



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

NOTICE OF MEETING

Date: Friday, June 23, 2017

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

Video or audio recording of this meeting is not allowed. This meeting is for owners only.
Owner are asked to hold their comments until the Open Session after the regular business meeting of the Board of Directors.

Review/Approve Regular Meeting Minutes of March 14, 2017
Acknowledge Board Resignation

Officers Report
President – Treasurer – Secretary – Resident Manager

Old Business

Exterior Wiring on Common Building Elements – Linda Broady
Record Retention – Annie Albritton
Sub-Metering – Jack Thornton/Bret Hoffman
Hall Project – Jack Thornton/Bret Hoffman

New Business

House Rules - Exterior Door Modifications & Specifications
House Rules - Clarify Cabana Party Regulations
Identify Standing Committees

Open Session - Owner Comments

Executive Session - Employee/Personnel Issues – Delinquencies & Liens

Adjournment

*Conference Dial-In Number:
1 (712) 432-1500
Guest Access Code 657819#
This is no longer a free call.....*

DATE OF NOTICE
Wed. June 7, 2017

Respectfully Submitted
By
Annie Albritton, Secretary



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PRESIDENTS REPORT OF JUNE 23, 2017

It is evident that there is great passion for the quality of life at Wavecrest. Great strides have been accomplished by previous boards and the current board continues to build on those past successes. The vision I most often hear about is personal quality of life, followed closely by repair and usage of our aging facility. All of which involve a strain on our financial resources. Addressing these issues is no easy task. There is give and take and compromise involved in each solution. I am greatly disturbed by a lack of civility that is often used as a discussion technique or to advance a point of view. You may (or may not) be surprised to learn that the reported facts involving the majority of conflicts, corrective actions and disagreements are generally only 30% accurate. Yet compared to other AOA's, we are very typical in issues we face. I believe that we as a community have many positive attributes and our task must be to use these valuable resources and not waste them. So, I ask each of you to help curb the caustic and cynical vitriol that has no place in this place, a place of great beauty and peace.

By the time this meeting takes place we will have seen several changes in the last two plus years to the board regarding several people I have come to respect and count on for their leadership and dedication to serving Wavecrest. There are no adequate words to properly thank Annie Albritton for her years of dedicated and selfless service to Wavecrest. Annie, you have put in more than your share and we humbly thank you for your efforts in making Wavecrest a better place.

<hold for applause, throwing of rose pedals, red carpet, etc>

I also would like to thank Jon Givens for his efforts as well. During my time on the board serving with Jon he brought perspective and a wealth of knowledge that helped me get my feet on the ground. And Georgie Olson... what can I say that she hasn't probably said herself? Georgie knows everybody and just about everything (that's what she told me). Did you know that Ron bought their condo as a Valentine's Day gift for her? Georgie has been instrumental in keeping our relationships with our neighbors on good terms. These are examples of the type of dedication that I see any current and future board members striving to live up to.

At this point I would like to acknowledge the passing of Rey Hokenson's beautiful wife, Diana, and offer my sincerest sympathy from all of us here at the Wavecrest family. Diana was one of the very first persons to introduce herself to Bobbie and I when we first arrived at Wavecrest. Diana will always be remembered by us as a kind, beautiful person who always had time to brighten anybody's day and make each person she talked to feel special. A truly inspiring example of how to live life with poise and grace.

If you are an owner that hasn't been on island in a while you may not know of the many improvements and changes that are continually taking place. Bret and staff have utilized cross skill training and opportunities to do in-house repairs and maintenance. This means much needed work is being completed at reduced drain on our finances. This is no easy task and involves many behind the scene hours of research and planning that does not stop when those involved are off the clock or off island. Thank you, Bret and staff, for your dedication to Wavecrest. Wavecrest is looking great!

There are currently two board openings that the board would like to appoint to serve until the March meeting and the board would like to encourage any persons interested in serving to submit your interest in writing to the board or Hawaiiana at your earliest convenience.

I look forward to polite and civil comments during open session. Caustic, derisive or insulting comments or behavior, of any kind, will not be tolerated.

Best regards,
Jack Thornton

**Wavcrest AOA
Treasurer's Report**

Actual 2017 Budget 2017
30-Apr

Maintenance fees down, rental income of \$1970 not included

Revenue	71267	76535
Expenses		
Utilities	15052	17315
Professional Services	3847	3857
Bldg Maintenance	6900	7808
Payroll & Benefits	28478	27912
Other expenses	21162	19025
Total Operating Expenses	75439	75917
Net Revenue	-4172	618

Capital Improvements	1116	0
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Cash and Investment Balance	31,883	
Operations	321,910	
Reserves		
Total Association Cash	353,793.00	

Delinquencies - Active Owners Apr-17

Maintenance Fees	117802
Legal Fees	18660
Late Fees	30331
Interest Charges	18508
Rental Income-Locker Storage	41
Other	556
Total	185898
Delinquencies - Inactive Owners	100910

Includes fines, lien processing fees, return fees, unit services and repairs

Secretary's Report

June 23, 2017

Another relatively quiet three months for me as far as owner contacts. The few I did receive on behalf of the board related to the following topics:

3-14-2017 - right after the last regular meeting notice from an owner that they wanted to discuss the raise in dues issue at the annual meeting during the open session.

3-31-2017 - correspondence from a long term tenant relating to interaction with security staff over a particular incident.

4-27-2017 - owners report of a BBQ repeatedly being used on a lanai.

5-10-2017 - complaint from a tenant about quality of pool water.

5-27-2017 - Request to review standing committees to determine which are still active.

Annie Albritton
Board Secretary

Prepared June 7, 2017

Managers' Report for Wavecrest Board Meeting. 6/23/2017

Our staff continues keeping Wavecrest beautiful by working hard and staying consistent with improvements and daily upkeep. A big Thank You to our Staff!

Buildings:

- Numerous repairs addressed, with emergency water leaks and a multitude of afterhours issues. Plumbing repairs or Water damage mediation, drywall repair, painting and restoration.
These type plumbing issues, emergency situations and the extensive mitigation work involved = All of which are effecting the operation greatly. The aging plumbing infrastructure is the number one and most relevant problem at Wavecrest Resort. This should be the number one concern for management, the board and owners. Nothing compares to the level of concern or effect this has on all owners, with numerous levels and degrees effecting all. For example, all it takes is only one single failure for damage of thousands upon thousands of dollars. I recommend the AOAO to have a detailed planning session based only on this topic. Wavecrest needs to truly analyze the long term costs and effects of the continued deteriorated plumbing infrastructure, the abuse of this system, as well as the effects on our WWTP. What are the budgetary demands as various plumbing emergencies / issues will be more regular over time due to age and abuse of this infrastructure? Everything inter-relates to this= al bathrooms, all kitchens, the pool, the laundry' 'washers'', unit's personal laundry, garbage disposals, dish washers, all plumbing = both pressurized and waste, the sewage plant and its operation., irrigation / grounds. Insurance, maintenance, costs of mitigation, reserves, etc.
- Involvement in remodel work and assurance to AOAO standards. Management initially prescribe to a policy for all outside vendors to have proof of insurance and liability coverage to work here at Wavecrest. I believe it is an extremely important requirement for all handyman / sub-contractors to be INSURED, if anything goes wrong the AOAO gets stuck with the problem, bill or liability. There has been a history of poor workmanship, poor design and not to code work. The lack of skilled tradesmen has resulted in owners hiring workers without insurance. All workers, contractors or handymen should register at office and be accountable to follow AOAO rules and have active insurance coverage. Wavecrest's policy is that we do not recommends of any outside workers; this is solely the responsibility of owners in need of hiring the help. We also ask our staff not be solicited for side jobs. Management recommends the board have a POLICY that all outside vendors = Register at the front office and show proof of insurance. This will furthermore alleviate many other issues and problems associated with these remodel / workers. For example, noise complaints/ quite hours, storing in or blocking hallways, tracking dust everywhere, illegal work, fire hazards, our code or AOAO rule violations, design compliance, improper disposal of pollutants effecting our waste water plant= like paint or solvents down our delicate waste water system. Picture illustrated. This puts everyone at risk.
- Deferred maintenance and other basic maintenance repairs and upkeep.
- Various Administration / Office duties and relations. House rules violations & maintenance request being completed.
- Consultant engaged, free of charge, to advise us on the new proposed wireless sub-metering solution.
- Lots of work on resolving the incomplete sub metering project with NPC. Working to assure the best outcome for the AOAO with the design anticipated to address the need for a wireless system, longevity, and functionality.

- Spindle / handrail project Completed for all buildings, both lanai and parking lot sides. This will ensure more strength and durability to these.
- Upgrade with our internet service with new company Spectrum that have taken over Oceanic. We now have an increased internet speed.
- Roof leaks reported and worked on in A, C and cabana.
- Leaks affecting both men's and women's bathrooms at the cabana, project under way to resolve leak issues.
- Hauling of various loads of materials for several work projects.
- Insurance dialog and correspondence over claims and responsibility.
- Reserve committee report submitted, pending completion with several site specific items.
- Renovation work in pool attendants work room and water damage mediation.
- Work on web site and seeking bids to redo and upgrade the outdated AOAO web site.
- Laundry work including, contractual obligations by vendor. Our maintenance has also been active in minor repairs and venting issues. Cleaning of vents with some new vents installed.
- Electrical work at courtyard and light rerouting.
- Cold patch applied and other asphalt work using up the remainder of supplies we had on hand.
- Work on resolving the substantial ware / tear and damages remaining in unit B210, mainly from rental use.
- Repairs to corrosive tie-down straps and brackets with replacement or additional straps as well as cleaning and protective coating.
- Pest control and swaps control, in attics and upper levels.
- King tides effecting south / east corner of property, with erosion and ocean water coming on to lawn.
- Other various detailed repairs and numerous maintenance preformed throughout the property.
- Computer work, upgrades and administrative duties galore. Lots of internet issues.
- Office desk manual updated and completed.
- Lanai inspections for all units have been performed.
- Numerous Clogged waste lines and management staff involvement.
- New Newsletter design and preparation, Coming to owners shortly.

Grounds:

- Removal of invasive weeds throughout the Resort.
- Broken ocean side benches replaced with new ones installed
- Cement work and leveling, at car wash and other locations.
- Numerous irrigation repairs addressed, due to the aging complex and age of the irrigation system there is more frequent major repairs to or system, involving diagnosing and lots of work in trenching and repairs.
- Several locations with the addition of new plantings.
- Coconut tree trimming completed.

Wastewater treatment plant:

- Various Projects, being proactive in WWTP efficiency and improvements.
- Ted Johns, has passed all state qualifications to become the Wavecrest DRC for our licensing specifications for the WWTP / facility.
- North side drying bed roof replacement due to aging material and an increased productive aspect of more transparent roofing.
- WWTP clean out main replacement of components and parts.
- Bleach use being an issue with a proposed banned on bleach for Wavecrest occupants.
- Sate WWTP inspection results and operator's response to address concerns with this aging system.
- Lift station pump failure, with replacement install and new back up ordered.
- Numerous small and operational improvements and cleaning of system in the WWTP.
- Continued education of the guest and owners of the importance what to Not put down our drains and the delicate balance of operating our own Waste Water Facility with State regulations and guidelines. We continue to put out both documentation, flyers and emails to keep all residents and guest with the correct understanding.

Swimming Pool and Cabana:

- BBQ and pool floor area cleaned.
- Emergency phone jack repair.
- Consultant engaged for advice and assistance with chemical, environmental concerns and the upkeep of pool with standard commercial maintenance techniques.
- Pool mastic and edge caulking installed, replacement of old deteriorating product.
- Cabana carpet a fronting pool has now has first one foot covered with rubberized tread, allowing more life to carpet that was being worn out.
- Continued work with cabana committee and design aspects to make a more cosmetic and functional area.
- Work on treating rust for BBQ structure tie downs.
- More work on Pool attendant's maintenance room, allowing needed ventilation to address possible concern posed by use of chemicals in a non-ventilated space.
- Maintenance on grills and replacement of parts.
- Steam vacuum all hallways as scheduled.

Scheduled Maintenance

- To be determined as needed and by Board recommendations.