

KU'AU BAYVIEW AT PAIA HOMEOWNERS' ASSOCIATION
Minutes of Board of Directors Meeting
January 23, 2003

DIRECTORS PRESENT: Lisa Daly, George-ann Kealoha, Sharon Morris, Ann Pitcaithley, Brian Ross, and Lynn Wellner

DIRECTOR ABSENT: None

OTHERS PRESENT: Lyn Erickson, Administrative Assistant, Owners Marion Haskins, John Harrisson, Darlene Brothers, and Betsy and Chris Laidman

CALL TO ORDER AND DETERMINATION OF QUORUM

President Ann Pitcaithley called the meeting to order at her residence at 7:00 p.m. and determined that a quorum was present.

APPROVAL OF MINUTES

The minutes of the October 10, 2002, board meeting were accepted.

TREASURER'S REPORT

Treasurer Lisa Daly presented the treasurer's report, noting that our net income for 2002 was \$5,030, which compares to \$1,270 in 2001, so we are in good shape. We have a total of \$26,568 in our checking and savings accounts as of December 31.

At the end of December one owner owed \$49, compared to \$2,585 owed on December 31, 2001. As of today, twelve owners owe \$719. Lyn Erickson added that she has called most of these owners to remind them to pay.

Ann added that Lyn Erickson has agreed to prepare the notice, agenda, and minutes of board meetings, which was not a part of her original job description, for an additional cost of \$25 per month, which will be \$300 over budget for the year.

The treasurer's report was accepted.

DESIGN COMMITTEE REPORT

Chairman Lynn Wellner read the names of eighteen owners who have requested approval since last April. She showed a rusted roof plumbing vent and asked Ann to add this problem to the litigation. Lynn's report was accepted by the board.

GRIEVANCE COMMITTEE REPORT AND ADOPTION OF NEW PROCEDURES

Ann Pitcaithley reviewed the procedures presented at the last meeting. There was lengthy discussion on it, as well as on a proposed list of Rules & fines for violations. Darlene will make revisions and e-mail the procedures to board members.

There was discussion on a dirtbike racetrack in the Laidman's backyard. The board felt that this was a violation of the covenants. Ann will send a letter to the owners. She will also send a letter to Steve Kornreich regarding his parrots and the print laboratory in his garage.

ADMINISTRATIVE ASSISTANT'S REPORT

Lyn Erickson thanked board members for helping her experiment with "online billing." Unfortunately, the January online billing to owners did not work well for everyone, so she will not use it next time; however, Lyn will send an e-mail to owners prior to the due date requesting them to pay in advance in order to save the cost of mailing them a statement.

Lyn explained that the water bill decreased from \$300 to \$100 last August, so there is no need to cap the waterline as authorized at the last board meeting.

OLD BUSINESS

RICO complaint against Oihana Property Management – Ann said that she filed the complaint against RICO, and they will investigate it.

Removal of trees in retention basin – Brian Ross reported that HC&S would grub the trees in the upper retention basin. Ann said that the upper basin is the County's jurisdiction, so it is not our responsibility to maintain it. Lisa Daly reported that we can have the lower basin cleared with a backhoe for \$200 or less.

Motion: To have the lower retention basin cleared at a cost not to exceed \$200. Seconded and carried unanimously (Pitcaithley/Daly).

Funding for reserves, retention basin, and contingency fund – Lyn Erickson reviewed the reserves spreadsheet that needs to be completed. There was discussion on the replacement cost and remaining life of the fence and sprinkler system. Brian and Sharon will continue to work on obtaining these figures for the next meeting.

NEW BUSINESS

Acceptance of resignation of board member Don Varni and election of new board member to fill vacancy – Lyn Erickson read Don's resignation letter, and the board accepted his resignation. No one was elected to fill the vacancy.

Election of new vice president to replace Jennifer Maskrey – Lynn Wellner nominated George-ann Kealoha for the office of vice president. Ann seconded the nomination, and George-ann was elected by unanimous vote.

Resolutions to authorize signatures of new officers on bank accounts

Motion: That the corporate resolutions attached to these minutes authorizing the president, vice president, and treasurer to sign on the Bank of Hawaii checking and savings accounts be adopted. Seconded and carried unanimously (Wellner/Morris).

Release of lien on Guenter Stetter's property – Ann explained that attorney Joy Yanagida put a lien on Mr. Stetter's property. Lyn said that his property manager asked her about releasing the lien, so she invited Mr. Stetter to the meeting to discuss it. Since he did not come, it was decided to do nothing until he requests it. The consensus of the board was that Mr. Stetter should pay the costs involved in releasing the lien.

Insurance for landscaper

Ann reported that our landscaper currently has no liability insurance and that it costs \$400 a year. There was discussion on the matter.

Motion: To require the landscaper to obtain and maintain a \$500,000 liability insurance policy naming Ku'au Bayview as an additional insured. Seconded and carried unanimously (Morris/Wellner).

Replacement of entrance gate to park – This item is not applicable because the park is the County's responsibility.

Authorization to communicate with owners by e-mail – There was discussion on this matter. Changing the bylaws to include this authorization will be put on the agenda of the annual meeting.

Date for annual meeting - Thursday, April 24, 2003, was the date set for the annual meeting at the Paia Community Center.

OTHER BUSINESS

Darlene Brothers read a grievance letter submitted by a lady who lives in the subdivision next to Kuau Bayview. Ann said that it would be appropriate to send the violator a warning letter.

ADJOURNMENT

There being no further business, the meeting was adjourned at 9:15 p.m.

Minutes prepared by:
/s/ Lyn Erickson
Lyn Erickson, Admin. Asst.

Approved by:
/s/ Ann Pitcaithley
Ann Pitcaithley, President

Date: January 30, 2003

* Attachments omitted as obsolete & a security risk