

An Historic Year

Your Community Association reaching out to YOU

Season's Greetings to You and Yours!

This has been an historic year for Hawaiian Shores Community Association. There have been many firsts, most of them unfortunate yet necessary, hence this campaign packet now in your possession.

Hawaiian Shores Community Association is over 3 decades old and much of the original infrastructure built has reached its maximum life expectancy. Costs will need to be incurred to upgrade and update over the next few years. It falls on the current owners/membership to bear the brunt of what has been poor planning and oversight for far too many years. While keeping the annual assessment fee bare bones may have appealed to the thrifty nature we all possess it comes with a cost long term because some day you have to pay for use.

The Board of Directors has the ultimate responsibility to oversee operations and management of this subdivision and community assets, including the infrastructure. It is to this point this packet has arrived and begs your attention.

This past year despite a dysfunctional Board of Directors the membership has managed to be benefited in a couple of ways:

An excellent and capable General Manager with her staff has creatively yet cautiously managed all assets of this business [HSCA] with notable skill. She came to the Board with a proposal to invest our monies which upon approval created sufficient interest the equivalent to creating 2 new lot assessments every few weeks. [Considering we are a fixed subdivision with only 1294 lots from which to collect annual assessments growing our bottom line in this way is truly an innovative novel approach for this Association!] By year's end her insight and initiative has benefited every member by growing community investment.

As part of our aging assets, the Water System has moved to full focus. The tank is

definitely at end of life. However, as a rural water system having been operated as an aside for many years the remedies to some of the costly upgrades were not in place. A year ago, in anticipation of what would be needed to seek grants and low interest loans to upgrade, the General Manager began working closely with our Water System Consultants. They have been working successfully on and through an aggressive operational plan that would put our Water System in line for consideration by several non profit and government agencies for monies.

Volunteers who live in and around the area and who have seen a need have stepped up to work for the interests of all members. Some have joined the Board of Directors to serve in an absolute sense while others have served from behind the scenes with their own resources. Folks, you have been so very benefited by others who have worked in YOUR best interest.

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Newsletter

Special Interests

This past year saw a special interest movement join the Board of Directors and as that movement took hold on the Board the 'business' of the Board was derailed in an effort to secure the interests of the fully focused special interest group. This is not the place to detail what has happened. A visit to www.hawaiianshorescommunity.com [choose the 'news' link on the left sidebar navigation] -- a site that was put up for informational purposes for members to keep them in the loop -- will give you a short glimpse of the outrageous and unproductive activities the current majority of the Board has engaged and potential costs to this Association. And, let's face it folks, this is a business! Business cannot be viewed as a part time pet project once a month -- a sort of social club -- which is what some have demonstrated as they come to the monthly Board Meetings.

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Year in Review Cliff Notes

- July 31, 2007 a petition with Member signatures was presented to the acting president to schedule a Special Meeting of the Members to recall 7 Board members who sought to promote their special interests over the interests of the whole membership
- On August 7, 2007, past counsel for the HSCA, one who has served the membership with professional consideration at all times and who has a proven track record as our legal counsel, was terminated and a new attorney was brought in 'highly recommended' by the acting president. Failing full disclosure at that meeting however the 'highly recommended' part was the acting President and two NON BOARD MEMBERS [one not even a member of this association] who had hand picked this 'highly recommended' attorney for YOU the membership by meeting with him to represent *THEIR SPECIAL* interest and when they found he would represent their special interests then solicited his representation for YOU thereafter.
- August 15, 2007, at a Special Meeting of the Board, the majority of the Directors, the seven to be recalled, did not comply with the request of the Members to Schedule a Special Meeting of the Members for their own recall.
- August 23, 2007, new special interest counsel on cursory review of the Articles of Incorporation and By Laws rendered verbal opinion which empowered the 7 Directors and effectively discounted the petitioner's request as legitimate. Later, it turned out his uninformed verbal opinion lacked proper foundation.
- On September 1, 2007, in accordance with state law, members sent a letter to the Secretary of the Board requesting the membership be notified of a Special Meeting of the Members scheduled for October 6, 2007 for the purpose of a recall.
- On September 10-12 when no such notice was sent by the Board of Directors to the membership, members AT GREAT COST TO THEMSELVES, worked to develop and send the notice and ballots to ALL the membership.
- On October 6, 2007, in an overwhelming and historic vote all 7 directors were impeached! [An average of 85% of the approximately 150 votes cast.] The 3 remaining Directors, in accordance with our By Laws, section 5.06, filled some of the vacancies on the Board so that Business could go forward.
- October 12, 2007, the impeached members of the former Board were notified of the results of the vote. Their 'highly recommended' special interest counsel has sought to secure their positions with a number of clever legal maneuvers and so to date, they remain 'in power' controlling YOUR ASSETS!
- These same impeached Directors waited until less than a week before the new fiscal year to approve a budget to RUN this business!
 - The same impeached Directors cancelled the November Board meeting for the first time in history with NO NOTICE to the 'legal' Directors who serve on the board or to the community!
 - The same impeached Directors failed to acknowledge two attempts to mitigate solution offered by the 'legal' Board of Directors to resolve the situation in the best interests of the Business of this Association
 - The same impeached Directors refuse to hold a regular Board Meeting without their attorney and his assistant present, at a cost to YOU on their behalf of minimum \$350 an hour plus travel and subsequent consequential fees.
 - The same impeached Directors have continued the services of this attorney though he has to date, 90 days as corporate counsel, conducted NO BUSINESS for this Association which is not directly related to securing the impeached director's seats on the Board. Routine legal business which is needed has gone neglected, despite the many requests and behests of the General Manager and 'legal' Directors on the Board.
 - The same impeached Directors failed to show up for a "Meet The Candidates Meeting", a meeting which was approved by themselves *and* with two [Ms. Linda Turco and Ms. Sandra Mansoor] of them running as Candidates.
- On December 4, 2007, the impeached secretary, on advice of their special interest counsel adjourned the meeting 12 minutes after it was called to order because members present asked questions the impeached directors were not comfortable entertaining. The 'legal' Board was seated and the impeached director's attorney instructed his client to ask the 'legal' Board to leave the area or no meeting could be conducted. When the legal Board failed to recognize the secretary's authority or the authority of their attorney the meeting was adjourned. Members present were aghast. The legal Board reconvened the Regular Board Meeting, motioned to terminate the special interest attorney so no further funds could be billed to YOU for his representation. The motion passed unanimously, with clapping approval from the audience. Their attorney was notified by certified mail within days!

What does this mean for you?

What does all of this mean to you? Costs to YOU for representation has been encumbered and paid and will continue to be paid for their attorney fees on their behalf until a judge decides which Board of Directors is the legitimate Board or until this election has transpired. There is impressive evidence of the impeached individuals comprising a dysfunctional board incapable of conducting even a single meeting much less business. Conversely, the legal Board has been conducting Meetings with adept skill and void of special interests! Of course, at this time, while it is a legal Board it is a Board in name only due to the impeached legal counsel, for which YOU ARE PAYING!

You will have received the Ballot from the Association by now. On the Ballot for election are 8 names. 2 names, Sandra Mansoor and Linda Turco, bear serious consideration. Both were impeached by overwhelming vote on October 6.

- Ms. Turco has served for a decade as the secretary for this Association while not acting as a secretary except to sign checks and Meeting Minutes. Responsibility for conducting meetings as senior executive officer [because we have no president or vice president] has fallen to Ms. Turco who declined to conduct the October 25 Budget meeting seeking to designate another director for chair pro tem and who has stated openly she cannot conduct a meeting. Thereafter Ms. Turco outright cancelled the November Regular Board Meeting 90 minutes before it was to commence WITHOUT FULL BOARD CONSENT. Honestly, folks, these people are in so over their heads and YOU ARE PAYING FOR IT!
- Ms. Mansoor, while a Director, evidenced poor decorum during a number of Board Meetings referring to members and residents of the community with profanity and utter contempt during the Meetings in the capacity of a Director. Ms. Mansoor submitted her resignation effective October 4, 2007 after viewing the absentee vote seeking her impeachment. Does resignation or impeachment from the Board translate well for reelection?

Local members who have attended Board meetings and who are aware of the situation together with many more who live elsewhere sought to impeach these two successfully. Electing them to the Board invites more of the same special interest interference for this community.

Candidates Qualified for the Task

Please consider carefully the magnificent efforts volunteers in the community, members who live here locally and who want the best for YOU AND YOUR INVESTMENT, have accomplished. They stepped up and managed to recall Ms. Turco and Ms. Mansoor in an historic vote. Further, 6 have stepped up, some of whom now sit on the legal Board, all of whom seek election to the Director's Seat through this ballot vote! They have proven track records acting in YOUR BEST INTEREST.

The Candidates:

1. Alfred Berger
2. Darrell Stephens
3. David Johnson
4. James McInerney
5. Royden Pilapil
6. Stephanie Pola

In closing, we request that you review the contents of this packet especially if you live outside the community. It affects your ownership here. The annual assessment was raised this year for the first time in a few years. These monies will primarily cover operating expenses. These monies will not cover costs to remedy aging equipment, assets, water system, roads, etc. The New Year's board of directors will have a huge undertaking before them in developing financial and project plans to address the imminent needs of the community's assets. A fix will need to be well developed and very long term. Our candidates bring a number of useful skill sets to the Board, literally, that will benefit the membership as the Board moves forward. They fully understand the urgent need to address this Association as a Business. They have already voiced their wishes for open meetings for members where a free flow of creative ideas will be encouraged to address the issues. They fully support the General Manager and her proven track record to manage this Association as a Business.

They understand their work as a cohesive Board is dependent upon trust and support of the General Manager as the day to day hands on representative of the Board to the membership. They fully understand the need for open communication with membership through out the year not just when the annual assessment invoice or year end packets are mailed.

Please log on to www.hawaiianshorescommunity.com and add it to your favorites list for periodic visits. At this time it is the one current venue with information you may feel advantageous and informative. In addition, you can download a copy of the ballot, sign it and either fax it or email a scanned copy of the signed ballot to hsca@hawaii.rr.com.

Please feel free to email us with any questions: bodirectors@hawaiianshorescommunity.com. A prompt answer will follow.

These folks have been active for several relentless months to correct what has gone wrong with this business.

Volunteers don't get paid, not because they are worthless, but because they are priceless! — Sherry Anderson

Many thanks to all who have volunteered this past year! Your continuing support has been invaluable. Your presence during this historic campaign has lent a support to those who are carrying the brunt of the responsibilities for this Association that cannot be quantified! You are absolutely appreciated. Please continue to be present at all meetings, active in the community in everyone's best interests.

***Yours truly,
Legal Board of Directors***

Important notice

Please fill out your Absentee Ballot by voting for the 5 candidates of your choice. Make sure to sign your Ballot and return it to the Business office immediately. You can fax it to: 808-965-0802; or, Email: hsca@hawaii.rr.com. A copy of the Ballot can be downloaded at www.hawaiianshorescommunity.com/ballot.htm