

**Hawaiian Paradise Park Owners Association  
APPROVED – Board of Directors Meeting Minutes  
May 17, 2017**

**I. Call to Order:** President, Patrick Murdoch (District 9) called the Board of Directors Special meeting to order on May 17, 2017 at 6:03 p.m. Quorum was established. The meeting took place in the HPPOA Hui Activity Center Library.

**II. Roll Call:**

**Board of Directors:** Patrick Murdoch (District 9), Ruth Mizuba, Vice President (District 2)-arrived after first vote of approval of agenda, Chris Anderson, Treasurer, (District 8)-arrived after second vote approval of minutes, Leilani Bronson-Crelly, Secretary (District 5), Larry Kawaauhau (District 1), Jeff Finley (District 3), *Absent:* Keone Kai (District 6)

Guests: Jack E. Oskins, Lori Laucik, Steve Crawford, Mayelin Stillwell, Rosemary Brown, Kathy Cole, Bonnie Hollifield, David Roe, Beth Evesong, Shawn Merrill, Judi Houle, Leslie Blyth, David Prager

**III. Approve Agenda**

**Leilani Bronson Crelly (District 5) moved to approve the 5-17-17 meeting agenda as amended. Jeff Finley (District 3) seconded the motion. Vote: Yes-4. Unanimous. Motion carried.**

*Ruth Mizuba (District 2) arrived @ 6:06 p.m.*

**IV. Approve Past Minutes:** March 15, 2017 & April 19, 2017

**Leilani Bronson Crelly (District 5) moved to approve the March 15, 2017 and April 19, 2017 BOD Meeting Minutes. Jeff Finley (District 3) seconded the motion. Vote: Yes-5. Unanimous. Motion carried.**

*Chris Anderson (District 8) arrived @ 6:08 p.m.*

**V. President's Report – Patrick Murdoch** – He reported that the initial budget looks good, that road maintenance is happening intersections that have been done and other things to be noted in GM report to follow. We have an election with at least one person running in every district, except one. They are negotiating with the health department, due to people bringing complaints to the county instead of letting the park know, which is thereby costing the membership money.

**VI. Treasurer's Report – Chris Anderson** – The initial budget looks good. It's laid out in an easy to comprehend manner.

Total Bonds, total accounts. In Jan HPPOA billed 2.7 mil and they've received 1.9 already in with more incoming. The game plan regarding getting numbers for refinancing the bond will be discussed later in the agenda.

Bank Balances as of May 12, 2017:

Total Checking, Savings, Investments and Bond Reserve: \$6,657,737.92

Total Accounts Receivables: \$2,495,273.61

In January 2017 HPPOA billed \$2,722,568.00 for Road Maintenance.

As of April 30, 2017, we have received \$1,936,414.30

Preliminary Financial Statements were noted to be pending audit review.

A discussion about delinquent accounts occurred.

Discussion about purchasing skip tracing a computer program to help finds people who don't have current addresses to find

## VII. General Manager's Report – Don Morris

Aloha, thank you for all the road maintenance and safety requests this past month. I know that there have been several roads requesting new base course because there is very little rock left on their roads. At this time, we are getting close to the end of our fiscal year budget, and we are already over budget for base course for roads. When and if the budget is passed for the upcoming new fiscal year, those roads requesting and needing base course will be at the top of the list. Thank you for your continued patience.

**Equipment:** All equipment is running fine at this time, except for the grasshopper mower. We are still waiting for the repairs to be done on the engine. The John Deere side arm mower was down for about 3 weeks due to some parts that had to be ordered, but it is back on the road now. We continue to do the daily maintenance and repairs on all other equipment. .

**Dust Abatement:** We are still preparing 23<sup>rd</sup> and 25<sup>th</sup> between Maku'u and Paradise for chip sealing. We should be chip sealing these two roads in June.

**Mowing:** Grasshoppers continues to mow the main roads and cut back the corners. The road crew mowed 21 miles of roads way easement.

**Weedwacking:** Road Crew weed-whacked 25<sup>th</sup> to 13<sup>th</sup> Maku'u and 1<sup>st</sup> to 7<sup>th</sup> Kaloli.

**Trees Removed:** 4 areas of trees removed plus both sides of 23<sup>rd</sup> and 25<sup>th</sup> Maku'u to Paradise cut back.

**Gravel, Grated & Rolled:** 25 mile of road

**Water:** 34 miles of road

**Rubbish Pick-up:** 3.25 Tons (with a tipping fee of \$85/ton charged and found in budget under road maintenance.)

**Dead Animals Removed:** 8 pigs

**Abandoned Vehicles:** 2 vehicles removed by county, 4 pending removal

**Signs Replaced:** 6 road and stop signs

**Safety Report:** No accidents or injuries for the past 34 months. Thank you for our support.

## VIII. Committee Reports (Chair to give 3 minutes report: Motions must be provided in writing)

**Bylaws** – Chair Milton Pavao – A member in the audience said that a report was submitted in lieu of the chair's presence this evening, but each of the board stated that there was none to be found in any of the board info packets. The member reported that the committee is still in Article 8, approaching Article 9. The community member went on to state that Article 8 is very important and has a lot of sub-sections, so in answer to why it's taking so long, the committee member went on to say that they want to do right. They are discussing it and the report will be looked sought.

**Elections** – Chair Ruth Mizuba - We had one candidate per district. There was two in one district, but one withdrew and still has to give his withdrawal in writing. To prevent negative feedback for not sending out ballots, even though there was only one person running in each district, they sent out post cards to all the lot owners and those are to be returned by mailed to Nanawale Community Center; however, many have been bringing the ballots to the office. This is a problem because last year, many in the community were upset that the ballots went to the HPPOA office, so now many are upset that the office wouldn't accept the post card because it has to be return mailed to Nanawale for counting. The Elections Committee had a Candidates Forum last Friday. Three candidates, two board members, and three audience members. The turnout was low to say the least, but it was a nice conversation. There were a variety of opinions and it was still a good meeting. There have already been 175 post card ballots return received at Nanawale for counting out of over 7,000 voters. The cards were mailed to Nanawale because last year the office staff receiving them came under fire.

**Equity Road Fees** – Chair Peter Frost –Written report was submitted in his absence. Steve Crawford was asked for an update, but he reported that he was not on that committee although that was what the report stated. Another community member, Mayelin Stillwell, also stated that despite the report, she also was not on the Equity Road Fees Committee.

**Mailbox Chair R. Mizuba** – The Committee representatives had a phone conversation with the "Address" person at USPS, and they've setup another meeting with the "Product" person in charge of the mailboxes themselves. The USPS wants the addresses that go with the TMK's but HPPOA cannot release their records so that's being worked on in a different way. One

considered site for the mailboxes is at 16<sup>th</sup> Maku'u and the other possible site is 15<sup>th</sup> and Kaloli. They will chip seal 15<sup>th</sup> to prepare for driveways and exits in the hopes of a commitment from USPS. The sites will be half way down into the park because it's the only sites HPPOA has that aren't at the top, where, it was noted that there aren't many people, and not at the bottom of HPPOA because no one wants it there either, so that left the middle, which is obviously inconvenient for all except those living in the middle, but it serves fairly the most percentile of people within the park as a whole. A one-time fee of \$150 is not an unreasonable amount. People are paying more than that yearly for private boxes outside the park.

**PMAR** – Chair Leilani Bronson –Crelly – Puna Makai Alternate Route Committee formed in 2011. They got as far as they could and it fell away, but it is back. The Puna Development Plan wants to put a road through Nanawale through to Hilo, bisecting HPP. In 2011, the committee put forth a survey and in 2017 the committee would like to do the same again. She had a post card with questions and an explanation of PMAR along with six questions they'd like residents to answer. The committee would canvas 5<sup>th</sup> to 17<sup>th</sup> to let people know that there could be a road going past their houses. If the county takes the road, then they'd own the road that gets punched through HPP and it could be big. The '04 pipe dream was that it would be for intermittent use; but now if it's created, it may one day be a highway. The 200 people on each of those roads might not be there anymore because of and by the use of public domain. There's no money in the budget, so the committee will do some fundraising to try to finance the survey without HPP funds, but the responses would come back to the Association.

**Jeff Finley (District 3) moved to approve the PMAR committee to distribute and tally the results of the PMAR Survey of 2017.** Discussion: the committee will raise the money themselves to make the post cards for distribution, by foot, in between 5 and 17<sup>th</sup>. **Chris Anderson (District 8) seconded the motion:** Discussion: The questions were discussed to make sure none of them were leading. **Vote: Yes-5, No-1, Abstain-0. Motion carried.**

#### **IX. Community Resource Report – Judi Houle (Albizia, Fire Ant, Emergency Access Team)**

**Albizia Workshop** is this Saturday at 9:00am – they will drive around the community to do some mapping with the President to survey the trees, especially on the main roads.

**Food Pantry** is coming up at 11:30 they start unloading the pick up trucks; over 96 bags of food are prepared. Volunteers are appreciated. Recipients come at 2pm and they're usually done by 3:30. It's done through donations by our residents so it's for our community. They purchase the food from the food bank, but the USDA provides it for free. Neighborhood Watch sponsors the Food Pantry on every 4<sup>th</sup> Tuesday at 2:00.

**Fire Ant workshops** are less frequent because it's more difficult to arrange for those due to team availability. You can sign up and call big island invasive species team and if you have six or more residents on your street the team will come 9622200 out and do them poisoning for free. The playground has some so they will do a free treatment when they come next.

#### **X. Owners' Input (Three minute testimony per lot owner; please submit written questions for which you require a response)**

Steve Crawford – Directed to Leilani Bronson-Crelly – Felt that the last General Membership Meeting minutes read too much like an editorial, and not like a Recording Secretary presented/prepared it. Felt that the December minutes didn't accurately reflect what was said. Felt that it was edited and that the treasurer's report was editorialized to reflect added info.

Mayelin Stillwell: Thanked the GM for taking care of a hole in front of her property. Went on to state her desired corrections for the December Minutes. [See her submitted statement attached]

Kathy Cole – spoke to office regarding reopening the commercial kitchen – she took a class a few months ago, attends food fairs and wants to preserve food using the Hui kitchen because it's a great location and centrally located. She wants to sell the foods she prepares, but it was noted by a Board member that food cannot be sold because the kitchen has to be re-zoned for variance.

Beth Evesong – Thank you for all you do for our community and you don't hear thank you enough. She wanted to clarify that for people to be on a Committee they must be a lot owner in HPPOA. If you are not a lot owner, you cannot be on one of these committees, which, she emphasized, serve as advisory groups to the board, but they don't make decisions, only advise the Board. This is being clarified she felt that people should be when they volunteer, to make sure if they're lot owners in good standing before they begin to serve.

Lori Laucik– Newly announced as elected district 5 representative – I was interested in joining the board because I've sat on boards before and want to take care of the membership in my district, wants to know the needs of the community and specifically to give her feedback from district 5. She has lived here for a year and has heard negative and positive things. She wants to sit and see how things really work on the board. She was at the nominating meeting and felt that ran smoothly, but she felt that last month's meeting was shakier and this month she felt that someone on the Board was showing disrespect to a member and she was upset about that. She stated that people's perception is their reality based on what they see. She wants to help make HPP the best place to live in the world. Nobody trusts what anyone is saying.

David Prager – District 8 – He stated that three years ago, in July, the previous GM put down unacceptable material on his road. At that time, he went on to say that the board unanimously moved to have the wrong material removed and the correct rock laid. The wrong material was removed from the road, but the correct rock material was never put back on.

## XI. Old Business

1. **Update on RE-Financing of the Bond** – They haven't heard back from First Hawaiian, but they have gotten in contact with a lending pro person in Boston and Nancy from Meadows Bank in Washington State, so they're going through some possible rates, which the GM felt were too high. Even though there was a naysayer by someone on the Finance Committee who doesn't think they will get the bond refinanced, it does seem that there is a lot of possibility for it to happen. The goal is to save money and pave roads.
2. **Upgrade to HPPOA Web Site ([www.hppoa.net](http://www.hppoa.net)) and Social Media** – they have IT people and were going to ask for a recommendation. After talking to GM, we'd like to give the business to people on the Big Island, rather than off the island. Discussion about getting this website and cleaning up the things being posted in a timely manner. They will contact some folks and get some references from their IT people.
3. **Neighborhood Watch Rental of Activity Center for monthly Swap Meet** – Don Morris – Discussion over the Neighborhood Watch rental of which they apparently pay \$20/month, \$240/year. After speaking to Judi Houle, she assured the GM that all the money earned from swap meet goes in to the neighborhood watch activities. They use the electricity and propane, but they do a lot for the community so it will be left for now.
4. **Update on the Non-Judicial Foreclosure & April 1984 final Road Fee Court Decision** – Don Morris and Chris Anderson – it's not legal, so it can't be done. You can send it to an attorney, but it is already in a decision from the third circuit court. It says what needs to be done and the staff is collecting about a half million a year in past fees done legally, so pursuing foreclosure proceedings against Lots shall not be permitted. A discussion occurred about foreclosure and what their next move is to be. Ruth wanted to rescind pursuing foreclosures and let the staff continue the way they've been collecting past fees. In four years this number has more than doubled on payment of road fees. When Craig and June ran, there was over \$800,000 in road fees, but now it's \$1.5 million. The accounting was not done correctly in the first place. The outstanding amount of receivables is \$2.4 million. The Treasurer was passionate that those outstanding funds must be gone after. They will wait to hear back from the attorney. Thomas Shay said HPP cannot foreclose on properties.
5. **Revised Preliminary FY 2017-2018 Budget** – Don Morris – This was moved down to new business because it's the first time it's been talked about. We had a preliminary budget and a few items have been revised.
6. **Service Awards Selection** – Create a Committee to Oversee – Continued from April 19, 2017 – Board – three awards are passed out annually. The Albert & Maizie O'Neil Award, The Rick Edwards Award, The Allan Deehr Community Service Award. Ruth Mizuba (District 2) moved to negate the awards and no longer give them forever. Then we can use them to chip seal roads. Chris Anderson (District 8) seconded the motion. *This Motion died* Discussion: Allan Deehr got us into the whole bond mess. Discussion about the awards and the names of the awards. **Ruth Mizuba (District 2) moved to discontinue the three awards. Chris Anderson (District 8)**

**seconded the motion.** Discussion: it gets awarded at June membership. For the nominations in past, the staff helped with choosing the nominees each year because they would see the people who were exemplary over the year. **Vote: Yes-5, No-1 (Leilani), Abstain-0. Motion carried.**

## **XII. New Business:**

1. **Inventory of Stolen Equipment from 2012 Loss** – Larry Kawaauhau – packet of what was missing noting that insurance paid out a check, so he's going to track down where it was given. If they filed for insurance and were paid for the replacement of those items stolen, where's the equipment? This happened when the previous general manager was in charge. Where's the money or the equipment? He's going to follow up on the list of tools and receipts. He's going to find out where the money went. If someone paid for missing tools, we want to get to the bottom of where they are or the money was used.

**8:05 Larry K left the meeting for work**

2. **Consider Obtaining Activity Center Kitchen Certification from Department of Health** – there were letters going back to 2009 where they asked county planning department to have a commercial kitchen and they were told to cease, desist, and remove all reference to being a commercial kitchen, but they can be a commissary prep kitchen. The permit expired March 2010 for the Food Establishment Permit. The Neighborhood Watch makes food for the swap meet using the health permit that they apply for – you go through dept of sanitation and get a temporary food establishment permit. You need to use sanitary guidelines. Discussion of value of HPPOA looking into having a permit again. The staff would need to look into getting the food establishment permit requirements. **Leilani Bronson-Crelly (District 5) moved to assign the task of renewing the food establishment permit by the GM. Chris Anderson (District 8) seconded the motion.** Discussion: a phone call and \$100 for the permit should take care of it, but the GM wanted to check to be sure because he thought that it would take a bit more than that. **Vote: Yes-5, Unanimous. Motion carried.**
3. **Consider Trade Marking our Name, HPP, HPPOA, etc.** to avoid conflict or infringement – Board – we don't have a trade name and there's a man named Hawaiian Paradise Park Real Estate, but he's not in good standing with DCCA. **Patrick Murdoch (District 9) moved to get HPPOA trademarked.** He's done it with previous businesses. Pay \$50, do name search, and fill out form is what is required. It has to be renewed everything three years. **Chris Anderson (District 8) seconded the motion.** Discussion of variations of the name e.g. Hawaiian Paradise Park, etc., but each one needs to be paid for separately. The GM was assigned to look into it, but it's a board thing, so Jeff Finley (District 3) will look into it with the US patent office trademark. The state patent is a registering of your business name and not actually a pass. The name was changed to Hawaiian Paradise Park Homeowners Association in court at some point in the past. **Vote: Yes-5, Unanimous. Motion carried.**
4. **Final Version FY 2017-2018 Budget** – Don Morris and Board – Finance committee had a meeting but only one person came so he is going to plan for another meeting with them. The last meeting before that was pretty positive. There will be one more finance committee meeting, so questions will be tabled for next month.

## **XIII. Announcements:**

Regular BOD Meeting: 6/21/17 at 6 p.m.

General Membership Meeting: 6/25/17 at 3:00 p.m.

## **XIV. Adjourn to Executive Session (Legal)**

**Jeff Finley (District 3) moved to adjourn to Executive session. Chris Anderson (District 8) seconded the motion. Vote: Yes-5. Unanimous. Motion carried.** Meeting adjourned at 8:26 p.m.

Respectfully Submitted and Approved:

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Susan Bambara, Recording Secretary

\_\_\_\_\_  
Leilani Bronson-Crelly, Secretary

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**BOD Meeting Motions Log 5-17-17**

**Leilani Bronson Crelly (District 5) moved to approve the 5-17-17 meeting agenda as amended. Jeff Finley (District 3) seconded the motion. Vote: Yes-4. Unanimous. Motion carried.**

**Leilani Bronson Crelly (District 5) moved to approve the March 15, 2017 and April 19, 2017 BOD Meeting Minutes. Jeff Finley (District 3) seconded the motion. Vote: Yes-5. Unanimous. Motion carried.**

**Jeff Finley (District 3) moved to approve the PMAR committee to distribute and tally the results of the PMAR Survey of 2017. Chris Anderson (District 8) seconded the motion: Vote: Yes-5, No-1, Abstain-0. Motion carried.**

**Ruth Mizuba (District 2) moved to discontinue the three awards. Chris Anderson (District 8) seconded the motion. Vote: Yes-5, No-1 (Leilani), Abstain-0. Motion carried.**

**Leilani Bronson-Crelly (District 5) moved to assign the task of renewing the food establishment permit by the GM. Chris Anderson (District 8) seconded the motion. Vote: Yes-5, Unanimous. Motion carried.**

**Patrick Murdoch (District 9) moved to get HPPOA trademarked. Chris Anderson (District 8) seconded the motion. Vote: Yes-5, Unanimous. Motion carried.**

**Jeff Finley (District 3) moved to adjourn to Executive session. Chris Anderson (District 8) seconded the motion. Vote: Yes-5. Unanimous. Motion carried.**