

**MINUTES OF THE REGULAR MEETING
OF THE HAWAII PUBLIC HOUSING AUTHORITY
HELD AT 1002 N. SCHOOL STREET, BUILDING E,
ON THURSDAY, SEPTEMBER 16, 2010
IN THE CITY AND COUNTY OF HONOLULU, STATE OF HAWAII**

The Board of Directors of the Hawaii Public Housing Authority met for their Regular Meeting at 1002 N. School Street, on Thursday, September 16, 2010 at 9:00 a.m.

The meeting was called to order by Chairperson Travis Thompson and on roll call, those present and excused were as follows:

PRESENT:

Chairperson Travis Thompson	
Vice-Chair Eric Beaver	
Director Sam Aiona	
Director Rene Berthiaume	
Director Sherrilee Dodson	
Director Roger Godfrey	
Director Clarissa Hosino	
Director Carol Ignacio	
Designee Henry Oliva	
Director Linda Smith	
Executive Director	Denise Wise
Deputy Attorney General	Krislen Chun

EXCUSED: Director Matilda Yoshioka

STAFF PRESENT:

Barbara Arashiro	Executive Assistant
Shirley Befitel	Personnel Supervisor
Mark Buflo	Acting Fiscal Officer
Becky Choi	Acting State Housing Development Administrator
Mitchell Kawamura	Project Engineer
Stephanie Fo	Property Management and Maintenance Services Branch Chief
Rick Sogawa	Acting Contract and Procurement Officer
Alan Sarhan	Chief Planner
Taryn Chikamori	Secretary to the Board

OTHERS:

Loretta Cheang	Kalakaua resident
Tim Garry	private resident
Robert Hanna	private resident
Desiree Kihano	Palolo Valley Homes resident

Fetu Kolio	Mayor Wright Homes resident
Mic Lee	Kalakaua Homes resident
Margaret Nakamura	Kalakaua Homes resident
Roy Nakamura	Kalakaua Homes resident
Sisan Suda	Micronesians United
Edward Tomczak	Kalakaua Homes resident

Proceedings:

Chairperson Thompson declared a quorum present.

The business of the Board proceeded with a motion entered by Director Ignacio to approve the minutes of the Regular Meeting held on August 19, 2010 and seconded by Director Hosino.

The minutes were unanimously approved as presented.

Public Testimony:

The Board received public testimony from Ms. Desiree Kihano, Palolo Valley Homes, and she expressed concern that the management office has not been opened for the past week. She also expressed her concern that unauthorized people are committing most of the crime on the property. She further requested that the renovation meetings be held off site instead of the Mutual Housing's community room.

Mr. Fetu Kolio, Mayor Wright Homes (MWH), stated his concern is that most crimes being committed on the property are committed by unauthorized people and that a tenant monitoring program would/should reduce these incidents.

As a follow-up to Mr. Kolio's remarks, Director Ignacio stated she had recently attended a function adjacent to MWH and noted that there's an area where people seem to be jumping the fence. She also stated that there are bushes on the property that people can hide in and they should be trimmed back to provide clear sight lines.

Director Hosino asked Mr. Kolio if had spoken to the other Tenant Association Board members before bringing his comments and questions before the HPHA Board. Mr. Kolio responded he is not able to track down all the Board members when the issues come up.

Mr. Edward Tomczak, Kalakaua Homes resident, stated management declined his offer to buy a volleyball set for the children. He was uncertain why his offer was declined because no reason was given. He is also concerned about a disruptive tenant who should be removed from public housing because she is preventing other tenants from sleeping.

Mr. Robert Hanna, private resident, wants training for project managers. Mr. Hanna asked why the multi-purpose room is not being fully utilized.

Director Smith asked Mr. Hanna if he would be willing review the lease with Meals on Wheels and give the HPHA suggestions on how to change the lease.

Mr. Roy Nakamura, Kalakaua Homes resident, testified that on June 23 management posted a notice on the bulletin board informing residents that the garden is a restricted area and that all plantings had to be removed within a week of the posted notice. He is concerned that Management does not follow up on their posted notices because the garden is still there.

For Action:

Motion: To Approve the Appointment of Ms. Arleila Andrade to the Kona Eviction Board for a Two-Year Term Expiring on September 31, 2012.

Director Beaver moved and Director Ignacio seconded.

Staff presented the resume of Ms. Arleila and with no further discussion Chairperson Thompson called the question.

The motion was unanimously carried.

Motion: To Approve a Non-Exclusive Utility Easement at Puuwai Momi to the Hawaiian Electric Company

Director Beaver moved and Director Ignacio seconded.

Staff explained they are submitting a request to U.S. Department of Housing and Urban Development (HUD) to grant a non-exclusive utility easement to Hawaiian Electric Company (HECO). In order to do so, a Board Resolution must accompany the request. The Puuwai Momi project is a federally funded project and therefore, the easement request is being submitted to HUD through a disposition application.

The Board asked staff how prior electrical work had been handled on the property, and staff reported that the project was built in 1969 and the electrical distribution system had deteriorated. The HPHA owned the lines and was responsible for the repair and maintenance. This easement to HECO allows them to control and install the primary and secondary electrical wiring. Given that the primary and secondary wiring are underground, HECO requires an easement along the path of their conduit and wires.

There was no further discussion and Chairperson Thompson called the question.

The motion was unanimously carried.

Director Aiona arrived at 9:38 a.m.

Motion: To Adopt the Hawaii Public Housing Authority's Policy on Public Testimony and Video Recording of Board Meetings.

Director Beaver moved and Director Ignacio seconded.

Staff reported that this item was deferred from last month as the Board had requested further clarification as to whether there are differences between individuals videoing a Board meeting vs. the media. Staff had not been able to receive the information from the Office of Information Practices (OIP) to provide the Board with the clarification.

Discussions ensued and as written, the new policy, under the Policy Section II, subsection B., states:

“The HPHA shall not allow open videotaping of its Board meetings without the express consent of the Board.”

It was raised by the Board, and as stated by the Policy, that should an interest be expressed by either an individual or media to videotape a Board meeting, that the meeting would need to stop and a consensus of the Board reached to either allow or disallow the taping.

Through further discussion of the Board a consensus was reached that this may pose an awkward situation and could delay the meeting unnecessarily, if the Chairperson had to poll Board.

Director Dodson moved and Director Godfrey seconded, to amend the Policy Section II, subsection B, to read:

”The HPHA may allow the videotaping of its Board meetings.” The amendment to the policy was unanimously carried.

The motion was unanimously carried with the amendment of the policy.

Motion: To Authorize the Executive Director to Resubmit an Application to the U.S. Department of Housing and Urban Development for the Demolition/Disposition of Six (6) Vacant Units at the Lanakila Homes project in Hilo, Hawaii.

Director Beaver moved and Director Berthiaume seconded.

Staff presented information to the Board regarding the longstanding issue of the vacant Lanakila units. The units have been vacant for over 12 years. The HPHA is requesting the HUD to allow the demolition of the six units that had been previously reinstated from the original demolition request dating back to 1999. In 2009 HUD approved the request to reinstate six units that were previously scheduled to be demolished. At the time the decision was made to reinstate the units, there were projected cost estimates and it was determined that the total cost of rehabilitating the six units were estimated at \$250,000 or \$42,000 per unit.

The Board asked the status of the previous effort to rehabilitate the six units using volunteer assistance from the community. Staff responded that there are two primary issues, the first being funds and the second being staff.

Discussion ensued regarding the original project cost estimates and the accuracy of same given the time that has elapsed. Director Ignacio stated at the time of the discussion of the community volunteer effort a contractor estimated the repair at \$42,000 for materials only and the labor would be free.

The Board questioned staff as to the plans for the parcel were once cleared. Staff responded that the HPHA committed to a one to one replacement of the units and that currently there was not a capital plan.

The Board asked staff about the status of the previous volunteer effort and were there any unresolved issues and/or why the project hadn't moved forward. Staff responded that the HPHA still had not fully addressed the points of concern initially raised by the Attorney General's (AG) office on this project and that there were no funds available.

The Board asked staff for an estimate or projection on when a full build-out plan may be available for the parcel. Chairperson Thompson concluded that a Task Force should be convened and he requested that Director Ignacio to Chair the Task Force, she agreed. Director Smith and Director Beaver also agreed to be on the Task Force. Chairperson Thompson stated the purpose of the Task Force was to get community input and ensure that a dialogue be held with the community groups that had initially agreed to participate in the volunteer effort; and that the Task Force explore options available for the parcel. The Task Force was asked to report back in November.

Staff stated that in the interim, the HPHA would clean-up the parcel. This included boarding up the units to prevent further vandalism; repair and/or replace the fence and replacing and/or removing the current dust fence that is littered with graffiti.

The motion was unanimously carried.

Chairperson Thompson called a recess at 10:20 a.m. and reconvened at 10:33 a.m.

Board Task Force Reports:

Chairperson Thompson reported that the Finance Task Force met, reviewed and gave input on the HPHA budget formats and gave input to staff and agreed on the Capital Improvement Program (CIP) priority list.

Discussion:

Executive Director's Report:

Director Smith asked for an update on the meeting with the Directors of Inspectors from HUD. Ms. Wise reported Mr. Robert Garrett met with Ms. Fo and herself. He also met with

Ms. Mizusawa, Kalakaua Homes manager, and Ms. Passmore, Hilo manager. The HPHA has not heard back as of yet, but he commented that there has been previous complaints with this inspector.

Director Beaver asked what positions are being filled. Ms. Befitel reported that the HPHA has received approval to fill the 12 essential positions.

Ms. Wise updated the Board on the KPT legal counsel and Owner's Representative.

Director Ignacio asked if the HPHA was aware of the hot water issue at MWH before the media published the information. Staff responded that the HPHA was aware of issues in the past, and had been replacing the failed solar units. That of the 34 buildings, six buildings had already been replaced using with tank less, on demand hot water units; however, prior to the media reports there had been no concerns raised by tenants.

Director Beaver asked for an update on the Large Capacity Cesspool Conversion (LCCC) project. Staff explained that there were two components to this project. One being that the HPHA was issued a Consent Agreement and Final Order (CA/FO) for the closure of LCCs and had received a grant from the Environmental protection Agency (EPA) to assist with the project on Kauai and Maui to assist with the closures. A primary condition of the grant was the submission of quarterly progress reports.

The HPHA received a letter from the EPA stating that the HPHA had not submitted the required first and second quarter 2010 reports, and therefore was not in compliance with the grant conditions. There was a secondary issue raised in the EPA letter and that was that these projects had to be completed by March 1, 2011 per the CA/FO. The EPA letter contained a statement from a CMS project manager that the project would not be completed by the deadline. Staff responded quickly to the letter and satisfied the requests of the EPA. The third quarter report was completed and submitted on time. It was also reported to the EPA that the only staff authorized to discuss and negotiate, if needed, new construction completion dates were either the executive director and/or the CMS branch chief.

Director Smith requested clarification on what "researched and review legal obligations regarding request for documents pertinent to the Wilikina RFP." Ms. Wise reported that one of the bidders on Wilikina is requesting a copy of the winning bidders submission and the Compliance office was researching the release of the information. Mr. Chang reported that because the offer becomes public record the HPHA released the documents to the unsuccessful proposer.

Designee Oliva question whether the HPHA changed the language on the contracts with the security contractors because of the safety concerns. Ms. Wise responded that language was not changed but meeting are being held to discuss the issues.

With no further questions, the Board consented to accept the executive director's report.

Motion: To go into executive session at 11:56 a.m. pursuant to sections 92-4 and 92-5(a)(2), Hawaii Revised Statutes, to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities as related to the as related to *Faletogo et al. v. Hawaii Public Housing Authority* (Civil No. 08-1-2608-12) and *McMillon et al. v. Hawaii Public Housing Authority* (Civil No. CV08-00578), Update on the Kalihi Valley Homes Rock Fall, and Update on the Status of the Collapsed Retaining Wall at Kalihi Valley Homes.

Director Beaver moved and Director Dodson seconded.

The motion was unanimously carried.

The Board reconvened from Executive Session at 12:52 p.m.

Chairperson Thompson reported that the Board unanimously approved to authorize the executive director to execute the settlement, release, indemnification and assignment agreement in the Matter of McMillon et al. v. State of Hawaii and Hawaii Public Housing Authority (Civil No. CV08-00578) and Third Party Defendants, Urban Management Corporation dba Urban Real Estate Company, subject to approval by HUD.

Chairperson Thompson also reported that the Board discussed the update on the Kalihi Valley Homes rock fall, and the update on the status of the collapsed retaining wall at Kalihi Valley Homes was deferred.

For Information: Report and Evaluation of Program Outcomes for the Transitional Homeless Shelter Program at Puahala Homes by the Department of Human Services.

Designee Oliva reported that the cost of the Puahala Homes transitional homeless shelter program was approximately \$500,000, which translated to approximately \$9,000 per family. Staff reported that the units were not left in rent ready condition. There's also still one family and one program manager still living in the units. The HPHA has asked them to vacate per the agreement.

The Board asked if staff had contacted the sponsoring organization to discuss options to making the units rent ready. Designee Oliva offered to discuss with the supervisor of the Homeless Programs.

For Discussion: Progress on the Hawaii Public Housing Authority's Draft Capital Improvement Program (CIP) Biennium Budget Request to the State Legislature.

Staff reported that the HPHA is putting together a priority list for the Capital budget request. The staff has taken an approach of categorizing projects into three groups. The list will also

provide dollar amounts that the HPHA will need to request from the Legislature. At the next Board meeting staff will present the capital projects list for Board review and approval.

For Information: Hawaii Public Housing Authority Calendar of Key Deadlines and Recurring Dates.

Staff explained the calendar of key dates. This is for Board information and provides a snapshot by month of key activities. It will be updated periodically.

With no further business for the board to conduct Chairperson Thompson called for a motion to adjourn.

Director Aiona, moved to adjourn and Director Beaver seconded.

The meeting adjourned at 1:05 p.m.

Support: The motion was unanimously carried.

MINUTES CERTIFICATION

Minutes Prepared by:



Taryn Chikamori
Secretary to the Board/Recording Secretary

OCT 21 2010
Date

Approved by the HPHA Board of Directors at their Regular Meeting on October 21, 2010



Matilda Yoshioka
Director/Board Secretary

OCT 21 2010
Date