

**PHEASANT RUN ROAD MAINTENANCE ASSOCIATION, INC.
BOARD OF DIRECTORS
MEETING SUMMARY
JANUARY 7, 2013
5:30 PM**

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, January 7, 2013.

Members Present: Debbie Bilbrey-Honsowetz, Canton Township, Val Krimmer, Fairways, Pete Sandys, Fairway Pines, Mark Waldbauer, Pheasant View, Bill Serchak, Canton Township, Tim Kljun, Roadway Manager

Members Absent: None

Others: Tim Kljun, Roadway Manager Deborah Dooley, Canton Township, John Visos, President HOA Fairway Pines

I. Call to Order

Mrs. Bilbrey-Honsowetz called the meeting to order at 5:42 P.M.

a. **Approval of Agenda**

Motion by Serchak, supported by Waldbauer to approve the agenda as presented. Motion carried unanimously.

b. **Approval of Meeting Minutes:**

i. November 19, 2012 Meeting Minutes

Motion by Krimmer, supported by Sandys to approve the November 19, 2012 minutes as presented. Motion carried unanimously.

II. Develop Agenda and Prep for HOA Board Meeting on January 29, 2013

Mr. Visos inquired if \$30,000 or 10% be removed from the budget. Mr. Kljun presented the Budget Summary for the 10 year plan.

Mr. Kljun presented the PRRMA Policy No. 2 Schedule of Annual Assessments – Revision 1 effective August 1, 2009. This listed the entity, roadway area (sq. ft.) and percentage.

Mr. Kljun stated Canton makes additional contributions of \$25,000 in in-kind services. Mr. Visos stated in addition to the roadway money, Fairway Pines pays additional money to Canton Township of \$2,000-\$3,000 per year for cutting a two acre parcel. Mr. Kljun stated Fairway Pines has chosen to do this because it is the least expensive way. Mr. Kljun presented the Policy No. 2 Schedule of Annual Assessments - Revision 1. Effective August 1, 2009 and thereafter, the following schedule represents the percentage each entity will be assessed on an annual basis as its fair share costs of maintaining the roadway elements described in the reciprocal easement agreement.

Entity	Roadway Area (sq. ft.)	Percent (%)
Fairway Pines HOA	1,019,090	32.96
Fairways HOA	872,550	28.22
Pheasant View HOA	566,840	18.34

Canton Township	632,970	20.48
Total	3,091,450	100.00

Mr. Visos stated Fairway Pines pays additional money for grass cutting and weed control. Mr. Kljun stated that is because Fairway Pines, like Pheasant View and Fairways, indicated they wanted to do those themselves. Mr. Visos stated in addition to the roadway money Fairway Pines pays additional money to Canton Township of approximately \$2,000 - \$5,000 per year for different services. Mr. Kljun stated Fairway Pines has chosen to pay Canton Township because it is the least expensive way. Mr. Visos stated Canton cuts a two acre parcel on Cherry Hill. Fairway Pines pays 4-5 times per year. Mr. Visos stated sometimes they pay for street cleaning as well. Mrs. Bilbrey-Honsowetz stated PRRMA has contracted with Canton for at least the last two years that she has been involved to sweep the streets. PRRMA has paid those bills both times. Mr. Serchak stated subdivisions do call and request an additional sweep. Mr. Visos stated this would be a good issue to discuss at the January 29th meeting.

Mr. Kljun stated back in 1988 when PRRMA was formed PRRMA decided to do everything. This meant that each HOA would contribute money to PRRMA for items such as lawn maintenance and roadway repair. Mr. Kljun indicated Mr. Visos would have to read the Reciprocal Roadway Easement Agreement to understand the complete scope of work to be included. Mr. Kljun stated it is roadway and infrastructure.

Mr. Serchak stated the three HOA's and Canton have roads that belong to Wayne County; however they have been designated as private roads. When PRRMA was created because of the boulevard the County refused to take responsibility for them so they became private roads in a public subdivision. Upon inception they created PRRMA to be responsible for the three subdivision roads and Summit Parkway and have been that way for 14 plus years. Mr. Waldbauer stated the long and short of it is that Wayne County does not allow golf carts on their roads. This is the only way the three subdivisions could get the roads maintained. Mr. Kljun stated the roads do not comply with Wayne County's specifications.

Mr. Serchak stated it is important to know when a person purchases a home in any one of the three subdivisions they belong to the association and there are a series of by-laws. Mr. Visos stated he believes there is inequity. Mr. Serchak stated Canton's total assessment is \$86,000. Mr. Waldbauer stated Canton provides approximately \$60,000 for road repair and another \$27,000 for maintenance.

Mr. Visos inquired if any HOA had considered changing the by-laws to lower the increase in dues. Mr. Waldbauer stated a HOA cannot make any changes if you read through the entire Covenants and Restrictions. Mr. Visos stated you cannot charge late fees according to the law. Mr. Kljun stated PRRMA would have to discuss that issue with legal.

Mrs. Krimmer stated her HOA will come to the January 29th meeting but they are not happy. Mr. Stephens has represented PRRMA and done a good job in explaining the process. Mrs. Krimmer stated she does not want to pay a special assessment for roads in the future.

Mr. Visos stated his HOA has a mile of Canton Center and Cherry Hill to maintain. Mr. Waldbauer stated Fairway Pines has more homes than any other HOA. Pheasant View has the least amount of homes per square foot. Mrs. Krimmer stated doesn't Fairway Pines maintain

the mailboxes as well. Mr. Visos stated Fairway Pines just dropped those and there are a lot of arguments on those also.

Mr. Kljun inquired as a resident of Fairway Pines what is the major complaint and why don't the residents want to maintain what they have. Mr. Kljun stated the residents that are delinquent in their dues, are they empty homes. Mr. Visos stated Fairway Pines is down to 7 homes that do not pay dues out of 300. There are a number of rental properties and they have been able to pay the dues. Mr. Visos stated the meeting on January 29th needs to clarify the amount of money everyone pays, and the increase. Mr. Visos stated if the 10% increase remains it is a 40% increase over 4 years. Mrs. Krimmer stated Fairway Pines has had a lot of roadwork done. Mr. Visos stated we don't have to repair the curbing. Mr. Sandys stated as a homeowner he would be upset if PRRMA did not replace his curbs. Mr. Kljun stated all of the roadway work has been presented to PRRMA for approval by engineering staff. Mr. Visos stated he does not fault that, however if money is tight and we want the roads to be 85% good we should concentrate on one portion at a time.

Mr. Serchak stated on January 29th there will be several issues covered and PRRMA will be as concise as possible. There will be PowerPoint's on all of the historical data. Discussion will include what PRRMA is and how it was formed, a brief history and how PRRMA is managing the roadways now. The third party consultant has been working with PRRMA for three years. When they were first hired they assessed the entire roadways with using an established roadway system to evaluate roads. They use this system to determine each year the amount of roadway repairs. A ten year projection was created to maintain the roads to PRRMA's specifications. This will determine how the budget is assessed each year. Mr. Serchak stated in the course of this discussion, he believes all the questions will be answered. Mr. Visos stated he has no problem with the increase, just the mechanism on how it is done.

Mr. Kljun stated in 1998 PRRMA hired a reserve advisor and they placed PRRMA on a 12 year schedule. When the economy took a turn downward PRRMA was not able to collect enough interest on the reserve they were collecting, it was decided upon by the PRRMA Board to deplete the reserve using the PASER method. 2012/2013 is the first year PRRMA depleted all the reserve. PRRMA is on a pay as you go program now. The overall objective PRRMA was trying to accomplish was an escalating dues cost for the first 6 years of this program starting in 2009. In 2014 PRRMA would have sufficient money, the roads would be sufficiently repaired and PRRMA would not have to increase dues anymore. Mr. Kljun stated PRRMA is a year behind in increasing dues. This information is based on a simulation prepared by Craig Stephens.

Mr. Serchak stated PRRMA is in the process of hiring an engineer. PRRMA has had a good engineer for the past three years. PRRMA will request a proposal from three different firms to handle construction in 2013. The first thing PRRMA will ask them to do is update our road model to see if what we predicted several years ago is appropriate. This will determine the budget for this year and future years. Mr. Serchak stated this recommendation does not take into account the ability for all the entities to pay. It takes into account how PRRMA maintains the roads at a certain level.

Mr. Kljun stated it appears PRRMA will only have \$213,000 to spend on roads in 2013 and \$300,000 is needed. It is not known at this time what roads needed repair. Mr. Kljun stated that is what the engineer has told us to expect each year for a 10 year period. Mrs. Bilbrey-

Honsowetz the roads are examined each year to determine the scope of the work needed for that year.

Mr. Serchak stated PRRMA spent \$290,000 on roads last year. The engineer presented to PRRMA drawings for all the areas of repair. At the beginning of the project several sections were eliminated. In particular there were areas along Summit Boulevard and significant issues concerning drainage issues on a cul-de-sac in Fairways. Both of those areas were deferred and those still need to be done this year.

Mr. Kljun distributed a Budget Summary that was from Spalding DeDecker the engineer who developed the model. This projects the amount of money needed for pavement repairs for each year of the 10 year plan. Mr. Sandys indicated that seal coating was listed as part of the repairs. It was decided by Spalding DeDecker that although the seal coating looks good it does not provide adequate protection. It is no longer on our list of repairs. The PRRMA Board looks at all the items listed as proposed repairs and decides if it will be done. Mr. Waldbauer indicated that all the information is on the PRRMA website for all to review.

Mr. Visos stated Fairway Pines is currently behind on collecting dues. Mr. Kljun stated the Fairway Pines Board should be maintaining a reserve for Fairway Pines and to also meet the requirements of PRRMA. Mr. Visos stated he would like to see how much money was spent on individual road repairs, how much in total was spent on roads, and how much was spent on repairing lights. When you look at the overall budget for the year, how much is spent on each subdivision per year, and he does not see those figures. Mr. Kljun presented the 2009-2012 Income and Expense Statement which provides all the costs. Mr. Kljun broke down all cost to each of the four entities for Mr. Visos. Mr. Sandys stated that Fairway Pines received \$164,000 from the \$300,000 budget for road repairs in 2012. Mr. Serchak stated it is not equitable every year, because it is managed as one group of roads.

Mr. Kljun stated on the January 29th meeting he will cover the following information:

1. Budget Summary showing the amount of money required each year for roadway repair
2. Simulation prepared by Craig Stephens and provides where PRRMA was expecting to be going forward with assessments for each subdivision
3. No change procedure going forward.
4. 2012 Cash Flow Analysis
5. Projection for 2013

Mr. Kljun left the meeting at 7:15 p.m.

Mr. Serchak stated he will present a brief history of PRRMA and how PRRMA is assessing and maintaining the roads.

The Study Session for PRRMA with HOA's Board on January 29, 2013 meeting to begin at 7:00 PM.

Mr. Waldbauer stated he believes it would be beneficial for the HOA to know the cost to totally rebuild the roads. Mr. Serchak stated he has some good estimates to share with the HOA Boards.

Mrs. Bilbrey-Honsowetz stated she will request written questions in advance.

Mr. Waldbauer will forward the agenda for the January 29th meeting for the Boards review.

III. Unfinished Business

a. 2013 Road Repair Plan

Mr. Serchak presented the draft Request for Proposal for Engineer Consulting Services. Mr. Serchak stated he recommends providing the RFP to the following engineering firms: Spalding DeDecker, Nowak & Fraus and Hubble Roth & Clark. Mr. Waldbauer stated last year PRRMA decided that an inspector was needed on-site to ensure minimal cost overruns. Mr. Serchak requested the Board to review the RFP and report any changes, or additions to him. He will send out to the three consulting firms upon final review.

Mrs. Krimmer inquired why the stop signs at the golf cart crossing are not covered up during winter months. Mr. Sandys stated Public Safety stated that if the stop signs are covered people will get used to not stopping and run the stop sign during the golf season. This is a safety issue.

Mrs. Krimmer stated the site-lines at Inverness and Glengarry are dangerous due to shrubbery. Mr. Serchak stated he will take a look and see what can be done to improve the site-line. Mrs. Krimmer stated another area where the site-line needs to be improved is on Summit Parkway as the shrubs obscure the golf carts. Mr. Serchak stated the shrubs have been cut down in the past and it will be looked at again closer to golf season.

b. Landscaping

Deferred to later meeting

c. Information on Website

Mr. Waldbauer stated the Income and Expense Report for a full 12 months should be on the website. Mr. Waldbauer will get this report from Mr. Kljun. Mr. Sandys stated he would like to see a "Frequently Asked Questions" on the website. Mrs. Bilbrey-Honsowetz stated the FAQ will have to be written by PRRMA and given to Mrs. Waldbauer for the website.

IV. Other Business:

a. Next Meeting Date

Monday, February 11, 2013 at 5:30 PM.

V. Adjournment

Motion by Sandys, supported by Krimmer to adjourn at 7:55 PM. Motion carried unanimously.