FEBRUARY (PEPELUALI) - 2025

February Brain Teaser

What did the Cucumber say to the Pickle on Valentines Day?

Answer on Page 6

President's Message 2025 Annual KEE Board Meeting



Our Annual Meeting was held on January 25, 2025. The meeting was very well attended, and we had a quorum over the required 50 % represented in person or by mail.

I want to extend my thanks to Walt Weiss for his service as Board President. He has led the Board through some challenging times this past year. But we are not letting him get away. He will remain a volunteer member of the Infrastructure Committee. His experience and advice will be greatly appreciated.

The first order of business was the election of new Board Members.

I want to welcome our newly elected director, Mary Widiner. She has served on the Board in the past. Her knowledge of this community and professional background will be a big asset as we move forward with major projects.

After taking care of the routine business, we received a budget report from our Treasurer. We then received reports from the Grounds and Infrastructure Committees as well as our Resident Manager, Marlene Almadova. We were also fortunate to have Rudy Savio (Insurance Associates) present to answer questions about the rising insurance costs. You will find a summary of these reports in this issue of DA KINE.

I will conclude my message with a few comments on the Annual Meeting for those who could not attend.

The meeting was held in the parking lot behind the pavilion under a large portable canopy. The meeting was well attended. The seating area was filled.



Happy Valentine's Day

I was very impressed with the unity and support of our community as reflected in the comments and questions coming from those present. It was clear to me that our owner's care about Kuilima Estates East. I did not hear a single complaint. I did hear ideas and suggestions for the Board to consider as we go forward.

After the meeting, I heard many comments from those in attendance. It was a "good meeting"!

From all the members of your Board, thank you for your support. We need it to be successful.

..... Bert Wilkinson, President

Board Member and Staff Reports



Wendy Stafford (Treasurer) gave a summary of the 2024 year-end budget and finance report. We were over budget by 11.0% in our Operating Expenses Budget for 2024.

The major cause was an increase in Other Expenses to cover a 39% increase in insurance premiums. We also exceeded our budget in Grounds (for tree trimming); Pest Control (Rhinoceros Beetle treatment); and Security (Wage Increases). These were unforeseen costs.

Bottom line is Actual vs Budgeted Operating Expenses exceeded the Amount Budgeted (See Below).

2024 Budget	\$1,506,275
2024 Expenditures	\$1,637,222
Net Overrun	\$130,947

Wendy also provided a summary of the Capital Improvement and Major Projects Account. These are our big-ticket projects. We came in under budget by 15.9%

2024 Budget	\$1,124,002
2024 Expenditures	\$ 945,138
Net Surplus	\$178,864



Editor's Note:'

In 2024 the Association drew heavily on it's cash reserves. This was necessary to fund emergency repairs to the waste line system while completing scheduled Capital Projects. Our year-end cash and reserves totals \$612,357.59.

Grounds Committee



Bob Graham reported on the activities of the Grounds Committee. This dedicated group meets monthly to evaluate the condition of the property landscape; the of our landscape contractor:

performance of our landscape contractor; and to make recommendations to the Board on maintenance and improvements.

He noted that dealing with a landscape that was planned and planted 50 years ago is challenging at times. Overgrowth is one problem. The committee is often dealing with what to remove, rather than what to plant.

The committee is also monitoring the threat posed by the arrival of the Coconut Rhinoceros Beetle. We continue to be active in our efforts to protect our trees from this pest.

Bob had positive comments on the performance of our landscape contractor. The committee feel they are capable and reliable.

Infrastructure Committee



Bert Wilkinson made a report on work of the



Infrastructure Committee. A work schedule has been set for Waste Line Repairs for 2025. Letters have been sent to the owners of units that are on the schedule. The letters provide detailed information on how to prepare for the work. The Waste Line Repair Schedule has been posted on the KEE Website.

We are in the process of selecting a contractor to do a camera inspection of the Main Waste Lines that connect to the City/County Sewer System. This will allow us to determine the full scope of the work necessary to be completed.

We finished an inspection of our propertywide electrical service system. The report reveals that work must be done to replace corroded equipment and 50-year-old breaker boxes that are nearing the end of their useful life. Panelboards are missing safety information, labels and panel name tags.

We have water present in access points to underground electrical utilities. We have also discovered that main feeder lines from HECO are undersized.

We also did some load capacity testing. We have discovered that most units tested have very little capacity for upgrades that would add more electrical load to their system.

While the above electrical report seems daunting, necessary repairs will not cost anywhere near the estimated costs for the Waste Line work.

As we move forward, the guidance and support offered by our Engineering Consultant, Bergeman Group, has proven to be very beneficial.

In the very near future, we will establish the full scope of the work to be done; establish project costs; develop a work plan; and develop a financing plan.

As we move forward, keeping you all informed is a priority.

Public Relations Committee

In 2025 owners must be kept up to date on work schedules and details.

Emails are the most efficient way to establish group and individual contacts. Given this, we will be validating our distribution list to ensure we can communicate with all owners.

We also urge all owners to visit the KEE Website at <u>www.kuilimaestateseast.com</u>. We will use our site to post work schedules and notifications in the future.



Resident Manager's Report

Marlene Almadova reported on Capital Project work in the past year.



Replacement of the gate security system/software as well as roof maintenance were the first projects completed.

Other significant work included the installation of non-skid strips on stairwells and replacement of pathway lighting (both still in progress).

Other work included repair/maintenance to building stairways, railings, wood siding, concrete walkways and the sprinkler system.

Your maintenance team is very efficient and capable.

Marlene noted that proof of HO-6 insurance is required on an annual basis and is now due. If proof is not received, Hawaiiana will open a policy and bill back the cost.

Marlene made a request to the owners who rent to ensure guests:

- Are provided with a copy of our condensed house rules.
- Know how to get through the entry gate and into the rental unit.
- Know who to contact (on-island agent) for questions regarding their rental.

She reminded us all that we owners are responsible for the actions of our rental guests.

Marlene concluded her report by thanking owners for their ongoing support. It is much appreciated.

Insurance Associates

Rudy Savio made a brief



report on insurance. We **INSURANCE** have full value coverage for our property for 2025. Unfortunately, rates continue to rise. In 2024 insurance cost us \$184 thousand. In 2025 it will cost us \$350 thousand. Rudy mentioned that, for many years, Hawaii was considered a low-cost insurance market. This is no longer the case.

General Comments



Vini Freitas concluded Board presentations with a few reminders to owners. He noted that all waste lines on property are at risk of backup. This includes those recently repaired. We all need to be careful of what we flush and dispose of.

He also reminded us of the requirement to get Board approval for all upgrades and renovations. In many cases it is also necessary to employ a licensed contractor to do the work.

Vini concluded by asking those that rent to make sure their guests are aware of our most important house rules. A copy of the condensed house rules should be made available to every guest that rents at KEE.

Editors Note: Condensed House Rules and Work Order Request forms are available for download on the KEE website or directly from our Resident Manager.

OWNER'S FORUM



Following the conclusion of the Annual Meeting, the floor was opened for comments and questions from those present. The following summarizes the many comments and questions raised by attendees.

An owner raised the question of inequity in personal costs associated with waste line replacement. Units with the common line under the floor had significant personal expenses while upper units had very little.

The Board is aware of this issue and is considering options to share some of these personal expenses. Any approved plan will include units where work has already been completed.

An owner asked how many Short-Term Rentals (STRs) were operating at KEE; how many were licensed; and how many are operating legally.

The Board estimates that 55 % of the units operating as Short-Term Rentals on our property are unlicensed. The Board does not know how many units are not following City/County Regulations, but obvious violations are observed on a regular basis.



The Board was asked if illegal STRs are being reported?

The AOAO is not reporting illegal rentals. That policy will change. The Association cannot continue to ignore violations of City/County Ordinances. Illegal STR's are subject to warnings and fines as a violation of our House Rules.

As promised at the meeting, the link to the STR Webpage for reporting a violation is as follows:

https://www8.honolulu.gov/dpp/permitting/str/

A member noted that the Monthly Maintenance Fee is based on unit size. Many units on property have been expanded but the Maintenance Fee has not been adjusted. Is there any thought to readjusting the Monthly Fees?

Many members of the community have raised this issue. A change to the way that Monthly Fees are assessed would require a change to our Bylaws and a vote of the owners. Such a change seems reasonable since the original fee percentage was based on unit size.

The Board was asked if there is any plan to deal with unpermitted expansions of units that was completed in the past?

There was much discussion regarding this issue. An owner commented that unpermitted space cannot be used in a legal STR.

Another owner expressed concern that unpermitted work could be a hazard to occupants, the community and the Association.

The Board would like all past, present and future work that requires permits to have permits. Going forward the Association must do a better job in the work approval process. A plan to deal with unpermitted (past) work should be developed. It is never too late to correct a problem.

An owner thanked the Board for the time, effort and service to the Association.

There were no further comments from the floor. The Owners Forum was concluded.

After the annual meeting the Board met to appoint new officers. You will find the 2025 KEE Board Members and Assignments attached to this newsletter.

A FEW FRIENDLY REMINDERS



Construction, Repairs or Alterations Require Board Approval

If you are planning to remodel or renovate your

unit, please review page 5 of the KEE House Rules. This section provides guidelines for all owner-initiated work projects at KEE. Your project may require Board Review and Approval. Contact the Resident Manager if you have any questions.

Short-Term Rentals on KEE Property

The Kuilima Estates East Association of Apartment Owners approves Short-Term Rental of Property Units. This is conditional upon the unit being properly licensed and operated in compliance with Honolulu City and County Regulations. These regulations include, but are not limited to the following:

Compliance with Occupancy Limits Retention of On-Island Agent Proper Licensing and Advertising Payment of City/County/State Taxes No Rental in Un-Permitted Space

Short-Term Rental violations occur too often and cannot be overlooked. Most involve rental of un-licensed units and bookings that exceed the legal unit capacity.

When violations are noted, owners will be notified. If violations continue, the agency regulating STR's will be notified.



FOR SALE OR WANTED

Looking for a unit for my

Father to purchase. He wants to move from town to Kuilima now that he is retiring. Prefers a bottom floor unit but that is not a deal breaker. If you are interested in selling to a Kama'aina to live in please let us know. **Contact Joel Hehn 808-426-6393** Need an ad posted? Contact Vickie Dela Cruz at vickieldc@yahoo.com





**DIS 'N 'DAT – Did you know that... You Can Celebrate Valentine's Week

Love 💙
Thursday Friday Saturda

As we approach the day of love, my special valentine sprang a new idea on me. Why celebrate a day of love when we can do it for the entire week! Sometimes I'm a bit slow to comprehend, so she had to explain. I think I understand so...here is my take on what a Valentine's week would look like.

It starts on the 7th of February and builds to the big finale on the 14th.

February 7th is Rose Day - That translates to Roses, a dozen at least, and make them Red. That represents love and passion.

February 8th is Propose Day – For a lot of us that has already happened. But you can use this day to express your love to your Valentine directly, and not via a card.

February 9th is Chocolate Day - I like this one. A great way to express affection. Get a big box so you can eat some too!

February 10th is Teddy Bear Day - Humm! Nice thought, but does a woman give her man a soft cuddly teddy bear? Why not!

February 11th is Promise Day – We are all good at this right? The exception here is that it must be heartfelt and full of love and trust...and, the promise must be kept.

February 12 is Hug Day – This will be my favorite. I like to hug...and the nice thing is

when your giving a hug, you are also getting one.

February 13 is Kiss Day - It could be a peck or a deep passionate one. Either way, it signifies love, affection and devotion. And why not make it Kisses Day!

February 14th is Valentine's Day – The day you have been building up all week for. But what is left? You have given flowers, chocolates, kisses and hugs. You have proposed your love with a vow and a teddy bear.

There is much more you can do. But we will leave that for you to figure out.

ALOHA AND HAPPY VALENTINE'S DAY!

ATTACHMENT – MESSAGE FROM THE O'AHU SHORT-TERM RENTAL ALLIANCE



OSTRA is an organization dedicated to supporting the Short and Mid Term Rental Industry.

relationships with local politicians and regulatory agencies to represent the interests of renters.

As a matter of public service, we have attached a message from the OSTRA Organization on Page 9 of this edition of DA KINE.

We believe this message will be of interest to the many owners who operate Short-Term Rentals at Kuilima Estates East.

Should you have any questions concerning the message, you can access a link to the OSTRA Webpage for more information. Just click the image above.



FEBRUARY EVENTS ON OAHU

PANA PANIOLO A Guntay Ga PUNAHOU CARVIVA.

Punahou Carnival Feb 7th & 8th - 9am to 10pm – Punahou School Grounds

This year's theme is "A Country Carnival! Like a State Fair with Food, Entertainment, Rides and so much more. Click on the image above for more information.

Haleiwa Town Market

Saturday, February 15th 9:00 AM 2:00 PM Waialua Community Association 66-434 Kamehameha Highway

Highway Pop-up Marketplace that features premier

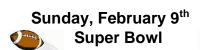
local artists, makers, designers, collectors, food vendors, and more.

Here is one we have never heard of. But it sure looks like a lot of fun.

48TH Buffalo Big Board Surfing Contest Makaha Beach – Feb 15th - 23rd



Founded by legendary waterman Richard "Buffalo" Kalolo'okalani Keaulana, this contest has to be a real "one-of-a-kind". Watch big board surfers hang-ten and dead cockroach their way to victory. See tandem and five-person surfers on one board. Fourteen different competitive categories. Wow!! Click on the image for more info.

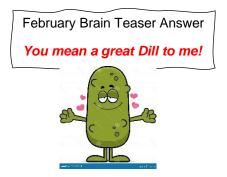


DON'T FORGET THESE DATES

Friday, February 14th Valentines Day



Monday, February 17th President's Day





HAU' OLI LA HANAU



FOR FEBRUARY

CAROLINE CUMMINGS - LANE DAVEY HALLEY PRASAD - STEPHANIE SOUZA – WENDY STAFFORD HERB ROSE

Let us recognize your birthday in DA KINE. Email your name to <u>vickieldc@yahoo.com</u> – Subject: DA Kine Birthday. Mahalo



KUILIMA ESTATES EAST BOARD OF DIRECTORS



President	Bert Wilkinson
Vice President	Vini Freitas
Secretary	Mary Widiner
Treasurer	Wendy Stafford
Director	Rick Rocheleau
Director	Ete Savini
Director	Lisa Lai

RESIDENT MANAGER & SECURITY

Resident Manager – Marlene Almadova Email: <u>kuilimaeast@hawaii.rr.com</u> Phone 808-293-9974 Monday – Friday 9am – 2pm

KEE SECURITY (APEX) Monday – Friday 3pm-7am Saturday/Sunday 24 hours Phone 808-293-9974

> NEWSLETTER & WEB PAGE Bert Wilkinson & Vickie Dela Cruz baw5671@comcast.net

STANDING COMMITTIEE BOARD ASSIGNMENTS

Public Relations – Bert Wilkinson Rules – Mary Widiner Finance – To Be Set Facilities/Infrastructure – Bert Wilkinson, Vini Freitas, Rick Rocheleau Grounds and Landscaping - Lisa Lai



Short-Term Rental Update

AL ALLIP

Kudos to more Owners following the law registering their short-term rental with DPP in compliance with City law. While more than half of those eligible to register have done so, there's still dozens of Owners still operating illegally. The City has provided HOAs and Resident Managers a link to see which condos have registered as it's a violation of KEE's by-laws to operate a short-term rental illegally.

The City recently contracted with Granicus, a software bot that crawls through all advertising sites and can easily identify illegal rentals and issue the Owner an NOV – Notice of Violation with a \$10,000 fine per day to follow. Not registering your condo also puts your insurance coverage at risk should you need to file a loss or liability claim.

The Oahu Short Term Rental Alliance - OSTRA worked with the City last year to simplify registration and renewal requirements to make the process easier. You can access these requirements on the DPP website or become a member of OSTRA to access our simplified instructions and expert advice when needed. We're lucky to have KEE Owners, Jill Paulin and Mike Heh who are two of the five OSTRA Directors.

OSTRA would like all Owners to become OSTRA members so they can continue to advocate for short termrental Owners across Oahu and protect your investment. OSTRA's Board and Volunteers fight hard every year to keep property taxes fair for registered TVUs. We were able to save owners of a typical one-bedroom Kuilima unit over \$8,000 per year by negotiating a separate TVU rate rather than the units being taxed in hotel/resort property tax classification. Keep rates fair requires ongoing communications with Council Members which OSTRA does on a weekly basis.

If you haven't joined yet, please go to <u>OSTRA.org</u> and join today. For less than the price of a cleaning fee, you can have access to all state and local legislation that impacts you, including help with registration and/or renewal questions and help your business thrive. OSTRA's success depends on every short-term rental operator do their part. Mahalo to the many members already on the OSTRA team!