

**Hawaiian Paradise Park Owners Association
Unapproved Minutes of the Board of Directors Meeting
June 8, 2005**

Call to Order: The meeting was called to order at 7:00 p.m. by Frank Annin, President.

Members Present: Frank Annin, President; Gerard Silva, Vice President; Allan Deehr, Treasurer; Barney Sheffield, Erhard Autrata, and Bill Carlson. Bobbi Stutsman, General Manager, was also present. (Barbara Kahn-Langer was absent.)

Guests: Gary Jung, Yolisa Duley, and Bill McClellan.

Owner Input: Gary Jung asked the purpose of the Master Plan committee, as he was unable to attend the meeting.

Minutes: Barney Sheffield moved to approve the minutes of May 11, 2005, as corrected. Allan Deehr seconded; the motion passed unanimously.

Allan Deehr moved to approve the minutes of the special meeting of the Board of Directors of May 25, 2005, as written. Erhard Autrata seconded; the motion passed unanimously.

Treasurer's Report: Allan reported that as of May 31, 2005, the primary account balances were:

Road Investments	\$700,000
Roads Savings	\$814,488
Roads Checking	\$ 35,056
Non-Roads Checking	\$ 28,678
Activity Center Reserve	\$ 36,271
Restricted Reserve	\$ 20,391
Coqui Eradication	<u>\$ 22,313</u>
TOTAL	\$1,658,142

The total income for May was \$39,005; total monthly expenses were \$42,024. To date, \$979,142 (83 percent) of the 2005 road fees have been collected, and \$231,183 in delinquent fees have been collected this fiscal year. For the current fiscal year, 59 percent of the roads budget and 40 percent of the non-roads budget have been expended. The ten lot owners with the largest delinquencies were notified of pending foreclosure proceedings on February 9. Prior to mailing the notices, one was paid in full, so Allan notified the next most delinquent. Of the eleven, three have paid in full, two have worked out payment arrangements, and the other six have been turned over to legal counsel to commence with foreclosure proceedings. Five of the six are foreign owners, so the Association is complying with the provisions of the Hague Convention.

Erhard Autrata moved to accept the Treasurer's Report as given. Gerard Silva seconded; the motion passed unanimously.

Special Reports

General Manager's Report: Oceanic Time Warner is arranging for a survey of the site. Skip Tavares asked the status of the special permit contract; Barbara Kahn-Langer has asked that the decision be postponed until she returned. Bobbi told Tavares she would have something concrete after July 13. Tavares explained that any educational services can be provided to the Association free of charge, but the office will have to pay at least a residential rate for the cable service.

Three bids were received for the overlay of Paradise Dr.

Officer Sherwin Taka, the Community Policing Officer, came to the office to introduce himself. Bobbi asked about the abandoned cars; he promised to look into it. She invited him to attend the general membership meeting.

She received bids for painting the Activity Center roof, but it cannot happen until some repairs on the roof have been made. Erhard said he has checked the pattern of the new roofing materials. It does not match perfectly; he suggested sliding it underneath the old roofing two or more feet to prevent leaks. Gerard said a nibbler is needed to trim the roof edge.

The road recovery is progressing; the crew is on 10th Ave. The drywell project is underway and Ryan started the shoulder maintenance on 28th Ave. today. Gerard said it looks good.

Allan found a contractor for the Activity Center sound system, and a proposal has been accepted. Work will begin June 15 and should be completed by June 22.

Waters of Life: Yolisa Duley told the Board that the school is negotiating with the State and Governor Lingle for a permanent site for the school on State lands. Meanwhile, Waters of Life is seeking a temporary site for their middle school, consisting of approximately sixty students. The intention is to place three portable buildings on the site, which will be needed for six months or at most one school year, starting in August. A letter from the school's Director, Katheryn Crayton, stated that they would like to place the buildings at the hui, where water and rest rooms are available. Bill McClellan said they would consider one of the undeveloped parcels instead. The two bathroom trailers require at least a tank which can be pumped if not a septic tank. McClellan said they are willing to improve the property as needed, including clearing of approximately five acres. Allan said that when Paul Wheelless spoke to the Board in December, he was asked for documentation of the school's operation—organizational and financial documents, and approvals by the State for the operation of the school. None of this documentation has been received.

McClellan said the school hopes to get permits for the temporary site through the State rather than the County to expedite the process.

Unfinished Business

District Improvement Proposal: Frank stated that he, Allan, Gary Safarik, Skip Bethea, Michael from the County Finance Department, and Ivan Torageau from Corporation Counsel met yesterday. He said they are disappointed in the little progress that has been made; the proposal has been discussed, but no firm decisions have been made.

Corporation Counsel has given a verbal—but not a written—opinion that the Association can pave the roads with the current forty-foot right-of-ways, and a public loan could be made available for private roads as long as it is for a public purpose. Allan explained the

loan is not actually public funds, but rather the public borrowing authority to obtain a loan at a significantly lower interest rate. He said the Association can reasonably finance \$10 million, which may or may not be enough to pave the side roads, depending on how long it takes the project to get underway.

Bill said then they remain private roads; Frank responded that is correct, and they do not have to be brought up to County standards.

Safarik has said once written approval is received, he will take the resolution to the County Council, probably at the meeting in August.

Allan said the Department of Public Works has objected that they do not have the manpower to conduct the required study for the project. However, the County can outsource the study and bill it back to HPPOA. He said they reiterated at the meeting that the Association is willing to pay for the study.

Master Plan Review Committee: The committee's purpose is to update the Master Plan adopted in 1997. The first meeting was an organizational meeting attended by Barbara Kahn-Langer, Chairperson, Erhard Atrata, John Luchau, and Bobbie Alicen. Frank attended *ex officio*, and John Gapp has asked to be on the committee, also. The group decided to meet the first and third Wednesday at 5 p.m. each month through August. A set of recommendations will be presented for approval by the general membership. Luchau suggested reviewing the Master Plan paragraph by paragraph, and this plan was adopted. Gary Jung stated that since the County Council has amended the County's General Plan, the committee needs to determine how these amendments affect the Master Plan. Bobbi said copies of the County's General Plan are available to the committee. Gerard said the County is willing to adapt the General Plan at the request of the community associations.

Malamalama School Lease: The Association has agreed to change the scholarship provisions so that it is limited to Park owners. Allan recommended that no changes be made in the lease agreement, except that it be reviewed again in five years.

Allan Deehr moved to approve an addendum to the Malamalama School lease to provide for changing the review period from ten years to five years, with a moratorium on all other lease issues until that time. Barney Sheffield seconded; the motion passed unanimously.

These terms will be presented to the Malamalama Board for approval. Their Board has asked HPPOA to provide a list of two persons who are Association members willing to serve on the school's Board.

New Business

Waters of Life: Gerard said he does not want the buildings on the hui property. Barney said he does not think temporary structures should be brought in. Gerard said the Board can set a time period for how long to allow temporary buildings. Erhard said six months to one year would be all right; they would clean up an area on a public parcel. Bill said he is against the proposal, because it would be hard to get them off after allowing them in. Allan agreed with Barney that temporary structures are undesirable. He said the school has a "high profile", bringing the stability of the organization into question. He

said he would not support their request without seeing the documentation the Board asked for in December.

Barney Sheffield moved to hold in abeyance the Waters of Life request for a temporary school site on HPPOA property until the documentation requested December 8, 2004, and reiterated on June 8, 2005, has been received. Gerard Silva seconded; the motion passed unanimously.

Barney Sheffield moved to amend the previous motion to state that said documentation must be received by the Board by July 6, 2005. Allan Deehr seconded; the motion passed unanimously.

Bids to correct slope on 28th Ave.: Yamada & Sons bid \$6,770.79 to widen and level the road, removing the dip and slope which are causing cars to veer into neighboring lots. No other bids have been received.

Allan Deehr moved to accept the bid from Yamada & Sons for \$6,770.79 to correct the slope on a portion of 28th Avenue. Gerard Silva seconded; the motion passed unanimously.

Bids for Paradise Dr. overlay: Three bids were received for the project: Yamada & Sons bid \$382,000, J. W. Glover bid \$540,568, and William Loeffler bid \$489,000. Glover's bid included an extensive addendum listing possible additional charges and liabilities.

Gerard said Loeffler did the waterlines on Paradise Dr.

The paving project will begin after July 1; Bobbi said the shoulders must be prepared and widened first. She said trees will present the biggest problem and expense. Gerard said Ryan only bid for 28th, to determine if he wants to bid the shoulder maintenance on the other roads. Allan said he would like to know the shoulder bid cost to determine the cost of the entire project. He asked if there is a time limit on the bid.

Allan Deehr asked the Board to instruct the General Manager to contact Yamada & Sons to determine the time frame for acceptance on the submitted bid. The contractors will also be asked to bid on the shoulder work.

Allan Deehr moved to table the decision on paving Paradise Drive until the Board receives clarification on how long the bids are good for and the cost of the shoulder work. Erhard Autrata seconded; the motion passed unanimously.

Rick Frazier's vacancy: Barbara has asked the Board to interview candidates for the position before the general membership meeting. Francis Gannon has applied. Bobbi said Barbara will include a notice of the opening in the announcement of the meeting in the Tribune-Herald.

Resolution to enforce traffic laws: Gary Safarik requested the Board to send a letter or resolution to the County Council for enforcement of the Hawaii Revised Statutes in Hawaiian Paradise Park. Gerard said he has already presented to the Board the three

requirements for enforcement of Chapter 24 in the Park, including a survey and the approval of 51 percent of the membership. (*see minutes of October 13, 2004*) Gary Jung said each stop sign must be located and a speed limit determined for each section of road. Also, there are not enough police to enforce the laws in the subdivision.

Allan Deehr moved to table the resolution to enforce traffic laws in the Park. Barney Sheffield seconded; the motion passed unanimously.

Paving of selected aprons: Frank said numerous intersections are on hills where the cinders wash off; does the Board want to ask Yamada to pave aprons while they are working in the area? Allan suggested identifying those aprons. He will determine by July 13 the amount of funds available in the budget for the project. Bobbi said the aprons must go to the top of the hill, or a minimum of 135 feet. She said a list has already been made; she will review it and include any others the Board members identify. Erhard said visibility is impaired by overhanging brush at the intersection of 13th and Kaloli. Frank said this is true at 23rd and Kaloli, also, and asked Bobbi to prepare a form letter to lot owners for all similar situations.

New Board member orientation: Frank suggested having an informal introductory meeting for new Board members. Bobbi will make up notebooks for Directors.

Allan Deehr moved to hold an informal new member orientation meeting from 5 to 7 p.m. on Wednesday, June 29. Gerard Silva seconded; the motion passed unanimously.

Bylaws Review Committee: Frank stated that the current Bylaws penalize Board members appointed to fill vacancies by limiting the length of time which they are qualified to serve. He recommended electing a Bylaws committee to review Article VIII, Sections 5 and 6, so that recommended revisions could be presented on a ballot in the December *Conch*.

Gary Jung said that once a Bylaws committee is elected, it can review all the Bylaws; it is not restricted to a given section. Bobbi said the committee can be given a timeframe to work within.

The Board agreed to bring the issue before the general membership at the meeting June 26. If approved by a two-thirds vote, a committee of five persons will be elected to review the Bylaws.

Letter from John Acree: John Acree requested permission to connect a well on his property to a second lot across Beach Rd. Bobbi said this falls under the waterline moratorium. Gerard said the moratorium is to prevent spaghetti lines connecting to the County waterlines. He said meters need to be placed in front of each property. Allan said the Board can distinguish between connecting to County water and connecting to private wells.

Bobbi said the office needs to be able to give specifications. The Board agreed to look up the specifications in the Policies and Procedures manual.

Allan Deehr moved to table John Acree's request until the waterline specifications have been researched. Gerard Silva seconded; the motion passed unanimously.

Sound system: Allan said the bid for approximately \$4300 for the new sound system in the Activity Center has been accepted. It will consist of three or four speakers suspended from the ceiling, three table microphones, a mike in a stand, and a cordless microphone, with all data being entered directly into a recording system. He said a cabinet is needed to house the equipment in the library.

Barney Sheffield moved to accept bids up to \$500 to build a cabinet to house the sound equipment. Bill Carlson seconded; the motion passed unanimously.

22nd Ave.: Gerard recommended that 22nd Ave. be the next road to be paved all the way across the Park. Allan said the next paved crossroad should be somewhere towards the middle or bottom of the Park. Gerard said 22nd is the lowest road which runs all the way to Shower Dr.

Adjournment: The meeting was adjourned at 8:55 p.m.

Respectfully submitted by:

Kirstie Goin, Recording Secretary

Barbara Kahn-Langer, Corporate Secretary

Motions Log 6-8-05

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