

Holiday Shores  
Board of Directors Meeting Minutes

**Date:** June 8th, 2016

**Attendance**

Board Members

**Present:** Bob Lowrance, Roger Rawson, Monte Thus, Dave Decker, Jeanne Abert-Martin and Shaun Diltz

**Absent:** Rich Hertel

**Quorum Present:** Yes

Others Present

Glenn Dalton, Rob Frey, and Misty Soliben from the Holishor Office.

**Holishor Members Present:** 7

Non-Members Present: 2

**Proceedings**

Meeting called to order at 7:35 PM

Pledge of Allegiance Recited

**Minutes of May 25th, 2016**

**Dave Decker** - Motions to approve as corrected. **Monte Thus** - Seconds.

**Action:** Motion carried.

**Transfers of Property**

There were 8 transfers of property and 7 triggered initiation fees.

**Bills & Salaries**

**Dave Decker** - Motions to approve as submitted. **Roger Rawson** - Seconds.

**Action:** Motion carried.

**Treasury Report**

**Monte Thus** – These numbers were not available at the Annual Meeting. As of now, we have paid \$20,414.14 towards the North Property principle. \$2,000 of that was set aside for interest, but will not be needed, so it was put against the principle. The current balance of that loan is \$23,608.49. We have paid \$8,000 towards the fireworks for this year, which was the down payment of half that was agreed to. \$17,663.02 was paid to Scheffel Boyle for the February Audit. **Bob Lowrance** – Monte, is the \$318,924.11 listed on the North Property Loan, 100% of what we paid for the property or did we make a down payment? **Monte Thus** – I wasn't involved in that. **Glenn Dalton** – I don't think we put anything down Bob. **Bob Lowrance** – I was trying to figure out how much we paid per acre for the property and I couldn't find anything on the website. **Glenn Dalton** – It was approximately \$8,500 per acre.

**Roger Rawson** - Motions to approve as submitted. **Dave Decker** - Seconds.

**Action:** Motion carried.

**Profit Loss Budget**

Information Only.

**Manager's Report**

Read by Glenn Dalton

**Public Safety Report for April & May**

Read by Glenn Dalton

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**Building Committee Report**  
**Read by Bob Lowrance**

**Correspondence**

**Variance Request from Brandi Ketten, 589 Westview**

**Lon Montgomery, 589 Westview** – We are requesting a variance for use of a PVC pipe. Instead of galvanized culvert, we used SDR21 12" PVC pipe, which is much stronger than galvanized. It will not crush on the ends or rust out. **Bob Lowrance** – So you're just looking at putting in. **Lon Montgomery, 589 Westview** – It's already in. We have owned the lot for a year and the culvert was the first thing put in. We have had skid loaders, excavators and concrete trucks driving on it. It now has 4 inches of gravel and 4 inches of reinforced concrete over it. **Bob Lowrance** – Mike is not here. Rob, can you address that? **Dave Decker** – Out of curiosity, the pipe was put there before the house was being built? **Lon Montgomery, 589 Westview** – It was put in there as they were digging the foundation. **Rob Frey** – Our instruments do require that all houses being built have a 12" CMP galvanized metal pipe underneath the driveway, where a culvert is needed. They do need a culvert in that area. They do have the plastic SDR pipe instead of the galvanized. After looking at it, it's made it through the entire building process without a collapse, without a dent or a ding. This is some pretty decent pipe. This is my opinion of what I've seen of it. I have seen the culverts that we require fail almost immediately during the construction process. Last night at the Building Committee meeting, we talked about this and their recommendation was to accept this pipe as it is. **Bob Lowrance** – They are always making better and updating. It says here "a minimum diameter of 12" made of either concrete or galvanized 16 gauge spiral seam pipe." **Dave Decker** – That's the requirement? **Bob Lowrance** – Right. **Roger Rawson** – I talked with Jerry Theodore a couple years ago about having the Building Committee update the culvert requirements to include plastic because there are plastic culverts that will outlast steel and are just as strong and will flow more water for the size put in. I think plastic is a good alternative. The only concern is that plastic can burn, for people that burn their leaves in the ditches. But if you burn around galvanized, you're going to burn the galvanizing off and it's going to rust. **Glenn Dalton** – The other issue was the downspouts coming off the house. **Lon Montgomery, 589 Westview** – We have already fixed that. **Glenn Dalton** – That's not an issue then. **Roger Rawson** – So this is a 12" Schedule 35? **Lon Montgomery, 589 Westview** – 21. It has a 200 PSI. **Roger Rawson** – So it's a heavier wall than a 35? **Lon Montgomery, 589 Westview** – Yes. **Dave Decker** – Just so I'm clear, the Building Committee recommended approval of this variance. **Rob Frey** – Yes they did. **Roger Rawson** – Motions to grant variance. **Dave Decker** – Seconds.

**Action:** Motion carried.

**Dave Decker** – Please document on the form the specifications of the pipe that we are approving. **Roger Rawson** – Okay. **Monte Thus** – Glenn, will you ask the Building Committee to update our requirements? **Glenn Dalton** – Yes. I will. **Dave Decker** – If we think that these pipes are a better solution than galvanized, I think we should send that request to the Building Committee and have them come back with a recommendation on what should be allowed. **Bob Lowrance** – Okay.

**Variance Request from Steve Gausepolle, 912 Vera Cruz**

**Bob Lowrance** – Variance is to remove 12" culvert and replace low driveway entrance with a poured concrete swale. The driveway doesn't provide fall to accommodate a 12" culvert. **Roger Rawson** – The Building Committee recommends swale in concrete. **Rob Frey** – The contractor came to me and said that he realizes that they have to put in a 12" culvert underneath the driveway, but they don't have enough room. Upon looking at it, they do have a requirement to install something to move the flow of water from 1 side to the other, but he is correct, the driveway will not sustain a 12" culvert without causing problems downstream. We came up with a solution of coming off the street and dropping his driveway like a swale to the level that needs to be to accommodate this water flow and down, around the corner to the neighbor's lot without dumping all this water on him and creating a problem later. He said he could do this without a problem. **Bob Lowrance** – The Building Committee did approve it then? **Rob Frey** – Yes they did. **Shaun Diltz** – What's currently there? **Rob Frey** – This is a new house under construction so there is nothing there other than a gravel driveway. **Dave Decker** – And there's a definite agreement as to how low

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that swale should be? **Rob Frey** – We’re going to coordinate together of what elevation the swale will need to be to meet the drainage requirements.

**Dave Decker** – Motions to approve the variance to not require the culvert and to require the driveway swale in coordination with the Association Staff. **Roger Rawson** – Seconds.

**Action:** Motion carried.

**Old Business**

**Road Plan 2016**

**Bob Lowrance** – I assume that everybody has had a chance to look at this since the last meeting. Noting that there were new board members. Any additional questions or comments? **Roger Rawson** – I guess what’s on our map is the recommendation of what needs fixed? **Glenn Dalton** – That second map I gave you was for standing water on the roadway and ditches. That was requested at the last meeting and we have provided it. As far as the resurface, that is indicated on the other maps that were provided as part of the package. **Shaun Diltz** – The date on the map of the standing water is June 3<sup>rd</sup>. Is that when the water was observed? **Glenn Dalton** – We observe it all the time. That’s when we put the map together. If we receive approval for this, we will go out and get the bids immediately so we can get those in. Patching continues as well as we’ve got to really start getting our culverts in. Those have got to be our significant priorities. We want to get those in so that we don’t see as much of a settling where that culvert goes in. The hot patch gives us a good capability to reconstitute that settle, but we still want to get that done soon so that it can settle out as much as it can before that resurface. **Roger Rawson** – So you basically just have 1 road crew that you give the assignments to. You don’t have 2 different crews, 1 that can do patching and road repair while the other one’s working on culverts and road edges. **Glenn Dalton** – I only have a total of 5 guys. **Roger Rawson** – I don’t know how your crews work. **Glenn Dalton** – And yes. Normally we have 3 on a patch machine and the other 2 are trying to keep our head above water with the other responsibilities with have. If they aren’t tied up with that we have them cutting road edges and doing the other things that we’re required to do. **Roger Rawson** – But you only have 5 guys for maintenance and mowing grass and everything? **Glenn Dalton** – Yes. **Roger Rawson** – I just have concerns about getting a lot of the areas that need to be rebuilt along the road edges where some of these potholes have developed. I know Glenn and Rob have told me that there were certain areas that needed repair and then they were going to be repaired next year then the next year and then the next year. And it’s really become a problem and I see a lot of these problems in the area that aren’t getting dealt with because we’re resurfacing roads and not repairing the bad spots. **Glenn Dalton** – That goes back, Roger, quite some time. We looked at a lot of options and the one we settled on years ago was pug mill. Of course, pug mill builds up 6 inches of a base on top of what you currently have and it allows you to crown your road and get the water to flow off the side. What we have to consider is the cost. The cost back then was about \$200,000 per year and with ditching we would probably need another \$100,000 to go along with that. So what would I need for a road budget? \$300,000. And can I build a 10 year plan out of that? Yes I can. **Roger Rawson** – So are you going to get to repair a lot of the major potholes we have this year or not. **Glenn Dalton** – Yes. The hot patch machine gives us a fantastic capability compared to what we had and we are working with that machine. Those funds that we have allocated to that will be expended prior to us putting down any of the new surface. Our first priority is filling all the potholes in the community. That’s what we’re currently working on. It’s been an odd year, because normally you come out of the winter in February or March and you know where the potholes are identified. This year we have potholes that are showing up in May and June and why they’re showing up this late, I don’t know. **Roger Rawson** – Some of the places that we’re talking about, the road is going to have to be cut out and the subsurface rebuilt. And that hasn’t happened in several years. I just want to make sure that this is going to be fixed. Because there are some places where you actually have to weave around these spots because a two lane road turns into a single lane road. Other than that the road is in fairly good shape. **Bob Lowrance** – Is this an area that you have evidently talked to Glenn about? **Roger Rawson** – Yes. **Bob Lowrance** – Is it part of what we’re looking at doing now? **Glenn Dalton** – No. **Bob Lowrance** – Okay. **Roger Rawson** – And I find that a very disturbing part of this. **Bob Lowrance** – Is it because of the one’s you’re looking at now Glenn? **Glenn Dalton** – We’re trying to protect our very best roads. We were working on this with our former Road Committee. The intent of this was to do as much as we can on our good roads in order to give us time to solicit funds to fix our other roads. I don’t think anyone here can say our roads are

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in great shape. We've been trying to come up with a way to fund this for years and we've always been on a maintenance budget and instead of having \$200,000 or \$300,000 a year to spend on roads. But people did not want an assessment increase, they didn't want user fees and they didn't want us to cut the fluff out of the budget. **Dave Decker** – So if we do this plan this year, what are we doing next year? **Glenn Dalton** – Next year we will continue on. We have a limited amount of funds next year. **Dave Decker** – Glenn, I've been involved with the budget as long as you have and I understand it. I don't need a lecture on the budget. We're saying that we're going to go oil and chip our best roads this year. What are we going to do next year? **Glenn Dalton** – We would do our next best roads. Again to buy us more time. **Dave Decker** – So our roads that are the worst will continue to get worse while we continue to oil and chip our best roads. **Glenn Dalton** – Yes. **Dave Decker** – Okay. **Bob Lowrance** – And that was the recommendation of our, now defunct Road Committee, whose members still advise you. Is that correct? **Glenn Dalton** – Yes. And I don't think that anybody here is saying that it's a great philosophy. **Bob Lowrance** – It's not. **Glenn Dalton** – What we want is funding to do roads and do them in a proper way. **Dave Decker** – So do we have any forecast of seeing any additional funds coming in that we can plan on? **Glenn Dalton** – No. If we project what our annual requirement would be for 10 years, it would be an increased assessment of \$266 per year per member. And that's based on the 1,130 paying member we have. **Dave Decker** – That's an interesting statement you just made because I've never heard that statement. That has never been presented to the board before. **Glenn Dalton** – We indicated \$200,000 back when we started pug mill (plus \$100,000 for culverts). That's how we came up with it. That was our 1<sup>st</sup> 10 year plan. **Dave Decker** – And we did the 10 year plan that we had and we started working it for about 2 years and then that plan just disappeared. **Glenn Dalton** – But we didn't have funding to do it. **Dave Decker** – But we've never had \$200,000. **Glenn Dalton** – No and that's because we continued on with the money that we did have. **Dave Decker** – My point is we had a 10 year plan when we didn't have \$200,000 a year. We still don't have \$200,000 per year, but now we only have a 1 year plan. **Glenn Dalton** – We never had what we needed to do the 10 year plan and that's \$200,000 per year. We worked with the money we had. **Roger Rawson** – Well I voiced my concern at the last meeting we had. Personally I'd like to forgo the resurfacing this year and spend that budget repairing as much as we can with all the potholes and the sections that need to be torn out and rebuilt and start cutting the edges of these roads down because water held on the roads is also damaging all the roads. And get on the ditching and the water issues. We have a lot of areas with water issues that need to be addressed and if they're not addressed you're throwing good oil and chip on areas that are going to be undermined by water issues. Until these water issues start getting repaired, we're just throwing good money on top of bad. **Bob Lowrance** – I understand what you're saying Roger, but at the same time, we had before they dissolved, a Road Committee to help make recommendations to Glenn, of which there are still individuals that consult that have helped put this together and those people are experts in building roads and maintaining roads. That's why we put that group together and that's why we still have those individuals consulting with Glenn. And my personal opinion is that we should go with what they recommend because they are experts and I'm not an expert. **Roger Rawson** – Well that's okay if you live on one of the good roads. If you live on one of the bad roads, it's going to continue to get worse because no money's being spent on it. And also these water issues are undermining a lot of these roads and now you're going to oil and chip them and the road edges are going to get undermined and just deteriorate from there. I'm thinking that we could have a year break from resurfacing and spend \$100,000 on water issues and road repair instead of resurface. Some of that money can be spent to hire some more people to work on these projects. That's what I would like to see done. **Bob Lowrance** – Anybody else? **Shaun Diltz** – How many miles of road approximately? **Glenn Dalton** – 22 miles. **Shaun Diltz** – So you're looking at repairing 7 right now. **Glenn Dalton** – Yes. **Shaun Diltz** – So if you stretch that over 3 years, you've knocked out all the roads? **Glenn Dalton** – Pretty close. But the other roads that we're talking about are going to take more money because they're deteriorated. What we're trying to do now is just save those 7 miles because those are our best roads, and buy us the time to allow us to go and start repairing the other roads. If you look at the road budget that we passed for 2017, it's not huge. **Shaun Diltz** – Let's say we took the worst 7 miles, would you have any kind of estimate? Instead of the best 7, would it be dramatically more? **Glenn Dalton** – Yes. **Bob Lowrance** – And just to reiterate, our biggest issue is just dollars. **Glenn Dalton** – And our philosophy has been that it's a maintenance budget and that's what we've looked at. Are we at the point with our roads and our lack of ditching that it is a significant problem? Yes we are. We're at a significant turning point. And that's one of the key things that everybody keeps looking at as far as

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whether the Association would even elect to consider becoming a municipality. The road district was something that we looked at and the Governor is not approving road districts, he's cutting them. The other elements we looked at with regard to that was cutting the fluff out of the budget. We talked about user fees to raise this money and neither were met with very much acclaim by the membership. And now we're face with an issue that must be addressed. What we're doing with the staff and the Road Committee is coming up with a plan that will get us through a period of time so that we can make the correct decisions to get the adequate funds that we need to go forward with a road plan. **Bob Lowrance** – So Board, we have a recommendation in front of us. We have a different recommendation from Roger and I have not heard any other members with any different recommendations. **Monte Thus** – I have one. My recommendation would be to take care of those good roads, but within the next month or two, come up with a dollar figure of what it's going to take care of those bad roads. If we do it, it's going to get bigger and bigger to repair, but if we have any excess money left over from this year, pile all of that into the road budget next year and attack those roads. Then the following year, do what's left. We might not even be able to get 7 miles next year, even with the excess money, maybe we can only do 5 miles, but we have to do something. There's some streets I won't even drive on. **Glenn Dalton** – And you're correct Monte. With the machine we have, we can repair some of the alligator cracks that are associated with base failure and we can even do some pug mill. We just want to make sure we get it right because we only have 1 shot at it. We don't have the money to go back and do it again. **Bob Lowrance** – So go with the plan we have now? Is that what you're saying Monte? **Monte Thus** – I don't like waiting 3 years to take care of the worst roads. I would say do the best roads this year, the worst roads next year and use the hot patch machine to maintain the medium roads. So they would be 3<sup>rd</sup> priority. **Glenn Dalton** – Each spring we have to go out and do a new evaluation. **Bob Lowrance** – Then by next year, maybe we can get the Road Committee back together to give us additional recommendations as well. **Roger Rawson** – If we can come up with a 5 or 10 year road plan again with a cost estimate that we can take to the membership at the Annual Meeting to propose some type of special assessment for roads. No one wants to talk about asking for more money but I'm not afraid to. **Joe Roth, 1030** – I don't know if it's appropriate to throw this out, but for as long as I have been coming to meetings, if there's money needed for anything, it's always taken from the road budget. We don't have anything else to give. I think what needs to be done is come up with a plan and take it to the members. Tell them it's going to cost X amount of money for the dues increase and if you don't want that then the roads are going to be what they are. But don't keep complaining. Conversation Ensues.

**Jeanne Abert-Martin** – Motions to approve the Road Plan for 2016 as written. **Monte Thus** - Seconds.

**All in Favor** - Bob Lowrance, Jeanne Abert-Martin, Monte Thus

**All Opposed** - Roger Rawson, Dave Decker, Shaun Diltz

**Action:** No Action.

**Bob Lowrance** – We have 3 Yays and 3 Nays so the motion doesn't go anywhere. So are we just going to drop the Road Plan then? Are we going to make them come up with another plan? We've got to let them know what we want. **Roger Rawson** – I understand that. **Bob Lowrance** – Then let's make suggestions to what we want. I know if Rich were here, he would be in favor of the Road Plan. **Conversation Ensues.**

### **20' Dock Rule**

The effective date will be 7/11/16.

### **Lot Signs**

The effective date will be 6/27/16.

### **Incorporation Investigation**

Nothing new to report.

### **New Business**

#### **Hearing Committee**

Jeanne Abert-Martin was appointed to the Hearing Committee.

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**Request for a 75' Buoy placement, Lot 59**

**Read by Roger Rawson**

Tabled until the next meeting until the Lakes and Damns Committee can come forward with their recommendation.

**MLS Extensions**

Held Over.

**Subdivision Property**

Held Over.

**Salaried Employee Overtime**

**Bob Lowrance** – Glenn has given us a lot of information to look at in respect to this. From my understanding, we have 2 employees that would be affected by that, is that correct, Glenn? **Glenn Dalton** – We have 2 employees that would be affected by that and it goes into effect December 2016. There is a lot of data there and guidance that is provided. There is a lot that we would need to do to get everyone read into what the documents are that pertain to them and then try to come up with a viable solution that fits. I've also given you the amount that we project that it would cost with these 2 employees. I think we should look at the documents that are provided. **Dave Decker** – I may be misunderstanding something, but isn't it pretty basic that, unless they're making over this dollar amount, that you have to pay them overtime? **Bob Lowrance** – It's what we have to do. We don't have any say in it. **Dave Decker** – So what do we need to read up on other than that? **Glenn Dalton** – There's a lot of guidance in there for not-for-profits and how you would want to approach. **Dave Decker** – I'm interpreting that to mean that since we're a not-for-profit we can avoid that rule. **Glenn Dalton** – No. But there are guidelines for not-for-profits that fit that would not fit the private sector. **Bob Lowrance** – Bottom line is we're still going to have to do it. Is that what your read is? **Glenn Dalton** – Yes. **Bob Lowrance** – Okay. So that being said, management wise is there a way to reduce. I guess what I would like to see is your recommendation next time with respect to how you'd be able to reduce that overtime or if they could work different hours and get comp time, etc. Or if you absolutely need those 2 people for those hours, just let us know that. So we can be better informed. **Glenn Dalton** – Okay. I will be happy to do that. I already have it in my mind. **Dave Decker** – So with that thinking in mind, you're going to figure out how that will affect your budget. I think that recommendation needs to be the adjustment to the budget based upon those impacts. **Bob Lowrance** – To the extent that it does impact or if you can see ways around it.

**Bereavement Policy**

**Bob Lowrance** – We did not have a bereavement policy before, which was brought to our attention. Glenn received 2 policies from 2 unnamed companies and combined them to come up with the policy that we are looking at tonight. Has everyone had a chance to look at those policies and do you have any guidance? **Dave Decker** – I noticed that we went with 4 days instead of 3. Which I'd like to understand why. **Glenn Dalton** – One company had 4 days and the other had 3. **Bob Lowrance** – From what I understand is most companies have 3. **Glenn Dalton** – I selected 4 because most families are not local anymore. So I selected 4 because of the travel time. **Conversation Ensues.**

**Roger Rawson** – Motions to approve the Bereavement Policy with the correction to 3 workdays and the addition of domestic partner to the immediate family definition. **Dave Decker** – Seconds.

**Action:** Motion carried.

**Open Floor**

**Jerry Theodore, 1346** – I think that something ought to be done by the board about the situation on Port Lane. Put the plan together that involves Port Lane, figure out how much it would cost and divide it by the number of Lots on Port Lane and ask them to pay for it. Another possible solution would be to figure out how much it would cost to fix the problem on Port Lane specifically and try to get a Special Assessment just to cover that amount. At that point, the Board has taken 2 actions to solve the problem and if people want to come back at you or sue you,

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you have a little bit of something to stand by. Make the people refuse to do it and not the Board. **Roger Rawson** – We had a meeting last week with myself Jeanne and Shawn and the Brendle’s to discuss the possibilities. We are pursuing different ideas other than what the engineering study came up with to try to find a solution. **Jeanne Abert-Martin** – My understanding is that there were additional options given during the engineering study that we haven’t looked at. **Glenn Dalton** – We will get you a copy of that. **Roger Rawson** – My idea was instead of running drainage down one side of Port Lane and one drain to the lake, bring a horizontal bore machine in and bore a drain to the lake between some of the houses. There would be no destruction to the lots and we can get a drain to the lake. Horizontal boring is cheaper than excavating. We would put several catchboxes along the road just to start diverting some of the water that is along the road. **Joe Roth, 1030** – Can you tell me the cost of the engineering study? **Monte Thus** – Between \$9-10,000 but we budgeted \$20,000.

**Roger Rawson** – Motions to adjourn to executive session. **Monte Thus** – Seconds  
**Action:** Motion Carries

**Meeting adjourned at 9:25 p.m. to Executive Session.**  
**Meeting minutes submitted by Roger Rawson (acting Secretary).**