

**Apple Canyon Lake Property Owners Association
Board of Directors Meeting Minutes
October 17, 2015**

APPROVED

2.0 Call to Order – President Mike Harris called the regular monthly meeting of the Apple Canyon Lake Property Owners Association to order at 9:00 a.m. on Saturday, October 17, 2015.

3.0 Pledge of Allegiance – After the Pledge of Allegiance, a quorum was present the following directors in attendance: John Asta, Jody Ware, Bob Ballenger, Mike Harris, Rich Krasula, Chuck Larsen, Fred Turek, and Jim Craig. Director Jack Finley was absent. Interim Operations Director Rick Paulson and Association Attorney Phil Jensen were also in attendance.

4.0 Approval/Adopt September 19, 2015 Minutes – Jody Ware motioned “to approve the September 19, 2015 minutes”; seconded by Bob Ballenger. Chuck Larsen noted one correction for the Dam Advisory Panel Committee report stating that he would be in touch with engineering firms and will get information on the depth of the water and involving pressure. Motion carried with correction.

5.0 Treasurer’s Report – Rich Krasula read from the September Treasurer’s Report. The full report will be published in *The Apple Core* and on the website.

6.0 Committee Reports –

AECC – Mike Harris reported they approved a garage and family room and a retaining wall. John Asta will be sending out an RFP to several banks to bid for services (five banks total) once the RFP and cover letter are finalized.

Legal – Jody Ware reported they are continuing to go over the Covenants led by Marge Clark – will be done by November 1, 2016.

Conservation – Rich Krasula reported new watershed signs are up. The committee is reviewing three new greenway projects. Cleanup Day will be April 23, 2016.

Campground – Chuck Larsen reported Halloween hours 6-7:30 tonight and the campground will be closing next week.

Dam Advisory – Chuck Larsen reported the cost for inspection of pipe would cost \$12,130 and bulkhead structure would cost an additional \$16,900. This has been in place since 1969 and he would recommend getting the bulkhead inspected as well. Another bid may come in and the committee will present next month.

Nominating – November 7 Coffee at 9:00 A.M.

7.0 Operations Director’s Report – Rick Paulson reported they are still operating the dredge, weather permitting, from 8:00 A.M. till dusk. All trail projects are done except for North Bay. We will keep going as far as we can to finish as many as possible. Invasive species – Mike Harris walked the properties with him and found some trees that could be removed. WIPFLI completed the General Manager report

8.0 President’s Report – Mike’s report will be in *The Apple Core*.

9.0 Property Owner Comments

Fred Pfeiffer, 3-14, asked about the water bill for the properties that are foreclosed, who pays those bills? A search is done prior to foreclosure and the lien is subject to taxes and water.

George Drogosz, 8-48, Finance people – reports on what we took in on pontoon rental – approximately 28,000. We basically paid for the boats themselves.

Marcy Stanger, 13-17, Jo Carroll has new bills with broken out charges.

Ron Carpenter, 11-247, Greenway restoration – why are we doing private lots? Mike replied that if we do not do the lots, it would be back in another year.

Henry Doden, 13-129, Greenway restoration was done on top of waterfall and was pretty well cleared. In five years it grew back heavier than it was before. This does need maintenance. ACL made news in the Telegraph Herald with charges against Brian Hartlep. K&S jon boat pulled out full speed in the no wake area. Tickets need to be issued.

George Drogosz, 8-48, agreed with Henry about the K&S boats not following the rules at no wake.

Janet Helgason, 6-18, Water in North Bay looks great.

Vickie Sershon 7-135, question about unapproved lots and taxes - charged based on Fair Market Value and can be sold. Yes, they can be sold. Docks – some are in good shape. \$16,000 for next year for Joe Rush – not all details are in the budget. Some docks in good shape and only need new floats – would make a difference on how many we can do.

Bob Achille, 13-67, concerns about the denial of his restricted lot request. Rejection based on financial hardship but our financial hardship seems to have improved. Possibly put together an Ad Hoc committee to talk about these restricted lots and hear his concerns. Rich responded that this year we are running on a surplus but we have a lot more of the year to go and we do have a deficit for next year. We're not raising dues, paid off the swimming pool, and for a number of years, routine maintenance has not been done. We have a lot to catch up on. Mr. Achille stated it is purely arbitrary that these decisions are being made on restricted lots. Bob would like the Covenants followed and is thinking that the possibility of an Ad Hoc committee would help. Mike said that it will be talked about at board level.

10.0 Consent Agenda – Mike Harris read the recommended motion, Bob Ballenger motioned “to approve the consent agenda item: committee changes (to accept the resignation of Ron Horist from the Conservation Committee and Kathy Richards from the Recreation Committee)’ seconded by Rich Krasula. The motion carried unanimously.

12.0 New Business

12.1 Property Owner Citation Appeal – Greg McHugh appealed a \$250 citation for interference with an enforcement officer to the Appeals Board. The Appeals Board upheld the citation, at which time Mr. McHugh stated he would appeal the citation to the Board of Directors. The Board heard presentations from Mr. John Love of the Security Department and then Mr. McHugh and his attorney Mr. Jeremy Miller. The Board of Directors went into Executive Session at 9:59 a.m. and returned to regular session at 10:10 a.m. Mike asked for a motion to uphold the citation. Motion by Bob Ballenger, seconded by John Asta. The motion carried.

12.2 Dates for ACH Withdrawal – Operational Programs & Procedures – The current dates for ACH withdrawal are January 31 and February 25. Due to the proximity to the end of the month, this has created several issues with our accountant. These lots cannot be shown as paid in the same month the ACH withdrawal is initiated, because the withdrawals take several days to process and clear, depending on the individual bank. Changing the withdrawal date to the beginning of the month will allow sufficient time for the withdrawals to clear, and no corrections will be required after the end of the month for NSF withdrawals. The 69 lots on ACH will be contacted by letter regarding the date change. Mike Harris read the recommended motion, Rich Krasula motioned “to amend the operational programs and procedures to read: all ACH withdrawals will be processed on February 1;” seconded by Chuck Larsen. The motion carried unanimously.

12.3 2016 Calendar – Communications department will produce 2016 calendar dates for special events, board meetings and committee meetings. Needs to be submitted to printer by November 18. Some may change as needed and some events may be added and some may be cancelled. Motion to approve calendar by Bob Ballenger. Seconded by Fred Turek. Discussion – Campground hours – list April through October rather than listing specific dates. Opening Day is pretty solid, ending specific date may be in question. Memorial Day weekend through Labor Day weekend for the Cove. Do we want the Cove open hours in calendar dates? Maybe fit at the top? Motion carried with corrections.

12.4 Restricted Lots – Mike Harris listed the three lots that were inspected and deemed to be unimproved by building department staff. Motion to accept the Request to Restrict Lot for the three lots made by Jim Craig, seconded by Rich Krasula. Phil was asked to read the three criteria of why we have been rejecting these requests. 1) Accepting to restrict would enhance or preserve open space or rural setting. 2) will preserve and protect natural settings. 3) unique physical characteristics of the lot making it unsuitable for construction. 4) negatively impact the association. Roll call: Jim Craig yes; Fred Turek yes; Chuck yes; Rich Krasula no; Bob Ballenger no; Jody Ware no; John Asta no; motion fails.

12.5 Approve Foreclosure of Liens – 55 lots are recommended for foreclosure of lien per Board policy. The lots will be sold at auction in 2016 if the current property owners do not redeem the property. Motion to approve the 55 lots for foreclosure by Rich Krasula. Seconded by John Asta. Motion carried unanimously.

12.6 Boat Dock Replacements – During the budgeting process, the Budget Committee and several board members suggested we proceed with the purchase of dock floats and materials to complete a number of dock replacements before the end of 2015. Mike Harris read the recommended motion. Chuck Larsen motioned “to approve the use of \$40,000 from the 2015 reserves to purchase materials for the construction and replacement docks due to the safety issues associated with the existing docks and Styrofoam floats;” seconded by Rich Krasula. Motion carried unanimously.

12.7 Deer Management Program Sign In/Sign Out Violation Penalty – Hunters who have violated this safety rule have caused serious concern and loss of time from their normal endeavor by the Security staff and Deer Management Committee members in order to determine if the

hunter is in trouble in the woods or has just gone home. Some instances have resulted in searching for them at their deer stand in the woods. Mike Harris read the recommended motion. Chuck Larsen motioned “to suspend any hunter who violates this safety rule for a period of 15 days for the first offense and 30 days for the second offense”; seconded by Fred Turek. Motion carried unanimously.

12.8 Rules and Regulations Campground Section Discussion (2nd meeting) – Discussion on Campground Rules and Regulations Revisions. Changes agreed upon at this meeting are as follows. Strike the word “Empty” in A. General Rules, 4. Add “per year or per season” after the word weeks in the same section. Strike General Rules, 7. and 8. Clarify B. Guest Rules, 2., c. to read “Seasonal site – one (1) guest tent per site without charge. D. Seasonal Campsites, 4. Strike the last sentence. E. Campground Winter Rules, 4. Insert “firewood” after the word grills in the second sentence. E. Campground Winter Rules, 5. No trailer will have skirting., moved to A. General Rules.

12.9 GM Search Committee – The board has discussed the search process in Executive Session and will now vote in open session on the course of action. Bob Ballenger motioned “to form a committee for this search process consisting of Jody Ware, Rich Krasula, Joe Forman and Marge Clark along with a representative from WIPFLI to hire a General Manager;” motion seconded by Fred Turek. Motion carried unanimously.

13.0 Other – Mike Harris read the recommended motion. Rich Krasula motioned “to accept the WIPFLI engagement letter subject to attorney review;” seconded by John Asta. Motion carried unanimously.

Meeting adjourned at 11:50 A.M.

Recording Secretary, Rhonda Perry

President, Mike Harris

Secretary, Jack Finley

Date