

**H.O.V.E. Road Maintenance Corporation  
Monthly Board Meeting  
January 27, 2015 @ 10:00 am in the RMC Office**

**QUORUM:** Yes.

Present: President, Mike Finn; VP, Jim Steenburg; Treasurer, George Campbell; Secretary, Jim O'Hara; Director, Bruce Petrovic; Director, Eugene Phillips.

Also in attendance: COO, Laura Foster and 3 guest members.

**II. CALL TO ORDER:** The meeting was called to order at 10:00 am by President, Mike Finn.

**III. ADOPTION OF AGENDA:** The agenda was unanimously approved as distributed with the addition of adding the discussion of the audits under new business.

**IV. APPROVAL OF MINUTES:**

The minutes of the BOD Meeting held on 12/23/14 were unanimously approved as distributed.

The minutes of the Executive Session held on 01/09/15 were unanimously approved as distributed.

**V. REPORTS:**

**President's Report:** The road work is looking good, the stripping is finished and Tree Fern looks much better with the extra layer of oil. The crew and Triple K Trucking are now working on Reef Parkway.

**General Report:** The 2014 road work is complete. A check for the final payment to Triple K has been cut and will be issued shortly. The crew is currently clearing the shoulders on Reef Pkwy. so that the roadway will be a full 20 foot wide. The Board needs to approve the 2015 work schedule. Triple K Trucking seems to be picking up their pace and completed the last 3 blocks within a weeks' time. The addition of a second dump truck to Triple K Trucking has helped pick up the pace. Our rubber tired roller may finally get repaired shortly which will help with the roadwork time frame.

The president introduced the guests at this time and their input will be heard under General Discussion. Our annual billing was in the mail on January 16<sup>th</sup>. So the office is now in full swing with payments, phone calls and normal day to day tasks. Lot 50 has been billed for past and present road fees.

Members may start to see DLNR out and about in H.O.V.E. They have been surveying for fencing the Manuka and HOVE boundaries.

The RMC Dodge pickup is currently under warranty repair at the dealer in Kona.

Replacement of the skylight panels on the maintenance building that were damaged by heavy winds is in process.

Our County Council Representative is going to contact the Planning Department for a visit to the cinder pit area to observe the road damage and unsafe conditions that exist there.

**VI. OLD BUSINESS:**

A short discussion was held on the 2015 road work plan. The specific roads to be included were gone over and approved. Completion is scheduled for the end of March.

**Motion:** To begin the five miles of 2015 roadwork that includes the roads approved at this meeting. Motion by GC 2<sup>nd</sup> by JS. Motion approved unanimously.

**VII. NEW BUSINESS:** At the last County of Hawaii Planning Commission meeting in Hilo regarding the cinder pits, Mr. Darrow suggested that the cinder pit owners get together and apply for 1 permit thru the Land Use Commission. The owners should decide what they envision for the pits. The HOVE BOD has agreed that nothing will happen until a decision has been made on the roads situation. After some discussion, Saturday, January 31 was the tentative date agreed to for a meeting with all cinder pit owners including RMC. Our COO will contact all parties to set up a firm date for the meeting. We would like to have a civil meeting and get this problem straightened out as an entity.

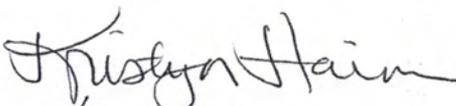
We received quotes from 2 different CPA's to do our audits for 2013 and 2014. A discussion followed regarding the audits and CPA proposals.

**Motion:** To approve CGA to conduct our audits for the years ending 2013 and 2014. Motion by G.C. 2<sup>nd</sup> by EP. Motion approved unanimously.

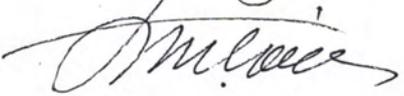
**VIII. GENERAL DISCUSSION:** A short discussion followed regarding the cinder pits and road hazards that have been caused by their operation. It was decided to wait and continue any further discussion at the owners meeting.

**IX. ADJOURNMENT:** Meeting adjourned at 10:50 am by President, Mike Finn.

The next monthly Board Meeting will be held at 10:00 am on Tuesday, February 24th, 2015 at the HOVERMC office.

Minutes submitted by: 

Kristyn Haina

Approved by: 

Jim O'Hara

**H.O.V.E. Road Maintenance Corporation**  
**Monthly Board Meeting**  
**February 24, 2015 @ 10:00 am in the RMC Office**

**I. QUORUM:** Yes.

Present: President, Mike Finn; VP, Jim Steenburg; Treasurer, George Campbell; Secretary, Jim O'Hara; Director, Bruce Petrovic; Director, Eugene Philips.

Also in attendance: COO, Laura Foster and 3 guest members.

**II. CALL TO ORDER:** The meeting was called to order at 9:58 am by President, Mike Finn.

**III. ADOPTION OF AGENDA:** The agenda was unanimously approved as distributed.

**IV. APPROVAL OF MINUTES:**

The minutes of the BOD Meeting held on 01/27/14 were unanimously approved as distributed.

A guest member spoke at length about his history and current situation of operations in HOVE involving the Cinder Pits (CP). The Board explained to him several of the stipulations regarding our roads at the CP area that the owners are not in agreement with. (35 minutes).

**V. REPORTS:**

**President's Report:** Reef Pkwy. looks good. Triple K Trucking has made good improvement on their road resurfacing methods. It was mentioned that the road edges were not well finished and probably will deteriorate in a very short time. This will be brought to the attention of KP.

The road work discussion will continue during the executive session following this meeting.

**Treasurers Report:** The financial audits are on track and will begin in March.

We need to get an assessment done on our older equipment and determine what is operable and/or repairable and what is considered junk and get rid of it.

**General Report:** The last person on the foreclosure list has now been served. The attorney is now able to move forward with all foreclosures.

At this time our mower is down and will most likely be down for another week. It may be a good idea to look into a DR mower (the mower blade is moveable and retractable), similar to what the County uses on their roadways. Allied Machinery rents this kind of equipment and it may be a good idea to rent one for a few weeks to determine if it will be beneficial for HOVERMC to purchase. Lots of weeds are popping up all over the place, round-up spraying will commence next week.

KP is finishing up on Reef between Kailua and Lei. They will be striping this section next week.

The returns from our road maintenance billings are still arriving in good fashion and it is keeping the office staff busy.

We may fill the part-time position available in our office shortly. However, changes to the job description must be done prior to hiring anyone.

**VI. OLD BUSINESS:**

Weed control: Several of our roads are being tunneled by weeds and we need to get it under control. We also have an issue with our road edges corroding and breaking off. It was suggested by a Board Member that we need to get a program or routine set in place for weed control. It may be a good idea to first kill the weeds, clear at least 2 feet off the sides of the roadway and then lay red cinder and use the roller to compact the red cinder down. It may not completely solve the weed problem but it has made a good improvement in test areas. JO will be writing up a spec sheet on this procedure and then hand it over to the Treasurer for cost analysis. A good example of our weed problem is on Tree Fern where weeds are growing up through the new pavement. It was suggested that KP do some research and find out what may be added to the oil to prevent weed growth.

Proposal to CP Operators: All BOD members should have received an email regarding the proposal concerning road safety in the cinder pit area. One addition will be to include a stipulation that the CP operators must have insurance that includes RMC as an additional insured party. It was agreed that the proposal with the change will be mailed out to all CP operators shortly.

Lot 50: We have received a response letter from the owner of lot 50 in regards to his past due road assessment. After much discussion it was decided to form a special committee to resolve this ongoing issue. J.O. will start the proposal for this committee and G.C. was nominated to head this committee.

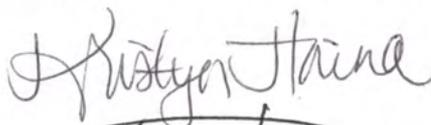
**VIII. NEW BUSINESS:** EP will be unavailable to attend Board Meetings in person for several months but will be available for meetings via electronic communications.

A program for mowing and weed control will be put on the front burner.

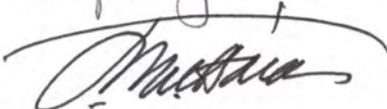
**IX. GENERAL DISCUSSION:** None.

**X. ADJOURNMENT:** Meeting adjourned at 11:07 am by President, Mike Finn.

The next monthly Board Meeting will be held at 10:00 am on Tuesday, March 24th, 2015 at the HOVERMC office.

Minutes submitted by: 

Kristyn Haina

Approved by: 

Jim O'Hara

**H.O.V.E. Road Maintenance Corporation**  
**Monthly Board Meeting**  
**March 24, 2015 @ 10:00 am in the RMC Office**

**I. QUORUM:** Yes.

Present: President, Mike Finn; VP, Jim Steenburg; Treasurer, George Campbell; Secretary, Jim O'Hara; Director, Bruce Petrovic.

Excused Absence: Director, Eugen Philips

Also in attendance: COO, Laura Foster and 7 guest members.

**II. CALL TO ORDER:** The meeting was called to order at 9:57 am by President, Mike Finn.

**III. ADOPTION OF AGENDA:** The agenda was unanimously approved as distributed with the addition of adding the discussion of Lot 50 to an executive session following this meeting.

**IV. APPROVAL OF MINUTES:**

The minutes of the BOD Meeting held on 02/24/15 were unanimously approved as distributed.

The minutes of the Executive Session held on 02/24/15 were unanimously approved as distributed.

**V. REPORTS:**

**President's Report:** The chip-sealing and safety striping on the last 2 blocks on Coconut is almost complete. From there the work will go up Liliانا. The work looks good.

The subject of weeds growing up through the newly chip-sealed Reef Pkwy was brought up and it was reported that the crew had gone up the previous day and sprayed.

**Treasurer's Report:** The 2013/2014 audits have begun in full force. Our auditors will be sending over a representative to do an audit "walk through" at the end of this month.

We are within our budget at the present time and some excess funds were transferred to the investment account.

**General Report:** HOVERMC foreclosures are going forward. Within 45 days there are two properties that will either be settled or sold. The last of the three foreclosures has just recently been turned over to our attorney for action.

We have hired 2 temporary part-time laborers for road work. They are working an average of 16 hours per week catching up on weed-whacking, filling potholes, spraying, etc.

The Mower is out of service again and is in bad shape. We are presently looking for a boom flail mower for a replacement. There is also other equipment that needs replacement soon.

The road contractor has accomplished 3 blocks on Coconut last week and another five blocks should be finished within a few days. They will then proceed with the section on Liliانا and then down to Lotus Blossom Circle.

At this time the President held introductions between the Board Members and guests at the meeting.

**VI. OLD BUSINESS:**

**Geotechnical Engineer:** Our C.O.O. has been talking to 3 different Geotechnical Engineers in hopes of hiring one of them to assess our roadways in the cinder pit area. We are currently waiting on price quotes for their services. We need to send a letter to the other cinder pit owners and get permission from them (or not) to access their properties to get a better assessment of the roadway fronting their properties.

**Lot 50:** Moved to Executive Session.

**Weed Control:** The idea of adding poison to our oil in the hopes of preventing weeds from growing up through the chip-seal will not work. Another idea has been proposed, to poison up to 3' on the road easement, then grade the area, spray again then compact it with red cinder. We may want to consider spreading a

pre-emergent prior to putting down and compacting the cinder. It has been suggested to do a 1 mile test area to see if this will help with the abundance of weeds we have growing in our easement due to the increase of rain we have seen in the past year. It was calculated that this would require about 200 cubic yards of red cinder per mile. Board Members agreed to have the crew go ahead with this process on Hukilau and see how it works.

**New Equipment:** We definitely need a new mower but receiving quotes has been a slow process. It appears that there are no mowers readily available on the island. We are currently waiting for quotes from Allied and Hertz Machinery.

The excavator does too much damage to the roads for the work it is doing. It will be put out of service or sold unless it could be used in our cinder pit. RMC will also be looking for a new larger back hoe with a ram attachment. It is planed that the old Mack dump truck will be sold.

HOVERMC may need to consider the extra 5 miles of road work planned for this year and apply all or a portion of those funds towards new equipment.

**VIII. NEW BUSINESS:** County Council Member Maile David stopped by HOVE yesterday on her way to South Kona. She took a tour of the cinder pits and was amazed by the scary 120 foot, nearly vertical wall of cinder. She said she will look into what must be done to the County codes to put some teeth into permits that the Planning Department issues. At present, after the County issues the permit, there is nobody following up to make sure that the safety conditions are being met.

A short discussion followed to enlighten the guest members that were present concerning the unsafe conditions of the roads that have been caused by the cinder pit operations.

GC asked if we could change the April BOD meeting to Wednesday, the 29<sup>th</sup>. All attending Board Members agreed to his request.

**IX. GENERAL DISCUSSION:** A few of the guests asked questions in regards to Arrow of Oregon, water truck haulers and line of sight problems.

In regards to Arrow of Oregon; RMC had nothing to do with Arrow of Oregon shutting down.

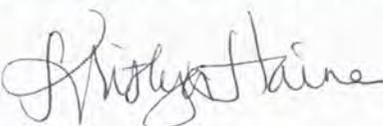
In regards to police stopping a water hauler; RMC does not call the police on water truck haulers or any other truckers. However, individual lot owners have called if they see that the trucks are passing their homes and not following the truck routes or are outside of the trucking hours. The police will enforce the Truck Routes and issue tickets.

It was pointed out that heavy trucks need a permit in HOVE but most water haulers have not complied. The cost to a Member for water delivery calculates to only a dollar a load to cover the truckers permit cost.

A guest member brought up the subject of homeowners that have vegetation or walls that are causing line of sight issues at intersections. The proper procedure is to call our office so that RMC can take care of the situation. Do not try to remove the line of sight issues yourself unless it is on your property.

**X. ADJOURNMENT:** Meeting adjourned at 11:03 am by President, Mike Finn.

The next monthly Board Meeting will be held at 10:00am on Wednesday, April 29th, 2015 at the HOVERMC office.

Minutes submitted by:  Kristyn Haina

Approved by:



Jim O'Hara

**H.O.V.E. Road Maintenance Corporation**  
**Monthly Board Meeting**  
**April 29, 2015 @ 10:00 am in the RMC Office**

**I. QUORUM:** Yes.

Present: President, Mike Finn; VP, Jim Steenburg; Treasurer, George Campbell; Secretary, Jim O'Hara.

Excused Absence: Director, Eugene Philips

Also in attendance: COO, Laura Foster and 3 guest members.

**II. CALL TO ORDER:** The meeting was called to order at 9:53 am by President, Mike Finn.

**III. ADOPTION OF AGENDA:** The agenda was unanimously approved as distributed.

**IV. APPROVAL OF MINUTES:**

The minutes of the BOD Meeting held on 03/24/15 were unanimously approved as distributed.

The minutes of the Executive Session held on 03/24/15 were unanimously approved as distributed.

**V. REPORTS:**

**President's Report:** The President asked if all Board Members had received the email from B.P. pertaining to his resignation from the Board. All present had read it.

**Motion:** To accept B.P.'s resignation from the Board of Directors.

Motion made by J.S. 2<sup>nd</sup> by G.C. Passed unanimously.

At this time the President introduced the BOD to the guest Members.

**Treasurer's Report:** The 2013 financial audit is just about finished and the 2014 audit is in the beginning stages. Our budget so far this year looks good. February and March were our big months for income.

**General Report:** The chip seal on Coconut from Trade Wind to Liliiana and Liliiana to Palm is complete. The safety painting still needs to be completed. It appears someone drove through a section of the fresh chip seal and it will need to be repaired. So far it is unknown who was responsible for the damage. Other than that the road work looks good.

There is a 1¼ mile left of 2015 road work to be completed. This includes Plumeria between Coconut and Aloha and 1 mile from PK up Ginger Blossom, around the Circle thence up to Coral.

The crew is preparing to do the weed control testing on a section of Hukilau.

Assessments were due by March 31 and a \$10.00 late fee was applied to Members who have not paid. The updated statements were mailed out on 4/10/2015.

The office has about fifty accounts that have been set aside for possible foreclosure. Our attorney will be working on these one at a time by order of importance.

It was noted that several Members have recently settled their long past due accounts.

The C & G Auditor came from Honolulu for two days to conduct a walk through and compile information needed to complete the Financial Audits for 2013 and 2014.

A Board Member suggested that our office make the accommodation arrangements for the auditor next time at one of our local B & B's. This should save on travel time and expenses.

RMC will be putting a notice in the paper for a part-time office clerk. The person hired should be able to move into the position of collections clerk in the future.

**VI. OLD BUSINESS:**

Lot 50: A letter was received from the Lot 50 owner in regards to the HOVE RMC final offer. There was little included in the letter that would lead to a settlement and bring the problem to a conclusion.

**Motion:** Turn over all information to our lawyer who will handle any further details regarding Lot 50. Motion by J.O. 2<sup>nd</sup> by J.S. Passed unanimously.

Geotechnical Engineer: Last month the BOD agreed to hire a geotechnical engineer. Construction Engineering Labs was hired for the project and an engineer came over last Monday. The engineer along with our C.O.O. and a representative from our lawyer's office went up and did an assessment of our roadways located around the cinder pits. The engineer told us that RMC should hire a surveyor to lay out our road system in that area. After that he will be able to provide a thorough assessment of the bordering roadways.

We plan to add one more quarter mile into this survey if possible. It is not part of the cinder pit area but is a dangerous section of Liliana Lane between Kailua Blvd. and Palm Pkwy.

New Equipment: A lengthy discussion followed regarding quotes received for a new mower. It was decided that we still need to look into the matter further and find more reasonably priced equipment.

**VIII. NEW BUSINESS:**

2015 Elections: July 17, 2015 is the deadline for BOD applications. We are looking for qualified persons to become a member of the RMC Board of Directors. There are two positions open for election this Year.

Newsletter: A tentative Newsletter schedule was distributed to the Board Members.

**MOTION:** Approve the proposed schedule for the Newsletter.

Motion by J.O. 2<sup>nd</sup> by M.F. Passed unanimously.

July Board Meeting: We will move the July BOD meeting from July 28<sup>th</sup> to July 21<sup>st</sup> in order to get the newsletter approved and sent to the printer on time.

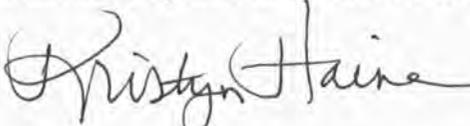
**IX. GENERAL DISCUSSION:** HOVR is interested in purchasing our older paint striper that we no longer use. The Board agreed to sell it to them for \$2500.00.

The individual that we hired as a part time mechanic has worked out very well. He will not be available for a period of time and he will be missed.

We need to address the school bus situation and come up with a solution to deal with the congestion and safety hazards at some of the bus stop locations.

**X. ADJOURNMENT:** Meeting adjourned at 10:39 am by President, Mike Finn.

The next monthly Board Meeting will be held at 10:00 am on Thursday May 28th, 2015 at the HOVERMC office. This date was agreed to as one Board Member will not be here on May 26<sup>th</sup>.

Minutes submitted by:  Kristyn Haina

Approved by:  Jim O'Hara, Secretary

**H.O.V.E. Road Maintenance Corporation**  
**Monthly Board Meeting**  
**May 28, 2015 @ 10:00 am in the RMC Office**

**QUORUM:** Yes.

Present: President, Mike Finn; VP, Jim Steenburg; Treasurer, George Campbell; Secretary, Jim O'Hara;  
Excused Absence: Director, Eugene Philips  
Also in attendance: COO, Laura Foster.

**II. CALL TO ORDER:** The meeting was called to order at 9:54 am by President, Mike Finn.

**III. ADOPTION OF AGENDA:** The agenda was unanimously approved as distributed with the change of moving Lot 50 and Cinder Pits from Old Business to an Executive Session.

**IV. APPROVAL OF MINUTES:**

The minutes of the BOD Meeting held on 04/29/15 were unanimously approved as distributed.  
The minutes of the Executive Session held on 04/29/15 were unanimously approved as distributed.

**V. REPORTS:**

**President's Report:** The President had nothing to report at this time.

**Treasurer's Report:** The finances are in good condition. 2015 assessments are still being received with the included late fees.

The 2013 audit is a week or two from being finished at which time work on the 2014 audit will begin. Once the 2013 audit is final our 2014 taxes can be completed and filed. An extension has been filed and approved by the IRS.

**General Report:** The present road contractor has not followed the maintenance agreement for our equipment that he was using. He has not provided us with any maintenance reports as agreed to. There is also a problem with the fuel found in that equipment.

After a brief discussion about some of our road equipment it was decided to have our engine fuel and oil tested at a certified lab. Fuel and oil will be drained to prevent any further problems.

It was also noted that the contractor supplied chip used in the last several miles and that which is stored at our yard is dirty.

Any further payments to the contractor will be dependent on equipment repair costs.

The rubber tire roller is now up and running.

The School Bus Company and HOVERMC will be working together to make changes to the bus stop locations to satisfy some safety concerns.

**VI. OLD BUSINESS:**

Newsletter: The OVCA will be using their facility on Saturday October 10th so we will need to host the HOVERMC Annual Meeting in our office building.

Work on the 2016 budget needs to begin so that we can determine the road assessment for 2016. As pointed out last year, to cover a minimum of 10 miles of road work per year the assessment will need to be increased. The optimum would be 15 miles per year to accomplish 157 miles a road work every ten years.

Driveway aprons will need to be discussed also. There are quite a few driveways that cause damage to the roadway and require an apron. This cost should be passed on to the members and worked into the budget. It may be best if the driveway aprons were put in at the time of road work.

Newsletter sections need to be assigned to BOD members and any suggested by-law changes submitted.

New Equipment: No new bids have been received for the tractor/mower, a decision will be made at the June Board Meeting on whether or not to purchase a new tractor/mower and if so, from whom. Currently the bids range from \$103,000.00 to \$129,000.00.

Some sections of the red cinder weed control test area have worked out although some small areas have begun to wash out due to rain. It appears that more cinder and rolling may be necessary.

A discussion followed regarding methods to control the growth on our road easements.

Foreclosures: As both of the lot owners that have been involved in the foreclosure procedure have refused any form of payment, final foreclosure will be set in motion by our attorney. Once these two proceedings are closed we have two more that need attention by our Attorney.

**VIII. NEW BUSINESS:**

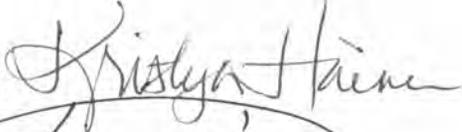
None.

**IX. GENERAL DISCUSSION:**

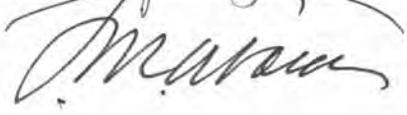
None.

**X. ADJOURNMENT:** Meeting adjourned at 10:37 am by President, Mike Finn.

The next monthly Board Meeting will be held at 10:00am on Tuesday June 23, 2015 at the HOVERMC office.

Minutes submitted by: 

Kristyn Haina

Approved by: 

Jim O'Hara

**H.O.V.E. Road Maintenance Corporation**  
**Monthly Board Meeting**  
**June 23rd, 2015 @ 10:00 am in the RMC Office**

**I. QUORUM:** Yes.

Present: President, Mike Finn; VP, Jim Steenburg; Secretary, Jim O'Hara

Absent: Treasurer, George Campbell; Director, Eugene Philips

Also in attendance: COO, Laura Foster and 2 guest members

**II. CALL TO ORDER:** The meeting was called to order at 9:53am by President, Mike Finn.

**III. ADOPTION OF AGENDA:** The agenda was unanimously approved as distributed with the change of adding Roadwork and Budget to Old Business.

**IV. APPROVAL OF MINUTES:**

The minutes of the BOD Meeting held on 05/28/15 were unanimously approved as distributed. The minutes of the Executive Session held on 05/28/15 were unanimously approved as distributed.

**V. REPORTS:**

**President's Report:** The President had a conversation with a Member in regards to HOVE RMC using Round-Up for weed control. Members should know that the areas that are being sprayed are about to have road work done. Members should also know that our crew sprays only alongside the roadway where the edge of the road and the easement meet and about 12 in. in width. (HOVERMC actually has a 10' easement). He informed the member if he or any other members have any suggestions or better ideas of how to control the weeds, instead of complaining about it please share these suggestions and/or ideas with the BOD.

**Treasurer's Report:** Our finances are on track. The 2016 budget is currently being worked on in a draft form and will be available at the next BOD meeting for approval.

**General Report:** Past due account notices and intent to lien letters were sent out last week via email and regular mail. There has been a number of payments received since which indicates that the system is working. The second of the three foreclosures has been settled. This member must remain current and on time or their property will go back into foreclosure, we are confident that this member will remain compliant.

We are still waiting for the results of the fuel and oil samples that were taken from the oil distributor and sent out for analysis. We are also waiting for the mechanic to take a look at the Oil Distributer and Chip Spreader to make sure they are ready for the upcoming road work. The mower is out and about in the mid-upper section of HOVE. Besides mowing the crew has been busy with filling potholes, repairing signs, safety painting and general maintenance on all equipment and trucks.

**VI. OLD BUSINESS:**

**Newsletter:** At the next BOD meeting the content of the 2015 Newsletter will need to be approved. The COO and President are both working on their reports. There are going to be a few suggested By-Law changes that need to be presented to the membership for voting.

**MOTION:** That the content of the 2015 Newsletter be approved by the BOD.

Motion made by J.O., 2nd by J.S. Approved unanimously.

A short discussion followed that included a recommendation to change the Annual meeting to December. This would bring the new board on at the start of the fiscal year. It would also allow the budget to be completed closer to the beginning of the next fiscal year.

**New Equipment:** The BOD is in agreement that HOVE RMC needs a new tractor/mower. However the decision to purchase brand new or used has not been agreed upon. A brand new tractor/mower could cost \$90,000 to \$125,000.00 and the 2015 Budget does not have enough funds set aside to cover that amount. \$100,000.00 has been set aside for new road equipment in the proposed 2016 Budget but has

yet to be approved. It was noted that there are a number of used, less expensive tractor/mowers locally available and should be considered. We are not sure if our Tractor/Mower will hang on another 6 months or not.

A discussion followed concerning the uses, cost and funding for a replacement tractor/mower.

**VIII." NEW BUSINESS:**

**Road Work:** Road work will commence again on July 29<sup>th</sup> with the new contractor. He will complete the last mile of the 2015 road work.

**MOTION:** Award the new contractor the additional 5 miles of 2015 road work that was approved at the August 26, 2014 BOD meeting.

Motion made by J.O., 2nd by J.S. Approved unanimously.

The COO brought us up to date on the proposed schedule and conditions set for the upcoming contract road work.

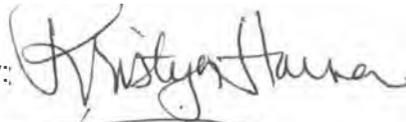
**Budget:** After a 2016 budget discussion and an explanation of a few line items everyone agreed that the proposed budget looks in order.

**IX. GENERAL DISCUSSION:** None.

**X. ADJOURNMENT:** Meeting adjourned at 11:02 am by President, Mike Finn.

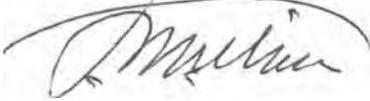
The next monthly Board Meeting will be held at 10:00 am on Thursday July 23rd, 2015 at the HOVERMC office.

Minutes submitted by:



Kristyn Haina

Approved by:



Jim O'Hara

H.O.V.E. Road Maintenance Corporation  
Monthly Board Meeting  
July 23rd, 2015 @ 10:00 am in the RMC Office

I. QUORUM: Yes.

Present: President, Mike Finn; VP, Jim Steenburg; Secretary, Jim O'Hara

Present via telephone conference: Treasurer, George Campbell

Absent: Director, Eugene Philips

Also in attendance: COO, Laura Foster and 1 guest Member

11.CALL TO ORDER: The meeting was called to order at 9:53am by President, Mike Finn.

III. ADOPTION OF AGENDA: The agenda was unanimously approved as distributed.

IV. APPROVAL OF MINUTES:

The minutes of the BOD Meeting held on 06/23/15 were unanimously approved as distributed.

The minutes of the Executive Session held on 06/23/15 were unanimously approved as distributed.

V. REPORTS:

President's Report: Nothing to report at this time.

Treasurer's Report: The draft for the 2013 audit has been received and reviewed. According to the report, management is doing a good job and overall we have good accounting practices. There were a few things that needed correction which was done. The report also noted that we are in good financial shape. We expect the same results for the 2014 audit which should be completed shortly.

General Report: The new contractor, his mechanic and our crew have been working on the oil distributor and other equipment needed for the upcoming road work. This is to make sure that everything is up and running.

The fuel and oil sample results from several of our vehicles have come back clean. There was no contaminants or foreign substances found.

The road oil should be delivered today and we continue to get chip delivered and stockpiled.

New road work should begin next Monday. When the road work begins the contractor will be using a new oil product that has a cure time of 4 hours. This is good news for the members who live in the area of the road work.

The work to be done on Lotus Blossom circle poses a problem due to heavy traffic. It was suggested that personnel be utilized to direct traffic around the circle during the 4 hour cure time.

LF brought us up to date on which roads will be resurfaced during the upcoming work.

The RMC crew has been busy spraying weeds, weed whacking and repairing signage.

A lot owner had dumped a vehicle on Highway 11 and one on a HOVE vacant lot. The police were able to ID this person and action was taken for removal. A pile of rubbish dumped on the road was traced through names in the contents and the police took action on that problem also.

Members witnessing any dumping on our roads may call the police non-emergency number (935-3311) or the HOVE office (929-9910).

VI. OLD BUSINESS:

Newsletter: There has been a change to the location of the Annual Membership meeting. It will be held at St. Jude's Church on Paradise Circle Mauka on October 10th, 2015 at 10:00 am.

MOTION: Approve the 2015 newsletter for publication.

Motion by J.O. 2nd by J.S. approved unanimously.

The Newsletter envelopes were picked up from the printer and delivered to the office yesterday.

As of today, it is anticipated that the Newsletter will be out on time.

Previous Contractor: The dirty chip and several pieces of equipment that belongs to KP have been moved to the lower yard. He has been notified to schedule a time with RMC for pickup.

A short discussion was held on the balance owed to KP and the removal of his equipment from our yard.

IX. GENERAL DISCUSSION: A Member present questioned the Board on whether they had received correspondence or any communications from OVCA in regards to HOVE RMC spraying Round-Up. The Board has not received anything from OVCA. The Member stated that he was rather upset with OVCA being involved in this issue.

It was noted once again that if anyone has a successful alternative to Round-Up please share this with the BOD.

A Member also asked if the RMC Board had been involved in the solar installation proposal in HOVR. The Board has not been involved although several Members have attended the meetings that were held. To answer a Members question it was noted that the RMC Monthly Board meetings are held on the 4th Tuesday of every month, at 10:00 am in the RMC office.

X. ADJOURNMENT: Meeting adjourned at 10:18 am by President, Mike Finn.

The next monthly Board Meeting will be held at 10:00 am on Tuesday August 25th, 2015 at the HOVERMC office.

Minutes submitted **by** =

Kristyn Haina



Approved by:

Jim O'Hara



**H.O.V.E. Road Maintenance Corporation**  
**Monthly Board Meeting**  
**August 25<sup>th</sup>, 2015 @ 10:00 am in the RMC Office**

**I. QUORUM:** Yes.

Present: President, Mike Finn; VP, Jim Steenburg; Treasurer, George Campbell; Secretary, Jim O'Hara  
Absent: Director, Eugene Philips  
Also in attendance: COO, Laura Foster, 2 guest Members and a potential Board Member

**II. CALL TO ORDER:** The meeting was called to order at 10:00 am by President, Mike Finn.

**III. ADOPTION OF AGENDA:** The agenda was unanimously approved as distributed with the addition of consideration of a new Board Member under New Business.

**IV. APPROVAL OF MINUTES:**

The minutes of the BOD Meeting held on 07/23/15 were unanimously approved as distributed.

**V. REPORTS:**

President's Report: The road work on Iwalani looks fair however it appears to have "washed out" some.  
Treasurer's Report: To date, the 2015 assessments are 80% paid. A large percentage of unpaid accounts are from Members who live in Hawaii and California. A decision will be made on some accounts that are in ownership limbo.

A brief discussion about the RJ Restricted account followed. Rather than it being a restricted fund we should possibly change it to an Emergency Fund. Emergency Fund defined would be when our income is less than our expenses. Expenses defined would be unexpected capital expenses or expenses incurred for a natural disaster. G.C. will come up with a detailed definition of Emergency Fund for the next Board meeting.

General Report: The 2015 newsletter went out on schedule and within one week we had 250 ballots returned. The outside, independent ballot counters are ready to start counting.

The additional 2015 road work is progressing normally. A load of oil should be delivered today so further chip work and fog sealing can be accomplished. On Thursday the contractor will finish the prep work on Lotus Blossom Circle. Then they will do touch up work on Aloha and Iwalani.

The mower is down again so our crew will be out spot weed spraying.

**VI. OLD BUSINESS:** A discussion was held in regards to purchasing a new Tractor/Mower. It was mentioned that the present quote for the tractor/mower seemed rather high. J.O. has been researching tractors online for a lower cost and will be sending the C.O.O. the link so she can look into this further. The decision on whether or not to purchase a mower will be on hold until a representative from Bacon Universal can meet with the Board of Directors. The purpose is to get answers about the size and pricing of their tractor/mowers.

**VII. NEW BUSINESS:** Full time HOVE resident Peter Fleuret, who had applied for a position on the Board, introduced himself. He gave the Board a rundown on his background and credentials.

**MOTION:** To appoint Peter Fleuret to the Board to replace Bruce Petrovic who had resigned.

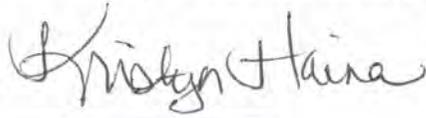
Motion by J.O. 2<sup>nd</sup> by G.C. Passed unanimously.

**IX. GENERAL DISCUSSION:** The 2 guest Members were asked if they were interested in applying for the Board of Directors. They both politely declined the offer.

**X. ADJOURNMENT:** Meeting adjourned at 10:40 am by President, Mike Finn.

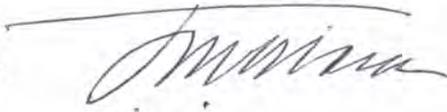
The next monthly Board Meeting will be held at 10:00 am on Tuesday September 22nd, 2015 at the OVERMC office.

Minutes submitted by:



Kristyn Haina

Approved by:



Jim O'Hara

**H.O.V.E. Road Maintenance Corporation**  
**Monthly Board Meeting**  
**September 22, 2015 @ 10:00 am in the RMC Office**

**I. QUORUM:** Yes.

Present: President, Mike Finn; VP, Jim Steenburg; Treasurer, George Campbell; Secretary, Jim O'Hara; Director, Peter Flueraet.

Absent: Director, Eugene Philips.

Also in attendance: COO, Laura Foster and one guest member.

**II. CALL TO ORDER:** The meeting was called to order at 9:54 am by President, Mike Finn.

**III. ADOPTION OF AGENDA:** The agenda was unanimously approved as distributed with one change. The subject of the Restricted Account will be moved from the Treasurer's Report to Old Business.

**IV. APPROVAL OF MINUTES:**

The minutes of the BOD Meeting held on 08/25/15 were unanimously approved as distributed.

The minutes of the Executive Session held on 08/25/15 were unanimously approved as distributed.

**V. REPORTS:**

**President's Report:** The President reminded us that this was his last monthly Board Meeting. He will be attending the 2015 Annual Membership Meeting on October 10. The Members present thanked him for his six years of dedicated community service as a Member of the Board.

**Treasurer's Report:** There are less than 16% of the 2015 assessments that are still outstanding. This is a big improvement over some past years.

A few Members have not paid their Road Maintenance fee's but have been paying their property taxes. This unpaid amount totals to about \$34,000. These accounts will be sent to the lawyer handling our foreclosures for evaluation and action.

We also have one Member who owns a whole block and is delinquent with his HOVE road fees. He is also delinquent with his County of Hawaii property taxes. Apparently there is a problem concerning probate. A decision on how to handle this account will be discussed and the necessary action will be taken.

**General Report:** Newsletter: We have received 925 ballot envelopes which total 1421 votes. Therefore, the 10% of required votes to pass the Budget and Roadwork has been met. We are still shy 123 votes for the By-Law changes to pass and have just about 2 weeks left for voting.

RMC has been contacted by a lender for the VA. They want us to guarantee that we won't foreclose on their client if they don't pay their HOVE road fees. Of course our reply was no and if the party doesn't pay, we will foreclose.

Road Work: Iwalani circle has been fog sealed. The contractor has a lot of end work and fog sealing to be completed. More oil will be delivered on September 29 and with this load the chip sealing of the eight remaining blocks will be complete. The Contractor will then fog seal and paint those roads.

We have new road signs and poles on order that will be delivered soon.

**VI. OLD BUSINESS:** The mower is down again with a backlog of about \$7,000.00 in repairs.

**MOTION:** To purchase the new tractor with mower attachments from Bacon Universal along with a contract that stipulates we have warranty maintenance and operator training.

Motion by M.F. 2<sup>nd</sup> by J.S.

Discussion: How long will the mower take to get here? About 3 months as Bacon has already ordered tractors for their inventory. Once they arrive we will be purchasing and receiving a tractor from their stock. Bacon will install the mower attachment as ordered.

How much is this mower going to cost? The total cost will be \$108,000.00 for the tractor and mower.

It was suggested to add warranty maintenance and operator training which was added to the Motion.

Motion passed unanimously.

Emergency Fund: It is financially prudent to have at least 6 months of operating funds set aside in an emergency fund. Specifics for this fund will be researched and included.

**MOTION:** To establish an emergency fund equal to one half of the yearly operating budget.

Motion made by G.C. 2<sup>nd</sup> by J.S. Motion passed unanimously.

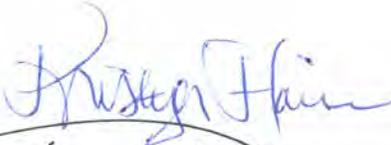
**VII. NEW BUSINESS:** A discussion followed regarding the safety and application of Roundup. Our crew uses their best judgement and they will follow all safety requirements.

**VIII. GENERAL DISCUSSION:** The proposed Ocean View solar farm topic was once again brought up to the Board of Directors. RMC has nothing to do with this solar farm as it is planned for HOVR. However, Members may give input at the solar meetings.

**IX. ADJOURNMENT:** Meeting adjourned at 10:55 am by President, Mike Finn.

The next monthly Board Meeting will be held at 10:00 am on Tuesday, October 27, 2015 at the HOVERMC office.

Minutes submitted by:



Kristyn Haina

Approved by:



Jim O'Hara

**PH.O.V.E. Road Maintenance Corporation  
Annual Membership Meeting  
October 10th, 2015 @ 10:00 am at St. Jude's Church**

**I. QUORUM:** Yes.

Present: President, Mike Finn; VP, Jim Steenburg; Secretary, Jim O'Hara; Director, Peter Fluernet  
Excused Absence: Treasurer George Campbell.

Absent: Director, Eugene Philips.

Also in attendance: COO, Laura Foster and 15 guest Members.

**II. CALL TO ORDER:** The meeting was called to order at 10:00 am by President, Mike Finn.

**III. ADOPTION OF AGENDA:** Yes.

**IV. LAST CALL FOR VOTING:** All in attendance have voted.

**V. ROAD PLAN:** An additional five miles of road work was added to the 2015 road plan for a total of ten miles. Of those ten miles, 6.5 miles are completed and the remaining 3.5 miles are on schedule to be completed by the months end.

The 2016 road plan has not been finalized as yet. This will be done closer to the start of the 2016 road work and will include ten miles of roads. A few of the streets planned for the 2016 road work are Kailua Blvd., Hawaii Blvd. and the bigger intersections that see an abundance of heavy-truck usage. Our future objective is to complete fifteen miles of road work per year with the life expectancy of the roads to be 7 to 10 years. The long range plan is to rework all roads within a ten year cycle.

The road crew continues to patch, repair potholes, post signage and accomplish weed control on a daily basis. With all of the rain we have had recently it has been difficult to maintain the weeds along the roadway. Added to this, the aged tractor/mower continues to require costly repairs. At the September Board Meeting a motion passed to purchase a new tractor/mower. It is expected to be ready to operate in about three months.

Large trees or brush on a member's property that is dying and ready to fall on the roadway is a hazard. It is the responsibility of the lot owner to take care of this problem as RMC cannot enter upon private property. We will attempt to contact the lot owner and inform them of the danger. The owner will be advised to remove it or hire someone else to remove it.

**VI. 2016 BUDGET:**

The 2016 Budget was approved with 1205 yes votes compared to 388 no votes.

The 2016 Budget was included in this year's Newsletter and is also available on our website, [www.hoveroad.com](http://www.hoveroad.com).

The increase in the Annual Assessment is to be used exclusively in maintaining and repairing the HOVE roads.

**VII. VOTING RESULTS:** We sent out 10,568 possible votes with only 1602 votes returned.

The following are the voting results as of the start of this meeting.

There have been 1602 votes counted which meets the requirements of the Bylaws for all matters that were voted on. A few more votes are still to be counted but it is mathematically impossible to change the present voting results.

Approval of the 2016 Road Plan	Yes-1332	No-265.
Approval of the Bylaw change Sec 2.9 (Annual Meeting)	Yes-1396	No-184
Approval of the Bylaw change Sec 3.12	Yes-1348	No-229
Approval of the Bylaw change Sec 6.1	Yes-1279	No-298

**VIII. ADJOURNMENT:** The meeting was adjourned at 10:20 am by President Mike Finn.

**IX. OPEN FORUM:** A period for the Members present to ask questions or give input followed.

**A member asked: If a lot owner does something that damages the road are they responsible?**

Yes. RMC will repair, or have repaired, all physical damage to the paved roads at the expense of whoever caused the damage. RMC will contact a lot owner and request that they remove anything installed or planted on the road right of way. If not removed, RMC will take care of the issue and the cost will be billed to the lot owner. This is covered in our Bylaws. (Also see reference in the road plan above.

**How many people are on your road crew?** We have two full time employees and one part time.

**Do you feel that you are falling behind with only employing two full time crew members?** No.

Regarding weed control; the reason we are behind schedule is the fact that we have had an abundance of rain and an older mower that continues to break down. A new tractor/mower has been approved and we are currently waiting its arrival. Our crew is on schedule with other road tasks.

**A member commented on the stop signs on Lehua and on Lotus Blossom. Also, the large number of four-way stops.** There are many intersections with limited visibility that RMC has installed four-way stops for safety reasons. The stop signs at the end of Lehua and the end of Lotus Blossom are there because of limited visibility. Currently there are no new stop signs planned for the subdivision. For your safety, all Members should start obeying stop signs instead of blowing by them.

**A member asked if all heavy trucks that come into HOVE pay the Special Assessment for heavy weight vehicles.** Most truckers have paid but there are a few who have not paid. Truckers who refuse to pay will eventually be stopped from using the HOVE roadways.

**Why aren't boulevards used as truck routes.** With the current cost of keeping up the truck routes it would not be feasible to use more boulevards. Hawaii Boulevard has been considered for use as a truck route but the idea has been held up due to the dangerous curve just above Luau.

**Why are the Police allowed to come into HOVE and issue tickets?** Because HOVE is not a gated private subdivision and non-residents are allowed to use the HOVE roads. This situation applies to HOVE and all similar subdivisions under the laws of the State of Hawaii.

**Does the contractor who works on the roads contract per mile?** Yes, he contracts per mile. The agreement between RMC and the contractor is for chip sealing, fog sealing and paint stripping. Our crew does patching, potholes, signage and any other day to day tasks.

**In the Bylaws, Sec 6.1 it states that the assessment can only be \$120.00 or less. Why are we going to pay \$140.00?** Sec. 6.1 applies to a situation where no annual budget or road plan is approved by the Members. When the Members approve a road plan and the budget then Sec. 6.1 is mute. The yearly assessment is determined by the funds required by the approved budget.

**You said 15% votes have to come back to pass the Bylaws.** Yes. A change to the bylaws requires a majority vote of at least 15% of the members entitled to vote. (Bylaws Sec. 4.1). Further, the Budget and Road plan requires a majority vote of at least 10% of the members entitled to vote. (Bylaws Sec. 2.6).

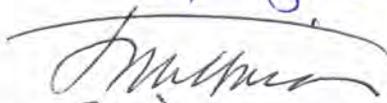
The Open Forum was adjourned at 11:08 am by President Mike Finn.

Minutes submitted by:



Kristyn Haina

Approved by:



Jim O'Hara

**H.O.V.E. Road Maintenance Corporation**  
**Monthly Board Meeting**  
**October 27<sup>th</sup>, 2015 @ 10:00 am in the RMC Office**

**I. QUORUM:** Yes.

Present: President, Jim Steenburg; VP/Treasurer, George Campbell; Secretary, Jim O'Hara;  
Also in attendance: COO, Laura Foster and three guest members. Eugene Philips was present but left the meeting before it was called to order.

Note: George Campbell attended via Facetime.

**II. CALL TO ORDER:** The meeting was called to order at 9:59 am by President, Jim Steenburg.

**III. ADOPTION OF AGENDA:** Yes

**IV. APPROVAL OF MINUTES:**

The minutes of the BOD Meeting held on 09/22/15 were unanimously approved as distributed.  
The minutes of the Executive Session held on 09/22/15 were unanimously approved as distributed.  
The minutes of the BOD Annual Meeting held on 10/10/15 were unanimously approved as distributed.  
The minutes of the Executive Session held on 10/16/15 were unanimously approved as distributed.

**V. REPORTS:**

**President's Report:** Jim Steenburg reported on results for Board of Director assignments that were determined at the October 16 Executive Meeting. Replacing Mike Finn as President was Jim Steenburg. George Campbell remains as Treasurer and is also the new Vice-President. Jim O'Hara remains as the Secretary.

**Treasurer's Report:** The 2014 Audit is finished. However, the auditor is waiting on one document from RMC. When that is received, the audit report will be complete.

**General Report:**

**Annual Meeting:** Everything on the ballot passed unanimously. There was an additional 55 votes cast at the Annual meeting. Very shortly you may go to our web site, [www.hoveroad.com](http://www.hoveroad.com), to see the final vote count results. The vote count will also be available to view at the RMC office. We are just waiting on the final signed copy of the results from the vote counters.

**Road Work:** A tanker of oil was delivered this morning and the contractor is out working on the designated roads. The remaining six miles of the 2015 road work was done in several sections of HOVE. This work was mainly to repair road surfaces and to prevent further damage.

The 2016 road work will consist mainly of boulevards and intersections.

The mower is down again with clutch problems and the new mower is still 2 months away from being delivered. Therefore, more funds will have to be spent on the old mower to stay ahead of the weed growth.

The RMC Road Crew is now in the process of "re-claiming" some of our roadways that have been taken over by encroachments and vegetation. They are currently working on Orchid between Palm and Kailua among others.

The rubber tired roller is under repair so the steel roller is being used temporarily.

**VI. OLD BUSINESS:** There was nothing to discuss at this time.

**VII. NEW BUSINESS:** There was a short discussion on the cost of a replacement printer. The cost of a printer necessary to handle the volume of our office work (over 10,000 billings) is expensive and we should get bids for the replacement.

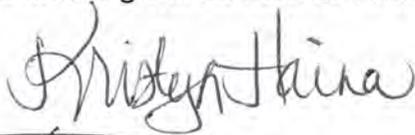
**VIII. GENERAL DISCUSSION:** There was a short discussion on the date of the November meeting due to the possible absence of two Board Members. It was decided to leave the date as scheduled for the present time.

One Member in attendance commented that the streets are looking good and should hold up better. It was also noted that the radius of the intersections might be improved. Loose chip on the radius gets carried onto the roadway which can cause premature failure.

**IX. ADJOURNMENT:** Meeting adjourned at 10:18 am by President, Jim Steenburg.

The next monthly Board Meeting will be held at 10:00 am on Tuesday, November 24, 2015 at the HOVERMC office.

Minutes submitted by:



Kristyn Haina

Approved by:



Jim O'Hara

**H.O.V.E. Road Maintenance Corporation**  
**Monthly Board Meeting**  
**November 27<sup>th</sup>, 2015 @ 10:00 am in the RMC Office**

**I. QUORUM:** Yes.

Present: VP/Treasurer, George Campbell; Secretary, Jim O'Hara; Director, Peter Fleuruet  
Also in attendance: COO, Laura Foster, 3 guest members  
Excused Absence: President, Jim Steenburg  
Note: George Campbell (Acting President) attended via Facetime.

**II. CALL TO ORDER:** The meeting was called to order at 9:57 am by Vice President, George Campbell.

**III. ADOPTION OF AGENDA:** Yes

**IV. APPROVAL OF MINUTES:**

The minutes of the BOD Meeting held on 10/27/15 were unanimously approved as distributed.  
The minutes of the Executive Session held on 10/27/15 were unanimously approved as distributed.

**V. REPORTS:**

**President's Report:** No report, the President has an excused absence.

**Treasurer's Report:** The 2014 audit report is complete and the 2015 audit will be started shortly. Financially we are in good shape. Every attempt is being made to collect the un-paid assessments.

**General Report:**

**Foreclosures:** We just filed 100 liens with the Bureau of Conveyances, once we receive these liens back we will be sending them to the lot owners along with a letter of intent to foreclose next year. The Attorney has 40 accounts ready for foreclosure with another 60 not far behind. The Attorney is looking into filing civil suits versus foreclosures against lot owners for non-payment. There are 2 open accounts currently in foreclosure.

**Roadwork:** Kahalana is finished with the road work. His crew is currently cleaning up the equipment and doing maintenance work on the oil tanker, chip-spreader, etc. It has been recommended that they write us a contract proposal for the 10 miles of roadwork for 2016. The RMC crew is presently completing the white striping. It was suggested that the contractor include all road painting in their bid. It was noted that the intersection corners need improvement.

**Mowing:** The old mower is back up and running and is out mowing the tall weeds. Due to heavy rains there is much mowing to do and it will take time to get to all of our roads. Unfortunately the estimated arrival of the new mower is February 15<sup>th</sup>, 2016.

**County Planning Dept.:** The County Planning Department has extended the deadline for their decision regarding the cinder pit area until January 7, 2016.

**VI. OLD BUSINESS:**

**BOD Members:** We have an application from Paul Greeson to become a member of the Board of Directors.

**MOTION:** To accept Paul as a Member of the Board of Directors as of today. Motion made by J.O., 2<sup>nd</sup> by P.F. Passed unanimously.

At the last Board Meeting Eugene Philips turned in his resignation and we were all here and in agreement but never made a motion.

**MOTION:** To accept Eugene's resignation from the Board of Directors. Motion made by J.O., 2<sup>nd</sup> by P.F. Passed unanimously.

The office staff will be taking vacation on Wednesday November 25<sup>th</sup> and Friday November 27<sup>th</sup> in observance of Thanksgiving. The Office will be closed during that period and the shop will be closed Thursday and Friday.

**VII. NEW BUSINESS: None.**

**VIII. GENERAL DISCUSSION:** The question of whether or not we had an in house procedure for properties that we foreclose on in HOVE to then sell within the subdivision. The procedure is the property gets handed over to the Attorney. After court action the property will be auctioned at the flagpole at Hale Halewai in Kona or at the County of Hawaii Building in Hilo. The auctions are advertised in the local newspaper and the judge must make final approval of the sale. HOVE retained ownership of one foreclosed property because there were no bids placed at the time of auction. The Judge then granted the property to RMC. RMC then listed the property with a real estate agent in hopes it will get sold. We are not in the business to sell property. RMC would prefer avoiding foreclosure but in some instances it is unavoidable. One guest commented that he had called RMC about poor visibility at an intersection due to weed growth. He appreciated the fact that the crew was out the next day and cleared most of the problem.

**IX. ADJOURNMENT:** Meeting adjourned at 10:23 am by Vice-President, George Campbell. The next monthly Board Meeting will be held at 10:00 am on Tuesday December 22<sup>nd</sup> 2015 at the HOVERMC office.

Minutes submitted by:  Kristyn Haina

Approved by:  Jim O'Hara

**H.O.V.E. Road Maintenance Corporation**  
**Monthly Board Meeting**  
**December 22, 2015 @ 10:00 am in the RMC Office**

**I. QUORUM:** Yes.

Present: President, Jim Steenburg; VP/Treasurer, George Campbell; Secretary, Jim O'Hara; Directors, Peter Fleuret and Paul Greeson.

Also in attendance: COO, Laura Foster, 1 guest Member.

**II. CALL TO ORDER:** The meeting was called to order at 10:00 am by President, Jim Steenburg.

**III. ADOPTION OF AGENDA:** Yes.

**IV. APPROVAL OF MINUTES:**

The minutes of the BOD Meeting held on 11/24/15 were unanimously approved as distributed.

**V. REPORTS:**

**President's Report:** Merry Christmas!

**Treasurer's Report:** HOVERMC has received surplus funds from the 2013 County of Hawaii Property Tax Auction. The surplus funds was money owed RMC from liens on the sold properties. No HOVE properties were auctioned at the 2014 or 2015 County of Hawaii Property Tax Auction.

The 2013 and 2014 Audits are complete there are a few minor adjustments, the outcome was positive. George C, Jim O and Laura met with our Raymond James advisor to discuss our investment accounts. We now have an emergency fund set up to keep us in operation for six months in a financial crisis. Also discussed was our current status with investments in Silver. This subject will be moved to New Business.

**General Report:** The road contractor has completed the 2015 road work and is now in the process of cleaning up and prepping equipment and machinery for the 2016 road work. A Board Member brought up the suggestion of reducing our center lines from 2 lines 4 inches wide to 1 line 3 inches wide to save money on paint. This subject will be covered when the new 2016 road plan is developed and approved. The COO also discussed a new process for road patching to make them longer lasting.

Forty accounts have now been sent to the attorney for foreclosure processing. Lot owners of twenty of these accounts have been officially notified from our attorney as of last week. We have received full payoff for two accounts and two more are on course for payoff. We have another sixty accounts waiting to go to the attorney. Foreclosure costs are normally recovered when either the owner pays up or after foreclosure, when a property is sold.

One of the cinder lot owners who had done damage to the roadway fronting his property has repaired the damages and also paid his commercial assessments for 2016.

The 2016 assessment billing will be going out in the mail around January 15.

**VI. OLD BUSINESS:** The new tractor/mower is still on schedule to be delivered mid-February.

We have finally located a dealer in Oregon who sells brake parts for the Hyster hopefully it will be up and running soon.

**VII. NEW BUSINESS:** Silver has been on a decline in recent months and RMC shares have dropped in value. After a brief discussion it was agreed to keep our shares in silver and not sell at a loss. The expectations are that silver will not fall anymore and eventually start to increase in value again. Also, silver represents an extremely minor percentage of our investments.

Our latest Board Member, Paul Greeson, and our President, are currently working on getting grants for HOVE RMC. The first grant that they are looking into is the possibility of getting asphalt on the truck routes. The question was asked if there are actually any grants out there for HOVE RMC. The answer is yes but you need to dig deep to find them. After the first of the year Paul will have more answers in regards to the grants.

A discussion followed on this subject.

**VIII. GENERAL DISCUSSION:** A Guest mentioned that a stop sign has been removed from lower Paradise Circle again. This has become an on-going problem at this location. Graffiti and abandoned vehicles are also becoming problems again.

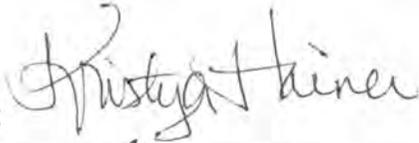
A discussion on this subject followed.

Please report these infractions to HOVE RMC or call the police.

**IX. ADJOURNMENT:** Meeting adjourned at 10:48 am by President, Jim Steenburg.

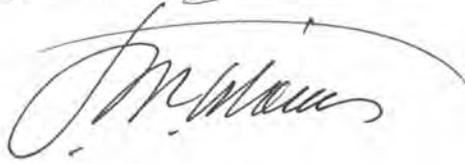
The next monthly Board Meeting will be held at 10:00 am on Tuesday January 26<sup>th</sup>, 2016 at the HOVERMC office.

Minutes submitted by:



Kristyn Haina

Approved by:



Jim O'Hara