

**MINUTES OF THE BOARD OF DIRECTORS' MEETING**  
**THE COLLECTION**  
**SEPTEMBER 24, 2018**

**CALL TO ORDER**

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

**BOARD MEMBER ATTENDANCE**

Members Present: President (*vacant*), Vice President Carleton Ching, Secretary Ryan Kamo, Treasurer Taylor Nguyen, and Directors Sandra Billington, Rodney Funakoshi, Joe Krahulik, Henry Lew, and Wei-Kung Wang.

Members Absent: None.

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

**BOARD VACANCY**

Director Lew nominated Debbie Ishihara-Wong and Treasurer Nguyen nominated Rey Aguda to fill the Board vacancy. VP Ching, Secretary Kamo, and Directors Funakoshi, Krahulik, Lew, and Wang voted in favor of Debbie Ishihara-Wong and Treasurer Nguyen and Billington voted for Rey Aguda. Debbie Ishihara-Wong was elected to fill the vacancy until the next Annual Meeting.

**OFFICER VACANCY**

Director Lew nominated Director Wang to serve as President, who was unanimously elected and assumed the Chair.

VP Ching stepped down as VP. President Wang nominated Director Debbie Ishihara-Wong as VP, who was unanimously elected.

Secretary Kamo stepped down as Secretary. President Wang nominated Director Krahulik as Secretary, who was unanimously elected.

**MINUTES**

1. Regular Meeting Minutes of July 26, 2018 – Director Funakoshi moved, seconded by Treasurer Nguyen, to approve the Regular Meeting minutes of July 26, 2018, with the following amendment:  
  
ADD under New Business 4. Workshop Start Up Costs (RFA 27-2018); “Some owners present requested that A&B (the developer) would be requested to pay for the workshop tools.”  
  
President Wang, Secretary Krahulik, Treasurer Nguyen, and Directors Ching, Funakoshi, Kamo, and Lew voted in favor. VP Ishihara-Wong abstained. The motion carried.
2. Owners Forum Notes Reflected in Meeting Minutes - Director Lew moved, seconded by Treasurer Nguyen, to insert owner comments in the Owners Forum portion of the minutes, subject to approval by Association counsel. The motion carried unanimously.
3. Special Meeting Minutes of August 14, 2018 – Director Funakoshi moved, seconded by Director Lew, to approve the Special Meeting Minutes of August 14, 2018, as submitted. The motion carried unanimously.

### **TREASURER'S REPORT**

The financial statements for July and August 2018 were deferred.

### **DEVELOPER'S REPORT**

Developer representative Sandra Billington submitted and reviewed the Developer's written report.

Hearing no objections, the Developer's report will be posted to the Association website going forward.

### **MANAGEMENT REPORT**

Management Executive McKenna submitted and reviewed his written report.

### **GENERAL MANAGER'S REPORT**

GM Guzman submitted and reviewed his written report.

### **COMMITTEE REPORTS**

1. Executive Committee – No report.
2. Budget & Finance Committee – Chair Nguyen reported the Committee met on July 23, 2018 and provided a verbal report.
  - a. 2019 Budget – Chair Nguyen reported a Committee Meeting to review the draft 2019 budget was scheduled for tomorrow night, Tuesday, September 25<sup>th</sup>, 5:00 p.m. to 7:00 p.m., in the Midrise (Lofts) Community Room. Owners are invited to attend beginning at 5:30 p.m.
3. Building, Grounds & Design Committee – Chair Kamo reported the Committee met on Thursday, September 20, 2018 and provided a verbal report.
  - a. Photovoltaic Installation Proposals – The Board requested the Committee to provide the Board a recommendation on how best to proceed with for the installation of photovoltaic panels on the parking structure.
4. Governance Committee – Chair Ching deferred his report to New Business item #2, Smoking Ban (RFA 19-2018).
5. Social Activities – Chair Funakoshi reported the Committee met on September 5, 2018 and provided a verbal report. The next Committee meeting is scheduled for Wednesday, October 3<sup>rd</sup>, at 5:00 p.m. in the General Manager's office.

### **OWNERS FORUM**

1. Steven Shaw – Would like a “sunshine resolution” providing that any type of Association contract obligation the Board considers, the owners need to know and have voice to provide input.
2. Debbie Ishihara-Wong – Inquired as to when the owners are going to receive a refund for the Master Association dues charged in 2017.
3. Victor Williams – Inquired as to what amount of money the Board could spend before the owners have to be made aware. ME McKenna stated if a loan is sought, a majority of owners (greater than 50%) is required for approval. ME McKenna will follow up on other requirements as stated in State Law and the Association bylaws.

Mr. Williams also asked the Board to reconsider obtaining flood insurance. GM Guzman reported when this

request came up last year, he reached out to the Associations insurance broker, Insurance Associates, and reported flood insurance would cost the Association \$85,000 annually. The Association is currently not in a designated flood zone. Further, GM Guzman reported a neighboring property, also not in a designated flood zone, had previously carried flood insurance over 12 years; however, having had only one claim in twelve years, they have since discontinued carrying flood insurance. GM Guzman was asked to inquire with Insurance Associates as to what the Association should consider as it pertains to flood coverage.

4. Russell Ryan – Comment on election to fill the vacancy that took place earlier in the meeting. He was surprised there was confusion by some Board members and owners present to allow nominations from the floor for those who had not submitted a resume for consideration by the deadline stated since all previous meetings nominations from the floor was permissible without question.
5. Kevin Kwan – Inquired as to why the trash compactor was broken today. GM Guzman reported a piston on the compactor unexpectedly failed.

#### **UNFINISHED BUSINESS**

1. Monthly Board Meetings (RFA 20-2018) – Director Lew moved, seconded by VP Ishihara-Wong, to the recommendation to return to having a monthly Regular Meeting of the Board. The motion carried unanimously.
2. Abolish the RFA Process for Owner(s) (RFA 22-2018) – Deferred.

Hearing no objections, the Board unanimously approved President Wang, VP Ishihara-Wong, and Secretary Kraulik to review all owner requests, whether it be by RFA or not, and determine action to be taken (i.e. – place on the next meeting agenda, submit to a committee for further review and recommendation, etc.). Owners may submit request without an RFA and the President, VP, and Secretary will determine if an RFA is required. Additionally, the RFA log will be posted on the Association website as a searchable document.

#### **NEW BUSINESS**

1. Common Area Posting of Public Hearing Notice of Indochine Restaurant (Ratify) – Director Ching moved, seconded by Director Kamo, to ratify approval to post the public hearing notice for Indochine Restaurant. The motion carried unanimously.
2. Smoking Ban (RFA 19-2018) –
  - a. Smoking Ban - Director Ching moved, seconded by Director Lew, to accept the recommendations to ban smoking throughout the property, including within units, as presented on the RFA. The motion carried unanimously.
  - b. Method for Seeking Smoking Ban – Director Lew moved, seconded by Director Kamo, to approve seeking owner approval by written consent. The motion carried unanimously. The smoking ban and short term rental fines amendments will be sent as one mailing.
3. Association Strategic Plan and Tactical Plans (RFA 29-2018) – Director Lew moved, seconded by Director Funakoshi, to approve the recommendations as stated in the RFA. The motion carried unanimously.
4. Dog Owners who use the Dog Park (RFA 32-2018) – Deferred.

*(Director Billington excused herself from the meeting at 8:32 p.m.)*

5. Parking Decal Standardization (RFA 33-2018) – VP Ishihara-Wong moved, seconded by Director Lew, to approve the recommendations provided on the RFA for the Tower parking garage, but deferring the portion that states *should follow the vehicle license plate numbers*. President Wang, VP Ishihara-Wong, Secretary Krahulik, Treasurer Nguyen, and Directors Funakoshi and Lew voted in favor. Directors Ching and Kamo abstained. The motion carried.
6. Elevator Maintenance-Tower (RFA 35-2018) – Director Ching moved, seconded by Director Lew, to approve selection of ThyssenKrupp Elevator as the Tower elevator maintenance provider at a cost of \$3,089/month (\$37,068/year). President Wang, VP Ishihara-Wong, Secretary Krahulik, Treasurer Nguyen, and Directors Ching, Funakoshi and Lew voted in favor. Director Kamo recused himself citing a conflict of interest as he is related to an employee of ThyssenKrupp. The motion carried.
7. HVAC Common Area Maintenance Contract (RFA 36-2018) – Deferred.
8. Lofts Pedestrian Safety Striping and Sign (RFA 37-2018) – Deferred.
9. Staff Holiday Fund (RFA 38-2018) – Deferred.
10. Act 195, Deletion of Priority of Payment Policy – Director Funakoshi moved, seconded by Director Lew, to approve to apply payment from owners in the following way, subject to the new law: 1) Void “priority of payments” currently used; 2) Apply all payments received to assessment/common expense; 3) When Hawaiiana receives written instructions from an owner on how to apply payments, they are to manually apply accordingly; and 4) Any late fee or interest penalty will be applied as stated in the Association policy.

#### **NEXT BOARD MEETING**

The next Regular Board of Directors meeting will be held on Tuesday, October 16, 2018, 6:00 p.m., in the 7<sup>th</sup> Floor Tower Club Room.

**EXECUTIVE SESSION** – Hearing no objections, the meeting adjourned into executive session at 8:45 p.m. to discuss legal and personnel matters and was called back to order at 9:45 p.m.

*(ME McKenna and GM Guzman excused themselves from the meeting at 9:22 p.m.)*

**ADJOURNMENT** - The Meeting was adjourned at 9:45 p.m.

Submitted:

*Jon McKenna*

Jon McKenna

Board Approved On: \_\_\_\_\_