

Holiday Shores
Board of Directors Meeting Minutes

Date: February 13, 2019

Attendance

Board Members

Present: Dave Decker, Ali DeVries, Steve Yates Jr., Matt Ressler, Anthony Harrell and Tony Harris.

Excused Absence: Shaun Diltz

Quorum Present: Yes

Others Present

Rob Clarkson, Rob Frey and Megan Jackson from the Holishor Office.

Holishor Members Present: 5

Proceedings

Meeting called to order at 7:30 PM

Pledge of Allegiance Recited

Minutes of January 23, 2019

Matt Ressler – Motions to approve the minutes as submitted with corrections to be made.

Ali DeVries – Seconds.

All in Favor.

Motion Carries.

Transfers of Property

There were 2 transfers of property. There is 1 house and 1 lot. Only 1 triggered initiation fees.

Motion Carries.

Bills & Salaries

Ali DeVries – Motions to approve Bills & Salaries as submitted.

Steve Yates Jr. – Seconds.

All in Favor.

Motion Carries.

Manager's Report

Read by Rob Clarkson

Public Safety Report

Read by Rob Frey

Old Business

PWC Rule

Dave Decker – This is a proposal for a ballot item for the Annual Meeting. We have had requests that the Board look into changing the PWC Horsepower rule allowing higher horsepower on PWC's. The direction the Board decided to go is to present a ballot at the Annual Meeting asking the Membership to vote on if they are interested in increasing the horsepower. If that answer was yes then the Board would investigate what they would do as far as the rule. The ballot here in front of us asks "Does the Membership want the Board to investigate revising the horsepower rule for personal watercraft? Yes or no." What I would suggest is to add further explanation and clarity as to why this is being discussed. We will see a revision at the next meeting.

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Fines Discussion Revision

Dave Decker – This is the same rule we discussed and motioned on at the prior meeting with the minor change of “Preexisting structures built after January 1, 2019”. We will have a copy of this in our packet for the next meeting.

Su Twan Dam Update

Rob Clarkson – We looked into that leak detector system that is currently in place. The only thing we could find was pictures dated 2011 of our maintenance crew installing the pipe. No engineering designs, manufacturers or anything to support it. We did have a plumbing company come out and ran a camera through the pipe, the pipe is most of the way full of sediment which leads me to believe that the pipe is broken since the sediment did not float to get into that pipe so the camera was virtually useless. We did a run a locator beacon and we located the pipe and it is all marked. We are looking at a means of getting some shoring because the locator says it is between four and five feet deep. OSHA requirement is four foot, you have to have shoring or slope it way out but since this is the dam we want to disturb as little as possible. When the ice is off the water, we are going to see what kind of impact it will have if we draw the water down four or five feet to do the excavation. Our intent is to pump it down, do the excavation, get the engineers involved and then move the pump to the main lake to pump the water back up rather than waiting for rain. We figured it would take two and a half days to pump the water down. **Anthony Harrell** – I like that idea.

Absentee Ballot

Dave Decker – At the previous meeting, Matt Ressler had proposed instead of allowing an addition to proxy and being present at the Annual Meeting to allow absentee balloting. In our packets is the proposed changes to the methods of voting section of the by-laws.

Changes in verbage was discussed, conversation ensues.
Revision to be read at the next meeting.

Mowing

Dave Decker – In the December meeting, the staff had brought forth some proposals on new equipment for mowing. We had a lot of discussion about equipment we need and do not need. The Board gave them direction on some alternatives. We have in our packets a bid for mowing the lots that the Association owns and the for sale lots. These bids do not include any of our out lots, the dam, or Clubhouse property, correct? **Rob Clarkson** – That is correct. Or nuisance mowing. We identified the for sale lots, contacted six different mowing services. They all submitted bids except for Holiday Mowing. **Dave Decker** – What was the over all price range with all of the different groups? **Rob Clarkson** – Basically \$30,000 - \$60,000. **Dave Decker** – That was just for the for sale lots? **Rob Clarkson** – Yes. **Dave Decker** – Then you had put together a different proposal? **Rob Clarkson** – Yes, I suggested that we hire a couple of younger individuals within our community to do nothing but mow for us at a little more than minimum wage. That would free up our maintenance crew to task them with the roads, some of the ditching and so forth. It would be a lot cheaper rather than hiring out a contractor. **Dave Decker** – Do you have a total cost to what that would be? **Rob Clarkson** – I figured at \$8.50 - \$9.00 an hour their salary would be \$720.00 weekly. **Dave Decker** – If I did my math correctly, that would be \$8,640 with an unburdened labor rate. Last year about half way through the year, our maintenance crew became reduced by one if we were to head down the path of hiring a college/high school students. We would not replace that individual? **Rob Frey** – That is correct. **Dave Decker** – If we did not hire these folks, we would? **Rob Frey** – We would have to look at that more closely. **Dave Decker** – Does our reduced staff have the capability to mow all of the grass and to do the rest of the work such as patching the roads and repairs? **Rob Frey** – With some stream lining of scheduling, yes we can make it happen. **Rob Clarkson** – That is weather dependant too. If we get a lot of rain and the streets are bad, there is a lot of if's involved. **Tony Harris** – I think the contracted mowing is more money than we have available to do. I am intrigued by the idea of highschool/college students to come out and mow. That still means we have to maintain our mowers but even maintaining the mowers is still cheaper than the outsourcing option. I think you are going to have to have another body to help either way. **Rob Frey** – Definitely. It is going to be very tight. **Anthony Harrell** – Rob, you had already put feelers out on

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Facebook? **Rob Clarkson** – Three individuals came in and applied. They were all told that this may or may not happen. **Tony Harris** – What is the age minimum that is needed for that position? **Rob Clarkson** – We were thinking sixteen if we had one, we cannot have two sixteen year olds because you need to be eighteen to be insured to drive the truck. **Matt Ressler** – I don't have a problem with it. I would like to see one of the kids come from within the community or both, personally. **Ali DeVries** – I agree. **Anthony Harrell** – I like this proposal, I like it a lot. With the money saved from this, we could use that for maintaining our existing equipment. **Tony Harris** – If we go with this, we would have to go over what equipment we would need and what needs to be sold. At twelve weeks, you are looking at three months of June, July and August. Once the kids are back in school would the current staff be able to keep up with the mowing through September and October? **Rob Frey** – Yes. That is also about the time we run out of oil. **Rob Clarkson** – Typically, growing season would go down too. Spring is going to be a challenge. **Tony Harris** – We are looking at two people but one has to be eighteen? **Rob Clarkson** – Correct. Do we want them both from the community? **Tony Harris** – Preferred. **Marc VanderWeele, 688** – I'm curious, why would we put a restriction on age? I understand hiring within the community but it might be someone that is retired or just looking for a summer job. **Rob Clarkson** – We did not advertise it as looking for a younger individual, just a part time mowing job. We would not discriminate. **Dave Decker** – So the proposal here is that we would hire up to two part time employees for three months for primarily grass cutting, correct? **Rob Frey** – Yes, that is correct. **Steve Yates, Jr.** – What would the hours be? **Rob Clarkson** – Forty hours a week.

Ali DeVries – Motions to approve hiring two full time employees for summer grass cutting.

Matt Ressler – Seconds.

All in Favor.

Motion Carries.

New Business

Wigglers

Dave Decker – Due to the lack of having a restaurateur in the Clubhouse, Marc has offered to be the sole liquor supplier for events until we can find a new restaurateur. **Marc VanderWeele, 688** – My wife and I came up with this proposal as we were going over your website the other day. The website still says Ginger's when you look at the Ballroom PDF. I think a lot of people do not realize that Ginger's is not the sole place anymore. We just wanted to offer our services for liquor and catering. All of our bartender servers are basset trained, I get audited by the state every year through my gaming license at my casino job, taxes are current, everything is current. We have our liquor license through Madison County as well as the state. We are offering our services to the Board as members of the community for seventeen years, you guys know we bring a lot to the community. We would appreciate your consideration of making us the sole liquor and alcohol distributor. **Ali DeVries** – I fully support it. You were a big help with Breakfast with Santa and it was wonderful and I think you are great people. **Dave Decker** – Marc, you do great things for the community, we appreciate everything you do. My only concern would be locking it down to a sole supplier, that is the only thing that grabbed my attention. I think it is great that you have that capability and you are somebody we would recommend. Because we do not have a restaurateur in here right now, there are caterers out there that do both from the same supplier but from a resident perspective, I do not have an issue with it. **Tony Harris** – What if somebody has a different caterer lined up but other than that I like your proposal. **Matt Ressler** – I am all for having Wigglers helping out until we find a new restaurateur. **Steve Yates, Jr.** – Are we talking catering too are just alcohol? **Marc VanderWeele, 688** – Our intention was to take it over until a new restaurant came in. At Wigglers with our kitchen size, there are only some events that we can do but the bar size is easy, we can take care of all that. We have catered some events like Breakfast with Santa, but sometimes that is limited to our kitchen being closed but it would be food for partial events. **Matt Ressler**, Marc, how much do you think you could handle? **Marc VanderWeele, 688** – I would have to get back to you on that. When Ginger's left, are they in good standing with the Association? **Dave Decker** – No, they are not. **Marc VanderWeele, 688** – If I do not pay my dues on time, would I not have certain access and rights? **Dave Decker** – That is a discussion that the Board is going to have this evening. As I stated before, the only concern I have with making them the sole supplier, for example, let's say I booked a wedding here and I contract with a caterer who can take care of the

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alcohol, I can't because I would have to use Wigglers if we say he is the sole supplier. **Anthony Harrell** – Could that possibly be if you are having a large wedding, could that be a problem if you went to a caterer who could handle the amount of guests with a liquor license, would that be a problem? **Dave Decker** – I'm not sure that is a question that I can answer. I know from experience here that having the caterer from somewhere else and having the alcohol come from Wigglers which we had due to the overlap of vendors through the years, there ended up being a few challenges between the two groups. Not that Wigglers is hard to work with but there are always two sides to that challenge due to space and negotiation. **Marc VanderWeele, 688** – Just in the current contract online, there is a waiver clause that could work with us. We are happy to work with people but if it is somebody who is in good standing and they would like to work with someone else, we will be willing to work with people. **Dave Decker** – My opinion is that I would love to make you the primary supplier but with us saying you are the sole supplier and would have to get a waiver to use somebody else. With the transition we are in, I would hate to tie ourselves that way. **Anthony Harrell** – I like that. As long as we include that waiver and you are willing to work with other people then I am all for it. **Steve Yates Jr.** – Marc, is there any anticipated dates within the next ninety days that you will not be able to provide services at all? **Marc VanderWeele, 688** – No, we already have several people who reached out to us that have booked events. From my understanding, there might be seven events that somebody else is contracted through so I do not know about those events. There will be no issues with staffing. **Tony Harris** – If a member already has a contract with somebody, we cannot just make them change companies. **Dave Decker** – This would be just moving forward until we have a new restaurateur in the property. **Matt Ressler** – Marc, two things. You are willing to be the sole supplier of alcohol on the events here but you are willing with the size of a party, to allow a waiver to be used also? **Marc VanderWeele, 688** – Correct. **Steve Yates Jr.** – How far out are we going to allow the bookings if we were to bring a restaurateur in? **Dave Decker** – My stance with that is until we have somebody in the restaurant, they get a waiver. Because you do not know when you are going to have somebody here. For me to say that I am not going to give you a waiver because you are booking three to six months out. That is the question here, are we going to allow him to be the sole supplier for the alcohol and the catering that he has to get a waiver from him for the catering also or only? **Tony Harris** – The proposal that we were given that he would take care of the liquor and allow catering from whoever they choose. **Marc VanderWeele, 688** – Correct but we can handle some of the catering as well. **Tony Harris** – We need to clarify that Wigglers is giving the waiver to allow a different caterer. I like the idea of having a preferred vendor and a non preferred vendor.

Ali DeVries - Motions to approve Wigglers as the sole supplier for catering and alcohol for events at the Clubhouse as of March 1, 2019 until there is a restaurateur with a lease.

Steve Yates Jr. - Seconds.

In Favor – Dave Decker, Ali DeVries, Steve Yates Jr., Matt Ressler and Anthony Harrell.

Tony Harris – Opposed.

Motion Carries.

1580 Su Twan Variance for Culvert Extension

Dave Decker – Most of our variances requests for culverts are typically to not put one in under a driveway. This is actually to attach to a culvert that is underneath the road if I am looking at the pictures correctly. **Nick Sievers, 1953** - Yes. **Dave Decker** – Rob Frey, what was the recommendations from the Building Committee? **Rob Frey** – I spoke to Mike Parker tonight who is the chair of the Building Committee. They recommend the approval of this variance with a few stipulations. The first is that the ends of the culvert are owned by Holishor and the second is the new added pipe, be maintained by the future owners of 1580 going forward. The third is the owner of the lot will be responsible to match the size of the culvert if the size shall change at a later date. **Dave Decker** – Has that been documented on that official variance request? **Rob Frey** – Yes. **Ali DeVries** – Have you already talked to the owners and they agree to these? **Rob Frey** – They just heard it right now. I recieved these recommendations tonight right before the meeting. **Nick Sievers, 1953** – I do live out here, the lot owner is Rodney Lanham. That was our original intent, we spoke about that with the Building Committee two meetings ago. We would match the size using the appropriate clamp to attach the culvert, it would extend to approximately twenty-six to twenty-eight feet from the existing culvert to get past the house structure due to

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the significant grading between that lot and the one next to it. We wouldn't be adding any additional water flow through the culvert on the back end and the drainage easement would only be cleaning up over the rip rap the same way the current culvert is installed. With it being on private property, they would be liable for it and would have to maintain it. **Anthony Harrell** – What is there right now, Just a ditch? **Nick Sievers, 1953** – There is a culvert that runs maybe five feet passed the road. It is a drainage ditch that made it's own. **Anthony Harrell** – If you put a culvert in there and the outlet is behind the house, any water that would currently go in to the ditch would go across the culvert? **Dave Decker** – Drainage from the yard that is currently draining into that ditch, where is it going to go? **Nick Sievers, 1953** – It will go into the ditch the same way it would if the culvert wasn't extended. The idea of extending the culvert is so we don't have to go from eight feet to zero from a matter of twenty feet. We would grade two yards together and really it only enhances the property. **Dave Decker** – From my understanding is this is a lake side property? **Nick Sievers, 1953** – Yes. **Dave Decker** – This culvert is actually going from the road, through the yard they own and straight into the lake. Even though the culvert will not make it the whole way to the lake. **Nick Sievers, 1953** – Yes, it will run directly east to west toward the lake. **Matt Ressler** – It's not going to go to the lake? **Nick Sievers, 1953** – Not anywhere close. It would be around an estimate of one hundred and fifteen feet short from the lake. **Tony Harris** – You're going passed the uneven heights of the yards to where they are more even? **Nick Sievers, 1953** – Yes, it is going to keep the front yard of the new structure from being on a forty-five degree angle. **Anthony Harrell** – Does each property on both sides of this culvert drain toward the current ditch? **Nick Sievers, 1953** – Yes. **Anthony Harrell** – What I'm asking is if water is flowing from each direction then you replace that with a culvert, it would still run the water into the culvert? Where would the water go? **Nick Sievers, 1953** – That water will continue to run toward west toward the lake as it currently does now through the ditch. **Dave Decker** – You're going to grade it from a height of the road, still sloping toward the lake, towards the culvert so it all continues to drain in the same direction? You're not changing the direction of the flow? **Nick Sievers, 1953** – Correct. **Anthony Harrell** – Some water will flow toward the lake but over the top of the culvert? **Nick Sievers, 1953** – A minimum amount, yes. **Dave Decker** – Does this property owner own both sides of that ditch? **Nick Sievers, 1953** – Yes. **Anthony Harrell** – If we put this culvert in and we have issues where the ditch was, we're not responsible? **Nick Sievers, 1953** – No, it would be the property owner's responsibility. **Nick Sievers, 1953** – We would not change the flow or amount of water that would come through. **Gerry Theodore, 1846** – Where will the surface water go? Are you going to completely inclose the current culvert? You may need to put a grate on there because even though you put a culvert in, you still have surface water that runs and if that is a low spot, you'll have a puddle of water. **Nick Sievers, 1953** – The surface water comes from the endlet of the culvert that we would attach to. We would clamp to the existing culvert so there wouldn't be an endlet to the culvert. **Tony Harris** – The property to the right, there is no water that flows down that way during heavy rain into the lake? How does that water get into the lake? **Nick Sievers, 1953** – Correct. We will not be putting any additional water into the culvert. We will have to direct it down and back into the lower elevation. We can't take it to the road. **Dave Decker** – As you perform the grading of the dirt, you're going to grade it to where starts from the load, through the yard with the same drainage flow where it is with the culvert underneath that you are going to grade on top of? **Nick Sievers, 1953** – We are higher with the front of the house. With the way the water run straight down into that drainage ditch, we are not going to run anything else down there. So we will actually reduce the water into the ditch by taking some to the road with the natural elevation. Building a house we have to be higher than the road, we are only a foot and a half higher than the road. **Dave Decker** – So you will have a ditch in front of the house? **Nick Sievers, 1953** - Yes, there has to be with the culvert underneath the driveway. **Dave Decker** – So this is a separate permit? **Nick Sievers, 1953** – Yes, the house permit was already approved which brought up this variance. **Ali DeVries** – Do you think the owner would have a problem with Holiday Shores overseeing the project then being responsible for the culvert? If there is any change then they would be responsible for sizing the culvert? **Nick Sievers, 1953** – Absolutely not. **Anthony Harrell** – We just need to change the verbage to where the Association is not responsible. Any pooling water on top of the culvert, we are not responsible for. **Dave Decker** – Yes, it is the responsibility of the property owner.

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Ali DeVries - Motions to approve the variance request based upon the Building Committee's recommendations.

Tony Harris - Seconds.

Matt Ressler – Opposed.

All in Favor.

Motion Carries.

Bankruptcy Write-Off

Dave Decker – We recieved notification that one of our members that are not in good standing have filed for bankruptcy. My understanding is that they no longer own the property? **Rob Clarkson** – That is correct. **Dave Decker** – They filed for bankruptcy so everything they owe was erased. The only thing we are concerned with is that they owed us money so for our books, we have to authorize writing off any money that they owe us which is the amount of \$35,565.58.

Ali DeVries - Motions to approve

Steve Yates Jr. - Seconds.

All in Favor.

Motion Carries.

2020 Budget

Dave Decker – If you look at the proposal that is in front of you, this is the format we submit to the membership for the Annual Meeting. It has some historical years in there. I want to call attention to two specific line items, which are late fees verses bad debt. It looks like we collected 452,000 last year in late fees. However, if you turn to the last page and look at bad debt, we wrote off 476,000. Basically, what that means is this late fee number is significantly inflated and to prove that point, when Angie does the write off for this \$35,000+. When you look at your Profit and Loss, it is going to look like we have \$35,000 worth of income, you would then need to look at your bad debt line and see that is what we have in bad debt. It is interesting to see how QuikBooks works on a cash basis. **Tony Harris** – Based on the income side, it looks like we have similar income estimated on the budget for 2020 and 2019 revised. A majority of the categories you will see are the same. We have a bit more in sales due to 2020 being a draw down year so we will be selling additional rip rap. The one difference at the bottom we had to carry over from 2018 going into 2019, excluding that, income is basically the same. Restaurant rent we will have resolved by the end of the year. It is a place holder until we have a restaurant. You will see a lot of the costs are the same that we proposed for 2019. **Dave Decker** – We are not voting on this tonight, however, please feel free to talk to Tony before the next meeting if you have recommendations. **Anthony Harrell** – One of the items we will have to talk about is what we are going to do for mowing. We will have to adjust if we are buying and selling mowers. **Tony Harris** – That will not affect the 2020 budget per say. **Dave Decker** – In addition to that, that money should be coming out of the reserve schedule. That should not affect this budget at all. The other side of that is the hiring of the summer help which Tony had the foresight to incorporate that into the 2020 budget. For those who have been involved with the budget before, the road account is at 115,000 for all the repairs.

2018 Reserve Report

Dave Decker – For those of you who do not know, we have a reserve schedule in place to where we set aside monies as we plan for any larger purchases. We do that for our larger equipment and some of our significant items such as the Morning Glory pipe. We were told earlier tonight that this is a report that the Board must approve for our annual audit which is starting next week. This is not a time to question if the life of a particular item is wrong or the price of a future item is wrong. If you take a look, we did not remove any money from the 2018 Reserves and we did have \$11,000 worth of interest left from our monies which is a significant increase from previous years.

Tony Harris – Motions to approve

Ali DeVries – Seconds.

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**All in Favor.
Motion Carries.**

Open Floor

Gary Mordis, 283 – We were here a month ago to show interest for the restaurant in the Clubhouse. It was brought to me a couple of months ago when my neighbor suggested that I show interest considering I own a couple of bars. I like Marc and his wife, I go to Wiggles rather often. I am still interested in the restaurant downstairs, I spoke to Rob a while back to see where we are at with it but I just wanted to say that I am still interested. **Steve Yates Jr.** – If you don't mind staying after the meeting, Matt Ressler and I will connect with you and exchange phone numbers.

Dave Decker – Do we have anybody for the Nominating Committee for the 2019 Board of Directors? **Rob Clarkson** – I had somebody show up at the office two days ago who wanted to be a part of it. **Dave Decker** – Who is the individual? **Rob Clarkson** – Trevor Martin. **Dave Decker** – Make sure he speaks to those who are interested in running for the 2019 Election. Applications need to be emailed to them so they have it.

Steve Yates Jr. – Motions to approve Trevor Martin as chair for the Nominating Committee.

Ali DeVries – Seconds.

All in Favor.

Motion Carries.

Ali DeVries - Motions to adjourn to executive session.

Tony Harris - Seconds

All in Favor.

Motion Carries.

Meeting adjourned at 9:55p.m. to Executive Session.

Meeting minutes submitted by Megan Jackson.