

KEALAKEKUA BAY ESTATES ANNUAL MEETING 25-JUL-2009

MINUTES

Saturday July 25, 2009

Officers and Board Members in attendance:

Dick Kuehner, President
Dan Engle, Vice President
Debra Newberry, Treasurer
Rick Down, Board Member
Jac Fogelstrom, Board Member

Minutes recorded by Dan Engle, since Secretary Steve Judd was unable to attend.

Meeting called to order at 11:10 AM.

We didn't have a quorum so there was actually no formal meeting. Items discussed were as listed on Dick's agenda (see appendix).

1. Bougainvillea Contract - Current person doing the job is doing it well. There was general agreement on this
2. Overhanging Vegetation - A great improvement, more to be done in the near future.
3. Flood channel Vegetation. - Still working on turning the common pathway over to the property owner, they will keep overhangs and roots from the channel. Association will take care of the channel itself. Some holes have been found in the bottom but not bad. Much of the work has been done already, those property owners on the south side of the channel.
4. Trail easement - As stated above, still working on it.
5. Foreclosures. There has just been the one and still working with the bank to get the paved driveway in.
6. Parked eyesores - Short discussion on this. Problem has been taken care of.
7. Lot Mowing. Generally pretty good. A couple of owners need reminding but generally good. County has been talked to regarding trees on the makai side of Napoopoo road, leaning makai and may fall on fence.
8. Road Maintenance - Roads still in good shape. Cracks around flood catchment have not widened. Agreement is we are okay for now. A seal coat would cost about \$1 per lineal foot.
9. Gate Maintenance - Information given regarding the new ability to change a lot owners gate code.
10. Online Banking - Informed membership present of this feature.
11. Late dues - 16 owners are currently late, none over one quarter. Straw poll taken as to dues increase. Most agreed, 3 voted against stating this was a bad economic time for this.

12. Dues Adequate? - As stated, they are adequate but most would like to see increase to build up reserve.

13. Gardens Enhancement. - Owners generally complimented for lot improvement.

Kealakekua Bay Estates Owners Association Annual Meeting, July 25, 2009

State of the Estates, by Dick Kuehner

It has been a very busy year for the Board of Directors of the Estates. What follows is a quick summary and status of issues and activities that have happened or are happening in the Estates. This list forms the agenda for the meeting. Everyone will have the opportunity to delve into the details of each issue at the meeting as they see fit.

1. Bougainvillea Contract. The new contract which includes bougainvillea trimming, planting, weed control outside and inside the fence, water system maintenance, flood channel maintenance, and inside roadside edge spraying on undeveloped lots. The contract is for slightly less than the previous contract. Some bids were double the cost. The new contractor is performing acceptably.

2. Overhanging Vegetation. The trees and other vegetation overhanging the Estate's roadways have been cut back by owners or contractors. This effort will keep the roads cleaner and preserve the asphalt. Some tree and shrub roots were penetrating or raising the pavement. This will also minimize the amount of debris which flows into the flood catchments which might contribute to breakdown of the surrounding asphalt. Most owners have cooperated. Thank you.

3. Flood Channel Vegetation. We need to comply with County Flood Channel Standards. The vegetation which overhung the channel was presenting possible risks and had been long neglected. Owners and contractors have been clearing these hazards. There are a few more trees to cut.

4. Trail Easement. The mauka-makai, six foot wide, trail easement along the side of the flood channel will be abandoned shortly. Our attorney has done the research to determine that there are no impediments to eliminating this easement which has never been used. Five lots on the north side of the flood channel and one on the south side are affected.

5. Foreclosures. One house in the estates has been foreclosed by Indymac Bank over 6 months ago. The bank is paying the Association dues, but has failed to correct the CC&R violations and liens. We are pressuring them to comply, but so far to no avail. Another home is a pending foreclosure.

6. Parked Eyesores. The board has received complaints about back-hoes, tractors and trailers parked on lots in violation of the CC&R's. Currently these issues are resolved. But, please only park operating vehicles on paved parking places on your lot. The board should not have to hassle with this simple and obvious problem.

7. Lot Mowing. Most owners have scheduled mowing to keep down the fire hazards and keep the lots neat. A couple owners require constant reminder and hassling.

8. Road Maintenance. The roads are constantly monitored for widening cracks and deterioration. Roots have been removed along the road sides where they have been lifting the asphalt. Cracks around the flood catchment pits have not appeared to widening. We feel that road paving can be postponed for an undetermined period of time.

9. Gate Maintenance. The gate appears to work most of the time. Steve and I have downloaded the new software to allow us to more easily make changes or add new codes.

10. Online Banking. Debbie has signed the Estates up for online banking so that board members can easily and constantly check balances. This will minimize the number of times we have to ask for such information from our accountant Deb Sims.

11. Late Dues. The confusion over the rules of late payment interest has been clarified by an explanatory note included in the last billing. However, taking time to calculate interest takes a bit of time for our accountant. We are considering changing from interest to a simple late fee of \$20.

12. Dues Adequate? The current dues are adequate to pay the expected bills we are historically receiving. However, they do not create a reserve to pay for fixing the concrete on the base of the flood channel, inevitable road repaving, gate replacement, or any unexpected storm damage or the like.

13. Gardens Enhancement. The collective value of the Estates depends in large part to the quality of the individual gardens and yard maintenance. Numerous improvements have been observed... Thanks for everyone's efforts.