

Hawaiian Ranchos Road Maintenance Corporation

NEWSLETTER

September 2017

From the President's Desk

Aloha neighbors and Ranchos members,

Another year has gone by with many challenges and road work that has gotten done. Our board has successfully voted on contracts for several miles of roads and approximately 35 intersections to chip seal. These contracts were completed late 2016 and early 2017. Thank you to the great team/board who voluntarily work to make sure you have better roads to drive on. It takes time, effort and your dues!

Six years ago I attended a HRRMC board meeting for the first time, as a guest. I had recently moved here from Maui, and I was curious. I could immediately see that the HRRMC board needed help. They were discussing the need for a web site, and I raised my hand, saying it's not that hard. I single handedly created our web site, for free, and before I knew it, I was a board member. I have implemented the PayPal program for making online payments. I and other board members have made numerous on-going trips to Kona for materials, road signs, shelving, plumbing and other items needed for the shop, office, our mower tractor and roads.

I have dealt with the Kohala gate, trouble shooting and making repairs on numerous occasions, and have also ordered radio remotes for members' easy access at the gate. I have updated the security system at the office and was there to help with carpentry skills when needed. When the old metal shack blew over years ago, I personally went to Hilo to find and order a 20 foot container for storage of hazardous materials. Upon its arrival, I painted it and had electricians install lights and power. Over the course of years, I and other board members have had several meetings with contractors for the roads. We have driven the roads several times to inspect and be sure contracts have been completed. I have also consulted with our attorney regarding legal matters as needed. I believe, I have given a lot of my energy and time to this corporation & community over the past six plus years in a multitude of diverse arenas. That being said, we are always looking for good people willing to contribute to the HRRMC community needs. If you think you have something to offer to HRRMC, please let us know. I could not have done all this without the teamwork of the HRRMC board, but we are all volunteers and we do need "new blood" now and then.

Recently... a "Demand" was brought into HRRMC office for Board Meeting minutes going back 10 years. I have now posted all Board minutes on our web site going back to January 2011 for transparency, and for all members to view.

On a final note, the HRRMC's main objectives are to maintain the Ranchos roads. I, this board, and its employees over the past several years have worked with integrity to keep the Ranchos roads in good repair! If you have security concerns, please contact the police and/or neighborhood watch. We are not a security office.

Many Mahalo for taking the time to read this and for your support.

Mats Fogelvik, President, HRRMC

In Response to Allegations...

*As some of you may have noticed, there have been some letters, petitions and/or rumors circulating around the neighborhood and/or mail, containing critically inaccurate information and/or falsely misleading accusations. We, the HRRMC board, ask you to check the details and accusations for yourself before signing anything. Please do your own research before believing any accusations and/or signing any petitions, as it can be held as defamation. **Enough said!** Many of us came to HOVR to live a peaceful life. Let's get back to that, and move forward.*

Aloha, the HRRMC Board

Road maintenance report

2017 was noteworthy for road maintenance in Hawaiian Ranchos. It was noteworthy because two major contract projects were started and completed. In both cases, these projects were completed by Kalahana Contracting, the same contractor we used in 2016. Moreover, the amount of surface chip sealing and intersection repair completed in 2017 is worth highlighting. All the contract repairs were completed in the first six months of the year. This included chip sealing four half mile and six quarter mile sections of road, and repair to 30 individual intersections.

The large network of roads in Ranchos make the prioritization of repairs a challenging task. Obviously, some surfaces like Maile, Prince Kuhio and Kohala have more traffic. Maile has received the most attention for surface repair, Prince Kuhio both surface and intersection repair, and Kohala had several intersections repaired. Roads less traveled but in need of chip seal attention were Lanikai, Lauhala and Bougainvillea Drive. The focus for surface chip sealing in the subdivision has generally worked its way from East to West. For individual intersection repair, we have worked the entire subdivision with a lot of repair in the South.

The large amount of repair for 2017 was not without some growing pains. For the 2016 project, Kalahana leased their equipment from HOVE Road Maintenance. For this past year, they acquired their own equipment from a variety of sources on the mainland and here in Hawaii. Shipment of this equipment from the mainland and Honolulu created some delay in starting the year's first project. Additionally, this equipment (ie. oil distributor, spreader and dump trucks) is used and needed a certain amount of preparation and tuning. So like many startup operations there were some hiccups, but nothing too severe that could not be readily solved. In any event, like any skilled endeavor, the longer the team at

Kalahana works at it, the better they get. This was particularly evident on the last chip seal project on Lanikai, Lauhala, and Bougainvillea.

The roads and intersections are not the only enhancements to the subdivision by our new contractor. Numerous owners have used Kalahana to improve the thoroughfares on their personal property as well. In sum, I would say we have made significant improvements to our subdivision because of these recent road maintenance contracts.

Tom Kraft

Road Work Plan for 2018:

1. Continue road repairs as needed.
2. Pruning of shrubs and trees infringing on road easements.
3. Complete stop bars at all intersections.
4. Ongoing mowing of road shoulders.
5. Inspect and prioritize roads and intersections in need of repairs.

HRRMC Board of Directors—2017

Mats Fogelvik - **President**
Sterling Quier - **Vice-President**
Tammie Ewers - **Treasurer**
Linda Somers - **Secretary**
Mike Gerbo, Gabe Hechler, Thomas Kraft,
Brian Lampron, Phillis May

Election of Board Membership

HRRMC Bylaws permit the Board to elect a property owner in good standing to serve on the Board through the end of that year. If that person chooses to stay on the Board, he or she will have to run for re-election (for a 3 year term) the following year. That vote will be by the general membership of the corporation.

Anyone interested should send a brief letter to HRRMC, PO Box 7007, Ocean View, HI 96737 indicating your interest and how you might be able to help serve our Road Maintenance Corporation.

You must be a property owner in good standing (assessments paid). All Board members must pass a Police Department background check. Meetings of the Board are every other month, second Wednesday 5pm, unless otherwise announced, and generally last 1-1½ hours. Members are welcome to attend. This is a working board, you will be asked to participate on committees of your choice to help us all make things happen.



Newly chip sealed intersection is getting stop bars painted.

2017 Annual Membership Meeting

Date: Saturday, October 21, 2017

Location: HRRMC Office, 92-1347 Kohala Blvd.

Time: 4:00 p.m.

AGENDA

- Proposed Budget for 2018
- Proposed Work Plan 2018
- Announce results of items voted on.

The meeting will be followed by a short closed session board meeting—for election of the Board Officers.

About the community association...

You may have heard of, or gotten some mailings regarding the status of the Hawaiian Ranchos Community Association (HRCA) during the past year(s). The situation is both sad and confusing. We just want to clarify that we, HRRMC, are not involved with or part of HRCA. HRCA is a completely voluntary community association, it has no mandate or office and currently no function. Hopefully the individuals involved in lawsuits can work out their differences. There is some information available about the HRCA situation at this website: www.hawaiianranchos.com.

HRRMC, on the contrary, DOES have a function and we do have a board, doing our job. Our main mission is to maintain the Ranchos roads, nothing else. We are not a community or security organization. You as a member are required by law to pay your annual road maintenance assessment (currently \$150).



To ensure prompt delivery of annual statements, please contact our office if you have any updates to your mailing address. You are responsible for the annual road maintenance fees even if you do not receive an invoice.

Note from the Treasurer

The financial report and proposed budget can be found on page 6 of the newsletter.

A friendly reminder that road maintenance fees are due on January 1 and delinquent if not paid by March 31 of each year. A courtesy statement is sent at the beginning of each year to the address on record in the office. You are responsible for paying your fees in a timely manner whether you receive a statement or not. If your address has changed, please inform the office. If your account is more than two years in arrears, the property will be lienied. If you are more than 3 years delinquent, the property may be foreclosed upon. This is a lengthy and expensive process. The last two properties that were in this process had to pay, not only the past due amounts, but also the attorney fees (which were in excess of \$5,000). ***If your property is in arrears, contact the office to set up a payment plan.***

Tammie Ewers, HRRMC Treasurer

Ranchos industrial solar farms update

In August 2016, Ranchos residents, Peter & Ann Bosted, filed a formal complaint with the Public Utilities Commission (PUC) concerning the project. The complaint docket is number 2016-0224. If you would like to get involved in the movement to stop solar farms industrializing our neighborhood and devaluing our homes, please contact Ann Bosted at bosted@earthlink.net. Ann & Peter are working real hard on this cause and they need your help.

In Memoriam

Sadly, long time board member, Don Nitsche, passed away in October 2016. Don was co-founder of HRRMC. Don's commitment and knowledge were a great asset to HRRMC. He is sorely missed.

From the Office...

GOODBYE...

Aloha Ranchos members,

I want to thank you and the board for allowing me to work at the HRRMC office for almost 5 years. The job has had its challenges as well as opportunities to meet some of the wonderful people who live and own here. During my time as Office Mgr, I know I gave the job all I could to make the office and its operations more efficient and welcoming.

I worked with a smile and listen to many people regarding their concerns, their stories and gave information on what resources could be found within the community & county.

I am now retired and moving on to a different phase of my life. I feel good that this office is being left in capable & skilled hands.

Thank you again for the kind words and support many have given me.

Aloha, Maira



HELLO...

Aloha Ranchos Property Owners,

As the new Office Manager I would like to introduce myself. I have 30+ years office experience with strong computer skills. I have worked in a Financial Analyst role at multiple companies across various industries.

Additionally, I served as a Real Estate Tax Collector, an elected position which I held for two terms (eight years). I was responsible for collecting tax revenues, dealing with the public, communicating with tax service companies/banks, and monthly reporting to all taxing authorities which required succinct attention to detail.

I have extensive knowledge and hands on experience using QuickBooks. I look forward to serving the Hawaiian Ranchos Road Maintenance Corporation.

Mahalo,

Ellen

Annual Road Assessment for 2018

The next road assessment fee is due by March 31st, 2018. Annual Statements mail out early January. Please notify the office if you don't receive a statement.

You may pay by check, money order, or secure payment at our website using PayPal—<http://ranchos-roads.org/onlinepay.html>



Cash will only be accepted at the office in person.

Please make your check payable to: **HRRMC** and include your TMK number [this number is listed on your statement under your address] on your check. **DO NOT MAIL CASH.**

Make sure to pay your bill before March 31st to avoid late fees.

NOTE: HRRMC and Ranchos Community Association (HRCA) are separate organizations, **DO NOT MAIL** your payment to the Ranchos Community Association. Doing so will delay your payment and may incur late fees.

Our Mailing Address is:

**HRRMC
PO Box 7007
Ocean View, HI 96737**

NEW Office Hours:

10am to 3pm, Monday
Other arrangements by appointment
Secure Drop Box Available Anytime

Phone 808-929-9608 Fax 808-929-9622

P.O. Box 7007, Ocean View, HI 96737

Email office@ranchos-roads.org
Web site: ranchos-roads.org

For new owners

The Annual Assessment fee is mandatory for all owners, and is due by March 31st each year. Late fees are assessed on unpaid accounts after March 31st. ***As a property owner, you are responsible for the annual road maintenance fees even if you do not receive an invoice.***

A lien is a legal document registered with the State against your deed and prevents sale of your property until it is paid. There is a lien fee of \$225, plus 10% annual late fees on all outstanding balances. If your property goes to foreclosure, it can be sold at public auction. If you know you are in this situation, please contact the office to make payment arrangements.

There are some properties that have encroachments onto the road easement. These include plantings, walls, fences, and in a few cases, building a steep driveway that reaches across the road shoulder out to the edge of the pavement. There are significant safety concerns for motorists when the shoulders that are part of the road easement are encumbered. All boulevards and Maile Drive have 60 ft easements. All other drives have 40 ft easements. These easements are community property, owned by all shareholders of HRRMC. HRRMC has the responsibility to maintain the easement, including the paved areas and shoulders. This entails keeping them clear of bushes, overhanging branches, and personal property which infringes on the easement.

Proposed By-Law Change

HRRMC Board of Directors is proposing a change to the By-Laws. The Board has consisted of nine members for many years and has been successfully accomplishing our mission of road maintenance. In the past, an eleven member board has proven to be untenable.

Due to space constraints, only the sentence proposed to change has been printed. No changes are proposed to the remainder of Section 3.1. The By-Laws, in their entirety, can be viewed at our website (www.ranchos-roads.org).

Current text reads: **3.1 Number of Directors.** There shall be a Board of Directors of the Corporation of not less than five (5) nor more than ~~eleven (11)~~ members.

Proposed text shall read: **3.1 Number of Directors.** There shall be a Board of Directors of the Corporation of not less than five (5) nor more than *nine (9)* members.

Annual Election Slate

We currently have nine board members, but three of them need to be confirmed with the general election. Below is a short description. We also have the proposed budget/work plan on the ballot. Please fill out the ballot and fold it, making sure the mailing address is facing out. Tape shut, add postage. Voting cannot take place online. Your unique address label attached to the ballot identifies your voting status as a property owner.

Mats Fogelvik, returning board member— Mats has been on the board since January 2011. Current President of HRRMC. We bought property in Rancho 2003, and have slowly been building our home over the years, and we moved here permanently from Maui in April 2010. I am a custom woodworker, I have worked as a contractor, and carpenter. I have been self-employed for about 26 years, the last 18 years with my current business, Fogelvik Furniture. As a member of the HRRMC, I hope to work with the board, be able to help with the operations and make our roads better.

Tom Kraft, returning board member—Thomas Kraft has been a resident in Ocean View since September 2010. Prior to residing in Ocean View he was a "shop teacher" at both the secondary and college level. His first career was the U.S. Air Force. He has served as a HRRMC board member for two three year terms. Most recently he worked as the chair of the HRRMC road maintenance committee. In this position, he works with our workers and the road committee on a variety of projects and maintenance issues. This includes shop and vehicle maintenance as well as contract negotiations.

Brian Lampron, new board member—It is with great honor that I would like request a seat on the HRRMC board of directors. I have several years of building and road experience that I feel would benefit the owners of the Rancho. As a resident here, and having worked on the road maintenance mowing and clearing the sides of the roads as well as filling holes, I have a greater understanding of the maintenance concerns and how to address them. Brian has served on the board in 2017 filling a vacancy.

HRRMC Financial Report and 2018 Proposed Budget

	2016 Budget	2016 Actual	1/1 – 6/30/17 Actual	2017 Budget	2018 Budget (Proposed)
Income:					
Assessment Fees	172,700	139,255	185,358	197,200	197,200
Other Income ⁽¹⁾	3,800	4,567	1,556	3,800	3,800
Total Income:	176,500	143,822	186,914	201,000	201,000
Operating Expenses:					
Road Maintenance	105,000	205,486	261,502	150,000	150,000 ⁽²⁾
Repairs	1,500	1,054	523	1,500	1,500
Total Operating Exp:	106,500	206,540	262,025	151,500	151,500
Administrative Expenses:					
Paypal & Bank Charges	1,000	644	805	1,000	1,000
Insurance	5,000	6,637	4,050	5,000	5,000
Professional Fees	5,000	4,791 ⁽³⁾	2,935 ⁽³⁾	5,000	5,000
Utilities	4,000	3,418	1,734	4,000	4,000
Office Expenses	4,000	4,271	1,433	4,000	4,000
Payroll Expenses	50,000	18,053	6,478	30,000	30,000
Taxes	500	0	540	500	500
Permits & Fees	500	0	0	0	0
Total Admin Expenses:	70,000	37,814	17,975	49,500	49,500
Total Expenses:	176,500	244,354	280,000	201,000	201,000

(1) Other income includes: interest, Aloha Broadband tower rent, transfer fees

(2) If no large contracts needed, allotted funds will be transferred to a savings account for future road work

(3) Attorney fees for properties in foreclosure proceedings

Balance Sheet

	12/31/15	12/31/16	06/30/17
Assets			
Cash	401,605	320,030	222,530
Accounts Receivable	122,191	130,838	149,400
Fixed Assets	160,078	156,893	156,893
Total Assets	683,874	607,761	528,823
Liabilities			
Taxes	-20	722	-53
Total Liabilities	-20	722	-53
Equity			
Opening Balance	406,988	406,988	406,988
Retained Earnings	206,570	278,931	200,043
Net Income	70,336	-78,880	-78,155
Total Equity	683,894	607,039	528,876
Total Liability/Equity	683,874	607,761	528,823

HAWAIIAN RANCHOS ROAD MAINTENANCE

BALLOT

Please cast one (1) vote for each Ranchos lot owned by you on each item below.
(NOTE: each Ranchos lot is 3 acres—Do Not mistake this for 3 votes.)
For example: if you own 2 lots, you should write a 2 in either the YES or NO space.

Your completed ballot must arrive no later than **October 13, 2017**

ISSUES

#17-1 YES Proposed Budget for 2018. See page 6

NO

#17-2 YES Proposed Work Plan for 2018. See page 2

NO

#17-3 YES Proposed By-Law change. See page 5

NO

BOARD MEMBERS

We have three election slots for the board this year. You can vote for all three.

#17-4 YES **Mats Fogelvik**, Returning Board member, see Page 5

NO

#17-5 YES **Tom Kraft**, Returning Board member, see Page 5

NO

#17-6 YES **Brian Lampron**, New Board member, see Page 5

NO

**PLEASE DO NOT REMOVE MAILING LABEL FROM BALLOT. LABEL IS USED TO DETERMINE
NUMBER OF VOTES AND ELIGIBILITY.**

First Class
Postage
Required

**St. Jude's Episcopal Church
Attn: Ballot 2017, HRRMC
PO Box 6026
Ocean View, HI 96737**

FOLD

PLEASE TAPE ONLY ONCE, avoid staples

FOLD

HRRMC
PO Box 7007
Ocean View, HI 96737
Return Service Requested

Place for
stamp

Place for address label