



Poipu Kai Association Spring Newsletter April 2014

Annual and Board Meetings

The PKA Annual Meeting, attended by about 200 people, was held a week ago, April 19th. In addition to conducting normal business, four resort owners were elected to the PKA Board of Directors: Russ Moen (Poipu Sands) and James Hasenyager (Makanui) to three-year terms, and Marilyn Woodger (Poipu Sands) and Pam Ryan (Makanui) to two-year terms. Kymry Perez (Lanai Villas), Greg Peterson (Lanai Villas), and I continue on the PKA Board of Directors ... Greg and myself for one more year, Kymry for two more years. All of the board members and their email addresses are provided on the PKA website at www.poipukai.org.

At the organizational meeting of the PKA Board following the owner's annual meeting, the following organization officers were elected:

- Vince Jones, President
- Kymry Perez, Vice-President
- Greg Peterson, Secretary
- Russ Moen, Treasurer
- James Hasenyager, Director
- Pam Ryan, Director
- Marilyn Woodger, Director

During the annual meeting I gave a short talk about the site recently uncovered at the southeast corner of Poipu Road and Hoowili Road, the road from Poipu Road down the hill to Brennecke's and Poipu Beach Park. The site is called *Ke Kahua O Kaneiolouma* and it was "an ancient Hawaiian village that was revealed only recently in Poipu after decades of being concealed by vegetation" (Pamela Varma Brown, Kalaheo hula halau to represent Kauai at Merrie Monarch Festival, *The Garden Island*, April 20, 2014, p. C2). The area is currently undergoing renovation and is a more than 500-year-old village that sits on 13 acres in Poipu and includes an intricate system of walls and terraces with remnants of house sites, fishponds, taro fields, above-ground irrigation channels, shrines and idols. And the site is gaining additional notoriety this year during the Merrie Monarch Festival, the "Olympics of Hula", which is held annually in Hilo, Hawaii. Only one halau from Kauai was invited to the festival this year ... Kalaheo-based *Halau Ka Lei Mokihana O Leina'ala*. Their *kahiko* dance will celebrate the rebirth of the *heiau* (traditional Hawaiian place of worship) within Kaneiolouma.

PKA Management Team

Emphatic ‘Mahalos’ to last year’s PKA board members. Our two newbie’s Kymry Perez and Pam Ryan, elected last year, spent significant amounts of time as highly-involved members of the board’s Personnel Committee. Greg Peterson, finishing his second year on the board, and Kymry Perez, significantly impacted PKA Home Owner Design Committee (HODC) processes and operations resulting in shortened periods responding to owner inquiries and requested approvals. Greg Peterson was also a key interface between the board and owner tennis players. And what can be said about Bob DeMichiel other than he has been a dedicated and devoted Treasurer for many years dealing with budget development and monitoring, and annual audits for both PKA and the Poipu Kai Water Reclamation Corporation. When he became Treasurer the association’s finances were in trouble ... through his and other’s efforts, we now have an extremely sound financial position and tracking/monitoring processes.

The significant efforts the association continues to receive from its General Manager, Carolyn Caylor, and PKA’s Associa Hawaii’s Account Executive, Patrice Asuncion, can’t be understated. These two women have years-and-years of property management experience that is highly supportive of the resort’s daily operation, long-term planning efforts, board operations, and dealing with ever-changing Hawaii state law. Each has also been responsible, along with Bob DeMichiel, for the association’s strong financial position and management processes. PKA is a very large business ... probably one of the larger on Kauai. Many similar associations look to PKA to acquire and incorporate ‘best practices’. I can’t imagine what the board would be dealing with had not a previous board brought Carolyn and Patrice onto the PKA management team.

We lost three board members this last year ... Adrian Beltran whose unit sale closed shortly after the 2013 Annual Meeting, Gary Rubenstein who resigned from the board last December, and Bob DeMichiel who retired just before this year’s April annual meeting. All three provided many years of service to PKA and much of what is good about our resort and association came from their efforts on all of our parts. Bob DeMichiel has agreed to be a very active consultant to the board for the next year ... and he will be working with and helping Russ Moen, the association Treasurer, gain necessary insight and process understanding.

Lanai Room

During the 2013 PKA Annual Meeting, owners learned about Kauai Athletic Club’s (“KAC”) desire to open a facility in the Lanai Room ... and in fact, a Letter of Intent had been executed prior to the meeting. This did not happen for two reasons. First, KAC notified PKA in late 2013 that they could not occupy the space because financial expenditures related to KAC opening a new property elsewhere had exceeded plans curtailing expansion to Poipu. Second, plans evolved to repair Kalapaki Joe’s previously known floor leakage and structural problems over a multiple-week period. These repairs will impact some structural features and utility routings of the ceiling structure over the Lanai Room. The repairs which had been planned for March 2014 did not happen but will occur at some near-term future time. Until then we cannot move forward with any plans regarding Lanai Room use. When these repairs are completed, Island Gym and Fitness may be interested in occupying the space or another use may develop.

PKA and Associa Hawaii Websites

The PKA website located at www.poipukai.org is up-to-date ... and looking better than ever due to the efforts of our webmaster Jeff Krueger. One of the changes introduced recently is the listing of each Director's personal email address. This will allow PKA owners to contact any Director with questions and/or concerns. Points raised to any Director will be relayed to the Board for consideration and action if needed. Owners should be pleased with the wealth of material available on the PKA website, and the way Jeff has linked PKA's website and the PKA-specific Associa Hawaii website for the viewer's convenience. If you have never 'surfed' the PKA website—or have not done so for some time—you might want to do so now to familiarize yourself with what is available.

PKA Tennis Policy

Based upon input from owners, and financial studies conducted by the Board of Directors and General Manager, the Board modified the PKA Tennis Policy effective May 1, 2014 so that:

- Dependent children 22 and under of owners may play tennis at no cost;
- Children 13 and older may play tennis unsupervised by an adult; and
- Non-PKA owners, playing with an owner, may play tennis for ten dollars (\$10).

Poipu Road Parking

Through participating last year during County-supported future design-planning efforts regarding Poipu Road from Koloa to the Hyatt, board members learned of the efforts Bayview owners had been pursuing trying to get better visibility of Poipu Road traffic when exiting from Keleka Road. After this the Board supported efforts being taken to encourage the Kauai County Council to establish No Parking zones east and west of the Keleka Road intersection. Following final considerations, during which PKA provided testimony and owner support, the Council did direct the establishment of the No Parking zones making it safer for Bayview owners to exit onto Poipu Road.

Resort-wide TV/Internet Cable Service

Enhanced Time Warner Cable service was negotiated by the General Manager. The service has been already installed at resort homes and throughout all condominium facilities except for Kahala. The Kahala facility is currently being upgraded to support the new service. Most homeowners will experience cost savings by terminating their previous privately-contracted and funded television/internet service. Condominium owners will experience easier access because they will no longer need to establish internet connectivity through a Resort Access page. Everyone will benefit from faster download speeds (now about 12-15 Mbps) and upload speeds (over 1 Mbps).

Tenant Leases

Negotiations were successfully concluded extending the Aston lease of lobby, office, and operations space to the end of 2015. A new Suite Paradise lease for space in the maintenance buildings to the east of the PKA's main office building will be needed soon.

Maintenance Fee Payment Delinquencies

Late payments of owner maintenance fees are closely monitored, addressed, and managed. Currently four (4) owners, who own five properties, have not been paying a total of \$1,820 maintenance fees per month—1% of the budgeted monthly maintenance fee income. The total amount of delinquent fee payments for these owners is \$13,258. These delinquencies have been referred to Ekimoto and Morris, the association's attorneys for collection. We have been using PKA's recently acquired ability to obtain a property's net rental income to reduce the owner's delinquencies. Agreements to jointly and more efficiently use net rental income to reduce maintenance fee payment deficiencies have been developed and signed by PKA and each of four AOAOs (Makanui, Manualoha, Poipu Sands and Regency).

Service Contracts

PKA provides maintenance services to four AOAOs dealing with the AOAOs' pool, grounds, and building assets ... they are Makanui, Manualoha, Poipu Sands and Regency. The specific tasks covered have been defined well in past years, but the management services the AOAOs can expect to receive have not. The service contract wording was updated this year to define the specific management support being provided to the AOAOs, and the process that can be used by AOAO Presidents to meet monthly with the PKA General Manager for a status and update meetings. Further, a detailed look at costs paid by the AOAOs for the PKA provided services was undertaken, and charges were increased to better represent the costs incurred by PKA as it provides the contractual services to the AOAOs.

Regards and Aloha,

A handwritten signature in black ink, appearing to read "Vince Jones", written in a cursive style.

Vince Jones
PKA President