

April 22, 2019

To: Morrison County Board of Commissioners
Deb Gruber, County Administrator

From: Lake Shamineau Lake Improvement District (LSLID) Board of Directors

RE: Comments on Revisions to the Order of Establishment

Thank you for the opportunity to provide comments on the Revisions of the Order of Establishment. As you may recall, the LSLID Board of Directors has previously provided edits and comments for these revisions. On December 21, 2018, we provided several edits that have not been incorporated into this recent version.

We would like to provide you our comments and concerns on the current draft of the Establishment Order:

1. Clause 5. Please confirm that the 429 process can be used for financing the high water project as according to statute 103b.555
2. Clause 7. We are especially concerned with the revision to add clause number 7, which would allow Morrison County to pass on costs related to management and administration of the LSLID. We respectively disagree with the addition of this clause, and cannot support it in the Establishment Order. Following are our comments and concerns related to this clause:
 - The language is not specific as to the type of charges and methodology that will be used to determine the amount of the charge that will be passed on to the LID. In addition, there are no parameters on the types of costs, limits on the amount, and time period.
 - The addition of these costs would place an unfair burden on the property owners of Lake Shamineau since there is no control over the costs. There could be a scenario where the County hires expertise to oppose work completed by the LID and the property owners would be charged for the County's decision.
 - After noting this addition in the article in the Morrison County Record, we have received unsolicited negative comments from property owners. Many ask why Lake Shamineau should pay for County costs that the entire County tax base should support. We have also heard people comment that there are many roadways, bridge, culvert and other projects that we pay for as tax payers that we may not use.
 - It seems unlikely that the LSLID membership would approve this additional charge amount at its annual meeting. If not approved by the LID membership, this would put the LID members in direct conflict with the County Board if the County were to later add the charge into the LID budget with the County's approval of the LID budget.
 - We note that in the statute regarding the LID Finance language (103b.555) it states that the County shall budget for the operations of the LID.
 - Since this clause is not in the establishment order for other LID's it seems arbitrary to only charge the Lake Shamineau LID.

April 22, 2019

Comments on Revisions to the Order of Establishment, page 2

3. Clause 9. If write-ins are allowed, they need to be only included in the advance mailed notice and should not be allowed at the meeting. In addition, only one write-in per vacancy should be allowed.
4. Clause 11. The LSLID Directors recommend that the language for Clause 11 be modified to allow the Board to replace a Director position with an Interim Director appointment by a majority vote of the remaining Directors. This vacant position would then be placed up for election at the next annual meeting for the remaining term of that vacant position. The LSLID Directors believe that it is important that we have 5 Directors on the Board in order to carry out our duties. A vacancy or vacancies could occur due to health or relocation, not necessarily due to removal. In addition, if there is not a majority of Directors that are permanent residents due to a vacancy we would be in violation of Statute 103B.551. If this is not required of other LID's then it would be arbitrary to have this requirement for the Shamineau LID.
5. Clause 15. The LSLID Directors recommend that in the second sentence, strike the word "published". It is overly burdensome and expensive to publish the agenda and budget since each property owner will already have received a mailing with the complete agenda and budget information.
6. Clause 24. The LSLID Directors recommend adding the following language: *"Termination of the LSLID may be initiated by petition signed by a majority of property owners pursuant to statute 103B.581. Each petition must include the petitioner's printed name, property address, and signature, for review by the County to determine LID membership. Each property owner, group, association, common interest community, or entity will only be able to sign one petition, regardless of the number of properties that they own. The petitions will be made public."*

Thank you. We look forward to continuing our work with you on the revisions to the Order of Establishment.

Sincerely,

Bob Hall, Rick Rosar, Cindy Kevern, Fred Comb, Don Ogilvie

Lake Shamineau Lake Improvement District
Board of Directors
<https://minnesotawaters.org/lakeshamineau/lid>