Bylaws Committee Minutes
August 7, 2026

1. Call to Order.
   5:00PM

2. Roll Call -

Patti Szot – Chair	Sandee Maeda
Jeanette Baysa-absent	Trudie Andrews
Al Yax	Lanell Lua
Julie Rice-arrived 5:15PM	Danae Marin-absent

3. Approval of August 7, 2026 agenda.
   Lanell made the motion to approve with correction, seconded by Trudie, unanimous vote.

4. Review and Approve meeting Minutes for July 23, 2026.
   Sandee made the motion to approve with minor corrections, Trudie seconded, unanimous vote.

5. Old Business
   a) Reconcile Article VI
   The committee continued its discussion regarding the recent changes made to the Bylaws by legal counsel. It was noted that counsel amended the Bylaws rather than restated them. This contradicts HRS §421J-7.5, which specifically governs the restatement of association documents.

   The committee reviewed the two distinct court cases (the 1983 Hawaii Supreme Court case and the 2001 Civil Court case) that directly limit the authority of the Hawaiian Paradise Park Owners Association (HPPOA). Legal counsel removed language stating that lot owners are not required to become members of HPPOA. However, this membership opt-out provision was expressly dictated by the 2001 court case. While opting out carries specific consequences, a lot owner retains the right to opt out, as well as the right to opt back in, simply by submitting a written letter.

   To ensure clarity, explicit definitions for 'lot owner,' 'member,' and 'member in good standing' must be established, particularly if portions of Article X are placed on the ballot. The committee questioned whether to retain the term 'General Member,' which is currently utilized in the Bylaws. Furthermore, counsel altered the definition of 'good standing' to require compliance with both the Bylaws and association policies. These two conditions were deliberately excluded from the Bylaws following the 2001 receivership, during which the court strictly regulated the association's powers. The 2001 Bylaws represent our original founding documents as approved by the court. No subsequent revision associated 'good standing' with policy compliance until counsel's recent unapproved amendments. Historically, a member achieves good standing simply by paying mandatory road maintenance fees.

   While members typically vote on Bylaws, corporate policies are drafted and approved solely by the Board of Directors. Policies occupy the lowest rung of the governance hierarchy, sitting entirely below the Bylaws. Consequently, policies cannot legally conflict with or contradict the Bylaws or superior state laws. Despite this restriction, recently drafted policies directly contradict the Bylaws, including one specific measure that strips members of voting privileges without membership approval. Because policies are insulated from member votes and can be altered at any time by a simple majority of nine directors, references to policy compliance must be removed from the definition of a member in good standing

b) Article X, section 1 and 2

Reviewed the changes to Article X Section 1 and added a section 2, concerning rules committees shall follow. All committees! Looked over the pros and cons. Will finish review next meeting.

c) Article X section 3, which board committee do we want to put forward?

The Committee reviewed the statutory constraints of HRS §414D-148 regarding the composition of board committees. It was noted that under state law, committees exercising board authority must consist exclusively of two or more directors, effectively excluding general members from participating in executive or operational board decisions. The Committee discussed how a failure to segregate board powers can result in non-directors improperly reviewing confidential matters, such as employee job performance, which conflicts with human resource protocols and HRS Chapter 421J.

A review of the current HPPOA Bylaws and the specific resolutions establishing the Policies and Procedures and Human Resources committees revealed operational conflicts with HRS §414D-148. To resolve these inconsistencies, two potential remedial pathways were proposed: either amending the Bylaws to completely eliminate general members from all board-level committees, or restructuring the committees within the Bylaws to explicitly designate them as advisory bodies, thereby permitting general-member participation while strictly limiting their operational authority. The Committee deferred a final decision on these structural changes until the next scheduled meeting."

d) Article XII -new revisions to it and financial note.

We reviewed the 3 portions of Article XII that was amended. Because these three sections have amendment changes that will cost money, placing a statement after the amendment, is bringing absolutely transparent to the membership, and they can take this cost into consideration when they vote. Will discuss more at the next meeting

Julie left the meeting

6. New Business

   a) Discuss how the amendments should be presented at the General Membership meeting.

   The previous time I presented Bylaws amendments to the membership, I was told that the new text needed to be underlined and bold. However, that is not correct. Robert's rules of Order state that you can use just underline, just bold or both. Since it doesn't care how it is presented as long as members can distinguish what has been added and what has been removed. We discussed going just with underline for new portions because sometimes the text is in bold letters. Patti made the motion to accept this way of presenting new portions of the Bylaws to the Membership, Trudie seconded, unanimous vote.

7. Next Meeting

   August 27, 2026

8. Adjourn Meeting

   Meeting adjourned 6:55PM

Minutes prepared by acting secretary Patricia Szot