

MINUTES of the 2014 KUAU BAYVIEW ANNUAL MEMBERSHIP MEETING

November 20, 2014

DIRECTORS PRESENT: Luba Reeves (Pres), Dan Judson (Treas), Shelley Mack (Sec), George-ann Kealoha (Director)

DIRECTORS ABSENT: None

18 LOT OWNERS PRESENT: 1,6,7,8,16,19,29,37,39,45,53,55,57,64,68,72,80,90,92

TOTAL IN ATTENDANCE: 24 people

DETERMINATION OF QUORUM & CALL TO ORDER

President Luba Reeves introduced the Directors and welcomed the new owners of 33 N Laelua (Lot 37), Amanda May & Timothy Jeffs. The requirement for a quorum had been met with 73 of the 92 Lots (79%) represented, 18 in person and 55 by proxy. This was the first year we were able to submit proxies online and it was a great success with 65% of the 71 proxies submitted online. Proxies are negated for owners who attend the meeting.

President Reeves called the 18th Annual Membership Meeting of Kuau Bayview HOA to order on Thursday, Nov 20, 2014 at 6:30 pm at the Paia Community Center in Paia. Luba explained the difference between Board meetings and Annual Meetings... at annual membership meetings members are allowed to make motions and vote along with the Board members.

PROOF OF NOTICE OF MEETING

Secretary Shelley Mack confirmed that notice of this Annual Meeting was emailed to all Green List owners of record on Oct 30, 2014 with accompanying proxy. The snail mail people were sent a printed notice of the meeting by USPS on Oct 28, 2014. A copy of this notice is appended below.

APPROVAL OF MINUTES OF 2013 ANNUAL MEETING & EMAIL MOTIONS

MOTION: To approve the minutes of the Annual Meeting dated Nov 21, 2013, as circulated. Seconded and carried unanimously (Atkins/Reeves).

MOTION: To approve the minutes of the motions made via email on Aug 9, 2014 and Oct 31, 2014. Seconded and carried unanimously (Laudet/Kealoha).

PRESIDENT'S REPORT

Luba Reeves' President's Report is appended below.

FINANCIAL REPORT

Treasurer Dan Judson reported that the financials are very good with \$79,204.24 in savings and \$10,092.48 in the checking account for a total of **\$89,296.72** in assets. This year we had a big windfall from insurance premium reimbursements thanks to the auditing work of Darlene Brothers which brought in **\$14,419.03** in unexpected income. The revenue & expenses and bank statements along with all the financial reports are available 24/7 on the website for anyone who wishes to review them. With the annual dues at 1/3rd their previous level, receiving a windfall greater than an entire year's worth of dues left us at the end of the year with more money than when we started. This is quite remarkable. If anyone has any questions, they can all be answered on the website.

INSURANCE AUDIT

Darlene Brothers reported that over the past year she has been auditing the historical insurance records and working with the Investigative Officers of Great American Insurance, Philadelphia Insurance, Insurance

Associates, and Distinguished Programs. Some serious anomalies came to light. There were multiple double payments of premiums, and payments for non-existent policies, but even more alarming, it was discovered that all our policies since 2004 were based upon a forged signature rendering all policies null and void. So in effect, we paid over \$40,000 in premiums and had no coverage at all for all those years. Documented proof of the overpayments was presented to Insurance Associates which resulted in refunds totaling \$14,419.03. Darlene is now working with the Hawaii State Insurance Commissioner to explore possible fraud involving three of these insurance companies.

Considering the HOA would never have known about this money or received a penny if not for Darlene's efforts, President Luba Reeves proposed that Darlene be paid a recovery fee of 25% of the money she recoups from the insurance investigation. It was pointed out that Darlene is not doing this work for the money, but it is only fair that she be compensated to some extent for her time, as this audit is not part of her job.

MOTION: To pay Darlene Brothers 25% of whatever insurance premiums she has recovered, or will recover, for the years 2004 to 2013 (Mack/Aguera). All in favor, except two opposed (Nancy Snow & Lynn Austin) who felt 25% was overly generous. Luba pointed out that the HOA gets to keep 75% of windfall re-payments from past insurance expenses that would otherwise never have been unearthed.

GRIEVANCE COMMITTEE REPORT

Director George-ann Kealoha gave the Grievance Committee and Design Committee reports as follows:

- 1) The Board received several complaints regarding a skateboard ramp that was blocking the sidewalk in front of 27 S Laelua (Lot 57), but the ramp has now been relocated.
- 2) There was an incident in which the Lot 16 gardener cut the neighbor's irrigation pipes, but this has been repaired and resolved amicably.
- 3) There is an ongoing issue with the east end of Hoe St being used as a green waste dump. We would ask owners to please dispose of waste in your trash bins or take it to the landfill. If you must, please put compost on the far side of the hill where it cannot be seen from the street. Owners are one thing, but we do NOT want commercial landscapers dumping there. If you see this happening, please try to determine whose landscaper is doing it, or try to get license numbers and photos and report it to the police and/or the Board via the website. Mahalo.

DESIGN COMMITTEE REPORT

Four applications have been reviewed and approved in the past year. Two houses have been repainted and look very clean and elegant adding to the curb appeal of the neighborhood. Also a fence and an addition are about to be approved. The Committee would like to remind all owners that the CC&Rs require that all exterior alterations to your lot or house must be approved by the Design Committee prior to commencing any work.

RETENTION BASIN REPORT

Retention Basin Committee Chair, Tom Atkins, reported as follows:

During the past year the [Retention Basin Maintenance Plan](#) has served as the guide for the oversight of the health and function of the storm water drainage basin, which is located at the entrance to our subdivision. In the past year, some of the methods used to monitor, protect, and inspect the components of the basin have been refined. The readings taken from our infiltration gauge after each significant rain event, and which are recorded in the log book, indicate that the retention basin is functioning well and the data reflects a healthy water absorption and dispersion rate of more than one-tenth of an inch per hour. There have been no new noxious invasive plants detected or added to the list of plants, all of which can be viewed on our website along with everything else in the Maintenance Plan.

Looking to the future, we are working on two additional sections to be added to the 18 stated goals of the maintenance plan. One section will set forth actions to be taken related to hurricane preparedness and the other section will deal with adding security measures to discourage intruders from entering the basin.

In conclusion, I feel that we at Kuau Bayview can be proud that we are fulfilling the promise that was made to the County, the State, and the federal government which allowed the construction of our subdivision, and in turn granted us the opportunity to live in this wonderful location on the island of Maui. And that promise -- to which we are forever bound -- is to never allow drainage water from our roofs, yards, sidewalks, and roads to carry pollutants into the ocean where they would do irreparable damage to beaches, reefs, and inhabitants of that precious environment. The members of this Association are the stewards of this environment, and fulfill this duty through the care we take of this drainage water by properly maintaining our retention basin. This is not a duty we can shirk, and the Retention Basin Committee will continue its efforts throughout the new year.

LANDSCAPE REPORT

Director Shelley Mack reported that she's sure everyone will agree that the landscaping at the front entrance looks incredible, better than she's ever seen it. Our landscaper, Darlene Brothers, has been busy creating a new look for the rock garden, and improving the contours on the Hana side. A security camera and motion activated security light have been installed along with new solar rope lights to mark the walkways and adorn the palms. More lights have been ordered for Christmas. Darlene is doing an expert job and saving the HOA money at the same time. We hope everyone is happy with what they see.

AWARDS

Costco gift cards were presented to Tom Atkins & Darlene Brothers as a thank you for all the volunteer hours put in to beautify the neighborhood over and above any paid work. Both Tom & Darlene save the HOA a huge amount of money by taking care of green waste hauling, tree trimming, tree removal, irrigation repair & installation, fence repair, and more. Tom refuses any pay at all and Darlene gets paid for only a fraction of the hours she puts in landscaping & maintaining the garden areas.

ELECTION OF DIRECTORS

There were three candidates running for two positions. Owners were reminded that cumulative voting was not allowed in this election as there were less than three Director positions open. Each Lot had 2 votes with only one vote per candidate. The three candidates - Luba Reeves, Greg Aguera, and Nancy Firestine - each made statements after which owners could ask them questions.

Nancy Snow, Lynn Austin, and Nancy Firestine questioned Luba & Shelley's right to be on the Board considering they did not live full-time in Kuau Bayview. They were reminded that Treasurer Dan Judson also did not live in Kuau Bayview. The only requirement for Directorship is property ownership.

Three election inspectors (Shelley Mack/George-ann Kealoha/Dan Judson) volunteered to oversee the counting of the votes. The ballots were tallied multiple times to ensure accurate results. Owners were invited to help themselves to refreshments during the voting recess.

ARTFUL INTERLUDE

Meeting attendees were surprised and delighted when Michael Baskin's beautiful, adorable 5-year-old daughter, Bella, who was born in Kuau Bayview, performed a little ballet dance accompanied by Luba's singing.

ELECTION RESULTS

The vote totals were announced: Greg Aguera 64, Luba Reeves 60, Nancy Firestine 5

The winning Directors -- Luba Reeves and Greg Aguera -- were congratulated & Greg joined the other Board members at the front table. Luba reminded Board members to attend a brief organizational meeting immediately following this meeting. Nancy Firestine was thanked for her service and Luba presented her with a lovely gift basket of lotions and soaps.

SECURITY NETWORK REPORT

Darlene Brothers reported that crime had never been much of a problem in Kuau Bayview until Spring Break in March 2014 when there was a series of break-ins, thefts, burglaries, and trespassing incidents which had residents on edge. A number of remedial actions were taken:

- On April 16, 2014 a group of owners met with Maui Police Officers Quintero & Gusman to explore the possibility of establishing a Neighborhood Watch program in KB. After listening to the presentation, we felt that it was a bit too intrusive for Kuau Bayview and that internet technology offered superior methods.
- As none of us has time to patrol the streets, we have asked our existing army of dog walkers, runners, and exercisers to pay more attention to strangers they may see in the neighborhood, park, & cane fields.
- An opt-in Crime Alert Email List was created. Owners are emailed as soon as news of a crime in Kuau Bayview is received. Please report all crimes & suspicious activity to Darlene. Sign-up is on the website.
- In April 2014, Darlene & Luba met with Brianne Savage, acting Director of the County Parks Department. She agreed to have a gated fence built across the walkway that runs from Hoe PI to the Paia Community Center to prevent kids from the old neighborhood having easy access to KB. This fence never happened and we finally received a letter on Nov 14, 2014 explaining that the County could not close off this pathway as it "provided access for the other neighborhoods to gain entry to Makana Park." While this decision makes sense, a quick email in June would have been nice informing us of the change in plan.
- Many thanks to David Ingram of Lot 27 for taking photos of the local kids he chased out of his yard and along the pathway to PCC. They were the same kids who later that day caused damage & stole items from Lot 7 & tried to climb the fence into Lot 8. The police did nothing but Darlene sent the photos to a woman in the old neighborhood who turned out to be the mother of the ringleader. She spoke with all 5 kids and their parents... those kids have not been seen in KB since, and the crime has subsided.
- Custom Kuau Bayview Security Network stickers were designed based on successful studies with watchful eyes posters in Europe & Japan. The stickers are vinyl with UV protection so they are waterproof and will hold up outside. Owners were invited to help themselves to stickers for posting on their houses. Stickers were also distributed to owners not at the meeting. More are available upon request (free).
- All attendees were given a little gift for attending the meeting in the form of a Whole Foods reusable shopping bag containing a security camera. The cameras and stickers are to serve as deterrents for any would-be criminals. Both the cameras and stickers were paid for with money recouped from the insurance overpayments.

DONATIONS

We would like to express our appreciation to Flatbread in Paia for their generous donation of 5 delicious pizzas for our meeting. Flatbread has been wonderfully supportive of the north shore community over the years. We are very grateful for their contribution to Kuau Bayview, and also to Paia. We also thank Whole Foods in Kahului for the beautiful gift basket and the 20 reusable shopping bags we used to hold the cameras. Everyone please show your appreciation with your patronage of these fine establishments!

SOLAR ENERGY PRESENTATION

As Kuau Bayview has two solar experts living right in the neighborhood, we invited them to describe what services they offer for homeowners who want to Go Green while lowering their electricity bill. Contact info is available on the KB website under Owner Resources - KB Owner Businesses.

- Herman Goldman of 43 N Laelua (Lot 39) offers energy efficiency services through 3D Builders & Design. He helped plumber, Jono Fadriquela, develop special expertise in installing solar water heaters.
- Jono Fadriquela of 42 N Laelua (Lot 45) has been a plumbing contractor since 1985 and started his own business in 2004, South Pacific Plumbing. Herman keeps him busy with referrals for solar water heater

installations, photovoltaics, and converting electric stoves & dryers to propane gas, all of which reduce energy costs. Both Jono & Herman would love to be of service to the neighborhood, anything from assessing or tuning up your existing systems, to helping owners with solar tax rebates.

- Lot 16 and Lot 90 are happy with their Vivent Photovoltaic systems which were installed free of charge and save them \$30 to \$50 per month. Haleakala Solar & Rising Sun are other options to consider.

OLD BUSINESS

- **Landscaping:** Nancy Snow (Lot 90) voiced her opinion that the landscaping contract should be put up for bid as she felt there were people in Kuau Bayview who would love the opportunity to have that job. Luba & Shelley pointed out that Darlene had done all the hardest work for free for two years and it would not be fair to take it away from her now considering the excellent job she is doing. The Board felt that the previous 7 years of less than adequate maintenance were indicative that at this time there should be no move to replace Darlene, our current landscaper.
- Nancy Snow, Lynn Austin, & Nancy Firestine would like to put the landscaping up for bid, and Greg Aguera thinks it would be a good idea to get bids just to put the matter to rest. No support for a motion.

NEW BUSINESS

- 1) **Board Actions:** Dan Judson expressed his opinion that the Board should have automatically extended Nancy Firestine's term to this November Annual Meeting instead of allowing it to expire at the two year mark. Luba explained that the Board could not simply ignore the Bylaws. On June 7, 2014 the Directors had the option of voting to extend Nancy's term to November but they chose not to. Nancy Firestine expressed her resentment that no one had phoned her to let her know that her term had expired and was angry that Luba's term had been extended when hers wasn't. George-ann explained that Luba was the Board President and everyone agreed that it was necessary to extend her term in order to continue to conduct HOA business. Luba apologized if Nancy felt offended. Nancy rejected the apology and demanded to see the ballots. All owners were invited to examine all election materials.

MOTION: To ratify the actions & decisions of the Board of Directors since the last Annual Meeting as listed in the Aug & Oct 2014 Minutes (Alexandre Laudet/George-ann Kealoha). All in favor.

- 2) **2015 Budget:** The budget was available on the website so owners could review it before the meeting. It was much the same as last year. Due to the insurance reimbursements, \$10,000 was transferred from the Checking to the Savings account and from designation as Operating Fund to Reserves.

MOTION: To approve the proposed budget for 2015 (Dan Judson/Shelley Mack). All in favor.

- 3) **Email Proficiency:** As all Board business is conducted via email, it is impossible for the Board to function efficiently without all Directors being able to participate in discussions in a timely fashion. Having a Board member who requires everything printed and hand-delivered to their home delays decisions and places too much burden on the other members.

MOTION: To make proficiency with email a mandatory requirement for all Board members (Shelley Mack/Alexandre Laudet). All in favor except Dan Judson, Nancy Firestine, Nancy Snow, Lynn Austin opposed. Motion carried.

- 4) **Online Voting:** Some owners had asked if they could vote online. This had been one of our goals, but we realized it could never be implemented for Board elections due to the Bylaws requirement that the Annual Meeting notice be sent at least 20 days prior to the meeting date. As nominations for Board positions are allowed up until 5 business days before the meeting, it wouldn't be fair to late nominees if some owners had already voted before all candidates were known.

MOTION: Voting online will be allowed in the future for everything but the election of Directors (Shelley Mack/George-ann Kealoha). All in favor.

OWNERS' FORUM

Someone asked where we got the delicious cake: Tuxedo chocolate mousse cake from Costco \$15.99.

ADJOURNMENT: The meeting was adjourned by unanimous consent at 8:45 pm (Tom Atkins/Judson).

Respectfully submitted,
Shelley Mack
Secretary

**2014 KUAU BAYVIEW ANNUAL MEMBERSHIP MEETING
MINUTES OF BOARD OF DIRECTORS ORGANIZATIONAL MEETING
Nov 20, 2014**

DIRECTORS PRESENT: Luba Reeves, Dan Judson, Shelley Mack, George-ann Kealoha, Greg Aguera

The purpose of the Kuau Bayview at Paia Homeowners' Association domestic non-profit corporation is to provide for the management, maintenance, landscaping, protection, preservation, aesthetic and architectural control and development of the subdivision.

The Board of Directors met following the 2014 Annual Meeting at 8:45 pm and organized as follows:

President: Luba Reeves
Treasurer: Dan Judson
Secretary: Shelley Mack
Directors: George-ann Kealoha
Greg Aguera

The DCCA Annual Corporate filing in April 2015 will reflect these changes to the Board.

No changes were made in the signers on the checking account..

MOTION: To adjourn the meeting at 8:50 pm. Seconded and carried unanimously.
(Judson/Mack)

In the capacity stated above and on behalf of the named entity, I certify that the statements and representations made herein as indicated above are true and correct.

Shelley Mack
Secretary
Kuau Bayview at Paia HOA

LUBA REEVES' PRESIDENTS REPORT Nov 20, 2014

I received a quote in my email yesterday that I would like to share with you today. It said, "Being a good person does not depend on your religion, status in life, race, skin color, political views, or culture. It depends on how you treat others." The others might be your spouse, your children, your friends, your neighbors, or even total strangers. How you treat others is who you are.

Why did I start with this quote, you ask? Because it is how we choose to treat each other here in Kuau Bayview that will determine the quality of life for each one of us, and for our children. This matters to us. It is this mutual caring for our home neighborhood that brought us all here today. We may not be able to have much influence on the island, or the state, or the country, but here in our little neighborhood, we have the power to create an oasis of peace and safety around us. We want you to know how much we appreciate your allowing us the opportunity to make some positive changes. I hope you have noticed that over the past two years, life has become much more peaceful, the streets more beautiful, and the owners here are much happier these days.

Now I have to tell you that the road to "nirvana" was not a smooth one. I remember quite well the atmosphere that prevailed at the February 2011 meeting. People were not even being civil to each other. Quite frankly, I could not believe my eyes and ears, when I witnessed what was going on around me. Anyone who was at the meeting in this very room only two years ago will recall the strife and animosity. My husband thought I was crazy to make myself the target of such extreme negativity. My answer to him at that time was, "I think that with the right attitude, and enough love we will be able to change what is happening here." I am a believer. I believe that most people are good, sometimes misguided, but basically good. Given an opportunity to come on board with positive energy as opposed to negative, they will eventually come around. And now when I look over the room I see more people who are hopeful, and open, and willing to forgive. We have come a long way.

The first thing I did when I became President was to establish a "mission statement" to serve as a beacon for the new Board. I hope all of you have read it by now and have taken it to heart. As Board members we are not here because we get paid for our time, or because we somehow derive benefit for ourselves. We are here because we care enough to want to do what we can to build a better community for all of us in Kuau Bayview. And we cannot do that without your support and faith in us, so for that, we sincerely thank you all.

Sure we reduced the fees by 2/3rds and brought all owners current without the use of lawyers, but those things were minor compared to the sea-change in attitude by the majority of owners. Positive attitude won the day and in the future we plan to bring about more positive changes for our neighborhood that may surprise you. We will keep you posted as they come to fruition.

I now give the floor to our Treasurer Dan Judson for his Financial Report.

Thank you,
Luba Reeves

**Notice of 2014 Annual Meeting
Kuau Bayview at Paia Homeowners' Association**

In accordance with Article III, Section 3(c) of the Association Bylaws, NOTICE IS HEREBY GIVEN that the 2014 Annual Meeting of the Ku'au Bayview at Paia Homeowners' Association will be held **Thursday, November 20, 2014 at 6:30 pm** in the smaller Conference Room of the **Paia Community Center** located on Hana Highway in Paia, Maui, Hawaii. **Registration & pupus will begin at 6:00 pm.**

The purpose of this meeting is as follows:

1. To receive the annual reports of Officers, Directors, and Committees of the Association;
2. To elect 2 Directors to fill the term expirations of President Luba Reeves and Nancy Firestine. As of Nov 2nd, we have 3 candidates vying for the 2 positions: Luba Reeves (Lot 19), Greg Aguera (Lot 6), and Nancy Firestine (Lot 29). If there are other nominations received by Nov 14th, they will be added to the ballot.
3. To transact other such business as may properly come before the meeting or any adjournment thereof.

In order to conduct the business of the Association, there must be a quorum. Owners representing more than fifty percent (50%) of the total authorized votes (92) must be present either in person or by proxy. In other words, at least 47 Lots must be represented. PLEASE SUBMIT YOUR PROXY EVEN IF YOU PLAN TO ATTEND to ensure the meeting can take place. If you attend, your proxy will be negated. This year for the first time we are offering [on-line proxy submission](#) to try to make the process less time consuming for all.

If you would like to run for the Board, please submit a [nomination form](#). If you are interested in serving on the Design Committee or the Grievance Committee, please contact the Board prior to the meeting, or at the meeting. Light refreshments will be provided by the Association.

There will be a short organizational meeting of the Board of Directors immediately following the meeting for the purpose of electing officers for the coming year.

Dated: Oct 13, 2014
By call of: Shelley Mack, Secretary

Agenda for Nov 20, 2014 Annual Homeowners' Meeting

1. Introductions of Directors & New Owners
2. Determination of Quorum & Call to Order
3. Proof of Notice of Meeting
4. Approval of Minutes of 2013 Annual Meeting
5. President's Annual Overview
6. Financial Report
7. Design Committee Report
8. Grievance Committee Report
9. Retention Basin Report
10. Landscape Committee Report
11. Security Network Report
12. Election of 2 Directors
13. New Business
14. Owners' Forum
15. Announcements
16. Adjournment
17. Organizational Meeting of Board of Directors

The complete 2014 Annual Meeting packet is available on the [Kuau Bayview website](#).