

OAKLAND HILLS CONDOMINIUM ASSOCIATION
Board Meeting Minutes
June 21, 2017

The Board Meeting of the Oakland Hills Condominium Association was called to order at approximately 4:00pm, June 21, 2017 at Gardner Management Group offices.

1. **Roll Call:**

1. Board members in attendance: *Jack Gesmundo (AVB, Member at Large), Joy McClendon (Secretary, Website Committee), Mike McLean (Infrastructure Committee), Larry Smith (Vice President, Landscape Committee), Linda Teare (President), Tom Welsh (Treasurer, Finance Committee)*
2. Gardner Management in attendance: *Ryan Gardner, Calvin Johnson*
3. Absent:
4. Other Invited Attendees: *Carl Dyszkiewicz, Finance Committee Member*

2. **Record of Board work since previous meeting (on 5/01/2017):**

1. May 10, 2017 Board Minutes were approved.
2. Flower planting was completed at the community entrances by a group of volunteers at a total cost of \$228.96.
3. Mary McLean was reimbursed for pool cleaning supplies in the amount of \$167.01.
4. **Decision:** The Board approved an \$80 investment to purchase steel post protectors for the mailbox and sign posts.
5. **Decision:** The Board responded to a co-owner request regarding contracting directly for outside lawn services. The Board reviewed this request and responded based on existing rules:
 - Homeowners can individualize their existing flower beds.
 - Individuals can opt out of mulch the same as they opt out of trimming of bushes.
 - Outside mowing of the common areas is not allowed.
 - Any change to the common areas requires ARC approval.
6. Bruce Bradley was reimbursed \$53.85 for the purchase of carriage light bulbs.
7. Three Community Communications were distributed regarding deck maintenance, patio maintenance and the pending Oakland Drive resurfacing project. Additionally, a clubhouse use reminder was distributed by Gardner Management on behalf of Larry Smith.

3. **Reports from Individual Committees:**

Finance Committee – Tom Welsh, Finance Committee Chair and Carl Dyszkiewicz, Finance Committee Member, presented on behalf of the committee.

1. **Bond Income:** Tom Welsh suggested that someone contact Yeo and Yeo regarding whether or not any Bond income received from our investment fund would be taxable. Although it would be unlikely we would have enough income to require paying estimated taxes, it was suggested that someone from the Finance Committee contact Ken Lampos, Raymond James, for guidance as a first step.

2. **Investment Fund:** We currently have \$66,000 in the cash account managed by Gardner. The investment guidelines indicate we should keep a minimum of \$50,000 in this account to handle seasonal and unexpected expenses. But the guidelines do not indicate at what point funds should be transferred to the investment account. It was agreed that we would check the balance of the cash account at every Board meeting and discuss whether or not funds should be transferred rather than establishing a set amount or fixed process for the transfer at this time. It was also noted that the Infrastructure Committee should continue working with the Finance Committee to notify them of any large expense items that are pending to assure we have access to adequate funds.

3. **Operating Reports:**

From the **Month** Ended May 31, 2017 Financial Report.

Summary:

Revenue:	Actual \$ 40,000	Budget: \$ 37,552	\$ 2,248 Fav
Expenses:	Actual \$ 46,521	Budget: \$ 41,224	(\$5,297) UnFav
Net Income:	Actual \$ -6,481	Budget: \$ -3,672	(\$2,809) UnFav

Comments:

- The expense overage can be largely attributed to timing of invoices and budget spread.
- Noted expense items:
 1. Pool Maintenance (\$1,317) Unfav
 2. Siding Cleaning (\$3,375) Unfav (should be favorable by year end)
 3. Water Feature Maintenance \$1,478 Fav
 4. GMC Maintenance \$743 Fav

From the **Five Months** Ended May 31, 2017 Financial Report.

Summary:

Revenue:	Actual \$ 187,247	Budget: \$ 187,758	(\$511) UnFav
Expenses:	Actual \$ 156,237	Budget: \$ 169,011	\$12,774 Fav
Net Income:	Actual \$ 31,010	Budget: \$ 18,747	\$12,263 Fav

Comments:

- Unplanned Infrastructure items included: Garage door repairs (\$1,162), lightning damage (\$2,006), and plumbing issues (\$973).
- Noted expense items:
 1. Legal – Master Deed Revisions (\$578) Unfav will likely end as unfavorable as more work is pending.
 2. GMC Work Orders \$5,686 Fav being managed well by Gardner
 3. Property Insurance (\$933) UnFav should be favorable by year end
 4. Utilities \$6,815 Fav are almost all favorable, but the budget is spread evenly throughout the year and we anticipate this will level out.

4. **Clubhouse Re-Carpet Project:**

- Insurance proceeds received: \$6,041 (\$1,380 in 2016 and \$4,661 in 2017)
- Total Expenses: \$12,097
- Net Project Cost – LT Capital Reserve: \$6,056 (includes \$5,000 insurance deductible)

Infrastructure Committee – Mike McLean presented on behalf of the committee.

1. **Siding Cleaning:** The siding cleaning for this rotation is almost complete. Six out of thirty seven units had issues with window streaking after the cleaning was completed. Patriots and other window cleaning vendors came back to correct the problem (if Patriots was used there was no additional charge.) The root cause of the problem is not known (i.e., why some units had issues and others did not.) **Action Item:** Next year we will send out instructions ahead of time with better advice for co-owners including a recommendation to have the window cleaning performed in conjunction with the siding cleaning, and notification that if co-owners choose to use their own window cleaning vendor the Association will not be responsible for any additional window cleaning costs incurred.
2. **Cement Cleaning at the Pool:** Heather Parsons and Mary McLean put in 14 labor hours to clean the cement area around the pool (not including the front sidewalk or patio area.) The effort turned out to be much more than anticipated and it was decided that the remaining cleaning should be done by professionals. Additional funds needed to complete the patio and front sidewalk would be \$345. **Decision:** This expense was approved by the Board. No sealing was applied after the cleaning. Jack mentioned that Consumer Concrete sells a product with a 5-year expectancy for approximately \$170 for a 5 gallon bucket that can be applied using a sprayer. **Action Item:** Infrastructure will look into the possibility of sealing.
3. **Post Protectors** were purchased and posts completed on Oak Meadow Cove and Hollow Creek Trail. Mike notified Calvin that we still have nine left from the purchase. As we replace posts we will install steel protectors vs the Azek surround used previously. While it is cheaper to purchase these in bulk quantities, it is estimated that we will replace only 10-15 per year and this may not warrant large purchases.
4. **Street Sweeping:** Calvin is working on getting a current quote to perform this work which was included in the budget for \$420. Questions were asked about new streets which still have the matted drain covers as well as whether it was necessary to perform this work now versus waiting until construction is completed. Jack commented that AVB will perform a street sweeping of the new areas when their work is done. **Decision:** The Board voted to wait on performing this work and revisit it next year after construction is completed.
5. **Clubhouse Lighting:** Lighting fixtures in the clubhouse have eight sockets but only four bulbs. Infrastructure looked at replacing the existing bulbs with six 100W LED bulbs. This would result in lower cost and better light. Since these lights are on dimmers, residents would still be able to lower lighting on demand. Gardner would need to complete this work due to the complexity (i.e., ceiling heights). The total cost would be approximately \$200. **Decision:** The Board approved this expense.
6. **Clubhouse AV and Credenza Pulls:** Carl Dyszkiewicz, Larry Shelton and Mike McLean are looking at replacing the clubhouse receiver (which would cost approximately \$1000) since the existing

unit is not repairable. The pulls on the credenza in the entry are broken and replacements will be ordered.

7. **Curb Repairs:** Linda talked to AVB about “piggy backing” on some of the AVB work which will need to be done following construction and having the curbs in the non-construction zones repaired along with those damaged by heavy equipment. **Action Item:** Infrastructure will need to come up with a list and tag the repairs at that time (anticipated to be this fall.)
8. **Cedar Shake Siding:** Jack mentioned that the Barrington neighborhood painted the shake siding on one home as a test using very specific siding paint. The cost varies by house and the siding needs to first be cleaned and then it is painted (almost like wood siding.) They are investigating this now and may propose that we test one or two units.
9. **Clubhouse Remodel of the Office Area:** AVB has been contacted by Trisha for an estimate to convert the AVB office space into one room and we are waiting for a response, including the name of additional vendors who can perform this work. Jack commented that due to AVB’s workload we should consider other vendors as AVB will not have time to do this work. **Action Item:** The board discussed that we need the Infrastructure Committee to develop a plan to include locations for things such as electrical outlets, lighting, cabling, and furniture. Mike indicated that we need additional people for the Infrastructure committee given the amount of work and perhaps we should consider a separate committee focused specifically on the Clubhouse. **Action Item:** Mike will create a communication requesting additional volunteers and will send this to the Board for review.
10. **Christmas Lights:** Six units had their Christmas lights up until April. The Board agreed that reminders should be sent twice a year and should be specific that lights need to come down in January.
11. **Roof Inspections:** Infrastructure will be working on roof inspections in 2018.

Landscape Committee – Larry Smith presented on behalf of the committee.

1. **Tree Report:**

- **Tree Replacements:** Two evergreen trees were replaced in May, one at Oak Meadow Cove and one by the sidewalk on Oakland Drive. Replacement trees were 10 ft. Spruce trees. Both trees were mulched by the Landscape committee and co-owners were asked to water the trees until they are established.
- **Trees Reported Dead:** Two trees were reported dead. One tree is on Oak Meadow Cove and was planted by AVB around 2014. A replacement tree in this location is recommended. The second tree is located at the corner of Hollow Oak Trail and Oakland Drive. This tree was planted by AVB around 2014 before the nearby unit was built. A replacement for this tree is still under consideration as it is in a tight tree grouping and replacement has the potential to damage the roots of the nearby trees. **Action Item:** The Landscape committee will develop a proposal for the Board regarding replacements.

- The Board thanked Larry and the Landscape Committee for their work with the tree management program and noted that the trees are much healthier this year; and it appears that alternating between fertilizing and spraying is working well.
2. **Tree Warranty:** The tree replacement program was turned over by AVB to the Landscape Committee in February, 2016. At that time, the one-year warranty received with new trees was canceled by the supplier because we did not have a continuous maintenance program in place to care for new and existing trees. Subsequently, in 2016 a formal Evergreen Management program was initiated by the Landscape Committee. The Landscape Committee is now planning to request that the supplier, Spruce Trees Direct, reinstate the tree warranty program. The Board agreed, but also suggested that a new supplier should be investigated.
 3. **Invasive Species Report:** The common area along the Oakland Drive sidewalk was sprayed with *Round Up* on May 3rd and 4th to eliminate an infestation of Garlic Mustard. A follow up on May 30th indicated good results to date. Some Horsetail was reported which will be sprayed as well.
 4. **Water Feature Cleaning:** The original 2017 water feature cleaning proposal was not submitted for approval. The current budget for this is \$7,390. The cost of 11 months of service for the water feature is \$4,345 (\$395 per month.) The proposal for water feature cleaning was revised to \$3,000 to stay within the budget for a total cost of \$7,345. **Decision:** The Board approved this expense.

Website Committee – Joy McClendon presented on behalf of the committee.

1. **News Items and Welcome to New Neighbors Added:** Recent Announcements and recent website updates have been added to the top of the Residents Main page. New Neighbors will also be shown here when available.
2. **Committee Chair:** Joy will remain as Website Committee Chair until her departure from the OHC Board. After that she will also exit the committee. **Action Item:** A new Committee Chair will need to be identified from the Board.

4. **Old Business:**

1. **Master Deed and By-law changes:** The last draft from the Attorney from April 12th included a description of the changes to include in a community vote. The next step is to have them put this in a ballot format. **Action Item:** Ryan Gardner will notify them to create a voting draft for Board approval. As a reminder we need 2/3 of co-owners to approve the changes (not just 2/3 of those who vote) and a non-vote is equivalent to voting No.
2. **Potential Committee Members:** Units who expressed an interest in participating on a committee in the last survey have been contacted with the name of the committee chair to follow up with.

3. **Board Votes by email:** Linda reported that Bob Love investigated the Michigan Non-Profit Corporation Act (450.2525 Taking action without meeting) and found that a vote via email can only be considered approved if 100% of those voting respond yes (i.e., must have 100% consensus to vote via email.) If not all voters approve or respond, the vote will have to be retaken at a Board meeting (or repeated via email with again a 100% Yes response.)
4. **Board Policy and Procedures:** A draft version of this document was created by Joy and sent to the Board by Linda prior to the meeting. Several comments and suggestions were made regarding the document purpose, content and wording. Joy suggested that any future edits should now be managed by Linda since Joy will be leaving the Board soon. **Action Item:** Linda will input the suggestions made and route another Draft to the Board for further comment via email. If there is still not consensus this will be an agenda topic at the next meeting.
5. **Communication:** Gardner requests that all residents send communication to info@gardnermi.com. This will assure that the communication is received and responded to versus sending to the personal address of Ryan, Calvin or other member of Gardner Management (who may be on vacation.)
6. **Clubhouse Usage Fee:** A community meeting was held in May to discuss the potential clubhouse usage fee. Linda routed minutes from that meeting and reported that there is still some concern over implementing a fee. Several suggestions were made regarding how much should be charged, under what circumstances and when a fee might be implemented. **Action Item:** Linda will route suggestions to the Board for comment via email and will place this on the next Board agenda.
7. **ARC Approval Process:** The Board agreed that we would like to achieve as much consistency as possible in the ARC approval process irrespective of which unit is submitting the request (i.e., Phases I and 2 vs. later Phases.) A suggestion was made that all ARC requests go to both ARC and to the OHC Board when received. The OHC Board will have a very limited time to comment to ARC (e.g., 2 days) given the quick turnaround required of these requests. ARC will go through their normal approval process (considering any OHC Board input received) with all decisions being communicated to the OHC Board for information. The OHC Board will accept the ARC decision for all requests, including Phase I as final.

5. New Business:

1. **Request to reconsider cutting of the natural area:** The Board received a co-owner request to reconsider their previous decision to not allow cutting of the natural area at the west end of the large pond. The co-owners intent for the cutting is to restore water views for these selected units. The Board discussed that all natural areas have and will continue to change over time, and that there is no plan for the Association to maintain these natural areas in their original state. The Board will entertain a proposal from the co-owners to modify and maintain the area at their own expense. Co-owners should assure that all units impacted by this change are in agreement

prior to submitting a proposal to the Board. **Action Item:** Linda will respond to the co-owners who made this request.

2. **Board Resignation:** Joy McClendon notified Linda Teare on June 12th that she is resigning from the OHC Board due to other commitments. Joy agreed to leave when a replacement is identified, but no later than September 1, 2017. After reviewing the By-laws, it was understood that a replacement could not be appointed by the Board, but instead a full vote of the community would be required. With this information, the Board discussed not filling the position at this time since there is one additional non-voting member already on the Board who can transition to a voting member upon Joy's exit. A shortage of Board members would only occur if another member leaves before the next election. No decision on the position of Board Secretary was made.

6. **Next Meeting: Tuesday, August 15, 2017 4:00pm** at the **Gardner Management Offices.**

7. **Residents in attendance:** Carl Dyszkiewicz - 8888 Oakland Hills Circle, Jacque Jennings-Carter – 8800 Oakland Hills Circle, Mike Race – 8870 Oak Meadow Cove

8. **Adjournment:** The meeting was adjourned at approximately 6:30pm.

Minutes Submitted by Joy McClendon, OHC Board Secretary