



BOARD OF DIRECTORS MEETING

APRIL 18TH, 2026

**9:00 A.M. – ACL CLUBHOUSE, 14A157 CANYON CLUB DR, APPLE RIVER, IL 61001
& VIA ZOOM**

AGENDA

- 1.0 CALL TO ORDER – 8:00 A.M.
- 2.0 EXECUTIVE SESSION – 8:00 A.M.
- 3.0 RETURN TO OPEN SESSION – 9:00 A.M.
- 4.0 PLEDGE OF ALLEGIANCE
- 5.0 COMMITTEE/COMMISSION REPORTS
- 6.0 TREASURER’S REPORT
- 7.0 GENERAL MANAGER’S REPORT
- 8.0 PRESIDENT’S REPORT
- 9.0 ANY ADDITIONS TO THE AGENDA
- 10.0 CONSENT AGENDA – APPROVE MARCH 21ST MEETING MINUTES
- 11.0 UNFINISHED BUSINESS
 - 11.1 APPROVAL OF THE MID AMERICAN MARINE CONTRACT
 - 11.2 XII. MOTORIZED VEHICLES – RECREATIONAL – DISCUSSION ONLY
 - 11.3 XXIII. RENTAL HOMES – DISCUSSION ONLY
 - 11.4 APPROVAL OF AUDIO BID FOR THE CLUBHOUSE
 - 11.5 RECREATION – FOOD TRUCKS FOR SUMMER OF 2026
- 12.0 NEW BUSINESS
 - 12.1 NEW FENCING ALONG THE SPILLWAY
- 13.0 PROPERTY OWNER COMMENTS (3 MINUTES PER MEMBER)
- 14.0 ADJOURN



Memorandum

To: Board of Directors

Date: April 18th, 2026

From: ACLPOA

Memo: 2026-25

Topic: March Consent Agenda

Recommendation: To approve/adopt the Minutes from March 21st, 2026 Board Meeting.

To approve Mark Fill's resignation from the Rec Commission.

To approve Theodore Bluhm's resignation for the Deer Commission.

**Apple Canyon Lake Property Owners Association
Board of Directors Meeting Minutes
March 21, 2026**

UNAPPROVED

1.0 Call to Order

Meeting **called to order** by President Nolan Mullen at 8:04 am. Brian Holt in attendance via Zoom as secretary. All Directors were present (Brian Holt and Brett Livengood via Zoom). General Manager AJ Schuchart was also present.

2.0 Executive Session

Bob Ballenger **moved to proceed to executive session** at 8:05 am.

Seconded by Mark Kosco.

Motion carried unanimously.

3.0 Return to Open Session

Carmel Cottrell **moved to return to open session** at 9:07 am.

Seconded by Bob Ballenger.

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, Carmel Cottrell, Crystal Erdenberger, Brian Holt (via Zoom), Mark Kosco, Brett Livengood (via Zoom), Deb McNamee, and Mike Ward. General Manager AJ Schuchart was also present.

5.0 Committee/Commission Reports

Nominating Committee

Mike Yorke reported everything is on track. Profiles of the five candidates will be in the Apple Core and Apple Seed. Meet the Candidates event is scheduled for April 18, 2026 at 1pm.

Deer Management Commission

Gordie Williams reported on the bow hunting harvest, deer population count, and upcoming events. 31 deer were harvested, of which six were bucks. The February 7, 2026 population count had excellent weather conditions and counted 86 deer, which is 12 above the average. Conditions were rougher for the February 28, 2026 count, and only 56 deer were counted.

The commission's Youth Archery event will be held at the archery range on August 1, 2026.

Two deer were reported in the 2025 CWD final report, which is the latest available.

Recreation Commission

LeAnne Killeen reported that the Holly Jolly event in December went great with more than 50 kids who attended. The Easter Egg hunt is coming up. Thanks to ACL staff for helping facilitate the food trucks and bands for events this summer.

6.0 Treasurer's Report

The Treasurer's Report is available on the website at <https://www.applecanyonlake.org/group/pages/treasurer-s-report>.

7.0 General Manager's Report

General Manager AJ Schuchart reported that he's wrapping up his first 30 days on the job. Working on reducing credit card costs,

8.0 President's Report

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

9.0 Any Additions to the Agenda

Brian Holt **moved to add** 12.10 Approval of minutes from the February 10, 2026 Board meeting and 12.11 Reclamation of Monuments on the Dam.

Seconded by Bob Ballenger.

Motion carried unanimously.

10.0 Consent Agenda

Carmel Cottrell requested that the resignations from the Recreation Commission be removed from the consent agenda for discussion.

Mark Kosco **moved to approve** the Consent Agenda, which included the following items:

1. Approve minutes from the February 21, 2026, Board meeting.
2. Approve minutes from the March 10, 2026, Board meeting.
3. To approve Rick Schaschwary resignation from the Campground Commission Chair.
4. To approve Kathy Watter's application to the Teller Commission.
5. To approve JoAnn Czajka's application to the Teller Commission.
6. To approve Mike Kohl's application to the Campground Commission.
7. To approve Mike Kohl's application to the Golf Commission.
8. To abolish the GM Search Commission Committee.

Seconded by Crystal Erdenberger.

Motion carried unanimously.

11.0 Unfinished Business

11.1. XII. Motorized Vehicles—Recreational: 3rd Reading

Mark Kosco **moved to postpone** this motion until next month.

Seconded by Brian Holt.

Motion carried unanimously.

11.2. XXIII. Rental Homes: 2nd Reading

Brian Holt **moved to postpone** this motion until next month.

Seconded by Mark Kosco.

Motion to postpone carried unanimously.

12.0 New Business

12.1. Recreation: Food Trucks for Summer of 2026

Brian Holt **moved to approve** Galena Roasters Coffee, Pulido's Tacos, and Udderly Delicious Ice Cream to attend scheduled events and additional events that may arise, per the terms of their respective concession agreements.

Seconded by Mark Kosco.

Motion carried unanimously.

12.2. New Audio System Bids

Brian Holt **moved to postpone** this motion until next month.

Seconded by Mark Kosco.

Motion to postpone carried unanimously.

12.3. Grant: Bushes for Wetland Garden

Deb McNamee **moved to approve** the funding and project submitted by Mike Yorke for adding eighteen (18) bushes to the Marina Wetland Garden.

Seconded by Carmel Cottrell.

Motion carried unanimously.

12.4. Grant: Funding for Creation of a Nature Discovery Area

Mark Kosco **moved to approve** the funding and project submitted by Pam Opyd to create a Children's Nature Discovery Area at North Bay.

Seconded by Mike Ward.

Motion carried unanimously.

12.5. Grant: Funding for Digital Water Leveling System and Supplies

Brian Holt **moved to approve** the funding of Julie Janssen's grant to purchase a Digital Water Leveling System and supplies.

Seconded by Crystal Erdenberger.

Motion carried unanimously.

Carmel Cottrell **moved to approve** the funding of the Foundation grant for trees and mulch for the Golf Commission.

Seconded by Mark Kosco.

Motion carried unanimously.

12.6. ACL / American Marine Inc. Marine Service Center Lease Agreement

Mark Kosco **moved to approve** the signing of a marine services agreement with American Marine Inc., per the terms of the lease agreement agreed upon by both parties, pending final approval by ACL counsel.

Seconded by Deb McNamee.

Motion carried 7-1-0.

12.7. Cove Presentation

General Manager AJ Schuchart shared an overview of the current state of the Cove and the plan moving forward.

Bob Ballenger **moved to suspend Robert's Rules of Order** to discuss the proposal.

Seconded by Mark Kosco.

Motion carried unanimously.

Bob Ballenger **moved to reinstate Robert's Rules of Order.**

Seconded by Mark Kosco.

Motion carried unanimously.

12.8. Appeal: 13A29 Mustang Lane

Bob Ballenger **moved to proceed to executive session** made at 10:36 am.

Seconded by Mark Kosco.

Motion carried unanimously.

Carmel Cottrell **moved to return to open session** at 12:04 pm. **Seconded** by Crystal Erdenberger.

Motion carried unanimously.

Crystal Erdenberger **moved to determine that the action of the AECC was erroneous as a matter of fact, and to dismiss the fines accordingly.**

Seconded by Deb McNamee.

The Board feels that the proposed item does not fall under the definition of a structure because it does not "[require] more or less permanent location on or in the ground or attached to something having a permanent location on or in the ground."

Motion carries 6-0-2.

12.9. To Add an Additional Campsite at the Campground

No action needed.

12.10. Approval of minutes from the February 10, 2026 Board meeting

Crystal Erdenberger **moved to approve the minutes** from the February 10, 2026, Board meeting.

Seconded by Carmel Cottrell.

Motion carried unanimously.

12.11. Reclamation of Monuments on the Dam

Carmel Cottrell **moved to authorize the General Manager to spend \$6,600 from the capital fund** to reposition the monuments in the dam.

Seconded by Crystal Erdenberger.

Motion carried unanimously.

13.0 Property Owner Comments

The Board received comments from several property owners.

14.0 Adjourn

Bob Ballenger **moved to adjourn** at 12:34 pm.

Seconded by Deb McNamee.

Motion carried unanimously.



Memorandum

To: Board of Directors

Date: April 18th, 2026

From: Recreation Department

Memo: 2026-30

Topic: Mid American Marine

Recommendation: To approve the Mid American Marine contract.

APPLE CANYON LAKE PROPERTY OWNERS' ASSOCIATION AND
AMERICAN MARINE GROUP
THREE (3) YEAR MARINE SERVICE CENTER
LEASE 2026-2029

This Agreement entered into on this 17th of April 2026, by and between APPLE CANYON LAKE PROPERTY OWNERS' ASSOCIATION, INC. (hereinafter referred to as "Lessor"), and AMERICAN MARINE GROUP, an Iowa Corporation (hereinafter referred to as Lessee").

WITNESSETH:

WHEREAS, the Lessor is an Illinois Not-For-Profit Corporation whose members are individual lot owners of the real estate located in the Apple Canyon Lake recreational real estate development in Jo Daviess County, Illinois; and

WHEREAS, the Lessor owns the lake, the golf course, the clubhouse and the other common properties in the Apple Canyon Lake development, including the marina area and marina parking area just south of the clubhouse and clubhouse parking area; Apple Canyon Lake Lot #267 in Fairway Unit and five (5) acres containing a 60' x 200' metal storage building; and

WHEREAS, the Lessor wishes to lease a portion of the Association property in accordance with terms and provisions whereby the Lessee will maintain the leased premises, and provide needed boat storage, repair and other related services with the permission of the Board; and

WHEREAS, the Lessee, American Marine Group involved in the sale and maintenance of boats, motors, marine parts and accessories, and;

WHEREAS, the Lessee represents that they have the capabilities, resources and necessary personnel to furnish the products and services being sought by the Lessor for the Marine Services area; and

WHEREAS, the Lessee and the Lessor wish to accomplish objectives as referred to herein with respect to the use and maintenance of the marina service center area which are consistent and would be mutually beneficial.

NOW, THEREFORE, in consideration of the foregoing and of the following covenants and conditions, the Lessor and the Lessee mutually agree as follows:

I. The Lessor hereby leases to the Lessee and the Lessee leases from the Lessor for a thirty-six (36) month period beginning, July 1, 2026 through June 31, 2029, the Marina Service Center, including Apple Canyon Lake Lot #267 in Fairway Unit and (5) acres as

illustrated on Exhibit "8" and legally described, including the following structure: the steel storage shed 60 x 200' located on said parcel including a 100gl fuel storage tank, and by reference incorporated herein as Exhibit "8" and select docking facilities located on Apple Canyon Lake as determined by the Lessor ("Leased Premises"), provided this Lease shall not become effective until and unless the Guaranty attached hereto as Exhibit A is fully executed.

2. Base Rent, Taxes, Security Deposit During the term of this Lease, Lessee shall pay the annual Base Rent to Lessor in one annual payment on July 1, of each lease year. The annual Base Rent amounts will be as shown below:

BASE RENT

Base Rent – from July 1, 2026, until June 30, 2027, \$21,000.00

Base Rent – from July 1, 2027, until June 30, 2028, \$21,000.00

Base Rent – from July 1, 2028, until June 30, 2029, \$21,000.00

If mutually agreed upon by Lessor and Lessee, after June 1, 2027, this Lease may be extended for an additional three years under the same conditions as set forth herein, except for the annual Base Rent amounts. Said extension to begin on July 1, 2029, with annual Base Rent amounts as follows:

BASE RENT

Base Rent – from July 1, 2029, until June 30, 2030, \$28,000.00

Base Rent – from July 1, 2030, until June 30, 2031, \$28,000.00

Base Rent – from July 1, 2031, until June 30, 2032, \$28,000.00

Property Taxes: As determined by Jo Daviess County each year, property taxes for the leased premises will be invoiced by Lessor and paid by Lessee as Additional Rent. The property taxes for the Leased Premises shall be pro-rated for the partial lease years. If Lessee does not cause property taxes for the Leased Premises to be timely paid, Lessor may use any portion of the Security Deposit to pay such property taxes, and Lessee shall immediately thereafter be obligated to replenish the Security Deposit so at all times during the term of this Lease the Security Deposit is equal to one month's Base Rent at the then-current rate. If property taxes are not timely paid, and Lessor pays any amount in excess of the Security Deposit toward the property taxes for the Leased Premises, Lessee shall immediately reimburse Lessor such amount.

Security Deposit: Upon execution of this Lease, Lessee shall deposit with Lessor the Security Deposit in an amount equal to one month's rent at the then-current rate as security for the prompt, full and faithful performance by Lessee of each and every provision of this Lease. No interest shall be paid to Lessee on the Security Deposit. If Lessee fails to perform any of its obligations under this Lease,

Lessor may, but shall not be obligated to, use, apply or retain the whole or any portion of the Security Deposit to pay for (i) any rent or other sums of money due from Lessee hereunder, (ii) any sum expended by Lessor on Lessee's behalf in accordance with the provisions of this Lease, or (iii) any costs or expenses incurred by Lessor as a result of Lessee's default. This shall include maintenance, repair, or replacement necessary to return the leased premises to good condition or to pay property taxes for the Leased Premises when Lessee fails to cause such taxes to be timely paid. If Lessor uses any portion of the Security Deposit for the purposes enumerated herein, or if the Base Rent increases, Lessee shall within ten (10) days after receiving written demand from Lessor, deposit funds with Lessor sufficient to replenish the Security Deposit so at all times during the term of this Lease the Security Deposit is equal to one month's Base Rent at the then-current rate. If Lessee shall fully and faithfully comply with all provisions of this Lease, the Security Deposit, or any balance thereof not used by Lessor pursuant to the terms hereof, shall be returned to Lessee within thirty (30) days after the expiration or termination of this Lease, provided Lessee has surrendered possession of the Leased Premises to Lessor.

3. Hazardous Materials, Representations and Warranties. Lessor and Lessee agree as follows with respect to the existence of the use of hazardous materials on the leased premises:

(a) To the best of Lessor's and Lessee's knowledge, as of the effective date of this Lease and based on no specific inquiry, Lessor and Lessee know of no subsurface soil and groundwater contamination as a result of hazardous materials being on the demised premises. To the best of Lessor's and Lessee's knowledge and based on no independent inquiry, the soil and groundwater on or under the leased premises are free of hazardous material. The Lessee shall not be liable for any subsurface, groundwater contamination, or hazardous substances located on the leased premises prior to the commencement of this lease.

(b) Lessee shall keep and maintain the leased premises in compliance with all applicable federal, state and local laws and ordinances related to the industrial hygiene or to the environmental conditions on, under, about, or affecting the leased premises. Lessee shall not use, generate, manufacture, store, or dispose of on, under or about the leased premises or transport to or from the leased premises any flammable explosives, radioactive materials, hazardous wastes, toxic substances, or related materials, including without limitation any substances defined as or included in the definition of hazardous substances, hazardous wastes, hazardous materials, or toxic substances under any applicable federal or state laws or regulations.

(c) Lessee shall not cause or permit any hazardous material to be brought upon, stored or used on the leased premises, unless said materials will be used and stored by Lessee in a manner that complies with all applicable laws regulating the use and

storage of any such hazardous material. If Lessee breaches the obligations stated herein or if the presence of hazardous material on the leased premises results in contamination of the leased premises, then Lessee shall indemnify, defend, and hold Lessor harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses, including attorney's fees, that are a result of that contamination. This indemnification of Lessor by Lessee includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any federal, state or local government agency or political subdivision because of hazardous material present in the soil or groundwater on or under the leased premises.

(d) Environmental Practices. Lessee shall use conventional spill pans, containment devices and absorbent materials to control minor spills and prevent hazardous materials from contaminating any soil or groundwater.

4. Compliance with All Applicable Laws and Regulations. The Lessee will strictly comply with any and all applicable state or federal laws, rules and regulations and with all rules and regulations of the Lessor. The Lessee shall not permit nor suffer any noxious or offensive business, trade, occupation or other activities to be conducted on the leased premises, nor any business practice or conduct to which the Lessor, by the action of a majority of its directors, may hereafter object; Violations of applicable law or Lessor's Rules and Regulations by the Lessee or Lessee's employees may result in termination of this Lease.

5. Utilities. The Lessee shall promptly pay all utilities for each year arising from their operation of the marina service center hereunder. Lessee shall promptly pay all costs for supplies as well as any and all other expenses or charges incurred by them or on their behalf in connection with the operation of the Lessee's business at the marina service center. Lessee agrees to indemnify and hold harmless Lessor from and against any and all claims arising from installation and maintenance of such utilities and other services and from all costs and charges for utilities consumed on or by the Leased Premises during the term of this Lease.

6. Insurance. The Lessee will purchase insurance, naming the lessor and its directors, officers, members, agents, and employees are included as Additional Insureds with respect to liability arising out of the operations, occupancy, or use of the leased premises by American Marine Group and shall provide Lessor with copies of said policies. The following types of insurance are to be purchased and provided: \$1,000,000.00 combined bodily injury and property damage; \$1,000,000.00 umbrella or \$1,000,000.00 of excess liability coverage. The Lessee will keep all such insurance current at all times. The Lessee will furnish the Lessor with any evidence of such insurance coverage as the Lessor may from time-to-time reasonably request. The insurance requirements set forth herein are minimum coverage requirements and are not to be construed in any way as a limitation on Lessee's liability under this Lease.

20. Notices and Demands. Notices as provided for in this Lease shall be given to the respective parties hereto at their respective addresses unless either party notifies the other in writing of a different address.

Address of Lessor: Apple Canyon Lake Property Owners Assoc., Inc.
14A 157 Canyon Club Drive
Apple River, IL 61001

Address of Lessee: American Marine, Inc.
1630 East 16th Street
Dubuque, Iowa 52001

21. Bankruptcy or Insolvency of Lessees. In the event Lessee is adjudicated bankrupt or in the event of a judicial sale or other transfer of Lessee's leasehold interest by reason of any bankruptcy or insolvency proceeding or by other operation of law, and such bankruptcy, judicial sale or transfer has not been vacated or set aside within ten (10) days from the giving of notice thereof by Lessor to Lessee, and in any such event, Lessor may, at its option, immediately terminate this Lease and re-enter said premises upon giving an additional ten (10) days written notice to Lessee.

22. Default/Remedies of Lessor. The occurrence of any or all of the following events shall constitute a default, breach, and shall provide Lessor with the right to terminate this Lease:

- i. Lessees' failure to comply with any of its obligations set forth herein, including a violation of applicable law or Lessor's rules and regulations.
- ii. If Lessee shall vacate or abandon the leased premises or permit the same to remain vacant or unoccupied for a period of 10 days.
- iii. Failure of Lessee to pay any rent, prorated taxes, additional rent or other charges due hereunder within ten (10) days after receipt by Lessee of written notice that the same has not been paid.
- iv. If Lessee shall abandon the leased premises, other than during periods of repair or renovation, or as a result of casualty, force majeure or other events beyond the reasonable control of Lessee and shall fail to pay sums due hereunder in a timely manner or suffer this Lease to be taken under any writ of execution.

a) If an event of default occurs, the Lessor shall upon proper observation of all requirements of law have the right to enter the leased premises and take possession thereof and of all permanent improvements thereon and remove all persons and property from the leased premises by force, summary action or otherwise, and such

property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of Lessee.

b) Lessor's waiver as to any default shall not constitute a waiver of any subsequent default or defaults.

c) Legal Expenses. If suit shall be brought for recovery of possession of the leased premises and/or the recovery of rent or any other amount due under the provisions of this Lease or because of the breach of any other covenant herein contained on the part of the Lessee to be kept or performed, and the breach shall be established, Lessee shall pay to Lessor in addition to all other sums and relief available to Lessor, all reasonable expenses incurred, including reasonable attorney's fees.

d) No waiver by Lessor of any breach by Lessee of any term, covenant, condition, or agreement herein and no failure by Lessor to exercise any right or remedy in respect of any breach hereunder, shall constitute a waiver or relinquishment for the future of any such term, covenant, condition, or agreement or of any subsequent breach of any such term, covenant, condition, or agreement, nor bar any right or remedy of Lessor in respect of any such subsequent breach, nor shall the receipt of any rent, or any portion thereof, by Lessor operate as a waiver of the rights of Lessor to enforce the payment of any other rent then or thereafter in default, or to terminate this Lease, or to recover the leased premises and/or improvements, or to invoke any other appropriate remedy which Lessor may select as herein or by law provided.

e) In addition to all other liabilities for breach of any covenant of this Lease, Lessee shall pay to Lessor all damages caused by such breach and shall also pay to Lessor as Additional Rent an amount equal to any increase in insurance premiums or premiums caused by such a breach. Any violation of any section of this Lease may be restrained by injunction. Lessee shall be liable for all damages resulting from a violation of any of the provisions of any section of this Lease.

16. Casualty. If the leased premises shall be partially or totally damaged or destroyed by fire or other cause, and if this Lease shall not have been terminated as in this Article hereinafter provided, then Lessor shall repair the damage and restore and rebuild the leased premises and/or improvements within a reasonable amount of time; provided, however, that Lessor shall not be required to repair or replace any of Lessee's trade fixtures or other property or assets, nor to restore any work or installations made by Lessee.

(a) If the leased premises and/or improvements shall be partially damaged or partially destroyed by fire or other causes, the rent payable hereunder shall be abated to the extent that the leased premises and/or improvements shall have been rendered unusable for Lessee for the period from the date of such damage or destruction to the date the damage shall be repaired or restored. If the leased premises and/or

improvements, or a major part thereof shall be totally (which shall be deemed to include substantially totally) damaged or destroyed or rendered completely (which shall be deemed to include substantially completely) unusable on account of fire or other cause, the rent shall abate as of the date of the damage or destruction and until Lessor shall repair, restore and rebuild the leased premises and/or improvements, provided, however, that should Lessee reoccupy a portion of the leased premises and/or improvements, during the period the restoration work is taking place and prior to the date that the same are made completely, rents allocable to such portion shall be payable by Lessee from the date of such occupancy. Notwithstanding anything to the contrary contained in this Article, if Lessee is unable to reoccupy a portion of the leased premises and/or improvements during the period the restoration work is taking place and Lessor is unable to substantially complete the restoration of the leased premises and/or improvements on or before the date which is two-hundred seventy (270) days after the date of the damage or the destruction, Lessee shall have as its sole and exclusive remedy the right to cancel this Lease by written notice to Lessor given not later than thirty (30) days after such time limitation shall have expired, and, if Lessee so elects to terminate this lease, this Lease shall terminate on the date of such notice.

(b) If the leased premises and/or improvements shall be totally damaged or destroyed by fire or other cause, or if they shall be so damaged or destroyed by fire or other cause as to require a reasonably estimated expenditure of more than fifty per cent (50%) of the full insurable value of the leased premises and improvements immediately prior to the casualty or, if the leased premises and/or improvements shall be so damaged that Lessor shall decide to demolish or to rebuild them, then, in any such case, either Lessor or Lessee may terminate this Lease by giving the other party notice to such effect within ninety (90) days after the date of the casualty.

(c) No damages, compensation or claim shall be payable by Lessor to Lessee for inconvenience, loss of business or annoyance arising from any repair or restoration of any portion of the leased premises and/or improvements pursuant to this Article.

23. Entire Agreement. This Agreement constitutes the entire agreement between the parties and contains all of the agreements between the parties with respect to the subject matter hereof, Lessor shall not be required to provide any services or do any act or thing with respect to the leased premises or the appurtenances thereto, except as may be specifically provided herein, and the rent reserved herein shall be paid to Lessor without any claim on the part of Lessee for diminution, setoff, or abatement, and nothing shall suspend, abate, or reduce any rent to be paid hereunder, except as otherwise specifically provided in this Lease.

24. Modifications. No change or modification of this Agreement shall be valid unless the same shall be in writing and signed by each of the parties. No waiver of any provision of this Agreement shall be valid unless in writing and signed by the Lessor and Lessee.

25. Assignability. This Lease shall be assignable upon the sale of American Marine Group by Lessee, but only with the written approval of the Lessor's Board of Directors.

26. Attorney's Fees. The parties further agree as follows: In the event of legal action to construe or enforce the provisions of this Lease, such action shall be subject to Illinois law and instituted in a Court of competent jurisdiction in Jo Daviess County, Illinois. Further, the prevailing party shall be entitled to collect their reasonable attorney's fees, court costs and related expenses from the losing party and the Court having jurisdiction of the dispute shall be authorized to determine the amount of such fees, costs and expenses and enter judgment thereof.

27. Indemnity. To the extent permitted by law, and except to the extent caused by the negligence of Lessor or its beneficiaries, agents, employees, and assigns, Lessee agrees to defend, indemnify, and hold harmless Lessor and Lessor's beneficiaries, agents, employees, and assigns against any and all claims, demands, costs and expenses, including reasonable attorney's fees, arising from the Lessee's occupation of the leased premises or from any breach or default by Lessee in the performance of any covenant or agreement of this Lease, or from the negligence of Lessee, its agents, employees, servants, or invitees.

IN WITNESS WHEREOF the parties hereto have executed this Lease Agreement this day of April 13, 2026

APPLE CANYON LAKE PROPERTY OWNERS' ASSOCIATION INC. and
AMERICAN MARINE INC

LESSOR:

LESSEE:

APPLE CANYON LAKE PROPERTY
OWNERS ASSOCIATION

AMERICAN MARINE INC

Signature _____

Signature 

Printed Name: _____

Printed Name: Justin Probst

Date: _____

Date: 4/13/26

7. Employment of Sufficient Personnel. The Lessee shall employ at their expense and shall supervise a sufficient number of qualified personnel to operate the marina service center and to perform fully their duties and responsibilities hereunder.

(a) Worker's Compensation Insurance. The Lessee will furnish and provide adequate workers' compensation insurance and shall see that compensation is paid to all their employees who may sustain injuries as a result of their employment. Lessee shall furnish the Lessor with evidence of such insurance coverage.

(b) Hours of Operation. The marina service center will be open from (and including) April 1st through October 30th each year to serve members and properly identified guests according to the following schedule, unless otherwise agreed to by Lessor.

(i) Monday thru Friday 9:00am - 5:00pm. Saturday 9:00am - 1:00pm
Closed Memorial Day, Independence Day, Labor Day.

(ii) Prior to Memorial Day and after Labor Day Hours shall be at the Lessee's discretion

8. Reservation of Easement. This lease is subject to a reservation of easement access rights by the Lessor for the benefit of its members, employees, guests and agents:

(a) Upon reasonable notice as is practicable, the Lessor will retain the right to free access to any part of the leased area for the purpose of inspection, and for exhibiting the same or for any other reasonable purpose, in Lessor's sole discretion.

9. Provision of Equipment, Tools and Supplies. The Lessee will provide at their own expense all tools, equipment, supplies and labor which are necessary to enable them to perform their duties and responsibilities hereunder.

10. Lessee's Responsibilities. The Lessee will have and perform the following duties and responsibilities during the term of the lease and during any proper extension thereof:

(a) Boat Sales and Repairs. Boat sales and boat engine repairs and maintenance at reasonable prices as determined by Lessee.

(b) Performance of Miscellaneous Services and Functions. The performance of all other services and functions, as mutually agreed upon by Lessee and the Board of

Directors of the Lessor, as are reasonable and necessary or proper with respect to the operation of the marina service center at Apple Canyon Lake.

(c) Limitation of Use of Storage Building. The storage building located on the five (5) acre lot will be used only for activities specified in this paragraph ten (10).

(d) Indemnification. Lessee will indemnify and hold harmless the Lessor from all claims, demands or liabilities for payment, losses, injuries or damages arising or growing out of the operation of the marina service center and boat rentals, and from any and all costs, including attorney's fees, reasonably incurred by the Lessor as a result of any such claims, demands or liabilities.

11. Good Condition and Repair. The Lessee will maintain the leased premises, shall be responsible for seeing that they are kept clean, orderly and in good condition and repair, and shall return them to the Lessor at the expiration or termination of this Agreement, or any extension thereof, in as good condition as when the Lessee originally took possession, except for reasonable wear and tear. Lessee shall promptly and adequately repair all damage to any portion of the Leased Premises which are caused by Lessee, its employees, and its contractors. Lessee shall not be responsible for any maintenance or repairs to the structures, walls, flooring, roof, electrical, plumbing, or HVAC located in or on the leased premises unless said damage is caused by the actions or failures of the Lessee.

(a) Except as agreed upon by Lessor, Lessee will keep the Nixon Beach area clear of all materials including boats, trailers, and shore stations by May 15 of each year. Unless otherwise agreed upon, for any item remaining therein after May 15 of each year, Lessee will be charged a \$300 storage fee annually by the Lessor.

12. No Physical Alterations. The Lessee will not make any physical alterations nor obligate the Lessor to pay for any repairs or improvements to the leased premises without obtaining prior authorization in writing from the Lessor. All additions, decorations, fixtures, hardware, non-trade fixtures and all improvements, temporary or permanent, in or upon the leased premises, whether placed there by Lessee or Lessor, shall, unless Lessor requests their removal, become Lessor's property and shall remain upon the Leased Premises at the termination of this Lease without compensation, allowance, or credit to Lessee. If, upon Lessor's request, Lessee does not remove said allowances, decorations, fixtures, hardware, non-trade fixtures and improvements, other than building standard work required to be performed by Lessor, Lessor may remove the same and Lessee shall pay the cost for such removal to Lessor upon demand, provided that Lessor may use any portion of the Security Deposit to pay for such removal. Nothing herein shall prohibit Lessee from removing its movable partitions, equipment and furniture, and other trade fixtures

13. Mechanic's Liens. Lessee will not suffer or allow to be filed against the Lessor or the leased premises, any mechanics, material, or other such lien by reason of any work, labor, service, or material performed or furnished for or to Lessee or anyone under Lessee. Provided, further, that Lessee will at all times indemnify Lessor against and hold it harmless with respect to any loss, cost, fee, charge, expense, lien, attorney's fees or liability of any nature occurring or accruing by virtue of any such work, labor, service, or material performed or furnished for or to Lessee.

14. Surrender. Lessee will, on the last day of the term of this Lease, or upon any termination of this Lease surrender and deliver up the leased premises and the Improvements thereon into the possession and use of Lessor, without fraud or delay and in good order, condition, and repair, free and clear of all lettings and occupancies, free and clear of all liens and encumbrances other than those existing on the date of this Lease Agreement and those, if any, created by Lessor, without any payment or allowance whatever by Lessor on account of or for any buildings and Improvements erected or maintained on the Premises and/or Improvements at the time of the surrender. Provided, however, that Lessee's Trade Fixtures, personal property, and other belongings of Lessee shall be and remain the property of Lessee, and Lessee shall remove the same prior to the expiration of the term of this Lease Agreement. If, upon termination of this Lease, Lessee shall fail to remove its property from the leased premises, Lessor may cause such property to be removed and placed in storage, sold, or discarded, and Lessor may apply any proceeds thereof to the expenses of removal, storage, and sale, or to the indebtedness, if any, of Lessee to Lessor. Lessor shall in no event be responsible for the value, accounting, preservation or safekeeping of such property. Lessee shall pay to Lessor, upon demand, any and all reasonable expenses incurred in such removal and storage of such property. If Lessee retains possession of the leased premises or any part thereof after the termination of this Lease, Lessee shall pay Lessor 150% of the Base Rent payable for the month immediately preceding said holding over, computed on a per month basis, for each month or part thereof that Lessee thus remains in possession. Nothing herein contained shall preclude Lessor from terminating such retention of possession by service of a thirty (30) day notice as provided by statute.

15. Covenant Against Competition. The Lessor agrees that while this Agreement or any proper extension thereof is in effect and no breaches of agreement occur hereunder, the Lessor shall not enter into or grant a lease with any other person or company which would permit such other person or company to compete with the business to be conducted by the Lessee.

16. Subletting. The Lessee shall not sublet the leased premises in whole or in part and shall not assign the Lease herein, or any other rights obtained hereunder, without first obtaining the written consent of the Lessor. The granting of the right to sublet shall not release Lessee from liability under this Lease nor permit any subsequent prohibited act, unless Lessor specifically provides such consent.

17. Condition of Premises. The Lessee has inspected the leased area and is aware of its condition, including the condition of the structures thereon. No agreements or promises have been made by the Lessor to the Lessee with respect to the condition of the leased area or any of the structures thereon other than those expressed in this Agreement. Lessee is accepting the premises "as is," and Lessee's assumption of possession shall be conclusive evidence that the premises were in good order and satisfactory condition when Lessee took possession.

18. Lessor's Lien and Security Interest. Lessor shall have, in addition to the lien given by law, a security interest as provided by the Uniform Commercial Code of Illinois, upon all personal property and all substitutes thereof, kept and used on said premises by Lessee. Lessor may proceed at law or in equity with any remedy provided by law or by this Lease for the recovery of rent, or for termination of this Lease because of Lessee's default in its performance.

19. Access to Leased Premises. Upon 24 hours prior written notice, except in the case of emergency, Lessee shall permit Lessor to erect, use and maintain pipes, ducts, wiring, conduits and similar devices in and through the leased premises, to inspect the same, to make such, repairs, improvements or additions to the leased premises as Lessor may deem necessary or desirable; Lessor shall be allowed to take all material into and upon said Leased Premises that may be required therefore without the same constituting an eviction of Lessee in whole or in part; and the rent reserved shall in no way abate, while said, repairs, improvements, or additions are being made, by reason of Lessor's interruption of Lessee's business, or otherwise. If Lessee shall not be personally present to open and permit an entry to the Leased Premises, at any time, when for any reason an entry therein shall be necessary or permissible, Lessor or Lessor's agent may enter the same by a master key without rendering Lessor or such agent liable therefore (if during such entry, Lessor or Lessor's agent shall accord reasonable care to Lessee's property), and without in any manner affecting the obligations and covenants of this Lease. Nothing herein contained, however, shall be deemed or construed to impose upon Lessor any obligations, responsibility or liability whatsoever for the care, supervision or repair of the leased premises or any part thereof other than as herein provided. Lessor shall have right to enter leased premises at any reasonable time and from time to time, given that Lessor has provided Lessee with reasonable notice, except in case of emergency, (i) to ascertain the conditions of the leased premises, (ii) to determine whether Lessee is diligently fulfilling Lessee's responsibilities under this Lease, or (iii) for the purpose of showing the leased premises to prospective purchasers and mortgagees, or during six (6) months prior to the end of the term of this Lease and at any time Lessee is in default hereunder, to prospective new tenants. Lessee shall provide written notice to Lessor in a reasonable period of time prior to vacating the leased premises and shall arrange to meet with Lessor for a joint inspection of the leased premises. In the event of Lessee's failure to give such notice or arrange such inspection, Lessor's inspection shall be conclusive for purposes of determining Lessee's responsibility for repairs to the leased premises for any damage caused by the Lessee.

Memorandum



To: Board of Directors

Date: April 18th, 2026

From: Rules and Regulations

Memo: 2026-31

Topic: Motorized Vehicles pertaining to section 8

Recommendation: To approve the changes listed below from rules and regulations.

For UTVs

A. Definitions

8. Change 66" to 65" and change "tires" to "Rims".

This is the way Wisconsin measure the width of UTV from the rims not the tires. We have used Wisconsin regulations because:

1. They defined where the measurement is to be taken
2. Most of ACLPO tend to also ride on Wisconsin trails
3. Some of the UTVs already in use at ACL could be wider than the 64" that Illinois regulation permits, depending on where Illinois takes the measurement at.

Golf Carts:

Delete the words "with appropriate seating" and replace with "if equipped with seats specifically designed and manufactured for golf carts. All riders must sit on a seat".

1. Categorized Safety & Nuisance Incident Groups

I analyzed your list and grouped each item into common-sense categories used in property management, public safety, and nuisance-abatement reporting.

A. Traffic & Vehicle Violations

- Parking passes denied (multiple renters)
- Illegal laminating of car stickers
- Fleeing / reckless driving after 10 PM
- Riding UTVs through yards
- UTV not registered
- UTV accident (cited)
- Cars on trails looking for rental homes (7 times)
- Renters pulling into neighbors' driveways
- Van parked on other property lots
- No trash pass at dump

B. Amenity Misuse / Access Violations

- Illegal boat launch
- No amenity tags on water
- Wrong-colored amenity tags at pool
- Not enough tags to enter
- Renters without amenity tags at sports complex
- Kayaks illegal
- Spillway swimming and fishing
- Renting without being a rental home
- Illegal renting while county permit denied

C. Property Damage / Vandalism

- Railing broke (reported)

- Garbage left roadside
- Garbage littered on roadways / grease traps
- Breaking and entering (part of criminal activity)

D. Noise & Disturbances

- 3 noise complaints
- Fireworks
- Open door call

E. Criminal Activity

- Illegal drug dealing
- Check scamming
- Breaking and entering
- Fleeing (also traffic-related)

F. Safety Hazards / Emergency Response

- Medical emergencies
- Phone calls for fires
- Phone calls for weather
- Snake at residence

G. Lost / Wayfinding Issues

- Phone calls from being lost
- Grabbing maps for lost renters
- Cars on trails due to GPS errors
- Renters pulling into wrong driveways

H. Wildlife / Animal Issues

- Dog running at large
- Snake at residence

I. Environmental / Community Rule Violations

- Climbing the dam (5 of 17 renters)
- Spillway swimming/fishing
- Illegal kayak use

2. Summary Counts by Category

Here is a count of incidents based on your list:

Category	Count
Traffic & Vehicle Violations	15
Amenity Misuse / Access Violations	10
Property Damage / Littering	4
Noise & Disturbances	5
Criminal Activity	4
Safety Hazards / Emergencies	4
Lost / Wayfinding Issues	4
Wildlife / Animal Issues	2
Environmental / Rule Violations	4

Total incidents recorded: 52

Traffic & Vehicle Violations dominate

That category towers over the rest, which makes sense given the volume of:

- **Wrong parking passes**
- **Cars on trails**
- **UTV misuse**
- **Reckless driving**
- **Driveway intrusions**

This is exactly the kind of pattern that helps justify policy changes or enforcement adjustments.

Amenity Misuse is the second-largest problem

The charts make it obvious that renters are struggling with:

- Tags
- Launch rules
- Pool access
- Illegal rentals
- Water-based violations

This is a strong argument for clearer signage, better pre-arrival communication, or a rental-specific onboarding packet.

Everything else clusters into smaller but meaningful nuisance groups

Noise, littering, criminal activity, and emergency calls all show up as mid-tier issues — not the biggest categories, but enough to impact community satisfaction.

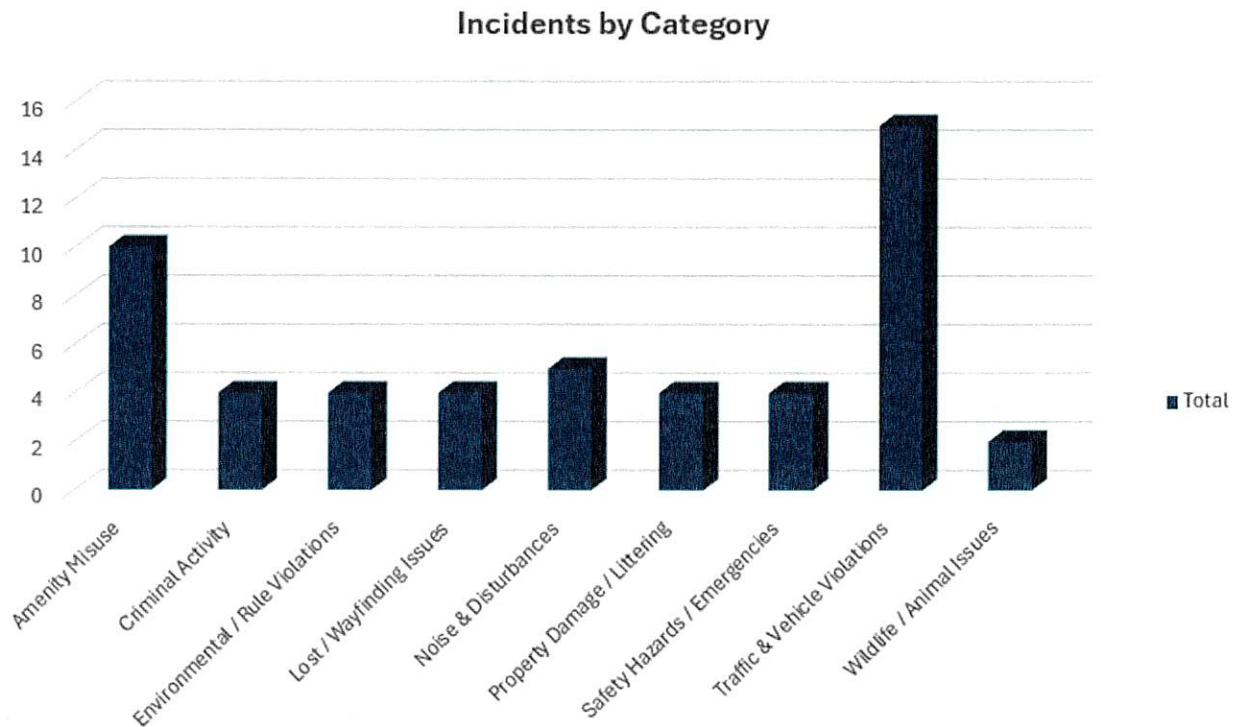
1. Dashboard Header

Title: *Community Safety & Rental Impact Dashboard* Reporting Period:

2. KPI Summary Tiles

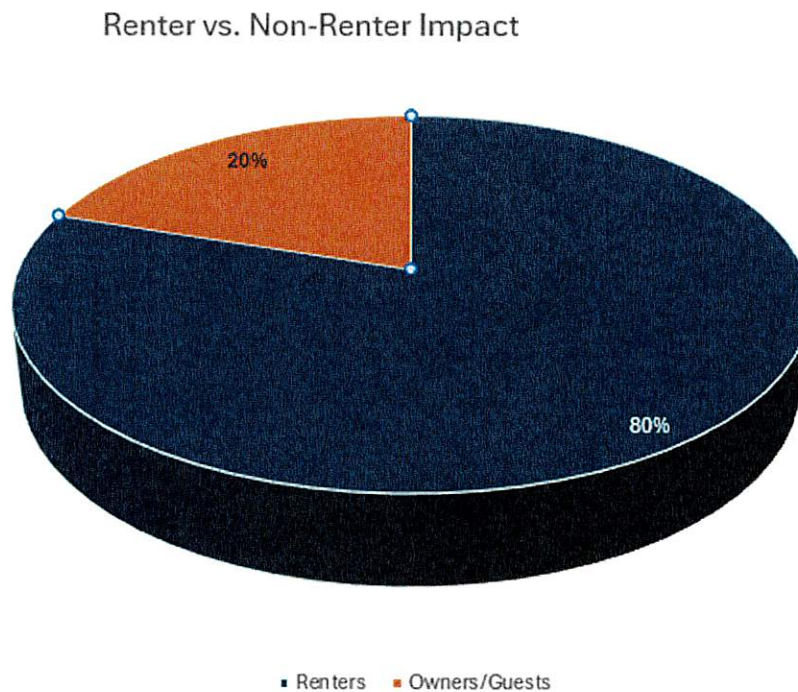
KPI	Value	Insight
Total Incidents	52	High volume for a single reporting period
% Renter-Related	~80%	Renters are the primary source of nuisance activity
Top Category	Traffic & Vehicle Violations (15)	GPS misrouting + UTV misuse dominate
Amenity Violations	10	Strong indicator of onboarding/communication gaps
Emergency Responses	4	Medical + fire/weather calls

3. Incidents by Category (Bar Chart)



Insight: Traffic + Amenity issues = nearly half of all incidents.

4. Renter vs. Non-Renter Impact



**** POLICY RECOMMENDATION SHEET**

1. Purpose

To reduce safety incidents, rental nuisances, and amenity misuse by implementing targeted policy and operational improvements based on documented incident patterns.

2. Key Findings

- 1. Traffic & Vehicle Violations are the largest issue (15 incidents). GPS misrouting, UTV misuse, and unauthorized parking are driving community frustration.**
- 2. Amenity Misuse is the second-largest category (10 incidents). Renters frequently lack proper tags, launch passes, or understanding of amenity rules.**
- 3. Renters account for the majority of incidents (~80%). This indicates a communication and compliance gap in the rental process.**
- 4. Noise, littering, and property damage remain persistent mid-level nuisances.**
- 5. Criminal activity, while less frequent, poses significant risk.**

3. Recommended Policy Changes

A. Rental Program Reforms

- Require mandatory pre-arrival digital orientation for renters (video or PDF).**
- Require rental owners to provide verified guest lists and amenity tag counts.**
- Implement renter violation fines billed to the property owner.**
- Require visible rental identification (dashboard pass + wristbands).**
- Enforce permit suspension for illegal rentals or repeat offenders.**

B. Traffic & UTV Control Measures

- Install “No GPS Access – Private Trails” signage at key trailheads.**
- Require UTV registration with visible decals.**
- Add speed bumps or traffic calming in high-risk areas.**
- Increase patrols during peak rental periods.**
- Implement automatic fines for driveway intrusions and trail misuse.**

C. Amenity Access Controls

- **Replace paper tags with scannable or digital amenity passes.**
- **Require boat launch reservations for renters.**
- **Add pool gate access control (keycard or QR code).**
- **Enforce one-strike rule for tag misuse.**

D. Waste & Property Protection

- **Require rental owners to provide arrival and departure trash instructions.**
- **Fine for roadside garbage or dumpster misuse.**
- **Require clearly visible house numbers to reduce lost-renter incidents.**

E. Safety & Emergency Preparedness

- **Provide renters with a quick-reference emergency card.**
- **Add weather alert signage at amenities.**
- **Require rental owners to maintain first-aid kits and safety instructions.**

F. Enforcement & Communication

- **Publish a Community Rules Summary for renters.**
- **Increase seasonal staffing for peak months.**
- **Provide monthly incident reports to the Board.**

4. Expected Outcomes

- **Reduction in renter-related nuisances by 30–50%**
- **Improved safety and reduced liability**
- **Higher resident satisfaction**
- **Stronger compliance with county rental regulations**
- **Better protection of amenities and natural areas**

11.4



Memorandum

To: Board of Directors

Date: March 21, 2026

From: ACLPOA

Memo: 2026-17

Topic: Audio System

Recommendation: To approve the bid for a new Audio System.



Memorandum

To: Board of Directors

Date: April 18th, 2026

From: Recreation Department

Memo: 2026-29

Topic: Food Truck Vendors

Recommendation: To approve JJ & Freddie's and Birds Chicken as vendors for summer events.

Concession Agreement

JJ & Freddie

CONCESSION AGREEMENT

THIS CONCESSION AGREEMENT ("Agreement") is entered into this day of 4/8, 2026 by and between Apple Canyon Lake Property Owners' Association, an Illinois not-for-profit corporation, having its principal office at 14A157 Canyon Club Drive, Apple River, Illinois 61001 ("Apple Canyon"), and JJ and Freddie having its principal office at Stockton IL 61085 ("Concessionaire").

WITNESSETH:

WHEREAS, Apple Canyon is an Illinois not-for-profit corporation, subject to the terms of the Illinois General Not-for-Profit Corporation Act (805 ILCS 105/101 et. seq.) and the Illinois Common Interest Community Association Act (765 ILCS 160/1 et. seq.) that is responsible for the maintenance and administration of certain common areas and facilities for the benefit of its members;

WHEREAS, one of the common facilities under the jurisdiction of Apple Canyon is a certain Firehouse Fitness parking lot (the "Facility");

WHEREAS, Apple Canyon and Concessionaire desire that Concessionaire enter into this Agreement pursuant to which Concessionaire shall be granted the right to park a truck to sell coffee, non-alcoholic beverages and pre-made baked goods upon the Facility, or upon any other area designated by Apple Canyon's Communications and Recreation Manager, in accordance with the terms and conditions set forth below; and

WHEREAS, Concessionaire represents that it possesses the necessary qualifications to provide the services and products described herein.

NOW, THEREFORE, Apple Canyon and Concessionaire agree as follows:

ARTICLE 1: CONCESSIONAIRE RIGHTS

1.1 Sale of Products. Apple Canyon grants to Concessionaire the right to park a food truck to sell food and beverages at the facility, which shall include the right to sell lunch and dinner food, and non-alcoholic beverages. The sale of alcoholic beverages is prohibited.

1.2 Intentionally omitted.

1.3 Equipment, Signage. Concessionaire shall be solely responsible for providing all equipment and products in connection with its rights under this Agreement. All equipment shall be removed by Concessionaire at the close of each day Concessionaire is upon the Facility. Any repairs necessary to Concessionaire's equipment shall be performed by Concessionaire at its sole expense. Concessionaire shall provide, at its own cost, all equipment, serving pieces, utensils, storage containers, point of sale terminals, and all other supplies and equipment necessary for the sale of all products. The style, size,

form, content, materials and location of all signs and advertising used by Concessionaire at the Facility shall be subject to the prior written approval of Apple Canyon.

1.4 Facility Alterations. No modifications or alterations to the Facility may be made by Concessionaire.

ARTICLE 2: COMPLIANCE WITH LAWS

form, content, materials and location of all signs and advertising used by Concessionaire at the Facility shall be subject to the prior written approval of Apple Canyon.

1.4 Facility Alterations. No modifications or alterations to the Facility may be made by Concessionaire.

ARTICLE 2: COMPLIANCE WITH LAWS

Concessionaire shall be responsible for compliance with all federal, state and local safety and health laws and regulations with respect to its operations. Concessionaire shall, at its expense, obtain all permits and licenses required for the conduct of its operations hereunder.

ARTICLE 3: CLEANING RESPONSIBILITIES/TRASH REMOVAL

Concessionaire shall be responsible for maintaining a high standard of service, hygiene, cleanliness and sanitation in the Facility and the immediately surrounding areas. Concessionaire shall be responsible for trash and garbage removal.

ARTICLE 4: INVENTORY

Concessionaire shall be responsible for maintaining sufficient inventory to meet anticipated demand. Concessionaire shall be solely responsible for ordering and transporting products to and from the Facility. All products shall be of a high quality.

ARTICLE 5: PERSONNEL; INDEPENDENT CONTRACTOR

5.1 Concessionaire's Personnel. Concessionaire will maintain a staff of its employees on duty at the Facility at a level and in a manner consistent with the operating standards required by Apple Canyon. Concessionaire's employees shall be employed by Concessionaire, and not Apple Canyon, for all purposes hereunder. Concessionaire and its management, supervisors and employees must behave in a professional manner at all times while in or around the Facility. No smoking is permitted at the Facility, unless specifically permitted by Apple Canyon. Concessionaire agrees that it will comply with all of Apple Canyon's rules, policies and procedures. Apple Canyon reserves the right to ban any Concessionaire's employee(s) from the Facility, in its sole discretion. Concessionaire hereby agrees that it will inform its employees that they must abide by Apple Canyon's policies and procedures.

5.2 Independent Contractors. Concessionaire shall be an independent contractor of Apple Canyon and not a joint venture, partner, agent or employee of Apple Canyon. Concessionaire, and not Apple Canyon, shall be responsible for the payment of all wages, payroll taxes, fringe benefits and severance for its employees. Concessionaire shall indemnify Apple Canyon and all of its officers, directors, members, employees, agents and representatives against any and all liability which may be asserted against them in connection with this Agreement and Concessionaire's performance hereunder.

5.3 Representations. Concessionaire hereby warrants and represents that it shall comply with all federal, state and wage and hour law requirements and obligations. Concessionaire hereby warrants and represents that it is solely responsible for the following: (i) paying its employees at least the applicable minimum wage; (ii) withholding all applicable taxes for its employees; (iii) providing unemployment and workers' compensation coverage for its employees; (iv) keeping all required record keeping documents pertaining to its employees; and (v) properly completing all appropriate paperwork for the employment of such individuals, including, but not limited to, the I-9 form and applicable tax forms.

ARTICLE 6: HOURS OF OPERATION

The Facility shall be open for business and able to serve customers, with Apple Canyon approval, as follows:

- A. The Facility shall be open for business and able to serve customers, with Apple Canyon approval, as per Addendum A attached to this agreement for 2025.
- B. The Facility may be open for additional dates, subject to the approval of Apple Canyon's Board of Directors or the General Manager
- C. The Facility may be open for events and activities, beyond those described in 6(A) and 6(B), subject to the approval of Apple Canyon's Communications and Recreation Manager.

ARTICLE 7: FINANCIAL ARRANGEMENTS

The Concessionaire shall pay Apple Canyon \$25.00 per weekend. Payment shall be made each weekend. Concessionaire shall be considered to have been open for business and able to serve customers on any given weekend if it is open for at least a total of 2 hours during the weekend.

ARTICLE 8: REIMBURSEMENT OF ADDITIONAL SUMS/UTILITIES

8.1 If Apple Canyon has paid any sums or has incurred any expense for which Concessionaire agreed to pay Apple Canyon, or if Apple Canyon is required to pay any sums or incurs any expense arising from this Agreement or arising from the failure or neglect of Concessionaire to perform or fulfill any of the terms or conditions of this Agreement, such amounts shall be deemed additional payments due hereunder; and Concessionaire shall reimburse Apple Canyon for the amount(s) thereof within ten (10) days following such demand(s).

8.2 Concessionaire shall be responsible and shall pay 100% of all costs related to its use of the Facility. Apple Canyon is not providing any electricity or any other utility services for Concessionaire. Concessionaire shall be solely responsible for procuring and paying for all electricity and other utility costs and expenses related to its use of the Facility.

ARTICLE 9: INSURANCE; INDEMNIFICATION

9.1 Insurance: Concessionaire shall procure, and shall maintain in full force and effect at all times during the term of this agreement, insurance against risks as is customarily carried with respect to properties similar to the Facility, paying as the same become due all premiums thereof, including, without limitation:

- (A) Workers' Compensation (statutory limits), including Employers' Liability for limits not less than \$500,000.00 each accident, \$500,000.00 disease-policy limit, and \$500,000.00 disease-each employee.
- (B) Commercial General Liability coverage including Products-Completed Operations coverage, Personal Injury Liability and Advertising Liability. The policy shall afford protection on a combined single limit of not less than \$1 million per occurrence. The general aggregate shall have a limit of not less than \$1 million and the Products Liability aggregate shall not be less than \$1 million.
- (C) Business Automobile Liability coverage with a combined single limit of not less than \$1 million.
- (D) Apple Canyon, its officers, directors, managers, agents and members shall name as additional insured with respect to Employers' Liability coverage, Commercial General Liability coverage and Business Automobile coverage.
- (E) Upon execution of this agreement, Concessionaire shall deliver a Certificate of Insurance to Apple Canyon evidencing the required insurance coverages, which shall all include Apple Canyon's interest as an additional insured prior to opening for business. All coverages are subject to Apple Canyon's review and approval, which shall not unreasonably be withheld.

9.2 Indemnification. Concessionaire hereby agrees to indemnify, defend, protect and forever hold Apple Canyon and all of its, officers, directors, members, employees, agents and representatives harmless from any and all acts, claims, liabilities, demands, litigation, actions, lawsuit and other proceedings, judgments, awards, taxes, costs, losses, penalties, fees and expenses (including, but not limited to, attorneys' fees) and liabilities, arising by reason of, or in any way related to, (i) Concessionaire's activities or services at the Facility, (ii) any condition in or upon or any occurrences in or upon the Facility, (iii) for damage to any property or persons (including, but not limited to, injury or death) arising by reason of any of the foregoing and (iv) for any and all tax liability arising from the Concessionaire's activities at the Facility, including, but not limited to, all retail

sales taxes and other direct taxes imposed upon receipts collected from consumers or imposed on any amounts related to Concessionaire's use of the Facility.

ARTICLE 10: TERM; TERMINATION; LIQUIDATED DAMAGES

10.1 Term. The term of this Agreement (the "Term") shall commence March 31, 2026 and shall terminate on December 31, 2026. The parties may, but are not obligated, agree to extend the Agreement beyond the initial Term. Any such extension of the Term shall be in writing, executed by both parties hereto.

10.2 Early Termination. Apple Canyon may, in its sole discretion, terminate this Agreement prior to the expiration of the Term by giving five (5) days' advance written notice to Concessionaire. Apple Canyon may terminate this Agreement for no reason or any reason, including convenience. Concessionaire shall permit Apple Canyon to monitor the quality and control level of services provided by Concessionaire. If Apple Canyon determines that any aspect of Concessionaire's services do not meet Apple Canyon's quality or service standards, Apple Canyon shall be entitled to immediately terminate this Agreement.

ARTICLE 11: ASSIGNMENT

This Agreement shall not be assigned by either party.

ARTICLE 12: NO GUARANTEES; LIMITATION OF LIABILITY

12.1 No Guarantees. Concessionaire acknowledges that Apple Canyon has made no guarantees with respect to the level of revenue or profitability of the Facility.

12.2 Limitation of Liability. Concessionaire hereby agrees that in all events, regardless of the nature of the claim or dispute, the maximum liability that Apple Canyon shall have to Concessionaire under this Agreement, shall be limited to the total sums paid to Apple Canyon in a single calendar year, and as described in Article 7. Notwithstanding anything in this Agreement to the contrary, Concessionaire shall not be entitled to seek, claim or collect damages in excess of the actual and direct damages actually incurred or sustained as a result of a breach or violation of this Agreement. Accordingly, Concessionaire hereby expressly waives any right to seek, claim or collect any punitive, indirect, special, speculative or consequential damages in connection with, or related to, a breach or violation of this or any other agreement entered into between the parties (or their respective affiliated or related entities) to this Agreement.

ARTICLE 13: MISCELLANEOUS

This Agreement contains the entire understanding between the parties and may not be amended other than by a written instrument executed by both parties. This Agreement shall be binding upon the parties hereto and their permitted successors and assigns. This Agreement shall be governed by, construed under and interpreted and enforced in accordance with the laws of the state in which the Facility is located. Furthermore, the parties consent that the courts located in the county and state in which the Facility is located shall have exclusive jurisdiction over all legal proceedings of any nature, brought by either

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed
by their duly authorized representatives the day and year first set forth above.

Page 3 of
7

APPLE CANYON LAKE PROPERTY,

OWNERS' ASSOCIATION,

an Illinois not-for-profit corporation

Concessionaire

By:

By:

Jay Spman

Name:

Name:

[Signature]

Its:

Its:

EXHIBIT "A"

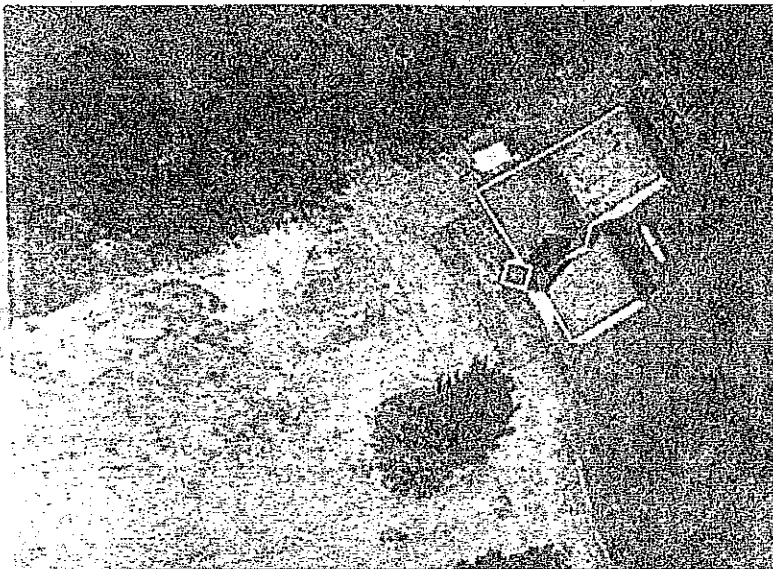


EXHIBIT "A"



Concession Agreement

Birds Chicken

CONCESSION AGREEMENT

THIS CONCESSION AGREEMENT ("Agreement") is entered into this day of _____, 2026 by and between Apple Canyon Lake Property Owners' Association., an Illinois not-for-profit corporation, having its principal office at 14A157 Canyon Club Drive, Apple River, Illinois 61001 ("Apple Canyon"), and BIRDS. having its principal office at 955 WASHINGTON ST #101 DUBUQUE, IA 52001 ("Concessionaire").

WITNESSETH:

WHEREAS, Apple Canyon is an Illinois not-for-profit corporation, subject to the terms of the Illinois General Not-for-Profit Corporation Act (805 ILCS 105/101 et. seq.) and the Illinois Common Interest Community Association Act (765 ILCS 160/1 et. seq.) that is responsible for the maintenance and administration of certain common areas and facilities for the benefit of its members;

WHEREAS, one of the common facilities under the jurisdiction of Apple Canyon is a certain Firehouse Fitness parking lot (the "Facility");

WHEREAS, Apple Canyon and Concessionaire desire that Concessionaire enter into this Agreement pursuant to which Concessionaire shall be granted the right to park a truck to sell coffee, non-alcoholic beverages and pre-made baked goods upon the Facility, or upon any other area designated by Apple Canyon's Communications and Recreation Manager, in accordance with the terms and conditions set forth below; and

WHEREAS, Concessionaire represents that it possesses the necessary qualifications to provide the services and products described herein.

NOW, THEREFORE, Apple Canyon and Concessionaire agree as follows:

ARTICLE 1: CONCESSIONAIRE RIGHTS

1.1 Sale of Products. Apple Canyon grants to Concessionaire the right to park a food truck to sell food and beverages at the facility, which shall include the right to sell lunch and dinner food, and non-alcoholic beverages. The sale of alcoholic beverages is prohibited.

1.2 Intentionally omitted.

1.3 Equipment; Signage. Concessionaire shall be solely responsible for providing all equipment and products in connection with its rights under this Agreement. All equipment shall be removed by Concessionaire at the close of each day Concessionaire is upon the Facility. Any repairs necessary to Concessionaire's equipment shall be performed by Concessionaire at its sole expense. Concessionaire shall provide, at its own cost, all equipment, serving pieces, utensils, storage containers, point of sale terminals, and all other supplies and equipment necessary for the sale of all products. The style, size,

form, content, materials and location of all signs and advertising used by Concessionaire at the Facility shall be subject to the prior written approval of Apple Canyon.

1.4 Facility Alterations. No modifications or alterations to the Facility may be made by Concessionaire.

ARTICLE 2: COMPLIANCE WITH LAWS

Concessionaire shall be responsible for compliance with all federal, state and local safety and health laws and regulations with respect to its operations. Concessionaire shall, at its expense, obtain all permits and licenses required for the conduct of its operations hereunder.

ARTICLE 3: CLEANING RESPONSIBILITIES/TRASH REMOVAL

Concessionaire shall be responsible for maintaining a high standard of service, hygiene, cleanliness and sanitation in the Facility and the immediately surrounding areas. Concessionaire shall be responsible for trash and garbage removal.

ARTICLE 4: INVENTORY

Concessionaire shall be responsible for maintaining sufficient inventory to meet anticipated demand. Concessionaire shall be solely responsible for ordering and transporting products to and from the Facility. All products shall be of a high quality.

ARTICLE 5: PERSONNEL; INDEPENDENT CONTRACTOR

5.1 Concessionaire's Personnel. Concessionaire will maintain a staff of its employees on duty at the Facility at a level and in a manner consistent with the operating standards required by Apple Canyon. Concessionaire's employees shall be employed by Concessionaire, and not Apple Canyon, for all purposes hereunder. Concessionaire and its management, supervisors and employees must behave in a professional manner at all times while in or around the Facility. No smoking is permitted at the Facility, unless specifically permitted by Apple Canyon. Concessionaire agrees that it will comply with all of Apple Canyon's rules, policies and procedures. Apple Canyon reserves the right to ban any Concessionaire's employee(s) from the Facility, in its sole discretion. Concessionaire hereby agrees that it will inform its employees that they must abide by Apple Canyon's policies and procedures.

5.2 Independent Contractors. Concessionaire shall be an independent contractor of Apple Canyon and not a joint venture, partner, agent or employee of Apple Canyon. Concessionaire, and not Apple Canyon, shall be responsible for the payment of all wages, payroll taxes, fringe benefits and severance for its employees. Concessionaire shall indemnify Apple Canyon and all of its officers, directors, members, employees, agents and representatives against any and all liability which may be asserted against them in connection with this Agreement and Concessionaire's performance hereunder.

□

Page 3 of
7

5.3 Representations. Concessionaire hereby warrants and represents that it shall comply with all federal, state and wage and hour law requirements and obligations. Concessionaire hereby warrants and represents that it is solely responsible for the following: (i) paying its employees at least the applicable minimum wage; (ii) withholding all applicable taxes for its employees; (iii) providing unemployment and workers' compensation coverage for its employees; (iv) keeping all required record keeping documents pertaining to its employees; and (v) properly completing all appropriate paperwork for the employment of such individuals, including, but not limited to, the I-9 form and applicable tax forms.

ARTICLE 6: HOURS OF OPERATION

The Facility shall be open for business and able to serve customers, with Apple Canyon approval, as follows:

- A. The Facility shall be open for business and able to serve customers, with Apple Canyon approval, as per Addendum A attached to this agreement for 2025.
- B. The Facility may be open for additional dates, subject to the approval of Apple Canyon's Board of Directors or the General Manager
- C. The Facility may be open for events and activities, beyond those described in 6(A) and 6(B), subject to the approval of Apple Canyon's Communications and Recreation Manager.

ARTICLE 7: FINANCIAL ARRANGEMENTS

The Concessionaire shall pay Apple Canyon \$25.00 per weekend. Payment shall be made each weekend. Concessionaire shall be considered to have been open for business and able to serve customers on any given weekend if it is open for at least a total of 2 hours during the weekend.

ARTICLE 8: REIMBURSEMENT OF ADDITIONAL SUMS/UTILITIES

8.1 If Apple Canyon has paid any sums or has incurred any expense for which Concessionaire agreed to pay Apple Canyon, or if Apple Canyon is required to pay any sums or incurs any expense arising from this Agreement or arising from the failure or neglect of Concessionaire to perform or fulfill any of the terms or conditions of this Agreement, such amounts shall be deemed additional payments due hereunder; and Concessionaire shall reimburse Apple Canyon for the amount(s) thereof within ten (10) days following such demand(s).

8.2 Concessionaire shall be responsible and shall pay 100% of all costs related to its use of the Facility. Apple Canyon is not providing any electricity or any other utility services for Concessionaire. Concessionaire shall be solely responsible for procuring and paying for all electricity and other utility costs and expenses related to its use of the Facility.

Page 3 of
7

ARTICLE 9: INSURANCE; INDEMNIFICATION

9.1 Insurance: Concessionaire shall procure, and shall maintain in full force and effect at all times during the term of this agreement, insurance against risks as is customarily carried with respect to properties similar to the Facility, paying as the same become due all premiums thereof, including, without limitation:

- (A) Workers' Compensation (statutory limits), including Employers' Liability for limits not less than \$500,000.00 each accident, \$500,000.00 disease-policy limit, and \$500,000.00 disease-each employee.
- (B) Commercial General Liability coverage including Products-Completed Operations coverage, Personal Injury Liability and Advertising Liability. The policy shall afford protection on a combined single limit of not less than \$1 million per occurrence. The general aggregate shall have a limit of not less than \$1 million and the Products Liability aggregate shall not be less than \$1 million.
- (C) Business Automobile Liability coverage with a combined single limit of not less than \$1 million.
- (D) Apple Canyon, its officers, directors, managers, agents and members shall name as additional insured with respect to Employers' Liability coverage, Commercial General Liability coverage and Business Automobile coverage.
- (E) Upon execution of this agreement, Concessionaire shall deliver a Certificate of Insurance to Apple Canyon evidencing the required insurance coverages, which shall all include Apple Canyon's interest as an additional insured prior to opening for business. All coverages are subject to Apple Canyon's review and approval, which shall not unreasonably be withheld.

9.2 Indemnification. Concessionaire hereby agrees to indemnify, defend, protect and forever hold Apple Canyon and all of its, officers, directors, members, employees, agents and representatives harmless from any and all acts, claims, liabilities, demands, litigation, actions, lawsuit and other proceedings, judgments, awards, taxes, costs, losses, penalties, fees and expenses (including, but not limited to, attorneys' fees) and liabilities, arising by reason of, or in any way related to, (i) Concessionaire's activities or services at the Facility, (ii) any condition in or upon or any occurrences in or upon the Facility, (iii) for damage to any property or persons (including, but not limited to, injury or death) arising by reason of any of the foregoing and (iv) for any and all tax liability arising from the Concessionaire's activities at the Facility, including, but not limited to, all retail

sales taxes and other direct taxes imposed upon receipts collected from consumers or imposed on any amounts related to Concessionaire's use of the Facility.

Page 3 of
7

ARTICLE 10: TERM; TERMINATION; LIQUIDATED DAMAGES

10.1 Term. The term of this Agreement (the "Term") shall commence March 31, 2026 and shall terminate on December 31, 2026. The parties may, but are not obligated, agree to extend the Agreement beyond the initial Term. Any such extension of the Term shall be in writing, executed by both parties hereto.

10.2 Early Termination. Apple Canyon may, in its sole discretion, terminate this Agreement prior to the expiration of the Term by giving five (5) days' advance written notice to Concessionaire. Apple Canyon may terminate this Agreement for no reason or any reason, including convenience. Concessionaire shall permit Apple Canyon to monitor the quality and control level of services provided by Concessionaire. If Apple Canyon determines that any aspect of Concessionaire's services do not meet Apple Canyon's quality or service standards, Apple Canyon shall be entitled to immediately terminate this Agreement.

ARTICLE 11: ASSIGNMENT

This Agreement shall not be assigned by either party.

ARTICLE 12: NO GUARANTEES; LIMITATION OF LIABILITY

12.1 No Guarantees. Concessionaire acknowledges that Apple Canyon has made no guarantees with respect to the level of revenue or profitability of the Facility.

12.2 Limitation of Liability. Concessionaire hereby agrees that in all events, regardless of the nature of the claim or dispute, the maximum liability that Apple Canyon shall have to Concessionaire under this Agreement, shall be limited to the total sums paid to Apple Canyon in a single calendar year, and as described in Article 7. Notwithstanding anything in this Agreement to the contrary, Concessionaire shall not be entitled to seek, claim or collect damages in excess of the actual and direct damages actually incurred or sustained as a result of a breach or violation of this Agreement. Accordingly, Concessionaire hereby expressly waives any right to seek, claim or collect any punitive, indirect, special, speculative or consequential damages in connection with, or related to, a breach or violation of this or any other agreement entered into between the parties (or their respective affiliated or related entities) to this Agreement.

ARTICLE 13: MISCELLANEOUS

This Agreement contains the entire understanding between the parties and may not be amended other than by a written instrument executed by both parties. This Agreement shall be binding upon the parties hereto and their permitted successors and assigns. This Agreement shall be governed by, construed under and interpreted and enforced in accordance with the laws of the state in which the Facility is located. Furthermore, the parties consent that the courts located in the county and state in which the Facility is located shall have exclusive jurisdiction over all legal proceedings of any nature, brought by either

party, to enforce any right or obligation under this Agreement.

ARTICLE 14: PREVAILING PARTY

In the case of the failure of either party to perform and comply with ^{Page 3} the covenants and conditions hereof within the time herein specified, whether suit be brought or not, the party so failing to perform and comply hereby agrees to pay to the other party hereto all costs, charges and expenses of such collection or other enforcement of rights in any suit or otherwise, including its reasonable attorneys' fees. The prevailing party in any litigation arising out of this Agreement, including any appellate proceedings and bankruptcy proceedings, shall be entitled to the award of its reasonable attorneys' fees and costs.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed by their duly authorized representatives the day and year first set forth above.

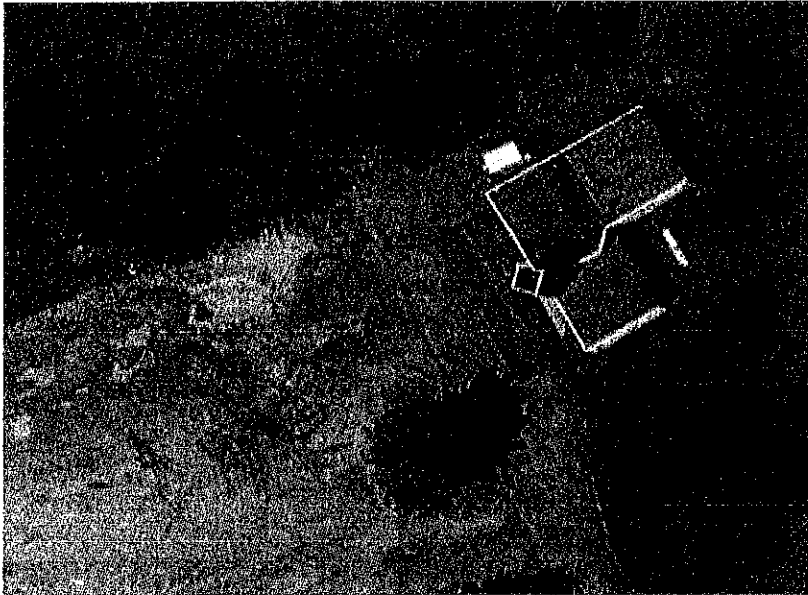
APPLE CANYON LAKE PROPERTY,
OWNERS' ASSOCIATION,
an Illinois not-for-profit corporation Concessionaire

X By: *[Signature]* By:

X Name: *Matthew* Name:
Blount

X Its: Its: .

EXHIBIT "A"



12.1



Memorandum

To: Board of Directors

Date: April 18th, 2026

From: ACLPOA

Memo: 2026-27

Topic: Fencing for spillway

Recommendation: To approve the bid for a new fence at the spillway.

Kelly CUSTOM FENCING INC

2259

5458 N. Pea Ridge Road
Scales Mound, IL 61075

815-541-7604

DATE: 3-12-26

Estimate

TO: Apple Canyon Lake POA

- Estimate to install 1,230 feet of 4' tall Black Heavy Residential grade Montage Ornamental Steel Fence - Includes 3- 4' gates
- All materials/Labor Included

* Montage Steel fence vs Aluminum fence

- Significantly Stronger than Aluminum
- Montage fence will support 700-800 pounds of pressure vs 350 pounds of pressure on Aluminum fence
- Same great look - Higher Security
- Corrosion Resistant Coating Inside and Outside

TOTAL DUE: \$61,450.00



