

**Apple Canyon Lake Property Owners Association
Board of Directors Meeting Minutes
June 15, 2024**

APPROVED

1.0 Call to Order: Meeting called to order by President Nolan Mullen at 8:03 AM. Other Directors present: Bob Ballenger, Bill Becker, Carmel Cottrell, Brian Holt, Debra McNamee, Mark Kosco, Laura Pratt and Mike Ward. General Manager John Sabo was also present.

2.0 Executive Session – motion to proceed to executive session made at 8:03 AM.

3.0 Return to Open Session – motion to return to open session made by Bob Ballenger at 9:02 AM. Seconded by Mark Kosco, motion carried unanimously.

4.0 Pledge of Allegiance – after the Pledge of Allegiance, a quorum was present with the following Directors in attendance: Nolan Mullen, Bob Ballenger, Bill Becker, Carmel Cottrell, Brian Holt, Debra McNamee, Mark Kosco, Laura Pratt and Mike Ward. General Manager John Sabo was also present.

5.0 Approve/Adopt Minutes from the May 18, 2024, and May 29, 2024 Board Meeting - Deb McNamee motioned “to approve/adopt minutes from the May 18, 2024 and May 29, 2024 Board Meetings.” Seconded by Bill Becker, motion carried unanimously.

6.0 Approve Amended Agenda – Motion by Brian Holt to approve amended agenda, seconded by Carmel Cottrell. Motion carried unanimously.

7.0 Election of Officers

7.1 President - Motion by Bill Becker to nominate Nolan Mullen for President, seconded by Bob Ballenger. Motion carried unanimously.

7.2 Vice-President - Motion by Bob Ballenger to nominate Bill Becker for Vice-President, seconded by Carmel Cottrell. Motion carried unanimously.

7.3 Secretary - Motion by Carmel Cottrell to nominate Laura Pratt for Secretary, seconded by Bill Becker. Motion carried unanimously.

7.4 Treasurer - Motion by Deb McNamee to nominate Carmel Cottrell for Treasurer. Brian Holt motioned to nominate Mark Kosco for Treasurer. Mark Kosco declined the nomination. Bill Becker seconded the nomination of Carmel Cottrell for Treasurer. Motion carried unanimously.

8.0 Treasurer’s Report - will be in *The Apple Core*.

9.0 Committee/Commission Reports

Maintenance – Carmel Cottrell reported they checked out the cardboard baler, a transistor was ordered. More information at next meeting.

Memorial Pavilion – Carmel Cottrell reported they are still waiting for bricks to come in. They were delayed at the engraver.

Rules & Regs – Brian Holt reported they met and discussed several items--lake draw down, E-bikes, deer stand inspections to name a few. No changes at this point, discussion only.

Golf – Mark Kosco reported at the last meeting they discussed sand traps. Big Cup and Night Golf discussion.

Board Policy – Brian Holt reported they are meeting regularly and making progress.

Sports Complex – Mike Ward reported they are days away from having this completed. Final step is putting in the nets. Another phase, from their perspective, would be adding accessories, e.g. wind protectors. We’re putting together a list of those items along with costs and will present those.

Campground – Ron Carpenter reported they served just over 400, including volunteers, at the pancake breakfast. Netted a little over \$100. Biggest expense was with the vendor. Also had quite a

bit of milk and orange juice left over because not as many people. Last year's profit was about \$400. There are some dead trees at the Campground that Maintenance will be taking care of. There will be a few additional sites added.

Employee Handbook – Jody Ware reported agenda items for the 2nd reading today. Looking forward to moving on to the other items. More to come to the board for the July meeting.

Sports Complex - Gary Hannon reported they are tentatively planning to have a ribbon cutting ceremony next Saturday.

Flood Mitigation – Gary Hannon: Major decisions to be made today. New information coming in—the Winchester project grant, we have two years to use. Flood Mitigation Commission, is considering phasing the flood mitigation project. Jeff Rice: Phasing option – if we were to remove the rocks, waterfall side, this would greatly improve our spillway capacity. Talked to Helm they did not see any issues in phasing the project. Gives us some breathing room to do the project. Only 6-8” draw down this year. Cofferdam decision to be made—should be buy it ourselves?

10.0 General Manager's Report – Jon Sabo reported the following updates – staffing has now been almost completed (temporary and seasonal folks). Will allow us to better address the amenity upkeep. Shout out to Tyler regarding the plant life at the beach (vacuuming out dead plant life). Stratifier proposed to be at Nixon Beach – not entirely sold on this. Three phase 220 motor may be an issue. Normally you do not see a three-phase motor in water. We want to guarantee this to be 100% safe. Reminder – Owners' Facebook page is **not** the official way to communicate with us. Staff does not monitor. If an issue – please call, email or stop by. Very optimistic on the multi-year phasing options discussed - this is a cost savings. Exploring rock removal as a landowner. Could be a six-figure savings. Congratulations on the Flood Mitigation group for their efforts.

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

12.0 Any Additions to the Agenda - none

13.0 Consent Agenda

13.1 Committee/Commission Changes – Laura Pratt motioned “to approve Tim Brokl to join the Employee Handbook Ad Hoc Commission; to allow Bill Bourell to resign from the Nominating Committee; to allow Tim Brokl to join the Nominating Committee; to allow Mark Kosco to resign from the Zebra Mussel Ad Hoc Commission; to allow Paula Wiener to resign as Chair of the Conservation Commission; to allow Paula Wiener to resign from the Nominating Committee; and to allow Gary Hannon to resign from the Board Policy Ad Hoc Commission.” Seconded by Carmel Cottrell, motion carried unanimously.

14.0 Unfinished Business

14.1 [Employee Handbook] 6.1 Requesting Leave, 6.3 Holidays and Holiday Pay, Charts for 6.2 Paid Time Off, and 6.3 Holidays and Holiday Pay – 2nd Reading: Laura Pratt motioned “to approve the Employee Handbook Ad Hoc Commission request to approve Employee Handbook 6.1 Requesting Leave, 6.2 Paid Time Off, 6.3 Holidays and Holiday Pay, Charts for 6.2 Paid Time Off and 6.3 Holidays and Holiday Pay.” Seconded by Mark Kosco, motion carried unanimously.

15.0 New Business

15.1 Designated Fund Purchase Request - Mark Kosco motioned “to purchase a \$250.00 Visa prepaid gift card for Jon Sonntag + \$5.00 for the card fee (\$255.00 total) using the Deer Management Commission's designated fund.” Seconded by Bill Becker. Discussion: Brian Holt asked about why the purchase of this magnitude would come to the board. Seems like this does not need to come before the board. Can discuss at the next Board Policy Commission meeting. Motion carried unanimously.

15.2 Recommendation for Spillway Project - Brian Holt motioned “to approve the Flood Mitigation Commission's recommendations: 1) moving forward with the project right now; 2) opting for the 30-inch drawdown to minimize logistical issues with docks and ramps; 3) potentially

phasing the project over two years if finances are challenging and for other reasons as indicated in attached document. Understand staging the project over two years may result in additional costs in labor and material.” Seconded by Laura Pratt. Discussion: Mike Ward - If the lake is the most valuable asset – then the dam is even more valuable than the lake. The dam is why we have a lake. My estimate is our community is probably worth about \$750 million. If you add up homes, land, lake, golf course, etc. The dam is protecting this \$750 million asset. Investment we are making to protect this. It’s about making sure this never gets broken. Less than a \$1000 per property owner. Protecting the community we live in, that’s the issue. Laura Pratt - As dam owners we have a responsibility to the community downstream from us. Loss of life downstream would be our legacy here if we ignore the problem. Cannot put a price on life, we have an obligation. Nolan Mullen – this motion is a commitment to move forward with the project, not the funding. Motion carried unanimously.

15.3 Zebra Mussel Ad Hoc Commission Recommendations - Deb McNamee motioned “to use our current equipment, there are additional items ACL needs to purchase. With this additional equipment, ACL can monitor for hot spot areas, be able to predict spawn events, and monitor the success of treatments. ACL currently owns a polarizing microscope, which is useless without additional equipment. The Ad Hoc Commission will develop procedures and training to volunteers/ACL staff. Data collected can be reported to property owners. The cost of additional equipment is not to exceed \$2000.” Seconded by Carmel Cottrell. Discussion: Brian Holt – idea of having lake temperature information added would be good information to have. Gary Hannon – there is a group (Water Monitoring sub-commission) that goes out every two weeks and they do report numbers. That data goes to Joe Rush and Conservation Commission. Motion carried unanimously.

15.4 ACLPOA Employee Benefits Renewal – Laura Pratt motioned “to approve the 2.99% increase from Blue Cross; dental optical was worked down to a 4% increase with Principal.” Seconded by Brian Holt. Discussion: Brian Holt - thank you for the work to save money and negotiate the increase. Do the employees like these plans? John Sabo – initial outreach, we did ask the employees that question. What is good, what is bad, etc. They love Blue Cross, love the PPO. If approved, this would improve morale. Motion carried with Bob Ballenger not present.

15.5 2023 Audit Report – Deb McNamee motioned “to approve the 2023 Audit Report.” Seconded by Mark Kosco. Discussion: Brian Holt - Should this be available for review prior? For next year, we need to see this report before the annual meeting. Gives us time for questions, etc. Need time for discussion. John Sabo – part of this was recreating the financials that previous management did not do. Typical cycle, this would be done before the annual meeting. Steve Borst, Financial Manager– wondering why we are approving the audit. At the annual meeting last week, you heard the opinion from the auditors. Independently reviewed – gave a copy to the Board of Directors. Deb McNamee – Should be to accept this rather than approve. John Sabo – will correct moving forward. Ron Carpenter - tough to get ahead of time, a lot of times comes before the annual meeting. Steve Borst – you are getting monthly financials – would feel less blindsided than just getting the audit. Can’t run a business without knowing where you stand financially. Our numbers that we gave the auditors were solid. Motion to accept the 2023 Audit Report carried unanimously.

16.0 Property Owner Comments

Mary Hannon, 8A239 – Thank you to whoever that paved the path from hole 8 to 9 – appreciate that. They also filled in a hole coming down from hole 8, but needs to be filled in better. Gravel in the middle of the path is unsafe.

Jeff Rice 8-152 – Thank you for the vote earlier. Also, currently Vice-chair of Golf and of Trails. I have the good fortune of working with Ed and Julie – two great employees doing a wonderful job. Don’t

think any of us grasp how much it takes to maintain this property. We need to realize that we have a great group of employees.

Steve Davis, 11A193 – Thank the commissions for the hard work on zebra mussels, spillway, watershed. Other side of the dam – south side of the dam – brush, bushes, trees. Certainly can put a person on this to kill the bushes and trees, etc. Very important. Laura Pratt: It is very important. Growth needs to be removed and prevented from growing to help maintain integrity of the dam.

Jody Ware, 12A134 – Value of the dam – If Mike could possibly write up his notes to be placed in *The Apple Core*. This is the week to submit the letters. We have to reframe this – too focused on the money. Every time we put off a project – cost goes up substantially.

Therese Nelson, 8-152 – budget is a big deal for all of us. Became aware that we do not have an inventory of everything here at Apple Canyon Lake. Encourage us to get started on that. How do we reconcile that we have a budget if we don't know what we own, what's going out, etc. Steve Borst – our Reserve Study lists every asset of the association, originally done in 2013 by an outside party. When I first got on the Board and became Treasurer, I asked the GM about it updated regularly. Spent about a ¼ of my time as Finance Manager updating this. We do manage this.

Ron Carpenter, 11-247 – Thank the board for the vote on the flood mitigation. People need to understand that the existing dam is inspected every year with no deficiency in that structure. Don't want people to be overly concerned that we have a problem with the dam – we don't. Getting back to the brush, if you just cut back, roots rot, then we have a hole. We have to stay on top of it.

Reserve study – in house about 10 years ago and working on that regularly. Every time it gets done, it's better.

LeAnn Killeen, 12A62 – Thank you to the ladies for the pavilion. My parents would have loved this – they did contribute to it. Question about the names on a spreadsheet that donated – wish the higher donations would be more noticed. Laura Pratt – We tried to give the original donors more prominence by placing their pavers right at the pavilion.

Gary Hannon, 8-239 – Conservation commission, Winchester project – need to understand that we have been waiting close to 3 years on getting this 319 grant. Fantastic grant 60/40 split with EPA paying 60%. Make sure the Winchester project does not get overlooked.

Henry Doden, 13A129 – Growth on the dam – problem there. But, Koesters pond has the same problem. Trees growing. Not being maintained. Railings – can get a sliver on them. Should have a commercial railing system in here and install.

17.0 Adjournment – motion to adjourn by Bob Ballenger, seconded by Deb McNamee, motion carried unanimously at 10:33 AM.

Recording Secretary, Rhonda Perry

President, Nolan Mullen

Corporate Secretary, Laura Pratt

Date