

Island Hills Condominium Association

Phases 1 and 2

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March 18, 2020

To all members,

Attached are the 2020 dues invoices which remain unchanged from 2019. Due date is April 30, 2020.

Please make check out to "Island Hills Condominium Association" and mail to:

Island Hills Condominium Association
P.O. Box 340
Sturgis, Mi. 49091

If anyone has any questions, please respond with an e-mail or a letter.
Thank you.

Bob Griffioen

The updates and new business items below are very detailed and actually quite boring unless you like details about condo affairs which I have found, very few people do. Here they are anyway...

Updates/new business:

Attached are:

1. Minutes from Dec. 16, 2019 Annual Membership Meeting.
2. Minutes from Dec. 10, 2018 annual membership meeting.)
3. By Unanimous Written Consent of the Board of Directors for Island Hills Condominium Assns. Phases 1 and 2 elected the following officers for 2020 on Dec. 23, 2019: (See attachments)

Phase 1

President/Treasurer: Robert Griffioen
Vice-President: Christian Griffioen
Secretary: Jessica Griffioen

Phase 2

President/Treasurer: Robert Griffioen
Vice-President: Christian Griffioen
Secretary: Jessica Griffioen

4. Proposed Raintree Blvd. Snow Removal Agreement: **PENDING APPROVAL**
5. Proposed Raintree Blvd. Repair Agreement: **PENDING APPROVAL**
5a. Proposed Escrow Agreement: **PENDING APPROVAL**

- 6. Current Road Fund status and plans for fund disbursements in 2020.
 - 6a. Map showing planned road repair locations and costs for 2020 for Phase I.
 - 6b. Map showing planned road repair locations and costs for 2020 for Phase II.
 - 6c. Road fund balance and planned outlays for 2020
 - 6d. Various options for needed road work.
 - 6e. Barry Cox road evaluations ratings
 - 6f. Quotes for road repairs Phases I & II.
 - 6g. Quote for reconstructing Hidden River and Brookstone Drives
 - 6h. History of funds spent on Phase I & II road repairs.

7. I want to clarify that, in spite of claims *otherwise*, contributions for Raintree maintenance and repairs are required, not voluntary.

8a. & 8b. RECORDED Amendments to By-laws Phases I & II for creating flexibility for Board to make adjustments to assessments based on users and non-users of Condo common elements. Prior to these amendments, there was no way to address certain inequitable situations in a reasonable manner. An example of this is in regard to the Snow Removal Agreement with LTPOA for Raintree. i.e. NO PROPERTY owners in Phase I who come in from the Shimmel Rd. entrance EVER uses Raintree to access their property. Therefore, we felt the need to make an adjustment for those property owners exempting them from paying dues for Raintree maintenance.

Forward:

As many of you know, we have been negotiating with LTPOA for a permanent long-term solution regarding Raintree maintenance and repairs. This arduous process continues to drag on. We will inform the membership what transpires, but at this point, it is a waste of time to try to speculate.

There are two (2) distinctions that must be made for the two (2) offers we have submitted to LTPOA:

1. We have offered LTPOA a “one (1) time” road repair project contribution of “\$?????+” (based on current estimates.) Under the current proposal [copy attached with map] submitted to LTPOA, the funds would be deposited into a joint Escrow Account [Our Condos + LTPOA] **until work progresses on Raintree**, at which time payments would be made *directly* to the contractor. This falls under the **maintenance** category.
2. On top of this, we have also offered an annual \$1,650 **snow removal** contribution [copy attached with map] for only the portion of Raintree commonly used by all “200” users. i.e. None of *these* funds goes toward repairs such as in item 1. Our Condo will be responsible for snow removal from the second left turn onto Irongate (going Southwest), to the end of the cul de sac.

This is to say, items 1 & 2 have no relation with each other. i.e. The ongoing \$1,650 **annual** contribution is for snow removal **ONLY** and has nothing to do with the road repair project.

Matt Rehling, our Condo Administrator, and I did a great deal of research on these two projects, and we are *confident* the offers are *fair*. We are still awaiting a response from LTPOA.

The current Board takes the position that Raintree is a “common element” to multiple entities *as defined below*:

Common element definition:

*Parts of a property that are necessary or convenient to the existence, maintenance, and safety of a condominium, or are normally in common use by **all** of the condominium residents. **Each condominium owner has an undivided ownership interest in the common elements.***

From a technical standpoint, we have multiple and split Condos, metes and bounds properties, deadbeat property owners, and LTPOA as the makeup of the “200” users of Raintree.

From my multiple and thorough reviews of the history, as well as my own personal involvement regarding this subject, the former Boards in our Condos have ALWAYS taken the position that, “We *should*, from a *moral* standpoint, pay “something”, but we are *not* OBLIGATED to pay *anything*.” **This is not correct.** I have had two (2) independent Attorney firms review all pertinent documents regarding this question, and they came to the same conclusion: **WE ARE, IN FACT, OBLIGATED TO PAY OUR FAIR SHARE BASED ON MATH AND GEOGRAPHY...NOT OPINIONS OR MISGUIDED PERSPECTIVES BY EITHER SIDE. AGAIN, THIS IS THE CURRENT BOARD’S POSITION IN PROPOSALS RECENTLY SUBMITTED TO, BUT NOT YET ACCEPTED BY LTPOA.**

My and the current Board’s view is to ignore all the different entities and just focus on the “200” USERS that need Raintree to access their property. May I remind everyone that if all lots in our Condos had homes, our Condo would outnumber LTPOA by a “3 to 1” margin. As the development properly moves forward, that will sooner, not later, be the case.

One thing to keep in mind is that fair share amounts must be agreed upon by **all** parties through **negotiation**. If that fails to deliver, then mediation per “document” language. i.e. **No one has full dominion how the fair share amount is to be determined.** I have submitted proposals to LTPOA for items 1 and 2 based on the Board’s perception of what is a fair share. Things are now, in the hands of LTPOA.

Below is a paragraph written by Matt Rehling, Condo Administrator:

I have spent a great deal of time with all the history, repair quotes, and road evaluations for the condo. In 2020 there are a few things that must be implemented to keep the conditions of the roads in good working order for the best longevity for the money invested.

Our current balance for the road fund account is \$85,361.00. Of these funds, we will need to make a Fair-Share Contribution of approx. “\$??,???” to an Escrow Account for the Raintree resurfacing to be paid when complete. Also, we will need to act on the quotes we have for our preventative road maintenance from last fall. These costs total \$9,594.00 and will give us prolonged life of the roads since they are roads with a higher rating and must be protected or BE LOST. I am attaching documents with break downs of all details used for these recommendations.

*If we follow through and implement the current plan, the current balance of \$85,361.00 will drop to a balance of \$??,???” for 2020. The attachments show that, we have already spent a GRAND TOTAL in BOTH Condos of \$77,616.46 on repairs. Of those repairs \$34,445.00 was spent on the Brookstone Drive and Hidden River Drive **alone**, due to poor construction by the contractor as determined by review of Condominium documents.*

These two (2) roads, Brookstone Drive and Hidden River Drive combined, have absorbed historical and disproportionate repair costs since the day they were built, and the contractor [Excel Paving] was never held accountable. Even today, we are holding yet another "\$40,000" quote for repairs to Hidden River Dr. that will be a complete waste due to the improperly built base, spending good money after bad. Barry Cox, our expert, reviewed all the roads in our condo and says Hidden River Dr. and Brookstone Dr. must be completely re-constructed. i.e. Pulverizing and re-compacting the existing roads to form a correct base, and then put a new 2" surface on the top coat. This repair cost was quoted at \$74,941.55 last year. At this point in time this type of correct major repair is short of funds. I would think that available road funds would have to be well over \$100,000.00 to be considered.

Considering that there remain thirty-eight (38) empty lots and only seven (7) lots with homes built on Brookstone and Hidden River **COMBINED**, it is difficult to make a commitment to "reconstruct" the road until a large numbers of the 38 empty lots have homes built on them. It makes the most sense to simply do a few "band aide type repairs for now. We will probably choose to do that along with the other repairs to the condo roads next summer.
