

## KUNIA LOA RIDGE FARMLANDS

### AMENDED FINE SCHEDULE AND APPEAL PROCEDURES POLICY RESOLUTION,

(Effective July /16 /2022)

#### AUTHORITY:

Whereas Kunia Loa Ridge Farmlands ("KLRF") is governed by the Articles of Incorporation ("Articles"), Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for the Kunia Loa Ridge Farms Agricultural Subdivision ("Declaration"), the Bylaws of Kunia Loa Ridge Farmlands ("Bylaws") and the Kunia Loa Ridge Farmlands Association Rules ("Farm Rules") (collectively referred to as the "Governing Documents");

Whereas, Section 5.3 of the Declaration provides that the Board of Directors of KLRF ("Board") may adopt such Rules and Regulations as it deems proper for the use, occupancy and maintenance of the Project Site, so long as such Rules and Regulations are consistent with the Declaration, any applicable Supplemental Declaration, the Articles, and the Bylaws;

Whereas, in addition, Section 7.1 of the Bylaws provides that the Board modify the Farm Rules from time-to-time and Section 7.2 of the Bylaws requires KLRF to promulgate and enforce the rules and regulations;

THEREFORE, BE IT RESOLVED that in accordance with Section 5.3 of the Declaration and Section 7.1 of the Bylaws, the Board has approved this Resolution establishing the following Amended Fine Schedule and Appeal Procedures for violations of KLRF's Declaration, By-Laws, and/or Farm Rules, and all amendments and restatements thereof, which shall become effective

July /16, 2022:



## I. SCHEDULE OF FINES

For any violations of the Governing Documents, with the exception of the specific offenses set forth in below paragraphs 2 through 8, a written warning or written citation will be provided to the KLRF Member, as Member is defined in Section 1.34 of the Declaration, and to the offending party, if the offending party is not the KLRF Member, and a fine or penalty, if applicable, will be imposed against the offending KLRF Member, sub-lessee, or other person subject to the Governing Documents as follows:

### 1. Schedule of Fines for Violations of Declaration, By-Laws and/or House Rules.

- a. **First violation:** Written warning requiring correction of violation within fourteen (14) days of the date of issuance of the written warning.
- b. **Second violation:** If a violation has not been corrected within fourteen (14) days of the date of issuance of the initial warning or a second violation regardless of whether it is the same type of violation as the first violation occurs within this time, first **written citation** requiring correction of violation within fourteen (14) days of date of issuance of the citation **and \$50.00 fine.**
- c. **Third violation:** If a violation has not been corrected within fourteen (14) days of the date of issuance of the first written citation or a third violation regardless of whether it is the same type of violation as the second violation occurs within this time, second **written citation** requiring correction of violation within fifteen (15) days of date of issuance of the citation **and \$100.00 fine.**
- d. **Fourth & subsequent violations:** If a violation has not been corrected within fourteen (14) days of the date of issuance of the second or subsequent written citation or a fourth or subsequent violation regardless of whether it is the same type of violation as the third or subsequent violation occurs within this time, third or subsequent **written citation, a fine in an amount double the**



**amount of the previously assessed fine. In addition, upon issuance of the fourth violation, the matter shall be referred by Board to KLRF's attorney for legal action, PROVIDED HOWEVER, that nothing shall prevent the Board from immediately referring a matter involving threat of injury to persons or property or other serious violation of the Governing Documents to the KLRF's attorney for legal action after and/or upon the occurrence of such violation.**

- e. **Violation Reset.** The schedule of fines stated in above Subsections I.1.a. – d. will apply to violations occurring within any consecutive 12-month period and will only reset once there have been no violations for a consecutive 12-month period.
- 2. **Fires:** For any violation that involves a fire, a written citation will be issued, **and an automatic \$500.00 fine per violation** will be assessed. There will be no warnings with respect to violation that involves a fire.
- 3. **Guns:** For any violation that involves the discharge of a gun or firearm, a written citation will be issued, **and an automatic \$500.00 fine per violation** will be assessed. There will be no warnings with respect to violations involving the discharge of a gun or firearm.
- 4. **Violation of Rooster Limits of 2 per Acre.**
  - a. **First violation:** Written warning requiring correction of violation within thirty (30) days of the date of issuance of the written warning.
  - b. **Second violation:** If a violation has not been corrected within thirty (30) days of the date of issuance of the initial warning, first **written citation** requiring correction of violation within thirty (30) days of date of issuance of the citation **and \$1,000.00 fine.**



- c. **Third & subsequent violations:** If a violation has not been corrected within thirty (30) days of the date of issuance of the first or subsequent written citation, second or subsequent **written citation, a fine in an amount double the amount of the previously assessed fine. In addition, upon issuance of the third violation, the matter shall be referred by Board to KLRF's attorney for legal action.**

5. **Marijuana Violations.**

- a. **First violation:** Written warning requiring correction of violation within thirty (30) days of the date of issuance of the written warning.
- b. **Second violation:** If a violation has not been corrected within thirty (30) days of the date of issuance of the initial warning, first **written citation** requiring correction of violation within thirty (30) days of date of issuance of the citation **and \$1,000.00 fine.**
- c. **Third & subsequent violations:** If a violation has not been corrected within thirty (30) days of the date of issuance of the first or subsequent written citation, second or subsequent **written citation, a fine in an amount double the amount of the previously assessed fine. In addition, upon issuance of the third violation, the matter shall be referred by Board to KLRF's attorney for legal action.**

6. **Dumping.**

- a. **First violation:** Written warning requiring correction of violation within thirty (30) days of the date of issuance of the written warning.
- b. **Second violation:** If a violation has not been corrected within thirty (30) days of the date of issuance of the initial warning, first **written citation** requiring correction of violation within thirty (30) days of date of issuance of the citation **and \$1,000.00 fine.**



- c. **Third & subsequent violations:** If a violation has not been corrected within thirty (30) days of the date of issuance of the first or subsequent written citation, second or subsequent **written citation, a fine in an amount double the amount of the previously assessed fine. In addition, upon issuance of the third violation, the matter shall be referred by Board to KLRF's attorney for legal action.**
- 7. **Animal Fighting**
  - a. **First violation:** First written citation and \$1,000.00 fine. In addition, Referral by Board to KLRF's attorney for further action.
  - b. **Second violation:** Second written citation and \$5,000.00 fine.
  - c. **Third & subsequent violations:** Written citation and \$10,000.00 fine.
- 8. **Immediate Fine.** For violations which constitute a threat to the personal safety, health or the lives of other KLRF Members or persons or involve destruction or damage of property, **written citation and \$500.00 fine.** No warning citation will be issued for these serious offenses, and/or they may be immediately referred to the KLRF's attorney for legal action.
- 9. **Attorneys' Fees and Costs.** For all violations, as permitted by Hawaii law and the Governing Documents, KLRF may seek any and all available legal and/or equitable remedies and assess all reasonable attorneys' fees and costs incurred by or on behalf of KLRF, incurred in connection with enforcing any provision of the Declaration, Articles, By-Laws, and Farm Rules, including but not limited to costs for collection of fines, against the KLRF Member, sub-lessee, tenant, guest, employee of a KLRF Member or sub-lessee, or any other person who may in any manner use the property.

## II. **APPEAL PROCEDURES**



1. **Written Citation.** A written statement (i.e., citation a.k.a. notice of violation) setting forth the alleged violation(s) and the amount of the fine(s), if any, shall be provided to the KLRF Member against whom such charges are made and the offending party, if the KLRF Member is not the offending party.
2. **KLRF Member's Right to Appeal.** Within fifteen (15) days following the date of issuance of the written statement (i.e., citation), the KLRF Member shall have the right to appeal the alleged violation(s) and/or the assessed fine(s) set forth therein. Only KLRF Members may appeal citations and/or fines imposed against them or imposed against any sub-lessee, tenant, guest, employee of the KLRF Member, or any other person who may use the property for whom the KLRF Member is responsible.
3. **KLRF Member's Deadline to Submit Notice of Appeal.** A Notice of Appeal of the alleged violation(s) and/or assessed fine(s) must be submitted **in writing** to KLRF in care of the Managing Agent, which as of the date of adoption of these procedures is: Huakai Management, 1111 Bishop Street, Suite 510, Honolulu, Hawaii 96813. The Notice of Appeal must be sent via USPS Certified Mail, Return Receipt Requested, or via other nationally recognized parcel carrier (i.e., FedEx, UPS, etc.) which provides written evidence of the date of mailing and delivery. **In order to be considered, a Notice of Appeal must be mailed to KLRF in care of the Managing Agent not more than fifteen (15) days after the date of issuance of the written statement (i.e., citation).**
4. **Notice of Hearing.** Not more than thirty (30) days following receipt of a Notice of Appeal, the Managing Agent shall mail written notice to the KLRF Member advising of the date, time, and place of the Board Meeting where the appeal shall be considered.
5. **Hearing.** The Board shall consider all KLRF Member appeals during either a Regular Meeting of the Board, or a Special Meeting of the Board called to consider such appeals and shall



hear and evaluate the evidence of the alleged violation and/or appeal.

6. **Evidence & Witnesses.** At such Board Meeting where the appeal is considered, the appealing KLRF Member shall have the right to present oral and written evidence, present witnesses in support of the appeal and question and cross-examine adverse witnesses. The Board shall also have the right to present written evidence, call, question and cross-examine any witnesses who testify in connection with any appeal.
7. **Alternate Option for Appeal Based Only on Written Submissions.** In lieu of presentation of an appeal in person, a KLRF Member may present an appeal based solely on written submissions. A KLRF Member who desires to present an appeal based solely on written submissions must ensure all written submissions in support of the appeal are RECEIVED by the Managing Agent **not less than seventy-two (72) hours prior to** the Board Meeting where the appeal is scheduled to be considered.
8. **Delivery of Decision on Appeal.** The Board shall deliver to the appealing KLRF Member **within thirty (30) days after the Meeting** where the appeal is considered a written decision which specifies the fines or penalties levied, if any, following its consideration of the appeal, and the reasons for the decision.
9. **Decision on Appeal Final.** The decision of the Board as to any KLRF Member's appeal shall be final and binding and shall not be appealable, provided that pursuant to Declaration Section 19, the KLRF Member shall have the right to initiate a dispute resolution process using the procedure set forth in Section 19.4 of the Declaration.
10. **Payment of Fines.** All fines must be paid to KLRF within **fifteen (15) days** of the date of the written citation and/or the Board's written decision on appeal, whichever is later.
11. **Failure to Timely Pay Fines.** If any fine imposed against a KLRF Member is not paid within the applicable period



specified above, the fine shall be deemed a Special Assessment, as defined in Section 1.51 of the Declaration, chargeable against the KLRF Member's account. Additionally, if any fine is not paid within the applicable period specified above, the KLRF Member, sub-lessee or other person against whom the fine is imposed shall be assessed a late fee for each month the fine remains unpaid, and reasonable attorneys' fees and expenses will be assessed should any Governing Documents violation be referred to the KLRF's attorney for legal enforcement proceedings. The amount of late fee assessed pursuant to this paragraph shall be the same as the late fee assessed to delinquent common and/or special assessments payable to KLRF.

BE IT FURTHER RESOLVED that a copy of this Resolution shall be sent to all KLRF Members at their last known addresses.

This Resolution was adopted by the Board of Directors on July, 14, 2022 and shall be effective on July, 16, 2022.

Cynthia Dawson  
Secretary  
Kunia Loa Ridge Farmlands

7/16/22  
Date

Don W. Cahn  
President  
Kunia Loa Ridge Farmlands

7/16/22  
Date