

House District 6

Senate District 3

THE TWENTY-SEVENTH LEGISLATURE
HAWAII STATE LEGISLATURE
APPLICATION FOR GRANTS & SUBSIDIES
CHAPTER 42F, HAWAII REVISED STATUTES

Log No: _____

For Legislature's Use Only

Type of Grant or Subsidy Request:

GRANT REQUEST - OPERATING

~~XXXX~~ GRANT REQUEST - CAPITAL

SUBSIDY REQUEST

"Grant" means an award of state funds by the legislature, by an appropriation to a specified recipient, to support the activities of the recipient and permit the community to benefit from those activities.

"Subsidy" means an award of state funds by the legislature, by an appropriation to a recipient specified in the appropriation, to reduce the costs incurred by the organization or individual in providing a service available to some or all members of the public.

"Recipient" means any organization or person receiving a grant or subsidy.

STATE DEPARTMENT OR AGENCY RELATED TO THIS REQUEST (LEAVE BLANK IF UNKNOWN):

DOL OFFICE OF COMMUNITY SERVICES

STATE PROGRAM I.D. NO. (LEAVE BLANK IF UNKNOWN): _____

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:
Hawaii County Economic Opportunity Council

Db/a: HCEOC

Street Address: 47 Rainbow Drive Hilo, HI 96720

Mailing Address: 47 Rainbow Drive Hilo, HI 96720

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name MARY MIHO FINLEY

Title HOUSING PROGRAM MANAGER

Phone # (808) 961-2681 Ext. 301

Fax # (808) 935-9213

e-mail marymiho.finley@gmail.com

3. TYPE OF BUSINESS ENTITY:

- NON PROFIT CORPORATION
- FOR PROFIT CORPORATION
- LIMITED LIABILITY COMPANY
- SOLE PROPRIETORSHIP/INDIVIDUAL

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST: CAPITAL IMPROVEMENT PROJECT

HCEOC KONA OFFICE EMERGENCY REPAIRS & HANDICAPPED ACCESS IMPROVEMENTS - WEST HAWAII COUNTY ELDERLY, DISABLED, DISADVANTAGED POPULATION (INCOME BELOW 150% FEDERAL POVERTY LEVEL) ACCESS TO TRANSPORTATION, ENERGY, HOUSING, EDUCATION, SAFETY-NET SERVICES, -- OVER 500 LOW-INCOME PEOPLE -- FROM SOUTH KONA TO SOUTH KOHALA, DISTANCE OF OVER 70 MILES.

4. FEDERAL TAX ID #: [REDACTED]

5. STATE TAX ID #: [REDACTED]

7. AMOUNT OF STATE FUNDS REQUESTED:

FY 2012-2013: \$ 161,007

8. STATUS OF SERVICE DESCRIBED IN THIS REQUEST:

- NEW SERVICE (PRESENTLY DOES NOT EXIST)
- EXISTING SERVICE (PRESENTLY IN OPERATION)

SPECIFY THE AMOUNT BY SOURCES OF FUNDS AVAILABLE AT THE TIME OF THIS REQUEST:

STATE \$ 161,007
 FEDERAL \$ _____
 COUNTY \$ _____
 PRIVATE/OTHER \$ _____


TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:

LESTER SETO, EXECUTIVE DIRECTOR
NAME & TITLE

01/29/2013
DATE SIGNED

BUDGET REQUEST BY SOURCE OF FUNDS CAPITAL IMPROVEMENT PRJ.
(Period: July 1, 2013 to June 30, 2014)

Appvahi County Economic Opportunity Council

BUDGET CATEGORIES	Total State Funds Requested (a)	(b)	(c)	(d)
A. PERSONNEL COST				
1. Salaries	14,720			
2. Payroll Taxes & Assessments	2,789			
3. Fringe Benefits	2,944			
TOTAL PERSONNEL COST	20,453			
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island	245			
2. Insurance	300			
3. Lease/Rental of Equipment	0			
4. Lease/Rental of Space	480			
5. Staff Training	230			
6. Supplies	150			
7. Telecommunication	150			
8. Utilities	800			
9. Audit	400			
10. Mileage	884			
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES	3,639			
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL	136,915			
TOTAL (A+B+C+D+E)	161,007			
SOURCES OF FUNDING		Budget Prepared By: Mary Finley		
(a) Total State Funds Requested	161,007	Mary Miho Finley	808-961-2681 x301	
(b)		Name (Please type or print)	Phone	
(c)			01/29/2013	
(d)		Signature of Authorized Official	Date	
TOTAL BUDGET	161,007	Lester Seto, Executive Director		
		Name and Title (Please type or print)		

Application for Grants and Subsidies

If any item is not applicable to the request, the applicant should enter "not applicable".

I. Background and Summary

This section shall clearly and concisely summarize and highlight the contents of the request in such a way as to provide the State Legislature with a broad understanding of the request. Include the following:

1. A brief description of the applicant's background;

Hawaii County Economic Opportunity Council, a private non-profit organization dedicated to preventing, alleviating and eliminating poverty, has served Hawaii County's disadvantaged population for over 48 years. The organization is governed by an 18-member board of directors who represent public, private and low-income sectors. The Board operates under By-Laws that prohibit compensation and conflict of interest. (See page 14 Section 13 COMPENSATION and page 11 Section 12 CONFLICT OF INTEREST of HCEOC By-Laws dated January 29, 2011 in attached Legal Existence exhibits). Transportation, food service, housing, energy and education assistance are among the services provided to a geographically-dispersed population via a central office in Hilo and four rural offices.

2. The goals and objectives related to the request;

The goal of this request is to remove the health and safety deficiencies and construct accessibility improvements of HCEOC rural facility in Holualoa, Kona, West Hawaii, in dire need of emergency repairs in order to be preserved and to construct safer access for elderly and disabled persons. Funds are being sought for the design, construction and related costs of repairs and handicapped improvements. This project will make the building safer for the public (roof replacement, foundation and floor repairs, fumigate to arrest termite damage, etc.) Handicapped-access improvements (making a level parking area; constructing a safe side walk, a ramp and making one bathroom accessible) will remove barriers to services for elderly and handicapped persons. Bars over windows and new solid exterior doors will enhance security.

3. State the public purpose and need to be served;

- ★ Repairing HCEOC KONA facility will ensure safety of low income public coming to access human services.
- ★ Preserving the buildings is critical to being able to continue serving rural clients.
- ★ Loss of HCEOC facility may lower the quality of life for persons needing transportation to dialysis/doctor appointments.
- ★ Because building is provided rent-free a loss of use will mean increase in cost of providing human services in Kona.
- ★ Improving handicapped access will increase the safety of Kona HCEOC for everyone and increase the availability of services for elderly and disabled persons.

- ★ The need is to continue providing services, particularly transportation, to vulnerable populations from South Kona to Kohala. Transportation has been repeatedly identified by the community in needs assessments over the past six years. It was the top community need identified at a 2012 meeting OCS Director held in Hilo. Transportation, housing and energy have all been among the top needs identified in all "Dialogue on Poverty" (3) and other community meetings over the last five years.
- ★ Preserving Kona HCEOC will preserve a part of old Kona history in this fast-changing district. Kona HeadStart pre-school next door has been restored so the former classrooms will be serviceable for many years to come. Preserving HCEOC KONA, the teachers cottage, will complete the restoration of old Keauhou School.

4. Describe the target population to be served; and
Target population is 500 households with incomes less than 150% of federal poverty guidelines (see 2012 Federal Poverty Guidelines for Hawaii attached), and includes many elderly, disabled and other disadvantaged persons with very limited access to services.

5. Describe the geographic coverage.
HCEOC Kona provides transportation services from South Kona to South Kohala, a distance of 70+ miles.

II. Service Summary and Outcomes

The Service Summary shall include a detailed discussion of the applicant's approach to the request. The applicant shall clearly and concisely specify the results, outcomes, and measures of effectiveness from this request.

1. Describe the scope of work, tasks and responsibilities;

HCEOC KONA SCOPE:

Fumigate for termites obtaining the longest guarantee period available.

Removal and replacement of existing:

Remove existing deteriorated roof and replace with 26g pre-painted galvanized panels, replacing rotted framing and fascia as required.

Install continuous aluminum gutters & downspouts system all around to protect building.

Repair currently nailed-shut fire exit (install solid door and new deadbolt lock, exterior security screen door, new bottom step and railing).

Replace at least 3 "floating" perimeter posts and other failing/missing supports and skirting.

Repair termite damaged floors (Kohala side) critical for structural integrity (encapsulate with plywood.)

Encapsulate termite-ravaged interior walls and ceilings with drywall, mud, primer and paint.

Repair windows so all can open and shut easily.

Replace deteriorated/missing screens all around.

Replace outdated, unsafe 2-wire (1940's era) wiring and bring electrical up to Code, installing sufficient outlets for computers, printers, etc.

Encapsulate termite- & water-damaged exterior walls with Hardiboard termite- & fire-proof cladding.

Remove overhanging trees to preserve building and keep out vermin.

Handicapped Access:

Convert one of two existing bathrooms into a handicapped-accessible bathroom converting one of closets into a wheelchair-accessible hallway.

Level and pave the dirt parking area creating two handicapped stalls with loading zone between and construct a safe, paved sidewalk to building.

Construct handicapped ramp into the office.

Upgrade:

Install security (bars or heavy duty wire covering) over windows to improve security.

Install overhead fans in all offices to lower temperature and improve air circulation.

TASKS AND RESPONSIBILITIES

HCEOC Housing Program Manager will:

- Manage solicitation of bids, evaluation and selection (competitive procurement) process; hiring of a licensed professional engineer to design the Kona driveway and parking improvements (grading, drainage, retaining wall(s), tie-in of handicapped ramp to building) and licensed general contractor(s) to make emergency repairs and construct handicapped access improvements (all).
- Prepare and coordinate execution of contracts (time of construction, milestones, payment schedule, general excise tax exemption, tax clearance, other final paymt. requirements)
- Coordinate permit applications with contractor(s) and County, State
- Monitor progress of construction and approve payments
- Coordinate drawdown of funds from State and process to pay contractors as approved by Deputy
- State contract schedule (submit request per contracted milestones in order to have cash when required to pay vendors/contractors)
- (Progress payments will be scheduled with 60 to 90 day lead-time to allow for average 2 to 3 month state payment lag time. This will keep construction costs low. Delayed payments discriminate against smaller, more affordable and efficient contractors who have only 30 days to pay their bills/cannot afford 2-3 months payment delays from completion to receipt of payment.)
- Report to funding agency/OCS
- Coordinate delivery of services/point of contact for state, county, consultant/contractors
- Make reports to OCS.
- Publish Notices of Completion

HCEOC BookKeeper will:

- Cut checks and distribute to contractors/vendors after state funds have been received per Housing Program Manager request approved by Deputy Director,
- Keep separate construction and administration accounts and separate accounts for each rehabilitation (Naalehu, Kona, Honokaa).

HCEOC Deputy Director will:

- Oversee the project from start to finish,
- Approve the scope of work, selection of consultant, contractor(s), execution of contracts.
- Supervise quality of work approvals by rural HCEOC staff & the processing of payments.
- Approve payments for administration expenses.
- Lead periodic staff meetings and at least one staff training with State OCS
-

County of Hawaii Public Works Department Building Division will:

- Approve building and driveway plans, issue permits
- Conduct periodic construction inspections, particularly for Kona handicapped access improvements
- Determine whether the work complies with safety/current County Building Code.
- Make reports/notify HCEOC of deficiencies, if any.

State Highways/Department of Transportation

- Work with engineer/architect on Kona Mamalahoa Highway access/driveway improvements, if any

Note: State DOT is currently constructing new Kona baseyard directly behind KONA HCEOC.

2. The applicant shall provide a projected annual timeline for accomplishing the results or outcomes of the service;

TIMELINE:

2013 July – August - Request proposals from architect/engineers and general contractor
mid- August - Select architect/engineer and contractor
August to October – Complete design & engineering of parking & handicapped access improvements
October – December – Obtain Permits

2014 January to May – Construction
June 2014 – Final Walk-through (punch list) and Final Payment and Close out of HCEOC Kona - State CIP project.

3. The applicant shall describe its quality assurance and evaluation plans for the request. Specify how the applicant plans to monitor, evaluate, and improve their results; and

QUALITY ASSURANCE AND EVALUATION PLANS

- License, insurance and complaint record of each bidder will be checked with the DCCA Consumer Resource Center and past job references,
- Contracts will require County Building permits and work be passed by County inspections before proceeding to next phase of construction,
- County of Hawaii Building Inspections will ensure safety and Code compliance
- HCEOC Housing Program Manager will monitor construction and verify progress of construction.
- HCEOC STAFF will test and verify functionality of all construction, particularly of electrical installation, parking upgrade and handicapped access.

- HCEOC Kona will report construction progress to Housing Program Manager/HCEOC Central on a daily basis during construction and report any failures during the year following completion.
 - HCEOC Housing Program Manager will recall contractor(s) to address construction failures, if any.
 - Payments will not be made until stages of construction are completed, quality of work approved per Contract and county inspections passed, as applicable.
 - Final Payment will be made after Final county inspections have been passed, all permits closed and HCEOC has approved quality of work.
 - Work quality and effectiveness of repairs will continue to be monitored throughout the twelve months following completion and contractor will be called back to address any failures during the one year warranty period per State law.
4. The applicant shall list the measure(s) of effectiveness that will be reported to the State agency through which grant funds are appropriated (the expending agency). The measure(s) will provide a standard and objective way for the State to assess the program's achievement or accomplishment. Please note that if the level of appropriation differs from the amount included in this application that the measure(s) of effectiveness will need to be updated and transmitted to the expending agency.

HCEOC will report to State Agency project milestones:

- Selection of engineer and contractor(s)
- Receipt of engineering report/design
- Receipt of building permits
- Execution of contracts
- Issuance of Notice(s) to Proceed
- Start of constructions
- Completion of each contracted stage of construction and county inspection passed
- Drawdowns/Submission of Requests for Progress Payments
- Final inspections walk through report.
- Close out of each rehabilitation (County Final inspections, closing all permits and making Final Payments).
- Final Report including financial accounts (construction and administration) and close out of CIP Project.

If not fully funded, the scope of work will be scaled back and additional funding may be sought. HCEOC may enlist volunteers to do some of the labor, such as painting. Termite treatment, roof replacement, foundation repairs and handicapped access improvements are critical for all persons using Kona HCEOC and improvements will significantly improve access to services by elderly and handicapped clients.

III. Financial

Budget

- The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.
(See Construction Estimate and Budgets attached)
- The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2013-2014.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$11,023.00	\$11,023.00	\$69,023.00	\$69,023.00	\$160,092.00

- ★ We will be applying to Lowes Kona for private support (\$10,000) for painting.
- ★ If not fully funded, we may apply to the County of Hawaii (Office of Housing and Community Development) or other source of funding, particularly to address critical access improvements.
- The applicant shall provide a listing of all state and federal tax credits that have been granted within the prior three years. Additionally, the applicant shall provide a listing of all state and federal tax credits they have applied for or anticipate applying for pertaining to any capital project, if applicable.
- ★ HCEOC has not applied for nor received any state or federal tax credits.

IV. Experience and Capability

A. Necessary Skills and Experience

The applicant shall demonstrate that it has the necessary skills, abilities, knowledge of, and experience relating to the request. State your experience and appropriateness for providing the service proposed in this application. The applicant shall also provide a listing of verifiable experience of related projects or contracts for the most recent three years that are pertinent to the request.

HCEOC has the experience and expertise to manage the rehabilitation and handicapped access improvements for Kona HCEOC office.

- ★ 2007 State GIA project (\$65,000) – HCEOC managed the repair of two failing 50,000 gallon water tanks and installation of one new 50,000 gallon water tank dedicated to fire suppression for Milolii native Hawaiian village (50 homes) private water system. Project was completed on time and in budget.
- ★ 1992 to 2013 HCEOC has managed programs to remove the health and safety hazards and/or adding handicapped access improvements for 136 homes. Owners had incomes below 150% of Federal Poverty Guidelines. 21 of the 136

rehabilitations included handicapped access improvements. (See PAST PERFORMANCE list attached.)

★ **(HPG) Housing Preservation Grant** contracts with County of Hawaii (1992 – 2002, 2008-2010, 2011-2012) and with USDA RURAL DEVELOPMENT (2003, 2005-2012) (98 homes - \$1,675,611 total);

★ **(HOME) HOME Repair Program** contract with County Office of Housing and Community Development, HOME funds (1998-1999, 7 homes - \$107,000) and

★ **(HIP)Housing Improvement Program** federal Dept. of Health and Human Services Rural Housing discretionary grant (1994-1996, 14 homes, including 8 partially-complete occupied dwellings - \$250,000).

★ Total Project Funds: \$2,435,611.00

★ (Program Manager Mary Finley was responsible for all but 12 of the rehabilitations completed.)

★ 1993-2002 **HCEOC Carpentry Training Program** completed 20 on-the-job training projects including 12 rehabilitations (estimated value approximately \$54,000 in year 2000 values) . As administrator of HCEOC carpentry training program Finley (and HCEOC Carpentry Trainer Carl Shioji and 6 to 10 trainees/year) completed 20 on-the-job training projects (single family and commercial, new construction and rehabilitation. (See CARPENTRY TRAINING...PROJECTS_list attached).

★ Total Estimated Carpentry On-the-Job Training projects value \$403,000

★ 1991 – 2000 **Self Help Housing** HCEOC managed the completion of 74 single family homes in self help housing projects in Hilo and Kona. Finley was responsible for completing 16 stalled homes and 13 homes from the ground up (1995 - 2000).

★ Total Self Help Housing Budget over \$2.55 Million

B. Facilities

The applicant shall provide a description of its facilities and demonstrate its adequacy in relation to the request. If facilities are not presently available, describe plans to secure facilities. Also describe how the facilities meet ADA requirements, as applicable.

HCEOC operates programs out of a Central Office in Hilo and four satellite offices in the districts (Naalehu, Kona, Honokaa and Pahoa). Only HCEOC Central* and Pahoa (owned by County) are handicapped accessible. HCEOC Central is equipped with computers, printers, faxes, copy machines, high-speed internet access and staff includes an executive director, deputy-community services director, 5 program managers (housing, transportation, food service, agricultural training, energy assistance), an accountant, two full-time account clerks and three half time account clerks.

Rural offices are equipped with phones, faxes, computers and copiers. Primary transportation service provides door to door service from Naalehu-Ocean View to Kailua for dialysis and doctor appointments.

HCEOC rural facilities were constructed for other state/county uses long before handicapped access was required by law. Kona and Honokaa HCEOC are approximately 67 years old. Naalehu is 37 years old. HCEOC Kona has been in continuous use by HCEOC since 1973. (See SITE CONTROL, leases and maps attached.)

HCEOC central office (Hilo) is housed in three adjacent buildings comprised of meeting rooms (2), administrative suites (3) and offices (19) with space and furniture, computers, printers, copiers, fax machines and storage sufficient to accommodate a staff of 20 to 40 persons.

HCEOC Central office is entirely handicapped accessible from clearly designated parking stalls and loading zones to accessible doorways (all a minimum of 36 inches wide) and bathrooms (five feet of turning space for a wheelchair in front of the toilets and sinks) throughout. Emergency exits are clearly marked with lighted signs. Building exterior and parking areas are lighted.

V. Personnel: Project Organization and Staffing

A. Proposed Staffing, Staff Qualifications, Supervision and Training

The applicant shall describe the proposed staffing pattern and proposed service capacity appropriate for the viability of the request. The applicant shall provide the qualifications and experience of personnel for the request and shall describe its ability to supervise, train and provide administrative direction relative to the request.

- ★ **HCEOC Executive Director and Deputy Director** have experience managing multiple programs with varied program years, having done so as Deputy for three years, including 2012 management of over 200 solar hot water installations by Hawaii Energy; 2009-2010 ARRA (American Recovery and Reinvestment Act) over \$900,000 federal Department of Energy funding (98 solar hot water systems, 45 energy efficient refrigerators and 200 compact fluorescent light bulb kits installed, 200 individual home energy-audits) and the processing of over 3,000 LIHEAP (2012 federal DOE Low Income Home Energy Assistance Program) applications for electrical subsidy, transportation programs (over \$400,000/year) and food service programs (over \$200,000/year). She will supervise and provide administrative direction (review scope, contractor selection, contracts; approve payments; supervise accounting).
- ★ **HCEOC Housing Program Manager** has been the key staff person responsible for 70% of the construction record in **part IV A. Necessary skills and experience** above. She is responsible for the 2007 State GIA that made improvements to the private water system in remote Milolii fishing village, 123 out of the 135 home rehabilitations completed by HCEOC, over a third (26 of 74 total) self-help homes completed, including 5 homes from the ground up and supervised 29 on-the-job training projects by the Carpentry Training Program. She will develop work lists; seek SHPD approvals; coordinate design of Kona handicapped access; track permitting; take charge of bidding, contracting, verifying construction, county inspections; initiate and track drawdown requests from state; process

contractor payments and make periodic reports to the state. She will report directly to the Deputy Director.

★ **HCEOC Accountant** has five years experience of increasing responsibility at HCEOC and over ten years experience as a full service book keeper in private business. She will cut checks at Deputy's and Housing Managers' direction, keep accounts and update financial status to Housing Manager and Deputy.

B. Organization Chart

The applicant shall illustrate the position of each staff and line of responsibility/supervision. If the request is part of a large, multi-purpose organization, include an organizational chart that illustrates the placement of this request. (See HCEOC organizational chart attached.)

VI. Other

A. Litigation

The applicant shall disclose any pending litigation to which they are a party, including the disclosure of any outstanding judgment. If applicable, please explain.

HCEOC is not a party to any current or outstanding litigation.

B. Licensure or Accreditation

Specify any special qualifications, including but not limited to licensure or accreditation that applicant possesses relevant to this request.

★ HCEOC Housing Program Manager Mary Finley has 20 years experience administering single family rehabilitation and new construction programs, while working for HCEOC and previously while a Housing and Community Development Specialist III for the County of Hawaii Office of Housing and Community Development. As part of this work she has successfully prepared grant and other applications for funding, complied with government regulations (including environmental reviews, State Historic Preservation Office approvals), applied for building permits, worked with consultants, prepared work lists, run competitive bidding and selection processes, prepared and executed contracts, verified construction progress, processed payments, drawn down funds (from county, federal and state government agencies), kept accounts, closed out projects and reported to funders. All 123 single family rehabs under her supervision have had their home health and safety problems corrected. All projects have been completed in budget. All but four projects (the subject of owner-contractor disputes) were completed on time. Roof replacement, foundation repairs, termite fumigation, correction of plumbing leaks and electrical hazards have been typical repairs. Rehabilitations have included older plantation era homes, like Kona and Honokaa HCEOC. Eleven homes



eligible for historic designation have been reviewed and were approved by State Historic Preservation Office.

- ★ 1995 – 2000 Finley closed out two self help housing projects, overseeing completion of 26 stalled homes and 13 homes from the ground up. While Carpentry Training Administrator she managed the completion of 20 on-the-job training projects (rehab and new construction) by 6 to 10 carpentry trainees under supervision of carpentry trainer. (See List of Carpentry Training Projects List attached.)
- ★ Finley has completed training in construction management, environmental assessment, renovating in the presence of lead-based paint (July 2010 Certified Lead Renovator) and serves on the boards of Hale Aloha `O Hilo Habitat for Humanity (7 years) and Big Island Housing Foundation (3 years).

DECLARATION STATEMENT C.I.P. REQUEST
APPLICANTS FOR GRANTS AND SUBSIDIES
CHAPTER 42F, HAWAII REVISED STATUTES

The undersigned authorized representative of the applicant acknowledges that said applicant meets and will comply with all of the following standards for the award of grants and subsidies pursuant to section 42F-103, Hawaii Revised Statutes:

- (1) Is licensed or accredited, in accordance with federal, state, or county statutes, rules, or ordinances, to conduct the activities or provide the services for which a grant or subsidy is awarded;
- (2) Comply with all applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, or disability;
- (3) Agree not to use state funds for entertainment or lobbying activities; and
- (4) Allow the state agency to which funds for the grant or subsidy were appropriated for expenditure, legislative committees and their staff, and the auditor full access to their records, reports, files, and other related documents and information for purposes of monitoring, measuring the effectiveness, and ensuring the proper expenditure of the grant or subsidy.

In addition, a grant or subsidy may be made to an organization only if the organization:

- (1) Is incorporated under the laws of the State; and
- (2) Has bylaws or policies that describe the manner in which the activities or services for which a grant or subsidy is awarded shall be conducted or provided.

Further, a grant or subsidy may be awarded to a non-profit organization only if the organization:

- (1) Has been determined and designated to be a non-profit organization by the Internal Revenue Service; and
- (2) Has a governing board whose members have no material conflict of interest and serve without compensation.

For a grant or subsidy used for the acquisition of land, when the organization discontinues the activities or services on the land acquired for which the grant or subsidy was awarded and disposes of the land in fee simple or by lease, the organization shall negotiate with the expending agency for a lump sum or installment repayment to the State of the amount of the grant or subsidy used for the acquisition of the land.

Further, the undersigned authorized representative certifies that this statement is true and correct to the best of the applicant's knowledge.

Hawaii County Economic Opportunity Council
(Typed Name of Individual or Organization)



(Signature)

01/29/2013

(Date)

Lester Seto, Executive Director
(Typed Name)

(Title)

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**BUDGET JUSTIFICATION
PERSONNEL - SALARIES AND WAGES**

Applicant: Hawaii County Economic
Opportunity Council
KONA

Period: July 1, 2013 to June 30, 2014

POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY A	% OF TIME ALLOCATED TO GRANT REQUEST B	TOTAL STATE FUNDS REQUESTED (A x B)
Housing Program Manager		43,888	25%	\$ 10,972 -
Accountant		34,320	8.6%	\$ 2,964 -
Deputy Director		52,208	.00861%	\$ 450 -
Executive Director		60,000	.00336%	\$ 202 -
Clerk		18,200	.0072 %	\$ 132 -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
Taxes and Assessments			.1895%	\$ 2,789 -
Fringe			.20%	\$ 2,944 -
TOTAL:				20,453

JUSTIFICATION/COMMENTS:

20,453 + 3639 (other current expenses) = 24,092 which is 14.9% of \$161,007 TOTAL (PROJECT) BUDGET.

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BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Applicant: Hawaii County Economic Opportunity Council

Period: July 1, 2012 to June 30, 2013

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:				
JUSTIFICATION/COMMENTS: NOT APPLICABLE.				

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:				
JUSTIFICATION/COMMENTS: NOT APPLICABLE.				

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**BUDGET JUSTIFICATION
CAPITAL PROJECT DETAILS**

Applicant: Hawaii County Economic
Opportunity Council

Period: July 1, 2013 to June 30, 2014

KONA

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OTHER SOURCES OF FUNDS REQUESTED	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2011-2012	FY: 2012-2013	FY:2013-2014	FY:2013-2014	FY:2014-2015	FY:2015-2016
PLANS			915			
LAND ACQUISITION			- 0 -			
DESIGN			10,000			
CONSTRUCTION			126,000			
EQUIPMENT			- 0 -			
TOTAL:			136,915			
JUSTIFICATION/COMMENTS: \$65,000 or 47% of construction is for HANDICAPPED ACCESS to make facility safer for elderly and disabled persons.						

2012 Federal Poverty Guidelines (FPG) & HUD low-mod income limits for HAWAII State

Persons in Household	FEDERAL POVERTY GUIDELINES:			HUD INCOME LIMITS:	
	100%	200%	*** 150%	VERY LOW 50% AMI	LOW Moderate 80% AMI
1	12,860	25,570	19,290	25,700	41,100
2	17,410	34,820	26,115	29,400	47,000
3	21,960	43,920	32,940	33,050	52,850
4	26,510	53,020	39,765	36,700	58,700
5	31,060	62,120	46,590	39,650	63,400
6	35,610	71,220	53,415	42,600	68,100
7	40,160	80,320	60,240	45,550	72,800
8	44,710	89,420	67,065	48,450	77,500

*** 150% FPG is the guideline used for HCEOC programs/services.

NOTE:

(2009-2010 ARRA raised WAP guidelines to 200% FPG, however, since then HCEOC has not been able to "afford" the program. For 2013 there is no WAP funding from federal DOE.)

FPG Source: Federal Register/Vol.77, No.17/Thurs. Jan.26,2012

2013 cip fpg-hud inc lmts

PAST PERFORMANCE

Other Federal-, State- or County-funded construction projects HCEOC has managed in the past.

1. Project Title

REHABILITATION PROJECTS resulting in removal of health and safety problems and/or adding handicapped access improvements to **136 homes (\$2,055,126 TOTAL) of LOW-, VERY LOW- or POVERTY-LEVEL HOMEOWNERS:**

(HPG) Housing Preservation Grant contracts with County of Hawaii (1992 – 2002, 2008-2010, 2011-2012) and with USDA RURAL DEVELOPMENT (2003, 2005-2012) (115 homes - \$1,675,611 total);

(HOME) HOME Repair Program contract with County Office of Housing and Community Development, HOME funds (1998-1999, 7 homes - \$107,000) and

(HIP) Housing Improvement Program federal Dept. of Health and Human Services Rural Housing discretionary grant (1994-1996, 14 homes, including 8 partially-complete occupied dwellings - \$250,000).

HCEOC Carpentry Training Program (1993-2002) completed 20 on-the-job training projects (approx. value \$403,000) including 12 rehabilitations (value approx. \$54,000 in year 2000 values) . (See CARPENTRY TRAINING PROGRAM PROJECTS_list attached).

2. Total Project Amount

\$2,435,611.00

3. Project Status

HCEOC HPG contracts with Federal USDA Rural Development (2003, 2005-2012) and County of Hawaii OHCD (1992 – 2002, 2008-2010, 2011-2012) have completed 115 very low-income home rehabilitations. Closed out. Two additional 2012 federal and county HPG projects on-going (2) \$56,101.00.

HCEOC HOME – HOME Repair Program rehabilitated 7 low- and very low-income homes. Closed out 1999.

HCEOC Federal DHHS HIP - Home Improvement Program rehabilitated 14 rural poverty-level homes, including completing 8 partially-built homes occupied by handicapped persons. All closed out in 1996.

In addition HCEOC Carpentry Training Program (State POS-GIA 1993-2002) completed 20 on-the-job training projects (approx. value \$403,000) including 12 rehabilitations (value approx. \$54,000 in year 2000 values) .

(See CARPENTRY TRAINING PROGRAM PROJECTS1993-2000 list attached).

4. Project achievement and if there were any problems encountered.

136 homes of low- and very low-income homeowners have had their health and safety problems successfully corrected and/or handicapped access improved. All but one homeowner was very satisfied with the results for an "unhappy homeowner" rate of less than 1% (1/136 = 0.007%).

Mediation was used to resolve disputes that developed in two projects (1996).

Arbitration was used once to close out an HPG project (2003).

5. Explain any delays encountered and the reasons for the delays.

The HIP and HOME contracts (1996, 1998) with federal Department of Health and Human Services and County of Hawaii Office of Housing and Community Development, respectively, were extended when handicapped access projects took more than normal time.



HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL

47 Rainbow Drive
Hilo, Hawaii 96720-2013

Telephone (808) 961-2681 Ext.413 Fax (808) 935-9213 Email: marymiho.finley@gmail.com

CARPENTRY TRAINING PROGRAM PROJECTS Fall 1993 to Summer 2000

	VALUE
Mitchell Residence - rehab mistakes & complete framing, construct 3 BR -2 Bath Residence (one story above ground)	\$85,000
County Motor Pool - double garage door fabrication and Installation	2,000
EHCH: R & R rotten and construct new Porch and Steps (East Hawaii Coalition for the Homeless)	1,600
Hawaii Island Food Bank - Construct Food Storage Lockers	1,800
Kahoalii Residence - foundation 2 BR - 1 Ba home	45,000
Panaewa Hayshed - 20 X 100 hay drying shed	10,000
Panaewa generator shed	2,000
22 X 24 foot close in of trailer	2,600
Marcelino kitchen renovation	1,000
Nobriga Residence - complete R & R residence roof (3 different roofs)	15,000
Gill residence - Enclose garage, form & pour sidewalks	15,000
Neves residence 30 X 24 4 BR addn. & 16 X 30 carport	30,000
Segawa residence - Frame & construct roof over entry	1,400
Gaison residence - assist funding for financing, construct from ground up	75,000
St. Joseph's Kitchen - bathroom repair	1,600
Wood Valley Temple - monks qtrs. foundation & kitchen porch extension	13,000
Seiganji kitchen renovation -	10,000
Patsy Shioji re-roof	6,000
HCEOC RFC Kitchen build from ground up	50,000
HCEOC Gift Production build from ground up	50,000
TOTAL	\$403,000

(19)

HCEOC Kona District Office Phone: 328-3429
 78-6804 Mamalahoa Hwy. (old Keauhou School)
 Keauhou, Kona TMK: 7-8-007: portion 28
 HCEOC Central Phone: 961-2681 Ext. 301*

contractor
 license #
 address
 phone
 fax

	WORK ITEM	MATERIAL	LABOR	TOTAL
*1	Install new 26 g prepainted galvanized roof replacing termite-eaten framing as needed. Replace all fascia.			20,000 3,000
*2	Install continuous pre-pted aluminum gutters & downspts directing water away from building, protecting entries.			2,200
*3	Fumigate for termites for maximum guaranteed period.			2,500
*4	Remove & replace rotted perimeter posts (3) & vertical skirting Kohala & Ka'u sides			1,200
*5	Repair back steps (emergency exit) posts & railings.			800
*6	Replace back solid door & install security screen door.			800
*7	Repair termite-eaten floors, especially both back rooms using treated plywood.			2,200
*8	Repair termite damaged walls & ceilings w/ drywall. Tape, mud, sand and prime.			1,500
*9	Install window security (screens/bars over windows).			3,500
10	Repair 2 broken doors to basement (storage).			800
*11	Trim/remove trees overhanging roof: trim banyan on left & remove about 20 trees on right less than 8" in diameter: mostly African tulip (Schefflera), 6 palms, 1 mango			2,500
*12	Re-wire to Code making sure enough outlets for 4 offices Use GFCI outlets at snack area & in both bathrooms.			18,000
*13	Make left bath into accessible 1/2 bathrm (sink, toilet). Make closet into hallway from meeting room to bath room.			5,000
*14	Construct handicapped access: Cut & Fill, build retaining wall, pave. (Steep site is hazard for parking & walking) Build handicapped ramp into building (porch).			43,000 7,000
15	Encapsulate ext. walls w/ Hardiboard.			12,000
*16	Design, plans and permits			10,915
	* Health/Safety PRIORITIES			
	SUBTOTALS			
	Grand Total			136,915

Please fax/mail to HCEOC 935-9213 "Attention: Mary Finley" *Mahalo!*

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HCEOC KONA – HAZARD REMOVAL & HANDICAPPED ACCESS IMPROVEMENTS PROJECT SUMMARY

BACKGROUND

Hawaii County Economic Opportunity Council, a private non-profit organization, has served the needs of Hawaii County economically-challenged persons for over 47 years. Satellite rural office in Kona is critical to the continuing provision of transportation, energy, food, education and housing programs for West Hawaii communities from South Kona to Wailokoloa.

The private non-profit was first organized under a Charter recognized by the State of Hawaii Department of Regulatory Agencies in May 27, 1965, amended May 26, 1981 and granted 501 c 3 nonprofit tax status by the federal IRS on February 25, 1971. HCEOC is governed by a 12-member board, all of whom are volunteers. They are organized under By-Laws (dated January 29, 2011) that prohibit compensation (Section 13 COMPENSATION, page 14) and CONFLICT OF INTEREST (Section 12, page 11). HCEOC receives funding from federal, state, county and private sources.

NEED

Emergency repairs and access improvements, including the removal of architectural and site barriers, will help to ensure anti-poverty services, especially transportation of elderly and disabled persons from Kona and Kohala to medical appointments is not compromised. Transportation was the number one need identified at State Office of Community Services community needs assessment meeting in Hilo 2012. Transportation has been among the top three community needs at all Hawaii County "Dialogue on Poverty" meetings for the last six years.

HCEOC Kona serves approximately 600 low-income citizens from Kona through Waikoloa, including many elderly, disabled and immigrant families.

HEALTH AND SAFETY REPAIR

At a minimum funds are needed for labor, materials, and related construction costs for termite fumigation, roof replacement, foundation repair, to replace hazardous World War II-era wiring and to establish safe access for elderly and disabled.

BUILDING PRESERVATION

At the same time leveling out-of-level foundation and reinforcing termite-eaten floors (fall prevention) and installing gutters will arrest deterioration.

HANDICAPPED ACCESS

Unpaved and steep parking needs to be leveled and paved to provide one/two handicapped stalls and a level loading zone. Building a ramp and converting a bathroom to be wheelchair accessible will increase access to services for elderly and disabled individuals and bring facility into compliance with ADA.

(See photos and itemized Work Lists attached.)

INCREASING BUILDING SECURITY

Installing new exterior door with deadbolt lock, repairing back step and railing will restore fire/emergency exit. Installing security bars over windows and doors will reduce the damage from vandalism and theft.

BUILDING COMFORT

All building users will benefit when drywall is installed over the ceilings and walls that "rain" termite droppings.

SITE CONTROL

HCEOC Kona is leased from the State Department of Land and Natural Resources under Revocable Permit S-4964 dated May 31, 1973. (See lease/Permit No. S-4964 administered by Division of Land Management and maps attached). Building consists of 6 rooms and 2 bathrooms of 1,575 square feet.

FACILITATING SAFETY NET SERVICES IN RURAL AREAS

HCEOC has been allowed "gratis" rent on the property. Because of no-rent terms preserving buildings is critical to HCEOC's being able to continue to provide services affordably in high rent Kona area.

USE OF FUNDING

Funds would be used to hire (after procurement/competitive bids) an architect/engineer to design safe level, paved parking and handicapped access providing necessary drainage and retaining wall(s) and a licensed general contractor to remove the building's health and safety deficiencies and to construct a ramp and create one wheelchair-accessible bathroom. Besides solving engineering challenge (steep slope) design must respect historic values of over 50-year old Keauhou School teachers cottage

IMPACT OF NO FUNDING

- If funding is not forthcoming:
- 1) building will further decline and may become unusable.
 - 2) If HCEOC loses the Kona office low-income West Hawaii residents will have less opportunity to access safety net services.
 - 3) Loss of services will mean a reduced quality of life. Loss of Low Income Home Energy Assistance Program (LIHEAP), for example, that subsidizes a family's electricity bills for a year or door-to-door service that transports elderly/disabled persons to dialysis/doctor appointments, will make life more difficult for vulnerable residents.
 - 4) HCEOC's services are dependent on maintaining the no-rent Holulaloa facility. Rent-free HCEOC office is particularly critical in the high-rent Kona area.
 - 5) Lack of handicapped access will continue to limit assistance to elderly and disabled persons and
 - 6) HCEOC is in jeopardy of a possible ADA discrimination lawsuit.

NEED

1) This proposal is an attempt to arrest the decline of the Kona HCEOC office that has suffered from a lack of maintenance over the years. Deterioration has reached a point beyond which use of the building may have to be abandoned.

2) Preserving the building is critical to being able to continue services for needy persons from Naalehu-Ocean View to Waikoloa. Not having services in the rural areas closer to home will limit the poor's ability to access services, as the long distances to obtain services is a hardship for those on fixed income.

3) Kona HCEOC lack of handicapped access limits provision of services to some of the most vulnerable citizens. Services to the able-bodied will also be improved with leveling and paving the currently steep hazardous parking area.

4) Improving access and building safety is key to being able to continue transportation services. It has been the consensus of HCEOC* and other providers' (mental health, domestic violence groups) needs assessments over the past five years or more that transportation is consistently the top or among the top three needs expressed. *HCEOC Dialogue on Poverty (2008 and 2010) and Department of Labor Office of Community Services community needs assessment in Hilo in 2012. Without door-to-door transportation mental and physical health will decline for many of the rural area's most vulnerable citizens.

5) Losing this building that is rented to us for free will likely mean an increase in costs, as finding another free rent building is not likely.

6) Saving the building now will help not only present users, but the needs of folks in the future. According to the 2010 U.S. Census poverty since 2000 has increased at the highest rate in the rural areas. 2010 Census found the 43.6 Million poor people living in rural areas was the highest rate of folks in poverty since the census began collecting statistics 51 years ago.

(census.gov/hhes/www/poverty/incpovhlth/2009/table5.pdf) Following this nationwide trend, we can expect the numbers and needs of the poor in mostly rural Hawaii County will increase in the future.

CONSEQUENCE OF NOT FUNDING HCEOC KONA

1) If deterioration of HCEOC Kona is not addressed soon, costs will continue to increase and use of the building, the primary West Hawaii HCEOC office and a unique part of old Kona history, may be lost.

2) Attempts to obtain funds from other sources have not been successful. As a result of economic downturn, there are far fewer grants available and few, if any, grants offering construction funding. Most funding made available to Non-profits these days is for providing services. CIP funding to build is virtually non-existent.

3) If funding is not found to address health and safety defects, HCEOC could be the subject of an ADA lawsuit.

SITE CONTROL

HCEOC has control of the project site leased from the state (See DLNR Revocable Permit No. S-4964 regarding TMK #: 7-8-07:Portion of 28, dated May 31, 1973 and maps/site plans attached)

The State of Hawaii is the legal owner of Kona HCEOC

- Parcel Size: 0.664 acres or 28,943 square feet
- HCEOC KONA shares the former Keauhou School grounds with Kona Head Start pre-school. HCEOC and Head Start have separate leases with the State Department of Land and Natural Resources.
- Jurisdiction: Land Management Division of State Department of Land and Natural Resources. Maps (TMK # 7-8-07: portion 28) and lease (Revocable Permit No. S-4964 dated May 31, 1973 are attached.)
- Zoning: Residential-Agriculture 0.5 acre. In 1946 KONA HCEOC was built as a residence for Keauhou School teachers. The area is classified Rural by the county and the use is considered a 'legal non-conforming use'. Use pre-dates the adoption of zoning by the county.
- Building is 6 rooms and 2 full bathrooms, 1,575 square foot in size.

PUBLIC RELATIONS

There has been no announcement to the respective community of any anticipated or proposed building rehabilitation or access improvements. If project is approved for state CIP funding, we would inform immediate neighbors as required. This would be done prior to requesting proposals for engineering design/construction. The first to be consulted would be the Kona Head Start Preschool next door and also State Department of Transportation building a new Kona DOT base yard immediately behind.

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
DIVISION OF LAND MANAGEMENT

REVOCABLE PERMIT NO. S-4964

KNOW ALL MEN BY THESE PRESENTS:

THAT, effective the 31st day of May 1973,
HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL, whose business address and
post office mailing address is 46 Keawe Street, Hilo, Hawaii 96720
of _____ County of Hawaii, State of Hawaii,
(City and)
hereinafter called the "PERMITTEE", is permitted to enter and
occupy on a month to month basis that certain parcel of Government
land (and any improvements located thereupon) situate at
Keaouhou 1st, North Kona, Hawaii, being two (2) classrooms located on
the former Keaouhou School grounds, shown on Tax Map Key 7-8-07:Portion
of 28, _____, _____ County of Hawaii,
(City and)
State of Hawaii, as indicated on the plan attached hereto, if any,
and made a part hereof, containing an approximate area of
1,575 sq.ft. ± which parcel is hereinafter referred
to as the "Premises".

THE CONDITIONS UNDER WHICH THIS PERMIT IS GRANTED ARE AS FOLLOWS:

1. The Permittee shall occupy and use said Premises for the following specified purposes only:
Senior citizen, youth and community activities.
2. The Permittee shall pay, at the Office of the Department of Land and Natural Resources, Honolulu, Oahu, or at the Office of its Land Agent on the Island where said Premises are located, the sum of -----Gratis-----
3. The Permittee, upon execution of this Permit, shall deposit with the Board of Land and Natural Resources, the sum of \$ ----Waived---- as security for the faithful performance of all of the terms and conditions herein. The whole or portion of said deposit will be returned to the Permittee upon termination of this Permit, but only after all of the terms and conditions of this Permit have been observed and performed to the satisfaction of the representatives of the Department of Land and Natural Resources.

4. If the Permittee does not vacate the Premises upon the revocation of the Permit by the Board of Land and Natural Resources, the Permittee shall pay to the State liquidated damages at the daily rate of \$ ----Waived----- for each day, or portion thereof, the Permittee remains on the Premises over said date of revocation by said Board of Land and Natural Resources. Such payment is to be in addition to any other rights or remedies the Board may be entitled to pursue for breach of contract, or for illegal occupancy.
5. The Board of Land and Natural Resources may revoke this Permit upon written notice to the Permittee at least thirty (30) days prior to such revocation.
6. The Board of Land and Natural Resources may at any time increase or decrease the monthly rental by written notice thereof at least thirty (30) days prior to the date of change of rent.
7. Any major improvements, including but not limited to buildings and fences, erected on or moved onto the Premises by the Permittee shall remain the property of the Permittee and the Permittee shall have the right, prior to the termination of this Permit, or within such additional period as the Board in its discretion may allow, to remove such improvements from the Premises; provided, however, that in the event the Permittee shall fail so to remove such improvements within thirty (30) days, after written notice to remove, the Board may elect to retain said improvements or shall remove the same and charge the cost of removal and storage if any to the Permittee.
8. The Permittee shall, at the Permittee's own cost and expense, keep the government-owned improvements located on the Premises insured against loss by fire and other hazards, casualties and contingencies, for the full insurable value of such improvements. Said policies are to be in favor of the Board of Land and Natural Resources and are to be filed and deposited with said Board. In the event of loss, damage or destruction, the Board of Land and Natural Resources shall retain from the proceeds of the policies such amounts deemed by it to be necessary to cover the loss, damage or destruction of or to the government-owned improvements and the balance of such proceeds, if any, shall be delivered to the Permittee.
9. The Board of Land and Natural Resources reserves the right to itself, its agents and/or representatives to enter or cross any portion of the Premises at any time in the performance of its duties.
10. The Permittee shall give the Board of Land and Natural Resources twenty-five (25) days' notice in writing before vacating the Premises.
11. The Permittee, if a holdover lessee or licensee, shall pay all real property taxes, which shall be assessed against the Premises from the date of this permit, provided that a Permittee, not a holdover lessee or licensee, who has occupied the premises for commercial purposes for a continued period of one year or more, shall pay the real property taxes assessed against said premises after the first year of the permit as provided in Section 245-36(d), Hawaii Revised Statutes.
12. This permit or any rights hereunder shall not be sold, assigned, conveyed, leased, mortgaged or otherwise transferred or disposed of.

13. The Permittee shall observe and comply with all laws, ordinances, rules and regulations of the federal, state, municipal or county governments affecting the Premises or improvements.
14. The Permittee shall repair and maintain all buildings or other improvements now or hereafter on the Premises.
15. The Permittee shall obtain the prior written consent of the Board before making any major improvements.
16. The Permittee shall keep the Premises and improvements in a clean, sanitary and orderly condition.
17. The Permittee shall pay when due, all payments for water and other utilities, and whatever charges for the collection of garbage that may be levied.
18. The Permittee shall not make, permit or suffer, any waste, strip, spoil, nuisance or unlawful, improper or offensive use of the Premises.
19. The Permittee shall at all times with respect to the Premises use due care for public safety and agrees to defend, hold harmless and indemnify the State of Hawaii from and against all claims and demands for damage, including claims for property damage, personal injury or death, arising on or about the Premises, or by any fire or explosion thereon, or growing out of, or caused by any failure on the part of the Permittee to maintain the Premises in accordance with the terms and conditions of this Permit.
20. It is understood that the Permittee has inspected the Premises and knows the condition thereof and fully assumes all risks incident to its use.
21. The acceptance of rent by the Permitter shall not be deemed a waiver of any breach by the Permittee of any term, covenant or condition of this Permit nor of the Permitter's right to declare and enforce a forfeiture for any such breach, and the failure of the Permitter to insist upon strict performance of any term, covenant or condition, or to exercise any option herein conferred, in any one or more instances, shall not be construed as a waiver or relinquishment of any term, covenant, condition or option.
22. The Permittee shall obtain at the Permittee's own cost and expense, and keep in force during the entire period of this Permit, with an insurance company or companies acceptable to the Board of Land and Natural Resources in an amount satisfactory to the Board of Land and Natural Resources, a policy or policies of public liability insurance for personal injury and property damage; said policy or policies to cover the entire demised premises, including all buildings, improvements and all roadways or sidewalks on or adjacent to the demised premises in the control or use of the Permittee. With respect to proof of the Permittee's compliance with the provisions of this paragraph, the Permittee shall furnish the Board of Land and Natural Resources with a certificate showing such insurance to be initially in force and shall furnish a like certificate to contain or be accompanied by an undertaking of the insurer to notify the Board of Land and Natural Resources of any intention to cancel any such insurance prior to actual cancellation. The procuring of this insurance

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shall not release or relieve the Permittee of its responsibility under this Permit.

- 23. Should this Permit on a month to month basis extend for a period beyond one year from the date of issuance, any renewal of this Permit beyond such one year from the date of issuance shall be only upon approval of the Board of such extension.
- 24. The use and enjoyment of the Premises shall not be in support of any policy which discriminates against anyone based upon race, creed, color or national origin.

(See attached sheet.)

Unless the text indicates otherwise, the use of any gender shall include all genders and, if the Permittee includes more than one person, the singular shall signify the plural and this Permit shall bind said persons, and each of them jointly and severally.

Dated: July 20, 1973.

PERMITTEE:
HAWAII COUNTY ECONOMIC OPPORTUNITY

[Redacted]
[Redacted]
[Redacted]

1st. Staff Director

STATE OF HAWAII

[Redacted]

Chairman and Member
Board of Land and
Natural Resources

And By:

[Redacted]

Board of Land and
Natural Resources

Approved by the Board
at its meeting held on

June 8, 1973

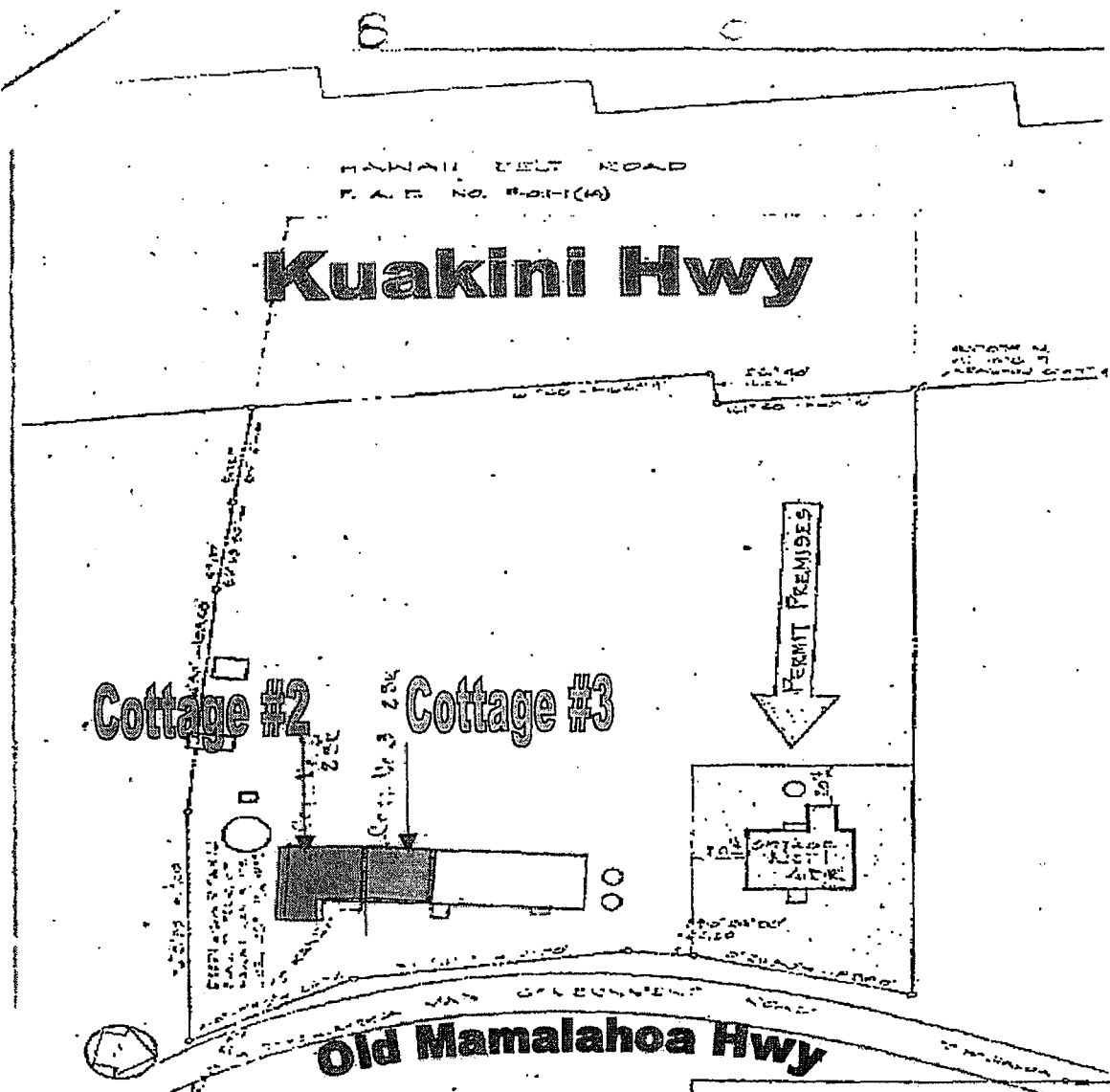
APPROVED AS TO FORM:

[Redacted]

DEPUTY ATTORNEY GENERAL

DATE: July 12, 1973

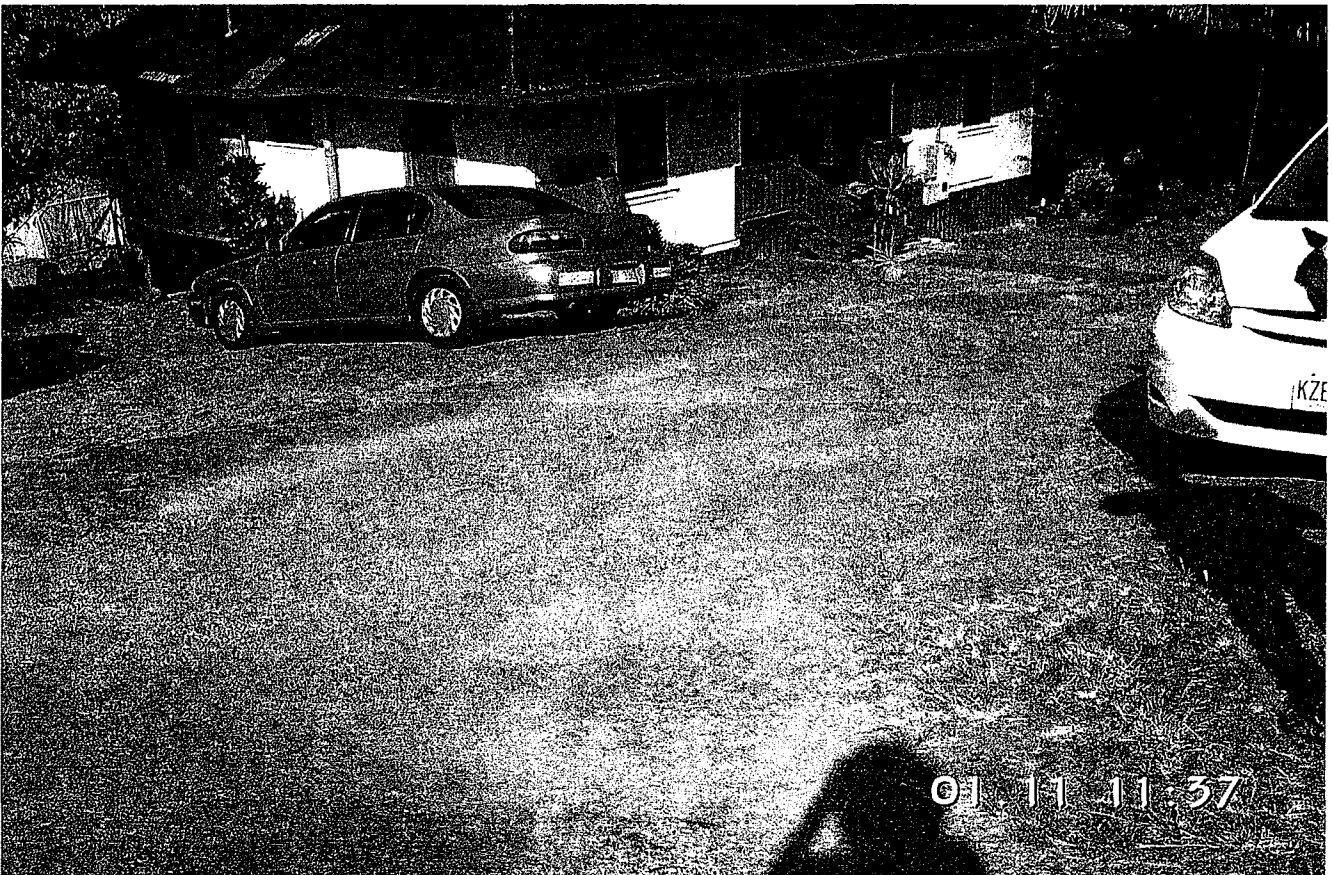
25. The Permittee shall, at no cost to the State of Hawaii, peacefully vacate the subject area and facilities when the Hawaii Housing Authority is prepared to occupy said area.
26. The Permittee shall upon termination of the permit, return the grounds and improvement to its original state or a condition acceptable to the Hawaii Housing Authority.



PLOT PLAN ✓ SCALE: 1" = 50'
 KEAUKOU SCHOOL
 DISTRICT OF HONOLULU, COUNTY OF HAWAII

HAWAII HOUSING AUTHORITY
 PERMIT PREMISES
 TO HCEOC

EXHIBIT A



01:11 09:10



01.11 09:21



01.11 09:36

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**HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL
JANUARY 2013 BOARD OF DIRECTORS**

PUBLIC SECTOR						
NAME	TERM	POSITION	ADDRESS	OCCUPATION	REPRESENTING	SEATED
Randy Kurohara	Unlimited	Director	25 Aupuni Street, Hilo, 96720	Director, Research & Development	Mayor William Kenoi	06/29/09
Sharon Ibarra	Unlimited	Director	30 Makalani St.; Hilo, HI 96720 sharon_ib@yahoo.com	Accountant	State Representative Jerry Chang	10/24/11
Kaniu Kinimaka-Stocksdale	Unlimited	Director	P.O. Box 982, Keaau, 96749	Entrepreneur	State Representative Faye Hanohano	09/28/09
Jay Kimura	Unlimited	Chair	655 Kilauea Avenue, Hilo, 96720	Community Volunteer	Prosecuting Attorney, Hawaii County	09/28/09
Marcella Stroh	Unlimited	Secretary	525 Kilauea Avenue, Hilo, 96720 marcella.stroh@centralpacificbank.com	State VP Commercial Manager	State Representative Clift Tsuji	06/29/09
Conrad Hokama	Unlimited	Director	20 Kukila Street, Hilo, 96720	VP, Alumside Products, Inc.	State Senator Russell Kokubun	06/29/09
PRIVATE SECTOR						
NAME	TERM	POSITION	ADDRESS	OCCUPATION	REPRESENTING	SEATED
Elizabeth "Liz" Salfen	Two Consecutive 3 Year Terms	Director	RR 4 Box 2377, Pahoa 96778 jes323@hawaiiantel.net	Accountant, Business Specialist	County of Hawaii- Research & Development	02/22/10
Laura Tobosa	Two Consecutive 3 Year Terms	Treasurer	794 D Kaumana Drive, Hilo, 96720 laurahi2002@yahoo.com	Retired	Disability Rights Hawaii	06/29/09
David De Luz, Jr.	Two Consecutive 3 Year Terms	Vice President	811 Kanoelehua Ave, Hilo 96720 djr@teamdeluz.com	Business Owner	Business Sector	3/20,12
Alan Parker	Two Consecutive 3 Year Terms	Director	County Office of Aging, 1055 Kinoole St.; Suite 101; Hilo, HI 96720 arparker@hcoahawaii.org	Director	County Office of Aging	03/20/12
Vacant						
Vacant						
COMMUNITY SECTOR (LOW INCOME)						
NAME	TERM	POSITION	ADDRESS	OCCUPATION	REPRESENTING	SEATED
Lulu Cordero	Two Consecutive 3 Year Terms	Director	622-A Wainaku St.; Hilo, HI 96720	Homemaker	Hilo District Council	03/25/12
Mieko Soken	Two Consecutive 3 Year Terms	Director	P.O.Box 233; Pepekeo, HI 96783	Homemaker	Hilo District Council	03/25/12
Anna Cariaga	Two Consecutive 3 Year Terms	Director	P.O. Box 353, Pahala, 96777	Retired Community Facilitator	Ka'u-Puna District Council	03/22/10
Vacant					Kona District Council	
Vacant					Kona District Council	
Vacant					Hamakua District Council	

BOARD OF DIRECTORS

Research Asst — Grants Writer — EXECUTIVE DIRECTOR (L. Seto)

Fiscal Dept (A. Liwai) — Accountant — Acct Clerk

COMMUNITY SERVICES DIRECTOR/HR (B. wagstaff)

FOOD SERVICES (D. Wheeler)

FARM (R. Keith)

HOUSING & ENERGY (Com Svcs Dir)

YOUTH SERVICES (C. Hamakawa)

TRANSPORTATION (Comm Svc Dir)

HILO (D.W.)

KONA (C. Brooks)

LIHEAP (A. Ghiulamila)

WAP (B. Wagstaff/
A. Ghiulamila)

HSG PRESV (M. Finley)

LAMP

DOPP/
UDPP

EAST (B. Sextimo)

WEST (L. Mahi)

- MOW Cook
- Cook Helpers
- Kitchen Helpers
- Drivers

- Asst Cook
- Driver

- Farm Worker

- Intake Workers

- Energy Auditors (2)

- Teachers
- Aides

- Facilitators

- Clerk
- Drivers (12)
- On-call Drivers (2)

- Clerk
- Drivers (3)

Address any reply to: P.O. Box 231, Los Angeles, Calif. 90053

Department of the Treasury

HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL

District Director
Internal Revenue Service

Date: FEB 25 1971 In reply refer to A:EO:71-226
Code 421:1402:AOB

TeL. (213)688-4763

3-1-71



Hawaii County Economic Opportunity Council
46 Keawe Street
Hilo, Hawaii 96720

Gentlemen:

Purpose: Charitable & Educational

File Returns with Internal Revenue Service Center: Philadelphia, Pennsylvania

Accounting Period Ending: February 28

Address Inquiries to District Director of Internal Revenue: Los Angeles

Based on information supplied, and assuming your operations will be as stated in your exemption application, we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Any change in your purposes, character, or method of operation must be reported to us so we may consider the effect of the change on your exempt status. You must also report any change in your name and address.

We have further determined that you are not a private foundation within the meaning of section 509(a) of the Code because you are an organization described in section 170(b)(1)(A)(vi)

For years beginning prior to January 1, 1970, you are required to file the annual information return, Form 990-A. For each subsequent year, please refer to the instructions accompanying the Form 990-A for that particular year to determine whether you are required to file.

If filing is required, you must file the Form 990-A by the 15th day of the fifth month after the end of your annual accounting period.

Hawaii County Economic Opportunity Council

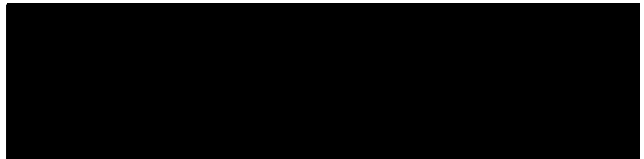
You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T. In this letter we are not determining whether any of your present or proposed activities is unrelated trade or business as defined in section 513 of the Code.

You are not liable for Federal unemployment taxes. You are liable for social security taxes only if you have filed waiver of exemption certificates as provided in the Federal Insurance Contributions Act.

Contributions made to you are deductible by donors as provided in section 170 of the Code. Bequests, legacies, devises, transfers or gifts to or for your use are deductible for Federal estate and gift tax purposes under the provisions of sections 2055, 2106 and 2522 of the Code.

You need an employer identification number, even if you don't have any employees. This number is to be used on all your tax returns and in your correspondence with the Internal Revenue Service. If you do not have such a number, your District Director will take steps to see that one is issued at an early date.

This is a determination letter.



DEPARTMENT OF REGULATORY AGENCIES
STATE OF HAWAII

In the Matter of the Petition
For Charter
of
HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL

CHARTER OF INCORPORATION
HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL

YOSHITO TANAKA
COUNTY ATTORNEY
COUNTY OF HAWAII
COUNTY BUILDING, HILO, HAWAII

ATTORNEY

DEPARTMENT OF REGULATORY AGENCIES
STATE OF HAWAII

In the Matter of the Petition
For Charter
of
HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL

CHARTER OF INCORPORATION
of
HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL

Know ye, that whereas RALPH H. KIYOSAKI,
ROBERT M. OTA, BLAINE BRADSHAW, BENEDICT LUI KWAN,
FUMIKO IWAMASA and TADAO OKIMOTO, all of whom are
residents of the State of Hawaii, have made applica-
tion to me, as Director of Regulatory Agencies, to
grant a Charter of Incorporation to them and their
associates;

NOW, THEREFORE, I, SIDNEY I. HASHIMOTO,
Director of the Department of Regulatory Agencies,
State of Hawaii, in the exercise of all power and
authority anywise enabling me to act in this behalf,
do hereby constitute the above-named persons and their
associates a body corporate, and confer upon them the
following Charter:

CHARTER OF INCORPORATION
of
HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL

I.

The name of the corporation shall be "HAWAII
COUNTY ECONOMIC OPPORTUNITY COUNCIL".

II.

The location and initial principal office of
the corporation shall be at County Building, County of
Hawaii, Hilo, Hawaii; such principal office may be

changed from time to time to such other location in the State of Hawaii as the Board of Directors shall designate.

III.

The objects and purposes of the corporation shall be:

1. To actively solicit the coordination and cooperation of all individuals, agencies and organizations, both public and private, within the County of Hawaii, towards assisting those individuals and groups who are below average economic levels to attain an improved capability of financial earning.
2. To enlist interest and financial support from any and all sources to engage in projects to combat poverty.
3. To make, enter into and perform contracts with any person, firm, association, corporation, private, public or municipal or body politic.
4. To sponsor, contract for, or operate and conduct activities such as remedial and non-curricular education, employment, job training, counseling, health and vocational rehabilitation, housing and home management, welfare, research, training, and demonstration activities, and such other activities as may be related to any of the objectives herein.
5. To acquire by purchase or otherwise, hold, deal in and dispose of such personal property and, with the consent of not less than three-fourths of the members of the corporation, such real property as may be necessary or convenient for the purposes of the corporation.
6. To borrow moneys with the consent of not less than three-fourths of the members of the corporation, without limit as to amount, to meet the operating and other expenses of the corporation and, from time to time, to

draw, make, accept, endorse, execute and issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable or non-negotiable instruments and evidences of indebtedness for any of the above purposes, and to secure the payment of any thereof and of the interest thereon by mortgage or pledge, conveyance or assignment in trust of any of the property of the corporation, and to sell or otherwise dispose of such bonds or other obligations of the corporation for its corporate purposes.

IV.

The corporation shall have all powers capable of being vested in corporations not organized for profit under the laws of the State of Hawaii and shall be authorized to engage in any activities, and do and perform any acts of any nature whatsoever that shall be proper, necessary or convenient for the furtherance of the objects and purposes set forth in Article III hereof.

V.

The duration of the corporation shall be perpetual.

VI.

The corporation shall complete its organization within thirty (30) days after issuance of the Charter of Incorporation.

VII.

All of the powers and authority of the corporation shall be vested in and may be exercised by the Board of Directors except as limited by law, this Charter or the By-Laws, and, in furtherance and not in limitation of said general powers, the Board of Directors shall have power, acting always in accordance with the By-Laws: to make rules and regulations not inconsistent with the By-Laws; to create such committees of the Board of Directors or of

the Corporation and to designate as members of such committees such persons as it shall determine and to confer upon such committees such powers and authority as may by resolution be set forth for the carrying on or exercising of the purposes and powers of the corporation; and generally to do any and every lawful act necessary or proper to carry into effect the powers, purposes and objects of the corporation. Said Board of Directors shall consist of not less than six (6) persons who shall be qualified, nominated, elected and appointed as is provided for in the By-Laws. Until their successors shall have been duly elected the initial directors of the corporation and their business and home addresses are as follows:

<u>Name</u>	<u>Business Address</u>	<u>Home Address</u>
Ralph H. Kiyosaki	Dept. of Education 480 Waianuenue Ave. Hilo, Hawaii	81 Apoki St. Hilo, Hawaii
Benedict Lui Kwan	State Employment Service 266 Waianuenue Ave. Hilo, Hawaii	225 Kapiolani St. Hilo, Hawaii
Blaine Bradshaw	Univ. of Hawaii Extension Service Kainaliu, Kona	Honaunau Hawaii
Robert M. Ota	Univ. of Hawaii Extension Service Federal Building Hilo, Hawaii	135 Alae St. Hilo, Hawaii
Fumiko Iwamasa	Dept. of Social Services 1238 Waianuenue Ave. Hilo, Hawaii	52 Puuoko St. Hilo, Hawaii
Tadao Okimoto	County Auditor's Office County Building Hilo, Hawaii	Onomea, Hawaii

VIII.

The officers of the corporation shall consist of such officers as shall be provided for in the By-Laws and their qualifications, duties, powers, term of office and

manner of appointment shall be as provided for in the By-Laws. Any offices may be created or abolished by the By-Laws, provided that there shall always be a president, a vice president, a secretary and a treasurer. The treasurer may be a corporation, and the offices of secretary and treasurer may be held by the same person. The initial officers of the corporation and their business and home addresses are as follows:

<u>Officer</u>	<u>Business Address</u>	<u>Home Address</u>
President: Ralph H. Kiyosaki	Dept. of Education 480 Waiianuenu Ave. Hilo, Hawaii	81 Apoki St. Hilo, Hawaii
Vice-President: Benedict Lui Kwan	State Employment Service 266 Waiianuenu Ave. Hilo, Hawaii	225 Kapiolani St. Hilo, Hawaii
Secretary: Blaine Bradshaw	Univ. of Hawaii Extension Service Kainaliu, Kona	Honaunau Hawaii
Treasurer: Robert M. Ota	Univ. of Hawaii Extension Service Federal Building Hilo, Hawaii	135 Alae St. Hilo, Hawaii

LX.

Members of the corporation shall be admitted, suspended, and expelled in such manner as shall from time to time be prescribed by the By-Laws.

X.

The initial By-Laws of the corporation shall be approved and adopted by the signers of the Petition for a Charter of Incorporation within thirty (30) days after the granting of such Charter. The By-Laws may be altered, amended or repealed thereafter by a majority of the members present at any annual meeting or a special meeting duly called and specifically held for such purpose.

XI.

The corporation is not organized for profit and will not issue any stock. No part of the corporation's assets, income or earnings shall be distributed to its members, directors or officers except for services actually rendered to the corporation. If the corporation shall cease to exist or shall be dissolved voluntarily or involuntarily, all property and assets of the corporation of every kind after the payment of its just debts shall be distributed solely to one or more organizations exempt from United States income tax, either charitable, scientific, educational, or with purposes similar to those of the corporation.

XII.

The property of the corporation shall alone be liable at law for payments of the debts and liabilities of the corporation. No director or officer of the corporation or his heirs, executors, or administrators, shall be liable to the corporation for any loss or damage suffered by it on account of any action or omission by him as such director or officer, unless such director or officer shall, with respect to such action or omission, be and/or have been guilty of misconduct or negligence in the performance of his duties as such director or officer.

XIII.

This Charter shall be subject to amendment from time to time in accordance with law, and the corporation shall be subject to all general laws now in force or hereafter enacted with regard to corporations of this nature.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the official seal of the Department of Regulatory Agencies of the State of Hawaii to be hereunto affixed this 27th day of May, 1965.



DIRECTOR OF REGULATORY AGENCIES
STATE OF HAWAII

STATE OF HAWAII
DEPARTMENT OF REGULATORY AGENCIES
Business Registration Division
1010 Richards Street
Mailing Address: P.O. Box 40, Honolulu, Hawaii 96810

In the Matter of the Amendment of)
the Charter of Incorporation of)
)
Hawaii County Economic Opportunity Council)

RECEIVED
BUREAU OF REGISTRATION
MAY 27 1981

CERTIFICATE OF AMENDMENT

The undersigned duly authorized officers of Hawaii County Economic Opportunity Council
_____, a Hawaii non-profit corporation, do hereby certify that at a
~~XXXXXX~~ meeting of the members of said corporation duly called and held at
Hilo Association to Help Retarded Citizens Hilo, Hawaii, on the 20th day of
April, 1981, for the purpose of amending the Charter of Incorporation, it was voted
by not less than two-thirds of the members present at the meeting to amend the Charter of
Incorporation of said corporation, as set forth in the exhibit attached hereto and made a part of
this Certificate.

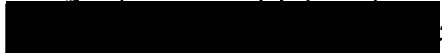
IN WITNESS WHEREOF, the undersigned have hereunto set their hands this 22nd day of
May, 1981.



STATE OF HAWAII)
County of Hawaii)

Laurence J. Capellas and Angelina Costorio being first duly
sworn on oath depose and say that they are the Chairperson and
Secretary, respectively, of Hawaii County Economic Opportunity Council;
that as such officers they are duly authorized to sign the foregoing Certificate of Amendment;
and that they have read the said Certificate and attached Exhibit, know the contents thereof, and
that the same are true.

Subscribed and sworn to before me this
22nd day of May, 1981.



Notary Public, 570 Judicial Circuit,
State of Hawaii
My commission expires: 8/15/82

Office/aid: Secretary

The foregoing amendment is hereby allowed this 27th day of May, 1981.



By

(See reverse side for instructions)

INSTRUCTIONS

The amendment to the Charter of Incorporation of a non-profit corporation must be approved at a meeting duly called and held for that purpose by the vote of not less than two-thirds of the members present at the meeting, or by a larger proportion of members as may be required by the Charter of Incorporation.

The exact name of the corporation as stated in the Charter of Incorporation must be stated in the heading and body of the Certificate.

The Certificate must be signed and verified by at least two officers and filed with the Business Registration Division of the Department of Regulatory Agencies, together with the filing fee of \$5.00. The amendment shall become effective upon the allowance by the Director of Regulatory Agencies.

EXHIBIT

The Exhibit must show that the Charter of Incorporation has been amended by:

1. Stating the article or articles or paragraph or paragraphs of the Charter of Incorporation as amended, or
2. Stating the Charter of Incorporation as amended in full.

CHARTER OF INCORPORATION
of
HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL

III

1. To actively solicit the coordination and cooperation of all individuals, agencies and organizations, both public and private, within the County of Hawaii, towards assisting those individuals and groups who are below average economic levels to attain an improved capability of financial earnings and to assist the general public of the County of Hawaii.

2. To enlist interest and financial support from any and all sources to engage in projects to combat poverty and to engage in such other activities as the Board may deem necessary or desirable to effect a permanent improvement in the capacities of individuals, groups, and communities.

HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL



BY-LAWS

Board Adopted: January 29, 2011
Submitted for CAPLAW Review: February 4, 2011

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COMMUNITY ACTION CODE OF ETHICS

We, as community action professionals ever respectful of cultural diversity, dedicate ourselves to eliminate poverty in the midst of plenty in this nation by opening to everyone the opportunity for education and training the opportunity to work; and the opportunity to live in decency and dignity and commit ourselves to:

- Recognize that the chief function of the community action movement at all time is to serve the best interests of the poor.
- Accept as a personal duty the responsibility to keep up to date on emerging issues and to conduct ourselves with professional competence, fairness, and effectiveness.
- Respect the structure and responsibilities of the Board, to provide them with facts and advice as a basis for their decision-making, and uphold and implement the policies adopted by the Board of Directors.
- Keep the community informed about issues, affecting the poor and to facilitate communication among the poor, the non-poor private sector, and locally elected public officials.
- Conduct our organizational and operational duties with positive leadership exemplified by open communication, creativity, dedication, and compassion.
- Exercise whatever discretionary authority we have under the law to promote the interests of the poor.
- Serve the community action movement with respect, concern, and responsiveness, recognizing that service to the poor is beyond service to oneself.
- Demonstrate the highest standards of personal integrity, truthfulness, and fortitude in our community action activities in order to inspire confidence in the community action movement.
- Perform our professional duties in such a way so as not to realize undue personal gain.
- Avoid any interest or activity which conflicts with the conduct of our official duties.

BY-LAWS

HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL

PREAMBLE

The name of this private non-profit corporation shall be the HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL. It shall act as the official Community Action Agency for the County of Hawaii, in conformity with the standards and regulations set forth by the Community Services Block Grant Act (CSBG) and established policies of State Government.

ARTICLE I

PURPOSE AND FUNCTIONS

The purpose and functions of this organization shall include the following:

1. To identify areas of poverty and diagnose causes of poverty in this County.
2. To develop a comprehensive plan to prevent, alleviate, and eliminate poverty in this County.
3. To develop, conduct, and administer programs and to oversee the conduct and administration of anti-poverty programs as established under provisions of the CSBG Act and State of Hawaii.
4. To act as an advocate of the poor and to encourage, stimulate, and assist in the development of anti-poverty projects by public and private sector organizations to meet the needs of the low-income including Native Hawaiians.
5. To encourage, stimulate, initiate, and support efforts aimed at providing, health and decency standards of living, for all people in the County who are in fact poor.
6. To involve residents of the area and members of the population to be served, in planning, policy making, and operation of the program.
7. To engage in such other activities as the Board may deem necessary or desirable to effect a permanent improvement in the capacities of individuals, groups and communities affected by poverty, to deal effectively with their own problems so that they may become self-sufficient.
8. To actively engage in community and economic development and housing projects for total community betterment to contribute toward elimination of poverty in this County.
9. The purpose of the corporation shall be as specifically set forth in the Articles of Incorporation.
10. The corporation shall be a nonprofit corporation, and any net income or earnings which may be derived from its operation shall not be distributed to any member, director, or officer of the corporation except to pay reasonable compensation for services rendered to the corporation, to make reimbursements for expenses actually incurred in service to the corporation, and to make payments and distributions in furtherance of the purposes to the corporation.

ARTICLE II

OFFICES

The principal office of the corporation shall be located in Hilo, Hawaii or at any other location in the County of Hawaii, as the board of directors shall determine. The corporation may have such other offices, either within or without the State of Hawaii, as the board of directors may designate or as the business of the corporation may so require.

The corporation shall maintain a registered office and a registered agent in the State of Hawaii. The registered office may, but is not required to, be identical with the principal office. Notwithstanding the foregoing, during such time that the corporation has at least one officer or director who is a resident of the State of Hawaii, the corporation may, but shall not be required to, maintain a registered office and registered agent in the State of Hawaii.

ARTICLE III
BOARD OF DIRECTORS

SECTION 1. SIZE OF THE BOARD

- A. Board of Directors selected by HCEOC shall not have more than 21 directors nor less than 9 directors. Within such limits, the number of authorized directors shall be fixed by the Board of Directors. The total authorized board representation shall always be divisible by 3.
- B. The power to change the size of the board rests with the Board.
- C. A change in representation of one category of the board must be reflected in the proportion of directors from other categories.

SECTION 2. BOARD COMPOSITION

The total number of board seats shall be divisible by three (3) and represents the different sectors in the community to ensure the effective handling of poverty related issues.

- A. Representatives of the Public Sector
One-third seats shall be allocated to Public Officials or their representatives.
- B. Representatives of the Community Sector
One-third seats shall be allocated to representatives of the Community Sector.
- C. Representatives of the Private Sector
One-third seats shall be allocated to private groups.

SECTION 3. SELECTION PROCEDURE FOR THE COMMUNITY SECTOR

- A. The members of the District Council will elect by majority vote, in a secret ballot, representatives to the HCEOC Board of Directors.
- B. Election for alternates shall be handled in the same manner and at the same meeting as HCEOC board representative are elected.
- C. Apportioning of Districts.
 - 1. Number of representatives to serve on HCEOC board from each district council shall be based on data derived from the latest official County of Hawaii Census information.

2. The total number of district seats for all districts shall be reapportioned before election to ensure representation in proportion to the number of poor persons residing in the area.

SECTION 4. SELECTION PROCEDURE FOR THE PRIVATE SECTOR

- A. The Community Leadership & Board Development Committee (CL&BD) will be responsible for conducting a review of candidate Private Sector Organizations, using the criteria listed, plus at least one new criterion. The Board as a whole shall select the private sector seats before seating of the directors at the biennial Meeting in June. The general criteria considered in selecting a group shall be the following:
 1. Concern for the plight of the poverty population.
 2. Demonstrated involvement in other community organizations.
 3. Can provide technical assistance and other resources toward the mission of HCEOC.
 4. Representatives of organizations throughout the County should rotate seats so HCEOC gains support and involvement from a board and changing spectrum of other community organizations.
- B. The media may be utilized every two years to inform all private groups that they can petition for a seat on the board.
- C. When vacancies occur, the CL&BD Committee shall, in ranked order of priority, recommend to the board the organizations, to be considered for final selection.
- D. Private groups may designate representatives and their alternates, and may change representatives at any time with written certification to the board, such as a letter signed by the groups' president or other official certifying official action. Such substituted representatives shall be seated during the first meeting they attend as official representatives.

SECTION 5. SELECTION PROCEDURE FOR THE PUBLIC SECTOR

- A. The representatives of the Public Sector shall be recommended by the CL&BD and presented to the full board for final selection.
- B. The board president, or a designated officer of HCEOC, shall solicit public elected officials by letter to serve on the board. In the event that there are not enough elected public officials reasonably available and willing to serve on the board, HCEOC shall select public officials to serve on the board.
- C. Names of both public officials and their representatives must be submitted to the CL&BD Committee.

- D. The CL&BD Committee shall review all public section applications and recommend to the board public officials to be considered for final selection. In the event there are not enough elected public officials willing to serve, the CL&BD Committee will recommend appointed public officials for final selection by the board.
- E. Representatives of public officials have no alternates and restrictions which apply to alternates of the private sector and community sector are not applicable.
- F. Representatives of public officials shall be authorized to act for the public officials in matters before the board, and not as individuals.
- G. The term of public officials or their representatives shall be conterminous with the term of the office of the public official.
- H. Representation of public elected officials at both State and County level shall include representation of the entire County with no more than one official from a State representative district.

SECTION 6. APPEALS PROCEDURE BY OTHER GROUPS FOR ADEQUATE REPRESENTATION

- A. Any community agency or representative group of the poor shall be able to petition the board and have a hearing for representation. Responsibility for seeking out these individuals would be assigned to the CL&BD, a new board committee. On the basis of their work they would make recommendations to the board.
- B. Petitions shall be presented at least fifteen (15) days before the regular meeting of the board at which time they will first be presented.
- C. Petitions shall be filed at Hawaii County Economic Opportunity Council, 47 Rainbow Drive, Hilo, Hawaii 96720 between the hours of 7:45 A.M. and 4:30 P.M. or by mail.
- D. The appeal shall be in writing and shall contain specific justification for the appeal and twenty-five (25) signatures or 51% of the members of the petitioning group or agency whichever is less.
- E. The CL&BD Committee will meet with the petitioner as part of its investigation and will make their recommendations to the board. The CL&BD Committee shall review the appeal and order the matter set for hearing. The proceeding shall be presided over by the chairperson of the CL&BD Committee or, in his/her absence, by the vice-chairperson. Any procedure may be modified or waived by stipulation of the parties and informal disposition made of any appeal.

- F. The board of directors shall make the final decision. A certified copy of the decision and any accompanying findings and conclusions shall be delivered or mailed to all parties of the proceedings.
- G. Provisions for adjusting and realigning composition.

If a petition for representation is granted, the CL&BD Committee shall include the community group in the annual priority listing recommendation of the board in March. Seating of the representatives shall occur at the biennial June meeting.

SECTION 7. REMOVAL

A. Grounds for Removal

- 1. The Board of Directors may remove a director for cause for one or more of the following reasons:
 - a. Conduct the board deems contrary to the best interests of the corporation;
 - b. Violations of the corporation's article of incorporation, bylaws, conflict of interest policy, board resolutions or other policies;
 - c. Absence from three (3) or more consecutive board meetings;
 - d. Repeated disruptions of board and/or committee meetings; or
 - e. False statements on documents completed in connection with service as a director or officer of the corporation.

2. Public

Provisions for removal shall not extend to the public officials or their representatives. However, if the appointed representatives have unexcused absences from three (3) consecutive board meetings, the CL&BD Committee can request the public official to appoint another representative.

B. Procedure for Removal

1. Private and Community Sectors

- a. If a director is absent or not officially represented for three (3) consecutive board meetings or if there is cause for removal, the director and the organization which he/she represents will be notified in writing by the board president or secretary.
- b. The director and the organization may petition within 10 days of receipt of written notification to remain on the board. The Board will review any responses and may reconsider the resignation.

2. Private groups may substitute representation at any time with written notice to the board, provided that the provisions of these By-Laws with respect to certification of the representative are complied with.
3. Public
 - a. Elected officials or appointed officials shall be notified if their representatives are absent for three (3) consecutive board meetings, or for just cause, the public officials may be requested to appoint replacements.
 - b. The public officials, both elected and appointed, may substitute representatives at any time with written notice to the board, provided that the provisions of the By-Laws with respect to certification of the representative are complied with.

SECTION 8. RESIGNATION OF DIRECTORS

- A. A director may resign by delivering his or her written resignation to the board president, to a meeting of the directors or to the corporation at its principal office.
- B. The resignation shall be effective upon receipt unless specified to be effective at some other time.
- C. A director who has ceased to meet the qualifications for service as a director, as specified in these bylaws and by the board from time to time, and/or for the board seat to which s/he was elected, is deemed to have resigned as of the date s/he ceased to meet those qualifications.

SECTION 9. ALTERNATES

- A. Alternate Representative of the Community Sector
 1. Alternates shall be chosen according to Article III. Board of Directors, Section 3, Selection Procedure for the Community Sector.
 2. Alternates shall act only as substitutes for a regular member in his/her absence and may not serve as officers of the board.
 3. In the event of a vacancy, the alternate named for each representative shall serve the balance of the representative's term.
 4. An alternate filling a vacant seat shall become a regular director of the board, and thus, eligible for service as an officer of the board.

B. Alternate Representative of the Private Sector

1. Groups represented on the board shall designate one (1) alternate, who shall be certified in writing by the sponsor he/she represents.
2. Each alternate may represent only one (1) board director.
3. An alternate shall act only as a substitute for a regular director in his/her absence and may not serve as an officer of the board.
4. If a representative vacates his/her seat, the alternate shall fill the seat as a regular director for the duration of the term. A new alternate shall be selected by the particular group affected.

SECTION 10. VACANCY

A. A vacancy on the board shall occur when:

1. A director and the organization he/she officially represents has been notified of his/her official removal for just cause by action of the board.
2. A director notifies the board of his/her resignation in writing, or the board is notified of the death of a director.
3. The designating elected or public official removes his/her representative.
4. A public official leaves office.
5. The number of elected public officials who are willing to serve does not comprise one-third (1/3) of the Board.
6. The community sector directors do not comprise at least 1/3 of the board.

B. The board of directors shall fill vacancies as soon as possible.

1. The vacancy of a representative of the community sector shall be filled by his/her alternate.
2. Vacant seats of representatives of private organizations shall be filled in the following manner:
 - a. If an alternate has been selected, the alternate shall serve out the term and the naming of a new representative shall occur after this event.
 - b. If an alternate has not been selected, the board shall ask the organization which appointed the former director to name another representative to fill the term.

3. Vacant seats of public officials shall be filled by board request officials to select another public official or representative or when an official indicates willingness to sit on the board.

SECTION 11. LIMITATION OF BOARD SERVICE

- A. Each director shall serve for a three-year term, or until he or she sooner dies, resigns, is removed, or becomes disqualified.
- B. A public official shall serve as a public sector director only while s/he continues to hold public office.
- C. A representative of a public official shall serve as a public sector director only while the public official who designated him/her continues to hold public office.
- D. An individual designated by either a low-income organization to serve as a low-income sector director or by a private sector organization to serve as a private sector director shall so serve only while s/he continues to be associated with the organization that designated him or her.
- E. No director shall serve more than two consecutive terms without at least a one-year absence from the board.

SECTION 12. CONFLICT OF INTEREST

- A. Purpose

The purpose of the conflict of interest policy is to protect HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL'S interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

- B. Definitions

1. Interest Person

Any director, principal, officer or member of a committee within the Board of Directors delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person. No former employee of HCEOC or its contractors may serve on the board until he/she has completed one (1) year hiatus from the agency or its contractor.

2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment or family:

- a. An ownership or investment interest in any entity which HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL has a transaction or arrangement.
 - b. A compensation arrangement with HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL or with any entity or individual which HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL has a transaction or arrangement, or
 - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual which HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.
3. A financial interest is not necessarily a conflict of interest. Under Article III, Section 12, a person who has financial interest may have a conflict of interest only if the board of directors' decides that a conflict of interest exists.

C. Procedures

1. Duty of Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and he/she gives the opportunity to disclose all material facts to the board of directors when considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the board meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board of directors shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

- a. An interest person may make a presentation at the board of directors meeting, but after the presentation he/she shall leave the meeting during the discussion of, and the voted on, the transaction or arrangement involving the possible conflict of interest.

- b. The president of the board shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the board of directors shall determine whether HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstance not producing a conflict of interest, the board of directors shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL'S best interest, for its own benefit, and whether it is fair and reasonable, in conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

- a. If the board of directors has reasonable cause to believe a director has failed to disclose actual or possible conflicts of interest, it shall inform the director of the basis for such belief and afford the director an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the director's response and after making further investigation as warranted by the circumstances, the board of directors determines the director has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

5. Records of Proceedings

The minutes of the board of directors shall contain:

- a. The name of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the board of directors' decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussion and voted relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

SECTION 13. COMPENSATION

- A. A voting director of the board who receives compensation, directly or indirectly, from HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL for services is precluded from voting on matters pertaining to the director's compensation.
- B. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation directly or indirectly from HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL for services is precluded from voting on matters pertaining to that member's compensation.
- C. No voting directors or members of the board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly from HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

SECTION 14. ANNUAL STATEMENTS

Each director, principal, officer and member of a committee with board of directors delegated powers shall annually sign a statement which affirms such person:

- a) Has received a copy of the conflict of interest policy;
- b) Has read and understands the policy;
- c) Has agreed to comply with the policy; and
- d) Understands HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL is a charitable organization and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

SECTION 15. PERIODIC REVIEWS

To ensure HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL operates in a manner consistent with its tax exempt purpose and does not engage in activities that could jeopardize its tax exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a) Whether compensation arrangement and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.

b) Whether partnerships, joint ventures, and arrangements with management organizations conform to HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL'S written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in increment, impermissible private benefits or in an excess benefit transaction.

SECTION 16. USE OF OUTSIDE EXPERTS

When conducting the periodic reviews as provided for in Section 15, HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL may, but need not, use outside advisors, if outside experts are used, their use shall not relieve the board of directors of its responsibility for ensuring periodic reviews are conducted.

ARTICLE IV

OFFICERS OF THE BOARD

SECTION 1. DESCRIPTION AND DUTIES

The officers of the board shall be: President, Vice President, Secretary, and Treasurer.

A. PRESIDENT

The president when present shall preside at all meetings of the directors and of the board of directors. The president shall be the principal executive officer of the corporation and shall, subject to the control of the board of directors, have general supervision and control of the business and affairs of the corporation. The president may sign, with the secretary or any other proper officer of the corporation authorized by the board of directors, deeds, mortgages, bonds, contracts, or other instruments which the board of directors has authorized to be executed, except in cases where the signing and execution of such shall be expressly delegated by the board of directors by these By-laws to some other officer or agent of the corporation, or shall be required by law to be otherwise signed or executed, and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the board of directors from time to time.

B. VICE PRESIDENT

In the absence of the president or in the event of his or her death, inability, or refusal to act, the vice-president (or in the event there be more than one vice-president, the vice-president designated by the board of directors to serve as acting president) shall perform the duties of the president and when so acting shall have all the powers of and be subject to all the restrictions upon the president. A vice-president shall perform such duties as from time to time may be assigned to him or her by the president or by the board of directors.

C. SECRETARY

The secretary shall:

1. Prepare and keep the minutes of the proceedings of the directors and of the board of directors in one or more books provided for that purpose;
2. See that all notices are duly given in accordance with the provisions of these By-laws or as required by law;
3. Be custodian of the corporate records;

4. Be responsible for authenticating records of the corporation;
5. Keep a register of the address of each director which shall be furnished to the secretary by such member;
6. If applicable, sign with the president, or a vice-president, certificates evidencing directorship in the corporation, as set forth in Article IX of these Bylaws;
7. In general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to the secretary by the president or by the board of directors.

D. TREASURER

The treasurer shall:

1. Have charge and custody of and be responsible for all funds and securities of the corporation;
2. In general perform all of the duties incident to the office of treasurer and such other duties as from time to time may be assigned to the treasurer by the president or by the board of directors.

SECTION 2. ELECTION OF OFFICERS

Sixty (60) days prior to the biennial meeting held in June, a nominating committee shall be appointed by the president. It shall be the duty of this committee to nominate candidates for the offices to be filled. Additional nominations from the floor shall be permitted. Election shall be held during the biennial meeting held in June. If the election is delayed, elections shall be held no later than the next regular scheduled monthly meeting. The officers shall be elected by secret ballot.

SECTION 3. TERM OF OFFICE

The officers shall serve for two (2) years or until their successors are elected. Their term of office shall begin at the close of the meeting at which they are elected.

SECTION 4. REMOVAL AND VACANCIES

Any officer may be removed by the board of directors whenever in its judgment the best interests of the corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Appointment of an officer shall not of itself create contract rights. Any officer may resign at any time by delivering written notice to the board of directors. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein.

SECTION 5. DUAL OFFICE HOLDING

Board directors may hold office in organizations they represent and an officer of the board. But no one board director can hold more than one office on the HCEOC board of directors and no board director may serve on more than one (1) committee, except the executive committee.

SECTION 6. SUPERVISION BY BOARD

Executive officers of the board are responsible to the board and can only act on matters which the board has assigned to them. All other items must come before the board.

SECTION 7. RATIFICATION OF ACTS BY BOARD

Acts not delegated to an officer or committee must be ratified by the board.

ARTICLE V

COMMITTEES

The standing committees shall be: Executive Committee, Program Development Committee, Community Leadership & Board Development Committee, Finance Committee, Human Resources Committee, and Legislative Committee. The president of the board shall appoint committee directors with the exception of the Executive Committee as board committees.

The membership of a particular committee shall appoint its Chairperson with the exception of the Finance Committee and the Executive Committee.

Membership on all committees, including the Executive Committee, shall consist of at least one representative from each of the three (3) sectors comprising the board. Each board director shall be assigned to at least one standing committee, and insofar as possible, all board directors should be assigned approximately similar loads of committee work. The president of the board may be an ex-officio director of all committees but has no vote.

Members of committees shall be given not less than twenty-four (24) hours notice. Meetings shall be called by the chairperson of the Committee.

All recommendations from committees require ratification by the board before implementation.

SECTION 1. EXECUTIVE COMMITTEE

The Executive Committee shall consist of the officers of the board, plus as many additional directors as required to make the committee proportional to the representation of classes of the board. These additional directors shall be elected by the board in the same manner as officers are elected according to these By-Laws.

The Executive Committee shall be empowered to act only in emergencies which demand action if less than the forty-eight (48) hours required to call a special meeting of the board.

If a quorum of the board is not present at a regular or special board meeting, a quorum of the Executive Committee shall be empowered to enact only items of business on which action is mandatory before a regular or special board meeting can be held. The Executive Committee shall have no other special powers and shall be specifically prohibited from conducting ordinary business. The Executive Committee may not amend the By-Laws.

The Executive Committee shall advise the board on the selection of an independent auditor to conduct an annual audit and other services needed and provide oversight of the audit. The Executive Committee has the responsibility to set policy and procedures for

monitoring the agency's procurement processes, internal controls, and compliance with legal requirements.

Each director, principal officer and other interested persons (as determined by the board) shall annually sign a statement, which affirms such person:

1. Has received a copy of the conflict of interest policy;
2. Has read and understands the policy;
3. Has agreed to comply with the policy; and
4. Understand the organization is charitable and in order to maintain its federal tax exemption, it must engage primarily in activities, which accomplish one or more of its tax-exempt purposes.

Any restructuring decisions on the organization, committee structures, or the board will need full documentation and approval by the Executive Committee and the board of directors with submission of review by CAPLAW.

The Executive Committee will distribute to the board and committees funding proposals, due date, and meetings at which the proposals are to be reviewed and approved by the fiscal grants management officer, program specialist, and/or any representative(s) from the funding source entity.

SECTION 2. PROGRAM DEVELOPMENT COMMITTEE

The Program Development Committee shall review all new and refunded programs, establish guidelines and standards for projects and make a recommendation regarding same to the board. Priorities shall include the recommendation of target areas concerned, strategic planning and annual evaluation.

The Program Development Committee shall participate in agency housing and business development efforts, to include partnerships with other community organizations in the planning and implementation of projects.

The Program Development Committee shall evaluate the effectiveness of all programs placed in operation by HCEOC. The Program Development Committee shall set forth recommendations to the board on the continuance of on-going programs. It shall work closely with the ad hoc committee and be informed by the body of all programs in operation.

SECTION 3. COMMUNITY LEADERSHIP & BOARD DEVELOPMENT (CL&BD) COMMITTEE

The Community Leadership & Board Development (CL&BD) Committee shall receive and review all applications for the public and private sector submitted for consideration to be on the board as provided by these By-Laws, and shall maintain a current priority list of organizations suitable for potential representation on the Board. This Committee shall

invite organizations to send representatives to the board, shall maintain in current status, attendance records of individual representatives at all regular, special and assigned committee meetings, and shall make recommendations to the board concerning inactive directors or organizations as provided in these By-Laws. Upon board direction, this Committee shall make appropriate notification to organizations when changes in representation are required. The Committee shall be responsible for board orientation and training.

SECTION 4. FINANCE COMMITTEE

The Committee shall recommend guidelines for the management of fiscal policies, shall work with the executive director in preparing the budget, and make a quarterly report on the fiscal condition of the corporation to the board. This Committee shall also explore possibilities of community contributions to the non-Federal share of the cost of any program.

SECTION 5. HUMAN RESOURCES COMMITTEE

The Human Resources Committee shall review formal grievances presented by any member of the staff in accordance with the personnel policies. The directors of this Committee shall be appointed by the board president on an ad hoc basis when need arises for resolution of personnel matters. The directors of the committee shall elect their own chairperson.

The Human Resources Committee shall review all staff grievances and shall keep the personnel policies current according to Federal and State regulations.

The committee shall perform an annual evaluation of the executive director.

SECTION 6. LEGISLATIVE COMMITTEE

The Legislative Committee shall prepare bills for introduction in the County Council and the State Legislature on any matter which affect HCEOC and shall establish a liaison with legislative groups for the introduction and advocating of all legislation in which HCEOC may have an interest.

SECTION 7. OTHER COMMITTEES

By resolution adopted by a majority of the directors in office, the board of directors may designate and create one or more committees, each of which shall consist of two or more directors. A committee may include non-directors.

ARTICLE VI
MEETINGS AND RULES

SECTION 1. REGULAR MEETINGS

The regular meetings of the HCEOC board of directors shall be held on the fourth Monday of each month unless otherwise ordered by the board or the executive committee. However, the board shall meet at least once every ten (10) weeks.

SECTION 2. NOTICE OF REGULAR MEETINGS

- A. Notice of meetings shall be delivered in person, by telephone, by mail or by electronic transmission to each director and the Agenda shall be sent to all directors of the board. Committee reports, reports from the executive director, and other agenda materials shall be included in the mailing when available.
- B. Notice shall be provided at least five (5) days in advance of meetings.
- C. It is the responsibility of the organizations to see that their alternates are notified when they are to attend a meeting in the place of the representative.

SECTION 3. AGENDA OF REGULAR MEETINGS

- A. The Agenda shall include minutes of the previous regular meeting, any special meetings, and committee meetings held since the last regular meetings.
- B. The president shall provide opportunity for new business to be introduced from the floor and from the public, whether or not this has been included in the advance written agenda.

SECTION 4. MINUTES

- A. Written minutes shall be kept for each meeting.
- B. Written minutes shall include a record of votes on all motions.
- C. Minutes of previous meetings shall be distributed to all board of directors prior to the next meeting.
- D. Minutes of meetings shall be made available to the public for inspection.

SECTION 5. BIENNIAL MEETING

The regular meeting in June shall be known as the biennial meeting and shall be for the purpose of seating new directors, electing officers, directors of the executive committee, and for any other business that may arise.

SECTION 6. SPECIAL MEETING

Special meetings of the board may be called by the president or upon written request of any five (5) directors of the board, provided each director has at least forty-eight (48) hours advance notice of the time and place of the meeting. The items for which a meeting is specially called shall have precedence over any other agenda items.

SECTION 7. GENERAL RULES FOR ALL MEETINGS

A. Parliamentary Authority

The rules contained in the most current edition of Robert's Rule of Order (revised) shall govern the board and committees to which they are applicable and in which they are not inconsistent with these By-Laws.

B. Quorum

1. Fifty percent (50%) of the directors in office under Article III, Section 1 shall constitute a quorum at any board meeting. If a quorum of the board is not present at a regular or special board meeting, a quorum of the executive committee shall be empowered to enact those items of business on which action is mandatory before the next regular or special meeting can be held.
2. Three (3) seats shall constitute a quorum at any committee meeting.
3. The quorum requirement is applicable for all official board action at the time the action is taken.

C. Voting

1. All votes in regular or special board meetings and committee meetings shall be by majority votes unless otherwise specified in the By-Laws.
2. Proxy voting by any board director shall be prohibited at meetings of the board and its committees.

D. Scheduling of Meetings

1. All meetings shall be scheduled for the convenience of board directors and the general public.

E. Teleconferencing

1. All board and committee meetings may be allowed to utilize teleconferencing for the purpose of having board directors participate in board meetings at designated teleconferencing locations. Directors of the board that participate through teleconferencing shall be counted when establishing a quorum for all official board action at the time the action is taken.

F. E-mail/Electronics

1. E-mail or electronics can be used for correspondence and informing board directors of pending meeting.

SECTION 8. ACTION WITHOUT A MEETING

- A. Any action required or permitted to be taken by the board of directors at a meeting may be taken without a meeting if all directors:
1. Execute a consent in writing setting forth the action to be taken, or
 2. Transmit an electronic transmission consenting to the action to be taken.
- B. The consent shall be included in the minutes or filed with the corporate records reflecting the action taken.
- C. Action taken under this section is effective when the last director signs the consent or gives consent by electronic transmission, unless the consent specifies a different effective date.

ARTICLE VII

DUTIES AND FUNCTIONS OF THE EXECUTIVE DIRECTOR

SECTION 1. EXECUTIVE DIRECTOR

The board of directors shall appoint an Executive Director, who shall be the chief operating officer, under the direction of the president, to be responsible for implementing all corporate policies, programs and activities developed, formulated and approved by the board of directors. The Executive Director shall, in consultation with officers and committees, develop the overall program, and make recommendations for board consideration. The Executive Director shall work with board directors, committee chairmen and other volunteer personnel toward the strengthening of the corporation as a whole, by making maximum use of the energies and proficiencies of the board.

SECTION 2. APPOINTMENT AND TERM

The Executive Director shall be employed with the approval of two-thirds of the certified directors of the board. The Executive Director's services may be terminated at any time in accordance with personnel policies and subject to approval of a two-thirds vote of certified directors.

The Executive Director shall serve at the pleasure of the board of directors.

SECTION 3. POWERS

The Executive Director shall have the power, subject to rules and regulations of the board of directors, to designate, hire, promote, demote, transfer, discipline, terminate, appoint or remove employees or persons on the staff of the Corporation.

ARTICLE VIII

CONTRACTS, CHECKS, DEPOSITS AND FUNDS

SECTION 1. FISCAL YEAR

HCEOC Fiscal Year shall be from October 1st to September 30th.

SECTION 2. CONTRACTS

The board of directors may authorize the president and/or any other officer or officers, agent or agents of the corporation to enter into any contract or to execute and deliver any document, instrument, or writing of any nature in the name of and on behalf of the corporation and such authority may be general or confined to specific instances.

SECTION 3. CHECKS, DRAFTS, ETC.

All checks, letters of credit, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation shall be signed by the president and/or such other officers or agents of the corporation and in such manner as shall be determined from time to time by the board of directors. In the absence of such determination by the board of directors, the instruments shall be signed by the president.

SECTION 4. DEPOSITS

All funds of the corporation shall be deposited to the credit of the corporation in such banks, trust companies, or other depositories as the board of directors may select.

SECTION 5. GIFTS

The board of directors may accept on behalf of the corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the corporation.

ARTICLE IX

BOOKS AND RECORDS

SECTION 1. CORPORATE RECORDS

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, boards of directors, and committees having any of the authority of the board of directors. The corporation shall keep a copy of the following records at its principal office:

- (a) Articles of Incorporation and all amendments currently in effect;
- (b) By-laws and all amendments currently in effect;
- (c) Resolutions adopted by the board of directors relating to the characteristics, qualifications, rights, limitations, and obligations of members or any class or category of members;
- (d) Minutes of all meetings of directors and records of all actions approved by directors for the past three years;
- (e) Annual financial statements for the past three years;
- (f) A list of the names and addresses of its current directors and officers; and
- (g) The most recent annual report filed with the Director of the Department of Commerce and Consumer Affairs.

SECTION 2. INSPECTION OF CORPORATE RECORDS

The records required to be kept at the corporation's principal office set forth in Section 1 of this Article IX, and any other records as required by law, shall be open to inspection at a reasonable time upon written demand of any director providing notice of five (5) business days or more.

ARTICLE X

AMENDMENTS TO THE BY-LAWS

The By-Laws may be amended by a two-third vote of the directors of the board at any general or special meetings, provided notice of the proposed amendment or amendments has been given to each board director in writing at least fourteen (14) days prior to the meeting at which the proposal is to be considered. The board shall report any amendment or amendments to the director of Office of Community Services (OCS). The board shall not amend these By-Laws in the absence of a quorum. It is not within the power of the executive committee to amend these By-Laws.

ARTICLE XI

DISSOLUTION

The duration of the corporation shall be perpetual. In the event the corporation is to be dissolved, dissolution procedures shall be in accordance with the State Law as modified by any other legally binding conditions.

ARTICLE XII

COMPLIANCE WITH BY-LAWS

The rules, regulations, and policies promulgated by HCEOC shall be in compliance with the provisions of these By-Laws. Any rules, regulations, and policies not in compliance shall be void.

ARTICLE XIII

INDEMNIFICATION

SECTION 1. INDEMNIFICATION

To the fullest extent permitted by Hawaii law, the agency shall indemnify each director and officer of the corporation who is or was a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal, because such person is or was a director or officer of the agency, against all expenses (including reasonable attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding. The agency may indemnify current and former employees and agents of the agency to the extent permitted by Hawaii law.

SECTION 2. ADVANCES FOR EXPENSES

The agency shall advance funds to pay for or reimburse the reasonable expenses and attorney's fees incurred by a director and officer before final disposition of an action, suit or proceeding, provided that such person delivers a written affirmation of such person's good faith belief that such person has met the requisite standard of conduct for indemnification and delivers a written undertaking to repay such amount if it is ultimately determined that such person did not meet the standard of conduct. The board of directors may authorize payment in advance of final disposition of an action, suit or proceeding for the reasonable expenses and attorneys' fees incurred by an employee or agent seeking indemnification under this article, provided that such employee or agent delivers the affirmation and undertaking described in the previous sentence.

SECTION 3. CONTINUING INDEMNIFICATION

The indemnification provided for in Sections 1 and 2 of this Article shall be cumulative and not exclusive, and shall be in addition to any other indemnification provided by law or by any other agreement. Any repeal, amendment or modification of this Article shall not affect the indemnification provided in this Article for any acts or omissions occurring prior to such repeal, amendment or modification. The indemnification provided for in this Article shall continue as to any person who has ceased to a director, officer or employee of the agency and shall inure to the benefit of such person's heirs, personal representatives, executors and administrators.

SECTION 4. INSURANCE

The agency shall have the power to purchase and maintain insurance on behalf of any director, officer, employee or other agent of the agency, against any liability asserted against or incurred by the director's, employee's, or other agent's status as such, whether or not the agency would have the power to indemnify the director, officer, employee or other agent against liability under this Article.