

**MINUTES OF THE 2008 BUDGET HEARING
OF THE
BOARD OF MANAGERS
OF THE
COMFORT LAKE - FOREST LAKE WATERSHED DISTRICT
Tuesday, September 11, 2007**

1) Call to Order

The President called the 2008 budget hearing to order at 6:00 p.m. at the Forest Lake City Offices, 220 North Lake Street, Forest Lake, Minnesota

Present: President Jackie Anderson, Vice President Richard Damchik, Secretary John Lynch, Manager Wayne Moe

Staff: Randy Anhorn, Louis Smith

Others: Amanda Goebel (Washington County), Les Lemm (BWSR), Denise Martin

2) Opening Remarks from the Board President

The President presented a brief history of the process leading to the proposed 2008 budget and levies

3) Discuss District's 2008 Budget and Levies

The President called for discussion of the proposed annual budget. The President further reported that the notice of the budget hearing was published in the Chisago County Press and Forest Lake Times newspapers on August 30, 2007 and September 6, 2007. A copy of the Affidavits of Publication are annexed and incorporated by reference.

The President stated that due to correspondences with Less Lemm (BWSR) (annexed and incorporated by reference) about the ability of CLFLWD to use the 103D.905 Subd. 5(a)(3) (implementation fund) as a funding mechanism, the CLFLWD is unable to go ahead with the proposed levies discussed at the August 21, 2007 budget workshop, the August 23, 2007 Board meeting and presented in the official Public Notice. For this reason, the President called for consideration of tax levies for the General Fund Levy, and Liability Insurance for a total budget levy for 2008 of \$257,500.

The President further mentioned the possibility of seeking a petition from a local political subdivision to ask the District to levy \$50,000 in 2008 to fund BMP projects (cost-share program) throughout the watershed for the purpose of reducing nutrient inputs identified in the District's recent load allocation model. The Board discussed the rationale and potential of such a resolution. Administrator Anhorn mentioned that he has already discussed the petition process with both Chisago and Washington County SWCDs and both have interest in working with CLFLWD.

After discussion, the Board further called for consideration of a tax levy Basic Water Management Levy (contingent on receiving a petition from a political subdivision) for the year 2008

2008 ADMINISTRATIVE FUND LEVY

Manager Anderson offered the following resolution and moved its adoption, seconded by Manager Damchik:

WHEREAS, pursuant to Minnesota Statutes Sections 103D.905, 103D.911, and 103D.915, the Board of Managers of the Comfort Lake - Forest Lake Watershed District is authorized to levy an ad valorem tax against all taxable property in the district for various purposes; and

WHEREAS, pursuant to Minnesota Statutes, published notice was given by the Board of Managers for a public hearing, which was held on September 11, 2007, whereby the 2008 budget of the Comfort Lake - Forest Lake Watershed District was determined, and the said Board of Managers is legally authorized to levy the tax described below;

THEREFORE BE IT RESOLVED, that a levy of 0.048 percent of taxable market value, not to exceed \$250,000.00, be certified to the Counties of Washington and Chisago and levied upon all taxable property in the Comfort Lake - Forest Lake Watershed District, for the year 2008, for the purpose of paying the General Fund expenses of the District as provided by Minnesota Statutes Section 103D.905 Subdivision 3.

The question was on the adoption of the above resolution and there were five (5) ayes and zero (0) nays as follows:

	<u>AYE</u>	<u>NAY</u>
Jackie A. Anderson	X	
Richard P. Damchik	X	
John T. Lynch	X	
Wayne S. Moe	X	
Jon W. Spence	X	

The President declared the resolution adopted.

2008 LIABILITY INSURANCE LEVY

Manager Anderson offered the following resolution and moved its adoption, seconded by Manager Damchik:

WHEREAS, pursuant to Minnesota Statutes Sections 103D.905, 103D.911, and 103D.915, the Board of Managers of the Comfort Lake - Forest Lake Watershed District is authorized to levy an ad valorem tax against all taxable property in the district for various purposes; and

WHEREAS, pursuant to Minnesota Statutes Section 466.06, the premium costs for liability insurance may be levied in excess of any other tax limitation imposed by statute; and

WHEREAS, pursuant to Minnesota Statutes, published notice was given by the Board of Managers for a public hearing, which was held on September 11, 2007, whereby the 2008 budget of the Comfort Lake - Forest Lake Watershed District was determined, and the said Board of Managers is legally authorized to levy the tax described below;

THEREFORE BE IT RESOLVED, that a levy to raise a sum of \$7,500 to pay the premium costs for liability insurance be certified to the Counties of Washington and Chisago and levied upon all taxable property in the Comfort Lake - Forest Lake Watershed District, for the year 2008, for the purpose of paying the premium costs of liability insurance as provided by Minnesota Statutes § 466.06.

The question was on the adoption of the above resolution and there were five (5) ayes and zero (0) nays as follows:

	<u>AYE</u>	<u>NAY</u>
Jackie A. Anderson	X	
Richard P. Damchik	X	
John T. Lynch	X	
Wayne S. Moe	X	
Jon W. Spence	X	

The President the resolution adopted.

2008 BASIC WATER MANAGEMENT LEVY

Manager Lynch offered the following resolution and moved its adoption, seconded by Manager Damchik:

WHEREAS, pursuant to Minnesota Statutes Sections 103D.905, 103D.911, and 103D.915, the Board of Managers of the Comfort Lake - Forest Lake Watershed District is authorized to levy an ad valorem tax against all taxable property in the district for various purposes; and

WHEREAS, pursuant to Minnesota Statutes Section 103D.905, subdivision 3, the managers may annually levy a tax not to exceed 0.00798 percent of taxable market value for a period not to exceed 15 consecutive years to pay the cost attributable to the basic water management features of projects initiated by petition of a political subdivision within the watershed district;

WHEREAS, pursuant to Minnesota Statutes, published notice was given by the Board of Managers for a public hearing, which was held on September 11, 2007, whereby the 2008 budget of the Comfort Lake - Forest Lake Watershed District was determined, and the said Board of Managers is legally authorized to levy the tax described below;

THEREFORE BE IT RESOLVED, that a levy of 0.00798 percent of taxable market value, not to exceed \$50,000.00, be certified to the Counties of Washington and Chisago and levied upon all taxable property in the Comfort Lake - Forest Lake Watershed District, for the year 2008, for the purpose of paying the costs attributable to the basic water management features of Best Management Practices projects identified in the District's Watershed Management Plan throughout the watershed to reduce nutrient load inputs identified in the District's watershed load allocation model (Wenck 2007), as provided by Minnesota Statutes Section 103D.905 Subdivision 3, contingent upon receiving a petition from a qualifying political subdivision and action by the Board of Managers to establish the project on or before December 28, 2007.

The question was on the adoption of the above resolution and there were four (4) ayes and one (1) nay as follows:

	<u>AYE</u>	<u>NAY</u>
Jackie A. Anderson		X
Richard P. Damchik	X	
John T. Lynch	X	
Wayne S. Moe	X	
Jon W. Spence	X	

The President the resolution adopted.

Administrator Anhorn presented a proposed budget for 2008. A copy of the proposed budget annexed and incorporated by reference.

Motion was made by Manager Anderson and seconded by Manager Damchik to approve the presented budget. Motion carried unanimously.

Manager Anderson stated that the budget should be further broken down into specific line items.

4) Public Comment

No Public Comments

5) Close Public Hearing Portion of the Meeting

The President closed the public hearing portion of the meeting and opened the meeting up to discussion on future funding options of the watershed and the difficulty of funding potential projects under Minnesota Statute 103D. Further discussion was held as to CLFLWD seeking legislative action to designate the District as a metropolitan watershed under Minnesota Statute 103B as opposed to its current designation as an outstate watershed district under 103D.

The Board asked Administrator Anhorn to prepare a resolution to seek Legislative designation as a metropolitan watershed prior to the District's September 27, 2007 Regular Board meeting.

Amanda Goebel (Washington County) said that she could work on drafting a legislative proposal to go to Washington County Administration and eventually the County Commissioners regarding designating CLFLWD as a 103B watershed. Amanda outlined the process where she would need to submit the proposal to her department director by

September 28, 2007, and it, with other potential issues/proposals would then be forwarded on to the County Commissioners who would decide which items they would endorse and adopt as part of their legislative packet in which their lobbyist would track and promote.

Les Lemm (BSWR) mentioned that the law currently reads that watersheds districts “wholly” within the seven-county metro area fall under Minnesota Statute 103B, and thought that a simple language change to watershed districts “partially” within the seven-county metro area would be the most simple way to try to get designated as a metro watershed district.

The Board thanked Ms. Goebel for the offer and directed Administrator Anhorn to work with Ms. Goebel on preparing a proposal to be presented to the County Commissioners.

Rather than seek a legislative change statewide, the Board decided to seek special legislation for CLFLWD to be included in the metro area 103B definite due to its unique status as the only watershed district encompassing both the metro and outstate counties as defined in 103B.

Administrator Anhorn mentioned meeting with Chisago County Commissioner Ben Montzka earlier in the day and he is not only supportive of the District seeking designation as a metropolitan watershed under 103B, but would testify on the District’s behalf. Anhorn also mentioned speaking with Ray Bohn (Minnesota Association of Watershed Districts [MAWD]) on the issue, and has a meeting set up with Washington County Commissioner Hegberg.

6) **Adjournment**

Motion to adjourn the CLFLWD 2008 Budget hearing was made by Manager Damchik and seconded by Manager Spence. Motion carried unanimously.

John T, Lynch, Secretary