



# Kanaloa at Kona Water Leak Prevention & Mitigation Report

SPRING 2023

# Water Leaks Cost Owners Money

- ▶ Increased leaks are contributing to higher insurance rates
- ▶ Higher insurance rates forced higher monthly owner fees for '23
- ▶ Reducing leaks may eventually reduce insurance premiums, owner fees
- ▶ Repairs after leaks reduces rentability affecting owners and property managers
- ▶ Committee looked for cost-efficient ways to detect and prevent leaks based on the property's leak history data, interviews with Property Management and insurance representatives, and online research

# KAK's Leak History

- ▶ Committee gathered info from Association's insurance broker, Kanaloa's current GM, and owners themselves about leaks in recent years
- ▶ Per our Insurance Broker, claims were more often filed for leaks at water valves, hoses and appliances
- ▶ Owners surveyed also noted many toilet, HVAC and kitchen sink leaks
- ▶ 64% of leaks in '21-'22 could have potentially been caught by leak detectors
- ▶ The frequency of leaks on property has significantly increased over the past 5 years, according to all sources -- our GM, owners who responded to survey, and our insurance broker

# KAK's Leak History

- ▶ Occupancy status does not play into whether a unit has had leaks – units with full-time residents, part-time vacationing owners, and rental guests have *all* had leaks
- ▶ No significant relationship between occupancy status and how quick leaks were reported, or how expensive they were
- ▶ Committee analyzed Kanaloa's own leak data and also researched detection/prevention methods to arrive at recommendations to combat leaks
- ▶ Better tracking systems by property management would provide faster access to longitudinal data to aid in decision making

# Leak Detection Is Key

- ▶ Long, slow leaks usually cause more damage than big, obvious ones
- ▶ Catching leaks early helps minimizing damage and costs
- ▶ Surveyed owners reported catching many leaks themselves, others were caught by renters, neighbors, KAK staff
- ▶ Various types of leak detectors and detection systems are available, both high-tech and low-tech (see *pages 43-46 on narrative report*)
- ▶ Insurance professionals recommend detectors to prevent leaks

# Whole-Property Detection System

- ▶ Committee **DOES NOT** recommend a whole-property system for Kanaloa at this time
- ▶ Whole-property internet-linked systems place several detectors in each unit, then detectors are monitored at a central hub, and alerts are sent to a responsible party if water is detected
- ▶ Whole-property systems are most commonly used in high-rise buildings
- ▶ EnviroSmarts whole-property system bid – not comprehensive enough, quite expensive up front, required ongoing monitoring expense annually
- ▶ Committee obtained two competitor bids – both more comprehensive but unfortunately even more expensive

# Suggested Leak Prevention Actions

- ▶ Committee recommends KAK try simpler, lower-cost methods to prevent leaks, and suggests layering several prevention methods for best results
- ▶ Annual plumbing inspections of all units, written results to owners who then make necessary repairs
- ▶ Follow AOAO recommendations on replacing plumbing components before end of its lifespan
- ▶ Inspections by KAK staff for units vacant for more than a month (opt-in)
- ▶ Owners install leak detectors at *ALL* potential leak sources in their unit
- ▶ Label water valves under each structure by unit number
- ▶ Make it easy to shut off water lines to units that will be vacant for extended period

# Suggested Leak Prevention Actions

- ▶ Create “leak log” and inspection/repair records for each unit, to assist in follow up inspections and insurance claim filing if necessary
- ▶ Use Kanaloa Communique to educate Owners about leaks, their liability if their unit is a leak source, and prevention device options
- ▶ Encourage owners to match HO6 Loss Assessment limits to the Association’s policy deductible of \$50K
- ▶ Publish AOAO’s policy regarding handling of owner assessments that cover the AOAO deductible (per Hawai’i statutes)
- ▶ Continue monitoring and evaluating Kanaloa’s leak data in the future, layer on additional prevention methods if necessary



# Suggested Leak Prevention Actions

Component	Lifespan Years	Replacement Recommendations
Supply Waterline valves, hoses at toilets, sinks	5-10	Replace any that are not quarter-turn type immediately
Shower Pans	10-45	Replace any originally installed metal pans immediately
Toilet flange, wax ring	5-20	If a toilet "rocks"- Replace flange/ring immediately
Electric water heaters	10-15	Replace if over 10 years old
Water heater lines	5-10	Replace waterline connections when new water heater installed
Washing machine hose	3-5	Replace hose any time new washer is installed
Icemaker supply line	30-50	Replace any originally installed valves immediately, or consider disconnecting water supply if not using, or for maximum protection

# Conclusions

- ▶ Owners who participated in the survey appreciated the opportunity to provide input on this important topic.
- ▶ This committee appreciates owners who participated and provided us with the data to complete our research and recommendations
- ▶ Committee believes a combination of several prevention methods would be best to help thwart leaks
- ▶ The Board, the Property Manager and all Owners must join forces to try and prevent leaks
- ▶ Leaks happen...Let's work together: Inspect, Install, Monitor & Evaluate
- ▶ Committee is grateful for the opportunity to serve the AOAO