

H.O.V.E. ROAD MAINTENANCE CORPORATION
QUARTERLY GENERAL MEMBERSHIP MEETING

Saturday, January 8, 1994

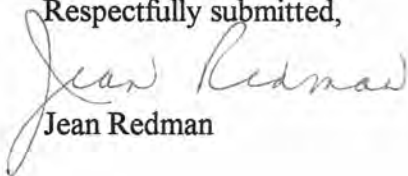
The meeting was called to order by President George Tilford at 1:00 P.M.

The minutes of the previous general membership meeting and the financial statement were accepted as presented.

George Tilford announced the results of the election of Board members - Bob Abel, Don Swangel, Bob Self, Dave Wells and Stew Dawson.

There was no discussion from the Board or floor and the meeting was adjourned at 1:10 P.M.

Respectfully submitted,


Jean Redman

(This meeting taped)
H.O.V.E. ROAD MAINTENANCE CORPORATION
MINUTES
BOARD MEETING
JANUARY 6, 1994

Meeting was called to order at 1600 hours by President George Tilford. All officers were present but Bill Noxon. We had three visitors, Carl Winge, Ray Lemons and Cliff Hiatt.

It was announced that 58% of 1994 assessments had been received and a special thanks extended Jean Redman for her letter with the assessment notice. George Tilford extended a welcome to the new officers and a special thanks to the old officers. He also stated the Christmas party was a success.

Secretary's minutes of the last meeting of December were approved. Copies being sent previous to Board meeting.

Treasurer's report for the year 1993 and month of December were read and approved with some discussion and explanation. Cliff Hiatt as retiring treasurer submitted several suggestions, one being the forming of a Budget Committee. The other being a committee to look into future equipment to be used for maintenance and weed control as we go into a maintenance phase from road building. George Tilford commended Cliff and told him these items have already been addressed.

Operational status was given by Neal Stone and we have been operating just a few days in January, they had re-chipped 1 1/2 miles of Aloha, part of the truck route build-up and they have 6 1/4 miles scheduled for January - February for re-chip & rebuild.

George Tilford then called on Ray Lemons for his complaint that it may be resolved. Mr. Lemons stated that he had lived on Koa just off Lei, along with 5 other houses, in 4 years the road grader had not bladed his road during that period. He wanted to know why? He was asked if he had ever made out a "Trouble Slip", in which he made out several over a period of time. Neal stated he had just received one and had been up there that day and surveyed the problem. He also stated due to the blue rock in the road way it could be difficult, and that at the first opportunity when he had equipment in the area, they would blade the road.

Under old business it was stated that '94 will be a catch up year, because of the lack of funds in previous years. There was a small discussion then on to new business.

Under new business, Bob Abel explained the projected work at the park on Paradise Circle by the County. The County has requested 500 yards of cinders from the RMC. Also, waste rock not needed would be dumped across from the Church to form a driveway into the park. George Tilford brought up the Charter & By-laws prohibits us from selling or giving away cinders. Also, that they belong to the Community as they own

the cinders and that he felt some guidance should come from them in the dispensing of the cinders. After much discussion and all ideas seem to agree with George. It was also felt that HOVECA might be able to help with their cinders. The editor, Stew Dawson was to put something in the next newsletter so we could receive some guidance as this park is a bit controversial in the community.

George Tilford then declared that all old committees were dismissed and the following committees were named with chairpersons:

Legal - Bob Self, Neal Stone, Jean Redman
Budget - Jim Wiese, Neal Stone, Jean Redman
By-Laws - Irene Hughes, Peter Redman
County Affairs - Mary Huffman, Betty Perreira
Newsletter - Stew Dawson
Damon Committee - Bob Abel, Neal Stone
Road Safety - Bill Noxon, Don Swangel

President said he would serve on any committee when asked, and specifically on the Damon committee.

George Tilford then stated that all correspondence goes through Jean Redman. All daily operations are in charge of Jean Redman and Neal Stone. He also requested all keys will be turned in and they will be re-issued when a need is seen.

Weed control was brought up and discussed as they are getting bad and blocking the views on the corners. It was felt chemical usage is against many people's wishes and you still have the dried ones to get rid of. Most equipment is too expensive, we need 25 to 30 thousand. The results of the discussion was the purchase of a couple heavy weed-eaters and hire a couple part time employees to operate them.

A letter submitted by Ken & Maggie Arbo was then taken under advisement. Al agreed that it was a great idea at keeping the junk off our roads by adoption of blocks. After the problems that we have had with cars, it was felt that Stew Dawson place an article in the newsletter. Most officers are planning to walk their own blocks. Stew will recognize block walkers in the letter by name and block. (Jean was to write a letter of thanks or commendation to the Arbos).

There being no other business and nothing for good of the Corporation, President adjourned the meeting at 1700 hours.

Respectfully submitted,

David Wells
Secretary

(This meeting taped)
H.O.V.E. ROAD MAINTENANCE CORPORATION
MINUTES
BOARD MEETING
FEBRUARY 3, 1994

Meeting was called to order at 1600 hours by President George Tilford. All officers were present with the exception of Betty Perreira and Stew Dawson. Visitors present were Carl Winge, Nick Holt and Jeff English.

Meeting suspended at 4:03 P.M. for the purpose to hear a complaint of resident Nick Holt who was accompanied by Jeff English also being a resident.

The meeting resumed at 4:10 P.M.

Announcements:

President Tilford announced that attorney Bob Smith had sent out foreclosure letters to property owners whom we were foreclosing.

Secretary's minutes of the last meeting of January were approved with a few minor changes.

Treasurer's report accepted as read.

Office Manager's report accepted with notations that back assessments were still coming in slowly.

Committee Reports:

Bob Self of the legal committee reported on a study being made on attorneys, uses and requirements, and asked for input from the Board.

By-laws committee has asked all to study the by-laws and submit changes as soon as possible.

Budget committee has requested that all inputs for 1995 budget be submitted by the end of May.

Annual road inspection will be set up and conducted by President George Tilford as required by by-laws.

Old Business:

President George Tilford reported that we had received a bid for weed control on our roads from Gordon Amps and Island Wide Mowing Services. After much discussion on financing and requirements, the bid was accepted by a vote of 4 in favor and 2 against with 1 abstaining to award the bid to Gordon Amps. A motion was made and accepted by a

split vote that funds from "Legal" be transferred to "Outside Contracting" in the budget to cover expenses incurred in weed control. (Vote same as previous)

New Business:

A resignation has been submitted by Stew Dawson and it was accepted with deep regrets by the Board. He will continue to work on the newsletter.

A motion was made giving a general authorization to pay certain bills in excess of \$1,000 those being general operations of the Corporation (payroll, state & federal payroll deposits, insurance, etc.) was accepted unanimously.

The regular Board meeting of May 5th has been rescheduled for May 12 due to the annual audit that will be taking place in the office that week.

It was voted unanimously to purchase two cellular telephones for use by the Operations Manager to provide emergency and much needed communications in the field.

A letter was received from Nick Holt requesting his bid for weed control be considered. He did not have the necessary documents, therefore the letter was accepted without merit as he refused to comply with our requirements.

The meeting was adjourned at 1730 hours.

Respectfully submitted,

David Wells
Secretary

THE MINUTES OF THE FEBRUARY 3, 1994 MEETING WERE REDONE IN AN ATTEMPT TO GIVE A MORE IN DEPTH ACCOUNT OF THE PROCEEDINGS.

(This meeting taped)
H.O.V.E. ROAD MAINTENANCE CORPORATION
MINUTES
BOARD MEETING
FEBRUARY 3, 1994

Meeting was called to order at 4:00 p.m. by President George Tilford. All officers were present with the exception of Betty Perreira and Stew Dawson. Visitors present were Carl Winge, Nick Holt and Jeff English.

MOTION: by Bob Abel to suspend the meeting and invite Nick Holt in to hear a complaint . 2nd by Dave Wells, All in favor. Nick Holt was accompanied by Jeff English also being a resident. Nick was given 15 minutes to voice his grievance. (Nicks talk is on tape).

The meeting resumed at 4:10 P.M.

Announcements:

President Tilford announced that attorney Bob Smith had sent out foreclosure letters to property owners whom we were foreclosing.

Secretary's minutes of the last meeting of January were approved with a few minor changes.

Treasurer's report: Jim Weise read the treasurer's report , accepted as read.

George Tilford stated that, as of this date, 67% of the 1994 assessments had been received, in the amount of \$756,914.17. Back assessments are still coming in slowly.

Operation Manager report: Report was given by Neal Stone, copy attached.

Committee Reports:

Bob Self of the Legal Committee reported on a study being made on attorneys, with the possibility of the Corporation changing attorneys. He asked for input from the Board. Also, he stated that any question regarding legal concerns, be addressed to the Legal Committee for discussion before going to an attorney.

Irene Hughes of the By-laws Committee has asked all to study the by-laws and submit changes as soon as possible.

Jim Weise stated that the Budget Committee has requested that all input for 1995 budget be submitted by the end of May.

George Tilford asked that anything having to do with the safety of the roads be passed on to Neal.

Annual road inspection will be set up and conducted by President George Tilford as required by by-laws.

Old Business:

President George Tilford reported that we had received a bid for weed control on our roads from Gordon Amps and Island Wide Mowing Services. After much discussion on financing and requirements, a motion was made.

MOTION: by Don Swangle to accept the contract of Gordon Amps, 2nd by Bob Abel. 5 in favor, 2 against, Bob Self & Jim Weise, 1 abstention, Irene Hughes. Gordons' contractors number and proof of Workman Compensation will be given to the Board.

MOTION: by Bob Abel to rescind the motion at the last Board meeting to purchase 2 weed eaters, 2nd by Mary Huffman, all in favor.

MOTION: by Bob Abel to transfer, in the budget, \$11,000 from "Legal" to "Outside Contracting", 2nd by Don Swangle, 5 in favor, 2 against, Bob Self & Jim Weise, 1 abstention, Irene Hughes.

George Tilford asked Jim Weise to conduct a feasibility study as to the work being done and how the equipment was being used. Jim asked that Neal notify him as to where the work would be taking place at least 24 hours in advance.

New Business:

A resignation was submitted by Stew Dawson and it was accepted with deep regrets by the Board. He will continue to work on the newsletter.

MOTION: by Bob Self to accept Stew Dawson's resignation, 2nd by Jim Weise, all in favor.

MOTION: by Don Swangle to give a general authorization to pay certain bills in excess of \$1,000, those being general operations of the Corporation (payroll, state & federal payroll deposits, medical insurance, major equipment repair to a limit of \$3,000, regular insurance payments, postage & printing cost of the newsletters.(list to be attached and filed with minutes) 2nd by Bill Noxon, all in favor.

The regular Board meeting of May 5th has been rescheduled for May 12 due to the annual audit that will be taking place in the office that week.

MOTION: by Jim Weise to purchase two cellular telephones for use by the Operations Manager and Leadman to provide much needed communications in the field. 2nd by Mary Huffman, all in favor.

George Tilford stated that a letter was received from Nick Holt requesting his bid for weed control be considered. He did not have the necessary documents, therefore the letter was accepted without merit as he refused to comply with our requirements.

the cinders and that he felt some guidance should come from them in the dispensing of the cinders. After much discussion and all ideas seem to agree with George. It was also felt that HOVECA might be able to help with their cinders. The editor, Stew Dawson was to put something in the next newsletter so we could receive some guidance as this park is a bit controversial in the community.

George Tilford then declared that all old committees were dismissed and the following committees were named with chairpersons:

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Damon Committee - Bob Abel, Neal Stone
Road Safety - Bill Noxon, Don Swangel

President said he would serve on any committee when asked, and specifically on the Damon committee.

George Tilford then stated that all correspondence goes through Jean Redman. All daily operations are in charge of Jean Redman and Neal Stone. He also requested all keys will be turned in and they will be re-issued when a need is seen.

Weed control was brought up and discussed as they are getting bad and blocking the views on the corners. It was felt chemical usage is against many people's wishes and you still have the dried ones to get rid of. Most equipment is too expensive, ~~we need~~ 25 to 30 thousand ^{changes}. The results of the discussion was the purchase of a couple heavy weed-eaters and hire a couple part time employees to operate them. ^{Jim approved}

A letter submitted by Ken & Maggie Arbo was then taken under advisement. ^{Agreed} that it was a great idea at keeping the junk off our roads by adoption of blocks. After the problems that we have had with cars, it was felt that Stew Dawson place an article in the newsletter. Most officers are planning to walk their own blocks. Stew will recognize block walkers in the letter by name and block. (Jean was to write a letter of thanks or commendation to the Arbos).

There being no other business and nothing for good of the Corporation, President adjourned the meeting at 1700 hours.

Respectfully submitted,

David Wells
Secretary

MINUTES
BOARD MEETING - MARCH 3, 1994

The meeting was called to order at 4:00 P.M. by President George Tilford, with the following members present:

Bob Self, Dave Wells, Jim Wiese Bob Abel and Irene Hughes. Absent were Don Swangel, Betty Perreira, Mary Huffinan and Bill Noxon.

Under announcements, George Tilford indicated that 71% of the 1994 assessments had been paid in the amount of \$800,438.60.

The minutes of the February meeting were approved as sent to the Board.

The Treasurer's report was read by Jim Wiese and accepted as written.

At this point there was a "First Responder" call and Bob Abel left the meeting. This left the Board without a quorum and no voting could take place on any issue at this time, only discussion.

Neal read his progress report (copy in minutes book). Neal discussed the Corporation's responsibility as far as the garbage dumping issue is concerned and suggested we may have to look at someone like Eugene Dudoit to remove garbage from the sub-division in the future.

New Business:

George indicated that the discussion on the cinder pit would be held over until the next Board meeting because there was not a quorum. Bob Self asked what the issue was about and George advised him that Jim Wiese had seen a truck going in to our pit and take some cinders. Neal was going to rectify that by moving some big boulders into position so nobody could get in if the Board approves it, but since there is no quorum, we cannot bring it to a vote. Neal suggested that since H.O.V.E.C.A. closed their pit, the scavengers have just moved down to other pits and made the suggestion that the Corporation notify the lot owners involved. Jim Wiese had asked Neal to get a price on fencing material for our pit and Neal stated that he hadn't gotten the prices, but it would be in the vicinity of the same per footage basis as the baseyard, about \$13 per foot.

Bob Self brought up the issue of the 40 hour work week, 10 hour day. Considerable discussion followed and the issue will be put on the agenda for the April meeting.

The meeting adjourned at 4:30 P.M.

(This meeting taped)
H.O.V.E. ROAD MAINTENANCE CORPORATION
MINUTES
BOARD MEETING
APRIL 5, 1994

Meeting was called to order at 4:00 p.m. by President George Tilford.
Members present: George Tilford, Dave Wells, Bob Abel, Betty Perreira, Bill Noxon, Don Swangel, Bob Self, Irene Hughes, Mary Huffman, Carl Winge
Absent: Jim Wiese - excused

Bob Self requested that he would like to make a nomination of appointment to the Board. George Tilford stated he would like to have 2 people run for the appointment to the Board. Bob Self nominated Carl Winge to be appointed to the Board. 2nd by Irene Hughes, 5 for, passed. Carl Winge was welcomed to the Board.

Announcements: As of this meeting the minutes had previously been recorded and transcribed by Dave Wells and we had to redo the March meeting minutes. From this meeting on, Jean Redman and/or Jeannie Wilkison will transcribe the minutes for the Corporation.

Bob Self requested that the tape from the last meeting be played. George requested that we stop the minutes and listen to the tape of the last meeting. After listening to the March tape, the current taping was continued. Don Swangle commented that he felt the crew was doing an excellent job and couldn't understand how anyone could fault their work. George Tilford suggested that comments be held for discussion until later.

Announcements:
George Tilford stated that as of April 4, 1994, Neal Stone has been placed on disability by his Doctor due to his physical condition suffered by aggravation secondary to work related stress. Neal is officially on disability for a two week period.

As of April 4, 1994, \$839,455.35 has been collected, 74%, which leaves us \$302 thousand still to be collected for this year. For 1993, \$239,813 is still to be collected. Prior to 1993, we have \$150,000 still outstanding.

Minutes to stand approved.

Treasurers Report:

In the absence of Jim Wiese, Bob Abel read the treasurers report. The total current assets are \$2,347,508.82. The detail breakdown is in the Financial Statement which was given to each member.

Operation Manager Report:

Neal Stone read the Operation Manager Report (filed with the minutes). In addition to his report, Neal stated that he has ordered patching compound from the hardware store. This material comes in 66# bags and will be much easier to use. Also, the sign at Kona and Hwy 11, has been replaced. This sign was made by Stew Dawson and looks just like our other signs except that it is not night reflective. Neal asked that the Board consider the possibility of having Stew do the sign replacement in the future. Stew is here & relatively inexpensive compared to the sign companies.

Committee Reports:

Damon Foundation Committee - Bob Abel read the report on the Damon Foundation (copy filed). He stated that the recommendation of the committee is that it is not feasible at this time.

MOTION: by Bob Self, that we accept the recommendation of the Damon Committee, 2nd by Mary Huffman, all in favor.

Roads Committee - Don Swangle said he has been looking at the work the crew has been doing, and is very satisfied with the work.

By-Laws Committee - Irene stated that the committee is composed of Pete Redman, Jim Weise and Irene Hughes, and hopefully they will be able to get started soon.

Legal Committee - Regarding the contract for the weed control - Bob Self stated that the contract drafted by George Tilford and Neal Stone wasn't properly executed. George said that in January when the legal committee was appointed, he requested that he sit in on the legal committee and that either Neal Stone or Jean Redman sit in on the legal committee depending on what the issue was. Neither Neal or George was asked to sit in at any of the meetings. Bob Self stated that our attorney was contacted for his opinion of the contract and he stated it wasn't a very good contract, one sided, wasn't signed by the contractor, also it was not signed by two Board Officers which is required by our Bi-laws, which invalidated the contract. Bob said he requested that George see about getting a new contract drafted but it appeared that nothing was done with it. Bob then talked to individual Board members to see how they felt about it, gave them a copy of the contract and the recommendation of the attorney, the majority of the Board felt that we should resend the contract until a proper contract could be drafted and executed. He then tried to expedite the drafting of a contract, presented it to George, made changes per Georges request, it was then presented to the contractor and he refused to sign it. Not knowing why he refused to sign it, it was to be discussed at the Board meeting. In regards to the legal committee, as committee chairman, Bob felt he could appoint anyone he wanted to the committee. He asked that Pete Redman sit in on the legal committee if there were no objections. There were none.

MOTION: By Bob Self, that all contracts be reviewed and approved by the legal committee prior to being executed by any Corporation Officer and submitted to the Board of Directors for approval.

2nd by Bob Abel

All in favor

Unfinished Business:

Re-chip - Bob Self asked if it was absolutely necessary to rechip entire sections of the road instead of patching. Bob Abel stated that the re-chipping was mainly done for the truck routes. Neal Stone stated that he has worked with the engineer that comes out and does our annual report and this work has been done by his recommendation.

Cinders for the park - George Tilford stated the tally was 43 people were in favor of providing cinders for the park and 3 against. George read from the Charter, Article VII, Paragraph 3 " To take title to lots 3 & 4, block 279 of the subdivision (the cinder cone lots) and to hold, manage and use the cinders thereon or income therefrom for the purpose for which the Corporation is organized". The purpose of this Corporation is organized to build and maintain roads. Discussion followed as to whether we should be able to give the cinders to the park, or possibly sell them. A motion was made by Carl Winge to sell 500 yards or more of cinder for a total price of \$1.00. 2nd by Don Swangle, more discussion followed. George Tilford asked Bob Abel, being on the park committee, to withdraw the request for cinder. The request was withdrawn.

A break was taken at 5:05 p.m.

Meeting called back to order at 5:10 p.m.

Neal Stone read his statement concerning the crew, working hours, and the management of the crew (filed with minutes).

Weed Control

George Tilford read a statement relating the events leading up to the hiring of Gorden Amps to do the weed control, (filed with minutes). Discussion followed as to the legality of the original contract between the Corporation and Gorden Amps. Mr. Amps had not signed the contract and Neal Stone did sign the contract without any authority to do so. The contract should have been signed by two officers of the Corporation. Also a letter was handed out from Bob Smith, recommending action to be taken. A new contract was drawn up and Gorden Amps refused to sign it. George Tilford presented photographs showing various situations where the roads could be very dangerous without the weed control clearing, some of these showing large rocks close to the road but hidden in the weeds. Also, deep drop offs close to the road and not seen because of weeds. Photos filed and documented with the minutes. George Tilford felt he has addressed the issue raised by Mr. Smith in his letter and asked the Board now to consider the legal position that Mr. Smith has put us into. That being, we can continue with Mr. Amps contract by directing another Officer to sign the existing contract. Or, we can settle this matter in a court of law since Mr. Amps has indicated he will not sign a contract drawn after the fact by Bob Self. The new contract that Bob Self wanted Gorden to sign contained language not in the original proposal and contract. In closing his statement, George Tilford requested that each member of the Board consider all of these facts in reaching a conclusion in this matter. Neal Stone stated that the suggestion by Bob Smith to use Round-up was not a good recommendation. Bob Abel also stated that the opinion by Bob Smith to use Round-up was not asked for. Bob Self stated that the original contract was not signed by Gorden Amps, did not stipulate a dollar amount, it was very vague, and was illegally signed. Neal Stone read a statement in the defense of the accusations directed to him in the drawing up and signing of the original contract, (filed with minutes). Lengthy discussion followed.

MOTION: By Betty Perreira to direct another Officer of the Board, in addition to the President, to sign the original contract.
2nd by Don Swangle
Passed

Dave Wells, as Secretary will sign the original contract.

NEW BUSINESS

Request from Ranchos Road Maintenance - Requesting H.O.V.E. to allow them to use our office for approximately 1 day a week. Ken Arbo stated he had no objection to having H.O.V.E. sub-lease to the Ranchos Road Maint. Corp. It was discussed that Ranchos would pay 1/4 of the Rent - \$90.25, and 1/4 of the utilities - \$15.00 for a total of \$105.25. They would pay for copies and FAX use as used, and have their own phone and computer. Basically all H.O.V.E.

would be providing is space. Discussion followed, it was decided the day needed by Rancho would be a day that the office was officially open. Also, that Rancho provide a Certificate of Insurance and a legal sub-lease be drawn up.

MOTION: by Carl Winge that we proceed with the sub-lease containing a provision for providing a certificate of insurance for the leasor.

2nd by Bob Abel

Passed

Location of Board Meetings

George Tilford suggested that due to limited space in the office, the meetings be held on Tuesday at 4:00 p.m. at St. Judes Church for a small fee.

MOTION: by Bob Abel, we change the Board meeting hours to the first Tuesday of the month at 4:00 p.m. at St. Judes Church with a donation of \$20.00 a month.

2nd by Bob Self

Passed

Policy of Work Responsibility and Work Hours

George Tilford read his statement, filed with minutes. Discussion followed as to the 10 hour work day be inclusive of lunch. Carl Wing stated he feels the Corporation should adhere to the terms of the Union contract. Bob Abel stated that a motion was never made and the Board never set a policy in writing. Bob Self stated that upon signing the payroll checks, it came to his attention that the crew was only putting in 9-1/2 hours and were being paid for 10 hours. He stated he saw nothing in the minutes that the Board approved their being paid for their lunch hour. Neal Stone read his statement as to the reasons he should be able to use his own disgression in allowing the lunch hour be inclusive in the 10 hour work day and also allowing the crew to leave early at times.

MOTION: by Bob Abel, that the Board approve making a 1/2 hour lunch period inclusive in the 10 hours.

2nd by Dave Wells

Motion was ammended to state that the approval be retro-active from April 1993.

6 in favor, 1 against, Bob Self, 1 abstain, Irene Hughes

MOTION: By Bob Abel, that the Board give Neal the discretion to operate the crew and has the authority to let them off early at Neals discretion and that they be paid for a full day. Subject to review by the Board.

2nd by Don Swangle

5 in favor, 3 against

MOTION: By Bob Abel, that a part time employee be hired when chip sealing is taking place when needed.

2nd by Carl Winge

All in favor

Meeting adjourned at 7:00

(This meeting taped)
H.O.V.E. ROAD MAINTENANCE CORPORATION
MINUTES
BOARD MEETING
MAY 11, 1994

Meeting was called to order at 4:03 p.m. by President George Tilford.
Members present: George Tilford, Dave Wells, Betty Perreira, Bill Noxon, Don Swangel,
Bob Self, Carl Winge, Jim Wiese
Absent: Bob Abel, Irene Hughes, Mary Huffman - Unexcused

Announcements:

George Tilford stated the Corporation has received the Road Maintenance Survey Report prepared by Leo Fleming. It was a favorable report and will be filed at the office for those who care to read it.

Corrections to the minutes of the April 5th meeting were noted and will be corrected and filed.

Treasurers Report:

Jim Wiese, read the treasurers report. The total current assets are \$2,197,056.06. The detail breakdown is in the Financial Statement which was given to each member.

George Tilford stated that as of today, 78% of the 1994 assessments has been received for a total of \$882,677.65. Last year, for the whole year, only 80% was collected. An additional letter will be sent out shortly to all those who have not paid their 1994 assessments.

Operation Manager Report:

Neal Stone read the Operation Manager Report (filed with the minutes). He also passed around a photograph taken on King Kamehameha, of the size hole he will be patching with the patching material from Rancho Hardware.

MOTION: by Carl Winge, that the Board approve the chip repair work requested by Neal Stone.

2nd by Bob Self
All in favor

Unfinished Business:

Jim Wiese's letter, copy filed with minutes - George Tilford stated that Items 1 & 2 have previously been addressed. Also, he commented that we as individuals on the Board do not have the authority to approach Neal and to ask him or to tell him to do anything. Only the President of this Corporation has the day to day operation. He is the one to come to if you see something or want to request anything that has to do with Neals operation. This was made a policy of the Board last year. George asked each one of us to be considerate in following this policy.

New Business:

Vandalism within the sub-division: Neal stated that no dollar amount has been figured regarding the last vandalism involving the destruction of signs and posts. Potentially, the dollar amount could be approximately \$80.00 per sign. Some posts were salvaged. George Tilford stated that we know the individual who did the vandalism. Do we, as a Corporation, as long as we have two witnesses that would come forth and sign affidavits and testify in a Court of Law, would the Board pursue this action to file charges against this individual. Also, he would like the legal committee to review the matter first, and if the legal committee decides that we should do it, with that authorization, he would file formal charges.

MOTION: by Jim Wiese, after review by the legal committee, the President would have the power to press formal charges against anyone committing vandalism to Road Corp. property.

2nd by Carl Winge
All in favor

Questions were asked by visitors at the Board meeting regarding the "Truck Route" situation. His house is for sale and he felt he needed to disclose the fact that his home was on a "Truck Route". George Tilford stated that this NOT be referred to as a TRUCK ROUTE. The haulers have been asked to split up their routes.

MOTION: by Carl Winge, to call for an Executive Session following the meeting.

2nd by Bob Self
All in favor

Meeting adjourned at 4:30

~~(This meeting taped)~~
H.O.V.E. ROAD MAINTENANCE CORPORATION
MINUTES
BOARD MEETING
JUNE 7, 1994

Meeting was called to order at 4:00 p.m. by President George Tilford.
Members present: George Tilford, Dave Wells, Bill Noxon, Don Swangel, Bob Self, Carl Winge, Jim Wiese, Bob Abel, Irene Hughes, Mary Huffman
Absent: Betty Perreira- Unexcused

Announcements: None

Minutes of the previous meeting stand as presented.

Treasurers Report:

Jim Wiese read the treasurers report. The detail breakdown is in the Financial Statement which was given to each member.

Operation Manager Report:

George Tilford read the Operation Manager Report as Neal Stone was absent from the meeting, (filed with the minutes).

The office managers report stated that as of June 7, 1994, the total money received for assessments is \$906,794.18- 80%. Approximately \$240,000 is still outstanding.

Committee Reports:

Legal Committee: Bob Self stated that the Legal Committee had nothing to report at this time. Possibly more information next month of changing our attorney.

Budget Committee: Jim Wiese read the preliminary budget report. (filed with the minutes) George Tilford stated the report would be accepted except for items - 1, 4, 6, 7, 8, 10, 12, 14, 17. These items to be discussed with Neal Stone, Jean Redman, Bob Self and Carl Winge. Carl Winge suggested that an equipment reserve be set up for replacement of equipment. Carl Winge and Bob Self to check on this. Bob Abel stated that 5% of our principle is set aside for reserve. Bob Self stated that input is needed from Neal Stone and Jeff Anderson (mechanic).

By-Law Committee: Irene Hughes said she would be in contact, by mail, with Jim Wiese. Report should be finished in time for the next newsletter.

New Business: George Tilford appointed Bill Noxon, Don Swangle and Bob Abel to serve on a Committee for the evaluation of Operations Manager, Office Manager and employees. It was suggested that the evaluations be done on a yearly basis, also documented and recorded.

Gordon Amps presented his proposal for weed control. (filed with the minutes) Gordon stated that he had finished the first phase, that the tall grass was cut, rubbish picked up and rocks removed. He stated that the first cut was the hardest and would like to continue with the weed control. Also, that he had over 100 signatures in favor of continuing the weed control.

MOTION: By Bob Self, that the proposal by Gordon Amps be sent to the Budget Committee to see if funds are available.

2nd by Carl Winge

All in favor

Jim Wiese presented a letter to the Board requesting he be excused from the Board meetings the months of July & August. Carl Winge also presented a letter to be excused June 30 through October 8, 1994.

MOTION: By Bob Self, that the Board accept the excused absences.

2nd by Bob Abel

All in favor

Meeting adjourned at 4:50

Respectfully submitted,

Jeannie Wilkison

H.O.V.E. ROAD MAINTENANCE CORPORATION
MINUTES
BOARD MEETING
JULY 5, 1994

Meeting was called to order at 4:01 p.m. by President George Tilford.

Members present: George Tilford, Dave Wells, Bob Abel, Mary Huffman,
Absent: Jim Wiese, Carl Winge, Bob Self - excused
Betty Perreira, Bill Noxon, Don Swangel, Irene Hughes - Unexcused

No quorum, meeting was adjourned at 4:04 p.m.

Respectfully,

Jeannie Wilkison

July 5, 1994

As of this date, we have collected approximately \$919,000 or 81% of the 1994 assessments. Money is coming in at a slow but steady pace and with the new information that we have just received from the County of Hawaii property tax division, we will be able to further update our records and will be sending out more letters.

The newsletter will have to be ready to go to the press by July 22 so it is imperative that all the contents be submitted within the next 10 days. This will give Stew Dawson ample time to work on the camera ready product.

Jack.

H.O.V.E. ROAD MAINTENANCE CORPORATION
MINUTES
BOARD MEETING
AUG. 2, 1994

Meeting was called to order at 4:00 p.m. by President George Tilford.

Members present: George Tilford, Dave Wells, Bob Abel, Irene Hughes, Don Swangle, Bill Noxon, Bob Self

Absent: Jim Wiese, Carl Winge, Mary Huffman - excused

Betty Perreira - Unexcused

Minutes of previous meeting:

MOTION: by Bob Self, To accept the minutes of the previous meeting as presented.

2nd by Don Swangle

All in favor

Foreman's Report: Accepted as presented (copy filed with minutes)

Office Manager's Report: Accepted as presented (copy filed with minutes)

New Business: Purchase of a new computer- George Tilford stated that the Board of Directors were polled by phone to okay the purchase of a new computer. All were in favor.

MOTION: by Bob Self, To approve the purchase in the amount of \$ 2,728.96 and pay for the new computer.

2nd by Bill Noxon

All in favor

Discussion followed as to how nice the new computer is. George thanked Bob Self for all the work he did in the office getting the computer on line. Also, it was stated that the computer is much faster, reports that previously took hours were being done in minutes.

Respectfully,

Jeannie Wilkison

(THIS MEETING WAS TAPED)
H.O.V.E. ROAD MAINTENANCE CORPORATION
MINUTES
BOARD MEETING
SEPTEMBER 6, 1994

Meeting was called to order at 4:00 p.m. by President George Tilford.

Members present: George Tilford, Dave Wells, Bob Abel, Irene Hughes, Don Swangel, Bill Noxon, Betty Perreira and Bob Self

Absent: Carl Winge and Jim Wiese - excused

The minutes of the previous meeting were approved as sent to board members.

The financial statement will stand as printed.

All Board members were given a copy of the Foreman's Report and the Office Manager's Report. In item #5 of the Foreman's report (stop signs), poles have been ordered but temporary steps are taken within 24 hours of a complaint. These are stop signs embedded in a 5 gallon pail of cement and placed at an intersection until the permanent pole can be replaced. The Office Manager's report will stand as read.

Unfinished Business:

None

New Business:

Irene Hughes asked to have a committee formed to set up a Standard Operating Procedure manual. This will be brought up under unfinished business at the October meeting.

A letter was received from Robert Smith regarding the question of re-instating Al Garcia. George Tilford explained the circumstances surrounding the removal of Al Garcia and the discussions held with Mr. Smith prior to the decision to remove Mr. Garcia as a director and the fact that the Corporation acted on the advise of Mr. Smith.

The floor was turned over to Bob Self who spoke on behalf of the legal committee and their recommendations.

A change in legal council was discussed. In light of Robert Smith's past history regarding legal advise, Bob Self indicated that Ernie Gianotti of Kona had been approached by the committee and Mr. Gianotti has shown an interest in taking over as the Corporation's legal council.

Bob Self moved to proceed to hire new council and as our new council sees fit, we phase out Mr. Smith, and that we hire Ernie Gianotti. Irene Hughes seconded the motion. Irene suggested that perhaps Mr. Gianotti could come out and meet with the Board. Bob Self amended his motion to read that we proceed to change legal council. Irene Hughes seconded the amended motion. Bob Abel said that over the years we have had problems

with Bob Smith, but we have a deal with Bob Smith regarding the placement of liens and foreclosures. Bob Abel indicated that he had worked with Bob Smith, both as President and vice-president, and he could see the problem arising with hiring a new attorney that is not familiar with the road corporation's history, and that Bob Smith has been in since the beginning. George Tilford recommended that the existing liens and foreclosures be kept with Bob Smith but no new ones be given to him and after having spoken with Mr. Gianotti, this is the way Mr. Smith would be phased out. Some discussion followed involving Bob Smith's advise to the Corporation on Al Garcia's removal. The vote was taken on changing attorney. All in favor with Don Swangel abstaining due to Don's late arrival.

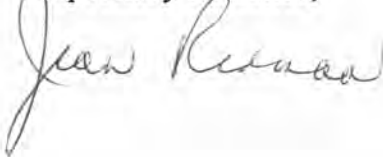
Bob Self further moved that we obtain the services of Ernie Gianotti and phase him in as easily as possible without causing any financial difficulties to the Corporation. Dave Wells seconded. Unanimously passed.

Bob Abel, for the record, said that he had heard a number of very negative comments at the board meeting about Bob Smith. In general, for the 4 years that Bob Abel has worked with Bob Smith, Mr. Smith has represented us well, with no overcharges, and nothing improper and he has served the corporation well.

The issue of Al Garcia will be tabled and addressed under unfinished business at the October meeting.

The meeting was adjourned at 4:25 P.M.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Jean K. Kavanagh". The signature is written in dark ink and is positioned below the typed name "Jean Kavanagh".

(THIS MEETING WAS TAPED)
H.O.V.E. ROAD MAINTENANCE CORPORATION
MINUTES
BOARD MEETING
October 4, 1994

Meeting was called to order at 4:00 p.m. by President George Tilford.

Members present: George Tilford, Dave Wells, Bob Abel, Irene Hughes, Don Swangel, Bill Noxon, Betty Perreira, Jim Wiese and Bob Self + *Mary Huffman*.
Absent: Carl Winge - excused

President George Tilford read two letters that were received by the road corporation regarding the work that has been and is being accomplished by the corporation. These letters are on file with the minutes.

The minutes of the previous meeting were approved as sent to board members.

Treasurer Jim Wiese read the financial statement and it was approved as read.

All Board members were given a copy of the Foreman's Report and the Office Manager's Report.

Unfinished Business:

At the last meeting, Irene Hughes proposed a Standard Operating Procedure Manual. Discussion was held regarding the feasibility and benefit of such a manual. It was decided that the certain procedures must be followed because of our By-laws but other procedures should be carried out when circumstances warrant. It is up to the individual board member to read the minutes of missed meetings and to keep abreast of changes. Irene indicated that she didn't have a manual in mind but rather statements of policies and could easily be changed.

The re-instatement of Al Garcia was discussed at length with Dave Wells offering to step down in favor of Al Garcia's re-instatement. Attorney Bob Smith had issued a letter to the corporation, copies of which were given to each board member. A copy of that letter along with the corporation By-laws was also give to Ernie Gianotti, attorney. George Tilford suggested that the issue be deferred until the next meeting and give Mr. Gianotti a chance to look over the documents. Once Mr. Gianotti is able to give us a ruling, the board will have to decide what steps they wish to take regarding the re-instatement.

New Business:

The corporation's new attorney, Ernie Gianotti, was introduced and he gave the board some background information on his qualifications.

A concern was raised about boulders on the roadside along the property of a lot owner on Princess Kaiulani at the corner of King Kamehameha. It was decided that we would see if these boulders are on the right of way and would speak with the owner.

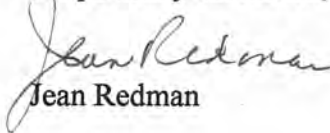
Jim Wiese moved that if the land owner refuses to move the rocks that a resolution be made that the board send him an official notice that rock represent a potential hazard and liability to the corporation and that he move the rocks immediately. Bob Self seconded. All in favor.

A letter was received from a lot owner regarding the placement of a 4-way stop sign at the intersection of Ginger Blossom and Kona Drive, the site of the traffic fatality on September 21, 1994. (letter in minutes book) Much discussion followed regarding this sign placement and George Tilford commented on the numerous calls he had received suggesting the each intersection in the sub-division be required to have a 4-way stop sign and speed bumps. The consensus was that a letter be written to the Callinsky's thanking them for their letter, advising them that hazardous areas within the sub-division would be looked into and 4-way stop signs would be installed in the appropriate spots.

Bob Self moved that the board go into executive session.

Regular meeting adjourned at 4:30 P.M.

Respectfully submitted,


Jean Redman

ANNUAL GENERAL MEMBERSHIP MEETING
H.O.V.E. ROAD MAINTENANCE CORP.
OCTOBER 8, 1994

The annual meeting was called to order at 10 A.M. by vice-president Bob Self, sitting in for president George Tilford. Board members present were Bob Abel, Betty Perreira, Irene Hughes, Jim Wiese, Mary Huffman and Don Swangel. Absent were George Tilford, Carl Winge and Bill Noxon. Twelve lot owners were present.

Minutes of the last annual were available to the membership as well as the financial statement.

Results of the balloting were announced by Bob Self, as counted by the League of Women Voters. Elected to the Board of Directors for a three year term beginning January 1, 1995 are Jim Wiese, Bill Noxon, Frank Harper and Steve McKinney. The vote for the budget and paving plan for 1995 was 1541 in favor and 71 against.

Discussion from the general membership was centered on a recent traffic fatality within the sub-division and the consensus was the the Board of Directors and the community push with great vigor to get the elected officials and the police department to enforce traffic laws within H.O.V.E. The Board was asked to write a letter to Senator Andy Levin regarding the enforcement problems.

The regular meeting was adjourned at 10:30 A.M. and a board meeting was immediately convened for the purpose of electing the officers fro the 1995 year.

Bob Abel nominated Bob Self for President. There were no other nominations. One vote was cast for Bob Self. Bob Self nominated Carl Winge for Vice-President. Irene Hughes nominated Bob Abel. Bob Abel was elected. Bob Self nominated Frank Harper for Secretary. There were no other nominations. One vote was cast for Frank Harper. Bob Abel nominated Jim Wiese for Treasurer. There were no other nominations. One vote was cast for Jim Wiese.

The slate of officers is Bob Self, President; Bob Abel, Vice-president; Frank Harper, Secretary; Jim Wiese, Treasurer.

The meeting adjourned at 10:50 A.M.

Respectfully submitted,


Jean Redman

(THIS MEETING WAS TAPED)
H.O.V.E. ROAD MAINTENANCE CORPORATION
MINUTES
BOARD MEETING
November 1, 1994

Meeting was called to order at 4:00 p.m. by President George Tilford.

Members present: George Tilford, Dave Wells, Irene Hughes, Don Swangel, Jim Wiese, Bob Self and Carl Winge

Absent: Bob Abel, Bill Noxon, Betty Perreira, Mary Huffman - unexcused

No announcements were made.

The minutes of the previous meeting were approved as sent to board members.

Treasurer Jim Wiese read the financial statement and it was approved as read.

George Tilford read the Foremans report and each member received a copy.
(Copy filed with minutes) Discussion followed regarding the Road signs. George Tilford stated that someone from the County legal department would come to HOVE , survey and review our signs. If they were approved, the law enforcement could come in and enforce traffic violations. It was suggested that we wait to see if our signs met County specs before putting them up. Jim Wiese further suggested we get a copy of the State of Hawaii Vehicle codes. George Tilford said he would instruct Jean to order 2 copies.

George Tilford read the Office Managers report and each member received a copy.
(Copy filed with minutes)

Unfinished Business: Regarding the re-instatement of Al Garcia:
Bob Self stated we are waiting for a written report from Ernie Gianotti about re-instatement of Al Garcia. Also he suggests we take his advise and put it to rest.

MOTION: By Bob Self: We have Bob Smith tender an offer of settlement to Al Garcia's attorney stating that Al Garcia be reinstated for one year beginning January 1, 1995, the Board would issue a verbal apology to Mr. Garcia at the January 1995 regular Board meeting, and the reinstatement would occur only with the condition that Mr. Garcia would drop his lawsuit against the Corporation and pay his own legal expenses.

2nd by Carl Winge

4 in favor

1 abstain - Irene Hughes

New Business: Presentation for recycling abandoned vehicles.

A presentation was made by Tony Phillips. He stated he was in the auto wrecking business and understands the problem with abandon vehicles. He is looking to recycle

automobiles in the community and would like our support. He would pick up vehicles and turn them over to Hawaii Metal Recycler, licensed business. George Tilford stated we would accept his proposal, in writing, and that it would go to the legal committee, road & safety committee and budget committee for review.

Other Discussion: Jim Wiese stated that Eldon Johnsen is still on TDI for another month. Bob Self said he will collect through January and can then apply for extended benefits. We can hire someone on a temporary basis. George Tilford stated that if Eldon's being put on Workers Comp. would be fought all the way.

MOTION: By Bob Self, to adjourn
2nd by Carl Winge
All in favor

Meeting adjourned at 4:35 p.m.

Respectfully submitted,

Jean Wilkison