

**MINUTES OF THE REGULAR BOARD MEETING OF
KULA KAI VIEW ESTATES COMMUNITY ASSOCIATION**

HELD ON MAY 17, 2008, 6:00pm

AT THE HOME OF: LARRY & JANET HAYES

Meeting called to order by President Larry Hayes at 6:10 pm.

Officers Present: Larry Hayes, President, Russ Appleyard, Vice President, Kathy Hawkes, Secretary pro tern, Ron Hawkes, Treasurer

Directors Present: Rex Brumley, Donna Farris, Gary Kneeland,
Carol Simms

Quorum was established.

Secretary Minutes from 3-18-08 and 4-18-08 were initially approved. Later Rex made a motion to delete a motion made by Barbara Copacy.

MOTION: Rex moved that the motion made by Barb on 3-18-2008 (that we stop questioning that Kathlyn Richardson is a property owner and accept her as a property owner and member of this association that she is.) be ruled out of order and removed from the records as it is in direct conflict with a legal opinion dated 2-08-2008 and accepted at the annual meeting on 2-16-2008.

Seconded by ?

Motion passed with 5 voting for it and 1 abstention

Treasurer's Report:

Checking Acct \$16,469.66 \$20,792.10 after writing checks and making current deposits.
Savings Acct \$35,556.85
Bills

Checks to former officers

Ron got the bank statement and discovered that the former president-treasurer had been issued a check for \$2000.00 and the former acting secretary had been issued a check for \$1000.00. These checks were signed by the former president and one board member and written on Feb 11 and cashed on April 16. Clearly post-dated since the former president kept writing emails demanding and threatening to sue us up until April 13. We will write a letter to our attorneys since the bank won't handle it. Ron is to put a stop payment on the \$500.00 payments that went in the mail the day before.

MOTION: After approval by the board, Larry will send a letter to our attorney about the former officers writing themselves checks, which appears to be embezzlement and/or fraud.

Seconded by Rex

Motion passed unanimously.

Discussion Items

1. Street Signs

Street signs to be replaced are Lanikai, Lauhala, Hibiscus, and stop signs. We need to repair a huge area in front of Johnny Waller's place. Larry said Ron's road is getting bad also.

MOTION: To make Larry Chairman of the Street Sign and Street Repair Committees and get bids .

Seconded by Rex.

Motion passed unanimously.

2. Street Light at Gate Damaged Again

Gary will weld a cage around a new light and weld the base to make it more secure.

MOTION: Larry makes a motion to make Gary Chairman of the Light Repair Committee. He will extend the pole and build a cage around a new light that is to be low pressure sodium.

Seconded by Rex.

Motion passed unanimously.

3. Damaged Streets

See above.

4. Web Site

Ron introduced a proposal by Elton Wilson to design our website and host it. He will charge us \$50 an hour to design it and \$10 a month to host it.

MOTION: Rex made a motion for Elton Wilson to set up a website for us per his proposal. We need to know the minimum capacity before signing the contract.

Seconded by Carol.

Motion passed unanimously

5. Lot 142

Barb found records of Tabisola paying off his principal amount before she left but "didn't have time to deal with it". Either Barb or Kathleen gave them to Ric. We need to get them from Ric.

MOTION: Ron moved to send his letter to the Tabisola's.

Seconded by Rex

Motion passed unanimously.

6. Trading our Lot for Gary's lot

Gary offered to trade his lot, which is located across the street from Ric's brother's house, for the lot we own at the top of the subdivision. He would maintain the gate and electrical and bulletin board areas, and also deal with Kathleen. The lower lot would be better for us for erecting a meeting pavilion since it would be more private and less likely to be vandalized. Rex said we would need a facilitator and it would be very expensive. Ron didn't think that would be required. Ron will look into the expense of trading it. We will ponder it rather than deciding anything now.

7 Discuss Attorney's answer

They 1st said to follow both 421J and 414D. If our bylaws don't cover it, go to 421J and if that doesn't cover it, go to 414D. Larry will contact them for further information.

8. Kathleen

Larry has called Kathleen several times with no response.

The issue of by-laws and covenant violations was addressed. For the most part, our discussions concluded that the association could do very little to enforce either the by-laws or covenants. The board agreed that initiating a fine that would multiply each month for twelve consecutive months might be the proper inducement to get owners to comply with the by-laws and covenants. Following is the board's proposal regarding the fine.

Larry made Rex's motion to have Larry contact the attorney and report back to the board regarding the following:

- 1.) Can the board initiate a fine against association members in violation of our by-laws and covenants?
- 2.) If so, is the following legal?

At the direction of the board, for each violation of a covenant or By-law rule, the violator(s) shall be sent a certified letter return receipt requested, stating said violation(s), and giving them 30 days in which to comply with or correct the violation. In the event of non compliance a fine of \$50 for each violation per month will be levied. This fine shall be doubled, for each consecutive month that the violation continues, up to a period of 12 consecutive months, at which time the process will reset.

Seconded by Ron. Motion passed with 5 voting for it and 1 abstention.

9. Discuss Putting up a Gate on the Easement

No motion made. We don't want to get involved with this and be obligated to participate in building other gates.

Other motions

Gary made the following motion. I believe it is in the best interest of the association to have a full time, on island resident as secretary. Therefore, I move that the association board remove Barb Copacy as secretary, and that the position be filled by Kathy Hawkes, if she will agree.

Seconded by Donna.

Motion passed with 5 voting for it and 1 abstention.

We need to get the rest of the records from Barb and Don. Russ said he would contact Don about it. They will be stored at Larry and Janet's since Kathy doesn't have room for them yet.

Larry made a motion to hire Todd for \$12 an hour to use a weedeater at the subdivision entrance. It is not to exceed \$200.00.

Seconded by Gary.

Motion passed unanimously.

A motion was made to have Janet beautify the entry area for an amount not to exceed \$200.00.

Seconded by Gary.

Motion passed unanimously.

Russ said his wife would be involved with it and it was suggested that many people should be involved in it any way they can.

Ron was authorized to seek prices for the new keypad system which he was authorized to get at the last 2 general meetings. He was told by the Meyers that he couldn't install it, so he didn't do any more on it at the time.

Don and Barbara's letter to the membership was discussed, and no action was taken at this time.

Motion to adjourn by Carol. Ron seconded it.

NEXT MEETING: next month

MEETING ADJOURNED AT: 9:55

Respectfully submitted by Kathy E. Hawkes, Secretary