

CERTIFIED COPY OF RESOLUTION OF COUNTY BOARD OF AITKIN COUNTY, MINNESOTA

ADOPTED October 8, 2013

By Commissioner: Napstad

100813-088

Lake Minnewawa Lake Improvement District (LMLID)

WHEREAS, the purpose of the LMLID is to provide an equitable and stable tax-based funding mechanism to support and improve the health of Lake Minnewawa. The LMLID is responsible for compliance with all State statutes and applicable County LID policies and other requirements as directed by Aitkin County, and

WHEREAS, membership includes all property owners within the LMLID. This includes all lakeshore properties of Lake Minnewawa and back-lot properties with deeded access to lakeshore property. Each member is entitled to one vote per assessed property at the Annual Meeting of the District or any other Special District meetings when held, and

WHEREAS, a \$65 per property annual special assessment shall be collected by Aitkin County from all LMLID members, and

WHEREAS, there will be a minimum of five members, and a maximum of nine members on the Board of Directors, consisting of President, Vice President, Treasurer, Secretary and Director(s). The initial Board will consist of: Patrick Rath, President (3 year term); David Warner, Vice President (3 year term); Leland Carlson, Treasurer (2 year term); Robert Bass, Secretary (2 year term); and Michael Zell, Director (2 year term), and

WHEREAS, the Aitkin County Board of Commissioners accepts the proposed LMLID by-laws, as attached.

NOW THEREFORE BE IT RESOLVED, the Aitkin County Board of Commissioners hereby accepts and approves the Lake Minnewawa Lake Improvement District (LMLID).

Commissioner Marcotte moved the adoption of the resolution and it was declared adopted upon the following vote

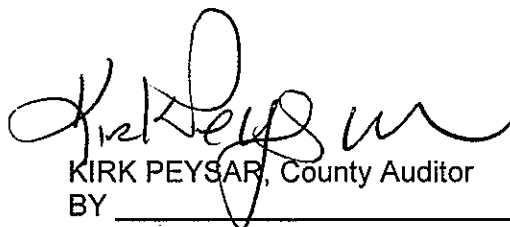
FIVE MEMBERS PRESENT

All Members Voting Yes

STATE OF MINNESOTA)
County of Aitkin) ss.
Office of County Auditor,)

I, Kirk Peysar, Auditor, of the County of Aitkin, do hereby certify that I have compared the foregoing with the original resolution filed in my office on the 8th day of October A.D., 2013, and that the same is a true and correct copy of the whole thereof.

WITNESS MY HAND AND SEAL OF OFFICE at Aitkin, Minnesota, this 8th day of October A.D. 2013


KIRK PEYSAR, County Auditor
BY _____, Deputy

October 13, 2012

Proposed Lake Minnewawa Lake Improvement District Bylaws

Article I: Establishment

Established under Minnesota Statute 103B.501 by the Aitkin County Board of County Commissioners with Resolution No. ##### adopted Month, Day, Year.

Article 2: Name of District

The name of this organization is:

Lake Minnewawa Lake Improvement District (LMLID).

Article 3: Definition of the Lake Minnewawa Lake Improvement District.

The LMLID is a political subdivision of Aitkin County in the State of Minnesota.

Article 4: Purpose

The purpose of the Lake Minnewawa Lake Improvement District is to provide an equitable and stable tax-based funding mechanism to support and improve the health of Lake Minnewawa. The LMLID is responsible for compliance with all State and County LID related statutes and other requirements as directed by Aitkin County.

Article 5: Membership

Section 1 - Membership Qualification

Membership includes all property owners within the LMLID. This includes all lakeshore properties of Lake Minnewawa – Aitkin County Minnesota. The LMLID will also include those back-lot properties with deeded access to lakeshore property.

Section 2 – Voting Rights

Each Member is entitled to one vote per assessed property at the Annual Meeting of the District or any other Special District meetings when held.

Article 6: Funding

A \$65 per property annual special assessment shall be collected by Aitkin County from all LMLID members. The LMLID Board of Directors (BOD) has a fiduciary responsibility to the LMLID membership to insure that the funds raised are put to those uses which best serve the health of Lake Minnewawa. These funds will be distributed by LMLID BOD based on request form received and approved. The funds are subject to LMLID administrative and reporting costs.

Article 7: Board of Directors

Section 1 – Board of Directors

The Board of Directors of the District shall consist of no less than five and no more than nine members. Each board member must own property within the Lake Improvement District, and a majority of the Directors serving at any given time must be residents of the District.

Section 2 – Initial Board of Directors

The initial Board of Directors of the District shall consist of five members as outlined within MN Resolution No. 2008-57 and approved by the County. The initial Directors shall be split into two groups; three serving a three (3) year term and two serving a two (2) year term at the discretion of the initial Board of Directors.

Section 3 – Terms

After the initial year, Directors shall be elected to serve a three-year term as needed to fill any vacant Board positions. An annual term year shall coincide with the District fiscal year. No Director may serve more than three successive three-year terms without being absent from the Board for at least one term year after serving the maximum of three terms.

Section 4 – Nomination of Directors

Directors for open Board positions may be nominated by any Member of the Lake Minnewawa Lake Improvement District.

Section 5 – Election of Directors

Directors shall be elected by secret ballot with the annual meeting.

Section 6 – Vacancies

Vacancies in the Board of Directors may be filled by a majority vote of the remaining Directors. A Director elected to fill a vacancy shall serve the unexpired term of the Director they are replacing.

Section 7 – Removal of Directors

Directors may be removed at any time by a two-thirds vote of the remaining Board members or by a majority vote by Members present at an Annual Meeting if a formal call for a vote to remove a Director is made.

Section 8 – Compensation of Directors

Directors shall serve on the Board on a voluntary basis and will not be compensated for their time related to their participation in Board related activities. The Board may at their discretion reimburse an individual Director for necessary expenses incurred on behalf of the District.

Article 8: Board Officers and Duties

Section 1 – Officers

All officers of the District shall be Directors.

Section 2 – Officer Positions

The officers shall consist of: President, Vice President, Secretary and Treasurer.

Section 3 – Election of Officers

Officers will be elected by the Board of Directors from among their number at the first Board meeting following an Annual Meeting at which new Directors are elected. Elections will be by secret ballot if more than one Director is nominated for any office.

Section 4 – Duties of Officers

- a. The President shall preside over the Annual Meeting and all Board meetings and ensure overall regulatory compliance.
- b. The Vice President shall preside in the absence of the President and perform duties normally associated with this office.
- c. The Secretary shall keep accurate records of the Annual Meeting and all meetings of the Board of Directors and collect and distribute correspondence and perform all other duties normally associated with this office.
- d. The Treasurer shall coordinate expenditures with the County Auditor and ensure compliance with County policies.

Article 9: Board Meetings

Section 1 – Meetings

Directors are to hold at least one meeting annually –Board of Director meetings shall be scheduled for the second Friday of April, June and November at 10am of each year.

Section 2 – Notice of Meetings

There shall be at least ten days prior notice given to each Director for any regularly scheduled Board meeting. In the case of additional meetings, notice shall be provided at least three days prior to the meeting.

Section 3 – Quorum

A simple majority of the Board of Directors currently serving shall constitute the necessary quorum for the transaction of business.

Article 10: Annual District Meeting

Section 1 – Time

The initial Annual District Meeting shall be held on the first Saturday of August at 10 am 2013.

Section 2 – Notice

The Annual Meeting shall be preceded by a minimum of two weeks' published notice and by written notice mailed at least ten days in advance of the meeting to the County board, the Pollution Control Agency, and the Commissioner of Natural Resources.

The initial Annual Meeting by the District and any meeting which would include an agenda item to amend the originally approved Bylaws shall be preceded by a written notice to all property owners within the District at least thirty days in advance of the meeting.

Section 3 – Agenda

At the Annual Meeting the District members present shall at a minimum:

- a. Elect one or more Members to fill vacancies in the Board of Directors;
- b. Review Financial transactions from prior full Year and current year-to-date.
- c. Review previous year activities and provide assessment.
- d. Review previous year financial expenditures and provide assessment
- e. Approve any expenditures greater than \$5000.
- f. Approve a budget for the fiscal year
- h. Review notice of any applications for funding received since the previous annual meeting.
- f. Take up and consider any other business that comes before them.

Section 4 – Annual Report

Each year the Board of Directors shall prepare and file a report of the financial condition of the District, assessment of activities from previous year, other matters affecting the interest of the District, and a discussion of the LMLID intentions for the succeeding years. Copies of the report shall be transmitted to the county board, the Commissioner of Natural Resources, and the Minnesota Pollution control Agency by four months after the Annual Meeting.

Article 11: Special District Meetings

Special Meetings of Lake Minnewawa Lake Improvement District to discuss topics requiring a vote by all Members which cannot wait for the next Annual Meeting may be held as needed. The decision to hold a Special Meeting must be approved by a majority of the Board members. A notice of a Special Meeting must be mailed to all District members at least fifteen days prior to the meeting.

Article 12: Fiscal Year

The District fiscal and organizational year shall be a calendar year starting January 1 and ending December 31 to coincide with Fiscal calendar of Aitkin County.

Article 13: Amendment of Bylaws

These bylaws may be amended at any Annual or Special Meeting of the District for which due notice has been given and when such amendment has been approved by a majority of the Board. Approval of such amendments shall be by majority vote of the Members at any Annual or Special Meeting.

Article 14: Publication of information.

All documentation produced by the LMLID Board of Directors shall be posted on a publicly available web site.

Article 15: Rules of Order

The rules contained in the current edition of Roberts' Rules of Order (Revised) shall govern the convention in all cases to which they are applicable and which are not governed by the Bylaws of the District. Meeting Minutes will be reviewed and approved in an expedited manner after each meeting.

Lake Minnewawa Lake Improvement District Vision Statement

Our Vision is to be an organization dedicated to providing funds for service and research efforts which serve to improve the health of Lake Minnewawa. To provide control and management of District funds with transparency and ensure compliance per applicable state and county requirements. We see a healthy Lake Minnewawa as one which is navigable and clean for recreation, supportive of historical and appropriate vegetation (including wild rice), source of a good fishery and home to a variety of birds and animals, based on standards established with state aquatic authorities. We envision an engaged property owner membership in support of best practice land management.

Draft LMLID 2014 Budget

2,000	Liability Insurance (required)
250	Aitkin County LID fee
1,350	LMLID administration (mailings; annual meeting; stenographer, web site...)
5,500	Subcontract documentation of Lake Management Plan (100 hours @\$50, + \$500 out of pocket)
3,500	Assess/map weed densities as a benchmark (aerial survey or CiBiobase)
1,500	Reimburse LMA for LMLID campaign **
3,500	Lake study by college intern (100 hours at \$25 + \$1000 out of pocket) **
14,000	Vegetation management **
2,070	Contingency - cover overruns; unbudgetted items ** ***
33,670	518 property owners @ \$65 = \$33,670

** These funds will be distributed by LMLID BOD based on request form received and approved.

*** These funds as well as other unused funds in 2014 will be set aside at eoy in a saving acct to address AIS

To: Aitkin County Board of Commissioners

Date: August 27, 2013

From: Lake Minnewawa Lake Improvement District Pro-tem Board

Regarding: LMLID recommended Board of Directors

Please accept the people listed below as the initial Board of Directors for the Lake Minnewawa Lake Improvement District (LMLID). Initial term length, officer title and qualification info is included for each.

Patrick Rath - President. 3- Year initial term.

Pat retired in 2010 after a 33 year career with Wells Fargo and Company.

A variety of jobs and roles were held in various locations including:

Technical Supervisor – check processing; Data Center Manager – Crop Insurance company; Business Continuity Planning; Compliance consultant - Information Security.

Pat and his wife, Beverly recently built a year-around home on Lake Minnewawa with plans to move to live in Aitkin County on a full time basis in the next 5 years. Pat has a long history with donating his time with the Lake Minnewawa Association and currently volunteers on BSALWMP and the Aitkin County Water Task Force.

David Warner - Vice President. 3-Year initial term.

Many childhood memories with extended family on Warner's point; and now full time living in the log cabin built by himself and his brother which started in 1979. David had a very successful career teaching Law in Ohio. Love of the lake; appreciation for the natural beauty of the area and a concern for community describe David and family.

David also has a history with Lake Minnewawa Association. He volunteers time with providing pro-bono legal advice and is deeply involved with his church.

Leland Carlson - Treasurer. 3-Year initial term.

Lee and his wife Jill have owned property on Lake Minnewawa since 1985. After retirement in 2004 they built a new home on the lake, and moved there permanently. They have been very active in the lake association. The Carlson's are an outdoor family with an interest in hunting, fishing, camping and lake life. They have strong feelings about preserving the nature and beauty of our land and lakes.

Lee received a B. A. degree in Accounting from U.M.D. in 1965. He worked in accounting for 3M after college, then worked 37 years for Potlatch Corporation (Sappi) in various positions of accounting, production supervision and operations control.

Lee has volunteered his time in the following areas:

National Association of Accountants Board Member Duluth Chapter

Supervisory Committee Potlatch Credit Union

Junior Achievement Advisor

Youth Hockey Coach

Cloquet Hockey Association Board Member and Treasurer

Lake Minnewawa Association Board Member

Robert Bass – Secretary. 2-Year initial term.

Bob has a long history in the McGregor area His family originally purchased land on Lake Minnewawa in 1957 and in 1977 he built his hand scribed log home with trees harvested from Savannah State Park . He bought a local construction business and his family moved "to the lake". His 3 children graduated from Mc Gregor High School and today his oldest granddaughter is a teacher at Mc Gregor High. Bob's career went on to include construction management across the country. In 2007, Bob and his wife Barbara made McGregor their full time home. They are actively involved with Aitkin County Habitat For Humanity with Bob serving as President for 2 terms. Commitment to social causes and volunteering have always been a part of his life. He passionately remembers the day when Minnewawa was home to many fish, birds and wildlife. His concern for the environment is revealed when he says "We, the 2 legged animals, are the worst invasive species".

Michael Zell - Director. 2-Year term.

Mike has an active involved family and a 20 year history with Lake Minnewawa. Mike is an avid outdoorsman and has a strong appreciation for the environment. His career as an engineering manager with both IBM corporation and Western Digital Corporation will provide a global/well rounded perspective on issues. Mike has a long history with involvement with the LMA - holding the position of President for many years. His involvement with his church and Habitat for Humanity in Rochester Minnesota are two examples of his community commitment. Mike is also an advisor and assistant coach on a Rochester High School Trap shooting team.

We hope that you'll agree that this group of people recommended for the LMLID Board of Directors is well qualified. We believe that they have each demonstrated a sincere appreciation for the environment and a dedicated concern for their community. Our plan is to add two director positions at the first annual meeting.