

Minutes of the Pentwater RV Storage Condominium Association (PRVSCA)  
Annual/Initial Meeting

Meeting Held on: June 16, 2012, 2:00 PM

Attendees: Fred Blase (31)  
Jan and Ron Gooding (2)  
Dan Kelly (6)  
Tim Kolkman (18)  
Steve Kratzer and Kellie Bond (33, actually in Phase II)  
Jim Lenic (15)  
Stan Roose (8)  
Jim Schram (3)  
Mitch Schwass (32)  
Dennis and JoAnne Stearns (16)  
John Wagner (5)  
Rich Zapala (17)

Minutes:

The meeting was held in Unit 2 of the PRVSC complex and called to order by Ron Gooding at 2 pm with the attendees listed above present. The Co-Owners each introduced themselves with a total of 12 units being represented. It was established that a quorum was present (25% of the Co-Owners). Ron briefly explained this was the annual and initial meeting of the association in accordance with the Bylaws in that the maximum time period of 54 months had elapsed and 75% of the units in Phase I have been conveyed thereby providing the Co-Owners with the right to establish their Board of Directors for the Association. It should be noted that the developer was not present at this meeting.

Ron gave a brief summary of a telephone contact he had with the new developer(s) of the project, James Dustin. There are two co-developers including James' associate Mary Blinn, a frequent visitor to the Pentwater area. Many questions are still unanswered about the future development of the Condominium project and it is anticipated that there will be a meeting with the new developers in the near future. General notice of this meeting will be provided to all Co-Owners so that first-hand information about development plans can be gained by each Co-Owner. The developers stated during this telephone conversation that they intend to remove/replace the existing signage at the entrance and they intend to continue to utilize McKee Agency for sales of future units.

A short discussion of Phase II and III development was held with no actions taken. It was thought that perhaps Phase I-Unit 4 was not developed as it may serve for the proposed rest rooms and wash rack. A discussion regarding Unit 33 was held and the consensus of opinion was that since this unit is part of Phase II and not described in the current Master Deed, that the owners of that unit are welcome to attend and participate in the meetings, but will not be permitted to vote until Phase II is properly added through an amendment by the developer to the Master Deed.

Next, a lengthy discussion was carried out regarding whether or not control of the Association should be taken over by the Co-Owners as permitted by the Bylaws. Several persons expressed opinions for taking immediate control, while several others expressed a desire to wait until the new developer could be consulted. Several Co-Owners also addressed a desire to limit control of any Board of Directors that might come into being. Conducting a State of Michigan DEQ Baseline Environmental Assessment (BEA) came up at this time, including whether or not the cost is justified in order to limit future liability for hazardous spills that may have taken place while the property was an automobile wrecking yard. Two Co-Owners related that they had water wells of 47 and 54 foot depth on their units and both had been tested and found potable. It was generally agreed that the estimated \$6000 required for the test sampling and submittal of the BEA was not necessary.

It was moved and seconded that a vote be taken for forming a Co-Owner based Board of Directors for the Association. The vote was 7 "for" and 4 "against" and Ron next proceeded to votes on the actual Board of Directors membership. Ron Gooding was nominated, seconded, and unanimously approved for the position of President of the PRVSCA. John Wagner was nominated, seconded, and unanimously approved for the position of Vice President of the PRVSCA. Jan Gooding was nominated, seconded, and unanimously approved for the position of Treasurer of the PRVSCA. Fred Blase was nominated, seconded, and unanimously approved for the position of Secretary of the PRVSCA.

It was next discussed that since the Bylaws are essentially boilerplate written for residential condominium projects that they need some revisions to make them more applicable to our situation of Storage condominiums. Ron assigned Kellie Bond and Fred Blase to start this process with a goal to have the revised Bylaws ready for a vote at the next annual meeting.

The discussion then turned to limiting both the Boards scope of control and, therefore, its liability. It was decided that by placing these limitations, liability insurance for the Board could be deferred for now and hopefully for the future. It was agreed that the primary concerns of the board should be the following:

- 1) Snow removal in the common areas (Individual pad or apron cleaning will remain the responsibility of the Co-Owners.)
- 2) Mowing and basic landscape maintenance of the entrance and common areas.
- 3) Development of a policy regarding use of exterior lights on individual storage units to promote security in the overall project.
- 4) Management of permitted modifications to the exterior of units (Architectural Policy) to promote uniformity and a pleasing appearance for the overall project.
- 5) Management of the problem of storage of materials outside individual units to include reminder notices sent to all Co-Owners.
- 6) Grading of the common area access roads to eliminate pot-holes and low areas that collect rainwater making access difficult.

These changes shall be reflected in the revised Bylaws.

A discussion of the annual assessment (Co-Owner's fees) resulted in the action for the Board to develop an annual budget which, when divided by the 32 units, will result in the annual assessment for each Co-Owner in accordance with the current Bylaws. Most Co-Owners present felt that a \$100 per year amount should be adequate for the 6 purposes stated above including a 10% reserve as required by the current Bylaws.

Several minor issues were then discussed and agreed upon as follows:

- 1) Since electronic meetings and notification is desired for some future meetings, it was agreed that the quorum requirement should be increased above 25% of the Co-Owners. To be addressed in revised Bylaws.
- 2) The annual meeting will be held on the 1<sup>st</sup> Saturday in June of each year at 10 AM. Location to be announced in meeting notice.
- 3) Co-Owners shall be informed of location, date, and time for meeting with new developers. Ron to setup this meeting when developers can be present.
- 4) Once a contract is secured for snow removal from the common areas, Co-Owners will be provided information regarding payment and method for snow removal from individual aprons.
- 5) Jan Gooding, as Treasurer, was instructed to open an Association Bank Account at a bank in Pentwater through which all PRVSCA funds will be managed.

The meeting was adjourned at 3:35 PM.

Fred Blase  
Secretary, PRVSCA