

Hawaiian Paradise Park Owners Association
The Board of Directors Meeting on August 18, 2010
Minutes

- I. **Call to Order:** President Ron Vizzone called the meeting to order at 6:05 p.m.
- II. **Roll Call:**
- a) **Board of Directors:** Ron Vizzone, President; June Conant, Vice-President; Ken McGilvray, Treasurer; Elizabeth Weatherford, Secretary; Francis Ganon, Judy Sumter, Alan Dale Watson, Leslie Estep, Keone McAllister. General Manager, Kaniu Kinimaka-Stocksdale, was also in attendance.
 - b) **Guests:** Clyde Almeida, Leilani Bronson-Crelly, Sharon Carino, Jerry L. Carr, Dave Cronister, Bonnie Fithian, David Fithian, Joan Galante, Roger Hanson, Jackie Langlais, Dorcas Liu, Freddi Maguilla, Gary Matthews, Merrill R. McAlister, Heather McNeill, John Mullin, Paul Nash, P.E., Kerry Petersen, Jane Petersen, Evan Pfaff, R.E. Rainie, Mayelin Stillwell, Rod Thompson, Chuck Titherington, Tappan E. Titherington, Ivan Van Leer, Esq., Matthew Vidinha, David M. Watters, Chuck Webb
- III. **Approval of the Agenda:** The agenda was amended as follows: Dale Watson asked to add the following: Paving Committee – Conflicts in motions adopted regarding membership. New Business – Motion to Hire Attorney; and a Motion to Qualify Conditions for the Conch. Elizabeth Weatherford asked to file a letter from the Dept. of Transportation regarding Shower Drive, to be added to the General Manager’s Report. *The amended Agenda was approved by unanimous consent.*
- IV. **Guest Speakers:**
- a) **Mr. Paul Nash, P.E.** noted that Phase II is complete and the bulk of Phase III is done, though there is some detail work to do. Samples of pavement on Kaloli Dr. and Road One will be tested to see if a poor batch of pavement was the cause of pavement failures. The pavement will be sent for analysis at a cost of roughly \$2500. Should it become obvious that poor concrete was the cause on Kaloli Dr., Loeffler will have to pay to have this area repaved. He addressed the contract issues, noting that the quantity estimates were low, the time line for Phase III was unattainable, and several costs had not been included as part of the estimate. He estimated that the contract is over budget by about \$600,000 due to estimate miscalculations. He concluded that the work and overall cost from Loeffler is satisfactory. As was suggested by one guest, he promised to provide a written report on the observations he has made. Mr. Nash left the meeting.
 - b) **Mr. Ivan Van Leer, Esq.** reviewed his expertise in Collections of some 30 years, highlighting his work with several other home associations on the Big Island. He was asked about his experience with foreclosure suits. He responded that while foreclosures are an option, he suggested that the Board consider a more cost-effective plan that he had already developed in collaboration with the General Manager. Mr. Van Leer left the meeting.
- V. **Owner Input:**
- a) **Merrill McAlister** filed a report with the Board on items of concern.

- b) Kerry Petersen spoke about dump truck rental costs. He offered to do it for a third of the price, suggesting a dump truck be bought from Craigslist.
- c) Matthew Vidinha inquired about the cost of insurance for such an acquisition.
- d) Jerry Carr spoke about the need to have a better process for hiring a lawyer.
- e) Nancy McGilvray talked about the difference between an employee and an independent contractor, in response to Mr. McAlister's comment that the General Manager was not entitled to comment on the issues he filed, since she was neither a Board Member nor an employee.
- f) Mayelin Stillwell spoke about the importance of making progress with the striping of the roads.
- g) Harry Musgrave commented on the dangerous road conditions aggravated by the increased traffic on narrow roads.
- h) Chuck Titherington responded that wider roads would cost more in road fees. Ms. Weatherford suggested that a Road Safety Committee should be re-established. Mr. Vizzone recommended she head up that Committee and encouraged the audience members to participate.
- i) David Fithian commended Board Member, Judy Sumter for attending despite arriving on the Big Island that afternoon.
- j) Roger Hanson commented on the sign which incorrectly informed members that this meeting was last Wednesday.
- k) Dorcus Liu raised concern over the costs involved in outsourcing Human Resources.
- l) Steve Stein asked for an update on Phase IV of the paving project. Mr. Vizzone responded that the new Board had needed time to absorb all the information on Phase III, but would now be concentrating on Phase IV. Mr. Stein also asked why so much money is spent on paving instead of providing water stations. Mr. Vizzone asked him if he would be interested in participating as a member of the Paving Committee, to which he agreed.

VI. Approval of Minutes:

- a) The Minutes of the Board of Directors Meeting on June 16, 2010 were reviewed.
June Conant made the motion to approve the Minutes of the Board of Directors Meeting on June 16, 2010. Leslie Estep seconded. Unanimous approval and motion carried.
- b) The Minutes of the Board of Directors Meeting of July 21, 2010 were reviewed. Mr. McGilvray noted that comments made to him from past Presidents indicated that Owner Input was still considered at past meetings without quorum.
Mr. McGilvray moved to accept the Minutes of the Board of Directors Meeting of July 21, 2010. Ms. Judy Sumter seconded. Unanimous approval and motion carried.

- c) The Minutes of the Special Meeting of July 7, 2010 were reviewed.

Ken McGilvray moved to accept the Minutes of the Special Meeting on July 7, 2010. Keone McAllister seconded. Unanimous approval and motion carried.

VII. Treasurer's Report: Mr. McGilvray reviewed and filed the Treasurer's Report and a General Ledger Review Report. He challenged the General Fund Transfer Payment of two annual payments of \$25,000 adopted on April 21, 2010. He suggested transferring \$25,000 back from the Non-Road Account to the Road Account. He reviewed several line items he felt could be more cost-effective.

VIII. General Manager's Report: Ms. Stocksdale filed the General Manager's Report. She noted that the issues raised by the Treasurer on several line items will be addressed in writing. She asked the Board to respond to the issue of the disappearance of signage used to warn traffic of the speed limit. Ms. Stocksdale noted that she had requested land be returned from the County, so that USPS could build a sheltered, centralized post office box station for Paradise Dr. She asked the Board delineate which matters are confidential and not for general membership review. Some discussion ensued on the members' accessibility to confidential matters. She reported that TNS Construction is ready to build the warehouse restroom/shower outside the building for \$16,000. Some question was raised as to the other bid proposals, so Ms. Stocksdale agreed to email them to the Board Members. She noted that the striping project is delayed until Loeffler can finish paving certain roads, starting with Maku'u. The Board requested that Aloha Paint Company clarify it can stick to the labor estimates presented in the proposal.

IX. President's Report: He reported that Councilwoman Emily Naeole-Beason confirmed the County is ready to rip and put sod down on one of the 20 acre parcels for the park, put a sports gym, a park bathroom and water station; and they are willing to maintain the main roads and install streetlights.

Mr. Vizzone made the motion to have permission for himself and Mr. Hanor to confirm with the Mayor and Ms. Naeole-Beason that the land will be deeded to the County if the proposal meets with HPPOA's criteria. Ms. Estep seconded the motion.

It was noted that the General Manager's Report includes Mayor Kenoi's commitment to the park, and that a resolution to deed the land to the County is being written up by the County Attorney, which will then be presented to the Board for their approval. Discussion ensued.

Mr. McGilvray called for the previous question. The President ruled in favor of continuing the debate. Debate continued.

Mr. McGilvray called for the question again. The President ruled in favor. The vote was taken: Keone McAllister, Francis Ganon, Leslie Estep, Ken McGilvray, Ron Vizzone in favor. Dale Watson, June Conant, Elizabeth Weatherford against. Judy Sumter abstained. Motion carried.

The General Manager asked the Board to review the document about the Hwy. 130 shoulder lane conversion which reports that the Board will need to sell certain areas of land required for the conversion. The document will be resent to the Board of Directors for their review.

X. Committee Reports:

- a) Bylaws – June Conant reported that 1186 votes were counted. Votes in favor: 958. Votes against: 211. This represented a response of 82% in favor. Ms. Conant addressed the concern raised previously over the possibility of fraudulent votes. She read a comment from the League which stated that 1186 votes were consistent with average total votes in previous counts over last ten years; and so, there did not appear likely that fraudulence had taken place. Ms. Conant noted one correction on page 11 where the last two lines on the Schedule for District Board Elections were transposed. She confirmed that this error will be corrected when they are printed. Mr. Watson read from Article 8 Section 12 on page 20 – Acts of the Board – highlighting that members cannot act independently without Board consent, and so should not be participating in meetings without prior Board approval.

Ms. Estep called for orders of the day. The President ruled in favor.

- b) ENET – Karl Seebruch’s representative, Freddie Maguilla, noted that the Committee had updated their mission statement as suggested by FEMA, and asked the Board to approve the change in name to Community Resilience Committee.

June Conant moved to change the Committee name from ENET to Community Resilience Committee. Elizabeth Weatherford seconded the motion. Unanimous approval and motion carried.

- c) Finance – Ken McGilvray reported that the Finance Committee will consist of Joan Galante, Gail Madie, Skip McAlister, and Michelle Higgins.
- d) Neighborhood Watch - Jerry Carr reported that due to schedule changes, the Captain of the Police Dept. is no longer available to meet with the Committee. In response, he has sent several registered letters to various departments to ask for assistance. He also asked for more cooks for the Chili Cook Off September 25th.
- e) Park – A report was filed.
- f) Paving – Mr. Vizzone asked Francis Ganon to act as Chairperson. He noted that Mr. Stein had also volunteered to be part of the Committee.

Mr. Watson raised a point of order on the conflict between the motion adopted on June 22nd and the motion adopted on July 7th concerning the membership of the Paving Committee. Mr. McGilvray noted that most Committees are re-established at the end of the fiscal year. Mr. Vizzone ruled in favor of the new arrangement established on July 7, 2010, since he as President had already chosen a new Chairperson.

Mr. Vizzone commented on the need for Board Members to have access to the passwords on the Office’s computers.

Leslie Estep called for orders of the day. The President ruled in favor.

XI. Unfinished Business:

- a) Motions Log – The report was filed.

XII. New Business:

- a) Capital Improvements Plan – Bids will be taken for new air conditioning units for the Office and Library.
- b) Fiscal Year Budget 2010-2011 – Mr. McGilvray reported that the Budget Committee will review the budget and bring back recommendations to the Board.
- c) Road Maintenance Activity Recap – Mr. McGilvray suggested a change in format to the report.
- d) Attorney for HPPOA -

Mr. Dale Watson moved to hire Mr. Van Leer, Esq. as Attorney. Elizabeth Weatherford seconded the motion. Discussion ensued.

Elizabeth Weatherford called for the question. The President ruled in favor.

Vote was taken: In favor: Dale Watson, Elizabeth Weatherford, Leslie Estep, Judy Sumter, June Conant. Against: Ron Vizzone, Ken McGilvray, Keone McAllister, Francis Ganon. Motion carried.

- e) The Conch -

Dale Watson made a motion to require the Editor of The Conch be accountable to the Board and the General Manager before publication of editions of The Conch. The President called the motion out of order due to the fact that the President appointed Rod Thompson as the Editor.

Ms. Leslie Estep made the motion to postpone the main motion and discussion until the next meeting. Judy Sumter seconded the motion. Motion carried by unanimous approval.

XIII. Announcements:

- a) Next Board Meeting: September 15, 2010 at 6:00 p.m. in the Library.

XIV. Adjournment of Meeting: President called the meeting adjourned and called an Executive Session at 10:40 p.m.

Mr. Watson made the motion to postpone the Executive Session until next month. The President ruled his motion out of order. He ruled in favor of holding Executive Session due to development of a recent, undisclosed issue he felt needed the Board's attention.

Respectfully Submitted:

Denise Warner, Recording Secretary

Date

Elizabeth Weatherford, Board Secretary

Date

Motions Log

June Conant made the motion to approve the Minutes of the Board of Directors Meeting on June 16, 2010. Leslie Estep made the motion to second. Unanimous approval and motion carried.

Mr. McGilvray moved to accept the Minutes of the Board of Directors Meeting of July 21, 2010. Ms. Judy Sumter seconded. Unanimous approval and motion carried.

Ken McGilvray moved to accept the Minutes of the Special Meeting on July 7, 2010. Keone McAllister seconded. Unanimous approval and motion carried.

Mr. Vizzone made the motion to have permission for himself and Mr. Hanor to confirm with the Mayor and Ms. Naeole-Beason that the land will be deeded to the County if the proposal meets with HPPOA's criteria. Ms. Estep seconded the motion. The vote was taken: Keone McAllister, Francis Ganon, Leslie Estep, Ken McGilvray, Ron Vizzone in favor. Dale Watson, June Conant, Elizabeth Weatherford against. Judy Sumter abstained. Motion carried.

June Conant moved to change the Committee name of ENET to Community Resilience Committee. Elizabeth Weatherford seconded the motion. Unanimous approval and motion carried.

Mr. Dale Watson moved to hire Mr. Van Leer, Esq. as Attorney. Elizabeth Weatherford seconded the motion. Vote was taken: In favor: Dale Watson, Elizabeth Weatherford, Leslie Estep, Judy Sumter, June Conant. Against: Ron Vizzone, Ken McGilvray, Keone McAllister, Francis Ganon. Motion carried.

Dale Watson made a motion to require the Editor of The Conch be accountable to the Board and the General Manager before publication of editions of The Conch. The President called the motion out of order due to the fact that the President appointed Rod Thompson as the Editor. Ms. Leslie Estep made the subsidiary motion to postpone the main motion and discussion until the next meeting. Judy Sumter seconded the motion. Motion carried by unanimous approval. Main motion postponed until September 15, 2010.