

PHEASANT RUN ROAD MAINTENANCE ASSOCIATION, INC.
BOARD OF DIRECTORS
MEETING SUMMARY
July 13, 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 Monday, July 13, 2009.

Members Present: Ann Conklin, Canton Township, Tom Casari, Canton Township, Mark Waldbauer, Pheasant View, Laura Gitre, Fairway Pines, Craig Stephens, Fairways

Members Absent: None

Others: Tim Kljun, Roadway Manager, Deborah Dooley, Canton Township,

I. Call to Order

Ann Conklin called the meeting to order at 5:45 p.m.

a. Approval of Meeting Minutes:

- i. June 11, 2009 Meeting Minutes
Motion by Waldbauer, supported by Casari to approve the minutes for June 11, 2009. Motion carried unanimously.

II. Financial Activity Review:

A. Current Report

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

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

Mr. Kljun stated PRRMA has received St. Joes and Fairway Pines (with the \$10.00 charge the bank assessed PRRMA) money. Ms. Conklin stated the Board already voted that Fairway Pines needs to pay all late fees. Mr. Kljun stated he has invoiced Fairway Pines the late fees; however they have not paid as of yet. Ms. Conklin asked Mr. Kljun to invoice Fairway Pines again. Mr. Kljun stated the late fees are \$317.71. Ms. Gitre asked Mr. Kljun to send her an email as a reminder.

III. Unfinished Business

a. Road Repairs

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

Ms. Conklin stated verbal confirmation from Mannic & Smith confirmed that all repairs from 2008 were completed and Midwest was very amicable.

Mr. Waldbauer stated there is no work scheduled to be completed in Pheasant View in the upcoming season. Mr. Waldbauer presented to the Board work on Crowndale Boulevard that he indicated needs to be done in Pheasant View. Mr. Waldbauer indicated that he understood these items were on the punch list and should have been completed. Mr. Kljun stated these items were not on the punch list. Mr. Waldbauer stated there are a lot of cracks. Mr. Waldbauer stated he thought cracks were already done. Mr. Stephens stated crack sealing was not done last year because it was not done before winter.

ii. Award Bids for 2009 Season

Ms. Conklin stated she received the bid for the 2009 season from Mark Balon, Spalding DeDecker. Ms. Conklin stated she was sent three bids. Ms. Conklin stated there is a general allocation for crack sealing included in the 2009 bid. Ms. Conklin stated those cracks shown by Mr. Waldbauer this evening that are applicable will be included in this season.

Mr. Casari stated the bid came in at \$278,500, leaving \$21,480 left in the \$300,000 budget that could be used for any adjustments. Mr. Casari stated there is \$5,000 allocated for crack sealing at \$0.10 per foot, Incremental Mill and Undercut \$5,000, 2.5" Mill and Cap \$6,480 and \$5,000 for slurry seal. Mr. Casari stated Spalding DeDecker are inquiring if the full \$300,000 be approved and the \$21,480 be broken up to allow for the crack sealing, Incremental Mill and Undercut, Mill and Cap and slurry seal based on where the model calls for these repairs. Mr. Kljun stated that will put some additional load on our funding requirements because the sidewalk repairs were in excess of \$7,000-\$8,000. The total invoice for sidewalk repair was \$23,510. Mr. Casari stated the original budget for roads was \$320,000. Mr. Casari stated \$20,000 was supposed to be for sidewalks, of the \$21,510 left, between the \$278,500 and the \$320,000, we should take \$35,000, which would leave \$18,000, \$4,000 for crack seal, \$4,000 for slurry seal, and \$4,000 for incremental mill and undercut. Ms. Gitre stated why wouldn't we just stick with the budget that came under what we estimated and save till next year or until the next time we do an assessment. Mr. Casari stated we decided to use the PASER 57 model and when we backed all that out it came in at \$300,000 for pavement. Ms. Conklin stated we backed into \$300,000, thinking that is what we could afford, and really the minimum level. Ms. Gitre stated she would rather wait to spend the money next year and is opposed to spending it now.

Mr. Stephens inquired if the sidewalk work done this year will be the only sidewalk work done this year. Mr. Casari stated he thinks it is completed based on what we decided. Mr. Stephens stated he believed that all the red dots should be done. That was addressing what should have been done last year. Mr. Stephens stated he thought Spalding DeDecker was looking to see if any more sidewalk work needed to be done. Mr. Stephens inquired if we did both or did we just do the red dots. Ms. Conklin stated we just did the red

dots. Mr. Kljun stated that was PRRMA's contract without Spalding DeDecker. Mr. Kljun stated this contract is for roadways and curb and gutter only. There is no sidewalk involvement. Mr. Kljun stated in his walk through with the contractors there are some sidewalks that are questionable. They may not be out of specification. Ms. Conklin stated just like there are roads that are questionable that were not bid on. Mr. Stephens inquired if Spalding DeDecker will do an assessment of the sidewalks this year. Ms. Conklin stated she believes we told Spalding DeDecker not to assess sidewalks this year. Mr. Casari stated we only addressed the red dots from last year and nothing additional for this year. Mr. Casari stated PRRMA's liability may be a little different than the Township's. PRRMA has now established a sidewalk program and you are budgeting \$20,000 per year for sidewalk repairs. Those repairs have been done for one year, and we have budgeted again for next year. From a liability standpoint PRRMA has addressed the concerns.

Mr. Stephens stated he can see Ms. Gitre's point; however we are already doing a little less than we wanted to and in terms of deterioration if we spend a little more now, it is a good investment.

Mr. Waldbauer stated from Mr. Kljun's spreadsheet it appears there is nothing for Pheasant View for roadway repair for 2009-2010 budget. Ms. Conklin stated yes, that is correct with the exception of pot holes and crack sealing. Ms. Conklin stated that is general in nature for each subdivision. Mr. Casari stated from Spalding DeDecker's model, Summit Parkway and Glengarry are in for repairs quite heavily. Mr. Casari stated that is the basis for the model and not arbitrary. Ms. Conklin stated there is crack sealing throughout. Mr. Kljun stated according to the bid document there is no work to be done in Pheasant View. Ms. Conklin stated she was under the impression that anything ¼ inch or more would be crack sealed. Ms. Conklin stated she feels we should get a price and do crack sealing. Mr. Stephens stated we cannot just do nothing for potholes and cracks. Mr. Casari stated the \$18,500 that is left out of the budget could be used for additional work already stated.

Mr. Stephens stated he is struggling with the same feelings he had last year, which is we do the rating and he is not feeling a connection between the ratings and the repairs. Mr. Stephens inquired if some data could be done indicating the road rating and how much money will be spent on it. Mr. Stephens stated if all the roads rated a 6, for example, he would expect each of those roads to get the same amount of money spent on them. Ms. Gitre stated the model does show what they expect to do for each road. Mr. Stephens stated he believes the information is there. Mr. Casari stated he feels the best thing to do is have Spalding DeDecker come in and explain. Mr. Casari stated the model is complicated and he believes they can print out tables for an explanation.

Mr. Waldbauer stated it will be a tough sell to everyone in Pheasant View that we receive absolutely zero repairs this year. Mr. Casari stated it is the starting

point that is difficult, in time, all subs will see the benefit. Mr. Stephens stated the bottom line is not that Pheasant View isn't getting anything done, it really is that Glengarry and Summit Parkway are getting everything done, which is the main thoroughfare. Mr. Waldbauer stated which Spalding DeDecker did express. Mr. Casari stated there is a hierarchy of road, which are the boulevards that carry more traffic. Ms. Gitre stated which is the argument of the subdivisions that the Township is getting everything. Ms. Gitre stated it is the process of getting enough information behind us to support the decisions we make. Mr. Stephens stated he is ok that the model is focusing on Glengarry and Summit Parkway, but he does feel that cracks in all subs need attention, even if it is cold patch. Mr. Casari stated maybe we should designate the \$18,000 be used on any area that will not be mill and resurfaced next year, focusing on Pheasant View first. Mr. Stephens stated he would like to see areas that have already been repaired and may need crack sealing to look after our investment.

Mr. Stephens stated we said we weren't doing sealing period. Mr. Stephens stated most sealing was cosmetic only, what has changed. Mr. Casari stated slurry seal is the other sealing and does provide a structural basis. There are some contractors that do slurry seal in Michigan. Mr. Casari stated slurry seal is about 1/3 or 1/5 the cost of milling and resurfacing and gives benefits much greater. Ms. Conklin stated seal coating is a waste of money, slurry seal has a material included that is almost like an overlay. Mr. Casari stated the slurry seal will not have the same smooth surface as a mill and resurface.

Ms. Conklin called Mark Balon and discussed issues via speaker phone.

Mr. Casari inquired there are areas within Pheasant View that appear there to need to be some crack sealing and why are they not included in the model for this year. Mr. Balon stated he does not have the plan in front of him at this time; however the alternate money that was not within the bid could be used for these crack sealing's. It was listed that \$5,000 would be for crack sealing, \$5,000 for slurry seal, and about \$5,000 for mill and replace to be used in other areas. Mr. Conklin inquired about previous repairs completed last year, where the area around the patch has gapped. Mr. Balon stated yes, and some areas will be removed and filled to give a uniform structure in the roadway.

Mr. Stephens stated where a good patch has been completed, but where the patch joins the old roadway has not been crack sealed, is that a place you would prioritize for crack sealing. Mr. Balon stated yes.

Mr. Waldbauer stated is it correct that some work will be done in Pheasant View. Mr. Balon stated yes. Those areas will be marked at the pre-construction meeting. Mr. Balon stated the pre-construction date will be a week from this Wednesday. Mr. Balon stated the contractor is required to give notice of intent to get all the insurance and bonds, and put all documents together and this gives them 14 days to sign the agreement which he has already, in principal, agreed to sign the agreement.

Discussion via speaker phone ended with Mr. Balon.

Ms. Conklin stated she wants all Board members to look at the financials as this is the largest expenditure PRRMA has ever made and will forever change the way we do things. Mr. Casari stated the bank balances need to be looked at and corrected. Mr. Casari inquired if Pheasant Views dues correct. Mr. Waldbauer stated Pheasant View's dues are \$484.00. Mr. Casari stated those need to be corrected. Mr. Kljun stated his concern is what is the escape plan if the subdivisions cannot supply the money. Mr. Kljun stated we can finance this contract with the reserve monies and what we have currently. Mr. Kljun stated the first and second quarters of 2009/2010 the subdivisions will be able to make their contributions to PRRMA. If the subdivisions are not able to come up with their money what do we do? Mr. Stephens stated at this point the subdivisions should know if they are able to afford their dues or not. Mr. Kljun stated we are close to being able to fund the 2009/2010.

Mr. Kljun stated if some of the associations are not able to bring forth the money, what is the plan for PRRMA to help the subdivisions. Ms. Conklin stated the dues are not going up any more than 10% in any given year with this model and we can fund. Mr. Waldbauer stated the fiscal year will start in August, which gives Pheasant View five months at \$484.00 and seven months at \$532.00. Mr. Stephens stated we are going to plan where no subdivision runs out of money. Mr. Stephens stated if by chance a subdivision runs out of money we have money in the reserve. That subdivision will get money out of the reserve and pay back with interest in the following year. Mr. Kljun stated we have sufficient money to cover this expenditure for this year. Ms. Conklin stated our bank balance as of May 31, 2009 was \$490,000 and should be good for at least a couple of years.

Mr. Stephens stated the first defense against anyone running out of money is good planning. Second defense is we can do a special assessment and the third defense is borrow from the reserve and pay back with interest, or not do any work one year. Mr. Casari stated we can adjust the rating to a 52 and adjust spending for a year or two if needed.

Mr. Kljun stated at the end of June, 2009 we had in reserve \$470,000 plus our accounts receivable of \$17,000. Mr. Kljun stated we have received money from Fairway Pines and reduced our accounts receivable to \$785.00. However, we paid Midwest and sidewalk repairs and this brings the reserve down to \$447,000. Mr. Kljun stated our cash value is \$447,000. Mr. Casari stated he put \$490,000 as of the end of June, 2009. Mr. Casari stated come August with dues coming in we will have enough money. Ms. Gitre stated the most difficult years will be the next couple of years with the state of the economy.

Mr. Klun will bill the homeowners associations for extra work done on the sidewalks; Fairways, \$240, Fairway Pines, \$120.

Motion by Stephens, supported by Gitre to award the contract to Nagle for a total bid not to exceed \$296,730 as specified. Motion carried unanimously.

b. Sidewalk Repairs

Mr. Kljun stated a document was sent to each Board member as to what repairs were done and what was being paid for in the invoices. There have been a number of residents calling for additional repairs. Mr. Kljun inquired how does the Board want to handle. Mr. Stephens stated email the roadway manager and we will inspect and advise. Mr. Casari stated in the Township we have areas that we check for that year and the calls that come in we call that “*miscellaneous*” and it goes on next years repairs if they meet the criteria.

Ms. Gitre stated since this year’s sidewalk repairs are completed, next year will the Board be doing the analysis? Ms. Conklin stated PRRMA will be doing the analysis next year. Ms. Conklin stated if we find something that is a safety hazard and should be taken care of immediately, email Ms. Conklin.

Mr. Waldbauer inquired who’s responsible for the sidewalk on Beck Road? Mr. Casari stated the sidewalks on Beck Road are the HOA responsibility. Mr. Waldbauer showed a picture of a sidewalk at the intersection of Crowndale Blvd. and Beck Road (south side) that is a safety hazard. Ms. Conklin stated the HOA will have to approve the work to be done and then contact the contractor for repair. The cost should be less than \$240.00.

c. Monument Signs

The monuments in Fairway Pines have been cleaned and Ms. Krimmer has looked at them. Ms. Krimmer emailed Mr. Kljun and stated she was glad they were done and happy with them.

d. Insurance Updates

Mr. Kljun stated the association has received a \$500 rebate from workman’s compensation. Mr. Waldbauer stated Pheasant View is also getting a rebate from their workman’s compensation.

e. Policy #2 Updated and Signed

The last page change that was made is:

“Pursuant to the sales agreement to the Links Condominiums and St. Joseph Mercy Health Center Services their contribution portion will be assessed based on the amount of lineal frontage each development has on Summit Parkway. The contributions by the Links Condominiums and St. Joseph’s will be based upon the following schedule, the contributions will be payable directly to Canton Township. Canton will be annually invoiced its full assessment based on the description herein: Canton will be responsible for invoicing any sub entity, St. Joes and the Links, and will retain all assessments collected from such.”

All agreed and all Board members signed the Update Policy #2.

Mr. Kljun inquired how the Board wanted to handle calls he has received from homeowners that their sprinklers system have been damaged as a result of sidewalk removal. Mr. Kljun stated the homeowners have indicated they have fixed the sprinkler system themselves and they want reimbursement. Mr. Casari stated we do not reimburse homeowners at the Township. Mr. Casari stated the contractor is responsible for the repairs as part of the cost of the sidewalk. Mr. Casari stated there is nothing PRRMA can do now.

f. Independent Review of Books

Ms. Conklin stated we have received proposals for someone to come in and look at the way our books are set up. The last meeting Ms. Krimmer volunteered to be on the subcommittee with Ms. Conklin to review those proposals. We received two proposals: Moore, Stephens, Dorr and Mayhue with the proposal of \$11,000-\$17,000, and another from Bovitz with the proposal of \$1,000-\$1,500.

Motion by Gitre, supported by Waldbauer to hire Bovitz, not to exceed \$1,500 to review our financial books. Motion carried unanimously.

g. Manual of Procedures

Ms. Conklin stated slowly we are working on them and have a complaint process complete. Mr. Kljun prepared a document and sent to Ms. Conklin. Ms. Conklin will critique and Mr. Kljun will update and resubmit to Ms. Conklin.

The document indicates from time to time, the Roadway Manager Representative is going to be aware of a "*request for service*" acting on the complaints affecting an area under the jurisdiction of the association. The procedure would be that the representative identifies who is making the complaint, the location and the scope of work, and the impact of the service on the subdivision. This information will be brought back to the Board and the Board will review and make their decision. Sometimes they will be required to hire outside sources and get responses and the majority of the Board will take action. The Roadway Manager Representative will inform the requesting party of the Board action.

Mr. Kljun stated Ms. Conklin has indicated a couple of paragraphs to be identified here pursuant to establish a policy. We do have some established policy that allows unilateral action. Ms. Conklin has indicated there is a standard form that is used. Mr. Kljun will put it together and email to Ms. Conklin. Ms. Conklin stated she will email to all Board members. Mr. Stephens stated it also needs to go on the website. Ms. Conklin stated it will be put on the website.

Mr. Kljun stated he has everything in a PDF file and he can put on the website.

h. PRRMA website

Ms. Conklin stated Ms. Waldbauer does a great job on the website. Mr. Waldbauer stated as of today, hopefully the current financials have been added to the website. Mr. Waldbauer stated he will submit an invoice.

VI. New Business

a. Trees at Stop Signs

Ms. Conklin stated the trees are getting overgrown again and we need to get Davey out again to trim. Mr. Kljun stated some of the low stop signs have been vandalized and should we replace all of the low stop signs in addition to cutting the trees.

Mr. Kljun stated he did receive information from Paul Robinson, the sign guy, that the sign at Club Court and Mornington someone took the metal sign off. Mr. Kljun stated he authorized the sign to be replaced. Mr. Waldbauer stated the sign at Windridge and Stone Bridge at the boulevard entry also needs repair. Mr. Waldbauer stated the bases of the signs are rotting.

Mr. Kljun stated some signs need to be painted.

Mr. Casari stated Cherry Hill Village has been putting in plastic PVC signs and the Board could take a look at those.

Ms. Conklin stated Canton is looking at all the dead trees and shrubs along the boulevards and getting a price and it would be PRRMA's responsibility.

Mr. Stephens inquired if a list of open and closed contracts can be put on the website. Ms. Conklin stated it is a good idea. Mr. Stephens stated he thinks it is a good way to let homeowners know what is being done.

V. Other Business

Mr. Casari stated we are getting ready to do the improvement at the intersection at Beck and Crowndale. Widening for a center left turn lane and a traffic signal is slated to go in also. Mr. Casari stated in order to stripe for a "*right or left turn only*," you need two lanes coming from Central Park side across. Mr. Waldbauer stated put a sign that indicates all traffic must turn. Mr. Casari stated we may be able to do that. Mr. Casari stated police can enforce what ever happens in the public right of way.

Mr. Waldbauer stated he received a letter from a homeowner and indicated he would bring it to the Board's attention, the sign "No Thru Traffic" not being adhered to and not effective. Mr. Waldbauer stated Southwick is a busy street. Mr. Waldbauer stated the letter also indicated that golf carts were running down the residential sidewalks in his subdivision. Ms. Conklin stated we get complaints that it happens periodically. Mr. Waldbauer stated he responded to the letter and he promised he would bring to the Board.

The next meeting date is July 27, 2009 at Pheasant Run Golf Course Club House at 6:30 p.m.

VI. Adjournment

Motion by Gitre, supported by Stephens to adjourn at 7:38 p.m. Motion carried unanimously.