

BY-LAWS OF THREE LAKES IMPROVEMENT DISTRICT

**Approved July 11, 2017, by TLID Directors
To Be Recommended To TLID Members at Annual Meeting August 19, 2017**

Article 1. Establishment and Name

The Three Lake Improvement District [TLID] was established July 14, 2016 by the Sherburne County Board of Commissioners. The boundaries of the TLID include all riparian parcels on Rush Lake, Briggs Lake and Lake Julia, and the Bayou extending from Briggs Lake. Property owners within the TLID as per annual property tax statements shall be considered TLID members. These By-Laws provide a set of operating procedures for the District and establish a code of ethics and conduct.

Article 2. Purpose and Mission

Section A. Purpose

The purpose of the TLID is lake protection, preservation, and rehabilitation on Rush Lake, Briggs Lake and Lake Julia, and the Bayou extending from Briggs Lake, and to provide predictable and sustainable funding for all related programs and activities.

The role of the TLID Directors is to responsibly assert the power and authority that is statutorily available and duly delegated to the TLID Board of Directors by the Sherburne County Board of Commissioners, and in all actions and endeavors to conscientiously move toward fulfillment of the of the goals and objectives of the District in its interactions with the County, other local and state agencies and the general public.

Section B. Mission Statement

The TLID mission is to

- 1] Improve and maintain water quality,
- 2] Prevent, manage and control aquatic Invasive Species [AIS],
- 3] Stabilize water levels on Rush Lake, Briggs Lake and Lake Julia, and the Bayou extending from Briggs Lake.

This will be accomplished by sustainable and predictable funding, including assessments and various grants, collaboration with TLID partners, and ongoing education and information for TLID members.

Article 3. Power and Authority

Section A. Power

Pursuant to Minnesota statute 103B.551, subd. 3, the Sherburne County Board of Commissioners delegates to the TLID the power to undertake water and related land resource within the district, including:

1. Develop and implement a comprehensive plan to monitor and improve water quality within the district as needed.
2. Apply for and receive public or private grants and/or enter into agreements with

- federal/state/local agencies or private contractors for the study and treatment of issues related to pollution, aquatic species and water related issues.
3. Undertake research to determine the condition of water bodies within the district and coordinate and share such research with the Department of Natural Resources, the Pollution Control Agency, and other interested agencies including the Soil and Water Conservation District and the Elk River Watershed Association.
 4. Conduct programs for water quality monitoring, water quality improvements and conservation, including, but not limited to, programs to prevent, monitor and/or control the infestation of aquatic invasive species.
 5. Enter into cooperative agreements with federal/state/local agencies to effectuate water quality programs, and
 6. Implement such other programs, plans, studies or activities as may be approved by the Sherburne County Board of Commissioners from time to time.

Section B. Expenditure Authority

Pursuant to Minnesota statute 103B.551, subd 3, the Sherburne County Board of Commissioners delegates to the lake improvement district the authority to:

1. Acquire property, equipment, or other facilities, by gift or purchase to improve navigation;
2. Contract with a board of managers of a watershed district within the lake improvement district or the board of supervisors of a soil and water conservation district within the district for improvements under chapters 103C and 103D;
3. Undertake research to determine the condition and development of the body of water entering it and to transmit the results of the studies to the Pollution Control Agency and other interested authorities;
4. Develop and implement a comprehensive plan to eliminate water pollution;
5. Conduct a program of water improvement and conservation;
6. Receive financial assistance from and participate in projects or enter into contracts with federal and state agencies for the study and treatment of pollution problems and related demonstration programs; and
7. Make cooperative agreements with the United States or State government or other counties or cities to effectuate water and related land resource programs.

Section C: Financing

The TLID shall have the power and authority to fund district programs and activities from any one or combination of the following:

- a. Receipts of private and public donations and public or private grants;
- b. Assessment of costs of projects upon the benefitted property within the district in the manner provided in Minnesota statutes chapter 429.
- c. Imposition of service charges on the users of lake improvement district services.
- d. Assessments and service charges shall be approved by the membership at the annual meeting as part of the annual budget.
- e. The TLID will maintain an annual reserve of \$25,000, beginning in 2018 with \$5,000 per year.

Article 4. Membership

Section A: Member Qualification

The TLID is comprised of any current owner of property located within the boundaries of the TLID as established by the Sherburne County Commissioners on June 14, 2016. Each unique property owner [all names listed on county tax records as owners of property] is entitled to one vote at the annual meeting or any special meeting calling for a vote by members. Proxy votes are not accepted.

Section B: Eligible voters

Each owner of a parcel of real estate is a Member entitled to vote at the TLID Annual Meeting or any special TLID meeting. "Owner" means all individual natural persons who are identified on the deed or other instrument of conveyance, and who have attained the age of majority. "Owner" further means individual property owners per capita, regardless of the size or number of real estate parcels owned.

Section C. Transfer of Membership

Membership is deemed transferred from the former owner to the new owner(s) when real estate within the TLID is sold. In cases where real estate is financed from contract seller to contract purchaser, membership resides with the party whose name is on the current tax statement. When a real estate sale is financed by contract for deed or similar transaction, Membership is deemed to have been transferred from the contract seller to the contract purchaser when the contract is signed. When real estate is leased or rented, Membership is deemed to have been retained by the landlord, and not transferred to the tenant.

Article 5. Board of Directors

Section A: Director Requirements

The Board of Directors of the TLID shall consist of seven members. The Board members must own property within the TLID and a majority of the Directors must reside within the district. The initial Directors were appointed by the Sherburne County Board of Commissioners in 2016 with designated alternating terms of one, two and three years. No Director may serve more than two consecutive complete terms. Directors may be removed by two-thirds vote of the remaining Board members, or by a majority of the property owners present at the next annual meeting. A vacancy may be declared if a Director is unable or unwilling to serve or if a Director fails to attend three consecutive meetings, or if a Director no longer owns property within the district. A Director elected to fill a vacancy shall serve the remaining unexpired term. Property owners not present at the annual meeting may participate in the election of the Board of Directors by absentee ballot.

Section B: Duties of Board of Directors

The Board of Directors shall have the authority to direct the activities and programs of the lake improvement district only to the extent such authority has been granted to the district by the Sherburne County Board of Commissioners. The Board of Directors may adopt rules of procedure for conducting meetings and shall maintain a public record of all meetings, reports and financial activities. Such reports and records shall be forwarded to the County at the request of the County Liaison. The Board of Directors shall coordinate the efforts of the TLID with the County, the Department of Natural Resources, the Soil and Water Conservation District, the Elk River Watershed Association, the Minnesota Pollution Control Agency and other interested agencies, as applicable.

Section C: Nominations and Elections of Board of Directors

1. Elections will be held by secret ballot at the TLID annual meeting. Property owners not present at the annual meeting may participate in the election of the Board of Directors by absentee ballot. Absentee ballots must be requested 30 days prior to the Annual meeting by sending a request to the TLID address. Absentee ballots must be received at the office address of the TLID no later than two days prior to the Annual Meeting. Absentee ballots received after that time will be void
2. Eligible voters are those property owners whose names appear on the most recent property tax statement. Absentee ballots shall be made available to TLID members as part of the Annual Meeting notice mailing. Valid absentee ballots are those that are qualified and stamped as approved by the TLID'S Secretary, Treasurer or other Director.
3. Applications for TLID Board vacancies may be made by hard mail to the TLID business address no later than July 31, before the Annual Meeting in order to be placed on the ballot that goes out with the Annual meeting notice, or be made from the floor at the Annual Meeting. All nominees made from the floor at the annual meeting must be present. Each application for a TLID board position shall be required to provide either a written candidate statement two days prior to the annual meeting, or make a verbal candidate statement at the Annual meeting. All nominees shall follow the candidate statement guideline as provided by the TLID directors.
4. Board Election Results. Vacancies on the Board of Directors shall be filled by the person or persons receiving the highest number of votes cast, as determine by the TLID Directors and reported to the Annual Meeting at which meeting such election occurs. If an election would result in a majority of the Board not being residents of the District as required by MSA section 103B.551(1), vacancies on the Board shall be filled in the order of the highest votes received by such candidate(s) as will satisfy the statutory requirement.

Section D: Officers/Board of Directors

1. The officers shall consist of Chair, Vice-Chair, Secretary and Treasurer. No person can serve as more than one officer. All officers of the TLID shall be directors.
2. Officers will be elected by the Board of Directors from among their numbers at the first board meeting following the Annual Meeting, or at such other times as vacancies may occur.
3. Duties of Officers:
 - The Chair shall preside over all board meetings and the TLID Annual Meeting.
 - The Vice-Chair shall preside in the absence of the chair and perform duties normally associated with the office.
 - The Secretary shall keep accurate records for all meetings of the Board of Directors, regularly submit minutes to the Board of Directors, ensure timely posting of minutes on the TLID website subsequent to board review and approval, provide notice of regular and special meetings, and perform all other duties normally associated with this office.
 - The Treasurer shall present a financial statement at each board meeting and ensure timely posting of financial reports on the TLID website subsequent to board review and approval, and perform all other duties normally associated with this office.

Section E: Director's Meetings

Directors are to hold regular Board meetings, in addition to the Annual Meeting of Members, and shall be scheduled by the Board Chair, or in the Chair's absence, by a majority of remaining Board members. Special meetings may be called by the Chair or by four Board Members as may be required to carry out the business of the Board.

Article 6: Annual meeting

Section A: Annual Meeting

The Board of Directors shall hold at least one annual meeting. The annual meeting will be held in August and the date will be set by members. The date and time can be changed at the annual meeting.

Section B: Notice

Notice of the Annual Meeting shall be provided by the Board of Directors in accordance with the requirements of Minnesota statute 103B.571, subd 2. The annual meeting shall be preceded by at least two weeks published notice in the newspaper chosen by the Sherburne County for official notices, and by written notice to be mailed to all members at least 2 weeks prior to the Annual Meeting.

Section C: Quorum

A quorum is set by a majority.

Section D: Agenda

At the annual membership meeting the TLID property owners present shall:

1. Approve annual meeting minutes.
2. Elect one or more Board members to fill the vacancies in the Board of Directors.
3. Approve or disapprove any budget item for the district in excess of \$5000.
4. Approve a full year budget for the fiscal year.
5. Approve assessments to satisfy budget requirements.
6. Take up any other business that comes before them.

Section E: Work Tasks

Work tasks will be assigned by a majority of the Board as needed.

Article 7: Annual Report

Each year the Board of Directors shall prepare and file a report of the financial conditions of the district, the status of all projects in the district, the business transacted by the district, other matters affecting the interests of the district, and a discussion of the Directors' intentions for succeeding years. Copies of the report shall be transmitted to the County Board, the Palmer Township, the Commissioner of the Department of Natural Resources, and the Commissioner of the Pollution Control Agency no later than four months after the annual meeting.

Article 8: County Liaison

The Sherburne County Administrator, or such other person as the County Board may designate from time-to-time shall be the liaison between the county and the TLID and may review, on behalf of the County, the lake improvement district's programs. The Administrator or designee, shall be given prompt access to, and inspection of, all records, structures, facilities and operations of the TLID at reasonable times. The Administrator, or designee, will present the annual report to the County Board on the activities and programs of the TLID.

Article 9: Meeting Rules

All meetings will be held using Roberts Rules of Parliamentary Procedures.

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