



**BOARD OF DIRECTORS  
ASSOCIATION OF APARTMENT OWNERS - WAVECREST RESORT, INC.  
Kaunakakai, Hawaii**

**NOTICE OF MEETING**

Date: Friday, December 4, 2015  
Time: 9:00 a.m. HST  
Place: Wavecrest Cabana & via Teleconference

**Agenda and Order of Business**

**Call to Order**

Determination of Quorum – Homeowner's Roll Call - Proof of Notice of Meeting

**Review/Approval of Previous Meeting Minutes Sept. 21-2015**

**Officers Reports**

President – Treasurer - Secretary - Resident Manager

**Report**

Revised Employee Handbook

**Old Business**

Review Fee Structure i.e. Kayaks, Bicycles, Storage  
WC Rental Unit Review  
Request for Corrective Action – Review Process

**New Business**

**Modify House Rules** – Review Committee Recommendations – Number of Pool Guests  
E-Document Storage  
2016 Goals  
Fishpond Application

**Open Session - Owner Comments**

**Executive Session - Employee Update – Delinquencies & Liens**

**Adjournment**

*Conference Dial-In Number:* **DATE OF NOTICE NOV 20, 2015**  
*1 (712) 432-1500*  
*Guest Access Code 657819#*  
*This is no longer a free call.....*

Respectfully Submitted  
By  
Annie Albritton, Secretary



BOARD OF DIRECTORS - ASSOCIATION OF APARTMENT OWNERS  
WAVECREST RESORT, INC.  
Kaunakakai, Hawaii

Friday, December 4, 2015  
9:00 a.m. HST  
Wavecrest Cabana & via Teleconference

**AGENDA**

**Call to Order**

Determination of Quorum - Homeowner's Roll Call - Proof of Notice of Meeting

**Review/Approve Regular Meeting Minutes of September 21, 2015**

**Officers Reports**

President - Treasurer - Secretary - Resident Manager

**Report**

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**Executive Session**

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## PRESIDENTS REPORT OF DECEMBER 4, 2015

The grounds at Wavecrest look great. We continue to improve the landscaping. The stream bed has been excavated per the permit we obtained. I would like to thank Mike Nichols for volunteering his time to help sheppard the permit through to approval. This shows what one owner can do who is willing to volunteer their time to help the association.

Our staff and manager work hard to make Wavecrest a pleasant and well maintained place. I want to say a big thank you for all they do.

The parking lot and entry drive have been resealed. The next phase will be to reseal behind B building and add another coat of sealer behind the A building.

The smoking areas are established and signed and the new rules are being implemented.

One person is still attempting to lease the fish pond located directly in front of Wavecrest from the State DLNR. The comment period is still open and I would urge all owners to write the State of Hawaii to express their views on taking ocean access rights away from us and giving them to one person.

Regards  
Jon Givens

Wavecrest AOA  
Treasure's Report

Oct-15

	Actual Oct 2014	Current Month		Actual Oct '14	Year to Date		Variance	Comments
		Actual Oct '15	Budget		Actual '15	Budget		
Revenue	71719.59	81247.64	76430.00	723310.73	758485	764300.00	-5815.00	
Expenses								
Utilities	19804.23	12255.39	18166.00	186420.95	166173.22	181660.00	-15486.78	
Professional Services	5533.00	3338.47	3762.00	37157.02	43466.22	39820.00	3646.22	
Bldg Maintenance	13738.68	10832.25	6377.00	79695.60	80382.2	78605.00	1777.20	
Payroll & Benefits	22063.90	23990.04	23858.00	241653.98	248440.5	258874.00	-10433.50	
Other expenses	65220.28	81904.9	66175.00	189158.35	241677.37	224300.00	17377.37	\$72,360 flood Insurance premium paid 10/9
Total Operating Expenses	126360.09	132321.05	118338.00	734085.90	780139.51	783259.00	-3119.49	
Net Revenue	-54640.50	-51073.41	-41908.00	-10775.17	-21654.51	-18959.00	-2695.51	

Delinquency Report

		OCT	1-30 days	31-60	61-90	90+
<b>ACTIVE OWNERS SUMMARY:</b>						
5100	MAINTENANCE FEE	94,069.12	5,817.05	2,800.00		85,452.07
5190	LEGAL FEE REIMBURSEMENT	6,977.58			171.87	6,805.72
5360	LATE CHARGES	28,191.34	1,448.95	1,373.77	1,331.77	24,038.85
5405	RENTAL INCOME-LOCKERS/STC	30.10	25.00	5.10		
6816	LIEN PROCESSING CHARGE	50.00				50.00
7550	RETURN FEE	30.00				30.00
<b>ACTIVE OWNERS TOTAL</b>		<b>129,348.15</b>	<b>7,291.00</b>	<b>4,178.87</b>	<b>1,503.64</b>	<b>116,374.64</b>
<b>DELINQUENT OWNERS COUNT</b>		<b>0</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>5</b>
<b>INACTIVE OWNERS SUMMARY:</b>						
5100	MAINTENANCE FEE	77,228.14				77,228.14
5190	LEGAL FEE REIMBURSE	12,224.75				12,224.75
5360	LATE CHARGES	13,348.39				13,348.39
5361	INTEREST CHARGES	30.50				30.50
5405	RENTAL INCOME-LOCKE	950.00				950.00
6816	LIEN PROCESSING CHAR	50.00				50.00
<b>INACTIVE OWNERS TOTAL</b>		<b>103,831.78</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>103,831.78</b>
<b>DELINQUENT OWNERS COUNT</b>		<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10</b>

	Beginning Balance	Ending Balance
Operations	127,977.36	75,683.89
Reserves	398,357.24	399,577.94
TOTAL	526,335.24	475,261.83

## Secretary's Report

December 4, 2015

Since our last regular meeting of September 21, 2015, the secretary has received email correspondence concerning the following:

October 14 & 19 - slippers in a hall and the Request for Corrective Action form.

October 28 & November 10 – drapery violations and the Request for Corrective Action form and process.

November 2 – request to allow time at the next board meeting for owner comments on the cabana remodel and new pool chairs. Also time for owner comment on the Request for Corrective Action form and response process.

The office continues to keep owners timely advised with notices concerning the lounge chair sale, the installation of shut-off valves and information regarding the public notice of proposed fishpond activity in front of Wavecrest.

Respectfully Submitted,

Annie Albritton  
Board Secretary

Managers' Report for Wavecrest Board Meeting. 12/04/2015

Our staff continues keeping Wavecrest beautiful and working hard with continued improvements.

A big Thank you to our Staff!

Buildings:

- Numerous repairs addressed, with emergency water leaks and several afterhours issues. Plumbing repairs or Water damage mediation, drywall repair, painting and restoration. Some of the Unit's which may of been effected are as follows = A110, A210, A106, C101, C20, A109, A209, A309, B203, C102
- Mounted additional solar lights on posts as well as walkways.
- Designated smoking areas and signage.
- Fishpond lease and DLNR meeting planning.
- Various Administration / Office duties and relations. House rules violations & maintenance request being completed.
- River bed clean out project and SMA approval. COMPLETED!
- Installation of a new light fixtures / sconces throughout the Resort with this exterior upgrade of the new design lighting to be in compliance with mandate dark sky Maui county deadline. We now have installed 33 % to date.
- Contacting solar hot water contractors for analysis / quote for costs saving options for both the Resorts hot water use and the heating of the Pool.
- Additional Security cameras for the resort have been installed at A & C buildings.
- Work on Golf carts and budget planning for upgrades to other equipment and grounds equipment. Some items ordered and additional work pending.
- Work with Gas company to for replacement of or gas tank/ components which are old.
- Pest prevention and termination of such pests.
- Hauling of various loads of materials for several work projects, and orders from Home Depot and Lowes.
- Bid received for replacement of Gazebo roof above barbeque area and request of gutter cleaning and gutter work throughout resort. Awaiting an additional bid and board approval.
- More repairs to numerous old wood or rotted wood = wood replacement and paint. Including rusted brackets and supports. Some of the lanais have wood damage , particularly B building 1<sup>st</sup> floor.
- Safety concerns throughout the Resort. Meet with fire department and also talked with fire marshal concerning an inspection.
- New Laundry contract and change of coinage / dryer time to 75 cents for 30 minutes.
- Licensed electrician repaired several lighting and other concerns.
- Staff made lots of progress towards the road project and asphalt patching and sealing just redone again in the front entry of the Resort and at A building. New paint of parking stall lines= This is an ongoing project.
- Other various detailed and numerous maintenance repairs throughout the property.
- New Staffing schedule and budget needs addressed, also new employee's orientations and training. A Big Welcome back to Billy Jac whom will be covering some security shifts.

Grounds:

- Removal of invasive weeds throughout the Resort.

- Establishment of landscaped areas for designated smoking areas.
- Numerous irrigation repairs addressed. Irrigation leak at car wash station resulting in a deep hole to locate and repair issue. New treated post set at car wash station.
- Landscaped areas, pacers and cinder.
- Nursery maintenance and additional plants cultivated in our nursery.
- Numerous locations with additional new plantings, for example a variable colorful hedge planted at ocean side entry driveway.

#### Wastewater treatment plant:

- Various Projects, being proactive in its efficiency and improvement.
- Repair to WWTP blower with service to both blowers.
- WWTP yearly State inspection prep and completion.
- Work with Rural Water Hawaii a nonprofit assisting in additional training educational material and other site resources, all provided at free of cost to the AOAO.
- Concrete work and leveling of existing concrete pad to prevent issue of rain water flooding WWTP operator's office/ shop area.
- Additional Emergency preparedness planning, as well as work with our licensed over site.
- Numerous small and operational improvements and cleaning of system and WWTP grounds.

#### Swimming Pool and Cabana:

- Working with contractors on obtaining bids for heating the pool. Pending.
- New pool supplies and vacuum parts.
- Repairs to men's bathroom sink.
- Resolving Pool clarity and enforcement of showering off prior to pool use.
- Pool up keep and projects around pool area.
- Currently working on back cabana eve and ocean facing eve, with completely new plywood and new siding / roofing materials= paint etc. This project is not yet complete, although lots of progress has been made.

#### Scheduled Maintenance:

- Numerous and various projects= Cabana Roof and awning repairs, restoration work, asphalt work, etc.
- Cabanas counter and sink upgrade.
- Safety concerns throughout the Resort. Including recommendations from fire department.
- Numerous Owner and Board directed requests.



Regular Board Meeting  
Board of Directors - Association of Apartment Owners  
Wavecrest Resort Inc. Kaunakakai, HI

Date: December 4, 2015

Time: 9:00 A.M. HST

Place: Wavecrest Cabana and by \*Teleconference

**AGENDA & ORDER OF BUSINESS:**

**Call to Order:** Meeting called to order by President Jon Givens at 9:02 A.M. HST.

**Determination of Quorum:** Jon Givens, President - \*Georgiana Olson, Vice President - \*Annie Albritton, Secretary - Rose Pecoraro, Director - \*Jack Thornton, Director  
Bret Hoffman, Manager

**Owners Present:** Ken and Linda Bergstrom C113 - Cathy and Richard Felkins C108 & C210 - \*Suzanne O'Connell B110 - \*John Scriver A308 & A110 - Ellyn Reed C105 - Bruce Roessler B208 - James & Ingrid Kindsvater A215 - Reynold & Diana Holkinson B204 - Dixie Durham C104 - \*Linda Broady C116 - Malcolm & Keri C305

Jon Givens asked for any amendments to the agenda and opened the meeting stating there would be no video or audio recording permitted and that the meeting was for owners only. That the board may ask for owner input during the meeting. Otherwise owner comments will be held until Open Session at the end of the meeting.

**Proof of Notice of Meeting:** Secretary Annie Albritton reported the Notice of Meeting was posted November 20, 2015.

**Approval of Minutes:** Secretary Annie Albritton noted the minutes of the September 21st meeting have been posted on the website for review. **MOTION** by Jon seconded by Jack to approve the minutes as posted. Motion carried by unanimous vote.

**Officers Reports:** All reports were read out loud and entered into the record and will be posted on the website for review.

**President's Report:** (copy attached)

**Treasurer's Report:** (copy attached) In the absence of treasurer Michael Peters, Jon Givens reviewed the report noting that \$27,547.53 has been moved from the general fund into reserves.

**Secretary Report** (copy attached)



**Manager's Report:** (copy attached)

**Report – Employee Handbook** – Jack Thornton – Noted that with the employee handbook will be updated to reflect changes being made to the House Rules. Jack and Bret have developed a contact and entry protocol noting that emergency entry is allowed immediately. Suzanne asked if Matt at the front office was acting as a rental agent for some owners and Jack said the board would discuss it during executive session. He noted the new signs posted regarding access and said that in order to enforce a no trespass rule the law must be posted on premises. This gives us the legal right to enforce our rules. They are also developing a vehicle ID system and need owner contact information. Jack noted that all Request for Corrective Action forms are put into a confidential file in the office and that all action that is taken is confidential.

Jon asked about the security cameras at the WWTP and Bret said they are not installed.

**OLD BUSINESS**

**Review Fee Structure** – Jon said currently bike and kayak storage are both \$30 a year. He asked Bret how many storage units we have and what their fees are and Bret did not have the numbers. Jon asked him to present them at the next March general meeting. General discussion. Jack, Neil and Richard will identify all kayaks and other things under the cabana in mid January – get them marked and come up with a plan to sell abandoned or unidentified items. Jon asked Bret to start a waiting list at the office for bikes, kayaks and general storage lockers. Jack will develop a tag system for bikes and kayaks. Jon asked for owner comment. Richard said his last count found 31 kayaks and paddle boards plus a surf board under the cabana. History of the fee structure was discussed and the fact that some owners have paid over the past several years and some owners have not. Ann noted that the manager presented the list of fees at the April 11, 2012 meeting. She also noted there is a contract signed for storage space but no contract for bikes or kayaks. Jack will include fee collection process in the employee handbook. **MOTION** by Jon seconded by Ann to defer storage unit fees until the next March meeting. Carried by unanimous vote.

**MOTION** by Jon seconded by Ann to collect the annual bike fee of \$30 for 2015 and **not** to back-bill for 2013-2014 unpaid bike storage fees. Carried by unanimous vote.

Jon asked Bret to an email to all owners asking if they would like to be added to a waiting list for bike, kayak or general storage locker space and to also ask them to identify what kinds of storage they are already using. General discussion on how the billing process. Motorcycle parking was also discussed. **MOTION** by Jon seconded by Jack that a motorcycle can be parked along with the owner's vehicle his/her parking space with no fee. Use of the special designated motorcycle parking area is \$100 a year. Carried by unanimous vote

**WC Rental Unit Review** – Bret said B210 and B203 are rented. C102, A102, A312 and C212 are vacant. All of our units are no smoking inside. Friendly Isle is our property

mgt. company. Jon said our budget needs to see more than 2 units rented and asked Bret to look into a new property manager for the empty units.

**Request For Corrective Action Review** – Jon invited general comments from owners. Ann said that the wait time before contacting the board should be clarified. Jack said with the confidentiality of the system there was minimal reporting back on issues. Several owners agreed security needed to participate more in reporting general violations. And Jon noted that the new non-smoking notice was just put in place as of today with written notice to all owners. Bret would like to see the board do walkabouts and help with enforcement. Jon asked for a verbal vote of the board members to change the enforcement process or leave it the same. **All members said – NO CHANGE.** It was agreed that there would be a voluntary board walkabout in March 2016. Bret will still continue to have the discretion to decide if a complaint is ‘petty’ or significant.

Jon called for a ten minute break; 11:20 – 11:30 A.M.

### **NEW BUSINESS**

**New Item – Employee Christmas Fund** – Reminded owners they can contribute to the employee Christmas Fund by sending a check to the office payable to WAVECREST. We currently have 10 employees plus our manager. Jon asked Bret to send an email reminder to owners who might want to contribute.

**Modify House Rules** – Jon noted that all owners had received a copy of the House Rule Committee Recommendations prepared by Richard Felkins and reviewed the ten point cover page. Item #1 for changing the number of occupants per unit at the pool/cabana. General board discussion pro and con. **MOTION** by Jon seconded by Jack to change the number of occupants from 6 to 5 to be reviewed in March. YES – Jon/Jack/Rose  
NO – Ann/Georgiana – motion carries by a vote of 3-2.

Jon invited owner comment on items #3 thru #5 dealing with pool parties, advance notice and an adult swim time. General discussion. **MOTION** by Jon seconded by Annie that more than 10 occupants is considered a party. Motion carried by unanimous vote. **MOTION** by Jon seconded by Georgiana that parties require 48 hour notice to the manager for approval. Motion carries by unanimous vote. No motion or action taken on adult swim time. Jon stated there is a list of pre-approved WC parties that are exempt from these rules.

Items #6-#7 – slippers and mats in the halls – general discussion. **MOTION** by Georgia seconded by Rose that no slippers or mats will be allowed in hallways. YES – Georgia/Rose/Jack NO – Annie ABSTAIN – Jon Motion passed by a vote of 3 yes, 1 no and 1 abstention.

Item #8 – language for the pet area needs to be clarified – it refers to two areas and there is only one. **MOTION** by Annie seconded by Jack to change the HR language to read *There is a.....etc.* Motion carried by unanimous vote.

Items #9 and #10 no recommended changes to the HR's at this time.

**E-Document Storage** – Ann suggested that since this item will take some time to go through and digest, that it be pushed forward to the meeting in March.

**2016 Goals** – Jon stated he and the board have prepared a list of goals for 2016 and went on to highlight some of the major projects. Replacement of lanai spindles showing signs of dry rot – replacement of the pool/cabana restroom floors and a general updating of the bathrooms. He suggested Bret reach out to the Cabana Committee and Cathy Felkins. Finishing the hallway remodels – enhanced landscaping – installation of new cabana counter and sink. General discussion with owners.

**Fishpond Application** – Jon gave an overview of the proposed fishpond activity in front of Wavecrest and noted that the deadline for public comment is still open. General discussion with owners produced these ideas and questions: Should WC hire an attorney to represent our interests – continue to submit letters to the DLNR – send someone to attend the future hearing that will be held on Oahu – file our own application to lease the fishpond. Annie asked how the applicant was going to access the fishpond and Ken Bergstrom who attended the local planning meeting, said he would access through his uncles property to the west of Ohia Stream. Jon noted the board would discuss the legal aspects of this in executive session.

**OPEN SESSION:** It is noted that Cathy Felkins had requested time to talk about cabana projects during open session but due to the length of the meeting is not available for comment.

Owners asked for a sub-meter update and Jon said it is the same as it was in Sept. We are in a wait and see mode and watching the sub-meter progress at Molokai Shores. At this time the proposed wireless system will not work and the offered hardwire solution is an issue. At this point we have not paid Neighborhood Power for the system. General topics discussed by owners.

There being no further business: **MOTION** by Georgiana seconded by Jon 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 2:05 PM HST

Return to Regular Session 2:40 P.M. HST. Several items were discussed in Executive Session with no matters to be brought forward at this time.

There being no further business, **MOTION** by Jack seconded by Georgiana to adjourn the Regular Meeting of the Board of Directors. Motion passed by unanimous vote. Meeting adjourned at 2:42 P.M. HST

Respectfully Submitted,  
Annie Albritton, Board Secretary