

**LAKE MINNETONKA CONSERVATION DISTRICT
BOARD OF DIRECTORS**

7:00 P.M., Wednesday, April 24, 2013
Wayzata City Hall

1. CALL TO ORDER

Babcock called the meeting to order at 7:00 p.m.

2. ROLL CALL

Members present: Doug Babcock, Tonka Bay; Dan Baasen, Wayzata; Andrew McDermott, Orono; Gary Hughes, Spring Park; Jay Green, Mound; David Gross, Deephaven; Ann Hoelscher, Victoria; Dennis Klohs, Minnetonka Beach; Fred Meyer, Woodland; Jeff Morris, Excelsior; Rob Roy, Greenwood; Sue Shuff, Minnetonka and Mark Sylvester, Shorewood. Also present: Charlie LeFevere, LMCD Counsel; Greg Nybeck, Executive Director; Judd Harper, Administrative Technician; and Emily Herman, Administrative Assistant.

Members absent: Anne Hunt, Minnetrista

3. APPROVAL OF AGENDA

Babcock stated that staff has requested agenda item 6B be removed from the consent agenda for further discussion. He proposed moving this agenda item to 9H.

MOTION: McDermott moved, Shuff seconded to approve the agenda as amended, moving agenda item 6B to agenda item 9H.

VOTE: Motion carried unanimously.

4. CHAIR ANNOUNCEMENTS, Chair Babcock

Babcock stated that the City of Deephaven has re-appointed David Gross to the LMCD Board of Directors. He asked LeFevere to administer the oath of office, in which he did. Gross was seated as representative for the City of Deephaven.

5. APPROVAL OF MINUTES – 04/10/13 LMCD Regular Board Meeting

McDermott directed the Board to the third paragraph on Page 4 of the draft minutes. He requested Babcock (whose comments were highlighted) to confirm whether the State of Minnesota (State) did not have concerns with winter bow-fishing (as presented in their documented season of the last Sunday in February to May 1st); however, the LMCD's draft ordinance amendment provides for a more restrictive season on Lake Minnetonka.

Babcock confirmed that the State did not have concerns with bow-fishing in the winter season on other lakes. He reiterated that dark house fishing (which requires a large square of ice be cut out) is prohibited on Lake Minnetonka; providing for the inability to bow-fish during the winter season on Lake Minnetonka.

MOTION: McDermott moved, Green seconded to approve the minutes from the 04/10/13 Regular Board Meeting as submitted.

VOTE: Ayes (11), Abstained (2, Gross and Sylvester); motion carried.

6. APPROVAL OF CONSENT AGENDA

McDermott moved, Green seconded to approve the consent agenda as amended; removing agenda item 6B as noted above. Motion carried unanimously. Item so approved included **6A**, Audit of vouchers (4/12/13 – 4/30/13).

7. PUBLIC COMMENTS- Persons in attendance, subjects not on the agenda (limited to 5 minutes)

There were no public comments.

8. PUBLIC HEARINGS

There were no public hearings.

9. OTHER BUSINESS

A. Ordinance Amendment, second reading of an ordinance relating to bowfishing, adding new LMCD Code Section 3.18

Babcock asked for Board comments on this agenda item.

McDermott questioned if changes could be proposed to the draft ordinance.

Babcock stated that the Board had approved only the first reading of the draft ordinance amendment. Therefore, the Board could propose changes, approve further readings, approve further readings and adopt, or deny the draft ordinance.

McDemott proposed changing Subd. 3b) to "Bowfishing is prohibited when ice is present" rather than "from November 15th through May 1st."

Babcock stated that he believed the proposed change would be more difficult to enforce.

McDermott stated that it is difficult to predict when ice fully forms on the Lake. He believed the proposed change would allow individuals that bowfish to go past the proposed November 15th date.

Gross stated that he spoke with the City of Deephaven, which adamantly supports a total ban on bowfishing. He recognized pursuing this action was not consistent with the majority of the 14 member cities and acknowledged the proposed ordinance is more defined than what is offered by State law. He assumed that Subd. 4b) was written for the purpose of providing public safety and offered those in the water for other purposes than swimming (i.e., canoeing, rafting, wadding, etc.) were not protected. He believed that section provided for isolated situations and left gapping holes for others. He recommended the activity be permitted 150' from a person; removing "swimmer."

Babcock stated that the Board and Ordinance Review Committee members did not previously recommend adding distances as an enforcement tool (based on difficulty of enforcement). However, LeFevere believed it was an important aspect and deferred to him for further explanation.

LeFevere stated that the subdivision in question could be made broader and was originated at the committee level to cover areas that were not listed under Subd. 4a). In regards to a person in a boat (canoe, raft, etc.), it was recognized that if one felt unsafe around a bow angler, they could easily leave the area.

Baasen arrived at 7:17 p.m.

Hoelscher suggested the section utilize language such as, prohibiting it in areas where the activity directly endangers or jeopardizes the safety of anyone within the vicinity (in which Babcock concurred with).

LeFevere stated that he understood the Sheriff's Water Patrol was not crazy about the 150' language added to the proposed amendment. However, if presented in Court, the Water Patrol could testify that the activity took place within a specific footage or even that the activity was well within (i.e. possibly two boat lengths). He documented other language in the LMCD Code where footage is referenced as an enforcement measurement. Additionally, the measurement provides for the Sheriff's ability to communicate the need for the angler to move further out from a documented activity (i.e., swimmer) if they were getting close to the 150' range. He offered various wording changes for the Board's consideration.

Green stated that he appreciated Gross' comments. In looking at it from an angler's point of view, he stated their activity is a constant motion (angler's boat follows the moving fish). He stated the bows used for bowfishing maintain an estimated 30' to 50' tethered line; providing for sportsman's courtesy when other safety factors are present.

Gross believed a compromise is to pull out the word "swimmer" and add "person in the water."

A few members continued to discuss the activity in general, in which LeFevere recommended the Board start with a motion to narrow the discussion down to what is being considered.

MOTION: Gross moved to replace the words "...swimmer, an anchored watercraft or a person outside of the shore or on a dock structure" with "person." The motion failed due to a lack of second.

MOTION: Babcock moved, Hoelscher seconded to remove paragraph b) of Subdivision 4.

VOTE: Ayes (9), Nays (4; Baasen, Gross, McDermott, and Meyer); motion carried.

Hoelscher stated that the word "marines" in Subd. 4a)i) needs to be changed to "marinas."

MOTION: Babcock moved, Hughes seconded to approve second reading, to waive the third reading, and adopt the draft ordinance as amended above.

VOTE: Ayes (10), Nays (3; Gross, McDermott, Morris); motion carried.

Gross stated that the City of Deephaven prohibits the discharge of the weapons within the city, in which most of the 14 member cities have a similar ordinance. Therefore, he recommended the LMCD consider an ordinance that prohibits the discharge of firearms on the surface waters of the Lake. This was briefly discussed by LeFevere and a few members of the Board, in which the Board did not object to having LeFevere research the current laws.

B. Staff update on proposed 2013 Lake Minnetonka Watercraft Inspection Program

Babcock asked Morris for an update on this agenda item.

Morris stated that he had met with Nybeck in follow-up to the April 10th Board discussion on this matter. The Minnesota Department of Natural Resources (MN DNR) has confirmed that the use of both Level 1 and Level 2 watercraft inspection grant funds cannot be intermixed. Additionally, Level 2 inspections would require the use of decontamination unit, in which the LMCD's sprayer would need to be retrofitted or a new one purchased. He directed the Board to a staff document (within their packet) assessing the upcoming program's options (including costs from two companies for the purchase of a new decontamination unit through the State contract). Lastly, Nybeck had submitted the amended Agreement with Volt Workforce Solutions, LLC (Volt), based on past Board direction. He asked Nybeck to provide an overview of this agreement and those offered with the MN DNR.

Nybeck stated that the Board directed staff on April 10th to enter into a preliminary Agreement with Volt for \$21,750 (\$14,000 from unspecified AIS prevention and management funds and \$7,750 from an approved MN DNR grant) for Level 1 inspections. He confirmed that agreement had been executed and submitted to Volt for signature; providing for inspection coverage at two public accesses. He stated that the Minnehaha Creek Watershed District (MCWD) will not fund the purchase of a decontamination unit. However, they have verbally offered (being formerly considered on April 25th) 50% of costs associated with a Level 1 inspection program (\$21,557.50). If the Board were to consider a combination of Level 1 and 2 inspections, there was a possibility to amend the grant agreement for 50% of any increased costs associated to such.

Morris stated that the grant agreement with the MN DNR provides for the LMCD to complete a survey (manually or electronically) relative to the performed watercraft inspections. At the April AIS Task Force meeting, Heidi Wolf from the MN DNR provided a demonstration of an on-line survey application that is available to all local government units. If the LMCD were to chose the electronic process, the application would be free; however, the purchase of the tablets for use of the electronic application would need to be purchased. He asked Nybeck to provide further background of this matter.

Nybeck stated that staff provided written survey documentation in 2011 and utilized MN DNR provided PDAs in 2012. The LMCD has been informed that the PDAs are not being utilized (outdated) in 2013 and

reiterated the need to purchase the tablets if the LMCD chooses the electronic route. Those funds were previously presented at the April 10th meeting as part of the proposed \$5,000 line item for "Other" expenses. Estimated costs for this purchase, all inclusive, is approximately \$3,500.

The Board had a brief discussion relative to the surveying process of the inspection program, in which the following comments were made:

- Confirmation that Volt will not purchase the tablets.
- Confirmation that Volt will not agree to being held responsible for loss or damage of such (should the LMCD purchase the tablets).
- The consideration of paper costs and staff time to provide for manual surveying.
- The recommendation to obtain an intern to manually enter the surveyed information based on commercial tablets not being made for outdoor use.
- That the tablets are automatically updated upon entrance to any Wi-Fi range.

The Board had a brief discussion relative to consideration of Level 2 inspections, in which confirmation was provided that substantial costs are required for such a program (not economically recommended) and that there was disappointment that the original recommendation to perform Level 2 inspections were at the MCWD's urging, in which grant funding from them did not come to fruition. Although the LMCD would be foregoing MN DNR grant funds, costs are not feasible for the LMCD to proceed with a combination of Level 1 and 2 watercraft inspection program at this time.

Nybeck directed the Board to a document within their packet that outlined funding options for the two programs (reviewing a minor calculation error presented at the April 10th meeting). To this end, he stated a Level 1 program would have a total cost of \$43,115 and a combination of a Level 1 and 2 program would cost \$63,782.50 or \$69,460.07 (depending on which company they utilized for the purchase of a decontamination unit). The LMCD's financial contribution for these options would be \$13,807.50, \$22,243.00, or \$27,920.57, respectively. Staff will react to the Board's decision; however, he urged such be provided at this meeting.

Hughes reminded the Board that the decontamination unit was not logistically suitable for many of the public accesses; acknowledging that if purchased it should be utilized to the full potential.

Nybeck reviewed the MN DNR's plan to cover the high volume public accesses with decontamination equipment in 2013 (in particular, Grays Bay, Maxwell Bay, North Arm Bay, and Spring Park Bay). He concurred that there are some logistical issues with the decontamination equipment at public accesses to be covered by LMCD inspectors (Carsons Bay, Cooks Bay, Halstead Bay, and Wayzata Bay). He recommended a Level 1 watercraft inspection program in 2013; however, this would not preclude a combination Level 1 and 2 watercraft inspection program in the future. Perhaps some of the logistical questions that staff has with Level 2 inspections could be looked into in 2013.

MOTION: McDermott moved, Morris seconded to proceed with a Level 1 inspection program for the 2013 boating season.

VOTE: Motion carried unanimously.

Nybeck stated that an Agreement with Volt for coverage at two public accesses has been signed and submitted to Volt for execution (consistent with the Board's direction of April 10th). A written amendment to this Agreement to cover two additional public accesses, four total, will be executed based on the Board's approval at this meeting.

C. Lake Minnetonka Bay Captains, consideration of 2013 funding request

Babcock asked Nybeck for background on this agenda item.

Nybeck stated that at the last Board meeting, member Roy (who serves as a Lake Minnetonka Bay Captain) requested consideration of this agenda item (which was then scheduled for consideration at this meeting). Mr. Dick Osgood, Executive Director for the Lake Minnetonka Association (LMA), is in attendance to provide background of the request and to address the Board on this matter.

Babcock stated that \$14,000 of the \$30,000 line-item for 2013 unspecified AIS prevention and management funds has been directed to the LMCD's Watercraft Inspection Program (providing for a remaining balance of \$16,000). Additionally, the Save the Lake Committee has previously recommended not soliciting projects for funding grants this year, in which he asked Nybeck to expound on.

Nybeck stated that last fall, the Save the Lake Committee recommended (in which the Board concurred), to not fund grant projects in 2013 from the Save the Lake Fund. The two contributing factors for this recommendation included: 1) an interest of spending Save the Lake Funds in 2013 relative to a boat safety education program, noting that defined costs for such were being established and 2) to build up the fund's reserve balance; acknowledging the recent trend of expending more funds than revenue received.

Green asked if there was a particular amount of funds being requested by the bay captains.

Babcock asked Osgood to address the Board.

LMA Executive Director Dick Osgood stated that the request for funding was made by the bay captains, in which he was representing at this time. He provided an overview of historical LMCD funding (via Save the Lake) provided for the former three bay, five year herbicide treatment demonstration project. He acknowledged the former program is over and that six bays were scheduled to be treated this year (based on extending the previously approved Lake Vegetation Management Plan). He stated that he had received verbal communication from the MN DNR relative to the respective permits. He entertained questions and comments from the Board.

The Board had a few questions, in which the following comments were offered:

- Osgood confirmed that the MN DNR's grant funding was equivalent to \$100 per surface acre; providing for this year's estimated herbicide costs ranging from \$400 to \$900 per acre.
- Osgood provided an overview of herbicides currently being considered; confirming this year's treatment protocol could be different than historically utilized. Additionally, he provided a detailed overview in the differences (cost and efficacy) between triclopyr vs. 2,4-D (both of which are

being considered), as well as fluoridone (MN DNR permit applied for but verbal concerns for such have been received).

- Osgood stated that the commercial herbicide applicators are offering performance guarantees for both herbicides noted above, in which the bay captains are willing to pay a little more for the service to obtain the guarantee (based on previous use of).
- McDermott expressed concern about expending funds on a chemical that has not been previously utilized (referring back to the lack of performance on Carmans Bay during some of the five years of the demonstration project).
- Nybeck offered background relative to the historical treatments for Carmans Bay; providing for challenges in weather and early treatments that may have affected the results.
- Osgood stated that he did not have a list of 2,4-D restrictions with him (i.e., swimming, watering of lawn, etc.).
- Nybeck provided an overview of the 2006 herbicide treatments conducted on parts of the three bays that had since been selected for the former demonstration project (some of which were 2,4-D applications). Those treatments were paid (through Save the Lake) and managed by the LMCD.

Green and Babcock presented further questions relative to funding of the 2013 herbicide treatments, in which those questions and comments were as follows:

- Green believed that hard numbers should be presented prior to the Board's consideration of funding such. Osgood stated that request was common amongst the member cities that were addressed. He stated it would be difficult to provide such numbers (based on the program's fluctuation). However, each bay does have a pattern that would offer estimated figures.
- Green asked what the overhead percentage would be. Osgood confirmed the LMA charges a management fee for the project (seven to eight percent) and that grants were not inclusive of the management costs.
- Green asked what the total cost of the project is as of today, in which Osgood stated \$300,000 (with variables).
- Babcock asked if the LMA or bay captains had a 2013 project plan, in which Osgood stated he accepted a proposal from Professional Lake Management (based on costs compared to other proposals received). Osgood stated all bays will receive some type of significant treatment in 2013 (with the possible exception of Grays Bay). Additionally, he provided an overview of the anticipated treatments for each bay (including their respective responses over the years).
- Green asked if there were any other bays that might be held back from treatments (other than Grays Bay). Osgood stated that he did not think so; however, there are funding concerns for Carmans and Phelps Bays.
- Babcock asked how the LMCD's funding (if provided) would be accounted for. Osgood recommended that funding be pro-rated for actual treatment costs for the respective bays.
- Babcock stated some member cities have expressed concern that the proposed funding would be offered via levied funds. Therefore, if treatments were not provided within their member city, levied funds should be returned. Osgood referenced this funding similar to the proposed funding of the Comprehensive EWM and Curly-Leaf Pondweed (CLP) Plan (Plan); managing the Lake as

a whole. He confirmed seven of the 10 cities involved in the treatments are making contributions to this project. Babcock confirmed funding for the comprehensive plan has not been confirmed.

McDermott suggested consideration of up to \$2,600 for each bay (possibly a 50% match).

Klohs questioned how the Board could fund this request when the funding mechanism for the prevention and management of AIS (i.e., the Plan for the Lake as a whole) has not been determined.

Baasen stated the LMCD's portion of funding the herbicide treatments for the five year demonstration project was done so through the Save the Lake Fund (confirming use of public, but not levied, funds). The mission of Save the Lake, in part, is to preserve and protect the Lake. The AIS Task Force (in presenting the Plan) believed that was one way to do so. When the former five year herbicide treatment project was nearing the end, the Save the Lake Committee (committee) deferred further funding of such until a funding mechanism was considered by the Board (in consultation with the member cities). He believed that in lieu of other obligations that the Save the Lake Fund will be considering (which is ultimately approved by the Board), there is a possibility that some funds may be available in the future. Additionally, he confirmed (on behalf of Klohs) that the committee did not dedicate 100% of future funding to the boater safety program, noted above, but that they chose to not solicit funded programs until more defined expenses were established for the proposed program.

Hoelscher questioned if more thorough harvesting could be dedicated to the remaining bays not being treated if the LMCD funds a portion of the 2013 herbicide treatments, as requested. She questioned who made the decision of which bays are harvested more than others.

Roy stated that the herbicide treatments in St. Albans Bay have worked well (not requiring harvesting from the LMCD over the last two years) and that the native plants came back very well (as indicated in the report). He confirmed that it is up to the landowner themselves in resolving their aquatic vegetation concerns (acknowledging that some conducted private harvesting in St. Albans Bay).

Nybeck stated a four year, rotating bay schedule is established for the Harvesting Program's use. Staff assesses the EWM growth prior to the start of each season (in which the rotating schedule is adjusted to accommodate assessed findings). The LMCD did not harvest in Carmans, Grays, and Phelps Bays during the five year herbicide treatment program based on the goals to: 1) confirm the treatments were affective and 2) if not, the LMCD did not want the residents to question the LMCD's harvesting program for such. Moving ahead, as noted in the Plan, it would not preclude the LMCD from harvesting in the treated areas (in strong consultation with the LMA and bay captains).

It was the consensus of the Board to have Osgood present a written funding proposal (working with Morris) for consideration at the May 8th Board meeting.

D. Staff update on current Lake Minnetonka water levels

Babcock asked Nybeck to provide background on this agenda item.

Nybeck directed the Board to a chart in their handout folder, which provided a history of the first Lake level readings, and respective dates, (after ice out) since 1997. Since ice out has not been declared for 2013, Lake levels are currently unknown. Anecdotal feedback appears that the Lake has risen since last November. An update on this agenda item is planned for the May 8th Board meeting.

Klohs entertained declaring "Low Water" at this time, in anticipation of upcoming water level readings after ice out and being late in preparing for such last year.

Babcock stated the declaration needs to be made based on facts.

E. Chair update of 4/12/13 AIS Task Force Meeting

Babcock asked Morris to provide background on this agenda item.

Morris stated the Task Force meeting was well attended, in which they chose to schedule more frequent meetings and consider a variety of agenda items.

Green stated that Representative Cindy Pugh was in attendance, in which she provided an overview of House of Representative Bill #1442 relative to establishing AIS decal requirements and fees. However, as of this date, the Bill is dead in Session. He also mentioned a House Legacy Bill but he was unsure as to how much AIS funding would be provided from such. He confirmed that there will be some AIS funding challenges this year. Lastly, he stated the Task Force considered and concurred with the LMCD becoming a partnering member of the "Stop Aquatic Hitchhikers" program, in partnership with the Minnesota Sea Grant. Seeing no objection from the Board, staff was directed to sign the LMCD up as a partnering agency.

Meyer stated that a MN DNR representative brought forward the challenge of finding Asian Carp in the minnow tanks of commercial establishments. Green stated that industry is regulated by the Department of Agriculture and not the MN DNR (providing for challenges).

F. Review of draft 2014 LMCD Budget

Babcock asked Nybeck to provide background on this agenda item.

Nybeck directed the Board to his staff memo, dated 4/17/13, in which he made the following comments:

- The LMCD held a budget workshop/planning session on April 16th, in which six Board members were in attendance (Baasen, Hoelscher, McDermott, Meyer, Roy, and Sylvester). Three budget options were presented for consideration; two of which were forwarded to the Board for discussion tonight.
- He provided an overview of the upcoming budget review meetings/sessions that are scheduled, including a session with the member cities on June 6th in the LMCD office.
- He provided a detailed overview of the two budget options, as outlined below:

Option #1

- Most basic of the two options (similar to 2013).
- \$4,000 for the Proactive Code Enforcement Program (previously budgeted under the Contingency line item).
- \$25,000 transfer from the Administrative Reserve Fund to the Equipment Replacement Fund.
- 2% all inclusive compensation adjustment (Contingency line item).
- \$30,000 unspecified AIS prevention and management programs.
- No funding for the adopted Comprehensive EWM and CLP Plan.
- 1.3% increase in total expenditures (as compared to 2013)
- An averaged 3.0% levy increase (as compared to 2013)

Option #2

- Some funding included to implement recommendations in the adopted Comprehensive EWM and CLP Plan for Lake Minnetonka.
 - \$55,000 for whole bay or large scale herbicide treatments (suitable management areas).
 - \$20,000 for AIS prevention and management programs (in particular watercraft inspections).
 - Net increase of \$45,000 from Option 1.
 - 9.0% increase in total expenditures (as compared to 2013).
 - An averaged 16.6% levy increase (as compared to 2013).
- He stated the maximum levy the LMCD can assess is based on a percentage of total taxable market values (.00242%) and that levy assessments to the member cities are based on a percentage of next tax capacity (with no city paying greater than 20% levy). He provided a review of declining maximum levies in recent years (per State statute) based on declining Taxable Market Values. He recommended the Board take this declining trend into consideration.
 - He recommended that the Board provide: 1) preliminary approval of one or both of the options offered, 2) direct staff to work with Treasurer Hughes on a cover letter to the member cities, presenting the draft budget(s), and 3) schedule a budget review meeting with the member cities for June 6th in the LMCD office.
 - He entertained questions and comments from the Board.

The Board considered the draft budgets by making the following comments:

- Confirmation that preliminary approval provides for the Board's consideration as to which budget they would like to move forward to the member cities and is not the final certification/approval of the budget (questioning if they would like to forward one or both options).
- Baasen questioned how close would the maximum levy be in consideration of Option 2 vs. Option 1, in which Nybeck confirmed there would be a \$55,000 difference with Option 2. Nybeck continued to state the preliminary approval has been moved up over the years to accommodate the member cities' review for those that only have one council meeting a month.
- Belief that the difference between the two options is the consideration of funding herbicide treatments (acknowledging that the proposed amount is a portion of the expenditure and would not fully fund such).
- Some expressed interest in sending both options to the member cities for consideration.
- Hoelscher's belief that the LMCD should be respectful of the declining market values and was not

in favor of forwarding Option 2 to the member cities for consideration (possibly next year). Additionally, she would like to see the levy kept flat (offering the transferring of the remaining 2013 unspecified AIS management and prevention funds of \$16,000 to the 2014 budget).

- Gross expressed interest in having the LMA request funding for herbicide treatments directly from the member cities and not through the LMCD budget process.
- Babcock pointed out that the contractor for herbicide treatments may not be one specific agency in 2014, with Green stating the Plan provides for the option to have the LMCD coordinate such treatments.
- Hughes expressed an interest in only forwarding Option 1 and/or keeping the levy flat; based on prior member city feedback. Additionally, he concurred with Gross regarding the LMA addressing the member cities directly.
- Babcock believed forwarding Option 2 (or both) is responding to the member cities feedback (considering the funding of the Plan within the budget process). Additionally, it provides confirmation as to the member cities interest in moving forward with such.
- Sylvester stated the City of Shorewood had asked for the Plan, in which they were pleased one was established and adopted. Additionally, they conveyed the interest in funding a levy increase (at some level) for such. Therefore, he would like to see Option 2 be presented.
- Shuff believed that Options 1 and 2 should be moved forward.
- Green believed Options 1 and 2 should be moved forward (with an informative cover letter).
- Hoelscher pointed out that Option 1 provides for \$30,000 in unspecified AIS management and prevention programs (providing for the ability to fund some herbicide treatments).

MOTION: Gross moved, Shuff seconded to forward both Option 1 and 2 draft budgets to the member cities for consideration.

VOTE: Ayes (11), Nays (2, Hoelscher and Sylvester); motion carried.

Gross believed it was incumbent of the Board members to present the draft budgets to each of the member city councils (with Nybeck offering assistance for such).

G. Review of draft 2012 Annual LMCD Report

Babcock asked Nybeck to provide background on this agenda item.

Nybeck recommended this agenda item be tabled to the May 8th Board meeting to provide time for a more detailed overview of such, in which the Board concurred.

H. 6B, 2012 EWM Harvesting Program, staff recommends awarding the Truck Hauling Bid as outlined in 4/18/13 staff memo.

Babcock asked LeFevere for background of this agenda item.

LeFevere stated two sealed bids were received (C & C Lawns, Inc. and Curfman Trucking and Repair, Inc.), in which he provided a detailed overview of. Both bids had irregularities as follows: 1) the lower bid

from C & C Lawns was not signed and 2) the higher bid from Curfman Trucking offered two different prices for the two truck option, as well as lacked required detail on the size of the truck(s). He stated that the Board has the option of waiving the irregularities and accepting the lower bid. However, there are some risks involved in doing so as it is not difficult for someone to obtain a restraining order (challenging the accepted bid's irregularity) based on the Board's decision. Additionally, the Board has the option of rejecting the bids and reinstate either a bid or quote process (for either just those two contractors or re-open it to the public).

Nybeck recommended, in consultation with LeFevere, that the bids be rejected and the Board direct staff to solicit new quotes from just those two contractors.

MOTION: McDermott moved, Baasen seconded to reject the bids from C & C Lawns, Inc., and Curfman Trucking and Repair, Inc., and re-solicit new quotes from both companies.

VOTE: Motion carried unanimously.

10. Update from standing LMCD Committees:

Babcock asked for an update from the Chair, or designated representative, of each committee (Save the Lake, AIS Task Force, Finance, Personnel, Public Safety, and Ordinance Review).

Babcock stated the Ordinance Review Committee met on April 17th, in which they considered a number of ordinance amendments that LeFevere is currently drafting for the committee's review. The committee did not consider the special density amenities at this meeting but will do so at the next scheduled meeting.

Baasen stated the Save the Lake Committee has established regular committee meetings on the fourth Monday of every month. The committee (in March) established a sub-committee, which met on April 12th, to prepare recommendations and findings relative to the proposed boater safety program (taking a number of current partnering agency programs and working together to expand such specific to Lake Minnetonka's use). The sub-committee will provide an update to the committee on April 29th. Additionally, the committee will be considering expending additional Save the Lake funds for the maintenance and expansion of the LMCD's Solar Light Program (which has been fully funded by Save the Lake). He requested the Board consider formal action at this meeting to direct the committee to pursue the formalization and expansion of the Boating Education Safety Program for Lake Minnetonka (for the purpose of putting some teeth into their work). He stated the committee intends to have some portion of the program in place, upon Board approval, during the 2013 boating season.

MOTION: Gross moved, Shuff seconded to provide LMCD support to the Save the Lake Committee in the formalization and expansion of the Boating Education Safety Program for Lake Minnetonka.

LeFevere confirmed this action could be provided via a resolution or a motion (offering no legal requirement) to obtain a level of support from the Board to continue with their planning.

Klohs questioned if the documentation in soliciting Save the Lake funds made it clear where their

contributions would be going to.

Baasen stated not all funds, at this point, are scheduled to be expended for the safety program. The support provided (via the above motion) would allow the committee to review and assess the needed funding; reiterating the Board's prior decision to not solicit funding programs until the committee could outline the costs involved in the proposed safety program, as well as increasing the reserve level. He did not know how at this time how much funding will be contributed to this program.

VOTE: Ayes (12), Nays (1, Klohs); motion carried.

McDermott questioned if the committee could review the grant funding formula based on: 1) his belief that the current formula is too ambitious (the expending of more funds than revenue offered in 2013) and 2) to alleviate the need to stop and start the request of funding programs.

Nybeck provided an overview of the current funding formula and Baasen welcomed the scheduling of its review at a future committee meeting.

There were no reports from the Finance, Personnel, and Public Safety committees.

11. EXECUTIVE DIRECTOR REPORT

Nybeck entertained questions and comments, in which there were none.

12. ADJOURNMENT

There being no further business, the meeting was adjourned at 9:30 p.m.

Doug Babcock, Chair

Andrew McDermott, Secretary