

PHEASANT RUN ROAD MAINTENANCE ASSOCIATION, INC.
BOARD OF DIRECTORS
MEETING SUMMARY
June 11, 2009
5:30 p.m.

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 Thursday, June 11, 2009.

Members Present: Ann Conklin, Canton Township, Tom Casari, Canton Township, Mark Waldbauer (arrived 5:45 p.m.), Pheasant View, Laura Gitre (via conference call), Fairway Pines

Members Absent: Craig Stephens, Fairways

Others: Tim Kljun, Roadway Manager, Deborah Dooley, Canton Township, Paul Porter, Pheasant View, Val Krimmer, Fairways

I. Call to Order

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

a. Approval of Meeting Minutes:

- i. April 20, 2009 Meeting Minutes
Motion by Krimmer, supported by Casari to approve the minutes for April 20, 2009. Motion carried by all members present.
- April 29, 2009 Meeting Minutes
Motion by Gitre, supported by Casari to approve the minutes for April 29, 2009. Motion carried by all members present.

II. Financial Activity Review:

A. Current Report

Tim Kljun presented the financial reports as of May, 2009, consisting of:

- Balance Sheet
- Reserve Account (Asset) Activity
- State of Income and Expense Aged Receivable
- Aged Payables
- Narrative for May 2009
- Updated Maintenance and Repair Detail (accumulative totals)

Mr. Kljun stated accounts receivable was \$17,120, Roadway Assets were \$493,988, and liabilities were \$13,401.

III. Unfinished Business

a. Road Repairs

- i. Punch List from 2008 to be completed in 2009

Mr. Kljun stated he and Mr. Casari met with Midwest a week ago Monday. Mr. Kljun stated the areas of concern were reviewed and Midwest made a commitment that they would be here to start on the punch list on Monday and Tuesday of this week. Mr. Kljun stated Midwest did not show up and he has not heard any information as to why they did not or a new projected date. Mr. Kljun stated Mannik and Smith representatives went through the site again and identified with paint all the areas that need to be repaired from the punch list. Additionally, there are six areas along Summit Parkway which are expected to be repaired at the same time as the punch list items are completed. Mr. Kljun stated PRRMA is withholding more than \$13,000 from Midwest until the punch list is completed. Mr. Kljun stated he will continue to follow up with Midwest tomorrow and see if another date can be arranged.

Mr. Casari stated the weather has not been cooperative for Midwest and they are probably behind. Mr. Casari stated Midwest agreed with the punch list items and suggested on the center line of Southwick, either a two (2) foot wide mill or route and seal. Spalding DeDecker stated where the area is wider than one (1) inch, they suggest a mill and fill and less than one (1) inch a route and seal is recommended.

Mr. Porter stated he feels there needs to be a deadline and if not completed by the deadline legal action will be taken. Ms. Conklin stated if not completed we can use the funds withheld to hire someone else to complete the list. Mr. Porter stated he feels we have been damaged by the repairs needing to be done over the winter and it has made the roads worse. Ms. Conklin stated Mr. Kljun will put this request in writing for the completion date and if not, we will take legal action. Mr. Kljun stated he will prepare a proposal letter and forward to Ms. Conklin for her review.

ii. Spalding DeDecker Update

Ms. Conklin stated Mr. Casari has reviewed the chart originally prepared by Mr. Stephens and updated the final numbers. Ms. Conklin stated we need to verify from each HOA the amount of money they have in the bank. Ms. Gitre stated she will forward this information to Mr. Casari. Ms. Gitre stated dues for Fairway Pines this year is \$435.

Mr. Casari stated the Spalding DeDecker presentation this evening will be the model and indicate what it will do for PRRMA. Mr. Casari stated he indicated to Spalding DeDecker to run the PASER of 57 at \$320,000 per year. Mr. Casari stated he believes a bid specification will be put together soon. Mr. Casari stated he believes we will be able to start this process in July and not pay anything until August.

Ms. Conklin stated with all of the analysis it does appear at PASER 57 all of the HOA and Canton will be able to afford. Ms. Conklin stated Spalding DeDecker stated 57 is the lowest level they recommend.

Mr. Casari stated he believes the presentation this evening by Spalding DeDecker will assist everyone on a visual of what the PASER 57 level will look like.

Ms. Conklin inquired what Pheasant View is charging for dues. Mr. Porter stated \$484.00.

Mr. Casari stated there are about 5 years of 10% increase per year then flat with no increases to maintain the budget for a PASER rating of 57.

b. Sidewalk Repairs

Mr. Kljun stated PRRMA received a bid from Hard Rock. However, they were slightly higher than they quoted the Township. Mr. Kljun stated he went out for additional bids to Allen Contracting, Iafrate Cement Co., Banjo Construction and D & G Cement. The lowest bid from the four (4) was Allen Contracting, which was 30% higher than Hard Rock. Mr. Kljun stated he recommends Hard Rock. Mr. Kljun stated Hard Rock has bid on a per unit basis for 4 inch non-reinforced, 6 inch non-reinforced, handicapped ramps and ADA plates. Hard Rock's bid was less than Allen Contracting for all of the red markings. Mr. Casari stated Hard Rock cannot start the Township's sidewalks until July 13, 2009, except for the miscellaneous walks that the Township pays for. Ms. Conklin stated 30% less than Allen Contracting, which was \$19,000, would be \$15,000. Ms. Conklin stated we have identified these red markings as safety issues and we need a motion to award the bid with cost not to exceed \$15,000.00.

Motion by Waldbauer, supported by Casari to award the sidewalk bid for the identified areas that were marked in red as safety issues to Hard Rock Concrete in an amount not to exceed \$15,000. Motion carried by all members present.

Ms. Conklin asked Mr. Kljun to contact Hard Rock Concrete tomorrow morning. Ms. Conklin stated there will be a performance clause in the contract with a deadline date as to completion within 30 days. Mr. Casari stated Hard Rock Concrete needs to go out and walk the areas and compute and make sure they are within the budget and give a firm time frame.

Mr. Porter stated at his HOA meeting several homeowners wanted to know if they could piggyback on the contact with Hard Rock to get some driveway work done. Ms. Conklin stated we can give the homeowners Hard Rock's number and they can contact directly. Mr. Porter stated some homeowners could not wait and had their sidewalks mudjacked. Ms. Conklin stated those areas will have to be evaluated. Mr. Casari stated on the Township's program we don't accept the mudjacking. Mr. Porter stated it actually looks nice. Ms. Conklin stated we will not go back and redo those areas. Mr. Casari and Ms. Conklin stated the homeowner did this on their own and will not be reimbursed. Ms. Gitre inquired if there is still red paint on those sections. Mr. Porter stated he does not think so. If there is red paint it will be removed.

Ms. Conklin stated for the areas known members will check to see if red paint is visible.

c. Monument Signs

Ms. Conklin stated Ms. Krimmer inquired at the last meeting about power washing the monuments. Mr. Kljun stated he has sent out quotes to four (4) contractors and one has currently responded. Mr. Kljun stated there are six (6) monuments in Fairways, three (3) at the Country Club entrance and three (3) at the Glengarry entrance. The contractor that has responded quoted \$100 per monument to power wash. They have also indicated they can put a sealer on the monument for \$159.00. Mr. Kljun stated he is waiting for the remainder of the bids to come in. Mr. Kljun stated Dan's Custom Brick Works has responded they would quote and they have done repair work in the past. Mr. Kljun stated he will ask them about the sealer. Ms. Krimmer stated she sees no reason to seal if it is not beneficial. Ms. Conklin stated if the quotes are timely we can email and have members vote via email. Ms. Krimmer stated she would like to be put on the list for emails as Mr. Stephens is not always available. Mr. Porter will also be added.

d. Insurance Updates

Mr. Kljun stated we are covered at this point for all workmen's compensation. Ms. Conklin stated Spalding DeDecker did submit their insurance document.

e. Policy #2 Updated and Signed

Ms. Conklin had everyone that was present sign and it will return to the next meeting for those who were not present.

f. Independent Review of Books

Ms. Conklin stated request for proposals were mailed out, and two (2) have been received. Ms. Conklin inquired if any Board member would like to sit on a subcommittee with her to review the proposals and make a recommendation to the Board. Ms. Krimmer volunteered to sit on the subcommittee.

g. Manual of Procedures

Mr. Kljun stated he is not prepared to speak on the Manual of Procedures at this time. Mr. Kljun stated he will update the manual and submit for the July meeting.

h. PRRMA website

No additional information.

VI. New Business

a. Trees on Glengarry Blvd.

Ms. Krimmer stated she gets complaints in the fall in anticipation of the leaves falling on the Sycamore trees. Ms. Krimmer stated a resident told her the problem is a fungus. Mr. Kljun stated last season

when the issue was brought up, there was a concern that there was a disease. Mr. Kljun stated he contacted Davey Tree Service and they identified that the trees had anthracnose and a result of the environmental conditions with the wet spring and dry summer. Mr. Kljun stated they indicated last year there was nothing we could do about it, but they quoted to spray all the Sycamore trees along Glengarry this season. The quote was \$750.00. Ms. Conklin reminded members that trees related to PRRMA responsibility, if there is a safety issue and/or major renovations otherwise it is the individual HOA responsibility.

Ms. Conklin stated based on the percentages PRRMA did overcharge the Links. A refund is owed the Links \$1,500.00. Ms. Conklin stated the Links were charged based on the old percentages. Mr. Casari stated St. Joes still owes about \$4,012.00. Ms. Conklin stated the Links did contact her and they are requesting a check instead of a credit.

Motion by Waldbauer, support by Krimmer to refund the Links \$1,500 and will ask the Links to apply the \$1,500 as a credit for next year. Motion carried by all members present.

The next meeting is Monday, July 13, 2009 at 5:30 p.m. in the conference room of Leisure Services.

Motion by Waldbauer, supported by Gitre to adjourn at 6:20 p.m. Motion carried by all members present.

V. Other Business

a. Joint Meeting with all HOA's at 7:00 p.m. in the Lower Level of the Administration Building – Public Safety Training Room

Members Present: Ann Conklin, Canton, Tom Casari, Canton, Mark Waldbauer, Pheasant View

Members Absent: Laura Gitre, Fairway Pines, Craig Stephens, Fairway

Guest Present: Valeria Krimmer, Fairways, Paul Porter, Pheasant View, Dave Nagy, Pheasant View, Diane Langer, Pheasant View, Tim Kljun, PRRMA, Deborah Dooley, Canton, Bob Shanahan, Pheasant View, Phil Loud, Spalding DeDecker, Mark Balon, Spalding DeDecker

Ms. Conklin called the meeting to order at 7:06 p.m. Ms. Conklin stated in the past road repairs were done as needed. However, as the roads continue to age, it is important to have a plan. The reserve study was done but is not a plan. Ms. Conklin stated Mr. Stephens has done a funding plan and Mr. Casari has updated the plan and it is affordable for the roads within the association for the next 10 years.

Mr. Casari stated the last several years Canton's Engineering staff has been involved in doing an annual inspections for PRRMA using the PASER Rating. PASER was developed by the Transportation Center Information Center, University of Wisconsin)

This is a 10 step sheet that indicates the condition of the road. Mr. Casari stated Mr. Phil Laud and Mark Balon from Spalding DeDecker introduced him to the road planning model. This is a tool for planning improvements for the roads using the PASER rating to take the current condition of the road and determine what condition PRRMA wants the road to be in. This model that Spalding DeDecker has built gives you the current ratings and the proposed rating and the cost to maintain the proposed rating for the roads.

Ms. Conklin stated Mr. Mark Balon, Project Manager Spalding DeDecker will present the Pavement Management System.

Mr. Balon stated Spalding DeDecker Associates, Inc. has had strong residential experience and have completed over 100 miles of pavement evaluation for residential areas. Spalding DeDecker is the national consultant for pavement repairs for Sears and Kmart and registered in 20 states. Spalding DeDecker has extensive experience in pavement management.

Mr. Balon presented a typical pavement deterioration curve. Pavement only has a certain life and overtime the pavement distresses and once it hits the critical range preventive maintenance needs to be performed before it gets past the critical point.

Mr. Balon stated you will spend less money if you repair before the pavement reaches the critical range. The cost for repairs once the pavement reaches the critical range or below is exponentially increased.

Mr. Balon stated the pavement repair options are Preventive Maintenance, Rehabilitation, Reconstruction and Routine/Corrective Maintenance.

Mr. Balon stated the six significant factors affecting the life of pavement is: Initial Design, Climatic Conditions, Subgrade Soils, Pavement Materials, Maintenance, and Traffic. One truck driving on roads is like 3,000 vehicles.

Mr. Balon stated the goals and strategies are providing a safe and attractive pavement surface with available funding, achieve lower maintenance cost and extend pavement life, provide a proactive approach to pavement maintenance, reduce crisis spending and provide for long-range planning.

The pavement management program has five (5) step process:

1. Inventory and Inspection
Develop Program goals, client specific attributes, and data structure
Perform Network Level Asset Inspections
2. Work Plan Development
3. Construction Documents
4. Bidding/Contract Administration
5. Construction Management

Spalding DeDecker uses a modified PASER Rating which gives more flexibility. The Visual Rating System for PASER is as follows:

9 & 10	Excellent
8	Very Good
6 & 7	Good
4 & 5	Fair
3	Poor
2	Very Poor
1	Failed

The objective for the work plan development is to develop a work plan strategy, develop Network Priority Rating (NPR), develop budget requirements and execute prediction models to determine projects and schedule.

The Cost/Ratings Comparison	Typical Distresses	Typical Repairs	Cost Per Sq. Ft.
100 Excellent	No distress	No repairs	0
90 Excellent	Minimal Distress	Minimal crack sealing	\$0.01
80 Very Good	Occasional transverse Cracks, widely spaced No longitudinal cracks		
70 Good plus	Cracks sealed or tight Transverse cracks spaced 10 ft. or more Longitudinal cracks Cracks show little or no Erosion Very slight or no surface Raveling, surface shows Traffic wear	Crack Sealing	\$0.15
60 Good	Transverse cracks spaced Less than 10ft. apart Longitudinal cracks (open ¼ in. to ½ in.) spaced less Than 10 ft. First signs of block cracking Slight raveling & traffic wear Slight to moderate flushing Or polishing.	Crack sealing	\$0.25
50 Fair plus	Transverse & longitudinal Cracks (1/2 in.) first signs of Slight raveling & secondary cracks Block cracking up to 50% Longitudinal cracks near pavement Edge Moderate /severe surface raveling	Crack seal (requires routing) Cut and patch (1% of area) Surface seal (seal coat or Slurry seal Re-stripe	\$0.41

	(loss of fine/course aggregate)		
	Extensive/severe flushing/polishing		
		Crack seal (requires routing)	
		Cut & patch (5%)	
		Mil & Replace 1.5"	
		Surface seal (slurry seal	
		Or microsurface)	
		Re-stripe	\$1.00
40 Fair	Block cracking over 50%		
	Transverse/longitudinal cracks/raveling		
	Longitudinal cracking, slight rutting in drive		
	Lane wheel paths		
	Severe surface raveling		
	Patching in fair condition with slight		
	Rutting/distortions (1/2 " deep)		
		Cut & patch (10%)	
		Mill/replace 10%	
		Possible overlay	
		Drainage structure, sidewalk	
		And curb repairs	
		Re-stripe	\$1.88
30 Poor	Severe block cracking/		
	Raveling & erosion		
	Fatigue, or alligator cracking 25%		
	Patches in fair/poor condition		
	Rutting or distortion overall area		
	Occasional potholes	Mill 2.0" proof-roll & perform	
		full depth replacement	
		Possibly repair isolated distress	
		Areas/overlay entire segment	
		Drainage structure, sidewalk,	
		curb repair, re-stripe	\$2.25
20 Very Poor	Fatigue/alligator cracking (25%)		
	Severe rutting/distortions (2" deep)		
	Extensive patching poor condition		
	Frequent potholes	20% base repair with	
		undercutting to strengthen sub-	
		grade	
		Reconstruct full mill or	
		pulverization	
		New pavement layer	
		Drainage structure, sidewalk,	
		Curb repairs or replace	
		Re-stripe	\$3.50
10 Failed	Severe distress with extensive		
	Loss of surface integrity	Full reconstruction required	
			\$6.00

PRRMA's goal is to maintain roads in good condition. Utilize allocated funds to initiate cost effective repairs. Understand impact of delayed repairs. Plan to minimize/eliminate use of assessments and loans (Keep OCI level with annual fees). And last but not least "no surprises".

The condition distribution as of March 2009 for PRRMA roadway is as follows:

New Pavement	6,890	Square Feet
Excellent	967	Square Feet
Very Good	122,697	Square Feet
Good +	403,697	Square Feet
Good	247,072	Square Feet
Fair +	219,905	Square Feet
Fair	180,927	Square Feet
Poor	147,662	Square Feet
Very Poor	38,561	Square Feet
Failed Pavement	0	Square Feet

The surface classification for PRRMA roadway is 0.9% concrete pavement and 99.1% Asphalt Pavement.

Pavement breakdown for the members of PRRMA are as follows:

Fairways	New Pavement	0.2%
	Excellent	0%
	Very Good	2.8%
	Good +	4.5%
	Good	16%
	Fair +	36.7%
	Fair	31.7%
	Poor	5.3%
	Very Poor	1.7%
Failed Pavement	0%	
Fairway Pines	New Pavement	0%
	Excellent	0%
	Very Good	15.4%
	Good +	52.8
	Good	9.9%
	Fair +	2.4%
	Poor	12.1%
	Very Poor	3.1%
Failed Pavement	0%	
Pheasant View	New Pavement	0%
	Excellent	0%
	Very Good	10.6%
	Good +	38.7%
	Good	31.7%

	Fair +	10.8%
	Fair	4.1%
	Poor	4.2%
	Very Poor	0%
	Failed Pavement	0%
Summit Parkway	New Pavement	1.1%
	Excellent	0%
	Very Good	5.5%
	Good +	18.1%
	Good	23.2%
	Fair +	10.4%
	Fair	6.5%
	Poor	27.5%
	Very Poor	7.8%
	Failed Pavement	0%

Mr. Balon stated reinventory should be every 3 to 5 years, including maintaining the system, update costs, keeping current data and maintaining the program.

Mr. Balon stated PRRMA wants to maintain a steady investment in money on the roads. Mr. Balon stated the program will cost \$320,000 for this year's repairs and maintenance according to the model. This cost factors in 7% inflation and asphalt prices can increase or decrease also.

Mr. Casari stated Mr. Stephens has prepared a financial model spreadsheet and over the last couple of weeks he has plugged new number in that are more representative. This model depicts the Budget year for 2009/2010, beginning August 1, 2009. Mr. Casari stated from the model it indicates what dues should be and what increase is required for each subdivision and Canton. Ms. Conklin stated each homeowners association regulates the dues; however the financial model is indicative of how much will be needed.

Please view financial model below.

FUNDING TO MAINTAIN A 57 RATING

V5.0 Added in Links Contribution, rebase to 2008

PRRMA Homes
Rate of Inflation

734
1.04



Year	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	TOTAL	AVERAGE
Starting Balance as of May 31, 2009	490	366.00	246.00	126.00	26.00	0.00	0.00	0.00	0.00	0.00		
General Expenses (k\$)	30.80	32.03	33.31	34.65	36.03	37.47	38.97	40.53	42.15	43.84	369.79	
Maintenance (not roads) (k\$)	14.10	14.66	15.25	15.86	16.50	17.15	17.84	18.55	19.30	20.07	169.29	
Road Maintenance (k\$)	320.00	320.00	320.00	320.00	320.00	320.00	320.00	320.00	320.00	320.00	3200.00	320.00
Annual Funding Required (k\$)	364.90	366.70	368.56	370.51	372.53	374.63	376.81	379.09	381.45	383.91	3739.07	
Additional Funding for Future Anticipated Expense (k\$)	-124.00	-120.00	-120.00	-100.00	-26.00	0.00	0.00	0.00	0.00	0.00	-490.00	
TOTAL Funding Required (k\$)	240.90	246.70	248.56	270.51	346.53	374.63	376.81	379.09	381.45	383.91	3249.07	
The Links Contribution	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
TOTAL PRRMA Funding Required (k\$)	240.90	246.70	248.56	270.51	346.53	374.63	376.81	379.09	381.45	383.91	3249.07	
Canton Township Share 20.48% (k\$)	49.34	50.50	50.88	55.37	70.93	76.69	77.13	77.60	78.08	78.59	665.11	
Fairways Share 28.22% (k\$)	67.98	69.62	70.14	76.34	97.79	105.72	106.34	106.98	107.64	108.34	916.89	
Fairway Pines Share 32.96% (k\$)	79.40	81.31	81.93	89.16	114.22	123.48	124.20	124.95	125.73	126.54	1070.89	
Pheasant View Share 18.34% (k\$)	44.18	45.24	45.59	49.61	63.55	68.71	69.11	69.52	69.96	70.41	595.88	

Fairways		HOA Annual Expenses per Home (\$)	263.19	273.72	284.67	296.06	307.90	320.22	333.02	346.35	360.20	374.61	3159.93	
Number of Homes		PRRMA Funds Required per Home (\$)	258.49	264.71	266.71	290.25	371.82	401.98	404.32	406.76	409.30	411.93	3486.27	
263		HOA Annual Dues per Home as of Aug 1, 2009 (\$)	508.00	508.00	533.40	586.74	645.41	709.96	780.95	780.95	780.95	780.95	6615.31	661.53
Initial Bank Balance (k\$)		HOA Surpluss (k\$)	-3.60	-8.00	-4.73	0.11	-9.02	-3.22	11.47	7.32	3.01	-1.47	-8.12	
51		HOA Bank Balance (k\$)	47.40	39.40	34.67	34.78	25.76	22.54	34.01	41.33	44.35	42.88		

Fairways Pines		HOA Annual Expenses per Home (\$)	225.00	234.00	243.36	253.09	263.22	273.75	284.70	296.08	307.93	320.25	2701.37	
Number of Homes		PRRMA Funds Required per Home (\$)	256.96	263.14	265.13	288.54	369.63	399.60	195.01	404.36	406.88	409.50	3258.75	
309		HOA Annual Dues per Home as of Aug 1, 2009 (\$)	435.00	478.50	526.35	578.99	636.88	668.73	668.73	668.73	668.73	668.73	5999.36	599.94
Initial Bank Balance (k\$)		HOA Surpluss (k\$)	-14.51	-5.76	5.52	11.54	1.25	-1.43	58.41	-9.80	-14.24	-18.85	12.12	
21		HOA Bank Balance (k\$)	6.49	0.73	6.25	17.79	19.03	17.61	76.01	66.21	51.98	33.12		

Pheasant View		HOA Annual Expenses per Home (\$)	226.00	235.04	244.44	254.22	264.39	274.96	285.96	297.40	309.30	321.67	2713.38	
Number of Homes		PRRMA Funds Required per Home (\$)	272.72	279.28	281.40	306.24	392.30	424.12	426.59	429.16	431.84	434.62	3678.27	
162		HOA Annual Dues per Home as of Aug 1, 2009 (\$)	512.23	563.46	563.46	591.63	650.80	715.88	787.46	787.46	787.46	787.46	6747.31	674.73
Initial Bank Balance (k\$)		HOA Surpluss (k\$)	2.19	7.96	6.09	5.05	-0.95	2.72	12.14	9.87	7.51	5.05	57.62	
0		HOA Bank Balance (k\$)	2.19	10.15	16.24	21.29	20.34	23.06	35.19	45.06	52.57	57.62		

Ratio of Homes to Roadway Area	
Fairways	8.28
Fairway Pines	9.29
Pheasant View	7.07

VI. Adjournment

Motion by Waldbauer, supported by Casari to adjourn at 8:47 p.m. Motion carried by all members present.