

**Hawaiian Paradise Park Owners Association
APPROVED – Board of Directors Meeting Minutes
January 18, 2017**

I. Call to Order: President, Randi Larzalere (District 6) called the Board of Directors meeting to order on January 18, 2017 at 6:08 p.m. Quorum was established. The meeting took place in the HPPOA Hui Activity Center Library.

II. Roll Call:

Board of Directors: Randi Larzalere (District 6), President, Ruth Mizuba, Vice President (District 2), Chris Anderson (District 8), Treasurer, Jerry Sodan (District 3), Patrick Murdoch (District 9), Dr. Jo Maynard (District 5), Larry Kawauhau (District 1) **Absent:** Richard Solie, Secretary (District 7)

Guests: Peter Frost, Mike Dickerson, Beth Evesong, Craig Crelly, Shawn Merrill, Judy Sumter, Kathy Tilton, Don Morris, GM

III. Approve Agenda

Jerry Sodan (District 3) moved to approve the Agenda of 1-18-17. Chris Anderson (District 8) seconded the motion. Discussion: Some additions occurred. Ruth Mizuba (District 2) moved to approve the Agenda of 1-18-17 as amended. Jerry Sodan (District 3) seconded the motion. Vote: Yes-7. Unanimous. Motion carried.

IV. Approve Past Minutes

Tabled due to illness of Recording Secretary. Recordings of December meetings were recorded on two recorders and given to her tonight for Transcription.

V. President's Report – Randi Larzalere (District 6) – Last month, during the BOD Executive Session, some positions were changed after John Rudolf resigned as President. His resignation required the positions President, Treasurer, and Secretary.

Sorry for the Annual Update that will be received in billing – to give credit where credit is due. An email error occurred and the wrong files were sent to the printer because they were working off two drafts at the time that the president suddenly resigned. It was an unintentional mix-up of the sudden former President John Rudolf's report to have the New President's name on it – it was a mistake and accidental - not purposeful. Her report was made available at the meeting and stated the following:

Thank you to all who came to the community cleanup. It will now be on the third Saturday of the month and will be discussed later in this meeting. Thank you to all who came and volunteered your time to fold and stuff envelopes.

I hope all had a safe, wonderful holiday season. In 2016 the Board used the allocated funds previously donated to build a park on the property at the Activity Center. We were also able to start our chip sealing of gravel roads for dust abatement.

In 2017, we will continue chip sealing roads in the park for dust abatement by using monies from collections on past due accounts. Each year, we plan to look at the past due monies collected and budget for more roads to be chip sealed.

Our priority this year will be to refinance the 2007 Bond. This is available to us in January of 2018 and we will then have a fixed payment with a better interest rate.

Thank you for all those who volunteer their time and talents to make HPP a better place to live.

VI. Treasurer's Report –

Total Checking, Savings, Investments and Bond reserve: \$5,666,424.72

Total Accounts Receivables: \$1,992,956.06

In January 2016 HPPOA billed \$2,484,202.50 for Road Maintenance.

As of December 31, 2016, we have received \$2,121,458.00

Therefore, approximately 85% of the homeowners have paid the Road Maintenance Fees for 2016 as of the end of December and 15% of them are in arrears.

The office is working on obtaining financing (5 years) for the new grader (\$126,900), at this time, because we have not budgeted to purchase a grader in this fiscal year and we don't want to spend our reserves in case we have another equipment issue this year. As we prepare the budget for the next fiscal year, we will look to see if we can pay off the grader instead of committing to making payments for five year.

VII. GM Report for December 2016 – Don Morris

Aloha thank you for all the road maintenance and safety requests this past month. We are still waiting for the parts for the Volvo grader; however, we have just recently taken delivery of a 2012 Case Grader on a lease from Allied Machinery. Hopefully, it will work out for us and we'll be able to make it part of our fleet. With this delivery, we can get back to grading some roads.

Equipment: We still only have one sidearm mower. We have no small deck mowers. The manufacturer of the grasshopper mower is still checking to see if they will cover the repairs under warranty, but we don't know how long that will be until they're done reviewing. All other equipment is running fine at this time.

Mowing: Grasshoppers will continue to mow the main roads and cut back the corners. They have signed a new six-month contract with HPPOA. The road crew mowed 45 miles of roadway easement.

Weedwacking: Road crew weedwacked Paradise main corners from 16th to Beach.

Gravel, Back Blade & Rolled: 8 miles

Rubbish Pick-up: 3.5 tons

Dead Animals Removed: 1 pig

Trees Removed: 5 areas of trees removed.

Signs Replaced: 3 STOP Signs

Safety Report: No accidents or injuries for the past 30 months.

Thank you for your support.

VIII. Committee & Community Resource Reports

Committee Reports:

- 1. Bylaws – tabled** – no representative - no meeting or minutes have been submitted since October. Steve Crawford unofficially reported that as of their last meeting they were still on section 8, which is what they were on 9 months ago. The committee hasn't met.

We, the community of HPPOA has lost revenue by leaving this room unoccupied for a committee that's not meeting. We need the revenue by renting this room out.

Jerry Sodan (District 3) moved to take the bylaw committee off the monthly library activity calendar Patrick Murdoch seconded the motion. Vote: Yes-7, Unanimous. Motion carried.

- 2. Nominating committee** – Bob Merrill had a family emergency, having to go to mainland. - District 4 for a 2 year term needs to be added – a discussion occurred about where to advertise such as putting it in the paper as a press release or how to possibly get it on the radio as a public service announcement, which would otherwise be costly. The board edited the ad with the committee members that were present in the meeting, so that it would have the most information with the least costly amount of words. "Have vision share it, don't talk about it do it." At the Swap meets, applications were given out.

- 3. Elections Committee** – Robert Merrill – tabled – once the nominating committee completes their task, it'll be turned over to the elections committee to let them choose what ballots need to be used, who will do the count, and, at that time, the nominating committee will be dissolved, with the hope that they will become volunteers for the elections committee as well.

4. Mailbox Committee – Patrick Murdoch – They have been looking at ways to fulfill HPPOA's Charter that calls for Community safety and enhancements, as well as roads, so with HPP being the most largely inhabited subdivision and growing, this project is not just a folly, but a needed service to our entire community. They are researching the budget for this project from all angles to make the four proposed sites easy to use, well lit and available for every lot owner in the community. We will need 600 people in HPP to say they want a box tied to their lot and to see if we can get a letter of commitment from the USPS in order to even pursue moving forward, but we have already been receiving \$150 checks from people wanting a mailbox in their community and near their homes. We will need to put the vote out to the community after we prepare a full report and presentation at a General Membership meeting. Things like safety are very important to consider for the boxes on the main feeders as they stand. The USPS will be announcing no more delivery to homes soon enough and they have stated that they will not ever deliver to individual houses in private subdivisions, so having the islands or banks of mailboxes in HPP will facilitate every one of the 8,800 lots can get mail inside the community. There is an area near Pohaku that already has their bank of boxes, but otherwise, not everyone in the park is able to get mail here right now and many have been waiting years for access to one of the few boxes available in the upper part of HPP. This kind of thing is for the better of the all, so everyone is going to need to be heard, if we hope to make this safer, easier way to get your mail. Details about what the locations would look like and how the area would be done were shared.

Jerry Sodan put out a letter/proposal to the USPS to go to a higher level, He stated that if the president can sign the letter and we can get the packet together to give to Lois, the pro tem postmistress at Kea'au, she said that she will get it to go up the line with hope end of June/early July approval so that we might get it started by August. They need approval from postal service and approval from the residents. This would possibly require a special assessment for this, so that, too would have to be voted on by the entire membership. If that the case, it would be a very small one time special assessment that could possibly be paid in increments and other ideas were discussed on how to manifest this important addition to our entire community. A letter of commitment is needed from the USPS before it can be taken to the membership to vote on allowing this to move forward. Jerry added that they really did want lots in upper HPP for this project, too, but there just aren't any. Many noted that having them somewhere in the community was still better than having to drive out onto the highway and even getting a box is a difficulty and costs people yearly, whereas this is a one time special assessment fee and then everyone who wants a box here will have one, but if they don't want it, then it will be kept blank until they do. Unless the people who really want boxes vote this project in, the voices of those few of the approximately 1100 who have boxes near their homes and are most vocal about not wanting this change will vote this away, unless the rest of the community stands up to be heard, too. The vision for the creators of Hawaiian Paradise Park was to make it a paradise for it's community members. There are many who came here because they share that vision. They will need to be heard from, if we have any hope of moving this forward on this project, assuming that we can if get that green light to do so from the USPS first. The sad thing is there's even people from other communities who have boxes here because those boxes are not tied or affiliated to lots - they're just a random as to who has them. The up side of this plan is that everyone in HPP will get mail. It will make this community a safer place to pickup their mail, it's a more egalitarian opportunity for all, and it's for the betterment of everyone. **Chris Anderson (District 8) moved to approve the letter going to the USPS operations regarding The Mailbox(es) Proposal. Ruth Mizuba (District 2) seconded the motion.** Discussion: They will make sure that the Header is addressed to the correct person per USPS's advisement. **Vote: Yes-7, Unanimous. Motion carried.**

A Community Resource report – no report this month.

IX. Owner Input: (3 min)

Beth Evesong: Thank you for all that you do for HPP. At the last month's meeting there was a minor discussion about the arbitration and some letters provided here about the arbitration and the decision. There was a slight comment about payments being made by Ken McIlvray, Steve Crawford, Joan Galante and June Conant. I would like to make a request that at the February General Membership meeting, the board make a presentation to the community about the results of the arbitration and how much money was actually paid back to the association – how much it cost and how much they had to pay. I think that should be clear to the community. She wanted an update about the progress of the refinancing of the bond and who is now working with the GM on that. Recommended a good presentation for the mailbox plan be presented at the February 26 General membership meeting

Mike Dickerson: wanted the board to consider a proposal that we have a graduated scale for our fees. Most of the work our crew has to do is on the absentee lots requiring mowing and tree cutting. They should be charged something like \$50/month to reduce price to homeowners and more to those not here that cost more work.

Judy Sumter: Has been in touch with council members. There will be a meeting at the end of this month and a lot of the council members are ready to let the two years expire on the park. Gregor Illagan will be going to defend the park. The bone of contention is the limit of two years. If the board would be willing to extend that two year period, that would help and that property is still going to be there in five years, it's not like it's twenty or thirty years, but we have to work with the county and the council members do not like the two year limit. If we don't get it, all the work everyone has done will be wasted and the 3000 children in HPP will not have a park. Ruth Mizuba (District 2) would be good representative for HPP at the meeting since she was the chairman of the Park Committee. The board will not giving anything, please just be willing to negotiate and see what they would like. Give a representative from the board authority to speak for the board. It is the deal breaker for the county to continue with that two-year limit. Please be willing to extend or be willing to work with them. If we don't work with the county, then it's not going to happen.

X. Unfinished Business:

Status of County Park – Ruth Mizuba – She and another board member will go to the small county meeting that was mentioned by Judy Sumter as coming up at the end of January – Ruth Mizuba will follow-up and find out how to be updated and in order to attend the meeting about it and what the county wants to let that move forward. Discussion of locking up the property for them for maybe five years instead of the present two years which appears to be a problem with the county. They don't want a community garden.

Judy Sumter: Mayor was willing to work in Honokaa area and they eventually got what they wanted. We have to be on a team mentality.

Beth Evesong: asked the board to clarify that Ruth and Larry are going to the meeting with the county.

Dr. Jo Maynard (District 5) moved that Larry Kawaauhau (District 1) accompany Ruth Mizuba (District 2) to the meeting with the county regarding the park at the end of January. Jerry Sodan (District 3) seconded the motion. Vote: Yes-7, Unanimous. Motion carried.

7:30 p.m. - Larry Kawaauhau (District 1) left the meeting to go to work.

2) Albizia removal from office parking lot – Don Morris – Beside the bid from Grasshopper for \$10,000, they got two more bids with lowest at \$8,000. Since then the owner of Grasshoppers has said that he is will to do a trade of the job for the Holland Tractor what we have up for sale in Craig's list. The only offer we have gotten for the tractor has been for \$5,000, so this is a great deal and then there would be out of pocket money from the community. **Chris Anderson (District 8) moved to approve the bid for trading the Holland tractor in exchange for Grasshoppers cutting the albiza at the office area. Ruth Mizuba (District 2) seconded the motion.** Discussion: Grasshoppers original bid was \$10,000. The tractor is worth \$5,000, so this is a great exchange for the community. **Vote: Yes-6, Unanimous. Motion carried.**

3) Recall response letter to District 5 - Dr. Jo Maynard (District 5) moved to send out the response letter to the recall of district 5. Ruth Mizuba (District 2) seconded the motion. Vote: Yes-6, Unanimous. Motion carried.

4) Correct October 16, 2016 minutes – Randi Larzalere – we were going to correct the minutes to say \$35,000, but we have just changed the offering to \$38,000. We change the price of the lot to \$38,000 so the minutes are now correct. The realtor thinks we will be getting an offer soon. One offer came in at \$26,000 and we didn't proceed or counter offer because we have more into the lot than that. We can wait to get the offer that makes sure we don't lose money on it. We are confirming that the sale price offer is at \$38,000 and ratifying the listing price as written in the past minutes. **Chris Anderson (District 8) moved to correct the price to \$38,000 for the lot on 4th Avenue. Jerry Sodan (District 3) seconded the motion.** Discussion: It's worth it because it's an easy clear and doesn't have albizias. **Vote: Yes-6, Unanimous. Motion carried.**

5) Area Beautification –Randi Larzalere - thanks to all who came out. The next one is Saturday, February 18th – Some asked it be 7am because it was hot early, but others wanted to sleep in on Saturday, so they wanted it kept at 8am start. They will have a variable start with the first crew starting at 7 a.m. and then a second crew starting at 8 a.m. People inquired about doing a potluck at the end. We could be outside the backdoor of the office after the event, so as not to jeopardize rental space of the Hui. They will do a Potluck after the clean up, from around 11 a.m. to noon. The GM would like all trash left at shop so he can monitor it for weight count. Ruth Mizuba volunteered to wash and clean mailboxes at 15th. Discussion of cleaning fluid to be used.

6) Grader – Don Morris – We have the grader and it seems to be working fine. All paperwork was signed today for the application for the loan process of it. (Five-year loan with option to pay it off earlier) An outside certified mechanic will also look at it.

7) Sale of lot – Done with #4 (see above) - price changed to offering at \$38,000. There are two more that will need to be sold.

8) Assessment – when the board approved the raising of the transfer fees from 200 to 300, we also tried to do a \$500 fee for new building on lots – a future building burden fee is not a good title per the attorney. They need to change the name of the fee to an **Extra burden road maintenance fee** is what it will be called. It's \$750 in Hawaiian Shores, but they have CC&R's. This was tabled for more research and brainstorming.

9) Reimbursement for Laminated Posters – Dr. Jo Maynard (District 5) moved to reimburse Randi Larzalere for the cost paid by her for the laminated posters that had information regarding arbitration. Chris Anderson (District 8) seconded the motion. Discussion: She further wanted them now hung prominently in the office so the community could see how their money was spent in defending an arbitration over something that could have gone to mediation or not happened at all, and further proves that the board didn't do anything wrong. Hanging the prominently so the community can see that their money went to defend the Association in that frivolous arbitration. The Board won on all issues. The cost of the poster was \$202.19 plus cost of lamination. Receipts were given to the treasurer. **Vote: Yes-6. Unanimous. Motion carried.**

Dr. Jo Maynard (District 5) moved to have those laminated posters put in a conspicuous place in the office. Chris Anderson (District 8) seconded. Discussion: The place is all windows, a discussion of where they can where all the members can see. GM has to approve the location of where they will go. **Vote: Yes-6, Unanimous. Motion carried.**

XI. New Business:

1) Sale of Speed humps – Randi Larzalere (District 6) moved to sell the speed humps. Patrick Murdoch (District 9) seconded the motion. Discussion: Back in April 2010, President Dale moved to purchase speed humps – it was not seconded. They've been stored in shop a long time. They only cost 700 new for a set and we were hosed on the deal. It is confusing as to why we even needed 29 sets of used speed humps when we don't even have 29 roads, let alone for \$750 way back then, which was a huge rip-off. They will have the GM try to sell them. When the ones on the existing roads that have them are broken or worn out they won't be for sale or available. They will not be replaced. They bought them in 2010 and have been sitting in a pile for 7 years requiring moving about and accumulating rat feces all over them. It was money not well spent. It'll go back into the road fund if they are sold. The speed hump policy also needs revision. **Vote: Yes Vote-Yes-6, Unanimous. Motion carried.**

2) Signal at Shower & 130 – Don Morris – He wrote an email that went to Honolulu department head about this and HPP wasn't even considered in the situation to put in the signal nor what it'll do – he's trying to get someone to inform the association what they are doing. They were dumping green waste. The state is doing this but didn't consult HPP and it's going to tear up the easements and have an impact. We pay taxes. The burden that they are adding to the association and people who have to pay for the burden on the private roads maintained by them. The fences are for dust. The email went out last Wednesday and no response yet. **Dr. Jo Maynard (District 5) moved to create a letter from the board with**

appropriate heading signed by all asking for a meeting with the DOT director to come talk to the Association about the light going in on Shower. Ruth Mizuba (District 2) seconded the motion. Discussion: They will work on the draft letter, modify it and discuss via email. Dr. Jo Maynard will draft it and email to the Board for refinement. **Vote: Yes-6, Unanimous. Motion carried.**

3) Reflectors at intersections – Patrick Murdoch (District 9) – reflectors came up because past board put away \$14,000 to start striping the road. Patrick went over the numbers with the GM, Don Morris and it's not even a start, so it's a waste of money because they will need at least \$28,000. In the meantime, at least reflectors need to go in. Something must be done to make it safer on these streets. Many accidents are people pulling out of intersections. They want to put reflectors on the stop signs themselves. They need to get pricing. Patrick wanted to move to hold off on spending the \$14,000 so that it could be added to the upcoming fiscal year in order to actually budget for \$66,000 to \$67,000 that it would cost for stripes on all the roads. The combining of the two years budgets totaling \$28,000 would at least get the white lines on to every road. Centerline is the priority to at least give driver's guidelines. **Patrick Murdoch (District 9) moved to delay the use of the \$14,000 until next year in order to add it to next year's budgeted \$14,000 to have at least \$28,000 to start striping the roads. Chris Anderson (District 8) seconded the motion.** Discussion: They will look into reflectors for the stop signs in the meantime. **Vote: Yes-6, Unanimous. Motion carried.**

4) Chip seal – Don Morris, GM – They had a proposal from Triple K Trucking/Kyle Pua to pre-prepare the roads before chip sealing the roads. It appears that it could be a good idea, but the proposal would need revamping. A discussion ensued. **Dr. Jo Maynard (District 5) moved to have an analysis done in regards to the Triple K proposal for road prep for chip sealing. Chris Anderson (District 8) seconded the motion.** Discussion: The GM will research and get back to the board with his suggested revamping of the proposal. **Vote: Yes-6. Unanimous. Motion carried.**

5) Approve Audit – Chris Anderson (District 8) moved to approve the audit. Dr. Jo Maynard (District 5) seconded the motion. Vote: Yes-6. Unanimous. Motion carried.

6) District open – Randi Larzalere (District 6) moved that Patrick Murdoch's representation move from District 9 to District 4. Chris Anderson (District 8) seconded the motion. Discussion: This move will allow him to represent his own district. **Vote: Yes-6. Unanimous. Motion carried.**

District 9 will now have an opening and two applications have already been received. **Randi Larzalere (District 6) moved to rescind her motion of moving Patrick Murdoch from District 9 to District 4. Jerry Sodan (District 3) seconded the motion. Vote: Yes-6. Unanimous. Motion carried.**

Mike Dickerson applied for District 9. He is a three-year resident of park and wants to see us, as a community, move forward, especially with street improvements, and improving the equipment. We have a huge traffic problem and I want to help move the community forward. **Chris Anderson (District 8) moved to install Mike Dickerson on the board as a representative for District 4. Jerry Sodan (District 3) seconded the motion. Vote: Yes-6 Unanimous. Motion carried.**

Mike Dickerson (District 4) to The Oath of Office.

7) Keeper of the BOD & Executive Session material – Ruth Mizuba (District 2) moved that all executive session records be kept in office in locked box. Chris Anderson (District 8) seconded the motion. Discussion: there's a lock box, to which President will have access. This will include a set of paper minutes. **Vote: Yes-7. Unanimous. Motion carried.**

Policies to Review: None

XII. Announcements:

1. New Board of Directors Meeting is February 15, 2017 at 6:00 p.m.
2. Next General Membership Meeting is Sunday February 26, 2017 at 3:00 p.m.

XIII. Adjournment to Executive Session (Personnel)

Ruth Mizuba (District 2) moved to adjourn to Executive Session. Patrick Murdoch (District 9) seconded the motion. Vote: Yes-7. Unanimous. Motion carried. Meeting adjourned at 8:52 p.m.

Respectfully Submitted and Approved:

Susan Bambara, Recording Secretary

Randi Larzalere, Secretary

Date

Date

BOD Meeting Motions Log 1-18-17