

**Apple Canyon Lake Property Owners Association  
Board of Directors Meeting Minutes  
November 16, 2024**

**APPROVED**

**1.0 Call to Order:** Meeting called to order by President Nolan Mullen at 8:03 AM. Other Directors present: Bob Ballenger, Bill Becker, Carmel Cottrell, Brian Holt, Mark Kosco, Debra McNamee, Laura Pratt and Mike Ward (via Zoom). General Manager Jon Sabo was also present.

**2.0 Executive Session** – Motion to proceed to executive session made at 8:03 AM by Laura Pratt, seconded by Bob Ballenger. Motion carried.

**3.0 Return to Open Session** – motion to return to open session made by Bob Ballenger at 9:15 AM. Seconded by Deb McNamee, 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, Bob Ballenger, Bill Becker, Carmel Cottrell, Brian Holt, Mark Kosco, Debra McNamee, Laura Pratt and Mike Ward (via Zoom). General Manager Jon Sabo was also present.

**5.0 Treasurer’s Report** – will be in *The Apple Core*.

**6.0 Committee/Commission Reports**

**Dam Advisory/Spillway Project** – Mike Yorke and Barry Kren reported that we are on track and on budget. Phase 1 ends December 20. Perfect safety record; Security—no issues; Adherence to schedule—on time; Cost variance—no engineering change orders; Property Owner concerns very few (if any); Contractor Performance—A+; Environmental Impact—footprint remains the same, (not changed the boundaries in any way); Communication—we started publishing more pictures of the work and will continue.

IL Dept of Natural Resources has been on site to inspect – they are so pleased with the work they have seen; they are considering using this project as a model for Illinois. They wouldn’t be doing that unless they were impressed with the work that has been done.

Mike Yorke acknowledged Mike Holt – successfully won the seat on the Jo Daviess County Board – congratulations.

**Nominating** – Mike Yorke reported that the deadline for applications to run for the ACL Board is January 20. Only two months away. We need to have a minimum of five candidates. Advertising is starting to heat up. December 21 will be an informational gathering at the Pro Shop (right after the Board meeting). Please recruit.

**Memorial Pavillion** – Carmel Cottrell reported they purchased outdoor furniture. Black Polywood, out there now.

**Strategic Long-Range Planning** – Carmel Cottrell report they met to discuss planning and to incorporate GM goals into the document.

**Legal** – Carmel Cottrell reported they are now working on a timeline for communication on Declarations and Bylaws.

**Zebra Mussels** – Bill Becker reported they met in November. All of the data collected was put on a map around the lake. Showed North Bay and Winchester Bay are the worst areas of the lake. A recommendation is in front of the board today.

**Greenway Stewardship/Conservation** – Deb McNamee reported they are ready to process applications. Questions on whether AECC will have final approval on all applications or just the buffer zone areas. **Should refer to our Building Code.** We have a lot of Greenway Stewardship programs right now – burden on AECC. AECC will have final approval on all applications? or just for the buffer zone? Mark Kosco – Buffer zone work requires AECC approval. Would prefer anything

outside of the buffer zone to go to the Conservation commission for acceptance, and then to the GM for approval. Lake front/buffer zone would come to AECC for approval.

**Rules & Regulations** – Brian Holt reported they met and worked through some changes.

**Board Policy** – Brian Holt reported they met and are determining our next set of policies they will be working on.

**Recreation/Multi-Sport Complex** - Mike Ward asked about an update on the pickleball courts – regarding the punch list. Any word about getting those courts patched up before cold weather. Jon Sabo reported that all of the punch list items were taken care of.

**7.0 General Manager’s Report** – Jon Sabo reported on NorthStar update – new server was implemented. All of the modules are working, with NorthStar being on site, testing, training. One item left is the Pro Shop (inventories being updated) – target is December 12 to be completed. Several training sessions are coming up – determining how much to charge for food, etc. Mike Ward will do direct mentorship with the teams. PCI Compliance – federal government compliance for credit cards. Will be compliant by the end of the year with the purchase of new credit card readers. Can accept credit cards away from the building for outside events.

Asking the Board to contemplate to advance to Phase 2 of the spillway. This year the contractor could blast, cracking the rock in the lake and open the channel. Ideally, by April 1, 2025, the dam project could be done. Cost savings of about \$400,000-500,000. Instead of a three-year project, could be done next year. Lot of homework to do, but hopefully will bring back to the Board.

We have finalized proposed insurance renewal. Initially we received an intent to not renew our insurance. Not what we want to see. US Tennis did come out and took care of all of the visible issues on the pickleball court.

Did confirm they will come back in the spring, owing us another touch up next spring.

Firehouse work is drawing near completion.

We have final negotiations on Winchester grant.

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

**9.0 Any Additions to the Agenda** – Mark Kosco motioned “to add 11.7 Spillway Project Phase 2 to the agenda.” Seconded by Bob Ballenger, motion carried unanimously.

**10.0 Consent Agenda – Approve/Adopt Minutes from the October 19, 2024, Board Meeting, and Committee/Commission Changes** – Mark Kosco motioned “to approve/adopt minutes from the October 19, 2024, board meeting and committee/commission changes.” Seconded by Bill Becker. Brian Holt requests removing the minutes for discussion: 1.0 Nolan’s arrival time should be **8:25** AM; 11.2 – Fines **should** escalate per fine schedule. Brian Holt motioned “to amend minutes: 1.0, last sentence, change time to “**8:25**.” 11.2 Delete the word “**not**.” Seconded by Carmel Cottrell, motion carried. Motion to approve Consent Agenda with modified minutes by Mark Kosco, seconded by Bob Ballenger. Motion carried unanimously.

**11.0 Unfinished Business**

**11.1 4.14 Employee Technology and 4.15 Social Media Acceptable Use – 2<sup>nd</sup> Reading** - Mark Kosco motioned “to approve 4.14 Employee Technology and Social Media Acceptable Use handbook portion and signature form.” Seconded by Deb McNamee. Discussion: Employees will review annually. Motion carried unanimously.

**11.2 Adopt the 2025 Annual Assessment, Operating Fee & Building Fee Schedules** - Mark Kosco motioned “to approve/adopt the 2025 Annual Assessment, Operating Fee & Building Fee Schedules. The annual assessments raised to \$1,360, OARF raised to \$150, boat docks raised to \$325. Vacation Rental Registration raised to \$300 with a fine double the fee. Add Golf Season Pass for individual with cart for \$495. Eliminate One-Day and Three-Day Amenity Tag (retain additional annual tag at \$20 each). Increase non-property owner greens fees; 9 holes M-F - \$18 WE/Holidays -

\$22. 18 holes M-F - \$25 WE/Holidays - \$30. Reduce Junior Annual Golf Season Pass to \$75.”  
Seconded by Deb McNamee. Motion carried unanimously.

**11.3 Adopt the 2025 R&R Budget** - Laura Pratt motioned “to approve/adopt the 2025 R&R Budget in the amount of \$292,000 in expenditures.” Seconded by Carmel Cottrell, motion carried unanimously.

**11.4 Adopt the 2025 Operating Budget** – Carmel Cottrell motioned “to approve/adopt the 2025 Operating Budget, with a total revenue of \$5,970,815 and total operating expenses of \$4,553,748 with a transfer to the R&R Fund of \$715,000, and a transfer to the Capital Fund of \$700,000.”  
Seconded by Laura Pratt. Discussion: Mike Ward – operating budget specific to the Cove and Pro Shop – shows a loss for Cove of about \$27,000. Pro Shop – \$135,000 budget projection loss. A lot of discrepancies and issues with that. Asking to look at both - on Cove relative to revenue side and Pro Shop – entire budget. Not that confident in the operating budget in those two departments.  
Motion carried with six AYES; Mike Ward voted NAY and Bill Becker ABSTAINED.

**11.5 Final ZM Ad Hoc Commission Recommendation for 2025** - Laura Pratt motioned “to accept the Zebra Mussels Ad Hoc Commission Recommendation for 2025.” Seconded by Bill Becker.  
*The Zebra Mussels Ad Hoc Commission recommends Apple Canyon Lake treat the lake annually with EarthTec QZ.*

- 1) **Up to three complete shoreline treatments as designed and executed in 2023.**
- 2) *Large scale (e.g. bays, coves) or spot treatments (Jumping Rock, specific dock areas) may be recommended based on detection of unacceptable levels of live zebra mussels.*
- 3) *Maintain increased frequency of treatments to Jumping Rock and Nixon Beach.*
- 4) *Imperative to ensure the golf course irrigation injector pump system is operational for the 2025 golf season. Ensure adequate treatments to the Marina until injector pump system is operational.*
- 5) *Treatments to occur post-fish spawning.*

*Formal data must be collected, documented, and maintained in the existing Excel spreadsheets provided to Natural Resources. Results of lake conditions and applications to be documented with tools such as monitoring plates, live cages, measuring copper and oxygen levels, lake temps, weather, etc.”*

Discussion: Data is being collected and will be put into an Excel spreadsheet. Will finalize building the website for this information to be shared. Motion carried unanimously.

#### **11.6 ACL Building and Environmental Code V.05-20-2023 – Revisions and Additions – 2<sup>nd</sup>**

**Reading** – Carmel Cottrell motioned “to approve the revisions to the Apple Canyon Lake Building and Environmental Code. In accordance with Article VII.c.ii, to adopt the attached August 24, 2024 revisions to pages 5, 15, 16, 18, 20, 21, 22, 30, 39, 42, 44, 46, 47, 48, 49, 50, 52, 53, 55, 56, 57, 58, 59, 61, 64, 70 of the May 20, 2023 version of the Apple Canyon Lake Building and Environmental Code, as unanimously approved by the Architectural and Environmental Control Committee on September 7, 2024 at their regularly scheduled meeting.” Seconded by Mark Kosco. Discussion: error on page 13, section 7 should be section “6”; page 44 Change boardwalks to “walkways.”  
Motion carried unanimously.

**11.7 Spillway Project Phase 2** – Mark Kosco motioned “to authorize the GM to advance Spillway Project to Phase 2 when Phase 1 is completed.” Seconded by Deb McNamee. Discussion: approval to negotiate and accelerate Phase 2. Will bring the information back in December. Motion carried unanimously.

#### **12.0 New Business**

**12.1 4.15 Video Surveillance and Electronic Monitoring – 1<sup>st</sup> Reading** – Discussion: This is a new policy. Need to remove the 2016 date. Likely missed when document added to the template. Coming back next month for second reading and approval.

**12.2 Rules & Regulations Miscellaneous Revisions – 1<sup>st</sup> Reading** – Discussion: correcting old title issues; added Sports Complex for amenity tags. Security will pick up and deliver the tags to campground – will update and bring back for 2<sup>nd</sup> reading.

**13.0 Property Owner Comment**

Edie Petelle – 11-209 – Pro Shop training– will they finally start to make money? Any way we can finally make it to at least break even? Asking for regular updates.

Mark Kosco - amenities that lose money – pool loses more money than the Pro Shop.

Charlene Wooley 2-22 – When first bought our lot, we were told by GM and President – can't park RV on vacant lot across the street. Now a lot of RVs are there. Plus, there are lights on in the RV – some are staying there. Jon Sabo – enforcement action, 2<sup>nd</sup> level started yesterday, including the sheriff.

Michael Holt 1A61– comment on greenway stewardship. Not concerned as much about species of trees, concern is about density.

Tracy Sabo 8A295 - spoke for the Garden Club – new event on December 8 – Christmas at the Canyon. Tour of five homes. Requesting non-perishable food donations to be dropped off at one of the houses. With the help of Security, we have determined we have 12 families in our community that are in need.

**14.0 Adjourn** - Motion to adjourn by Bob Ballenger, seconded by Mark Kosco at 10:41AM. 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