

**Apple Canyon Lake Property Owners Association
Board of Directors Meeting Minutes
September 15, 2018**

APPROVED

2.0 Call to Order - President Jody Ware called the regular meeting of the Apple Canyon Lake Property Owners Association to order at 9:00 a.m. on Saturday, September 15, 2018.

3.0 Pledge of Allegiance – After the Pledge of Allegiance a quorum was present with the following directors in attendance: Jody Ware, Steve Tribbey, Gordon Williams, John Diehl, Barb Hendren, Mike Harris, Jon Sonntag, and Gary Hannon. Bob Ballenger was absent. Shaun Nordlie was also in attendance.

4.0 Approve/Adopt August 18, 2018 Minutes – Mike Harris motioned “to approve the August 18, 2018 minutes.” Seconded by Jon Sonntag. Motion carried unanimously.

5.0 Treasurer’s Report – Gary Hannon reported that the Treasurer’s Report will be posted in *The Apple Core*.

6.0 Committee Reports

AECC – Joe Wiener reported they met last week and reviewed a number of items that will be in the minutes and went over language to incorporate into the Property Maintenance Code adoption. We also talked about ideas for the Property Maintenance Code and have come up with some different language.

Budget – No report.

CAMP Financing and Marketing – Barb Hendren reported that they met on 8/30 and we are still talking about concepts since there will be no basement. Discussion on having the office building separate and refurbishing this building for an event center and clubhouse. Since this is all in the concept stage, Financing and Marketing can’t really talk about financing too much. We will have another Architecture and Design meeting on 9/21 and will have more concepts we can pin down so then Financing and Marketing can move forward.

CAMP Architecture and Design – See CAMP Financing and Marketing report.

Campground – No report.

Conservation – Gary Hannon reported that there was an approval by the committee regarding a buffer zone by the Marina hillside. Kim Rees gave a presentation on the VLMP (Volunteer Lake Management Program).

Deer Management – Jon Sonntag reported that 14 new people signed up, we have more hunters than spots, so we had to scramble to find places. Everyone qualified this year. We are now in the process of checking out where everyone wants to put their stands. If anyone sees a stand without a yellow tag attached to it, it is not one of ours and to let Security know right away.

Golf – John Diehl reported there was a meeting on 9/11. The condition of the course is very favorable with some water on the course possibly being removed and bushes maybe needing to be removed. A nice item would be to have “adopt a hole” individuals or groups maintaining the area, they would like to get this in place next spring.

Lake Monitoring – Steve Tribbey reported that on 8/27 they were on the lake. Water clarity was at 36” and temperature was between 23-25 degrees Celsius (75 degrees Fahrenheit).

Legal – Jody Ware reported there was no change since last month. We have done our final touches on our amended Covenants. An AECC feedback meeting is scheduled for tomorrow morning at 9:00 a.m.

Nominating – Barb Hendren reported they had a meeting on August 30 and are working on getting the calendar in shape. We will have an informational get-together at the Pro Shop, date and time will be in *The Apple Core*.

Recreation – Mary Hannon reported that they just finished the Ice Cream Social. The Haunted Trail will be the next event. They are looking for people to adopt an area – anyone interested should see Cindy at the office.

Rules and Regs – Mike Harris reported they met last week. The committee has submitted their recommendations and amendments for Section IV Boating. These changes and recommendations were from the staff and Keith Jones our attorney. We finalized Burning rules – 1st reading will come in October. The 2nd Saturday of the month at 9:00 a.m. is usually the time Rules & Regs will meet – we are changing it to the first Friday of the month at 10:00 a.m. We do need members on Rules & Regs. Please see Megan in the office.

Safety and Emergency Planning – Jody Ware reported that they continue to work on the Operations Manual and procedures for different types of emergencies. We also working on the Emergency Dam Manual. Next meeting is Tuesday at 1:00.

Strategic/Long Range Planning – Jody Ware reported that they met yesterday and had an update on the Foundation application process. We started working on Long Range Goals and Objectives for capital projects.

Trails – Gary Hannon reported they are continuing discussion on a potential dry creek crossing at North Bay and the potential use of UTV’s on our roads.

7.0 General Manager’s Report – Shaun Nordlie reported that Rick Paulson is retiring on 9/28. In preparation for that, resumes have been collected with about 25 in so far. Interviews will start next week to replace the Building and Grounds Manager and Building Inspector. If you see Rick, congratulate him on his retirement. As far as the Cove – Eric is out as of Monday, 9/10. We are now in the process of getting ready for new operators. Nine people contacted with interest in operating this next year. RFQ’s will be due at the end of October. Goal is to have someone approved by the Board by December. Next Saturday is the Farm to Table Dinner, tickets are available.

8.0 President’s Report – Jody Ware reported that our Foundation was approved by the IRS – so we now have a foundation that is a 501c3 organization. We are at the infancy stage right now and will be creating a Board of Trustees and starting work on marketing and promotion.

9.0 Property Owner Comments

Carol Horist 5-58 – Expressed concerns about dredging in North Bay.

Joe Wiener, 9-227 asked about the demonstration project for the buffer area.

Henry Doden, 13-129 – commented on last month’s *Apple Core* articles from Jody and Shaun how the amenities were here for people to use.

10.0 Consent Agenda

10.1 Committee Changes – Steve Tribbey motioned “to approve the Consent Agenda items: Committee changes (to appoint Barb Hunt, Steve Malone, Lynn Johnson, and LeAnne Killeen to the 50th Anniversary Event Planning Ad Hoc Committee; and David Allgood to the Legal Committee; and to accept the resignation of Paul Logan from the Trails Committee).” Seconded by Jon Sonntag, motion carried unanimously.

11.0 Unfinished Business

11.1 ACL Building & Environmental Code Exterior Maintenance – Jody read the following information: “1) Amend Section 120 of the Apple Canyon Lake Building and Environmental Code by deleting the National Property Maintenance Code (1993) and inserting 2012 International Property Maintenance Code or the same edition as adopted by Jo Daviess County. 2) Amend 302.4 – replacing the first paragraph with the following: All lots, premises and exterior property containing a structure shall maintain free from non-shrub or non-tree plant growth in excess of 8”. This plant growth shall not include approved prairie plantings, cultivated flowers and cultivated gardens. Approved and prohibited plantings are listed within the documents for the Greenway Stewardship Program. 3) Amend the title of Section 302.8 by adding after Motor Vehicles. Boats, Trailers, RVs, UTVs and similar equipment. 4) Amend Section 302.8 by replacing the first paragraph with the following: Except as provided for in other regulations, no inoperative, unlicensed or unregistered motor vehicle, boat, trailer, RV, UTV, ATV golf cart, automobile, truck or other similar vehicle or equipment shall be parked, serviced, kept or stored on any premises, and no vehicle shall at any time be in a stage of being stripped or dismantled. Painting of vehicles is prohibited unless conducted inside an approved spray booth. 5) Amend Section 111 Means of Appeals by deleting this section in its entirety.”

Mike Harris moved “to approve the amendments to the ACL Building & Environmental Code: Exterior Maintenance as submitted by the AECC at their September 8, 2018 meeting.” Seconded by Gordon Williams. Steve Tribbey questioned Items #3 and #4, wondering if riding lawn mowers or tractors were included in this. Joe Wiener stated that there is similar language and that has been changed in response to some comments. Those right now are printed in the minutes that some of the board members have. 302.4 – Questions about mowing a very steep slope with vegetation – that would not have to be mowed. Another concern was readily available and the list of plantings available are listed in the Greenway Stewardship documents. #3 – Joe felt this amendment covered lawn tractors and mowers. The intent is to be all encompassing. Steve thought it should be more specific to cover those riding lawn mowers. Section 111 – deleting this section in its entirety, we have our own appeals process. 101.3 Intent – to ensure the safety of our homeowners while maintaining property. Gary Hannon asked how a property owner would have access to this document with amendments. There would be a hard copy of the code kept in the Maintenance Building office and the exceptions will be kept with the book and building official. We would expect this to be online, the entire code is available for free to anybody that wants to look at. That URL could be attached to documents that are online explaining that. Jody thanks Joe and the committee for their due diligence. Motion carried with Steve Tribbey abstaining. We have a typed document and a handwritten document that are not exactly the same. We approved the typed document, but we need to understand what we just did. We approved the document as submitted by the AECC committee.

12.0 New Business

12.1 Lot Combination 07-009 and 07-010 – Gary Hannon motioned “to approve the lot combination agreement for Lots 9 and 10 in the Apache (7) subdivision. Once recorded, the lot combination agreement may not be revoked or rescinded.” Seconded by Barb Hendren, motion carried unanimously.

12.2 Request to Restrict Lot – Barb Hendren motioned “to approve the request to restrict Lot 12-100.” Seconded by Steve Tribbey. Discussion – Gordon Williams asked that if we approve this would it decrease our revenue even further? The answer was yes. Roll call: John Diehl – no, Gordon Williams – no, Mike Harris – no, Gary Hannon – no, Steve Tribbey – no, Barb Hendren – no, Jon Sonntag – no, motion fails.

12.3 Transfers to the Capital Account – Gary Hannon motioned “to transfer the expenditures of schematic design at a cost not to exceed \$48,000 to Farnsworth Group of Peoria, IL and the expenditure of a cost not to exceed \$12,000 to Terracon of Rockford, IL from the R&R Fund to the Capital Fund.” Seconded by Steve Tribbey, motion carried unanimously.

12.4 Septic Design for CAMP – Gary Hannon motioned “to transfer the expenditures of septic design at a cost of \$4,500, to Tom Golden of Galena, IL from the Operating Fund to the Capital Fund.” Seconded by Mike Harris, motion carried unanimously.

12.5 Cove RFQ Task Force – Gordon Williams motioned “to approve the formation of a Cove RFQ Task Force, consisting of Shaun Nordlie, Jody Ware, Barb Hendren, Steve Tribbey, and Mike Harris, tasked with the creation and distribution of an RFQ for a Cove Restaurant Operator. The Cove RFQ Task Force will represent the Apple Canyon Lake Board of Directors in conducting a search for a new operator for the Cove Restaurant.” Seconded by Jon Sonntag. Jody informed the group that this is the process we took when we did the attorney search. We will keep the board members informed throughout the entire process and provide documentation to the board on the information we receive. Motion carried unanimously.

12.6 Dissolve Amenity Tag Ad Hoc Committee – Barb Hendren motioned “to dissolve the Amenity Tag Ad Hoc Committee.” Seconded by Steve Tribbey, motion carried unanimously.

12.7 Land Purchase – Mike Harris motioned “to approve the purchase of 134 acres at the corner of Lake Road #3 and Apple Canyon Lake Road for a purchase price of \$1,072,000 to come out of the R&R Fund. Seconded by Gordon Williams. Jody Ware read a statement from the Board regarding the process that the Board took to evaluate the land purchase and why they made the decision to purchase the land.

Questions – Jon Sonntag would like to state he sees the financial upside – getting more revenue than interest at the bank. Not sure how long it will delay CAMP – but you can use the land as collateral if needed. Gordon Williams - very important to protect ACL. Gary asked if this was 100% tillable – no, about 100 acres were tillable. Mike Harris thinks this is very exciting for this association. Jon Sonntag mentioned this was also listed in 2005 to look at any land for possible purchase. This will give us income until we figure out what we really want to do with this land. Roger VanDerLeest – if we purchase the land will we make payments? Shaun said we would do a one-time payment at the end of the year. Roger thought we should make a two-payment deal.

Mary Hannon asked about the land connecting? Why bother with the 34 acres? Shaun reported they are selling them together; not willing to separate. Two audience members strongly encouraged this purchase. John Diehl agreed it is happening quickly, but if we don't act quickly, we won't get the land. David Allgood - any language in the current lease that may be affected by transition of ownership – Shaun did not see any. Tom Sheehan – also supports the purchase and appreciates this decision. Henry Doden – takes away from the capital in the R&R fund. Something else could come up in North Bay – questions this decision. Would be better if we had something in our drainage area. Jody responded that we will continue to keep the acquisition of land on the plan; always keeping in mind what we can do for the good of the watershed. Roll Call: John Diehl – yes, Gordon Williams – yes, Mike Harris – yes, Gary Hannon – yes, Steve Tribbey – yes, Barb Hendren – yes, Jon Sonntag – yes. Motion carried unanimously.

12.8 Security Squad Purchase – Gary Hannon motioned “to approve the purchase of a new 2019 Ford Police Package Interceptor from Virtues Auto Tech of Darlington, WI and equip the vehicle with the Push Guard, Lightbar, Radio, and Door Stickers at a cost not to exceed \$37,500. Seconded by Barb Hendren, motion carried unanimously.

12.9 Rules & Regulations: Boating – 1st Reading – Barb Hendren motioned “to suspend Robert’s Rules of Order.” Seconded by Jon Sonntag. Discussion – Shaun reported that we are trying to clean up conflicts where there have been issues. Keith Jones reviewed R&R last fall and at that time Rich Krasula was on the Board and reviewed as well. R&R Committee wanted staff input as well. The plan is to keep sending sections to R&R monthly or bi-monthly and this is the start of it. For the next 6-8 months, we will have more coming to the Board for clean-up. Burning was a section we finished up. The changes that we have in here is not really major, mostly admin clean up. Question about the insurance piece – we found that we don’t always get the insurance in the mail. If we have a certificate that ends in June, how do we enforce that? The Abacus system can flag this to let us know. Will Security have a list of boats? Not sure of the exact procedure. John Diehl section F, Boat slips – comments on the waiting list. Would it be fairer if a property owner could not obtain a second slip until other owners had the opportunity to get their first slip? Item 8 would like to see stronger language. If they are not using that dock at all – could we use stronger language since we have such a long waiting list. Transferable docks – when homes are sold, current owners have that right. Could we consider this not to continue to new owners? Joe reminded John that people that buy homes with a transferable dock are paying premium dollars. Could be some loss there because the new owner could not transfer. But should we be obligated to do this? Could open us to lawsuits. Within one year you do have to have a boat registered to the dock. Shaun responded to John if he wants to pursue his points, please turn those in to Rules & Regs for further discussion. Motion to reinstate Robert’s Rule of Order by Steve Tribbey, second by Barb Hendren.

Motion to adjourn by Mike Harris at 10:35 a.m.

Recording Secretary, Rhonda Perry

President Jody Ware

Secretary, Barb Hendren

Date