

**MINUTES OF THE REGULAR BOARD OF DIRECTORS' MEETING
HAWAIIKI TOWER
DATE: December 20, 1999
6:00 p.m., Hawaiki Tower, Conference Room**

Directors Present: D. Scott MacKinnon, President
Sharon H. Nishi, Vice President
Patricia K. Kawakami, Secretary
Katherine Bustillos, Treasurer
Amy Harris, Director
Alies Mohan, Director
Douglas Hung, Director
Ruth Goldstein, Director

Excused: Dr. A. A. "Manny" Sultan, Director

By Invitation: Paul McCurdy, Resident Manager
Ed Robinson, Managing Agent, Hawaiiiana Management Co., Ltd.
Susan Capinia, Recording Secretary, Hawaiiiana Management Co., Ltd.

I. Call to Order

There being a quorum present, the meeting was called to order at 6:00 p.m., by President MacKinnon.

2. Minutes of the Previous Meeting

By unanimous consent the minutes of the December 1, 1999, Inaugural and Organizational Meetings of Hawaiki Tower were approved as amended.

The Organizational Meetings, under Election of Officers, minutes should read as follows: Patricia K. Kawakami as Secretary and Katherine Bustillos as Treasurer.

3. Reports

A. Resident Manager's Report

A report dated December 20, 1999, was submitted by Resident Manager McCurdy and shall be filed in the office of Hawaiiiana Management.

Resident Manager McCurdy informed the Board that termites have been discovered at two locations around Hawaiki Tower. He recommended the installation of a Sentricon System and submitted several bids from various termite companies. President MacKinnon informed the Board that Brett Hill would follow up to determine if a warranty is in place. The Board unanimously authorized the Resident Manager to contract for termite control not to exceed \$6,000, subject to determination of warranty.

B. Treasurer's Report

Property Manager Robinson reported that the Association had not completed an accounting cycle under the new Board of Directors. He reported the following approximate amounts:

Total start-up fees collected - \$189,000
Total start-up expenditures - \$93,000
Total prepaid maintenance fees - \$30,000
Total cash on hand - \$140,000

Property Manager Robinson informed the board that the Developer has been paying the operation expenses from inception through November 1999, approximating \$650,000. He informed the board that excess funds at the end of the year would go into a reserve fund.

4. New Business

A. Appoint Committees – By unanimous consent the named Director's were nominated to serve on the following committees.

1. Budget & Finance – (Chair) Kahterine Bustillos and Amy Harris
2. Building & Grounds – (Chair) Dr. A. A. "Manny" Sultan and Alies Mohan
3. Administration & Personnel – (Chair) Patricia Kawakami and Ruth Goldstein
4. Rules & Legal – (Chair) Sharon Nishi and Douglas Hung

B. Approve Appointment of Attorney – By Board direction the Property Manager will obtain proposals from attorneys John Morris, Joyce Neeley and Milton Motooka for review and recommendation by the Rules and Legal Committee.

C. Approve Appointment of Auditor – Property Manager Robinson informed the Board of the following proposals:

Marshall T. Ingraham - \$3,600
Terry S. C. Wong - \$800
Dan Sullivan - \$795

By unanimous consent the Board moved to appoint Terry S. C. Wong, CPA. as auditor for the Association.

D. Resolutions – A proposed Resolution was submitted by Property Manager Robinson and shall be filed in the office of Hawaiiiana Management. By unanimous consent the Board approved the following resolutions as amended.

1. Check Signing Authority – Amended to read, "Resolved, that checks and other financial instruments in the amount of \$50,000 or more will require the signature of the Board Treasurer or in her absence another Association officer, in addition to that of a corporate officer of Hawaiiiana Management Company.

2. Notice of Lien/Release of Lien – Amended to read, “Resolved, that notices of lien placed on apartment owners for non-payment of common assessments and releases of said liens will be signed by the attorneys for the Association. A limited power of attorney will be executed to that effect.”
3. Fiscal Year – Remains as submitted, “Resolved, that the calendar year be established as the fiscal year for the Association.”
4. Delinquency Policy and Priority of Payments – Remains as submitted, “Resolved, that a late fee charge of \$50.00 per month be assessed to owners whose payments are not received by the 15th of the month in which due. In the absence of instructions to the contrary, payments will be applied in the following priority:
 - (1) Late fees
 - (2) Attorneys fees
 - (3) Special Assessments
 - (4) Maintenance fees

E. Ratify Lease of Resident Manager’s Apartment – A “lease with option to purchase” document from Nauru Phosphate Royalties was submitted and shall be filed in the office of Hawaiiana Management. By unanimous consent the Board agreed to ratify the lease of the resident manager’s unit. The option to purchase was referred to the Budget & Finance committee and Director Hung to research interest rates and forward their recommendations to President MacKinnon. The Board requested that this issue be put on the annual meeting agenda.

F. Increase in Limits of Directors & Officers Insurance – By unanimous consent the Board moved to increase the D & O insurance coverage from \$1,000,000 to \$5,000,000.

G. Committee Assignments – By unanimous consent the Board moved to refer the following committee issues to the Rules & Legal committee for review and recommendations.

1. Incorporation of Association
2. House Rules Additions & Modifications
3. Appointment of Attorney

5. Date, Time and Place of Annual Meeting – By unanimous consent the Board moved to hold the annual meeting on March 20, 2000, 6:00 p.m., on-site Hawaiki Tower, 36th floor.

6. Employee Christmas Gift- By unanimous consent the Board approved the following Christmas gift certificates for Hawaiki Tower employees.
Resident Manager - \$250

Maintenance Supervisor - \$200

Administrative Assistant - \$150

Twenty-five employees- Employees will each receive a \$25 gift certificate.

7. **Building Tour** – Director Goldstein requested that the Board be given a complete tour of the Hawaiki Tower property.
8. **GTE Americast** – Director Goldstein questioned if the contract with GTE Americast could be terminated. President MacKinnon recommended that the Board contact GTE Americast to request that corrections be made.
9. **Board Meeting Schedule for Calendar Year** – By unanimous consent the Board moved to hold their regular monthly board meetings on the last Monday of each month.
10. **Date of Next Meeting**
The next Board meeting will be held on January 31, 2000, at 6:00 p.m., Hawaiki Tower, Conference Room.
11. **Adjournment**
There being no further business, the meeting adjourned at 8:00 p.m.

Respectfully submitted,

Susan Capinia
Recording Secretary