

**LAKE MINNETONKA CONSERVATION DISTRICT  
BOARD OF DIRECTORS**

6:00 P.M., Wednesday, October 26, 2016  
Wayzata City Hall

**1. CALL TO ORDER**

Chair Green called the meeting to order at 6:00 p.m.

**2. ROLL CALL**

**Members present:** Jay Green, Mound; Deborah Zorn, Shorewood; Gregg Thomas, Tonka Bay; Gary Hughes, Spring Park; Gabriel Jabbour, Orono; Dennis Klohs, Minnetonka Beach; Fred Meyer, Woodland; Gregg Prest, Excelsior; and Sue Shuff, Minnetonka. Also present: Troy Gilchrist, LMCD Legal Counsel; Vickie Schleuning, Executive Director; and Emily Herman, Administrative Technician.

**Members absent:** Dan Baasen, Wayzata; Ann Hoelscher, Victoria; Chris Jewett, Deephaven; Bret Niccum, Minnetrista; and Rob Roy, Greenwood.

**3. APPROVAL OF AGENDA.**

**MOTION:** Thomas moved, Shuff seconded to approve the agenda as submitted.

**VOTE:** Motion carried unanimously.

**4. APPROVAL OF MINUTES- 10/12/16 LMCD Regular Board Meeting**

Schleuning directed the Board to the first word within the fourth paragraph on page 6. She recommended the name "Gregg" be changed to "Thomas."

**MOTION:** Shuff moved, Thomas seconded to approve the minutes as amended, making the change noted by Schleuning above.

**VOTE:** Ayes (7), Abstained (2, Meyer and Zorn); motion carried.

**5. APPROVAL OF CONSENT AGENDA**

Thomas moved, Shuff seconded to approve the consent agenda as submitted. Motion carried unanimously. Item so approved included the Audit of vouchers (10/16/16 – 10/31/16).

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

There were no public comments.

**7. OTHER BUSINESS**

Klohs requested clarification on whether there was a need for the Board to close the Regular Board Meeting in order

to proceed into a workshop setting via the "Discussion Items" section of the agenda. He believed that was the original intent of the Board.

Green asked Gilchrist to provide clarification on this matter.

Gilchrist stated that both regular and workshop meetings are public meetings and one in the same for public reporting purposes. The only difference offered is that the LMCD Board has chosen to limit the second meeting of the month for minor action items, such as the approval of audit of vouchers, and refrain from all other action.

Klohs asked if the LMCD was required to publish a meeting notice for a workshop and is there a difference in how Board members can communicate with one another.

Gilchrist confirmed the Board is required to publish a workshop agenda and that there is not a difference in how the Board can communicate. He offered the following additional information:

- The meetings are one in the same (a full meeting).
- The Board has chosen to refrain from taking action within a certain portion of the agenda.
- An outline of the Open Meeting Law criteria was provided; a gathering of a body's members is considered a meeting when a quorum or more of the members are present and discuss, decide, or receive information as a group that is related to official business.
- The Board may hold discussion when a quorum of the body is not met; however, it is not considered a meeting.

Hughes clarified that the minor action items were at his request while serving as Treasurer in 2015 to ensure vouchers were approved by the Board before checks are signed.

#### **A) 2016 LMCD Budget Updates**

The Board was directed to the staff memo, dated 10/26/16, that provided a summary of the current financial condition for the LMCD as of October 15, 2016. Green and Schleuning provided an overview of this agenda item.

Green stated that Hughes, Jewett, and he sat down with Schleuning last week to review the 2016 budget, expenses and revenues to date, as well as the accounting program in general. He directed the Board to a PowerPoint presentation and provided a detailed overview of the 2016 budget for the Administration, Aquatic Invasive Species, and Equipment Replacement Funds (originally approved, adjustments made, current/anticipated financial variations, and respective revenues and expenses).

Schleuning directed the Board to the 2016 LMCD Budget Analysis spreadsheet offered as an attachment to the staff memo. She provided an overview of the amounts offered; offering direction as to how those numbers are reflected within the various notes section within.

The Board' discussion is summarized below:

- The allocation of Fund reserves.
- Expressed interest in a cash flow chart on a month to month basis that provided projected vs. actual.
- The need to budget for in-kind services.
- Interest in revamping the budget structure and the importance of educating the member cities of such.
- Confirmation that unexpected expenses will always exist.

**B) Save the Lake Program Updates**

Schleuning directed the Board to her staff memo, dated 10/26/16, that provided an overview of the Save the Lake (STL) budget and operational information. She stated that she meet with Save the Lake Committee Chair Baasen who was unable to be present this evening. She recommended the Board discuss this item at a future meeting so the Chair could be part of the discussion. He would provide value to the discussion.

Jabbour rejected the recommendation to table the agenda item as a great deal of time has passed in bringing this matter to the Board. He stressed the following concerns and comments: 1) the use of levied funds for expenditures while fundraising, 2) the threat of a State audit, and 3) the expectation that this Body will retroactively charge STL, utilizing the statute of limitations, for all expenses created on the General Fund. He believed the LMCD should move quickly on those expectations to prevent him reporting on this matter to the member city councils.

Schleuning re-directed the Board to her staff memo with attached budget analysis consistent to the reporting offered under Item 7A. She provided a detailed overview of the STL budget (overall account balances and projected revenues and expenses).

The Board's discussion is summarized as follows:

- The need to clarify why STL activities are not unified with the LMCD for presentation and operating purposes similar to Aquatic Invasive Species (reference to LMCD in logo ).
- STL is a fundraising component to the LMCD that should be re-evaluated for current programs and distribution of funds.
- Recognition that the programs offered would not be at the level provided if it was not for the volunteers.
- An overview of the Availability of Funds process and its review process, including honoring the purpose for the donations received.
- The understanding that contributions received are embargoed in the public realm but they are not generated as tax payer funds.
- The need to: 1) provide a compelling reason to raise funds, 2) the Board to decide its future and more direction to the STL Committee, and 3) research whether a photo release form is required prior to publishing photographs.

Schleuning confirmed that all earmarked funds are being used for such needs as required by law. She believed not only the "needs" of the program need to be evaluated but the "whys," as well. The "whys" are often

overlooked as that is what brings value to this program's brand. She provided an example of a solar light contribution in honor of the donor's husband within the donor's bay. She recommended the Board consider the additional information offered within her staff memo that responded to prior Board questions; welcoming further questions. In closing, she stated there was a need to determine the estimated staff costs and STL operations to facilitate the next level of discussion.

It was the Board's consensus to proceed in providing estimated staff time. Shuff requested the cost breakdown include various functions of the program.

Zorn left at 8:05 p.m.

**C) Review code amendments options regarding Section 2.015, "Reconfiguration of Non-Conforming Structures"**

Gilchrist directed the Board to a staff memo, dated 10/12/16, that outlined his efforts in the Board's direction to draft an amendment to Section 2.015 to allow greater reconfiguration flexibility within a defined envelope/footprint. He recognized that the draft ordinance was a first step in further understanding the Board's direction in this manner and solicited their input.

Klohs and Jabbour provided further direction as to the goals of this effort. Upon discussion and further clarification, Gilchrist was directed to reconsider the draft ordinance based on lineal measurements of the dock slips itself and not the square footage of the envelope/footprint. No timeframe was offered by the Board.

**D) Feedback regarding updates to Chapter III, Section 3.04, "Watercraft for Hire" and Chapter 5, "Liquor and Beer"**

Schleuning stated there are portions of Chapter 5 that do not currently meet state law and that there was a need to update Section 3.04. In consulting with Gilchrist, it was her recommendation that those updates be provided through the codification process.

The Board held a brief discussion on the codification process with Prest requesting this matter be scheduled for the November 9<sup>th</sup> Board meeting.

There being no further business, the meeting was adjourned at 9:04 p.m.

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James Jay Green, Chair

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Gregory J. Thomas, Secretary