

PHEASANT RUN ROAD MAINTENANCE ASSOCIATION, INC.
BOARD OF DIRECTORS
MEETING SUMMARY
NOVEMBER 12, 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 Tuesday, November 12, 2013.

Members Present: Debbie Bilbrey-Honsowetz, Canton Township, Val Krimmer, Fairways, Bill Serchak, Canton Township, Mark Waldbauer, Pheasant View, Larry Siedell, Fairway Pines

Members Absent: None

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

I. Call to Order

Mrs. Bilbrey-Honsowetz called the meeting to order at 5:35 P.M.

- a. **Approval of Agenda**
Motion by Krimmer, supported by Siedell to approve the agenda as presented. Motion carried unanimously.

- b. **Approval of Meeting Minutes:**
October 14, 2013 Meeting Minutes
Motion by Krimmer, supported by Serchak to approve the October 14, 2013 minutes as presented. Motion carried unanimously.

II. Financial Activity Review

- a. **Current Reports**
Mr. Kljun stated all the financial statements were distributed to the Board members along with the Cash Flow Analysis through 2014. Mr. Kljun distributed the Balance Sheet as it stands today.

Mr. Kljun stated two payments have been received this quarter and another anticipated before the end of the month. The current liabilities are \$193,944.17 including the total price for roadway repair work. Mr. Kljun stated he has received an invoice for \$173,000 from Nagel. Mr. Kljun inquired if a retainer is desired from the Board to be held from Nagel. Mr. Serchak stated the remainder to be completed is the sidewalks. Mr. Serchak stated he would pay the full invoice to Nagel.

- b. **Cash Flow Analysis**

III. Unfinished Business

- a. **2013 Road Repair Project**
Mrs. Bilbrey-Honsowetz stated Rob Wilson emailed everyone stating the work remaining is the sidewalks. Ms. Krimmer stated there was a lot of water on Mornington from the rain, but by the morning it had dried up. She will keep her

eye on it. Mr. Serchak stated he will look at it too. Ms. Krimmer stated there was also a homeowner who complained of damage to tree roots, boulders and sprinklers at Sandewood and Glengarry. Mrs. Bilbrey-Honsowetz stated Nagle will follow-up on this complaint.

Ms. Krimmer inquired since most homeowners have shut down their sprinkler systems, what happens in the spring if there are damages to sprinklers. Mr. Serchak stated it is part of the project and with Board approval the sprinkler heads can be repaired. Mr. Kljun stated when a complaint is received it is investigated and if found to be where roadwork has been established an authorized contractor will make the repair.

Ms. Krimmer inquired if landscaping will also be repaired if damaged during road repair. Mr. Serchak stated yes, they will reseed in the spring. He stated a small percentage of the total invoice to Nagel will need to be retained for these repairs.

Ms. Krimmer inquired if there is a problem with the cement curing in the cold temperatures. Mr. Serchak stated the cement gives off heat as it cures. They can also put an accelerator in concrete in colder weather.

b. Landscaping

Mrs. Bilbrey-Honsowetz stated Oakley has done a lot of work especially at the crossings which was much needed. Mr. Kljun stated Oakley is more than 50% completed with the contracted landscaping. The trimming process is currently being done. Oakley is targeting December 1st as their completion date.

Mr. Kljun suggested the landscape and repair maintenance that is done by the individual boards be limited. For example: lawn mowing should be done by a lawn mowing service only, trimming, pruning and weeding by another contractor. This would ensure that they would not be paying for a service they are not getting. Mr. Kljun stated pruning and weeding seems to be the items neglected. Mr. Waldbauer stated Pheasant View has two individual contracts for mowing and trimming, pruning and weeding. Mr. Kljun stated the benefits would be a better value, expertise in enhancements and a more consistent approach. If the subdivisions are maintained in this fashion there would not be such a huge project as in the project with Oakley this year. Mrs. Bilbrey-Honsowetz stated after the Standard of Responsibility is discussed Mr. Kljun's suggestion might be discussed for consideration. Mr. Siedell stated he believes there is a benefit to have a larger project as opposed to individual contracts for each subdivision from a cost perspective. He stated there needs to be a conversation on what needs to be done by the individual subdivisions and what needs to be done by PRRMA. He is open to what is the most logical and cost effective.

Ms. Krimmer stated Fairways recently re-signed a contract with their landscape contractor. Mrs. Bilbrey-Honsowetz stated she would suggest fulfilling the contract until it expires and then pursue individual contractors. Mr. Siedell stated his contractor also has a current contract; however it was to lock in a price, but not an obligation to perform.

Mr. Siedell inquired if all Board members have a grasp on who does what in the individual subdivisions. Mr. Kljun stated he does not feel that has been established since some subdivisions do the work independently. Mr. Kljun stated with one contractor there would be much more accountability.

Mr. Waldbauer stated there are two pine trees on Crowndale at the entrance monument that are leaning and could fall. The root ball is exposed and if Oakley is in the area could they look at it and quote for removal. Mr. Kljun stated he will call Oakley and get a quote. Mr. Waldbauer stated Art's Tree Service quoted \$375 to cut the two trees and grind 3 stumps.

Ms. Krimmer stated there is a large branch on the side of Summit Parkway as you approach Glengarry on the east side of the street. Mrs. Bilbrey-Honsowetz will have staff pick it up.

Mrs. Bilbrey-Honsowetz left the meeting at 6:45 p.m. to attend another meeting.

c. Replacement of Signs

Mr. Kljun distributed to the Board an analysis of sign blades and purchase of pole assemblies in quantities. He stated as the quantity increases the cost is reduced this also includes removal and disposal of existing signs and installation of new signs. Mr. Kljun stated he considered a proposal for 15 signs per subdivision. This would include ordering 45 pole assemblies, 45 sign blades, and installation all at once. There is no cost break on the sign blades. Mr. Serchak stated PRRMA can incorporate the cost for sign replacements into the budget for 2014. Mr. Kljun stated the total cost for one sign replacement would be \$1,617 per installation. Mr. Serchak stated PRRMA could do less roads and more signs for 2014. PRRMA deferred crack sealing this year. Mr. Kljun stated he will redo the cash flow analysis for 2014 with a 10% increase for 2014. 2014 should be the last 10% increase. Mr. Siedell stated if roadway work has been delayed PRRMA needs to evaluate and determine if it can be delayed for sign replacement. Mr. Serchak stated he will call Spalding DeDecker and discuss an assessment for next year. He stated if there are significant roadway repairs needed PRRMA might not do the sign replacement; however he does not see it being the case. Mr. Kljun stated he can put the sign replacement and roadway work in the cash flow analysis and see where PRRMA is with it. Mr. Siedell stated he would like the attitude to be something different from a 10% increase as being acceptable. Ms. Krimmer stated the roads are 20 years old. Mr. Siedell stated the new signs are the right decision, as they will not be needed to be replaced within a couple of years.

Mr. Serchak stated the PASER rating target of 59 was actually 63 this year. PRRMA may only spend only what is justified in 2014. Ms. Krimmer stated she believes the signs could negatively impact future homebuyers. Mr. Siedell stated the dues could also negatively impact future homebuyers as well.

Mr. Kljun stated PRRMA is now at a pay as you go process. There was a reserve built up to cover road repairs; however that has been used in the last few years. The maintenance of roadway repair is a continuous process. Mr.

Waldbauer stated it was decided to maintain a PASER rating of 57 spending \$320,000 each year for roadway repairs. He stated PRRMA has not spent \$320,000 in the last few years and are at a PASER rating of 63. He stated PRRMA may be getting at the top of the hill, therefore how much longer does PRRMA need to ask for more from the HOA's. Mr. Kljun stated he is in favor of the pay as you go, because we cannot make money on the reserve. At one time PRRMA was making 5% on the investments.

Mr. Serchak stated he will add the 2014 budget on the agenda for January discussion.

d. Standard of Responsibility

Mr. Serchak stated at the last meeting we reviewed the Standards of Care. These documents were prepared a number of years ago, but they do outline who does what. It was determined that certain items were being done by PRRMA and others by HOA's even though the Standards of Responsibility indicate PRRMA should be doing all of the care or officially delegated. Mrs. Bilbrey-Honsowetz stated it was recognized that the Board needed to know when PRRMA has officially delegated to HOA's. Mr. Serchak stated Pheasant View and Fairways has been officially delegated and has been performing these responsibilities. Mr. Siedell stated the minutes from 2001 might answer his questions that he initially had as to the official delegations to the HOA's. Mr. Kljun stated he has copies of those documents and he will make sure Mr. Siedell has those.

Mr. Waldbauer stated all the maintenance and upkeep is PRRMA's responsibility. He stated it was the request of the HOA's that they be allowed, on behalf of PRRMA, to hire their own contactors. In the past PRRMA did it all with one contractor and the subdivisions were back charged. He stated it made more sense, since the HOA's had to pay for it anyway, to hire the contractors they want to do the work they want completed and to follow the specifications that PRRMA set forward. Mr. Waldbauer stated in 2001 Pheasant View decided to hire 4 separate contractors: lawn maintenance, tree & shrub maintenance, fertilization & pesticide control, and snow removal.

Mr. Siedell stated the maintenance portion of the responsibility has not been done, causing the large contract with Oakley this year that PRRMA paid for. Therefore, the responsibility of the HOA's over the last 12-13 years was not done on behalf of PRRMA. Mr. Waldbauer stated he believes that having Leigh Thurston will be valuable to oversee this portion of the maintenance. Mrs. Bilbrey-Honsowetz stated Ms. Thurston has her workload and we might be able to discuss with her on occasion, but not on a regular basis. Mr. Siedell stated in 2001 subdivisions might have contracted with contractors to keep their cost low. He stated he is not happy with his landscape contractor. He stated it might be beneficial to quote with Pheasant View's four contractors to see if they could all benefit from having them do all the subdivisions. Mrs. Bilbrey-Honsowetz stated it is very important to clarify in the meeting minutes what is agreed upon by the entire Board.

Mr. Serchak stated this is something that the Board members would want to discuss with their HOA Board members as to the multiple options available.

Mr. Siedell discussed the PRRMA map with Mr. Kljun to determine Fairway Pines areas for maintenance. Mr. Kljun stated common areas only require mowing. Mr. Kljun stated the percentages for each subdivision is based on the amount of square footage of roadway. Mr. Kljun stated the budget reflects these percentages. Canton: 20.4%, Pheasant View: 18.3%, Fairway Pines: 32.96% and Fairways: 28.22% is the current percentage which is only used on roadway and maintenance. Landscape is not included in these percentages. Mr. Waldbauer stated if more landscaping is required in one subdivision they would be invoiced for this additional amount. He stated there is no landscaping being done in Pheasant View by Oakley this year. He stated his HOA has maintained the landscaping maintenance throughout the year.

Mr. Waldbauer stated the mowing, cutting, watering, and weeding was the responsibility of PRRMA. He stated the HOA's requested on behalf of PRRMA to take care of their own maintenance. Mr. Kljun stated it only referred to the road right-of-way maintenance. Mr. Waldbauer stated when he first came on the Board PRRMA had contracted with Oakley at the time. The cost to maintain the areas was billed to the individual HOA's and PRRMA paid the invoice. The Pheasant View HOA decided to not go through the middleman (PRRMA) and contract these services themselves.

Mr. Siedell stated if we take the cost of all the roadways, islands and maintenance, excluding the berms on the roads and divide by the HOA's percentage would be different then what PRRMA is currently doing now. He stated we cannot determine if this is a savings as a whole as opposed to the HOA's doing this individually. Mr. Waldbauer stated Pheasant View found a savings by not being a bigger pool. Mr. Siedell inquired why other subdivisions not taking advantage of this. Mr. Kljun stated he believes it is because the involvement of the subdivision. He stated Mr. Waldbauer has taken on the responsibility. He stated with the turnover on the Boards this has been a problem for other subdivisions.

Mr. Kljun stated originally when there were landscape requirements, it was sent out for quotation. This quotation was sent out to each subdivision, they accepted this quotation, and this was an additional contribution. Ms. Krimmer stated all the subdivisions need to agree that they will contract their own contractors to do landscape maintenance. Mrs. Bilbrey-Honsowetz stated Mr. Kljun will develop a scope of work on paper and this will assist the Board in discussing this with the HOA's. Ms. Krimmer stated she would like the HOA's job easier. Mr. Kljun stated if PRRMA is paying for all maintenance and being reimbursed by the HOA's it is a benefit to their cash flow. Mr. Siedell stated this is a major concern with Fairway Pines. Mr. Siedell stated it needs to be clear on the record what the current responsibilities are. Mr. Waldbauer stated Mr. Siedell needs a copy of Policy #1 and #2. Mrs. Bilbrey-Honsowetz stated Mr. Kljun is putting together a modified version of the information needed and will disperse to each Board member. Mr. Siedell stated Fairway Pines was trimming and stopped by PRRMA due to not having permission. He stated it

was indicated that there was damage done and he disagrees. He stated if you look at the work done by Oakley on some of the front islands, it is no different from what Fairway Pines did in trimming the pines. Mr. Siedell stated the lack of maintenance over the last decade has created a lot of dead branches near the bottom of the pine trees.

Mr. Serchak stated the Standard of Responsibility will be left on the agenda under Unfinished Business.

IV. Other Business:

a. Next Meeting Date

The next meeting date is Tuesday, December 10, 2013 at 5:30 p.m.

VI. Adjournment

Motion by Krimmer supported by Waldbauer to adjourn at 7:17 p.m. Motion carried unanimously.