

**Hawaiian Paradise Park Owners Association
Approved Minutes of the Board of Directors Meeting
December 18, 2013**

Call to Order: The meeting was called to order at 6:00 p.m. by Larry Brennan.

Members Present: Larry Brennan, Vice President; Joan Galante, Acting Secretary; June Conant, Treasurer; Verne Presnall, and Bill Newman. [Terry Michels, Judy Sumter and Francis Ganon, and Skip McAlister were absent.] Scott Reilling, General Manager, was also present.

Guests: Leilani Bronson Crelly, Mayelin Stillwell, Evan Pfaff, James and Elizabeth Weatherford, John Seastrom, Derek Alatau and Bruce Derrick.

Approval of Agenda: The agenda was approved as presented.

Executive Board: Larry said that the Board requested that President Skip McAlister notify them of his intentions by Dec. 10, but he did not respond. When Larry and Bill went to his home at the appointed time, he was not there.

Bill Newman moved to appoint an interim President. The motion passed unanimously.

Bill Newman nominated Larry Brennan. He was elected unanimously.

Larry notified the Board that he plans to move to the Mainland, probably before the end of this fiscal year.

June said District 9 will be added to the Nominating Committee's open districts. She added that a recall election may be required if Skip's absences continue, because his term lasts another two years. [*His term ends June 30, 2015.*] Because of the expenses of a potential recall election, she suggested that the Board write a letter requesting his resignation if he continues to not participate in his Board duties.

Bill asked to wait on writing the letter until a full Board is present in January.

June will check Bond requirements if V.P. position must be filled within 2 months.

Presiding Officer's Report: Larry spoke to Ku'ikahi Mediation Center. They reviewed HPPOA's bylaws and said that the bylaws require that any dispute which arises must go to arbitration, not mediation. Arbitration is binding; however, if the bylaws were amended, mediation could be used.

Larry said that arbitration will be included in the conduct policy he is working on, which will outline appropriate behavior between Directors, staff, and members.

Approval of Minutes: June Conant moved to approve the minutes of November 20, 2013, as presented. The motion passed unanimously.

Owner Input

Mayelin Stillwell questioned the notice on the agenda stating: "NO FURTHER INPUT OR COMMENTS DURING THE MEETING".

Larry said that the Board "selectively enforces" this.

Leilani Crelly asked that it at least not be in capital letters, "shouting it at us". She also asked when the Board directed the General Manager not to release recordings of Board meetings.

Larry said that he directed Scott not to release the recording until the Board addresses the request. Per his research of Robert's Rules, actual recordings of Board meeting minutes are not accessible to guests, although Board meeting minutes are available to all members of HPPOA.

Bruce Derrick said that Roundup causes allergic reactions in a number of residents, and when it is sprayed, it ends up on their properties.

Scott said the crew is spraying once a month, to facilitate mowing. He explained that the fountain grass proliferates when it is mowed green. Paradise Ala Kai was sprayed heavily, because the grass has gotten out of hand.

Mayelin said that many people in the area have wells. She argued that cutting only one or two 12-inch strips leaves tall grass, which has not been cut in over two years.

Larry asked that those who are discontent come up with a better defoliant.

Scott said that Evan has suggested developing the easements into flat, level, grass-type areas the width of the Dixie Chopper, which is 54 inches. The crew will begin on this in spring, starting with the main roads.

Elizabeth Weatherford suggested revisiting the C workers, and developing 54-inch shoulders for walking and biking paths would be a good place to start.

Scott said the C worker program is to train and then hire the workers, which HPPOA did not do.

June asked Scott to work up the cost of hiring another worker, and what would be accomplished.

Mayelin asked how the Board will address neglected easements with grass growing on the paving. She asked that L Road be a priority, since the lanes are narrowed by encroaching grass.

Scott said that paved roads can be scraped, but it is very time-consuming. "We do scrape upper Maku`u, which is the worst." Problems in specific locations may be addressed by filling out maintenance repair forms.

Bruce Derrick said many intersections do not have a direct line of sight, often because of large trees.

Committee Reports

Parks: Verne reported that he, John Seastrom and Dean have completely roughed out the half-mile circular trail behind the Activity Center.

Larry testified and endorsed Gregor Ilagan's request to the County Council for \$300,000 seed money to plan a park in Paradise Park, after receiving email endorsements from the Board. He said that 3000+, or 27% of HPP's population is under 18, with no parks in the subdivision.

Verne said that there is money earmarked for playground equipment. Larry suggested that the committee start looking at ideas.

Hawaiian Path: John Seastrom said that the new trail took three work days. He distributed maps of the trail. The next step may include providing benches, signs, exercise bars and/or fruit trees, with the Board's permission. A flat trail around the perimeter of the same area is being discussed.

Three members attended Dan Burton's Complete Streets presentation. He is working with downtown Hilo, where everything is car oriented, to make the area more welcoming to pedestrians.

Larry said Burton suggested several ways to slow traffic, which may apply to HPP, including 18-foot wide roads with no center stripe.

The committee is preparing a flyer for the local schools concerning the bike safety presentation, which will be from noon until 2:30 on Feb. 23. He requested a waiver for the Activity Center fees for the presentation.

Road Traffic Safety: Mayelin said that the road crew did some work on L Rd., but did not remove the swale and landscaping plants to expose the rock outcropping, as agreed to at the meeting. The neighbor did remove his landscaping. She said it is a line-of-sight, not an encroachment, issue.

It was remarked that L Rd. has over 300 encroachment violations.

Another resident asked about his neighbor's fence encroaching on the easement. The committee determined that the fence is not encroaching, but the coconut trees and rocks in front of the fence are on the easement. The resident has asked who to speak to next. Bill said to invite her to talk to the Board.

Mayelin requested that the Board clear easements and encroachments before the Phase V paving is done.

June suggested that the Board write letters to owners, informing them that paving is coming and they need to prepare for it. She said only grass should be on the easements. Mayelin added that a new rock wall, which will go up soon, "looks iffy".

Mayeline said that stop signs have been installed recently without following County Public Works specifications, as the policy requires.

Road Testing: Larry said that the committee has not met. Several people have expressed interest in joining the committee. He suggested that the Board appoint a committee chair. Bill nominated Bruce. Joan suggested "we let Scott do his job". Larry explained that the purpose of test roads is to lay to rest the controversy on what works best. He offered to "take the lead". Scott will be an advisory member.

Nominating Committee: Leilani Crelly reported that the committee, consisting of herself, June Conant, Joan Galante, Elizabeth Weatherford and Bruce Derrick, has met twice. They established what the committee cannot do.

The Board was requested to set a policy for preferential voting and campaign signs.

June Conant moved to establish an HPPOA Board Committee to determine the process and procedure of preferential voting using Robert's Rules. The motion passed unanimously.

June said Elizabeth has offered to chair the committee, which will draft a one-page instruction sheet according to Roberts Rules to be included with the ballot.

June moved to establish an HPPOA Board committee to determine an election sign policy. After further discussion, the motion was withdrawn.

Leilani said garage sale signs, church signs, etc. are placed on easements. The Association has no sign policy.

Bill moved that all campaign signs for the upcoming election be relegated to private property. The motion passed unanimously.

June Conant moved that an invitation ballot be mailed to the owners in good standing who live in East Hawaii for those districts which have director positions open. The motion passed unanimously.

Leilani distributed a list of important milestones for the election, including: March 14—deadline to submit a candidate’s nomination form; April 30—candidate’s forum; and June 2—election day.

Bruce Derrick suggested 3-foot by 5-foot banners be placed at the top of each main road, plus one at the office, stating “candidates wanted”. He offered to donate his time to create the signs, if the Association will purchase the blank banners. Cost will be less than \$100, and the signs can be reused.

Larry Brennan moved to reimburse Bruce Derrick for the purchase of six three-by-five foot banners. The motion passed unanimously.

Community Action: The committee will start in January.

Treasurer’s/Finance Committee: June reported account balances as of Nov. 30:

Bond Construction	\$1,545,034
Savings, Checking, Investments & Bond	<u>\$4,271,532</u>
TOTAL	\$5,816,566

The Finance Committee did not meet in December; it will meet on January 9.

June and Scott and Chris Scherr met with real estate attorney Sandra Song to discuss collection of judgments. Song recommended use of a local collection agency instead of a lawyer. Scott said they will meet with a local agent in January, “if he will accept us.” June will make house calls first, to notify owners of their 4 choices:

- they can work with the Association to set up payment plans, especially for hardship cases
- the Association can go back to court to ask for an examination of assets and garnish wages or freeze bank accounts, and the judge will issue a bench warrant if they do not show up
- a judicial determination can be issued
- the property can go to foreclosure

Evan asked to pursue foreign owners, also. June said another subdivision has successfully used a Japanese collections agency.

General Manager’s Report: Scott reported that he has received the NPDES Clearwater permit, as well as the County grading permit.

The organic matter added to road materials did not work well; it held water a little longer, but after consecutive dry days, the driving surface was not as good.

Herbicide spraying will be only during the third week of each month until the end of the year.

Attorney Song was amazed that the Association has collected \$67,929 year to date through small claims court.

QuickBooks is working well. The office is preparing for the January annual billing. The staff repaired a hydraulic leak on the backhoe, saving the Association \$1000.

The insurance underwriter owes the Association almost \$1000 for replacement of small tools. The policy renewal is coming up; Scott recommended staying with the company, although they have been slow to replace and reimburse for the stolen tools.

The roller and grader need tires, at an estimated \$4,135. This amount is in the budget.

Larry Brennan moved to allocate \$4,135 to purchase three tires for heavy equipment. The motion passed unanimously.

Old Business

Volunteer Coordinator: Larry expressed the need for a half-time paid position. The Finance Committee will discuss this at their meeting in January.

Phase V Paving: Based on the Complete Roads presentation, Larry suggested paving dead ends to 18-foot widths instead of 20 foot.

Larry Brennan moved to rescind the motion of November, 2012, to pave dead end roads to 20 feet wide. The motion passed unanimously.

Larry Brennan moved to reduce the width of paving of dead end roads to 18 feet. The motion passed unanimously.

Scott gave a presentation on preparation for the upcoming paving project, which includes paving 32nd from Maku`u to Paradise, 26th from Kaloli to Shower, 25th from Paradise to Shower, 23rd from Paradise to Kaloli, and 33rd on the Maku`u dead end.

He said the intent in asking the road crew to do the shoulders and preparation is to save money. He also asked the Board whether to skip the section fronting the undeveloped 20-acre parcels on 25th at the corner of Kaloli, in order to add the 24th dead end instead.

Larry Brennan moved to complete the paving of 25th Avenue and not pave the 24th Avenue dead end. The motion passed unanimously.

The preparation will require the road crew to work:

- tree removal on the shoulders—4 men for two weeks
- survey to locate road center—2 men for one week
- grub and grade—3 men for 5 days per section

A truck will also be needed to haul materials for five days. Scott said the mowing crew will be needed for two weeks for the tree removal.

Hard costs, including outside haulers, materials, water, engineering and surveyor, are estimated at \$24,000. Soft costs will total \$38,000. This \$62,000 can be recovered from the bond, to go back into road maintenance. He said these numbers put us overbudget by about \$5000.

Scott showed several right-of-ways with obstructions, including fences, rock outcropping, trees and ditches filled with vegetation.

Bill asked Scott to contact landclearing companies for estimates for the clearing and grubbing, since they own larger equipment than the Association.

Scott said Yamada is busy until June. They could possibly work on weekends, although Scott would require a stipulation that this would be at no extra cost to the Association.

Paradise Ala Kai Restoration: The plan presented last month to expand the curve was estimated at \$15,000.

Verne Presnall moved to allocate up to \$20,000 to repair the corner of Paradise Ala Kai as proposed. The motion passed unanimously.

New Business

Red Cross: The Red Cross inspected the Activity Center for a tsunami shelter and gave a favorable report, which has been sent to Honolulu. The main change required is to install a shower.

Albizia Plan: Bill said the Department of Natural Resources looked at trees overhanging his property.

Larry Brennan moved to adopt the proposed albizia eradication plan, pending edits, changes, or any other suggestions sent in by e-mail at the January Board Meeting. The motion passed unanimously.

Adjournment: The meeting was adjourned at 9:15 p.m.

Submitted by:

Kirstie Goin, Recording Secretary

Joan Galante, Acting Corporate Secretary

Motions Log 12-18-13

Bill Newman moved to appoint an interim President. The motion passed unanimously.

Bill Newman nominated Larry Brennan. He was elected unanimously.

June Conant moved to approve the minutes of November 20, 2013, as presented. The motion passed unanimously.

June Conant moved to establish an HPPOA Board Committee to determine the process and procedure of preferential voting using Robert's Rules. The motion passed unanimously.

Bill moved that all campaign signs for the upcoming election be relegated to private property. The motion passed unanimously.

June Conant moved that an invitation ballot be mailed to the owners in good standing who live in East Hawaii for those districts which have director positions open. The motion passed unanimously.

Larry Brennan moved to reimburse Bruce Derrick for the purchase of six three-by-five foot banners. The motion passed unanimously.

Larry Brennan moved to allocate \$4,135 to purchase three tires for heavy equipment. The motion passed unanimously.

Larry Brennan moved to rescind the motion of November, 2012, to pave dead end roads to 20 feet wide. The motion passed unanimously.

Larry Brennan moved to reduce the width of paving of dead end roads to 18 feet. The motion passed unanimously.

Verne Presnall moved to allocate up to \$20,000 to repair the corner of Paradise Ala Kai as proposed. The motion passed unanimously.

Larry Brennan moved to complete the paving of 25th Avenue and not pave the 24th Avenue dead end. The motion passed unanimously.

Larry Brennan moved to adopt the proposed albizia eradication plan, pending edits, changes, or any other suggestions sent in by e-mail at the January Board Meeting. The motion passed unanimously.