

**APPLE CANYON LAKE PROPERTY OWNERS' ASSOCIATION
BOARD OF DIRECTORS MINUTES
JANUARY 28, 2012**

APPROVED

2.0 Call to Order – President Kevin Kavanaugh called the regular monthly meeting of the Apple Canyon Lake Property Owners Association (ACLPOA) to order at 9:10 a.m. at the Apple Canyon Lake Clubhouse, Saturday, January 28, 2012.

3.0 Pledge of Allegiance – After the Pledge of Allegiance, a quorum was present with the following directors in attendance: Mr. Bob Ballenger, Ms. Marge Clark, Mr. Josh Cocagne, Mr. Kevin Kavanaugh, Ms. Debra McNamee, Mr. Rick Paulson, Mr. Duane Suits and Mr. Erin Winter. Mr. Chuck Larsen was absent. General Manager Paula Lange and Recording Secretary Dottie Gricius were in attendance.

4.0 Record/Adopt November 19, 2011 BOD Minutes – Erin Winter moved, Bob Ballenger seconded, to “Adopt the November 19, 2011 Minutes as presented.” The motion carried unanimously.

5.0 Treasurer’s Report – Duane Suits read the November 30, 2011 Treasurer’s Report. Marge Clark motioned and Bob Ballenger seconded to “Accept the November 30, 2011 Treasurer’s Report as presented.” The motion carried unanimously. The final December 2011 Treasurer’s Report is held until finalized.

6.0 Committee Reports by Board Liaison and/or Committee Chair

Trails – Deb McNamee stated meetings will be held in February, and on March 17 another lake area is expected to be cleaned up. Regarding past cleanup, Deb stated it was a great time.

Rules & Regulations – Josh Cocagne reported the Committee met for housekeeping to ensure rules match with the Covenants. The Committee asked Security to monitor the speeds of vehicles on the trails since Rules & Regs has been asked to review speed limits.

Legal – Marge Clark stated that the Legal Committee has not met but Phil Jensen (Legal Counsel) and Dick Brennan are looking at how CICAA affected IALC. Phil and Dick are putting the final touches to the Bylaw filing. The Condo Act has not been introduced into Legislation yet.

Architectural Control – Rick Paulson had no report since the AECC had not met for a couple of months.

Conservation – Erin Winter reported that the Association did not get the 319 Grant for streambank stabilization for the golf course. He strongly suggested going ahead with the Watershed Plan. For the trail cleanup, there is a rain date of March 24 and he hoped there would be an article in the *Apple Core* asking for volunteers. George Drogosz stated this was a great project and told what was done. The next Conservation meeting is scheduled for February 4. Rick Krasula, Lake Monitoring, tried to get a 12’ Swing Sampler which was explained to replace the water and bucket sampling used by Erin and Kim Rees which did not work well. Erin also called for more volunteers for Lake Monitoring which has only two people taking samples. Paula stated she found

about 20 to 25 years of water samples in a file. Phyllis Cady is preparing for a Spring Fling Cleanup project; picking up trash on/in the lake, around the perimeter of the lake and on the trails. At the next Conservation meeting she will get an article for the *Apple Core*.

Nominating – Acting Chair Marcy Stanger reported that the committee met January 14 for an orientation between candidates and current Board members. Dick Brennan was asked to join them to go through our governing documents and how the many changes, including CICAA have affected ACLPOA recently. The questionnaires were reviewed and she believed this slate of candidates is a good slate. After the April Board meeting, all six candidates will be available for questions, at the forum known as Meet the Candidates.

Pool – Doug Vandigo did not report since Dewberry was presenting information during the meeting.

Editorial Review – Paula stated that the committee has a new member, Doug Vandigo.

7.0 President's Report – Kevin Kavanaugh read his report since it was not on the table; it will also be published in the *Apple Core*. This year there is a slate of six Board candidates; three directors whose terms expire and three other candidates. On April 21 there will be a Meet the Candidates meeting following the Board meeting. Those unable to attend could still ask questions and the answers will be published in the *Apple Core*. The Annual Members meeting is scheduled for June 2 this year at 1:00 p.m. and he noted the camaraderie of the members at the Pro Shop – open since January 6. There will be a new banner for the *Apple Core*.

8.0 General Manager's Report – General Manager Paula Lange's report will also be published in the *Apple Core*. She stated that annual invoices were mailed to ACL property owners and reminded everyone of new changes for 2012 which covered where to get stickers for recreational vehicles, auto decals and guest passes, required fees (Dues, OARF (Owner Amenity Registration Fee), Trash, etc.), and what the OARF fees entitles to PO's. A new Boat Slip License Agreement process was explained (44 have been received complete and 18 were incomplete). Before boats are stickered, Security personnel will inspect the boat. This year rental pontoons and jon boats will be brand new. Paula asked PO's to review their invoices because the property deed determined how to calculate the OARF and proof of marriage will be the only legal way to ensure fairness to all property owners. Call the office if there are questions and read the *Apple Core* since the payment deadline is March 1st.

Ron Moore assumed Security has a procedure before boarding and putting on the stickers. This was correct. The Rules and Regs to get the boats ready are online and will be in the *Apple Core*.

9.0 Property Owner Comments

- Ron Moore asked about the agreement for the dock and boat registration that he read and noticed that there is a dock inspection that the owner has to do. He has one of the oldest docks at the lake and before he could sign-off on the registration, his dock needs repairs. He explained repairs needed. Paula asked him to fill out a work order and attach it to the boat registration and she will make sure things will be fixed.

- Marcy Stanger reported on Jo Carroll Energy. She hoped everyone would read the *Illinois Country Living* magazine portion that relates to the rate increase and call her if anyone has questions. Other energy companies that are sending letters to us are clarified in that magazine.

She explained a situation where a property owner's electricity went out and Marcy suggested looking at the meter. Next to the green box there is an upper ward pole on it and a breaker in it. It has been a tough year with the rate increases.

- Bob Ballenger had the same problem twice and Jo Carroll came out and stated the breaker was bad. When Bob replaced it, Jo Carroll recommended putting a lock on the box because that box is the homeowner's property. Rick Paulson disagreed since the fire department may need to cut off power given a fire.

Before moving to Old Business, President Kavanaugh stated that at the last meeting, Stan Hohnstadt made a comment about opinions which was taken under consideration. Stan's *Apple Core* letter was originally not printed due to guidelines. It has now been printed.

10.0 Unfinished Business

10.1 Property Owner Question-Werning - President Kavanaugh recapped the issue about the variance application request and the Board vote was 4 yea votes, 3 no votes and 1 abstention. Mr. Werning challenged the vote in a letter that President Kavanaugh read out loud at the meeting. There has been considerable discussion of Mr. Werning's points which were pertinent to the issue and Kevin & Paula spent about an hour on the phone with ACLPOA's legal counsel, moreover he did as much research about past practices of the Association with respect to the challenges. It is the opinion of the Board and of the chair that the vote of 4-3 stands. President Kavanaugh explained the provision to change a vote; it is generally referred to Boards of 12. Secondly, he stated past practices of this Association showed that most often the President voted when breaking a tie (and there was no tie) or when a quorum was present of only five directors. So it is the decision of the Board that the vote of 4-3 stands. No vote was made. Debra McNamee was a no vote but after getting more input she stated she would like to reconsider her vote based on a different interpretation of legal and some members of the Board. Chuck Larsen was not at this meeting but her intention is to bring this up when Chuck is at the next meeting.

10.2 Ratify Electronic Vote #1 - Bob Ballenger moved, Marge Smith seconded, to "Ratify vote to approve the senior exemptions, deny two restricted lots, approve restricted lot requests, modify language in the owner amenity registration fee policy, and dues fee policy." (Eight yeas.) The motion carried unanimously.

10.3 Ratify Electronic Vote #2 - Rick Paulson moved, Bob Ballenger seconded, to "Ratify vote to approve the restricted lots listed in the above attachment." (Seven yeas.) The motion carried unanimously.

10.4 Ratify Electronic Vote #3 - Marge Clark moved, Erin Winter seconded, to "Ratify vote to approve request of the Recreation Committee to purchase two new Christmas trees and decorations using \$2,000 from designated funds. Current balance is \$4,129.98." (Six yeas.) The motion carried unanimously.

10.5 Ratify Electronic Vote #4 - Rick Paulson motioned and Duane Suits seconded, to "Ratify vote to approve the Restricted Lots listed in the above attachment." (Seven yeas.) The motion carried unanimously.

10.6 Ratify Electronic Vote #5 - Marge Clark moved, Rick Paulson seconded, to “Ratify vote to approve the Restricted Lots listed in the above attachment.” (Eight yeas.) The motion carried unanimously.

11.0 New Business

11.1 Committee Changes via Motion of Consent - Josh Cocagne moved, Rick Paulson seconded to “Approve the committee changes as listed: To accept the resignation of Mary Behan from the Recreation Committee; and to appoint Lee Causero to the Recreation Committee and Doug Vandigo to the Editorial Review Committee.” The motion carried unanimously.

11.2 Policy-Contractor Registration - Bob Ballenger moved, Marge Clark seconded, to “Approve the removal of the Contractor Registration from Board Policy.” Discussion covered notice that the AECC would be discussing this issue and how to handle situations where there may have been substandard septic work. The motion carried unanimously.

11.3 Policy – Collection & Foreclosure of Delinquent Annual Dues Assessment - Erin Winter moved, Bob Ballenger seconded, to “Approve the changes to the language in the Collection & Foreclosure of Delinquent Annual Dues Assessment section of Board Policy.” Paula clarified the timing and what happens if the dues are not paid by March 1st. During discussion, an attachment to the motion should read: “Duane Suits noticed the inconsistency of wording for annual dues, and it was decided to use the term ‘Annual Assessment or any other Special Assessments’ to replace the word ‘Dues’ where it appears in the title, in Items 1 and 2. In Item 3, Line 1, insert ‘Annual’ before the word ‘assessment’ and insert ‘or Special Assessment’ after the word ‘assessment’.” The motion carried unanimously.

11.4 Collection & Foreclosure of Delinquent Annual Dues Assessment-Interest Rate - Erin Winter moved, Bob Ballenger seconded, to “Discuss and approve the interest rate for the Collection & Foreclosure of Delinquent Annual Dues Assessment.” Discussion covered proposed interest rates of 10%, 7% to 5% interest. Interest is not charged until April 1st so the PO has from March 1st through April 1st to pay the late fee of \$125; but after April 1, if the Annual Assessment and late fee is not paid, the interest will begin accruing. Since this is the first year of all the changes, Josh Cocagne moved, Marge Clark seconded, to amend the motion by adding: “To make the interest rate on unpaid Annual Assessments by April 1, 2012, to be five percent (5%) per annum.” The amendment carried with 5 yeas, 2 nay votes (Erin Winter and Duane Suits), 0 abstentions. The original and amended motion was to: “Discuss and approve the interest rate for the Collection & Foreclosure of Delinquent Annual Assessment and to make the interest rate on unpaid Annual Assessments by April 1 to be five percent (5%) per annum.” The motion carried unanimously.

11.5 Campground Pad-R&R Project - Josh Cocagne moved, Bob Ballenger seconded, to “Approve the two sites, 67 and 69, using Turfstone to stabilize the campsites and improve erosion control at a total cost of \$3400.00.” During discussion Brian Hartlep stated that he looked at different options and he presented a memo with a different plan. Some sites would require Turfstone and some cement and others a retaining wall. It was too soon for directors to

read the extensive data so both Josh and Bob withdrew their motions. This was taken off the agenda.

11.6 Changes to Rules & Regulations - Josh Cocagne moved, Marge Clark seconded, to “Approve the submitted changes to the Rules and Regulation that have been reviewed by the Board and recommended by the Rules and Regulations Committee.” Josh stated a lot of the Rules & Regs changes were made in order to be consistent with the rules currently in place. The motion carried unanimously.

11.7 Ladies Annual Golf Invitational - Bob Ballenger moved, Josh Cocagne seconded, to “Approve Tuesday, August 14, 2012 for the Ladies Golf Invitational waiving the green fees and cart rental fees.” During discussion, a question of whether this was an annual event that could be voted on once instead of yearly. The Board decided to make this a decision of the General Manager annually unless the request for waived fees changed significantly. The motion carried unanimously.

A break was called at 10:45 a.m. and the meeting reconvened at 10:55 a.m. Bob Ballenger left the meeting at 10:50 a.m.

11.8 Presentation by Dewberry Architects, Inc - Doug Vandigo stated the objective of the presentation was to take the recommended pool design to the Board. Scott LeMonds with WTI explained the pool design by starting with the existing conditions. In December 2011 he and Daniel Atilano came to ACL with drawings of the proposed pool deck, site lighting and the new pool building drawings which are ADA compliant. Everything was shown on a screen: zero depth entry, 5 bubblers, 5 drop water buckets, spray hoops, ADA accessible steps, diving deep area, recessed bench area, and incorporated pool lights, gutter insets, and much more working on a gravity system. The water will be de-chlorinated before it goes into the lake. There will be a deck on the back side of the pool and water circulation was discussed. It was told the pool can support 300 people. The presentation covered the Bath House entry with an ADA compliant chair lift for those needing assistance. Outside, the entry will have a safer, serpentine walkway with retaining walls as needed. One option presented was for people coming from the parking area to be able to walk to a pool overlook area. Doug stated the pool use will be for everyone. Lastly, Dan Atilano with Dewberry stated the cost of the pool which excluded the bridge and walkway to the other side of the pool. The total ACL budget was \$2,500,000 and Dewberry’s cost was shown to be a little below that. The timeline for the pool opening is May 27, 2013. Josh Cocagne moved, Marge Clark seconded, to “Recommend to the Board to approve the design as presented.” The motion carried unanimously (6-0-0).

While waiting for information from the Pool Committee which started its meeting, a motion was made by Josh Cocagne, seconded by Marge Clark, to adjust the meeting agenda so that item 11.10 US Bank Loan Approval could be discussed next.” Motion carried (6-0-0).

11.10 US Bank Loan Approval - Josh Cocagne moved, Duane Suits seconded, to “Approve the resolution accepting US Bank’s terms and conditions for the pool loan/line of credit.” Roger

Dammen, Senior VP US Bank was in attendance and was introduced by President Kavanaugh. The motion carried unanimously (6-0-0).

11.9 Discuss Information Presented by Dewberry Architects, Inc – This was not discussed.

12.0 Other

12.1 Independent Contractor Agreement-Apple Core and Website Advertising - Rick Paulson motioned and Josh Cocagne seconded, to “Approve the independent contractor agreement for the *Apple Core* and ACLPOA website advertising.” With no discussion, the motion carried unanimously (6-0-0).

Adjournment – Josh Cocagne moved to adjourn at 11:25 a.m. Motion carried.

Recording Secretary Dottie Gricius

President Kevin Kavanaugh

Date