

Board Meeting Minutes for March 12, 2019

Jack Thornton, President, called the meeting to order at 9:02 am HST

Board Members present: Jack Thornton A-207, Martha Strock A-101 & B-102, John Coffey A-315, Michael Peters B-213, Roger Tinsman A-113 & Gerry Johnson C-313 & A-206. Quorum established.

Owner attendees: Sandra & Richard Leigh A-105, Linda and Ken Bergstrom C-113, Bruce Roessler B-208, Jerry Gillen C-207 & 306, Meredith Johnson C-313 & A-206, Roberta Paris A-207, Suzanne O'Connell B-110, Steven Hurley A-113, Mike Nicholls A-116, Amanda Ballou A-211, Kris Chernik C-113, Richard & Debbie Davis C-114, Calvin & Marcel Rolan C-212 & C-208, Jim and Ingrid Kindsvater A-215, and Ted Johns B-201 Bob McCann (proxy represented by Frank Doemer) C-103. Teleconference attendees: Georgie Olson A-103, John Scriver A-308, and Randy Carpenter A-301.

John Morris the association attorney was also present.

Proof of notice of meeting given.

Request for corrections or changes to December meeting minutes. None offered. Martha moved to approve minutes, John Coffey second, vote passed unanimously.

Jack read the President's Report. Report attached.

Martha highlighted details of the Treasurer's Report. Report attached.

Roger Tinsman reviewed the Secretary's Report. Report attached.

Ted Johns read highlights of the Manager's Report. Report attached.

Cabana Committee Report was included in the document and commented upon by Roger.

Old Business:

Sub Metering Report: Jack reported that the office has a document regarding the need to sign up again for auto-pay accounts, due to a company name change. It will be available at the office and be sent to owners. Owners of multiple units must re-register each separately, as there is no automatic cross over. We currently have only 11 units that are 90 days in arrears. The WiFi receivers for sub metering were dropping signals because they were not set to original schematics of 3 per hallway. They are being relocated and an additional receiver is being added to each hall. Wiring will be concealed. Sub meters were recording activity even if connectivity was temporarily lost.

Professional Reserve Study: Jack is sending out bid requests after this meeting to a list of companies. Results will be presented at the June meeting.

House Rules / slippers in common hall space: Report is attached. Roger Tinsman researched this issue with input by owners, and presented options to the Board for action.

Hallway Update: Jack reported that Ted is still researching the best and most cost effective elements to use in converting the hallway lighting fixtures to LED with motion sensor use. More details will come.

New Business:

Written fee agreements and flat fee charges: - Multiple issues were covered. 1. If employees need to turn off water to a stack based on an owner's leak or request, there will be a \$50 fee to

the responsible owner. 2. Since \$1,000 to \$500 per month of employee time is being spent helping renters who have not been given adequate information by owners, (I can't get into my unit, do you have a key?) the existing \$50 fee will be enforced. 3. Any outside contractor or worker providing \$1,000 of service to an owner (materials included) must provide the office with current proof of insurance before being admitted to the property (whether a permit for the work is required or not). 4. Fees and fines for parking permit rule violations will be levied.

Senate Bill 2351 governing employment applications compliance will be adopted per new law.

Termination of Utilities and Services to Delinquent Owners - A 2009 adopted resolution was reviewed which allows termination of services, utilities, and access to the property by owners delinquent in dues and fees. (Currently 4 owners populate this category)

Sub-Meter Tampering - Each unit is monitored on an hourly basis. If a contractor needs to turn off the breaker for permitted work, the office must be notified in advance and power must be turned back on in the same day. John Coffey moved, and Gerry Johnson seconded the following:

"The Association may assess an owner a fine of \$100 per incident, plus \$10 per day of ongoing infraction, for shutting off the sub-meter breaker. In addition the Association may investigate the event, and assess the offending owner for the calculable power used while the sub-meter was off." The Board voted and approved unanimously.

Attorney John Morris reviewed Greening of Hawaii Law 514b section 42 which gives the Board the authority to institute sub metering without further input from owners, as long as the installation of the meters is paid as a common expense.

Slippers in hallway vote: After Board discussion, there was no vote to change to the existing policy. Chronic abusers, and those receiving complaints will be warned and may be fined, but employees are not slipper police.

Open Session:

Georgiana Olson asked what the dollar amount of the reserve fund is currently. Martha answered over \$500,000 which represents 60% funded. No projects are scheduled this year. Revisions may arise after the professional study is completed.

Mike Nicholls asked if we are still using Roberts Rules of Order for meetings. He feels that discussion of each topic as it is covered (within strict time limits) would make comments clearer because of context. Jack said that Owners Forum meets the obligation of owner input.

1. Noise mediation for downspouts in Manager's report: inexpensive plastic chain run down downspouts allows water to follow the chain and eliminate loud dripping sounds.
2. Coconut trees are 6 fewer than when the last Arborist Report was made. These need to be replaced to maintain Wavecrest's appeal. Wavecrest used to grow its own starters.
3. Insurance costs should be entered on the budget as one time payouts instead of spreading the insurance costs over the calendar year, the way Hawaiiiana currently does it.
4. The Board needs to take into consideration health and safety concerns for any unit where services like electricity are cut. Items under refrigeration will need to be removed, etc.
5. Auto pay on our sub-metering concerns: 1. there is a fee for credit card use 2. there is a fee for direct withdrawal from checking accounts, it seems like the AOA should negotiate more owner friendly terms than these.
6. How can owners see day by day electric usage? Ask Neil Strock.
7. He wants every owner to pay their fair share, but how are rates determined? The Board says it is transparent, but owners find it hard to see. All components of the rate structure

should be available to owners so they can follow how it is developed. We should have a blended rate structure combining our 32% solar rate with the MECO rate of 42¢. That would bring owners rate down to perhaps 37¢ per kWh. Molokai Shores bills in house using Neighborhood Power's figures using a blended rate, and it seems to work well. Jack replied that MECO set rates when the buildings were brought on line, and are different for the two properties.

Dan Reed C105- Asked if information on the website could be password protected to owners only? He lost a sale because of alarming information regarding leaks. Jack said that that is the plan and goal. Dan also asked that he be informed regarding any service animal rule changes, since his wife has the only service animal registered with the office. Jack explained that the new law focuses on accurate documentation of service and comfort animals, and we are just trying to keep current with Hawaii law.

Ken Bergstrom C113- Asked if there aren't more pressing issues than installing new lights and motion sensors in the hallways, since they are already fluorescent low wattage lamps? Jack answered that it is one of many ongoing projects, not the highest priority. Ted is following the law for employee safety in their work. Ken asked again to have a copy of the Sub Metering Report paid for by Wavecrest. John Morris responded that there are still remaining some contract issues that the Board needs to resolve. If release were to undermine the Board's position with a contractor, it may still be held confidential.

Jerry Gillian asked who gets credit for the Solar generated? Martha answered that the AOAO gets the credit toward common area use. It was suggested that a cheat sheet should be developed by Martha and others about the rates and distributed to owners.

Amanda Ballou asked if an EV charging station is being considered for the property? Martha replied that it would not be equitable to charge all for a thing few use. Mike Nichols explained that there are grants available from MECO to buy and install them (level 2 system for apartments) with metered system so only the user is charged. Jack added that the new Office Administrator has experience writing successful grant proposals.

Dan Reed C105- Renters told him they had never seen such a beautiful place as Wavecrest! Kudos to Ted and team.

There being no further comments, Martha Strock moved and John Coffey seconded the Board adjourn to Executive Session. Passed unanimously at 10:45 HST.

Executive Session convened at 11:03 HST

Executive Session closed at 11:19 HST

Open session closed at 11:20 pm

Respectfully submitted by Roger Tinsman, Secretary