

ASSOCIATION OF UNIT OWNERS OF RYCROFT TERRACE **Resolution Regarding High-Risk Components**

The Board of Directors (the "Board") of the Association of Unit Owners of Rycroft Terrace (the "Association"), under the Declaration of Condominium Property Regime of Rycroft Terrace dated February 7, 2014, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. A-52201132A thru A-52201132B (the "Declaration"), hereby adopts the following administrative resolution pursuant to Section 514B-138 of the Hawai'i Revised Statutes:

WHEREAS, the Board is empowered, on behalf of the Association, to operate and manage the project for the benefit of the Association and its members pursuant to Article II, Section 2 of the Bylaws of the Association of Unit Owners of Rycroft Terrace (the "Bylaws"), and Sections 514B-104 (a) (6) and 514B-106 (a) of the Hawai'i Revised Statutes;

WHEREAS, Section 514B-138 of the Hawai'i Revised Statutes authorizes the Board, after notice to all unit owners and an opportunity for owner comment, to determine that certain portions of the units, or certain objects or appliances within the units pose a particular risk of damage to other units or the common elements if they are not properly inspected, maintained, repaired, or replaced by owners;

WHEREAS, among other things, leaking plumbing fixtures (also including, but not limited to those items listed in Exhibit "A") can cause severe water damage to the Project and are a risk to the health and safety of unit occupants. Delays in taking action to: (i) eliminate water leaks and water intrusion in units; (ii) eliminate water leaks and water intrusion into walls, floors, and ceilings; and/or (iii) repair and replace any damage caused by water leaks, may lead to mold problems and expensive remedial action;

WHEREAS, Section 11(e) of the Declaration and Section 514B-137 (a) of the Hawai'i Revised Statutes require each unit owner to afford to the Association and its employees, independent contractors, and agents access – during reasonable hours – through the owner's unit and limited common elements as reasonably necessary for the operation of the property;

WHEREAS, Section 11(e) of the Declaration and Section 514B-137 (b) of the Hawai'i Revised Statutes give the Association the irrevocable right, to be exercised by the Board, to have access to each unit and limited common element at any time as may be necessary for making emergency repairs to prevent damage to the common elements or to any unit or for the installation, repair, or replacement of any common element;

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Directors of the Association of Unit Owners of Rycroft Terrace, on behalf of the members of the Association, hereby adopts the following resolution to designate high-risk components, and establish requirements for care of high-risk components:

A. Designation of High-Risk Components. The components listed in Exhibit "A" attached to this resolution are designated high-risk components.

B. Replacement at Specific Intervals. The components listed in Exhibit "B" attached hereto shall be replaced at the intervals specified in Exhibit "B". Upon request, owners shall provide a copy of the contractor's invoice showing that the component has been replaced as required.

C. Inspections. The Association may conduct inspections of the high-risk components upon notice to the owners and residents. During the inspection(s), certain high-risk components may be identified as faulty. For purposes of this resolution, a high-risk component is faulty if: (1) the component has failed; (2) the component is near failure in the judgment of the inspector; and (3) the component's age is such that the inspector believes that it should be repaired or replaced even if not otherwise faulty. The Association may include in the notice of inspection an opportunity for the owner to elect to have the Association repair or replace any faulty high-risk components identified during the inspection at the cost of the owner. The Association is under no obligation to repair or replace the faulty high-risk component, but if it does so, the owner will be responsible for all costs and expenses of the repair or replacement except as provided in Paragraph E, below. Nothing herein shall override the Association's authority to conduct emergency repairs and replacements of unit components.

D. Repair or Replacement. If a high-risk component is identified as faulty during an inspection conducted pursuant to this resolution, the high-risk component shall be repaired or replaced by the time identified in the inspection report or the cover letter, unless the Association has repaired or replaced the faulty high-risk component pursuant to Paragraph C, above. In the event that the Association has repaired or replaced a faulty high-risk component pursuant to Paragraph C, above, and except as provided in Paragraph E, below, the Association shall notify the owner and assess the owner the cost of the repair or replacement which if unpaid shall constitute a lien on the unit as provided by Section 514B-146 of the Hawai'i Revised Statutes. Within four (4) business days of completion of the repair or replacement of the faulty high-risk component, the owner shall provide a copy of the contractor's invoice showing that the repair or replacement has occurred. If the faulty high-risk component is located in a unit, the unit owner shall be responsible for the cost of repairing or replacing the high-risk component, except as provided in Paragraph E, below. If the faulty high-risk component is located in a common element and it has been damaged by the owner, the Association shall repair or replace the components, but the owner will be charged the cost except as provided in Paragraph E, below.

E. Repair and Replacement as a Common Expense. Notwithstanding anything to the contrary stated herein, the Board in its sole discretion may choose to have the cost of repairing or replacing faulty high-risk component(s) paid for as a common expense.

F. Failure to Comply with Resolution. If an owner: (a) fails to comply with the requirements of this resolution within the time frame in the inspection report or cover letter, (b) fails to make their unit available for any work covered by this resolution in a

timely manner; or (c) does anything or refrains from doing anything that results in additional costs for the Association relating to work covered by this resolution, then the Association is authorized to: (1) enter the unit to perform the requirements with regard to such high-risk components at the sole cost and expense of the unit owner, which costs and expenses, if unpaid, shall be a lien on the unit as provided in Section 514B-146; (2) charge the unit owner any expenses incurred by the Association as a result of the actions or inactions of the unit owner; (3) issue fines and penalties against the unit owner; and (4) take any steps authorized by the Declaration, Bylaws, or applicable law.

BE IT FURTHER RESOLVED THAT nothing in this resolution shall be deemed to limit the remedies of the Association for damages, or injunctive relief, or both.

CERTIFICATE

I, Ginger N. Hew Len, Secretary of the Board of Directors of the Association of Unit Owners of Rycroft Terrace, do hereby certify that the above is a true copy of the resolution duly adopted at a meeting of the Board of Directors, duly held on August 8, 2022 and duly entered in the book of minutes of the Association, and that this resolution is in full force and effect.

DATED: Honolulu, Hawai'i, August 8, 2022.

ASSOCIATION OF UNIT OWNERS
OF RYCROFT TERRACE

By: Ginger N. Hew Len

Print Name: Ginger N. Hew Len
Its Secretary

EXHIBIT "A"

HIGH RISK COMPONENT RESOLUTION

1. Electrical outlets and electrical switches
2. Breaker box
3. Water shut off valves
4. All faucets in the unit
5. All faucet hoses
6. All drainage pipes
7. All sink drain traps
8. Kitchen sink garbage disposal
9. Toilet "O" rings
10. Toilet flush valves and toilet tank-to-bowl gaskets
11. Bathroom toilet water hose
12. Bathroom toilet wax seal
13. Bathtub tile
14. Shower pan
15. Smoke alarms
16. Unit front door

EXHIBIT "B"

**HIGH-RISK COMPONENTS THAT NEED TO BE REPLACED
AT SPECIFIC INTERVALS**

Name of Component	Must be replaced every
1. Water shutoff angle valves	10 years
2. Water shutoff ¼ turn ball valves	10 years
3. Water supply lines (flex lines) (including vanity faucets, kitchen faucet and toilets)	8 years
4. Ice maker plastic tubing	8 years
5. Toilet wax ring/seals	10 years