

**LAKE MINNETONKA CONSERVATION DISTRICT
Board of Directors Planning/Workshop Session
Meeting Report**

5:30 p.m., Wednesday, March 26, 2008
City of Wayzata, 600 Rice Street, Wayzata, MN 55391

Members Present: Lisa Whalen, Minnetrista; Tom Tanner, Wayzata; Andrew McDermott, Orono; Tom Scanlon, Spring Park; Doug Babcock, Tonka Bay; Steve Johnson, Mound; Dennis Klohs, Minnetonka Beach; Jeff Morris, Excelsior; Bill Olson, Victoria. Also present: Greg Nybeck, Executive Director.

Members Absent: David Gross, Deephaven; Chris Jewett, Minnetonka; Kelsey Page, Greenwood; Richard Siakel, Shorewood; Herb Suerth, Woodland.

Commercial Marina Representatives: See attached check-in list.

Whalen welcomed those in attendance and believed that the discussion would be beneficial for new and experienced LMCD Board members. An agenda for this meeting has been prepared, although she did not believe that there was adequate time to review all topics at this meeting. One topic that she recommended not discussing at this meeting, with an alternative to discuss with the LMCD Environmental Committee, was the proposed ordinance amendments being considered by the LMCD Board. She asked for further background for the purpose of this meeting from Jerry Rockvam.

Rockvam thanked the Board for setting up this meeting with the commercial marina representatives. A similar meeting was conducted a few years ago and he hoped to have follow-up meetings based on the discussion this evening. He believed that dialogue was beneficial because it would allow each organization to get a better understanding of each other, especially with the higher than normal turnover of the LMCD Board in recent months. One of the primary issues that the commercial marinas were concerned about is that homeowners have gotten into the commercial marina business by renting slips at their residential site, which most likely violates municipal zoning regulations. A second issue was that he concurred that there was a need to meet with the LMCD Environmental Committee to better understand the two proposed ordinance amendments and the potential impacts that they might have on the commercial marinas. A third issue was that lakeshore frontage has become extremely valuable in recent years, including a dramatic increase in property taxes. At some point, commercial marinas will not be able to continue to pay these taxes and the land will be purchased by developers, which will most likely construct townhomes or condominiums. He questioned what will happen to services provided by commercial marinas if this scenario were to happen.

Gabriel Jabbour provided historical background of the LMCD, including regulations and court cases relating to multiple dock facilities. He believed that there has been change in the environment of commercial marinas over the years. Because of the non-conforming status established by the LMCD on most marinas, he believed that this has had an impact on them. He reviewed services provided up and above the parking of a boat slip in a commercial marina, with an emphasis on the Sheriff's Water Patrol. Before 2010, continued existence of commercial marinas needs to be made because of change in laws relating to capital gain taxes. He reviewed how the commercial marinas were involved with the Management Plan for Lake Minnetonka process, including the implementation of projects. He encouraged the Board to engage the commercial marinas in the LMCD process, citing the draft ordinance amendments being considered by the LMCD Environmental Committee as an example. He addressed fees associated with multiple dock

licenses and the concept of increasing fees, encouraging the Board to engage dialogue with the commercial marina owners. When issues come up on Lake Minnetonka, he requested that commercial marina owners get equal time that all other stakeholders get.

Whalen commented on the LMCD Environmental Committee process. The draft ordinance amendments being considered were not intended for commercial marinas on Lake Minnetonka. Instead, they were being considered for large parcels of property on Lake Minnetonka that did not currently have access to Lake Minnetonka for boat storage purposes. She reminded those in attendance that the two draft ordinance amendments had not been adopted and were being referred back to the committee when the chair gets back in town.

Jabbour stated that he was a strong proponent of property rights. If the LMCD could make changes in response to the Locust Hills Development, he questioned whether it could be done to the commercial marinas on Lake Minnetonka.

Whalen re-stated that she would like to discuss the LMCD Environmental Committee at a separate meeting. She believed that residential boat storage and the Lakeland Boat Storage were of equal importance and she recommended that the focus be on these topics at this meeting.

Rockvam stated that he was made aware of the environmental ordinance after first reading by the LMCD Board. If it were the intent that it would not impact the commercial marinas, he believed that a statement of understanding would be appropriate.

Nybeck reviewed the summary sheet included in the packet that summarized the 2006 and 2007 LMCD Code Enforcement Projects, as well as plans for the 2008 LMCD Code Enforcement Project. He hoped that a letter to the 14 LMCD member cities would be sent out ASAP to identify whether any of them would like to piggyback the LMCD's efforts on this project.

Pedersen asked how sites were identified that received a letter stating that it appeared they were not in compliance with LMCD Code for residential boat storage rules.

Nybeck stated that these sites were identified from fieldwork conducted by LMCD staff, as well as follow-up in the LMCD office on MN DNR registration numbers and site characteristics, such as the amount of shoreline at a site. Further documentation was provided in the field utilizing a digital camera and a handheld GPS. He reviewed the letter writing process of LMCD staff.

Pedersen believed that the 2006 and 2007 projects were a good start. However, he believed that there were more violations based on his observations of the databases created from these projects and his understanding of the situations that exist around Lake Minnetonka. He concurred with Rockvam that this issue was a hot topic for the commercial marinas on Lake Minnetonka.

Whalen encouraged Pedersen and others to contact the LMCD office if violations of LMCD Code appear to exist that are not identified by LMCD staff.

Rockvam stated he believed that there had been a recent increase in the storage of watercraft on Lake Minnetonka, which he attributed to residential sites. He asked that the commercial marinas be on the same playing field as the residential sites on Lake Minnetonka.

Babcock reviewed the 1:50' General Rule, the two-boat exception to the 1:50' General Rule, and the four-boat rule. If the LMCD were to consider changing these storage rules for residential sites, he believed that broad base support would be needed from the 14 LMCD member cities.

Jabbour recommended that the LMCD and the Board should consider long-term planning rather than changing its storage rules for residential sites. If the LMCD would like to continue to have commercial marinas on Lake Minnetonka, he believed that the Board should consider ways to allow marinas to continue to be profitable.

Rockvam stated that the City of Spring Park had an ordinance that required watercraft being stored at a residential site to be registered to the property owner.

Jabbour stated that he believed the number one priority of the LMCD was to manage Lake Minnetonka.

Nybeck commented on the Lakeland Boat Storage concept proposed in the City of Minnetrista. Provided the watercraft launched from this facility was done through a public access, he questioned whether there would be any tie in with current LMCD regulations. However, this would most likely be viewed differently by LMCD Code if the watercraft were launched through a private access because these sites are licensed by LMCD Code.

Whalen stated that the building where the watercraft would be stored would need a conditional use permit from the City of Minnetrista, which it currently does not have. She added that she would check further into this from a City of Minnetrista standpoint.

The Board discussed a number of elements relating to this concept. Two of these elements include: 1) whether LMCD licensed off-lake storage facilities could avoid licensing by utilizing available public accesses, and 2) what services by Lakeland Boat Storage might be available to provide to the public.

Whalen anticipated that the next LMCD Environmental Committee meeting would take place in April, with a recommendation to meet with the commercial marinas in either April or May to discuss the draft ordinance amendments. She summarized the concerns raised at this meeting. These included: 1) homeowners renting boat spaces at residential sites, 2) the Lakeland Boat Storage concept, 3) there are problems on rejuvenating commercial marinas, 4) a request has been made for equal time on LMCD related issues, including complaints on marina facilities, and 5) there's a need to review the Management Plan for Lake Minnetonka, drystack rules, other LMCD rules, and license fees. The next meeting with the commercial marinas was scheduled for August or September, with a specific date to be determined. She thanked feedback from the commercial marina operators for attending this meeting on behalf of the Board. The meeting was adjourned at 6:40 p.m.

Respectfully Submitted,

Lisa Whalen, Chair

Andrew McDermott III, Secretary