

**Apple Canyon Lake Property Owners Association
Board of Directors Meeting Minutes
December 17, 2016**

APPROVED

2.0 Call to Order – President Jody Ware called the regular meeting of the Apple Canyon Lake Property Owners Association to order at 9:05 a.m. on Saturday, December 17, 2016.

3.0 Pledge of Allegiance – After the Pledge of Allegiance a quorum was present with the following directors in attendance: Jody Ware, Gordon Williams, Gary Hannon, Jim Craig, Barb Hendren, and Jon Sonntag; John Asta, Bob Ballenger and Rich Krasula participated via conference phone. General Manager Shaun Nordlie was also in attendance.

4.0 Approve/Adopt November 19, 2016 Minutes – Jon Sonntag motioned “to approve the November 19, 2016 minutes.” Seconded by Gary Hannon. Motion carried.

5.0 Treasurer’s Report – The November Treasurer’s Report were provided. Rich Krasula summarized the November, 2016 Treasurer’s Report. The full reports will be published in *The Apple Core* and posted on the ACL website.

6.0 Committee Reports –

Maintenance – Barb Hendren reported that there was a Maintenance meeting on December 6. A list of items completed in 2016 included – 1,000 feet of rip rap, 12 boat paths, Nixon Beach roof, Clubhouse & Annex roof, Clubhouse doors, and emptying of President’s Bay Dredge pond, among others. Projects for 2017 - have already started on boat slip replacement at Marina.

Conservation – Gary Hannon reported that there was a full-page ad in the Galena Gazette for a watershed program to be held at Galena Territory. Darryle Burmeister and Paula Weiner will be presenting at this conference. Anyone who can go would be a great support. Shaun will be attending.

Trails – George Drogosz reported that there was no December meeting but they plan to meet in January.

Clubhouse Area Master Plan (C.A.M.P) – Shaun reported they met yesterday for the first time. It was decided the third Wednesday of the month, 1:30 pm, would be when the committee will meet. The committee did not appoint any officers yet due to poor attendance of members.

Long Range Planning/Strategic Planning - Jody Ware reported that they met last week and they went over their accomplishments for 2016 and set new goals for 2017. They will bring some of these items to the Board today to discuss.

7.0 General Manager’s Report – Shaun Nordlie reported that the new Abacus21 software training continues. They decided to push back the go live date to February or March to give staff more time for training and prevent chaos. Julie, Megan and Shaun met this week to come up with a plan for stickering new boats and ATVs. Any new boat or ATV will need to be measured by ACL staff before the owner gets a sticker. This will be advertised in *The Apple Core* so the owners know about it. Mechanics will still need to be worked out. They’re also going to change the way Kevin has been stickering. Security office will be moved to the Pool building

temporarily for the winter. This allows the Security office to be shut down which means it doesn't have to be heated as much and the staff don't have to worry about plowing snow so quickly. Cookies with Santa has been rescheduled to tomorrow afternoon. Our thanks to the Apple River State Bank, who provided pastries this morning and coffee mugs for the board.

8.0 President's Report – Jody Ware reported that as part of our new Action Plan, RFP's were sent out to request proposals for new legal counsel. We sent out 14 RFP's and received 10 responses. The review of the proposals will take place next week by the committee, and we hope to have a recommendation for the Board at the February meeting.

9.0 Property Owner Comments

Edie Petelle, 11-209, commented that we need more people to run for the Board. The Nominating Committee has received 3 applications and has been beating the bushes for people to run, but need 2 more candidates to prevent legality problems.

10.0 Consent Agenda – Gordy Williams motioned “to approve the consent agenda items: Committee changes (to appoint Jan Spivey to the Budget Committee; and Bill Ware, Joe Forman, Mary Hannon, Bob Stanger, Gary Hannon, Geoff Stocks, Rick Paulson, Steve Tribbey, Jody Ware, Mike Cammack, Karen Smith, and Ed Reich to the Clubhouse Area Master Planning Committee; and to accept the resignation of Kevin Kavanaugh from the Pro Shop Food & Beverage Study Ad Hoc Committee). Seconded by Barb Hendren, motion carried unanimously.

11.0 Unfinished Business

11.1 Golf Cart Lease – our lease expires on December 31, 2016. Bids were accepted for a new lease starting with the 2017 golf season from 2 vendors. ACL rents 25 golf cars per year and is given a utility/beverage cart with the lease. John's On Site Golf Cart Service and Harris Golf Cars were asked to submit quotes for three and five-year leases. Both leases are for used golf cars that will be 2013 or newer cars during the term of the lease. In General Manager Shaun Nordlie's opinion, Yamaha golf cars are a better product. He feels that this justifies the additional expense for the golf car lease. Barb Hendren moved “To accept the five-year golf cart lease contract from Harris Golf cars for 25 golf cars plus a utility/beverage golf car.” Seconded by Jon Sonntag. Discussion ensued as to the merits of each proposal, our past experience with John's, as well as the differences of Club Cars (as proposed by John's) versus Yamaha (as proposed by Harris). Some felt the brand of the golf car was a non-issue. Others felt that projecting a better image for our golf course is important, and that Yamaha cars will achieve this. John Asta noted we can cancel the Harris contract without penalties. The difference in cost is \$1,502 more per year for Harris. Roll call vote was taken: voting Yea – Jon Sonntag, Barb Hendren, Jody Ware, Gordy Williams, Rich Krasula, John Asta. Voting Nay – Gary Hannon, Bob Ballenger, Jim Craig. Motion carried 6 Yea 3 Nay.

12.0 New Business

12.1 Motorized Track Vehicles - The Trails Committee and Rules and Regulations Committee have submitted a recommendation to the Board of Directors for a revision to the ACL Rules and Regulations to prohibit the use of track vehicles (excluding snowmobiles) on the ACL trail system. This recommendation was made to proactively prevent these vehicles, which would tear up the trail, from being used at Apple Canyon Lake. Gordy Williams moved “To amend Article

XI Motorized Vehicles-Recreational, Section B. Prohibited Vehicles, 1. Of the ACL Rules and Regulations to read “Amphibious vehicles, go-carts, 2 and 3 wheel motorized vehicles, and track vehicles (not including snowmobiles) are not permitted on the trail system. Any vehicle using a “skid steer” turning system is not permitted.” Seconded by Bob Ballenger. This amendment will not include snowmobiles. It is meant to be proactive so that we can prevent too much wear and tear on the trails before people starting buying the track kits. Many UTV’s would become too wide for our trails if a track is installed. Jon Sonntag shared an article with the Board that showed that track vehicles actually pose less wear and tear on the trails than snowmobiles. Should we specify a seasonal requirement on using tracks – December through April, for example. It should instead be a requirement on how much snow is down on the trail. George Drogosz –We need to try to accommodate all types of users. Tracked vehicles in his opinion do not seem to fit here at ACL. Jody – to be proactive, she doesn’t want someone to go and purchase tracks for the winter and then find out that tracks are illegal. Rich suggested we pass the rule now, but if any individuals want to register a tracked vehicle, they can provide us with information that the tracks do not cause excess damage to a dry trail system; this info can be forwarded to the Trail Committee and the Board, if necessary. Roll call – voting Yea – Bob Ballenger, Rich Krasula, Gordy Williams, Jody Ware; voting Nay – Jon Sonntag, Barb Hendren, Gary Hannon, Jim Craig, John Asta. Motion failed 5 to 4.

12.2 – Plan on a Page/Long Range Plan - The Strategic/Long Range Planning Committee has reviewed the 2016 One-Year Action Goals. All the 2016 goals have been initiated with action continuing or completed. The committee has updated the Strategic/Long Range Plan with One-Year Action goals for 2017. The recommendation is to approve the Strategic/Long Range Plan-on-a-Page as presented. Motion made by Gary Hannon; seconded by Gordy Williams. The plan is a work in progress and a fluid document that changes as progress is made. We are in a cycle of reviewing professional contracts and are reviewing legal counsel now. It has been suggested that we implement a timeline for requesting RFP’s for professional services. We could add this to the Plan because it is the Board’s charge to carry these items out. Also, on the 2nd bulleted item on “Improvement of Infrastructure” under the “One Year Action Plans” column, it was questioned whether the word “Facilitate” is really what we want to use and does it communicate what we want to say. It is really should be “Convene committee and identify consultant to develop Masterplan concept of administration building/clubhouse/recreation areas”. Gary Hannon moved to include wording as stated above to the recommendation. A vote was taken on making the amendment and passed unanimously. The motion was amended as follows: “To approve the Strategic/Long Range Plan-on-a-Page to add “Develop and implement timeline for issuing RFP timeline for professional services. Change the word “Facilitate” to “Convene” committee and identify consultant to develop Masterplan concept of administration building”. Motion carried unanimously.

12.3 General Manager’s Compensation Package - The Executive Committee met with Shaun Nordlie in September and December to review his short- and long-term goals. It was determined that Mr. Nordlie met his goals at a 95% satisfaction and will receive a commensurate bonus. An evaluation has also been conducted on Mr. Nordlie’s overall performance in his role as General Manager. The performance evaluation is based on Mr. Nordlie’s job description. The performance evaluation is the basis for which the 2017 salary compensation is determined. The Board of Directors have discussed and agreed on an appropriate increase for Mr. Nordlie’s 2017

salary. Gary Hannon moved “To approve the increase in Mr. Nordlie’s 2017 salary, as agreed upon by the Board of Directors”. Gordy Williams seconded. The motion then carried unanimously.

12.5 Other- Jody Ware asked for a motion to suspend Robert’s Rules of Order so that an information discussion could be held on Trails Speed Limit. Motion was made by Jon Sonntag, seconded by Gary Hannon, and carried unanimously. Trails discussed this in September/October about the speed limit. Shaun asked our new insurance agent if it would be wise to implement a speed limit or not. They said they thought without a speed limit, our liability would be greater. Their suggestion for signage was to operate your vehicle at a speed not to exceed. The Trails Committee recommendation was a 25 mph speed limit. Rules and Regs looked at that and thought 25 was a little high and they looked at what Security checked with the radar gun this summer to see what people were actually driving. They determined 15 mph was what would be safe. What happens if we leave things the way they are with no limit? Enforcement could be difficult. Normal conditions can change due to the amount of people around. Jim is opposed to a “too fast for conditions” rule because it would be too hard to enforce. Jody asked about what kind of number would work. And how could Security write tickets. Bob requested a quick straw poll from the Board – leave as is, how many people are in favor of a limit. Those in favor of a limit are Jody, Rich, Barb, Gordy, Jim. Those opposed to a limit: Gary, Bob, and Jon Sonntag. John Asta asked if our insurance agent recommended a limit and was told yes. Bob said we have had a liability issue since we opened the trails, but it was pointed out that we now have a lot more ATV’s, also UTV’s that are much bigger than what we had in 1970 and travel at a much greater speed which have much more potential for damage or injury. We don’t know how many trail vehicles have speedometers. The owner would have to be responsible to retrofit or get a GPS kit to measure speed, or you can get an app on your phone. Rich had sent an article to the Board listing injury potential from vehicles to pedestrians which showed as you increase speed from 15 mph to 25 mph there was a pretty great increase on the number and severity of injuries, as well as an increase in deaths in collisions between an individual and a pedestrian. Since we have multi use trails with people walking on them, we need to have as safe as a speed limit as is practical, which would be more in the order of 15 mph rather than 25 mph. Gary commented on the trail committee meetings where there was a lot of discussion about this. They looked at different trail systems in WI including the cheese trails to see what their speed limits are. The Pecatonica Cheese speed limit is 30. They also have decreased speed limits in certain areas and 10 mph close to houses and over bridges. The top 10 violations on the Wisconsin trails did not include speed limits, so if it’s not broke here, why fix it. Jon Sonntag shared a study with the Board on braking of ATV’s on different types of soils – 40 ft is all it takes to stop at 25 mph. He thinks 15 mph is going too far and will not be enforceable. Jim Craig thinks the speed limit is not needed by most people but some people see the trails as a race course, and they won’t pay attention to a speed limit anyway. Jody pointed out there were 3 accidents on the trails this year. John Love confirmed that speed was a factor and there was also an underage factor in one. Gary said we should not be creating rules for the small percent who speed. Even a speed limit wouldn’t change this behavior. You will always have reckless driving no matter what. Attorney Phil Jensen looked at this issue and said liability insurance will cover us whether we have a speed limit or not. George Drogosz, Chairman of Trails Committee, made up a sheet of Trail Etiquette suggestions. He forwarded it to the committee and also Shaun. He would like to have it published in *The Apple Core* to educate people. No speed limit was specified, but it said to

operate at a safe and reasonable speed. Be careful in the Marina around parked cars and walkers. The biggest thing to remember is to use common sense. George is thinking the sheet could be handed out with registration. Jim Petelle – our trail system is unique. You don't necessarily want to employ what is used somewhere else (like Wisconsin). You need to think about what you want – a racetrack? If we set a speed limit that is high, we are inferring it is safe to travel at that speed. The trail system is designed to allow people go from place to place, visit neighbors, enjoy the fauna, scenery and architecture. You don't have to go that fast. This should be a consideration when you are trying to set a speed limit. George said this is why he made the suggestion sheet which lists a safe and conservative speed. Gary said a safe and conservative speed on an unobstructed straightaway could be 25MPH and he hopes that Security would not be sitting there with a radar gun and issuing citations if speed limit is set at 15MPH. George, if we start handing out the sheets he composed, it would cover the safety aspects as well as operational aspects. Jody – the Trail Committee should look at it together and then send it to the Board. The waiver forms that are now used are supposed to be filled out for all guests who use the trails. They can be obtained from the office and filled out as needed. This needs to be enforced. Guests are supposed to be accompanied by Property Owners to the Security Office and this form is to be handed in. Rich – we have felt it necessary to have a speed limit on the lake, so why not have one on the trail system? We need to have something to protect ourselves and pedestrians. George – we don't need signs posted everywhere. It's too beautiful here but we need to make sure everyone knows about it. Rich said yes, post signs in a few key places. Jon Sonntag – it's still an enforcement issue. Security recently issued 30 warnings and 3 tickets. Jim Craig – it should be the other way around. Gary – what good does a warning do? Jody asked that we conclude the discussion. Jim Craig moved that we reinstate Robert's Rules of Order. Seconded by Gary Hannon. Shaun asked where do we go from here? We need to do something due to the recommendation from our insurance agent. Jody – Maybe Trails Committee take another look at it. George – if he forwards his etiquette sheet to the Board, they can give input or change it as they wish. Let's get that going and see what happens next. He believes if we educate people, we don't need signs. Jody feels it needs to go to the Trail Committee and they get behind it and then follow the process to the Board. She does pay attention to the signs, and they don't take away from the beauty of the trail system, and feels that others do feel the same way. We need more feedback on the etiquette sheet, and get this put on the paperwork that you fill out to use the trails. The more we can educate people, the better. Shaun – asked George to send the etiquette sheet to the whole Board. Trails could finalize it at their January meeting and bring it to the board in February. Then the office can use it on the other side of the indemnity form. Then in February we can revisit whether we still want to have a speed limit set.

Motion to adjourn by Gary Hannon, adjourned at 11:13 a.m.

Acting Recording Secretary, Barb Hendren

President, Jody Ware

Secretary, Gary Hannon

Date