

**LAKE MINNETONKA CONSERVATION DISTRICT
BOARD OF DIRECTORS
5:00 P.M., June 8, 2022
Wayzata City Hall**

WORK SESSION

5:00 p.m. to 7:00 p.m.

Members Present: Gregg Thomas, Tonka Bay; Rich Anderson, Orono; Bill Cook, Greenwood; Dan Baasen, Wayzata; Ben Brandt, Mound; Michael Kirkwood, Minnetrista; Dennis Klohs, Minnetonka Beach; Mark Kroll, Excelsior; Denny Newell, Woodland; Jake Walesch, Deephaven; and, Deborah Zorn, Shorewood. Also present: Troy Gilchrist, LMCD Legal Counsel; Vickie Schleuning, Executive Director; Thomas Tully, Environmental Administrative Technician; and Maisyn Prueter, Administrative Coordinator.

Members Absent: Ann Hoelscher, Victoria; Nicole Stone, Minnetonka; and Mark Chase, Spring Park.

Persons in Audience:

Bolcat, Bickmann, Rick Parsons, Joe Shneider, Gary Yogel, Sheri Wallace, Jaci Anderson, Chris McLean, Matt Mueller, Michelle Mueller, Kelly Ottenhomer, Joda Ottenhomer, Chris Bank, Dan Mccone, Jill Rose, Rick Trenary, Megan Holte, Anthony Holte, Tyler Kramer, Jenn Hyvanen, Kelly Hyvanen, Jim Dustrude, Darren Enoall, Zoe Leland, Greg Helmed, Louie Ceresaille, Fred Lang, Scott Macbrezox, Steve Tix, Ted Dugan, Heath Walker, Justin Timmons, Chris Jewett, Kathleen Fowke, Luke Angquist, Brian McCllough, Christina McCllough, Jeff Uelmen, Domonic Janhouski, Reade Bailey, Julie Bohlman, Bill Olson, John Wooden, Dennis Ghesler, Brandon Tolliver, Chad McShane, Dan Malone, Noah Schultz, Eric Evenson, Elise Ruegsegger, Jennifer Labodie, Luke Beltnick, T Terri, Andrew Meyers, Wells Brose, Isaac O'Neil, Dave Spatafore, Travis Anderson, Joe Gunter, John Beal, Tory Ferrara, Kent Mainquist, Ben Fowke, Travis Hansbfrgr, Dustin Timmons, Bret Puls, Christine Lindblad, Rick Atherton, Joseph Zasadzinski, Chad Tokowicz, Lee Gatts, Jill Simms, John Bendt, Jeremy Wahlberg, Gabriel Jabbour.

Other persons in audience did not sign in.

1. Boat Generated Wakes Review Listening Session

Thomas read an introduction about Lake Minnetonka, previously proposed legislation, the purpose of the LMCD, and the purpose of the meeting tonight.

John Bendt, 1120 Tonkawood Road, commented that he is the President of Citizens for Sharing Lake Minnetonka and is speaking on behalf of that group. He stated that his group provides a platform for those that have concerns with wake surfing and its impact on the lake and others. He commented that no other activity produces such high energy waves as wake surfing, which occurs for hours on end during the summer months. He stated that 5,600 people have reached out to contact his group or have commented on social media to express their concern about wake surfing. He stated that the largest concern is interference with other activities on the lake, followed by concerns for the environment and loud music. He stated that wake surf boats have more energy and power than other common recreation boats found on the lake. He stated that the current wake zone of 150 feet from shore was based on technology from the 1970s and therefore a revision is needed that recognizes the power and impact of wake surfing. He suggested distances from shore

ranging from 575 to 1,050 in order to prevent erosion. He stated that his group would recommend a distance from shore and docks of 700 feet for wake surfing and 300 feet from shore for all boats not wake surfing. He commented that action is being taken across the country to protect the shoreline of rivers and lakes. He stated that his group is aware that the watercraft association is recommending a distance from shore of 250 feet but did not believe that was adequate and provided supporting information related to wave height and energy. He also referenced other studies that have been completed that he did not find accurate. He asked the Board whether it trusts the findings of the studies from the Saint Anthony Falls Lab (SAFL) versus studies that support industry products. He recognized that there will be a phase two from SAFL but a decision from LMCD to change the distance from shore should not be postponed any further. He believed that this would be a good time to enact the distance from shore guide prior to the requirement for boater education so that distance could be part of the education program. He commented on the impact that wake surfing has on other lake activities, especially on bays of 250 acres or less. He also commented on the public nuisance created by wake boats with their loud speakers. He stated that the educational programs last summer had a significant impact on that activity and were helpful. He stated that wake surfing on bays of 250 acres or less crowds out the bay for other use. He stated that in order to be fair to all users of the lake there needs to be balance between wake surfing and other uses on the lake. He stated that his organization would propose a timeslot ordinance where wake surfing would only be allowed after noon on bays of 250 acres or less. He noted that wake surfing could still be done on other parts of the lake during the morning hours. He stated that this would provide predictable and reliable times when wake boats would not be present and is a solution that would be fair and effective and would provide everyone with an opportunity to enjoy the lake. He provided a list of the bays with 250 acres or less. He then provided suggestions for enforcement such as education and non-monetary penalties. He recognized that there will be opposition from wake surfers and the boating industry, but that does not erase the potential environmental damage the boats can inflict on the lake. He asked that the LMCD adjust the distance from shore based on the information from SAFL and other reputable entities.

Chad Tokowicz, Marine Retailers Association of America, stated that although they are a national entity, their roots are in Minnesota. He stated that they are headquartered in Brooklyn Park and spend a lot of time on Lake Minnetonka. He commented that they enjoy all uses on the lake and are a part of the community. He stated that boating is a way of life in Minnesota, with the second highest boat registration in the nation. He stated that boating is impactful to the community at large and also has a significant financial impact to the community and economy as a whole. He stated that Lake Minnetonka is a huge boating hub with a large economical impact. He noted that boating also provides funds for conservation. He stated that a decrease in boating activity would mean less money to businesses and related businesses, as well as those businesses along the shores of the lake. He stated that closing access of the lake to certain activities could push those boaters to different lakes or even other states.

Lee Gatts, Water Sports Industry Association, stated that wake surfing is the most popular water activity on the lake. He stated that it is popular because it slower which has less impact to users if they fall. He stated that wake surfing is one of the safest sports on the water, comparing the

retrieval rate of a water skier to a water surfer. He reviewed some key facts about wake surfing along with details from a peer reviewed study which states that there are minimum impacts to the shoreline when operating in ten feet of water and 200 feet from shore. He highlighted the wake responsibility educational campaign and stated that they are committed to continuing to educate boaters. He stated that they want to be involved in the community and in creating safe and responsible boaters.

Jill Sims, National Marine Manufacturer's Association, stated that boater education is incredibly important to their industry. She stated that when a customer purchases a new or used wake boat, the dealer is taking them out to teach them one on one educational and safety information. She stated that they are also proud of the tailored educational program that has made an impact on Lake Minnetonka. She noted that the past year they were able to join forces with entities that do not typically work together in order to draft boater education legislation. She stated that although the bill had widespread support, the legislature did not take action. She asked that the LMCD carefully consider the impact regulations could have on the marine and entire community, maintain fair and equal access to all, continue to advocate for the passing of the boater safety legislation, directly engage with the dealers and other businesses to make informed decisions, and consider hosting a session with two people that have completed studies which would allow the opportunity for the LMCD to ask questions about the research. She thanked the LMCD for having the opportunity to work with them.

Jeremy Wahlberg, River Valley Marine, stated that he is also the promoter for the Minnesota Wake Surf Championship and is also involved in taking military, first responders, and others out on the water. He stated that he spent 28 years in the military and is a person that is passionate about water sports. He stated that he grew up on the water and had multiple injuries as a result. He stated that because he is disabled, he is no longer able to participate in most of those water sports but has been able to participate in wake surfing. He stated that wake surfing provides the opportunities for families to spend time on the water and bond. He stated that a friend of his lost his leg due to a military injury and he was able to participate in wake surfing. He commented that it is a sport anyone can do and believed the education is important. He stated that too much regulation will hurt that industry and therefore education should continue to be the focus. He stated that the entire focus of the championships this year is to raise money for two nonprofit organizations. He stated that he wants to continue to bring families and veterans out on the lake, enjoy time with his family on the lake, and educate people about how to use the lake responsibly.

Michelle Muller, CEO of Minnesota Inboard Water Sports, stated that the business was started by her in-laws over 30 years ago and they have proudly served the community in Excelsior. She stated that they are a passionate family of boaters that enjoy wake surfing with their family. She commented that it is a low impact sport that all ages and abilities can enjoy together. She referenced the wake impact document that was provided outlining the meeting. She understood the pressure from stakeholders with varying views targeting wake surfing and boaters. She stated that if the purpose is to look at wave impacts, then it should be larger than just wake boats. She stated that perhaps the volume of boats should also be studied. She stated that if the wave impact

from one type of boats is detrimental to shorelines, then all boats should be studied to understand wave impact. She stated that the SAFL study went in with a single narrow focus to target a specific type of boat because that is where the funding was. She stated that there are other studies that do not support the conclusion of the SAFL study. She stated that if Lake Minnetonka enacts restrictions that will impact the lake community and area businesses that rely on the boaters as well as the cities that rely on the income from the businesses in their community. She stated that the economic impacts should be considered. She asked the LMCD to consider the types of boats that most lakeshore properties have. She asked what would happen if restrictions push wake surfers out of smaller, safer bays and push them into larger more congested high traffic areas. She stated that most of the Board serve because of their love for the lake, which they share. She stated that while they support all that the LMCD does to preserve and protect the lake, it is leaning into dangerous territory if it supports the anti-wake agenda. She commented that they do not support the LMCD or an association creating regulations that restrict activity on the lake and instead support the wake responsibly campaign which supports a 200-foot setback for wake surfing. She stated that they also support increasing boater education at a State level and that all boaters be responsible and respectful of all users of the lake. She believed a 200-foot setback is reasonable. She recognized that while the anti-wake voices have been loud, that is not the majority of the lake and its users.

Chris Bank, 2600 West Lafayette, stated that he is a Lake Minnetonka resident, a seven-time wake surf champion, Founding Director for the Competitive Wake Surf Foundation, Co-Founder of Midwest Wake Surf Association and Minnesota Wake Surf Championship, and competitive standup paddleboarder. He stated that he is representing the Midwest Wake Surf Association noting that he has worked in water sports for the past 30 years. He recognized that there are two sides, but everyone has the common goal of enjoying the water together. He stated that the cornerstone of his entity is education. He stated that wake surfing is a family activity. He recognized that the sport has increased in popularity with COVID and the additional time that people had to spend outdoors. He recognized a disconnect between the WSIA and its educational campaign and the dealers selling the boats. He stated that they attempted to create the best educational tool that they could. He stated that it is great that there is educational information shared with the purchaser of the boat, but that is often not passed to all users of that boat. He stated that the remedy to this issue is not additional regulation, but more boater education. He commented that there will always be bad apples in the bunch but that should not ruin it for everyone. He stated that with the focus of education at all levels, knowledge becomes the key. He stated that he and his business partner contributed funds towards Water Patrol, which was underfunded, as did many lake users and stakeholders. He commented on all the stakeholders that his organization reached out to in order to solicit feedback and develop educational materials. He stated that in addition to the three pillars of the WSIA educational campaign, he would propose education about safe operation of the boat, successful co-mingling with other users of the lake, and how to lead and be an example to others. He stated that in the last year they have created great module-based learning tools, short clips that can be shared on social media, a website, and sponsored meet ups around the lake. He stated that this method is working because education is the key, it teaches people to do things correctly, and provides equal access around the lake. He stated that he is open to any partnership

opportunities and the assets that he has created could be used by other entities. He is optimistic that if the message continues to be spread, it will have an impact. He stated that there is great data out there related to wake impact, lake bottom, and those other factors but more data is needed. He commented that the sport is relatively young, and the studies have not been out long enough to create ordinances that will suffocate growth and opportunity. He commented that discriminating against one type of boats on the lake is unfair, noting that a 30-foot cruiser with two motors creates a much larger wake than a wake boat. He stated that limiting access of smaller bays will only create larger problems as it will create traffic jams on the larger bays. He commented that he lives on a large bay and does not wake surf during busy times on the lake. He questioned why smaller bays should enjoy restrictions that would push that activity to other bays that are already busy as well. He stated that education, training, and safety are the keys to moving forward together. He commented that he is a volunteer that is passionate about the lake and safety and is available to assist. He encouraged everyone to work together for a reasonable solution that works for everyone.

Eric Evenson, Director of LMA, stated that he is also the Vice President of the Friends of the Minnesota River. He commented that he is not present to take a stand on the issue but to learn. He asked the Board where they are going with this and how its process would be built. He encouraged the Board not to move forward until it has a good understanding of the impacts, not only environmental but other unintended impacts. He hoped that the Board spends the time not to rush but to really think it through because it is so controversial and has major impacts on the use of the lake and how people enjoy and live. He reviewed the mission of the LMA and noted that this is an important topic for the group. He stated that he is very interested in hearing what other agencies have to say about this topic. He asked if the Watershed District, DNR, or MPCA have provided input on this topic. He stated that until those positions are known, it would be premature to present an ordinance. He asked the environmental concerns the LMCD would be interested in protecting, such as where spawning areas exist. He asked the depths of concern and impacts to other types of activities in the areas. He stated that if that information is present, decisions can be made off that information and science rather than emotion. He stated that safety has been brought up and agreed that there are concerns for safety on the lake overall and asked the position of the Sheriff's Office and DNR. He asked the number of citations that have been issued related to wake on the lake in the last five years. He asked why existing regulations are not effective in addressing this issue. He asked the unintended consequences of potential limitations and whether that pushes activity into smaller lakes in the area, noting that he would then be interested in the opinion of Three Rivers Park District. He believed that there are more options than the three listed on the document. He encouraged the Board to get involved on a statewide level and to let the debate take place at the capital to find a reasonable solution that works on all lakes in the state. He also encouraged the LMCD to take the time to fully understand the issue because it is controversial and there are significant impacts to those on both sides of the issue.

Dave Spatafore, lake user, stated that he is representing his family that are lake enthusiasts that enjoy all types of lake activities. He stated that they spend 100s of hours on the water each year and the activities including wake surfing are enjoyed by all ages. He believed that the lake can be

shared by all users without the need for additional regulations and instead promoting proper education and best practices. He stated that the notion that wake surfing precludes any other activities is untrue. He referenced the SAFL wake study, noting that he has an engineering background and has read all the other available studies he could find, and encouraged the Board to do the same and dig into the data. He applauded the data that was gathered by the SAFL study which shows that the wake boats generate a large wake behind the boat but that dissipates in a short distance of 150 to 200 feet. He stated that the SAFL used some distances that compared to arbitrary baselines. He stated that following the existing regulation of 150 feet from shore, that results in generally small wakes and going to 200 feet further diminishes that impact. He asked that the LMCD look at other studies that included different types of waves, such as wind driven waves. He stated that there is a lot of momentum with education and encouraged the LMCD to continue on that path.

Gabrielle Jabbour, 985 Tonkawood Road, commented that he shares all the opinions thus far at a rate of 60 to 75 percent. He stated that there are disturbing bias expressed. He stated that his family is principally driven, rather than being financially driven. He stated that he disagrees with the industry about the 200 feet from shore. He stated that the existing regulation of 150 feet was put in place when the big boats were 23 feet in length. He strongly supported the LMCD to change the distance from shore to 300 feet, regardless of the type of boat. He stated that Jeff Marr is angered to see his data being pulled and used by both sides. He stated that the SAFL study is one of 20 entities famous for its research and therefore he has a hard time with people knocking that data. He agreed that the boats were not exactly Lake Minnetonka boats because it was intended to be used statewide and not just for Lake Minnetonka. He stated that there are intended to be two more phases of the study. He stated that he worked hard to create a coalition to support boater education on a state level, therefore he is hesitant to speak too honestly tonight because that could fracture that coalition. He encouraged the LMCD to step away and let the coalition continue to work together on a state level. He stated that in the past jet ski activity was a major problem that is not even heard about anymore. He stated that there is a serious problem that cannot be fixed in regard to personal responsibility. He asked the LMCD to do nothing other than change the distance from shore to 300 feet. He stated that is a housekeeping issue in order to keep up with the change in boat sizes. He stated that he is part of the boating industry, and that industry should be part of the solution. He stated that education is a part of that solution, but more is needed. He stated that some of the members of the LMCD are conflicted. He stated that he has brought a few things to the attention of the Board, and it has been ignored. He urged the Board to think about its process and conflicts of interest that some members of the Board have.

Elise Ruegsegger, resident, commented that she injured her knee 22 years ago and therefore was in search of a new sport and wake surfing helped her regain her confidence. She commented that it is a no impact activity that she can enjoy. She welcomed new riders to the sport. She commented that she loves the lake and is a parent. She stated that one of her children began competing and gained a podium spot in her first competition and is now one of the top wake youth athletes in the country. She stated that children should continue to be able to use the lake for practicing the sport they love. She noted that her daughter was a part of the USA team that earned

a medal in the PANAM games the previous year and took home the gold in the junior division competition. She stated that her children will be representing team USA in Italy this year as well. She stated that she is also a teacher and one of the biggest things people are concerned about is building relationships with their children. She stated that their boat is a way for their family to play together and spend time together. She commented that she sees the importance of education and her family contributed towards the creation of an app to support education. She urged the LMCD to continue to do Minnesota proud, allow athletes to continue to use the lake, and families to continue to use the lake together.

Joe Schneider, 2115 Christmas Lane, stated that he is representing Minnesota COLA which is an all-volunteer association of lake and river associations in Minnesota and they have been tracking the issue of wakes for some time. He stated that many of their members would like wake surfing regulated for the reasons for safety, protection of shore, protection of docks, and because it can overtake the other uses of the water. He stated that he has seen the sport grow and recognizes that it can be a great way to enjoy the water and has no issues with it. He stated that he has heard the positives from those that enjoy the sport and noted that it is just another use of the water resource. He stated that at the end of the day they have to find a way to coexist on the water and protect the water. He referenced the coalition that worked on the proposed legislation and stated that he was a part of that group, as are many others present tonight. He stated that they are working with one premise, to protect the resource, which is the theme that keeps them together. He stated that he is also working with the DNR and other entities to deal with the damage done to shorelines and the impact to people changing their natural shorelines. He commented that powerful wakes have an impact on shorelines. He stated that boater education has been mentioned tonight, and he fully supports that, but there are too many boaters that do not understand what they are doing and how to protect the water. He commented that it is a very real problem that the purchaser of the boat is educated but the other users in the household do not receive that education. He noted that the coalition did not include the water-skiing association, which promotes a safe distance from shore of 200 feet. He noted that a previous speaker mentioned that 300 feet from shore would be a reasonable distance. He stated that the new research from SAFL determined that more than 500 feet would be required to make wake boats have the same operation as planing boats operating 200 feet from shore. He stated that 200 feet from shore is bad science, and that number should no longer be used. He stated that something not talked about is the lake bottom and the DNR has stated for many years that changing the lake bottom negatively impacts the lake. He commented that more research needs to be done on prop thrust and its impact on the lake bottom. He stated that SAFL is just about to start the phase two study and believed that data is necessary in terms of regulation. He stated that he is not asking the LMCD to put regulations on the lake even though his organization and some others may want that. He asked the LMCD to get its checkbook out and make a contribution to the phase two study by SAFL to understand prop thrust and its impact to the lake bottom. He asked boat dealers selling larger surfing boats to immediately stop using the WSIA study that claims 200 feet from shore is all one needs to be. He commented that they sell plenty of boats and are making lots of money and should show their customers they care about the water resource. He asked those entities to also contribute to the phase two research about prop thrust and be leaders in this

activity.

Luke Angquist, Lafayette Bay, commented that he has been wake surfing for about a decade. He noted a presentation from a previous speaker that proposed a time restriction ordinance. He commented that as a resident, that does not make a lot of sense. He commented that today is a beautiful day and noted that at noon today there were zero people on the water in his bay. He stated that someone could have wake surfed from 6 a.m. to noon without any issues to others. He understood how people are frustrated with how congested the lake has become but noted that is typically on the weekends. He stated that there is more of an issue with volume on the weekends than anything else. He stated that some of his best family memories were waking up early to go out on the lake and not being able to do that when there are not other people on the lake does not make sense.

Luke Beltnick, 1380 Orono Lane on Browns Bay, stated that he has been wakeboarding and surfing for 18 years on the lake and there is no doubt that wake boaters have become more obnoxious during that time. He commented that many do not follow the driving rules, but the worst problem is noise because of the stereos. He did not believe more rules would be the problem as there is already a lack of enforcement related to noise. He commented that it is not for lack of trying as boaters can see the police come into the bay and then turn down the music and drive better. He questioned the impact that more regulation would have. He referenced the study and acknowledged that wake boats have more wake, as that is their purpose and noted that they should have instead studied the impacts and compared that to the impacts of larger boats. He stated that there was no study of wakes from larger boats. He stated that the southern wind hits their shoreline harder than anywhere else on the lake, which is natural, and there is no erosion or environmental problems. He believed there should be more studies before additional regulations are created. He stated that the work has to be done in order to make rules based on that data. He stated that many people do not like the behavior of the wake boats, including himself, but additional regulation is not going to change that and they should focus on education and licensing. He also agreed that 300 feet from shore would be an appropriate distance. He stated that the existing regulations should be enforced before new ones are created.

Rick Atherton, Gideon's Bay resident, stated that a lot of the discussion tonight has been focused on one side or the other. He commented that the damage to property is real as boats that are tied are rocked severely. He commented on the damage that his boat and dock have experienced. He stated that he has riprap on his shoreline that also experienced damage from the wake from wake boats. He referenced the statements that large boats can do the same damage but noted that they are not going by private properties at high speeds. He stated that the water from the wake boats is bringing weeds that are packed with mud. He stated that they are now dredging every two years instead of every five years. He commented that the material dredged must also now be removed from the water and disposed of. He stated that he supports regulation because the voluntary method is not working. He did not understand why people would have to be on one side or the other. He stated that he has been on the lake his entire life and while he does not wake surf, he participates in every other sport. He stated that wake surfing requires the generation of a not

natural wake, add thousands of pounds of water, and drive not on plain. He stated that he supports licensing and education for boaters.

Jill Rose, 5100 Edgewater in Harrison's Bay, commented that she began wake surfing in her 40s. She stated that she was previously in a wheelchair because of a motorcycle accident and after her recovery the other water sports were too hard on her body, but wake surfing has allowed her to participate in a water sport again. She stated that her children started wake surfing at a young age and they have enjoyed the wake surfing community in their neighborhood and throughout the competition circuit. She stated that when people come to visit them, they go to local restaurants and businesses. She commented that businesses have suffered enough, and more regulation will not help. She stated that education will help to resolve the issue. She stated that it is great to see the wake surfing community come together.

Tony Holte, 640 Big Island, commented that he and his wife enjoy this resource each summer enjoying many different activities on the lake including wake surfing. He commented that his family takes boating seriously as well as safety and advocacy. He stated that his family can enjoy paddleboards and kayaks even while wake boats are using the lake. He stated that while the information provided in the study is intriguing, there are many elements that lack as well and noted that the results can be presented in a biased manner. He commented that all types of boats create a wide variety of wakes, and the operator is charged with what the wake does and where it goes. He noted that most boaters are aware and courteous but the small number of boaters that cause problems attract the most attention. He stated that continued boater education is crucial and asked the LMCD to not let the irresponsible few ruin the gift of the lake for the rest of the users.

John Biel, 5470 Maple Heights Road on St. Albans Bay, stated that the bay is 108 acres and 30 feet deep which makes it an attractive place for boats to play. He commented that he is worried about the bottom of the lake. He commented that the water is still cold and clear but in the next few weeks it will become cloudy and stay that way. He stated that this phenomenon of getting muddy is a recent trend. He encouraged the LMCD to find a way to concentrate on depth and distance from shore, which may then eliminate some bays for that type of activity.

Jim Dustrude, 2001 Arbor Lane, former DNR employee, stated that he would guess that no one using the lake wants to do anything to hurt the lake. He stated that most people are probably of the same mind to start with, wanting to take care of the lake. He stated that wake surfing has some downsides that have been in the news lately and the SAFL research project is beginning to provide some answers as to how those downsides can be mitigated. He stated that this information should empower everyone at having a better chance of not hurting the lake. He stated that there appear to be two remedies to mitigate the downside of wake surfing which would be staying 500 to 700 feet from shore and running in deeper water. He stated that until the bottom scouring research is completed, they could assume that over 30 feet of depth of required for wake surf boats. He asked that the LMCD educate everyone on where the best areas are to wake surf on the lake, noting that could be done with lake depth maps and distances from shore. He noted that could be mapped similar to quite water areas and shared with the public. He stated that this

approach could allow users to self-sort rather than putting regulation on the lake. He encouraged the LMCD to take the action to education people rather than taking no action.

Jennifer Hyvanen, 3635 Montgomery Avenue, stated that it has been mentioned that disruption from wake surfing is the number one issue on the lake. She questioned the notion that they should expect no disruption on one of the busiest lakes in the state. She stated that when she uses her boat, she observes what is going on around her and then makes her choices from there, which sometimes means she has to move or wait for other users, such as tubers. She stated that they should be teaching people that there will be disruption on the lake because it is busy, and they should instead work on co-mingling and existing together. She stated that she has two teenage boys and wake surfing allows them to spend time together as a family.

Randy Bickmann, 4652 West Arm Road, stated that he has been boating this lake for 66 years. He stated that he has a map of the lake from 1989 and wonders why there are so many restricted areas on the lake marked as quiet water areas. He noted that could occur because of shallow water or issues of erosion and those would have existed prior to wake surfing. He stated that he would assume those areas are marked in that manner for safety and/or erosion issues, even when the boats were smaller. He stated that the boat sizes and motor sizes have increased since that time. He stated that he does not like the big waves or what it is doing to his shoreline.

Thomas thanked everyone for being respectful and providing their input.

2. ADJOURNMENT

There being no further business, the work session was adjourned at 7:13 p.m.

FORMAL MEETING

1. CALL TO ORDER

Chair Thomas called the meeting to order at 7:15 p.m.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

Members present: Gregg Thomas, Tonka Bay; Rich Anderson, Orono; Bill Cook, Greenwood; Dan Baasen, Wayzata; Ben Brandt, Mound; Michael Kirkwood, Minnetrista; Dennis Klohs, Minnetonka Beach; Mark Kroll, Excelsior; Denny Newell, Woodland; Nicole Stone, Minnetonka; Jake Walesch, Deephaven; and, Deborah Zorn, Shorewood. Also present: Troy Gilchrist, LMCD Legal Counsel; Vickie Schleuning, Executive Director; Thomas Tully, Environmental Administrative Technician; and Maisyn Prueter, Administrative Coordinator.

Members absent: Ann Hoelscher, Victoria; and Mark Chase, Spring Park.

4. APPROVAL OF AGENDA

MOTION: Kroll moved, Stone seconded to approve the agenda as presented.

VOTE: Motion carried unanimously.

5. CHAIR ANNOUNCEMENTS

Chair Thomas thanked the members of the Board for sitting through the listening session tonight to hear the input provided from all the speakers.

Newell thanked Thomas for the way he crafted that listening session and the structure within, which made it run smoothly.

Thomas commented that he took the comments received by the Board at the last meeting in order to better facilitate the session. He also thanked Schleuning and her staff who did an excellent job putting this session together. He stated that the Board will meet again in two weeks, but he will not be present. He noted that Hoelscher will also be out of town, therefore Baasen will act as Chair for that meeting.

6. APPROVAL OF MINUTES- 05/25/2022 LMCD Regular Board Meeting

MOTION: Baasen moved, Stone seconded to approve the 05/25/2022 LMCD Regular Board Meeting minutes as submitted.

VOTE: Ayes (11), Abstained (1), (Zorn). Motion carried.

VOTE: Motion carried unanimously.

7. APPROVAL OF CONSENT AGENDA

MOTION: Kroll moved, Thomas seconded to approve the consent agenda as presented. Items so approved included: **7A**) Audit of Vouchers (06/01/2022 – 06/15/2022).

VOTE: Motion carried unanimously.

8. RECOGNITIONS

Baasen commented that the solicitation letters have been mailed and welcomed the members of the Board to reach out to people in their community to support the lake. He recognized all the contributions of the Board over the past year.

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

There were no public comments.

10. PUBLIC HEARING

There were no public hearings.

11. OTHER BUSINESS

There was no other business.

12. OLD BUSINESS

There was no old business.

13. NEW BUSINESS

A) 2023 Preliminary Budget Discussion

Anderson provided background information on the changes that the Finance Committee enacted since its regeneration in the past few years. He stated that one goal was to reduce the reserve funds to 30 to 50 percent of the expenditures, as recommended by the auditor. He stated that in 2021 they sold the harvesters, eliminated the AIS levy, and infused \$100,000 into the budget for 2022. He stated that as proposed for 2023, the committee again proposes to infuse \$100,000 from reserves and would additionally proposed to reduce the general levy to the cities from \$300,000 to \$255,000. He stated that funds were also allocated for solar lights, bay partnerships for AIS, education, and communication. He provided an overview and welcomed input from the committee chairs.

Baasen commented that the main concern of Save the Lake was related to how the Finance Committee had proposed separating Save the Lake from the original budget. He stated that after discussion with Anderson they agreed that would be reflected separately but included in the presentation given to the cities.

Anderson highlighted some of the line items within the proposed budget.

Zorn asked if the AIS activities were collapsed into one line item and whether there was a reduction to that overall budget.

Anderson confirmed that the AIS prevention items were combined, and that budget was not reduced.

Zorn asked how the dues from the levy would go from \$75,000 to zero on the income side.

Anderson commented that the infusion from reserves will make the budget work.

Brandt commented that the cities were not levied for AIS funds in 2022 and it is not proposed to be levied in 2023, and instead that would be funded through reserves.

Anderson provided a comparison of the proposed budget, to the 2022 budget, and 2021 actual numbers. He also reviewed the Finance Committee plan to reduce the reserve fund over the next five years.

Thomas noted that the decision on the reserves would be made each year and this year would just focus on the proposal for 2023.

Newell stated that the committee had a number of meetings and were in agreement with how this would look but did not get input from AIS or communications and therefore are reworking this. He stated that perhaps going forward they should solicit committee input prior to this time.

Anderson agreed. He noted that Hoelscher apologized for not providing her information sooner. He recognized that the timeline for this year was a bit rushed.

Kirkwood stated that the Communications Committee set out with the idea that they could do a lot of things themselves but learned they are not the experts. He stated that they originally budgeted to use an outside agency but attempted to save money and therefore did not get as many initiatives completed. He stated that the committee has agreed that they do need to use a consultant to get more consistent and clear communications and educational messaging out to the general public. He stated that the 2022 budget was \$25,000 and they spent very little of that. He noted that they have spoken with LMCC about partnering on a video and proposed to use a consultant to continue to connect with members of legislature, provide consistent messaging to constituents, and work on marketing materials. He stated that the consultant provided a budget proposal of \$36,000 for 2023 and therefore the Communications Committee is asking that its budget be reconsidered to increase from \$25,000 to \$36,000 for 2023.

Newell stated that Kirkwood indicated that the committee did not spend the \$25,000 from the previous budget and asked if that could carry over.

Schleuning noted that the year is not yet over and those were funds budgeted for 2022.

Thomas explained that budgeting does not work in that manner.

Cook stated that he would suggest that the Communications Committee bring the consultant proposal to the Board for approval because of the cost and then the work could begin this year. He noted that would allow funds from 2022 to be used on work now and the remainder to be done in 2023. He stated that between the two years there would be sufficient funding.

Thomas commented that the budget has to get done now.

Cook suggested that the Board move forward on the budget and noted that they can come back to the communications consultant. He stated that his suggestion would avoid money going into the reserve that is unused in 2022 by the Communications Committee only to come back out to fund initiatives from that same committee and would also allow progress on those initiatives to begin in 2022 rather than waiting for 2023.

Anderson clarified that the Communications Committee budget should then be left as proposed and if necessary, a budget amendment could be submitted.

Thomas commented that it was his understanding that the proposal from the consultant was \$3,000 per month.

Kirkwood stated that the proposal did estimate that amount, averaging \$3,000 per month but it could vary from month to month based on the amount of work done.

Schleuning noted that although there are funds available in the Communications Committee budget, they are only halfway through 2022 and there are tasks allocated.

Thomas noted that a budget amendment could always be submitted as well.

Walesch asked what has been spent for 2022 and what is earmarked to be spent for 2022.

Schleuning reviewed the items proposed thus far for 2022 by the Communications Committee including a newsletter, promotional items, and videos.

Baasen commented that it would be safe to say at least half of the budgeted funds for 2022 will be spent.

Newell asked if the newsletter could be combined with Save the Lake to save funds.

Schleuning confirmed that could be done and each group could pay a portion of the cost.

Walesch stated that the committee structure is important, but it is a fairly large item and therefore it would not be the worst thing for that item to come back. He stated that he has concerns with the value that would be gained and how the consultant would be held accountable. He stated that he would want practical examples of how the consultant would be used. He noted that in the past Schleuning writes a press release that is then reviewed by the consultant. He noted that he would want more detail about the services that would be provided. He noted that in previous discussions about that consultant group, there were a lot of questions about the value that would be added by that group.

Kirkwood stated that he would look to the consultant to help answer that question and as to how the limited budget could be utilized.

Thomas suggested that the Communications Committee budget be kept as proposed and then the committee could work with the Finance Committee to submit a budget request and proposal in the future.

Kroll stated that he and Thomas will be working the LMCD booth at the Arts and Apples event in Excelsior this weekend. He noted that the most asked question is what the LMCD does. He commented that 80 percent of people are not aware of what the LMCD does and therefore marketing and outreach would be a good idea to make the message more effective and explain how the tax dollars are used.

Thomas stated that is not the question tonight, the question tonight is related to the budget.

Schleuning stated that they do not need someone to hold them accountable, but to help do the work.

Thomas confirmed the consensus to leave the Communications Committee budget as proposed and direct the committee to work with the Finance Committee and bring back a proposal if desired.

Baasen commented that the proposed budget of \$12,500 was proposed by the Finance Committee arbitrarily and the committee has come back with a requested budget that he believed should be honored.

Anderson commented that the proposed budget for 2023 is based on the actual funds used by the committee in 2021 and part of that was for the update of the website.

Thomas stated that the purpose of the discussion tonight is not to discuss the mentioned consultant and whether they would do a good job. He stated that even if the \$36,000 is budgeted for the Communications Committee, the committee would still need to come back with a proposal from the consultant for the Board to review. He asked the Board to focus on the amount that should be budgeted for that committee in 2023.

Kirkwood noted that the proposal from the consultant would not be paid in one lump sum, but monthly.

Anderson stated that he believes that the proposed budget of \$12,500 is appropriate for the committee based on the funds used in 2021 and what has been used thus far in 2022.

Thomas agreed that number makes sense based on history. He stated that the committee has now met and proposed a higher budget, therefore the decision is whether to increase the budget to that desired amount or whether a proposal should be submitted at a later date and a budget amendment could be made at that time.

Newell stated that there is now new information that can be tracked on the website and therefore it would be helpful to have more information before making a decision to increase the budget.

Kirkwood stated that he wants to ensure there is flexibility to engage the consultant in the future if that were the direction the committee would like to go and did not want to create a situation in which the Board would say funds are not available and the committee missed its opportunity.

Schleuning stated that she puts in a lot of hours and would love to have help, even to prepare for the meeting tonight. She stated that time is running out for the year and some items may not be completed.

Thomas confirmed that a budget adjustment could be considered in the future.

Cook suggested that the line item in the 2023 budget be changed for the Communications Committee to \$20,000. He stated that if there were a need for more funds, he would support a budget amendment. He stated that he would encourage the committee to spend money in 2022 rather than letting those funds be unspent and return to the reserves.

Kirkwood commented that he would support the \$20,000 line item.

MOTION: Cook moved, Kirkwood adjust the Communications Committee line item in the proposed 2023 budget to \$20,000.

Further discussion: Anderson asked if additional proposals would be required for comparison.

Walesch commented that this motion is only for the budget line item and the consultant proposal would come back at a later time.

VOTE: Motion carried unanimously.

Klohs and Zorn left the board meeting at 8:08 pm (0:53.17 on video).

Anderson asked and received confirmation that the Finance Committee would have the flexibility to determine where those funds would come from.

Brandt commented that in 2022 the AIS Committee had a budget of \$80,000. He commented that this is the first year of the partnership for bay treatments, which has been a success. He stated that currently in 2022 they have \$54,000 allocated for treatment and prevention efforts. He noted the proposed 2023 budget of \$62,500 and requested that move back to \$80,000 in order to continue the momentum and help expand the programs that they have started.

Anderson commented that there has been positive momentum and noted that funds were not spent in 2020 or 2021 for AIS. He commented that there is now a robust program that is gaining traction and agreed that the same budget of \$80,000 should continue for 2023. He stated that after this year and into 2023 they should have more data.

MOTION: Brandt moved, Newell seconded to increase the 2023 AIS budget line item from \$62,500 to \$80,000.

Further discussion: Walesch agreed that they are trying to do some good things, working with lakeshore owners for bay treatments. He noted that they have also partnered with Hennepin County and are looking for other partnerships. He stated that this is a great program as it requires investment from lakeshore owners and other entities. He commented that he would love to see this program continue to grow and noted that there has been great feedback.

Stone commented that she does not disagree that there are good things done. She noted that the Finance Committee looked at historical expenditures. She recognized that this item and the previous line item increased could be increased but noted that the Finance Committee was attempting to lower the levy and believed that an appropriate path forward would be to submit budget amendments in the future. She noted that the Finance Committee attempted to provide more factual numbers of what would be spent rather than what could be spent.

Brandt recognized that method. He stated that the AIS levy has already been dropped to zero and the City of Mound questioned him as to why that decreased as that is the one thing they would like to see in the lake. He stated that his justification was that the activity would be funded through the reserves. He stated that if the budget line item is decreased that will raise further questions from the member cities.

Newell stated that if the AIS levy is at zero for a few years in a row, it will be difficult to increase that in the future and therefore it would seem appropriate to say that can be funded through the reserves.

Brandt confirmed that he did explain that the organization is attempting to fund certain items through the reserves but believed \$80,000 would be appropriate for the line item.

VOTE: Motion carried Ayes (12) Nays (1) (Stone).

MOTION: Anderson moved, Cook seconded to accept the two amendments already voted upon with that additional funding to come from the reserves.

Further discussion: Schleuning stated that staff has a concern with reducing the levies. She stated that in the past when the levy has been reduced, it is hard to increase that again in the future. She noted that once the reserves are depleted per the five-year plan, the levy would need to be increased at that time to account for the \$100,000 or more that had been coming from the reserves. She stated that the member cities do not prefer that method.

Newell commented that a placeholder should be kept in the levy for AIS.

Kirkwood asked if the Board could revisit the whole notion of reserves and the amount that should be

kept in reserves, perhaps in the next budget cycle.

Cook noted that Schleuning makes a good point about reducing the reserves and that is something that the Board needs to consider. He stated that the best thing that could be done, in his opinion, when excess reserves have been generated, would be to have an aggressive AIS budget. He stated that those funds could be used to partner with other entities and groups around the lake that would continue that mission. He stated that if reserves are used to lower the levy, it creates a difficult situation because as the reserve funds are used, the expenses will increase and at some point, the levy would need to increase. He suggested that this be part of the master planning at the end of the year.

Thomas commented that he recognizes that there is a desire to reduce the reserves, but if the levy is lowered the cities will get used to the lower amount and it will be difficult to increase the levy at that time.

Cook commented that the reserves grew to this level because of overbudget expenses over the years.

Walesch commented that everyone can agree the reserves got a little out of control and likes the plan of getting that balance to a more reasonable level over five years. He stated that he is not 100 percent on board with the race to the bottom and decreasing the levies to the cities. He commented that there are a lot of things that could be added to the budget that could come from the reserves. He was unsure why the city levy amounts need to be decreased in order to accelerate that plan more quickly.

Anderson commented that he did not think this plan was accomplishing it that much more quickly.

VOTE: Motion carried Ayes (7) Nays (2) (Baasen and Thomas).

Anderson noted that the Finance Committee drafted the letter to the cities as well.

Thomas noted that he did not yet review the letter.

Schleuning commented that she also did not read the letter.

Walesch stated that the budget can be approved, and Schleuning can review the cover letter with the Finance Committee.

Thomas suggested that the budget return to the next meeting with the adjusted numbers.

14. TREASURER REPORT

Anderson had nothing further to report.

15. EXECUTIVE DIRECTOR UPDATE

Schleuning provided the following information:

- Boater Safety Education class will take place next week.
- Art on the Lake will take place Saturday in Excelsior from 10 a.m. to 6 p.m.
- Starry Trek will take place in August and information will be available at a later date.
- Minnesota DNR confirmed a case of infestation of zebra mussels in Spring Lake, Scott County.
- DNR offering free admission to State Parks this weekend.
- CD3 machine is scheduled to be installed in Carsons Bay this week.
- Requests continue to be received for AIS opportunities.
- Lake Minnetonka water levels have varied throughout the season. The lake is a bit lower but near the typical level.
- National Fishing and Boating Week, June 4th through 12th.

16. STANDING LMCD COMMITTEE/WORKGROUP

Aquatic Invasive Species: No report.

Communications: No report.

Finance: No report.

Operations: No report.

Save the Lake: Baasen reported that the June 14th Save the Lake meeting has been canceled as they will be holding the Boater Safety Education class on June 13th and a number of Board members have volunteered to assist.

17. ADJOURNMENT

Being there no further business, the meeting adjourned at 8:45 p.m.

Gregg Thomas, Chair

Dan Baasen, Secretary