

Holiday Shores
Board of Directors Meeting Minutes

Date: August 9, 2017

Attendance

Board Members

Present: Bob Lowrance, Monte Thus, Shaun Diltz, Dave Decker, Jeanne Abert-Martin and Michael Hawks.

Absent: Steve Yates, excused.

Quorum Present: Yes

Others Present

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

Holishor Members Present: 4

Non-Members Present: Kurt Westrich from Hennegan and Associates

Proceedings

Meeting called to order at 7:30 PM

Pledge of Allegiance Recited

Minutes of July 27, 2017

Monte Thus - Motions to approve minutes as amended. **Jeanne Abert-Martin** – Seconds
All in Favor.

Action: Motion Carries.

Transfers of Property

There were 10 transfers of property, 7 triggered initiation fees.

Bills & Salaries

Dave Decker - Motions to approve as submitted. **Shaun Diltz** – Seconds.

All in Favor.

Action: Motion carries.

Profit/Loss

Information Only.

Manager's Report

Read by Glenn Dalton

Public Safety Report for July

Read by Glenn Dalton

Social Committee Officers

Greg Horta, 1253 – I am here to have Stacy Decker, Autumn Parker & myself approved as check signers for the Holiday Shores' Social Committee. We had our first meeting tonight. Eight people came on board. Three of them are past members. No previous Social Committee Officers are involved at this time. All reports are updated as far as the Treasury Report. We have voted Stacy Decker as our Treasurer. At this time we have a President, which is myself and a Treasurer, which is Stacy Decker.

Jeanne Abert-Martin – Motions to approve Greg Horta, Stacy Decker & Autumn Parker as check signers for the Social Committee.

Shaun Diltz – Seconds.

All in Favor: Monte Thus, Shaun Diltz, Jeanne Abert-Martin and Michael Hawks.

All Opposed: Dave Decker

Action: Motion carries.

Holiday Shores
Board of Directors Meeting Minutes

Bob Lowrance – I would like to also thank the previous Social Committee for all the work they've done over the last 2 years.

Treasury Report

Shaun Diltz – A couple things need to be added to this. I need to get the balances for all of the CDs. Obviously, we have accrued interest on them. That will be changed on the next one and I will probably change this one and send it out. The only big change you will see is to the General Reserve and that's because a big portion of that went to the CDs. **Dave Decker** – So you'll need a maturity date on that one. Are you wanting to amend this or have it approved as submitted? **Shaun Diltz** – Would you like me to change that before it's submitted? **Dave Decker** – I'll let you decide that. **Shaun Diltz** – I think you can approve it as it is.

Monte Thus – Motions to accept with a correction of the maturity date for the 3rd CD, which would be June of 2020. **Jeanne Abert-Martin** – Seconds.

All in Favor.

Action: Motion carries.

Correspondence

Grimaud Request

Bob Lowrance – Has everyone had a chance to look at this and understand what they are requesting? Mrs. Grimaud submitted a letter and I will read it into the minutes:

My husband Jeff's family was one of the first property owners at Holiday Shores dating back to 1970. The ownership of the property has continued to stay in the family all these years and was always used as a week-end place. Dues were paid each year without any lapse. Boats were always registered. As Jeff's parents got older the property was placed in Jeff's sister's name (Judy Grimaud Winkelmann) in order to be able to register the boats. But the property has remained in the family with ownership and upkeep shared equally by everyone of the siblings all these years. I understand that the Grimaud (Winkelmann) Family needs to pay the annual Association dues but as one of the first families at the lake I am requesting that the initiation fee be waived, as well as the duplicate payment which is being requested as part of our legal transfer of ownership from Judy to Jeff. We paid the association dues payment on April 26 of this year and are requesting the duplicate payment be waived for the fees that are being included as part of our closing on Tuesday.

Also, please note that we my husband and I have spent a substantial amount of money this year improving the property – which will help increase property values.

Glenn has sent us the following which describes the response which was given to her:

I have contacted Mrs. Grimaud and told her I cannot provide the waiver of Initiation Fee she is requesting. The closing is scheduled for Tuesday, our meeting scheduled for Wednesday and we do not deny that the property is utilized as she indicates. However, when you consider Article III, paragraph B. Multiple Ownership or Occupancy, Rental, this element has not been previously considered in the past and not in this closing. I have conveyed to her that I would bring this letter to the Board for consideration at the 9 August meeting.

Shaun Diltz – So were they not a member for a certain period of time? **Glenn Dalton** – They were not on the deed, another family member was. It's a new family member that's going to be going on the deed. **Shaun Diltz** – Ok. So that's the initiation fee. What's the other thing? **Glenn Dalton** – One is the initiation fee. The other is, when we change ownership from one member to another, the dues and assessments that have been paid by the first owner are null and void once it changes ownership. There's a prorated dues and assessments that comes due from the new owner at the closing. **Shaun Diltz** – Ok. So she's saying that she's already paid the dues? **Glenn Dalton** – Her sister-in-law paid as the first owner, but this is the new owner. **Shaun Diltz** – I would expect the same thing **Glenn Dalton** – According to our instruments, we can't waive that. **Bob Lowrance** – Correct. **Jeanne Abert-Martin** – So she wants the initiation fee waived, as well as the prorated dues for the remainder of the year? **Glenn Dalton** – Correct. Because she is basically taking over the property from another family member. **Shaun Diltz** – And she's not already a member? **Glenn Dalton** – Not according

Holiday Shores
Board of Directors Meeting Minutes

to our records. Has she been using the property as a guest under her sister-in-law? Yes. But she is not a registered member until her closing is complete. Which was yesterday. **Dave Decker** – It's a Bylaw, we don't have the authorization to waive that if we wanted to. Their both bylaws. **Shaun Diltz** – And the 60-day? **Dave Decker** – I believe so, yes. **Bob Lowrance** – Glenn, please let her know that it's a bylaw and we cannot offer a waiver.

Old Business

Port Lane Update

Kurt Westrich, Hennegan and Associates – The construction of the pipe, inlet and the discharge into the lake was completed last week. There is a grate that needs to be installed at the top of the inlet and we just found out from the contractor on last Thursday that it will not be in until this Friday. We're not sure what time it will be in. If it is here in the morning on Friday, they should be able to get it installed that day. If it comes in later, it will be the first part of next week.

Road Remediation Update

Kurt Westrich, Hennegan and Associates – The last few times we have talked about Sextant and Tampico. At the last meeting, you asked me to get those documents ready to go in case you decided to do the work this year. I sent them to Glenn earlier. I brought copies of them with me. If you don't have any questions about the documents, I put together a rough schedule on how the timing would work out if you decided to do it this year. I can pass that out if you would like to see it. **Dave Decker** – Just so you know, we were handed this right before the meeting. I don't know if anyone else has read it. I haven't. **Kurt Westrich, Hennegan and Associates** – There's 3 plan sheets that show the improvements and an IDOT document that is the proposal form. It is ready to go if you decide. **Bob Lowrance** – I think from our last meeting, this is something that we will probably want to push to the Spring, especially now with your schedule showing the oil and chip in October and typically things aren't always on schedule anyway, when you talk about October 2nd, there's a good chance that that's not going to happen on exactly that date. **Kurt Westrich, Hennegan and Associates** – This is looking at a best case scenario and it doesn't take into account a lot of problems that could happen. The likelihood of it happening on that day is small. We tried to force the schedule as much as possible to show what could happen as far as the oil and chip date. Typically the beginning of October is not a good time to oil and chip. We did discuss last time that it was probably not going to be reasonable to get it done in this timeframe, but I know you needed to do whatever we could to get the plans done. Since the plans are done, we can just put it on the shelf for construction next summer. **Bob Lowrance** – Anybody else have questions, or is everybody in agreement with that? **Dave Decker** – I have no desire to oil and chip in October or later. **Glenn Dalton** – The staff recommendation is to look at this for early next year. We also think that we need to make some consideration between using Limestone and another type of rock, called trap rock, that has been recommended to us by one of the vendors. I don't know if Kurt has had any time to conduct any research on that. We have went to look at one of the roads that it has been used on and we would like to discuss that before we get into the chip and seal bids portion of the meeting. **Kurt Westrich, Hennegan and Associates** – I have not had any time to research that. I have heard of that rock, but we haven't used it on any projects. My understanding is that it's more expensive than Slag. I don't know the exact amount. I didn't have any time to research that today. **Bob Lowrance** – Don't worry about that. I think Glenn and Rob have some cost estimates. **Rob Frey** – Slag, which is what we normally put down, runs about \$25/ton. It's not being sold to the general public right now and municipalities cannot get it. A lot of them are not doing their road projects because they cannot get Slag. There's a very good chance that Slag is just going to go away. It is a bi-product of making steel and steel producers are not making as much as they use to. This is the Trap Rock that they are talking about going to. It's basically landscape rock that is ground into smaller pieces. It's not as dusty as Limestone. It is new, so we're not sure what it's going to do. But, the road in Hartford that I looked at today looked very good. This one runs about \$30/ton. He's going to try to get it for us cheaper. **Michael Hawks** – Do you have any photos of that road? **Rob Frey** – I took some on my phone, but I don't have them on me. I can email them to you. The option that everyone is going to right now and running away from is the Lime. It's extremely dirty and dusty. Oil doesn't want to stick to it. **Bob Lowrance** – How much is it? **Rob Frey** – The

Holiday Shores
Board of Directors Meeting Minutes

amounts are in the packet. I think it's about \$18/ton. It's not as expensive, but nobody wants it. Municipalities are cancelling their road projects. St. James is a road that was done with the Limestone. The bleedthrough is terrible. The adhesion is terrible. In the Winter, it doesn't heat up as fast as the darker rock and ice stays on the road longer. We have been putting down Slag over the ice when salt doesn't work. The numbers between the types are in the bids. **Michael Hawks** – Can you include the address on that road too, in case we want to drive down there. **Bob Lowrance** – I have seen a lot more municipalities going to that Trap Rock. **Glenn Dalton** – Based upon the bids that we got, the Trap rock was \$25/ton (\$2.77/linear foot) and the Limestone was \$16/ton (\$2.31/linear foot). There is a \$0.46/linear foot difference.

Chip & Seal Bids

Glenn Dalton – Since these were both emailed to us, we went through them to find the differences. The difference in the Limestone bid, which is the only one we got from Mike Magee. His limestone bid was \$2.29/linear foot. He was bidding 7,376 with a 20 foot width. The lengths of the roads is 7,276 which is a 100 foot difference. We adjusted the total based on that length. JTC bid \$2.31/linear foot. Apples to Apples, JTC is 2 cents/linear foot higher. Staff recommendation is we know it's 2 cents higher, however they also provide us with a 2,000 gallon tanker, which is in our yard and sell us the emulsion that we use in our hotpatch machine. That gives us a tremendous cost savings. This makes the emulsion available when we need it. Instead of doing 1 patch/week, we are able to do 3 patches/week. We also do not have to drive our machine to Highland to pick up the emulsion if it is available. Also, with the 20 feet width of our roads, last year was the first year that we ever experienced the requirement for additional roads. We feel very comfortable with JTC and since it is within 2 cents, we recommend that you go with the JTC bid. If you elect to do that, we still need to make a determination on the type of rock that we will be using. **Dave Decker** – According to my quick math, it's a total differential of \$145.52. **Bob Lowrance** – The Limestone, at 7,276 linear feet, the difference in the 2 types of rock is going to be \$3,000-\$3,500. I understand that JTC did our roads last year and that Mike Magee put in a bid then also. I think if he finds out that he had the low bid and did not get the contract, he will stop putting in bids in the future. **Glenn Dalton** – We've always been able to make a recommendation based on service that we've received. **Bob Lowrance** – I'm just trying to make a point that it's going to get harder to get bidders. **Glenn Dalton** – We're always investigating new contractors. **Dave Decker** – So to the point of the extra roads. We used Magee for a number of years up until last year, correct? **Glenn Dalton** – Yes. **Dave Decker** – So, we would get a bid for X dollars and the bill would come in for that amount and they would do the roads that were specified? **Glenn Dalton** – Yes. **Dave Decker** – And last year, we had the bids and JTC did the work and there ended up being a significant difference in the price when those roads were done and we ended up getting additional linear feet of how much? **Glenn Dalton** – I didn't have the opportunity to do that because of the lateness of the bid, but I can get that to the Board, but we did several additional roads. **Dave Decker** – That's okay. I'll just say we covered 1 more road than what we had originally planned. From my perspective, that's a lot more than \$145. For it makes more sense to head down that path for that justification alone, and if we're getting free rental of a tanker, he bought goodwill with that. **Bob Lowrance** – I agree. I also like JTC's work. I just wanted to make that point. **Conversation Ensues about the type of rock at this time and later in the meeting. The Board decides that since they have no reviews of the final product of the Trap Rock and how long it lasts, and there was not enough money allocated to the work, they will go with the Limestone. Vote takes place at the end of the meeting.** **Dave Decker** – Motions to approve the bid from JTC for the Limestone. **Michael Hawkes** – Seconds. **All in Favor:** Shaun Diltz, Dave Decker and Michael Hawks. **All Opposed:** Monte Thus and Jeanne Abert-Martin. **Action:** Motion carries.

Credit Card Machine Update

Glenn Dalton – I've had 2 additional follow-ups with Lisa. The first was to give additional information to the underwriters. She contacted me late this afternoon because the underwriters want a copy of our tax returns. I did not feel comfortable giving that to them. I told her that I would discuss that with you this evening. **Dave**

Holiday Shores
Board of Directors Meeting Minutes

Decker – My opinion is ‘no’. **Bob Lowrance** – That’s absolutely ‘no’. **Glenn Dalton** – Thank you. I will convey that to her. **Dave Decker** – Tell her she’s about to lose the business. **Glenn Dalton** – If she can get her underwriters satisfied, we can get installation next week. **Dave Decker** – I’m beginning to struggle with this company because I can call a guy and have one installed in almost no time. They run a credit check on you and they’re done. **Shaun Diltz** – Has the only hold up been the underwriting? **Glenn Dalton** – Yes.

New Business

Boat Rental Fine Structure

Bob Lowrance – With respect to the Marina and their boat rentals. Someone had brought up that they might rent to non-members and that the fine structure if they were found guilty of such that the fine structure might be different than other fines that we typically do now. **Shaun Diltz** – Have they been reaching out to you to see if people are members? **Glenn Dalton** – No. The way they left that was for us to stop their boat everytime we see it so we can determine if the person in the boat is a member in good standing. We’re trying to get ahold of Al so we can work this out. What we have an issue with is if there is a rental of their facility, it’s only to members in good standing as well. We need to work both those issues with the Marina. We don’t feel that with their deed restrictions, they have the capability to rent to anyone other than a member in good standing.

Shaun Diltz – I think the last time we talked, the boat was going to be easier. **Glenn Dalton** – Yes. The facility is going to be very difficult. **Dave Decker** – What’s the proposed fine structure? Because currently it’s a warning, \$25, \$50, \$100. **Michael Hawks** – Have they been warned in the past? **Glenn Dalton** – We haven’t had anyone yet that’s not a member in good standing that’s been a rental. **Dave Decker** – But if we’re going to have to check that boat everytime because they don’t want to spend the effort in contacting us, it ought to be worth our while to pull that boat over. And that would be covered under Level A, B or C in our instruments.

Shaun Diltz – Have we stopped that boat at all? **Glenn Dalton** – Yes. So far everyone’s been fine. We stop it everytime we see it. **Jeanne Abert-Martin** – How often are you seeing it? **Glenn Dalton** – We’ve stopped it 4 or 5 times. **Jeanne Abert-Martin** – Okay. **Dave Decker** – The question is what happens when you stop them and they’re not? Do you give them a free pass? **Bob Lowrance** – If there is a considerable fine, they might think about that before they take that risk or knowingly do it. **Monte Thus** – If you take them off the lake immediately, the Marina might get the message and start checking. **Shaun Diltz** – Yeah, but if it hasn’t been a problem yet, does it need to be addressed? It’s a preemptive strike, which I am against or for.

Dave Decker – Motions to create a fine structure for the issue of the boat rentals from the Marina being made to people other than members in good standing at \$100, \$200 and \$300.

Monte Thus – Seconds.

Monte Thus – Who pays the fine? **Michael Hawks** – Is this going to be for if I rent my boat or just for the Marina? **Dave Decker** – Technically you can’t rent your boat so it would be just for them. The person renting the boat, so the Marina would pay the fine.

All in Favor.

Action: Motion carries.

Clubhouse Boat Ramp

Glenn Dalton – There’s been a request to put a boat ramp at the clubhouse. I haven’t had time to look at the cost. We would propose that if it is done, it is put out here at the maintenance dock. **Bob Lowrance** – Isn’t that an area that they use sometimes for safety. **Glenn Dalton** – That is the area that we use for ambulances and there is a fire hydrant there, so the parking area would be in the lot above. It wouldn’t be in the vicinity of the ramp. The ramp would be off to the right hand side of all those services. **Bob Lowrance** – So you see a need for this facility. **Glenn Dalton** – We have an area where people can put their boats in. The only issue is the \$3/day for parking that people don’t want to pay. **Shaun Diltz** – I think it’s also that we have an acre and a half of parking that we just repaved and it would help bring the focalpoint of the community here. We have the tennis courts, restaurant, beach and greenspace. I think it would just enhance this area. **Bob Lowrance** – That’s a good point and I’m sure the restaurant would like to see it. **Monte Thus** – My only concern would be

Holiday Shores
Board of Directors Meeting Minutes

backing up trailers on the parking lot that we just put all this money into. **Jeanne Abert-Martin** – I think it might cause a problem if there's an event in the ballroom or at the clubhouse with parking. That could be a conflict. **Shaun Diltz** – Would that be something that we could throw on an annual meeting vote? **Dave Decker** – You could propose it as binding or non-binding, but either way you will need to come up with some proposed costs. **Jerry Theodore, 1346** – You got into it a little bit, but if you filled that parking lot up with trailers and you have a fuction here, you will not have room. And this idea of an annual meeting vote, you guys shouldn't push that crap. Once you make it a bylaw, you can't change it yourself, you gotta go back to the membership. **Dave Decker** – That's why I said to make it as a non-binding vote. **Ray Garber, 1822** – I think the major problem would be the costs. There's always unintended costs. I can think of a lot of things that we could spend our money on, other than another boat ramp. **Glenn Dalton** – Just for consideration, we will put the costs together for that. We would only have room for a 1 boat ramp. That would have to be done during a drawdown year for the most cost savings, which would be 2020. If we do it before then, we would have to build barriers and pump it out. **Ray Garber, 1822** – Another thing is that anything that you would be putting a lot of money into would need to have a reserve set up. Another question is in the Marina agreement, is there anything that precludes us from completing with them as far as the ramp is concerned. **Bob Lowrance** – So it looks like you're going to get us some cost estimates. **Glenn Dalton** – Yes. We will figure out how far we will have to go out with a single boat ramp so that it will be usable during a normal year. And make sure that we can minimize any preventative maintenance costs. **Shaun Diltz** – Even if we want to pursue getting a cost on it. I know we have other stuff to do. **Bob Lowrance** – Or since this is not even going to be done until potentially 2020, do we just want to let it go for now and have someone bring it back up later. **Dave Decker** – To Shaun's point, I was just about to ask where does this fall on priority of where we want Glenn spending his time? It's pretty far down the list. If he has time later, then maybe. **Bob Lowrance** – Or Correct.

Audit Bids

Dave Decker – My recommendation is that we open them up, make note of the costs, send them to the office so they can make sure they can compare the details and discuss them at the next meeting.

Bob Lowrance – Yes. Due Diligence. Franklin & Vaughn \$16,500; Brown, Smith & Wallace, \$15,000 plus \$1,000 for tax return; and Scheffel Boyle\$15,900. The office will compare the quotes and we will vote at the next meeting.

Open Floor

No Discussion

Dave Decker - Motions to move to Executive Session. **Michael Hawks** – Seconds.

All in Favor.

Action: Motion carries.

Meeting adjourned at 8:50 p.m. to Executive Session.

Meeting minutes submitted by Steve Yates.