

**Apple Canyon Lake Property Owners Association
Board of Directors Meeting Minutes
July 19, 2025**

APPROVED

1.0 Call to Order

Meeting **called to order** by President Nolan Mullen at 8:00 am. Brian Holt in attendance as secretary. All Directors were present (Bob Ballenger via Zoom). General Manager Jon Sabo was also present.

2.0 Executive Session

Mark Kosco **moved to proceed to executive session** made at 8:01 am. **Seconded** by Deb McNamee.

Deb McNamee left the meeting at 8:15 am.

3.0 Return to Open Session

Mark Kosco **moved to return to open session** at 9:03 am. **Seconded** by Brian Holt.

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 (present for quorum via Zoom), Carmel Cottrell, Crystal Erdenberger, Brian Holt, Mark Kosco, Brett Livengood, and Mike Ward. General Manager Jon Sabo was also present.

5.0 Committee/Commission Reports

Golf Commission

Anthony Frieri reported that the Big Cup event was planned for that afternoon and evening, and that hopefully the weather will get better. Fairways are a little bigger, and everything is going well.

Conservation Commission

Pam Opyd gave an update on the watershed goals. The Commission is working on addressing violations in the greenways. The Greenway Stewardship program is going well, with one on the agenda today for board approval. Zebra mussels now fall under Conservation, who is working on that as well, discussing best way to deal with them.

Nominating Committee

Mike Yorke reported the Nominating Committee had their first meeting of the cycle. Three seats will expire again. The process of finding more candidates is underway.

Recreation Commission

Mike Ward reported there are funds in the budget to put in 18x15 sunshade, which was already approved by the board. It will hopefully be installed before the upcoming pickleball tournament in August.

Strategic Long-Range Planning Commission

Mike Ward reported the Commission talked a lot about the new format and what we are trying to accomplish. Meeting of the Whole scheduled on August 23, 2025, from 8:00 am to 12:00 pm. There are currently about 45 identified participants. Following that meeting, a survey will go out to all property owners.

Budget Commission

Crystal Erdenberger reported that budget planning meetings have started.

Rules & Regulations Commission

Brian Holt reported that the Commission met this month and had a detailed discussion about wake boats and lake safety. The Commission will continue to work on those topics.

6.0 Treasurer's Report

Crystal Erdenberger announced they will publish the Treasurer's report on the website. Staff and the Budget Commission have begun working on the 2026 budget. This month's Treasurer's Report shows we are above the annual budget. We are looking at all accounts to come up with better investment strategies, focusing on funds that won't be used right away, to maximize interest income. Also looking at revenue and expenses—some work to do on our events. Working on our amenities that could be revenue generated—some are at losses. We are very much improving on our losses over the years. Hoping we can keep this up.

7.0 General Manager's Report

Jon Sabo reported he will be having a meeting with Apple River State Bank & First Community Bank of Galena CEO Joel Holland on Monday. Reserves have been kept in a pooled account. Some accounts could be in better yielding accounts.

Winchester Bay Grant: State of Illinois is indicating a 60-day turnaround once project is in final approval—will address that on Monday. We will invoice the state for \$348,000.

Pro Shop reports \$66,000 added revenue (Jan to June). Been an appreciable catalyst—more sales, higher tickets. Investment has really paid off. Through the end of June, we're showing a profit of \$85,902, which is much better than we had budgeted for. Will continue to build efficiency.

Weed harvester motor failed two weeks ago with the same issue with the block two years ago. Fischer delivered a loaner motor; installation began on Friday. Territory may loan or rent theirs, but we have lost two weeks of harvesting.

Next zebra mussel treatment is next week. Working with Conservation. We want the membership to review the stats.

There was a bad UTV accident on the trails. Please drive slowly, use your headlights, and don't drink and drive.

8.0 President's Report

The President's Report will be in The Apple Core.

9.0 Any Additions to the Agenda

Carmel Cottrell **moved to add** "Dredge Accessory Equipment" to the agenda. **Seconded** by Mark Kosco.

Motion carried unanimously.

10.0 Consent Agenda

10.1. Main Consent Agenda

Carmel Cottrell **moved to approve** the Consent Agenda, which included the following items:

1. Approve minutes from the June 21, 2025, Board meeting
2. Approve Charlene Wooley to join the Tellers Commission and Mark Fill to join the Trails Commission
3. Approve General Manager's action on behalf of the Deer Management Commission Designated Fund Request. The Board was notified of the approval to purchase three youth archery bows with center arrow rest, which right- and left-handed archers may use. These bows will be used during Youth Archery Day. Amount not to exceed \$150.
4. Approve General Manager's action on behalf of the Golf Commission Designated Fund Request. The Board was notified of the approval to spend up to \$300 to purchase LED lights and batteries to light up hole boundaries and hazards. The LED lights are reusable and will eliminate the need to purchase glow sticks in the future.

The Board was notified of the approval to spend up to \$80 to purchase LED hat light clips for the Golf Commission to sell during Night Golf events.

The Board was notified of the approval to reimburse the actual cost of night golf glow balls to be ordered by the Pro Shop Manager for both the August and September Night Golf events. The Golf Commission Chair and Pro Shop Manager will determine the number of balls to be purchased. The Pro Shop Manager will make the purchase, and the Golf Designated Fund can be charged for the actual cost of the night golf balls.

5. Approve General Manager's action on behalf of the Golf Commission Designated Fund Request. The Board was notified of the approval to spend up to \$500 for the purchase of golf-related items to raffle off as part of the Big Cup Fundraiser.

6. Approve General Manager’s action on behalf of the Golf Commission Designated Fund Request. The Board was notified of the approval to spend up to \$250 for the purchase of golf-related items to use in the silent auction as part of the Big Cup Fundraiser.
7. Ratify AECC Appointment: Nolan Mullen **moved to appoint** Brian Holt to AECC as a Board voting member. **Seconded** by Crystal Erdenberger. **Motion carried** unanimously with all Directors voting. This motion was made and voted on via email to allow the July AECC meeting to proceed with a quorum.

Brian Holt **requested** the approval of the minutes from the June 21, 2025, Board meeting **be moved to a separate agenda item** for discussion.

Mark Kosco **seconded** the approval of the remaining Consent Agenda.

Motion carried unanimously.

10.2. Approval of the Minutes of the June 21, 2025, Board Meeting

Brian Holt noted the reformatted minutes and requested any feedback on the updated format.

Due to the lack of a secretary at the time, no one captured who moved and seconded to proceed to executive session.

Mark Kosco **moved to approve** the minutes from the June 21, 2025, meeting. **Seconded** by Crystal Erdenberger.

The **motion to approve the minutes carried** unanimously.

11.0 Unfinished Business

11.1. Recreational Vehicle Rules & Regulations Updates, 2nd Reading

Brian Holt **moved to approve** the updates to the Recreational Vehicle Rules & Regulations Updates as recommended by the Rules and Regulations Commission. **Seconded** by Crystal Erdenberger.

Brian Holt **moved to amend** the language to address Rollover Protection Systems and to make the language regarding passengers and operators consistent by using “occupants.” **Seconded** by Mark Kosco.

Discussion: in vehicles without rollover protection systems (ROPS), you might not want to be strapped in in the event of a rollover, because the vehicle could crush you. This isn’t the case in ROPS-equipped vehicles, which are designed to keep you inside the vehicle in the event of a rollover. Therefore, we should only require seatbelts to be used in vehicles equipped with ROPS.

Motion to amend carried unanimously.

The changes are:

To V. General Violation Fines, Motorized Vehicles—Recreational, add “Operating a recreational vehicle with passengers in the cargo area: \$250”

To XII. Motorized Vehicles - Recreational, Subsection E, Equipment, update item 3 to “ATVs/UTVs are required to always have headlight(s) and tail lamp(s) turned on, if equipped, during operation,” add item 4, “Seatbelts are required to be worn in all UTVs equipped with rollover protection systems,” and update the previous item 4 to item 5.

To XII. Motorized Vehicles - Recreational, Subsection F, Operation Limitations, update item 12 to “Occupants are prohibited from riding in cargo area or on any trailer or cart attached to an approved vehicle.” Add 13. “No person may ride in or on any part of a motorized recreational vehicle that is not designed or intended by the original manufacturer to be used by passengers for seating purposes.” Add 14. “The number of occupants within a UTV may not exceed the original maximum capacity for the vehicle as established by the vehicle manufacturer, or, in vehicles equipped with rollover protection systems, exceed the number of occupant restraints (e.g. seatbelts) designed and installed for the vehicle by the original manufacturer.”

To XII. Motorized Vehicles - Recreational, Subsection H, Staging Areas, update item d. to “Firehouse Fitness parking lot.”

To XII. Motorized Vehicles - Recreational, Subsection I, Lawful Operation, update a. to “Must be 18 years of age or older and possess a valid driver’s license.”

Motion carried unanimously.

11.2. ACL Building and Environmental Code V. 11-06-2024—Revisions and Additions (112.3A), 2nd Reading

Mark Kosco **moved to approve** the ACL Building and Environmental Code V.11-06-2024 Revisions and Additions. **Seconded** by Brett Livengood.

Section 112.3A is modified as follows:

Item 2 updated to state, “All Garage to Dwelling separations shall meet Jo Daviess County Building Code requirements.”

Items 3 and 4 are removed.

Items 5, 6, and 7 are renumbered to 3, 4, and 5.

Discussion: we are deferring to the Jo Daviess County Building & Environmental Code.

Motion carried unanimously.

11.3. ACL Building and Environmental Code V. 11-06-2024—Revisions and Additions (127.1), 2nd Reading

Crystal Erdenberger **moved to approve** the ACL Building and Environmental Code V. 11-06-2024 Revisions and Additions. **Seconded** by Mark Kosco.

Section 127.1 is modified as following:

Item C is amended to add, “Any house used for vacation rentals (including short term/transient) will be required to meet the minimum replacement tank size.”

Item E is amended to add after the second sentence, “Additionally, any house used for vacation rentals (including short term/transient) will require a minimum septic tank volume of 1,500 gal. with a suitably designed drain field.”

Motion carried unanimously.

12.0 New Business

12.1. Greenway Stewardship Application: 8A271/272 Jefferson Ct

Mark Kosco **moved to approve** the Greenway Stewardship Application for 8A271/272 Jefferson Ct. for this applicant to proceed per the terms and recommendations agreed to in the application. **Seconded** by Brett Livengood.

Discussion: Directors discussed some perceived inconsistencies in the application and its supporting documentation and asked the Conservation Commission to further mark trees and to consider approaching the project in phases for approval as work is completed.

Brett Livengood **moved to postpone** this motion until next month. **Seconded** by Mark Kosco.

Motion to postpone carried unanimously.

12.2. Propane Bid Acceptance 2025-2026

Crystal Erdenberger **moved to approve** the Saunders Oil bid at \$1.129 per gallon for 22,000 gallons for the 2025-2026 propane prepaid contract, plus applicable taxes. **Seconded** by Mark Kosco.

Motion carried unanimously.

12.3. Pro Shop Patio Enclosure

Crystal Erdenberger **moved to approve** the up to \$20,000 designated fund expense for the Pro Shop Patio Enclosure.” **Seconded** by Mike Ward.

Discussion: \$20,000 approval covers the quoted project cost plus a buffer for some cost overrun. This does not include costs (including labor) incurred by ACL Maintenance Department.

Directors discussed the temporary nature of the structure, which will allow us to avoid updating licenses or any potential insurance premium changes. Portions will remain year-round, which will save the Maintenance Department from having to manage temporary panels and avoid the annual cost of new tarps. The impact on the Cove and the use of the Clubhouse for events and activities were discussed, but this was deemed a separate topic for another discussion. HVAC will be installed by a licensed contractor. Management was asked to track the hours put into the project by the Maintenance Department.

Motion carried with Carmel Cottrell voting nay.

12.4. Dredge Accessory Equipment

Carmel Cottrell **moved to approve** the disposal of accessory equipment from the dredge. **Seconded** by Brett Livengood.

Motion carried unanimously.

13.0 Property Owner Comments (unless otherwise noted, comments were not responded to or corrected)

Charlene Wooley, 2A22

On the topic of wakes again—did a lot of research. A lot of states have banned wakes or have various restrictions. Speeds are faster, rock walls are eroding, and shoreline erosion - how can we allow wake boarding and wake surfing? Does this belong on our lake? Would be happy to talk to anybody—want to see this out of here. Brian Holt: please bring this to the upcoming Rules & Regulations meeting, as the commission plans to have further discussions on the topic.

Henry Doden, 13A129

Frentress have used the dredge hose, and it's paid for and not hurting anything. Does not make sense to sell it. The Cove—built with blue land beams—been exposed to the weather, time they are maintained. Regarding the trail accident near 13A129: there have been numerous accidents. 10 mph speed limit with 7 people; is a ticket being issued? Enforcement would make a big difference. Something needs to be done.

Mara Okerman, 6A17

Thank you to the Board and the Garden Club—wouldn't be here without you all. Protecting ACL assets—pontoon boat rentals here at ACL—researched insurance coverage if an incident occurs with the rental boats. Spoke to our issuer of insurance - if you don't own the specific vehicle that you are operating, your insurance does not apply to that vehicle. ACL insurance covers the boat itself, but you would be responsible, assuming my insurance would cover everything else. The insurance will not cover anything if you do not own the boat. No personal liability, docks damaged, etc., not covered. How can we ensure coverage? Asking for the board to take a deep look at this. We have our assets exposed, find a way to solve this.

Mike Yorke, 5A106

The Winchester Bay project, which was conceived of 5 years ago to reduce the amount of silt coming into Winchester Bay, is now completed and extremely well done. Wonderful thing and wanted to thank everyone that made it a reality.

14.0 Adjourn

Mark Kosco **moved to adjourn** at 10:50. **Seconded** by Brett Livengood.

Motion carried unanimously.