

**PRINCEVILLE AT HANAIEI COMMUNITY ASSOCIATION (PCA)
REGULAR BOARD OF DIRECTORS MEETING
JUNE 17, 1999**

The meeting was called to order by Donna Apisa, President, at 2:06 p.m. in the Lehua Room at the Prince Clubhouse. Also in attendance were: Robert Nesti, Vice President; William Stolz, Secretary; Sharon Smockhoffmann, Director at Large; Ruth Mueller, General Manager and seven members. Absent was John Gordon, Treasurer.

APPROVAL OF MEETING MINUTES

Director Nesti moved to approve the May 20, 1999 regular meeting minutes as presented. Director Apisa seconded the motion and it was unanimously approved.

Director Nesti moved to approve the June 3, 1999 special meeting minutes as amended. Director Smockhoffmann seconded the motion and it was unanimously approved.

GENERAL MANAGER'S REPORT

Ruth Mueller presented the General Manager's report.

June 11, 1999 IRS Audit - Internal Revenue Agent Gregory Wooten performed an IRS audit on the Association for fiscal year ending June 30, 1998. The primary purpose of the audit was to confirm that PCA qualifies for the tax exempt status. After speaking to the General Manager for over an hour and a half, Agent Wooten stated that there was no doubt in his mind that PCA qualifies for the IRS's tax exempt status and proceeded to review documentation and perform a short audit. Several hours later and after the General Manager answered numerous additional questions, Agent Wooten stated that his audit reflected that the IRS had some inaccurate information in its file on PCA and apologized for wasting the General Manager's time, especially on a holiday.

Phase II's Request for Additional Patrol Services - Under a 1994 Agreement between Princeville Corporation and PCA, PCA has provided Phase II with dispatch services for a fee of \$200 per month. PCA has received a letter dated June 10 from Princeville II Community Association (PII) asking if the PCA Board would now consider expanding the dispatch services to also include patrol services, i.e. four or five random drive-byes within a twenty-four hour period on a daily basis with the emphasis placed on the day time hours when PII's electronic gate is left opened, and if so at what additional cost.

After discussion it was the consensus of the Board to refer this matter to Executive Session for further consideration and discussion on the legal aspects of providing additional services.

Request for Relocation of School Bus Stop on Pepelani Loop - An owner of a property near the present school bus drop off point on Pepelani Loop would like the drop off point relocated to Albert Road near Sandpiper Condominium's parking lot facing Albert Road. The owner is concerned that the present bus stop may not be in the safest possible location, as many of the

children getting off the bus dart across the Pepelani Loop/Albert Road intersection on their way home. The owner has also had many problems with children stomping on his plants and throwing things (stones, kukui nuts, etc.) at his home. Patrol's presence when the bus arrives to drop off the children is effective for preventing any mischievous activity, but a Patrol Officer is not always available everyday at that time.

After discussion and noting that the Hanalei Elementary School will be starting classes again on August 23, it was the consensus of the Board to take this matter under consideration and to solicit input from Hanalei Elementary School personnel, the PTA and some of the parents of the children involved. Previous discussion with such persons led us to believe that there would be proper supervision of the bus stop that was established at their request.

Request for Appeal's Hearing - The owner of Unit II Lot 128 has requested that the appeal's hearing she requested, and then had to cancel, be rescheduled for Monday, June 21 at 10:00 a.m. in the PCA office. She is appealing the nuisance (loud music) and parking violations that she has been fined for. The date and time was acceptable to the Board.

UNFINISHED BUSINESS

Pepelani Loop Improvement Plans

Wagner Engineering, Inc. has provided a copy of the value engineering suggestions from Goodfellow Brothers. After reviewing the June 8 facsimile and discussing Ron Wagner's recommendations, Director Stolz made a motion to accept options one and five, which would result in a savings of \$16,886. Director Nesti seconded the motion and it was unanimously approved.

Proposed Rules

Director Stolz reported that a special evening Board meeting was held on June 3, 1999, for the specific purpose of obtaining more input from the membership on the proposed Rules. He then proposed a Rules Committee meeting be held before the scheduled July 15, 1999 regular Board of Directors meeting. It was the consensus of the Board to schedule a Rules Committee meeting for Wednesday, June 23 at 10:00 a.m. in the PCA office.

Princeville Post Office Update

The U.S.P.S. sent a letter to Mayor Maryanne Kusaka regarding the Princeville post office stating that the existing location can not be expanded and that they will be looking for both existing buildings and vacant sites to construct a new facility.

Director Stolz moved to adjourn the meeting to executive session to discuss legal and personnel matters at 3:10 p.m. Director Nesti seconded the motion and it was unanimously approved.

Respectfully submitted,

William Stolz, Secretary

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