

**Apple Canyon Lake Property Owners Association
Board of Directors Meeting Minutes
March 20, 2021**

APPROVED

2.0 Call to Order – President Barb Hendren called the meeting of the Apple Canyon Lake Property Owners Association to order at 9:03 am on Saturday, March 20, 2021.

3.0 Pledge of Allegiance – After the Pledge of Allegiance, a quorum was present with the following Directors in attendance: Barb Hendren, Jody Ware (via Zoom), Steve Borst (via Zoom), Steve Tribbey, Gordon Williams, Henry Doden (via Zoom), Mike Harris, Bob Ballenger (via Zoom) and Tom Ohms. General Manager Shaun Nordlie was also in attendance.

4.0 Approval/Adopt Minutes from the February 20, 2021 Meeting – Steve Tribbey motioned “to approve the minutes from the February 20, 2021 meeting.” Seconded by Tom Ohms, motioned carried unanimously.

5.0 Treasurer’s Report – Treasurer’s Report will be in *The Apple Core*.

6.0. Committee/Commission Reports

AECC – Steve Tribbey reported they met on March 6. Approved picnic pavilion for ACL campground. The Building Inspector is preparing to send out letters April 1 for septic pumping and inspections. Discussion on dock signage and reflection requirements without a lot number displayed. Mass letter to dock owners reminding them about Building Code 123.1 requirements and to offer the opportunity to purchase a sign through the ACL Security Department (for continuity and consistency) to place on their dock. Discussion for clarification on ACL projects that required permits. April 3 will be the next meeting.

Board Policy Ad Hoc – Jody Ware reported they are moving along with the policies – next meeting is 3/23 at 1:00 pm.

Budget – Steve Borst reported they will meet Friday (3/26) with the main purpose being informational. Up to speed on what happened in 2020, bigger financial issues the association is facing, and laying groundwork for meetings to follow. Would encourage anyone interested to join us. Will be available via Zoom as well as in-person.

Campground – Steve Borst reported that they did not meet but the pavilion is on the agenda today.

Conservation – Paula Wiener reported they met on March 6. Putting together various lake data we have collected. We have two new greenway applications we are working on. First weekend of April – clean up day.

Deer Management – Gordon Williams reported that in February we were scheduled for a deer count on 2/6 and 2/20. 2/6 was canceled but did go out on 2/20. Good participation in this and we went out in groups with assigned zones. On 2/20 we spotted about 114 deer. Compared to last year it was an increase of 40 deer. Deer looked to be in good condition.

Foundation – Jody Ware reported they are busy planning a fund-raising event. Fundraising for education center by Bathum Trail and assist the Garden Club with the Children’s Garden. May Day Auction – is May 1st. There is a Facebook page for the May Day Auction.

Strategic/Long Range Planning – Jody Ware reported they are getting ready to create our 2022 Plan on a page with a one-year Action Plan and will be meeting April 9 at 4:00 pm. Remind everyone how important it is that what comes from budget meetings is very influential of what goes into our one-year action plan.

Nominating – Barb Hendren reported they met recently and came up with questions for the six candidates. We will have the Meet the Candidates Forum following Board meeting on April 17. There should be online videos of each candidate coming soon. We have plans to have one more meeting before the event.

Recreation – Steve Tribbey reported they met March 15. Voted for officers, continued brainstorming for activities and events, Garden Club presented a lot of ideas that may cross over to Recreation. Continues to consider pandemic and will evaluate each event. Next meeting is April 19.

Rules & Regulations – Mike Harris reported that they have three second readings on the agenda today. We also have two first readings on the agenda.

Trails – Tom Ohms reported their first meeting is next Saturday. Will be scheduling a workday, trails are still closed due to soft conditions.

7.0 General Manager's Report – Shaun Nordlie reported seven campsites will be assigned along with 26 boat slips. March 27 will have the Campsite Swap and Assignment Day and the Slip Swap. April 10 we will have the Slip Assignment Day and Sub-License Assignments. Working within COVID with these – 50 people at the clubhouse; also offering Zoom for those. Last year we had to cancel due to COVID. As of yesterday, we have 90 lots that have not paid their dues yet. This is much better than in years past. One change this year – another late fee on April 1 and May 1 so the Office staff has been calling people to remind them of this.

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

9.0 Property Owners Comments

10.0 Consent Agenda

10.1. Committee/Commission Changes – Mike Harris motioned “to appoint Barb Hendren to the Board Policy Ad Hoc Commission.” Seconded by Gordon Williams, motioned carried unanimously.

11.0 Unfinished Business

11.1 Rules & Regulations – Miscellaneous Regulations – Tom Ohms motioned “to approve the Rules & Regulations section Miscellaneous Regulations as included in the March Board packet.” Seconded by Mike Harris. Discussion: Steve Tribbey – would like to see some parameters put in for measuring noise. Apps on phones that measure sound in decibels for Security. How loud is acceptable? Objective measurement as opposed to a subjective measurement. Shaun Nordlie – that was discussed at Rules & Regulations – do you take that from the road? Property itself? This is a start – is what Security wanted and gives them some teeth. Can always be revisited on an annual basis with Security. Motion carried with Henry Doden abstaining.

11.2 Rules & Regulations – Motorized Vehicles-Recreational – Gordon Williams motioned “to approve the Rules & Regulations section Motorized Vehicles-Recreational as presented in the March Board packet.” Seconded by Steve Tribbey. Discussion: Gordon Williams - we have to keep these unauthorized vehicles off of our trails. We do have some problems out there – this will start to help keep

our members safe. Henry Doden – this only applies to members. Mike Harris – if not a member, would get Sheriff’s Department involved. Motion carried unanimously.

11.3 Rules & Regulations – Campground - Tom Ohms motioned “to approve the Rules & Regulations section Campground as included in the March Board packet.” Seconded by Steve Borst. Discussion: Steve Borst – do a lot of hiking around our house and walk through there quite a bit. Thanks to all of the campers – they did a good job keeping grills covered and hidden during the winter. Henry Doden – any problems this season? Shaun Nordlie – no problems. Motion carried unanimously.

11.4 Request to Restrict Lot – Menconi – Mike Harris motioned “to not accept this and turn this request down and not restrict the lot.” Bob Ballenger seconded. Discussion: Barb Hendren – currently 107 approved restricted lots which results in an annual revenue loss of \$47,080 based on an \$1,100 assessment. Steve Tribbey - fairness and equity for all members – we are all here utilizing the same roads and amenities. Would be unfair to allow this. Mike Harris – create a financial hardship on the Association. Tom Ohms – don’t want to have his dues raised because someone else is not paying same amount. Henry Doden – we used Restricted Lots to pass the Covenants last time and membership voted for it. Maybe the amount of discount we gave is too much. The idea of Restricted Lots is something we should think about. Jody Ware – Board has the discretion to deny a request for a Restricted Lot – four exceptions listed – one is that allowing will not have a negative impact to the Association finances. Does have a long-term effect. Definitely does have a negative impact on our finances. Motion carried with Henry Doden abstaining.

11.5 Request to Restrict Lots – Mamlic – Mike Harris motioned “to not restrict these lots due to financial hardship.” Seconded by Tom Ohms. Discussion: Tom Ohms – not willing to pay more so others can have a reduction. Motion carried with Henry Doden abstaining.

12.0 New Business

12.1 PO Boat Slip Late Fee Refund Request – Steve Tribbey motioned “to go into Executive Session.” Seconded by Gordon Williams at 10:09 am. Tom Ohms motioned “to come out of Executive Session and return to Open Meeting.” Seconded by Mike Harris, motion carried. Gordon Williams motioned “to uphold the decision of the Association to assess the \$100.00 late fee.” Seconded by Tom Ohms. Roll call – Bob Ballenger - nay; Steve Borst - aye; Henry Doden - aye; Mike Harris – aye, Tom Ohms - aye; Steve Tribbey – aye; Jody Ware – aye; Gordon Williams - aye. Motioned carried with 7 ayes, 1 nay.

12.2 Campground Pavilion - Gordon Williams motioned “to approve the construction of a 30’ x 40’ unenclosed picnic pavilion resembling the attached pictures between the bathhouse and basketball court. Provision will be provided for a future grill installation. A silt fence shall be installed and maintained throughout the project. Jo Daviess County Planning and Development and Health Department permits must be obtained before the construction.” Seconded by Steve Tribbey. Discussion: Gordon Williams noted the \$10,000 out of Campground would be last. Shaun Nordlie – would say last, this could be trees, bushes, etc. Steve Borst – all members can use this pavilion? Shaun Nordlie – yes. Don’t see us spending more than the \$30,000 on the pavilion. When this started, talked about reservation system. Prefer to not go to that, but we could if needed. Right now, all pavilions are first come first served. Jody Ware – Budget Commission approved this in R&R in 2018/2019. Did the Budget Commission approve this thinking that \$10,000 would come from Campground Commission or if needed? Shaun Nordlie – if needed. Mike Harris – since we are doing this in-house, are we able to get everything else done? Shaun Nordlie – getting our facilities ready will be priority. Would have to work with Wienen – when they can get in there. Once we get past road postings, etc., we can plan a timeframe with this. Gordon Williams – this model will be a template for future pavilions? Shaun Nordlie – that is the thought. Would like to

keep the same model for all. Henry Doden – should have at least one electrical outlet along with a switch. Nothing on prints showing electric. Shaun Nordlie – yes electric will be added. Motion carried unanimously.

12.3 Tellers Commission Guidelines - Mike Harris motioned “to approve the Tellers Commission Guidelines as presented in the March Board packet.” Seconded by Steve Tribbey. Discussion – Steve Borst – guidelines and requirements - #1 Association attorney present at all ballot counting. Do we have to have an attorney there? Barb Hendren – always have done that. Henry Doden – attorney present with counting ballots for Bylaws? Shaun Nordlie – don’t have to be – governing documents procedures for election of BOD is laid out black and white. Nothing in governing documents that outlines counting of ballots for special meeting – because of that it is not required. Jody Ware – that is the Annual Meeting day – attorney is also on the agenda for that meeting, present anyway. Motion carried unanimously.

12.4 Rules & Regulations – Clubhouse – 1st Reading – Gordon Williams motioned “to suspend Roberts Rule of Order.” Seconded by Mike Harris. Discussion: grammatical correction D item 2. Shaun Nordlie reported this is included in review of all of the sections. Hours for the Clubhouse will be posted in the lobby.

12.5 Rules & Regulations – Snowmobiles – 1st Reading – Discussion: the part that took time was C7 under operations. What happens if a snowmobile breaks through the ice and is in the water? Daily fine? Could take a couple of weeks to get someone out here to retrieve the snowmobile. Fine anyway from IDNR – could tap on to that. Accidentally breaks through is different than racing on the lake. We can write a fine if negligence. Steve Tribbey – does Security have procedures in place on how to rescue the person? Shaun Nordlie – we don’t have a snowmobile – would have to call fire department. Jody Ware – is the location of the snowmobile marked and should we set a timeline? Don’t get back to lake until June – then work on removing snowmobile? Mike Harris - would have to get a professional to do that. Shaun Nordlie - may be able to get out there right away. Finding a company to get out here to do that will be the problem, comes from Madison, Rockford, etc., to set a timeline might be difficult. Jody Ware - time mutually agreed upon between owner and Association. Bob Ballenger – have we asked IDNR if we have authority to make rules like this? Yes - Julie did talk to them – they will have fines that will kick in through IDNR. We have boat rules so we should be able to have something on snowmobiles going through the lake. Bob Ballenger – think we need a legal opinion. Shaun Nordlie – will send to Keith. Henry Doden – what about UTV’s, ATV’s? Jody Ware – xxx needs to be filled in the preamble. For #7 – add Jody’s extra information? Mutually agreed upon, or we can remove at their cost. Agreed.

12.6 Opening Discussion about COVID-19 – Shaun Nordlie reported on Thursday Governor Pritzker came out with a bridge for moving from Phase 4 to Phase 5. Jump from 4-5 is large, this is something in between. Whole state needs to reach 70% of first dose vaccinations with 65 and older, maintain 20% ICU beds available and hospitalizations percentages hold steady. Once we reach that we go to bridge phase. Currently at 58%. Once we get to the bridge – seating areas must maintain 6 feet between tables, no parties more than 10. No capacity mentioned here. If you can get tables in there as long as socially distanced, can put as many as will fit. Not 30% capacity. No difference at Pro Shop but will make a difference at Cove. Will be able to add a few more bar stools at Pro Shop. Fitness center 60% capacity; group classes of 50 or fewer. Current morning workout group still not meeting but this will allow more in fitness room. Retail – Marina at 60% capacity – this will allow more people in there. Still working on this. Need more research on the next three – meetings/conferences 60% capacity. 150 could be in the meeting room. Recreation – indoor is less than 100 people or 50% capacity – would mean we could go to 100 people for a recreational event. Farm to Table dinner – 100 people can be done inside. Need a little more information on this. Recreation outdoors max up to 100. Social events indoors 250 people; outdoors 500 people. Not able to find definition on what social event is. We can at least have 100 people

in this room for an event. In order to move to Phase 5, we must reach 50% vaccination rate for residents over 16. Currently at 34%. April 12, IL will open up vaccination to everyone over 16. If we get to the bridge by May, we can offer more events.

12.7 Capital Projects Update – Shaun Nordlie – after the workshop in February, we received some questions from the Board. Responses to the questions were sent and received an email from PSI trying to address the questions as well. Mike Harris – can we put these on the ACL website? Tom Ohms – good questions in there and that might answer people’s questions. Shaun Nordlie - could do an article as well. Jody Ware - need clarification on what capital projects are. Flood mitigation? Watershed? CAMP? We need to look at what we have been talking about so membership has an understanding. No decisions have been made on anything and important for Budget Commission as they move forward. Steve Borst – this is on the agenda for next Friday. Accounting policies – a capital item is when you buy an asset or build a building. When it comes to the Association, not a 100% sure. On the agenda to discuss on Friday to try to define what we feel is a capital project. Look at how long it will take, etc. Capital item or capital project. Money out of assessment is almost a project. When we fix the dredge, it is operating, when we buy a dredge that might be an R& R and when we dredge out over the next 10 years that might fall under capital project. Jody Ware – need to clarify for both the Budget Commission and membership. Steve Borst – goal is to really define parameters around each one of the funds. Gordon Williams – my understanding that capital project is an infrastructure project that can be depreciated. Steve Borst – using that example of dredging, can’t depreciate dredging. Jody Ware - would fall under R&R. Steve Borst – want to get things in the right bucket. Will do more research. Getting those parameters and having examples of each one is a big goal of the Budget Commission. When we go into budget, we can find the buckets, but when does the Board start voting on some of these capital projects? In two weeks when we meet, can we add to that agenda? Shaun Nordlie – no, that is a Special Meeting of voting members, not a Board meeting. Steve Borst – vagueness of some of the answers. Could pull out different decisions that maybe we could vote on; three or four things we could vote on. Not going to get anywhere if we don’t start voting on some things. Shaun Nordlie – that was the goal at February meeting, to get to a point to bring to Board for approvals. Would like to approve geotechnical, CMT coming out and talking to county, approve dam crest (working on pricing now). We do have bids for first two. Once questions are answered, then bring to vote. Is April too late? No – they want to get out here when they can get out here. Don’t know that we are losing time yet, but there is some urgency. Jody Ware – not prepared to go through answers yet. Can schedule another meeting in two weeks with just this item on the agenda. Steve Borst – like that idea. Another question - Fehr Graham proposal – is that something we can go back to them and ask why they thought second spillway was such a good idea. Shaun Nordlie – before going back to Fehr Graham, would go to Paul Mauer and see what he thinks. Barb Hendren – second spillway – not preferred way to get us in compliance. Check with IDNR, then move forward. Shaun Nordlie will move forward and talk to IDNR and maybe schedule a special meeting. Tom Ohms motioned “to reinstate Roberts Rule of Order.” Seconded by Steve Tribbey.

Mike Harris motioned “to adjourn at 11:41.”

Recording Secretary, Rhonda Perry

President, Barb Hendren

Corporate Secretary, Steve Tribbey

Date

