MINUTES OF THE REGULAR MEETING
OF THE HAWAII PUBLIC HOUSING AUTHORITY
HELD AT 1002 N. SCHOOL STREET, BLDG. E
ON THURSDAY SEPTEMBER 20, 2007,
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 20, 2007 at 8:42 a.m.

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

ORDER/ ROLL CALL

PRESENT:
Director Travis O. Thompson, Chairperson
Director Eric Beaver
Director Anne Marie Beck
Director Rene Berthiaume
Director Sherrilee Dodson
Director Carol Ignacio
Director Kaulana Park
Director Linda Smith
Director Matilda Yoshioka

Executive Director, Chad Taniguchi
Deputy Attorney General, Diane K. Taira

EXCUSED:
Designee Henry Oliva
Director Clarissa Hosino

STAFF PRESENT:
Barbara Arashiro, Procurement Officer
Derek Fujikami, Building Engineer
Lili Funakoshi, Hearings Officer
Michael Hee, Acting Property Management Brach Chief
Glori Inafuku, Acting Compliance Officer
Clifford Laboy, Program Specialist
Taryn Chikamori, Secretary to the Board

OTHERS:
Lui Falafine
Derek Kimura

Chairperson Thompson declared a quorum present.

QUORUM

Chairperson Thompson and Mr. Taniguchi recognized the Hawaii Public Housing Authority (HPHA) employees for years of service, Department of Human Services (DHS) Manager of the Year and Sustained Superior Service Award.

EMPLOYEE RECOGNITION

The Chairperson declared a recess at 9:08 a.m. The meeting reconvened at 9:21 a.m.

RECESS RECONVENED

Mr. Chad Taniguchi introduced Mr. Derek Kimura the new Property Management and Maintenance Services Branch (PMMSB) Chief effective September 24, 2007.

Director Park moved, seconded by Director Smith,

APPROVAL OF MINUTES REGULAR MEETING 8/16/07

> That the minutes of the Regular Meeting held on August 16, 2007 be approved as circulated.

The motion was unanimously carried.

OLD BUSINESS
ENERGY PERFORMANCE CONTRACT

Mr. Derek Fujikami stated the Energy Performance Contract Request for Proposal (RFP) will go out for bidding by the end of September.

UPDATE ON ROOFTOP ANNTENNA LICENSES

Mr. Michael Hee stated HPHA is renewing some of the roof top antenna contracts. He also stated the rate is about $1500 a month based on other similar contracts statewide. In the past, the only problems HPHA had was with Puuwai Momi residents believing that the antennas were hazardous to their health.

Director Yoshioka asked if there is opposition to renewals, what will happen. Mr. Hee stated all options will be weighed and then a decision will be made.

REPORTS OF TASK FORCE COMMITTEES

FINANCE

Mr. Taniguchi stated HPHA has four staff members working on the general ledger. The general ledger for fiscal year 2006-2007 should be done by October 1, 2007 and submitted to The U.S. Department of Housing and Urban Development (HUD) by October 15, 2007.

HPHA has a RFP out for a Certified Public Account (CPA) with public housing knowledge to assist in the general ledger process; however HPHA has had no bids. In turn, HPHA may combine a mainland firm and a Hawaii firm to work together, or hire a retired chief financial officer with HUD experience to serve as an advisor to staff.

Mr. Taniguchi stated HPHA's process to evict residents from state public housing units is now in place and the turn around time in being cut down. The management units were told that that they need to be self sufficient and there is an incentive to keep 50% of their net positive earnings for the first two years then 100% after that.

REPORT OF THE EXECUTIVE DIRECTOR

ELEVATORS

Mr. Taniguchi stated the elevator modernization for Kuhio Park Terrace (KPT) has started and the whole process is about 14 months.

VACANT UNITS

Director Ignacio asked what is being done to deal with the $1.6 million in back rent by tenants still in public housing. Ms. Lili Funakoshi, Hearing Office stated notices are being sent out to tenants who are behind one month in rent for the tenants to meet with management to work out a payment plan. If the tenants do not meet with the management, they will be evicted. PMMSB will be following up on the delinquent tenants.

COMMUNITY ORGANIZING

Director Beck suggested installing fire alarms in the hall and use security cameras before we decide to install fire alarms in every unit at KPT. Mr. Taniguchi stated that HPHA has decided to go that route and will include an education program, a reward program for residents who report vandalism to the fire alarms, incentive programs that benefit the community as a whole, and security cameras.

DISPOSITION OF VACANT PRPERTIES

Mr. Taniguchi stated he met with Hawaii Housing Finance Development Corporation (HHFDC) regarding the sale of properties. Director Berthiaume asked if HPHA sells property, will HPHA have to buy properties in the future. Chairperson Thompson stated HPHA should not need to buy property in the future because HPHA is managing units and not in the business to build more public housing.

RECESS RECONVENED

Director Smith left the meeting at 10:15 a.m. The Chairperson declared a recess at 10:39 a.m. The meeting reconvened at 10:50 a.m.

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Mr. Clifford Laboy, Program Specialist, stated the reason we are only getting one or two bidders to manage units are because companies do not want to deal with 1) the red tape, 2) conditions of properties, and 3) slow process of payment. Mr. Hee added another problem is the requirement of an indemnity in the contracts. Mr. Kimura stated companies will bid for projects that require the least amount of work with the greatest profit. Mr. Taniguchi stated HPHA has eight state managed projects and ten privately managed projects. HPHA is currently in the process of converting some privately managed projects to state managed projects.

Director Smith returned to the meeting at 11:15 a.m.

ASSEST MANAGEMENT

Director Berthiaume asked what happens to a tax credit project after the tax-credit buyer repairs the property and receives the tax credits. Chairperson Thompson stated Mr. Taniguchi should bring a "For Action" on this matter at the next meeting.

LEGISLATURE

Mr. Hee stated that funds being requested from the Legislature are for repairs and maintenance and for the increase in insurance coverage.

PROPERTY MANAGEMENT & MAINTENANCE SERVICES BRANCH

Director Smith asked how HPHA gets vacancies filled. Mr. Hee stated HPHA sent 13,000 applicants notifying them of the new waiting list procedures. Applicants have until September 28, 2007 to respond to the letter. Effective November 1, 2007 managing units will be doing the placements. Mr. Taniguchi stated HPHA's goal is to have all properties vacant units down to 30 a month.

APPOINTMENT OF MR. GEORGE DEMELLO TO THE HILO EVICTION BOARD FOR A TWO-YEAR TERM EXPIRING ON 9/30/09

Director Beaver moved, seconded by Director Yoshioka,

> To approve Appointment of Mr. George U. De Mello to the Hilo Eviction Board for a Two-Year Expiring on September 30, 2009.

Ms. Funakoshi stated Mr. De Mello is needed on the board because one of the current Board members already stated she is unable to attend several meetings.

The motion was unanimously carried.

AUTHORIZING THE EXECUIVE DIRECTOR TO MAKE HAWAII PUBLIC HOUSING AUTHORITY ORGANIZAION/REOGANIZATION CHANGES

Director Beaver moved, seconded by Director Berthiaume,

> To approve Authorizing the Executive Director to make Hawaii Public Housing Authority organization/reorganization changes.

Director Smith moved, seconded by Director Ignacio

EXECUTIVE SESSION

That the Board meet in Executive Session at 12:34 p.m.

The motion was unanimously carried.

RECONVENED

The Board moved out of Executive Session at 12:58 p.m.

Director Beaver moved, seconded by Director Berthiaume,

That Authorizing the Executive Director to make Hawaii Public Housing Authority organization/reorganization changes be withdrawn.

The motion was unanimously carried.

AUTHORIZING THE EXECUTIVE DIRECTOR TO TAKE COST CUTTING MEASURES AT THE HAWAII PUBLIC HOUSING AUTHORITY WHICH MAY INCLUDE INCREASING INCOME, DECREASING COST, ORGANIZATIONAL CHANGES AND LEGISLATIVE ACTIONS

Director Smith moved, seconded by Director Dodson,

To Authorize the Executive Director to take cost cutting measures at the Hawaii Public Housing Authority which may include increasing income, decreasing cost, organizational changes and legislative actions.

The motion was unanimously carried.

ADJOURNMENT

There being no further items to be discussed, Chairperson Thompson entertained a motion to adjourn.

Director Beaver moved, seconded by Director Berthiaume,

That the meeting be adjourned at 1:21 p.m.

The motion was unanimously carried.

MATILDA YOSHIOKA
Secretary

Approved: