

**Orchidland Community Association, Inc.
Unapproved Minutes of the General Membership Meeting
April 30, 2011**

Call to Order: The meeting was called to order at 9:00 a.m. by Jerry Gardner.

Directors Present: Jerry Gardner, President; Derek Shimizu, Vice President; Ralph Boyea, Secretary; Fred McConnell, Treasurer; Dennis McCartin, Road Chair; Marti Morishige, Director; and James Kirkpatrick, interim Director. Road Managers Adrian Dalton and Gary Dalton, Jr., were also present.

Members Present: Earl Yoshimura, Jimmy Roustio, Wayne Carey, Kirstie Goin, Sherri Carden, Roger Hawney, Wes Owens, Douglas Anderson, Lee Strickland, D’Artagnan Josephson, Doug and Michelle Gab, Peter McDonald, Gail Bissonnetti, Rich Ellis, Don Jacobs, Karen Doom, Michael Upham, Pat Griffin, Michael Dziatko, Emily and James McGhee, Ed Smay, Ralph Brydges, Gaila Vidunas, Rosemarie Patronette, Pansy Lindo-Moulds, Jim McGuire, Stephen Kling, Susan Gregg, Steve Baca, and Gerald and Wendy Yamada.

Announcements: Jerry welcomed the members to the meeting and made three announcements:

1) The fuel tax revenue bill has passed both the State House and Senate, but is currently bogged down in the conference committee. Community input may be needed soon to move it forward.

2) The redistricting of Hawaii County, based on the 2010 census, is underway. Population changes indicate that the Puna district probably should have 2 representatives on the County Council, not just 1.

3) The Board of Directors has successfully negotiated a no-rent ten-year lease for an office space for the Association in the Sure Save, Ltd. building on Orchidland Dr. For now, the space will be used only for storage of OLCA files.

Approval of Minutes: Sherri Carden moved to approve the minutes of the membership meeting of Nov. 27, 2010, as written. Wes Owens seconded, and the motion passed unanimously.

Financial Report/Budget Proposal: Fred reported that the fund balances as of April 28 were:

General Fund	\$ 28,572.59
RMC	\$ 10,402.88
Emergency Fund	\$ 15,071.96
Paving Fund	\$174,624.84
Admin Fund	\$ 14,217.13
Lot Development Fund	\$ 3,951.24
Capital Fund	\$ 15,661.02
Legal Fund	\$ 87,471.15

Ralph Boyea moved to approve the 2011-2012 budget as presented. Dennis McCartin seconded, and the motion passed by a vote of 43 for, 0 opposed. Wayne Carey abstained.

Wayne Carey asked why the administrative fund's budget has such a large increase. Jerry said fixed expenses have increased, including contractors' salaries and facility rental.

Roger asked questioned allotting \$5,000 for liens, \$5,000 for legal expenses and \$2,000 for collections, when we have no collections policy in place.

Ralph responded that lien expenses are included in the budget in case "we are able to get to the point of filing liens." Also, our liability insurance has a \$15,000 deductible; if the money is not needed for legal defense, it will go to the roads.

Fred said that the collections letter sent in March cost approximately \$1,000 and generated collections approaching \$20,000. Roger requested that future collections letters be sent with newsletters to defray their mailing costs.

Doug Anderson asked what 'equipment maintenance and storage' entails, and what equipment the Association still owns.

Dennis said, "We got rid of almost all the old equipment—roller, grader and stuff. The only thing we still own is the Kubota tractor. We just bought a new mower blade for it." The Association also owns a small trailer. Maintenance costs are to maintain the Kubota. Jan Mochizuki asked why the paving fund balance is almost \$20,000 less now than in February, when we have done no paving. Dennis responded that paving prep for Ilima is underway, and has been paid for out of that fund.

Jan said that the \$2,000 in unearned income to be returned to lot owners should not be a line item in the budget. She also asked for an end-of-year tally of expenses for the 2010-2011 fiscal year. Fred responded that any lot owner may receive a copy of the year-end tally upon request. He added that this is his last membership meeting, because he will be off the Board shortly, and thanked the members for the opportunity to serve the community.

Road Report: Dennis thanked the volunteers who work on the roads. "We don't even know who some of you are." Gravel will soon be stored on the Community Lot instead of at the Road Managers' for volunteers to use.

We had carry-over income from last year and received more income than expected this fiscal year from people getting caught up-to-date on their road maintenance fees, and so were able to spend over \$72,000 on the roads instead of the budgeted \$43,000.

A volunteer project on 40th Ave. between Orchidland Dr. and Laniuma saved the Association a considerable amount in labor costs when two volunteers used their own equipment to spread materials purchased by the Association. Gravel will be added to that area, which now will be included in the regular sledding maintenance schedule.

The road crew worked on drainage this year and recently drained lakes on the side roads. A goal for next year is to fill those lakes with big cinder, since they are the source of most of our road complaints.

Other projects for next year include:

- 1) Resurfacing the deteriorated section of 35th between Pohaku Place and Laniuma. Gravel has been added where the chipseal is gone, but it needs to be built up more. The intersection at Pohaku Place was recently resurfaced.

2) The end of Orchidland Dr. from 40th to 42nd has drainage problems, which need to be addressed.

3) 40th Ave. also has serious drainage problems, with several lakes and a section where the stream runs across an old concrete slab. The slab, which has been undermined by water, will be expensive to repair or replace.

Dennis also reported that the rough paving prep work on Ilima St. is now 75% completed. A tremendous amount of trash had been dumped on the road, which the road crew must sort before it can be hauled to the dump. This has resulted in increased time and expense for the paving preparation. The paving should be completed before the end of this fiscal year.

The next paving rotation is upper Pohaku Dr. and the unpaved portion of 40th. Paving this segment will create a bypass between Highway 130 and Highway 11.

The cost of asphalt continues to climb with rising oil prices, and the Board is considering a proposal to use paving funds to rough prep all the sections of main roads which are currently scheduled for paving.

Dennis said that all the chipsealed roads need to be resurfaced with asphalt. Every two blocks will cost probably \$150,000 for asphalt. Orchidland Dr. is already too deteriorated to resurface, and the chipseal will have to be removed.

A place on the Community Lot has been prepared to store calcium carbonate to use as a bonding agent when gravel is added to the unpaved roads, so the materials do not wash away so readily.

So far this year, \$40,000 has been spent on materials and sledding on the side roads. Crowning the roads, addressing drainage issues and capping the cinders with gravel have resulted in substantial improvement in the condition of the side roads.

Jerry said that Gary and Adrian have been doing a really good job on all the roads, and especially on Ilima St. They are building a rock crusher so we can produce our own gravel, which could cut materials costs by half.

Yen Chin thanked Dennis for his work as Road Chair.

Roger Hawney moved that the full membership approve to postpone Pohaku Drive and 40th Avenue in the paving rotation until the issues of additional financial burden and liability are satisfied. Marti Morishige seconded. The motion passed by a vote of 42 for, 1 opposed.

Roger said that the public is already using this section of our roads as a Kea`au bypass, and the only thing keeping hundreds more cars from coming through our community each day is the condition of this last unpaved segment of road. He added that the extra traffic produces a financial burden and, most importantly, raises issues of safety and liability because of the river crossing.

Jerry said that the flat unpaved section is one of our highest maintenance areas, and at this time is "borderline impassable."

Dennis added that we spend about \$700 every other month to repair this section of road. A longer-term solution on high-traffic areas is to install speed humps, but the County requires a traffic study and must give their permission before we can do this.

Yen said that the County increased our burden by widening the pavement on Ola`a, yet takes no responsibility. He said he has proposed, only half in jest, that we install a toll booth there and charge non-residents to use our private roads.

Wayne Carey said that when that section is in good repair, he has counted 225-plus cars an hour in the morning. He added that it will be an expensive section to pave. Once paved, it will put a strain on the chip-sealed sections on both 40th Ave. and Pohaku Dr.

Jerry added that the new shoulder-lane improvement on Highway 130 scheduled for next year will move the bottleneck to the Pohaku Dr./Shower intersection.

Doug Anderson suggested asking the people who live in the area whether they want the last section paved, despite the increased traffic which will result. He added that a barrier on the road would get the attention of the County, giving the Association an opportunity to request assistance.

Lee Strickland said that bad roads make a natural barrier. Pass-through traffic results in increased traffic, trash and road maintenance costs.

Jerry said even a “rough-prep” of the road, without paving, would result in a significant traffic increase. He asked whether the motion would prohibit that level of improvement.

Roger responded that his motion is to postpone actual paving only. He added that although Ola`a is a County road, it is not maintained to County standards.

Wes Owens said that trucks already travel very fast on the unpaved section even when it is in poor condition, creating a real safety hazard. However, he asked that it be maintained regularly and not be removed indefinitely from the paving schedule.

Doug Anderson suggested that the Board directly approach the County to communicate the burden this bypass places on our community and to request a cost-sharing solution.

Rich Ellis suggested coordinating our efforts with HPP when they bring their concerns about traffic through their community.

Jerry said he has spoken to this issue to the County “a couple of times.” The County said we could put up barriers and allow only owners to use the road. He added that our biggest leverage is the river, because nonresidents are not aware of the danger when it floods.

Lee Strickland asked the Board to send a letter to the County explaining the situation, as well as letters to everyone who lives in the area to raise awareness of the issues.

Road Fees: Ralph said that 40th from Puanani to near Pikake, Pohaku Dr. up to 37th, Pohaku Place and Laniuma to 36th (including the dogleg on 35th), Orchidland Dr. from the highway to 37th, and Auli`i from the highway to 36th were chipsealed. Orchidland Dr. is already beyond resurfacing. Ralph said that the paving plan is not set in stone. “I don’t see us maintaining our fiduciary responsibility to our members if we allow these roads to fall apart.” He suggested that we not approve an additional paving assessment for this year, in fact lowering the total road dues.

Yen said how much this proposal will cost and how much income it will generate are both unknown. “If it’s going to take 15 years to get the money to do this, it’s a wasted project, because the roads will fall apart first.”

Roger said there is a distinct difference between how paving assessments and road maintenance funds can be used. However, once a road has been paved, repair or resurfacing becomes road maintenance.

Ralph Boyea moved to increase the MRMA to \$150, at least \$65 of which will go toward resurfacing our chipsealed roads that can still be repaired. This increase will be in effect for two years. Derek Shimizu seconded, and the motion passed by a vote of 25 for, 16 opposed, 1 abstention.

Wes Owens noted that this motion also postpones paving the final segments of Pohaku Dr. and 40th Ave.

Wayne Carey said that the intersection of Ola`a and Highway 11 is narrow and dangerous. He stated that 40th Ave. used to access directly onto Highway 11, but was closed off. "Our side of 40th was also closed, probably by an Orchidland resident."

Dennis said closure of an Orchidland roadway falls under OLCA's jurisdiction.

Wayne Carey moved that the Board of Directors work directly with the County to determine if 40th Avenue has been closed by private parties, and if so, what can be done to reopen it. Dennis McCartin seconded. The motion passed by a vote of 25 for, 7 opposed.

Jerry said this could be included in the letter to the County concerning the Kea`au bypass, stating that this was a historical access.

Jerry thanked the Daltons for their good work on the roads.

Proposed Development at Auli`i and Highway 130: Planning Consultant Sidney Fuke said that Gerald and Wendy Yamada propose to satisfy Orchidland community's "request for a critical need for a supermarket or grocery store." He explained that the proposed KTA development at Auli`i and Highway 130 would be more like the Waikoloa Village Market than the full-sized Puanainako store. Safety concerns will be addressed by a one-way right turn-in lane from Highway 130, with primary ingress and egress from Auli`i St. and a traffic light at the intersection.

The community raised several objections, including:

- The State's plan for Highway 130 designates the intersection at Auli`i as right-in, right-out only, increasing use of OLCA's unpaved side roads to access the development.
- The proposed site is outside of the Neighborhood Center designated by the Orchidland Design Plan and the Puna Community Development Plan.
- The proposal states that fill-in development along Highway 130 from Orchidland Dr. to the Auli`i site "is inevitable." Members strongly opposed opening the door to strip-mall-type development.

The general consensus was support for a "full-sized, reasonably priced" grocery store in the community, but not at that site.

Gerald explained that they looked at Orchidland Trade Center within the Neighborhood Center, but decided it was inadequate in size. They also considered a 20-acre plot designated for commercial development in HPP, but infrastructure costs, especially a waterline, "would run in the millions."

Wayne Carey moved to put before the membership the proposal to develop a grocery store at the intersection of Highway 130 and Auli`i Drive, presenting both sides, with the developer to offset any additional newsletter costs. Scott Stoddard seconded. The motion failed by a vote of 16 for, 23 opposed.

Community Lot: Jerry said the Planning Committee now proposes to build a small general purpose building with two bathrooms for OLCA meetings on the Community Lot, instead of the 40-foot by 60-foot RMC storage building approved at the last membership meeting. We already have enough funds in the Lot Development Fund to send in plans and apply for permits, and Sharon Landry, Planning Chair, is confident she can raise sufficient grant money for the project.

Wayne suggested soliciting a \$20 donation from lot owners for the project. Ralph asked to postpone this suggestion until the fall, because of the proposal to increase the MRMA.

Susan Gregg moved to change the proposal for the Community Lot from a RMC storage building to a smaller general purpose building. Scott Stoddard seconded. The motion passed by a vote of 31 for, 0 against.

Adjournment: The meeting was adjourned at 1:00 p.m.

Respectfully submitted by,

Kirstie Goin, Recording Secretary

Ralph Boyea, Corporate Secretary

Motions Log 4-10-11

Sherri Carden moved to approve the minutes of the membership meeting of Nov. 27, 2010, as written. Wes Owens seconded, and the motion passed unanimously.

Ralph Boyea moved to approve the 2011-2012 budget as presented. Dennis McCartin seconded, and the motion passed by a vote of 43 for, 0 opposed. Wayne Carey abstained.

Roger Hawney moved that the full membership approve to postpone Pohaku Drive and 40th Avenue in the paving rotation until the issues of additional financial burden and liability are satisfied. Marti Morishige seconded. The motion passed by a vote of 42 for, 1 opposed.

Ralph Boyea moved to increase the MRMA to \$150, at least \$65 of which will go toward resurfacing our chipsealed roads that can still be repaired. This increase will be in effect for two years. Derek Shimizu seconded, and the motion passed by a vote of 25 for, 16 opposed, 1 abstention.

Wayne Carey moved that the Board of Directors work directly with the County to determine if 40th Avenue has been closed by private parties, and if so, what can be done to reopen it. Dennis McCartin seconded. The motion passed by a vote of 25 for, 7 opposed.

Wayne Carey moved to put before the membership the proposal to develop a grocery store at the intersection of Highway 130 and Auli`i Drive, presenting both sides, with the developer to offset any additional newsletter costs. Scott Stoddard seconded. The motion failed by a vote of 16 for, 23 opposed.

Susan Gregg moved to change the proposal for the Community Lot from a RMC storage building to a smaller general purpose building. Scott Stoddard seconded. The motion passed by a vote of 31 for, 0 against.