

**PHEASANT RUN ROAD MAINTENANCE ASSOCIATION, INC.**  
**BOARD OF DIRECTORS**  
**MEETING SUMMARY**  
**July 14, 2008**  
**5:30 p.m.**

I. A regular meeting of the Pheasant Run Road Maintenance Association, Inc. Board of Directors was held at the Administration Building, Leisure Services Conference Room on Monday, July 14, 2008.

**Members Present:** Ann Conklin, Canton Township, , Craig Stephens, Fairways, Laura Gitre (arrived 6:25 p.m.), Fairway Pines, Tom Casari, Canton Township, Mark Waldbauer, Pheasant View

**Others:** Tim Kljun, Roadway Manager, Paul Porter, Pheasant View

Ann Conklin called the meeting to order at 5:39 p.m.

**II. Approval of Meeting Minutes:**

A. May 2008 minutes tabled.

B. June 2008 minutes tabled.

**III. Financial Activity Review:**

A. Tim Kljun presented the financial reports as of June 2008, consisting of:

- Balance Sheet
- Reserve Account (Asset) Activity
- State of Income and Expense Aged Receivable
- Aged Payables
- Narrative for June 2008
- Updated Maintenance and Repair Detail (accumulative totals)

Mr. Kljun stated July 2008 will end the fiscal year. Mr. Kljun stated he will give final indications and comparisons to where PRRMA was and what was projected vs. actual. Mr. Kljun stated PRRMA's interest projected at the beginning of the year was \$12,754 and we are \$100 ahead of that projection.

Mr. Waldbauer inquired under accounts receivable there is an \$800 listing for Pheasant View and he is questioning what this amount is for. Mr. Kljun stated the \$800 is for a tree invoice. Mr. Waldbauer stated he was under the impression that PRRMA was going to invoice the pizza delivery person that caused that tree to be knocked down. Ms. Conklin stated she believes PRRMA filed an insurance claim on this accident. Mr. Kljun stated he will confirm this. Mr. Porter stated that is one of the two trees replaced. Mr. Waldbauer stated the second tree he believes is under the jurisdiction of PRRMA. Ms. Conklin inquired if Mr. Waldbauer feels the tree invoiced to Pheasant View should be paid for by PRRMA because why. Mr.

Waldbauer stated the tree is in the right of way. Mr. Kljun stated yes the tree was in the right of way. Ms. Conklin inquired why Mr. Kljun invoiced Pheasant View if the tree was in the right of way. Mr. Kljun stated his understanding was that he was to invoice both organizations Fairways and Pheasant View because they both are responsible for the trees within the right of way because they make no contribution to maintenance of landscape. Ms. Conklin stated she believes that was shrubs. Mr. Waldbauer stated his standard of responsibility of matrix states that landscaped areas within the right of way are the sole responsibility of PRRMA. Mr. Waldbauer stated tree and shrubbery replacement, removal, replacement dead trees and shrubs is under B. the Roadway Manager. Mr. Waldbauer stated this document needs to be cleaned up also. Mr. Stephens stated the right of way is the median and some distance from the road. Mr. Kljun stated 50 feet from the center. Mr. Porter stated he believes it is 12 feet from the center. Mr. Casari stated typically it is 1 foot back from the sidewalk.

Mr. Stephens stated in the discussion on Fairways tree it was concluded that Fairways needed to pay for the tree replacement. Ms. Conklin inquired if it was in the right of way. Mr. Stephens stated yes. Ms. Conklin stated the Board has continued confusion on who pays for trees.

Mr. Waldbauer stated he went back into February 2008 minutes and this conversation started then. Mr. Waldbauer stated Mr. Kljun made a statement that if trees need to be replaced PRRMA would have to approve the replacement of them and fund the expense. Mr. Waldbauer stated then what Mr. Stephens said is true, in Fairways case. Mr. Waldbauer stated a quote from the February 2008 minutes “Mr. Stephens stated there was a tree down in the intersection of Glengarry and Beck. Mr. Kljun stated this is an area occupied by Fairways. Ms. Conklin stated the tree will be replaced by Fairways HOA. Mr. Porter stated it would be helpful to know and clarify who pays for what.”

Mr. Waldbauer stated in May 2008 minutes the minutes reflect “Mr. Porter inquired if the people that hit the tree (Pheasant View) would be asked for reimbursement fees. A police report was done and Mr. Kljun will invoice the people responsible.” Mr. Waldbauer stated this is going back and forth. Ms. Conklin stated she probably originally stated that PRRMA would be responsible for it based on actually what Mr. Waldbauer read. However, there was further discussion and concluded that it didn’t make sense.

Mr. Waldbauer stated that in February 2008 Mr. Casari stated that these are considered amenities and in the right of way controlled by PRRMA. Mr. Waldbauer stated hence his confusion and the purpose for bringing it up.

Ms. Conklin inquired how we clarify. Mr. Kljun stated we cannot have Fairways paying and Pheasant View not paying. Ms. Conklin stated we have different interpretations even though the Standard of Responsibility Chart clearly states that it is PRRMA’s responsibility.

Ms. Conklin stated she remembers confusion on shrubbery replacement and that was the HOA’s responsibility. Mr. Casari stated there was some thought that since the HOA’s are handling the landscaping contractor and those areas are of concern for watering properly.

Ms. Conklin stated if it is the HOA's responsibility for landscape contractors then why should PRRMA be responsible for a contractor who did not complete proper maintenance.

Mr. Porter stated the reason PRRMA was replacing the shrubs in Fairway Pines because it was a hazard for the line of sight. Mr. Porter stated he could have argued that the landscaper did not trim them down low enough.

Mr. Waldbauer stated he is requesting PRRMA replace existing trees that in both cases have been taken down by vehicular traffic. Ms. Conklin stated if insurance doesn't cover this then whose responsibility is it. Mr. Waldbauer inquired what the situation was with Fairways tree. Mr. Stephens stated it was hit by a vehicle. Mr. Kljun stated he had photographs showing it was hit and shirred off. Mr. Waldbauer stated all three trees were damaged by the same source, vehicular traffic. Mr. Stephens stated what is being said is that if a tree is in the right of way it is PRRMA's responsibility. Mr. Stephens stated if PRRMA is not going to be responsible, we need to change the language in the Standard of Responsibility Chart. Mr. Waldbauer stated he views this as the same as if a monument was hit and damaged. Mr. Kljun stated there is an issue of modification. Mr. Kljun stated one of the subdivision stated this was original and we want to change it. The thought process was they would bring a proposal to the Board and the Board would approve it and they would change it at their expense, because all of the contractors are under the HOA's control. Mr. Kljun stated in the thought process we just included that to trees.

Ms. Conklin stated whatever is decided we need to be very clear and explain what our thought process is. Ms. Conklin stated the original document stated PRRMA would replace trees. Ms. Conklin stated if we are going to alter that we need to be clear as to why. Mr. Waldbauer stated Ms. Conklin stated that exactly in the February 2008 meeting minutes. Ms. Conklin stated if Fairways paid for their tree replacement, PRRMA owes them for the tree. Mr. Kljun inquired if PRRMA should reimburse Fairways for their tree and cancel the invoice for Pheasant View's tree replacement. Ms. Conklin stated yes if the Board agrees. Mr. Porter stated he has mixed feelings, where is the incentive for the HOA to investigate who hit the tree. Ms. Conklin stated PRRMA will submit to the insurance company.

Ms. Conklin stated this will get sticky if the tree dies from lack of maintenance and why would PRRMA fund that replacement. Ms. Conklin stated we might want to include a clause in the Standard of Responsibility Chart stating unless it can be determined that the tree died due to the HOA's not providing proper maintenance. Mr. Kljun stated in the year 2006 is when PRRMA went ahead to make corrections to the center island due to visibility safety issues. Mr. Kljun stated a number of the shrubs were removed and smaller shrubs were put in. Mr. Kljun stated within a year some of those shrubs died. The contractor came back and replaced the dead shrubs. Subsequent to that, another 82 shrubs died, and that's what prompted the question; should it be the HOA's responsibility or should it be PRRMA's responsibility because there was an issue of enough water. Mr. Kljun stated if he recalls a consultant was brought in to determine if the correct shrubs was planted and that was confirmed that they were the correct shrubs planted. Mr. Kljun stated the discussion was in order to save money we cut back on water initially and that is what caused the plants to die. Ms. Conklin stated correct her if she is wrong but she believes there are a couple of different

issues; one is shrubs and PRRMA determined are the responsibility of the HOA, unless PRRMA feels there is a safety issue. Mr. Casari stated shrubs are more vulnerable to poor landscape. Ms. Conklin stated trees are the responsibility of PRRMA, unless PRRMA can prove that there was negligence on the part of the HOA.

Mr. Porter stated here is a scenario we will see in the future; the tree is getting so big now that it is lifting up the curbing, etc. Ms. Conklin stated than PRRMA will have to plant a new tree. Mr. Casari stated typically we will see the sidewalks lifting where there are root issues. Mr. Casari stated most of the trees in the subdivision are the deeper root trees. Ms. Conklin stated she would like PRRMA to have control of this situation because if it is causing a heaving problem on the sidewalks we will want to be able to replace the tree and fix the sidewalks.

Ms. Conklin stated HOA's are responsible for shrubs unless it is a safety issue and the PRRMA Board chooses to address. Ms. Conklin stated PRRMA is responsible for trees unless PRRMA can prove negligence on the part of the HOA. Mr. Waldbauer inquired if Ms. Conklin is speaking of trees within the right of way. Ms. Conklin stated she is speaking of landscape areas with the right of way. Ms. Conklin stated there are suggestions from Mr. Waldbauer for changing the procedure that he will give to Mr. Kljun and revisions will be brought back to the Board.

Mr. Porter stated there are tree certificates that are available from the Township and we could have used those certificates had it been the HOA's responsibility. Mr. Waldbauer stated not this year because Pheasant View has already used their 10 vouchers.

Mr. Waldbauer inquired if PRRMA has two CD's maturing at the end of this month. Mr. Kljun stated yes. Mr. Waldbauer inquired if Mr. Kljun has direction automatically to reinvest. Ms. Conklin stated the Board has to determine what they will be spending on the roadways. Mr. Kljun stated as a stop gap measure we have money market accounts at several banks and when those CD's are to mature, rather than reinvest them, they can be placed in the money market accounts (interest bearing). Mr. Kljun stated that will give us the ability to draw out instantly and keep them until we actually have a decision as to how much we are going to spend on roadway and sidewalk repairs this coming year. Mr. Kljun stated later on we can roll them back into another CD. Ms. Conklin stated per the policy Mr. Kljun runs those investments by her and they agree and move ahead.

### **B. 2008-2009 Budget**

Ms. Conklin stated Mr. Kljun has several different options for the Board to consider. Mr. Kljun stated the first thing to determine is the percentages that the Board wants to charge, whether it will be 25% or unchanged. Mr. Kljun stated the other issue is if the Board approves a budget and it is not correct then the Board can make an amendment if not correct. Mr. Kljun stated in August it is appropriate that the Board send out invoices based on the decision process of which budget we accept.

Mr. Kljun stated the revision to Policy 2, Revision 1 is to establish the cost and modify the Administration fees to reflect a 25% allocation for each subdivision with the exception of

certain items that will not be affected: engineering, professional services income taxes and insurance assessed to each member association in Canton Township on an annual basis on its fair cost based upon the following schedule: 33% Fairway Pines, 31% Fairways, 22% Pheasant View and 12% Canton Township directly related to roadway surface areas. Ms. Conklin inquired if there would be any time Professional Services would not be related to engineering, professional services income taxes and insurance. Ms. Conklin inquired if the Board should put in a administration element affiliated with roadway improvement. Mr. Casari stated sidewalks would be related because they are a lineal footage of road. Mr. Casari stated if it is in the right of way generally speaking the more road footage you have the more catch basins, more structures and more pipe you will have.

Mr. Kljun stated everything else will be 25% across the board. Mr. Kljun stated on the proposed revision on page 1, the last paragraph states: the administrative elements consisting of legal fees, accounting, audit fees and permits, management fees, office supplies, postage, fax, printing, professional services administration and miscellaneous comprise the first section and are assessed at 25% for each subdivision. Mr. Kljun stated engineering, professional services, etc. remains at the existing percentages for roadways. Mr. Kljun stated all of the proposed budgets reflect the acceptance of either 25% existing across the board or this proposal with a portion of 25% and a portion of existing percentages.

Ms. Conklin inquired if the Board agrees with the 25% for all administration fees with the exception of fees related to roadways. Mr. Stephens stated he does not feel it is worth the complexity in the accounting. Mr. Stephens stated his question at the last meeting was to Ms. Gitre on how important to her Board. Mr. Stephens stated if it is of great importance to Fairway Pines he will go along with it, in the absence of that he doesn't see a big enough rationale to change. Mr. Waldbauer stated Pheasant View's Board and members like the concept and are willing to spend more time and review the concept. Mr. Waldbauer stated to change all the administration fees they are in favor of and the bottom line it is a price increase for Pheasant View. Mr. Waldbauer stated at the time this Board can sit down and look at all the reapportionment they feel that would be the time to do this. Mr. Waldbauer stated this would mean roadways as well for all bodies concerned including St. Joes and the Links. Ms. Conklin stated in the near future PRRMA will revisit the percentages for all bodies; Canton Township, Fairway Pines, Fairways and Pheasant View. Ms. Conklin stated Pheasant View is saying they would like this review as well.

Ms. Conklin stated the realignment of roadway responsibility be done with a traffic study since it is the only fair way to discuss reapportionment until we understand the traffic pattern.

Motion by Waldbauer, supported by Stephens that PRRMA address this change in Policy 2 when PRRMA addresses future alignment of roadway responsibility. Motion carried by all members present.

Ms. Conklin stated we continue the budget as it has been. Mr. Kljun stated that means the odd number of proposals are under discussion. Mr. Kljun stated the even numbers of proposals are at this time removed. Mr. Kljun stated proposals 1,3,5, or 7 are candidates. Mr. Kljun stated he generated budget proposal 1 he took the existing reserve study,

completed in 1998 that has been modified over the years, 5/12's of 2008, 7/12's of 2009 that number is our contribution for reserve for this calendar year which is \$107,605. Ms. Conklin stated she struggles with using anything from the 1999 study. Mr. Kljun stated he put it together to show the Board all of the indications. Mr. Kljun stated the Board can select any number it wants. Mr. Kljun stated proposal 3 takes the same format and applies it to the 2006 reserve study. This means our contribution for reserve would be \$244,425. Proposal 5 takes the average of the two reserve studies, 1996 and 2006, and takes 5/12's and 7/12's which is \$176,015. Mr. Kljun stated proposal 7 was based on the 10 year average that was discussed in the previous meetings which the average is \$347,270. Mr. Kljun stated our current assessment was \$158,000. Mr. Kljun stated that is if we take the 10 year rolling plan, it will more than double. Mr. Stephens inquired why Mr. Kljun would not take the number for 2008-2009, which was \$120,000. Mr. Kljun stated that number is from Mr. Stephens spreadsheet. Mr. Stephens stated the total number required would be \$150,800 and from that you would subtract the general expenses and that would be what we would use. Mr. Stephens stated that number would be \$160,000 minus whatever is in the budget for all expenses except the roads. Mr. Kljun stated the general expenses would be \$64,887 minus \$15,000 for roads. Mr. Stephens stated we should put in general expenses; \$30,787 and whatever is for maintenance \$34,000 and subtract that from \$160,010 is what we should collect. This would give us \$100,000. Mr. Stephens stated if we collect the average that is going against what we did in terms of creating the budget.

Mr. Kljun stated his understanding of the 10 year rolling plan is that we would look at 10 years and get the average cost over the 10 years to avoid these fluctuations and that average cost was \$347,200. Mr. Kljun stated the next year we will roll off 2008-2009 and add on 2019-2020 and that number should fluctuate a little bit, but it will be relatively constant. Mr. Stephens stated the problem is one of the reasons is that you can't do the year to year average is that none of the homeowners have the ability to raise the funds to support the \$340,000 budget. Ms. Conklin stated we need to take \$150,000 minus, minus and times by 10%. Mr. Stephens stated the 10% is built in. Ms. Conklin stated she is coming up with \$95,123. Mr. Kljun stated that number is smaller than the 2006 Reserve Study which is inconsistent with our thought process. Mr. Kljun stated our thought process was that the 1996 Reserve Study did not actually reflect the future. Mr. Stephens stated it is actually 30 times what the 2006 Reserve Study predicts for this year. Mr. Stephens stated the 2006 Reserve Study predicts \$3,000 for road repair this year. Mr. Kljun stated that isn't road repair, that is another reserve study to re-up the same reserve study. Ms. Conklin stated the reserve study indicated we would be doing nothing. Ms. Conklin stated she feels it is important to not think of the 1999 reserve study and not think of the 2006 study. Ms. Conklin stated we have a 10 year rolling plan using the best numbers that we have available to us, kind of a hybrid of the two based on Mr. Stephens analysis and real numbers.

Mr. Stephens stated the consequence of \$93,000 would be that we would have to spend more than that on fixing the roads this year. Mr. Stephens stated that means we would take money out of the reserve. Mr. Stephens stated if the HOA's understand that is what we are doing and they have a plan to increase their dues so we can put more money in road repairs in future years. Ms. Conklin stated that was the who purpose of the Joint Meeting to let everyone know what is going on and they are trusting the Board and what guidance they have

the us for the future. Ms. Conklin stated we have a budget, Proposal 7 with the total reserve assessment amount being adjusted down from \$347,270 to \$95,123. Mr. Stephens inquired what has the Board collected in reserve for prior years. Ms. Conklin stated this year it was \$158,000. Mr. Stephens stated if we collect \$95,000 this year and it turned out it was a lot less than we have been collecting in prior years and we know our road repairs are going to be bigger maybe we should pick a number larger than \$95,000. Mr. Porter stated is we have an estimate of what it will cost this year, we could put that in. Mr. Kljun stated we don't have that estimate yet, the closest information that gets us to approximately the same number we collected last year was Proposal 5. Mr. Kljun stated that was \$176,000. Mr. Kljun stated we collected this year, \$158,000.

Ms. Conklin stated in 2000 the reserve collected was \$75,000, 2001 - \$78,563, 2002 - \$82,883, 2003 - \$87,442, 2004 - \$87,442, 2005 - \$92,251, 2006 - \$97,325, 2007 - \$102,678 and 2008 - \$108,325. Ms. Conklin stated she wants the record to show she found these numbers and not totally sure they are accurate.

Mr. Porter stated Pheasant View is worst off than all of the Associations, what can we afford in 2009. Mr. Waldbauer stated if we use \$95,123, Pheasant View's share is 22.9% which is \$36,000. Mr. Stephens stated that comes to \$213 per homeowner. Mr. Kljun stated Pheasant View's share will be \$36,642.17. Mr. Porter stated Pheasant View budgeted \$50,000. Mr. Porter stated Pheasant View has paid \$26,000 so far, for 4 quarters on PRRMA's year. Mr. Waldbauer stated Pheasant View's quarterly payment is \$12,513. Mr. Waldbauer stated if \$95,000 is a real number they are in the ball park. Mr. Stephens stated that is exactly what the spread sheet says. Mr. Stephens stated in the spread sheet he took as the base what the 2006 reserve study indicated. Mr. Stephens stated the 2006 Reserve Study indicated PRRMA should put \$3,000 for our roads that would mean the total funding we require for everything PRRMA does would be \$40,000. Mr. Stephens stated the philosophy used let's not do that because that hurts PRRMA when we get large bills for roadway repairs, so let's add \$120,000 and that would mean the total PRRMA funding would require from the HOA's would be \$150,000. Mr. Stephens stated we now put in the actual numbers that Mr. Kljun is proposing for general expenses and that would indicate we collect \$95,000 for roads. Mr. Stephens stated that is less than we put in previous years and we could afford to put more in, then Mr. Stephens stated he suggest we do that. Ms. Conklin stated that would help balance in years that it might be larger.

Mr. Stephens stated we could decide to do one of three things: go with what the spreadsheet indicates, we could adjust that number to make it in line with past years, or we could take Mr. Casari's number which is an actual quote for what we will spend on the roads. Mr. Stephens stated Mr. Casari's number is above \$95,000 and we are going to spend that amount on fixing the roads, what we should do is find out how much each subdivision can afford and collect that much. Ms. Conklin stated go back to what it was for this year and add 10% because we cannot increase dues more than 10%. Mr. Stephens stated Fairways can afford a lot more than what is was charged this year because they have money in the bank. Ms. Gitre stated Fairway Pines could afford to pay more also.

Mr. Kljun stated Pheasant View paid \$39,063 for total cost for this fiscal year. Mr. Waldbauer stated that is why he is looking at Pheasant View's fiscal year, not PRRMA's fiscal year. Mr. Stephens inquired what Pheasant View can afford to spend this year. Mr. Porter stated he can raise the dues 10% which is \$7,500 increase for the whole association which would give us \$46,500. Mr. Kljun stated we can backload the assessment schedule. Ms. Conklin stated Canton paid it all in January. Ms. Conklin inquired what Pheasant View thinks is palatable from August 1, 2008 to July 31, 2009. Mr. Waldbauer stated he is comfortable with the \$95,123. Ms. Conklin stated we are actually going to go higher. Ms. Conklin stated the \$95,123 makes Pheasant View's contribution \$36,064. Mr. Kljun stated Pheasant View paid \$39,000 last year. Mr. Porter stated we could afford something above \$39,000. Ms. Conklin stated that would be more than the \$95,123. Mr. Stephens stated we have to be careful, we are comparing reserve money and we should actually be taking about the total amount of money. Mr. Stephens stated if Pheasant View was at \$39,000 and you could go another \$7,500 more, so that is 22.9% so what would 100% of that be, that would be \$203,000, now we would need to back out of that \$203,000, which is \$64,887, that would mean PRRMA would collect for the roads \$138,170. Mr. Stephens stated if we went to \$145,000 that would give us a cushion. Mr. Stephens stated if we take \$45,000 as what Pheasant View can afford and we back that into the calculation, than the total money collected by PRRMA for everything would be \$196,507 and of that \$131,620 would be for the roads. Ms. Conklin stated we need to redo the budget if we all agree with these numbers and the contribution would be for roadways would be \$131,620 for 2008-2009.

Mr. Stephens stated what if we get a bill for \$300,000 this year to fix the roads. Mr. Stephens stated we have money in the reserve and that is what we use. Mr. Stephens stated of course it might worry us that we will dip into the reserve.

Mr. Kljun stated Canton's contribution for their lawn maintenance is not reflected in the \$196,000 so that will be additional money that will affect Canton only. The budget will reflect \$228,240 is the total amount collected for PRRMA. Mr. Porter inquired if we are agreeing upon at this time is total budget, not the individual contributions to that budget. Ms. Conklin stated based on the current percentages.

Ms. Gitre inquired what was the operating budget for last year. Mr. Kljun stated \$60,397.

Mr. Waldbauer stated with this number, Pheasant View has to live within \$3,800 per month for the next five months and he thinks his subdivision can do that. Ms. Conklin stated we can also offer a delay of payment until January. Mr. Waldbauer stated Pheasant View pays a lot of their contractors up front. Money will also be collected 3 months sooner than in the past.

Motion by Stephens, supported by Casari to approve the budget effective August 1, 2008 with the total reserve at \$131,620 for 2008-2009. Roll Call Vote: Ayes: Stephens, Casari, Waldbauer, Conklin Abstain: Gitre Motion carried.

#### **IV. Unfinished Business**

##### **A. 2008 Road Repairs**

Mr. Casari stated Canton finished Fairway Pines today. Mr. Casari stated Canton has an estimate number of where they think they are with road repairs. Mr. Casari stated there are some sidewalk numbers also. Mr. Casari stated within the next couple of days there will be tally sheets with a list of locations and quantities to give to Mr. Kljun and he can bid them out and get firm contractor numbers. Mr. Casari stated a list will also be provided to each member via email. Mr. Casari stated Canton used last years T & M numbers to devise an estimate; however they may be a little low but work maybe a little hard to come by these days, maybe that will offset some of the increases in the oil and the price of asphalt. Mr. Zilincik will be prepared to meet with each Board member to go over and walk the areas. Ms. Conklin stated we agreed to walk with each member and make sure there is consistent evaluations. Mr. Casari stated this walk can be done while Mr. Kljun is out getting bids.

Mr. Casari stated he is not totally comfortable with the sidewalks. Mr. Casari stated the green dots are the responsibility of the homeowners and red dots are the responsibility of Canton. Mr. Casari stated if there is a red dot that means there is a sanitary sewer structure or a water main structure that has affected the sidewalk somehow and Canton will pay for those to be repaired. Ms. Conklin stated PRRMA will pay for the green dots. Mr. Casari stated that is how it works on public roads and these roads are private and he is not sure of the ramifications of that. Mr. Casari stated Mr. Zilincik marked them as he does the public roads. Mr. Casari stated Canton's sewer and water lines are in the easements and Canton is responsible for damage that occurs in the easement due to the line itself; however Canton's easements say they are not responsible for any improvements in those easements, sidewalks are improvements. Mr. Casari stated this will have to be dealt with and they have been marked. Mr. Casari stated Mr. Zilincik stated in Pheasant View there is around \$10,000 worth of sidewalk repairs needed. Mr. Casari stated he does not know if that is red and green dots, and he will have to find out this information. Mr. Casari stated he will summarize what is PRRMA's responsibility and what is Canton's responsibility. Mr. Casari stated there is about \$20,000 of repairs in Fairways, and \$15,000 in Fairway Pines. Mr. Casari stated on the order of \$45,000 in sidewalk repairs that Mr. Zilincik feels need to be taken care of and in violation of Canton's ordinance which could make PRRMA liable.

Mr. Casari stated on the roads; Glengarry and the Summit have not been tallied as of yet. Mr. Casari stated the roads need approximately \$100,000 in the three subs total. Mr. Casari stated that is an estimate of \$10,000 for crack sealing, \$10,000 for structures, which leave approximately \$80,000 for physical curb repairs, patching and milling and resurfacing. Mr. Casari stated Canton is estimating another \$50,000 for the Summit and Glengarry because it is another 5 miles of roadway. Mr. Casari stated that is an estimate of \$150,000 total of roadway repairs and \$45,000 in sidewalk repairs.

Mr. Stephens stated we should expect to dip into the reserve. Ms. Conklin stated as we walk through these areas there maybe some evaluations that are not needed. Ms.

Conklin inquired what part of Summit Parkway and Glengarry is the repairs needed. Mr. Casari stated he is not looked at the specs, but he will get that out to everyone. Mr. Casari stated all parties should call Mr. Zilincik directly at 394-5156 or email at [Todd.Zilincik@canton-mi.org](mailto:Todd.Zilincik@canton-mi.org) and list times available to walk the areas of concern. Ms. Conklin stated each Board member can have another representative from their sub walk with them and she will have someone walk Summit Parkway and Glengarry as well. Ms. Stephens inquired what time of the day is reasonable to meet with Mr. Zilincik. Mr. Casari stated probably late in the day (between 3-5 p.m.) is best.

Mr. Porter inquired if sidewalks had been done in years past. Ms. Conklin stated yes, we did some when she first came to Canton. Mr. Kljun stated annually we would look at sidewalks with the same criteria as Mr. Zilincik. Mr. Kljun stated last year we replaced less than 20 flags. Mr. Stephens stated \$45,000 seems like a lot of sidewalk repairs. Mr. Casari stated he wanted to offer PRRMA a training session so you could do your own estimates of the sidewalks. Mr. Casari stated there are about 13 miles of sidewalks and 8 miles of road. Ms. Gitre inquired if this includes sidewalks along Canton Center and Cherry Hill. Mr. Casari stated he is not sure and will inquire. Mr. Stephens stated the information on Canton's website for sidewalks is informative with pictures also. Ms. Conklin stated we will clarify what the \$45,000 is specifically for. Mr. Casari stated at a minimum wait till next week to contact Mr. Zilincik so Mr. Kljun can get bids started. Mr. Waldbauer stated at his HOA meeting it was expressed that PRRMA does not hire T & M. Mr. Waldbauer stated they thought the job was unsatisfactory. Ms. Conklin stated T & M are one of the better contractors in the area. Mr. Stephens stated the complaints heard about T & M have been with crack sealing. Mr. Casari stated once the bids are in, we could meet with the low bidder and discuss concerns. Ms. Conklin stated PRRMA will have to have a meeting to discuss the bids and review the backup materials.

Mr. Kljun stated in his experience if we put too much of a time constraint on the bidder they tend to inflate the price to cover themselves. Mr. Kljun stated if we give them sufficient time, maybe two weeks, gives them a change to call Mr. Kljun and walk and identify subs repairs and we get a better number. Ms. Conklin stated maybe the first week in August and this could be the August meeting. Ms. Conklin stated maybe August 4<sup>th</sup>. Mr. Stephens stated the crack sealing is haphazard, tends to pull out and he is not sure what his expectations should be for crack sealing. Mr. Casari stated it should last more than a year and remain in the crack. Mr. Casari stated when the work is being done, the crack should be blown out with compressed air, and put the seal in a liquid format and restrict traffic as much as possible. Ms. Conklin stated this should be in the specifications. Mr. Casari stated some companies do crack filling and seal coating and it might make sense to get two bids broken out.

Ms. Conklin stated at the joint meeting, Mr. Gamache wants us to take a look at seal coating that he had seen in other subs and do we want to get a quote for this. Mr. Stephens stated his concern with getting a bid for seal coating is that we discussed this before and we concluded that it was more cosmetic and didn't contribute much to the life of the road. Mr. Stephens stated he doesn't think PRRMA can afford to do

anything that is cosmetic. Mr. Stephens stated if there was new evidence that indicated that seal coating can help prolong the life of the road, he would like to pick a stretch of road, Summit Parkway, and seal coat it and see how it compares to the roadway around it. Mr. Kljun stated there is another issue that PRRMA is coming into major repairs; we have to address the homeowners. Mr. Kljun stated they will be incapacitated. Ms. Conklin stated that will have to be coordinated. Mr. Stephens stated last year we hired a supervisor to coordinate. Ms. Conklin stated we also need to get a bid for supervision. Ms. Conklin stated lets work for August 4<sup>th</sup> for the next meeting with August 11<sup>th</sup> as a back up.

**B. Joint Meeting Follow Up**

All members thought it was a good meeting.

**C. Reserve Funding**

**1. Discussion on Allocated Percentages**

Mr. Stephens stated with what we have done the title reserve makes no sense. Mr. Stephens stated it is our road repair fund and should be renamed. Mr. Waldbauer stated at his HOA meeting the discussion was that each entity have a sign posted at entry that these are private roads. Mr. Stephens stated the Board should take that back to their respective boards for discussion. Ms. Conklin stated she understands what Mr. Stephens is saying about road repair fund, however legally all associations have to have a reserve of some sort. Ms. Conklin stated she will research this.

**2. Review of Administrative Charges**

Discussed previously in III. B. 2008-2008 Proposed Budget.

**D. Insurance Updates**

Ms. Conklin stated we are continuing to add the insurance updates.

**E. Landscape Repairs**

Discussed.

**F. Shrub Responsibility**

Discussed. Mr. Casari stated Mr. Zilincik stated there were a lot of dead trees along the right of way and tree with steaks that do not need them any longer. Ms. Conklin stated we should have someone evaluate this and take care of it. Ms. Gitre stated her HOA has sent out letter to the homeowners on this issue. Mr. Casari stated newly planted trees only need steaks for one growth season and then they can be removed.

**G. Sidewalk Responsibility**

TABLED

**H. Further Discussion on Fairway Pines Proposal**

TABLED

**V. New Business**

**A. Electrical Work**

Ms. Conklin stated Canton Township is informing PRRMA that in some point in time Canton needs to turn off the electricity at the amphitheater to upgrade the electricity which turns off the electricity all the way from Summit Parkway to Pheasant Run. Ms. Conklin stated for one night there will not be lights from 10:00 p.m. until 6:00 a.m. to the club house. Ms. Conklin stated as soon as Canton knows the date she will inform. Ms. Conklin stated nothing will be closed.

Mr. Waldbauer stated Canton installed the fountains in hole 19 and it has not been on for a while. Ms. Conklin stated there is a problem with the pond. Ms. Conklin stated the sludge is so bad, it clogs the fountain. Ms. Conklin stated it has been turned off and Canton is working on it.

Mr. Stephens inquired what is up with the sign contractor. Mr. Kljun stated they said they are waiting on a response from their subcontractor who is engraving the signs and they will let me know the status. Mr. Kljun will call them again tomorrow. Mr. Kljun stated when the new signs are installed which have the concrete base, we have a pattern and we go back to Fast Signs. Mr. Kljun stated Fast Signs have given us much better service. Mr. Kljun stated have Fast Signs established some form of repair contract with them so we can get much more expedited service. Ms. Conklin stated when Mr. Kljun talks to them; indicate if they don't produce they will lose all our business.

Mr. Stephens inquired about the golf cart crossing; he thought we were going to rip out. Ms. Conklin stated we don't have a solution for that yet.

Mr. Porter inquired if PRRMA received a response from Public Safety about monitoring Southwick. Ms. Conklin stated we send them the information and they tell us they will monitor and they never got back with her. Mr. Porter stated the homeowners are going to write a letter to the Police Chief. Ms. Conklin stated that would be very effective and address to Lt. Kerr within the next month, after that to the Public Safety Director.

Mr. Kljun stated the repairs on the signage and the monument wall in Fairway Pines he sent an email outlining the quotation from the contractor, Dan's Custom Brickwork, they have quoted the following: the north monument and the repair is reset and replace all loose and missing stones, tuck point all deteriorated mortar joints and reinstall the sign, \$1,700, center monument around the guard house, \$1,200, south monument, \$2,350 and reinstalling the vandalized sign, \$150. Ms. Conklin stated if there is any kind of vandalizing we need to file a police report and turn into the insurance company. Mr. Kljun stated he doesn't believe there is any structural damage on any of the monuments. Mr. Kljun stated these monuments need to be repaired to prevent water damage and further deterioration. Mr. Kljun stated this contractor was the lowest bidder on other monument repairs. Ms. Conklin stated with \$5,000 we need three bids and need to follow the policy. Mr. Kljun stated he will get two more bids.

Mr. Porter stated he would like to make sure the sprinklers are not spraying on the monuments.

**VI. Other Business**

**A. Update on Pending Litigation**

Ms. Conklin stated she has no update. The court date is September 2, 2008.

The next PRRMA meeting will be held tentatively on Monday, August 4, 2008 at 5:30 p.m.

**VII. Adjournment**

Motion by Waldbauer, supported by Gitre to adjourn at 7:39 p.m. Motion carried unanimously.