

**Hawaiian Paradise Park Owners Association
Board of Directors
Meeting of January 20, 2010
Minutes**

- I. **Call to Order.** President Bob Rainie called the meeting to order at 6:00 pm.
- II. **Roll Call.**
- a. Board of Directors: Bob Rainie, President; Joan Galante, Treasurer; Jeff Gray; Keone McAllister; Dale Watson, Vice President; Cheryl Jackson; June Conant; Ron Vizzone. General Manager, Kaniu Kinimaka-Stocksdale, was also in attendance.
 - b. Guests: Jerry L. Carr, Dave Cronister, Gregg Datlof, Roger Hanson, Dorcas Liu, Ken McGilvray, Nancy McGilvray, Heather McNeil, Mike Mentnech, Rod Thompson, Chuck Webb, Robin Wright.
- III. **Agenda.** A report from ENET was added to Committee Reports.
- IV. **Owner Input.**
- a. Rod Thompson read a statement which included requests for information regarding the hiring and evaluation of the General Manager.
 - b. Ken McGilvray asked that his letter of resignation be included in its entirety in the minutes. He also asked the status of the roll-doors in the activity center, the shop restroom, and the Hanawa civil action. (*Bob Rainie stated that the letter of resignation would not be included in its entirety as there is no appropriate way to rebut some of the statements made in the letter.*)
 - c. Heather McNeil thanked the staff for trying to block the Maku'u/17th/Railroad dead end. She said that the small boulders placed by the staff are already being moved by those wanting to use that road.
 - d. Jerry Carr said he was concerned about the procedure for approval of the reimbursement for the costs of the Christmas party.
 - e. Chuck Webb had questions about the mowing schedules, especially on the side roads.
 - f. Mike Mentnech said that he had noticed the work at the top of Maku'u and asked how it had been decided to do it.
 - g. Gregg Datlof reported a tree at the corner of 7th and Kaloli that hangs far over the street. He stated that he thought it was a traffic hazard.
 - h. Dave Cronister asked the status of working with people who are placing items in the right-of-way which has caused a narrowing of Paradise Alakai. He also asked if there was any progress in obtaining more post office boxes, and if there had been anything done to increase the road fees for those who are using the roads more than normal.

- V. **Minutes.** The board requested some minor changes to the minutes of the meeting of December 16, 2009.

June Conant moved that the minutes of December 16, 2009, be approved as amended. Dale Watson seconded the motion. The motion was approved unanimously.

- VI. **Treasurer's Report.** Treasurer Joan Galante provided a written report that summarized the major points of the treasurer's report. She said that the current financial statement was printed directly from the QuickBooks program, noting that the bottom part of the report cannot be printed because receivables are not yet in the QuickBooks files. The figures are balanced, but just not in QuickBooks.

Joan also addressed concerns about the status of the current fiscal year's budget. She said that we are half way through the year and have approximately \$800,000 left, with assets estimated to be about \$130,000 per month, for a total projected expect for the next six months of just under \$800,000.

Total Checking/Savings & Construction Funds: \$9,619,188.58

The Treasurer's Report was accepted.

- VII. **General Manager's Report.** Discussion related to the General Manager's Report included:

- a. An explanation of how the SEE Hawai'i program works. The General Manager and Treasurer are trying to identify funds that can be used to pay the unemployment insurance costs for these employees. Most other costs are reimbursed through the Federal program.
- b. An explanation of how the mowing and weed-whacking are being coordinated.
- c. A review of the process for obtaining bids for the shop restroom. Kaniu Kinimaka-Stocksdale stated that four contractors had reviewed the project and she expected bids from two of them.
- d. The Hanawa suit. Kaniu said that Ted Hong is working on this to attempt to obtain funds through this suit.
- e. Investment opportunities. Kaniu said that Greg Sumida from Morgan Stanley will be meeting with her and anyone else interested later in the month.
- f. Insurance costs. Kaniu stated that she is researching alternatives to the current policies.
- g. Memorial sites on HPPOA easements. Kaniu stated that letters from HPPOA are being attached to all the memorials, but some of the letters have been removed and no one has come to the office to discuss any of the memorials. So far 11 have been identified. She said that every effort will be made to work with those who have created the memorials to get them off the road easements and into a more appropriate spot, perhaps on the association property. If there is no contact or cooperation after several notices, the staff will move the memorials.
- h. Post Office boxes. Kaniu Kinimaka-Stocksdale has been talking with the interim manager of the Kea'au Post Office. There is the possibility that they may be bringing more post

office boxes into HPPOA, although there is the possibility that HPPOA may have to pay for them or, at the least, provide adequate shelter and lighting for them.

VIII. President's Report. Bob Rainie said that he has been asked to update the board on several items, including the following.

- a. Mowing and other road maintenance backlog issues. Bob said that this is being addressed regularly at board meetings.
- b. Kitchen certification. This issue is now being reviewed by the Land Use Commission and we do not know how long this process will take.
- c. Safety. The drawings for the restroom have been completed and we anticipate two bids for the project.
- d. General Manager performance. Bob stated that he meets with the General Manager weekly and finds that he is obtaining adequate answers to all his questions regarding accounting, banking and investments. The General Manager has been having discussions with banks and investment managers as she had reported.

IX. Committee Reports

- a. Finance Committee. Joan Galante reviewed the December 2009 financial report. Among the items discussed were:
 - Delinquent Road Fees. She said that this report needs a thorough review and that she believes that there needs to be a review of the entire collection system.
 - Bids. Joan said that, especially for materials, there should be three bids on file to verify that we are getting the best price.
 - SEE Hawai'i Employees. Joan asked about how the proposed increase in the unemployment tax may affect HPPOA especially as it relates to the SEE employees. She also asked if these employees are drug tested. Kaniu Kinimaka-Stocksdale said that drug testing is at our discretion.

Joan Galante reviewed the membership of the Finance Committee and stated that she believe that the committee should be made up of five members.

Joan Galante moved that Ken McGilvray be added as a member of the Finance Committee. June Conant seconded the motion. The motion was defeated with June Conant, Ron Vizzone and Joan Galante voting in support of the motion and Dale Watson, Keone McAllister, Jeff Gray, and Cheryl Jackson voting in opposition.

- b. Neighborhood Watch. Jerry Carr reported an increase in burglaries in December and early January. He said that none of the burglaries took place in the sanctioned block areas. Jerry reported that there has been a reassignment of four Hilo detectives to Puna to focus on burglaries. Jerry also reported a decrease in the complaints about the use of ATVs which are illegal and dangerous.

- c. Bylaws Committee. June Conant reported that the completed Bylaws text has been sent to Counsel for review. There are two meetings scheduled in advance of the February 28 Membership Meeting. She asked that there be no speaker scheduled for that meeting as she anticipated that the Bylaws revision would take up most of the meeting time.
- d. Human Resources Committee. Robin Wright reported on behalf of the HR Committee. She stated that Counsel had returned the draft Employee Handbook to the committee with comments. Chief among the comments is the apparent discrepancy between HPPOA's stated intention of being an "at will" employer and the policies and procedures for corrective counseling. The basic concept is that, if HPPOA is an "at will" employer, there is no need for a set of rules related to how an employee is counseled prior to dismissal.

June Conant moved that HPPOA state that it is an "at will" employer and that sections of the proposed Employee Handbook that are in conflict with that be deleted. Cheryl Jackson seconded the motion. The motion was approved with Bob Rainie voting in opposition and Jeff Gray abstaining.

Other changes recommended by the Human Resources Committee based on feedback from Counsel were (as summarized at the meeting):

- Changing the sick leave benefit to be effective at the same time as medical benefit (from one year to one month after hire)
- Deleting the section related to seniority in hiring.
- Changing the wording in the section relating to salary ranges.
- Deleting specific language related to layoffs and/or reorganizations to provide more employer flexibility
- Deleting statements related to steps to take after an employee has been found to have violated the drug and alcohol-free policy.
- Adding new subheadings related to temporary and non-temporary employees, along with a definition of temporary employees.

June Conant moved that the specific changes to the Employee Handbook recommended by the Human Resources Committee in its report be accepted. Dale Watson seconded the motion. The motion was approved, with Bob Rainie voting in opposition.

There was a discussion about outsourcing personnel managed related activities. The General Manager will research this and report back to the Human Resources Committee.

- e. RTSP Committee. Joan Galante reviewed the written report of the committee. There was a general discussion about the concept of implementing an impact fee for excessive use of the roads.
- f. ENET Committee. Gregg Datlof presented this report. He said that, because HPPOA is a 501(c)(4) organization, ENET cannot ask for tax deductible contributions; but they can ask for grants to fund their activities, and they may pursue this avenue to fund their activities, especially related to development of the "Community Resiliency Project" mandated by FEMA.

X. Unfinished Business.

- a. Motions Log. This was discussed and no changes were made.

XI. New Business.

- a. Proposed Roadside Memorial Sites Relocation.

Dale Watson moved that the board approve clearing a piece of land on the association property for relocation of roadside memorial sites. The motion died for lack of a second.

XII. Announcements.

- a. The next Board of Directors meeting will be on Wednesday, February 17, 2010, at the HPPOA Activity Center Library at 6:00 pm
- b. The next Membership Meeting will be on Sunday, February 28, 2010, at the HPPOA Activity Center at 3:00 pm.

XIII. Adjournment. The president adjourned the meeting at 9:10 pm.

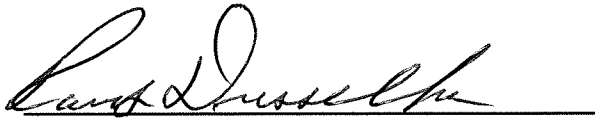
Respectfully Submitted:



Robin Messenheimer, Recording Secretary

2/21/2010

Date



Randy Dresselhaus, Board Secretary

2/27/2010

Date

Motion Logs

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