

### **Housekeeping**

- Director Pirtle welcomed everyone and recognized past board members, finance committee, road committee.
- President Coan called for all remaining proxies
- President Coan thanked the teller committee and introduced the board.

### **Accountant**

- Brent Heinold & Shelli Streit were present from Don Heinold CPA firm.
- Brent presented the Annual Report. A copy can be reviewed at the office.
- As of December 31, 2014, Heritage Lake Association is in a sound financial position

### **Lawyer - Brian Mooty**

- Question: What is our liability from the gravel on the roads?
  - Brian: First line of defense is insurance. We're all in it together. This s a general liability matter. The roads are private not public. The responsibility is on the homeowners association. Any homeowner or landowner has the duty to keep their roadways in good shape.
  - Director Pirtle said he would work with the maintenance team to get better markers out.

### **Teller Committee Report**

- 930 eligible lots, a 20% quorum is needed, that is 186 votes
- We received \_\_\_\_ ballots, quorum is met for elections
- We have 117 votes present, 103 votes by proxy to the board, and 119 abstentions, 349 total lots represented, 220 being voted. Quorum is met for annual meeting business.
- Election results
  - Don Jones 74 votes
  - Tim Weir 220 votes
  - Barb Waldorf 231 votes
  - Tim Weir and Barb Waldorf are elected to the board.
- Vice President Stickrod and Director Pirtle will vote the proxies according to the majority vote of the board.

### **Conservation:** Dave Riggert, Chair

- Dave Riggert gave a brief introduction for the committee. There are 9 members, and a lot of money to make decisions about. Each member of the committee will tell you what they are doing this year.
- Marvin Theobald - Committee Overview and summary of lake fund expenditures.
- Bill Schaumburg - Work with DNR to get the lake shocked and stock the fish. Last year \$4,000 for fish. Shock in the spring to stock in the fall. Lake is in good shape, although we do need some more structure in the less than 10ft depth. We need to figure out a new solution for that.
- Kurt Lempke – Ben Bowne took an opportunity to get his applicators license to do our chemical spraying for us. He saves us about \$1,500 a year. We will treat in April and June, look for signs and website/Facebook posts for a date. On the Dam, we have to prevent erosion. We have a volunteer day every year to clear out the brush. We have a contractor that does our mowing, he will hopefully help us with erosion control. There is also a spring that we need to deal with. Also have to deal with base of the spillway. The basin needs to be filled with rock so that it doesn't erode under the basin. Finally the spillway tube itself has a life of about 25 years and we are at 28 or 29 years. We have scoped the tube and it's in pretty good shape, but we are past it's life. We are looking at lining the tube so that we don't have to dig it up and replace it.
  - Question: Is it possible to sleeve the tube?
    - I don't know, that's why we're looking at lining it.
  - Question: Is there a risk of swimming after applying chemicals?
    - Director Stickrod: The state says a 24 hour restriction on the areas sprayed (shoreline)
  - Question: Did you get a gas motor for the dispersal unit yet?
    - Not yet
    - Director Coan: We have given permission for that because of the increased efficiency of spreading the chemicals.
- Rick Bremner – State of Illinois has us test the water quality at the beach area every other week.

Minutes

- Blake Reubush – Working with the IL DNR about the classification of the Dam. Its currently a class 2 dam, and based on the rules and regulations I believe our dam should be reclassified as class 3. This would save us money on permits and annual inspections. (15,000 over the next three years.) Letter will go out shortly to hopefully accomplish this. Fishing looks good, blue gill and bass.
  - Question: Hybrid Stripers don't reproduce right?
    - That is correct. Channel catfish will try to reproduce but don't have much success, same with muskies, northern pike and walleye
  - Question: Why do we carry any fish that don't reproduce
    - There is a thrill to catching some of these fish. Walleye's are very good to eat. They are appealing to our membership.
  - Question: I've heard that if we don't control the bait fish the predator fish will suffer?
    - Yes, one of the advantages to the draw down, it will pull the smaller fish out of the shallows. The larger fish go into winter a little fatter, a little healthier, and there are more resources for the bigger fish.
  - Question: Is the structure a reason for the catfish not reproducing?
    - Yes. Catfish are bottom dwellers. That 10ft depth a shallower is where bass and bluegill spawn. If there aren't hiding places the fish won't come to spawn.
- Dave Riggert – Was this presentation helpful? Resounding Yes! Lake Draw Down happened. Sediment basins are working well. We have 9 committee members; if anyone else is interested, please let me know. All of the info will be on the website shortly and I have information with me.
  - Question: Rip rapping of shores, and other shoreline improvements? What should we be doing
    - We're telling you that you have to, but rip-rap will help prevent erosion. It doesn't change anything long term, but it will help with the immediate problems.

Additional members representing 3 lots arrived.

**Finance Committee:** Bonnie Lempke, Chair Presented by Jim Flynn and Sarah Stalzer

- Questions
  - Question: You said dedication was taken off the table, who made that decision?
    - The Finance committee had come to the conclusion that this is not a viable option for the community. The number we are expecting exceeded what the membership originally suggested based on our temperament test last year.
  - Question: What is an SSA
    - A financing mechanism through the county where they produce a bond and we pay it back through taxes on our properties over a set number of years.
    - Bonnie: At this time the finance committee feels that we need to step back from the planning and we recommend a special committee to continue the research process.
  - Question: Has there been any research into a loan instead of an SSA
    - We don't have the collateral to get a loan.
    - Question: Where did you look
    - Locally.
  - Question: Is the SSA based on a flat fee or the assessed value of your property
    - It could be done either way, the county prefers assessed value, but it could be done by lot or by owner.

**Road Committee:** Shawn Cassatt, Chair

- Over the last year, the Road committee has become more like the Conservation committee, working to research the costs and projects to keep up the roads and take that burden off the board.
- Members Brad Reed, Bud McGrew, Wes Stockton, Shane Coughlin, Bob Porter, Dave Evans, Bryce Thompson
- We are trying to work within our budget and do as many repairs as we can. Some repairs we have planned for 2015 are
  - King Richard Drive
  - Thornton
  - Exeter
  - Reassessed other projects based on damage from winter conditions.

Minutes

- All the work will be re-bid due to the Ameren project. We met with them last week and they assured us that they would reimburse us to a percentage; we do not know what that percentage is yet. They assessed the roads prior to the work and will assess after. We believe that if we can incorporate the Ameren repairs into the other work we will be able to get a better rate due to the scope of the project.
- Our biggest concern right now is keeping the roads passable. Originally we tried to patch the damage on Westminster. When the school bus came through it caused the patch to fail. At that time we contacted an engineer to come up with a new plan. His initial repair was extensive, and we landed on a midpoint. That is the white rock you see in the holes now. As it settles, we will continue grooming it and continue with the repairs. On Monday we will take the next step with a finish rock.
- We talked about trying to get an increase in the Road fund. We feel that putting together a group of people to research major road improvements as the Finance committee has suggested is the best course of action. We are not asking for more money at this time; however more money will be needed to do these projects.
- We need to make sure that Heritage Lake has the funding in place to fill the shortage if Ameren does not cover 100% of the damage. Between that and the
- I know that the conditions now are discouraging, and please know that work is in progress and in time the roads will improve.
- Member kudos to the snow removal crew.

Director Pirtle: Ameren has been pretty clear that they assessed our roads before they started this year, but they did not assess before last year. They are not going to pay for us to repair our roads to 100%, so we have to be in a position to cover that remaining cost. I will be asking for an increase in the road fund. We will be using this money to repair the roll-ups, and repair the very worst areas of the subdivision, and concentrating on replacing, upgrading, and repairing all the roads in one unit. I don't really care which unit we start with, but it makes sense to start with unit one.

- Question: Is the White Rock a permanent fix?
  - Pirtle: These road repairs are truly a learn as we go. The surfaces vary, and the white rock is just the first step in repair.
- Question: So you're proposing that we put more into the road fund, but you say we're learning as we go.
  - That is a fair point, but the money we have will barely make a dent in our repairs
- Are we pulling the plug on the SSA?
  - No it is still in research mode.

## **New Business**

Kurt Lempke: I move that the association spend up to 45,000 to fund planning activities from a professional engineering firm and toward legal counsel related to the upgrading of our roadway infrastructure and the possible creation of a special services area. The funds for this shall be paid from revenue generated from the Ameren Electric construction Project.

Second: Dennis Brash

- Discussion on the motion was had.
- Director Weir: Is this 45k in addition 45 or including the 25 we have already spend
  - Kurt: Including what has already been spent.

Members representing 1 lot left the meeting, members representing 2 lots joined the meeting

- Amy Stezler: Motion to Postpone this conversation until a reconvened meeting.
  - Second: Cameron Coffman
  - Discussion was had
  - Cathy Hovde" Called the previous question
  - Vote In the room, overwhelming nay
  - Board votes proxies nay
  - Motion fails
- Continued discussion on Kurt's motion
- Jim Flynn I would like to amend the motion to remove the funding
  - Cathy Hovde Seond
  - Discussion
    - Vote In the room, overwhelming yay
    - Board votes proxies yay
    - Amendment passes

HLA Annual Member Meeting March 21, 2015

Minutes

- Continued discussion on the amended motion: "The association spend up to 45,000 to fund planning activities from a professional engineering firm and toward legal counsel related to the upgrading of our roadway infrastructure and the possible creation of a special services area."
- Jim Flynn: Amend the motion to add the words "an additional"
  - Kurt Lempke: Second
  - Discussion
    - Glen Hoffman Called the question
      - Seconded
      - Room votes overwhelmingly yes
      - Board vote the proxies to approve
      - Amendment passes
  - Jim moves the previous question
    - Seconded
    - The amended motion is read again: "The association spend up to an additional 45,000 to fund planning activities from a professional engineering firm and toward legal counsel related to the upgrading of our roadway infrastructure and the possible creation of a special services area."
      - Vote in the room is counted at 37 for and 49 against
      - Board votes the proxies nay (1 to 5 vote with Director Waldorf voting for the motion)
      - The motion fails.

Bob Pirtle: Motion to increase the road fund to a total of \$500 for one year per member:

- Second Cathy Hovde
- Discussion
- Cathy Hovde Called the previous question
  - Vote in the room is counted at 41 for and 48 against
  - Board votes the proxies nay
  - The motion fails.

Barb Waldorf: I make a motion to reconvene this meeting April 25 at 9am.

- Seconded
- Cathy Hovde called the Question
- Room overwhelming approves
- Board votes proxies to approve the motion.
- Motion passes

Meeting adjourned at 11:05 am until reconvene on April 25<sup>th</sup> at 9 am.

Reconvened Meeting called to order at 9:07 am April 25, 2015

President Coan called the meeting to order

Teller Report

139 Proxies for the Board

93 Proxies Abstained

92 lots in the room

Quorum is present

231 voting lots in the room

- Gary Patton: Do we need to select a new board member to vote proxies since Director Stickrod was unable to be here?
  - No the proxies are voted by the board members each with substitution in the other. That is why there are 2 board members on the proxies.
- Barb Waldorf: We reconvened in order to get more information about our options for Road improvements. Can we get a quick recap
  - Bob Pirtle: As a quick recap, the roads need either more yearly maintenance or a much larger project to redo all the roads. We've had 2 informational meetings, and the mood in the room has been to continue to research an SSA.
  - We don't anticipate that Ameren will pay 100% of the cost to repair their damage and the membership will need to step up to pay for that. We can wait and do it at a special meeting, but that will be an additional cost. If we have a motion today to increase the road fund, we may will be able to eliminate the additional cost of a special meeting to get that increase later.
- Bill Semalak: Motion to increase the Road fund for 2015 only to \$500 per member in total
  - Kevin Rhobards: Second
  - Discussion was had
    - The concern was expressed that the SSA research will continue.
    - Nicole Shake read an e-mail from the attorney confirming that the Road fund can be charged per member (1 lot per member)
    - We don't know what Ameren is going to do with the damage. We don't know how much they will pay.
    - Road Funds will be due July 1 and that is a very short time for members to pull that kind of additional funds together.
    - The standards that the roads will be built to is unknown. There is no plan in place yet, and we don't know if this money will cover the repairs.
    - \$500 is not going to even scathe what we need for repairs, but whatever we can throw in to start getting this off the ground we need to do.
    - The condition of the roads impacts our property values
    - We don't just want anyone coming around and working on our roads. We need to make sure we have professional input. This is a lot of money that we need to make sure is spent the right way.
    - Question: If we vote this will it only be used on the roads only? Answer: Yes it will go into the road fund.
    - Question: What will this money go to? Patching or permanent repairs. Answer: This would go to offset HLA's portion of the permanent repairs
    - The membership can see a sample of the work the road committee will be doing on King Richard over the next few weeks. We do have a spec from an engineering study that we will try to adhere to while still taking into account the homeowners. We will not be doing it with our maintenance employees; we are hiring contractors to do the work based off the engineering profiles.
    - Shawn Cassatt assured the membership that the \$500 will be spent wisely and be a good gauge of how effectively we can collect a large road fund.
    - Question: Would the board/ road committee be willing to share information more regularly on what's being done where, and how much it costs? Answer: Yes we can come up with a better

HLA Annual Member Meeting March 21, 2015

Minutes

way of communicating that to members.

- Question: Aren't the culverts the responsibility of the property owners? Answer: The driveway culverts are, but the ones we're discussing are the ones under and along Heritage Drive at the cross roads.
- Question: Won't permanent repairs be a waste if the SSA happens? Answer: The hope is that we will have the funds to do a complete repair so those areas would not have to be addressed again if we do an SSA
- The damage caused by Ameren is not limited to the roads. There is also a lot of tree damage and landscaping damage. We need to make sure that is taken into account.
- Kurt Lemke called the question
  - Rich Bremner seconded
  - Room votes overwhelmingly yes
  - Board votes proxies yes
  - Question is called
- Not during discussion, members representing 3 additional lots entered the room
- Room votes original motion overwhelmingly yes (12 no votes)
- Board votes Proxies yes
- Motion passes.

Kevin Rhobards motion to adjourn

Cathy Hovde Second

Room votes overwhelming yes

Board votes Proxies yes