

**LAUDERDALE LAKES  
LAKE MANAGEMENT DISTRICT  
ANNUAL MEETING MINUTES  
FOR 8-31-13 MEETING**

The Annual Meeting of the Lauderdale Lakes Lake Management District (“Lake District”) was called to order, by Chairman Mason, at the Lutherdale Camp Grounds Chapel, on August 31, 2013, at 10:03 A.M.

Chairman Scott Mason welcomed everyone, and thanked Jeff Bluhm the Executive Director of Lutherdale for their continued support. He said that we appreciate the hospitality of Lutherdale it takes a lot of volunteer help behind the scenes to make these meetings happen. He pointed out where the facilities and the exits were located within the building and he thanked Lutherdale for allowing us the use of the Chapel for our meetings since 1991.

**Approval of Agenda:**

Chairman Mason asked for a motion to approve the agenda, Walker Johnson made a motion and Jerry Petersen seconded the motion, which passed.

Chairman Mason then announced that Wally Yandel had resigned his board position and thanked him for his many years of service to the Lake District he has been on the board since 1977. Chairman Mason then introduced and welcomed Greg Wisniewski to the board. Chairman Mason introduced the board members:

**Elected Commissioners**

- |                            |   |
|----------------------------|---|
| - Scott Mason, Chairman    | Golf Course                                     |
| - Nestor Dyhdalo,          | Treasurer Water Patrol                          |
| - Jack Sorenson, Secretary | Insurance/ Outflow Dam                          |
| - Peter Van Kampen         | He ran the Weed Program; now the Septic Program |
| - Greg Wisniewski          | Weed Harvesting (Peter to report this year)     |

**Appointed Commissioners**

- Rick Callaway – Walworth County
- Don Sukala - Town of LaGrange

Wally was presented a plaque of appreciation for his dedicated years of service to the Lake District.

**Approval of Minutes:**

Chairman Mason stated that the minutes of the meeting from last year were on the website and asked for a motion to dispense with their reading. A motion was made by Ken Ingle and seconded by Ron Mueller, the motion passed.

**Commissioner Election:**

Chairman Mason announced that he is the only commissioner up for re-election this year. He is running unopposed and a ballot vote was initiated.

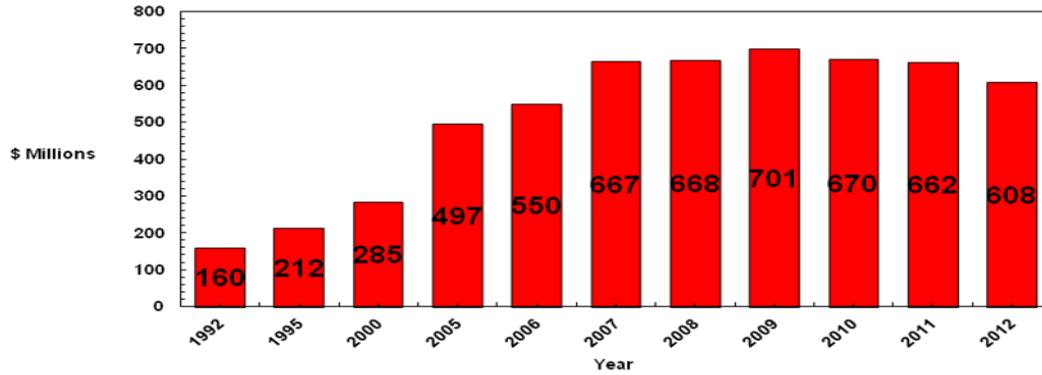
### **Treasurer's Report:**

Chairman Mason turned the meeting over to Nestor Dyhdalo who gave the financial report. He started with slides reviewing the Lake District Area Assessment which is now \$608 Million dollars a reduction of 8.12% from the previous year.

Nestor pointed out that this is the property valuation of our Lake District Assessment area only and that the Lake District only includes parts of Sugar Creek and LaGrange. He stated that starting in 2010 we started seeing negative numbers but last year was the largest decline.

1992	\$160M	
1993	180	12.50%
1994	198	10.00%
1995	212	7.07%
1996	222	4.72%
1997	236	6.31%
1998	248	5.08%
1999	271	9.27%
2000	285	5.17%
2001	322	12.98%
2002	356	10.56%
2003	388	8.99%
2004	430	10.82%
2005	497	15.58%
2006	\$550M	10.66%
2007	667	21.27%
2008	668	.15%
2009	701	4.94%
2010	670	-4.42%
2011	662	-1.19%
2012	608	-8.12%

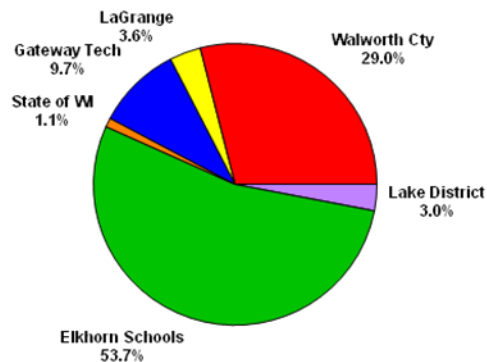
## Lake District Valuations



1992 - \$160 million  
2012 - \$608 million

Nestor stated as shown on the slide that valuations have been declining since 2009. The slide below shows how the tax dollars are apportioned based upon 2012 assessment. The Lake District portion of your tax bill is approximately \$48.89 per \$100,000 of assessed value. The Lake District accounts for only 3 percent of our tax bill, we are a small sliver relative to the whole tax bill (slide below). He stated that the schools receive the bulk of your tax dollars.

## Tax Levy Paid in 2013



Lake District - \$48.89 per \$100K assessment

Nestor explained the cash position of the Lake District, funds which are purposely held locally, as of July 31<sup>st</sup>, 2013; \$167,398.62 held at First Citizens Bank, cash reserves of \$57,275.07 at the Local Government Investment Pool which are subdivided by Weeds, Water Patrol, the Golf Course, and the Lake District. For the first time this year we have been able to add to reserves and we would like to get that number to 75% of budget. Nestor explained the chart below.

### Treasurer's Report as of 7/31/13

<b>First Citizen's Bank of Whitewater</b>		
Capital - MM	62,306.70	
Operating - Checking	5,091.92	
Reserves	100,000.00	
<b>Subtotal</b>		<b>167,398.62</b>
<b>WI Investment Pool</b>		
Golf-Capital Improvements	218.05	
Water Patrol Reserve	4,723.45	
Weed Harvesting Reserve	30,367.20	
Lake District	21,966.37	
<b>Subtotal</b>		<b>57,275.07</b>
<b>F &amp; M Bank of Elkhorn - Golf</b>		
Checking	30,889.08	
MM	16,015.74	
Cash on Hand	1,200.00	
<b>Subtotal</b>		<b>48,104.82</b>
<b>Total</b>		<b>272,778.51</b>

Nestor stated that in 2006 the Lake District had 6 outstanding loans totaling approximately \$1.8 million.

Today, we have 1 loan in place with a balance of just over \$177,000 and it is scheduled to be paid off on December 14<sup>th</sup>, 2014. Nestor thanked everyone for their support of all the Lake District initiatives, and by managing our funds wisely we are about to end the last of our loans.

Peter stated that we can't pay off loan early, even though we have reserves.

Nestor showed the charts below of our loan position in 2006 vs 2013.



Nestor stated that he had recently received the 2012 Audit from Chamberlain and Henningfield the auditors for the Lake District. He will post it on the web site at LLLMD.org.

## 2012 Audit report

- Used local firm Chamberlain & Henningfield
- Final report just completed
- Will be available on website by Tuesday  
<http://www.LLLMD.org>

He will put audit report on the website by Tuesday  
He asked if there were any questions on the financial report. There were none.

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

Nestor then reported on the Water Patrol

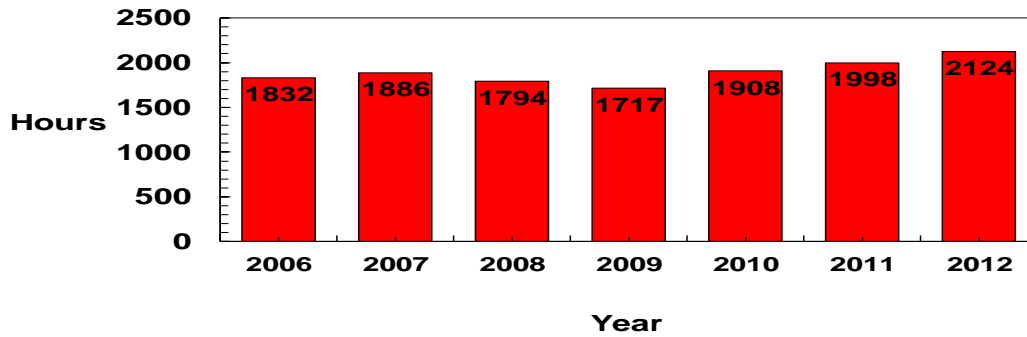
## Water Patrol Success Factors

- Philosophy: focus on service & education,  
not citations  
**BUT we do write citations**
- Fully trained & certified law enforcement officers  
- take oath of office
- Professionalism at all times
- Follow-up on all inquiries

Nestor stated that 17 certified law enforcement officers make up the patrol. They patrol the waters of Lauderdale and Pleasant Lakes, the launch sites and boat ramps. Nestor stated that the success factors for the Lake Patrol are a philosophy focused on service and education, not writing citations. All of the officers are certified and fully trained law enforcement professionals. While they focus on education and service, if they see a

violation they do have to uphold the law as they are sworn to do. We ask our officers to treat people professionally and with courtesy.

### Water Patrol Hours History (Total Hours Patrolled)



These are only patrol hours; there are also court, administrative time, and training hours; likely over 3.000 hours per year. They patrol 7 days a week. They will pull floatables home, and tow for free. In non- emergency times they will train on PWC usage at the homeowner's pier. They also hold three boating safety classes per year. Nestor showed the phone number 262-742-4300.

DNR has asked us to quantify assistance to people on lake; it goes to the Coast Guard for records of assistance on the water. Some of the stories regarding assistance on the water are memorable; kids on a PWC out of gas were towed , the Mom was very happy to have kids back safe. On the 4<sup>th</sup> of July the patrol had a lot of boat presence.

## Services & Education

- Patrol – weekends & weekdays - 7 days/week
- On look-out for ‘renegade’ boats / notify owners  
- will also retrieve anchored “floatables”
- Upon request, will tow inoperative boats
- PWC orientation training – at your request
- Provide three DNR Water Safety Boating classes
- Contact info:  
Water Patrol Office: **262/742-4300**  
email: info@lllmd.org

## Fourth of July Coverage

- Had 5 boats on the water
  - Two LL Water Patrol boats
  - Pulled WP boat from Pleasant Lake
  - Town Rescue Boat
  - DNR boat

Officers are expected to treat residents professionally and with courtesy, should you have a concern or question about their actions please contact Chief Blanke. Over the Fourth of July weekend there were 5 patrol boats on the water.



## Citation Summary – 2012

- Hours Patrolled: 2,124 hours
- Number of contacts: 618
- Number of citations: 112
  - citations dismissed 33
  - OWI arrests **7**; citations 22
  - net non-OWI citations 57
- Did not meet citation metrics

So far only 1 Operating While Intoxicated (OWI) violation this year; above includes various citations and the Water Patrol did not meet the DNR ticket metrics again.

## Myth: Citations = Revenue for Water Patrol

- 79 citations in 2012
  - 22 OWI, 57 all others
- Citations \$160 - \$450 or \$12K - \$15K of revenue
- In 2012 citation revenue for Lake District was  
**\$1,053.73**
- Over 98% of revenue goes to cover court costs

Nestor stated that the Water Patrol did not meet the DNR ticket metric this past year. Nestor reviewed the annual revenue from tickets which is very minimal, he pointed out that it is not about tickets for revenue, the patrol is about service and education.

# Public Launch Ramps

- Parking is only for those launching a boat
- No public parking
- For transient boaters, there is a daily fee (\$3); annual permits are available (\$20); keep receipt on vehicle
- For lake homeowners, pay fee only at launch time not at removal time; keep receipt on boat
- Officer at launch ramps on holiday weekends

Property owners pay once upon putting boat in and they are done.

The Patrol is here for service and will retrieve floatable items that break away from their moorings; it was suggested that homeowners place their LL number on their floatable devices; that way they can be returned if found. The patrol will tow a distressed boat in for free, as long as there is not an emergency or another situation requiring a response.

## PWC Operation

- Must be at least **25** years old (1/1/89)
- If younger, need to complete DNR sanctioned boating safety class
- Can be as young as 12 years old but need class
- Must be prepared to show class completion certificate
- Recommend in-person class but can complete training online at DNR website

Nestor stressed the age to operate a PWC without taking a boating class is now 26 or over. The Patrol offers boating safety classes or they can be taken online.

Bruce Bauman, asked about the PWC rules applying to all boats, Nestor stated that they are not all comparable, therefore, the age requirement above does not include boats just

PWC's who have to operate 100 feet away from all other boats. Nestor confirmed that the age restriction for PWC's is different than the age restriction for boats. Dave Sherbula stated that a friend got ticketed within fifty feet of a buoy which may have been 200 feet out from shore. Nestor said it is not in our purview and would need to be appealed through the judicial process. Nestor pointed out that near Flag Island PWCs can't operate at speed within 100 feet of other vessels. Officers take a pragmatic approach to areas where you can't slow down. If you have a question, call Ken Blanke who will review the case.

A person in the audience stated that some boats in Don Jean Bay are not operating counter clockwise in the Bay and it is dangerous. She asked if the patrol could watch the area closer. She thinks on busy days boaters going the wrong way are dangerous; she asked the water safety to watch it; it was suggested that she could take a picture of offenders when she is there and witnesses a boat going the wrong way.

### **Golf Course Report:**

Scott reported on the Golf Course (GC). Something he has been hearing around the state is that it was a good move by the community to purchase the Golf Course with commercial space; he stated it is viewed as a novel use for us to buy the commercial property and use it for open space and a golf course. Scott stated that the golf course loan will be paid off 2 years early.

Scott stated that the community has subsidized the Golf Course since 1996, but the whole loan payment is greater than \$129,000 annually, the Golf Course has been paying a significant portion of the loan. After the loan payoff in 2014 there will be no subsidy. Other accomplishments that the Lake District has achieved are changing the R4 multi-family zoning for the bulk of the Golf Course to Park P-1 zoning, to prevent subdividing and to maintain open space for the community. The change will preserve open space into the future for the community. One bench mark of performance is rounds of play (slide showed); this is an important measure in the golf business and rounds have been generally consistent. He showed improvements to the club house including moving the bar and registration area to locations for better observation of first tee. He showed slides of the replacement of the old fuel tanks with new safer gas and diesel tanks and mentioned our ability to buy fuel in bulk. He showed a slide of the old maintenance building with porta potty; it has been replaced with a new maintenance building for safer storage and repairing of machinery.

Scott thanked the Larry Meyer family for their contribution and efforts in refurbishing and beautifying the Historic Water Tower and building a park setting around the base area of the Tower. Larry's grandfather owned the golf course from 1935 to 1944. The park area provides an attractive location for social events.

Our general manager, Chris White, passed the difficult PGA exam requirements and he will have PGA status which entitles us access to certain materials to support his teaching activities.

Question from the audience: Will we put the Golf Course up for sale for private ownership after loan payoff? Scott stated we intend upon keeping it, additionally in 2003 entered into a conservation easement with the Kettle Moraine Land Trust. Our intent is

to preserve it. We are working on amending it to reflect more current practices and to insure the easement does what we want it to; we are crafting easement amendments to provide for future recreational use and preserving open space.

Another question was asked from the audience about whether a part of area that could be a dog park, Scott stated that we are looking into the various uses.

An additional question was asked by Mr. Balestrieri about the easements at the lake property area and if we would get input from the Ski Team. The concern was voiced that the easements may not be conducive to the uses of the land by the youth and that the easements seem more adult oriented. He stated that when the Don Jean Bay area was purchased, part of the reason for the purchase was for the youth and Ski Team to use the area. He would like a dialogue regarding uses of the lake area property, but not today.

Scott explained that there are three zones delineated in the conservation easement. Zone 1, is the southernmost part of the property and includes the wetlands area, this is the most restrictive zone. The uses in this zone include municipal purposes of weed harvesting and water safety patrol, recreational activities like walking fishing ski team; Zone 2, includes for the most part, the Golf Course area north of the wetlands up to a line running east to west just south of the existing club house and is to remain open space; we could not build a new club house in this area, this is the most restrictive Zone; and Zone 3 includes the current club house area, maintenance building and properties at the very north of the property and is the least restrictive. Mr. Balestrieri stated that the detail of conservation in Zone 1 is of concern. Those creating the Wetland Area revised easements should recognize previous uses by the youth and Ski Club and the groups need to consider their input. He stated that they are not allowed to cut the grass so people can watch their ski show. We bought the wetland property in 2002, 8 years after the purchase of the golf course, Scott stated that part of the reason of purchase was for the ski club and that the Ski Team will have input.

A question of what precipitated the change for the easements was asked. Scott stated that some of the language in the original easements was not followed including the old base line uses. The questioner asked if we were changing the uses. Scott stated we are trying to tighten the conservation criteria with balancing the need to change land uses in the future. For example: should golf become less popular and fall out of favor what alternatives might be desired by the community. He stated that we need a good crystal ball for looking into the future. We want to be flexible for future generation's recreation but allow environmental protection into the future.

Jerry Petersen stated that in 2002 the Lake District approached the Kettle Moraine Land Trust and developed an initial easement concept that was accepted, since then the board walks were installed, which was a violation of the easement. Kettle Moraine Land Trust has been anxious for the board walk easement to be resolved between the Lake District and the County. Now that it is resolved we are in position to clarify the easement language as we know more about the board walk status. According to the Land Trust's accreditation it is not allowed to degrade anything environmentally. The Kettle Moraine Land Trust is now accredited under the National Land Trust.

Herb Sharpless stated that there has been a lot of good work done to make the golf course a long term financially viable facility. It is now an asset producing cash flow to help the Lake District this will give us future opportunity. The golf course operations have been paying a significant portion of the interest on the loan.

Nestor stated that the golf course loan is about \$10,700 per month or \$129,000 per year. We (the Lake District residents) contribute \$85,000 per year, the golf course has paid the difference which has amounted to over half a million dollars in helping pay down the golf course loan for the golf course property that we all voted to buy.

Scott showed the board walks that are on the wetlands and have been the subject of concern. He stated that they help eliminate tearing up vegetation.

Terry pier permits (not on the agenda): The property that was owned by Bob Wright who sold a parcel to the Terry family and they applied to the DNR for 140 foot by 5 foot pier permit; the DNR granted the permit, with numerous restrictions; the Lake District has filed for a Judicial Review, in opposition to the permit for a variety of reasons.

**Goose Report:**

Scott reported that Peter used to do this report. This past June we caught 31 geese, 4 got away. He stated that geese mate for life, have 5 to 9 young geese per year; we round up the non-migratory geese once per year; they are the ones that stay around and pollute the lake. They are humanely captured before they grow their flight feathers. The first year the geese had to be tested to see if they were safe for food pantries. He explained how the round up is implemented by the USDA personnel.

**Weed Harvesting Report:** Peter reported on the Weed Harvesting program. He stated the purpose is to maintain a good balance of good plants, get rid of the invasive species, allow navigation and swimming and minimize degradation of weeds which cause more muck. He reported that there have been more weeds this year than normal, a lot of milfoil and good variety as well. He reported that the weed harvesting equipment is 20 years old; this year a conveyor drive shaft had to be replaced. He stated that we paid for it with our reserves. He indicated that homeowners need to take care of weeds within their pier areas and he gave the phone numbers of two people who will pick up your weeds and haul them away. Peter showed two phone numbers of companies to help. Peter thanked the Harvester operators Mike, Pat, Floyd and Don. Don just joined the crew and he owns the farm where we dump. Peter thanked them all for their help and stated that they do a great job.

Greg Wisniewski will be the new commissioner in charge of Weed Harvesting.

# Weed Harvesting Report

## Purposes:

- Fight the takeover by invasive plants
- Maintain an environment for the 'good' plants and animals
- Aid navigation and swimming
- Reduce build-up of muck

Peter said to call 742-4511 at the shop if you have questions on the weed harvesting. Someone in audience would like weeds for her garden. Peter stated that the weed harvesters would be happy to dump them on her dock. Herb Sharpless mentioned that about 90% of the nutrients disappear by the time the weeds are dry.

## **Pier Inspection Report:**

### **Pier Inspector**

- 2011 Agreement with Towns of LaGrange and Sugar Creek for the Lake District to manage this program.
- All standard permitting to be handled by the Lake District Inspector. Hardship variances and enforcement will continue to be handled by the Town of LaGrange.
- Initial focus will be on new and replacement piers to assure compliance.

### **Pier Inspector (cont.)**

- New state law in 2012 grandfathered size and location of existing piers.
- Pictures taken of all existing piers in 2012 for future reference.

LaGrange and Sugar Creek have agreed that the Lake District shall manage the program handling standard pier permitting and education. The Town of LaGrange will continue enforcement of the current Town's pier ordinances. Variances may be applied for and would be issued by the Town. New state law allows for grandfathering of all piers in existence in 2012; they grandfathered the size and location; pictures of piers have recently been taken for the Lake District records. The pier inspector is one of our water patrol officers David Baird who is doing an excellent job. This year has gone smoothly.

## Septic Report:

# Septic Pumping Report

- Associates Septic Services is company contracted to inspect and pump septic and holding tanks every 3<sup>rd</sup> year. Contact is Lance Petrasek: 262/495-7004
- Cost is covered by your taxes paid to Lake District. The rate you pay is divided by 3 years so you pay 1/3<sup>rd</sup> each year. Costs vary depending on the type, size and location of your tank/septic system.
- Inspections identify failing systems which are discussed with the homeowner and reported to the County.
- Pumper handles the postcard inquiries from the county
- New Commissioner Peter Van Kampen 262/742-2567

Peter stated that our pumper Lance Petrasek is committed to doing a good job; he files site reports on every pump. Peter reviews the reports. There was a question on a septic that wasn't functioning as it should. Peter talked to owner, told him we would have to report it to the county, the owner was surprised but was complimentary of our program to protect the lake. Peter hopes to do as well as Wally did and thanked Wally for his efforts in protecting the lake. It is reassuring to know that we don't have septic's overflowing into the lake.

Don Henderson stated that this is the second year of a three year renewable program with Petrasek. He asked how many systems were failing. Peter stated he will do some research on the systems and perhaps we can provide more visibility with regard to the system and changes to the program.

## **Sterlingworth Bay Leak:**

Jack reported on the leak in Sterlingworth Bay.

- He gave a brief history 2009 vortex water flowing from Bay into Honey Creek.
- Town took quick action
- Ultimately Town replaced an old storm line
- We hired the Manhardt Engineering firm and they did soil borings and considered an underground dam. They looked into remedial action to prevent further lake leaks.
- We pursued funding in coop with KMLT – we felt we needed a prescribed cure for fund raising; we decided to hire an engineering firm with hydraulic experience
- Our engineer recommended hiring Patrick Engineering from three bids, primarily for their expertise in hydrology. We thought the DNR would also require more detail in order to approve the project.
- In their review they observed and visited the site; noted that some water flow is normal for dams; the seepage around the creek is very normal



- We thought that we would need to set piezometers for one year of study of ground water movement and pressures
- Upon recommendation of Patrick Engineering we will isolate the conduit most suspicious of the leak in an old unexposed pipe. The plan would be to block it and undertake shoreline stabilization designed to minimize erosion, rats, etc.
- It appears there is no need to do an underground wall from their current observations
- If we remove the passage way from the Bay to the creek this should be sufficient to create blockage to prevent future leaks thru the area.
- We recently met with the WDNR and had a productive meeting whereby they agreed with moving forward upon plan submission; corrective action would follow quickly
- They want new Dam Breach and inspection docs and will now require that the south bay area be inspected as part of the dam inspections.

#### **Dam Report:**

- The dam is due for an inspection by our engineers this fall
- The dam area has essentially been expanded to include the south end of the Sterlingworth Bay. This will area will now be included in dam reviews to insure that the soils remain stable.
- As reported by Peter in the District Dialogue we did not have to declare a slow no wake time this year when other surrounding lakes did; the culverts have helped this situation. A comment was made that the dam did overflow in the rain. Jack stated that it may be the case but it was for a shorter time frame.

Don Henderson asked how much of the Shoreline would be involved in the repair. Jack stated that he did not know at this time. Mike Alguna stated that when we dug, we avoided the sewer line and he stated that he thinks we are on the right track. The statement was made that the whole area is a dam. The statement was made that the old overflow structure was connected to a pipe. Jack said that we were aware of that but hadn't found it yet. Jack stated we are trying to remove the conduit for the water flow. Mike stated that the south end of the Bay is a dam.

**Jack announced that Scott Mason won another term on the board of the Lake District.**

## Approval of 2014 Budget and tax levy:

### Budget 2014

Items	2013	2014	13 vs 14				
Weed Harvesting	45,000	48,000	6.67%				
Water Patrol	58,100	58,300	0.34%				
Dam Maintenance	1,000	1,000	0.00%				
Environmental Studies	24,000	26,000	8.33%				
Communications	3,000	3,000	0.00%				
Insurance	12,500	13,000	4.00%				
Legal	10,000	12,000	20.00%				
Community Center	8,300	10,200	22.89%				
Certified Audit	3,500	3,500	0.00%				
Cooperative Dept Maintenance	5,000	5,000	0.00%				
Miscellaneous	5,800	5,500	-5.17%				
General District Reserve	5,000	5,000	0.00%				
Pier Inspector	3,000	3,000	0.00%				
Golf Course	85,000	85,000	0.00%				
Lake Leak Engineering	25,000	23,200	-7.20%				
Total Budget	294,200	301,700	2.55%				
Total Tax Levy	294,200	301,700	2.55%				

Nestor presented the budget for 2014.

He asked for any amendments to the budget, there were none.

He showed a slide showing the new budget for 2014 vs. 2013. He went thru the individual budget line items giving a brief explanation of each budget item. The total Budget proposal for 2014 is \$301,700. He asked, what does it mean to you?

Approximately, \$48.89 per \$100,000 of assessment based upon the 2012 assessment.

Question on the size of reserves, why we are asking for an increase in the budget. A question was asked why we need the \$85,000 if the loan will be paid off soon. Nestor stated that we still do have to pay the loan next year and beyond that we should have reserves. He stated that the recommendation by the accountants was for reserves of 75%. Someone noticed a 20% increase in the legal budget. He asked if we were planning on something "weird." Nestor responded that we are involved in conservation easement legal work and several other issues which incur legal expense, including the Terry pier issue.

A motion to approve the Budget and the Tax levy was made by Debbie Ferrari and seconded by Wally Yandel. The budget passed without opposition.

A motion for adjournment was made Rich Siok, seconded by Don Henderson at 11:28 and passed unanimously.