

VACATIONLAND HAWAII COMMUNITY ASSOCIATION, INC.
Board Meeting Minutes
January 21, 2006

VHCA Board members present: Len Horowitz, Paul Charbonneau, Richard Shea, Perry Miles, Kirk Flanders and Brenda Schott. Perry Miles leaves meeting at 11:35 a.m.

VHCA Board members absent: Bill Parecki

KKWA Board members present: Betty Oberman and Eric Schott

Community members present: Sheri Lehner, Mary Marinaro, Gladys & Jack Christenson, Jan Anderson, Teri & Gil Gagnon, Dino Paris, Joan Burns, Mark Allison, Linda Shea Flanders and Mitchell Miyatake

President Kirk Flanders called the meeting to order at 9:18 am held at Steam Vent Inn, hosted by Len Horowitz.

Secretary read the minutes of the previous meeting held on December 17, 2005. Corrections as noted on VHCA file copy include:

- Richard Shea was appointed to chair by laws committee, strike “volunteered” page 2 par. 2. per Richard Shea.
- Under Special Assessment – Education Committee, third line in parenthesis (Nov. 11, 2005 letter from Zelko/Lim), strike Lim per Kirk Flanders because he did not sign the letter although we refer to Steve Lim as our attorney.
- Under New Business – Strike statement “Currently one person signs all checks” per Kirk Flanders to “Currently only one signature is required” per Paul Charbonneau, Perry Miles and Gladys Christenson. Kirk Flanders asks for approval of minutes and to defer particular item of dual signatures until we obtain clear language, i.e., applicable to dual signature cards. Perry Miles motioned to approve minutes as modified and Paul Charbonneau seconded. Motion passed.

Treasurer’s Report – Richard Shea reported total income received from accountant for the current fiscal year changed slightly from previous meeting: about \$1,600 have come in from house lots special assessments and couple hundred from farm lots special assessments. Total checking account balance as of 12.31.05 is \$47,395.81, of which \$17k is Farm Lots road and spec assess and House Lots having \$24k in special assessments, leaving \$6k in roads. Bank statement differs from accountant’s statement. Accountant gives us income and expenditures including the breakdown for farm lots, house lots, regular assessments, and special assessments, but not broken down in the checking account balance. Yamada’s bill received in June 2005 of \$59k drew into last year’s road monies and this year’s road monies, leaving approximately \$6k left. Secretary requests copies of accountant reports to file on record.

Committee Reports:

- Entrance Committee Chair Brenda Schott reported on details re: solar lighting specs and estimated costs, tax incentive options (attach a). Discussion shifted to electric options due to solar costs, Betty Oberman noted that solar energy is designed to pay for itself in the long run, encouraging a sustainable lifestyle. Perry Miles agreed to research electric lighting fixture options. Jan Anderson reported on lettering protocol and material design specs and estimated

costs. Brenda reported for Cosette Noll on wall estimates from Ricky Beaudet who did rockwork for others in neighborhood. Approximately \$2,500 for rock wall work including entry wall on both sides of road and \$1,500. for central median. Approx \$1,500. for electric lighting. Rough budget estimate of \$5,500-6,000. for entrance committee to start with. Perry Miles motioned to allocate the Entrance Committee approximately \$5,500. to proceed with rock wall, electric lighting and median work. Len Horowitz seconded. All in favor.

- Farm Lots – Paul reported the general consensus recommends to present at the annual membership meeting in April 2006 to amend the by laws in regards to special assessments. Credit those who already paid, no penalty for those who didn't and some are willing to pay now that they know what they are paying for.
- By- laws Committee - Appropriately leading up to Richard's report on meeting held Jan. 14, 2006. Whether assessments are annual or special according to our by-laws we must impose them to all. In order to exempt farm lots from the mandatory special assessments we need to amend the by-laws in two places:

Article XI, B, 2: (add at end of this paragraph:) "A special assessment may be levied against fewer than all lot owners. Any existing special assessment may be amended, after a recommendation by the Board, by an Annual or Special Meeting, to be limited to fewer than all lot owners."

Article XI, B, 4: (substitute for first sentence:) "Every annual assessment shall be borne by the lot owners subject to assessment by the Corporation. Every special assessment may be levied against fewer than all lot owners, as determined by an Annual or Special Meeting."

Richard motioned to place proposed by-laws amendment on the agenda for the next annual meeting to be held in April 2006. Richard also mentioned that the By-Laws committee decided that the language pertaining to voting rights (members in good standing) applied only to regular assessments not special assessments. It was suggested that another sentence be added to the amendment to include those who are subject to a special assessment will be the ones who get to vote on that issue. Paul seconded. All in favor. Another by-laws issue that came up at the meeting was the Board of Directors Governance manual and what is the affect of that. Whether it is amended or repealed would be a question for the board to decide and clarify with respect to the effect of the 2002 Annual Meeting (Policy Manual's title "Approved at April 2002 Meeting").

- Waterfront Committee: Chairman Richard Shea presented proposal based on what was discussed at three prior meetings. The proposal is within a Coastal Zone Management Area, subject to strict regulations by County of Hawaii in respect to "improvements". If we are affecting access (provide or deny) to the water it will trigger the term "development" (Hawaii State Statutes) which will require a SMA permit. The triggering word for bringing County oversight into anything we do is the word "development". We fall into the minor category based on dollar amount spent. It was suggested we submit the entire plan including entrance committee's proposal to streamline process. We could start now by putting in the plantings, doing minor work, bulletin board etc. Paul motioned to submit SMA assessment to include Waterfront and Entrance Committee proposals containing all components in outline form (attachment A & B). Brenda Schott seconded.

President Kirk Flanders left the meeting at 1:08 p.m. before we could discuss the rest of this meetings agenda:

Unfinished Business

- A. KKWA's letter requesting CC&R's to address cesspool seepage problem
- B. E & O insurance for VHCA Board of Directors

New Business

- A. Agenda and mail-out notice for our next Annual Membership meeting in April 2006 will be decided on at our next VHCA Board Meeting which was set for Saturday, February 11, 2006, 9:00 a.m. at Richard Shea's.
- B. Establish Nominating Committee – Paul Charbonneau and Betty Oberman were appointed and will submit nominees before the next Board Meeting.
- C. Shoreline Determination Meeting on February 8, 2006, 5-6:30 p.m. at Pahoia Community Center. TMK's should be notified that it may affect their properties and should attend.
- D. Gladly Christenson reported on submittal of Coqui Grant awarding up to \$5k to VHCA Coqui Committee and requests use of VHCA treasury to run the funds through instead of setting up their own account. Jack Christenson withdrew the request at this time.
- E. Len Horowitz submitted his draft of letter regarding use of green products to be considered as part of mail-out, see A above.

Correspondence:

Not read: Blakey's letter re: MLCD

General Discussion: Secretary requests for file: Midnite oil reports and Cape Kumukahi's Reef Watch Report from 2005. Linda Flanders said we would have to pay \$35 for the complete report, but provided a 4 page summary report. Sheri Lehner maintains our website and presented an invoice broken down between VHCA and KKWA, which was submitted to our administrator Gladly Christenson. Paul motioned that her website maintenance services be covered under administrative costs. Richard Shea seconded. All in favor.

There being no further business Secretary Brenda Schott moved to adjourn the meeting at 1:15 p.m. Len Horowitz seconded. Meeting adjourned.

Respectfully submitted,

Brenda Schott
Secretary

Amended on 2.15.05

Signed copy and attachments are with VHCA secretary's file

Paul Charbonneau motioned to approve the minutes and Richard Shea seconded.