

# *Hawaiian Paradise Park Owners' Association*

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## NOTICE OF MEETING OF THE BOARD OF DIRECTORS September 15, 2002

Notice is hereby given that there will be a meeting of the Hawaiian Paradise Park Owners' Association Board of Directors on Sunday, September 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 August 18, 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
- VI Unfinished Business
  - A. Bus Shelters
  - B. Lot Consolidation & Legal Matters
  - C. Computer Transfer
  - D. Improvement Loan
  - E. Volunteerism
  - F. Transfer of Management Duties
  - G. Board Member Replacement
  - H. Revised Budget Estimate
- VII New Business
  - A. Traffic Control: Humps, Bumps and Signs
  - B. The Next BIG General Mailing
  - C. Japanese Collections
  - D. Water Line Installation
  - E. Master Plan vs. General Plan Task Force
  - F. Civil Defense Emergency Response Team
  - G. Newsletter Committee
  - H. Awards Program
- VIII Next Meeting
- IX Executive Session
- X Adjournment

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

**Call to Order:** The meeting was called to order at 3:00 p.m. By President Payne.

**Board Members present:** Dan Payne, President; John Vurich, Vice-President; Don Tinker, Secretary; Wayne Graber, Treasurer; Jesse Crawford, Floyd Lundquist, and Robert Daley. Gerard Silva arrived at 3:05 p.m. Suzanne Mayhew, General Manager (GM) was also present.

**Members Absent:** None

**Other Members present and those who arrived later:** Marlene Lundquist, Walter Moe, Walter Bell, Paul Silva, Jeanne Brooks, Michael Milner, Gary Barnett, Alexa Von Alemann, and Ron Phillips.

**Owner Input:**

Walter Moe asked the progress on the *Improvement District*. President Payne advised it is still being pursued, and we are also looking into *Tax Increment Districts* in the Hawaii County Code.

Walter Moe also advised the bus shelter at 24th and Kaloli is still progressing, the area has been cleared and holes are now being drilled for the posts.

Walter Bell proposed that HPPOA sponsor a Boy and/or Cub Scouting program in HPP. Each new pack or troop requires a sponsor, six adults as a charter committee, and five boys. The requirement for a sponsor is to provide a meeting place. The BSA Council's insurance will cover any events. **Jesse Crawford moved to sponsor a Scouting program in HPP, and to provide a meeting place for the Scouts. To also ask that HPP be named as additionally insured on their policy. John Vurich seconded, the motion carried unanimously.** A leadership training for Scouting starts in October.

**Minutes of August 18, 2002 - Jesse Crawford moved to approve the minutes of August 18, 2002 as written, Wayne Graber seconded. The vote carried unanimously.**

**President's Report:** President Payne advised we are trying to keep in contact with Councilman Safarik for information on the *Improvement District* but it is moving slowly. The designation of an *Improvement District* will give us status for obtaining Government grants.

President Payne read from Chapter 33.1 in the Hawaii County Code which states the purpose of *Tax Increment Districts*.

Last month Director Silva advised he believed the County passes a bill in 1972 that would allow subdivisions to get part of the tax money that is paid to the County by lot owners, he received an answer from Councilman Safarik that there is nothing on the books, perhaps it had a time lapse written into it.

Walter Moe read a letter from Attorney Hong, referring to an advisory on recent intermediate appellant cases on road maintenance, which stated the liability shifts to the County for privately owned roads under

limited and narrow circumstances. In a recent case in Honolulu, the court ruled, as a matter of law, the City and County of Honolulu was the legally responsible party for the privately owned roads because the County had exercised "control" by requiring the Association to post certain speed limit signs; also the private roads had been dedicated to the County. We also do not have gates, anyone can drive on our roads. The Court ruled the City and County of Honolulu was responsible for maintaining and repairing the roads, and warning the travelers on those roads of any hazardous conditions.

**Treasurer's Report** - Treasurer Graber reported the financial reports are now prepared in our office. He will be customizing the reports to make them more useful. We will also be changing to an accrual basis. The GM is completing a report showing what funds are available for the remainder of the year.

**General Manager's Report:** (See Addendum #1)

Budget - Director Lundquist was about a month in California working on collections, and has brought in a substantial amount in past due fees. Due to the paving, we may need to borrow from next year's funds.

Roads - We are taking new bids from mowing contractors. Our John Deere tractor is broken down at Pro-lawn Landscaping, the GM will see about having it returned in good working order. Grading has started on 28th, it was delayed due to rain. The GM will ask them to remove the excess grass, mud and material that is being moved to the sides causing berms. She is also getting quotes on speed bumps and humps. Treasurer Graber suggested to hold off on the bumps and humps in order to put more money into paving. Director Silva suggested rumble strips before the intersections. The GM is still waiting for an answer from the County about the ownership, and our desire to pave Beach Road.

Computer Transfer - We have made the transfer, but are still working out the details. Everything is now being done in our office.

Volunteerism - We are still looking for volunteers to help throughout the park. Director Tinker has a group of volunteers for clearing the right-of-ways. Floyd suggested using Community Service workers, but they will need supervision. A list of tasks will be placed in the office for the volunteers to see what they can do, on what projects. A resident on 4th Street has placed large rocks near the road that should be removed, Floyd and Marlene Lundquist know the resident and volunteered to ask him to remove them. We will inform the residents in the next two mailings that they must remove anything in the right-of-way. When we pave, we will remove them. If we wait, the plants will grow larger and cost more to remove. We need to create a systematic way to determine what needs to be done, and then prioritize the work, based on liability, cost, and then aesthetics.

Walt and Norma Bell volunteered to repaint the fading community signs, which they originally painted. The GM asked the Board to try to recruit more volunteers.

Transfer of Management Duties - The duties Day-Lum handled have been transferred to the GM. Day-Lum is utilized only on an as needed basis. Now a system needs to be established of coordinating management with committees, to avoid duplication or misunderstanding of duties.

Defining the Organization's Structure - The GM suggests to define the structure of the association, to establish the basic order of the structure, then develop how she is to receive communications from the Board and various committees. It should be general enough to be a benchmark but also serve as a blueprint for the future. President Payne recommended an Executive Board meeting be held to resolve the

issues affecting the GM and staff.

**Committee Reports:**

**Legal & Government** - Covered in President's report.

**Road Advisory** - Director Lundquist reported the committee voted against speed bumps being installed on the paved roads.

He also distributed a letter for approval to send to delinquent accounts stating that road fees are mandatory and included an excerpt from the Bylaws regarding assessments.

He then reported on his successful trip to California for collection of past due road assessments. Reminder billings are sent three times per year.

**Activity Center** - Director Tinker reported he cleaned the water tanks, then will sand and paint them when the rain stops. He will also repair the back screen door in the kitchen.

**Policies & Procedures** - Since receiving input from the Board. Director Daley distributed an updated draft of the Corporate Policies. He reviewed the changes that have been made so far. The last page was for any suggestions of new or changes to existing policies. The committee requests that any other suggestions be submitted to the office in the next two weeks.

At this time, suggested changes were:

1. Land Use Policies, number 2, change large plantings to plantings.
2. General Policies, number 5, the Bylaws dictate the secretary will place newspaper notices.
3. General Policies, number 7, add President as a signatory.
4. General Policies, number 11, the original section was put in, in order to get grants.
5. Livestock, is under County Codes, and we cannot dictate how to treat their animals.
6. Activity Center, specify time the center can be rented, and for what purpose.

**Unfinished Business:**

The items below were discussed previously.

- Bus Shelters
- Lot Consolidation
- Computer Transfer
- Improvement Loan
- Volunteerism
- Transfer of Management Duties

**Board Member Replacement for District 3** - Gerard Silva nominated Paul Silva who declined. Jeanne Brooks nominated Alexa von Alemann. Alexa gave the Board information about herself, and her desire to be on the Board. **Wayne Graber moved to appoint Alexa von Alemann as a replacement Board member for District 3. Don Tinker seconded, the motion carried unanimously.**

**Revised Budget Estimate** - Treasurer Graber advised it is not finalized yet.

**New Business:**

**Traffic Control: Humps, Bumps and Signs** - covered previously.

**The Next BIG General Mailing** - The GM asked the Board to be prepared to make decisions of what will be going into the newsletter, at the next meeting. President Payne noted the loophole in the Bylaws needs to be changed, we need to report to the members that a Bylaw committee will need to be formed from the membership.

**Japanese Collections** - The GM met with a representative from a Japanese collection service, he will be presenting a bid. President Payne also knew of a service in Japan who will also be presenting a bid.

**Water Line Installation** - A lot owner one lot away from Paradise Drive is willing to pay for a licensed contractor to install an approved lateral line off the stub out on Paradise to his property. **Floyd Lundquist moved to approve the installation of an approved lateral waterline off Paradise Drive, John Vurich seconded, the motion carried unanimously.**

**Master Plan vs. General Plan Task Force** - The GM advised if we want to keep the Master Plan, it should be coordinated with the County General Plan. She recommended forming a task force. President Payne advised someone will need to be in contact with the County, perhaps this could be under the Legal & Government Committee. Director Silva was present when the HPP Master Plan was approved by the County Council, he will check his records.

**Civil Defense Emergency Response Team** - The GM advised we are one of the few subdivisions to not have a Civil Defense Emergency Response Team in place. There are different stages of involvement, we will get the information from Civil Defense, and ask for volunteers in the newsletter.

**Newsletter Committee** - Walt Bell proposed to send a full Conch newsletter for lot owners presenting more information than just association news. It could be sent in conjunction with the required two mailings in January and May, then add another issue in September. It would include announcements, news and reports of the association and its committees, as well as, useful information on activities and people. It would take about 3 - 5 volunteers and help from the office staff. The GM and Board were in agreement that it was a good way to communicate with the members. Alexa von Alemann volunteered Chair the project. Walt Bell volunteered to help.

**Awards Program** - Will be turned over to a volunteer committee.

**Board Meetings** - John Vurich moved to change the Board meeting to Fridays at 9:00 a.m., Floyd Lundquist seconded, the vote was 1 in favor, 7 opposed, the motion was defeated.

Jesse Crawford moved to changed the Board meetings to Wednesday evenings at 7:00 p.m., John Vurich seconded, the vote was 4 in favor, 5 against, the motion was defeated.

Ron Phillips asked to have a detailed spending plan for raising road fees, the GM gave him a copy of the budget. Ron also noted the GM was to notify members by e-mail of what the Board is doing, he was informed that both approved and unapproved minutes are published on the website. (Ron was not at the meeting when owner input was heard.)

**Jesse Crawford moved to go into Executive Session, Robert Daley seconded, the motion carried**

**unanimously.** The meeting recessed at 5:40 p.m.

The meeting resumed at 5:50 p.m.

**Robert Daley moved that the letter presented by Director Lundquist be mailed to seriously delinquent lot owners, Don Tinker seconded, the motion carried unanimously.** It will be coordinated with the office.

Next regular Board meeting is October 20th at 3:00 p.m., in the Activity Center library.

**Adjournment - The meeting adjourned 5:52 p.m.**

Submitted by:



Lori Miner, Recording Secretary



Don Tinker, Corporate Secretary

## MOTIONS LOG

**Jesse Crawford moved to sponsor a Scouting program in HPP, and to provide a meeting place for the Scouts. To also ask that HPP be named as additionally insured on their policy. John Vurich seconded, the motion carried unanimously.**

**Jesse Crawford moved to approve the minutes of August 18, 2002 as written, Wayne Graber seconded. The vote carried unanimously.**

**Wayne Graber moved to appoint Alexa von Allamann as a replacement Board member for District 3. Don Tinker seconded, the motion carried unanimously.**

**Floyd Lundquist moved to approve the installation of an approved lateral waterline off Paradise Drive, John Vurich seconded, the motion carried unanimously.**

Submitted by:



Lori Miner, Recording Secretary



Don Tinker, Corporate Secretary

**Association General Manager's Report to the Board** September 2002

Submitted by Suzanne Mayhew

*ONGOING PROJECTS*

Budget Floyd Lundquist has been collecting past due road fees with much success. His travels to California have brought the Association a substantial amount in past due fees. Because most payments come to us as a check in an envelope with no note attached, and historically, payments trickle in throughout the year, there is no way of telling exactly how much has come in as a result of Floyd's efforts, but I can assure you that it is notable.

Even with this increase in income, unfortunately I expect that we will still have to borrow from next year to make ends meet this year. Simply put, we have a lot less in our maintenance budget than was expected. We spent roughly one-third of this year's total budget last year on paving. We have allocated another one-third of this year's total budget to paving this year. That leaves us with only about one-third of what we would normally expect to spend on road maintenance *and* overhead.

Roads Our mowing contractor, Pro-Lawn may be replaced soon in order to stay within budget. I am working out the details of a per-mile contract with another contractor to do the job at a significant savings to us.

Grading has begun on 28<sup>th</sup> and paving is to follow... a little behind the expected schedule due to the rain. Residents on 28<sup>th</sup> want speed deterrents. Since notifying the residents on 28<sup>th</sup> of the up coming paving, I have taken many requests for speed bumps and signs. I agree with the need for speed deterrents. This road is already a proverbial freeway; once it's paved I can only imagine what the quantity and speed of traffic will be. This adds to our liability; we should protect our residents and ourselves as best we can, so I am getting quotes on speed bumps and humps (a more gentle version of the bump – allows emergency vehicles easier passage) and am looking into placing additional signs.

The County's response to paving Beach Road is still in the air. The last person it got passed down to, Raymond Kodani of Puna Roads Maintenance, told me that we could pave Beach as long as we stayed within the road's right-of-way. He thought that it would probably need to be paved in adherence with County standards, but he wasn't sure. He also wasn't sure of where the right-of-way is (is Beach 10' or 20' wide). I have a call back into Ron Oyoko, the person who passed it down to Raymond.

The current Hwy 130 project gives Maku'u a new apron for a transition between the higher new surface and the lower existing Maku'u. The apron should be about 150' long and be installed within the next month or so.

Computer Transfer

The accounting is now done in our own office, using Yardi. We are still spending time verifying (and correcting) the data that is now in the Yardi system. As time permits, we will be adding search fields so that we may pull reports that are relevant to our needs. We will also be updating records to show actual owner per tax records, not renter or friend or family member who pays the road fee bill. The process has been very time-consuming, but it is almost complete, and once it is we will have laid the foundation for a much more comprehensive database than we have ever had.

Volunteerism

Don Tinker has a group of volunteers willing to donate their own time and energy to participate in some road maintenance. Specifically, clearing the roads' ROW. We need to be very supportive of any volunteer efforts and at the same time be very organized about how we serve as volunteers. We don't want to appear to play favorites or to single people out. Specifically with road maintenance, the board and affected lot owners need to know what is happening and when, and there needs to be a systematic way of determining what areas get worked on and when... ie, bad visibility corners first, etc. looking at liability, cost, then aesthetics.

Various signs in the Park originally painted by Walt & Norma Bell are beginning to fade. The signs have been removed, because the Bells have offered to repaint them.

I still do not have very many volunteers on my list, as you can see. I have given you each a list in case you talk to people who may want to volunteer, but haven't. Pencil them in on your list, then drop your list at the office and I will add them to the master list. Thank you.

Transfer of Management Duties

The Association's affairs, including the accounting, are now being managed through our own office. Day-Lum is utilized on an as-needed basis (mostly for Yardi since they set it up).

With this change is also a change in how things are accomplished. Not only is my management style extremely different than that of Day-Lum's, the structure is different. Day-Lum was court appointed to manage the organization's affairs. She reported to the Board on a different level than I report to the Board. I have many chiefs to answer to, and am glad to do so, with some organization. I'd like to ask that, per my job description, communications between the Board and myself go through the Board President. Of course, we can talk casually, but if any action needs to take place, it should go through the Board.

What needs to be established now is a system of coordinating management with committees. Some committees more than others deal with the same things I do in the office, like roads and the activity center. Perhaps I can meet with the committee chair on a regular basis or attend the committee meetings - I am willing to do whatever it takes to get on the same page.

*NEW PROJECTS*

Defining the Organization's Structure To aid in the transfer of management duties, I suggest that we collectively and comprehensively define the structure of our organization, starting with the basic hierarchy, then developing paths of communication within and from the hierarchy, and assigning accountability. The structure we define should be general enough to be applicable to future Boards of Directors and managers, but comprehensive enough to be functional as a guide we follow as we manage our affairs.