

**Hawaiian Paradise Park Owners Association
APPROVED – Board of Directors Meeting Minutes
November 16, 2016**

I. Call to Order: President, John Rudolf (District 4) called the Board of Directors meeting to order on November 16, 2016 at 6:05 p.m. Quorum was established. The meeting took place in the HPPOA Hui Activity Center Library.

II. Roll Call:

Board of Directors: John Rudolf (District 4), Ruth Mizuba, Vice President (District 2), Randi Larzalere, Secretary (District 6), Dr. Jo Maynard (District 5), Richard Solie (District 7), Jerry Sodan (District 3) (arrived after first vote at 6:10), Patrick Murdoch (District 9), Chris Anderson (District 8) (Voted Interim Director/Oath of Office during the meeting) **Absent:** Larry Kawaauhau (District 1)

Guests: Michael Dubois, Steve Crawford, Beth Evesong, Carl McMinimy, Susan McMinimy, Steve Brittain, Kekoa Akana, Robert Merrill, Susan Dougherty, Dave Rieck, June Conant, Judi Houle, Leilani Bronson-Crelly

III. Approve Agenda

Randi Larzalere (District 6) moved to approve the Agenda of November 16, 2016. Ruth Mizuba (District 2) seconded the motion. Discussion: Items removed and added. **Richard Solie (District 7) moved to approve the Agenda of 11-16-16 as amended. Randi Larzalere (District 6) seconded the motion. Vote: Yes-6. Unanimous. Motion carried.**

IV. Approve Past Minutes

Patrick Murdoch (District 9) moved to approve the October 19, 2016 Board of Directors Meeting Minutes. Randi Larzalere (District 6) seconded the motion. Discussion: Simple typo and a name addition correction. **Richard Solie (District 7) moved to approve the 10-19-16 as amended. Randi Larzalere (District 6) seconded the motion. Vote: Yes-5, No-0, Abstain-1 (Jo Maynard-District 5), Unanimous. Motion carried.**

V. President's Report – John Rudolf (District 4) - Reported on how things are going in a positive direction with HPPOA's present employees, all of whom have now been with HPPOA for a while now. The organization is moving in the right direction although everything is not perfect because there are too many road miles, too few men and manpower; but he reported that as he has driven around, he is noticing as he drives around the community, he notes things are getting better in HPP. He wanted to clarify the following two items:

1) HPPOA maintenance procedure -- If there is a need, then the community is reminded to first fill out a maintenance form first, either by phone, going in to the office to fill out a form or by downloading a form and mail or email it. He suggested that he has found that he brings it in and gets it date stamped at the office, which then alerts the GM, who keeps a spreadsheet of all items to check and see if your problem was addressed. If not, then go in and ask him why. If you had a problem with the way it was done versus the way you wanted it done, then go to your representative, not straight to the President. Those are the steps. If there's a concurrent problem after that, then you can call your District Representative.

2) Website - All documents are on the website to download. If you need something copied for you, there's a 24-hour turn around time if it's small with a cost per page. If it's a large request like the entire bond, it'll take a bit longer. The employees are already over-taxed, so it might take a few days if it's a ream of documents. That's the procedure.

VI. GM Report – Don Morris – He concurred with the President that there is not enough money, man-power, time, for how much work and maintenance needed as he began his report: From July 1, 2016 to October 31, 2016 we have had 452 Road Maintenance Request. That is an average of about 113 requests per month. With that number of requests each month and most of them being for potholes, it makes it impossible to keep up with the demand for road maintenance that the ever increasing population of the subdivision requires, especially given the limited equipment and manpower available. That being said, we are running about 6-8 weeks behind on each request, unless a request falls into our current schedule. That being said, please be patient, the road crew is working very hard everyday to fulfill your road maintenance requests.

Equipment: We continue the daily maintenance and repairs on the equipment to keep them on the road as much as possible. The grader was down 5 days this month. We still only have one sidearm mower and one small deck mower at this time. We're trying to get the other sidearm mower going without throwing too much money away on it because it's, basically, a relic, so we don't want to spend too much more money on it. All other equipment is running as well as can be expected at this time.

Dust Abatement: Still waiting for the rainy weather to abate enough to allow sealing 26th. The road has been prepped for 3 months and we will not be preparing any other roads until we get this 2-mile section done. There is very little material on the road once prepped for chipseal, so it requires a lot of attention with all the rainfall.

Mowing: Road Crew mowed 45 miles of roadway easement. Grasshoppers continues to mow the main roads and cut back the corners and the road crew is also working on corners. The contract will be up in December, so HPPOA will need to decide whether or not to renew. GM just spoke to the owner today and he reported that he has just found a retardant that sterilizes the seeds in the cane grass, so he's starting that in his spray and the GM is going to check into it for the road crew to use, too.

Weedwacking: He reports now having a two man crew working at only weedwacking part-time specifically on all intersections for six hours, three days a week. They have weedwacked Paradise, from 32nd to 22nd streets. A full schedule of what they have done and will be doing was given and they will be doing this until all intersections are under control for visibility.

Gravel, graded and rolled: 14.5 miles
Roads watered: 12.5 miles
Rubbish pickup: 1.7 tons
Dead animals: 3 pigs
Trees removed: 3 areas of trees
Signs replace: 4 stop signs replaced

A lengthy Discussion occurred regarding a lengthy complaint received by a new Board member and out of the order of Complaint Procedure of filling out a Complaint form. The Board member took it upon themselves to go check out the area of complaint, took a picture, and tried to reply with an email to the complainant six times, only to find he was blocked from replying to the email complainant with what he found, did and how to get their problems addressed. This Board member concluded that the Complainant looks to not actually have a real complaint, and this was yet another frivolous complaint with no merit. It was reiterated that if everyone follows the set procedures when there really is a problem that needs addressing, it will get done or there is a procedure process to see, if there's a problem getting the issue addressed.

Safety Report: No accidents or injuries for the past 28 months. ~~ **Thank you for your support.**

VII. Treasurer's Report – Richard Solie – The finance committee has had two meetings. They are discussing preliminaries for the upcoming budget. The committee discussed the bond refinancing and has spoken to a bank, but the person who represents our account will forward info about the bond. Recommendations were made regarding financial reporting. Something will be prepared at the next report regarding the finance committee's progress and recommendations.

VIII. Committee & Community Resource Reports –

1) **“Community Cleanup” committee name has been changed to “Area Beautification Cleanup Group”** – it's not a committee, but a group, so this is a more apropos name for this volunteer group. First Community Volunteer clean up is set for January 7, 2017. They will start by meeting in the Hui Library at 8 a.m. and all are asked to bring a hat, sunscreen and dress appropriately. They hope to have a good turnout and dependent on how many come will determine how much all can get done. Please get the word out to your neighbors. They plan to do simple tasks like garbage pick-up and wash mailboxes as a goal. We also hope to promote and have more communication amongst the neighbors and with one another other. There will be trash stabbers made for people by a volunteer in the community to help pick up the trash. Trash pick-up is the first task the group will tackle. A member stated that she might begin by washing her set of mailboxes before that date and that is fine, if people want to do things to beautify the community, it is encouraged with appreciation.

2) **Bylaws Committee – Chair was not present, but Steve Crawford** chose to speak as a member of that committee, stating that they are working on the “powers and authorities” of section 8 item C – changing words to clarify grammar. Next meeting was to be November 24, but because that is a holiday, the committee meeting will be rescheduled before or after that date, but it was not known when yet.

3) Nominating Committee – Robert Merrill – They've had two meetings. At first meeting, they made two flyers, one was for selecting a candidate form. They changed a few things from the original form, but tried to keep the framework. In the "Promoting themselves in 200 words or less" section was slightly changed because they hoped to get better descriptions from people explaining why they want to run for the position. The other form they worked on was to show the districts open for the elections. Districts 3 (1 year term), 5, 7, 8 (3 year terms), 9 (2 year term). The elections will be June 1, 2017 and the deadline will be on Friday, March 21, 2017. On the back of one of the forms, the Nominating Committee showed the districts on a map and they decided to get the five banners they had from last time, but only 2 of the 5 banners remained. They had to make new banners, so estimates were received for the 3 banners. The lowest estimate they got was for \$120 each, but they were able to get that down to \$80 each. Therefore, the committee reported that they would need \$240 for three (3) new banners and an additional \$150 for the artwork on those three new banners plus updated the two remaining banners with the proper dates and districts. (The Chairman submitted all the estimates to the Board).

The names of the nominating committee are Robert Merrill, Chairperson; Randi Larzalere, Vice Chairperson; Phil McLaury III, Secretary; Judy Sumter, Leilani Bronson-Crelly and Jerry Sodan are all also on the committee.

Dr. Jo Maynard (District 5) moved on behalf of the nominating committee for them to receive \$240 for the new banners and \$150 for the needed art work on the banners. Jerry Sodan seconded the motion. Vote; Yes-7. Unanimous. Motion carried.

Community Resources -- Judi Houle – What's happening in the Park and being offered to our residents:

Next **albizia workshop** will be Saturday at 9 am on November 19th - after the workshop they'll go out into the park to demo by helping two neighbors in the park. They'll be working on 18th and on 22nd.

Next **Fire ant workshop** will be in January. If you have six neighbors adjacent to each other, you can sign up for free help from the albizia team using tango. Let office know or come to a workshop. Voucher program has started with the county, but coupons haven't arrived yet. If you attend the workshop and do the hands on training and demo you get a \$45 voucher for fire ant supplies. The fire ant lab also offers classes to qualify for the voucher, but their next one is already sold out. You can just show up for the free one offered here in January. Vouchers are only good through April of next year, 2017.

Coqui Frog control program is still in force. There is still a Coqui frog control voucher program in place. A 50 pound bag of citric acid can be obtained with the voucher which you can pick up at the Hawaii County Economic Opportunity Council Building on 47 Rainbow Drive by Rainbow Falls near the Hospital Road. Call first:(808) 961-2681. After you pick up the voucher they will give you, then you take it to Crop Production Services in Hilo, and pick up your 50 pound bag of citric acid.

Angel Giving Tree at food pantry – started October 25 with signups. This Friday she will go to Salvation Army to pick up donated gifts. Birth certificates were required and that was a bit of a hurdle for some people. They'll be doing another sign-up on November 22, next Tuesday, from 2 to 3:30 in the Hui during the food pantry. That sign up for gifts will be donated by HPP residents.

Pahoa Christmas Parade is December 3rd.

Keauu Parade is December 10 at 5:45 pm. HPP Neighborhood watch has been invited to participate.

Paradise Art Tour will be December 3rd & 4th from 10am to 3pm – great place to pick up Christmas gifts. Maps will be available at the HPPPOA office.

Thanksgiving Dinner – Sign ups are filling-up fast.

Emergency Action Committee received large maps of HPP that they want to protect. They're looking into lamination, but it's costly at \$50 per map (very large about 3x4 feet) and they're making two, 4x8 dry erase boards to use for tracking and charting after a disaster. The Cert Team has doubled in size and their meeting is tomorrow, Thursday night at 6pm in the Hui library. It's a great group of people. All are invited to join and meet everyone.

IX. Unfinished Business:

1. **Status of County Park** – Ruth Mizuba (District 2) – Reported that she emailed Greggor Illagan, as he leaves office, and he simply posited in parting, "it's up to Mayor Kim." So, she will be requesting that at the next general membership meeting, people take and use the sample letters she will provide for her planned writing campaign to Mayor Kim to ask him to help HPP get the park. She wants him to get inundated with letters. She understands he might have a tight budget but she stated that we're a big part of Puna, so we should have a park. Community member names and physical address will be required on the letters. If we do nothing then we will lose the opportunity for the park, again.

2. **Mailbox update** – Ruth Mizuba (District 2), Randi Larzalere (District 6) & Patrick Murdoch (District 9) – Jerry and Patrick want to help Ruth, the chairman. Jerry's wife is a retired post master and has a friend, we have more people in HPP over Pahoia and Keaau, so we should have our own post office, so to get our own boxes we'd have to buy the boxes and put them on the ¼ acre lots. We cannot get a response from the USPS. Jerry Sodan will follow up with the DC Retired Postmaster for more direction and information. **Randi Larzalere (District 6) moved to add Jerry Sodan (District 3) and Patrick Murdoch (District 9) with Ruth Mizuba (District 2) onto the mailbox committee. Richard Solie (District 7) seconded the motion. Vote Yes-7, Unanimous. Motion carried.**

3. **Albizia removal from office parking lot** – Richard Solie (District 7)– Tasked to meet with an arborist on Saturday, after meeting, so he didn't have his info, but he talked to the Hawaii Invasive Species group who were there and gave him some ideas on how to save some money while eliminating the problem trees. If the limbs over wires are removed, the group can then remove them with poison. Once hazardous trees are removed they will poison non-hazardous trees, free of charge. GM reported no one will do the "over wire" trims and HELCO would need to be asked to de-energize the electricity through the line because no one wants to remove them if power is not off; otherwise, the bid would be about \$10,000. To get the \$8,000 bid, they'd need a lower cost bucket. They will follow up with this. It was noted that any homeowner can call the electric company to have an inspector check out your wires.

4. **Approve District recall Policy** – Jo Maynard (District 5) – A recall policy was in packet of BOD members. Dr. **Jo Maynard (District 5) moved to approve the recall policy. Jerry Sodan (District 3) seconded the motion.** Discussion: It's a district issue. Bylaws cover this, but it gives explanation for the steps for District recall. She stated that this is about creating a policy as legal counsel has told us to do to help clarify and qualify the policy. A lengthy discussion over the Board's right versus duty of being able to set this policy. The current policy is inadequate. The procedure would be to change the bylaws, but that's not the Board's purpose, it's to create policy to establish a working order. Policy and bylaws are different. She handed out notes on district policy recall draft to be looked at and discussed at next meeting.

5. **Maintenance Fee Increase** – Richard Solie (District 7) – This increase was discussed at the Finance committee meeting. He stated that HPPOA has over 2k in the finance report, so he doesn't see a crisis to warrant increase of ten percent, but instead wanted to recommend raising it \$5 – to raise overall income by \$40,000. The bond goes up \$20,000 per year, so that necessitates a larger increase, but the \$5.00 was the finance committee's recommendation. **Randi Larzalere (District 6) moved to raise the maintenance fees 10%. Jerry Sodan (District 3) seconded.** Discussion: we are authorized to raise 10%, which equals, \$28.50 -- we have \$720,000 left to spend on paying for everything including employees, and that's why it's not enough to keep easements clear, maintain roads, cut the abizias back, and many more required tasks. An increase of 10% is needed.
 That Board, ten years ago, borrowed \$12,000,000 and they set a schedule – by this date on this year, HPPOA was supposed to be at \$305, but we're at \$285. Next year, per the bond agreement schedule, HPPOA should be at \$315 per satisfying the bond requirements, although risk is not required...if you don't keep the bond requirement, it eats into the road maintenance budget. – The President showed a document of estimates per the bond stating that all know and realize that HPPOA needs more income to maintain our roads - this increase would put us at 313.50 per year. One Board member noted that although not for a 10% per year increase, the expectation of road maintenance requires the debt income ratio to be fulfilled. The increase equals two packs of cigarettes. Mainland prices are way more costly than this. No one wants increased road fees, but to get into a position to refinance that bond, we're going to have to raise fees. If we get the refinance, then we need this increase. Refinancing could take us from 6.92% to about 4% rate, if we're lucky, but we will still owe \$10 million dollars. **Vote: Yes-6 No-1 (Jo Maynard/District 5) Motion carried.**

X. New Business:

1. **Appoint new BOD member to District 8** – Term expires June 25, 2017

Candidates - Mike Dickerson: withdrew his nomination so Chris Anderson could run unopposed.

Ruth Mizuba (District 2) moved to appoint Chris Anderson as district Representative for District 8. Jerry Sodan (District 3) seconded the motion. Vote: Yes-7, Unanimous. Motion carried.

Oath of Office was administered to Chris Anderson at 7:37 pm.

2. **Carl & Susan McMinimy hearing on lot consolidation:** A lengthy statement with Historical information about this situation was submitted and read into the record (See Attached) by Mr. McMinimy. Bottom-line to his statement, he was told to come to Board to

get the relief he sought in his position that they own one lot and it's gone through three ownerships. We own one lot and want our payment accepted and our voting privileges returned. They bought October 23 2014.

3. **Annual update** – Randi Larzalere (District 6) – The annual update goes out every year with the billing in January. She needs a Treasurer's Report for it, along with a report from GM, a President's report and anything desired in the newsletter that anyone on the Board might like to contribute.
4. **2017 Employee Holiday Schedule** – Discussion and question about Monday holidays in 2017 occurred. Board in past has given either a Turkey or \$25 gift card for Thanksgiving and \$25 Christmas card. **Randi Larzalere moved to give all the employees a \$25 card for Thanksgiving and a \$25 Christmas card for each employee.** Discussion: This will be for all employees under GM's management. **Richard Solie seconded the motion. Vote: Yes-7, No-0, Abstain-1 (Chris Anderson/District 8). Motion carried.**
5. **Audit /Financial reports** – Richard Solie, Treasurer (District 7) noted that a proper report is going to take proper time and research. This was required last year, but it wasn't what was wanted even though they accepted it – they need a schedule of current replacement costs. The buildings are insured for a set value and there's a tax assessment – we can decline to provide it and he recommended doing that. Next year we should have it together, but to put it together correctly this year would be difficult because the audit is already past due. **Richard Solie (District 7) moved that the Board approve omitting the schedule of supplementary information for this audit, but make it a priority for next audit. Jerry Sodan (District 3) seconded the motion.** Discussion of paperwork submitted last year and what is actually needed of current replacement cost of all assets including roads and buildings. This will move the audit along to get it done because it's late now and needs to get in/submitted. They are looking for more information even though they accepted the less than desired one they received last year. It was due last month. **Vote: Yes-8, Unanimous. Motion carried.**

Ruth moved that the scheduled of supplementary information be prepared by May 2017 Board of directors meeting. Chris Anderson (District 8) seconded the motion. Vote: Yes-8. Unanimous. Motion carried.

Richard Solie (District 7) wanted to amend the financial report to take out deposit breakdown report because all owner names and payment shouldn't be in there. Why the finance committee even got it was questioned by Board members because it's an invasion of privacy. Take deposit breakdown by month out of the financial breakdown package and add a check register for the next month. It's our job to keep track of the money. Categories are to tell you that. The finance committee doesn't need to know what Don, the GM is doing –it's summarized in the categories. We as board should be looking at it every month. It's a financial oversight tool. We don't need to give it to the finance committee. There should be oversight by the Treasurer, but a lot of these check registers can be easily misinterpreted and would be a bad thing. Every board member should be looking at every check that's written although it was noted that the people who are to sign the check see who it's too every time they sign a check because there is a copy of the check with the invoice attached.

XI. Owner Input: *(To move the board meeting forward in a timely manner any questions that you would like answered by the board must be submitted in writing during this time. The President will review and return with an answer at the next board meeting. Board members will not respond to your question at this time.)*

Carl and Susan McMinimy: Wanted to know why the owner's input is last in a Board meeting further inquiring why it couldn't be first so people could say their peace and leave.

Beth Evesong: Gave a packet for all the Board members. Noted many at last meeting didn't understand the reasons for the arbitration. She submitted a chain of info and documents to clarify why the illegal attempt to install members on the Finance Committee and also the attempt remove the treasurer were egregious and costly to the community. She submitted a huge packet of historical data and information about the entire timeline of events that led to the costly and unnecessary arbitration in which the parties lost their complaint against that HPPOA Board. She distributed a series of emails to the GM, Don Morris as she stated that the Crawford's, Ken McGilvray, June Conant and the others who attempted to usurp control and take over the Finance Committee should be barred from being on the Finance Committee with such conflicted interests so clearly in place after they sued our community association and now want back on with access to all our Finance Committee documents and information. She wanted people to understand that this is a financial threat to HPPOA as a community and specifically for the Board of directors. It's according to her belief, illegal that the people involved in that costly arbitration against HPPOA now want to be on Finance Committee and she stated that the board has a fiduciary and legal need to remove and prevent those members who brought the arbitration against the community to be bared from now being on the Finance Committee again. She also had some ideas on how to work on getting the Park for HPP.

Kekoa Akana: came to get more involved and ask some questions about the bond. Concerned how the bond is getting repaid. Was referred to the Bond being accessible in full on the HPPOA website for all to see and read in complete detail.

XII. Policies to Review: None

XIII. Announcements:

1. New Board of Directors Meeting is December 21, 2016 at 6:00 p.m.
2. Next General Membership Meeting is Sunday, February 26, 2017 at 3:00 p.m.

XVII. Adjournment

Ruth Mizuba (District 2) moved to adjourn. Richard Solie (District 7) seconded the motion. Vote: Yes-8. Unanimous. Motion carried. Meeting adjourned at 8:25 p.m.

Respectfully Submitted and Approved:

Susan Bambara, Recording Secretary

Randi Larzalere, Secretary

Date

Date

BOD Meeting Motions Log 11-16-16

Richard Solie (District 7) moved to approve the Agenda for the 11-16-16 Board of Directors meeting as amended. Randi Larzalere (District 6) seconded the motion. Vote: Yes-6. Unanimous. Motion carried.

Richard Solie (District 7) moved to approve the 10-19-16 Board of Directors Meeting Minutes as amended. Randi Larzalere (District 6) seconded the motion. Vote: Yes-5, No-0, Abstain-1 (Jo Maynard-District 5), Unanimous. Motion carried.

Dr. Jo Maynard (District 5) moved on behalf of the nominating committee for them to receive \$240 for the new banners and \$150 for the needed art work on the banners. Jerry Sodan seconded the motion. Vote; Yes-7. Unanimous. Motion carried.

Randi Larzalere (District 6) moved to add Jerry Sodan (District 3) and Patrick Murdoch (District 9) with Ruth Mizuba (District 2) onto the mailbox committee. Richard Solie (District 7) seconded the motion. Vote Yes-7, Unanimous. Motion carried.

Randi Larzalere (District 6) moved to raise the maintenance fees 10%. Jerry Sodan (District 3) seconded. Vote: Yes-6 No-1 (Jo Maynard/District 5) Motion carried.

Ruth Mizuba (District 2) moved to appoint Chris Anderson as district Representative for District 8. Jerry Sodan (District 3) seconded the motion. Vote: Yes-7, Unanimous. Motion carried.

Randi Larzalere moved to give the all employees a \$25 card for Thanksgiving and a \$25 Christmas card for each employee. Richard Solie seconded the motion. Vote: Yes-7, No-0, Abstain-1 (Chris Anderson/District 8). Motion carried.

Richard Solie (District 7) moved that the Board approve omitting the schedule of supplementary information for this audit, but make it a priority for next audit. Jerry Sodan (District 3) seconded the motion. Vote: Yes-8, Unanimous. Motion carried.

Ruth moved that the scheduled of supplementary information be prepared by May 2017 Board of directors meeting. Chris Anderson (District 8) seconded the motion. Vote: Yes-8. Unanimous. Motion carried.

Ruth Mizuba (District 2) moved to adjourn. Richard Solie (District 7) seconded the motion. Vote: Yes-8. Unanimous. Motion carried.