



**LAUDERDALE LAKES  
LAKE MANAGEMENT DISTRICT  
ANNUAL MEETING MINUTES  
SEPTEMBER 2, 2017**

The Annual Meeting of the Lauderdale Lakes Lake Management District (“Lake District”) was called to order by Chairman Mason, at the Lutherdale Chapel, on Saturday, September 2, 2017, at 10:05 a.m.

Chairman Scott Mason welcomed everyone and thanked them for coming.

**Approval of Agenda:**

Chairman Mason asked for a motion to approve the agenda – amended to move the golf course report earlier in the agenda, as a lot of people were in attendance primarily for that. Peggy Otto made a motion to approve the agenda, Rick Baum seconded the motion, which passed.

Chairman Mason then introduced the Lake District Board:

- Don Sukala is the appointed Town of LaGrange representative to the Lake District Board.
- Debbie Ferrari is the board treasurer and oversees the Water Safety Patrol.
- John Summers oversees septic pumping and pier inspections.
- Jack Sorenson is the board Secretary and oversees insurance and the outflow dam.
- Greg Wisniewski oversees aquatic plant management and Clean Boats, Clean Waters.
- Scott Mason is the board chairman who oversees the golf course and some environmental projects.

He also introduced Bill Henry, the architect who will give an abbreviated version of the golf course meetings that were held in July.

**Approval of Minutes:**

Secretary Sorenson asked for a motion to approve the 2016 Annual Meeting minutes. He offered to read it but would dispense with their reading if there was a motion to do so. A motion by Wally Yandel to approve the minutes and dispense with their reading, seconded by Floyd Pochowski passed.

**Highway 12 Report:**

Petitions signed earlier in the year were delivered to the DOT, Governor, and other elected officials. The goal is to keep any future Highway 12 project on the planned route to the west of Lauderdale, and not have it widened in its existing footprint.

### **Golf Course Report / Consideration of New Building:**

Chairman Mason gave a bit of background on the history of the golf course. He explained that there has never been a line-item for golf course operations in the Lake District budget.



A presentation slide with a blue and white wavy header. The title is "Golf Course Purchase - 1996". Below the title is a bulleted list of five items.

### Golf Course Purchase - 1996

- 1997: Rezoned from condominiums to Park
- 1998: Combined all tax keys into one
- 2003: Conservation Easement
- 2014: Paid off loan
- Self supporting since 1997

He then explained some history of the process involved so far in creating a long-range plan. We wanted to create a plan that could be implemented in pieces at the discretion of the electorate in the future.



A presentation slide with a blue gradient background. The title is "Kehoe-Henry Tasks". Below the title is a bulleted list of two main items, with the first item having three sub-items.

### Kehoe-Henry Tasks

- Develop a comprehensive long range plan
  - Condition assessments
  - Facilities upgrade or replacements
  - Golf course improvements
- Develop new community center building

We have two buildings on the LLCC property. Both buildings were built in the 1920s and have significant structural issues.

## New Community Center Building Advantages

- **Increased Public Safety**
  - Main entry drive farther from 12/67
  - Less traffic on Country Club Drive
  - Safer distance from road & drives
  - Adequate parking for group events
  - Accessible entrances & facilities

## New Community Center Building Advantages

- **Indoor Recreation**
  - Family gatherings
  - Smaller receptions
  - Morning coffee club
  - Club meetings
  - Table games
  - Yoga, fitness, Silver Sneakers
- **Outdoor Recreation**
  - Bocce Ball
  - Bags
  - Pickleball
  - Optional Covered Patio

## New Community Center Building Advantages

- **Addresses Needed Facility Improvements**
  - Code compliant mechanical & electrical systems
  - Energy efficient lighting & HVAC
  - Option for geothermal
  - Access for physically disabled
  - Improved food & beverage service
  - Maintain character of existing clubhouse
  - Improved visibility & investment in community

Bill Henry then introduced his team and explained the plan that they have worked on for the Lake District.

**Planning Team**

**Kehoe-Henry & Associates**  
 William Henry, Architect - PE  
 Daniel Kehoe, Architect  
 Master Planning / Architectural

**Golf Course**

**Schreiner Golf, Inc.**  
 Craig Schreiner, ASGCA, ASLA  
 Golf Course Architect

**T.J. Emmerich Associates, Inc.**  
 Tom Emmerich  
 Certified Irrigation Designer

**Illinois Geothermal Engineering**  
 Lon Hoover, PE  
 Well Consultant

**Site / Civil**

**Cardinal Engineering LLC**  
 Paul VanHenkelum PE, RLS  
 Civil Engineering

**Scheel & Associates**  
 Steve Scheel  
 Landscape Architect

**Engineering**

**Liechty & Associates, Inc.**  
 Randall Liechty, PE, LEED AP  
 HVAC Consultant

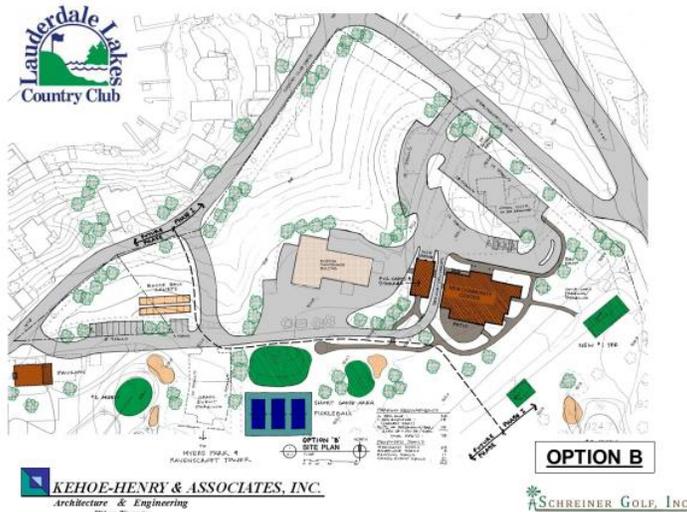
**Czarnecki Engineering, Inc.**  
 Alan Czarnecki, PE  
 Electrical Consultant

**Stewart Design Associates**  
 Rock Deering, FCSI  
 Foodservice Consultant

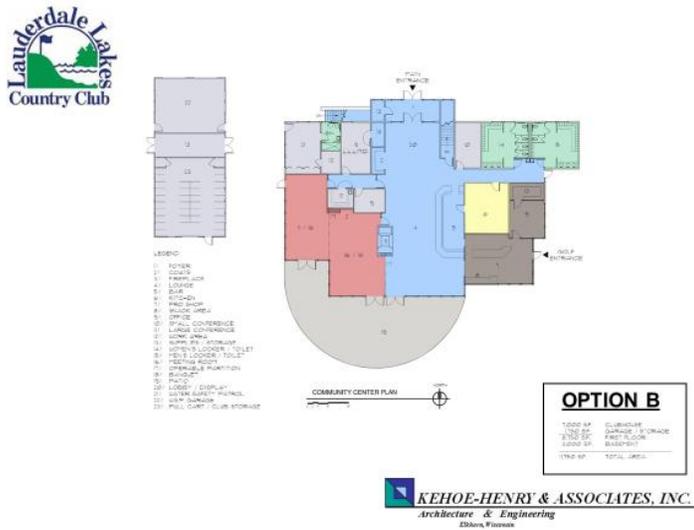


Mr. Henry reviewed the current facilities:

- Neither of the buildings are ADA compliant
- The bathrooms in the existing clubhouse are old, do not have proper ventilation, have old fixtures, are not ADA compliant, and it would be a waste of resources to try to upgrade them
- There are structural problems with the older portion of the building, and the floor continues to sink
- The clubhouse kitchen has asbestos tile and the building has lead paint – prior to any demolition or remodeling these would have to be abated or dealt with
- The community center also is not up to code
- There is a basement wall in the community center that is severely bowed
- Updating the existing facilities would not be a good use of resources



The plan would provide for a new building that would combine the functions of the two current buildings. It would be built to the south of the current community center. Both current buildings could be fully operational until the time that the new building would be finished.



There would be minimal changes to the golf course as a result. The 8<sup>th</sup> tee would need to be moved. This would become the 1<sup>st</sup> hole, which would improve pace of play and the layout of the golf course.



Mason explained that the plan is “turn-key”. It includes all the infrastructure, new signage for the golf course, parking, etc. We didn’t want hidden costs later.

He then gave a summary of the project and property tax implications of the plan:

**PROJECT BUDGET SUMMARY  
MASTER PLAN PHASE I**

	OPTION 'B'
Site Development Work - Community Center:	\$ 510,000
<b>Building Construction Work:</b>	<b>\$ 2,450,000</b>
Building Construction Budget per Square Foot:	\$ 208.51
<b>Foodservice &amp; Beverage Equipment:</b>	<b>\$ 79,000</b>
<b>Total Construction Work - Community Center:</b>	<b>\$ 3,039,000</b>
Total Construction Budget per Square Foot:	\$ 258.64
<b>Site Development Work - Golf Course, etc.:</b>	<b>\$ 51,250</b>
<b>Total Phase I Construction Work:</b>	<b>\$ 3,090,250</b>
<b>Architectural - Engineering Fees:</b>	<b>\$ 185,444</b>
<b>Miscellaneous Costs:</b>	<b>\$ 549,256</b>
<b>TOTAL PROJECT BUDGET - PHASE I:</b>	<b>\$ 3,824,950</b>



## Financing Impact on Property Taxes

Assumed Interest Rate (current prime): 4.25%  
Assumed Term of Loan: 20 years

OPTION	TOTAL LOAN AMOUNT	ANNUAL LOAN REPAYMENT BY LAKE DISTRICT	ADDITION TO ANNUAL PROPERTY TAX BILL PER \$100,000 OF ASSESSED VALUATION (See Note)
B	\$ 3,825,000	\$ 283,272	\$ 48.25

**Note:** Based on 2016 property valuations for illustration only. Amounts will vary based on final structure of the loan, loan amount and interest rate.

## Stated Another Way

If your 2016 property tax was \$10,000, here is how it was distributed...

TAXING JURISDICTION	2016 NET TAX
Elkhorn Area Schools	\$ 5,570.61
Walworth County	2,766.11
Gateway Technical	533.66
Town of LaGrange	418.39
CDEB Elkhorn Schools	355.86
<b>LL Lake Management Dist</b>	<b>242.55</b>
State of Wisconsin	112.82
<b>TOTAL</b>	<b>\$ 10,000.00</b>

**IF** your 2016 property tax was \$10,000 **AND** the Lake District had a Capital Project underway and had begun loan repayment ...

**THEN** this is how much more your taxes would have been...

OPTION	TOTAL LOAN AMOUNT	ADDITIONAL 2016 TAX FOR LOAN REPAYMENT (See Note)
B	\$ 3,825,000	\$ 327.88

**Note:** Based on 2016 property valuations for illustration only. Amounts will vary based on final structure of the loan, loan amount and interest rate.

Community members then had an opportunity for questions / comments:

- Our community is very diverse, most people do not live here year-round, this is not a tourist destination, we do not have common interests, and a new building wouldn't benefit our community
- Dick Howarth thought that the plan would violate the KMLT easement for LLCC. He thought the parking lot would be an eyesore. He noted that the Elkhorn Schools just passed a referendum and this would make property taxes higher. He said that he could "guarantee" that he could restore the clubhouse for \$750,000 and the community center for \$250,000.
- Joe Dahir thought that the proposed project will turn our asset into a liability. He stated that he thinks a new building will cost \$50,000 to \$100,00 a year to maintain and payroll expenses would increase. He thought it will make property values go down.
- Matt (inaudible) criticized the long-range plan for not including golf course trends. (Further comments were inaudible over loud calls for a vote.)
- (Name inaudible) stated that the purpose for the lake district is to protect the lake. The proposed building won't protect the quality of the water.
- Greg Wisniewski stated that he is an architect, and he thinks the assessment of the current facilities was very thorough. In his opinion, restoration of the building isn't practical. The site has problems as well.

Secretary Sorenson then called for people to place their ballots for the building in the ballot boxes. He explained that only one vote / ballot is allowed per person pursuant to Wisconsin State Law.

### **Water Safety Patrol Report:**

Debbie Ferrari stated that we are so fortunate for our team's leadership.

**Our Team**

<u>Who they are</u>	<u>What they do</u>
Chief Ken Blanke (40 yrs) Sergeant Janene Littmann (30 yrs) Officers: 13 returning (avg 7 ½ yrs) 6 new in 2017	<ul style="list-style-type: none"><li>• Patrol lakes &amp; launches</li><li>• Provide assistance to US</li><li>• Update community on State &amp; Local Laws</li><li>• Conduct Safety Courses</li><li>• Provide PWC orientation</li><li>• Support July 4<sup>th</sup> needs</li><li>• Handle water hazards</li><li>• Community activities</li><li>• Support Sheriff and DNR in search and rescue</li></ul>
<ul style="list-style-type: none"><li>• All are Certified Law Enforcement Officers</li><li>• All have annual training as required by DOJ and DNR</li></ul>	

Ferrari explained that the WSP patrols the lake from May through October, seven days a week. With extra patrols over the 4<sup>th</sup> of July weekend. The WSP provides updates on

state and local boating laws. The WSP carries pamphlets with state and local boating ordinances on their boats.

## The Stats

	2016	2015	2014
Total Hours Patrolled	2,139 hours	1,954 hours	1,960 hours
Number of Contacts	498	475	505
Number of Warnings	50 written 104 verbal	230 total	181 total
Number of Citations	85 (7 OWIs)	104 (6 OWIs)	120 (3 OWIs)
# Dismissed	25	43	47
# Fine Imposed	60	61	73
Total Citation Revenue	\$2,408.85	\$2,109.61	\$894.33

The WSP patrols the lake, helps when people run out of gas or have a dead battery, tows inoperable water craft, and returns floatables. The WSP flags floating bogs, and they support search and rescue for the sheriff's department when needed. They assist the Town when buoys become detached or move from their correct location.

The Lake District shares costs with the Town of LaGrange and gets reimbursement from the Wisconsin DNR.

She explained common violations that the WSP sees on the lakes:

## Common Violations ... and reminders

- State Laws
  - PWCs not operating at Slow No Wake where required
  - Operating without required Safety Certificate **(1/1/89)**
  - Proper type and number of PFDs
  - Reminder ... stand up paddleboards must have PFD
- Local Boating Ordinance
  - Exceeding speed limits
  - NO towing people in channels between Green & Middle Lakes OR Mill Lake & Sterlingworth Bay, and device must be on board or tethered directly to boat
  - Reminder ... you "Need 3 to Ski"

A new local ordinance was just approved for the Towns of LaGrange and Sugar Creek:



Questions:

- Orange flags were distributed to LLIA members, are they required? Ferrari: They are not required, but can be used to signal to other boaters that you are pulling a skier, tuber, wake boarders, etc.
- Wake boarding boats are destroying the shoreline, is anything going to be done about that? Ferrari: boating laws are created by the Towns / State and have to be approved by the DNR. Nothing prevents wakeboarding boats from going any closer to shore than other boats. The only thing boaters would be cited for would be creating an unsafe wake for a kayaker or sailboat, etc.
- Can we do something to address the noise level? Ferrari: there is a noise ordinance, but the decibel level allowed is quite high. Enforcing this would require specialized equipment and training. When officers get a complaint, they will intervene to ask people to keep it down.
- Is there a law that people should operate in a counter-clockwise direction on the lakes? Ferrari: there is not an ordinance, except for Don Jean Bay on weekends and holidays Memorial Day through Labor Day. The counter-clockwise direction is a convention on the lake, but it isn't required.
- It is surprising that there aren't more citations for violating the rules regarding distances between boats.
- Are drones allowed to follow skiers behind a boat. Mason: you would have to follow the FAA rules.
- A resident in Sterlingworth Bay complained that more citations aren't written, because he observes violations all the time.
- Another resident questioned the citation numbers. He thinks that there aren't fewer violations, just not enough citations written. Ferrari: officers can't be everywhere on the lake at once, and their primary goal is education.

## Environmental Projects:

Mason explained that the golf course joined the Audubon Cooperative Sanctuary Program within a few years of the District's purchase. The certification process is rigorous, and the golf course is now certified in three categories, work on the fourth category is complete and we are awaiting certification. Participation in the program has been valuable and has helped our team examine our water usage and use of chemicals and fertilizers.

### Audubon Cooperative Sanctuary Program

- Goals are to protect environment & reduce expenses
- Six certification categories
  - Environmental Planning – Certified 2014
  - Wildlife & Habitat Management – Certified July 2016
  - Chemical use reduction & safety – Certified August 2016
  - Water Conservation – Submitted 2017
  - Water Quality Management
  - Outreach & education

Mason also explained the USDA Goose Management program – the USDA cancelled the program for this year, as numbers have been declining. It is important to keep this program going. Property owners can assist by informing us if you see geese in your area in May or June.

### Goose Management

- Due to low numbers of reported geese, harvest was canceled by USDA in 2017
- Program will resume in 2018
- You can help by reporting observed families in May and June

### **Septic Pumping and Pier Report:**

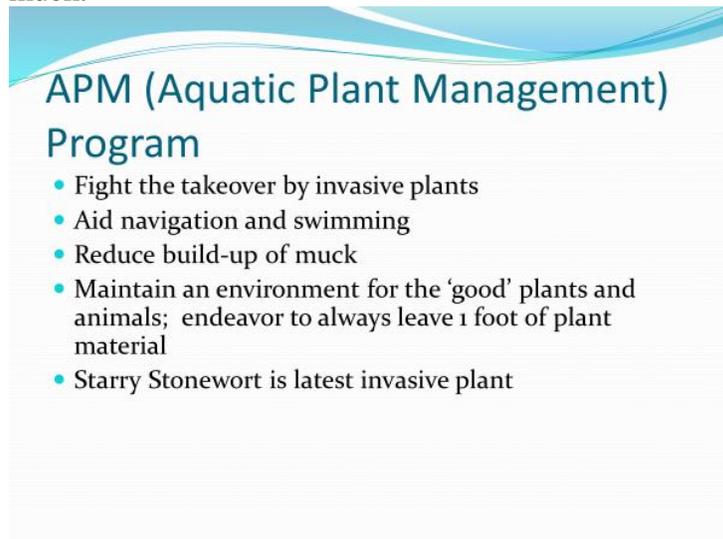
John Summers explained that the pumping program keeps property owners in compliance with County requirements and preserves the water quality of the lake. Our concern is with failing septic systems leaking into the lake. Every system gets inspected and pumped every third year. Old systems not only affect the lake, but can be a hazard, as someone recently fell into a drywell that wasn't abandoned properly.

If you need information about when your system is to be pumped or have concerns about the condition of your system let us know.

Summers also addressed the pier inspection role of the district – the Town of LaGrange and the State of Wisconsin has the authority to create laws and ordinances. We can only approve permits that comply with requirements – if a pier doesn't comply, homeowners need to go to the Town of LaGrange for a variance. If you need a new or replacement pier you need a permit. If you have questions, please contact us.

### **Aquatic Plant Management (Weed Harvesting) Report:**

Greg Wisniewski explained that the District endeavors to remove as many weeds from the lake as we can. The WI DNR allows us to do mechanical harvesting beyond the pierhead. After about three weeks or a month, the plants start degrading and turning into muck.



**APM (Aquatic Plant Management)  
Program**

- Fight the takeover by invasive plants
- Aid navigation and swimming
- Reduce build-up of muck
- Maintain an environment for the 'good' plants and animals; endeavor to always leave 1 foot of plant material
- Starry Stonewort is latest invasive plant

Our equipment is about 25 years old, so we sometimes have downtime, but our crew is very experienced in operating the equipment and are also mechanics who keep the machines running.

## 2017 Plant Harvesting Status

- Plant growth continues to be more aggressive in Sterlingworth Bay.
- Our 25 year old equipment is being well maintained by the crew.
- Thanks to Mike, Joe ,Pat and Steve.
- Thanks to Don West for continuing to take our plant material.
- If needed, contact # 262/742-4511
- The harvesting location schedule is on the web site.
- To aid harvesting, move buoys, rafts, floating toys, etc. behind pier head if possible.

We are not supposed to cut weeds 35 feet from shore. We can get floating weeds, but we are not allowed by the DNR to cut close to shore. From the pier head to the shoreline is the riparian owner's responsibility.

## Riparian Shore Yard Maintenance

- Pier head to shore is riparian owner maintained; removal of floaters, debris and fallen leaves substantially improves water clarity.
- Manual cleaning of plant material and muck performed by Sweeney's .
- New method being used is DASH (Diver Assisted Suction Harvesting) method performed by Eco Waterway.
- Plant material, including roots, is collected.
- DNR allows 3 cubic yards or 100 cubic feet of manual muck removal each year.
- 25 cubic yard quantity dredging can be performed with a DNR general permit.

The “Clean Boats, Clean Waters” program at Lauderdale’s launches also helps protect the lakes from invasive species.



## Clean Boats / Clean Water

- State sponsored program endeavors to eliminate cross contamination of invasive species and diseases from lake to lake.
- Connor Hamilton and Michael Guinen are monitoring launches.
- Coverage includes Sterlingworth, Bubbling Springs, Green Lake and Pleasant lake launches.
- Up to 75% of the costs may be covered by State Grant money.

Weed growth changes in different areas of the lake each year, let us know if you are seeing heavy weeds in your area.

### **Commissioner Election:**

Secretary Sorenson called for ballots for the election. Two candidates turned in nomination forms for two positions, and they both appear on the ballot.

Sorenson thanked the volunteers who helped with registration and ballots today.

### **Outflow Dam:**

Sorenson reported that the outflow dam worked well during our recent rain event. The lake drained rather quickly after the significant rains. We routinely maintain the grounds around the dam to keep debris out of it. We had a DNR dam inspection this year.

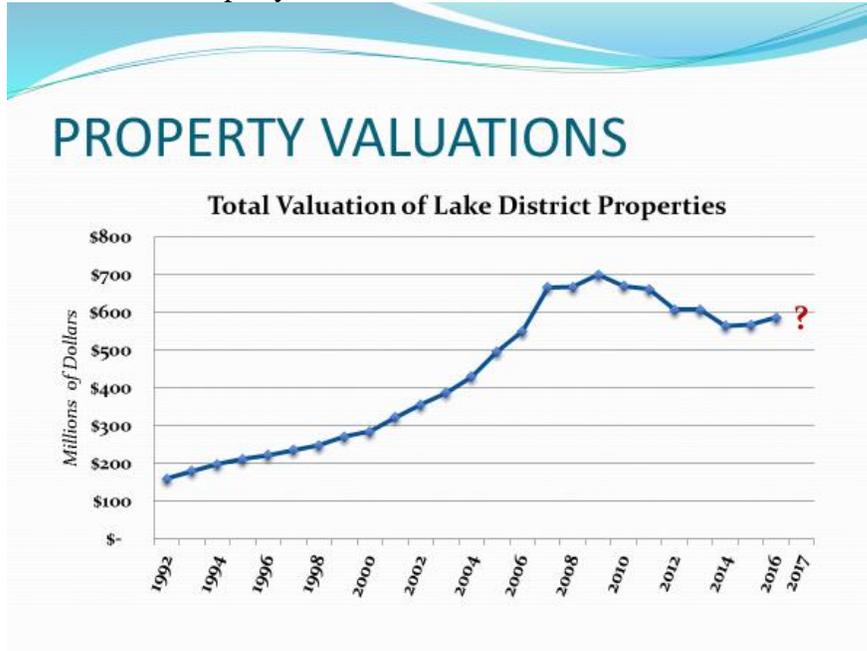


## Report on the Dam

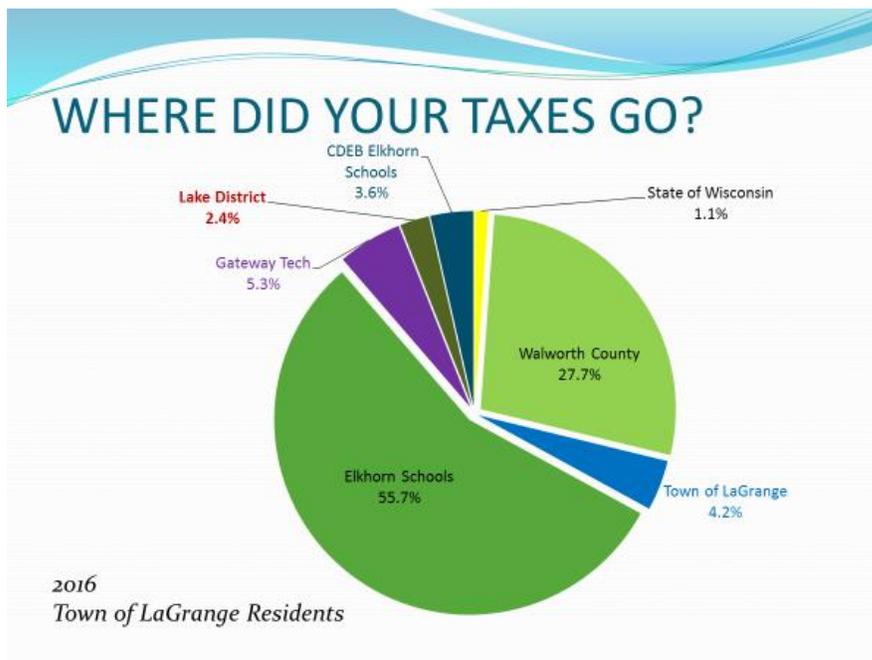
- Operating as expected - Rain event of July 12<sup>th</sup>
- Routine grounds maintenance provided to keep area clear of debris
- DNR inspected the dam this August
- We are still working on an agreement to do the modifications to the dam

### Treasurer's Report:

Debbie Ferrari gave the financial report for the district. She began by reviewing the Lake District Area Property Valuation.



Ferrari then explained where tax dollars are apportioned. The majority of tax dollars go to the public schools and to Walworth County. The Lake District portion of your tax bill is 2.4%.



# WHAT DOES THAT MEAN IN \$\$?

If your tax bill was \$10,000, here is how it would be distributed...

TAXING JURISDICTION	2016 Net Tax
Elkhorn Area Schools	\$ 5,570.61
Walworth County	2,766.11
Gateway Technical	533.66
Town of LaGrange	418.39
CDEB Elkhorn Schools	355.86
<b>LL Lake Management District</b>	<b>242.55</b>
State of Wisconsin	112.82
<b>TOTAL</b>	<b>\$10,000.00</b>

Town of LaGrange Residents

The Lake District has an outstanding loan balance of \$0.

## Treasurer's Report (balances @7/31/17)

	Checking	Money Market/CD	Cash on Hand	Total
<b>Operating Accounts</b>				
Lake District	\$ 22,390.49	\$ 76,057.03		\$ 98,447.52
Water Safety Patrol	13,895.25			13,895.25
Aquatic Plant Management	25,419.12			25,419.12
Golf Course	28,972.70	30,517.12	1,130.00	60,619.82
Subtotal Operating	\$ 90,677.56	\$ 106,574.15	\$ 1,130.00	\$ 198,381.71
<b>Reserve Accounts</b>				
Operating Reserve		\$ 180,260.42		\$ 180,260.42
<b>Equipment Reserves</b>				
Water Safety Patrol	64,244.31			64,244.31
Aquatic Plant Management	63,611.97			63,611.97
Capital Project Reserve	9,553.59	160,359.84		169,913.43
Subtotal Reserves	\$ 137,409.87	\$ 340,620.26	\$ -	\$ 478,030.13
<b>TOTAL</b>	\$ 228,087.43	\$ 447,194.41	\$ 1,130.00	\$ 676,411.84

Ferrari noted that the yearly audit performed by Chamberlain and Henningfield will be completed soon and will be available on the website. Audits for multiple years are available on the website.

## 2016 AUDIT REPORT

- Audit performed by local firm Chamberlain & Henningfield, Certified Public Accountants, LLP
- Independent auditor's report: received an unqualified (or "clean") opinion for 2016 financial statements
- Financial statements and auditor's report will be available on website shortly

Mason announced the results of the vote on the proposed new building:

- 415 "No" votes
- 205 "Yes" votes

He therefore moved to amend the proposed budget to remove the line item for the loan and debt service for a proposed new building. The motion was seconded and passed unanimously.

### Approval of 2018 Budget and Tax Levy:

Ferrari presented the proposed budget and tax levy.

## 2018 Proposed Budget & Tax Levy – Community Center not approved

	2017 Approved Budget	2018 Proposed Budget	Inc/(Dec) from 2017	
			\$	%
<b>AVAILABLE CASH AT JANUARY 1</b>	<b>\$ 40,000</b>	<b>\$ 43,652</b>	<b>\$ 3,652</b>	<b>9.1%</b>
<b>Net Expense by Lake District Function:</b>				
Golf Course	-	-	-	
Aquatic Plant Management	46,000	49,550	3,550	7.7%
Clean Boats Clean Waters	2,000	2,000	-	
Water Safety Patrol	25,800	46,200	20,400	79.1%
Dam	4,000	4,000	-	
Septic Pumping	1,465	2,800	1,135	77.5%
Other Lake District Services:				
Environmental Projects	21,500	21,500	-	
Community Center	5,400	1,800	(3,600)	-66.7%
Shared Maintenance & Pier Inspector	7,745	7,750	5	0.1%
General Lake District Operation:				
General Insurance	14,000	10,800	(3,400)	-24.3%
Professional Fees - Hwy 12 Consultant	-	18,000	18,000	
Professional Fees - Legal	13,000	10,000	(3,000)	-23.1%
Professional Fees - Accounting & Audit	5,600	10,400	4,800	85.7%
All Other Costs of Operation	22,690	12,022	(10,668)	-47.0%
Contingency Fund	-	50,000	50,000	
<b>SUBTOTAL - LAKE DISTRICT FUNCTIONS</b>	<b>\$ 169,200</b>	<b>\$ 246,422</b>	<b>\$ 77,222</b>	<b>45.6%</b>
<b>Capital Project Related:</b>				
<b>Addition to Capital Project Reserve</b>	<b>\$ 85,000</b>	<b>-</b>	<b>\$(85,000)</b>	
<b>TAX LEVY</b>	<b>\$ 214,200</b>	<b>\$ 202,770</b>	<b>\$(11,430)</b>	<b>-5.3%</b>

The 2018 proposed budget and tax levy is 5.3% lower than last year.

A motion to approve the proposed 2018 budget was made by Rick Baum and seconded by Don Henderson.

Discussion:

- A constituent questioned why the golf course financials aren't included in the budget. Ferrari: the lake district budget doesn't include expenses because the net cost to the district for the golf course is zero. The loan for the golf course purchase was paid off in 2014.
- Another question regarded the capital project reserve fund, which will be determined now that the building received a "no" vote.

The motion to approve the budget carried.

A Besser / Baum motion to approve the proposed tax levy for 2018 carried.

**Other business for discussion:**

- None

Secretary Sorenson announced the results of the commissioner election:

- Ron Diederich 146 votes
- Greg Wisniewski 161 votes
- 7 write-in candidates

The meeting was adjourned at 11:37 a.m. by unanimous vote.