

**Villas at Northville Hills  
Annual Meeting  
May 13, 2010**

**Board Members in Attendance:** N. Chu-Meyers, T. Ewers, T. Klimek, C. Lund, L. Zaddach

**Call to Order**

Mr. Lund called the meeting to order at approximately 7:14 p.m. at the Northville Township Auditorium. In addition to the Board Members in attendance, L. Martin, Association Manager from Kramer-Triad, was also in attendance.

**Determination of Quorum**

Ms. Martin reported that we have a total of 153 eligible voters in the Association and that a total of 107 (51 proxies and 56) in attendance at the meeting. Since 54 were required for a quorum (35% of eligible voters) Mr. Lund declared a quorum was present.

**2010 Meeting Notice**

Mr. Lund reported that in accordance with the Association By-Laws, notice of the 2010 Annual Meeting had been mailed to all Co-Owners on April 8, 2010 and May 3, 2010. A copy of the notice is attached.

**Approval of the 2009 Annual Meeting Minutes**

Mr. Lund indicated that the 2009 Annual Meeting Minutes had been distributed. Mr. Lund asked for a motion to have the minutes approved. Ms. Klimek moved that the minutes be approved. Ms. Chu-Meyers seconded the motion. The motion passed unanimously.

**Rules for the Meeting**

Mr. Lund indicated that the meeting would be held following strict adherence to Robert's Rules of Order. He indicated that tonight's meeting is a meeting and not a debate. He asked that any questions be addressed to the Chair and not individual Officers or Committee Chairpersons.

**President's Report**

Mr. Lund indicated in November there were a number of incidents of observed disruptive behavior by a small group of Co-owners who did not have specific business at Board and Committee meetings. The Board concluded that the behavior was impacting the moral and commitment of volunteer Committee members, and negatively impacting the Board's ability to conduct the business of the Association. After consulting with the Association's attorney, Mark Makower, the Board acted to close Board and Committee meetings to anyone (including Co-owners) who were not members of the Board or Committee, unless specifically invited to present a pre-schedule agenda topic effective November 17, 2009. Mr. Makower had informed the Board that as a Not-for-Profit Corporation, the Board had the authority to close meetings as they felt necessary to effectively conduct the business of the Association.

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Mixed feedback was received from Co-owners regarding the Board's action. The Board took the position that the action was temporary and would be revised as soon as we felt the Association's business could be conducted without disruptive and intimidating behavior of individuals who did not have a direct role in the Committee of Board's business.

On November 30, 2009 a suit was filed on behalf of a group of Co-owners in 35<sup>th</sup> Judicial District Court, by their attorney, Hugh Thomas, also a Co-owner. The lawsuit alleged:

- Despite repeated requests by the Plaintiffs or their representatives and by numerous other Villas Co-owners to re-open the meetings, or at least employ less draconian measure, the defendants have refused to relent or compromise in any way whatsoever.
- No where in the Association's Articles of Incorporation, Master Deed or By-Laws or in the Condominium Act are Defendants expressly authorized or permitted to close Board or Committee meetings.
- Defendants decision to close all Association Board and Committee meetings to virtually all of the Villas Co-owners violates democratic and equitable principles, is invalid because, on information and belief, it was not made in a duly noticed and convened Board meeting; there is no rational basis upon which to conclude or justify that Defendants have the authority to close Association Board and Committee meeting to any Villas' Co-owners, let alone to virtually all Co-owners.

Mr. Lund indicated the Plaintiffs included: Plaintiff's Attorney, Hugh Thomas, Paul Aramian, Pat Brennan, Anthony and Sharon DiPaolo, Michael Hagopian, Joseph Kramer, Ray and Carolyn Kugler, Bob and Ingrid Lasley, Robert and Jane Meredith, John and Kathy Moore, Peter and Veronica Neill, William Redford and Jane Thomas.

Mr. Lund indicated the Defendants were Nancy Chu-Meyers, Terri Klimek, Chuck Lund and Linda Zaddach, as Directors of the Villas at Northville Hills Condominium Association. The Defendants' Attorney was Mark Makower.

Mr. Makower's perspective on the lawsuit was as follows: The lawsuit was filed in District Court and sought declaratory relief, which is equitable relief. District Courts do not possess the power to grant equitable relief in these situations, so the case might have been dismissed with one motion. Even if the Plaintiff's attorney filed the action in the proper court, it might also have been summarily dismissed because (in the defendants attorney's opinion" there is no basis in law for the allegation.

The Board's attorney suggested we delay contacting our D%O insurance company, as he believed we would be able to deal with the issue expeditiously and ultimately minimize our investment in legal fees. Mr. Makower discussed his perspective with the Plaintiff's attorney

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and the suit was withdrawn by the Plaintiff's attorney on December 1, 2009 without further court action.

Mr. Lund further indicated that on December 2, 2009, the Board announced that monthly Board meetings would be re-opened to Co-owners effective with the January 5, 2010 meeting. Committee meetings would be open to non-committee member participation, based on the Chairperson's discretion.

Mr. Lund indicated that the Association incurred approximately \$500 in legal fees and no court costs specifically related to this case. As a result of the action of the Plaintiff Co-owners and the Board's heightened sensitivity for the significant potential time and expense associated with even a frivolous law suit, the Board began vetting major policy changes and issues with Mr. Makower, including recent full changes and certain variance requests, and has potentially incurred legal fees incremental than those previously incurred by the Association.

As a result of Mr. Makower's increased oversight, errors were identified in the method the Annual Meeting voting proxies had been handled by the Association's previous Boards.

Mr. Lund indicated that a Spring 2010 Co-owner Survey had been conducted. The response rate was 35%. The Survey identified a high level of Co-owner satisfaction, performance is generally considered to be stable and improving, and the majority of Co-owners rejected restoring premium cable channels in the Clubhouse.

Mr. Lund reminded the Co-owners that Board does not work 24 hours a day. Co-owners should contact Kramer-Triad Management Group with all issues.

Mr. Lund thanked the following individuals for their assistance over the past year: Mel Armbruster, Todd Ewers, Larry Hein, Linda Martin and the Team at Kramer-Triad, Martin Meyers, Gary Zaddach, his fellow Board members, the Committee Chairpersons, the Committee Members and the Director Candidates.

### **Financial Report**

Ms. Chu-Meyers presented the financial data for the calendar year 2009 and the budget for 2010 with various details as to operating expenses and dues utilization. The 2009 financial results were passed out to those in attendance and will be mailed to Co-owners not present at the meeting.

**Committee Reports**

**Rules**

Ms. Klimek introduced the committee members and reported on their progress over the year.

**Architectural and Security**

Mr. Deacon introduced the committee members and reported on their progress over the year.

Ms. Spriet introduced the Security committee members and reported on their progress over the year.

**Landscape and Irrigation**

Mr. Legacki introduced the members of the Committee and reported on their progress over the year.

**Culture and Communication**

Ms. Aramian introduced the members of the Committee and reported on their progress over the year.

Ms. Zaddach reported on the status of the Villas website.

**Election of Directors**

Mr. Lund asked if there were any nominations from the floor for Directors. He then asked for volunteers to be inspectors of the election and indicated they must have no relationship to any of the Director candidates. Mr. Guido, Mr. Tubbs and Ms. Leiphart agreed to be Inspectors.

Mr. Lund indicated that each Director Nominee would be allowed a maximum of two minutes to make a presentation to the Co-owners. The presentations would be made in alpha order by last name. Ms. Aramian, Mr. Bloom, Ms. Chu-Meyers, Mr. Deacon, Mr. Miller, Ms. Spriet and Ms. Zaddach made their presentations.

After the presentations, the ballots were collected and submitted to the Election Inspectors for counting.

**Business Matters**

Mr. Lund opened the floor for Co-owner questions.

**Election Results**

Mr. Lund announced the results of the election. Mr. Deacon, Ms. Spriet and Mr. Miller were elected for two year terms. Ms. Zaddach was elected for a one year term.

The meeting adjourned at approximately 9:35 p.m.

Respectfully submitted,  
Linda S. Zaddach, Villas Secretary