

**BOARD OF DIRECTORS MEETING OF  
KU'AU BAYVIEW AT PAIA HOMEOWNERS ASSOCIATION  
July 20, 2004**

**I. CALL TO ORDER**

President Stephan Bielawski called the meeting to order at 6:38 p.m. The meeting was held at the Paia Community Center Conference Room.

**II. DECLARATION OF QUORUM**

President Bielawski announced there was a quorum present with the following six directors present: Stephan Bielawski, Robert Pellettieri, Julie Barnes Foley, Michael Ebeling, Gail Burns and Jo Moyes. Director Randy Sarrow was absent.

Also in attendance were the following homeowners: Mary Sweet, Lynn Wellner, Triston and Trisha Boxford, Bob Foley, Dave Dalgetty and Bridget Reardon. Ann Pitcaithley arrived later in the meeting.

**III. CONDUCT OF BUSINESS**

In accordance with Article IV, Section 5 of the Bylaws, an open meeting was held. The meeting was held under the format of Robert's Rules of Order. The meeting was tape recorded and by their continued presence, all in attendance consented to being recorded.

**IV. READING/APPROVAL OF MINUTES**

Secretary Foley read the minutes from the previous meeting, which had been approved via email vote.

**V. REVIEW OF PAST ACTIONS**

Secretary Foley reviewed the votes/actions taken via email vote, email votes being valid under Article IV, Section 2 of the Bylaws. Those actions include:

- Hiring a landscaper, Strongroots Landscaping, for \$450 per month to do common area maintenance.
- Appointing Michael Ebeling as chairman of the design review committee with the following members: Marion Haskins, Martin Prouty, Gail Burns and Dave Dalgetty. Jo Moyes is alternate.

**VI. DCC&R REVIEW**

A homeowner emailed the board expressing a concern that there were two different versions of the DCC&R's and was concerned that the correct version was used in any decision making by the board.

**Motion:** *To either hire an independent third party to audit the minutes or have a title company do a title search, contingent upon the cost, to determine the correct DCC&R's of the association. (Pellettieri/Moyes) Motion adopted.*

## **VII. DESIGN REVIEW COMMITTEE REPORT**

Director/Chairman Ebeling advised the board that the design review committee had made a decision regarding a deck on an upper lot. The committee will meet as necessary to accommodate all requests.

President Bielawski suggested a review of the existing rules to ensure that the rules are permissible under the DCC&Rs and bylaws. If the rules need reassessment, the committee should bring recommendations to the board for review and approval.

## **VIII. FINANCE COMMITTEE REPORT**

Treasurer Pellettieri explained that the board thought it prudent to have an independent audit of the books conducted and the board had chosen Sharron Courter, CPA, for the audit. As of the meeting, the audit was not yet finished because CPA Courter was having some problems reconciling the Quicken report with the bank account. The audit will also include any legal concerns or exposure, i.e. the Lot 85 complaint, as well as the supposed granting of property in a common area easement to homeowners along Hana Highway.

Treasurer Pellettieri advised that CPA Courter was willing to do the bookkeeping of the association at an approximate cost of \$300 to \$400 per month.

**Motion:** *To hire Sharron Courter, CPA, for one quarter to perform bookkeeping services. (Ebeling/Foley) Motion adopted*

Treasurer Pellettieri handed out a rough budget for 2005 together with a copy of the budget for 2004 prepared by the last board. This is a very preliminary budget to just give an insight as to where the money goes. A reserve study is typically done every three years. This past year it was done within the board. It should be done by an independent third party. Also all of the association funds are in one account at present.

**Motion:** *To create separate fund in which the reserve funds will be placed. (Pellettieri/Moyes) Motion adopted.*

Treasurer Pellettieri said a review of the current insurance indicates that we are underinsured. He has spoken with property managers and the standard amount of \$3 million for director and officer liability coverage.

**Motion:** *To increase insurance coverage to \$3 million for director and office liability insurance. (Pellettieri/Foley) (Moyes abstained) Motion adopted.*

Treasurer Pellettieri explained the Community Associations Institute, an organization which has useful information which boards can refer to in conducting business within their associations.

**Motion:** *To subscribe to Community Associations Institute at a cost of \$195 per year. (Bielawski/Pellettieri) Motion adopted*

## **IX. ORGANIZATION OF GRIEVANCE COMMITTEE**

President Bielawski discussed the formation of a grievance committee that would be comprised of board and non-board members. He proposed that the board consist of three members and the committee chair would be a director. The grievance committee would be responsible for research and recommendation. The final action would rest solely with the board.

**Motion:** *To organize a grievance committee, separate from the board, three members total with membership open to other than board members. (Bielawski/Ebeling) Motion adopted.*

Discussion ensued regarding a property management company being the grievance committee, but it was noted that most management companies would not work solely on their own on grievances. It was noted that problems result from ambiguity in the DCC&Rs and that they need to be reviewed and recommendations brought to the annual meeting so the DCC&Rs were more user friendly.

**Motion:** *To merge the design review committee and the grievance committee. (Ebeling/Pellettieri) Motion adopted. (Previous motion superseded.)*

## **X. BLOCK PARTY REPORT**

Director Ebeling and Treasurer have put together a budget for the block party as well as set a tentative date of August 21 at Makana Park. After reviewing the budget, it was decided to forego getting a jumping castle because of the liability issue.

**Motion:** *To hold the picnic as a potluck event. (Moyes/) Motion failed for lack of second.*

**Motion:** *To approve the budget of \$350 for the picnic. (Bielawski/Ebeling) Motion adopted*

## **XI. PROFESSIONAL V. SELF-MANAGEMENT**

Treasurer Pellettieri and Director Moyes will solicit information from various property managers. In our next newsletter, we will outline the benefits and draw-backs of each management style. At that time, the board will poll homeowners and get feedback which will ultimately be used in deciding what direction the management of the association will take.

## **XII. SPEED BUMPS**

President Bielawski expressed a concern about the speeding on the streets within the subdivision. The County will install speed bumps, but we need to have a petition signed by 80% of the homeowners before taking it to the County. The County says they have a two year backlog in installing speed bumps. Although previous boards have tried to get enough interest to get speed bumps, this board feels that a door-to-door campaign will result in enough signatures to submit to the County so we can get speed bumps installed. Kimberly Bielawski and Jo Moyes have volunteered their time to help with the door-to-door campaign.

**Motion:** *To support the petition process for speed bumps. (Bielawski/Pellettieri).  
Motion adopted.*

## **XIII. OPEN FLOOR**

A homeowner questioned motions made at the annual meeting to see if action had been taken. Since those motions pertained to revisions to the DCC&Rs, any action to make changes will be required to take place at the next annual meeting.

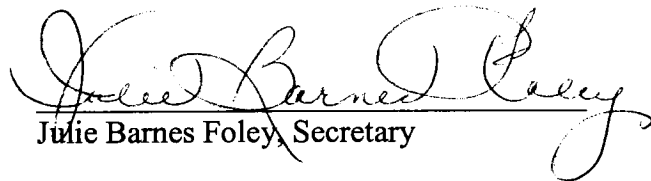
President Bielawski reported that the website [www.kuaubayview.org](http://www.kuaubayview.org) is up and running. The email address will be [board@kuaubayview.org](mailto:board@kuaubayview.org). The entire board will be privy to the emails and any responses will be generally agreed to by the board.

## **XIV. NEXT MEETING/ADJOURNMENT**


A combined meeting of the design review committee and grievance committee will be held on Thursday, July 22 beginning at 6:30 at Director Ebeling's house.

There being no further business to bring before the board, President Bielawski adjourned the meeting at 8:13 p.m.

Respectfully submitted,

  
Julie Barnes Foley, Secretary

These minutes are approved for distribution.

  
Stephan L. Bielawski, President