**DRAFT ANNUAL MEETING MINUTES APRIL 29, 2023**

The annual meeting held at Hawaii Academy of Arts and Science was called to order by President Deb Smith at 9:06 AM. Board members present in person: Deb Smith, Jan Marshall, Jim Lehner, Jerry Boudreault. Board members present by Zoom: Rob Custer.

Jim Lehner, Treasurer reported that VHCA needed 69 proxies or in Person and Zoom attendees who were current with their assessments, to hold a valid annual meeting. Between proxies and attendees we had 117.

2022 minutes had been distributed. There were no corrections. Pat Kelly made a motion to accept and Jerry Boudreault seconded that and the minutes were approved.

Jim Lehner gave the Treasurer’s report. Because the County was buying properties that had liens on them and those were being paid, VHCA’s cash position was improving with a total of $92,789 in the checking and savings accounts as of March 31. He also noted that even with the liens being recovered, because interest is being charged the total past due assessment balance had risen to $93,190 but that probably only $10 to $15,000 of that would be actually recovered.

 Deb Smith reported on recovery progress. She explained that the latest delay is due to FEMA’s delay in releasing the Environmental Assessment. After it is released there will be a 30 day public comment period. If there are no new objections of significance then the County can proceed with the final engineering and procurement of construction companies. These delays keep pushing back our ability to move forward with our internal road restoration.

From our $250,000 Kilauea Recovery Grant, $150,000 has been released to Men of Pa’a, our fiscal sponsor which takes a 8% administration fee. VHCA is close to signing a contract with Stantec for survey work.

VHCA is asking for a waiver from the requirement of a grading plan by the County. Several road construction companies have told us that an expensive grading plan will not be of value in our situation. Worse yet, unless we get additional funding we will not have the money to fully implement a standard grading plan. Currently we only have money for rough bulldozing some roads.

We continue to pursue additional funding which would allow us to have improved roads. We understand that the County will have another round of grants from the $20 million from the State for private sector recovery. Vacationland lost nearly ½ of the private infrastructure. So far, only the $250,000 has been shared with us. We also have an application in for a grant from the State of Hawaii. State Rep Greggor Illigan wants to explore Federal options with us once he gets through the budget period and has time. Once we have a full picture we will need to decide whether to take the full $1,854,000 SBA loan. Approval of that will require a special meeting of the membership.

Regarding the buyout, so far 61 Phase 1 properties have finished escrow, there are approximately 15 Phase 1 applications remaining to process. There are 73 Phase 2 applications and 35 Phase 3 applications. If all of these applications close, approximately 58% of Vacationland will be owned by the County.

This report was followed by a lively Q and A session with a number of members participating. Cheryl Griffith wanted to know what would happen with the bought out properties. She is concerned about intensive ag use and pesticides. Others were concerned that the County owned properties would be open to the public. Deb has been told they will not be. Eileen O’Hara pointed out that the County would have to put up No Trespassing signs on them and was unlikely to do that. A number of association members were concerned about the prospect of the County having a majority of voting shares in the association and potentially using those in a harmful manner. The best assurance that VHCA has been able to get is that it is the County’s normal practice not to vote their shares. Some members wondered whether the By-Laws could be changed so that no one owner can have a monopoly. There was discussion about swapping properties between the County and private owners to consolidate the area that would have to be recovered. It was explained that the bought out properties were required to be deed restricted and could not be built on. One owner also made the point that he wanted to rebuild on his original property and not end up with another parcel instead. Jan Marshall said that one option on the table was to allow neighboring property owners to acquire the bought out lots but that while VHCA has been trying to get definition that the County also has to clear everything through HUD adding complication because HUD is working with a Congressionally mandated program that is normally used for floodplain properties which have been the subject of repeated flooding. Theresa Donham suggested that VHCA prepare a formal agreement based on what VHCA owners want and present that to the County. Jan Marshall said that a comprehensive proposal for the Kapoho area was given to the County almost a year ago with no response. Maybe that should be built on. Diana Guenther wondered whether the County knows how to proceed given the lack of precedent for this situation. Hart Philipps stressed that he felt that all roads should be restored and that the wide right of ways would give a bulldozer operator quite a bit of latitude. Bernard Mendonca wanted to know whether the board had been pressing for direct ocean access. He was told that would have to be with DLNR and the board had only approached them about crossing now lava covered land that was zoned conservation and had gotten nowhere. Deb Smith encouraged Bernard to approach DLNR if he wanted to since the board already has a lot on its plate.

After ascertaining that there were 4 volunteers for the 4 open Director’s positions and no other volunteers Pat Kelly made a motion to vote for the whole slate. Hart Philipps seconded that motion and there was unanimous approval.

Board members re-elected for a term that will end with the 2025 annual meeting were Deb Smith, Jerry Boudreault and Jan Marshall. Sheri Lehner came in as a new board member (with a longer time history of being on the board and supporting VHCA initatives). Jim Lehner, who had been representing the Lehner property, will now represent one of Pat Kelly’s lots under POA. (In the Director’s organizational meeting that followed – Deb Smith and Jan Marshall were reelected President and Vice President Respectively. Sheri Lehner was elected Treasurer.)

Hart mentioned that he had written to Mayor Roth about the lack of progress but there was no reply.

The meeting was adjourned at 10:20 AM.