



Leilani Community Association

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WWW.LEILANIESTATES.ORG

LCA Board Meeting Minutes: June 13, 2024, 7:00pm

7:00 pm Meeting call to order,

Roll call, President & Treasurer Alan Morrow, Secretary Rod Kindel, present and Vice President Janet Morrow present by zoom.

Quorum met.

Meeting motion to approve March 16th, 2024 Members Meeting Announcement, approved.

Meeting motion to approve June 13th, 2024 meeting agenda, approved.

Presidents statement -

Board has been busy. Only 3 people, so things take a bit longer. Talked with Mayor Roth on getting money for volcano damage.

Committee reports- A. Architectural, one set of plans approved.

Treasurer's Report

- Checking Total	\$168,799.30
- Recreation and Reserve	\$140,067.37
- Total	\$308,866.67

A) Expenditure approvals,

- \$ 1741.00
 - Shindaiwa weed trimmer,
 - Shindaiwa gas backpack blower.
- Upcoming expenditures, 21" lawn mower, pressure washer.

B) Budget update,

- \$18,000 Accounting Expense
- \$25,000 Attorney Fees
- \$25,000 road repairs
- \$12,500 audit expense

Old Business,

A) Legal update

- At the April 13th proxy meeting a request was made for mediation, instead the board agreed to binding arbitration to save the community time and money. Jim P. volunteered to research and present the format. As of this meeting 61 days later there has been no discernable action. The offer of binding arbitration is hereby rescinded.
- Mediation, as per State Statute 421J-13 Mediation of Disputes. The Board filed a request for Mediation hearing through the Ku'ikahi Mediation Center located in Hilo Hi. The

Board has a different interpretation and understanding of the LCA governing documents, policies and State Statutes than several community members. It is the Boards desire to bring the Community together through mediation of these differences to a common interpretation, understanding and enforcement of each in a suitable and equitable manner.

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- The items requested for mediation are.
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- 1) HOA document hierarchy.
- 2) Declaration of CC&R's, rules of amendment, example by application of CC&R number five, understanding of Exhibit "C".
- 3) By-Laws, rules of amendment, facilitation, mediation, arbitration as applied to the By-Laws, understanding of Exhibit "B".
- 4) Charter of Incorporation, rules of amendment, example by a request for reimbursement, understanding of Exhibit "A". Due to the abuse of "Robert's Rules of Order, 421J-6" included here.
- 5) Policy and Procedure, statement of fact.
- 6) By-Law Article IV Board of Directors, Section 14, Vetting. Legitimacy, documentation of use and history.
- 7) CC&R number 12 its covenants running with the land and effects of S.C. No. 186 H.D. specifically pages four and five.

These seven items have been the crux of BoD meetings for several years and until June 13, 2024 have dominated the conversation and divided the Community. The Board's hope is to resolve these differences so this and future BoD may carry out the important business of the Corporation.

New Business.

- A) Grants - discussion of past grant attempts, community chastisement for the Boards efforts not bearing fruit, from the community member who volunteered to interact with Hi Electric (two phone calls plus one hour tour of facilities to count lights, inspect electrical, easy \$10K of upgrades), no discernable action taken. PS still waiting on him to return the documentation.
- B) "The Big Ask", This is not a Grant, it is a request or application for funds from the Puna Geothermal Benefit Fund. We notice those funds going to Pahoa Town for cameras, to HPP for playground development and parks, to Hawaiian Beaches park by the ocean, all good causes. We in Leilani hear PGV all day every day, smell them and live with their monitoring station reminding us of the dangers, I believe we are deserving of funding.
 - our request is for \$434,578 all for recreational related items.
 - regardless of a prior Board president's statement that we are a private community and should not seek County funds for our needs, we in fact are a private / public Corporation. Private in that we pay for everything but public by our Charter THIRD and non profit requirements of IRS Section 501 C (4) as are the streets and right of way available for "general public social welfare".
 - our contacts for budgetary quotes are "PlayandPark", "EverPlay", "Grasstex", "Greatmats", "Rigid Buildings", "Engineering Partners", plus locally to remediate the pavilion, the Kupuna track, fencing, railings, septic, and new use projects.
 - there is much to do and that Ashley K and Mitch R have committed to try to help is encouraging.

Q and A, comments.

- Concerning a Community Unification Committee, the Board welcomes committee's to work on solutions to our opportunities and issues. We encourage you and others to document your ideas and the first step would be a request for charter. Unfortunately if there was a procedure it disappeared late in 2020 during the 2nd great purge of community documents. You could find a previous request for Charter and pattern it.
- Of course you could organize a group and accomplish your goals within the community without LCA governance.
- Evacuation plan, no we and lower Puna including PGV do not have an emergency evacuation plan. As a start we suggest you contact Civil Defense. Our efforts to secure an emergency second exit from Leilani, dealing with the County and State was terribly time consuming. Our efforts are now spent principally in abeyance to our organizational documents while fending off the community members who have chosen a different path. Hoping meditation resolves those issues.
- It is hypocritical that a former Board President would suggest uniting the community by lowering our standards and in violation of our Governance documents and State Statutes. We believe in a higher standard.

In regards to the time to effectively govern our community.

The term nomination is applicable prior to an election cycle. To try to railroad through community members who are not in compliance or who were but withdrew will not be done at a BoD meeting. If this frivolous waste of time were eliminated the Board meetings could address valid community concerns.

We agree it is time consuming to effectively run our community.

We have considered creating an "application for appointment policy" and perhaps when the mediation is done we can create a policy.

Either way it must be in compliance with our governance documents, 1) to vote or be on the Board of Directors there cannot be any financial liability to the Corporation and 2) to be on the Board of Directors one cannot be in violation of the CC&R's.

League of women voters.

They were contracted to oversee the 2020 election cycle. That the year 2020 treasurer would claim the cost was \$150 is incorrect.

Feb. 13, 2020 BoD minutes Q. What will the LWV meeting cost? A. \$2,000.

April 9th, 2020 BoD minutes. Andy A. The LWV total bill was \$1,565.

Oct. 8th 2020 BoD minutes, the election and LWV challenges by members cost \$11,868.

Dec. 31, 2020 legal expenses pie chart the election and LWV challenges by members cost \$11,936.

So subtract the contracted cost of \$1,565 from the total cost of \$11,936 you get \$10,371 which was not challenges by members expense, it was the BoD extraneous expenses to deny the community their right per 421J-7

(D). Basically a member's right to see the requested documents are required to be fulfilled within 30 days. That lawful request took 137 days at a cost of \$10,371 to accomplish. Comparatively the 2024 BoD met the requested 421J-7 (D) requirements within the 30 day window with three separate meetings at zero charged cost and without legal expense.

Rod Kindel –
Leilani Community Association Secretary.