



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

NOTICE OF MEETING

Date: Monday, December 6, 2021
Time: 9:00 a.m. HST
Place: via ZOOM Teleconference

Agenda and Order of Business

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

Review/Approval of Minutes and Reports -

- Regular Meeting Minutes of October 1, 2021
- President, Treasurer, Secretary, and Manager's Reports

Discussion/Action Items –

- Wi-Fi Log in Passwords
- House Rules – Aligned with HRS and Published Documents
- Other Items TBA

Open Session - Owner Comments limited to three (3) minutes.

Executive Session - Closed session called by the Board President

Adjournment

*Teleconference Information: 1-669-900-6833
Meeting ID: 815 2490 1845
PIN: 555213*

Zoom weblink: <https://us02web.zoom.us/j/81524901845?pwd=V0RZaXVCMUpjNFFNVng1cmx5L2gxZz09>



BOARD OF DIRECTORS MEETING
WAVECREST RESORT, INC.
Kaunakakai, Hawaii

Monday, December 6, 2021
9:00 a.m.
via ZOOM Teleconference

Video or audio recording of this meeting is not allowed. This meeting is for owners only. Owners are asked to hold comments until 'open session' following the business meeting of the Board of Directors.

DUE TO THE PROVISIONS OF THE GOVERNOR'S EXECUTIVE ORDERS AND THE ORDER OF THE HEALTH OFFICER OF THE COUNTY OF MAUI TO SHELTER IN PLACE TO MINIMIZE THE SPREAD OF COVID-19, MEMBERS OF THE BOARD OF DIRECTORS WILL BE PARTICIPATING BY TELECONFERENCE INTO THE BOARD OF DIRECTORS MEETING FOR December 6, 2021.

ZOOM

WEBLINK <https://us02web.zoom.us/j/81524901845?pwd=V0RZaXVCMUpjNFFNVng1cmx5L2gxZz09>
CALL IN INFORMATION – DIAL 1-669-900-6833, MEETING ID 815 2490 1845, PIN 555213

AGENDA

CALL TO ORDER:

ROLL CALL - Determination of Quorum, Homeowner's Roll Call, Proof of Notice of Meeting.

APPROVAL OF MEETING MINUTES – Approval of Meeting Minutes for October 1, 2021

DIRECTOR REPORTS – President, Treasurer, Secretary, Manager.

DISCUSSION/ACTION ITEMS

- Wi-Fi Log in Passwords
- House Rules – Aligned with HRS and Published Documents
- Other Items TBA

OPEN SESSION – Owner comments, limited to three (3) minutes.

EXECUTIVE SESSION – This is a closed session called by the Board President for BOD members to discuss, review and potentially act on legal and personnel matters.

ADJOURNMENT



**Board of Directors Meeting Minutes
October 1, 2021**

The Wavecrest AOA Board of Directors meeting was conducted pursuant to the provisions of the Governor and the Maui County Mayor's Executive Orders. Board Members and Staff participated in the meeting by zoom teleconference. Homeowners were provided a zoom website link as well as a phone number to participate in the meeting and provide public comment.

1. Call to Order and Roll Call

The regular quarterly Board of Directors meeting was called to order by President Jack Thornton at 9:17 a.m. HST on October 1, 2021. Proof of meeting was posted on September 13, 2021.

- a. The following Directors were present: Jack Thornton (A207), Michael Peters (C213), Martha Strock (A101/B102), and Rod Huck (A103). A meeting quorum was announced.
- b. Homeowners in attendance included: John Scriver (A110/A308), Neil Strock (A101/B102), Gerald & Meredith Johnson (A206), Heather & Jeff Byrne (B110/C110), Gaellen Quinn (C305), Joyce Willing (B103), Ginger LaVoie (A106), Richard & Anne Flipp (C203), Brenda Murray (A108), Glenn & Kimberly Dutton (B310), Robert Laszewski (C311), Amanda Ballou (A311), Rockland Taylor (C106), Diane Horne (A315), and Dallas Jacobs (C104). Others in attendance included Property Manager, Zaida Place.

2. Review/Approval of Minutes and Reports

- a. No additions, changes, or corrections to the 3/16/21 meeting minutes. President Thornton noted that the June meeting was considered informative as 10-day notice did not go out in time and the minutes will stand in our records as discussion. Director Huck motioned, and Director Strock seconded the motion to approve the March 16, 2021, minutes as written. Motion carried 4-0-0.
- b. President's report, Treasurer's report, and Manager's report were presented in written format and stand as posted. Martha Strock reviewed Treasurer's Report. Noted budget in good shape year-to-date. Since August 2020, reserve fund up by \$70,000 and not tapped to cover operating expenses. No red flags for concern. No Secretary report as no communication received. Copies of all reports are appended to the minutes.

3. Discussion/Items

- a. 2022 Budget: Director Strock reviewed 2022 Budget and proposed an increase of \$10 per month to \$615, effective January 1, 2022, instead of Hawaiiana's proposed \$36 increase. Increase to be added to reserve fund. Discussion held regarding 2022 Budget. Director Huck motioned to increase monthly HOA dues by \$10 effective January 1, 2022, and to approve the budget as presented, Director Strock seconded. Motion passes with three Ayes and one Abstention (3-0-1).

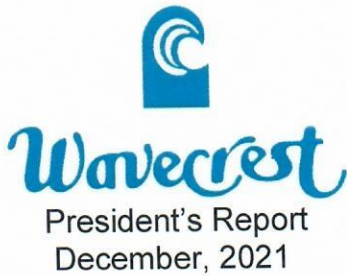
The following homeowner's joined meeting in progress, Colleen Simon (A214), Julie Jacobs (C104), and Carol Kelley (C101).

- b. New Employees: Rozel Garnin & Charles "Kale" Kamai. PM Zaida Place noted we have a good team of workers and work is getting done.
- c. eGauge Connectivity – Hardwiring: Discussion regarding wiring and new ideas and other techniques. eGauge billings of what meter draws, all meters functioning and will show at least a couple of dollars with only meter on. To save, you can switch everything but the eGauge off if not present on-site, and/or make an advance payment by cc to Ikehu.

a recovery. It does seem to me that we are carrying doubtful accounts as Robert has pointed out for an extended period of time of which you yourself has said that these things predate you by years and years. So, I think putting these into an allowance for doubtful accounts and then recognizing them if we are someday when we are experiencing a silver lining to this situation may be a more realistic way of viewing it.

- i. **President Thornton:** As Martha eluded too, we get a bite at them for their back dues for six months once the bank forecloses. The only kind of real shot we had is that one of the banks took over the unit and self-insured it, had a water leak and that was the only teeth we had to get them to repair everything, and we also got back electricity, fines and fees totaling more than \$12,000. That's an unusual circumstance and when it comes to small amounts it takes several thousand dollars just to initiate a legal process against people. One of the solutions is to possibly change our bylaws or ask our attorney is there anything else, are we up to date with the current situations, what can we do. and I think we have actually done that and have not seen any viable change that will allow us to get more money.
- m. **Gerald Johnson (A206):** A comment, on our budget the treasurer report indicated how well Wavecrest is doing and that's true, and it has been going for a number of years that the operations or deficits have been less than what we had but now for the last three years we've seen steady raises in our maintenance fee all identified to be used in our reserves because we need money for our reserves. Last year I thought we had it identified that \$20 was going to go to reserves. I do not see that budget line anywhere in the paperwork we've been given. And this \$10 I hoped too would be on a budget line to see. Not just in hopes to be put to the reserves. Thank you.
- n. **Treasurer Stroock:** If you look at the budget, I give the last year which would've been August of 2020 and where we stand this year. We are \$70,000 over from where we stood last year in the reserve fund, and I have just asked Hawaiiana to move another \$50,000 because the operating budget was doing so well. As we have an increase, yes, by definition the \$20, there isn't a line item that says this \$20, which amounts to \$3,200 a month is moving over. I can work with Hawaiiana to see if we can do that, so it appears in the budget line item every year, every month. However, the money is moved over on a regular basis exceeding the amount. Can I say that the \$20,000 each month hasn't gone over each month, but it tends to go over at the end of a quarter. Traditionally, it was I believe December we justified and moved things over at the end of the year. I've been doing it on a more regular basis just because I want to see the reserve fund going up. Yes, the \$20 has gone to the reserve fund. I cannot state that often enough. The amount that I know what it brings in every month, I know the amount that's gone to reserve fund from the operating budget, it can only go into one pot, it can only go into our checking account. Hawaiiana can't differentiate, they have to move it over. But I can tell you that we have moved over to the reserve fund even more than the \$20. We still need to do more. We are under 50% funded for the reserve fund.
- o. **President Thornton:** So, we have \$20 that's been dedicated to the reserve fund. We have another \$10, so that makes it \$30. If our dues are \$615, that's \$585 left over of our dues. So, maybe not all that money's dedicated to the reserves because we have to dedicate money to our operating budget. So, how do you enforce that this \$30 goes in there when you have \$585 that isn't dedicated other than to our reserve and trying to operate the place?
- p. **Gerald Johnson (A206):** It's not indicated except for a gross amount at the end of the year.
- q. **President Thornton:** Right, exactly, and you're right It's a very difficult process to divide the operating budget and the reserve funding down to the penny. We are not at the point where we can say this is the operating and this is reserve. But I believe this is the closest we've ever been.
- r. **Treasurer Stroock:** Jerry the amount of the \$30 x 127 units x 12 months will be \$45,720 that will go from operating to reserve fund. That will account for the \$30 a month next year. I have already moved more than that amount which would be the \$20 into the reserve fund. The money is going to the reserve fund. It is not moved monthly. It is moved quarterly or every half year and definitely by December. That is how we've traditionally done it. But I can track how much money should go and how much money is going and how much is going is more than the \$30 a month per unit.
- s. **President Thornton:** I think what I'm hearing is that can we just see it written down somewhere. And that would be what are we contributing to the reserve fund? And maybe we write that when the transaction happen, we

- Molokai. I'm really grateful to be here. Regarding the dumpsters, they get filled up really quickly and last week I went out and it was bolted shut. I wonder if we could have three pickups in a month instead of the two.
- bb. **President Thornton:** Thank you. My personal experience is extra pick-ups aren't an option. We tend to raise the number of dumpster when there's a lot of occupancy. More dumpsters not more pick-ups. We try to keep non-residents and contractors from dumping.
- cc. **Zaida Place:** If garbage bins are full, we ask that you use another dumpster on property.
- dd. **President Thornton:** Clarification has been given by our parliamentarian. Proxies can be given to any person. This will be added to the process. Regarding sign-ins, Condo Control, we are trying to have this added to the program. You can also email to the office. We're working on getting this added.
- ee. **John Scriver (A110/A308):** I was just wondering following up on the proxy thing where we stand on the AGM on Monday.
- ff. **President Thornton:** We are above the 50% mark for proxies tomorrow, on Monday the meeting will be held. We are following the same rules as last March, there are two ways to be present at the annual meeting, in person or by proxy and if you want to be counted as present at the meeting you will come down and check in. The entire cabana will be filled with our parliamentarian, Hawaiiana, personnel, Wavecrest board members and our manager. To be present at the meeting, you'll come down and sign in just like you always do, just not inside.
- gg. **John Scriver (A110/A308):** Follow-up question on that, I thought that I read in one of the communications from the office that the meeting will be held even if 50% quorum wasn't met, and I was wondering if I read that correctly and what was the authority for that?
- hh. **President Thornton:** The meeting will be held but nothing will be voted on or official. The meeting will be held only to be adjourned.
- ii. **Julie Jacobs (C104):** Question about the guest sign-in, my understanding is that every guest whether staying overnight or not just for an hour or two needs to sign in at the front office or whatever method gets implemented. Would you please clarify that? Are the guests that we're talking about signing in only overnight guests? Or guests that are here for an hour or two.
- jj. **Zaida Place:** Everyone needs to sign in, guests, vendors, contractors, invited guests, there are two separate sheets.
- kk. **Jack Thornton:** Everyone coming onto property needs to sign in and if you're not an owner, the guests need to sign in as to who they are a guest of.
- ll. **Richard Flipp (C203):** Technical difficulty with Jack's site, screen freezing throughout the meeting and not working very well.
- mm. **Gaellen Quinn (C305):** Since we still have community spread of Covid on Molokai have the regulations/rules are they still in effect? It seems people still need a reminder.
- nn. **Zaida Place:** Yes, the Covid mandates are still in effect, no more than 10 people in the cabana/pool area at one time, signing in at the pool and office and wearing masks in the cabana.
- oo. **President Thornton:** Operating pretty much the same as we have been before because we are considered private property and we're operating under the mandates of no more than 10 people, you must sign in, you must tell us who you're a guest of. See the Mayor and Governors mandates. Log onto the Hawaii Tourism website to review.
- pp. **Gaellen Quinn (C305):** I'm not sure the renters are getting the information because there's so much turnover.
- qq. **President Thornton:** We can make these available, but technically it falls on the owner that the renters are following the rules.
- rr. **Jack Thornton (A207):** It's been on-going and my pleasure to continue to see more people volunteering here. Rocky has been his amazing self and training some of our new employees and they are getting a little more experience, these guys have been helping out and getting additional training. Secondly, Dan & Ellen Reed have been volunteering a lot around here helping to make our community safer and stronger (inaudible). I was talking



Aloha all,

I would like to acknowledge and thank Wavecrest staff and volunteers in their efforts in upgrading and maintaining the property. Many projects are successfully being completed in-house. These efforts are part of a sustained plan to reduce project expenses while continuing efforts aimed at improving the property.

The office will soon be assigning individual passwords for access to the Wavecrest WiFi. Hopefully, this process will be completed by February. Many nonresident persons are also using our WiFi, as well as some continued high use streaming from other guests.

HOA dues will be \$615 per month starting January 1, 2022. There appears to be a misprint on the coupon books sent out. We are working on straightening it out. We apologize for any inconvenience.

We continue to follow Federal, State, County, and local mandates in regard to COVID mandates. Signing in prior to or upon arrival with requested safety information is required for the safety of all owners and guests on Wavecrest property. Please contact the office if you have any further questions.

The board is asking for persons willing to volunteer on the board helping our community of owners. If you have an interest in serving on the board, please contact the office, Hawaiiana, or email the secretary.

Best regards,
Jack Thornton, President
Wavecrest Board of Directors

**Wavecrest AOAO
Treasurer's Report**

	Actual 2021 October	Budget 2021 October	Actual 2020 October	Percent Change October/October	YTD Actual	2020 Budget
Revenue	77166.08	87422.85	72168.63	6.9%	844831.23	874228.5
Expenses						
Utilities	10003.48	17958	14245.09	-29.8%	166514.93	179580
Professional Services	4264.85	4534.62	4480.63	-4.8%	52628.2	48382.2
Bldg Maintenance	7015.3	11580.34	9337.9	-24.9%	66974.14	115803.4
Payroll & Benefits	25672.56	29364.69	21235.56	20.9%	256198.7	291864.9
Other expenses:						
Insurance Master Policy	0	8297.92	0		93643.99	82979.2
Insurance Flood Policy	24179	0	101724	-76.2%	24732.4	98631
Meeting Expense	4461.09	500	0		6200.7	5000
Miscellaneous Expense	355.24	682	1250.94	-71.6%	1382.75	6820
Maintenance Fee Expense	0	3333	0		0	33333
AOAO Wavecrest Rental Expense	0	343	0		0	3430
AOAO Office Expense	0	605	0		405	6050
Unreconciled Debit Card Items	0	208	-1934.13	-100.0%	-1385.9	6050
Property Tax	0	0	0		2436.9	8952
State General Excise Tax	292.84	208	173.4	20.9%	1499.76	2150
Total Operating Expenses	76244.36	77688.57	150513.39	-49.3%	678521.57	887575.74
Operating Surplus/Deficit	921.72	9734.28	-78344.76	-101.2%	166309.66	-13347.24
Capital Improvements	80980.44	0	0		125335.63	47500
Total Cash Disbursements	157224.8	77688.57	150513.39	4.5%	803857.2	935975.74
Cash and Investment Balance						
Operations	105,253.49		98,013	7.4%		
Reserves	701,683.00		619,268	13.3%		
Total Association Cash	806,936.49		717,280.83	12.5%		
Delinquencies - Active Owners						
Maintenance Fees	151,869		126345	20.2%		
Return Fee	0		30			
Rental Income/Lockers	30		879			
Legal Fees	11,938		42593	-72.0%		
Late Fees	16,711		32940	-49.3%		
Interest Charges	86,008		5193	1556.2%		
Fines	1,332		0			
Total	267,888		207989	28.8%		
Number Delinquent	24		16	50.0%		

Aloha Homeowner(s).

I hope everyone is staying safe and ready for the Christmas and New Year holidays. It's been a busy two months here at Wavecrest. We have also just begun our Hallway Light Project in which we are removing the original light boxes and replacing with a recessed LED light, removing the popcorn ceiling, and repainting the hallways. Following this project, we'll be completing our carpet installation at the cabana, building walkways and hallways. This month we were able to complete four new re-piping projects, two resulting from leaks, and two due to remodels. Mahalo to these homeowners for your cooperation! If you haven't done so already, please consider a donation to our Annual Employee Christmas Fund to show your appreciation for our hard working employees!

Welcome New Neighbors: Jeffrey Wheeler (A108), Paul & Amy Bentley (A203); Benjamin & Janice Walin (A210)

Using Condo Control Central

All homeowners were notified effective October 1st, that we will be only using <https://www.condocontrolcentral.com> to post announcements, receive online Maintenance "Service" Requests and online Notice of Violations, notify of any changes in contact information, etc. However, we are still receiving phone calls, emails, and handwritten forms.

Unless there is an **EMERGENCY** Water/Gas Leak or Emergency Electrical Issue, in which case you may contact the office and/or the Emergency After-Hours phone **IMMEDIATELY**, please log onto Condo Control Central for **ALL other Maintenance Request** submittals and click on "**Service Requests**" then enter the requested information. **The office will no longer accept paper Maintenance Request forms, phone calls or E-Mails.** This is so all maintenance issues can be tracked, completed, and compiled electronically and easily referenced as needed moving into the new year. You should have received a welcome E-mail, so please log-on and get familiar with our new system. Contact the office if you need assistance.

If you are using your unit as a vacation rental, you'll need to inform the office of your on-island representative, cleaners, etc., as they will need to register if they have not done so already, and provide the office with current vehicle registration, safety check, and vehicle insurance. Please provide them along with your guests a copy of the house rules to avoid any violations. All Hawaii residents will need to provide an ID to verify residency and all visitors to Hawaii will need to provide vaccination cards and/or negative test results for each member of your party along with your Check-In Sheet to the office prior to/upon arrival. If these items are not presented to the office prior to/upon arrival, there will be a \$100 health violation fee along with a \$50 administrative fee if we must track down guest information post-arrival. Check-In Forms are available online or outside the office 24/7. If the office is closed, have your guests submit their paperwork in the Check-In Drop Box located below the office counter. Documents can be sent via email to wavecrest.office@gmail.com. Quarantine is not allowed at Wavecrest. **Mahalo to all the homeowners that rent out their units and continue to ensure their guests compliance regarding check-ins.** This has been a big help and savings of employee time.

Also, **BIG MAHALO** to the following homeowner volunteers who continue to help and support our Wavecrest community: Neil Strock (A101/B102), Dallas & Julie Jacobs (C104), Dan & Ellen Reed (C105), and Rockland Taylor (C106).

Employees:

Welcome aboard our new groundskeepers Eric Wills and William "Willy" Casil-Dudoit. They have been working hard to restore and maintain the constant upkeep of our beautiful grounds here at Wavecrest. Welcome aboard also our new WWTP Operator Trainee, Samuel "Sam" Cooper. Per Ted, he's been learning a lot and doing a great job. Sam has also started receiving free training from Hawaii Rural Water Association in preparation for the State's WWTP Operator 1 test.

Unit Inspections

If you have not scheduled your annual unit inspection, please call the office to schedule as soon as possible. The inspection consists of a quick check of your water/gas supply lines, windows/doors, check for water leaks, and a lanai check.

Cabana/Pool/BBQ

Sign-In, masks (cabana/BBQ only), and sanitizing remains MANDATORY for all persons entering this area. NO MORE THAN 25 PERSONS ALLOWED IN AREA AT ANY GIVEN TIME. The pool was scheduled to be closed on December 1st – 3rd for pump room floor repairs and deck power washing. Fortunately, we were able to complete these tasks and had the pool reopened on Thursday afternoon. Mahalo for everyone's patience and understanding with this matter, and mahalo to our hardworking employees!

Completed Projects:

Bldg. B Heater Flushing	Bldg. C Heater Flushing
A207/208 Hallway Light Project (Demo)	A107 Re-piping
B208 Re-piping	A110 Re-piping & Repairs
A210 Re-piping	Cement at Bldg. A Parking Lot
C110 Hallway Ceiling Repair	C301/302 Hallway Ceiling Repair
A309 Unit Inspection	A206 Unit Inspection
Bldg. A E. Stairwell Repairs	Multiple Leak Repairs
Water Particle Testing w/HRWA	Cement at Bldg. A Parking Lot
Bldg. A Gas Line Reinstallation @ Boiler Room	Cabana Pump Room Floor Repair
Bldg. A Gas Line Repair (The Gas Co./Plumber)	

Upcoming Projects:

Hallway Light Project (Started on 12/2/21)	Wi-Fi Hardwiring
Cabana Carpet Project	Walkways/Hallway/Stairwells Carpet Project
Cart Shed	Coconut Tree Trimming

WWTP

Attention: We are finding a lot of wipes in our system coming from Building C. **Please throw your wipes in the trash and not down the toilet.** Please keep in mind that our treatment plant is a living, delicate operation that should be treated with care. As a homeowner, you are responsible in helping to maintain our wastewater treatment plant here on property. You can help to care for our wastewater treatment plant here at Wavecrest by doing the following:

- **Use Water Efficiently**
- **Do Not Put any Cloggers Down the Drain**
(i.e., diapers, paper towels, **flushable and/or non-flushable wipes**, dental floss/picks, bandages, cigarette butts, coffee grounds, feminine hygiene products, candy wrappers, rags, etc.)
- **Do Not Put any Killers Down the Drain.** The EPA Clean Water Act also prohibits toxins like paint going down the drain. (i.e., paint, bleach, cleaning products, 2000 flushes or self-cleaning toilet cakes, chemicals, oil, etc.) These items are toxic and kill much needed bacteria and other microorganisms in our system that aid in the biodegradation process necessary for treatment of our wastewater. Please bag your non-rinsed paint brushes, paint trays, and dispose of accordingly.

Only mild soap and what we ingest should be going down the drains. Please inform your guests/tenants (if applicable) regarding this matter to help maintain and protect our wastewater treat plant.

As always, please feel free to contact me with any matters related to Wavecrest.

With kind regards,
Zaida Place