

**Hawaiian Paradise Park Owners Association
APPROVED – Board of Directors Meeting Minutes
August 15, 2018**

I. Call to Order: President, Leslie Blyth (District 7) called the Board of Directors Meeting to order on August 15, 2018 at 6:03 p.m. Quorum was established. The meeting took place in the HPPOA Hui Activity Center.

II. Roll Call: Board of Directors: Leslie Blyth, President (District 7), Mayelin Stillwell, Vice President (District 5), Mary Couch, Secretary (District 2), Tanya Seaver, Treasurer (District 4), Kathleen Shaw (District 3), Larry Kawaauhau (District 1), David Roe (District 9)- arrived@6:16p.m. *Absent:* Chris Anderson (District 8), Craig Crely (District 6)-[representation of District 6 continues to be barred by President/VP/Secretary per President’s Report Discussion-see *below*].

Owners: Rosemary L. Brown, Jenny Gardham, Brendan Freitas, Kathy Crawford, Leilani Bronson Crely, Shawn Merrill, Beth Evesong, Steve Crawford, Roxanne Ching, Mike Smith, David Prager

III. Approve Agenda

Mary Couch (District 2) moved to approve the Agenda of 8-15-18 as amended. Leslie Blyth (District 7) seconded the motion.

Discussion of following changes was done previous to the motion.

- 1) Add Old Business as “H”: Rescind previous motion of Special 7-2-18
- 2) In Committee reports Section B: removed Bylaws Committee. Added Membership Mailbox Committee
- 3) Remove Committee Report C. because anything done on the July 2, 2018 meeting that wasn’t on the original printed Agenda was null and void per the bylaws, thus requiring Halloween Committee business done that night to be re-done.
- 4) Add to New Business: Halloween Committee.
- 5) Moved up placement of Owners Input to accommodate the large crowd.
- 6) Add AT&T Tower survey packet for discussion to New Business as “D” -- [*NOTE: *This Business was not done by close of meeting/will need priority at next BOD Meeting due to a time deadline from AT&T.*]

Vote: Yes-5, No-0, Abstain-1 (Larry Kawaauhau/District 1). Motion carried.

IV. Approve Past Minutes

Kathleen Shaw (District 3) moved to table approval of the past minutes to move forward. Larry Kawaauhau (District 1) seconded the motion. Discussion: For time, because they have so much on the Agenda and none present were on that board, so some felt they could wait. If we table, then the next meeting will be long to approve all outstanding minutes 6/20/18, 7/2/18 Special #2, and 7/18/18. **Vote: Yes-3, No-3 (Leslie Blyth, Mary Couch, Mayelin Stillwell). Abstain-0. Motion failed.**

**David Roe, District 9 –Arrived at 6:16pm*

**Larry Kawaauhau, District 1 - Left the room at 6:18pm*

Mayelin Stillwell (District 5) moved to Table BOD 7-2-18 Special Meeting #2 Minutes. Mary Couch (District 2) seconded the motion. Vote: Yes-6, No-0, Abstain-0 (Larry Kawaauhau, District 1 was out of the room). Motion carried.

Mary Couch (District 2) moved to table 6-20-18 BOD Meeting Minutes. Mayelin Stillwell (District 5) seconded the motion. Vote: Yes-6, No-0, Abstain-0. (Larry Kawaauhau, District 1 still out of the room). Motion carried.

Mary Couch (District 2) moved to approve 7-18-18 Part #1 BOD Meeting Minutes. Kathleen Shaw (District 4) seconded the motion. Vote: Yes-4, No-0, Abstain-2 (Leslie Blyth/District 7, David Roe/District 9), (Larry Kawaauhau, District 1 still out of the room). Motion carried.

A discussion about BOD Meeting 7-18-18 Part #2 began with suggested changes desired. **Mary Couch (District 2) moved to remove the line: “HR Committee is up and working.” Kathleen Shaw (District 3) seconded the motion. Vote: Yes-4, No-0, Abstain-2 (Leslie Blyth/District 7, David Roe/District 9). (Larry Kawaauhau, District 1 still out of the room). Motion carried.**

**Larry Kawaauhau, District 1 – Returned to the room@6:25 p.m.*

Mary Couch (District 2) moved to remove “ALLOWED TO BE” so sentence instead reads “NOT YET SWORN IN.” Leslie Blyth (District 7) seconded the motion. Vote: Yes-2, No-2(Larry Kawaauhau/District 1, Kathleen Shaw/District 3), Abstain-3 (David Roe/District 9, Tanya Seaver/District 4, Leslie Blyth/District 7). Motion did not carry.

Kathleen Shaw (District 3) moved to table the 7-18-18 BOD Meeting #2. Larry Kawaauhau (District 1) seconded the motion. Vote: Yes-3, No-1 (Mayelin Stillwell), Abstain-3 (Mary Couch/District 2, David Roe/District 9, Leslie Blyth/District 7). Motion did not carry.

Mayelin Stillwell (District 5) moved to have a transcript verbatim of the section VIII Pro management letter section for the minutes of 7-18-18 Part #2 [created by the Recording Secretary from recording]. Leslie Blyth (District 7) seconded the motion. Vote: Yes-6, No-0, Abstain-1 (David Roe/District 9). Motion carried.

Kathleen Shaw (District 3) moved to table the 7-18-18 Part #2 Meeting Minutes until that verbatim information of the Pro Management letter section is available. Kathleen Shaw (District 3) withdrew her motion.

Leslie Blyth (District 7) moved to have the Bylaws Committee Report section of the 7-18-18 Part #2 Meeting Minutes transcribed verbatim. Mary Couch (District 2) seconded the motion. Vote: Yes-3, No-1 (Kathleen Shaw/District 3), Abstain-3 (Tanya Seaver/District 4, Larry Kawaauhau/District 1, David Roe/District 9). Motion did not carry.

Leslie Blyth (District 7) moved to table the 7-18-18 Part #2 Meeting Minutes. Kathleen Shaw (District 3) seconded the motion. Vote: Yes-7, No-0, Abstain-0. Unanimous. Motion carried.

V. President’s Report – Leslie Blyth (District 7) began by reporting past motions approved and passed in past Executive sessions. Stated that she offered to pay out with her own money to move forward, when she heard the attorney fees needed, regarding the continued postponement of swearing in the District 6 Representative, Craig Crely. She stated that she’d really like the matter clarified before letting him be sworn in because she feels it’s important to the membership as an issue for the future, so she’s requesting arbitration in order to have legal advisement on this, although she also stated that she was uncertain how to proceed with her desire for arbitration, stating her regret that her need for taking this to arbitration delays the swearing in of Mr. Crely, so that he can finally get on with representing District 6, as he was voted in by his district to do.

She stated she could prevent the swearing in per use of Article 14 in bylaws page 27 “...if there’s any disagreements concerning interpretation of bylaws by anyone, they shall go to arbitration,” so I’m requesting arbitration. I offered to pay out of my pocket to get it resolved and that didn’t happen so District 6 will just have to wait for their representation.

A discussion occurred with a board member citing that besides our bylaws and 414d, the only people who can stop someone from being sworn in to office is the community and neither she, as President, nor any others on the board, can actually keep someone from being on the board as they have done to date.

A board member who was also on that Nominating Committee stated that in her opinion the nominating committee could reject a candidate, but another board member countered that, in fact, the board didn’t reject the candidate, as was the board’s right to do.

Yet, another board member stated that a director can only be removed by the voters, but the President essentially just removed him, to which the President, Leslie Blyth, stated that she is still demanding arbitration because she wants the membership to trust that when they vote or come forward to run they can trust the process, so she’s going to use Mr. Crely and District 6 as the example for setting this unprecedented precedent. Another board member countered by asking why the other districts would care?

A discussion then occurred about who should be making the judgment regarding Mr. Crely and his representation of District 6 e.g. “The Board” versus “The (voting) Membership”. The membership voted him in, but Leslie Blyth as the President feels that arbitration is required, stating that because she asked for a legal opinion to clear it up for her while she was gone, it wasn’t her fault that didn’t pass and so now Mr. Crely will have to continue to wait to represent District 6 and it’s unfortunate that District 6 will now just have to continue without representation even though they voted for him.

A Board member strongly stated that arbitration over this issue with the use of our road funds is untenable and wrong. Then another Board member stated that one board member’s opinion is not the rest of the board’s opinion and Mr. Crely should be sworn in immediately. That Board member then stated wanting to show emails from the Vice President that the other board member felt showed collusion, before the election, by the Vice President, and against Mr. Crely. This board member then demanded the President produce the supposed complaint letters she stated that she received and are the reason she feels that she can prevent Mr. Crely from being sworn in. The President stated she could not show the supposed complaint letters because she needed to protect those complainants.

At this point, another board member spoke, stating that the community voted for whom they wanted as Representative for District 6, and the board has no right to prevent that Representative from taking his seat.

Another long discussion continued on with board members stating it is illegal for the President and the board to prevent Mr. Crely from being sworn in so that he can represent the district members for whom he was voted in to represent. This Board member

went on to state that it's not only illegal to not swear Mr. Crely in, and then she further stated that, per Robert's Rules, it doesn't matter whether he's sworn in or not, he's on the board now. She reiterated that the bylaws clearly state that the only qualification to run is to be fully paid up in dues to the association.

The question became whether the President even has the right to push something like this to arbitration, which will cost the subdivision money that could be used for the roads. This board member pressed further asking what the mechanism is to move forward on this action? It cost a lot of money and our insurance went up with the last arbitration.

The President insisted that because the board didn't accept her offer to pay for the legal opinion then it would just have to go to arbitration and nothing would move forward for District 6 Representation until that happens. A board member asked her if she would be willing to pay for the arbitration since she's insisting on it being the only option.

Mary Couch (District 2) moved that David Roe (District 9) find an arbitrator and schedule a meeting. Leslie Blyth seconded the motion. Discussion: Arbitration is a lot of money and it's about the 8,800 other people out there who don't want their money spent on this action.

Steve Crawford spoke from the audience and stated that the board can't just go find an arbitrator. He explained that they have to fill out the "Triple A form" to start the process.

Discussion about questions and answers moved in to some questions being asked by Finance Committee to which the Treasurer stated that there are many reports that show many of the questions have already been asked and answered by Attorneys in past incarnations of the Finance Committee, so she questioned why they are re-asking these same questions?

It was asked why they don't just swear in Mr. Crely and if something is found incorrect then he can be removed. It was added that that district 6 could actually turn around at this point and sue the board for depriving them of representation.

A special election redo for the one candidate one district was discussed but another community member in the audience stated that it's not in the bylaws to allow that and if it was a re-do, then the other people whose applications had missing items would then also have to re-run. This would be very costly and is not covered in the bylaws at all as an option.

One issue that some had was explained, in regards to why white paper was used for one of the ballots, and that was because people dropped out after the ballots had already been printed, so a new ballot was done quickly to accommodate that last minute change in the ballot line-up.

The long discussion continued.

A Board member stated that Mr. Crely needs to be on the board to represent District 6 because his district duly elected him. Another stated that they need a third party. **Motion died on the floor.**

Kathleen Shaw (District 3) moved to swear in Mr. Crely and look into the election irregularities. Larry Kawaauhau (District 1) seconded the motion. Discussion: This would save the membership thousands of dollars, but a board member insisted that there's no negotiation on going to arbitration and she was intractable on the point. Another board member stated that if he was deemed not legitimate, the only way in our bylaws would be a recall for removal; however, he went on to ask, "How can you deprive him of being seated into office? If he's legitimate and had every right to be sworn in and voting then he was denied, on every issue he was denied a vote for starting July 2, 2018 then does that change the outcome of all those motions voted upon without his input?"

A huge LONG discussion ensued with audience members also making statements.

***Larry Kawaauhau (District 1) left for work at 8:16 p.m.**

A past Board member stated that exactly what the lawyer they consulted said was, "...committees are advisory...the board holds the purse strings and they make the decision..."

Page 589 (point 3) Robert's Rules was read "...all committees come under the board..." Then an audience member stated having been on the HR committee, in the recent past, and "everything we did was advisory...the board does not have to take that advice."

Regarding the ballot issue about a white ballot having been used. A board member went on to ask the President: "Then where does it say in bylaws that it has to be the ballot they submitted must be used? -- It doesn't."

The board voted that the nominating committees recommendation to disqualify Mr. Crely was not accepted by them, to which, the President now stated that the conflict of interest should have been discussed because any board members who's family indirectly or directly employed has a conflict of interest, so then she stated it was up to board to address and discuss it in the minutes, to acknowledge that he had a family member employed. And if board discussed it, then she said it should have been in the minutes, to which Mr. Roe stated that the board at that time, which he was on, did, indeed, discuss it, but by the time it came up, the wife of the candidate didn't even still work at the office, so they felt it was a non-issue.

He further stated that the only qualifying thing for a candidate, per the bylaws, is whether or not the person's road fees are paid up to date and it was up to the board to discuss it, to which, he stated the board had a discussion about it during a meeting.

At this point, a member of that past nominating committee, Steve Crawford, took the floor and stated that, according to the nominating committee, the primary issue why Mr. Crely was disqualified was because his application was not filled out fully and the office didn't get it to the nominating committee on time, so that he and they on the nominating committee could have contacted him to see if he was a member in good standing, but his candidate form didn't have contact info.

It was then noted that he was the Board President at the time, so he was contactable, and furthermore, several candidates didn't fill out their forms correctly, one not even having used the correct form, therefore the entire election could be considered a problem requiring an entire seemingly senseless and costly re-do of the election.

VI. Treasurer's Report – Tanya Seaver

Bank Balances as of the end of July 2019:

TOTAL Checking, Savings, Investments and Bond Reserve: \$6,191,750.81.

The first interest payment on the new bond was made on July 2 2018th for \$165,340.38. The Approved Budget was also provided to Umpqua Bank, as required.

TOTAL Accounts Receivables: \$2,266,318.61.

Allowance for Doubtful Accounts has not changed from last months balance: \$1,156,426.31.

(this is contra-asset account required by the Generally Accepted Accounting Principles (GAAP) that records the estimated amount of receivables, which may not be collectible.)

In January 2018 HPPOA build approximately \$2.9 million for road maintenance. Of that, we have collected, approximately, \$2.3 million as at the end of June, or 80%. During July we collected approximately \$85,000 in current and past road maintenance assessments, finance charges, lien fees, etc.

As of the end of July, there is an outstanding total of \$2.2 million to be collected; this amount includes billings that have yet to be paid for the current year and all prior years as well as finance charges, lien fees, transfer fees owed on property transfers, and other miscellaneous income.

There were 71 property transfers completed during the month of July.

I have reviewed all of the Bank reconciliations going back to March of this year except for Roads. I expect to be reviewing the Roads Accounts in the next couple of weeks.

The office is waiting on contact from the prior auditor in order to complete the preparation for the 2018 audit. They are staying in contact with Jon Arbles from our new audit firm to keep them updated on where they stand. In the meantime, documents requested by the auditor are being prepared.

Statement Regarding Unaudited Financial Information – the unaudited financial information set forth above is preliminary and subject to adjustments and modifications. The audited financial statements and related notes are to be included in our annual report for the year ending June 30, 2018. Adjustments and modifications to the financial statements maybe identify during the course of the audit work, which could result in significant differences from this preliminary unaudited financial information.

VII. General Manager's Report - Don Morris

The AggreBind was applied to 31st Maku'u dead end on July 18th and 19th. It was a two-day process doing one lane at a time. We had some issues the first day with dispensing of the Aggrebind from the water truck and the mixing process. The next day went better after working out some issues. The Aggrebind representative was satisfied with the training overall. We talked about a different process for the next half-mile. We will do both lanes at the same time in quarter mile sections. That should be better for mixing the Aggrebind with the material and should make for a better overall job. The Aggrebind is for the fugitive desk issue and should not be considered as a replacement for AC.

We have received the signed consent order from DOH in regards to the fugitive dust violations. We will need to comply with all the conditions found in Table 1, one of which is Dust Advisory Signs. I think we should place them with the private road signs at the top of the main roads instead of on every unpaved road.

He stated he would need to get further clarification from the DOH because there's two different areas referencing the time line required wherein one says, "when it is signed" and the other area stating "by December 18th" for the signage, which will have to be made and will take two to four weeks, possibly sooner on a rush, and probably will cost approximately \$250 each. No specifics regarding sign placement was given by the DOH, so the top of the main roads seem appropriate.

The road crew continues scraping the edges of the main roads in preparation for the road striping. I spoke with Ronnie from Loeffler Construction. He will be in charge of the project and he said that they are looking to start in December (weather permitting). Entire crew need to prep the roads for road striping. It has to be as clean as possible to make sure the paint lasts the longest possible. Brusher is about 250/day and they may be able to do up to two roads per day.

Leslie Blyth (District 7) moved for the vote to approve the GM moving forward to get the 8 signs required by DOH for fugitive dust agreement. Leslie Blyth (District 7) seconded the motion. Discussion: 7 signs covering at top and in the middle to make sure no one misses seeing the sign. 8 maximum needed, at this time. They will cost approximately \$250 per sign and if more are needed more could be ordered. **Vote: Yes-6. Unanimous. Motion carried.**

Equipment: The Roller needs some repairs. We are waiting for the parts to arrive. Parts are made in Germany, hence the wait. We are also rebuilding the RAM in the F450 dump truck. All other equipment is running fine at this time. We continue to do the daily maintenance and repairs on all other equipment.

Mowing: the road crew mowed 37 miles of roadway easement with the side arm mower and 27 miles with the deck mower.

Graded: Graded and compact 9 miles of roadway.

Installed Signs: 6 signs installed; Pohaku Circle, top of Maku'u, 30 Kaloli, Railroad-M-P, 9 Paradise.

Rubbish Pickup: 1.75 Tons and 38 Tires.

Abandoned Vehicles: 10 vehicles removed and at least 10 more to go.

Dead Animals Removed: 3 pigs

Safety Report: No accidents or injuries for the past 47 months.

Thank you for your support.

A discussion about how the Aggrebind appears to be holding up well, so far. We've had some decent rain and it was a wash out road spot - it's doing well. 23rd Kaloli and shower was first chip seal road done and holes have been patched recently, so we got about 2 years from the chip seal, but we hope and think we will get more out of the Aggrebind. The Aggrebind is also easier to work with and down the road will save money for the community. It's serving the purpose to mitigate dust.

VIII. Committee Reports

- A. **Finance Committee Report** – Tanya Seaver – No report because the Finance Committee hasn't met yet; however, she is working out how to deal with the rudeness and manner in which she was spoken to by members on the committee. She stated that she's a member of this community and refuses to be disrespected by the rude members of the Finance Committee. She stated that her issues are Robert's Rules, Corporate Policies, the Bylaws, and even the Employee's Handbook states that the employees are not allow to hand out corporate info, noting that there's a list of what the employees can hand out and there are Finance committee Members asking her for things that she doesn't feel comfortable giving to them. She stated that she's not obstructing anything and that she is following the rules that she was voted in to follow. During the hurricane, she noted that she was actually reprimanded by a couple Finance Committee members for daring to cancel the General Manager from attending the meeting in order to allow him to out in the field, protecting our homes and assets, she felt that was the most important thing for him to be doing at that time of emergency.

She has scheduled a Finance Committee meeting on September 11th at 6 p.m. and the library is already booked for it. She wanted to move the meeting back to nighttime because the meetings go so inordinately long and she has to work, for which she stated she is also receiving backlash from some Finance Committee members for that as well. Tanya stated that she's here to work with everybody and she gently requested the same cooperation be returned, including giving respect, which she also deserves. She stated that she's following the rules because it's for the best interest of the community and the corporation.

Tanya went on share that she was told she was wrong for following the rules and not letting the Finance Committee members see documents that they are not supposed to be privy to, and in fact she noted that she was actually given a binder with the history of the Finance Committee and it was written clearly in a paid Attorney's finding stating in that paperwork, that the bond is not public knowledge; so she then rhetorically asked, "Why would she furnish it to the Finance Committee members if that paperwork states that it's private and she's not supposed to share that information with the rest of the FC?"

Why should she break the law to share employee's names, rate of pay, hire dates, and other private information that is not to be given to random neighborhood volunteers on the Finance Committee just because they want to see them? It's PRIVATE INFORMATION! Tanya went on to state that she's receiving reams of input from some on the Finance Committee stating how wrong and illegal she's doing everything, but wanting to see many documents that are deemed personal and private information, whether the individuals wanting that information like it, or not, they are not legally allowed to access information. She is stymied by the effrontery she's received for following the rules.

She wants to work on the capital improvement plan at the upcoming FC meeting. Our budget was approved by the board and the bond company has that budget, so although it might not be perfect, it is all right, and I'm doing my best to prioritize what we need to get done like our audit from July 18th that had a red flag. Our red flag on our audit is our capital improvement plan, is priority and turned out has been information that was due from Finance Committee every year, but was not given by them and that was what caused that questionable red flag that appeared because they didn't get it done. She said that she doesn't even know if it's possible to get it done, but she thinks with the right focus and cooperation as the key, the Finance Committee can get it done, at least the three year is the hope, if not all.

- B. **Mailbox Committee** – after board approval status for us was given, we tried contacting local and Honolulu with no response. We reached out to district manager who flew in and we met yesterday with him and the postmasters of Keaau and another postmaster. We told him that the one-acre lots previously discussed with the Board Mailbox committee were not possible to be used due to their understanding of deed restrictions, so they gave another proposal to the USPS and stipulated that they wanted boxes consolidated as much as possible. Additional pads will be needed. Clusters and a resource liaison to lay them out. USPS was pleased with mailing address matched to boxes.

Box holders who don't live in HPP with boxes will have to find other boxes. Those with a box may have it relocated. Blocks of homes or residences to be served with a cluster box method. Safety was a concern, especially on Maku'u to which it was stated that they wish to move back the site and put up safety banisters. The GM noted that the electric company will not let mailboxes be put back under their power lines in power company owned easement area, but the chairperson stated that although the GM is correct that the utilities own the right of ways where telephone poles are, this committee wants to ask them to use the space and stated that the county said it was okay, so they feel they got, or would get the okay from the utility company, too. Boxes are ordered and on the way.

A Discussion about loading of mail and how that is handled. A member spoke up with a concern about vandalism and lots of extra expenses down the road because the boxes will become the responsibility of the subdivision.

The Chairman stated that the USPS had frustration over the lack of follow through by HPP for the past decade. They want everything in writing from this point forward. They want the agreements signed and they will be giving us \$825,000 of boxes. 550 cluster boxes. Additional sites for the clusters will be needed and, in return for them, the USPS will give the park everything in writing in exchange for the park ultimately taking over the care and maintenance of the boxes as well and in their entirety. This will likely include additional yearly fees that may be required and some other one time costs may be needed as well.

The USPS wants to be invited to all future General Membership Meetings. They have no requirement for lights or cameras, but want the park to pay for the installation as well. They need the actual address for every lot in the park and he accessed the county records, having gotten 7,000 of the 8800 total needed because that was the first thing they needed at USPS, and then we'll see what their response is to that.

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

Next Albizia and ROD workshop this Saturday at 9 a.m. in the library. The BIISC have finished cutting all the albizias on Maku'u and have treated most the trees along that road with Milestone, and they will continue to completion.

Next Food Pantry - Tuesday August 28th and every 4th Tuesday of each month. There were 250 people served at the last pantry. There are 12 to 14 volunteers needed each month. We appreciate any volunteers to help and we start at 11:30 at the activity center. Used clothes, fresh fruit, and vegetable donations also always appreciated.

Disaster Preparedness Workshop at end of this month on Saturday, August 25 – 8am setup begins for 9am start at the incident command center. This will be with CERT and the Neighborhood Watch Radio Team. We've grown a lot since starting. We have status boards, radio team, medical unit, a search and rescue team and we work together with the Civil defense. We've invited the Boy Scouts and Churches who will and want to be there to help with disaster relief. At this workshop, we will be sharing what we know to work together. All are encouraged to attend.

X. Owners' Input (It is requested owners submit written questions for which a response is desired.)

Craig Creilly – Good evening board members, I'm here tonight to ask you about your current problem with the District 6 board member, Me. I won the election in June 2018, but the current board will not swear me in as a board member.

First, I would like to know with what authority, you are not swearing me in? You call yourself a transparent board that follows Bylaws, State law, and Robert's Rules. Please state the applicable State Law, Bylaw or Robert's Rules that gives you that power. You must know the laws because you're using them to not swear me in.

Second, both of the President and Vice President have written before about how I was not legally voted on to the board in January 2018. They both cite HPP corporate policy, general policy and bylaws on Conflict of Interest. They say it states in General Policy 8; no family member of a director shall be employed for any reason. Please show me this policy now.

HPPOA Corporate Policy, General Policies ends at 6! Again, I say, show me, and the rest of this board, this policy. I hope that you can prove and I was on the board illegally because by stating that in print, if it was a false statement of fact, could be considered Libel.

Third, please read the bylaws on conflict of interest. Please try to really read and understand it. Article 5 Section 14 Conflict of Interest says, "an indirect financial interest shall include Financial benefit to a relative of any director, officer, Committee member, or employee, when so determined by a majority vote of the board. That's very specific. Or by a policy established under Article 8 Section 11, so if the board says there's no conflict of interest, which they did by voting me on the board, which is following the bylaws, but no say some members, the nominating committee says it's a conflict, so that overturns the boards action. Please state where in the bylaws that section is that says that committee has that power.

Next, Section 11 says, "No member shall vote on any issue in which a member has a conflict of interest. The Director shall also disclose the nature of the conflict prior to a vote." Leslie [Blyth/President] stated earlier that during the meeting when they wanted to swear me in, I didn't state I had a conflict. The Vice Presidents also wrote on 2-1-18 that I made no disclosure at the board meeting. Please show the vote I made that had to do with the employees at that meeting? I only had to disclose a conflict if we were voting. Again, please show me the vote.

You can't prove that I am illegally on the board and that you can't keep from swearing me in, so how do you plan to undo the wrongs you've done me and the District 6 voters. You were worried about the rights of others, but what about my rights? If you can't prove that I have no right to be on the board, then what I think you have done is abuse your powers as President and Vice President. Knowing that, I think you should step down as officers of HPPOA. You do not deserve to stay on in those positions. Thank you.

Lastly, in regards to conflict of interest, when I was voted in as interim board member, back in January, Shawn Merrill expressed we have conflict of interest policy and I stated at that time that I would recuse myself from any vote of employees and that's on the record, if you want to go through to find that because I did state there was a conflict at that time and it's on the record. Thank you.

David Prager – Wanted to complement the GM and his crew. They knocked down the cane grass on his road and he said their timing was perfect. Cane grass is hard to knock down and they did a great job. He added an article proposing a town center in HPP.

Leilani Bronson-Creilly – Spoke adding info regarding the town center proposal requesting \$680 million, but it's a pipedream because our current budget for this county is less than \$500 million, but we as an organization need to be ready so when others want to make statements to improve or get involved in our community, we are ready. They've asked for Special Session of the Legislature in October and that's probably not going to happen, but it's important to note that \$24.9 million would be HPP's share.

XI. Old Business

- A. **Swearing in Craig Creilly – Leslie Blyth (District 7) moved to table. Mayelin Stillwell (District 5) seconded the motion. Vote: Yes-3, No-3 (David Roe/District 9, Tanya Seaver/District 4, Kathleen Shaw/District 3), Abstain-0. Motion failed.**
Mary Couch (District 2) moved to move this topic to after Section H. in Old Business. Leslie Blyth (District 7) seconded the motion. Vote: Yes-6. Unanimous. Motion carried.
- B. **Election, Procedure and Policy Committee – Mayelin Stillwell – maybe it's going to be making you policies and procedures for the election this election issue we're having will be helped by creating policy. Mayelin Stillwell (District 5) moved that the Election, Procedure and Policy committee shall have the complete ballot mailing list used to send District 2, 3, 4, 5, & 6 election ballots out to lot owners for election year 2018, and shall have the original return ballots that Nanawale also received.** A board member stated that the complete ballot mailing list is considered confidential.
 A discussion occurred and this request is a legal issue, which the GM noted is the same issue with billing when people give wrong addresses. It's not our responsibility to chase down people for their correct addresses. If we don't have their correct

address, how do they expect to get their ballot? Another board member noted that you cannot have the ballot and the list. The voters privacy must be maintained.

***David Roe left at 10:03 p.m.**

A discussion occurred about the percentage of people who actually vote which is 29% and the ballots.

Leilani Bronson-Crelly asked when was committee empanelled and it was answered: July 2nd at a special board meeting. It doesn't seem like the purpose is clear. To be more efficient. The nominating committee had a lifespan and it ended. There is no such thing as a certified tabulator in this county. There are not any in this county.

Per the bylaws, the community does not have the right to voter information. Every idea that comes up costs money. It all boils down to lack of trust and it's time to move forward. We cannot change the past, but in the future we will make sure the committee has the list. **The motion died.**

C. Aggrebind update – see GM report given above.

D. HR Committee – Shawn Merrill (Legal Assistant), Mike Warren (23 years ran business working with United and Hawaiian Air wants to get involved and help), Katherine Crawford (Educator), Lisa Pouliot (Was an HR person) – all volunteered, but only two needed so they need to be chosen. **A secret ballot was done to determine the two choices of the four. Mike Warren and Lisa Pouliot were voted on to the HR Committee.**

E. Bylaws Committee Ballot – They need a board vote to get the ballot mailed out. They want approval of postage and printing. It will be going to entire membership. Could it be mailed with the Conch? Concern it might be tossed not realizing it's not junk mail. Ballot enclosed could be stamped on the Conch to alert people. **Mary Couch (District 2) moved to include the Bylaws Committee Ballot with the Conch stamped "ballot enclosed" and if merging needs done, volunteers will support the office to do it. Leslie Blyth (District 7) seconded the motion. Vote: Yes-4, No-0, Abstain-1 (Tanya Seaver/District 4). Motion carried.**

Leslie Blyth (District 7) moved for the League of Women Voters be the ballot counters for those ballots returned.

Discussion ensued. Leslie Blyth liked Nanawale. Bylaws Committee will get the details on the cost and get back to the Board with more information. **Motion died without a second.**

F. Auto External Defibrillator – One can get sued for not using it and we will have a training session. We rent this facility out. Dr. Shaw has agreed to also man the unit along with another medical professional. **Mary Couch (District 2) moved that Dr. Shaw will sign and approve the form for the AED for board approval. Mayelin Stillwell seconded the motion. Vote: Yes-5. Unanimous. Motion carried.**

G. Committee Letters status – Checking to see if all the letters are done. She went in with motions log to show GM, but it was voted on and passed. To print the letter for pro management company to correspond for Hawaiiana Management Company with HPP's logo. They decided to take it to Executive Session to discuss further.

Kathleen Shaw (District 3) moved to move Halloween in Paradise Event Discussion to now. Mary Couch (District 2) seconded the motion. Vote: Yes-5. Unanimous. Motion carried.

XII. New Business

A. Halloween in Paradise Committee – Kathy Crawford - Presented a letter to be signed by board. We need donations. We're going to do a cupcake walk. Why not go to KTA and hand them a letter to see if they can get a donation for two dozen cupcakes. This is a standard letter for businesses to have the Tax I.D. to get donations. We need this to deliver to the places we want donations from who are willing to donate, but they need this letter for their paperwork.

Mary Couch (District 2) moved to approve the letter presented by the Halloween Committee. Mayelin Stillwell (District 5) seconded the motion. Discussion: We don't have any money. Every donation received has to be accounted for in taxes, so we need a letter with HPP letterhead although it's too late in the year to be asking for donations, we will try. **Vote: Yes-5. Unanimous. Motion carried.**

Mary Couch (District 2) moved to approve October 31 use of the Hui from 3p to 9p for the Halloween event free of charge not to include the library and kitchen. Mayelin Stillwell (District 5) seconded the motion. Discussion: Heard previous to the motion, they want it for free because we feel it's a service to the community to have a Halloween Party. **Vote: Yes-5. Unanimous. Motion carried.**

***Bio Break 11:21 p.m. to 11:27 p.m.**

B. Rescind illegal motion from 7-2-18 #2 BOD meeting – Kathleen Shaw (District 3) wanted to rescind the motion of 7-2-18 #2 because the second part of the motion, preventing the District 6 from being sworn in, was illegal. She stated that there is nowhere that says the board has the right to prevent a board member from being sworn in as a board member. She further stated that although she had voted for it then, she has since looked into it more carefully and finding that there is no permission anywhere saying that it is okay to bar an elected Board Representative from being sworn in. The voting body is the only one who has the power (p.446) and (on p.444) she read to include: "...officer installation must be done." Whether we swore him in or not, he was duly elected and should be on the board. **Kathleen Shaw (District 3) moved to rescind the motion of 7-2-18 Meeting #2 that didn't allow Craig Crely to be sworn in. Tanya Seaver (District 4) seconded the motion.** Discussion: The President stated that if it was found by legal to be incorrect, then it would be difficult to get him unseated so she felt justified in preventing him from taking his seat to represent his district, in the meantime.

It was noted that in that past letter, which was proposed and sent to a lawyer for a quote on cost of legal opinion, that the names and character assassination of people written within the letter should not have been mentioned in the legal opinion request to the attorney. That was inappropriate and the board member who wrote it acknowledged that it was, going on to state that although she did send it that way once to some, she had since removed it after the last BOD meeting noting it was wrong to have been written like that, also acknowledging that the attorney had, indeed, already seen it by then so the bell couldn't be un-rung on that character assassination woven within the request for an opinion.

One of the three board members in opposition to allow Mr. Crely to take his seat and represent district 6 was also on the nominating committee was vigorously countered by another board member because it was not even an actual conflict of interest because Mr. Crely was an interim director on the outgoing board, and it was brought up at a meeting that his wife worked in the office, way back at that time; therefore, it was clearly known by the board that his wife worked in the office when he applied to run for the position of director for District 6. As long as the board knew about the employment of his wife in the office, and because Mr. Crely recused himself from any votes having to do with her or her job, it was okay he be on the board, and it was NOT a conflict of interest. Additionally, his wife no longer even worked in the office by the time the election occurred, so the entire issue would seem moot, and it is completely unnecessary to prevent him from being sworn in, along with exceedingly costly to the Association to attempt to overturn his having been elected via using arbitration. A discussion continued with that one nominating committee/Director convinced that a citing of a perceived conflict of interest allowed the three on the board who wanted to prevent him from being sworn in simply to continue to do so.

Another board member countered that there's nothing to prove conflict of interest. She stated that she was on that board and at that meeting where it was discussed, and as long as the board knew of the situation he could run. The two of three in opposition to allowing him to be sworn in insisted that they could continue to prevent him from serving because there wasn't an official acknowledgement noted in the minutes, so therefore these three felt that they could continue to push for this issue to go to an arbitrator and cost the association more road money in order to more officially make a determination on whether they would let Mr. Crely be sworn in to represent his district already.

A board member strongly countered that it is illegal that the board didn't swear him in, in the first place, going on to state that there's nothing that said we, as the board, had a right to prevent Mr. Crely from being sworn in to represent District 6! A large disagreement occurred with no common ground being found to move forward as a united representative body for the community.

***Kathleen Shaw (District 3) left the meeting at 11:58 p.m.**

Motion died with loss of Quorum.

XIII. Announcements

A. Next scheduled BOD Regular Meeting is September 19, 2018

XIV. Adjournment

Quorum was lost. Meeting ended at 11:59 p.m. due to loss of Quorum.

Respectfully Submitted:

Mary Couch, Secretary

Susan Bambara, Recording Secretary

Date

Date

Motions Log of HPP BOD Meeting on 8-15-18

Mary Couch (District 2) moved to approve the Agenda of 8-15-18 as amended. Leslie Blyth (District 7) seconded the motion. Vote: Yes-5, No-0, Abstain-1 (Larry Kawaauhau/District 1). Motion carried.

Kathleen Shaw (District 3) moved to table approval of the past minutes to move forward. Larry Kawaauhau (District 1) seconded the motion. Vote: Yes-3, No-3 (Leslie Blyth, Mary Couch, Mayelin Stillwell). Abstain-0. Motion failed.

Mayelin Stillwell (District 5) moved to Table BOD 7-2-18 Special Meeting #2 Minutes. Mary Couch (District 2) seconded the motion. Vote: Yes-6, No-0, Abstain-0 (Larry Kawaauhau, District 1 was out of the room). Motion carried.

Mary Couch (District 2) moved to table 6-20-18 BOD Meeting Minutes. Mayelin Stillwell (District 5) seconded the motion. Vote: Yes-6, No-0, Abstain-0. (Larry Kawaauhau, District 1 still out of the room). Motion carried.

Mary Couch (District 2) moved to approve 7-18-18 Part #1 BOD Meeting Minutes. Kathleen Shaw (District 4) seconded the motion. Vote: Yes-4, No-0, Abstain-2 (Leslie Blyth/District 7, David Roe/District 9), (Larry Kawaauhau, District 1 still out of the room). Motion carried.

Mary Couch (District 2) moved to remove the line: “HR Committee is up and working.” Kathleen Shaw (District 3) seconded the motion. Vote: Yes-4, No-0, Abstain-2 (Leslie Blyth/District 7, David Roe/District 9). (Larry Kawaauhau, District 1 still out of the room). Motion carried.

Mary Couch (District 2) moved to remove “ALLOWED TO BE” so sentence instead reads “NOT YET SWORN IN.” Leslie Blyth (District 7) seconded the motion. Vote: Yes-2, No-2 (Larry Kawaauhau/District 1, Kathleen Shaw/District 3), Abstain-3 (David Roe/District 9, Tanya Seaver/District 4, Leslie Blyth/District 7). Motion did not carry.

Kathleen Shaw (District 3) moved to table the 7-18-18 BOD Meeting #2. Larry Kawaauhau (District 1) seconded the motion. Vote: Yes-3, No-1 (Mayelin Stillwell), Abstain-3 (Mary Couch/District 2, David Roe/District 9, Leslie Blyth/District 7). Motion did not carry.

Mayelin Stillwell (District 5) moved to have a transcript verbatim of the section VIII Pro management letter section for the minutes of 7-18-18 Part #2 [created by the Recording Secretary from recording]. Leslie Blyth (District 7) seconded the motion. Vote: Yes-6, No-0, Abstain-1 (David Roe/District 9). Motion carried.

Kathleen Shaw (District 3) moved to table the 7-18-18 Part #2 Meeting Minutes until that verbatim information of the Pro Management letter section is available. Kathleen Shaw (District 3) withdrew her motion.

Leslie Blyth (District 7) moved to have the Bylaws Committee Report section of the 7-18-18 Part #2 Meeting Minutes transcribed verbatim. Mary Couch (District 2) seconded the motion. Vote: Yes-3, No-1 (Kathleen Shaw/District 3), Abstain-3 (Tanya Seaver/District 4, Larry Kawaauhau/District 1, David Roe/District 9). Motion did not carry.

Leslie Blyth (District 7) moved to table the 7-18-18 Part #2 Meeting Minutes. Kathleen Shaw (District 3) seconded the motion. Vote: Yes-7, No-0, Abstain-0. Unanimous. Motion carried.

Leslie Blyth (District 7) moved for the vote to approve the GM moving forward to get the 8 signs required by DOH for fugitive dust agreement. Leslie Blyth (District 7) seconded the motion. Vote: Yes-6. Unanimous. Motion carried.

Leslie Blyth (District 7) moved to table. Mayelin Stillwell (District 5) seconded the motion. Vote: Yes-3, No-3 (David Roe/District 9, Tanya Seaver/District 4, Kathleen Shaw/District 3), Abstain-0. Motion failed.

Mary Couch (District 2) moved to move this topic to after Section H. in Old Business. Leslie Blyth (District 7) seconded the motion. Vote: Yes-6. Unanimous. Motion carried.

A secret ballot was done to determine the two choices of the four for members elected to the HR Committee. *Mike Warren and Lisa Pouliot were voted on to the HR Committee.*

Mary Couch (District 2) moved to include the Bylaws Committee Ballot with the Conch stamped “ballot enclosed” and if merging needs done volunteers will support the office to do it. Leslie Blyth (District 7) seconded the motion. Vote: Yes-4, No-0, Abstain-1 (Tanya Seaver/District 4). Motion carried.

Mary Couch (District 2) moved that Dr. Shaw will sign and approve the form for the AED for board approval. Mayelin Stillwell seconded the motion. Vote: Yes-5. Unanimous. Motion carried.

Kathleen Shaw (District 3) moved to move Halloween in Paradise Event Discussion to now. Mary Couch (District 2) seconded the motion. Vote: Yes-5. Unanimous. Motion carried.

Mary Couch (District 2) moved to approve the letter presented by the Halloween Committee. Mayelin Stillwell (District 5) seconded the motion. Vote: Yes-5. Unanimous. Motion carried.

Mary Couch (District 2) moved to approve October 31 use of the Hui from 3p to 9p for the Halloween event free of charge not to include the library and kitchen. Mayelin Stillwell (District 5) seconded the motion. Vote: Yes-5. Unanimous. Motion carried.

Kathleen Shaw (District 3) moved to rescind the motion of 7-2-18 Meeting #2 that didn't allow Craig Crelly to be sworn in. Tanya Seaver (District 4) seconded the motion.

**Kathleen Shaw (District 3) left the meeting at 11:58 p.m.*

Motion died with loss of Quorum.