

**Apple Canyon Lake Property Owners Association  
Board of Directors Meeting Minutes  
January 20, 2024**

**APPROVED**

**1.0 Call to Order:** 8:00 AM.

**2.0 Executive Session** – 8:00 AM.

**3.0 Return to Open Session** – motion to return to open session made by Bill Becker at 9:08 AM.

Seconded by Laura Pratt, motion carried unanimously.

**4.0 Pledge of Allegiance** – after the Pledge of Allegiance, a quorum was present with the following Directors in attendance: Nolan Mullen, Bill Becker, Mark Kosco, Bob Ballenger (via Zoom), John Anderson (via Zoom), Carmel Cottrell, Brian Holt, Debra McNamee, and Laura Pratt. Interim General Manager Mike Harris was also present.

**5.0 Approve/Adopt Minutes from the December 16, 2023, Board Meeting** - Laura Pratt motioned “to approve the minutes from the December 16, 2023, Board Meeting.” Seconded by Carmel Cottrell, motion carried unanimously.

**6.0 Treasurer’s Report** – Steve Borst reported that he is working with the Honkamp accounting staff and the staff at ACL – with Steve being the point person for everyone. Last Thursday we had a planning meeting and we have identified everything that needs to be done and who is going to do what. Two things - trying to get caught up and trying to identify where we are at. Challenging. Cleaning up the past and planning ahead. Designated Funds update was given out. The Board appreciates all of Steve’s work.

**7.0 Committee/Commission Reports**

**Nominating** - Mike Yorke reported we have six nominees for the Board right now. Deadline is Monday (1/22). Good news.

**GM Search** – Mike Yorke reported they have been busy interviewing different candidates. The GM Search Commission feels good about the progress we have made. We have one candidate coming to ACL so far. We have two more possible candidates after this one.

**Conservation** - State of the Fisheries – Norm Vandigo reported — 2021/2022/2023 we stocked muskie in the fall of each year. Predicting them to be 22-26” for this season. Northern Pike and the Walleye seem to be doing well. Would like to see a place to report your fish (like Zebra Mussels reporting). Something informal for us to track and help us make decisions for the future.

**Board Policy** – Laura Pratt reported they are resuming this month. We are looking for a non-board member, property owner that would be interested in helping us. Next meeting is January 29.

**Memorial Pavilion** – Carmel Cottrell reported that the building is up, hoping to finish up before Memorial Day.

**Maintenance** – Carmel Cottrell reported that compactor research is underway and also looking at a cardboard bailer.

**8.0 General Manager’s Report** – Mike Harris reported that it has been quiet since the beginning of the year. We have a grant for removing invasives (\$9,000). Old fire house – money was approved for this year. We sent out bids last year with only one that came back. We have contacted them to see if prices have changed since last year. Statements for dues have been sent out. New Years Eve party at the Pro Shop went very well. Spillway – water is running over for the first time on the 17th. Received the permit for IDNR for work on spillway and dam, moving forward. Ice rink – not ready. NorthStar training. Inventory will start Monday on everything that is in The Cove.

**9.0 President’s Report** – President’s Report will be in *The Apple Core*.

**10.0 Any Additions to the Agenda** - none

## **11.0 Consent Agenda**

### **11.1 Committee/Commission Changes**

**11.2 Food & Beverage Ad Hoc Decommission** – Deb McNamee motioned “to allow Therese Nelson to join the General Manager Search Ad Hoc Commission; to allow Sue Meusel to join the Employee Handbook Commission; and to allow Rick Schaschway to join the Campground Commission, and to decommission the Food & Beverage Ad Hoc Commission.” Seconded by Bill Becker, motion carried unanimously for both 11.1 and 11.2.

### **12.0 Unfinished Business**

#### **13.0 New Business**

**13.1 Employee Handbook Language Changes** - Laura Pratt motioned “to table this agenda item 13.1.” Seconded by Mark Kosco, motion carried unanimously.

**13.2 Sale of Dredge** - Mark Kosco motioned “to sell the dredge and advertise with dredge broker.” Seconded by Carmel Cottrell. Discussion: Deb McNamee – we purchased the dredge, and no one has been trained to operate the dredge. Since we own this why are we not trying to dredge ourselves. Nolan Mullen - with turnover, right now we don’t have anyone to run it. Contracting out seemed the best alternative. More cost effective to contract out rather than have our own employees, including maintenance and insurance, \$25,000 – 30,000 per year savings by contracting out over 10 years. Carmel Cottrell - we paid \$279,000 for the dredge, appraisal could be \$275,000. Need for dredges right now. No cost to ACL for advertising on Dredge Broker – they add on their commission to the buyer. Mark Kosco - with the dredging we recently finished, little need to dredge for 5-7 years. John Anderson – should have someone learn to run the dredge rather than contract out. Machine should stay. Bill Becker – our people are not dredge operators. Over \$10,000 to put in the water; \$8,000 for insurance; \$4,500 for maintenance on average per year. Roll call: John Anderson – nay; Bob Ballenger - aye; Bill Becker – aye; Carmel Cottrell – aye; Brian Holt – aye; Mark Kosco – aye; Deb McNamee – nay; Laura Pratt – aye. Motion carries with six ayes.

**13.3 Cove Operator** - Laura Pratt motioned “to approve Michelle Magee and Rob Chambers as operators to run The Cove from 2024 – 2026.” Seconded by Carmel Cottrell. Discussion: Mike Yorke reported that Michelle and Rob are experienced restaurateurs – Logans in Freeport previously and now the Pit Stop in Stockton. If this potential deal should fall through the cracks, we have no other operator interested. We sent out about 400 requests for proposals with very few returned. In the last month, we did discuss this with five restaurants in the area and four out of five said no. The Pit Stop was thinking about expanding, so timing is perfect. They have a strong interest in doing this. Multiple meetings with them. Lease is for two years. Roll call: John Anderson – aye; Bob Ballenger – aye; Bill Becker – aye; Carmel Cottrell – aye; Brian Holt – aye; Mark Kosco – aye; Deb McNamee – aye; Laura Pratt – aye. Motion carried unanimously.

#### **14.0 Property Owner Comments**

John Diehl (Zoom), lot 671 – 14.0 item – in recent times this has been at the end of the agenda. Inappropriate – should give a chance to comment prior to votes on the agenda. Prior to unfinished and new business. Current placement sends a clear signal that property owner’s comments are not important.

Gary Hannon (Zoom), 8A239 – 1) placement of property owner comments, agree with John. Should be in front as well as the end. 2) understood that our financials have been screwed up over the past six months. We owe it to the ownership at ACL to understand year-end results. May take us months to figure out the end of year – unsatisfactory and unacceptable. Perhaps we need to get Honkamp in on a more aggressive way.

**15.0 Adjourn** – Motion to adjourn by Mark Kosco at 9:55 AM. Seconded by Bob Ballenger. Motion carried.

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Recording Secretary, Rhonda Perry

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President, Nolan Mullen

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Corporate Secretary, Laura Pratt

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Date