



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

NOTICE OF MEETING

Date: Friday, June 9, 2023

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 March 14, 2023
- President TBA, Treasurer, Secretary, and Manager's Reports

Discussion/Action Items -

- SMA – Special Management Area
- Fiber Network – Sign-up & Final Details
- Delinquencies

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

Executive Session - Closed session called by the Board President

Adjournment

Zoom weblink: <https://us02web.zoom.us/j/89978272207?pwd=S0FQL21qL3ljaDhDR205U1cydnNyUT09>

Teleconference Information:

Meeting ID: 899 7827 2207

Passcode: 214370

Telephone: 1-669-900-6833

<p>DATE OF NOTICE MAY 26, 2023</p>



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

**Friday, June 9, 2023 @ 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.

ZOOM WEBLINK :

<https://us02web.zoom.us/j/89978272207?pwd=S0FQL2lqL3ljaDhDR205U1cydnNyUT09>

TELECONFERENCE INFORMATION– MEETING ID: 899 7827 2207, PIN: 214370, DIAL IN: 669-900-6833

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 March 14, 2023

DIRECTOR REPORTS – President TBA, Treasurer, Secretary, Property Manager.

DISCUSSION/ACTION ITEMS

- SMA – Special Management Area
- Fiber Network – Sign-up & Final Details
- Delinquencies

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' Regular Meeting Minutes
March 14, 2023**

1. Call to Order / Roll Call / Appointment of Chair Pro Tem

- a. President Jack Thornton called the regular quarterly meeting to order at 9:04 a.m. HST.
- b. The following Directors were present: President Jack Thornton, Vice-President Michael Peters, Secretary Rod Huck (online), Treasurer Martha Strock, Kimberly Dutton, and John Becker (online). A quorum was established with all members present.
- c. Rachel Glanstein, Professional Registered Parliamentarian, was authorized to chair the meeting by unanimous consent.

2. Review/Approval of Minutes and Reports

- a. The September 30, 2022, regular board meeting minutes were approved as circulated.
- b. The December 2, 2022, regular board meeting minutes were approved as corrected.

3. Reports

- a. President Thornton gave a report:
 - i. House Rules. Review of key components of House Rules was provided noting & quantifying most prevalent violations as tabulated by the Pres. Written violations for 22' were significantly less than 21'. Order of prevalence was: smoking, animals, property access process violations.
 - ii. Insurance. Wavecrest Resort Insurance as well as individual owner insurance. Jack reiterated that owners must hold individual insurance and advised they extend their insurance to include non-occupancy insurance.
- b. Treasurer Martha Strock presented a report:
 - i. Reserves. Martha provided overview of capital item expenditures in 22' and how that affected our Reserve Funds, which she noted are clearly above the State of Hawaii minimum threshold requirement.
- c. Secretary Rod Huck provided a report:
 - i. Correspondence. Multiple emails were received from owners and forwarded to the board.
- d. Manager Zaida Place submitted a report in writing and introduced.

4. Discussion/Action Items

- a. Wastewater Treatment Plant ("WWTP") Overview and Update: Ted Johns, Certified WWTP expert, presented a detailed overview.
 - i. Described process how WWTP works.
 - ii. Conveyed WC is currently out of compliance with the State of HI--exceeding acceptable limits of contamination.
 - iii. Importance of all occupants of WC to mindfully support being into compliance:
 1. Only human waste & toilet paper down the toilet.
 2. For sinks--no grease. Minimize detergents (especially reduce use of those with Nitrates). Use liquid detergents in dishwashers. Minimize use of disposals.
 3. No bleach, paint thinners, grout, no chlorine products whatsoever, etc.
 - iv. Going Forward:
 1. Come into compliance through adherence to good practices for our existent system.
 2. Evaluate replacement of WWTP (which is 27+ year old) with new modalities available within the next 3 years, preferably sooner.

3. Potential sources of financial support

- a. Federal Grants---USDA, EPA
- b. State Grants----
- v. WWTP replacement options/timelines and potential sources of funding have been discussed with President Thornton.
- b. Insurance: President Thornton gave a report on behalf of Sue Savio, from Insurance Associates. The purchase of additional insurance coverage was suggested for days that units won't be available for use/rent due to forthcoming Fumigation/tenting. The board will notify owners well ahead of future fumigation (i.e., 6 months in advance). Process will entail all structures, sequentially tenting each one for 1-2 days. Bags will be provided to requesting owners for protecting food, perishables, etc.
- c. House Rules: President Thornton provided a report on the house rules.
- d. Easement to Beach: President Thornton gave a report on the easement to the beach.
- e. Laundry, Washer/Dryers: President Thornton and Vice-President Michael Peters presented a report on the board's intent to evaluate the cost/logistical considerations relating to replacing existent W/Ds with new ones that WC would own, rather than contracting with a third party as is the case currently.
- f. Fiber/Internet Installation: President Thornton gave a report. President Thornton and Neil Strock have laid all Fiber lines to each building and directly to each unit. Molokai is in an "Economic Zone" and eligible for discounted rates. Free internet may be available through August 2024. Individual units will need to hook up to wires now accessible. Condo Control will notify owners when Fiber is active.
- g. Owner Agent Responsibilities. President Thornton and Manager Place provided a report. Owners and agents are ultimately responsible for their units/units they manage and the occupants therein. Each must provide proof of insurance for the units and are responsible for the actions of their "guests". Each must notify guests of any Condo Control updates affecting them.

5. **Open Session – The following items were discussed:**

- a. Employee salaries and wage structure/increases/bonuses.
- b. Clarification of annual budgets, reserve account status, delinquencies, proposed resort fees.
- c. Water line plumbing repair issues.
- d. Legal action against WC from a previous lawsuit, mediation, liability insurance process were discussed.
- e. Concept of sub-metering each unit to more equitably address individual owner fees.

6. **Executive Session**

- a. Unanimous consent was used to adjourn the regular session at 11:40 a.m. and go into executive session to discuss potential legal and/or personnel matters.
- b. The executive session convened at 11:59 a.m. Unanimous consent was used to allow Rachel Glanstein and John Morris to remain during executive session.
- c. Legal and personnel matters were discussed, and no action was taken.
- d. The executive session adjourned at 12:38 p.m.

7. **Adjournment Times**

- a. The regular session adjourned at 11:40 a.m.
- b. The executive session adjourned at 12:38 p.m.

Werner Rod Huck, Secretary

Approved: _____ (date) Secretary's initials: _____

**Wavcrest AOA
Treasurer's Report**

	Actual 2023 April	Budget 2023 April	Actual 2022 April	Percent Change April/April	YTD Actual	2023 Budget
Revenue	99079.51	89266	84827.49	16.8%	367844.63	357064
Expenses						
Utilities	20891.3	22070	19927.59	4.8%	86799.73	88280
Professional Services	4629.86	4574.95	6161.3	-24.9%	23948.2	18299.8
Bldg Maintenance	9834.12	11600	11363.67	-13.5%	34362.25	46400
Payroll & Benefits	43989.94	32418.55	27648.07	59.1%	137705.78	129674.2
Other expenses:						
Insurance Master Policy	46448.23	15100	30373.12	52.9%	117094.03	60400
Insurance Flood	0	2277.08	9250	-100.0%	0	9108.32
Insurance Auto	0	83.33	0		0	333.32
Meeting Expense	309.22	416.66	1178.48	-73.8%	8049.82	1666.66
Miscellaneous Expense	338.03	35	236.13	43.2%	461.31	140
Maintenance Fee Expense	1860	1054	1845	0.8%	7440	4216
AOAO Wavcrest Rental Expense	508.3	337	0		968.26	1348
AOAO Office Expense	0	200	344.25	-100.0%	283.5	800
Real Property Tax	0	344	0		1488.1	1376
State General Excise Tax	646.36	214	988.8	-34.6%	1034.04	856
Total Operating Expenses	129455.36	90840.57	109316.41	18.4%	419635.02	363362.28
Operating Surplus/Deficit	-30375.85	-1574.57	-15238.92	99.3%	-51790.39	-6298.28
Capital Improvements	42.51	0	100	-57.5%	17683	140595
Total Cash Disbursements	129497.87	90840.57	100166.41	29.3%	437318.02	503957.28
Cash and Investment Balance						
Operations	140903.14		153677.04	-8.3%		
Reserves	713495.98		662489.55	7.7%		
Total Association Cash	854399.12		815974.14	4.7%		
Delinquencies - Active Owners						
Maintenance Fees	127164		115354	10.2%		
Legal Fees	9423		7585	24.2%		
Late Fees	15975		16175	-1.2%		
Rental Income-Lockers	-80		59	10.2%		
Interest Charges	92042		73315	25.5%		
Fines	1850		2172	-14.8%		
Total	246374		214660	14.8%		
Delinquent Active Owner Count	23		62			
Delinquent Inactive Owner Count	8	40736	38,873			



Board of Directors

Assoc. of Apartment Owners – Wavecrest Resort, Inc.

Manager's Report

June 9, 2023

Aloha Homeowner(s):

Our crew has been busy this past quarter with scheduled maintenance, leak assessments and repairs, recarpeting, and re-piping as needed. All the heaters were flushed, and once again, to no surprise due to regular flushing, there was extraordinarily little to no sedimentation exiting the tanks. Reaching it's one year mark after installation, the cabana carpet was shampooed in early April as scheduled, a total of three units were re-piped this period, the building C hallway/walkway recarpet project is almost completed, vehicle tag inspections were completed and reminders sent out, and kayak storage photos and paperwork were updated also here in the office. Busy...

Personnel from NFIP were here in early May to complete follow-up from the fire alarm system inspection completed in April. Some batteries and two non-working horns were replaced and updated with horn strobes. We are in the process of receiving costs of updating all the horns with horn strobes per building, to accommodate the hearing impaired and scheduling installation by NFIP for our system to follow the fire code.

Regarding kayak storage fees, invoices are always sent out in November via email with a reminder going out in December and should be paid no later than January 1st of the upcoming year at the office/Hawaiiana. Due to this year's late notice of the increase of the fee amount, payment was extended into February and there were several units that still did not pay into April. As a reminder, it's been our policy that a non-paying unit or a unit delinquent in HOA fee payments, will be asked to remove their kayaks and the space(s) will be given to the next unit on the waitlist. Upon removal notification, if the kayak(s) is not removed by the required date, Wavecrest personnel will remove it and it will be placed in a non-secured area for up to two weeks.

For safety and productivity, please keep greetings/conversations with our crew while at work short and sweet. Please use our Condo Control app: app.condocontrol.com for any concerns/suggestions and do not bother our employees while at work. For liability reasons, the crew is also restricted from entering any units while at work unless authorized by the office to do so. Should you have any questions regarding this matter or any other concerns, please feel free to contact me.

See the next page for a glimpse of our 2023 Annual Homeowner's Luau.

Mahalo,
Zaida Place

Annual Homeowner Luau

Homeowners and guests, most dressed in aloha attire and some adorned with lei that was made earlier in the day at a lei making workshop attended the Annual Homeowners' Luau in March. After three years on hiatus due to the pandemic, the luau was a welcomed back event. All in attendance enjoyed as they were entertained by keiki of Hula Halau 'O Kilohana and keiki of Teoraroa, a newly formed Tahitian dance group here on island, followed by Rick Schonely and the Kalaupapa Backyard Band who sang their hearts out and provided both dinner and dancing music.

Our delectable dinner was catered by Mana'e's own Keilah Luczon. On the menu was huli pig, chicken long rice, mahimahi, macaroni salad, Caesar salad, fruit salad, and a sweet potato haupia pie and chocolate cake for dessert. MAHALO to the following for helping to make this event a success: 2022-2023 Board of Directors, Jeffrey Silvers (B209) for jumping in and taking a turn at the huli pig spit, Kohl Simms and sons for the huli pig preparation, Wavecrest's hardworking crew - Donna, Mihpel and Bill and to friends Kumu lolani Kuoha, Tammy and ErleMae for gathering materials and putting on the lei workshop and help with feeding the halau keiki, caterer Keilah Luczon, and to all the ladies that joined in and participated at the lei making workshop!



SAVE THE DATE for next year's annual meeting & luau, March 13, 2024.

It's an enjoyable evening and an opportunity to meet your neighbors!

