

**HAWAIIAN SHORES COMMUNITY ASSOCIATION
MINUTES OF THE BOARD OF DIRECTORS REGULAR
MEETING
SEPTEMBER 3, 2014**

The regular meeting of the Board of Directors of Hawaiian Shores Community Association (HSCA) was held at its Community Center.

A quorum was established and the meeting was called to order at 6:10 p.m.

Directors present: Eileen O'Hara, President; Hiroshi Yanagihara, Vice President; Steve Bailey, Treasurer; Solveig Lamberg, Assistant Treasurer; Tom Cumming, Secretary; and Christian Weingartner, Director. Absent: Mike Lopez, and Jack Wells. Also in attendance: Stephanie Carney, Accounting Associate; and several HSCA members.

APPOINT MEETING RECORDER

Tom Cumming moved to appoint Carol Simmons to record and transcribe the September 3, 2014, Minutes of the Regular Meeting of the Board of Directors of Hawaiian Shores Community Association (HSCA). Steve Bailey seconded. *Motion passed with unanimous approval.*

MONTHLY MEETING DATES

Christian Weingartner moved set the next Board Meeting date for Monday, October 6, 2014, at 6:00 p.m., and to schedule Board Meetings on the second Wednesday of the month from that time forward starting in November, 2014. Steve Bailey seconded. *Motion passed with unanimous approval.*

INFORMAL MEETING AUGUST 13, 2014

An informal meeting was held on August 13, 2014. Due to damage caused by Tropical Storm Iselle, the office was still without phone and Internet, and the community facility was in use by emergency responders. It was not clear whether a regular Board Meeting would occur. There was a presentation by Ochana D. Bringman-Conway of Goodwill Industries about community programs for at-risk youth. During this meeting there was a discussion on the impacts of the storm damage for the Association. There was no decision-making at this meeting.

ANNOUNCEMENTS

Georgette Bell addressed problems with the Bingo Club in August, 2014. President O'Hara will contact Georgette for clarification. Tom Cumming moved to waive Bingo fees for August, 2014. Christian Weingartner seconded. *Motion passed with unanimous approval.*

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MEMBERS' COMMENTS

The following issues were discussed and addressed:

1. The Board approved Emergency Plan should be available to community members on the website and the office.
2. Communicating to HSCA members important information via the website, the marquis, and news blurbs on the monthly water bill;
3. Ongoing attempts to contact Hawaiian Telecom regarding lines still “hanging” following Tropical Storm Iselle
4. HELCO’s responsibility for maintaining their lines and for tree trimming
5. Ongoing concerns and efforts to deal with Albizia trees. President O’Hara is in the process of organizing a meeting with Daryl Oliveira of Civil Defense, Warren Lee of Public Works, and a representative from the Board of Realtors to;
 - (a) To press forward with bill 64, to establish a “poster case” for dealing with hazardous trees;
 - (b) To address County maintenance of Albizias trees in County easements.

COMMUNICATIONS

The office has had numerous calls about problems with the Albizia trees, asking the Board/Association to do something about this issue.

APPROVAL OF MINUTES

The Board reviewed the July 2, 2014, Minutes of the Regular Meeting of the Board of Directors for any additions or corrections. Steve Bailey moved approve the Minutes of the Regular Board Meeting of July 2, 2014. Tom Cumming seconded. *Motion passed with unanimous approval.*

STAFF REPORTS

President O’Hara reported that Association staff displayed incredible dedication, worked over-time, handled stressful situations with great patience, and performed very well for the duration of the recent emergency resulting from Tropical Storm Iselle.

Stephanie Carney; Presented quotes for AED devices. President O’Hara recommended deferring the decision to purchase an AED until the budget is completed for next year.

A new computer was purchased do to storm damage.

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President O'Hara reported that the staff had an excellent stress management training last week.

Financial reports were submitted with the Board packet and were reviewed in this meeting by President Eileen O'Hara. The third quarter financial report was reviewed in detail. Discrepancies were noted. In general, the Association is doing quite well.

A new full time laborer, Maintenance Worker I, has been hired through the First to Work Program. The Association's obligation is minimal, with First to Work paying the balance for up to six months.

There were some other unexpected expenses related to a recent break-in of the Association's warehouse. Items stolen were two generators, one belonging to the Civil Defense, and a small chain saw.

Samantha Martoni: Gallons/day was up due to the tropical storm Iselle. 85,000 gallons were lost overnight with the storm. Owners used more water for clean-up following the storm. Ms. Martoni has been working on the USDA Emergency Community Water Assistance Grant. She continues to work on SOP's for obtaining the readings and processing the bills, using computer programs. It has been concluded that the QuikWater billing software is "worthless". Alternatives are being explored by office staff. New software may need to be purchased next year. Ms. Martoni is also working on the delinquent accounts, focusing on reducing accounts receivables, and turning off water when indicated. Ms. Martoni will put a notice on the next water bill. There is a comprehensive training class being held on Kona side for only \$200, but would mean five days out of the office for both Jeff and Sam. The question arose as to whether two staff should be out of the office for an entire week. This will be further evaluated.

Design Review Chair submitted a DRC Report with today's Board packet. Issues addressed by this committee included: 1) Frivolous Complaints; 2) Possible CC&R changes; 3) DCR's involvement in remodels; and 4) Evaluation of "smaller but higher quality homes". There are no actions required at this time.

USDA Loan/Grant Combo: President O'Hara reviewed the recent history of how this loan/grant combo was obtained with the help of Senator Brian Schatz. She reported that the money has now been "encumbered". President O'Hara further explained the ongoing process and work that needs to be done on the project. It will take approximately one year in the pre-construction phase and one year in construction to complete all the work that is included in the project. The combo that the Association was offered is: 45% grant and 55% loan. It comes to approximately \$1.9 million in total project costs.

Wellhead Protection Grant Completion: There is one more report and a minor invoice needed to complete this grant. The grant was awarded at \$100,000. The Association was able to use approximately \$17,000. Most of the grant funds were allocated for redoing septic and cesspools within the 1000 foot capture zone of the Association's well on Punawai Street. There was no interest from home owners on Punawai Street and, therefore, that money could not be utilized.

NEW BUSINESS

Keonepoko Elementary School has again requested use of Association facilities for their first quarter reward day. See attached request in Board packet. Tom Cumming moved to allow Keonepoko sixth graders to use the Honu Street Facility on October 3, 2014, providing the usual fee and a certified life guard. Solveig Lamberg seconded. *Motion passed with unanimous approval.*

Director Bailey provided the Water Costs presentation. The written report is included in the Board packet. It is a summary spread sheet of the water system's income and expenses. This is something that should be done, at least annually, to track costs and establish water rates. There is a short fall. It was recommended that an adjustment be determined at this meeting in order to close the short fall and in order to do the projections for the operating and capital budget for next year. Adjustment calculations were discussed and evaluated by the Board. The increase, calculated, will be less than \$2.00 per person. The usage rate is currently \$3.50 per thousand gallons. Tom Cumming moved to raise the usage rate to \$3.80 per thousand gallons beginning January 1, 2015. Solveig Lamberg seconded. *Motion passed with unanimous approval.*

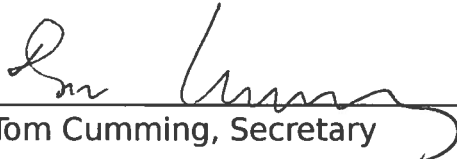
Security problems and solutions were evaluated in light of the recent break-in and theft in the warehouse. It was noted that the deadbolt has been replaced, a security camera has been purchased, a motion sensor light has been placed on one corner of the garage, and a booby trap has been set up on the inside of the warehouse. Other solutions recommended include: 1) Security cameras for the office, solar panels, warehouse and community building; 2) Additional motion sensor lights; 3) An audit of buildings for security of doors and windows; and 4) Engraving equipment.

A copy of an email from Dawn Goehring of Comedy Canines is attached to the Board packet. She would like to rent the facilities for her canine training program. Rental costs were reviewed. It was recommended that Ms. Goehring complete the facility rental agreement for the stables, and that she be offered the standard non-member price. If the cost is too much, she should come back to the Board for a possible discount.

ADJOURNMENT

The meeting was adjourned at 8:20 p.m.

Respectfully Submitted and Approved,



Tom Cumming, Secretary

10/7/14

Date