

**WAIKIKI BANYAN
BOARD OF DIRECTORS
MEETING MINUTES
Thursday October 4, 2007**

CALL TO ORDER: President Karl Springman called the meeting to order at 2:14 PM in the Waikiki Banyan Conference Room, Waikiki Banyan, 201 Ohua Avenue, Honolulu, HI.

PRESENT: President Karl Springman, Treasurer Kenji Iwasa, and Directors Dick Eide, Richard Sparks, John Wong and Norman Duncan

PRESENT PARTICIPATING BY CONFERENCE CALL: Vice President Bob Carbone and Director Shraga Dachner

ABSENT: Secretary Shigeo Minamoto

BY INVITATION: Management Executive Representative Emory Bush, General Manager Brian Molmen, and Attorney Randy Sing. Owners: Dale and Shirley King 904-2, Ann Joyce 3714-1, **MINUTES:** Moved by Shraga Dachner and agreed unanimously to approve the minutes of the Board of Directors meeting June 27, 2007. Moved by Shraga Dachner to reconsider the 2007 Annual Meeting Minutes forwarded to the 2008 Annual Meeting at the March 15, 2007 Board Meeting. Agreed unanimously. Moved by Shraga Dachner to amend the 2007 Annual Meeting minutes by substitution with the Annual Meeting minutes presented to this meeting. Agreed unanimously.

MANAGER'S REPORT: The Manager's Report for the period June 20, 2007 to September 27, 2007 was accepted as presented.

TREASURER'S REPORT:

1. Financial Statements: Managing Agent Emory Bush reviewed the financial statements for the period ending August 31, 2007. He noted that for August income was 14.8% above budget and operating expenses were 8.3% below budget. For the year income was 4.1% above budget and operating expenses were 8.5% below budget for a net increase of \$275,958. There was a net decrease in reserves of \$522,180 due to the elevator modernization project with other major improvements included. By general agreement the statements were accepted subject to audit.

2. Delinquencies: Emory Bush reviewed for the Board the Delinquency Report for the period ending August 31, 2007 and noted that the total delinquency of \$6,485 was the lowest ever with no apartment more than one month delinquent.

CORRESPONDENCE:

1. King to Springman: Noted

2. Attorney Milton Motooka to the Board re: Chapter 514B Implementation and Insurance Matters: referred to the Board for discussion at a later meeting.

COMMITTEE REPORTS:

1. Leasing:

A. Sweetwater Secure Parking: Shraga Dachner reported that development of Secure Parking spaces for Sweetwater is in progress.

B. Hawaiian Sun Holidays Air Conditioning: Shraga Dachner reported that development of air conditioning for Hawaiian Sun Holidays is in progress.

C. Resort Quest:

(1) New Lease: President Karl Springman reported that the Third Addendum to Rental Operator Lease Agreement between Waikiki Banyan and ResortQuest Hawaii, LLC has been signed and is in effect.

(2) Banyan Breeze Coffee: President Karl Springman reported that Banyan Breeze Coffee Co. is pursuing development towards subletting room 102 from Resort Quest at the Waikiki Banyan.

2. Fee Purchase: President Karl Springman reported that Hawaiian Island Homes, as agent for Liliuokalani Trust, is sending letters to Waikiki Banyan owners regarding Lease-to-Fee Conversion.

3. Personnel: no report

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4. Building:

A. Hallway Refurbishment: President Springman reported that this matter is progressing satisfactorily.

5. Grounds: Chair Norman Duncan reported:

1. Flowers at Ohua and Kuhio Corner: his committee is investigating sources, costs, and means to have continual flower displays at the corner by the Waikiki Banyan sign.

2. Planters in Pool area: his committee is investigating implementation of tropical garden areas within the pool area.

3. Sitting Area 6th Floor Elevator Lobbies: his committee is investigating purchase and placement of heavy furniture in the two 6th floor elevator lobby areas.

6. Owners Concerns: Chair Richard Sparks reported:

1. Owners expressed interest to him that: maid's carts be covered; housekeepers clean up after themselves; hallway planters be painted; benches be provided for the hallways opposite the elevators.

OLD BUSINESS:

1. Playground Mat Repair: President Karl Springman reported that the playground mat repair has been completed.

NEW BUSINESS:

1. Workers Compensation Insurance: General Manager Molmen reported that two proposals to provide workers compensation insurance for the period beginning November 1, 2007 had been received and referred to insurance consultant Ken Kanehiro. General Manager Molmen requested authorization to accept the proposal recommended by the insurance consultant. So moved by Shraga Dachner and agreed unanimously.

2. Christmas Party: Moved by Dick Eide and agreed unanimously to authorize the Christmas Party at Hale Koa Hotel December 20th.

3. Air Condition Elevator Machine Room: General Manager Molmen reported that two proposals to provide air conditioning for the elevator machine rooms: one from Alaka`i Mechanical for \$34,685 and the other from Honeywell for \$24,797.70. Moved by Shraga Dachner and agreed unanimously to accept the proposal by Honeywell.

4. Elevator Cab Interior: General Manager Molmen reported that Sunset Refinishers has provided a quote for the Waikiki Banyan elevator cab renovation. The finished design would be similar to that found at Davies Pacific Center and Hilton Hawaiian Village Kalia Tower. The proposal is \$59,200 plus tax above that provided in the elevator renovation contract. Moved by Richard Sparks and agreed unanimously to accept the proposal from Sunset Refinishers.

NEXT MEETING: Budget and Reserve Analysis

ADJOURNMENT: The meeting was adjourned at 3:31 PM

Shigeo Minamoto, Secretary

A. B. Molmen, General Manager