

# *Hawaiian Paradise Park Owners' Association*

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## NOTICE OF MEETING OF THE BOARD OF DIRECTORS

August 18, 2002

Notice is hereby given that there will be a meeting of the Hawaiian Paradise Park Owners' Association Board of Directors on Sunday, August 18, 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 July 21, 2002
- V Committee Reports
  - A. Budget & Finance
  - B. Legal & Government
  - C. Road Advisory
  - D. Policies & Procedures
  - E. Activity Center
  - F. Malamalama School
  - G. Other
- VI Unfinished Business
  - A. Road Maintenance
  - B. Bus Shelters
  - C. Lot Consolidation
  - D. Computer Transfer
  - E. Improvement Loan
  - F. Legal Matters
  - G. Association Insurance
  - H. New Employee Matters
  - I. Transfer of Management Duties
- VII New Business
  - A. Board Member Replacement
  - B. Budget Revisions
  - C. Residential Water Lines (hook-ups)
  - D. Volunteerism
  - E. Roosters
- VIII Next Meeting
- IX Executive Session
- X Adjournment

**Hawaiian Paradise Park Owner Association**  
**Approved Minutes of the Board of Directors Meeting**  
**of August 18, 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; Gerard Silva, and Jesse Crawford. Walter Moe has resigned. Suzanne Mayhew (GM) was also present. Nancy Cabral, Temporary General Manager (TGM) arrived later and was present for a short amount of time.

**Members Absent:** Floyd Lundquist, and Robert Daley.

**Other Members present:** Darrell Crisp, Frank Wooten, Ruth Mizuba, and Jeannie Beddow.

**Owner Input:**

Frank Wooten brought information from Robert Daley and the Policy Committee.

Ruth Mizuba asked that after paving 28th and Beach, the Board follow the past recommendation of the Road Maintenance Committee, and pave all the aprons in HPP so that everyone can benefit.

**Minutes of July 21, 2002 -** Corrections were to:

Activity Center - Four and one-half acres were given to the County at the end of Kaloli for a park.

Road Advisory - Director Lundquist has collected a substantial amount in past due road fees.

**Wayne Graber moved to approve the minutes of June 7, 2002 as corrected, Don Tinker seconded. The vote carried unanimously.**

**Committee Reports:**

**Budget & Finance** - Treasurer Graber reported records are being sent to the auditor. He is still waiting for an answer regarding their listing funds received during the first half of the year as revenues instead of deferred revenue. He suggested seeking another auditor.

We are still waiting for the Yardi system to be finalized in order to do all of the accounting in our office. Yardi will be notified that Suzanne is our new General Manager.

He also recommended changing the format on the financial reports. He will have both sets of reports prepared for the next meeting.

**Legal & Government** - The Financial Improvement District is still pending. Director Silva 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 is awaiting a reply from Councilman Safarik. President Payne will ask Attorney Hong.

**Road Advisory** - Member Crisp reported the paving should begin at the end of the month. The contractor will build up the section that that is uneven on 28th Street.

The GM reported that Excavation Tech is checking all of the roads, and repairing the potholes with cold patch throughout the park starting at the bottom. It is expected to take about two months to complete. The TGM recommended keeping maintenance to a minimum in order to have more funds for paving.

Director Tinker spoke against renting the road shed to any contractors. He advised the property is restricted, he did not believe it was deeded for rental, nor zoned for business. The contractor would also be using our roads to transport his equipment out to other jobs. The GM noted we still have equipment to store, that we will weigh all considerations before making a decision on the matter.

A response was received from the County that Beach Road has been abandoned by the State, and the County doesn't want the responsibility of maintenance, right now it is "in limbo." We are awaiting a call back from Stanley Nakasone who will inform us of the County's position on our paving Beach Road.

The GM is waiting on a revised estimate on the paving.

At this time, the TGM presented her **Financial Report to the Board**. The TGM previously e-mailed, and distributed the financial statements for July 2002. The General Fund has a total of \$54,371 and the Road Fund has \$599,745 as of July 31, 2002. We collected \$864,508 in road fees between July 1, 2001 to June 30, 2002. From July 1, 2002 to July 31, 2002 we have collected \$9,166. Past-due fees are \$373,185 (\$246,331 for pre-2002 and \$126,854 for 2002 fees); interest \$174,972 which includes interest applied for 2002; and lien charges are \$20,075. For a total due of \$568,231. We have 326 liens in place. The TGM recommends liens be placed on properties if fees have not been paid for three years, or owing more than \$300.

These financial reports were prepared on an actual cash basis, however after the transfer of accounting functions to the HPPOA office, the Board voted to convert to an accrual basis.

The TGM has turned over her legal and last year's financial files for HPP to the new GM.

**Don Tinker moved to adjust our transfer fees to be in accordance with the majority of the developments in the area, based on a poll by the General Manager, Wayne Graber seconded, the motion carried unanimously.** The GM will check to see what the current transfer fees being charged at this time, and keep our charges in line with the market.

The TGM turned over a ten page *Time Line & Suggestions* to the new GM and Board. At this time she left.

**Policies & Procedures** - Member Wooten reporting for Director Daley distributed the *Policies & Procedures Final Report on the Management Search*.

The second item distributed was the HPPOA Corporate Policies, the Board was asked to review the policies. A sheet was provided for amendments to existing policies and suggestions for new policies. Ruth Mizuba asked that the past road policy of requiring driveways to be on the side roads instead of the main roads whenever possible, be added.

**Activity Center** - The August swap meet netted \$129. Director Tinker reported repairs to the back door

and screen door were made.

An air conditioner was purchased some time ago, there was discussion on installing it in the library.

The GM chased off some vehicles doing "donuts" in the field, a suggestion was made to fence the area.

The GM advised the play equipment is starting to rust, Directors Tinker and Payne will check the equipment after this meeting.

**HPPOA Representative to Malamalama School** - Member Wooten reported the lease calls for HPPOA to provide them with names of two HPPOA members, so they may select one to serve on the school board. The school has been given four names..

**Unfinished Business:**

**Road Maintenance** - The GM reported receiving new mowing quotes by mile, to cut five feet along both sides of the road. We need to clear the sides of the roads so the mower can mow at a lower setting. A D-4 could scrape the sides, and then spray around the large immovable rocks.

There are trees, shrubs, cars, walls, etc. on the right-of-ways that must be removed before we can pave the roadways. We will put an article in the next mail out, and notify the individual lot owners that they are infringing on the roadway, and the item(s) must be removed.

**Bus Shelters** - Director Moe has resigned, no report.

**Lot Consolidation** - The GM will check on the status.

**Computer Transfer** - Director Crawford advised the data tables are being created where they will fit. Yardi represented that this software was appropriate for our needs, but he does not believe it was. President Payne and Treasurer Graber suggested that we try to use it if possible. Other software was discussed, however, we have already made a large investment for this software. According to the TGM, it should be ready by the end of September. Jesse suggested to keep the *Access* database active.

**Improvement Loan** - President Payne advised we are still waiting for one answer. The GM is preparing a grant request that if received could pave a portion of the fire roads, we would have to put up matching funds.

**Legal Matters** - Nothing new to report.

**Association Insurance** - Quotes were received for the Commercial insurance policy which expires at the end of the month, it will only be about \$200 more than was paid last year. The truck insurance was reduced to \$1082.

**New Employee Matters** - The GM and office worker are now HPPOA employees, we hired Ceridian to start the payroll on August 1, 2002.

**Transfer of Management Duties** - The TGM has transferred the management duties to the new GM.

**New Business:**

**Board Member Replacement** - The person who was second on the ballot for the third District refused to be the replacement on the Board. Ray Carvallo was asked, but was not present. Amed Rifi was present and willing, but was not from that district. Don Tinker nominated Amed Rifi. Other residents in District 3 will be asked, and a Board vote will be taken at the next meeting.

**Budget Revisions** - Treasurer Graber explained a revised budget estimate is being prepared by the GM in order to give the Board a better understanding of the funds.

**Residential Water Lines** - The GM has received many calls asking what is the procedure to get water to their property on, or just off, Paradise Drive. Another resident was trying to get access through a lot, but the line would still have to cross a street. Director Silva advised that some lots on the highway put lines through the back of their lots to another home. There is a moratorium against putting in anymore "spaghetti" lines. If someone wants to hook up to the line on Paradise they should call the Water Supply Department.

**Volunteerism** - The GM is putting together a list of volunteers to do things in HPP, ask your friends and neighbors. Call the office with name and phone number. A list of tasks will be prepared.

**Roosters** - President Payne and the GM met with a rooster owner in order to get their viewpoint. They have been in business over ten years and have not had any complaints. We can look into stopping any new rooster farms from starting up, but it would be very difficult to stop those that have been in business so long. The GM met with the anti-rooster committee and informed them that the Boards function is to take care of the roads. They may contact County officials, or an attorney if they so desire. Realtors should notify prospective buyers that this is agricultural land and there may be a farm close by. Day-Lum is putting it in their packets for buyers.

**Next Meeting** - Next meeting is September 15th at 3:00 p.m., in the Activity Center library.

**Adjournment** - The meeting adjourned 4:50 p.m.

Submitted by:



Lori Miner, Recording Secretary



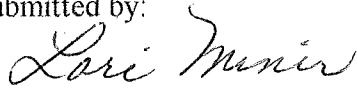
Don Tinker, Corporate Secretary

## MOTIONS LOG

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**Don Tinker moved to adjust our transfer fees to be in accordance with the majority of the developments in the area, based on a poll by the General Manager, Wayne Graber seconded, the motion carried unanimously.**

Submitted by:



Lori Miner, Recording Secretary



Don Tinker, Corporate Secretary

# Association General Manager's Report to the Board August 2002

## ONGOING PROJECTS

Budget I am establishing a working estimate of income and expenses based on the current budget and also considering the finances of the first month of this fiscal year (July 2002) compared to the budget, as well as any conditions that will affect the finances as originally budgeted for the rest of the year. Consider the following comparison of some of last year's expenses to this year's budget of the same expenses:

	we spent this much last year	this year's budget allows for only this much
Grass Cutting and Signage	\$ 75,364.39	\$ 50,000.00
Tree Maintenance	\$ 21,768.83	\$ 6,000.00
Road Maintenance	\$ 261,309.24	\$ 135,000.00

These three budget items are the most skewed with a total difference of \$167,442. Also, they have the most impact because they are, after all, why we are here.

Installing the new Yardi database system is also causing a budget deficit. There is no allowance in the budget specifically for Yardi, and the various accounts that Yardi expenses were charged to last year have a total allowance of *less* than what we have already spent this year.

In my opinion, the budget needs immediate and acute attention.

Roads The paving contract with Yamada & Sons is signed and paving should commence around the first week of September, depending on Yamada's schedule. I am awaiting a revised quote from Yamada & Sons based on our discussions at the pre-construction meeting. Since the county owns Beach Road, we have to wait for them to "O.K." our paving it. Stanley Nakasone of the county is the one to approve the paving (or not), and he is away from the office dealing with a family urgency. Since we are starting our paving project on 28<sup>th</sup>, we have some time to deal with the county regarding Beach.

Mowing quotes are in and being analyzed. The entire Park is being light-graded, fixing trouble spots as needed. I have authorized the purchase of more cold patch to be used on recurring potholes. Not only does this alleviate the immediate



pothole problem, it provides for a more sound base for paving, preventing future "sink holes" in the road once it is paved.

Computer Transfer Morgan is manually entering each owing lot owner's financial data into Yardi from Sam (the old system). It is very labor intensive, at 3 to 4 input screens per lot owner. Once that is complete, we will be entering Road Maintenance payments into Yardi as they come in. In the meantime, we are eagerly awaiting the transfer of accounting information from the Day-Lum office to our own. Not only are we looking forward to getting on track and out of limbo, having Day-Lum pay our bills for us costs us about \$3,000 each month.

Improvement Loan We still have Hawai'i Community Loan Foundation in the loop, in case we do decide to borrow. I am also working on a grant proposal for Wildland Urban Interface. They are a part of FEMA and *maybe* able to grant us some matching funds to pave at least our fire roads or some portion of them. The deadline for that grant application is October 15, 2002.

### *CONFORMANCE UPDATE*

Association Insurance Because our current Commercial Property carrier has pulled out of Hawai'i, we will be covered by Northfield Insurance Company beginning August 31<sup>st</sup>. See attached quote comparison. The coverage on the truck was reduced, lowering the premium from \$1,208 to \$1,082 per year.

Commercial Kitchen Permit Our Food Establishment Permit (Commercial Kitchen) expired on March 31, 2002, and cannot be renewed until the exhaust fan on the gas stove has been repaired or replaced. I was told that someone is willing to install an electric stove in place of the gas stove at no cost to us. I've asked several commercial kitchen renters if they would still rent if we had an electric stove, and they all said they would rent elsewhere - that it's the gas stove that they need. A decision needs to be made as to whether or not the Association wants to keep the kitchen permitted as a Commercial Kitchen. I will research costs on necessary repairs / replacement to aid in your decision.

### *NEW PROJECTS*

Volunteerism I have begun compiling a list of individuals who are willing to donate their time and energy to the park through fund-raising, research, landscaping, building fix-ups, etc. Not only does volunteerism save the community money, it also brings a community together and creates a sense of pride in ownership. Anyone interested can call me at the office.

