

**PELICAN LAKESHORE OWNERS ASSOCIATION
BOARD OF DIRECTORS' MEETING
MAY 31, 2009
MINUTES**

The Board of Directors of Pelican Lakeshore Owners Association, a Minnesota nonprofit corporation (the "Association"), met at 1:00 p.m., Sunday, May 31, 2009, at Leiding Township's meeting hall, in Orr, Minnesota. Directors Dan Donovan, Ray Ingebretsen, Len Zabrocki and Grover Gillespie attended the meeting. Director John Matthews was unable to attend the meeting. Former Director Jim Gray had resigned prior to the meeting. Keith W. Baker, Assistant Secretary, also attended the meeting.

Mr. Donovan, President of the Association, brought the meeting to order at 1:05 p.m., noting that a quorum of Directors was present as required by the Bylaws. He acted as chairman for the meeting. Mr. Baker, the Assistant Secretary of the Association, acted as secretary for the meeting.

NAVIGATIONAL HAZARD MARKING AND RELATED MATTERS

Mr. Donovan began the meeting with a recap of his research on available insurance coverage for the Association. This was a follow-up item from the April 3, 2009 meeting. While insurance coverage would not be limited to liability coverage for claims related to marking the lake with buoys (placement, retrieval, and otherwise), the research was largely instigated due to these issues. Significant coverage (\$2M/\$4M) could be purchased, but the minimum premium was \$750. Of course, other estimates could also be obtained. The Directors concurred that, compared to any likely annual revenues for the Association, at this time such expenditure seemed disproportionately large. Mr. Zabrocki suggested that the Association's role was to get the hazard marking project "off the ground" and to get the buoys delivered to Orr. Thereafter, the Pelican Lake Resort Owners Association should apply for the permit and take over the task. The Association can still provide a source of volunteers to assist with buoy placement, monitoring, and retrieval. Director Ingebretsen, also the President of the Resort Owners Association, indicated he believed this would be acceptable to the Resort Owners Association. He will confirm that is the case and will also look into insurance coverage for that association. Mr. Gillespie may obtain an estimate for insurance coverage related to the use of his barge for buoy activities. Other sources for funds related to these activities were also briefly discussed. Mr. Gillespie's barge is ready and waiting for service. The Directors noted that the buoys will initially be delivered to Aspen Resort. In the fall, different resorts may serve as storage locations based upon their geographic location on the lake vis a vis the locations of the buoys as placed on the lake.

The Directors discussed the actual status of the buoys. The County had agreed to provide 26 buoys, along with the necessary cables, clamps, and anchors. No one has heard from Sgt. Dirk Davis recently concerning delivery of the buoys. Based upon the last meeting with Sgt. Davis and subsequent discussions, the Directors thought the buoys would have been delivered in late April or early May and already placed on the lake. Mr. Donovan will continue to contact and follow up with Sgt. Davis. Mr. Ingebretsen will also send an email, too.

WEBSITE

Mr. Donovan then began a discussion of the Association's website. Mr. Lance Donovan had volunteered his services to create and update the website and, as discussed and approved by the Directors, his membership fee would be waived for a year or two. They agreed that this was a welcome and cost saving exchange for the Association. Mr. Lance Donovan did have some difficulties working with the ".com" website, so he set up a new ".org" website. Mr. Gillespie's son, Keith Gillespie, who had paid for the reservation of the ".com" website, will work to automatically "redirect" any web traffic directed to the ".com" website to the ".org" website. The Directors discussed the importance of getting information out to the Members concerning the website and its address. Informational printouts will be posted around businesses and other locations in Orr. The email list will be finalized and also used to communicate this information. The Directors also discussed the feasibility, pros and cons of a "chat room" feature on the website for comments and/or suggestions.

2009 ANNUAL MEETING MATTERS

Next, the Directors turned their attention to the upcoming annual meeting of Members of the Association. Mr. Gillespie advised the American Legion Post 480 in Orr was available the second and third Sunday in July. There was a \$60 minimum fee. After discussion, upon motion duly made, seconded, and unanimously approved, the 2009 annual meeting of the Members was set for 1:00 p.m., July 19, 2009, at the Orr American Legion Post 480.

Mr. Baker reminded the Directors that, at the April 3, 2009 Board of Directors meeting, they had considered extending the initial Membership period to encourage new Members and to permit existing Members to vote at the annual meeting without payment of more dues. In light of the funds on hand, the Directors had approved a resolution that (i) the deadline for paying dues, to remain at \$15.00, was extended to the date of 2009 annual meeting, (ii) that the record date for voting at the 2009 annual meeting was extended from April 30, 2009 to the day of the 2009 annual meeting, and (iii) that the initial Membership period was extended through the later of (A) the day of the 2009 annual meeting or (B) August 31, 2009. After discussion, upon motion duly made, seconded, and unanimously approved, the Directors extended the initial Membership period through and including December 31, 2009.

The Directors also exchanged their thoughts concerning a preliminary agenda for the annual meeting and the use of proxies as a means to permit Members to vote who cannot be at the Meeting. Mr. Baker was asked to research and prepare drafts of a notice of annual meeting, agenda, and proxy in compliance with applicable law.

ELECTION OF DIRECTORS TO FILL VACANCIES TEMPORARILY

Mr. Donovan next discussed the composition of the Board of Directors. Originally, seven Directors had been elected. After two resignations, only five Directors were still serving. Under the Bylaws, the Directors may fill vacancies for a period expiring with the next annual meeting, now set for July 19, 2009. Mr. Donovan and the other Directors shared their thoughts concerning replacements – both on a short term basis (until the annual meeting on July 19, 2009) and long term basis (commencing with the annual meeting and for the ensuing year). Messrs. John Poczekaj and Tom Pelach were suggested as replacements for consideration at the annual meeting. While this possibility has been discussed with Mr. Poczekaj, Mr. Donovan still needed to contact Mr. Pelach concerning his interest. Mr. Donovan advised, however, he had asked Mr. Baker to serve as a Director until the annual meeting. After discussion, the Directors decided to elect persons to fill the two vacancies until the annual meeting on July 19, 2009. Upon motion made by Mr. Gillespie and seconded by Mr. Zabrocki, the Directors unanimously approved the following resolution:

Resolved: John Poczekaj and Keith Baker are elected Directors of this corporation, to hold office until the annual meeting of the Members to be held on July 19, 2009, and until each Director's successor shall have been elected and shall qualify, or until such Director shall resign, die or be removed as provided in the Bylaws of this corporation.

COMMUNICATIONS WITH ELECTED OFFICIALS REGARDING THE DAM

The Directors then reviewed the letter that had been sent to Rep. Dave Dill after the April 3, 2009 meeting. Mr. Donovan will be following up with Mr. Dill to determine if he has reviewed the Association's letter with the DNR and/or taken any other action. Obviously, the turmoil at the State Capitol with the legislative session has occupied Mr. Dill's time extensively.

TREASURER'S REPORT

Mr. Zabrocki presented the Treasurer's report. Three new Membership applications and dues had been received, one in each of March, April, and May (total of \$45). The Association now has 121 Members. The balance of funds in the Association's account stands at \$1,283.71.

APPROVAL OF MINUTES

As a final item, the Directors reviewed the draft minutes of the April 3, 2009, meeting of the Board of Directors. Corrections were noted for the introductory paragraphs. Upon motion made by Mr. Donovan and seconded by Mr. Zabrocki, the minutes of the April 3, 2009 meeting, with the noted corrections, were unanimously approved.

There being no further business, upon motion made, duly seconded, and unanimously approved, the meeting was adjourned.

/s/ Keith W. Baker

Keith W. Baker, Secretary for the Meeting