

HAWAIIAN SHORES COMMUNITY ASSOCIATION DRAFT MINUTES OF THE BOARD OF DIRECTORS MEETING FEBRUARY 17, 2021

The regular meeting of the Board of Directors of Hawaiian Shores Community Association (HSCA) was held via Zoom. A quorum was established. Eileen O’Hara, President, presided. The meeting was called to order at 6:02 PM.

Directors present: Eileen O’Hara, President, Rex Riley, Vice President, Jeffrey Kraybill, Treasurer, Suzan Thompson Forrest, Secretary, Tom Cumming, Craig Hart and Steve Bailey. Director Maile Akena Resigned. Directors absent: Caroline Weber. Also, in attendance: Barbara Lively, HSCA Office Manager, and S’mon Gago, HSCA Staff. Members present: Niki Weingartner.

ANNOUNCEMENTS- None

COMMENTS ON AGENDA BY HSCA MEMBERS- None

MINUTES

January 20, 2021, Meeting of the Board of Directors-The Board of Directors postponed approval of the January 20, 2021 meeting minutes because they were unable to open the email with proposed amendments, so they will approve the amended minutes at the next Board of Directors meeting.

COMMUNICATIONS

Teresa Miller-Parking to use WiFi- Email from HSCA member, Teresa Miller, dated December 16, 2020 regarding parking to use WiFi. Steve Bailey reported that Teresa Miller came to the office prior to submitting the email with 2 issues, one, a police matter and the second one was that she was told by 2 different staff members that she couldn’t park in 2 different places. Teresa Miller has been coming to the office for a good while using the WiFi sometimes when we’re open sometimes when we’re closed. She uses the WiFi to communicate with her grandson (facetime), she was told she couldn’t park in front of the office because it was for employees and she needed to park on the grass. When she parked on the grass she was told she couldn’t park there. She wants to know where she can park to use the internet. Suzanne Thompson Forrest commented that the WiFi doesn’t reach the big parking lot.

Action item: Steve Bailey will speak to Teresa Miller, she's ok with parking on the grass. Steve Bailey will let her know during office hours she should park on the grass and if the office is closed she can park in front of the office.

REPORTS

Office Manager Report- Barbara Lively reported that Veterans have completed tenting for termites at the stables. CLA finished the FY2020 audit. The 2021 assessments were mailed out on November 23, 2020 and are continuously being processed as they come in to the office. Good Neighbor of the month nominee for February is Ponchos Tacos. There were no waterlines flagged.

Maintenance Foreman Report- Steve Bailey reported that Tim Manning indicated that the meter read and BacT testing went as required. Water yard work: Nursing along last booster pump, will cover that in Project Report. Tim Manning suggests we acquire a test kit for fire hydrant flow. Right now the only thing we put on a fire hydrant is a pressure meter, we just read static pressured. By certain codes in other places it's a better idea to measure a little bit more accurately than that. We also need to ensure we're giving good information to the Fire Department because after we complete the water project we are going to tell them how each of our hydrants are performing so they can use them. Tim Manning did the research and said he wants to buy a Hydrant Apparatus Flow Tester Kit and it cost \$1524.95, needs board approval because it's over \$1000. All lawn mowers still running.

Rex Riley motioned to approve expenditure of \$1524.95 for Hydrant Apparatus Flow Test Kit. Suzan Thompson Forrest seconded. The motion passed unanimously.

Project Report:

Water Project- Steve Bailey reported crews finished the cover over most of pump pad, there were parts extending into the set back required by County so working to resolve that. Electricians completed their work so now ready for HELCO to install new service and pole. This will then require a switch over to the new transformers which may cause one to four days of either low pressure or no water service. We will post that notice to the residents. We'll have electrical contractor, Big Island Mechanical, and our own crew doing that switch over. Basically they have to turn 2 elbows and get the new pumps started and running, but that takes a good bit of time.

The USDA did receive our request to extend the project authorization by 90 days and expect that to go forward. Decided we will have our own crew rebuild the chemical shack; Isemoto gave us a very, very high bid and even though we had some grant money left over, it was discussed how best to use excess grant money and we decided to recommend to the board that

we use the roughly \$88,000 left in the grant, to pay for the generator. The USDA has said that they would consider something like that to ensure that we expend all the grant funds.

We do have a request to better mark our valve covers. We been struggling with this for years, they get in the jungle-we can't find them. We did discover some fire hydrant markers that are used sometimes in heavy snow areas so plows don't hit markers-they are spring loaded, fiberglass, 5 feet tall poles. We're asking the board to approve a cost not to exceed \$5000 to buy 150. They cost about \$28 a piece. We'll adjust the number that we buy down depending on shipping cost to keep it below \$5000.

Tom Cumming motioned to buy spring loaded markers. Suzan Thompson Forrest seconded. The motion passed unanimously.

Accounting Associate Report:

S'mon Gago reported assessments collected for January was \$169,901, we had about \$22,117 in water charges, \$2,700 in escrow fees, a few payments for yoga for \$102.25. We are running out of Milestone; we did make about \$50 in sales for January. We had one more member pay a \$500 ERC fine. The 2021 Annual Assessment Invoices were mailed out November 23rd, second letters will go out March 1st, for those who are late making payments and there are 547 accounts that have not paid and 24 accounts are newly 2 years past due which will have a lien filed in April of this year. There are 4 lots that have open foreclosures and those 4 lots do have liens on them and 9 properties sold were actually recorded in January. We have 17 properties currently in escrow right now

Financial Report: Jeffrey Kraybill reported the cash we have as of January 2021 is \$404,952.22, our investments are \$944,304.85, our long term liabilities \$2.68 million, we have the USDA water grant \$420,829.02, spent to date, of the \$1.28 million grant. Our P&L January 1st Quarter income; our assessment collection is running below budget by 3% but tracking the same as last year, and water is down by 2%. Escrow fees are way up by 120% year to date. The report shows total income is up 104% but that is because of how the grant money income is reported. The number for the total income is 2% under budget for year to date and is also tracking below same time last year by 2%. Expenses; payroll is running below budget due to no GM salary and it's also down from last year. Our repair expenses are up 50% because of repairs to the grasshoppers and trailer, and utilities are up by 11% due to an increase in HELCO expense from running the pump at the water yard. Total expense ended up 9% for year to date and down 5% from the previous year when corrected for grant income.

Audit Draft: Eileen O'Hara reported the audit was good. This is the 3rd time we've used CLA for our audit; they keep making the same comments each year. The 1st year they were very emphatic, the 2nd year they dropped the emphasis a little and this year they are making it as a suggestions: 1) They feel we should have a CPA on staff, and 2) In terms of material audit adjustments; they don't like to have to make adjustments while they're doing the audit.

All our USDA portion our Federal audit went really well and no call outs on that at all.

We have to approve the draft governance letter that came out in your packet, sign it, and send it back and that will finalize the audit. We need to get copies of it back and printed so it can go in the mail out that will go out in mid-March for the annual notice to members about the annual meeting.

Steve Bailey moved to approve the letter of governance as it relates to the Fiscal 2020 audit. Jeffrey Kraybill seconded. The motion passed unanimously.

DRC Report: No report.

ERC Report: Steve Bailey reported, we have 2 issues still hanging. No update from Lincoln Ashida about the hazardous tree removal and will try to contact him before next ERC meeting on Monday. The second thing we want to have By Laws revised to allow us to put liens in our tool box of how to deal with fines that aren't paid. That is covered later in the Executive Session.

CEAC Report: Suzan Thompson Forrest reported the committee did not meet but would like to have an Easter Egg Hunt. She would like to know if there's money for that. We could have a pretty spectacular one for somewhere around \$300 for some candy as the biggest cost will be what goes in the eggs. A fairly large number of people from the water exercise classes are willing to help.

Action item: Eileen O'Hara will follow up with Barbara Barr.

OLD BUSINESS

Traffic & Community Issues: Eileen O'Hara reported that she, Rex Riley and Steve Bailey attended the meeting with Senator Joy San Buenaventura. Joy San Buenaventura has some ideas on working with the various sub-standard subdivisions boards on issues that confront many of us. Maybe an office for community associations to be set up in the same building staffed by a Parliamentarian and a Real Estate Attorney to help organizations draft legal By Laws that will stand up in court. Hoped our Council person would be at the meeting as well so that we could bring up some things like traffic, signage and road issues but Ms. Kierkiewicz did not attend.

Volunteer Policy & Insurance Estimate: Eileen O'Hara reported, staff has not reported on any new information about insurance. S'mon Gago reported nobody's gotten back to us so we are still waiting. Eileen O'Hara requested, S'mon Gago remind Barbara Barr to put that as a high priority. We need to get a quote.

Action item: S'mon Gago to remind Barbara Barr to prioritize the insurance quote.

Variance Policy: Steve Bailey reported, we were trying to come up with a broader variance policy because the only one we had in place dealt with the building size of homes. Then we went in and created fining and various other things and felt that our administrative rules didn't clearly outline to members how best for them to apply for a variance to our CC&R's. Then both the ERC & DRC struggled with it a little bit because of some different opinions about how best to go about it. The packet contains the last attempt to create something that could cover a multitude of variance requests and it also included concepts. That said, we're asking for input and comment and not necessarily asking for a vote. The DRC or ERC would rule on a variance and then the board can hear an appeal. Lastly the other question was whether this policy could also cover the lot building size variance policy. This policy requires that the office handle all that and the applicant pay \$50 for their work to mail out notices

Rex Riley moved to adopt this variance policy. Suzan Thompson Forrest seconded. The motion passed. The votes were 6 in favor and Tom Cumming abstaining.

Annual Meeting Planning- April 17, 2021:

Agenda: Eileen O'Hara reported, Annual meeting Saturday April 17, we need to establish an agenda to be sent out in mid-March so we need to have some topics of interest. One of them was Corona Virus vaccinations. If we could find somebody that's willing to come to us about that, some knowledgeable person.

Action item: Eileen O'Hara to contact Councilmember Kierkiewicz to speak at the meeting and Elena Cabatu to speak about vaccinations availability.

Eileen O'Hara continued, the decision that faces us on the annual meeting is the League of Women Voters proposal.

Tom Cumming moved to accept the League of Women Voters proposal. Steve Bailey seconded. The motion passed unanimously.

Tellers Committee: Eileen O'Hara reported, we also need a Tellers Committee to oversee the work of the League of Women Voters, that's usually 2 board members who are not running in any of the elections, and an office staff person will likely be Barbara Barr because she's the most familiar with everything. Eileen asked for candidates from the board who are willing. Tom Cumming and Suzan Thompson Forrest volunteered.

Action item: Tom Cumming and Suzan Thompson Forrest, to be at the stables by 10 o'clock on Friday, April 16, 2021.

NEW BUSINESS

Community Fruit Orchard – Puna Strong Grant - Eileen O'Hara reported, the Puna Strong Grants are on the table and the nonprofit Malama O Puna (MOP) is putting in an application for funding with focus on food security MOP would like to partner with HSCA to put in at least a half-acre of fruit orchards in the Maikoiko Park. We have a three and half acre park, a good portion of it is just grass and it would be lovely if we were given the money to buy the fruit trees, the fertilizers and to do all the prep work to put trees in the ground. It would eventually bear fruit which could be provided to our community and excess fruit could go to the Food Basket to ensure food security for our community. There will be man power from HSCA in terms of helping to plant the trees, we have water to the park, the park is fenced and it seems like a waste of land to just have it sit there and not produce something of value to the community.

This item moved forward.

ADJOURNMENT - 7:12 PM.


Suzan Thompson Forrest, Secretary

3/19/21
Date