

**AOUO THE COLLECTION
BOARD OF DIRECTORS MEETING
SEPTEMBER 17, 2019
MINUTES**

I. CALL TO ORDER

President Funakoshi called the regular Board of Directors meeting for AOUO The Collection to order at 6 PM in the Tower Club Room.

II. ATTENDANCE

Board Members: President Rodney Funakoshi, Vice President Wei-Kung Wang, Secretary Debra Ishihara-Wong, Treasurer Joseph Kraulik and Directors Edison Ting, Henry Lew
(Arrived at 6:02PM), Taylor Nguyen (Arrived at 6:03 PM), and Tyler Street (arrived at 6:09 PM)

Excused: Director Kevin Kwan

By Invitation: Debi Balmilero, CMCA[®], AMS[®], PCAM[®], Management Executive, Hawaiiana Management Company, Ltd.; Mike Baker, Desmond Oliveira, The Collection Management

Guests: Unit 503, Francis Calleon; Unit 603, Herbert Hinazumi; Unit 909, Erin Oda; Unit 1010, Shirley Arakaki; Unit 1807, My Ung Ok Lee; Unit 2009, Tim Brown; Unit 2406, Masakazu Nagamoto; Unit 2702, John Cheung; Unit 2803, Steve Shaw; Unit 2806, Sandra Furuike; Unit 3002, Kathy Davey; Unit 3006, Roy Howard; Unit 3703, Jose Beltrano; Unit 3910, Darold Wong; Unit 4103, Carol Ing; Unit 4202, Paul Allen; and Steve Yoshioka, JBA Construction

(Note: Guests were present only during Regular Session)

III. MINUTES

There being no corrections, the Board by unanimous consent approved the minutes for the meeting of August 27, 2019 as distributed.

Director Lew arrived at 6:02 PM and Director Nguyen arrived at 6:03 PM.

IV. REPORTS

A. Treasurer's Report

The Board, by unanimous consent, accepted the August 2019 financial statements, subject to audit.

Director Street arrived at 6:09 PM

B. General Manager

The written report from the Management Office was reviewed and is on file with the management office.

a. Construction Bin Replacement

A **motion** was made by Director Lew and seconded by Treasurer Kraulik replace the ten yard construction bin in the tower loading dock area and replace it with two four – yard bins for two weekly pickups for \$726 per month. The motion carried unanimously.

b. CPR/First Aid Training

A **motion** was made by Secretary Ishihara-Wong and seconded by Director Lew to approve the proposal for CPR/First Aid Training from Heartline for \$1,080 plus tax. The motion carried unanimously.

c. Garage Striping/Pavement Markings

A **motion** was made by Vice President Wang and seconded by Director Ting to approve the proposal from All-Stripe, LLC. to install striping and pavement markings, Option 1

for \$1,250 plus tax for the Tower Garage. There were seven votes in favor with Director Nguyen abstaining. The motion carried.

d. Midrise Drive Lane Sealcoating

This item was deferred.

e. Employee Handbook

This item was deferred.

A **motion** was made by Secretary Ishihara-Wong and seconded by Director Lew to approve sending the employee handbook to the labor attorney for review and comment. Once completed, the Board will review and approve. There were seven votes in favor with Director Nguyen opposed. The motion carried.

C. Budget & Finance Committee (Chair Joe Kraulik, Members: Rodney Funakoshi, Wei-Kung Wang, Debra Ishihara-Wong, Henry Lew, Kevin Kwan, Edison Ting, Tyler Street, Taylor Nguyen)

a. RFA 10-2019: Pay Off Loan on Unit Owned by AOUC & Record Votes

This RFA was rejected with due to lack of a motion.

b. RFA 14-2019: Cease from Requiring Contributions to Reserves on the Tower Budget for 2020.

This item was deferred to November upon request.

c. 2020 Budgets

1. Commercial 2020 Budget

A **motion** was made by Director Street and seconded by Treasurer Kraulik to approve the 2020 Commercial Budget with a 7% increase. There were seven votes in favor with Secretary Ishihara-Wong abstaining. The motion carried.

2. Tower 2020 Budget

A **motion** was made by Treasurer Kraulik and seconded by President Funakoshi to approve the 2020 Tower Budget with a 1% increase. There were two votes in favor with Vice President Wang, Directors Lew and Ting opposing; Secretary Ishihara-Wong and Directors Street and Nguyen abstaining. The motion failed.

A **motion** was made by Treasurer Kraulik and seconded by President Funakoshi to approve the 2020 Tower Budget with a 0% increase. There were two votes in favor with Vice President Wang, Directors Lew and Ting opposing; Secretary Ishihara-Wong and Directors Street and Nguyen abstaining. The motion failed.

3. Midrise 2020 Budget

A **motion** was made by Treasurer Kraulik and seconded by President Funakoshi to approve the 2020 Midrise Budget with a 12% increase. There were five votes in favor with Director Nguyen opposing; Secretary Ishihara-Wong and Director Street abstaining. The motion carried.

4. Common 2020 Budget

A **motion** was made by Treasurer Kraulik and seconded by President Funakoshi to approve the 2020 Common Budget with a 12% increase. There were two votes in favor with Vice President Wang, Directors Lew, Ting, and Street opposing; Secretary Ishihara-Wong and Director Nguyen abstaining. The motion failed.

d. Reserve Study Update

This item was deferred.

D. Building, Grounds & Design Review Committee (Chair Kevin Kwan, Members: Rodney Funakoshi, Wei-Kung Wang, Byron Ho, Cherie Dang, Neal Fujimori, Darold Wong)

Committee member Darold Wong provided a report on the landscape issues consolidating the contracts and improvements in landscaping. He also commented on the following:

a. RFA 20-2019: Emergency Building Engineer Action: Louver Insect Screens

The committee recommends not approving the RFA 20-2019 to install insect screens on the bathroom and dryer vents.

A **motion** was made by Vice President Wang and President Funakoshi to deny the request to install insect screens on vents for the bathrooms and dryers. There were seven votes in favor with Director Lew abstaining. The motion carried.

b. Doorbell Standard

This item was deferred for further review.

c. Tower Solar Photovoltaic (PV) System (PV Chair Funakoshi)

Chair Funakoshi noted that the written consent ballots have been sent to the units affected, with twenty-eight votes in favor and two votes opposed.

E. Governance Committee (Chair Wei-Kung Wang, Members: Kevin Kwan, Edison Ting Darold Wong, Kathy Davey)

Chair Wang noted that the committee reviewed the following:

a. RFA 12-2019: Terminate/Non-Renew Managing Agent Agreement

The committee does not have a recommendation on this matter.

This RFA was rejected for lack of a motion.

b. RFA 17-2019: Prohibit Dogs and Other Pets Without Current Vet Health Certificate

Chair Wong provided information on the committee's discussion and will continue to further investigate so this item was deferred.

F. Commercial Units Report (Chair Tyler Street)

a. Gas Line Addition

Bar Maze provided drawings to install a gas line for the commercial tenant extending from the city gas lines. Chair Street noted that the construction will not affect Tower garage and designated persons will direct the traffic if any trucks block the driver's view.

A **motion** was made by Director Street and seconded by Secretary Ishihara-Wong to approve the installation of an in-ground gas line in the common areas, subject to permitting by the City and County and the utility companies. The motion carried unanimously.

G. Master Association Representative

Chair Krahulik noted that he has been reviewing the concern of overcharging by the master association.

The Board, by general consent, authorized the chair to contact legal counsel to review the charges.

V. OWNERS FORUM

Unit 3006: Roy Howard requested the Board consider slowly adjust any increases over time, when finalizing the 2020 budgets.

Unit 503: Frances Calleon noted issues on the breeds of animals in the building and requested the General Manager's thoughts on this topic.

Unit 3002: Kathy Davey noted that the no smoking notices have been sent out and requested that this be translated into multiple languages and provided to the residents as well as the owners.

Unit 2803: Steve Shaw requested that the job descriptions for the RS Staff may be enhanced to provide more security than the current job duties.

Unit 1010: Shirley Arakaki commented on animal droppings in the elevator and requested that the residents be notified.

VI. UNFINISHED BUSINESS

A. Written Consents

a. Managing Agent Contract Written Consent

ME Balmilero provided an update on the status of the current written consent for the managing agent contract with 59.477162% in favor and 4.247236% opposed.

B. RFA 11-2019: Disposition and Voting Records *(Names Required)*

A **motion** was made by Director Lew and seconded by Vice President Wang to approve the recorded vote of the name of the board member's vote on the bottom of the completed RFA's. There were five votes in favor with President Funakoshi, Secretary Ishihara-Wong and Director Nguyen opposing. The motion carried.

C. RFA 15-2019: Reinstate Reforms from Dr. Wang Presidency

A **motion** was made by Director Lew and seconded by Treasurer Krahulik to approve RFA 15-2019, that provides for pre-mediation conferences to settle disputes or mediation demands before referring the dispute to insurance companies or lawyers, expedite informal records requests with a ten to fifteen day turn around without automatically sending every request to association legal counsel. There were five votes in favor with President Funakoshi, Secretary Debbie Ishihara-Wong and Director Nguyen opposed. The motion carried.

D. RFA 18-2019: Immediately Separate Midrise from Tower/Commercial

A **motion** was made by Director Lew and seconded by Director Ting to investigate the options to amend the governing documents to continue, separate or absorb the Midrise entity and any potential debt. There were five votes in favor with President Funakoshi, Director Nguyen and Director Street opposed. The motion carried.

This item will be referred to the Governance Committee for further review.

VII. NEW BUSINESS

A. RFA 23-2019: Amend Administrative Rules Re: Plants and other uses

A **motion** was made by Director Ting and seconded by Treasurer Krahulik to defer this item to the Governance Committee for review of the request of the amended rule. There were seven votes in favor with President Funakoshi and Director Nguyen opposing. The motion carried.

B. Debit Card

A **motion** was made by Director Lew and seconded by Treasurer Kraulik to obtain a debit card for the General Manager with a limit of \$2,500. There were seven votes in favor and Director Nguyen opposed. The motion carried.

C. Hawaiiana Management Contract - Addendum C

A **motion** was made by Director Lew and seconded by Director Ishihara-Wong to accept Addendum C to the managing agent agreement with Hawaiiana Management to include the charges for minutes taken at each Board meeting into the \$1,800 cap effective as of September 17, 2019. There were seven votes in favor with Director Nguyen opposing. The motion carried.

VIII. EXECUTIVE SESSION

President Funakoshi adjourned the regular session into executive session for legal matters at 8:33 PM and resumed the regular session at 9:03 PM. The following items were determined:

A. Legal Matters

a. Account 2722-209

1. The Board, by majority consent denied the owner's request for arbitration without an attorney.
2. The Board, by majority consent approved the recommended attorney for arbitration on the pending matter.

b. RFA 21-2019: Behavior Unbecoming of a Board Director

Director Nguyen departed at 9:02 PM.

This item was deferred.

IX. NEXT MEETING

A special Board of Directors meeting of AOOU The Collection to review and approved the 2020 budget will be at the call of the Board President or on **Monday, September 23, 2019 at 6 PM, Onsite Midrise Multi-Purpose Room.**

X. 2019/2020 MEETING SCHEDULE *(Tower, Club Room, 6 PM)*

October 29, November 19, January 28, 2020, February 25, 2020, March 31, 2020, April 28, 2020
(Annual Meeting 6 PM, Salt Barn)

XI. ADJOURNMENT

There being no further business, President Funakoshi adjourned the regular Board of Directors' meeting at 9:03 PM.

Approved By:

Recording Secretary:

Debi Balmilero CMCA[®], AMS[®], PCAM[®]
Management Executive
Hawaiiana Management Co., Ltd.