



Minutes for the Board of Directors Regular Meeting

Meeting Date: 9/11/2019 **Start Time:** 3:00 pm

Meeting Location: Hawaiiana Management Office

Meeting Called to Order at 3:06 pm

Roll Call: {*Present = P, Present by Phone = PB, Excused = E, Absent = A*}

P - President: Erik Frostad

P - Vice-president: Peggy Stelmachowicz

P - Treasurer: Robert Oswald

P - Secretary: Rory Love

P - Director: Lee Johnson

A - Director: Kalei Farley

P - Director: Joe Skeens

Meeting quorum was established.

Design Committee chairperson, Kristin Frostad was present

By invitation, Nan Cain of Hawaiiana Management Co. was present

Reading and Approval of Previous Board Meeting Minutes:

8/12 Director Minutes were unanimously approved

8/31 Members Special Meeting were unanimously approved

Reports of Officers & Standing Committees

President:

The process of receiving additional bids is ongoing. President Frostad will be meeting with contractors in the next few days.

He has informed the Design Committee that emails to approve design applications is to be stopped.

Treasurer:

Current Cash Balance Report for August 2019 was not available.

The Financial Reports ending on July 31, 2019 were presented by Hawaiiiana Management Co. and reviewed by the Board of Directors.

VOTE: Motion was made by Treasurer Oswald and unanimously approved as follows:
[The Association accepts these financial reports subject to audit.]

Secretary Love asked if the Association bank accounts have been consolidate under one financial institution as directed by the Board during the June 2019 meeting. HMC Senior Management Executive, Nan Cain, stated that there are regulations preventing this directive. Secretary Love requested the SME Cain provide the code or regulation that supports this position. Otherwise, the directive to consolidate accounts under one FI still stands as approved by the Board of Directors.

The Association has a three (3) year agreement with CPA, Felice Valmas, to perform annual financial audits ending after the 2020 fiscal year audit. The 2018 Audit Report was submitted for review by the Board of Directors. It is noted that the following is required prior to Board of Director approval:

- a) Change “assessed monthly” to “assessed annually” in NOTE 2.
- b) Provide a correct and accurate Reserve balance in NOTE 3.
- c) Add a second signature line for officers on the last page of the Operational Agreement

2020 Proposed Association Budget was submitted by Hawaiiiana Management Co. for approval by the Board of Directors. (it is noted that a separate line item for tentative Association loan payments was added to both revenue and expense sections of the budget. These line items can easily be removed if the loan ballot measure fails).

Due to deficiencies in the budget the Board of Directors cannot approve the 2020 budget as presented.

- Projected utilities need to be reevaluated due to the projected 2020 annual amount (\$1,140) being less than the first 7 months of 2019 (\$2,283.54). It appears the water bill is not being accurately represented in the proposed budget.
- Add the fee for a complete 2020 reserve study needs to the budget.
- The projected Reserve Balance for the start of 2020 should be based upon the “Total Association Cash Balance” (operations + Reserves)

SME Cain and Treasurer Oswald along with any other director will need to meet prior to the November general meeting to revise a proposed budget.

Prior to the general meeting in November, a special board meeting to approve the proposed budget will be required.

Secretary:

Secretary Love requested that all officers and chairpersons submit their monthly reports in writing to be accurately included in the meeting minutes. Subcommittee reports could be limited to one page identifying the current status of actions related to lots; future scheduled meetings; member list; etc.

Compliance Committee:

The committee met on 8/26 to begin the audit of the Association compliance, practices, and processes. Until the audit is completed there will be no compliance drives scheduled. Chairperson Stelmachowicz does not have the next meeting scheduled. President Frostad requested the committee attempt to complete the audit by October 31, 2019.

Coqui Enforcement Committee:

Chairperson Oswald submitted the meeting minutes from the last committee meeting as his report. The committee did not provide a date for their next scheduled meeting.

VOTE: Treasurer Oswald made the following motion: [The Association shall fund \$200 for a blower adapter and lime/citric acid container to be used for coqui eradication]. The motion was seconded by President Frostad and unanimously approved by the Board.

Design Review Committee:

Chairperson Kristen Frostad did not provide a written report.

The next committee meeting is scheduled for September 30th and Chairperson Kristen Frostad will determine the time and inform Secretary Love to provide notice on the website.

The Board of Directors appointed members, Rory Love and Melissa Skeens to the Design committee.

In lieu of the Design Committee being able to meet with a third member prior to the general meeting, the committee reviewed applications from the following lots along with decisions on each.

LOT	DECISION
32075	Fence on top of wall: Approved by BOD unanimously
32014	Vinyl Fence: Approved by Kristen, Lee and Rory
32036	Rock Wall: Approved by Kristen, Lee and Rory
33033	Rejected for deficiencies in the application submitted

Chairperson Kristen Frostad will speak to the owner of lot 33033 about the application requirements before the committee can approve the project (i.e. site plan with proposed work, setbacks delineated, etc.)

Social Committee:

There was no report given by this committee.

Unfinished Business:

Waste Water Disposal System

- President Frostad has been meeting various contractors at the rec. center and providing them the same scope or work for the project.
- President Frostad will provide all proposals to the Board of Directors with his comments based upon his meetings with them.
- Approximately 50% of the ballots have been returned with some owners identified being in the process of returning their ballots. The Board is allowing more time for additional ballots to be submitted.

New Business:

Recreation Center reservations will be allowed up to the end of September at this time. Any other future requests cannot be approved at this time due to the unknown status of the WWDS project.

Currently there are no Directors as signatory to the Association bank accounts. The Board of Directors was told by HMC Senior Management Executive, Nan Cain, that it is Hawaiiana's Management Co. policy to not allow this. The Board of Directors has requested that policy be investigated and changed if in the Association's operational agreement with HMC.

Executive Session: (Directors only unless a privileged party has been invited)

At 5:28 pm, The Board of Directors suspended the general meeting and went into Executive Session until 6:17 pm.

Announcements:

An owner living on Nani Kailua Drive intends to form a Neighborhood Watch Program independent of Association activities.

Agenda for Next General Meeting:

Next Meeting is scheduled for 11/12/2019 at 3:00 pm

The General Meeting was adjourned at 6:27 pm


Secretary: Rory Love