



Leilani Community Association

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WWW.LEILANIESTATES.ORG

Minutes January 14, 2021 LCA BOD Meeting

Zoom Format 6:30 pm

Call to Order: Robert Golden, President

Roll Call and Approval of Posted Minutes: Alice Lindahl, Secretary

Present: Robert Golden, president, Andy Andrews, Treasurer, Alice Lindahl, Secretary, Patti Hatzistavrakis, Vice-President Philip Denney, Director All 5 members are present.

Approval of the minutes of the December 10, 2020 meeting: Approving the minutes: Andy Andrews, Robert Golden, Patti Hatzistavrakis, Alice Lindahl, Philip Denney

Member comments (c:) and questions (q:) 3 minute limit (r:) responses, where appropriate.

C: Member states that he did not approve of the lack of Christmas Bonuses for employees this year. Also clarification regarding the statement of 421J 5A from December minutes. [Note from Secretary: this is the full text of what was read at the December 10 meeting: "All meetings of the board of directors, other than executive sessions, shall be open to all members to provide input on the matters being discussed. Members who are not on the board of directors may participate in any deliberation or discussion, other than during executive sessions, unless a majority of a quorum of the board of directors votes otherwise."]

C: Member reports that she needed to build a driveway and a neighbor's mailbox was in the way. She requests that her neighbors treat each other with more courtesy about neighborhood matters.

C.: Member states that the 8 speed humps proposed for Kahukai street will cost \$16,000.00 for everything including painting. Q: Has Mr. Ashida been present at every board meeting ? R: no. Q: Is he present at this meeting? R: no, not present.

Q: Will you send us Sam Estes' proposal that was intended to be shared at the December meeting? R: Yes, we can make that document known.

Q: Why did the treasurer remove the nominations? It was inappropriate R: The treasurer was

asked to retrieve them for the Secretary, as they had been hidden instead of passed on for official recording as directed in the By-laws.

Q: Is Lincoln always *pro bono* when he comes to meetings? R: yes.. Lincoln was not respectful to members. The state law does apply to us.

Reports: Officers and Committee Chairs

President: Robert Golden. Asks for more respectful communication by email from members. Unfounded accusations are not helpful, and only serve to increase tension and confusion in the community.

Andy Andrews, Treasurer. December Balance sheet and Profit and Loss are posted on the website.

Alice Lindahl, Secretary. 1. Announcement of the nominations for the board of directors for 2021-2022. Greg Armstrong, Keola Bandmann, Marianne Farrell, James M. Penney, Le Tieche.

2. COVID news. You can sign up to get a COVID vaccine appointment at the Hilo Medical Center. Link for the website will appear on Next Door.

3. Volunteer position regarding loose dogs. We need one or more volunteers to take on a project to receive photographs and information from Neighborhood Watch drivers regarding loose dogs. This program has been very effective in reducing the number of aggressive dogs on our roads.

4. Pig Removing team. There is a team of pig hunters, college students, who will come to your neighborhood and remove pigs. Please contact Alice at admin@leilaniestates.org to get the contact information.

SECR committee

a. We have set up motion activated cameras on Luana Street and are counting the number of vehicles accessing the now open road. The cameras need to be adjusted for the speed of vehicles and walkers in order to make a short video of every vehicle .

b.Crime Report: This month's Puna Crime Stats lists 3 instances in Leilani Estates this month: one assault on Luana Street, 1 burglary on Kula street and 1 theft on Kumakahi Street.

Old business

Damaged Road Update: Andy Andrews. Jay has helped us pull together and compare estimates for pre-construction engineering. One proposal was unsuitable: Engineering Partners. Second quote was from Okahara & Assoc. for \$9,000. The proposal will be posted on the website. If you have questions about this, please post them to admin@leilaniestates.org. The standards will be posted. Andy will be making a motion at our February meeting to go ahead with the Okahara engineering proposal. .

Q: Why do we need engineering study? R: They provide specification to the road crews, to make the roads safe and durable. Engineering studies cost 2-3% of the total cost of the project.

Reserve Study: The reserve study from MCCaffrey and Sons is completed. If you have questions, send an email to admin@leilaniestates.org. Some results of study: 1. Income is shockingly low. 2. Our reserve is only 14% of what a suggested reserve should be. 3. Most communities have 70% reserve funding, they recommend 100%. At the next meeting, there will be a vote regarding accepting this report.

Q: What is the relation between a reserve study and a budget? A: Usually they are done every year. Hawaii law does not require it. By-laws indicate that we must do a fiscally responsible management of our treasury. We asked this company to project 30 years out into the future. Out of this, we create a budget to cover the following needs: 1.) operating expenses and 2.) contribution to the reserve. We have never been in the red. We got close to it in the eruption.

We have to deal with anticipated expenses (salaries, roof on pavilion, repair of roads) as well as unanticipated expenses (breakdown of equipment). The LCA road cost LCA 1.1 million dollars 20 years ago, now the cost is several million. If we save as we go along, there will be no special assessment once the roads need repaving.

Alice Lindahl: CC&R Fines. This policy is needed to apply to persistent uncooperative violators of LCA CC&Rs. In 2020, the board approved the formation of a chartered committee to recommend to the board the financial penalties that will be levied on CC&R violators. Three volunteers stepped forward and were approved by the board.

The committee submitted their recommendations. For example, for properties which are a nuisance by creating a junk yard on the property, and failing to correct the situation after a month of notification, the fine will start at \$25.00 per day and it will increase in three steps to \$60 per day starting 9 months later. After one year, if no action is taken to clean up the mess, then the property owner will owe \$13,500 to LCA. The recommendations for the fines to be levied will be reviewed by the BOD. They may choose to accept these recommendations or alter them. The board will announce the agreed upon fine structure at the February meeting, and vote on it.

This is an attempt to get control of a problem that has plagued LCA for a long time, so this will not be the first time that the residents of junk yard have heard this message. This particular fine will also address other junk yards and other nuisance situations in our community.

Alice Lindahl: Impact Study Regarding Lava-covered Roads

a. On August 28, 2020 LCA created a temporary policy prohibiting grading or removing barricades on any of the lava covered roads until a thorough study could be

undertaken to understand both the safety and financial consequences of this action as well as the LCA members wishes regarding the future of the area.

b. We have learned a lot about the cost, we have not yet hired the engineers who can inform of the risks of driving and also building on the eruption area.

c. We have a second poll (ROADS Poll II) that will be up on the website soon. It is much shorter than the first, only 5 questions. It asks you once again to tell us your preference regarding how the eruption area is managed in the future now that there is more information regarding the costs. There will also be room for comments, and we have added a question about your preference for tourist activity (or not).

d. We have updated our Impact Study which covers Goals, Member -suggested management practices and estimated costs of some consequences of opening roads.

e. Mitch Roth and two county administrators have agreed to a meeting with us on Zoom to on January 29th. We need to coordinate any development with them so that members know exactly how to plan for the future of their property.

Philip Denney: News on the upcoming election, March 20th. There will be 4 votes per lot, there will be a candidate forum on February 10. Ballots and assessments will be sent out on the 17th of February. "Tellers" (three persons) will count and certify the votes. Candidates could act as "observers". Also related to the election, Mr. Denney intends to join the Bandmann et. al. suit as a plaintiff.

Philip Denney: Truck Repair. It was completed on January 6th. The cost was \$2,969.63. The repair shop refused to give LCA a Tax ID # (TID) which would allow LCA to send in a 1099 form.. The board refused to write the check without it. So Mr. Denney wrote him a personal check. We need to resolve this situation, as the board will not reimburse me.

Andy Andrews: On the advice of our attorney and our CPA in order to make sure we are compliant with the IRS and state HOA rules, we should give Mr. Ramsdell a check for 76% of his bill and send 24% to the IRS as required by our 1099 contract. If Mr. Ramsdell decides to provide us with his tax identification number, we can pay him the whole amount without subtracting the 24% withholding. It was ruled on today by our CPA and passed on by our attorney. It was all taken care of today.

Mr. Denney is not satisfied with the solution, as he took the trouble to cover the cost and expects to be reimbursed.

Phil Denney: The Community Center Bathrooms Michael will service the restrooms 100% on weekdays, Marianne Farrell on weekends.

Discussion: Does the cleaning service do any deep cleaning?

Andy: The cleaners do not clean inside the community center post COVID.

Marianne: The bathrooms do not look like they have been deep cleaned.

MOTION Phil Denney moves that we accept Michael Hauanio's offer and Marianne Farrell's offer to clean the bathrooms daily and to discontinue the cleaning service that we have hired.

Voting in favor of the motion Robert Golden, Patti Hatzistavrakis, Alice Lindahl, Phil Denney

Abstaining: Andy Andrews

Phil Denney: Hazardous Trees. We have learned that the county will not deal with these trees. Phil is wondering how our non-ownership of the roads influences this and who is liable for damage done by the trees.

Alice: It is the property owner's responsibility to deal with tree problems. For undeveloped properties, The owner likely to be unaware of problems on their sitete. It is the LCA responsibility to inform them. Contacting them is a good first step, as some may be willing to pay to remove the dangerous tree.

Mark Ellis: Contact neighbors not living on property to give notice of dangerous trees.

New Business

Robert Golden: Legal Status of LCA Roads. At the beginning of the development of Leilani as a subdivision, the ownership of the roads for both Leilani 1 and Leilani 2 was placed in a trust belonging to a single individual. The ownership of the trust was not passed on to LCA correctly on the death of this person. At the present time our rights to the road are in question. This has been brought to light because of the grading of Luana Street.

MOTION Robert makes the motion that we hire Lincoln to work on re-establishing legal claim of LCA for ownership of the roads.

Voting in favor of the motion: Robert Golden, Patti Hatzistavrakis, Andy Andrews, Alice Lindahl, Philip Denney.

Voting against the motion: none The motion passes unanimously.

Robert Golden: How other HOAs in Puna handle participants' questions. It is very variable, some have questions before, some after, some all the way through. The county council does not allow audience participation during council discussion.

MOTION Robert makes the motion that we have community participation as we have done it in this meeting: as follows three minutes per person at the beginning of the meeting and another session like it at the end. As we work through the meeting, if there is time, members can ask questions at the discretion of the chair of the meeting.

Andy says that this may not be consistent with 421J 5. Let's ask our attorney to give advice on

it. Andy and Robert agreed to table the motion.

Robert Golden: Leilani Estates sign at Highway 130. The old one rotted off and fell down. Andy has called three firms which make signs. The old sign was plywood, the sign companies recommend a printed vinyl sign on aluminum and plastic. One company said that replicating the sign will cost \$216 each, and two are needed: One faces down hill towards the ocean, one faces towards Pahoa. Andy will get more quotes from other sign companies.

Adjourn 8:41 pm 28 participants

The next LCA Meeting will be on February 11, 2021 6:30 pm Zoom

Alice Lindahl, Secretary, submitted Feb. 3, 2021