

ANNUAL MEMBERSHIP MEETING  
Saturday, October 01, 2011  
1:00pm

Meeting Minutes

Blessings by Kumu Hula Roy @ 1:00pm

Meeting Called to Order: 1:04 pm by Board of Director President, Madie Greene

PRESIDING OFFICER: Board of Director President, Madie Greene

INTRODUCTION OF BOARD OF DIRECTORS:

Madie Greene, Francis Malani, Al Kualii, Paul Martinez, Glen Bousquet, Mark Workman, Gwen Kupahu, Minerva Chenoweth.

ANNOUNCEMENT OF QUORUM: Read by: Gwen Kupahu

Votes Cast: 773

Lot Owners: 2800

Quorum: 27.6%

PRESIDENT'S WELCOME:

President, Madie Greene thanked the board for all their hard work throughout the past year.

MINUTES OF LAST MEETING:

Motion to accept the 2010 Minutes made by: Andrew Daut

Seconded by: Paul Martinez,

All attendees accepted unanimously and motion was passed.

TREASURER'S REPORT: (see addendum #1)

Al Kualii read Treasurer's Report.

Motion to accept the Treasurer's report made by: Glen Bousquet

Seconded by: Paul Martinez

All attendees accepted unanimously and motion was passed.

STAFF REPORTS:

The General Manager's Office, Recreation, and Maintenance Reports were distributed to the Membership prior to the start of the meeting. No motion needed to accept the reports as written, Board moved forward with the meeting.

### PROGRAM DIRECTOR REPORTS:

The Activities/Architectural/Environmental and Policy Director Reports were distributed to the Membership prior to the start of the meeting. No motion needed to accept the reports as written, the Board moved forward with the meeting.

### OLD BUSINESS:

No old business to report.

### RECOGNITION AWARD BY COUNCIL MEMBER FRED BLAS

The Hawaii County Council awarded the following outstanding citizens for their heroic efforts over the past few years:

Award recipient Salome Lagman was awarded a certificate of appreciation for an August 19<sup>th</sup>, 2011, swimming pool incident. When a little girl was found lifeless at the bottom of the swimming pool, Salome's quick action and with the use of her knowledge of CPR techniques, she heroically saved the life of the little girl.

Bruce Kuamo'o, was also awarded with a certificate for another pool incident that took place on November 28, 2009. While only on the job for 3 short months, Bruce pulled a lifeless body floating in the swimming pool. He immediately clearing the little boy's airway allowing the boy to begin breathing regularly once again. The child, Jose Flores III is now a happy, healthy, four year old boy because of the heroic efforts of Mr. Kuamoo.

### BREAK:

A Break for Refreshments was called at 1:28pm.

Meeting Recalled to order at 2:13pm.

### NEW BUSINESS:

Election of new Board of Directors

### MEMBER TESTIMONY:

#### 1. Eleanor Shannon:

Eleanor Shannon submitted formal paperwork to the Board of having Special Power Of Attorney in which to give her (Eleanor Shannon) the ability to proxy for property owner, Marleen Quint as well as serve on The Board of Directors. Eleanor also extended her thanks to the Nanawale Staff for all their work in preparation for the Annual Board Meeting.

Andrew Dauz objected to the claim and submitted evidence from the Nanawale Association Bylaws as read by Robert Berry on Andrew's behalf. Mr. Berry read from a copy of the Bylaws, Article 2, which states that only Property Owners shall be entitled to serve on the Board of Directors.

#### 2. Beverley Godfrey:

Beverley Godfrey submitted a formal Declaration of Objection for re-election of current President, Madeline Greene along with a protest of her removal from the Board of Directors. (see Addendum #3 & #4)

Addendum #3: Submission of Removal Action of Beverley Godfrey from the Board of Directors. Beverley Godfrey claims that her due process was not met under Robert's Rules of Order. Beverley also claims that she was not given written notice and not given a fair trial by Members before being removed from the board.

Relief is sought by Beverley Godfrey, in the following manner:

- i.) An expunged record of the February 9, 2011 meeting minutes.
- ii.) An immediate re-election as a Director
- iii.) Beverley Godfrey's name on the upcoming 2012 Annual Membership Meeting Ballot for Directorship.

Addendum #4: Declaration: Beverley Godfrey submitted eleven (11) signatures declaring that the Board not be allowed to re-elect Madie Greene as a four (4) year consecutive term Board President.

An objection was made by Andrew Dauz. Mr. Dauz stated that the Presidential term is a three (3) year term and added that there are no terms in the Association Bylaws that states only a one (1) year term. Mr. Dauz noted that the Association Bylaws take precedence over Robert's Rules of Order in which all directors may serve a three (3) year term. Section 13, is read by Robert Berry which states that Bylaws supercede Robert's Rules of Order.

Andrew Dauz recounted the justification of Beverley Godfrey's removal from the Board. Mr. Dauz stated that Ms. Godfrey was given ample notice and time for completion of unfinished improvements to her property as required by the Nanawale Association CC & R's.

3. David Kisor expressed his gratitude to Bruce Kuamo'o and his staff for doing a great job with clearing the recliner and bulky trash items left dumped on Tutu Lane. He thanked Bruce Kuamo'o and his Maintenance Staff for their immediate assistance.

4. Jacqueline Medley expressed her thanks to the Board for the opportunity to speak with them and the Membership. Ms. Medley also complimented the committee on the assistance she has received with the work done on her roadway. Ms. Medley inquired about future plans on paving the roadways.

In response, Robert Berry thanked Jacqueline Medley for her gratitude in their department. Robert stated that pavement was considered; however, the cost is extremely expensive. Robert stated that Ainaloa's Subdivision paving cost their subdivision approximately \$475,000 to pave a one (1) mile stretch. Robert added that the Nanawale Board of Directors did not want to increase fees due to the hard economic times. In closing, Robert stated that Chip and Seal was also considered. He also added that it would be cheaper; however, durability would not be as good. Robert expressed that the roads will continue to be maintained as the budget currently allows.

#### QUESTION AND ANSWER PERIOD:

1. Stimulus money:

Has the Board of Directors searched for monies from the Federal Government Stimulus Fund for the roadways?

**(ans):**The Board responded that attempts have been made to acquire funding; however, none of their efforts were fortuitous. The Board went on to reply that they may be able to use some funding from the County Department in the future if it becomes available from the Fuel Tax monies.

2. Audience Member Peter replied about the Fuel Tax monies. Peter stated that the proposal by the House Bill 16.6 was pulled in the last session; however, it is currently up for reassignment. He also added

that everyone should talk to their House of Representatives. As an example, House of Representative, Faye Hanohano may be of assistance to help get the Bill passed in the next session. President Madie Greene stated that The Friends of Puna Group is spearheading the fight to get funding back to the subdivisions for road improvements.

3. Audience Member expressed their thanks to the Board of Directors on all the hard work done with the facility grounds. Member also inquired about future plans for repairing the swimming pool.

**(ans):** In response, Maintenance Supervisor, Bruce Kuamo'o stated that he has been in contact with a few contractors and it has been apparent that the cracks have been in the pool since 1996. Currently, the pool has a few pinhole cracks due to the last earthquake and has been leaking water since. The contractors have said that the best solution would be to cut out an eight (8)ft section of the pool that contains the crack and pump hydraulic cement to shore up the pool. In addition, they would need to replaster the interior, and replace the tiles. The estimated cost will be approximately \$10,000.00; however, there has not been any formal bids received as of this date. Once a formal bid is submitted, it will be taken to the Board of Directors for approval and funding.

#### ANNOUNCEMENT OF ELECTED BOARD OF DIRECTORS:

The three (3) nominees elected to the Board are:

Minerva Chenoweth: 88 votes

Paul Martinez: 89 votes

Mark Workman: 75 votes

#### DIRECTORS CLOSED SESSION FOR ORGANIZATION OF BOARD

2:54pm

General Manager, Robert Berry gave his "Mahalo" to the membership. Robert offered his thanks to the Members of the Nanawale Community for their constant support and community spirit. In closing, reminded all members of the upcoming community events. He went on to say that he welcomes all support whether donations or volunteers to come out and help with the planned festivities.

Meeting Adjourned: 2:57pm

## **ADDENDUM #1**

Nanawale Community Association, Inc.

### **PROGRAM DIRECTOR REPORTS**

October 1, 2011

#### **TREASURER'S REPORT**

Mahalo once again to the Membership for your loyalty and support as the Association continues to move forward in making Nanawale Community a cleaner, safer, and healthier neighborhood. It is through your constant feedback that the Board of Director's are better able to address the concerns that we are faced with daily. All issues are reviewed, prioritized and worked into the budget as funds allow.

To recap 2010, the Association exceeded the Planned Fiscal Budget income by 12.6%, an additional \$39,000. As funds became available outside the Planned Budget, the Association was able to address some major Longhouse issues such as the office and break room floorings that were posing a health risk as well as replacing the original electrical wiring at the Maintenance Workshop area that was a major fire hazard concern. Some of the maintenance equipments have become outdated and required more repair services. Ongoing are the repairs to our roadways and the Association will continue researching to finding better solutions to address this issue.

There has been a significant savings in our bulk mailing costs. In the past it was done through an outside source, but this year the Association leased a printer/copier through Xerox that have been very beneficial as there was a \$4000 expense reduction from the year before. With the cutback on employee hours, the Association had a \$14,000 decrease in payroll expenses verses 2009. Lastly, the Association conducted business in the "BLACK" for 2010.

This year has been a challenging year for Nanawale. The faulty maintenance equipments we were faced with in 2010 were replaced, including the purchase of a new T70 tractor to better address the condition and appeal of the roadways. The feedback from the Community has been very positive. As the Longhouse continues to weather with age, more concerning issues arose. The Maintenance Workshop area had major roof leaks that needed to be repaired and a better security system was installed, as there were several attempted break-ins to the building. Lights were installed to the parking lot area for safety precautions, certain lightings were put on timers for cost effective savings and the Longhouse was given a fresh coat of paint. All notification signage has been replaced, the playground area was completely fenced in for the safety of our keikis and repairs to the swimming pool pump and filter system and restrooms were addressed.

As we continue to struggle in this economic uncertainty, the Association will be faced with making important decisions in utilizing the funds when addressing the issues and concerns of our Community. Compared to 2010, revenue is 4%/\$15,000 less YTD as of September. The biggest decrease is payment from Members that have outstanding debts with the Association. YTD we have collected 67.5%/\$27,000 less than last year. The

Association has however attained the Planned Budget 2011 as of September. The Association operated business adhering to all accounting principles, which reflected in our 2010 Audit conducted by Carbonaro CPA & Associates this past April.

With this downward trend in the economy, planning the Fiscal Budget 2012 will be a huge task for the Board of Directors in terms of determining a budget and appropriating the funds wisely. Rest assured that the Board will continue to make the best decisions possible for the Community. Your valuable input is always greatly appreciated.

## ADDENDUM #2

### ARCHITECTURAL COMMITTEE REPORT

Illegal structures have and will continue to be a challenging issue with Nanawale Community. It is the Committee's primary goal to address all new illegal structures immediately as well as to follow through with those that already exist. One of the biggest challenges the Association has are with property owners that have Agreement of Sales with buyers that are on a monthly payment plan to purchase the property. 95% of the time, it is on these properties that there are illegal structures. With Nanawale's smaller lot sizes and affordable prices, it opens the door of opportunity to own property but we are also hindered with the onset of illegal structures appearing in this subdivision.

Year to date for 2011:

- o Four (4) home plans were approved for construction.
- o A total of thirteen (13) owners are in compliance either by building a legally permitted home or removing the illegal structure.
- o Two (2) are in the process of applying for a permit.
- o Three (3) are in the process of removing their illegal structure.
- o Five (5) have ignored all correspondence and is currently being charged a monthly fine.

### RECREATIONAL COMMITTEE

The mission of the Recreational Program is to promote the social life, recreation, community relations and spirit of brotherhood among the members, their families and all residents of Nanawale Estates. Our goal is to provide activities, classes and social gatherings for our community residents to enjoy. We welcome your valuable input and participation.

Mahalo to our community members and the local businesses who make our Youth Program and Community Events possible with their donations. These activities are funded strictly by these generous contributions that allow Nanawale to promote community spirit!

Mahalo to the Recreational staff Salome Lagman and Pablo Martinez who have gone beyond all expectations in making this program successful. Through their creative leadership, we have seen the largest turnouts to our planned activities.

A Schedule of Events is planned each year and is made available on our website and at the Longhouse office. This year was filled with many exciting Activities and the participation has grown tremendously. The year started off with a 'Cupcake Decorating Contest' for Valentine's Day in February, With the creative decorators, it was difficult selecting the top 3 winners. March brought our Spring Time Fun 'Family Fun Day' with relay races, an obstacle course, water slide, arts and crafts and a pie eating contest. Shaved ice and food was provided to all that attended the event. The annual 'Easter Egg Hunt' was held in April and we were quite surprised at the turnout as more than 150 keikis participated. The keikis made bunny ears and baskets to collect eggs filled with goodies. They were separated into 3 groups by age, all vying to find the golden egg that came with an Easter basket. In May we held our 'Community Yard Sale'. Sellers were pleased as this year there were more people attending. The 'Summer Fun Program' ran from mid June to mid July. Introduced this year to the Program was Puppet making, a Zumba exercise class and Hawaiian Arts and Crafts. Through the help of the Alulike program, the 'Summer Fun Program' was a huge success. Upcoming is our annual 'Halloween Activities' and the 'Community Christmas Party' held on December 17. Ongoing is the pottery classes that are available on the Longhouse grounds. If anyone is interested, please contact the Association office for more information.

## ADDENDUM #3

**Nanawale Community Association, Inc.**  
**Annual Membership Meeting**  
October 1, 2011

**TO THE MEMBERSHIP:**

**RE: REMOVAL ACTION OF BEVERLEY GODFREY ON-  
FEBRUARY 9, 2011, AS BOARD DIRECTOR**

I, Beverley Godfrey, was elected by the membership as a Director of the Board of Directors, Nanawale Community Association, Inc., (The Corporation). I was removed as Director by the Board at its meeting on February 11, 2011, under Agenda Item "President Message" as stated below in its entirety:

*"PRESIDENT'S MESSAGE: Madie Greene; Madie Greene along with Andrew Dautz made an announcement. Due to unfortunate circumstances Beverley Godfrey was asked to step down from her position as a director. After further discussion on the matter, Board Members took a vote which resulted in Andrew Dautz motioning to remove Beverley from her position on the board as a Director due to non-compliance with the Nanawale By-Laws and CC&Rs'. Paul Martinez 2<sup>nd</sup> the motion, six (6) in favor, two (2) opposed by Eleanor Shannon and Glen Bousquet, majority in favor, motioned passed to remove Beverley Godfrey from the position of Director on the Board."*

Due Process Rights: (RONR, Pg. 631, L-17): I was denied my "due process rights;" that is, (1) I was not given written notice of charges made against me; (2) I was not given time to prepare a written defense; (3) I was not given the opportunity to appear before an appropriate body to defend myself; and (4) I was not treated fairly as I was not given a fair trial under Robert's Rules of Order newly revised (RONR) "Disciplinary Procedures," Chapter XX; as mandated by Hawaii Revised Statute (HRS), Chapter 421J, Planned Community Associations, section 421J-11, and section 421J-6, "Roberts Rules of Order."

Fair Trial: I was removed as Director of the Corporation based on my alleged behavior as a member of the Corporation and not on my behavior as

ADDENDUM #4

**DECLARATION**

(Formal Statement)

**Nanawale Community Association, Inc.**

**Annual Membership Meeting**

October 1, 2011

The undersigned member(s) of the Nanawale Community Association, Inc., (The Corporation) hereby declare that the Board of Directors, at their special meeting to be held immediately following this annual membership meeting, does not have the authority to reelect Madeline Greene as President for a fourth (4<sup>th</sup>) consecutive one (1) year term. ***Such reelection will be in violation of Bylaws Article V sec 6; Article VI, sec. 6; and Article VI, sections 1 & 2.*** Madeline Greene's reelection for her third (3rd) consecutive one (1) year term as President by the Board in Oct. 2010 was an ineligible reelection as the President is allowed to serve no more than two (2) consecutive one (1) year terms.

**Executive Committee's Opinion:** The Executive Committee's opinion dated May 6, 2011, does not provide a bylaws cite in support of their ***opinion*** that:

“Madeline Greene may continue to serve as President until her term [as Director] expires October 5, 2013.”

**Board Authority:** The Board **DOES NOT** have the authority to elect Madeline Greene as President for a three (3) year term ending October 5, 2013 based on the membership election of her as Director in October 2010. The election terms for President and Director are ***clearly different***. A President may be elected by the board to serve **NO MORE** than two (2) consecutive one (1) year terms and a Director may be reelected by the membership to serve an unlimited number of three (3) year consecutive terms.

**Director's Term:** Article V, sec. 3, of the Corporation Bylaws **DOES NOT LIMIT** the number of consecutive three (3) year terms that a director may serve. This Bylaws cite states:

“... all directors shall serve for three (3) years from the date of their election ...” and “Directors may serve successive terms if reelected [by the membership].”

Madeline Greene was reelected as Director by the membership at their October 2010 annual membership meeting making her second term as Director ending October 5, 2013.

**President's Term:** Today, October 1, 2011, Madeline Greene ends her third (3) consecutive one (1) year term as President, an ineligible term as it exceeded the two (2) consecutive one (1) year terms limited in the Bylaws. Article VI, sec. 6 of the Bylaws states that, "The President shall serve no more than two consecutive terms." Thus, the Bylaws **DOES LIMIT** the number of one (1) year consecutive terms that a President may serve. Article VI, sec.1, defines the President as an officer. Article VI, sec. 2, and Article V, sec. 6, establishes an officer's term as a one (1) year term as evidenced by the fact that all officers are elected by the Board of Directors **annually** at their special meeting held immediately following the annual membership meeting. Thus, the President's term is a one (1) year term, not a three (3) year term as opined by the Executive Committee on May 6, 2011. **Thus, Madeline Greene is not eligible for reelection as President by the Board at their special meeting today.**

**Documentation:** It is hereby requested that this declaration be made a part of the minutes of this annual membership meeting.

NAME (Signature & Print)	ADDRESS (Nanawale street Address OR Lot # only)
X <i>Beverly Anne Godfrey</i>	14-3550 Hawa'i Rd
<i>Beverly Anne Godfrey</i>	Box 2374 Pahoa HI 96778
X <i>[Signature]</i>	Same ↗
<i>Michael Godfrey</i>	
X _____	_____
_____	_____

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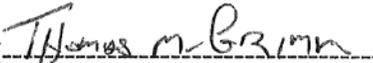
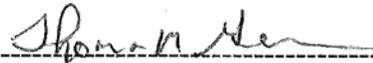
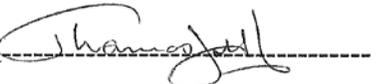
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NAME (Signature & Print)	ADDRESS (Nanawale street Address OR Lot # only)
X <i>George N. McKibbin</i>	Lot 14, TMK: (3)1-4-30:8
<i>George N. McKibbin</i>	
X 	Lot 14, TMK: (3)1-4-30:8
<i>Ellinor R. Gordon</i>	
X _____	_____

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NAME (Signature & Print)	ADDRESS (Nanawale street Address OR Lot # only)
X  Thomas M. Grimm	141 3436 <sup>20</sup> Niihau
 Sharon M. De...	
X  Thomas J. Self	Hilo, St. F. Kahanu
X _____	_____
_____	_____

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NAME (Signature & Print)	ADDRESS (Nanawale street Address OR Lot # only)
<i>Richard M. GARDNER</i> <i>Richard M. Gardner</i>	<i>14-3396 Alii Rd</i>
<i>Alfred M. Alvarez</i> <i>Alfred M. Alvarez</i>	<i>14-3396 Alii Rd.</i>
X-----	-----
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NAME (Signature & Print)	ADDRESS (Nanawale street Address OR Lot # only)
X <u>Marleen M. Quint</u> <u>Marleen Quint</u>	<u>14-3512 Mauna Kea Rd.</u> <u>Lot # 494</u>
X <u>Malcolm M. Quint</u> <u>Malcolm M. Quint</u>	<u>14-3512 Mauna Kea Rd.</u> <u>Lot # 495</u>
X _____	_____
_____	_____