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EDITOR'S NOTE | DON CHAPMAN

Vacation rentals—call it the Airbnb revolution-are having an impact not just on Hawaii's residential neighborhoods, as has been well documented, but in condominiums as well. It's become an issue in many places, but especially so in Hawaii with our shortage of residential housing. As our story details, one of the benefits of condo living is knowing who your neighbors are. That sense of security gets upset when suddenly there is a stream of strangers going into and out of the unit down the hall. But there are things condo associations are doing to prevent their homes from becoming hotels.

Sometimes that can lead to evictions. There are many reasons to give a tenant or an owner the boot, but before going to court, writes Brandon Bosworth, the best path is to try mediation. It's less expensive and is likely to lead to a more amicable resolution.

Nearly a year after the tragic fire there, Marco Polo owners voted to retrofit the building with a sprinkler system. Ironically, they voted just days after the City Council passed a muddled law that declares older buildings must retrofit sprinklers, unless they can meet other fire safety criteria. No one is quite sure which would be more expensive.

That's just the start of what's inside this mid-summer issue of *BMH*. We also keep up with new hires and promotions in the building management industry, look at how one restoration company waded into the East Oahu flood aftermath, and at a new effort to promote energy innovation. And local experts in a variety of related fields roofing, painting, paving and sealcoating, railings and solar energy storage —offer their best advice for avoiding problems, and dealing with them when they do happen.

And if you have a story you'd like covered, please let me know.

Mahalo,

Don Chapman Editor don@tradepublishing.com

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In the spirit of this appreciation, Hawaiiana is pleased to provide ongoing tools and support for Residential Managers. Most recently, Hawaiiana held a seminar called *Essentials of Building Management*, featuring timely and pertinent information to assist managers with their daily challenges. Topics including "Aging in Place," Emergency Preparedness, Customer Service and Insurance were presented by a panel of experts to an attentive crowd at the Hale Koa Hotel. Many thanks to the nearly 200 managers who were in attendance!



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contents

June/July 2018 | Volume 34 | No. 4

8 Editor's Note: Don Chapman

- **10** Is There a Stranger in Your Building? AOAOs are cracking down on those who try to use condos as vacation rentals
- **14** The Ins and Outs of Evictions Before going to court, consider mediation as an alternative to dealing with evictions
- **16 Commercial Vacancy Tips** Five ways to generate more income from a commercial building
- 20 HVAC Tips

How to extend a system's life, and when to know it's time for a replacement

45 News & Notes

Marco Polo owners vote for sprinklers, the City Council passes a muddled sprinkler law, the latest hires and promotions in the building management industry, digging out of a flood and more

48 Faces

BOMA members gather for a luncheon to meet new HPD Chief Susan Ballard





PAINTING

22 Sheldon Ibarra

There's more to color perception than meets the eye

PAVING & SEALCOATING

28 Chris Laird

Your asphalt is tough enough to drive on, but requires the proper care

30 Kia Kamaau

How appealing is your 'welcome mat'?

RAILINGS

34 Abel Libisch

Why chemistry matters in maintaining safe railings

ROOFING

36 Richelle Thomason Tariffs to increase the cost of roofing materials

SOLAR BATTERIES

- **38 Charles Chacko** Keeping up with energy sharing options
- 41 Battery Bill

Portable chargers are now small enough to fit in your hand

42 Peck & Choy

The potential financial benefits of investing in solar storage

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Is There a Stranger in Your Building?

As more condo units are rented out for vacation rentals, attorney Jane Sugimura says HOA boards need to understand the pitfalls

BY DON CHAPMAN

s there a stranger in your building? Or maybe in the unit right next door?

That is increasingly likely as more and more condo units are being used for "transient lodging."

"It's a safety issue," says attorney Jane Sugimura of Bendet Fidell Sugimura, aka the Queen of Condo Law.

And it's an insecurity issue—one of the values of condo living, for better or worse, is that you know your neighbors, and that comes with a certain sense of security.

"Now you get a new person coming in for a week," Sugimura says, "and when they leave another new person moves in for a week.

"It's especially an issue in Waikiki." And no wonder, with the recent news

that Hawaii leads the nation in having the highest average daily rate for a hotel room—\$293.

But it should not be an issue in most buildings, Sugimura emphasizes:

"Most condo associations have a provision in their by-laws or house rules, clearly stated, that short-term rentals are not allowed."

Usually it's spelled out with a 60- to 90-day minimum period. "That's a common provision," Sugimura says. "It's up to the

association to enforce it." While this latest trend has everything to do with sites such as Airbnb and Craigslist, it's not exactly a new phenomenon.

"It became a big issue when time shares started years ago," she says. Those were excluded from the short-term provision for obvious reasons.

One upper-end Waikiki condo, which Sugimura declines to name, has gone so far as to have security officers question anyone who arrives with a suitcase: What unit are you going to and how



Jane Sugimura

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Getting Tough on Short-Term Rentals

One Waikiki condominium has gotten tough on those who don't abide by the building's ban on short-term rentals. And the message seems to be getting across, says Ralph Shumway, resident manager at the Waipuna on Ena Road.

That's what happens when unit owners get a letter from an attorney, and "it's the owner who has to pay that legal fee," says Shumway.

"This is not a problem unique to the Waipuna, it happens at condos everywhere, but especially in Waikiki. I think it has to do with people not being able to afford high rents. Let's say a single person rents a three-bedroom apartment, so they rent out the other rooms for a weekend, or a week, even knowing it's against the by-laws. They do it as long as they can get away with it."

It's not a new problem, he says, but has exploded in the "last couple of years—when did Airbnb start up? It has to do with the ease of internet access. People place an ad, maybe using a false name, then people come and show up, and before anyone know anything they're gone and someone else has moved in.

"The problem is they don't care about house rules—late-night parties—the attitude is 'l don't care about these people, l'm only here a few days.""

At the Waipuna, just 30 percent of units are rentals, and long-time residents have insisted the board take care of the transient problem.

"We have had tenants removed by (leasing) agents," Shumway says.

And the board recently revised the by-laws to spell out specifically that the minimum lease is three months.

"This goes to the heart of how residents want to live," says Shumway. "Is this a vacation place or a home? Our residents have been very clear they want this to be a home."



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To Evict or Not to Evict?

Whether it's a commercial or residential property, mediation offers an alternative

BY BRANDON BOSWORTH

ediation can be a viable alternative to eviction that benefits all involved parties. "There is a huge savings in cost if mediating instead of going to court," says Kelly Bryant, case manager at Dispute Prevention & Resolution Inc. "There are hours of attorney's fees. The outcome is uncertain. Mediation is flexible.

"Mediation should be the first step instead of litigation," she adds. "We can get a mediation session set up within a week. Mediators have seen every sort of dispute under the sun, and many are former judges."

"People don't

always choose

to mediate, but

they should,"

says Tracey S.

Wiltgen, execu-

tive director of

the Mediation

Center of the

says mediation

Pacific. She



Tracey S. Wiltgen

is often a better option than eviction for those in the rental business such as landlords and property managers. "If they can work out a payment plan, they won't lose a tenant and can continue to rent out the property. It can be costly to look for a new tenant. Even if they can't work out a payment plan, coming to an amicable agreement and giving the tenant a reasonable amount of time to move out often means the tenant will leave the property in better condition than if they are forced out."

When it comes to issues with commercial properties, Jane Sugimura, a principal at the law firm of Sugimura Bendet Fidell, says it can be beneficial for managers and owners to work with their tenants.



"You can make all sorts of deals," she says. "Not necessarily waiving or reducing rent, but maybe doing something with maintenance fees. There are tradeoffs. You don't want dark space. With a shopping center, there is a synergy that gets lost and remaining tenants will have no traffic."

She points out that after 9/11 many retailers were struggling and had to seek accommodations. "Everybody was hurting; you had to become creative." Some commercial tenants arranged to have payments on a portion of their rent moved to the end of the lease, buying them more time.

Mediation can be a good alternative for disputes that don't involve monetary concerns. One example Bryant suggests would be a noise issue at a condominium. "It may not be because of partying," she says. "It may be because of flooring." A downstairs resident is bothered by the sounds of an upstairs resident's footfall. "We bring in the homeowner, residents and the AOAO. The mediator does a site inspection, and checks upstairs and downstairs. They will try to find practical, workable solutions."

If eviction proves to be the best option, the outcome can depend on various factors. "Failure to pay rent is fairly



straightforward (either the tenant(s) paid or did not pay), so whether or not the eviction is granted is typically straightforward as well," says Janelle M.F. Lau, an

Janelle M.F. Lau

attorney with Motooka & Rosenberg. "In other cases, the threshold required to overcome the burden in an eviction case is relatively high. Judges seem to be disinclined to grant an eviction unless there is illegal activity or a threat to health, safety, or welfare to others. In these cases, sufficient documentation and/or witnesses is required."

Failure to pay rent is typically the most common reason for eviction of a tenant. Lau says other reasons may include failure to maintain or destruction of property, illegal use of the property, or threats to the health, safety and welfare of other residents. "For associations governed by 514A or 514B (AOAOs), a typical cause for eviction is failure to comply with governing documents, which may include the aforementioned reasons."

All types of evictions are handled by

the same court using the same procedures. "In evictions cases, the district court has exclusive jurisdiction whether it's a \$100-per-month room at a boarding house or a \$100,000-per-month lease at Ala Moana Center," Sugimura says. "They both fall under the same law."

Lau says eviction proceedings usually move at a fast pace. "In a typical case, once the summary possession complaint is served, a return hearing is set within approximately two weeks, at which the defendant (e.g., the person(s) being evicted) must appear," she says. "The defendant(s) must either admit or deny the allegations of the eviction complaint. If the defendant(s) dispute the claims being made, the case is referred to mediation to attempt to reach a settlement between the parties. If the parties are not able to settle, the case is set for trial relatively quickly."

Once the eviction process is started, mediation is mandatory, though the process is different than the types of mediation available as eviction alternatives. "A court-ordered mediation session takes about 20 minutes," Wiltgen says. "Generally, in close to 50 percent of cases there is some sort of agreement reached buying the tenant more time. In about 18 percent of cases the parties work out a deal—such as a payment plan—that allows the tenant to stay."

To ensure the process goes smoothly, Lau stresses the importance of proper documentation and possibly cooperative witnesses. "Landlords have the burden to prove that an eviction should be granted, which means that landlords must be able to show that the tenant(s) are in violation of the lease (e.g., for failure to pay rent or for any of the other reasons mentioned above), that notice was properly given to the tenant, and that the tenant(s) failed to comply and/or vacate," she says. "Therefore, it is extremely important to keep accurate records and to make sure that your witnesses are willing to cooperate prior to filing an eviction action."

Some commercial tenants find creative ways to try to fight evictions. For example, Sugimura cites a tenant in the Kakaako area who blamed their inability to pay rent on the landlord's construction project. This strategy was not effective. "The tenant claimed construction of a new condo by the landlord was hurting their business and making it hard to pay rent," she says. "But the condo project was in the lease. Tenants had known about it for years; it wasn't a secret. A business didn't have to stay. They could have picked up stakes and moved."

The court filing fee for a summary possession action is \$155. In addition, there may be attorneys' fees. "An uncontested eviction action will likely be less costly than a contested case," Lau says. "The costs would be exceedingly higher if the eviction is contested, and the cost would be dependent on what needs to be done in order to complete the eviction action."

While the choice to evict can be a hard one, Lau says sometimes it is the best (or only) choice. "A common misconception is that the landlord is often perceived as a villain, who is attempting to remove an innocent tenant from their home," she says. "However, in most cases in which I have been involved, the landlord is typically the wronged party with a justifiable reason to want to remove a tenant from the property."



Commercial Vacancy Strategies

Traditional and creative methods to boost rental income from commercial real estate

aking money through real estate isn't limited to residential real estate properties. Although commercial real estate is not necessarily the first thing that comes to mind when thinking about investment property, it can generate profits.

A commercial real estate property might refer to retail buildings, warehouses, office buildings, apartment buildings, mixed-use buildings, and industrial buildings. But high returns don't just happen. It takes hard work and a thorough understanding of how to make the most of the investment property.

Here are some traditional methods and other creative ones to boost rental income from commercial real estate:

1. Add More Space to the Property

The first and most common way to boost positive cash flow from commercial real estate properties is by optimizing the use of the space within the commercial property. If you've bought commercial real estate that is not yet complete, consider finishing those areas by dividing the interior in a way that allows as many offices as possible.

Keep in mind that tenants will appreciate a well-designed space. Thus, don't make the space too small, but also don't make it too big for what it's needed for. Tenants don't want to pay for a 500 square feet office when they're only actually using 300 square feet.

Adding square footage to the commercial real estate for rent is another economical option, and can include more offices, event spaces, parking, storage or employee gathering space.

2. Offer Commercial Real Estate Tenants Additional Services

Offering additional services will not only result in a boost of your rental income but can also give your commercial real estate a competitive advantage over similar properties. For example, property owners can offer maintenance, trash removal or cleaning services to tenants when they sign the lease; they may be willing to pay extra to avoid these responsibilities.

Vending machines, although they might not seem like an ideal solution, can also be an extra source of income when placed in common areas or near entryways so they can be exposed to the maximum number of tenants. Tenants appreciate vending machines as they can grab a quick cup of coffee in the morning or a late-night snack.



Another example of additional services that boost positive cash flow of commercial is parking or storage space. There are many possible ways for real estate investors to use this space to create extra rental income.

3. Increase the Commercial Real Estate Property's Rent Strategically

The most obvious approach to maximize positive cash flow is to raise rents. This seems like the easiest solution, but commercial real estate investors can't implement this method every time they need more cash. Tenants will accept higher rent payments if they feel the rise in price is justified.

So when is an increased rent acceptable? If the economy and the local real estate market are doing well, the investment property owners could use this to justify the higher rent. When the economy is healthy, tenants are most likely doing well financially, and thus won't object to paying a little more

Commercial Real Estate: The Bottom Line

One of the best things about real estate investing is the endless opportunities to generate positive cash flow and build wealth. Investing in a commercial real estate rental property offers property owners plenty of ways to follow in order to boost their rental income. Savvy real estate investors conduct a thorough real estate market analysis to determine which approach works best for their commercial real estate property and recognize that more than one method can be applied.

-Courtesy Mashvisor

every month. Making improvements or renovations to the commercial real estate property is another reasonable motive for increasing rent as this adds value for tenants.

Having said that, when increasing rent, it's best to do it gradually to give tenants time to adjust.

4. Maintain the Commercial Real Estate Property

Some commercial real estate investors consider boosting positive cash flow by reducing the amount of maintenance. It's likely to backfire. Commercial real estate properties accumulate a lot more wear and tear than residential real estate properties. Therefore, regular maintenance is more practical than to be stuck with emergency replacement costs or expensive repairs.

Commercial property owners should arrange routine checks and appointments for repairs. In addition, make sure you have a repair company on

See 'VACANCY TIPS' on page 50



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HVAC TIPS

Amid new advances in HVAC technology, a few secrets to saving time and money

he secret to an efficient commercial HVAC that saves you time and money is proper care and regular maintenance. Here are worthwhile HVAC maintenance tips for building managers and property owners.

1. Replace air filters

For a large commercial area, air filters should be changed monthly or quarterly to keep air flow at a maximum. This will be especially important during the next several months.

2. Schedule major maintenance and upgrade runs during off-peak seasons

Do not wait until August or September to schedule heavy maintenance or start upgrading your system. In Hawaii, now is a good time to do a thorough check and make necessary upgrades. There is less demand on your system and more technicians are available.

3. Regularly clean condenser coils

This removes built up dirt and prevents your cooling system from long-term damage.

4. Have a biannual HVAC inspection

Get a professional inspector to check your HVAC twice a year, ideally during the fall and spring months. They will ensure your system is still safe and reliable and make appropriate recommendations.

5. Consider a full replacement.

At some point (usually after 10 years), maintaining a HVAC system becomes a drag on your time and money. Consider replacing it with a newer, more efficient system that will even last longer.

"Building management professionals now have more options

than ever to match the right HVAC solution to an environment," says John Arizumi, president of Carrier Hawaii. "If you're planning on replacing your air-cooled chiller or thinking of replacing an existing water-cooled plant to reduce cooling tower maintenance and water usage, be aware that technology has improved."

For facilities with variable occupancy—like hotels, and rental apartments—Arizumi lauds Amana's DigiSmart system that can sense whether a room is occupied or not in order to reduce energy costs up to 35 percent. With its centralized control, management can see on a single screen how all units are running, and whether maintenance or repairs are advisable.

Many buildings in Hawaii have reached 25 years in age and are upgrading their systems, adds Arizumi. With a plethora of questionable online claims and products, building owners and engineers need to be informed and knowledgeable about what they are getting.

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EXPERTS | PAINTING

Color Perception: More Than Meets the Eye Tips on how to view paint colors

Sheldon Ibara

or many people, the most challenging decision leading up to a painting project is the color selection. Because color is subjective and predominantly a matter of personal choice, colors that depict one's own mood and personality can influence the final decision. Depending upon the area in which you live, the ability to select exterior colors may have limitations due to association and/or neighborhood board approval, but interior colors can seem to have infinite options. In this article, my intent is to offer tips on how to utilize per-

See 'COLOR' on page 24



Paint colors should remain true to the color sample, but some factors can affect how paint colors may appear to the human eye.



Sheldon



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COLOR

Continued from page 22

ception as a tool when looking for that perfect color.

These days, most major paint manufacturing companies have an online color tool or app that enables the homeowner to view what their interior or exterior would look like using an array of color options. While this can help narrow down the selection process, it is important to keep in mind that the colors viewed on a computer, tablet or smart phone are dependent upon the digital pixels of your monitor or handheld device and should be used as an approximate representation of the actual color only.

For those of us who are more "old school," using a color fan-deck is still the preferred method. Paint and home improvement stores typically have a color rack with small swatches that can be taken home and reviewed. One suggestion when looking at a color swatch is to view it under the same light source as the intended application; in other words, look at the color outside under natural sunlight if you are painting the exterior of your home and under fluorescent/LED lighting if for interior application. You will notice a difference between the two. When picking color swatches that have a strip of multiple colors printed on it, it is helpful to fold the swatch so that only the color you are looking at is visible. Trying to focus on one color on a swatch with a color above it and another below can be distracting and may affect the way in which your eyes perceive the true color. It is also helpful to use a white background behind the swatch when viewing the color as a colored background may distract your perception as well.

Once you are ready with selecting your color, it may be a good idea to purchase a small quantity of paint first and test it on your wall, especially if there is more than one decision maker involved in the selection process. Some paint stores sell quart-size containers to help minimize the cost, especially if you have multiple colors that you are trying to decide from. Most, if not all, paint stores and home improvement stores today use a color matching computer to tint paint. If you are looking to have a custom color matched, the sample is scanned and the color formula is generated by the computer. Depending upon the complexity of the sample color and performance of the tinting machine, the accuracy rate of the color match can be in the 90th percentile. Paint stores may have the ability to "tweak" the paint closer to the desired color if an experienced tinter is on staff.

Once you have the paint and start applying it, you may notice that the color of the wet paint appears to be lighter than what you initially expected. Not to worry. This is common, as most paints dry darker. Only when the paint is fully dried can a true determination be made as to whether the color has met your expectations.

Color perception is the ability to view an object in its true color. External factors, such as lighting, background colors and adjacent colors all influence the way in which perception occurs. Hopefully, keeping these tips in mind will help you to find that perfect color on your next painting project.

Sheldon Ibara is the business development manager for JD Painting & Decorating. He began his career in the paint industry in 1998 and has worked in both sales and operations. For inquiries, please call 841-7100 or e-mail sheldon@ jdpainting.com.

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Making Your Asphalt Last

It's tough enough to drive on, but asphalt needs proper care

By Chris R. Laird

constant question we get from every homeowner and property manager is "What can we do to preserve our asphalt?" Simple. Take care of it, starting now. Asphalt is a wearable surface and requires periodic maintenance and attention. The best thing you can do is to get on a regular schedule of seal coating your asphalt every 3.5 to 4 years. You will be putting a new wearable surface on top of your existing one and basically encapsulating it for a much longer life.

In addition, prior to applying the seal coating—if you are using a licensed, thoughtful and experienced company to do the work—you will also be getting a thorough cleaning that will remove all of the debris, loose rocks and vegetation growing in the asphalt. Then you will also be able to fill any cracks.



Getting rid of the loose rocks and debris in your asphalt area makes a big difference. The loose rocks—also known as turn-out or tear-out—are created from cars turning their wheels on the lot. When loose rocks are left in the parking lot, they make a friction point on the paved surface to create more rock. A good example is often seen in a heavily-used turnaround area in a lot. You will notice a buildup of a lot of rock that never goes away, and the paved surface around it has become much more rocky, with a more pointed and worn aggregate look than the surrounding smooth paved areas. This tear-out and turnout rock keeps giving the gift of tearing up more rock from your asphalt and wearing it down faster and faster—it actually compounds the damage. The solution to this problem is a simple sweep up of the loose rock, which eliminates the problem immediately.

Vegetation—mostly grass—growing up through your asphalt is another common problem that is easily remedied. Simply have it removed! Grass, especially nut grass, can thrive by growing through the asphalt and breaking it up. What starts out as a hole with grass growing through it becomes a crack with more grass and vegetation, and this begins to weaken the area, resulting in many more crack failures showing up. We recommend grass and vegetation removal via scrapers and machine operated grazers. In addition, a follow up with Roundup or an equivalent weed poison can help significantly.

Almost all aged asphalt is going to have some cracks show up at some time. These cracks can lead to water intrusion and then on to much more serious problems such as "alligatoring" and the complete breakdown of your asphalt. Crack filling is a simple operation that requires a proper cleaning of the cracks with either compressed air and/or grazers. Once clean, the application of either coldor hot-applied crack fillers is done. The curing time is within an hour, depending upon the type used, and can be sealcoated almost immediately.



Today's sealcoat products have exponentially improved in the last three years. Today they include significantly more and fillers that make the product much thicker and wear longer. In addition, polymers have been added to make the product much more scuff-resistant and stronger. Because of the greater viscosity of these improved products, the end result is a much more smooth, beautiful and black finish that improves the look of your property as well as greatly improving its functional life.

With summer here and the odds of nicer, sunnier weather, now is the time to take advantage of getting a seal coat done to preserve your asphalt.

Chris R. Laird is president and RME for DC Asphalt Services, which specializes in all asphalt and concrete work. He has been actively involved in the asphalt industry for the last 20 years. Additional information about the company can be found on its Facebook page and at www.dcasphalthawaii.com.

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How Appealing Is Your 'Welcome Mat'?

Tips for hiring an asphalt sealcoating contractor



our driveway and parking lot is the "welcome mat" to your property. It provides both image and functionality. Sealcoating helps protect the underlying pavement from air, sunlight, salts and petroleum products. It acts as a "wear layer" that also provides better traction and gives your driveway and parking lot a uniform black color.

Sealcoating can be a messy and tedious job to handle in-house. You'll want to find an asphalt sealer contractor who will fit your budget, provides good work, completes the project in an efficient manner, and uses a quality product.

Doing your research online, including on social media, is an important start, but there are other steps you should take. Whether your property needs full repairs or just routine maintenance, it's important to find the right asphalt contractors for the job. To get a top-notch professional job, here are a few tips to find the right contractor for you.

1. How Much Experience Does the Contractor Have?

Experience is important. There's no shame in asking a professional asphalt sealcoating contractor how long they've been working in the industry, and what other projects they've done like yours. Reputable and experienced contractors will gladly show you their portfolio of work and provide references; they are proud of their work and have nothing to hide. They understand that you are doing your due diligence and want to make sure you're not wasting your time or money.



2. Is the Contractor Fully Licensed in the State of Hawaii?

Don't be afraid to ask for proof of licensing and to investigate the validity of the licensing that they claim to have. I'd be wary of the guy who shows up on your doorstep with a few drums in the back of a rental truck telling you about the "great deal" they can give you today on some extra sealcoat they have from a previous job down the street.

3. Ask For a Free Estimate

A reputable asphalt sealcoating contractor will provide you with a free estimate. The estimate should be straightforward and transparent, including everything they intend to do and all the materials they will use. How the contractor arrived at their total cost should be clear, and it should be understood that this is an estimate and the actual cost could be less or more as the project progresses.

If you decide to get estimates from multiple contractors, you should be clear on your expectations, give each of them the same scope of work to estimate, and ask for an itemized estimate. This is crucial to accurately compare what each contractor is proposing for the same work. The lowest price does not mean it's the best option. In the words of Aldo Gucci, "The Discover Why SealMaster® is the #1 Choice of Pavement Sealcoating Professionals visit SealMasterHawaii.com

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SEALCOATING

Continued from page 30

bitterness of poor quality remains long after the sweetness of low price is forgotten."

4. What Products Are They Using?

A sealcoating contractor should use a sealcoat that withstands weather, traffic, oil spots and UV damage. A perfect application will not make poor materials last longer.

Look at your estimate(s) and research online the manufacturer of the sealcoat, and other materials the contractor is proposing. Or ask the contractor exactly what type of sealcoat they use, how long they have been using it, and why they choose to use that specific sealer. There are "new" sealcoat products being introduced to the marketplace every few years, so you will want to make sure that the manufacturer of the sealcoat has a history of proven performance in the industry and for Hawaii's unique environment.

If you know what sealcoat you want on your job, then contact the sealcoat manufacturer and they will gladly provide you with contractors in your area that use their products.

5. When Can They Fit You in Their Schedule

If you have a specific deadline to meet, you should make this clear to the

contractor upfront, so they can determine during the estimating process if they can meet your deadline.

Understand that sealcoating should not be done when there is rain in the forecast. If a contractor needs to reschedule your job due to weather conditions it shows they do not want to put your project at risk by just doing the job anyway "rain or shine." In Hawaii this year we have had more rainy days than normal, and I know many contractors have been forced to reschedule jobs. A good contractor wants to give you a quality job because this is how they make money and maintain a good reputation. They will work hard to get your job rescheduled and completed as soon as possible even if it has to be delayed.

Following these tips will help you find the right asphalt sealcoating contractor for your job. The contractor will have a clear understanding of what your expectations are, and can provide you with their quote or estimate. You will end up with a beautiful "welcome mat" where the underlying pavement is protected for years.

Kia Kamauu is plant operations manager for SealMaster Hawaii, one of the largest pavement maintenance product providers in Hawaii. Providing products to various clients, he sees the concerns faced while looking for a contractor, and challenges contractors sometimes have while working with potential clients. Contact him at kkamauu@sealmasterhawaii.com.



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Railing Corrosion: It's Not About Age

Why chemistry matters in maintaining safe railings



uardrails are critical for life safety. Regularly cleaned and painted railings may look safe, but corrosion often hides under the fresh paint. Since most hotels and condominiums in Hawaii were built in the 1960s and '70s, it is likely that many railings are due for replacement. After spending decades exposed to the Hawaiian climate, original railings are often badly corroded and can no longer be repaired.

First, let's focus on the reasons why these railings are failing. Understand-



See 'SAFE RAILINGS' on page 44

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EXPERTS | ROOFING

Tariffs to Raise Cost of Roof Replacements

Things to consider if it's time to replace your roof



Richelle Thomason

oofing is one of the biggest expenditures in any reserve study, but knowing what to consider at the beginning stages will help minimize unforeseen expenses.

For starters, material prices are on the rise, up to 16 percent as summer approaches. Normal price increases happen once a year at the end of Q1 but this year, due to tariffs, roofing material manufacturers are notifying us of a second price increase for 2018. Our advice: If it is possible, contract sooner than later and stay on budget.

I believe we can all agree that hiring an architect, engineer or consultant, especially for a large roof replacement project, offers peace of mind and relieves a lot of pressure and liability. But this particular expense along with building permitting fees and performance bonds are almost always forgotten and not included in roof replacement reserves. Depending on the size of the reroofing project, these fees could easily add tens of thousands to your roof replacement cost.

Besides the added expenses noted above, the bulk of your roof replacement cost is going to be based on the type of material chosen to be installed. Like everything else today, there are many options to choose from and they all vary in price. Choose wisely, but remember you get what you pay for.

Also coming into play during the material selection process are warranty terms and conditions. There could be three manufacturers offering the same warranty term, but exactly what does each cover? It's important to read and compare warranties, because they vary as well. Some manufacturers allow certified contractors to pass on to their clients extended warranties for a nominal cost. It all boils down to whether you want a standard warranty or an



extended warranty that offers greater and longer protection.

Another important factor to consider is whether your new roof system design complies with the amended Hawaii Energy Code as it applies to roof replacements. In most cases, this will surely have an impact on your roof replacement cost.

Richelle Thomason is director of business development and client relations at Commercial Roofing & Waterproofing Hawaii. She has over 20 years in the property management industry. CRW has experience across a broad variety of projects spanning commercial, industrial, hotels and resorts, education, HOAs, government and military sectors. Commercial Roofing & Waterproofing is one of the largest commercial roofing contractors in Hawaii having installed nearly every type of roofing system across the Islands. Services include all types of roofing, waterproofing, CRWDI-RECT maintenance programs, repairs, gutter installation and solar PV.

Tips for a Roof Maintenance Plan

If you need more time to build your roof replacement reserve or want to be proactive and maintain the integrity of your existing roof, sign up for a roof maintenance plan with a reputable contractor who can provide at minimum:

- Comprehensive inspections and reports
- Scheduled maintenance
- Certified roof technicians
- 24/7 online client portal access
- Historical data access
- Online dispatch capability
- Real-time tracking on work orders
- Export reports for budgeting and forecasting
STRANGER

Continued from page 12

long are you staying?

"There's nothing they can do to stop the person from staying, but they can contact the owner of the unit," she says, citing a schedule of warnings that can lead to fines. Yes, she has heard of some associations getting tough and fining repeat offenders.

At the same time, she admits that having a guard on duty 24/7 can be expensive.

But technology can make it easier to detect transients. Most modern buildings today issue key fobs, usually two per unit. When tenants keep asking for more fobs, it can be a tipoff that transients are involved.

"Most condo associations have a provision in their bylaws or house rules, clearly stated, that short-term rentals are not allowed."

But tenants can make it tough on boards and building managers, and it's not that hard.

"They can just lie," says Sugimura, "They say that's my cousin, he's not paying me rent. The next week, oh, that's my cousin's friend, he's not paying."

And without a copy of the rental agreement, it's difficult to prove money was exchanged.

Then there's the building manager who went online and found a rental listing for a unit in their building. Busted.

The best defense, says Sugimura, is "long-term residents who complain" when they see a parade of strangers coming through. "Then the board has to follow up.

"It's a problem that's not going away. We just need to educate boards on what they can do."

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Distributed Energy Resources 2.0

Keeping up with energy sharing options



awaii has seen rapid deployment of renewable energy resources in the past decade, which has catapulted the state into a leading renewable energy adopter. Renewable energy resources installed and operated by a utility customer are generally referred to as **Distributed Energy Resources** (DER). The state of Hawaii has a Renewable Portfolio Standard (RPS) mandate requiring all utilities to achieve 100 percent of their net electricity sales by Dec. 31, 2045 from renewable energy resources, which is unique among all states in the Union. Hawaiian Electric companies have achieved 26.8 percent of its electricity sales in 2017 from renewable energy sources, which is way ahead of the RPS mandate schedule.

DER 2.0 is a fresh look at the remaining options available to a Hawaii consumer of electricity that would go towards achieving the RPS mandate of the state as well as provide electricity cost savings. Photovoltaics (PV) or Solar Electricity is one of the important avenues still available to a Hawaiian consumer in spite of our island grids getting saturated with renewable energy projects.

Net Energy Metering (NEM) is no longer available from any utility in the state. Therefore, if there is an unexpired NEM approval already in hand with any consumer, immediate steps should be taken to install the PV system without further delay. A lapsed NEM approval would be a costly mistake impacting your home or business for a long time into the future.

Customer Grid Supply (CGS) allows you to install a PV system, depending on available limits with each utility, and provides a monetary credit for exported electricity during daylight hours. Customer Grid Supply remains open until installed capacity is reached.



Ground Mount PV installation in Waianae

New applications are placed into a queue for processing if and when space in the program becomes available. There is no guarantee that space will become available. **CGS+** is another interconnection method for PV systems that provides a lower monetary credit for exported electricity during daylight hours with certain remote controls exercised by the utility. CGS and CGS+ normally do not require battery storage to be added.

Customer Self Supply (CSS) and **Smart Export** are interconnection methods for PV systems where battery storage is normally added. CSS systems are designed to produce electricity for day time use as well as excess stored in a battery for night time use. CSS PV systems cannot export any electricity to the grid. Smart Export PV systems are similar to CSS PV systems except that export of electricity is allowed only from 4 p.m. to 9 a.m. and receive monetary credit compensation.

Note: CGS, CGS+, CSS and Smart Export Systems have a maximum sys-

tem capacity of 100 kW AC.

Kauai customers have to work with **KIUC**-mandated export restrictions where zero export of electricity has to be achieved through utility-approved relays and systems designed with battery storage.

Standard Interconnection Agreement (SIA) is another interconnection method which can be used to design and install large PV systems for commercial customers. SIA interconnection assumes that all electricity produced is self-consumed by the producer, thereby resulting in zero export. Any export of electricity is not rewarded with monetary credit. SIA systems can also be set up with battery storage and there is no maximum system size specified.

DER 2.0 shows that PV systems can still be designed and installed within utility specified limits. The ROI might not be comparable to the heydays of NEM PV installations but is still significant enough to support investment.

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DER 2.0

Continued from page 38

- The federal tax credit is available at 30 percent up to Dec. 31, 2019, and thereafter tapers off to 26 percent in 2020, 22 percent in 2021, and 10 percent thereafter.
- The Hawaii tax credit of 35 percent (with caps) is still available without any sunset.
- Depreciation benefits up to 100 percent of the investment in Year 1 are still available.

Financing your PV system with tax dollars is still an attractive proposition. Banks are willing to lend project funds for PV system investment based on tax appetite and electricity savings of its customer.

Third party funded Power Purchase Agreements (PPA) have to consider the utility-imposed export restrictions, additional cost of battery, and lower monetary credits, and might not be able to offer heavily discounted PPA rates. **Community Solar** is another program that will be introduced by the utility in the future, where consumers who are renting or residing in high rise buildings can get benefits of solar energy.

Peak Demand Shaving. Large electricity consumers who pay demand charges might find it attractive to install a battery system to shave off peak demand. Utilities impose demand charges on peak demand (kW) measured at any point in a 24-hour cycle, and these charges continue every month till another peak demand is detected. Battery systems have improved technologically and are now cost-effective. Installations of battery systems might be a good way to reduce demand charges in your electric bill and also to self-consume excess electricity produced during the day at full retail rates. Load studies are required to be performed to determine different load conditions during a given period of time.

Location of PV arrays have also evolved from the traditional roof space to covered parking stalls, covered parking garage decks, and other open unused ground mount sites. Energy efficiency measures should also be implemented in addition to DER. The cost of PV systems has shown resilience in the face of import tariffs imposed on solar panels, steel, and aluminum by the federal government recently. It is still affordable and eligible for federal and state tax incentives. There are several interconnection methods available for grid connecting a PV system with the utility. The early adopters of PV have reaped significant benefits already. Welcome to DER 2.0.

Charles Chacko is vice president of Greenpath Technologies, a full-service solar power systems contractor. GPT offers unique turnkey solutions in renewable energy for commercial, industrial, government, military, residential and non-profit customers. They engineer, procure, and construct the most advanced photovoltaic systems available today with tested and proven innovations in renewable energy. GPT is committed to helping Hawaii reach independence from fossil fuels by engaging the adoption of renewable energy systems and energy-efficient technologies, directly in line with the Hawaii clean energy initiatives of deriving 100 percent of electricity from renewable energy sources by the year 2045.

Portable Power When You Need It!

Portable power packs solve your recharging needs



hat's the worst thing that can happen when you're about to leave on your appointments for the day? How about when you're late for a date? Or just need to get out of the house? How about when you're in an emergency and can't leave because your car won't start?

A few years ago, my wife went to take my dad to the hospital for a check-up. The parking lot was full, so she opted to drive through the covered garage to the roof to park. Mrs. Battery Bill turned her lights on to go through the garage but failed to realize that she left her lights on due to lighting conditions on the roof. When she returned from her appointment several hours later she couldn't start her car. She had a dead battery! Her first response was to call me as I was minutes away. I reminded her that she had a portable power pack to jump start the car. I then simply explained how to attach the cables to the battery. Five minutes later, the car started. Mrs. Battery Bill was happy as a clam because she resolved her own situation and also was not late to pick up our son from school. I too was relieved as I didn't have to rescue her from her battery problem. After all, Battery Bill has a job to do in Hawaii.

This happened about 15 years ago, The portable power pack that I had back then weighed 15 pounds and was the size of a briefcase. It only did one thing: jumpstart cars.

Think back then only 15 years ago! We had a separate camera for taking still pictures, another camera to take videos, a flashlight, a tape recorder, a



fax machine, a pager, a two-way radio and a game machine. We we did all of our shopping at the malls, we used a calculator for adding, we had a watch, and a calendar, photo albums, boom box, newspaper, encyclopedias ... Now all those things can be handled with just one thing! Our phone! You might say

that all our communication tools have been combined into one tool. In addition to the above, we now use our phones for video monitoring, conference calls, searching for practically every piece of information and, for me, I have linked even my private personal information. My phone does not last

a half day without charging. Being on the go all day, I do not always have a way to plug in my phone to a wall outlet, so I rely on a "portable power pack." There are other names—external battery pack, power station, juice pack—all with the same solution of charging my battery at any given moment portably.

Today's smallest portable battery pack can jump most cars, charge your phone two times, and can fit in the palm of your hand. It is charged just as a cell phone would be at night. Each morning, I never leave home without my wallet, keys, cell phone and, of course, my portable power pack. I actually use two portable power packs, one is left in the car and the other is on me at all times. Now Battery Bill can tend to the real issues of the day! No stress here!

Battery Bill has served Hawaii for more than 30 years with all things battery-and-car related. For more information, go to batterybill.com.

Multiple Values of Energy Storage for Facilities

Potential financial benefits of solar storage



awaii is in the early stages of an energy storage boom, driven by a rapid decline in the cost of batteries as well as the many values that energy storage brings to both facility owners and the utility grid.

So now is a great time to invest in energy storage and join the ranks of people enjoying the cost savings and reduced dependence on the utility grid that energy storage can provide.

But it is also important to understand the value streams that the energy storage can create, both today and in the future, and to set your expectations





This facility added 400kW of PV to an existing 200kW array and incorporated more than 800kWh of energy storage in two 20-foot containers to provide multiple values including energy shifting and backup power

accordingly. This article seeks to educate readers on how energy storage can be beneficial to their own facilities.

There are many different kinds of energy storage, but today's dominant technology is lithium ion batteries. These are similar to the kinds of batteries in smartphones, laptops and electric vehicles. For facilities looking to integrate energy storage, solutions can scale from something the size of a bookshelf to a 40-foot shipping container. It all depends on the needs of the facility. Within these various solutions, there's much more than just a lithium-ion battery. As noted above, not all lithium ion batteries are the same. Small tweaks in battery chemistry can make a battery better suited to different functions, such as high power bursts of energy or long slow discharges. It is important to have the right battery for your application.

In addition to variation in battery types, energy storage systems require sophisticated power electronics and software. These are the components that control and integrate the energy storage so that it is actually able to provide the expected value for a facility or the utility grid, or both. With the right power electronics solution, an energy storage system becomes easily controllable and modular with simple expansion as a facility's needs grow. Facilities managers looking to invest in energy storage should look beyond the batteries to the full energy storage system package. This broad view will maximize the value that energy storage can provide.

The most obvious benefit that energy storage provides is

allowing excess daytime PV production to be stored for use later at night when the sun isn't shining. Especially as Hawaii's electric grids get a higher percentage of energy during the day from solar, this is a very important feature of energy storage. In fact, many individuals who want to install solar at their homes or businesses are not allowed to push any of their excess PV production into the grid because of new utility rules. Since PV production often exceeds electric load during the middle of the day, energy storage has become an essential part of many new PV systems.

For commercial facilities, demand charges can make up a large part of electric bills. These charges are based on a facility's peak load. With energy storage, batteries can cover a portion of peak load, significantly reducing the demand charge. The value is greatest for facilities that have "spikey" loads that peak for short periods throughout the day.

In addition to savings on utility bills, energy storage can provide backup power for critical electrical equipment. The potential for backup power is greatly enhanced when PV and energy storage are combined. This allows a facility to become a self-sustaining microgrid able to operate independently of the utility grid during emergencies. In a microgrid system, energy storage provides power on demand when it is needed, while PV generation recharges batteries on a daily basis, allowing the facility to continue operating indefinitely. Critically, this kind of system does not rely on diesel fuel, which can become scarce in emergency situations. With an effective emergency operations plan, critical loads such LED lights, water pumps for firefighting systems, and elevators can be maintained during short-and long-term electrical outages.

In the near future, energy storage will provide values beyond individual facilities as Hawaiian Electric rolls out its grid services programs. These programs will pay customers for enrolling their energy storage assets to perform critical grid stability functions. Energy stakeholders including Hawaiian Electric, the Public Utilities Commission and the Legislature are in agreement that a stable grid with high renewable energy penetration requires energy assets to work in a coordinated fashion to improve energy service for everyone. As a part of this vision, facilities with energy storage will get paid for the services that their energy storage provides to the larger grid.

The most exciting thing about energy storage is that many of these values can be achieved at the same time to some degree, or "stacked." A battery that stands ready to provide backup power if the grid goes down can also discharge when the load spikes, keeping demand charges in check. It also can store daytime production for use at night. And as Hawaiian Electric gains the capability to tap into and pay for the use of energy storage assets through demand response, the ability to "stack" values will grow even more. Energy storage assets can last for 20plus years with battery replacements about every 10 years. During that time it is important to have a system that is

See 'STORAGE' on page 44



STORAGE

Continued from page 43

flexible to be "future proofed" as new opportunities for value arise.

In order to maximize the benefits from energy storage, customers should work with trusted partners who have the expertise to recognize the right solution for their individual needs, both financially and technically. This means a partner who understands everything from the broad view of utility policy to the details of electrical load analysis. Sophisticated companies are even able to provide no-money-down financed solutions that make energy



storage an easy decision. The solar industry has moved from simply installing panels to being able to integrate solar power with your facility power and grid power using mature analysis to right-size a system for you. With the right partner, energy storage assets can be designed to meet the exact needs of a particular facility, taking into account goals today and in the future.

Ted Peck is CEO of Holu Energy, a full-service energy development company and a partner of EnSync Energy Systems, a leading energy management technology company. Ted has more than 25 years of senior leadership experience in business, government and energy management, including development of the Hawaii Clean Energy Initiative as the state's energy administrator.

Matt Choy works in project development at Holu Energy, where he seeks to maximize the financial return on investment for customers who choose to invest in energy systems. Before joining Holu, Matt worked on energy policy at the federal and state level.

SAFE RAILINGS

Continued from page 34

ing the design flaws of these railing systems will help us to avoid making the same mistakes again.

Guardrails throughout the Islands are commonly made up of steel or aluminum. Steel railings from the '60s and '70s were factory welded, painted and embedded into concrete walkways and decks. The main issue with these railings is the material itself: non-stainless steel components are simply not the adequate choice for any outdoor application. The applied paint helps to isolate the steel from the salty rainwater, but once the paint gets damaged or water penetrates through the coating, corrosion of the steel will start immediately. As the corroding steel expands, we will notice cracks on the paint and in the concrete where the railing posts are embedded, eventually making the posts loose and unsafe.

Railing corrosion will also cause serious issues in the deck, as water sneaks into the cracks, causing corrosion of the rebar in the concrete (spalling). When steel railings are desired, make sure to always use the highest quality steel when installing new railings outdoors.

Choosing properly coated stainless steel can help you avoid the issues mentioned above. High quality paint or powder coats can last decades if cleaning and maintenance is performed regularly per the manufacturer's instructions. Failing to inspect and clean the railings can result in corrosion. If the coating gets damaged (when moving furniture for example), the steel will be exposed to the elements, so fixing the coating as soon as possible is essential.

A majority of the aluminum railings installed in the '60s and '70s were anodized. Anodizing is an electrochemical process that converts the metal surface into a durable, corrosion-resistant anodic oxide finish. Anodized aluminum has excellent corrosion resistance-it can be exposed to rain for decades with almost no effect on the integrity of the material. Unfortunately, these old aluminum railings are also showing signs of corrosion, but for a completely different reason. Anodized aluminum railings have mechanical connections; instead of being welded, they are assembled with fasteners. The fasteners were typically made of steel. After spending decades exposed to salty rain, they corrode, get loose or break. Just a couple of corroded fasteners can make the whole railing unsafe.

Nowadays, anodized railing system are fastened with stainless steel screws. The fasteners are coated with torque-resistive nickel primer and zinc-rich aluminum top coat at the factory. The coating isolates the aluminum from the fasteners, providing excellent corrosion resistance.

Aluminum also reacts with the alkalis found in Portland cement concrete. Significant corrosion of aluminum embedded in concrete can occur, resulting in the expansion of the metal and causing cracks and spalling in the concrete, just like with steel railings.

Therefore, long-term contact should always be avoided by coating the aluminum components embedded in concrete using alkali-free materials, such as epoxy, to isolate them from coming into contact with the concrete.

Generally speaking, you can have new, decorative, safe and long-lasting steel, aluminum, coated or anodized railings if you do your research and choose the right product for your specific conditions. Just pay attention to the details and make sure you hire a licensed contractor whenever you are replacing anything structural, which is critical for life safety.

Abel Libisch, an architect, is project engineer at Elite Railings & Windows, a respected supplier and installer of aluminum railings and windows for condominium and commercial installations. Working alongside architects, engineers and consultants helps the company remain at the forefront of technology by utilizing state-of-the-art products, material and techniques available for all types of railing and window installations.

NEWS & NOTES

Council Sends Mixed Message on Sprinklers

Sprinklers may not be as expensive as the alternative

Residents of 150 older Oahu condominium towers 10 floors or taller that do not have fire sprinkler systems in place received news from the City Council that can only be called muddled.

Those 150 buildings, among 368 towers erected before sprinkler systems became mandatory in 1975, came under extra scrutiny because they do not have exterior hallways, which are considered fire-safer than indoor passageways. They include the Marco Polo, where a horrific fire last July 14 killed four.

Basically, Bill 69 declares that those structures must retroactively install sprinkler systems but can opt out if they meet other fire safety criteria.

While that seems clear enough, those other measures could end up costing more than sprinklers. Among other requirements, associations that choose to go sprinkler-less would have to hire a certified architect or engineer to do a safety assessment and file the papers with the Honolulu Fire Department. Other requirements include fire doors that automatically close in each unit.

"If you opt out of sprinklers, there's pretty much no way you pass the evaluation if you don't have those doors," said HFD Assistant Chief Socrates Bratakos, head of the Fire Prevention Bureau.

Other requirements include having fire-retardant carpeting and walls, as well as easy egress via stairs.

Bill 69 was initially introduced at the behest of Mayor Kirk Caldwell four days after the Marco Polo tragedy. Its final version was introduced by Councilwoman Carol Fukunaga, who termed it a "compromise." It passed by an 8-1 margin, with Ikaika Anderson casting the lone "no" vote.

HFD pushed for sprinklers in all buildings, estimating the cost at \$8,000 to \$22,000 per unit for residential buildings, plus another \$5,000 to \$10,000 for



common areas. "Of course the Fire Department wanted sprinklers everywhere, in every building," HFD Chief Manuel Neves said, then added with a smile, "We want them in your automobiles!"



Manuel Neves

Still, the chief said firefighters "are happy. We're going to make our communities safer." Attorney Jane Sugimura, president of the Hawaii Council of Associations of Apartment Owners, was also pleased.

"We believe that the language (of the final draft) reflects the flexibility we have been advocating for," she commented in written testimony before the council. "We believe that the life-safety evaluation that will be implemented

... will ensure that high-rise apartment buildings will be safer for the residents living in those buildings and for the fire fighters who are required to enter them to fight the fires."

Marco Polo Owners Vote for Sprinklers

Not surprisingly, owners of Marco Polo units voted to be the first to retrofit a sprinkler system in the building that suffered the devastating fire a year ago.

"I haven't spoken to anyone in the building who said, 'Oh, no, I don't want sprinklers," said Sam Shenkus, president of the AOAO.

Sixty-seven percent of owners in the 35-story, 568-unit voted for the change.

The estimated perunit cost of \$5,000 to \$22,000 will be covered by the building's reserve funds.

Contract for the work went to Dorvin D. Leis. Jason

Blinkhorn, fire protection operations manager for Leis, said he hopes to start work by mid-July and complete the job within 12 months.



Jason Blinkhorn

Atlas Promotes Tanaka to VP She joined the insurance company a decade ago

tlas Insurance Agency, Hawaii's largest insurance agency serving the people and businesses of Hawaii since 1929, has promoted Sharilyn Tanaka, AIS, to vice president of AOAO and personal lines.

"Sharilyn continuously leads by example by always having a can-do attitude," says Atlas President Chason Ishii. "The



Sharilyn Tanaka

promotion of Sharilyn reaffirms our promise to provide the best talent in every area of our business, which allows us to deliver the highest level of service to our clients."

Ms. Tanaka joined Atlas a decade ago as a personal lines account manager and progressed through several management positions including unit manager and assistant vice president. Throughout her time at Atlas, she has worked on a variety projects across different departments, allowing her to develop a multifaceted approach to servicing clients.

A University of Hawaii at Manoa grad and resident of Aiea, she is a member of Community Associations Institute (CAI), Institute of Real Estate Management (IREM Hawaii), Community Council of Maui (CCM), and Toastmasters.



Cleaning Up After the Flood

Premier Restoration wades in after East Oahu floods to get a school back up and running

ollowing the extensive rains and flooding that created a river of mud along Kalanianaole Highway in East Honolulu, Premier Restoration received a call from Honolulu Waldorf School to begin addressing their major cleanup needs.

The initial response included extraction of mud and debris in the breezeways and exteriors of the building. By the time the company received clearance to begin cleaning, much of the standing water had subsided and what was left was a lot of mud and water damage to the structure.

The extraction and mud removal took several days and included heavy duty extraction equipment that could handle the extensive amount of mud as well as a Bobcat Skid-Steer and rolloff dumpster to dispose of the mud removed from much of the school and classrooms.

Crews removed all of the contents

in the classrooms and stored them on site in the cafeteria. Doing so made it possible to better clean the classrooms and help with the evaluation process of what was salvageable and what was unsalvageable for insurance recovery purposes.

Premier also brought in Enpro Environmental to test for hazardous materials so that they could be removed and disposed of before reconstruction and complete sanitization so that students can return back to their classrooms at the beginning of the fall semester of this year.

Aside from being completely displaced for the rest of the school year, one of the biggest headaches for the school is understanding the insurance process. Throughout the process, Premier has helped to guide Honolulu Waldorf School's administration through their insurance coverage to minimize the school's out-of-pocket expenses.

Innovation Symposium Inspires

nspired by direct feedback from Island businesses, energy experts and educators, Hawaii Energy presented its inaugural Innovation Symposium at the Sheraton Waikiki



Jennifer Potter

fective solutions to meet their energy needs while also boosting profits.

The Innovation Symposium showcased notable speakers such as new state Public Utilities Commissioner Jennifer "Jennie" Potter and

Elemental Excelerator CEO Dawn Lippert. The event also featured a number of well-attended breakout seminars that addressed various energy-related issues,



Dawn Lippert

ranging from how to jump-start energy and sustainability projects to how to make the right controls decisions for your commercial facility.

In all, some 200 attendees and more than 20 exhibitors participated in the Innovation Symposium, which has become the latest in a number of recent milestones for Hawaii Energy. According to a recent report, Hawaii Energy delivered 141 million kilowatt-hours in first-year savings during its 2016 program year, while experiencing a 30 percent reduction in its annual budget from the previous year.



Hotel. This all-day

informational and

networking expo

is designed to give

and small, the tools

needed to evaluate

with smart, cost-ef-

their operations

businesses, large

Allen Wilson





My-Le Barnhart



Sherwin Gasmen



George Yamasaki

Hawaiiana Management Company Promotes Two Officers and Three Directors

Allen Wilson has been promoted to executive vice president of operations and legislative affairs. In his new role, in addition to managing his properties, Wilson will supervise Management Directors and continue his role with the Legislative Action Committee. In his nearly 20 years with Hawaiiana, he has been promoted to senior management executive, director of property management then to vice president of training and recruitment. In 2016, he became Hawaiiana Management Company's liaison with the Legislative Action Committee. His love for politics and public service led him to serve two terms in the New Hampshire House of Representatives. He is a graduate of the University of Massachusetts, Amherst

and received his master's degree in public administration from the University of New Hampshire.

Mele Heresa was promoted to vice president of business development and marketing. Ms. Heresa has more than 20 years of experience in real estate property and asset management, with nine years in business development, marketing and event planning. She has served as the vice president at IPX1031 Exchange Services LLC, assistant vice president of business development at NAI Chaney Brooks and assistant vice president and general manager at PM Realty Group. Ms. Heresa has a BA from the University of Hawaii at Manoa. She has earned prestigious designations as a Certified Commercial

Investment Member (CCIM®) and Certified Property Manager (CPM®) from the Institute of Real Estate Management. She has served as an executive board member for 11 years and was selected as president for CCIM Hawaii Chapter in both 2010 and 2016, as well as executive board member for IREM Hawaii. She is a member of the National Association of Realtors and is a licensed Hawaii real estate broker.

Hawaiiana also announced the appointment of three new directors of property management, My-Le Barnhart, Sherwin Gasmen and George Yamasaki, to facilitate the company's recent growth. Hawaiiana has welcomed 38 properties representing over 10,000 units in 2018 to date.







Candace Oyasato, Reuben Macapinlac

Rachel Simmons, Chief Sarah Ballard, Carlie Woodward-Dela Cruz, Arlene Dezellem, Deputy Chief John McCarthy

BOMA Luncheon

PHOTOS BY NATHALIE WALKER

The Building Owners and Managers Association of Hawaii gathered for a luncheon at the Plaza Club to meet new Honolulu Police Department Chief Susan Ballard and Deputy Chief John McCarthy.



Kurt and Karsten Lester, Bernie Wonneberger **48 BUILDING MANAGEMENT HAWAII** JUNE/JULY 2018



Lilly Ho, Charlene Gray, Landon Wong



LeAnn Gentry, Clayton Shimazu, Susan Hansen



Steven and Denise Sullivan, Julie Miyashiro, John Nakauye



Deidre Schexnayder, Erica Anderson



Kalani Maika, Gary Evora, David Leandro



Kevin Cruce, Ikaika Mokiao, Gabriel Powers



Nicole Nakano, Joyce Coelho, Lynette Yi



Richelle Thomason, Dana Akasaki-Kenney, Colton Gorman, Holly Morikami

VACANCY TIPS

Continued from page 17

hand; if you have a plumbing or electrical problem, they can quickly reverse the damage to keep you from losing tenants.

Maintaining the commercial property sometimes includes making changes to the exterior or interior of the building. If the windows and doors of the commercial real estate property are outdated, not fashionable or poorly designed, consider updating them as this can improve the appearance of the investment property, and thus increase its value. Moreover, painting is another simple and easy way to refresh the appearance of the commercial property without making major structural changes.

Another thing to take into consideration is maintaining and increasing security. Adding alarm systems, gates and shutters can increase the commercial real estate property's value and makes it more attractive to tenants. By better protecting themselves from



unexpected costs, investors can ensure a positive cash flow and a boost in their rental income in the long term.

5. Decrease Property Vacancy and Tenant Turnover

Vacancy and turnover cost money in multiple ways—advertising costs, repair costs, etc. The best way to minimize vacancies is by finding longterm tenants and doing what you can to keep them. In this way, commercial real estate property owners don't have to deal with a turnover which leads to a vacancy.

Other ways to ensure keeping commercial real estate properties occupied is by charging the right rent and having characteristics that set your commercial property apart from competitors, including customer service. Property owners have to treat tenants with respect and professionalism, assure them that their concerns are valued, and respond to their needs urgently and satisfactorily. A good relationship between property owner and tenants keeps them from thinking about moving.

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