Regular Board Meeting

 Board of Directors - Association of Apartment Owners

 Wavecrest Resort Inc., Kaunakakai, HI

Date: December 1, 2017

Time: 9:00 A.M. HST

Place: Wavecrest Cabana and by \*Teleconference

**AGENDA & ORDER OF BUSINESS:**

**Call to Order:** Meeting called to order by Treasurer Martha Strock at 9:00 A.M. HST.

**Determination of Quorum:** Jack Thornton, President (by phone) – Michael Peters, Vice President (by phone) - Martha Strock, Treasurer - Debbie Davis, Secretary - Greg Crook, Director - Bret Hoffman, Manager.

**Owners Present:** Neil Strock, A101 & B102 – Steven Hurley & Roger Tinsman, A113 – Lynn Donaldson, A214 - James & Ingrid Kindsvater, A215 - Randy Carpenter, A301 – Chaya Friedman, A304 - Daniel & Judith Burkitt, B101 – Bruce Roessler, B208 – Carol Kelley, C101 – Dallas Jacobs, C104 – Daniel Reed, C105 – Don & Linda Bergstrom, C113, Richard Davis, C114 – Richard & Cathy Felkins, C216 - Jerry & Carol Ann Gillen, C207 - Luz Marina Larotta, C302.

Call Ins: Georgie Olson, A103 - Jack Thornton, A207 – Connie Albright, A305 – Suzanne O’Connell, B110 – Michael Peters, C213.

**Proof of Notice of Meeting:** Debbie Davis reported the Notice of Meeting was ready to be posted on Wednesday, November 15, 2017 but may have posted at a later date.

**Approval of Minutes:** Martha Strock stated the minutes of the meeting of September 22, 2017 have been posted on the website for review. One correction was noted: Connie Albright requested that the board vote on the 2018 budget be posted by name and vote. This correction was taken care of and is reflected in the meeting notes. **Motion** by Greg Crook, seconded by Debbie Davis, to approve the minutes of the Sept. 22, 2017 meeting. Motion carried by unanimous vote.

**Interim Board Appointment of Kris Chernik: Motion** by Greg Crook, seconded by Debbie Davis, to appoint Kris Chernik to the board until the March, 2018 board meeting. Motion carried by unanimous vote.

**There will be no video or audio recording allowed during the meeting - the meeting is for owners only. Owner comments will be held until the open session at the end of the regular board meeting. Jack asked that owners hold their questions until the open session at the end of the meeting.**

**Officer's Reports:** All reports, except the President’s, were read out loud and entered into the record and will be posted on the website for review.

**President's Report:** Per Jack (by phone) “ Please review and we will move on.” A hand count of the owners reflected that they did not want the report read out loud (copy attached).

**Treasurer's Report:** Given by Martha Strock (copy attached)

**Secretary's Report:** Given by Debbie Davis (copy attached)

**Manager's Report:** Given by Bret Hoffman (copy attached)

**REPORTS:**

**Cabana Committee:** Roger Tinsman gave an updated report on the Christmas decorations fundraiser, how the funds were used and thanked Bruce Roessler for all his years of service.

**Sub-Metering:** Jack reported that he has submitted for a change order on the project. He is also looking to see that NPC has the proper permits and bonds to cover their work, and to bring them into compliance of the contract. He wants to make sure that they are being held responsible for their work.

**Shoreline Erosion Committee:** Kris Chernik reported that in the 90’s there was 20 feet of erosion at the Wavecrest. It is her understanding that the current wall was permitted and she is in the process of trying to find that information. One of the first recommendations the committee would make would be to add vegetation to try to protect the ground near the water’s edge. The committee is working to address all the issues involved and will present a more complete report at our March, 2018 meeting.

**OLD BUSINESS:**

**Exterior Wiring on Common Building Elements** – Debbie Davis gave an update on this issue. We have identified all the suppliers of cable service for the Wavecrest. Spectrum’s island manager assures us they are in compliance to our rules of running cable through the attic and down through the closets in each condo. DIRECTV has been out here and acknowledges they have installed their cable wrong and are willing to come out and fix the problem at no expense to the owners. Dish Network has at least two small satellites on each building and we are working to get more information on how we will resolve the issue with them. We also have two old style antennas on Building “C” that are going to have to be removed.

**Record Retention** – Report given by Martha Strock. In October Jack flew to Oahu, retrieved the stored boxes and had them freighted over to Molokai. Debbie and Matt sorted through all of the boxes plus all other stored record boxes stashed around the Wavecrest. Everything that was necessary to keep has now been put into storage in Building “A”

**Washers and Dryers** - Report given by Kris Chernik. We have had numerous problems with machines breaking down, especially over the last few months. The company came over from Maui last week and repaired everything so for now all the machines are working. However, our contract has expired and we are in the process of having to look at a new contract. Most of the problems we are experiencing are caused by the machines being overloaded.

**NEW BUSINESS:**

**Insurance and Water Leak Protocols and Policy Recommendations –** Report given by Jack Thornton. Owners need to make sure that their insurance company knows that Wavecrest has an $11,000 deductible. Also, renters are not covered. Kris Chernik will be working on getting proof of insurance from the owners. Jack is available to help anyone needing further information.

**Motion to Reimburse Jack Thornton to Retrieve Old Records from Honolulu at a cost of $512.31 - MOTION** made by Martha Strock, Seconded by Debbie Davis. Motion carried by a unanimous vote.

**Monthly Recommended Checklist for Condos** – Report given by Jack Thornton. The Board is working on how to get this information out to the owners. We are also going to install water meters at each building so we can monitor the water usage to try and watch for water leaks.

**OPEN SESSION**:

Bruce Roessler - Unit B208: Noted that at one time there was talk of putting pedestals under the washers and dryers. No one else seemed to know anything about it.

Linda Bergstrom - Unit C113: Wanted to know more about the Homeowners Declaration Information. Kris told her we have no idea at this time as the Board is still in the planning stages for the project. Ken Bergstrom stated he was not sure we could legally collect this information. Martha noted that our concern about water leaks is the reason. Jack stated that there was an “Owners Insurance Resolution” dated July 6, 2007 that required all owners to have reasonable levels of insurance. Jack stated that the Resolution noted is part of our bylaws and matches up with state statutes. However he will find out legally what we can and cannot have.

Dallas Jacobs – Unit C104: Stated that proof of insurance is information that is required at sale closing. The state is aligning towards protecting owners. Joint Several Liability - we have a joint liability if someone gets hurt and we all need to be protected.

Judy Burkitt – Unit B101: Asked about renegotiating the contract on the washers and dryers. Do we have any alternative suppliers? Can we have a one year contract? Kris stated that we have not looked at other companies yet.

Ken Bergstrom – Unit C113: Wanted to know if we were shut down by electrical inspector on the sub-metering. Martha told him that was not true. Bret stated that we are holding them to their contract.

Carol Kelly – Unit C101: Thanked the board for finishing record retention project. Concerned about all of the wires running in her garden area. Major cause of fire in homes is smoking and perhaps we can have no smoking buildings? Maybe we could do a survey to see what the owners think. Suggested a building anchor person for each building willing to know where things are in the building, a go to person or backup person. Laundry problem – maybe a sign in sheet to nail down closer who is using the machines. We need to invest in a better sound system

Daniel Burkitt – Unit B101: Question on washers and dryers – does the association pay fees? Suggests some type of card system. Martha stated that the company is supposed to collect the money on the machines but we are looking at other options. Kris stated the split was 75-25 and we pay for water and gas. Daniel stated that he would like owners to get more frequent status on reserves, how much is in the fund and how the projects are funded.

Chaya Friedman – Unit A304: Regarding washing machine maintenance – maybe we should buy machines. Stated that sub metering is working well at Molokai Shores.

Luz Marina Larotta – Unit C302: We need to review the aging plumbing issue as the buildings get older. How are we going to pay for this? Bret stated that we need a special planning session.

Dallas Jacobs – Unit C104: We need a committee, emergency response team, to inform owners what to do in an emergency.

Linda Bergstrom – Unit C113: Regarding washers and dryers – is it a violation of our contract to have an outside company working on the machines? Jack stated that this does not violate our contract. We do need to document any work done by an outside source, location and machine number and we will then start charging for that service. We want to modify our contract to reflect this and we want a second person (from Wavecrest) to assist in the money count. Bret stated that the washers and dryers are worn out and we need better and higher quality machines.

Randy Carpenter – Unit A301: Thank you to Bret and the crew. Washers and dryers: Why do we negotiate with a company that has caused so many issues? Bldg. Maintenance was quite a bit lower on the financials. Are we addressing the right issues or shorting something that needs to be addressed? What was the “Debit Card Expense” on the financials? There is a roof leak in the right corner of Building “A”. Need more kayak storage. Bret acknowledged shortage of space and the need to find a solution. Martha stated that the “Debit Card Balance” is an error that needs to be cleared.

Jerry Gillen – Units C207 & C306: We need better response on the washers and dryers. Brand of fire extinguisher needs to be look at due to a safety problem on a particular brand. Insurance for damage caused by renters is available. Kris acknowledged that we need to stay on top of equipment repairs. Jack stated he has looked into new models being suggested and some of the machines are capable of reader cards.

Dallas Jacobs – Unit C104: Made a suggestion to move forward on the insurance problem and volunteered to work on a committee.

Connie Albright – Unit A305: Has a concern over water leaks. Owners need a copy of the declaration page. Wanted to know how many leaks since the last meeting. We cannot require owners to have shut off valves. What happens when an owner is at fault? Bret stated that the inspections were to help us before an issue happens. 40% of water leaks are AOAO responsibility and the rest are caused by owner’s units. Jack stated that Wavecrest’s insurance does not cover leaks, only property damage. Our insurance policy does not care who caused the problem. Our insurance will do wall repairs and then has to collect the $11,000. Connie wanted to know more about the flooding on right side of Building “A”. Bret responded with a brief outline on1 what work had been done. Sediment from farther upstream is causing the area to fill up again. We have to do repairs during the summer and we need a permit to work on the stream. This latest flooding was from the ocean side.

Daniel Reed – Unit C105: Thank you for the Christmas decorations and thank you to the staff for doing good work. What about the Christmas fund for the staff? Martha stated that we would ask Darlene to do it again this year.

Richard Davis – Unit C114: Telecommunication system needs to be updated. Felt the President should have been here for this meeting.

There being no more budget business, **MOTION** by Greg Crook, seconded by Kris Chernik, to adjourn the Regular Meeting of the board and enter into Executive Session to discuss personnel and legal matters. Motion carried by unanimous vote. Meeting adjourned 11:00 AM HST.

Return to Regular Session 2:30 PM HST. There being no further business, **MOTION** by Martha Strock, seconded by Kris Chernik, to adjourn the Regular Meeting of the Board of Directors. Motion carried by unanimous vote. Meeting adjourned at 2:30 PM HST.

Respectfully Submitted,

Debbie Davis, Board Secretary