

**APPLE CANYON LAKE PROPERTY OWNERS' ASSOCIATION
BOARD OF DIRECTORS MEETING
MARCH 16, 2013**

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 9:07 a.m. at the Apple Canyon Lake Clubhouse, Saturday, March 16, 2013.

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. Kevin Kavanaugh, Mr. Chuck Larsen, Ms. Debra McNamee, Mr. Rick Paulson, Mr. Duane Suits, and Mr. Erin Winter. Mr. Josh Cocagne was absent. General Manager Paula Lange and Recording Secretary Kandee Haertel were also in attendance.

President Kevin Kavanaugh requested changes to the agenda to include items 11.6 and 11.7 under New Business. Marge Clark moved, with a second by Bob Ballenger, to include these items in today's agenda. The motion passed unanimously.

4.0 Record/Adopt February 16, 2013 BOD Minutes – Duane Suits moved, Bob Ballenger seconded, to “Adopt the February 16, 2013 Minutes as presented.” The motion carried with 2 abstentions from Debra McNamee and Marge Clark.

5.0 Treasurer's Report – Treasurer Duane Suits gave his report for the months of January and February, indicating that both are drafts because year end audit adjustments may change these figures. Duane mentioned that some items are subject to timing differences that will be reflected in the March reports. He indicated that the construction loan for the pool will be paid down prior to the April 30th loan renegotiation. Erin Winter moved, with a second by Chuck Larsen, to “Accept the January and February Treasurer's Reports as presented.” The motion carried unanimously.

6.0 Committee Reports

AECC – Rick Paulson reported that AECC committee met and began reviewing the Covenants regarding a 900 square foot garage restriction. They are seeking standard criteria for handling this type of variance to present to the Board, hopefully by next month.

Budget – Duane Suits indicated no report, but Paula Lange noted that the committee will be meeting in April.

Campground – Chuck Larsen stated that the committee meets next Saturday to discuss improvements. Even though many improvements were made last year, work remains to be done.

Long Range Planning– Chuck Larsen reported that the committee is meeting today at 1:00. They are working to update survey questions that will update 2005 master plan. The best questions get the best responses from our members. The Dam Advisory Panel would be in favor of placing a water level gauge by the dam.

Legal – Marge Clark stated that the committee has not met.

Rules & Regulations – There was no report because of Josh Cocagne's absence.

Trails – Deb McNamee asked Marc Gabel and Brian Hartlep to report on their analysis of trail stop signs. The Maintenance and Security departments will be working to get the stop signs in the correct places so they will be clear to trail users and violations will be reduced. New plans and enforcement measures will continue to be studied this spring.

Nominating – Rich Miranda reported that the candidate orientation meeting for today has been cancelled, but the Meet the Candidates is still scheduled for next month.

Conservation – Erin Winter reported on the new water level gauge at Nixon Beach. The committee is also considering a water level gauge by the dam. April 27th is the annual cleanup day, meeting at Nixon Beach, with a rain date of the 28th.

7.0 President’s Report – President Kavanaugh noted that he will file his report after this meeting which will appear in the *Apple Core*. He stated that he had attended the Jo Daviess County Board meeting regarding electrical aggregation and that there were to be a presentation by Michael Hastings, president of Jo Carroll, as part of agenda item 12.0. Mr. Hastings will also take questions from the audience at that time.

8.0 General Manager’s Report – Paula Lange wrote a report which will be in the *Apple Core*. She reported that the last 3 years have had a steady decrease in the number of property owners who did not pay their dues on time. She credited the office employees for providing the follow-up and education to produce these results. She also reported on the status of both the 2009 water rate case and the 2012 water rate issue. The Lake was 2” inches above the 800 mark as of last Wednesday, which is normal, and this is being monitored closely. She also noted that everyone should be aware that the date for filing to restrict lots has been changed from December 31st to December 1st. She also requested nominations for the Distinguished Service Award.

9.0 Property Owner Comments – Fred Pfeiffer provided an update on the possible effects of what long term weather forecasts show. History and nature show that we are changing into a warming cycle.

-Henry Doden noted that culverts are blocked in a couple of locations and that the riffles in the drainage have also been changed. Brian Hartlep noted that Jo Daviess Soil & Water people were on site when Sproule Construction was doing the work in question and they felt that the riffles were not needed. Brian also stated that the trees will be removed from the culverts.

-Don Ford requested, and was granted, permission to hold his comments until after Agenda item 10.1.

10.0 Unfinished Business

10.1 Lot 7-239 Restricted Lot Application -- President Kavanaugh read the narrative. Duane Suits moved, Debra McNamee seconded, to “deny the request to restrict Lot 7-239.” Discussion centered on the intent of restricting lots and what constituted a structure. Debra McNamee felt that passive structures, such as a fence around a garden, rose arbors, and fire rings do not constitute a structure. This type of thing still falls into the category of open space and provides good views. Bob Ballenger agreed and felt that if an item did not require a permit, it should be allowed on a restricted lot. Marge Clark noted that this is something that falls within the Covenants and if this becomes a continuing issue, it should be addressed when the Covenants are being reviewed and updated. Presently, the Covenants state no structure of any kind and, in

looking at the picture of this lot; the fire ring appears to be a structure. Presently, under AECC, a structure is anything that is built. Debra McNamee noted that a structure must also be permanently affixed and that there should be perhaps two categories of structures. Further discussion centered on what is the goal in restricting lots. Duane Suits noted that the long range plan currently being revised contains discussion about the intent in restricting lots. Following further discussion, Debra McNamee moved to amend the motion to read “Approve the request to restrict Lot 7-239.” Bob Ballenger seconded that motion. Don Ford from the audience then spoke in agreement with the motion because he wants to improve the look of Apple Canyon Lake and add value to the entire property. The amended motion passed 5-2, with Marge Clark and Rick Paulson voting against. Don Ford requested that his original request to restrict his lot be reconsidered. Paula Lange will place it on the agenda for the April meeting.

11.0 New Business

11.1 Committee Changes Via Motion of Consent - President Kavanaugh read the narrative: “To appoint Rich Miranda and Jeff Pope to the Long Range Planning Committee; and to accept the resignation of Harold Jaeger from the Rules & Regulations Committee; and to relieve Jim Craig from the AECC.” Erin Winter moved, Duane Suits seconded, to “Approve the committee changes as listed above.” The motion carried unanimously.

11.2 Adopt the Tellers Committee Guidelines – President Kavanaugh read the narrative. Marge Clark moved, Chuck Larsen seconded, to “Adopt the Tellers Committee guidelines as presented in the attachment.” The motion carried unanimously.

11.3 Policy Change to Owner Amenity Registration Fee -- President Kavanaugh read the narrative. Chuck Larsen moved, Duane Suits seconded, to “add to the current policy last updated on January 28, 2012, ‘Exceptions to the fee payment will only be granted in the year the marriage certificate is provided to the Association.’” Paula Lange stated that this change was requested to prevent the refunds for previous years. Marge Clark felt that the present motion did not clearly state the intent and that adding the words “beginning with” to clarify the year the marriage certificate is supplied would be correct. Bob Ballenger moved, with a second by Rick Paulson, to amend the language of the motion to read, “Add to the current policy last updated on January 28, 2012, Exceptions to the fee payment will only be granted beginning with the year the marriage certificate is provided to the Association.” The motion carried unanimously.

11.4 Bass Club -- President Kavanaugh read the narrative. Erin Winter moved, Deb McNamee seconded, to “allow the Bass Club to change club outings weighing in five (5) fish per outing for a trial basis for the year 2013. Trial will be extended if this trial period works.” Discussion centered on why this motion was needed and how the Bass Club presently oversees its outings. Dan Webster clarified the procedures the Bass Club currently uses and how this motion would change those procedures. It was generally agreed that the motion needed to be re-worded to reflect the Bass Club’s activities. Bob Ballenger moved, with a second by Rick Paulson, to amend the motion to read: “Allow the Bass Club to weigh in up to five (5) fish per boat per outing.” The amendment passed unanimously. The motion then passed unanimously.

11.5 Boat Slip License -- President Kavanaugh read the narrative. Duane Suits moved, Chuck Larsen seconded, to “Approve the changes to the Annual Boat Slip License agreement as presented in the attachment.” Megan Shamp from the administration staff explained that these changes were necessary to clarify the rules and regulations for maintaining a boat slip license to ensure that people who had boat slips actually had boats. These changes clear up the gray areas that exist in the current policy. Discussion centered on the nature, timing, and filing of proper documentation to maintain a boat slip assignment. The motion carried unanimously, with Bob Ballenger being absent for this vote.

11.6 Change to Rules and Regulations, Section X, F, #12. - President Kavanaugh read the narrative. Chuck Larsen moved, Erin Winter seconded, “that #12, Section X, Motorized Vehicles-Recreational, F. Operation Limitations, on operation of all terrain vehicles (ATV) and golf carts, be deleted, and regulated under #3 of the same section.” Discussion centered on how to determine if a vehicle was being operated safely and what responsibilities this placed on the Security Department. It was agreed that Security judge whether the vehicle is being operated safely and does have the discretion to issue a citation; if a property owner wishes, the citation can be taken through the appeal process. The motion carried unanimously.

11.7 Changes to Rules and Regulations, Section IV, F. - President Kavanaugh read the narrative. Bob Ballenger moved, Erin Winter seconded, to “approve the general housekeeping changes to the Rules and Regulations as Received from Management on 3-08-13.” Megan Shamp explained the changes had already been made in the Operational Programs & Procedures and the Rules & Regs need to be updated to match. Additional changes were made to both #8 and #11 in the attachment to clarify the wording. #8. “As of (Board approval date), any property owner licensing an Association boat slip for the first time must register a boat for each boat slip space by March 1 of the following year.” #11b: “A completed and signed Boat Slip License agreement must be returned with payment on or before March 1.” The motion carried unanimously.

12.0 Other

12.1 Jo Carroll Electric -- Michael Hasting, President and CEO of Jo Carroll Electric Coop, addressed those present at the ACLPOA Board meeting regarding electricity aggregate.

Adjournment – Bob Ballenger moved to adjourn at 11:25 a.m.

Recording Secretary Kandee Haertel

President Kevin Kavanaugh

Date

Corporate Secretary Josh Cocagne