

Exhibit A to Amended Resolution of Intent to Amend the Order Establishing the Lake Shamineau Lake Improvement District (Board Action, _____, 2019)

Proposed amendment to Order establishing the Lake Shamineau Lake Improvement District (LSLID), dated September 13, 2016.

- Legend:
- Normal Text: Original language from 2016 Order
 - Underline Text: Proposed new language
 - ~~Strikethrough Text~~: Deleted language from 2016 Order
 - “Board” : Shall mean the Morrison County Board of Commissioners
 - “Directors” : Shall mean the Board of Directors of the LSLID

~~1. The Lake Shamineau Lake Improvement District was established in 2015.~~

~~1. The levy User charge structure: will be one assessment per parcel, plus an additional assessment of 35% for each commercial rental unit beginning in 2017.~~

- ~~a) User charge shall be calculated based on the total budget for programs and administration of the LSLID divided by the total number of chargeable properties within the LSLID.~~
- ~~b) Residential, riparian properties and non-commercial riparian properties shall be subject to one charge for each PIN calculated at a factor of 1 for each PIN (standard charge).~~
- ~~c) Commercial riparian properties shall be subject to one standard charge and an additional, density charge calculated at a factor of 20% of a standard charge for each “rental unit” that is located on the riparian parcel or on any adjacent or affiliated properties. Commercial properties will be identified as commercial by either tax code or land use zoning if used for profit, non-profit and/or utilize goods or services for a fee, donation, in kind contribution or anything of monetary value. A “rental unit” is defined as an individual dwelling place and can include a cabin, bunkhouse, condominium, townhouse, or apartment, or individual camping site equipped with water and electrical hookups, for recreational vehicles.~~
- ~~d) Residential riparian properties and non-commercial properties that are part of a group, association, common interest community, or entity with property contiguous to and having riparian access by easement or commonly owned parcel or lot, shall be subject to a total of one standard~~

charge and an additional, density charge calculated at a factor of 20% of a standard charge for each individually owned lot within the group, association, common interest community, or entity. The total user charge shall be divided by the total number of individually owned lots to arrive at a common charge. The common charge shall be extended to each individually owned lot.

e) For riparian lots that are owned by a corporation or other entity which cannot be identified in paragraphs c or d, the corporation or entity shall be subject to one standard charge for each riparian PIN and a density charge calculated at a factor of 20% of a standard charge for each dwelling in excess of the number of riparian PINs occupying or using the riparian parcel for access to Lake Shamineau.

a)f) For riparian lots that are owned by a corporation or other entity for the sole purpose of providing access to and dockage on Lake Shamineau, where interests are sold or held for the privilege of using the lot for said purposes, the corporation or entity shall be subject to one standard charge for each riparian PIN and a density charge calculated at a factor of % of a standard charge for each interest described above.

2. The District shall include all ~~properties~~ riparian ~~(littoral) properties~~ to Lake Shamineau and those contiguous properties having riparian access by virtue of an easement or common ownership interest in a riparian lot.

2-3. Property owner means the owner of real property within the LSLID or the buyer under a contract for deed of real property within the LSLID. For the purpose of voting, each property within the LSLID shall have one vote as a member of the LSLID regardless of its ownership structure. Property means a parcel or parcels held in separate and distinct ownership, regardless of the number of lots or parcels owned, the acreage, or the number of owners; except, when a riparian property is owned in common by an association or common interest community for the purpose of providing the association or community members riparian access to Lake Shamineau. Property owners having an interest in or having an easement or access across a common riparian property shall have all other rights and responsibilities, including being subject to fees, charges, or assessments, as riparian property owners.

3-4. The ~~Lake Improvement District~~LSLID is authorized to undertake the following programs as determined necessary by ~~their board of directors~~s Directors and in cooperation with the Minnesota Department of Natural Resources.

a) Manage and protect from AIS. ~~Aquatic invasive species and other non-native or native species (i.e. Eurasian water milfoil, purple loosestrife, curly leaf pondweed, zebra mussels and others known or unknown, whether plant or animal.)~~

~~b) Funding boat and trailer inspections, cleaning and decontamination, and other prevention methods.~~

~~e)b) Study the impacts of and develop solutions to high water levels and outlet adequacy issues. High water levels; No lake outlet problems.~~

~~d)c) Monitor Water-water Quality-quality Monitoring.~~

~~5. Programs and administration of the LSLID will be financed by one or a combination of user charges, ad valorem taxes or special assessments. Unless otherwise requested by the Directors, after approval by vote at the annual meeting, the primary method of financing programs will be by user charge. Projects of the Lake Improvement District will be financed by special assessments imposed on riparian (littoral) landowners.~~

~~6. Projects of the LSLID, upon approval by vote at the annual meeting and approval of the Board, may be financed by any combination of user charges, ad valorem taxes or special assessments. The Board may issue obligations to raise the revenue necessary to implement programs and projects of the LSLID.~~

~~4.7. Under unique circumstances, i.e. where special bonding, assessment or project establishment costs are incurred, Morrison County's costs related to management and administration of the LSLID, may be added to the LSLID budget and collected as part of the user charge or tax to properties within the LSLID. Morrison County shall provide the Directors notice of the amount of costs and a detail of the costs incurred, if any, by July 1 each year.~~

~~5.8. The LSLID Board of Directors shall consist of five (5) members. Lake Improvement District will be managed by a five (5) person board of directors. Directors shall be owners of property within the LSLID property owners in the Lake Improvement District. Except for the original board appointees, Each directors-Director shall serve a two (2) year term and the terms shall be staggered. Directors may be trustees of a trust, or officers or shareholders of a corporation so long as the trust or corporation is a property owner. Only one co-property owner, co-trustee, co-association member, or officer or shareholder of a corporation may hold a seat on the board at a time. A majority of the Directors must be reside in the LSLID. Property owners are those shown as owners on the records of the Morrison County Auditor.~~

~~6. The following individuals shall serve as directors for two years beginning upon adoption of this order and continuing until the 2018 Lake Shamaineau Lake Improvement District annual meeting: Cindy Kevern, Dale Mashuga, Fred Comb, Rick Rosar, and Bob Koll.~~

~~7.9. Directors shall be elected at the annual meeting. All ballots for Director elections shall contain a space for one or more write-in candidates depending on the number of Director positions open for election. Each Director must take and sign the oath defined in the Minnesota Constitution, article V, section 6. The signed oath must be filed with~~

~~the Board. Newly elected Directors shall take office 4 weeks after elected. Directors shall be elected at the annual meeting to be held in July or August of each year on a date set by the board of directors.~~

~~8.10.~~ A ~~director-Director~~ may be removed from office by a majority vote of the remaining board members for failure to attend meetings or for conduct detrimental to the good of the Lake Improvement District.

~~11.~~ A vacancy on the Board of ~~directors-Directors~~ may occur under the conditions outlined in statutes section 351.02. Vacancies shall be filled by election at the next annual meeting. Nothing herein shall prevent the Directors from enlisting the aid of volunteers to assist the Directors in the performance of administrative tasks.

~~12.~~ The annual meeting shall be held in August of each year on a date set by the Directors. At least eight (8) weeks prior to the annual meeting, the Directors shall notify property owners, by mailed initial notice:

- a) The date, time and location of the annual meeting;
- b) The Director seats open for election (either by expiring term or vacancy);
- c) The method and timeline for nominating candidates for Director election, including the required qualifications of Directors;

~~13.~~ The Directors shall allow at least two (2) weeks from the date of the initial notice for the filing of director candidate nominations.

~~14.~~ At least three (3) weeks before the annual meeting, the Directors shall provide a second mailed notice to property owners containing:

- a) The date, time and location of the annual meeting;
- b) The agenda for the annual meeting, to include each and every item of business to be voted on by landowners at the annual meeting;
- c) The slate of candidates for the Director election;
- d) The final proposed budget and any budgeted program or project, or other item of business to be voted on at the annual meeting;
- e) An absentee ballot for both the election of Directors and for items of business to be voted on at the annual meeting. The absentee ballot must include instructions for completing and returning the ballot. All ballot questions and action items must be clearly stated.

~~9.15.~~ In addition to the mailed notices described above, the Directors shall provide notice of the annual meeting by two weeks' published notice and by written notice mailed at least ten days in advance of the meeting to the Board, town boards, the Pollution Control Agency, Commissioner of Natural Resources. The published and mailed notice must include: the date, time and location of the annual meeting; the agenda for the final hearing, to include each and every item of business to be voted on by landowners at the annual meeting; and the final, proposed budget of the LSLID for the following year.

~~10.16.~~ Property owners of the LSLID, whether the owner be a trust, association, or corporation, may vote at the annual meeting. No property or group of properties under the same ownership shall have more than one vote. Property with multiple owners, trustees, or officers for a property, shall have one collective vote. Individuals whose names appear as owners of Lake Shamineau riparian property on the records of the Morrison County Auditor are eligible to cast votes for board members and on other Lake Improvement District matters; however, no property shall have more than one vote. A "riparian property" is defined as a parcel or parcels held in separate and distinct ownership, regardless of the number of lots or parcels owned, the acreage, or the number of owners; except, when a "riparian property" is owned in common by members of a condominium, common interest community, planned unit development or other common ownership arrangement, the owners of each unit having an interest in the common riparian property shall have a vote and shall have all other rights and responsibilities, including being subject to assessment, as riparian property owners.

~~11.17.~~ Voting for directors and other matters presented at the annual meeting will be by secret ballot. All ballots for Director elections shall contain a space for one or more write-in candidates depending on the number of Director positions open for election. Ballots shall be mailed to each property owner within the district at least three (3) weeks prior to the annual meeting. The Directors may enlist the assistance of an impartial third party to assist with ballot handling and vote tabulation. Ballots may be sent or delivered to the clerk of the board prior to or on the date of the annual meeting.

~~18.~~ Directors may receive compensation for their services as determined by the property owners at the annual meeting and may be reimbursed for actual expenses necessarily incurred in the performance of their duties in the manner provided for County employees.

~~12.19.~~ Notwithstanding the delegated powers enumerated below, the Directors are not delegated the authority to establish and finance projects without first securing approval of the voters at the annual meeting and securing the Board's authorization for financing such projects pursuant to statutes section 103B.555.

~~13.20.~~ The following powers are hereby delegated to the Lake Shamineau Lake Improvement District LSLID:

- a) ~~To u~~Undertake research to determine the condition and development of Lake Shamineau and the water entering into it and to transmit the results of the studies to the Pollution Control Agency and other interested authorities;
- b) ~~To c~~Conduct a program of water improvement and conservation, ~~limited to aquatic nuisance control as allowed by the Minnesota Department of Natural Resources;~~
- c) ~~To m~~Make cooperative agreements with the United States or state government or other counties or cities to effectuate authorized water and related land resource programs;
- d) ~~To t~~Take actions necessary for the administration of the ~~Lake Improvement District~~LSLID;
- e) ~~Construct and operate water control structures that are approved by the commissioner of natural resources under section 103G.245; To levy special assessments to finance implementation of the powers identified in this order pursuant to Minnesota Statutes 103B.555, subd. 4.~~
- f) ~~Undertake projects to change the course current or cross section of public waters that are approved by the commissioner of natural resources under section 103G.245;~~
- g) ~~Contract with the board of supervisors of a soil and water conservation district within the LSLID for improvements under chapter 103C;~~
- h) ~~Develop and implement a comprehensive plan to eliminate water pollution;~~
- i) ~~Receive financial assistance from and participate in projects or enter into contracts with federal and state agencies for the study and treatment of pollution problems and related demonstration programs;~~
- e)j) ~~Regulate water surface use as provided in statutes section 103G.621.~~

21. The ~~Lake Shamineau Lake Improvement District~~ LSLID shall maintain general liability insurance in the amount of tort limits by Minnesota Statute 466 and shall name Morrison County as an additional insured on such insurance policy. A copy of the insurance policy shall be filed annually with the Morrison County ~~Auditor~~Administrator.

14.22. The LSLID shall, no later than October 1 each year, prepare and file a report of the proceedings of the annual meeting with the Morrison County Administrator. The report shall include the result of each item of business voted on by the owners as the annual

meeting. The report shall also include the approved budget and budget request to the Board for the following year.

15.23. The ~~Lake Improvement District~~LSLID shall, within four (4) months after its annual meeting, file an annual report with the Morrison County Board of Commissioners, the Minnesota Department of Natural Resources, the Minnesota Pollution Control Agency, any township affected by the LSLID and the Morrison County Soil and Water Conservation District. The annual report shall include the financial conditions of the LSLID, the status of all projects in the LSLID, the business transacted by the LSLID, other matters affecting the interests of the LSLID, and a discussion of the Directors' intentions for the succeeding years.

16.24. The LSLID may be terminated by petition of a majority of property owners pursuant to statutes section 103B.581.~~County Board will consider termination of the Lake Improvement District upon receipt of a petition signed by the majority of the property owners in the District.~~

17.25. The ~~Lake Improvement District~~LSLID shall operate in accordance with Minnesota Statutes 103B.501 to 103B.581 and Minnesota Rules 6115.0900 to 6115.0980 and within the limitations of this order.

18.26. This order will become effective 30 days after its publication in the Morrison County Record.