

## **MINUTES of the 2012 KUAU BAYVIEW ANNUAL MEMBERSHIP MEETING**

**June 7, 2012** (continued from May 10, 2012)

**DIRECTORS PRESENT:** Marcy Martin (Pres), Dan Judson (Sec), Nancy Firestine, Joe Bustillos, Karen Chun (Directors)

**DIRECTORS ABSENT:** Stan Goosby (Treasurer)

**OTHERS PRESENT:** Duane Wrobel, Diane Wrobel, Alan, Valley Isle Management; Alena Danskikh, Recording Secretary

**OWNERS PRESENT:** Lots 7,24,29,31,55,57,61,64,65,70,72,86,90

### **CALL TO ORDER**

President Martin called the continuation of the 2012 Kuau Bayview Annual Membership Meeting to order on Thursday, June 7, 2012 at 6:06 pm at the Paia Community Center in Paia.

### **ESTABLISHMENT OF QUORUM**

President Martin announced a quorum with 66.3% of homeowners represented in person or by proxy.

### **APPROVAL OF MINUTES OF 2011 ANNUAL MEETING**

The minutes of the Annual Meeting dated February 10, 2011 were presented for approval.

An owner pointed out that the 2011 Annual Meeting Minutes as written made no mention of the fact that the **election in 2011 was not legitimate** for several reasons. To list just a few:

- Owners were misled into believing there was a quorum, but there was no quorum. The meeting should have been adjourned & rescheduled. Any election, action, or meeting held without a quorum is invalid.
- As stated in Article IV (1)(c) of the Bylaws, there were 7 nominations received 7 days prior to the election for 7 positions, so the election should have been by acclamation with no nominations from the floor.
- Cumulative voting was not allowed. Cumulative voting is required by Article IV (1)(c) of the Bylaws.
- Tellers were not appointed from the membership to count & verify the votes, so there was no oversight.
- The Board stated there were 13 proxies received. At least two proxies were for quorum purposes only; therefore, using the Board's stated number of 13, the maximum number of possible proxy votes was 77 (11 x 7), yet 112 proxy votes were marked on the tally sheet. That is 35 votes that came out of thin air. These fictional votes were used to put someone on the Board who had received the least votes, unfairly pushing aside legitimate nominees Luba Reeves & Nancy Firestine, who had received more ballot votes.
- Members called for a recount, but were told to "Go away" and were physically forced from the building.
- The election materials were illegally destroyed and were never provided by the Board for inspection as required by Hawaii State law. All subsequent attempts to address the illegality of the election were ignored by the Board & Valley Isle Management Company.

**MOTION:** To approve the minutes of the Annual Meeting dated February 10, 2011, as presented.  
(Chun/Bustillos). In favor: Chun, Martin, Judson, Bustillos. Opposed: 8 homeowners.

**Motion FAILED.**

**PRESIDENT'S REPORT** The President's Report was mailed to owners with the meeting notice.

**TREASURER'S REPORT** There was no Treasurer's report due to the absence of Treasurer Stan Goosby.

### **ELECTION OF DIRECTORS**

There were two (2) positions to be filled on the Board of Directors. The three candidates -- Luba Reeves, Ann Pitcaithley, and Nancy Firestine -- each presented a brief statement of qualifications.

Two election inspectors were selected from the membership to oversee the counting of the votes.

*The meeting was recessed for voting purposes at 6:38 p.m and reconvened at 7:10 p.m.*

## **RESULTS OF THE ELECTION**

The newly elected Directors are **Luba Reeves** (Lot 19) & **Nancy Firestine** (Lot 29). The membership agreed that **Ann Pitcaithley** would take Joe Bustillos' place on the Board when the escrow on Joe's house closed on June 15, 2012.

## **NEW BUSINESS** [ *Note: The actions of the Board over the past year were not ratified.* ]

### **OWNERS' FORUM** The following issues and concerns were discussed:

1. John Dunbar (Lot 61) asked Duane Wrobel of Valley Isle Management who was responsible for ensuring that the elections were held in accordance with State law, and if Duane could guarantee that there were no questionable aspects to this election considering Duane & his wife, Diane, had agreed that there should have been three Director positions up for election rather than just two.
2. D Brothers asked the Board if they were planning to inform owners that the Association was about to be sued by **Lot 50 owner, David Irwin**. Joe Bustillos stated that he had visited Irwin and discussed his concerns. Dan Judson stated he had spoken on the phone with Irwin for 45 minutes. The Board members claimed that Irwin's issues were caused by the previous Board and that no lawsuit had yet been filed. According to Irwin, attorney Shannon Imlay had sent letters to him within the past month informing him that foreclosure actions were proceeding against him at the request of the current Board, which was what triggered Irwin's renewed desire to file suit. He had contacted Ms Brothers to see if she could negotiate with the Board on his behalf while he was on the mainland.
3. D Brothers asked the Board why there were **no Minutes** for the entire year except for the May 7, 2011 get-together at the front entrance. The Board replied that there were no Minutes because there were no meetings. It was pointed out that actions had been taken, substantial amounts of money had been spent - there had to be Minutes. Hawaii State law requires that all actions of a Board be documented. The Board then agreed to produce Minutes and post them on the website. Mary Sweet requested that the Minutes be mailed to her as she has no computer.
4. When the Board expressed a desire to "move forward" and "not dwell on the past," Lynn Wellner expressed her opinion that the ongoing problems in Kuau Bayview stem precisely from the fact that so many things have been swept under the carpet over the years. She cited the example that one of the owners was apparently tapped into the **Association water** for 8 years. At this point one of the Board members tried to leave the room but was called back. He then went into a long explanation that amounted to his feeling it unfair that he should have to pay for water to keep a County tree alive and he felt A&B could afford to have some of their water used from the landscaping easement irrigation system. He seemed unaware that it was the Homeowners' Association paying the water bill, not A&B.
5. Lynn Wellner wondered how many owners who had received funds from the **siding lawsuit settlement** had not used those funds to repair their siding as stipulated by the lawsuit, and whether such an owner would be legally required to disclose that information to the realtor when selling their house. The Board stated they did not have that information due to the extensive length of time passed since the lawsuit.

**ADJOURNMENT:** The meeting was adjourned by unanimous consent at 7:36 pm.

Respectfully submitted,  
Alena Danskikh, Recording Secretary  
Aloha Office Services

Approved unanimously by the membership at the  
Nov 21, 2013 Annual Meeting

**MINUTES OF BOARD OF DIRECTORS ORGANIZATIONAL MEETING**  
**June 7, 2012**

**DIRECTORS PRESENT:** Luba Reeves, Marcy Martin, Dan Judson, Nancy Firestine

The Board met following the 2012 Annual Meeting at 7:45 pm.

The Board organized as follows:

President: Luba Reeves  
Vice Pres: Marcy Martin  
Treasurer: Nancy Firestine  
Secretary: Dan Judson  
Directors: Stan Goosby  
Karen Chun  
Joe Bustillos

Valley Isle Management (VIM) announced their resignation effective July 31, 2012, and said they would strive to work with the HOA during the transition period.

Board agreed to meet soon to formulate a plan for replacing VIM.

**MOTION:** To adjourn the meeting at 8:05 pm. Seconded and carried unanimously.  
(Judson/Firestine)

Respectfully submitted,  
Dan Judson  
Secretary