

HOVE ROAD MAINTENANCE CORPORATION
Minutes of the January 4, 2005 Board Meeting

The meeting was called to order at 4:02 pm on January 4, 2005. Board Members present were Sandra Shaw McDaniel, Merle Martin, Bob Armstrong and Jeri Dickson and Gary Hughes. Loren Heck was absent on the mainland. Office personnel present were Office Manager Meleana Smith and Secretary Teddi Stransky.

Guests were Sita Peacock of Merrill-Lynch; Lloyd Lee and David Yamamoto of M&E Engineering; Don Coons and Jack Vose, representing the Cave Conservancy of Hawaii.

Guest Reports:

Merrill-Lynch Report from Sita Peacock: Sita explained the current state of our investments, and provided facts and figures for the Treasurer and reports on both accounts to all board members.

Sandra asked the representatives of the Cave Conservancy of Hawaii if we would have any difficulty with them if we needed to close up the openings of lava tubes close to the roadways, for safety or stability. Don replied that we have the right to do whatever we need to do in the roadways, but they would appreciate the opportunity to do pre-construction inventories of any lava tubes which we may need to fill to preserve the stability of the roads and berms. Don stated that there were many indications of ancient use in the lava tubes of Ocean View, particularly in the collection of water, but that he was aware of no burial sites in the area. Sandra invited Mr. Coons to remain to hear M&E's report, which would affect their property on Coral.

M&E Engineering reported on the proposed reworking of two areas at the intersection of Coral and Hawaii; the first being the open lava tube on the southwest corner of the intersection, which has forced a curve into the road, causing an encroachment of the roadway onto the property on the northwest corner. The proposal from M&E in this case is the construction of a guard rail along the south edge of Coral, with footings dug and concreted into the steep rubble slope of the pit. This would allow the road to be straightened somewhat, rectifying the road's encroachment on private land.

Don Coons and Jack Vose, of the Cave Conservancy, expressed concern about debris from the digging rolling down and obstructing the entrance to the lava tube, which is owned by the Conservancy and may contain evidence of pre-historic use of archaeological interest. Some discussion took place and they were assured by the Board that precautions would be observed, and any rocks or debris that might fall despite precautions would be cleared from the tube opening by the construction crew.

The second concern at that intersection is a large lava tube which crosses underneath Hawaii, just north of the intersection. M&E reports, and the cavers who have investigated the tube agree, that the roof of that tube is blue rock, over eight feet thick and unfractured. There is no immediate issue, but the Board will consider an annual assessment of this potential problem at the next meeting.

M&E talked to Ted and Ellen Whip, who live on the property adjacent. A curve in Hawaii Blvd allowed them to place plantings and a small rock wall in an area which is actually road easement.

They told M&E that they would not object to these encroachments being removed if the road could be straightened.

Merle moved that M&E's proposal be accepted and the work commenced; Gary seconded. Jeri chose to abstain from the vote; all other board members affirmed and the motion carried.

Merle then moved that the minutes of the previous Board Meeting (November 7th, 2004) be approved. Jeri seconded and the vote was unanimous.

Treasurer's Report:

Bob Armstrong reported that the Corporation was in good shape for the beginning of the year, and funds were available for all projects currently in planning. Merle moved that the Treasurer's report be accepted; Gary seconded and all approved.

Foreman's Report:

Mele presented a copy of the Road Inventory and several maps indicating areas finished in November and December. The crew did a lot of patching and painting during the month of December, in the upper part of the subdivision where it was badly needed. Aloha was not finished above King Kamehameha because the Rex Roller is in for repair; the drum was initially to be relined, but upon examination proved to be cracked, and had to be cut off the rolling machine and replaced with a new one.

Gary Hughes, who has extensive experience with road building, asked for an explanation of the process currently in use to rebuild the road surface. Mele complied and some discussion ensued. Keeping traffic off the road while construction is underway is a major problem; although we place barricades, some drivers ignore them and drive on the unfinished surface at night; in addition vandals seem to enjoy "doing donuts" in the freshly-prepared road beds. Frequently the prepared areas are destroyed and must be re-graded and rolled before they can be sealed into place. M&E Engineering also pointed out that the common disregard for the 25MPH speed limit damages the roads excessively, particularly on the grades. High-speed traffic on the hills will cause the surface to washboard even after it has been sealed.

Mowing, sweeping and clearing has continued through December, in anticipation of the return of the Rex Roller this month. Considerable cleaning and sweeping has been required due to high winds and heavy rains.

The Road Inventory was explained to the Board Members and there was a fair amount of discussion. Mele provided a spreadsheet with totals showing what needs to be done throughout the subdivision.

Office Report:

Mele reported on correspondence regarding the enforcement of traffic laws in HOVE. Lawyer Jim Sogi is still working on making the courts recognize that our signage and road surfaces are compliant with or in excess of County standards. Letters and statements to that effect have been sent to the Court and the judges for this District. Bill 211 states that we are recognized for traffic control. Response from the Courts have not been received.

Regarding the upper subdivision and its use of our roads, Mr. Sogi initially indicated that we do have the power to assess them for road usage, or to deny access if they refuse. Later he said that the Corporation does not have the power to grant or deny access, and that we need a vote of 75% majority of ownership of Ocean View in order to do so. A 1998 letter from the Board to a realtor, signed by Robert Self, stated that it was the “feeling” of the Board to allow access. The letter is of questionable legal effect, as it was never recorded and only mentions a “feeling”. There is no express permission or agreement with Pi’ikoi Kawanakoa, the developer of the upper subdivision, to allow access without assessment. Further clarification is needed to determine a course of action.

2003 taxes are done; Ramos has them in the mail. There is one month of entry left to do on 2002, and then Mele can print reports, close it out and send it to Ramos to go over. We can then amend the 2002 taxes (already filed) and all three years (2002-3-4) can all be audited. These should be going to the auditor by the end of February.

We are gearing up for the 2005 statements; finance charges will be applied as of 12/31/04, then the 2005 assessment of \$85.00. The Treasurer stated a preference that we hire a couple of temporary workers to do the stuffing and mailing, rather than doing it ourselves. Merle moved that we hire part-time helpers; Bob seconded and all approved.

Office supplies for the first half of the year are on order; street signs and traffic signs have also been ordered, both for immediate use and for inventory. Sun Industries should be providing us a quote for guard rails. Insurance renewal was January 1; General Liability came down \$6,000 after competitive bids were requested. Our umbrella policy was discussed and it was suggested that we increase it, to protect property owners from liability in case of a major claim. Bob moved that the Board accept a larger umbrella policy to protect the Corporation and owners; Jeri seconded and all approved.

The lease on our office in the Town Center has been renewed, and will be up for another review in 2 years.

The crew has requested a stock of new tires for the heavy equipment; Gary suggested that we look into using retreads on the big equipment, as it would mean a considerable savings. We will discuss that possibility at the upcoming Planning Meeting.

Legal Committee Report:

Merle Martin gave the legal report, which involved having a planning session to establish guidelines for the control of heavy vehicles and traffic on our road.

Amendment 2/4/05: Merle presented and read a letter to the board detailing issues which he felt should be addressed. The letter is attached to these minutes for the record.

Unfinished Business:

Fencing: We have received bids from Bob’s Fencing and Big Island Fencing. Bob has done commercial work, including Kahuku Park, and is well-recommended; we have no references on Big Island Fencing. Jeri moved that we accept the bid from Bob’s Fencing; Bob Armstrong seconded, all approved.

Mele will be purchasing four motion-detection systems for the shop area; we need a licensed electrician to install them. Several are available in our area; Mele will send out requests for proposals.

New Business:

It was requested that the Board consider a large equipment shed to protect the equipment we have purchased. The Etnyre chip spreader, in particular, should be protected as it is computer-driven, and currently is only covered with tarps. The Board agreed to discuss this at the upcoming Planning Meeting.

Items for Next Month's Agenda:

1. Establish Agenda Items for Planning Meeting.
 - a. Equipment Shed
 - b. Retread Tires

Bob moved that the meeting be adjourned; Sandy seconded; all agreed.

The meeting was adjourned at 6:12pm.

Respectfully submitted, Teddi Stransky

Approved: _____

Amended 2/4/05 at Merle Martin's request to include mention of the letter he presented to the Board during the meeting.

Approved: _____

HOVE ROAD MAINTENANCE CORPORATION
Minutes of the February 1, 2005 Board Meeting

The meeting was called to order at 4:02 pm on January 4, 2005. Board Members present were Sandra Shaw McDaniel, Merle Martin, Bob Armstrong and Jeri Dickson and Loren Heck. Gary Hughes was absent. Personnel present were Crew Foreman Mac Kaupu, Office Manager Meleana Smith and Secretary Teddi Stransky.

Guests were Corrine Kaupu, property owner, and Bob Zeller, property owner and president of the OV Chamber of Commerce.

Communications: Sandra stated that she had listened to part of the tape of the last meeting and found it nearly impossible to sort out, because everyone talked at once and there were too many interruptions. She requested that Board Members respect each other's right to speak, not interrupt and avoid extraneous conversation.

Guest Reports:

Bob Zeller reminded the Board of the upcoming Malama 'Aina cleanup day, on Saturday, March 5th. Participants last year filled only 1/3 of a 40' container. He requested that we gather any scrap metal or old tires we may be storing at the yard, and bring them down to help fill the container. Mac responded that we might have 30-45 truck tires. The Board discussed the possibility of the crew doing this on their own time, and Mac said he would deliver them on his own time (Saturday) if the crew could use the afternoon of March 3 (the end of their work week) to clean up the yard, gather and load the tires. The Board agreed that this was a legitimate expenditure of time.

Minutes:

Merle Martin objected to the signed minutes, saying that the letter he wrote to the other Board Members was not mentioned. Teddi pointed out that a copy of the letter was included with the Minutes in the note book available in the office. Merle requested that the minutes of the January meeting be amended to include mention of the letter. Loren moved that the minutes be amended. Merle seconded, and the motion passed with three positive votes, one negative, and one abstention. The amended minutes of the January meeting will need to be signed and re-approved at the March meeting.

Treasurer's Report:

Bob Armstrong reported that the Corporation had roughly the same amount in both bank accounts, but that Ka'u Federal Credit Union would be accepting payments soon, so that account would be increasing rather quickly. The Operating account is in good shape.

Jeri moved that the Treasurer's report be accepted; Merle seconded and all approved.

Foreman's Report:

Mac reported that they had a lot of small safety issues to take care of after the visit of the OSHA (HIOSH) representative. Most of these have been done or are being addressed (hazmat decals on order, etc) and will be done soon. They are still doing patching, and the shoulder work on the upper part of Aloha is progressing. Sandra asked if there was anything we could do about the washboarding on the newly-paved part of Aloha. Mac responded that it was a direct result of high-speed heavy traffic, particularly the large trucks going uphill at excessive speed, and the newly-laid base settling and compacting. Although we compacted the base before starting the chip-seal, and put three layers of chip and oil on the entire length paved, nothing that can prevent the damage done by a big truck carrying 32,000 lbs of water up a steep hill at 45 mph. Additionally, traffic up and

down Aloha is increasing, particularly in the morning. Alternative routes have not been acceptable to some residents in the past. Further investigation is needed before any decisions can be made.

Office Report:

2003 taxes have been signed and sent; the new oil distributor has arrived, and Dennis from Etnyre will be here on Tuesday, Feb 15th at 8 or nine, for training on the oil distributor and further training on the chip spreader. We converted our payroll system from Fiducial to Paychex. Paychex is located in San Francisco and enables Mele to do the payroll online, which is much easier. All employees are now on direct deposit. 2005 statements are in progress; we are producing 10,673 statements this year. Michelle and Madison Kaupu are helping with the folding and stuffing of envelopes. We are sending several trays to the Post Office in Na'alehu daily; we hope to have the last of them out by Friday.

We may be slow in getting accurate numbers because the money is deposited to the account, then the forms are passed to us in weekly batches. Foreign payments will have to go to the Bank of Hawaii. We have researched almost every account; there are still a few in dispute and a small number to be gone over by the Finance Committee.

The office has been professionally cleaned and repainted, and rearranged to comply with HIOSH standards for office safety. All agreed it looked much better and more professional.

We would like to get a broadband connection set up; this will be necessary for the audit as the auditor in Honolulu needs to link directly to our MAS90 system. After billing is done, the website can be taken down and moved to the broadband server as well. Bob Armstrong moved that we move our services to Aloha Broadband; Loren Heck seconded, all approved.

In the past, the County of Hawaii has not been assessed for the property they own here in the subdivision. We would like to bill the County for the properties in their possession. The Board agreed that it is fair to assess all lots and treat all lot owners equally, including the properties owned by the County and those in the upper subdivision.

Mele requested acceptance of the bid from Big Island Fencing, so we can proceed with fencing the baseyard. Loren moved for acceptance, Jeri seconded, all agreed.

We have sent out a letter to several electrical contractors in the area requesting bids on the installation of a motion sensor system at the shop. Hopefully we will have some response by the next board meeting. Loren mentioned that Adam from Aloha Broadband is knowledgeable about security systems and would like to come to the next meeting to present some information.

HIOSH (Hawaii OSHA) came and inspected both the office and the shop. The shop and crew got a high rating because we have had no injuries in a long time, and also because Mac is a hands-on supervisor; he's out on the road with the crew every day. The office did not rate as well because of the lack of GFI outlets, the many extension cords, and the tangle of computer cables.

Unfinished Business:

Equipment Shed at yard: Sandy suggested that, rather than a pole shed as previously discussed, we consider a steel-frame building. Quonset-style modular buildings are available in many sizes; a 20x40-foot one is \$8,000. Mac pointed out that the chip spreader alone is 22 feet wide, and the grader is 34 feet long, so a building to house all the machines would have to be much larger. Corinne suggested constructing another steel building similar to the shop. Merle suggested a 'pre-fab' aircraft hanger. Mac was asked to measure the existing equipment and inform the board of the size of building needed. Corinne offered to gather information on potential types of buildings. We also need to determine where the shed would be located in the yard, as we need

to maintain space for stored materials such as chip and base course for road building. Mac stated that it would be best to locate the shed in the lower part of the yard.

Planning Meeting: We need to activate committees to investigate and gather information on the equipment shed and other issues. Loren Heck, as Chairman of the equipment committee, was asked to investigate possible types of buildings, and then plan a meeting of the committee to make some decisions.

Mele requested that there be a planning meeting specifically to determine a road plan for this year. The decisions to be made involve using the Road Inventory to decide what needs to be done, and then to prioritize the needed work and schedule it for completion. Merle requested that we work with M&E Engineering to determine appropriate truck routes and establish weight restrictions to prevent damage to the roads. It was noted that a 4,000-gallon tank of water weighs 16 tons, not including the weight of the truck itself.

Sandra asked that all Board members consider what they think are major safety issues, so that these could also be prioritized and addressed. This could include road use regulations. This is a huge issue and needs to be broken down; Mele suggested that we quarter the subdivision and take it section by section. M&E Engineering has agreed to handle encroachment and line-of-sight problems, and has also stressed that the biggest problem causing damage to our roads is speed. Drivers ignore the posted speed limits, and the excessive speed causes the washboarding.

New Business:

No new business.

Items for Next Month's Agenda:

1. Establish Agenda Items for Planning Meeting.
 - a. Equipment Shed
 - b. Retread Tires

Loren moved that the meeting be adjourned; Bob seconded; all agreed.

The meeting was adjourned at 5:58 pm.

Respectfully submitted, Teddi Stransky

Approved: _____

HOVE ROAD MAINTENANCE CORPORATION
Minutes of the March 1, 2005 Board Meeting

The meeting was called to order at 4:05 pm on March 1, 2005. Board Members present were Sandra Shaw McDaniel, Bob Armstrong, Loren Heck and Gary Hughes. Personnel present were Crew Foreman Mac Kaupu, Office Manager Meleana Smith and Secretary Teddi Stransky.

Members attending were Corrine Kaupu, property owner, and Jimmy Rodrigues, property owner and business owner in Ocean View. Guest speaker was Adam from Aloha Broadband.

Announcements/Communications:

We received an e-mail resignation from Secretary Jeri Dickson.

Minutes:

Loren moved that the minutes of the February meeting be accepted; Gary seconded and the minutes were accepted as written.

Treasurer's Report:

Bob Armstrong reported that the Corporation was doing well; assessments are coming in and being posted.

Member Input:

Mr. Rodrigues recommended that we consider using asphalt for the main boulevards, as it is more durable. Sandy explained that using asphalt would require an expenditure of hundreds of thousands of dollars for new equipment and materials. She also mentioned that, while chipseal has only half the lifespan of asphalt, it is only one-seventh as costly, and therefore much more cost effective for a relatively "small town" such as ours.

Foreman's Report:

The mower is in Honomalino, getting a new clutch installed. Ben Akana, mechanic for Mac Farms, maintains several mowers identical to ours and has the tools and equipment needed.

The Etnyre representative came to train the crew on the new Oil Spreader. The combination of the two new machines will save a small amount of materials, but a large amount of time, making our repairs and repaving much more efficient.

We have five resumes resulting from our ad for a new CDL driver; Mac will go through them and interviews will be scheduled with Mac and the board.

Thursday afternoon the crew will load up the old tires currently stored at the cinder pits, so that Saturday they can be delivered to the Malama 'Aina clean-up crew for recycling.

Committee Reports:

Loren requested volunteers for the Equipment Committee, of which he is chair. Bob, Teddi and Sandy volunteered. It was agreed that the new Chip Spreader and Oil Distributor must be protected,

as they have electronic components. The committee agreed to meet with Mac at his convenience to examine the equipment to be sheltered and potential locations for the building.

Adam, of Aloha Broadband, presented information and answered questions about high-tech security systems for the baseyard. He explained the function of digital, motion-sensor cameras that would upload information directly to a server, rather than storing it on tape, making it impossible for a thief to destroy evidence. An estimate of costs cannot be made until it is determined where the new building will be located, and asked that we also determine the most important areas to be protected. Until he has that information, he cannot lay out a workable system.

Office Report:

We are receiving and processing payments here in the office. The Credit Union was unable to handle the volume of incoming payments so we are getting the mail from the Na'alehu post office and handling it ourselves, as we have in the past.

Unfinished Business:

Planning Meeting: Safety issues that need to be addressed primarily revolve around enforcement of laws within the subdivision. We have been told that traffic laws are now being enforced in the courts.

Easement and encroachment issues are currently being addressed by M&E Engineering; they will be surveying problem areas and making arrangements with lot owners.

It was suggested that we look into “rumble strips” to alert drivers to hazardous areas.

The other board members asked Gary Hughes if there was a way to arrange meetings so that he was more likely to be able to attend, as his knowledge of roadbuilding made his input very valuable. The Board agreed to try a new meeting time of 6:00 pm for the next meeting.

New Business:

No new business.

Items for Next Month's Agenda:

No items.

Loren moved that the meeting be adjourned; Gary seconded; all agreed.

The meeting was adjourned at 5:35 pm.

Respectfully submitted, Teddi Stransky

Approved: _____

HOVE ROAD MAINTENANCE CORPORATION

Minutes of the April 5, 2005 Board Meeting

The meeting was called to order at 6:00 pm on April 5, 2005. Board Members present were Sandra Shaw McDaniel, Bob Armstrong, Merle Martin, Gary Hughes, and Loren Heck. Personnel present were Crew Foreman Mac Kaupu, Office Manager Meleana Smith and Office Assistant Kristyn Haina.

Members attending were Piikoi Kawananaoka, owner of the “upper subdivision” and property owner in HOVE, and Clif Hearn, property owner.

Announcements/Communications:

None.

Minutes:

Gary moved that the minutes of the March meeting be accepted; Bob seconded and the minutes were accepted as written.

Discussion with Piikoi Kawananaoka

When Mr. Kawananaoka purchased the property and subdivided, there was a meeting at the Community Center. He was given a letter that stated that our lawyer (at that time) would assist with the CC&Rs for the new subdivision. Those covenants have not yet been established.

Access to HOVE Roads was to be established by linking the two HOVE properties owned by Kawananaoka to the nine 20-acre lots in the new subdivision, meaning that the larger lots would each own one-ninth of the two 11,500th interests in the roads controlled by those two properties. The two HOVE properties border the other nine.

Mr. Kawananaoka indicated that he was open to an alternative agreement, and that the agreement established ‘back when’ was simply “the only thing they could come up with at the time” which would give him access to the HOVE roads along with the normal responsibilities of HOVE property ownership.

Merle stated that we are governed by our articles and bylaws and that we do not have the authority to exceed that. If the upper subdivision does not, for some reason, qualify for inclusion within the restrictions of the articles and bylaws, then some alternative plan will have to be developed. He pointed out that the upper subdivision could possibly be granted access to the roads in exchange for annual assessments, but that membership in the Corporation might have to be excluded. Mr. Kawananaoka agreed that that was the issue being addressed initially, but that he would gain membership and voting privileges through the two one-acre parcels in HOVE, those two votes being split between the upper nine parcels. Merle stated that he did not think that agreement would hold water.

Mr. Kawananaoka stated that his understanding from the original agreement was that the ownership of the two HOVE properties would be a part of the CC&Rs for the new subdivision, and that legal action, such as liens, could be taken by the Corporation against those two properties, if necessary, which would then be binding upon the other nine properties included.

Sandra asked how the billing would be handled, and if billing for those two lots would include billing for the other nine (a total of eleven lots assessed). Mr. Kawananaoka said that was his understanding, so that failure to pay the assessments would result in a violation of the upper subdivision’s CC&Rs, and could cost them access to our roads.

Sandra suggested that Mr. Kawananaoka should establish his CC&Rs, and then agreements could be made between his lawyers and ours, based on the CC&Rs. He agreed; however, he is not yet ready to establish those CC&Rs and is unsure at what point in time that would be possible.

As our lawyer, Mr. Sogi has been corresponding with Mr. Kawananaoka about this matter, we feel that an agreement can be reached at some point.

Mr. Kawanakoa said the land was currently zoned AG-20, but that that zoning could be changed by going through the County. He does not know at this time to what use the land will be put; at one time the 20-acre parcels were on the market, but did not sell, and he removed them from the market about 3 years ago. This is why he is hesitant to establish CC&Rs which may affect the future of the land, until the first buyer comes in. There are no current established plans.

Meleana requested a copy of the letter he was given, as we do not have that information. He said he would try to locate it.

Treasurer's Report:

Copies of the actual budget for 2004 were provided to each Board Member in their informational packets. Bob requested input from other Board Members in estimating the assessment amount for 2006.

Foreman's Report:

Copies of the Foreman's Report were provided to each Board Member in their informational packets. The crew is very pleased with the results of the fencing, but says we still need more lighting.

The tractor is back together; both trucks are now in use on the roads. The new chipper is proving to be a great advantage. Two new CDL-licensed operators have been hired and are currently in training and on 60-day probationary hire; Mac said they both seem to be quite impressive. One of the new hires can grade, which will relieve Mac of some pressure as he has been the only grader operator.

Work continues on Aloha; oil has been ordered for the 13th. Oil prices have gone up again, predictably.

Mac said the next priority at the yard should be upgrading the oil storage facility to meet OSHA standards.

Committee Reports:

Equipment Committee: Loren reported on the information the committee has gathered about steel buildings. Mac agreed that a 30x70 building would be perfect.

Member Input:

Mr. Hearn lives on the corner of Princess Kaiulani Blvd. and Lotus Blossom Lane, and says that many people are hitting 60mph coming down the hill. Since this is the area where the children gather to board the school buses, a very dangerous situation results. We are currently considering turning the intersection of Lotus Blossom and Princess Kaiulani into a 4-way stop and establishing crosswalks. We are also considering adding "rumble bumps" (domed ceramic warning bumps that adhere to the road surface), to alert drivers to the upcoming stop signs and aggregation of children.

Merle moved that four-way stops, signage and rumble bumps be installed, Loren seconded. Some discussion ensued. The vote was unanimous.

Office Report:

Mele presented information from Recycle Hawaii and the Chamber of Commerce. Bob Zeller brought us some 'camera surveillance' signs warning people about dumping in Ocean View, and said Recycle Hawaii could get more for us.

General Liability Insurance was discussed. Bob moved that we go with the \$1,000 deductible; Gary seconded, all approved.

A new yoke is needed for the Rex Roller. Bob moved that the order be made; Loren seconded, all approved.

Unfinished Business:

It was determined that we need more information/details on the alarm system before we can request bids for installation.

New Business:

At Bob's request, Loren moved that Bob be allowed to go alone to open the safety deposit box in Hilo, remove any contents, and bring them back to the Board. Gary seconded, all approved.

Loren nominated Gary to be the new Secretary of the Board of Directors. Bob seconded, all approved.

Items for Next Month's Agenda:

No items.

The meeting was adjourned at 7:50 pm.

Respectfully submitted,

Teddi Stransky

Approved: _____

H.O.V.E. Road Maintenance Corporation
PO Box 6227
Ocean View, HI 96737
(808) 929-9910 Fax (808) 929-9623
Toll Free: 866-241-7294
Email: hooveroad@hialoha.net
www.hooveroad.com

MONTHLY BOARD MEETING MINUTES

July 5, 2005

Called to Order: 4:00 PM

Attended: Sandra Shaw-McDaniel, President; Merle Martin, Vice President; Robert Armstrong, Treasurer; Loren Heck, Board Member; Meleana Smith, Office Manager.

Quorum Present. No announcements and communication. Guests attended: Corrine Kaupu, Gary Golding, Jimmy Yocom, Randy VanLeeuwen.

Motion made by Loren Heck to approve Special Monthly Meeting Minutes held on June 21, 2005. Seconded by Robert Armstrong. All in favor: Unanimous.

Treasurer's Report

Loren Heck motioned to approve treasurer's report. Seconded by Merle Martin. All in favor: Unanimous.

Foreman's Report

Road crew has been doing regular maintenance of weedwacking, potholes, signs and abandoned vehicles. The abandoned vehicles are being tagged by police, then removed by the county. Still there are over 60 cars on Mahimahi and Lurline that have not been taken care of yet. RMC is working with county in notifying them of abandoned vehicles.

All RMC vehicles have had their annual registration and safety checks done. We will be receiving 1900 gallons of oil from Glover for the test trial of SS-1H. This will be used for the finishing of Coral Parkway and Aloha Blvd.

RMC is looking into getting an oil storage tank at the shop. Meleana Smith presented information and cost on a used tank, 5,000 gallons from Big Island Asphalt and a brand new storage tank, 5,000 gallons from Etnyre. Motion made by Loren Heck to obtain two more quotes on storage tanks to compare the figures. No second. Meleana Smith will look into quotes.

The 1989 Dodge damaged in an accident has been appraised "totaled" therefore can no longer be driven. Motion made by Loren Heck to get quotes on used and new trucks to replace '89 Dodge. Specifications include 4-wheel drive, ½ ton pick-up, V8 with possible warranty. Robert Armstrong second. All in favor: unanimous. To be discussed at next monthly meeting.

H.O.V.E. Road Maintenance Corporation
PO Box 6227
Ocean View, HI 96737
(808) 929-9910 Fax (808) 929-9623
Toll Free: 866-241-7294
Email: hoveroad@hialoha.net
www.hoveroad.com

MONTHLY BOARD MEETING MINUTES

August 2, 2005

Called to Order: 4:00 PM

Attended: Sandra Shaw-McDaniel, President; Merle Martin, Vice President; Robert Armstrong, Treasurer; Loren Heck, Board Member; Meleana Smith, Office Manager.

Quorum Present. Guests attended: Bruce Coates, OVCA; Rhonda Loh, NPS; John Replogle, Eleanor Shannon, Jimmy Yocom, Randy VanLeeuwen, Bob Zeller, OV Chamber of Commerce.

Announcements and Communication:

Bruce Coates from OVCA along with Rhonda Loh from the Volcanoes National Park announced volunteers are needed on August 27, 2005 to meet at OVCA at 9:00 am to remove fountain grass along roadsides in HOVE. For more information, please log onto our website at www.hoveroad.com.

Bruce Coates asked HOVE RMC to include their OVCA flier in the HOVE RMC newsletter, which will be discussed later in the meeting.

Bob Zeller is working on a crosswalk between the subdivisions of HOVE and Ranchos Subdivision on the main highway. The Board of Directors were asked if they would be open to discussing the possibility of moving Lotus Blossom over with the approval of the HOVE property owners. The Board is open to discussing it in the future and has given suggestions on how to go about making a legal thruway between the subdivisions.

Motion made by Sandy to appoint Eleanor Shannon, Randy VanLeeuwen & Jimmy Yocom to the Board of Directors. Seconded by Merle Martin. All in Favor: Unanimously Passed

Prior Minutes

Motion made by Bob Armstrong to approve July Monthly Meeting Minutes held on July 5, 2005. Seconded by Loren Heck. All in favor: Unanimously Passed

Treasurer's Report

Loren Heck motioned to approve treasurer's report. Seconded by Merle Martin.
Discussion: Loren Heck asked that a report be put into their folders for the meeting.
All in favor: Unanimously Passed

Foreman's Report

Motion made by Loren Heck on a growing safety and vehicular problem on the corner of Palm and Orchid to which pictures and a letter will be sent asking James Sogi (Corp. Lawyer) to inform the property owner of the problem and ask the owner to remove the vehicles, or a possible fine will be imposed, upon Board approval. Seconded by Merle Martin. All in favor: Unanimously Passed

Road crew has been doing regular maintenance of weedwacking, potholes, signs and abandoned vehicles in various locations. The SS-1H Asphalt Emulsion was tested August 2, 2005 and seems to be working okay but the road crew is still anticipating the drying time. The 5000-gallon oil tanker was delivered and is at shop.

Motion made by Loren Heck to accept the foreman's report. Seconded by Randy VanLeeuwen. All in favor: Unanimously Passed

Office Report

Various points discussed in the office report included the completion of 2004 taxes, which should be ready to sign by April 15, 2005, the 2002 & 2003 CPA Audit proposal needs to be approved, the recent tax sale and surplus funds, poles and sign order, doing spot checks along King Kamehameha, and looking into a traffic counter to do a study on the main boulevards and some secondary streets.

Motion made by Bob Armstrong to accept the CPA Audit proposal. Seconded by Merle Martin. All in favor: Unanimously Passed

Motion made by Loren Heck to purchase various signs. Seconded by Merle Martin. All in favor: Unanimously Passed

Motion made by Sandy Shaw-McDaniel to hire Justin Santos as a full-time Equipment Operator. Seconded by Merle Martin. All in favor: Unanimously Passed

Committee Reports

Equipment Committee- Request for Proposals were sent out to US Steel Buildings, Future Steel Buildings, Rhino Steel, Hawaii Coverall, & Allied Steel. Quotes were received from Future Steel, Hawaii Coverall and Allied Steel of the proposals returned. Allied steel provided the best price with the best quality for the steel building.

Motion made by Bob Armstrong to accept the proposal from Allied Steel. Seconded by Merle Martin. All in favor: Unanimously Passed

Legal Committee- No report

Unfinished Business

Waiting for quotes from electricians on alarm system & sensor lights.

The 2005 newsletter draft was given to the board to look over and make any deletions or additions. OVCA's flier was further discussed.

Motion made by Loren Heck to allow the OVCA flier as an insert into the newsletter, along with a disclaimer reading "HOVE RMC is not an affiliate with OVCA" (this would be a one time deal with OVCA). OVCA will also volunteer to insert the flier and place the address labels on the newsletter. Seconded by Bob Armstrong. All in favor: Sandra Shaw-McDaniel, Loren Heck, Bob Armstrong, Randy VanLeeuwen, Eleanor Shannon, & Jimmy Yocom. Merle Martin abstained from voting.

Motion made by Loren Heck to approve the union contract. Seconded by Randy VanLeeuwen. All in favor: Sandra Shaw-McDaniel, Loren Heck, Bob Armstrong, Randy VanLeeuwen, Eleanor Shannon, & Jimmy Yocom. Merle Martin abstained from voting.

New Business

Motion made by Merle Martin to elect Loren Heck as the new board secretary. Seconded by Eleanor Shannon. All in favor: Unanimously Passed

Items for Next Months Agenda

None

Meeting Adjourned: 6:43 pm on August 2, 2005

Submitted By: Meleana Smith

Approved By: _____

H.O.V.E. Road Maintenance Corporation
PO Box 6227
Ocean View, HI 96737
(808) 929-9910 Fax (808) 929-9623
Toll Free: 866-241-7294
Email: hoveroad@hialoha.net
www.hoveroad.com

MONTHLY BOARD MEETING MINUTES **September 6, 2005**

Called to Order: 4:00 PM

Board members present: Sandra Shaw-McDaniel, President; Merle Martin, Vice President; Bob Armstrong, Treasurer; Loren Heck, Secretary, Jimmy Yocom, Board Member, Randy VanLeeuwen, Board Member, Eleanor Shannon. Meleana Smith, Office Manager. Absent: Gary Hughes

Property owners in attendance: Rhoda Torres, Mark & Brianna Beck, Carol Howsley, Guest Speakers: Sita Peacock of Merrill Lynch and Jason Bishop.

Mark & Brianna Beck approached the board about damage to their vehicle. The board requested from them a statement in writing, pictures of the vehicle and road, and any witness statements. The corporation will then forward this information to the corporation's lawyer.

A proposal was made by Jason Bishop for John Renick of Pohaku Enterprise offering his services as a stonemason.

Sita Peacock, our investment manager from Merrill Lynch, attended the meeting to discuss the investment and operating accounts.

On the advice of the investment manager a motion was made by Merle Martin to transfer funds from the Mutual Fund: ING Principal Protection to a Floating Rate Fund because of a better return. Motion was made and seconded. Motion passed. Dissenting vote: Jimmy Yocom.

Prior Minutes:

Motion made by Eleanor Shannon to approve August Monthly Meeting Minutes held on August 2, 2005. Seconded by Bob Armstrong. Motion approved. Dissenting vote: Loren Heck

Motion made by Loren Heck to have a recording secretary at the meetings to take minutes. Seconded by Jimmy Yocom.

Yes Vote(s): Loren Heck, Eleanor Shannon, Jimmy Yocom and Merle Martin. No Vote(s): Bob Armstrong, Randy VanLeeuwen and Sandy Shaw-McDaniel.
Motion passed

Treasurer's Report

Motion made by Loren Heck to approve treasurer's report. Seconded by Merle Martin.

All in favor: Unanimously Passed

Foreman's Report

Road crew has completed widening Coral, putting the four way stop in at Princess Kaiulani and Lotus Blossom and have completed the speed bumps and crosswalk at the Kahuku Park. The road crew has also begun grading the first two blocks of King Kamehameha Blvd.

Motion made by Loren Heck to remove the speed bumps at the park and replace them with humps by the specifications of the County of Hawaii code, which are 6' to 12' wide and 3" to 4" high. Seconded by Randy VanLeeuwen.

Unanimously Passed

Motion made by Randy VanLeeuwen to do spot application on grass and weeds forming on the roadway. Seconded by Loren Heck.

Unanimously Passed.

Motion made by Randy Vanleeuwen to hire two security persons to watch our signage and roadway along with improving the safety for drivers at night during road construction.

Proposal of two security persons working during the time frames of 5:00 pm to 5:30 am at minimum wage with split shifts of 6 hours each. The positions will include using a company vehicle and a pay at minimum wage.

Unanimously Passed.

Office Report

The office has switched from Seismic to Aloha Broadband. There is another County Tax Auction on October 12, 2005 at 9:00 am. There are 19 properties in HOVE that are to be possibly auctioned and are currently past due in assessments in the amount of \$38,274.22. Audits for 2002 & 2003 are being worked on by the CPA. Meleana Smith has sent them the information they needed to continue working on them.

October 8, 2005 is the date of the annual meeting. .

Motion made by Bob Armstrong to buy lockers for the road crew at the maintenance yard. Seconded by Jimmy Yocom. Unanimously Passed.

Committee Reports

Equipment Committee- **Motion** made by Randy VanLeeuwen to approve to buy the F250 Ford truck. Seconded by Loren Heck. All in favor: Unanimously Passed.

Building Committee- **Motion** made by Bob Armstrong to make a slab floor for the steel building. Seconded by Merle Martin. All in favor: Unanimously Passed.

Legal Committee- **Motion** made by Loren Heck to approve Sogi's suggestion on fining for illegal parking and to write a letter to the property owner on Orchid and Palm. Seconded by Bob Armstrong. Unanimously Passed.

Unfinished Business

Motion made by Eleanor Shannon to approve the 2005 Newsletter. Seconded by Loren Heck. Passed. Bob Armstrong abstained from voting.

New Business

Meleana Smith went over how she would be scheduling the roadwork and will be doing a monthly schedule for the roads. All roads will be closed during construction and an inventory will be done by the end of September to enhance this schedule.

Included in the monthly folders was a draft of an employee handbook. Meleana Smith asked that everyone review the handbook and make any additions or changes needed. Sandy Shaw-McDaniel suggested that another meeting be held for this purpose so that everyone can get together to openly discuss it.

Items for Next Months Agenda

Abandoned Vehicles

Meeting Adjourned: 6:23 pm on September 6, 2005

Submitted By: Meleana Smith

Approved By: _____

H.O.V.E. Road Maintenance Corporation
PO Box 6227
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(808) 929-9910 Fax (808) 929-9623
Toll Free: 866-241-7294
Email: hooveroad@hialoha.net
www.hooveroad.com

MONTHLY BOARD MEETING MINUTES
October 4, 2005

Called to Order: 4:07 PM

Board members present: Sandra Shaw-McDaniel, President; Bob Armstrong, Treasurer; Loren Heck, Secretary, Board Member, Randy VanLeeuwen. Meleana Smith, Office Manager. Board Members Absent: Gary Hughes, Jimmy Yocom, Eleanor Shannon.

Property owners in attendance: None

Guest Speakers: None

Prior Minutes:

Motion made by Randy VanLeeuwen to amend the minutes of the prior meeting to include Mark & Brianna Beck's vehicle damage claim. Seconded by Loren Heck. Motion approved. Dissenting vote: Bob Armstrong.

Motion made by Loren Heck to approve September's Monthly Meeting Minutes held on September 6, 2005. Seconded by Randy VanLeeuwen. Motion approved. Dissenting vote: Bob Armstrong.

Treasurer's Report

Motion made by Loren Heck to approve treasurer's report, which consists of total assests, earned revenue, unearned revenue and expenses as of 09/30/05. Seconded by Randy VanLeeuwen. All in favor: Unanimously Passed

Foreman's Report

Work done in the subdivision includes the rebuilding on King Kamehameha between Kailua & Ocean View, patching on Tiki between Palm & Ocean View, painting of Aloha between Kailua and King Kamehameha and the replacement of the speed bumps to speed humps at Kahuku Park. Signs were added to help with traffic control and to replace old or damaged signs.

Motion made by Loren Heck to approve the foreman's report. Seconded by Bob Armstrong. All in favor: Unanimously Passed.

Office Report

Audits for 2002 & 2003 are still in progress. Employee Handbook needs review and revisions. The Board suggested a meeting to be held for this purpose. The Annual

Meeting will be on Oct. 8, 2005 at the OVCA from 10 am to 12 pm. The office has sent out reminder statements to those with past due amounts, notifying them that finance charges will be applied on December 31, 2005.

Motion made by Loren Heck to approve the office report. Seconded by Bob Armstrong. All in favor: Unanimously Passed.

Committee Reports

Equipment Committee- Specifications and price for traffic counters were provided. The Board would like to consider possibly renting the unit and what it would include. Three quotes for lockers were presented to the Board.

Motion made by Loren Heck to accept the recommendation to purchase the R. Jorgensen lockers. Seconded by Randy VanLeeuwen. All in favor: Unanimously Passed.

Building Committee- Request for Proposals have been sent to Taylor Built Construction and Anderson. Taylor Built Construction has provided a bid price based on the preliminary plans. We are still waiting for at least two more bids for the equipment building but are still waiting for the final plans on the equipment building.

Legal Committee- no report at this time

Unfinished Business

Motion made by Loren Heck to form a temporary abandoned vehicle committee to research the disposal of abandoned vehicles. Seconded by Randy VanLeeuwen. All in favor: Unanimously Passed.

New Business

Standard Operating Procedures (SOP) was provided for the board along with a list of things that should be added. Meleana Smith requested that the SOP's be reviewed and revised.

An orientation meeting was not scheduled.

Items for Next Months Agenda

Meeting Adjourned: 5:23 pm on October 4, 2005

Submitted By: Meleana Smith

Approved By: _____

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Toll Free: 866-241-7294
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www.hoveroad.com

MONTHLY BOARD MEETING MINUTES

November 1, 2005

Called to Order: 4:02 PM

Board members present: Loren Heck, President; Eleanor Shannon, V.P.; Randy VanLeeuwen, Secretary; Jimmy Yocom, Board Member, Meleana Smith, Office Manager. Board Members Absent: Gary Hughes

Property owners in attendance: Rhoda Torres, Marshall Gluskin, Rudy Kaupu, Corrine Kaupu.

Amended Agenda

Motion made by Eleanor to approve the amended agenda to include the approval of the Oct. 4 (monthly), Oct. 8 (annual), Oct. 24 (special) minutes, nomination of treasurer, Bylaws & Procedure Committee report and the assignment of committee chairpersons. Seconded by Randy VanLeeuwen. All in favor: Unanimously Passed

Prior Minutes:

Motion made by Randy VanLeeuwen to approve the October 4, 2005 board meeting minutes. Seconded by Loren Heck. All in favor: Unanimously Passed

Motion made by Loren Heck to record the appointment of officers to the board during a board meeting held after the Annual meeting on October 8, 2005. Seconded by Eleanor Shannon. All in favor: Unanimously Passed.

Motion made by Randy VanLeeuwen to approve the October 8, 2005 annual meeting minutes. Seconded by Eleanor Shannon. All in favor: Unanimously Passed.

Motion made by Randy VanLeeuwen to include the date of November 28, 2005 from 12:00 am to 4:30 pm, to the social gathering motion in the October 24, 2005, Special Meeting Minutes. Seconded by Jimmy Yocom. All in favor: Unanimously Passed.

Motion made by Jimmy Yocom to approve the October 24, 2005 special meeting minutes as amended. Seconded by Eleanor Shannon. All in favor: Unanimously Passed.

Treasurer's Report

Motion made by Loren Heck to approve the treasurer's report as attached. Seconded by Jimmy Yocom. All in favor: Unanimously Passed

Motion made by Eleanor Shannon to appoint Jimmy Yocom as treasurer pro-tem. Seconded by Loren Heck. All in favor: Unanimously Passed.

Foreman's Report

Motion made by Randy VanLeeuwen to approve the foreman's report as attached. Seconded by Eleanor Shannon. All in favor: Unanimously Passed.

Office Report

Motion made by Loren Heck to move \$200,000 from the Merrill Lynch Operating account to Bank of Hawaii Checking account. Seconded by Jimmy Yocom. All in favor: Unanimously Passed.

Motion made by Loren Heck to table payment plan finance charges until reviewed by the future Budget & Finance Committee. Seconded by Randy VanLeeuwen. All in favor: Unanimously Passed.

Motion made by Randy VanLeeuwen to approve the office report as attached. Seconded by Loren Heck. All in favor: Unanimously Passed.

Committee Reports

Equipment Committee

Motion made by Loren Heck to accept the recommendation from Meleana Smith to purchase the traffic counter from Jamar Technologies. Seconded by Randy VanLeeuwen. All in favor: Unanimously Passed.

Building Committee

Update: Equipment building is due to arrive at the Oregon port on December 2, 2005. Meet America Overseas (Marissa Capuleto) will then ship building to Hilo. We should be receiving the final drawings on December 14, 2005. The balance of the equipment building will be due on December 2, 2005.

Bylaws & Procedures Committee

Motion made by Eleanor Shannon to approve the attached Board of Director's nominee application with changes. Seconded by Loren Heck. All in favor: Unanimously Passed.

Assignment of Committee Chairpersons

Motion made by Loren Heck to appoint Jimmy Yocom as chairman of the Budget & Finance Committee. Seconded by Eleanor Shannon. All in favor: Unanimously Passed.

Discussion: Eleanor Shannon asked board members to volunteer as chairpersons to the board committees. Results are as follows:

Budget & Finance committee chairperson is Jimmy Yocom.

Building & Equipment committee chairperson is Jimmy Yocom.
Bylaws & Procedures committee chairperson is Eleanor Shannon.
Personnel Management committee chairperson is Eleanor Shannon.
Legal committee chairperson is Eleanor Shannon.
Planning & Road Construction committee – no chairperson
Safety & Abandoned Vehicles committee chairperson is Randy VanLeeuwen.

Unfinished Business

Investment Policy Statement

Motion made by Eleanor Shannon to have Merrill Lynch identify & clarify on the Investment Policy Statement, who the sponsor is and who the finance committee is. Seconded by Randy VanLeeuwen. All in favor: Unanimously Passed.

New Business

Executive Meeting held on October 24, 2005 results

Reviews were done for Meleana Smith and Madison Kaupu. Meleana Smith's title has been changed to Administrative & Operations Director. Bonuses were also discussed and approved.

Motion made by Loren Heck to remove Gary Hughes as a board member in accordance with the Bylaws, Sec. 3.4, Removal of Directors. Seconded by Jimmy Yocom. All in favor: Unanimously Passed.

Motion made by Loren Heck to appoint Rhoda Torres and Marshall Gluskin as board members to fill the resigning positions. Seconded by Jimmy Yocom. All in favor: Unanimously Passed.

Meeting Adjourned: 6:43 pm on November 1, 2005

Submitted By: Meleana Smith

Approved By: _____

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Toll Free: 866-241-7294
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www.hoveroad.com

ANNUAL MEETING MINUTES
October 8, 2005

Annual Meeting called to Order: 10:00 AM

Board members present: Sandra Shaw-McDaniel, President; Loren Heck, Secretary; Randy VanLeeuwen, Board Member; Eleanor Shannon, Board Member. Meleana Smith, Office Manager. Absent: Gary Hughes, Jimmy Yocom

Property owners in attendance: George & Marilyn Wallace, Robert & Aiko Pennington, Jon Roy, Michael Kingery, Ted Whip, Kathy Garner, John Garner, Rhoda Torres, Codi Torres, Doreen Selke, Diane Neufeld-Heck, Don Irvill, Rudy Kaupu, Corrine Kaupu, Bruce Coates, Joe McDaniel, & Lynn Gordon. Guest Speakers: Sita Peacock of Merrill Lynch.

Sita Peacock of Merrill Lynch explained the operating and investment accounts average yields and liquid cash earnings. She is still maintaining a conservative position with the operating and investment accounts. She suggested that the financial committee discuss the Investment Statement Policy and would like this form signed by the board members.

Voting Results:

Sandra Shaw-McDaniel read the voting results for the nominees to the Board of Directors and the approval of the budget and road plan. The tally was done by The League of Women Voters of Hawaii and are as follows:

Total Ballots Received: 504

Total Lots represented: 775

Approval of the year 2006 Budget and Road Plan

Yes Votes: 731

No Votes: 28

Non Votes: 10

Void Votes: 6

Total Votes: 775

Election of Directors

R. VanLeeuwen: 661

E. Shannon: 623

J. Yocom: 603

Non Votes: 417

Void Votes: 21

Total Votes: 2325

Motion made by Loren to accept the official tallies from the League of Women Voters. Seconded by Randy VanLeeuwen. All in favor: Unanimously Passed.

Introduction of the Board Members:

Sandra Shaw-McDaniel – President

Merle Martin-Vice President, term had expired as of October 2005 and is not attending.

Loren Heck-Secretary

Bob Armstrong-Treasurer has resigned his term as of October 4, 2005.

Randy VanLeeuwen- New Board Member

Eleanor Shannon-New Board Member

Jimmy Yocom-New Board Member did not attend.

Treasurer's Report

Sandra Shaw-McDaniel went over the financial situation of the corporation and believes that the corporation is running very well. Current assets include road equipment and revenue at over \$2,700,000, Earned Revenue from January to September 2005 is \$1,105,000, Unearned Revenue as of September 2005 is \$1,004,000 and total expenses as of September 2005 is \$782,208.10.

Office Report & Road Report

Meleana Smith provided the membership with road maps and the 2006 road plan and a list of accomplishments for the past two years. The corporation has done a good job at re-organizing the office and road crew. Accomplishments include and are not limited to a new TMK filing system, controls and procedures for the office and road crew have been established, designed new forms for personnel, board & members, sent the 2002 & 2003 books to be audited, updated road inventory and equipment, developed new billing cycles, have collected \$500,000 in past due assessments within the last two years, started safety meetings for the road crew with the help of OSHA, made policy suggestions to the board of directors, etc. The road crew did receive the new chip spreader and oil distributor, which is a good investment for the roads. The new equipment along with the new type of materials has made our roads more secure and look better. The road crew will be painting lines on each roadway for safety reasons as well as adding reflectors. Safety is one of our main concerns with the encroachments and line of sight issues. Speed is also a concern because our roads are not built for it, therefore; may deteriorate quicker. The corporation asked that the membership please slow down and tell their friends and neighbors to do the same. The road plan will be developed each year based upon safety issues and road inventory.

Sandra Shaw-McDaniel then read her own report. Included were the accomplishments of the corporation and that she encourages property owners to become board members. She will be resigning as of the end of the annual meeting and to please address all questions to the new board members.

Open Discussion:

Sandra now opened the floor for discussion.

Members asked questions regarding various subjects. Speed bumps were suggested throughout the subdivision for people to observe the stop signs. The board suggested that the member join a committee and put together where in the subdivision speed bumps/humps would be placed. The members also inquired about the speed from motorist in the subdivision and if the court system was observing the traffic tickets issued in the subdivision. The response was that the County of Hawaii and State of Hawaii has included HOVE roadways into law (Ordinance No. 9639, Bill No. 213, a ordinance amending chapter 24, of the Hawaii County Code 1983, relating to traffic regulations), which extends applicability of the traffic code to private roads used by the general public. Which means that traffic tickets can be given in HOVE and are being recognized by the courts.

HOVE RMC also asked the membership to notify the office of any problems with the roadway. Road repair reports are available to fill out. We are putting everything on a road schedule.

Abandoned Vehicles was also discussed. A temporary Abandoned Vehicle committee has been established and anyone interested in participating could join. The members were told that by law the corporation couldn't move any abandoned vehicles off the roadway, unless it presents a safety problem, which then it can only be moved onto the side. Please report any AV's to the RMC office. We then report the AV to the police who then tickets the vehicle. The police are responsible for reporting the AV to the Solid Waste Division for removal.

An inquiry on how the road crew is hired was made. The member asked if the RMC hires residence of HOVE only. The board said they hire based on qualifications not where they live. Road crew employees have multiple qualifications, which allow them to do different types of duties.

Another member asked how the nominations of the board were established and what were the procedures on board member nominations. The board explained the 30 day deadline and that there might be a conflict of interest between the member and one of the office staff.

Meeting Adjourned: 11:10 am on October 8, 2005

Submitted By: Meleana Smith

Approved By: _____

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BOARD MEETING MINUTES
Following the Annual Meeting
October 8, 2005

Board Meeting called to Order: 11:15 AM

Board members present: Loren Heck, Randy VanLeeuwen, Eleanor Shannon, Meleana Smith, Office Manager. Absent: Gary Hughes, Jimmy Yocom

Board of Directors – Appointment of Officers

Motion made by Eleanor Shannon to nominate Loren Heck as President. Seconded by Randy VanLeeuwen. All in favor: Unanimously passed.

Motion made by Loren Heck to nominate Eleanor Shannon as Vice President. Seconded by Randy VanLeeuwen. All in favor: Unanimously passed.

Motion made by Eleanor Shannon to nominate Randy VanLeeuwen as Secretary pro-tem. Seconded by Loren Heck. All in favor: Unanimously passed.

Meeting adjourned at 11:45 AM.

Submitted by: Meleana Smith

Approved By: _____