

Hawaiian Paradise Park Owner Association Approved Minutes of the Board of Directors Meeting of March 16, 2003

Call to Order: The meeting was called to order at 3:02 p.m. by President Dan Payne.

Board Members present: Dan Payne; President, Don Tinker; Secretary, Wayne Graber; Treasurer, Robert Daley, Jesse Crawford and Gerard Silva. Suzanne Mayhew, General Manager (GM) was also present.

Board Members Absent: John Vurich and Paul Silva were absent. Floyd Lundquist has resigned.

Other Members Present: Walter Moe, Warren Mastenbrook, Kathy Pitts, James and Lani Avilla, Donald and Wanda DePonte.

Owner Input: Walter Moe asked that the Board continue pursuing and petition the County Council for a Resolution designating Hawaiian Paradise Park as a *Financial Improvement District*. Somehow Councilman Safarik believed that the Board was no longer interested. We need this status to get government funding for our roads. The Resolution has been written by our attorney. An official letter from this Board needs to be written to Councilman Safarik instructing him to pursue this issue.

Minutes of February 16, 2003: Wayne Graber moved to approve the minutes of February 16, 2003 as written, Don Tinker seconded. The motion carried unanimously.

President's Report: President Payne received in writing that Lori Miner, Recording Secretary is resigning as of June 30, 2003.

We started this fiscal year \$300,000 behind, and have made up all but \$42,000. He commended the General Manager for her work in keeping us on track with finances.

He stressed the need to recruit long time residents and local people for the Board of Directors.

Treasurer's Report: Treasurer Graber distributed and reviewed the financial reports. The proposed budget has been prepared for review. He advised we will be actively pursuing past due accounts.

The Treasurer has been watching the bank reconciliation, he suggested that a rotating Board member be present during the bank reconciliation by the GM. **Jesse Crawford moved to specify in Policies that bank reconciliation is a function of the Treasurer. Seconded by Gerard Silva, the motion carried unanimously.** Any Board member may be present during the reconciliation

He read the article that will be appearing in the Conch, there were no objections.

Director Crawford volunteered to create a system for the database and receivables, free of charge.

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

She is still getting opinions and estimates on what it will take to get the loader in working order again.

Attorney Okamoto suggested we communicate with Watumull Investments about getting the deed restrictions on the HPPOA properties lifted.

We are still taking bids for the Activity Center roof replacement. We now have a volunteer (who is a painter) painting the entire building inside and out.

The Paradise Ala Kai group who wanted to have their fees waived for their paying for the paving of their road did not officially reject our offer, but it was neither countered nor accepted. The GM is going to rework the figures from a different angle to see if there is any improvement to the 38% we offered.

The Department of Water Supply has agreed to allow lot owners off Paradise Drive between Rt. 130 and 21st Street access to county water from the water main along Paradise Dr. Interested lot owners will enter into a contractual agreement with HPPOA detailing waterline installation specifications and easement rights. Any lot owners who opt to access County water will still have to fund it themselves.

In addition to potholes, washouts and washboards, we now have bare roads that need material. The GM is researching materials and methods and will present the information to the Board in hopes of easing the impact of the moratorium on using cinders.

Soil Stabilizers could solve our problems of dust and deterioration and be a base for paving, the GM is gathering information on the products.

Our General Liability Insurance expired on March 4th, as that underwriter left Hawai'i, new bids were sought. The lowest bid was a 116 % increase, but fortunately had the most coverage.

When traffic was diverted through HPP the GM requested a water truck for our roads from Glover who responded quickly to the request.

The electricity is now fixed and up to code in the maintenance garage, and is guaranteed by the electrician.

Committee Reports:

Legal & Government - Director Vurich absent, no report.

Activity Center - Director Tinker reported the swap meet netted \$40 in rentals and \$40 for donated items. We had a litter pick up last Saturday.

Policies & Procedures - Director Daley read a proposed Policy for dealing with Applications for Special Use Permits. (See Addendum #2)

He reminded the Board of the tabled item of Policy on communications.

Newsletter - Walter Bell absent, no report.

Malamalama School - Walt Bell absent, no report.

Unfinished Business:

Executive Committee - It was pointed out that the President cannot appoint an Executive Committee, therefore, **Robert Daley moved to establish an Executive Committee, Gerard Silva seconded, the vote was 4 in favor, 1 opposed (JC), the motion carried.**

Establish Date for End of Nominations - Districts 2, 3, and 4 are up for election of Directors. Robert Daley, District 1, advised he is resigning as of June 30, 2003. **Jesse Crawford moved to establish the last date to take nominations is April 10, 2003. Gerard Silva seconded, the motion carried unanimously.**

Lifting Deed Restrictions - If we go to Court to have the deed restrictions imposed by Watamul Investments, it would be filing a suit against them, the GM will contact them to see if this can be resolved. Robert suggested a meeting.

Finalizing Corporate Policy - A final draft was distributed to the Board to be reviewed. Changes were:

1. Delete the rental rates from the Activity Center Policy and add Reference to Rates may be found under 'Exhibit C.'
2. Remove 3, 4, 6, 7, and 8 from Land Use Policy as they are covered by State Law. Under number 2 removed the word *large* from plantings.

Jesse Crawford moved to rework the Corporate Policies by separating and creating a *Suggested Guidelines for Lot Owners* as a separate document. Seconded by Wayne Graber, the vote was 4 in favor, 1 abstained (RD) the motion carried.

New Business:

Board Meeting Schedule Change - Wayne Graber moved to change the Board meeting date to the third Tuesday at 7:00 p.m. each month, effective July 1, 2003, Don Tinker seconded, the motion carried unanimously.

Volunteer Appreciation Party - To be tentatively held on July 4th or 5th.

Announcements: Next meeting is April 20th, at 3:00 p.m. In the Activity Center Library. We cannot change the date because we did not notify the members in the last newsletter.

There is a Chili Cook-off scheduled on June 21st.

Adjournment - The meeting adjourned 5:10 p.m.

Submitted by:

Lori Miner, Recording Secretary

Don Tinker, Corporate Secretary

MOTIONS LOG

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Submitted by:

Lori Miner, Recording Secretary

Don Tinker, Corporate Secretary

Association General Manager's Report to the Board
Submitted by Suzanne Mayhew

ADDENDUM # 1

March 2003

ONGOING ISSUES / PROJECTS

Equipment Update

I met with Paul Andrade of Excavation Tech about ordering the yoke for the loader. During his inspection of the loader he noted several other related parts in disrepair. Because it looked like there might be more problems than just a broken yoke on the loader, I am having two other mechanics look at it for their opinions. I'm awaiting one last inspection and opinion. If we are going to keep and use the loader, we will have to have repairs done and parts replaced now, and also perform regular maintenance on it to keep it in good condition.

Deed Restrictions

Attorney Hasegawa's office never got back to me about representing us to lift the deed restrictions on some of the Association's 20 acre parcels (deeded for parks & schools), so I called Alan Okamoto, the Attorney who represented us through our lot consolidation. Saving us some money, he suggested we first try to work with Watumull Investments. By requesting that the deed restrictions be lifted, we are essentially filing a suit against the original developer, the Watumulls. I agree that this is probably not the most desirable first approach. I will establish communications with Watumull Investments unless the Board would rather take a different route.

Activity Center

I have received only one quote for the Activity Center roof replacement. When all the quotes are in, I will report my findings and suggestion.

Paradise Ala Kai Counter Proposal

I presented Skip Langell (via Warren Mastenbrook) our counter proposal for the 'Ala Kai paving. As you recall, our counter proposal offered participants a reduced (as opposed to waived) road maintenance fee rate until the road fees they prepaid to pay for the paving has been 'reimbursed'. The original proposal asked for 100% of road fees waived until the pre-paid road fees are 'reimbursed', and our counter offered 38%. Our counter proposal was neither accepted nor countered. There was some

discussion, and when my schedule permits, I am going to re-work the whole idea from a different angle – a more universal angle – and see how it turns out.

Employment Works

We lost our wonderful Employment Works volunteer, Puna, to a paying job. Congratulations to Puna on his new job as well as his new daughter, born the same week. We still have not been able to replace Puna in the office or out on the roads, but we now have the help of Dennis, whose career was in painting. He is currently painting the Activity Center, so watch as it gets a professional makeover, inside and out. Welcome, Dennis.

NEW ISSUES / PROJECTS

Water Lines

I met with Glenn Ahuna of the Department of Water Supply regarding hooking up to the Paradise Drive water main. Since the water main was installed along Paradise Drive to the fire station on 21st, lot owners whose lots abut Paradise have had the option of purchasing a meter and hooking up to it. However, other lot owners – even one lot away – have not had that option. We are working out the details on an alternative to the restrictions currently in place keeping lot owners from accessing County water. I expect a working solution to be outlined with specifications by the beginning of May. Funding is not part of this alternative; any lot owners who opt to access County water will still have to fund it themselves.

Road Woes

The roads are ailing not only from potholes, washouts, and the washboard effect, but now also exposed lava where the cinders have been “used up”. It has been a while since the Association approved buying cinders to build up the road surface. It is my understanding that this practice was stopped because the cinders deteriorate and wash away in the rain and blow away in the wind. It’s true, they do. There are several stretches of road here in the Park which are so bare of cinders that driving 6 miles an hour feels too fast. Grading doesn’t help because there’s nothing to grade. Unfortunately, these roads need material. The question is : which material ?

On the Big Island we don’t have too much choice for rock-like material : cinders or blue rock. Cinders are widely used because they are relatively cheap. Blue rock is quite a bit more expensive, but is used commercially and in areas of high traffic because it holds up so much longer. I am researching all possible materials and methods for use in the Park and will present my findings and recommendation to the Board.

Obviously, paving is the ultimate practical solution, but some of our road problems need an interim solution...

Soil Stabilizers

I've been doing a little research trying to discover something that will keep our roads held up until we get them paved. Grading works if you have material on the road, but as I mentioned, many of our roads are becoming bare rock, or "exposed" lava – bone-jarring-vehicle-rattling-bumpy, embedded lava rock.

I have used materials referred to as "soil stabilizers" in construction jobs that would harden otherwise soft or sandy soil. I didn't think anything like that would work here, because cinders are so porous, but so far my research is very encouraging. There are a few different types of soil stabilizers; some are ionic and depend on the existence of clay in the soil, and others use polymers, and all that I have become familiar with are environmentally safe. Anyway, I found one that works in volcanic soils – in fact in one project they added cinders because they didn't have enough. This stuff is used to make roads through underdeveloped countries that are subject to washing out and flooding, as well as temporary construction roads into jobsites that are later paved, utilizing the "stabilized" road as the base of the paved road.

I was hoping that if we could "stabilize" our roads, we would not only be taking care of our immediate problems of dust and deterioration, but would also be preparing for our future plans of paving. I have made some product inquiries and will update you as I receive additional information.

General Liability Insurance

Our General Liability insurance policy expired on March 4th and was not renewed because the underwriter pulled out of Hawai'i, as the last one did. Very few quotes came in for its replacement; the least expensive one was a 116% increase over last year. Oddly, it also had the most coverage, so we are now covered under that policy until March 4, 2004.

Traffic Detour

When Maku'u was closed for construction on the highway and traffic was diverted through Hawaiian Paradise Park, the dust was out of control. I gave the State a call, but to no avail, so I called Glover, the contractor doing the work. I asked if they could get a water truck on the detour, and within 15 minutes the road was wet. I was impressed with the rapid response. Granted, it was so hot and dry that the water truck could have spent all day just going back and forth, but they doused it several times and something is certainly better than nothing.

Maintenance Garage Electricity

I had an electrician get the 220 working in the maintenance garage. While he was there, I had him check everything out and get some things up to code. The work is complete and guaranteed.

ADDENDUM # 2

Hawaiian Paradise Park Owners Association

Dated March 14, 2003

Proposed Policy for dealing with Applications for Special Use Permits

Upon receipt of a Notice of Application from the Planning Commission, for a Special Use Permit, the following actions shall be taken:

1. Upon receipt of Notice, the General Manager shall notify the President and distribute copies of the Application and accompanying data to the members of the Board.
2. The President shall contact the other members of the Board and establish a time schedule.
3. The President shall appoint an ad hoc committee of not less than three nor more than five to study the Application, research its issues and recommend an action.
4. The Ad Hoc Committee, after due study, shall prepare a recommendation and present it to the Board in a timely manner.
5. The Board shall make its decision.
6. The Association General Manager shall transmit the Board's decision, together with any conditions, to the Planning Commission prior to Commission due date.
7. A delegation of informed Directors and members shall attend the Planning Commission meeting and be prepared to speak in defense of the decision.