

**Hawaiian Paradise Park Owners Association
Board of Directors Meeting June 18, 2014
Approved Minutes**

- I. **Call to Order:** President, June Conant, called the meeting to order at 5:45p.m. - Quorum was established. The meeting took place in the Activity Center.

Roll Call:

- a) **Board of Directors:** June Conant, President, District 6; Verne Presnall, Vice President, District 7; Terry Michels, Secretary, District 3; Judy Sumter, District 5; Bill Newman, District 8; Bruce Derrick, District 2; Francis Ganon, District 1
- b) **Guests:** Dennis Stockton, Joan Galante, Jo Maynard, Ernest Olsen, Steve Crawford, Janice Ashford, B.J. Mullenix, Doug Stillwell, Mayelin Stillwell, Laureen Campbell, David Prager, Roseanne McLean, Ron Needham, John Seastrom, Dana Pomerleau, Jeff Luce, Deborah Luce, Ron Haskin, Elizabeth Weatherford, Craig Crelly, Tom Jennings, Adi Gjolla, Leilani Bronson -Crelly.

Also present: Scott Reilling, HPP General Manager; Susan Bambara, Recording Secretary.

II. **Approval of Agenda:**

Judy Sumter moved to accept the Agenda as amended. Bruce Derrick seconded. Vote in favor: Unanimous approval. Motion Carried

III. **Appoint Director for District 4:**

Results from 2014 Election: Out of the four districts that had candidates up for election. Winners were as follows: District 5: Joe Maynard; District: 7 Janice Ashford; District 8: Roseanne McLean; District 9: B.J. Mullenix

*District 4 Director resigned – There are 4 applications to be considered including Dana Pomerleau – It was then noted that the new board should fill the position, but the President wanted to fulfill the by-laws by making an appointment now. – There is no treasurer and several expressed that the new board should assign it rather than the old.

Bruce Derrick made a motion that filling District 4 position be put off until new board meets in July. Bill Newman seconded. 5 Voted: yes; 1 opposed: Verne Presnall – Motion passed.

Discussion: It might make sense not to leave a legacy appointment to serve the new board. Also some discussion ensued about the timing of a previous board member's resignation because it gave the old board a chance to assign the treasurer. Bill Newman felt that the right thing is to let the new board fill the position. The four applicants were thanked for coming and asked to wait and return for the next meeting on July 16th, 2014, when they can then apply to the New Board to be considered for that vacancy of a District 4 Board member/representative.

IV. **Approval of Minutes:**

Approval of Board Meeting Minutes from May 1 – Motion to approve by Judy Sumter; seconded by Verne Presnall - 6 approved – unanimous. Motion carried.

Approval of Special Meeting Minutes from May 21 – Motion to approve by Verne Presnall; seconded by Judy Sumter – 5 approved & 1 abstain by Francis Ganon because he was not at the meeting. Motion carried.

Approval of Special Meeting Minutes from May 30 – Motion to approve by Terry Michels, seconded by Judy Sumter - 5 approved and 1 abstain by Francis Ganon because he was not at the meeting. Motion carried.

V. Owner Input:

- a) David Prager- District 8 – Wanted the tables where the Board sat to be in a different configuration, facing the audience. Wanted to know what happened to 2 of the 6 open positions? Was updated that there were no candidates in District 4, so there was no election in District 4 and the representative in District 2 moved out of HPP so those ballots were not mailed out. David noted that two appointments will need to be made by the next board.
- b) Joan Galante – Explained why she resigned according to by-laws because no one was coming forward as a candidate and the seat was deemed vacant, so she wanted to let the new people sit on the board and pick from the pool of those who lost the election. Those who wanted to volunteer can now apply and get to work when the new board comes in. Furthermore, she wanted it noted that her resignation was not for any type of calculated or underhanded reasoning, she was merely acting according to the by-laws in regards to the seat.
- c) Debra Luce - District 2 -- Question about ballots having been printed or not and if there was actually no elections for 2 and 4? June said that was true and that they didn't send out the ballots to save \$800 postage because no one in district 2 was running. Debra felt it wasn't good use of the HPPOA's money to bring in and pay for that attorney who spoke previously to the membership.
- d) Janice Ashford - District 7 -- Asked June Conant, the current President about two harassment complaints from one volunteer about a board member, in regards to what has been done about the complaint. June Conant, President stated that she had spoken to the person who caused the problem and hadn't made a formal written response yet but was considering it.
- e) Mayelin Stillwell: Read statement of her harassment in that she was electronically harassed, felt she was used as a scapegoat and was upset that the President hasn't taken actions via HPP Guidelines. She stated that she was also verbally harassed at a finance committee meeting with President as a witness. Stated she made two formal harassment complaints and wants that addressed.
- f) Francis Ganon – Wanted to address Mayelin's statement as a homeowner, so he stepped away from Board table. Said he talks kind of rough. Said he knew lawyer who came for last meeting cost \$380 and the board didn't approve it, so he wanted board members who allowed lawyer to speak to have to pay for the lawyer.
- g) Jeff Luce - District 2 – Said that because the Lawyer wasn't on the agenda but spoke, he wants President, June Conant and HPP General Manger, Scott Reilling to pay for the lawyer.
- h) B.J. Mullenix – She wants the board to support Mayelin regarding the harassment charge, and feels that those who allowed it to slide with no action should be dismissed.
- i) Craig Crelly – District 6 – Wants apology for insult to his wife from over a year ago. June Conant said they gave apology, but he says Kathy has to make the apology in front of the membership

VI. Committee Reports:

- a. **Community Action Committee** - Terry Michels explained that the Committee was formed to reform the master plan last updated 2005. They meet the second Thursday of the month in the Library at 4:30p.m. – They're trying to put together a presentation for the June 29th Membership meeting. They will be distributing surveys at that meeting regarding the town center and for businesses. The CAC want to know if any businesses in the park want to be added to the Directory so people who live in the park can be aware of and take advantage of businesses in the park.

- b. **Path Committee** - John Seastrom, Chairman: Thanked Scott Reilling for getting the approval letter from the state DNLR so perimeter hui project could start next week. The General Recreation plan is still being worked on for the park. They will need volunteers, Friends of the Parks, who will be asked to help keep up the Recreation Areas with garbage collection, signage, maintenance, putting wood chips down, and other things that the road crew might not have time to do for the Parks.
- c. **Road Testing**: Bruce Derrick needed to change the Tuesday meeting with Sanford material supply and Scott Reilling said that he would change the meeting so that Bruce could attend. He also reported that Sanford might be able to make a custom blend, something we could test, to make less dust and hold up better.
- d. **Parks**: Verne Presnall reported that he checked out Carvalho Park in Hilo that has been recently renovated and improved. He will be working with the Path Committee and exploring getting grants to fund the paths and recreation equipment.
- e. **Road Safety**: Mayelin Stillwell – no report tonight, but had two questions to Scott Reilling as follow-up about where they are at with signage re: L Road at dead end. It was reported that they placed it, but homeowners didn't like where it was placed so they will re-place it the next time they're in that area with the equipment. They will put the sign where homeowner thinks it'll do the most good and it can just move back to the original spot, if lot owner builds and wants it moved. Question re: other L road property needing chipping – The GM stated it's still on the schedule and they will get there plus re: F and Beach, a property swap was discussed. The Road will have to be moved about ten feet. Mayelin Stillwell clarified the clearing and grubbing job is done and the punch list is complete, which Scott Reilling affirmed. Francis Ganon was angry about the safety of road shoulder's drop although not a Clear and Grubbing issue. Scott Reilling explained that Yamada needs to finish their work. It's our responsibility after they're done. Mayelin Stillwell stated she had a witness that told her that they saw that the paving was done in big rain after base course was laid and there was no check for compaction. This is why there are cracks in the pavement. Francis Ganon wants all of Board to walk the pavement to see it.

VII. Treasurer's Report: Verne Presnall presented report.

Bank Balances as of May 31, 2014:

Savings, Checking, Investment and Bond Reserve:	\$ 5,091,454.46 plus
<u>Bond Construction available for paving:</u>	<u>\$ 987,008.78</u>
Total Checking/Savings and Construction Funds	\$ 6,078,463.24

VIII. General Manager's Report and Road Supervisor's Report:

General Manager reported one addition to the paper distributed regarding dust complaint – gave plan to reduce it with a map (of Ala Heiau) making it a one-way street. He could meet with homeowner and the one on ocean side as well. He wanted to know if the Board wants him to move on changing this street to a one-way, just as a test at first to see if it helps to reduce the dust. If it doesn't work or causes a problem, it could be changed back and this would be at minimal expense to help with the dust problem. Judy Sumter asked if the speed bumps help on the other side and the General Manager affirmed that it did, but that they cannot do that as easily in this case due to the condition of the road in question.

Judy Sumter motioned that the General Manager, Scott Reilling, discuss with homeowners in that area (Ala Heiau) and find out what is feasible (to mitigate the dust problem), Verne Presnall seconded it: Unanimous in favor-Motion carried.

Discussion: Bruce Derrick felt that this is going to complicate the whole flow of traffic making it one-way. Terry Michels asked if there is an alternative besides concrete and what about a speed bump? Scott affirmed that it could be done, but it's an expense for the concrete, so Bruce Derrick wanted them to hold off. Scott said okay. Bruce added that 2, 15-mph signs are needed at Beach and at Maku'u, which Scott said would not be a problem

and recommended that it would be good idea. Scott wants to talk to homeowners. The homeowners and B&B's are down there. This was an idea to try and reduce the traffic there in case the Dept. of Health becomes involved and head off a third complaint by the homeowners out there.

- IX. MOTIONS LOG** (on-going) was passed out, for revisions, additions and subtractions. All changes can be emailed to the office. Bruce Derrick questioned re: Dale Watson (6th down on Motion's log) if it is in progress? Yes, per June Conant and Scott Reilling.
- X. Announcements:** President, June Conant, announced orientation night for New and Old Board members at 6pm next Wednesday night, June 25,2014. No business will be conducted. A notebook of info will be given out and explained briefly.
- XI. Old Business:**
- a) **Radio Repeater Update** – June Conant reported that she, Scott Reilling, Judy Houle (Chair of Neighborhood Watch), Greg Datlof (the resident Radio guy), along with Sean from the Akamai Pane, the company doing the installing, all met to discuss where it will go and when. Neighborhood watch paid for 1/2 of the beginning fee and HPPOA paid for the other half -- to get started, because the first thing is to apply for a license and that could take up to 6 or more weeks. There's a new man in the park, Jim Tatar, who wants to get a Cert team together, if needed, in an emergency. Neighborhood Watch has information on how Radios can be purchased and 50 people can have licenses. We have 40 block captains so they'll have to be called because not all of them are active. If there's an emergency we'll have radio backup.
- b) **Road Material** – Bruce Derrick reported re: Maku'u dead end material that needed removal. – That particular material was used on 12th Ave, 15th Ave dead end, 14th, 15th, 16th, 17th, 18th and 19th dead end. 13th Ave on Kaloli complained back in February and 20th from Maku'u to Paradise was all bad material per his checking of where they dumped that material (which was black lava rock that was sharp as glass). Judy Sumter asked how that is checked when things are delivered? Why do we have to pay when they bring in inferior material? The General Manager clarified that when we receive it, it's ours. When it's brought in wet and rolled, it's not apparent it's inferior and as soon as it was noticed, they stopped using it. A Board member asked if we need to change suppliers again. Francis Ganon wanted to know why it took so long to realize that we laid out the wrong material and why we didn't have a proctor for the material when we buy as a condition of the base course. It was explained that it costs \$850 for a proctor. *Francis Ganon declared that Scott Reilling was lying and Scott Reilling wanted it noted into the record.* Then Scott, the GM, explained what happened and some in the audience disagreed, as did Francis Ganon, who **then left the meeting at 7:03p.m.** The GM finished his answer that it's breaking down and they're going to do a little sub-grade to see how it reacts. They will check if for wear-ability, dust and if it erodes. It was noted there's a lot on the side of the roads and that it looks a lot like cinder that came from Puna Rock for those two months they listed it as 1-½ base course – it was not the standard base course and it seems very light to Bruce Derrick. The GM stated that he will have Tommy look into it and plans to talk to Sanford soon to see about using them or Yamada as suggested by Bill Newman.
- c) **Green-waste Update** – They got a letter back from the State of Hawaii in regards to asking for a possible one-time extension to re-use the green-waste, but the regulations are too complicated to even try. We voted to give Scott Reilling the okay to get it out of here – Scott Reilling explained why they have to do it per the Department of Health. It will be out by July 22nd deadline. There was concern about the segregation time in doing that with the material. The General Manager explained that it is dirt mixed in but they're pulling out what can be brought to transfer station to save money. They're pulling out what can be recycled green-waste. Bill Newman interjected a discussion about green-waste not having tipping fees. He spoke about the Ludwig contract, but it doesn't apply to this because it's grubbing material. Scott Reilling, the General Manager, explained that Ludwig separated the dirt on 23rd and brought the green-waste to the center. It was asked if a record of total man hours and costs after contract with Ludwig (the cost in total materials, supplies, manpower and any additional money spent including waste hauling) can be posted on the website.

d) **HPPOA Conduct Policy:** Bruce Derrick noted that, in the past it's been real quick action, but with a homeowner and volunteer, it's not been acted upon. Mayelin Stillwell stated that she's sent several emails. The President clarified that without a recall election we can't remove the board member. Terry Michels suggested that it be addressed tonight at the executive session to allow both Mayelin Stillwell and Verne Presnall to have their say. Bill Newman noted that Executive sessions are limited to three issues (Personnel, litigation, lawyer-client privilege) – this is not any of those issues so Bill Newman voted for transparency and wanted both parties to have an opportunity to state their case. It was said to be illegal, but then noted that it could be considered a legal issue in future so all agreed to let it be aired now. Verne Presnall stated his side was done attempting to steer her to "tow the line as a Chairman." He stated that she refused to do so and that angered him, causing him to write the last two emails because he, as VP, and the President weren't invited to go look at all the grubbing and grading with the committee, which was done without approval of the Board. A 'He said-she said' discussion ensued including the details of the email said to show disrespect about the grubbing and grading. Mayelin Stillwell stated she felt his behavior at previous meetings was not very good. A discussion about needed Road committee guidelines ensued via another Board member and it was explained that there were road issues including concerns that affected the drivers. A rough draft of what some saw it was felt that the Board should have addressed it. Verne stated that he took umbrage with Mayelin's wording in reports and letters. Intimidating emails should not be sent declared an audience member. Verne Presnall declared that the harassment stops now and promised to stop any further communication stating further that he would probably not show up at the next road safety meeting. He apologized for saying, "Who's following who?" to Mayelin, which she had taken as a harassing attack combined with his look at her, and was heard/witnessed by June Conant, the President, when he said it. He apologized for it. Doug Stillwell inquired what the board is going to do about it? Bill Newman wanted to ask for Verne's resignation, but was informed that they can't request that, so he personally asked for Verne's resignation because of the email sent to Mayelin, but per the by-laws the Board could not force him to resign. Verne Presnall declined the personal request.

e) **Executive Session Meeting:** After this Board Meeting for final Old Board Members only to approve the minutes for the last meeting held.


XII. New Business:

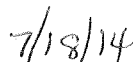
- a) **Limbs & Branches** – Discussion ensued around a poisoned tree that was taken down on 21st.
- a) **Election 2014** – Bruce Derrick Reported no ballots, no election, so there can't be a vacancy – article 8 section 6 states under what circumstances a vacancy is created. Questioned who and when was it decided not to print the ballots for district 2? The President, June Conant, stated that once they knew Dale was moving, they decided not to send out the ballots. Two directors stated that the bylaws say "no matter what" the ballots have to be sent out and the President can't make a unilateral decision to cancel the election. It was noted that if there's a vacancy you can appoint, but it was countered that there was not a vacancy so the by-laws have to be followed and election had to be done even though it would have cost them postage that was saved by not sending out the ballots. Leilani Bronson-Crelly stated the by-laws are very clear and a complete procedure was bypassed because a ballot has to be sent out or it's an illegal election if all are told there's going to be an election and people waited for their ballots, and it wasn't brought back to the nominating committee. It was explained that there wasn't time and Leilani thought it was a disservice to the district even though money was saved for postage. The President questioned the sense of this because the candidate wasn't going to be here to serve and they found it out just before the ballots were to go out. Leilani stated that they never amended the change and couldn't unilaterally do it without it having been recorded. A long conversation ensued and it was decided that it's up to Bruce Derrick what he wants to do before the next membership meeting in regards to continuing on in the position as District 2 Interim Director because each person appointed, per the by-laws, is to serve until a successor is elected by the membership (which cannot be again until next June because elections are only held once a year, also, per by-laws); so

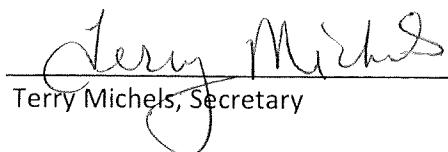
although he doesn't live in District 2, per the by-laws, he can stay another year in Interim or leave and create a vacancy that will have to be filled by appointment.


XIII. Adjournment of Meeting: The meeting adjourned at 7:50 p.m.

Respectfully Submitted and Approved:


Susan Bambara, Recording Secretary of Minutes


Date


Terry Michels, Secretary


Date

Motions Log 6-18-14

Judy Sumter moved to accept the Agenda as amended. Bruce Derrick seconded. Vote in favor: Unanimous approval. Motion Carried

Bruce Derrick moved that filling District 4 position be put off until new board meets in July. Bill Newman seconded. 5 Voted: yes; 1 opposed: Verne Presnall – Motion passed.

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