

## PRINCEVILLE AT HANAIEI COMMUNITY ASSOCIATION

Regular Board of Directors Meeting

Thursday, April 20, 2006

Church of Pacific

President Gordon called the meeting to order at 3:10 P.M. Also in attendance were Vice President Bob Doyle, Treasurer Tom Bartlett, Secretary Ruth Marvin, and Director Chris Spencer. General Manager Rohit Mehta was also present. There were 4 guests.

### I. APPROVAL OF MEETING MINUTES

- A. March 16, 2006 Regular Meeting. Vice President Doyle moved to approve the Minutes. Director Marvin seconded the Motion, and Motion passed unanimously.
- B. March 24, 2006 Special Meeting. Vice President Doyle moved to approve the Minutes. Director Marvin seconded the Motion, and Motion passed unanimously.

### II. TREASURER'S REPORT - 3RD QUARTER RESULTS

Treasurer Bartlett thanked the General Manager for doing a great job. He explained that most of the road expenses haven't taken place yet due to the rainy weather this spring, but are scheduled for May and June. Payroll is at 69%. Maintenance is at 339% due to the maintenance work being contracted out. Insurance is at 59%. Legal is at 25%. Rent is at 32%.

### III. NEW BUSINESS

- A. 2006-2007 Budget. Director Bartlett thanked the General Manager for doing an excellent job preparing the in-depth information and allowing the Budget Committee to discuss expenses, operating contingencies, and reserves in order to establish the new budget. The Budget Committee was comprised of Mike Taylor, Murray Hudson, Julie Schuller and Tom Bartlett. Treasurer Bartlett stressed that each line item was examined in detail and scrutinized. The General Manager informed that the overall increase in the assessment will be 9%. This increase was based on the following: 1.) Maintenance Department has been contracted out to Chandler Enterprises, they were given a 1-year contract at \$140,000; 2.) Community Center's special assessment of \$100,000 (an increase of 11% by itself); 3.) Debt service for Community Center construction loan of \$45,000; 4.) Salary Plan for PHCA employees was improved since hiring problems occurred due to low salaries; 5.) Road maintenance expenses have gone up due to higher material cost. (A Homeowner asked if the multi-family developers paid for damage to the roads. General Manager answered that the road bond of on average \$20,000 is posted by the developer). Savings were possible due to the following: 1.) Month-to-month rent at Makai Club; 2.) CDC did not use all of the outside consultant funds set aside for Starwood project; 3.) Ka Haku Look Out barrier construction cost was lower than anticipated; 4.) Payroll savings since maintenance department is being contracted out. President Gordon asked whether vehicle expenses included gasoline, and they do according to the General Manager. Director Bartlett moved to approve the 2006-2007 Budget. Vice President Doyle seconded the Motion, and Motion passed unanimously.

### III. OLD BUSINESS

- A. Community Center. The General Manager stated that the permit process was back on track after the County required letter from Princeville Utilities approving the use of their easement for parking has been received. Furthermore, he explained that the mortgage was on track and that the required appraisal should be completed in a couple of weeks. The new playground equipment has been ordered and will be installed before the old equipment is removed and this item is driving the schedule. The big challenge, however, is that construction costs have gone through the roof. Bids are coming in much higher than anticipated. The

General Manager was hoping to receive more reasonable proposals from contractors. President Gordon reminded everyone that community input will be necessary, monetary or labor, and those contributions were not tax-deductible since PHCA is a 501(c)4 organization. Director Marvin wondered whether it might be less expensive to have several sub-contractors bid different phases of the work, rather than relying on one contractor to bid the work within our budget. The General Manager said that both routes are being considered. Director Marvin also questioned the expensive roofing material of copper versus standing seam metal. The General Manager explained that both materials were approved by the PHCA CDC, Phase II CDC only approved copper, and that Phase II would have to pay for the difference if they insisted on using copper.

- B. Playground Equipment Replacement. The General Manager explained that very nice, new playground equipment has been ordered. President Gordon added that PHCA asked Princeville Operating Company to help pay for the equipment
- C. Road Maintenance: The General Manager stated that the work scope has been identified and that the contract has been given to Glover. The condition of Edward Road raised concerns that there may not be enough asphalt to coplane, the suggested way of repair. Glover took samples and discovered that with the exception of Liholiho Road all roads that are left to repair did have a minimal asphalt layer. Therefore, Glover suggests putting on 1 1/2 inch of asphalt instead.
- D. Ka Haku Look Out Barrier: President Gordon informed the gathering that the barrier was damaged the other night, that it was painted gray, and that some people like it, some don't. The General Manager explained that legal counsel was sought on this matter, and that the attorney made clear that private property is the responsibility of the owner. If a safety hazard has been identified, and the barrier has been built to improve the safety hazard, then, at this time, the barrier cannot be removed as this could be perceived as negligence by the owner. The General Manager said that the Hanalei Bay Villas Manager has asked for Princeville Patrol to help monitor the HBV parking lots.

#### IV. OTHER BUSINESS

- A. CERT Emergency Program: President Gordon referred to the discussed CERT flyer that will be distributed to all the homeowners. Legal counsel advised PHCA not to include its name on the flyer as CERT is a self-activated group, and not supported by Red Cross or Civil Defense. Furthermore, President Gordon suggested a meeting between the CERT group, Princeville Operating Company and others in our community prior to the start of the hurricane season.
- B. Queen's Bath Parking Lot Wall: Director Marvin proposed the gray, ugly wall to be painted, and mentioned a neighborhood volunteer group or kids could possibly do a mural on the wall. The General Manager announced that painting the wall has already been scheduled through the maintenance crew and that the paint (dark green) has been purchased. A discussion about the color, etc. concluded that possibly volunteers could plant some vines or bushes along the wall to beautify the area. Director Marvin was going to see if a sponsor for the plants could be found.

- V. ADJOURNMENT: The meeting was adjourned at 4:10 P.M.

Submitted by Ruth Marvin, Secretary