 PM.

Approved By:

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Recording Secretary:

Debi Balmilero CMCA<sup>®</sup>, AMS<sup>®</sup>, PCAM<sup>®</sup>  
Management Executive  
Hawaiiana Management Co., Ltd.