



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

**NOTICE OF MEETING**

Date: Friday, September 22, 2017  
Time: 9:00 a.m. HST  
Place: Wavecrest Cabana & 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. Owners 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 June 23, 2017

**Officers Reports**

President – Treasurer – Secretary – Resident Manager

**Reports** – Cabana Committee – Cathy Felkins

Sub-Metering – Bret & Jack Reported a change order, required by the contract, was outlined by Jack, and reviewed by our AOA attorney. Installation of utility boxes for wireless signal has been started. Unit access procedures and policy sent to owners along with a call for undated contact preferences.

**Old Business**

Exterior Wiring on Common Building Elements – no further action.

Record Retention – Jack Thornton Action called for - The board will review the contents of the boxes and have them shipped to Wavecrest for storage.

Sub-Metering – Jack and Bret This item was discussed in the Managers report.

Hall Project – Bret Hall Project/Door Modification is not an active project at this time.

House Rules – Pool Party Regulations are being held over for the March 2018 Meeting were a greater number of owners will be present to address this topic. (Owner interest in providing input prior to the March 2018 meeting?)

Standing Committees – Identify current committees and members.

**New Business**

Appointment of two board members.

Resignation of a board member.

Washer-Dryers – Bret Contract extension & Machine changes.

2017 Budget Review – Martha Strock (May be discussed under Treasurer's Report)

**Open Session** – Owner Comments

**Executive Session** – Employee/Personnel Issues – Delinquencies & Liens

**Adjournment**

**DATE OF NOTICE**

**Wed, September 6, 2017**

All clerical mistakes are mine and reflect my attempt to provide an accurate format for a proper Notice of Meeting & Agenda.

Submitted with Respect

By

Jack Thornton, Acting Secretary

*Teleconference Information:*

*1 (515) 603 - 3147*

*Guest Access Code 657819#*



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## PRESIDENTS REPORT OF SEPTEMBER 2017

It is worth repeating, as it is an important reminder, the following from a previous letter...

"...Great strides have been accomplished by previous boards and the current board continues to build on those past successes..."

"...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... [at best]"

"Caustic, derisive or insulting comments or behavior, of any kind, will not be tolerated. "

Thank you to the owners for expressing your concerns over the recent circumstances involving the resignation of a board member. It is with no small amount of consternation that the board is attempting to deal with this distraction to the compulsory and obligatory business and the legal mandates required to conduct Wavecrest business. That said, this, and all other interactions will reflect that first, and foremost, Wavecrest stands against any form of hate comments, sexist comments, offensive comments, off color comments, vulgar comments or any other form of vitriol. I am always surprised how quickly a conversation devolves into repulsive behavior. We stand behind a zero-tolerance policy for this derogatory behavior. All persons who use this type of behavior will be directed to forward any further comments in writing and will not be engaged in any further verbal responses at meetings or verbal responses from the board or other owners. If any response from the board is considered appropriate, it will be done through proper channels. If you feel that you are being pressured to comment on this issue, please direct all inquiries be submitted in writing.

The result is that these items, and many more, have fallen by the wayside. Such as...

- There was no secretary to take notes, respond to owners, board members or to review past notes and motions, that are essential to the effective communication needed to conduct daily business. First, Martha stepped in, on her own, to cover the position, in the midst of her own time-consuming duties as treasure. I took over as I have been reviewing the Secretary reports often over the last several years.
- Researching the new owner of Swenson's property, researching the property boundary between Swenson's property and Wavecrest, and establishing contact information.
- Looking into the ownership and property boundary of the small lot by the employee parking.
- Assisting in the review and presentation of budgetary items.
- Developing a policy that helps owners, who feel they were inaccurately charged by Hawaiiana, start a dialog for resolution.
- Upgrading Wavecrest cable service and taking advantage of reduced monthly charges.
- Utility requirements for removing, rewiring and upgrading cable lines from R59 to R6 cable throughout Wavecrest.
- Develop a policy for cable/internet installation at Wavecrest.
- Implementing an informative newsletter.
- Help updating accurate owner contact information.
- Reviewing past motions and agendas for informative discussion on entry procedures allowing entry to owner's units for maintenance or emergencies.
- Active participation in Wavecrest board duties.

The list goes on...

There is currently one board opening and the board would like to fill that position until the March meeting. Any persons interested in serving, submit your interest in writing to the board or Hawaiiana at your earliest convenience.

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

With respect,  
Jack Thornton

# Wavecrest AOAO

## Treasurer's Report

Actual 2017  
August

Budget 2017

Revenue	77126	82295
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### Expenses

Utilities	13018	17315
Professional Services	1171	3857
Bldg Maintenance	5476	7058
Payroll & Benefits	26860	27650
Other expenses	5366	660
<b>Total Operating Expenses</b>	<b>51891</b>	<b>56540</b>

Net Revenue	25235	25755
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Capital Improvements	800	0
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### Cash and Investment Balance

Operations	85,388
Reserves	327,451
<b>Total Association Cash</b>	<b>412,839.00</b>

### Delinquencies - Active Owners

Aug-17

Maintenance Fees	58300
Legal Fees	2064
Late Fees	14866
Interest Charges	10966
Rental Income-Locker Storage	
Lien Processing Fee	50

<b>Total</b>	<b>86246</b>
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<b>Delinquencies - Inactive Owners</b>	<b>200768</b>
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## Secretary's Report

September 22, 2017

Fortunately, owner contacts this quarter have been easy for me to keep track of. There has also been a fair amount of "Corrective Action" inquiries and, although not the most pleasant aspect of the job, they seem to generally be addressed quickly. With that said, there is still room for improvement. So, thank you to those individuals who take the time to fill out the forms. For those of you who are unfamiliar with the process, the general outline is: all written corrective action forms are logged, investigated, action recorded, and, as a courtesy, a newly attempted email response is being generated to go to the person filling out the form confirming the form has been addressed. The outcome of Corrective Action forms is confidential.

Linda Broady

Resigned from the Board of Directors

Cathy Felkins

Requests that the Cabana Committee give an update report.

Contact with The Cabana Committee seems to show that they have accomplished a smooth, and quite profitable, replacement of the old picnic tables to some stylish and comfortable looking seating.

Asked about a couch being put in the dumpster.

Linda Bergstrom

Asked for clarification of fees and response to contact requests.

Requested information on Sub Metering auxiliary panel and unit access procedures.

Accepted a temporary committee position to do background research, as needed, with Jack Thornton.

Multiple Sources

Asked for improvement in getting notices sent out in a timely fashion to owners, i.e., Pool Closures, Repairs, Work in and around units/complexes, etc.

Donald and Linda Broady

Requests sub metering clarification on C building wiring, billing, authorized entry details.

#### Board Positions

Letters of interest received from Debbie Davis [C-114] and Greg Crook [C-108].

Stephen Hurley

Concern about Manager response to Cabana Committee.

Mike Nicholls

Forwarded an article to the Board on Cured in Place Pipe Lining: "Sewer Mains Rehab and Improvements".

Washer-dryers

Different machines/contract implications?

#### Security Concerns

- Calls to security being answered?
- BBQ on Lanai?
- Pool usage by non-guests/
- Noise after hours at the pool/cabana?
- Renter concerns: Parking permits, dumpster usage, unauthorized guest use of facilities.
- Parking permits. Multiple permits to the same owner?
- Owner/guest registration.
- Updated owner contact information.

#### Board Member Appointments

- Greg Crook and Debbie Davis appointed to board until March.
- One open board position is available to be filled.



Thank you for submitting your concerns to me and please accept my apologies for not being able to respond to each one individually. I continue to seek opportunities to improve Wavecrest through your written comments.

With Respect,

Jack Thornton  
President/Secretary

Managers' Report for Wavecrest Board Meeting. 9/22/2017

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.
- Deferred maintenance and other basic maintenance repairs and upkeep.
- Sea level rise and the effects of king tides affecting the front eastern corner of the Resort. Extensive research into erosion control strategies allowable by Hawaii law.
- New front parking lot configuration, with wider stalls and new handicap parking stall poured with new cement. Much improved spacing as well as safer.
- Completion of all parking lot handrail supports / spindles and the like; with brackets, paint, caulking.
- Tennis court prepped with the start of painting using a rust stop coating for longevity preservation.
- Plumbing leaks addressed in A & B buildings, with numerous units affected. Mitigation repairs.
- Work with neighbor property owner in resolving several issues and maintaining a good working relationship.
- Cabana roof sealing, with a section above restrooms and pool storage room to be reroofed.
- New signage at front entry as well as enlarged Quite time signage on all floors.
- Issue with getting good internet service persisted for a couple months with regular slow or worse service. Provider seems to have corrected the main lag and internet has been decent.
- Replacement of numerous switch plates in hallways and some minor touch up paint through stairs and walk ways.
- Various Administration / Office duties and relations. House rules violations & maintenance request being completed.
- Owners preference list for contacts, on island reps and access. Updated.
- 3<sup>rd</sup> party consultant giving advice to us on the incomplete sub-metering install we have been able to work with NPC on their new proposed wireless sub-metering solution.

- Continued with lots of work on resolving the incomplete sub metering project with NPC. Working to assure the best outcome for the AOA with the design anticipated to address the need for a wireless system, longevity, and functionality.
- Initial access panel installation in units to facilitate sub- metering completion.
- Roof leaks reported and worked on in A and cabana.
- Hauling of various loads of materials for several work projects.
- Insurance dialog and correspondence over claims and responsibility.
- Install of replacement washers, with other work on Laundry services including, contractual negotiation with vendor. Our maintenance has also been active in minor repairs.
- Electrical work at courtyard and repairs to grounds lighting.
- Unit B210, remodeled with all new paint and flooring and other basic repairs to get rent ready. Currently the unit rented.
- Repairs to corrosive tie-down straps and brackets with replacement or additional straps as well as cleaning and protective coating.
- Continued Pest control and swaps control, in attics and upper levels.
- Other various detailed repairs and numerous maintenance preformed throughout the property.
- Budgetary adjustments and proposals, to save money for the AOA. Major staff downsizing with approximately \$10,000 yearly in savings. Other measures to control efficiencies and production costs.

#### Grounds:

- Removal of invasive weeds throughout the Resort.
- Extensive trimming and pruning of grounds and hedges, hauling debris.
- Benches replaced with new ones installed in front of pool ocean side.
- Cement work and leveling, at car wash and other locations.
- Full project completed =Removal of Norfolk Pines, which threaten life and property= any worse case event could have been catastrophic. # 1 Internet states " Norfolk pines have shallow root systems, which means they often blow over during storms. Plant a Norfolk pine in an area that offers some protection from high winds" # 2 Also their shallow roots systems can stretch 50 feet, in which could be a threat to underneath the pool. # 3 Significant and major contaminations to the cabana roofs, pool and surround pool area, thousands upon thousands of hours spent cleaning up after them. # 4 Piles of debris rotting out roofs, leaks and roof deterioration increasing due to this acidic debris build up. # 5 Smoother walking near back of cabana and removal of this safety / tripping hazard. # 6 Insurance improvement and insurance assessments / rates. # 7 Improved views and values.
- 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.
- Major irrigation excavation to repair cracked valve near C building.

#### Wastewater treatment plant:

- Various Projects, being proactive in WWTP efficiency and improvements.
- Identification of overloading of or waste system through water wastage in units, particular a running toilet which was not checked and left unattended.
- WWTP DRC; Of most important concerns, is what we call short circuiting, where treatment time is reduced, due to hydraulic overloading, potentially allowing bacteria to escape into the environment not inert. Ted -grade 2 operator.
- New main clean out replaced old deteriorated one adjacent WWTP.
- No Bleach policy still being a proactive solution to many issues in WWTP and others getting residue bleaching in the washers. Banning bleach use for Wavecrest occupants, can reduce these issues.
- Lift station servicing, with set up of float lines.
- Fiberglass repairs through different components.
- 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.
- Pool light replaced with new functional light.
- Pool fence prepped and painting with rust stop coating for longevity preservation
- Repairs to Pool restrooms with work on plumbing and clog issues.
- Pool upkeep on track, especially after addressing environmental contamination and other concerns.
- Completed 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.
- Steam vacuum all hallways as scheduled.

#### Scheduled Maintenance

- To be determined as needed and by Board recommendations.

