

Hawaiian Paradise Park Owners' Association

HC 3 Box 11000 Kea'au, HI 96749 808-966-4500 (fax)808-982-5198 (e-mail) hppoa@interpac.net

NOTICE OF MEETING OF THE BOARD OF DIRECTORS December 15, 2002

Notice is hereby given that there will be a meeting of the Hawaiian Paradise Park Owners' Association Board of Directors on Sunday, December 15, 2002 at 3:00 PM in the Library of the Activity Center on Maku'u Street in Hawaiian Paradise Park Subdivision, Kea'au, HI.

AGENDA

- I Call to order
- II Roll Call
- III Owner Input
- IV Minutes from November 17, 2002
- V President's Report
- VI Treasurer's Report
- VII General Manager's Report
- VIII Committee Reports
 - A. Legal & Government
 - B. Road Advisory
 - C. Activity Center
 - D. Policies and Procedures
 - E. Newsletter
 - F. Malamalama School
- IX Unfinished Business
 - A. Conditions of the Whitney/Mango Trust Special Permit
 - B. Development of policy on Special Use Permits
 - C. Define goals of the Master Plan "Committee"
- X New Business
 - A. Paradise Ala Kai Road Paving Proposal
 - B. Leilani Estates Association
- XI Next Meeting
- XII Adjournment

Hawaiian Paradise Park Owner Association **Approved Minutes of the Board of Directors Meeting** **of December 15, 2002**

Call to Order: The meeting was called to order at 3:01 p.m. by President Dan Payne.

Board Members present: Dan Payne; President, John Vurich; Vice-president, Don Tinker; Secretary, Wayne Graber; Treasurer, Floyd Lundquist, and Robert Daley. Suzanne Mayhew, General Manager (GM) was also present.

Members Absent: Jesse Crawford and Gerard Silva were absent. Alexa Von Alemann has resigned.

Other Members Present (and those who arrived later): Marlene Lundquist, Joe and Terri LeBlanc, Warren Mastenbrook, Walter Bell, Heather and Fred Gonneville, Peter Frost, and Cindy Carroll.

Owner Input:

Marlene Lundquist gave a list of suggested Road Advisory Committee policies to Robert Daley, the Policy Chair.

Walt Bell advised the newsletter is going to the printer tomorrow. Volunteers will be needed to help with the mail out.

Minutes of November 17, 2002 -

- In the road Advisory Report, after changing *to suspend the \$500 road fee - to suspend the five (5) times commercial road fee;*
- Changes were made to the following motion by explaining who abstained and that John Vurich did not vote - Wayne Graber moved to eliminate the surcharge on road fees for businesses, Alexa Von Alemann seconded. The vote was 5 in favor, 0 opposed, 1 abstained (Floyd Lundquist,) the motion carried. John Vurich was conducting the meeting and did not vote on this issue.

Don Tinker moved to approve the minutes of November 17, 2002 as amended, Wayne Graber seconded. The vote carried unanimously.

President's Report: President Payne reported there is still one possible chance to get a loan to pave all of our roads. We need to put together a long range plan for paving all of the roads in HPP.

Treasurer's Report: Treasurer Graber distributed and reviewed the financial reports. He recommended to only transfer funds to the operating account when needed. He also reported the office is still trying to get the Yardi system able to produce the information we need. Several problems have developed (i.e.) one deposit was dropped off; all checks paid through Yardi are not being shown; checks can be changed in the system after the check is written; checks are missing from reports; no balance sheets at this time but that can be changed so that one will be produced; the automatic backup is not working; and the Yardi database has also dropped information. He recommended to purchase Quick Books and run in parallel with Yardi. He also recommended to purchase or create another database program. The office has been keeping the SAM system up to date so we have not lost any information.

General Manager's Report: (Briefly see Addendum #1 for full report.)

The GM asked for input to the agenda for the February General Meeting, we will be establishing a Nominating Committee and a Bylaw Committee.

Paving of Beach Road and 28th Avenue is completed, after checking the work the GM saved HPP over \$2000.

Our new mowing contractor is working out very well, due to budget constraints the main roads are mowed once a month and side roads every three months. They also weedwack, spray, and remove rocks from the shoulders.

The GM is calling absentee lot owners to see if they are allowing junk cars to be stored on their lots.

The *Yardi* software is still not working properly, nor is the backup. Thankfully Morgan kept our old database *SAM* current, so we will do the billing for 2003 from *SAM*.

A group on Paradise Ala Kai have proposed paving their street with personal funds then to have their road fees deferred until the funds are paid back. We need to determine if we want to have this kind of agreement, and if so, we need to establish a policy as other lot owners may be interested in doing the same thing. We can figure the cost per mile and reduce road fees accordingly, we may need to change the policy after the first paving agreement. We will take this up at the next meeting.

The GM is working with Employment Works, a division of GoodWill, to get a volunteer labor and office help for free.

The GM has spoken with the Fire Chief about contacting the Hawaii Insurance Bureau to request a fire code re-rating for lot owners in the vicinity of the waterline on Paradise Drive.

Director Vurich suggested that reports be e-mailed prior to the meeting.

Committee Reports:

Legal & Government - The Planning Commission granted the Special Use Permit with no conditions. We requested the special condition of paving 33rd Street in our approval of the Permit. President Payne will talk to the Whitney/Mango Trust about paving 33rd Street. In the future we will ask the lot owner to sign an agreement to our conditions.

Businesses need access to water, but the parcels set aside for business have not been developed, and will not have water for some time. The past Mayor requested that businesses not be on the highway, 33rd Street has water, we may want to think about changing the light industrial area to there.

The Association's properties are deed restricted, we may want to check on getting those restrictions lifted.

Road Advisory - Director Lundquist presented a written report (Addendum #2) asking the Board for responses to:

1. Request for policies for the Road Advisory Committee (RAC)
2. The request for all Board members and committees be informed of road expenses paid
3. That the Finance and Budget Committee be reinstated
4. That an overseer or committee review all negotiations concerning cost and contracts prior to being

finalized and to have complete Board approval before road expenses are paid. They asked for a response at a Board meeting and in writing to the RAC.

Floyd ask that the Board get copies of any agreements or contracts prior to Board meetings.

Treasurer Graber questioned the need to reinstate the Budget & Finance Committee, computer lists of all payments are available for anyone to see. The GM advised she stopped the expense reports because it did not appear they were used. Floyd noted that any payment after March 31 will be past due, the GM advised that payments are past due as of March 16.

Activity Center - Director Tinker reported the swap meet income was \$102.

Due to recent break ins, he suggested to put motion lights or incandescence lights around the Activity Center.

Policies & Procedures - Director Daley will be working on the Road Advisory Committee's policies.

Malamalama School - Walt Bell reported enrollment is up to 82 students. They are initiating new programs, and receiving grants.

Since the five times road fee was dropped, their fees were dropped to one charge, however, the lease sets their road fee at \$300. They are willing to pay the five times road fee of \$510 plus \$1 per student for lease of the land. Their lease is due for negotiating next year, by June 30.

The scholarship applications are due in March, Walt ask the Board to take more active participation in the selection of candidates. The scholarships should be for lot owners, as the school gives out other scholarships for residents.

Unfinished Business:

Conditions of the Whitney/Mango Trust Special Permit - This will be followed up by President Payne and the GM.

Development of policy on Special Use Permit - Assigned to the Policies & Procedures Committee.

Define goals of the Master Plan "Committee" - Walt Bell noted the MP has been accepted by the County, but there is a procedure to make changes. If we want to get Federal grants we need a plan showing commercial improvements. We need to provide for commercial development infrastructure, specifically roads and water. We also need to explore zoning. The Master Plan does have provisions for improvements. John volunteered to Chair. Joe LeBlanc volunteered to help. We will ask the members who worked on the Plan before for their input.

New Business:

Paradise Ala Kai Road Paving Proposal - Already discussed.

Leilani Estates Association - Director Vurich contacted Leilani Estates about things that affect all subdivisions, and had the following information:

1. They made a special assessment of \$600 to pave all their roads.
2. They recommended to lock in the contract for Yamada's labor, by guarantee of a certain amount of

- work per year, with a 10% variable on material per year.
3. They do not have committees, the Board members take on the various tasks.
 4. They hold their meetings on a weeknight, and because they pass information beforehand, the meetings only last about an hour.
 5. They have one part time employee for 20 hours a week, and use Quick Books for their bookkeeping.

He suggested to contact all the subdivisions and use the best ideas for HPP.

Security issues - The office is not a secure building. We need a fireproof location to keep our records. We may want to build a cinder block record room, or fireproof an area in the road shed. We also need to look at ways to condense our records, on disc, microfilm, etc.

Next meeting is January 19th, at 3:00 p.m. In the Activity Center Library.

Recess for Executive Session - 4:45 p.m.

Return from Recess 5:30 p.m.

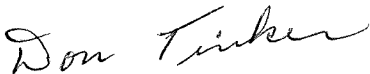
John Vurich moved that until we have Policies and Procedures for the Road Advisory Committee that the Road Advisory Committee be in abeyance, Don Tinker seconded, the vote was unanimous. The entire Board will be the Road Committee, as our main concern is the roads.

Adjournment - The meeting adjourned 5:31 p.m.

Submitted by:



Lori Miner, Recording Secretary



Don Tinker, Corporate Secretary

MOTIONS LOG

Don Tinker moved to approve the minutes of November 17, 2002 as amended, Wayne Graber seconded. The vote carried unanimously.

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Submitted by:



Lori Miner, Recording Secretary



Don Tinker, Corporate Secretary

Dan

*Jesse
Hillard
Alexa*

Dan

From: "alexa von Alemann" <malati8@hotmail.com>
To: <danpayne@aloha.net>
Sent: Sunday, December 08, 2002 9:02 AM
Subject: Alexa's resignation

Dear President Payne,

Due to circumstances beyond my control I have to resign from my position on the HPP Board of Directors. Although I enjoyed working with you and gained valuable insight into democratic procedures governing this very important organization, financial difficulties force me to find a second job or to relocate permanently out of the Park.

Thank you for giving me a chance to serve my community.
Alexa von Alemann

HPP December 8, 2002

MSN 8 helps eliminate e-mail viruses. Get 2 months FREE*.
<http://join.msn.com/?page=features/virus>

ADDENDUM # 1

Association General Manager's Report to the Board

December 2002

Submitted by Suzanne Mayhew

ONGOING PROJECTS

Defining the Organization's Structure - This still lacks completion.

Beach Road / 28th Ave. Paving Project - The paving of one mile of Beach and two miles of 28th is complete and paid for. There was some question about the total project cost. After changes were made at the pre-construction meeting regarding aprons, and after I walked off the mileage with a measuring wheel, comparing the mileage with the asphalt delivery tickets to calculate the average thickness, I adjusted the final invoice of \$230,381.50 to \$228,473.30. A separate report covering the details of this paving project and its end result is forthcoming.

No, I Haven't Fired the New Mowing Contractor... - You may have noticed that the roadside mowing has ceased. Last month, Hawai'i Aina caught up to their requirements of mowing the main roads once each month and side roads once every three months. Since our budget is so restricted from all the paving, I'm having them mow at only the frequency that had already been established, even though it's not quite often enough on the side roads. Even with the financial restrictions I've placed on them, their work is considerably superior to that of ProLawn's. In addition to mowing, but for the same price, Hawai'i Aina also weed eats, sprays herbicide, and removes the rocks from the shoulders of the roads that have been limiting the width of the mowing strip. You should see Hawai'i Aina back on our roadsides starting this week for another round of shoulder maintenance.

About Junk Car Lots - As you know, there are many undeveloped lots in the neighborhood that are filled with junk cars. Some of these junk car lots, the owners are not only aware of, they are the culprits. In those cases there's not much we can do but call the county and hope they consider it a health risk, then take proper action. In one case this month, a lot owner questioned an individual who was adding to some junk cars. The individual claimed he had permission from the owner, but when I called the owner, an attorney in Waikoloa, I found that he knew nothing about it. He is in the process of cleaning it up now. I will be pursuing more junk car lots in this fashion. Please report them to me as you see them.

Computers Don't Make Mistakes - Well, it seems to me that the more we work with Yardi, the less we get accomplished. Yardi has not been applying interest to past due accounts, even though the "customization" included that process. So, before I assess next year's Road Fees for the upcoming billing, I must first figure out a way to assess the interest on the current balance. If the Road Fee field had been transferred into Yardi correctly as *PAST* Road Fees, I would be able to apply next year's fees and worry about interest later, but unfortunately, it wasn't done that way. I thought I was close to a working solution, but before trying anything globally, I wanted to make sure I had a good back-up of

the current status of the system. Unfortunately, the back-up is not working properly either. Because of these (and other) problems, I have decided to bill out of Sam, the old database. Morgan suspected problems with Yardi from the beginning, so has been keeping up both databases. It's a good thing we have Morgan.

NEW ISSUES / PROJECTS

Proposal to Pave Paradise Ala Kai - A long-time resident of Paradise Ala Kai has presented me with a proposal to pave Paradise Ala Kai (or a portion of it) using "pre-paid" road fees by those residents. He has defined his proposal in detail and will present it to the Board at the December 15th meeting. He suggests that the residents pay for the paving themselves, then not pay road fees until the paving cost is made up. The theory is good, but deferring all of those residents' road fees will not work, because road fees pay for more than just grading. With some minor changes and fine-tuning, his proposal may work. It should be looked at very carefully by the Board with regard to displaced road fees and consequences of offering a solution to part of the neighborhood that is probably not financially feasible for other parts of the neighborhood. Please analyze this proposal and its short and long-term effects on the neighborhood and the financials before you pass a motion, either way.

Employment Works - I have coordinated with an organization called Employment Works, a division of Goodwill Industries for volunteer labor and office help. The service we will be participating in is called Community Work Experience (CWEP), where qualified employers train and utilize Goodwill participants who are nearing the end of their term of welfare assistance. The participants are screened and must comply with certain living situations, and then I perform the final interview. If I chose to accept an applicant, we can utilize the individual for up to six months. There is no cost or liability to Hawaiian Paradise Park Owners' Association, as they are working for their Welfare benefits and are insured under Quest, even for injuries on the job.

In my first meeting with the program's Job Developer, we identified four possible "positions" to fill: office work (light clerical, phones, reception, and data entry), building maintenance (for light repairs around the office and activity center - Director Tinker has agreed to work with individuals in this position), detail landscape (for the landscaped areas around the office, activity center, and neighborhood entrances), and physical labor (helping us and our contractors with miscellaneous tasks). I'm interviewing my first applicant on Tuesday morning.

Paradise Homeowners Could See a Drop in Their Insurance Rates - Evidently, after the waterline was installed to the fire station, with hydrants along the way, nobody requested a fire code re-rating for insurance purposes. I have spoken with the Fire Chief, who is preparing and sending such a request to the Hawaii Insurance Bureau. When it goes through, lot owners who live on, and six or seven lots (1000 feet from a fire hydrant) in from Paradise, from the highway to the fire station should see a decrease in their insurance rates.

ADDENDUM # 2

Road Advisory Committee Report

Present: Floyd Lundquist, Chair
Cindy Carroll
Marlene Lundquist

Absent: Don Tinker (called)
John Vurich
Wayne Graber
Darrell Crisp

To: President Dan Payne and Board

Please review and address the following:

1. Response to request for policies, procedures, or guidelines for the Road Advisory Committee
2. Response to Committee's request for all Board member and committees to be informed and kept aware of road expenses paid.
3. Response to request for Finance and Budget Committee to be reinstated.
4. Response to request by HPP members to have an overseer assigned or Committee to review all negotiations concerning costs and contracts prior to them being finalized. To have complete Board member's approval before the road expenses are paid.

Please respond at a board meeting and in writing to the Road Advisory Committee.

Thank you,

Floyd Lundquist
Chair