

**Hawaiian Paradise Park Owners' Association  
Board of Directors' Meeting  
Meeting Minutes  
Wednesday, August 19, 2020**

## **I. Call to Order**

Board of Directors' meeting called to order by Craig Crelly (District 3) at 6:05 p.m. Taken place at the HPPOA Activity Center. Social distancing and masked protocols were upheld.

Members present were: K. Shaw, Shawn Merrill, Judi Houle, Leilani Crelly.

## **II. Roll Call**

Jerry Sodan- District 2; Kenneth D. Helgren- District 4; Emma Hoglund- District 5; Craig Crelly- District 6; Corky Schoonmaker- District 7; and Jeffrey Finley- District 9. Quorum established.

Not present: Larry Kawaauhau- District 1; Leonard Warden- District 8.

## **III. Approve Agenda**

**Jeffrey Finley (District 9) moved to approve August 19, 2020 agenda. Corky Schoonmaker (District 7) seconded the motion.**

Enter Discussion:

Revision: Representative from Audit firm moved up to 3A.

**Agenda approved as amended. Vote: Yes- 6, No- 0. Unanimous. Motion carried.**

a. Audit Firm

*John CPA from Taketa, Iwata, Hara and Associates addresses the board:*

Firm is engaged with HPPOA to perform audit on financial statements. John explains that the purpose of an audit is to make sure the financial statements are not materially misstated. Company is an independent third party. They audit management's financial statements as so contracted from the board.

What does it mean for the financial statements to be materially misstated? The company uses a range of numbers to determine the materiality. One number is based on the revenue the association generates.

Company has performed HPPOA audits in the past.

In the process of receiving documents from management in order to begin process of audit. Once all the items are received can set the audit schedule. There is a bond deadline that company is aware of and

they are working to make the bond deadline. The expectation is that the audit will be complete in 6-8 weeks.

The audit results will be presented with an audit report on management financial statements, provide communications with those in charge of governance, and letter of comments. If any fraud is identified the Board President and Vice-President will be notified.

There are three outstanding comments from the prior years:

1. Compliance with personnel policies. It's recommended that board and management follow procedures for termination or it is a liability.
2. Creation of manual for accounting procedures for management. There has been some progress in developing policies and procedures.
3. Future repair and cost analysis. Associations with HPPOA financial assets typically will have an independent company perform a repair and replace cost analysis that details when and where roads will be replaced and cost. The purpose is to help board budget.

The outstanding comments will remain on audit until they have been completed.

Any questions should be directed to management and will be answered by firm.

#### **IV. Approve Past Minutes**

**Jerry Sodan (District 2) moved to approve minutes of July 15, 2020. Kenneth Helgren (District 4) seconded the motion. Vote: Yes- 6, No- 0. Unanimous. Motion carried.**

Enter discussion on remaining unapproved minutes.

**Jerry Sodan (District 2) moved to approve past meeting minutes of February 20, April 17, May 7, May 15, May 19, and June 19, 2019 as recorded and transcribed by the Recording Secretary. Kenneth Helgren (District 4) seconded the motion. Vote: Yes- 6, No- 0. Unanimous. Motion carried.**

#### **V. Presidents' Report**

No report. President Larry Kawaauhau (District 1) was not present.

#### **VI. Treasurer Report**

No report. Treasurer Leonard Warden (District 8) was not present.

#### **VII. GM report—Don Morris**

*Don Morris, general manager, addresses the board:*

He states, "We still have some concerned members of the association that live in the lower part of Makuu that have issues with road safety, speeding vehicles and noise concerns. The road crew has installed some additional speed limit signs in the area but that does not seem to matter to most of the drivers.

They (members) have submitted to the office a petition that they filed with the Count of Hawaii Department of Public Works, Traffic Division for installation of speed humps. I am not quite sure what that has to do with HPPOA since the roads in the subdivision are all private and have nothing to do with DPW Traffic Division.

The association has had problems with speeders for years, not only on the main roads but also on the crossroads. I proposed to the BOD a few years ago to place 4 way stop signs on all the main roads about every 8 roads. That would keep the vehicles from being able to pick up too much speed before they have to stop for the next 4 way stop sign. I think that would be more effective than speed humps.”

We still have the archeological study on 17<sup>th</sup> Ave between Makuu and Paradise. We need to decide on so I can tell the lot owners what the plans are for getting into their lots.

We currently have two proposals for the fence around the maintenance area. I am hoping to get a few more in the next week.

Liens: The office has placed the liens for the 2020-2021 fiscal year. There were 243 liens placed.

Equipment: The universal joints are on order for the case grader. They will be replaced as soon as they arrive. New water pump has been ordered for the water truck. Also, will be ordering a new mower deck for the John Deer side arm mower. All other equipment is running fine currently.

Mowing: The road crew mowed 93 miles of roadway easement with the sidearm mower and 28 miles with the zero-turn mower.

Grading: Widened, graded, and compacted 8 miles of road.

Hotmix: filled potholes with hot mix on Paradise, Beach, Ala Kai and 16<sup>th</sup>.

Weedwack: Shower Dr., Kaloli Dr., Paradise and Ala Kai.

Road watering: 22 miles of road watered.

Rubbish pickup: 1.8 tons of rubbish

Dead animals: 3 pigs and 1 marlin

Safety report: No accidents or injuries for the past 71 months.”

Enter discussion:

Questions about possible stop signs are asked. Is there a way to enforce stop signs? Can speed humps be used in conjunction with stop signs?

The ultimate question is how to slow down speeders.

There's a possibility of liability if speed humps are not properly marked and constructed.

General Manager suggests starting with stop signs and see how that does. Discussion on how frequent the stop signs. The cost would need to be considered and placed in the budget.

Main roads are owned by the association.

**Jerry Sodan (District 2) moved to investigate possibility of stop signs on main roads. Craig Crelly (District 6) seconded the motion. Vote- 5 Yes, No- 1 (Emma Hoglund -District 5). Motion carried.**

Question of possibility of a graded shoulder or a bike and walk path. The General Manager mentioned that he put in the capital improvements budget last year a small excavator so leveling out of shoulders of main roads could be started. It would be easier to maintain and people would be able to walk on them.

Sidewalks would change dynamics of subdivision.

Question about what to do about 17<sup>th</sup> street? Needs to have an archeological site study to determine to open up road. 2 lot owners have no access to property. There's a possibility that there might be caves or archeological significant structures. The road to assess the lot owner's property is overgrown and a new road needs to be made. This cannot be done until an archeological site study is made to determine any significance. The study will cost \$5365.23. If not, there's a possibility of a lawsuit because the owners do not have access.

**Jerry Sodan (District 2) moved to authorize general manager \$5,365.23 to do archeological study on 17<sup>th</sup> Ave to determine if the road can be opened. Kenneth Helgren (District 4) seconded the motion. Vote: Yes- 6, No- 0. Motion carried.**

## **VIII. Committee Reports**

### a. Mailbox Committee

*Leilani Crelly, Shawn Merrill, Adriano Texiera, and Patrick Murdock address the board:*

Leilani Crelly asked the camerawoman who she is and how she plans to use the material. The woman responds that she's using the material to help her remember what occurred.

Leilani shared documents with the board. The committee has worked for the last ten years to get more mailboxes to HPPOA. The goal is that every owner will have a mailbox. The USPS will provide the cluster boxes for each lot for free but the development and maintenance of mailboxes are on the association.

There's recognition that there's still work to be done before this happens but they have a plan and are close to getting the mailboxes.

Leilani and others ask that the board consider the plan that's before them and consider repaneling mailbox committee.

Discussion:

The volume of boxes is large so there needs to be clear space before getting any mailboxes. The idea that the mailboxes and stop signs be on the same intersection.

The plan that has been developed is that the mailboxes will be placed on a property that the association owns, will have ADA parking, and only gravel.

Discussion ensued about plan, changing locks, logistics of every owner having a mailbox, and subsequent cost.

**Jerry Sodan (District 2) moved to re-panel mailbox committee. Kenneth Helgren (District 4) seconded the motion. Vote: Yes- 6, No- 0. Unanimous. Motion carried.**

#### **IV. Community Resource Report**

Judi Houle addresses the board:

The food pantry has continued. It is the 4<sup>th</sup> Tuesday of every month from 1:30 p.m. to 2:30 p.m. CARES Act funds has helped the food pantry. 1100 people have been provided food every month. The swap meet has been cancelled. The Albizia workshop has been cancelled.

It's hurricane season. The CERT and radio team were activated to prepare for Douglas. There are resources available to assist in a disaster.

Suspicious activity and top safety concerns are reported. Judi thanked the board for taking action on safety issue of speeders.

There have been squatters, dumped vehicles and ATV issue. The Police reported to have confiscated 3 ATVs and given out citations in community.

The police do have authority to enforce the speed limit in the subdivision.

Judi thanked the board.

#### **V. New Business**

- a. Assign BOD member to Finance Committee

**Jerry Sodan (District 2) moved to assign board member to finance committee. Corky Schoonmaker (District 7) seconded the motion. Jeff Finley (District 9) volunteered to be on finance committee. Vote: Yes- 6, No- 0. Unanimous. Motion carried.**

#### **VI. Old Business**

- a. HPPOA Corporate Policies Review

The subject was tabled last meeting. The first page was approved last meeting.

- b. Archeological Study on 17<sup>th</sup> Ave. between Makuu and Paradise

Topic already discussed earlier in meeting.

- c. Paving start up plan

Capital improvement budget approved by the board last year has association paving 2 miles of road each year. The question is which road to pave?

1<sup>st</sup> road is paved. Every road is a different cost because of the conditions of the road and cost of preparation work.

Discussion ensued about which road to pave and the density of houses on roads.

The general manager is to pick two dead end roads that are higher maintenance and make suggestion.

Currently owe roughly 6.3 million left on bond and next year the association is eligible to pay it off without penalty. After the bond is paid off then there will be more revenue to pave more roads.

d. Mailbox initiative approval plan

Topic discussed earlier in meeting.

**V. Announcements**

Next Board of Directors Meeting: September 16, 2020 at 6 p.m.

Next General Membership Meeting: October 25, 2020 at 3 p.m.

**Adjourn to Executive Session**

**Jerry Sodan (District 2) moved to go into executive session. Kenneth Helgren (District 4) seconded the motion. Vote: Yes- 6, No-0. Unanimous. Motion carried.** Meeting adjourned at 7:48 p.m.

**I, A. Majidah Lebarre, undersigned as an independent neutral third-party, present this report as a summary of these events to the best of my ability.**

\_\_\_\_\_  
**A. Majidah Lebarre, Recording Secretary**

\_\_\_\_\_  
**Date**

**Upon acceptance,**

\_\_\_\_\_  
**HPPOA Board Secretary**

\_\_\_\_\_  
**Date**

### **Motions Log for BOD Meeting 8-19-20**

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