

Kalapana Seaview Estates Community Association
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BOARD MEETING MINUTES
FINAL June 11, 2012

1. CALL TO ORDER - President Mike Richardson opens the meeting at 4:02 P.M. at 12-7040 Kaiwa Street Kalapana Seaview Estates, Paho, Hawaii. He made a statement of his intentions stressing his desire to move forward without so many issues and to strive to work for openness between the members of the community and the board of directors and to follow rules and regulations. He wants to work through the issues that have been a part of the community for so long. Present were board members Treasurer Mark Wyatt, Vice-president Richard Valdez, Scribe Linda Willaby, Clerk Uschi Snover, Director at Large Cynthia Dallou, and Director at Large Kyou Gruber. Also present were 9 community members. Meeting is being recorded.

2. MINUTES – May 14, 2012 minutes were sent to all board members in advance; the reading of the minutes at the meeting was dispensed with. Linda Willaby moved that we accept the minutes as corrected. Mark Wyatt seconded. **Motion Passed Unanimously.**

3. TREASURER'S REPORT-Mark Wyatt gave the report. Total checks written were \$1,077.60. Total equity is \$62,018.39 plus \$10,200 in mailbox deposits. See attached balance sheet and check detail. We will attach to our monthly minutes the balance sheet and check detail for every month retroactively as from the first of the year and for every month from now on to the web. The treasurer's report was accepted.

4. PAVILION REPORT-Mike Richardson gave the pavilion report. The mailbox labels have been redone. 12 people showed up at the work party in May. The trash receptacle got moved. There was a motion in March to schedule the work day on a quarterly basis. The next work day is tentatively scheduled for July 15. * We now have a receipt book to record who has worked and we have copies. It was suggested that we rename Pavilion Report to Park Report. The posts on the pavilion building need to be repaired. * The workday may be changed to August 19th.

5. OLD BUSINESS –

A. Park Bench-Kevin Sulgit wants to repair the damaged bench or replace it and look at where future benches should go. Bench location selection should be done at a work party.

B. Clarification of Questions to Attorney.-Cynthia Dallou moved to make a formal request to the Board of Directors for further legal clarification of the two following questions, to be presented to our Attorney as soon as possible.

1) *Are the Covenants expired if KSECA was established in 1991, prior to the 1999 Covenants expiration date stated in the original Declaration of Covenants (filed in 1971 by the original land owners)? Or do the Covenants continue to "run with the land"?*

Yes, No, Why?

2) *Is KSECA currently considered a Planned Community Association with HRS 421J as an applicable statute, as well as HRS 414D?*

Yes, No, Why?

I believe that these are critical questions that directly impact the function of KSECA and therefore the fulfillment of the Board of Directors fiduciary duties, and that this is a decision the Board of Directors is authorized to make. (See Bylaws: Article 1, Section 4: Duties and Powers of the Board of Directors G.)

Continued confusion regarding our status is divisive and unacceptable.

The Board of Directors may deem it desirable to seek a second legal opinion after further clarification by our Attorney.

Cynthia Dallou further stated that the attorney already has our bylaws, covenants, and articles of incorporation. It was decided to also to include the 2005 letter from Steven Strauss as well as the letter from Christopher Yuen. Linda Willaby seconded.

Vote: all in favor except Uschi Snover who abstained. **Motion Passed.**

Mike Richardson suggested that he, Richard Valdez, and Athena Peanut should get back to the attorney, Mr. Ekimoto, with a conference call after we get his answer to our questions. Ekimoto & Morris are specialists in Condo & Association Law.

Richard Valdez has all the needed documents digitally saved on his computer and will add it to the packet to be sent to the attorney Mr. Ekimoto.

A.Peanut wanted to get in touch with attorney Steven Strauss as he was the one to say that the "Association runs with the land" and that she has already made a \$100 down payment towards his fee.

C. Duties of Board Directors- Linda Willaby moved that each board member should look over the duties of their particular job, critique them, make suggestions, and bring to the next meeting. Uschi Snover seconded. All in favor. **Motion passed.**

Richard Valdez asked to be able to buy a file cabinet. The cost would be under \$100.

D. AGM minutes-Will be discussed at next month's board meeting.

E. Ballot voting formatting. Cynthia Dallou will do a presentation at July Board meeting.

F. Cert Training follow up. 12 people required to set up class. The AED is now at Kevin Horton's house.

6. NEW BUSINESS:

- A. Our audit said we are a for profit organization.** We are a domestic non- profit corporation in the **State of Hawaii**. We are **not** a non- profit corporation for Federal purposes. However, because we are a homeowner's association our dues and assessments are not taxable income to us. We would pay tax on any donations we receive. **We received \$60 in donations last year.** Our next Audit will be after December 31, 2012. There was a discussion about hiring a CPA to do the audit at the end of the year. Currently our bookkeeper is preparing the Audit Report.
- B. There is another permit hearing for SPACE coming up in 5 or 6 months.** To have legal standing in a contested case of any kind, there is a form that needs to be filled out within a specified time. Mike Richardson moved that we file that form- a Contested Case Application. Cynthia Dallou seconded. We need to review that document before we vote. Tabled until next board meeting.

7. ADJOURNMENT – Linda Willaby moved to adjourn the meeting. Richard Valdez seconded.

VOTE: Unanimous **YES** **Meeting adjourned at 6:05 pm.**

Minutes, Attorney's answers, Bylaws, Newsletter, and calendar are also on our Website at Kalapanaseaviewhawaii.org

NEXT BOARD MEETING JULY 9, 2012 4:00 PM AT 12-7040 KAIWA STREET, SEAVIEW