



January 4, 2016 Executive Session

Marty called the executive session to order at 6:22PM

Present

Marty Portner - President
Jim Brown – Member at Large

Mike Swartz – Secretary
Tim Spelde – Member at Large

Becky Breckenfelder – Treasurer/Administrative Manager
Lisa Koltunchik – Potential Café/Marina Proprietor

A. Personnel - Café/Marina Proprietor – Marty asked Lisa what experience she had and she said that she has been baking and cooking for most of her life and she studied at the Le Cordon Bleu in Chicago. She is currently working in Amboy and is considering either renting the space in Dixon on Galena Rd that was formerly run by Folsom Bakery or renting the space at the Lake Court Center for a the Café/Marina that the RCD envisioned. She said she was uncertain what would happen here with the POA and RCD and whether it would be open to the public or not and whether the POA would boycott it or not although she feels that they would be shooting themselves in the foot to do that as it would only help everybody. Marty said he doesn't know if anyone is leaning in that direction but he feels that if there is something that is attractive and convenient, that trumps everything. Jim said that the POA would really put up a stink if the RCD put up an advertising sign by the entrance to the community. Lisa said that she can understand that everyone likes their privacy she was wondering if there would be some way to have only one route for outsiders to use to access the building and if someone was not a property owner, they would be directed to keep to the main road and not drive around the rest of the community. Marty asked Lisa if she had done any surveys to calculate the population that she would serve and Lisa said she's trying to figure it out – there are a lot of weekend people here that might use it and even elderly who may not go out much would like something close and convenient. She thought about putting a flyer in each door asking who would use it. Marty asked if she had a grand scheme for the business and Lisa said that she wasn't sure about the convenience store part of it; Glenn had suggested 140 items that would be in there. Instead, she was thinking more about the bakery/café part of it – one that doesn't provide a full menu like the Red Apple but a limited selection of baked goods, soups and sandwiches on their regular menu. Then, she would have specials each day like a broasted chicken night, a pot roast night, or grilled food in the summer. Marty said that something like that could be popular – whenever they have pancake breakfasts on Saturday mornings they were really popular. He asked what meals she would be serving and she said breakfast and lunch and a couple special dinners, perhaps on the weekend or Wednesdays. Marty asked if she had her own staff and she said that she has one other person that would be helping her for sure and she was considering hiring someone in the community part-time to help her run it as well. He asked if she would be using the kitchen or if she had her own facilities. She would use what they have and also put in her own convection baking oven and she has a bakery display case. Marty asked if they would have to do anything special to the kitchen to accommodate the other baking oven and Lisa said that by state code and the fire code, she doesn't have to put a hood in if it is an electric oven. If she had a fryer she would have to put a hood and ansul system and she doesn't want to go that route, instead she can bake everything or cook it on the range top. Mike asked what type of license was required from the county and Jim asked who would have to get the license from the county and Lisa said that she has her own license as an operator but that the facility owner (RCD) would be responsible to get the county license. Marty asked if she had talked to Glenn about the terms of the lease and she said that Glenn only mentioned that it would be 15% of her gross sales. Jim said that Glenn had talked about the cemented area being walled off during private rentals or meetings that the RCD would rent to people and if the rental party needed more space, that would be her area to rent and she would get that income. Marty said that he would feel more comfortable having Glenn work out the details with Lisa and then the details of the contract would have to be approved by the board. There may be changes that they

would want to make that they could motion to approve the proposal with those changes at an open meeting or they could motion to have him go back and make the changes and present it to the board again. Lisa said that it may take some time for the business to take off. Mike said that she's strategizing to focus on the baking end of it while offering some other foods and other items like rental of boat batteries or bait or things like that and that she is open to ideas. Marty said that their plan is to put a removable wall up between the carpeted and uncarpeted area for private rentals and meetings and then having it removed for normal business operation. She added that she could even cater their events if they wanted her to. She asked what would happen if there was a rental and her business was closed – would they have access to her kitchen and Mike said that they would have to lock her equipment up somehow and have an RCD person making sure that her interests are protected. Becky suggested that Lisa could have an area set up such as in the living room area that she could have locked up when she is not there. Marty asked if the floorplan was something that she wanted to work out and Lisa said they were still working on that. Lisa said that before she jumped in with both feet she wanted to know whether it was open to the public or not and if it was how it would go over with the POA. Mike said that when it is the right time he thinks they would have to discuss public access with the POA explaining that it's a win/win for everybody to make this available to the public and whether they want a designated road for people outside of the community to use to access the facility. Lisa said that she doesn't want to be the center of everyone saying that she's making people from the outside come to our private community and Mike said that he wouldn't worry about that. Jim said that unofficially, the POA is talking about figuring out a way to change their gates so that they don't just automatically open. Becky said that they may be looking at doing that for other reasons too, such as the rash of automobile break-ins that they have had. Jim added that there are a lot of outside contractors that come in everyday as well. Tim said that he would personally build her business based on the population within the community and test the waters. It is a minimal footprint for the RCD and minimal startup cost for her to try it as is and she could see if she can be self-sufficient within the community and the special events. Lisa said that she is fine with not opening it up to the public if it will make people happy and they will support it. Marty said that the only thing is that the RCD doesn't have control of who comes into the community and if someone wants to come in on a Memorial or Labor Day weekend from Dixon or Oregon (as they already do) and they go to the beach and know that there is a convenience store that they can buy cookies they will come down here and the RCD can't stop them- it's the POA's responsibility to police their roads and who comes into the community. Tim suggested that they don't put signs up at the outside of the community that would poke at the community, making them very volatile. Jim said that the people who come in on Memorial Day come in without a sticker on their windshield and they go to our beach and security would need to enforce RCD property, which we don't pay for and that grates on the POA – he can see that type of scenario. Mike asked if there was any claim that the POA has on the building Marty explained how the RCD obtained the building's foundation and property from the bank and the POA contributed to the construction of the LCC with a handshake agreement that they would be able to use it for whatever they wanted. In Marty's opinion, it was a tax dodge, a crooked deal that whoever was on the RCD that made the deal didn't have the authority to do it. Jim asked the Mike from the POA board why they don't take the building and he said that they had talked about it but that was the end of the discussion. Becky said that the POA had asked their lawyer if there was any legal grounds for them not to allow the RCD to have the café in the building and the lawyer told them that they didn't have any legal grounds to say they couldn't have it. So the POA was not going to do anything officially, instead someone would have to dispute it as a taxpayer because it's the taxpayers building and they suggested that they would need to talk to the state's attorney or the county if they had an issue with it. Mike suggested that if the business took off to the point that the RCD's expenses were covered, they could even consider not charging or charging property owners a nominal fee to use the building. Becky said that she'd like to discuss the details of renting the facility to the community because she has people already reserved for 2016. She'd like the community to still be able to rent while at the same time protecting Lisa's interests. Mike agreed, stating that he wanted to make sure to work around Lisa in terms of kitchen use of renters. Marty asked when she'd be ready to open and she said she'd need a couple weeks – February 1st at the soonest. Marty said that he wants to motion in the open meeting to go to the next step of Glenn and Lisa working out the details of the contract to be presented at their next meeting in three weeks.

Marty adjourned the meeting at 6:53PM.