

Crow Wing County Lake Improvement District (LID) Policies

Approved by the County Board - September 12, 2017

In addition to the established rules and regulations by the state of Minnesota, Crow Wing County has adopted the following policies for Lake Improvement Districts (LIDs). These policies apply to all LID's regardless of the date the LID was created.

1. LID Voting Procedures

Voting for directors will be by secret ballot. Ballots shall be mailed to each property owner within the district at least three (3) weeks prior to the annual meeting. Ballots may be sent or delivered to the clerk of the board prior to or on the date of the annual meeting. Where not defined by state statute or rule, property owners are defined by Crow Wing County.

This is in addition to the statutory requirement of 2 weeks. Contact the Land Services Department for assistance with obtaining current addresses.

2. Liability Coverage

The LID shall maintain general liability insurance in the amount of tort limits established by Minnesota Statute 466 and shall name Crow Wing County as an additional insured on such insurance policy. A copy of the insurance policy shall be filed annually with the Crow Wing County Land Services Department.

3. Financial Records

The Administrative Services Department shall handle the financial transactions of the LID. A procedure shall be established with each LID as to how this will occur.

4. Annual Administrative Fee

MN Statute 103B.555 subd. 3 states that "the county board or county boards forming the joint county authority shall include appropriate provisions in their budget for the operation of a lake improvement district." Accordingly, the application fee for a new LID shall be \$500. An annual fee of \$250 shall be required to cover county costs related to the administration of the LID.

The amounts listed above shall be subject to any updates to the county fee schedule as approved by the County Board of Commissioners. Any additional staff time necessary for processing a late or incomplete annual report will be added to the annual fee of the LID for the following year. These additional expenses will be billed at the administrative rate according to the county fee schedule.

5. Annual Reporting Deadline

MN Statute 103B.571 subd. 4 requires that the LID provide an annual report to the proper entities no later than 4 months after the annual meeting. Crow Wing County has set a reporting deadline of November 1st (not to exceed the 4 month requirement).

6. Herbicide Application

Herbicide treatment authorizations, consistent with Minnesota Department of Natural Resources permit application requirements, shall be on file as required by the Minnesota Department of Natural Resources

For questions on herbicide, please contact the Department of Natural Resources.

7. Super Majority

A 60% 'Super Majority' of property owner support is intended for the establishment of an LID or to increase the assessment amount for established LID's.

This is above and beyond the statutory requirement of a simple majority (50% + 1) found in MN Statutes 103B.521.

8. Duration of LIDs to be 5 Years

LIDs shall initially be established for a period of 5 years. LIDs may continue for additional five-year periods thereafter, but only with the approval of the County Board. At least 30 days prior to the expiration of each five-year period, the LID shall prepare and submit to the County Board a comprehensive report that details the activities of the LID from the previous five (5) years and outlines the LID's goals and action steps for the next five (5) years. This five-year report must include a description of the current state of the lake with respect to invasive species and water quality. Upon review of the five-year report, the County Board may authorize the continuation of the LID for another five-year period if it determines that the continuation of the LID is in the public welfare or public interest and is necessary to accomplish the purposes of the Lake Improvement District Law as presently set forth in Minnesota Statutes, §§103B.501 to 103B.581, and Minnesota Administrative Rules, chapters 6115.0900 to 6115.0980. However, if upon review of the five-year report the County Board determines that the continuation of the LID is no longer in the public welfare or public interest and that the LID is no longer necessary to accomplish the purposes of the Lake Improvement District Law, or if it determines that the LID has failed to meet its obligations under the Lake Improvement District Law, then the County Board may terminate the LID.

LIDs have no taxing authority of their own. The order establishing a LID must state the means by which the LID will finance its programs and services. If the County Board did not approve the assessment amount via the original resolution creating the LID, then the assessment amount from the original petition will be the maximum amount a LID can assess without going through the petition process. The means by which a LID finances its programs and services may be established or modified only by petition to or resolution by the County Board in the same manner that a LID is created. Any increases in the LID assessment will require a new petition pursuant to Minnesota Statute, §103B.521 and this policy.

9. Clarification of Eligible Landowners within Boundaries of LID

Riparian properties per taxable parcel identification are eligible to sign the petition and vote on LID matters. Riparian, contiguous lots in common ownership shall be allowed 1 vote if the lots are un-improved. All improved riparian, contiguous lots in common ownership shall be allowed 1 vote for each improved lot. For the purpose of this policy, an improved lot shall be defined as having a structure that meets the requirements of a dwelling per the land use ordinance. Any existing lot(s) of record that were not included in the original petition process shall not be assessed by the LID unless approved by the County Board.

Common interest communities, PUDs, campgrounds, and resorts only receive one vote. Flexibility for unique situations can be granted if agreed to by the LID and Crow Wing County (and within statutory guidelines).

10. Public Hearing for establishment of a LID

The public hearing to establish a LID should be conducted in a timely manner according to all applicable statutes and rules, with a strong preference for being held during the summer months as to allow maximum participation by property owners.

Given local and statutory timelines, in order to get the assessment for approved LIDs on the tax roles for the following year, LIDs should plan to apply by no later than June 15.

11. Pre-petition Meeting

A pre-petition meeting with Crow Wing County is required to discuss the submittal requirements, timeline, and other information relating to the establishment of an LID. This meeting and subsequent hearings shall be held on a timeline conducive to promoting landowner participation while meeting administrative and statutory deadlines.

Any lake association interested in LIDs should contact the Land Services Department.

12. Designate a staff person to administer and coordinate the LID's in the County

The responsibilities of coordinating LID duties shall be delegated to the Land Services Director of the Land Services Department.

13. Aquatic Invasive Species

Minnesota Statutes 84D.02 Subdivision 1 states that the Department of Natural Resources (DNR) is responsible for controlling invasive species in public waters.

- **Subdivision 1 Establishment.** The [DNR] commissioner shall establish a statewide program to prevent and curb the spread of invasive species of aquatic plants and wild animals. The program must provide for coordination among governmental entities and private organizations to the extent practicable. The [DNR] commissioner shall seek available federal funding and grants for the program.

However, this is not effectively being accomplished. Therefore, some lakeshore property owners view Lake Improvement Districts as an alternative to achieve this statutory responsibility of the DNR.