

# Regular Board Meeting Minutes for October 15, 2018

Roll Call at 9:05 am HST: Quorum established. Jack Thornton called the meeting to order.

Board Members present at meeting:

Jack Thornton, President (A-207), Michael Peters, Vice President (C-213), Martha Strock, Treasurer (A-101, B-102), John Coffey, Director (A-315). Absent: Roger Tinsman, Secretary (A-113)

Owners Present:

Neil Strock (A-101, B-102), Linda Peters (C-213), Suzanne O'Connell (B-110), Bobbie Paris (A-207), Jeff Borton (A-316), Pauline Henriques-Perry (B-109), Lewis and Brenda Murray (A-108), Mel Veit (B-206), Richard and Debbie Davis (C-114), Dorothy Donaldson (A-305, A-214), Luz Larotta (C-302), James Wahl (C-302), Richard Felkins (C-216), Lori Hansen (B-302), Rockland Taylor (C-106), Ted Johns (B-201)

Owners via Teleconference:

Georgiana Olsen (A-103), Jerry Johnson (A-206, C-313), John Scriver (A-110, A-308), Gregory Lappin (C-312)

Martha Strock moved to approve the Regular Meeting Minutes of June 15, 2018. Seconded by John Coffey. Motion passed by unanimous approval 4-0

President's Report read by Jack Thornton. Copy attached.

Treasurer's Report read by Martha Strock. Copy attached.

Secretary's Report read by John Coffey. Copy attached.

Manager's Report by Ted Johns, copy attached, highlighted the following items:

New propane tank installed, ongoing grounds maintenance, new washing machines and dryers, anti-siphon hose bib conversion, new pedestrian signs and crossings, as well as enforcement of rules in accordance with bylaws, ongoing employee training and continued waste water treatment issues.

Inquiry from Lewis Murray A108: "Is board going to review individual mock bills?"

Neil Strock stated 84% of building electric is apportioned to individual owners.

Richard Felkins commented about online access.

Jack said as an example his unit is \$300 per year (and uses it 4 months of year)

Neil Strock stated range of unit use so far ranges from close to zero to approx. \$200 per month for highest use unit

Inquiry from Brenda Murray regarding average electric charge and what will March dues increase be? Board said no commitment can be made to any particular increase or decrease on March.

Motion by Jack Thornton to adopt budget with authority to increase 5% in March -- Mike Peters amended motion to remove 5% increase pending further evaluation (allowing for a possible refund if warranted). No second/vote.

Inquiry from Debbie Davis regarding the issue of electric reduction versus budget dues increases.

Motion [revised into two separate motions at homeowners request]

Motion to accept the 2019 Budget, including the authority to act to make adjustments to allow recalculation of the budget, after a January 2019 [or March 2019 if needed] review of the sub-metering data for accuracy. [Any changes will be reported in open meeting]

Motion passed 4-0

Motion to review, for accuracy, the HOA reduction of dues related to the sub-metering cost reductions, and the authority to act, including the authority to make an adjustment of the amount of the reduction in HOA dues. [Any changes will be reported in open meeting]

Motion passed 4-0

Richard Felkins commented: "Why address (the possible increase in dues) at all?"

Martha Strock answered that it allows the Board to adjust dues at March/June with vote based on a report.

Carol C-101 asked about shoreline erosion.

John Coffey commented about shoreline documents, vegetation, and rock repair.

Richard Davis asked about renting Wavecrest owned "Manager's unit" unit (B-210).

Mike Peters commented that the Board is currently renting it.

Georgiana thanked Ted for his good work.

Georgiana asked at what % the reserves are funded.

Martha Strock said that Hawaiiana reports approximately 64% funded, with the expectation to increase after the report next March.

Cabana Committee Report. Report read by John Coffey

Mel Veit asked questions from the floor regarding the rent amounts charged for C102 and B203, and if the Board is considering selling unit B210. Jack Thornton answered that 900/mo and 850/mo are estimated rents, but asked the floor to hold questions and comments until the official open session.

Old Business

Sub-metering Billing and Summary explanation by Jack Thornton.

Neil Strock will demonstrate login/electric info site for interested parties after the meeting

Washer and dryer summary by Jack Thornton included the change to credit card operation.

Jack Thornton announced that Ted Johns officially was hired as Manager.

Martha Strock moved to appoint Jerry Johnson as interim Board member, seconded by Mike Peters. Motion passed with unanimous approval 4-0. Jerry added as board member effective immediately, so there were 5 members present for remainder of meeting.

Website beta – Neil Strock short summary

Legislature Act 195 summary

Motion to adopt Hawaii House Bill, known as Act 195 SLH 2018, and to also review Hawaii Statutes for updated legislation, and the authority to adopt them as needed for House Rules and Bylaws to be in compliance with Hawaii Law. [With the understanding that any further adoptions will be reported to owners at open meeting].

Motion passed 5-0

Motion to authorize expenses, and the authority to act, to hire a vendor to produce a professional Reserve Study for Wavecrest AOA."

Motion passed 5-0

Budget presentation by Martha Strock, resulting in \$40 dues reduction per unit (to \$565). There will be month-by-month tracking of how sub-metering alters association expenses.

Motion by Jack Thornton to approve budget with review in January through March. Seconded by John Coffee. Motion passed unanimously 5-0.

Open Session commenced:

Inquiry from Carol Kelley saying she's heard that electrical 'typical bill' is 'around \$200'.

Replies from multiple Board regarding calculations, tracking of mock billing. Average electric cost per unit average roughly \$40 to match dues reduction.

Inquiry from R. Felkins about receiving mock bills.

Ted Johns questions on budget including misc. repairs, short discussion ensued.

Georgiana asked why meeting was moved from September to October. Jack Thornton said a majority of board members changed it for convenience of participation.

Mel Veit said the sale of Wavecrest owned unit B210 could make money for the AOA. Martha Strock replied. Carol (C101) commented that unit near office is occupied by Matt. Mel: "Could sell unit without realtor." Jack Thornton noted certain rules for Board disposing of a unit.

Georgiana asked what warranty exists on sub-metering system. Jack Thornton said \$3500/year for 5 years. Following up she asked about "what if failure/replacement?" Neil Strock commented about system performance reliability thus far. Georgiana commented that she wasn't informed of the status of the system over past 3 years. Neil and Jack Thornton commented further.

Jerry Johnson said homeowners don't know how to access online system. Michael Peters said passwords and information will be available to all within a month.

Carol Kelly asked about why we need to do sub-metering at all. Jack Thornton said previous boards discussed it and approved it at length. Existing password(s) cannot be given out today due to security.

Rockland Taylor asked why Board Members or Wavecrest employees would be able to contact his doctor regarding any homeowner. Upon further inquiry he accused Ted Johns and/or agents of the Board of contacting his doctor. Ted denied any such action. Board members had no knowledge of such action. Rockland stated that on his doctor visit September 22<sup>nd</sup> this year the examining room doctor asked "what's going on at Wavecrest?". Mike Peters told Rockland it would be in his best interest if this conversation could be held in private.

Motion by Martha Strock to adjourn to Executive Session. John Coffey seconded. Motion passed unanimously 5-0

Executive Session started at 11:20 am HST.

Executive Session ended with return to open session.

The following action was passed during Executive Session:

Motion by Martha Strock to approve expenses for Jack Thornton go to 1-day conference/ seminar October 18 in Honolulu regarding reserve study and large project contracting, bidding, financing and management. Seconded by John Coffey. Motion passed 4-0-1 with Jack abstaining.

Motion by Martha Strock to adjourn meeting. Seconded by Mike Peters. Motion passed unanimously 5-0.

There being no further business...

Minutes compiled by Roger Tinsman from notes taken by John Coffey with corrections from Jack Thornton.