

Orchidland Community Association, Inc.
Approved Minutes of the Board of Directors Meeting
November 17, 2009

Call to Order: The meeting was called to order at 5:45 p.m. by Roger Hawney, President.

Members Present: Roger Hawney, President; Wesley Owens, Vice President; Ralph Boyea, Secretary; Fred McConnell, Treasurer; Dennis McCartin, Road Chair; and Jerry Gardner, Director. Gary Dalton, Road Manager, was also present.

Guests: Sharon Landry.

Owner Input: Sharon Landry offered to join the Board of Directors and to organize an Education Committee. She said the Planning Department suggested that she also speak to the Board about her request for a special use permit for “agricultural tourism and ag education.” She intends to build an activity center to provide a children’s play space for the underserved Puna District, as well as to teach gardening and leadership skills. She plans for the center to be open 2 or 3 days a week and to accommodate 15 to 18 children. Parking will be inside the lot, not on the road.

Roger advised Sharon of the conflict of interest policy. Directors cannot use directorship to influence the Board in regard to any personal business. She would be able to bring testimony to discussions concerning her proposal, but must recuse herself from a vote on the issue.

Hotline/Correspondence/Email: Ralph said the voicemail received four calls, two without messages. One was a request from Fern Acres for information about mailboxes. Both Roger and Wes responded. Dennis said that the new mailboxes will have the physical home address rather than a box number. He suggested the Board write a letter to Honolulu objecting to the new policy, because of problems with crime in the subdivision. Roger said “if they force us to use a physical address, they can deliver it to our physical address.”

The second message concerned a road issue at 40th and Oliana, which was emailed to Dennis today. Ralph responded to a letter expressing concern about the condition of 35th and Pohaku Place, requesting that MRMA’s be increased to \$125 and asking for information about the legal fund fee. Roger said most of the recent emails have concerned billing.

Dennis said one email mentioned that runoff was undercutting the new pavement on Auli`i. He did not observe this when he drove the road, but will inspect it more carefully.

Election of New Directors: Roger said OLCA fees must be paid in full before a new member can join the Board. He invited Sharon to attend the December meeting.

Approval of Minutes: There was discussion whether \$250 for safety equipment was included in, or in addition to, \$1500 approved at the August 5 special meeting.

Ralph Boyea moved to approve the minutes of the special Board meeting of August 5, 2009, as written. Fred McConnell seconded. The motion passed unanimously.

Wesley Owens moved to approve the minutes of the regular Board meeting of October 20, 2009, as written. Dennis McCartin seconded, and the motion passed unanimously.

Officers Reports

President: Roger reported that the Directors and Officers insurance has been secured.

Treasurer: Fred called Ryan Kekipi in an attempt to locate the International dump truck. Ryan responded that “the Orchidland items were delivered to 38th and Shower, and would not talk further.” Roger said there is no such place as 38th and Shower, and suggested that Fred speak to Andrew Coyne. Fred reported that he researched OLCA’s existing accounts and compared interest rates among the various banks and credit unions. Both credit unions require that a savings account be tied to every checking account. He presented a document entitled “OLCA funds and assigned accounts specifying appropriate banks,” which recommended the following assignments:

general/BOD admin. fund	checking account tied to a savings account at CU Hawaii
RMC fund	checking account tied to a savings account at CU Hawaii
paving fund	checking account tied to a savings account at HFS
Board administrative fund	checking account tied to a savings account at HFS
capital fund	savings account at HFS
Community Lot fund	savings account at HFS
legal defense fund	put into a CD certificate at Central Pacific Bank for one year
petty cash fund of \$100	kept on hand by current Treasurer

Fred explained that the main account, or general fund, could also be the Board Administrative fund or an entirely separate account. This is the account into which the Accounts Receivable clerk will deposit all OLCA receipts. Currently, all deposits are made into the road maintenance account. Monies can be transferred online from the general fund into the appropriate subsidiary accounts.

Roger said he would prefer a separate account.

Central Pacific Bank offers an interest rate of 1.65% for a certificate of deposit, more than twice the amount offered by either credit union. Roger asked about additional payments to the legal fund “which may dribble in through the year.” Fred said those will be deposited into a savings account at HFS and added to the CD when it is renewed.

Jerry asked whether the RMC carry-over from the previous year will go into the RMC contingency fund. Fred suggested that it go into the general fund, to be dispersed as determined by the Board of Directors. He recommended at least 4% go into a contingency fund.

Fred McConnell moved to approve the document “OLCA funds and assigned accounts specifying appropriate banks.” Ralph Boyea seconded the motion.

Ralph Boyea introduced a friendly amendment, to make two corrections to the document:

- 1) The main account be called “General Fund,” and delete the name “Board Administrative Fund” from this account.**
- 2) Delete the duplication of Paving Fund.**

The amendment was accepted and passed unanimously. The motion as amended also passed unanimously.

Roger requested that the meeting minutes state who voted how on those motions which are not unanimous. He asked Fred to provide a printout of the fund balances for the general membership meeting, and also announced that the new copier is set up and working. Wes suggested that the copier be brought to the meeting to make additional copies of documents as needed.

Fred reported that paperwork was submitted for the 2008 audit review. Roger said he answered the auditor’s questions and believes that the review is now done.

Roger said he does not recommend purchase of an insurance rider to cover the Board’s concern about

the new bank signature policy, which “probably won’t protect us” because a conviction is required before it will pay out. The rider has a ceiling of \$100,000. He said printing “requires two signatures” on all checks and isolating the funds into separate accounts is probably sufficient protection. Ralph said he would like more clarity on this issue, and asked that it remain on the agenda for further consideration.

RMC Report: Dennis reported that no motions were passed at the RMC meeting.

Kyle Pua is ready to chipseal 36th and Orchidland Dr. whenever Gary can prep the intersection and weather permits. Gary said he should have another roller ready soon.

Dennis will post a request for bids for the 39th and Pohaku Dr. project in next Thursday’s newspaper. A proposal review conference with all interested contractors will be scheduled for noon on Monday, November 23, at the site. The deadline for submission of bids will be November 30. Roger suggested that he adjust the dates if necessary to accommodate when the ad actually runs. Wes suggested the Road Chair include his email address in the ad and forward all submissions to the Board.

Dennis also called several contractors, who asked to be notified of the bid request.

Gary modified his proposal to use 3000 PSI ready mix concrete instead of mixing batches of 5000 PSI. He will increase the thickness from 3 ½ to 4 inches to achieve the same strength.

Gary has signed the updated Road Manager’s contract, which needs the President’s signature. Fred said the copy Gary signed does not include the most recent edits. He said it should read that Gary is “supervisor” for Dalton Engineering. A corrected copy will be printed and signed.

Gary said he will have the contractor’s license sent over from the Mainland, and will fill out the forms with the DCCA. Roger asked whether it would be recognized in Hawaii. Fred said it will be recognized “for the grandfather period.”

Ralph said the apron at 37th and Ainaloa is starting to break, and requested that it be addressed as soon as possible. Dennis said he cannot sled in the rain, but 37th is next on the list.

Gary said he did sled 36th from Pohaku to Ainaloa before the rain started.

Dennis said Gary has modified the sled to scarify and crown the roads.

Roger asked Dennis to prepare a short RMC report for the membership meeting.

Jerry remarked that Gary is having trouble with vandalism of his equipment. Gary said the police officer assigned to the case is on leave until November 20. Wes offered use of his hidden camera.

Unfinished Business

Office Space: Roger reported that he will call Carl Okuyama tomorrow, because his transaction with Foodland should be completed by now. He will ask for volunteers to move into the office at the membership meeting. At a previous meeting several people volunteered, who may still be available.

Legal Update: Roger said there have been few inquiries about the settlement, which he hopes means enough information is supplied on the website. He hopes members will inform themselves before the vote at the membership meeting. Members will have further opportunity to inform themselves when ballots are sent for ratification of the settlement proposal, if it passes at the membership meeting.

Bylaws: The committee met two weeks ago to finalize the proposed changes. Three or four have already had a first reading and will be considered for approval. The remaining 5 or 6 will be read for the first time at the membership meeting.

Policies Committee: Roger thanked the committee for the long hours spent working on the policies and procedures. The committee consisted of Dennis, Fred, and Roger. He will make final edits and print copies for the membership meeting. Three documents will be presented for approval:

- 1) Policies and Procedures Policy—to implement or change policies or procedures.
- 2) Conflict of Interest Policy—a modification “to more adequately suit the Association” of the policy adopted last year to meet an IRS deadline.
- 3) Collections Policy—to establish procedure and comply with requirements set forth by the court.

November 21 Membership Meeting: Roger asked whether anyone has a large coffee maker. Ralph offered to purchase doughnuts, cups, etc. if coffee is provided. Roger requested that Directors bring snacks, even though it is not a potluck.

The proposed agenda was discussed. Roger said he will ask for volunteers to serve on the Board and “implore people to stay after the break and help us through the Bylaws changes.”

Marti Morishige offered to post signs at the main roads announcing the meeting time and place. Roger said he will also post it on the Community Forum.

Fee increase proposals and Bylaws changes could be included on a ballot with the settlement proposal, if a special mailing is required. Fred said four months is too long to wait for the legal settlement.

Zoning Violation Complaints: Ralph said that a resident on 40th Ave. has built a large structure visible from the road, which is being used as a construction warehouse and mechanic shop. Neighbors complained about noise at odd hours, which the owner ignored. They hired an attorney and have spent approximately \$5000 attempting to force the County to take action.

The Planning Department issued a notice of violation in 2008, and then failed to follow through. The Building Department also issued a notice of violation. The warehouse was permitted as a greenhouse, but there are no plants in it.

In May, 2009, the County issued a second notice of violation and said they would fine the owner on a daily basis if he did not respond. The owner “waited beyond the deadline and then had his attorney respond that they are not in violation of anything, and the vehicles being worked on in the warehouse are for his personal use and not business-related.”

Jerry said he has been told that it is quieter than before.

Ralph said the neighbors report that it is still “business as usual” and have asked the Board for any help they can provide. Roger wrote a letter in March, 2008 to the property owner asking him to stop, but received no response. The Board then sent a letter to the Building Department on April 30, 2009 and to the Planning Department on June 25, 2009. The neighbor’s attorney also met with the Planning Department on September 30, 2009. To date, no further action has been taken by the County.

Adjournment: The meeting adjourned at 7:55 p.m.

Respectfully submitted by:

Kirstie Goin, Recording Secretary

Ralph Boyea, Corporate Secretary

Motions Log 11-17-09

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