

**APPLE CANYON LAKE PROPERTY OWNERS' ASSOCIATION
BOARD OF DIRECTORS MINUTES
JUNE 16, 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 9:00 a.m. at the Apple Canyon Lake Clubhouse, Saturday, June 16, 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, Mr. Chuck Larsen, Ms. Debra McNamee, Mr. Duane Suits and Mr. Erin Winter. Mr. Rick Paulson was absent. General Manager Paula Lange and Recording Secretary Dottie Gricius were in attendance.

4.0 Orders of the Day – Election of Officers

Nomination for President – Erin Winter motioned, Bob Ballenger seconded, to “Elect Kevin Kavanaugh to President of the Board of Directors.” The motion carried with an abstention from Kevin Kavanaugh.

Nomination for a Combination of Vice President and Secretary – Bob Ballenger moved, Debra McNamee seconded, to “Elect Josh Cocagne for Vice President and Secretary of the Board of Directors.” The motion vote was four ayes from Bob Ballenger, Josh Cocagne, Duane Suits, and Deb McNamee, one nay from Chuck Larsen, and two abstentions by Marge Clark and Erin Winter.” Marge Clark motioned and Erin Winter seconded, to “Elect Chuck Larsen as Vice President and Secretary of the Board of Directors.” The motion failed with two ayes by Marge Clark and Erin Winter, one nay from Josh Cocagne and four abstentions by Bob Ballenger, Duane Suits, Chuck Larsen, and Deb McNamee.

Nomination for Treasurer – Bob Ballenger moved, Marge Clark seconded, to “Elect Duane Suits as Treasurer of the Board of Directors.” The motion carried with an abstention from Duane Suits.

Assistant Secretary and Treasurer – Chair Kavanaugh nominated General Manager Paula Lange as Assistant Secretary and Assistant Treasurer. The motion carried unanimously.

5.0 Record/Adopt May 19, 2012 BOD Minutes – Bob Ballenger moved, Josh Cocagne seconded, to “Adopt the May 19, 2012 minutes.” Discussions about the numbers of seasonal campsites and full hook-up sites were clarified. Correction: In the General Manager’s Report (8.0), there were 59 sites of which 56 were taken out so three (3) sites were still available. There were nine (9) full hook-up sites not sixteen as written. The motion carried unanimously to “Adopt the May 19, 2012 minutes as corrected.”

6.0 Treasurer’s Report – Duane Suits presented the May 31, 2012 Treasurer’s Report which covered the May and the year-to-date revenues, operating expenses and R&R expenditures. He described why OARF was under budget and why a new Contingency budget item was developed. Duane explained the year-to-date expenditures on the pool project. Marge Clark

moved, Chuck Larsen seconded, to “Accept the Treasurer’s Report as presented.” The motion carried unanimously.

7.0 Committee Reports by Board Liaison and/or Committee Chair –

Rules and Regulations – Josh Cocagne stated that anyone interested in joining the committee go to the office to sign up. Regarding the Pool, Josh stated that contract negotiations were being discussed and that some members were discussing purchasing furniture and some will go to view the Galena Territory pool since that was built by the same contractor.

Legal – Marge Clark stated the committee had not met.

Budget – Duane Suits stated the first preliminary meeting is scheduled for June 23 at 9:00 a.m. Property Owner members are invited and the next meeting will be July 28th and promised this would be a one day meeting at the Maintenance Building.

Campground – Chuck Larsen stated that the committee will meet to review the Pancake Breakfast to determine any changes or modifications needed.

Conservation – Erin Winter reported that Sharon and Darryle Burmeister now do the Secchi readings which are sent to a certified labs and EPA funded. Erin described the history of the EPA doing that and what he and Kim Rees used to do when taking lake readings. Our current Lake Monitoring work is redundant to what the Burmeister’s are doing. The spraying at North Bay was to kill noxious weeds and save the other viable plants. That report will be on the web site.

Trails – Deb McNamee stated that Security is reviewing a speed limit on the trails. Rules and Regs sent the policy to the Safety and Security Department to see if there is a problem.

8.0 President’s Report – Kevin Kavanaugh did not make a report due to not knowing who the President would be until the nomination vote. But he stated again that we have some incredible people here at the lake who continue to volunteer their time. As an example, Erin’s mention of volunteers and Randy Stowe’s presentation about the watershed and what we can do to work with our partners in the farm areas was incredibly eye-opening. He noted that CICCA has had additional changes which the General Manager will speak about.

9.0 General Manager’s Report – Paula Lange reported on lake weed reduction work. The 2013 Budget is underway and the first meeting is Saturday, June 23rd to discuss strategy. The Common Interest Community Association Act has several amendments which passed both houses; Paula read the act summary. It was suggested our Legal Committee review the act for changes which will be made to our restated Governing Documents. The Lake Holiday Illinois Supreme Court Case is pending and has the potential to dramatically affect the way associations are governed. As example, it affects the way security enforces rules but that does not mean security cannot enforce rules – just the way it enforces. The suit has been sent to the Supreme Court and we are awaiting a decision whether the case will be heard. The Illinois Association of Lake Communities (IALC) has agreed to retain an attorney on behalf of its members to file an Amicus Brief which will require additional funding from the members of IALC.

In May, several members of the Safety and Security team attended an IDNR training session. She amended her last report which stated the number of campsites incorrectly. There are 59

permanent sites, three of which were available for reassignment, 9 full hookups part-time sites and 14 primitive sites. Fireworks are June 30.

10.0 Property Owner Comments – Norm Vandigo commented on an EZ Dock where a large wake caused an issue. He recommended Frentress be called to come out to the lake.

- Marcy Stanger issued a Jo Carroll Energy report which is running five informational forums in our area.

- Marty Handley asked about how the water suit is going. GM Lange stated that this is still hung up at the court.

11.0 Unfinished Business

11.1 Renewal of Motion for New Hole and Yardage Markers – President Kavanaugh reminded members that at the last meeting a motion carried that the Board was led to believe was about yardage markers on the fairway. A new motion is needed about Tee Box signs replacing the current ones. Any previous agreement with the stone marker company was voided. Bob Ballenger motioned, Chuck Larsen seconded, “For discussion only.” After considerable discussion, Jay Upmann was called to the meeting to clarify issues on conflicting information. The Board needed a picture of what was requested to make a decision. President Kavanaugh called to table this motion but Jay came to the meeting to explain that on each engraved tee stones, the yardage will be marked from the red, white, blue tees to the hole. The stones will be in random shapes. Jay answered other questions. Bob Ballenger motioned, Chuck Larsen seconded, to “Approve the purchase of new tee box signs from Designated Fund by the Golf Committee at a cost not to exceed \$2,100. This motion replaces the motion of May 19, 2012 (item 11.8). The motion carried unanimously.

12.0 New Business

12.1 Committee Changes via Motion of Consent – President Kavanaugh read the changes. Bob Ballenger moved, Josh Cocagne seconded, “To approve the committee changes as listed: to accept resignation of Jim Craig from the Campground Committee; and to appoint Marsha Knuckey to the Nominating Committee, Rosanne Brandenburg to the Nominating Committee, and Mike Cammack to the Conservation Committee.” The motion carried unanimously.

12.2 Trails Committee – President Kavanaugh read the narrative. Erin Winter moved, Debra McNamee seconded, to “Approve the Trails Committee as a standing committee rather than a sub-committee of the Conservation Committee.” An advantage would be to eliminate a lot of time when something needs to be done by removing a step of going through Conservation. Marge Clark did not know how trails could divorce from Conservation since that is a pathway through the greenway and she asked if cooperative effort was part of fixing the trail system. That had not been done because as a sub-committee, the chair did not know that was necessary. The motion carried unanimously.

Before moving to 12.3, President Kavanaugh asked to strike item 12.4 from the agenda. Marge Clark motioned and Erin Winter seconded, to “Strike agenda item 12.4 under New Business pending more information.” The motion carried unanimously.

12.3 Long Range Planning – President Kavanaugh read the narrative. Josh Cocagne moved, Debra McNamee seconded, to “Approve the Long Range Planning Committee, the recommended charge subject to changing the wording to read ‘Recommend to the Board a revised plan (if warranted)’ and the members listed. Members for approval are: Don Ford, Tim Johnson, Joe Forman, Duane Suits, Jack Finley, Rich Krasula and Doug Vandigo.” The motion carried unanimously.

12.4 Contract for General Contractor from Pool/BA Bathhouse Project – This item was not discussed.

12.5 Three (3) Year Contract (2012, 2013 and 2014) for Audit and Tax Preparation - President Kavanaugh read the narrative. Chuck Larsen moved, Marge Clark seconded, to “Approve the three-year contract for years 2012, 2013 and 2014 with Honkamp, Krueger & Co. to audit and prepare the taxes for ACLPOA.” The motion carried unanimously.

12.6 Marina Fencing – President Kavanaugh read the narrative. Chuck Larsen moved, Duane Suits seconded, to “Approve the landscaping fence at the pool to be used at the Marina after the pool closes in August.” Marge Clark asked for the lineage feet of the fence and what kind of maintenance would be needed. Discussion included height size of the fencing, 36” or 42” and whether industrial grade. A 42” industrial powder coated fence would cost roughly \$5253.60 uninstalled while the 36” fence would not be industrial grade. The motion with withdrawn and tabled, too much was unknown.

11.7 Lake Monitoring Committee – President Kavanaugh stated that the effect of this could have significant impact on the 319 Grant for the Watershed Plan. What this new committee does surpasses what the present Lake Monitoring Committee does. He read the charge of this committee. Chuck Larsen moved, Erin Winter seconded, to “Approve the Lake Monitoring Committee and Committee charge as listed with Darryle Burmeister as chair and Sharon Burmeister, and Aren Helgerson members.” Erin explained the processes. The motion carried unanimously.

Adjournment – Josh Cocagne moved to adjourn at 10:30 a.m.

Recording Secretary Dottie Gricius

President Kevin Kavanaugh

Date

Corporate Secretary Josh Cocagne