



TITLE: SPECIAL BOARD
MEETING MINUTES

DATE: JULY 24, 2025

1. ATTENDANCE:

Chairman Stuart Christian called the July 24, 2025 special meeting to order at 8 AM at the District Office. Other managers attending were Clayton Bartz, Don Andringa, Shawn Brekke and Craig Engelstad. Staff members present included April Swenby – Administrator. Others attendance included Zach Herrmann - Houston Engineering and Ron Ringquist attended via remote technology. Lonnie Paradis, Ginny McCright and Mike Mahrer – USLID also were in attendance.

2. APPROVAL OF THE AGENDA:

A **Motion** was made by Manager Engelstad to approve the agenda, **Seconded** by Manager Bartz. **The Motion was carried.**

3. PROJECT # 27:

Ron Ringquist filed an appraiser's report with the board for examination.

Manager Engelstad disclosed that he has family who may be included in the assessment role. Manager Christian and Manager Andringa disclosed that they have property that may be included on the assessment role. Because the matter does not affect the properties in any different way than other similarly situated properties, all managers agreed to remain neutral and without bias in their recommendations.

Ron Ringquist presented tabular data for parcels that have lakeshore frontage, and all parcels in the drainage area to the lakes. The benefit method used for lakeshore parcels relies on the county market values for land and buildings. A benefit percentage is applied to each land value, and a separate percentage is applied to each building value. Multiple use properties land value was percentage was increased by a factor of 5 to account for additional benefit from many users on one parcel. Future project costs are then apportioned out to each parcel relative to the amount of benefit received. To illustrate a hypothetical assessment, the information provided the estimated per-parcel assessment for a \$1-million expenditure.

An additional method was developed only for on-going maintenance assessments that included the lakeshore method and an additional runoff-based assessment for all parcels in the drainage area. The runoff-based method relies on the estimated increase in average annual runoff because of development from the pre-settlement condition, including buildings, roads/driveways, and agricultural land. The assessment for maintenance method would apply a portion of tax on the benefitted lakeshore owners, and the remaining portion on the runoff-based assessment.

Audience members were invited to ask questions and learn more about the process and the formula used for potential future assessment roles. Ringquist stated that there are a few values he is still waiting to obtain from Polk County and indicated that this report is not complete in its entirety, however the overall method will not change. Ringquist stated that he used site visits and LiDAR to develop his recommendations. He did not see many properties affected by 1' or 2' bounce and showed most properties within 1-2' lake level; therefore, did not use elevations as a marker for his recommendation. Herrmann added that there was not a reliable data set available for lowest building openings, and surveying all structures for purposes of assessment would not be feasible.

Ringquist asked for consensus regarding total benefit percentage between land dwellings. The board and Ringquist agreed that 3% for land and 1% for dwellings was reasonable based on Ringquist's extensive experience and research. The board agreed with Ringquist's recommendation for a 5-factor increase on multi use properties to recognize the increased lake usage benefit. The board felt that including contributing acres in the assessment role for maintenance or for capital improvements was not warranted. In low water years, the increased runoff volume could be construed as a benefit to property owners. Also, much of the lakeshore

property was developed after significant watershed land use changes had occurred, notably prairie/woods to agriculture. The board provided additional consensus that back lots were not to be considered in the assessment roles.

Swenby provided statutory obligations for public notification.

Swenby stated that notices must be given by publication (once a week for two weeks under 103D) and by mail within one week of the first publication to each person, corporation, and public body that owns property benefited by the project.

A **Motion** was made by Manager Brekke to order a final hearing date for the Benefits Determination of Project # 27 on August 22, 2025 at the Union Lake Sarah Campground at 7:30 PM in coordination with the LID's annual meeting, **Seconded** by Manager Engelstad. **The Motion was carried.** Swenby stated that John Kolb plans to attend the August 22 meeting.

Swenby will work with Ringquist to ensure that landowners receive a property owners report and notification of the public hearing.

4. ADMINISTRATION AND PROJECT UPDATES - PROGRESS REPORT:

Swenby provided a mid month update on the following: Mn 102 Boundary, Ditch #119 cleaning, Project # 17 overflows, culvert repair on Project # 12, Project # 27 pump, and the Scandia Township repair on the Sand Hill ditch. Relating to Project # 27, Herrmann will in attendance of the August 22, 2025 LID annual meeting as he is being asked to present on the pump engineering plans to combat the Mn DNR requirements for pumping. Swenby stated that she asked the MNDNR to attend and was told that the MnDNR will also be in attendance. She felt that was important because the restrictions on the pump are in place from the MnDNR, not the watershed.

She also briefed the board regarding the district building project. She noted that she is obtaining another estimate for repairs on the existing building for the brick.

5. LOMA:

A LOMA request was received from Ray and Sylvia Nelson. Manager Engelstad asked Swenby to disclose to the board her personal plans for purchasing this property and asked if she is the current owner. Swenby stated that she does have family planning to eventually purchase this home and that she and her husband hope to purchase the land south and west of the existing home. Currently, Ray and Sylvia Nelson are the landowners of the home and they have formally requested the LOMA.

Herrmann explained that this is a program the district has had for many years that aids landowners in a Letter of Map Amendment (LOMA). FEMA established administrative procedures to change the designation for properties such as these who are inadvertently showing within a special flood hazard area even though the property is on natural ground and is at or above the elevation of the one-percent-annual-chance flood. Processes are referred to as the Letter of Map Amendment (LOMA) process and the Letter of Map Revision-Based on Fill (LOMR-F) process. To refresh the manager's memory, Herrmann stated that a more recent one completed was for the Gunufson property near Fertile.

A **Motion** was made by Manager Brekke to approve LOMA request, **Seconded** by Manager Bartz. **The Motion was carried.**

6. CONFLICT OF INTEREST POLICY:

The managers reviewed the attorney draft conflict of interest policy. The managers would like "family member" defined to provide more context about relatives (cousins, aunts, uncles, brothers, in-laws, etc.) questioning where the definition of "family member" extends and would like a few additional examples listed in the policy for guidance.

A **Motion** was made by Manager Andringa ask the attorney for the listed above changes and re-present for approval August 7, **Seconded** by Manager Engelstad. **The Motion was carried.**

7. INTUIT/QUICKBOOKS SOFTWARE:

Swenby presented a table of comparison for costs associated with the required upgrades to the district's accounting software, noting that the most affordable option if the district would like to continue to keep payroll in house, is to move to QuickBooks Online. Swenby stated that she had tried this software a trial, and was dissatisfied with the interface, and moved back to the Desktop version; however, now due to the rising costs she would like board direction. She provided two options for training and report customization should the district move towards QuickBooks Online. One with Brady Martz and one with Jon Schauers, a consultant that the district used in the early 2000's. Additionally she presented costs to move to Desktop Enterprise, which would be faster, and require no training. Swenby also provided quotes to outsource payroll.

A **Motion** was made by Manager Andringa to the district moving to QuickBooks Enterprise, **Seconded** by Manager Engelstad. **The Motion was carried.**

8. DISTRICT BUILDING:

Swenby presented cost estimates for window tint on the existing building to stay uniform with the addition. Swenby said that the window tint on the addition is planned in August and the company would like to do them both at the same time, should the board want to move forward with tint on the existing building. Swenby agreed it would like nice to be uniform, and would help greatly with the glare during meetings and presentations. However, currently the existing building has green window trim while the addition has brown window trim, making it not uniform anyway. To make everything completely uniform, the district would need to replace the windows or paint the current ones to match the addition. She was unaware of anything being worn on the windows, and felt they had a lot of life left in them and replacement wasn't warranted.

A **Motion** was made by Manager Brekke to not install window tint on the existing building, **Seconded** by Manager Bartz. **The Motion was carried.**

9. PERMITS:

One permit was presented to the board:

25-017: Monty Lund, Knute Twp. Section 29, Bridge Installation

The managers would like to see legal securities in place via a recorded legal document, paid for by the application that protects the interest of Project # 27 and allows the district to remove the bridge at the applicant's expense should drainage become a problem, or maintenance be needed and the bridge is an obstacle to perform maintenance. The securities should also ensure that the height of the bridge is at or above the road culvert and above high water lake levels. Additionally, onsite inspectors would be required after the installation of the bridge to ensure criteria is met and in compliance, and there may be some coordination with the plans throughout the process via the district consultant. Work needed via the district consultants would be at the applicant's expense.

Motion made by Manager Brekke to approve permit #25-017 pending a legal agreement paid for by the applicant and should Lund not agree to these terms the permit will be denied., **Seconded** by Manager Bartz. **The Motion was carried.** The board will approve the agreement when it is available.

10. ADJOURNMENT:

The next regular meeting will be held August 7, 2025, at 8 AM. As there was no further business to come before the board, a **Motion** was made by Manager Bartz to adjourn the meeting at 12:29 PM, **Seconded** by Manager Engelstad. **The Motion was carried.**

April Swenby, Administrator

Shawn Brekke, Secretary