



THE BOARD'S BULLETIN BOARD

June 22, 2011

*Prepared by the Community Relations Committee to keep you informed of current developments
Information is deemed reliable, but not guaranteed.*

BOARD MEETING

- The Board approved the High Risk Component Resolution with the addition of wording regarding plumbing components. A copy of the approved resolution will be placed on the www.1350alamoana.com website.
- The Board approved a contract with Allana Buick & Bers for consulting services in connection with the Plumbing Retrofit Project at a cost not to exceed \$310,000.00.
- The Board selected Color Dynamics, Inc. as the contractor for the Lanai level Membrane Project for a base bid of \$827,500, and authorized negotiation and signature of the final contract, subject to attorney review, by two officers of the Board.
- The Board is investigating a digital information display system to be placed near the front desk.
- The Board approved the funding for several items, including concrete spalling repairs, increasing the height of the pool gate for safety reasons, removal and storage of the damaged bronze sculpture next to the pool, renewal of the Oceanic Time Warner Cable service and evaluation of certain cracks that have reportedly appeared in the ceilings and walls of certain Lanai Level units. The Board also waived its right of first refusal to purchase the lease fee interest in Unit 408.

OWNER'S FORUM

An Owner's Forum was held immediately preceding the Monthly Meeting. The following are some of the issues and topics that were discussed:

Q: No investigator had come to my unit. Has this stage been completed for the plumbing project?

A: *The contractors have looked at all the units they needed to see and chose a representative group of condos to inspect.*

Q: Why has the crown molding not been caulked along the ceiling?

A: *The contractors cannot caulk along the ceiling due to disturbance of the asbestos in the ceilings. If the asbestos is disturbed, the building would have extremely high additional costs for its removal.*

Q: Is the door installation completed?

A: *Any owners with any questions about their doors should fill out a punch list form at the front desk. The Design Committee will review these questions with the contractor.*

Q: Will the contractors fix any bad spot on the wallpaper?

A: *Yes. Again the owner should fill out the punch list form at the front desk. As the project nears completion any follow up details should be described in the punch list form for review. Thank you.*

Q: What is the status of the loan?

A: *A loan was approved with First Hawaiian Bank (See details below.)*

Q: Has the loan been costed out?

A: *Yes, increases in maintenance fees are planned and expected to cover repayment of the loan.*

Q: Why can't owners pay off their portion of the loan in a lump sum?

A: The Board considered pursuing the possibility of allowing owners to prepay their portion of the loan. Although there are some benefits to this option, there were a number of significant arguments advising against it, and a majority of the Board decided not to pursue this option.

Q: How will holiday decorations be attached to the doors?

A: Suction cup decoration holders will be available at the front desk.

HALLWAY PROJECT

The Hallway Project is nearly completed!

- **Hallway Project Assessment Payment.** Please remember that your Hallway Project Assessment Payment was due in full on February 1, 2011, in addition to your regular maintenance fee payment. If you have not yet paid your Hallway Project Assessment Payment, please make the payment as soon as possible.

PLUMBING PROJECT UPDATE

- The report of the Plumbing Project forensics investigation and bids for the full Plumbing Pilot Project should be available soon, after which the Board intends to schedule a Plumbing Project Owner's Forum to bring owners up-to-date.
- Several owners have asked about the terms of the Plumbing Project loan. (A loan of up to \$12 million for the Plumbing and Membrane Projects was authorized by Association Owners in a vote that was completed March 8, 2011.) After considering proposals from several lenders, the Board, at its June 6, 2011 meeting, approved a loan of up to \$12 million with First Hawaiian Bank. It is a 15-year loan at a fixed interest rate of 4.55% for the first 10 years. At the beginning of the final 5 year period the annual rate will be adjusted to FHB's market rate for similar commercial loans. The loan is interest only for the first 24 months. Repayment of the loan is planned and expected to be from increases in monthly maintenance fees. No special assessment is required. (Remember, of course, that there may be

increases in maintenance fees and/or special assessments for other reasons).

LANAI FLOOR MEMBRANE PROJECT UPDATE

- The Lanai Floor Membrane Pilot Project has been completed.
- As noted above, a contractor was selected by the Board at its June 22nd meeting. Following completion of contract negotiation, the full project is expected to begin.
- As soon as more information is available from the contractor, an Owner's Forum will be scheduled for owners of the affected units.

ACTION ITEMS

- The Management will continue to distribute the new key fobs for pool entry. Please note the key fob can be used to enter the second floor garage as well as the pool.
- If you are moving in / moving out, please check with the front desk for the new policy. Hallway carpet protectors will be utilized to conserve the new carpets.
- The PPC committee is continuing to look at pigeon control devices, including a device that uses netting to deter pigeons from landing and nesting.
- The PPC committee is continuing to consider an air conditioner installation policy that would apply to window and split air conditioners. Window air conditioners would be required to be installed in a sleeve. Although this would add to the cost of installation, the risk of damage to the building and to interior walls and ceilings would be considerably reduced.
- The management and staff will continue training in disaster preparedness. Residents are encouraged to pick up a hazard preparedness guides at the front desk.
- Implementation of updates to the 1350 web site, including investigation of communications with Owners by email is proceeding.

CALENDAR

- The next meeting of the Board of Directors is scheduled for 6 p.m., Wednesday, August 24, 2011. No Board meeting will be held in July.

Submitted by the Community Relations Committee