

**WAIKIKI BANYAN  
BOARD OF DIRECTORS  
MEETING MINUTES  
Thursday, June 12, 2008**

- CALL TO ORDER:** President Bob Carbone called the meeting to order at 2:03 PM in the Waikiki Banyan Conference Room, Waikiki Banyan, 201 Ohua Avenue, Honolulu, HI.
- PRESENT:** Treasurer Kenji Iwasa, Secretary Shigeo Minamoto and Directors Richard Sparks and John Wong
- PRESENT PARTICIPATING BY CONFERENCE CALL:** President Bob Carbone, Vice President Dick Eide and Director Lou Palmer
- ABSENT:** Directors Karl Springman and Shraga Dachner
- BY INVITATION:** Management Executive Representative Emory Bush, General Manager Brian Molmen and Manager Wayne Babineau. Owners: Jeannie Phillips 3207-1, Steve Larson 2112-2, Lorimegan Black 2414-2, Hana Kanehailua 2014-2, Joe Mariano 1606-2, Norman Duncan 2710-1, Chester Kim 1209-1 and Ruth Weiss- Charters 2003-2.

**MINUTES:** Moved by John Wong to approve the minutes of April 10, 2008. Director John Wong brought to the attention of the Board that the April 10, 2008 minutes correct the Organizational Meeting minutes showing him as voting "nay" in the election of Bob Carbone for the office of President and stating that he voted "aye". The correction should have been that in the election of Dick Eide as Vice President he is shown as voting "nay" when he voted "aye." By general agreement the minutes were adopted as amended.

**MANAGER'S REPORT:** The Manager's Report for the period February 8, 2008 to June 4, 2008 was accepted as presented.

President Carbone brought to the attention of the Board "Security: B. Security Uniform Shirts" and asked if any members of the Board would like to serve on a Committee which would look into new uniform shirts for Security. Richard Sparks and John Wong volunteered to serve on the committee.

**TREASURER'S REPORT:**

1. Financial Statements: Managing Agent Emory Bush reviewed the financial statement for the period ending April 30, 2008. He noted that for April income was 5.6% below budget and operating expenses were 34.7% below budget. For the year income was 1.6% above budget and operating expenses were 10.2% below budget for a net increase of \$88,889. There was a net decrease in reserves of \$710,519 largely due to the elevator modernization project. 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 May 31, 2008 and noted that the total delinquency of \$8,845 is low for a building the size of the Banyan. One apartment was in the hands of the Attorney for the Association.
3. Liens: General Manager Molmen brought to the attention of the Board a Resolution allowing any two officers of the Board to sign a Notice of Lien or a Release of Lien. Moved by Dick Eide and agreed unanimously to adopt the resolution as presented.

**CORRESPONDENCE:**

1 From 3601-2 and 3603-2 regarding joining two adjacent units. By general agreement this matter was referred to Attorney Phil Nerney for his opinion and recommendations.

**COMMITTEE REPORTS:**

1. Leasing:
  - A. Sweetwater Secure Parking: President Carbone reported that development of Secure Parking spaces for Sweetwater has been completed.
  - B. Hawaiian Sun Holidays Air Conditioning: President Carbone reported that development of air conditioning for Hawaiian Sun Holidays has been completed.
  - C. Resort Quest, Banyan Breeze Coffee: President Carbone reported that Banyan Breeze Coffee Co. is open for business and reportedly doing well.

**Waikiki Banyan**

Board of Directors

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D. Innovative Solutions/Koko Resorts: By general agreement the Board affirmed the telephone poll allowing Innovative Solutions/Koko Resorts to cancel its lease of space 401a and sign a lease for space 501.

E. Hitex International/Aloha7: By general agreement the Board affirmed the telephone poll allowing Hitex International/Aloha7 to cancel its lease of space 501 and sign a lease for space 401a.

F. Sam's Snack Bar: President Carbone recommended to the Board that Sam's Snack Bar lease be renewed for a period of 4 years and 11 months. Agreed unanimously with the abstention of Shigeo Minamoto and Kenji Iwasa due to their being lessees in the building.

G. Hawaiian Sun Holidays: President Bob Carbone reported that Hawaiian Sun Holidays had asked for an abatement of the 5% increase called for in its lease. President Carbone recommended against the abatement. Agreed unanimously with the abstention of Shigeo Minamoto and Kenji Iwasa due to their being lessees in the building.

H. Pacific Seas Trading Company: President Bob Carbone reported that Pacific Seas Trading Company had asked for an abatement of the 5% increase called for in its lease. President Carbone recommended against the abatement. Agreed unanimously with the abstention of Shigeo Minamoto and Kenji Iwasa due to their being lessees in the building.

2. Personnel: By general agreement this matter will be handled in executive session at the end of the meeting.

3. Building:

A. Hallway Refurbishment: President Carbone reported that this matter is complete.

B. Tiling Rec Deck: President Carbone reported on labor and materials proposal to put quartzite tile on the rec deck for a total price of \$427,000. By general agreement this matter is deferred.

5. Grounds:

A. Flowers Ohua & Kuhio: in progress.

B. Planters Pool Area: President Carbone reported that Waikiki Banyan Maintenance can build planters in the pool area for about \$3,800, materials and plants inclusive. By general agreement \$3,800 is appropriated for the planters.

C. Sitting Area 6<sup>th</sup> Floor Elevator Lobbies: President Carbone requested volunteers to look into outdoor furniture to be used in sitting areas by the 6<sup>th</sup> floor elevator lobbies.

D. Cabana: General Manager Molmen reported that the cabana is securely bolted to the rec deck floor and in case of very high winds would break before it could fly away.

**OLD BUSINESS:**

1. 2008 Insurance Package: President Carbone reported that the 2008 insurance package was in place.

**NEW BUSINESS:**

1. Right of First Refusal: President Carbone presented to the Board an opinion by Attorney Carl Tom which, in sum, states that the Association does not have right of first refusal to purchase a sandwich lease position.

2. Personnel: At 3:15 President Carbone moved the Board into Executive Session to discuss matters relating to personnel. At 3:33 PM the Board emerged from Executive Session. By general agreement the Board authorized staff salary increases of 2.75% June 1, 2008 and December 1, 2008

**NEXT MEETING**: at the call of the President

**ADJOURNMENT**: The meeting was adjourned at 3:52 PM

Shigeo Minamoto, Secretary

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A. B. Molmen, General Manager