



PRVSCA
PO Box 53
Pentwater, MI 49449

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E-mail: blasefmi@charter.net

Pentwater RV Storage Condominium Association

President: George Richey, georg421@charter.net
Vice-President: John Wagner, jrlawagner@aol.com
Secretary: Fred Blase, blasefmi@charter.net
Treasurer: Fred Blase, blasefmi@charter.net

June 4, 2016 Annual Meeting Minutes

Fred Blase called the annual meeting to order at 10 am on June 4th, 2016. It was noted that a quorum was present including two proxy forms submitted by email. Fred described the transition meeting that took place in April as Jan and Ron Gooding sold their unit in May leaving a vacancy in both the president and treasurer's positions. In addition, to the Goodings, John Wagner and Fred Blase attended the transition meeting. As a result John took over the president's duties until the annual meeting officer elections could take place and Fred assumed the treasurer's duties. Fred and Jan also met at the Huntington Bank in Hart subsequent to that meeting to re-assign the checking account and then the PO Box at the Pentwater post office.

The owners in attendance next each introduced themselves and it was noted that the developer was not in attendance nor did they send a representative. There being no agenda changes or additions the agenda was approved and the meeting was continued in accordance with that agenda. The minutes for the 2015 meeting were also approved at that time.

Fred gave the treasurer's report noting that the funds balance at this time was \$3,357.04 which did not include any 2017 fiscal year dues yet. The charges incurred in 2015/2016 included \$400 for plowing to Turning Leaf Landscaping which is below the projected amount as this was a very mild winter. In addition, the association incurred expenses of \$400 for legal fees regarding the forced removal of outside debris for one unit and an additional \$1000 for the actual hauling of that debris, however, the \$1000 was repaid by the owner in two installments. An additional \$35 was incurred and repaid from two separate owners for additional debris removal carried out in April. Also, in August an additional \$600 was spent for brining the driveway areas to keep the dust the down. It was noticed that even with these expenditures the association's financial position is very strong.

The proposed budget and dues for the next fiscal year were next presented. The proposed budget was little changed from the previous year. Income was projected at \$2600 since we have 26 active units at \$100 each. Proposed expenditures include \$1100 for snow removal, \$700 for grounds and roads maintenance, administrative expenses of \$500, communications and postage of \$60, and required reserves of \$240. The 2017 fiscal year dues were approved based on this budget at the same \$100 per unit as prior years.

A short discussion was next held regarding the outside storage problems of the past year and the corrective expenses. It was suggested that a form letter be developed for notifying owners when their unit is not in compliance with the bylaws, and that was completed by Fred after the meeting. It was pointed out that any owner that encounters outside storage at any unit should notify any Board member so that it can be corrected immediately. The longer these issues go on the more costly they are to correct. The topic of road work was next discussed at great length. It was noted that the ends of Bow and Castaway farthest from the entrance had never been graveled by the developer as these units were built making it difficult to access the aprons of these units. Ron Gooding had received a quote for this work last fall from Hallack Construction of \$2215. Since all owners felt it was important to complete this work, Fred agreed to pursue that quote with Hallack. It was also discussed that many apron areas were becoming overgrown with weeds and it was suggested that each owner spray a chemical like Ground Clear in their apron approach to keep the roadways clear. We just don't have enough traffic on the graveled roadways to keep the weeds down.

No developer was present and therefore no definitive discussion of project plans could be carried out. It was mentioned that several owners know of prospective buyers for units and needed to know how to direct these inquiries. Fred had addressed this topic in a letter to Mary Blinn and it was suggested that letter be included with the minutes of this meeting. Mary Blinn is reluctant to release her phone so her email address is maryblinn8@gmail.com for any such questions.

During these discussions it was suggested that a Call List be developed. This list would contain each owners unit number, name, and a contact phone number. If any owner did not want to have a phone number listed, the list would say so. In that event that any owner notices something not correct at any unit they could call the owner by referencing that list. Keep in mind, that if you can't get a hold of any owner under these circumstances you can always call or email Fred and he will continue to attempt to make



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contact. Fred agreed to solicit and compile the information for this list and provide it via email and on the website at www.blasef.com.

The last agenda topic is the election of officers for the next fiscal year. Much discussion of this topic took place. In summary, Fred suggested that if there is no one willing to be treasurer, Fred would combine the offices of Secretary and Treasurer as is done in many smaller associations. He explained that even while away in San Diego in the winter, bills could be handled through online banking and forwarding mail so there should be no issues with this arrangement. This approach was approved. Next, it was asked if there were any nominations for president. There being no nominees, Fred suggested that we run without a president for now, and any issues be brought up to John or Fred by email and they would be handled, perhaps by waiting until on site in the spring. George Richey then volunteered that since he was local for the entire year he would act as president if no one else wished to take that position over. Fred suggested that he would canvas all owners by email to see if there was any interest from those not in attendance. It turns out that noone was interested, so for now George Richey is our acting president and will keep an eye on the project in the winter months.

Fred set the date for the next annual meeting as June 3, 2017 at 10 am, and the meeting was adjourned at 11:05 am.

Fred Blase
Secretary/Treasurer PRVSCA



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Dear Mary:

I wanted to take a minute to explore a couple issues with you regarding the Pentwater RV Storage Condominiums.

Liability Insurance Coverage:

As you may know from reading the minutes from our past Association meetings, the Association has some concerns regarding liability both at the Board of Directors level and for the project in general. The Board has undertaken actions aimed at keeping the appearance of the project at it's best including the removal of materials stored outside some units, and while these actions are in compliance with our Bylaws and have been reviewed by an experienced attorney, they are not without risk to the Board members. It is only prudent that we consider a liability insurance policy to avoid potential legal expenses in the future.

In addition, in the past several years we have noticed activities in the area of the project including winter use of the grounds by snow mobiles and the like. We have taken measures such as posting the property, but in the long run, these measures may not provide sufficient protection. It is not totally clear whether the association would be liable in any accident involving these activities and I imagine it would come down to the exact location and circumstances of such an accident. However, we would be remiss as an Association if we did not consider a policy that could protect us from a law suite if it came to that. Clearly, this should be a shared concern of your's, as well, since much of the activity takes place on undeveloped areas under your ownership.

The problem we face in securing a liability policy is that the agencies we have contacted refuse to insure us without understanding the liability coverage on the areas that the Association does not control, namely, Phases II and III, and the lots within Phase I that you own. We are not able to provide these agencies with the requisite information and would appreciate your answers to a few questions in this regard.

1. Do you have liability coverage on the areas under your control?
2. If the answer to 1 above is yes, could you please provide the agency name and policy number of any such coverage, or, would you be willing to provide that information directly to our insurance agency upon request?
3. If there is no current liability coverage in effect, do you intend to secure such coverage in the near term to protect your investment?

Future Sales:

From time to time, as you may be aware, the Board and members of the Association field inquiries from interested buyers regarding future units for their use. I, myself have talked with 4 such prospective buyers in the last 2 years. In addition, most of the current owners know of prospective buyers that have expressed interest after visiting existing units. Again, I know of two potential buyers that I keep an eye out for regarding resale units. Regardless of the less than ideal economic conditions in this area, your project seems to have a built in list of pending sales and could nicely fill a niche market need. Obviously you purchased the project to build it out, sell units, and make a profit, and our Association can only benefit by having the increased membership. In a spirit of cooperation, we would like to work with you to further both of our goals. In that light we would appreciate your response to the following questions:

1. How should we direct inquiries about future sales?
2. Do you have any information or guidelines on your plans to refile the condominium records and sell the undeveloped units that you would share with us?
3. If the answer to 2 above is no, would you be interested in selling your interest in the property to a new developer?



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A couple current owners have expressed an interest in purchasing the property and completing it's development in accordance with the original, however expired, condominium documents. If you have no plans for continued development, it seems that exploring sale of the project could be beneficial to all concerned. Please keep in mind that if you do intend to continue development of the project in the near future, the Association stands ready to assist in any way that we can. We can provide copies of our current recorded Bylaws which your sales force would need to distribute and file under MCL 59 and we could also provide several constructive suggestions on how to make the overall project better within the original Subdivision Plan. We can also provide several suggestions for contractors that would complement your development plans since many of us have worked with these contractors in the past. While we realize our role in any further development would be minimal, keep in mind our collective 100's of years of ownership experience with these barns.

Thanks for taking the time to explore these ideas and I look forward to your response to our questions. If you would rather meet with the Board to directly discuss these issues, we would welcome that opportunity at any time convenient to you. Finally, keep in mind our Annual Meeting is scheduled for June 4th at 10 am and, as always, you are cordially invited to attend. It would be the Board's intention to discuss the above topics at that meeting and we would appreciate your responses in time for such a discussion.

Sincerely yours,

Fred Blase
PRVSCA, Secretary