

**MINUTES OF REGULAR MEETING  
OF THE  
COMFORT LAKE - FOREST LAKE  
WATERSHED DISTRICT  
Thursday, December 18, 2014**

**1. Call to Order**

The President called the December 18, 2014 Regular Board meeting to order at 6:30 p.m. at the Forest Lake City Offices, 1408 Lake Street South, Forest Lake, Minnesota

Present: President Richard Damchik, Vice President Jackie Anderson, Treasurer Jon Spence, Secretary Wayne Moe, and Assistant Treasurer Stephen Schmaltz

Others: Mike Kinney and Emily Schmitz (CLFLWD staff), Chuck Holtman (Smith Partners), Greg Graske, Meghan Jacobson and Cecilio Olivier (EOR), Jerry Grundtner (CAC member), David Fairbairn (MPCA), Beryl Halldorson (Scandia resident and Bone Lake Association), Mark Lobermeier (City of Wyoming), Travis Fort (Marco), Brad DeRouchey (Metro Sales)

**2. Setting of Agenda**

The President called for the approval of the December 18, 2014 Regular Board meeting agenda. Manager Moe moved to approve the agenda with addition of approval of the 2015 meeting schedule. Seconded by Manager Spence. Upon vote, the motion carried 4-0.

**3. Consent Agenda**

- a) Regular Board Meeting Minutes – September 23, 2014
- b) Special Board Meeting Minutes – October 29, 2014
- c) Special Board Meeting Minutes – November 8, 2014
- d) Regular Board Meeting Minutes – November 20, 2014

The President called for the approval of the consent agenda. Manager Moe moved to approve the consent agenda as presented. Seconded by Manager Spence. Discussion. Upon vote, the motion passed 4-0.

**4. Public Open Forum**

The President asked for public comments. Beryl Halldorson stated that she was here for the Bone Lake agenda item. She thanked the Board for addressing Bone Lake and hoped to be more optimistic at the end of the meeting.

**5. Public Hearing– Proposed Change of Regular Place of Business**

The President asked for public comments. Hearing none, he closed the public hearing. Manager Anderson arrived at this time.

- a) **Ordering Change of Regular Place of Business – Resolution 14-12-01**

Administrator Kinney noted that the meeting is at a different location. The Board of Water and Soil Resources (BWSR) policy requires a District resolution to change permanently the location of regularly scheduled meetings, which is defined as the principal place of business. Manager Moe moved to approve Resolution 14-12-01 changing the District's principal place of business. Seconded by Manager Schmaltz. Discussion. Upon roll call vote, the motion carried 5-0.

## 6. New Business

### a) **2015 Service Agreement between the WCD and CLFLWD**

Administrator Kinney reported that he met with the Washington Conservation District (WCD) about 2015 technical services—BMP cost-share, subwatershed assessment, education and water monitoring— before drafting the budget. There will still be an opportunity to further discuss technical services and change the monitoring program based on past Board discussions and the BMP and education services based on need. Manager Moe moved to approve the service agreement with the WCD in the amount of \$129,123 and authorize its execution by the Board president. Seconded by Manager Schmaltz. Upon vote, the motion carried 5-0.

### b) **Cost-share Update and Proposed Framework Changes for 2015**

Administrator Kinney reported that Andy Schilling of WCD provided a memo summarizing 2014 BMPs, inspections and maintenance of current BMPs and the BMP and permit database. He also reported that he, Manager Spence, the Washington Conservation District and the Chisago Soil and Water Conservation District (CSWCD) staff met to discuss changing the framework of cost share funding to provide a cost share based on pounds of phosphorous reduction. According to Mr. Schilling, this approach is more in line with District goals; from a design standpoint, projects can be more easily modified and other districts such as South Washington Watershed District are successfully using this approach. Administrator Kinney, in response to questions, stated that while there are no plans to monitor project effectiveness after installation, modeling would be used to calculate the phosphorous reduction of a proposed project. The modeling uses conservative numbers and is a well-established method to calculate benefits. Manager Schmaltz added that there was a presentation at the Minnesota Association of Watershed Districts conference about this method and the presenter was pleased with the results. Managers overall expressed support for a results-based, quantitative approach to funding cost share projects. Manager Moe moved to direct staff to develop a framework for the cost share program based on phosphorus reduction. Seconded by Manager Spence. Discussion. Upon vote, motion carried 5-0.

Administrator Kinney clarified that watershed districts are collectively looking at developing a program to address maintaining BMPs including hiring the Minnesota Conservation Corps (MCC) or interns and/or educating property owners on how to maintain their BMPs.

### c) **2015 CLFLWD Program and Project Priorities**

Administrator Kinney reported that, per Manager Schmaltz's request, this was added to the agenda. He brought copies of the budget and compiled a short budget summary. Administratively he is looking to create an electronic file structure; work with the CPA to assign an accounting code to each activity and align the budget with the Watershed Management Plan; and work with the treasurer, CPA and auditor to move bank accounts to a commercial account. From an implementation standpoint, priorities include: completing grant projects (including Bixby Park with resolution of contract/agreement and reimbursement issues); developing a Moody Lake implementation plan; completing a Bone Lake diagnostic study; working with the City of Forest Lake to align its MS4 with District activities and identify joint projects; completing an overall surface water assessment, a comprehensive AIS management plan, and revising the BMP cost share program.

Manager Schmaltz provided a list of suggested priority projects including past year projects such as the 3<sup>rd</sup> lake pond retrofit. Manager Anderson stated that it is important to align capital projects with the management plan and would like to get back on track with accomplishing projects.

**d) Meeting Schedule**

Manager Moe moved to approve the 2015 CLFLWD meeting schedule. Seconded by Manager Spence. Upon vote, motion carried 5-0.

**7. Old Business**

**a) MPCA BMP Monitoring Proposal**

Administrator Kinney reported that he has been in contact with David Fairbairn of the Minnesota Pollution Control Agency (MPCA) about the Peshorn and other iron-sand filters system. Mr. Fairbairn was invited to present an opportunity for the District to partner in a research project with the MPCA to monitor and evaluate recently installed infiltration systems related to stormwater and polluted runoff. Mr. Fairbairn stated that this is a draft for discussion based on monitoring a site 20-25 times per year for two years depending on storm events. Currently there are proposals with Capitol Region, Brown's Creek and Ramsey-Washington watershed districts and cities such as Minneapolis. The intent is to monitor and compare different iron-sand systems over time to help understand elements of an effective system. The proposed two-year cost to the District is \$17,000, which can include purchasing equipment or contributing in-kind equipment and field-staff time. Once a budget and work plan are established, the proposal goes to the MPCA for approval, which takes about four weeks. Monitoring could start in spring or early summer. MPCA funds need to be encumbered by June 30. Manager Anderson asked how the District would budget for the match and suggested exploring grant opportunities. It was agreed that Administrator Kinney would explore grant opportunities and budget funds and report back in January.

**b) Office Move Update / Spending Authority**

Administrator Kinney reported on reviewing rental contracts for a copier and scanner. The current copier, under contract with Marco, is a 2006 model, cannot duplex scan and, with a five-year renewal lease of \$23,000, is over budget. A proposal from Metro Sales

offers a Ricoh copier at less than \$17,000 (\$272/month) plus a buy-out of the current contract. Administrator Kinney recommended signing a contract with Metro Sales and then introduced representatives from both companies.

Travis Fort of Marco stated that Marco has been working with the District for seven years and is willing to work with the District to cut the service rates on a proposed Samsung copier. Brad DeRouchey of Metro Sales outlined the features of the Ricoh copier, an option for lease to buy and a maintenance contract.

Administrator Kinney reported that he has been talking with Roseville IT for service on a longer-term lease and on contract revisions, as recommended by Smith Partners. He also presented a list of used furniture to be purchased from the City of Forest Lake for \$1,000. If the Board approves the furniture purchase, it will go to the City Council for approval. Administrator Kinney noted prior advice of District counsel that the administrator does not have general spending authority and presented a motion that would give him limited authority to spend budgeted funds and make contract commitments for purposes related to moving the District office. Further, there are expenditures and commitments made by Administrator Kinney to date for that purpose, on subjects other than those discussed, that he is asking the board to ratify.

Manager Anderson moved to authorize the administrator to expend funds and enter into contracts for the purpose of establishing the District's new office in an aggregate amount not to exceed \$33,000 and further that prior expenditures and commitments of the administrator for this purpose are ratified. Seconded by Manager Schmaltz. Upon vote, motion carried 5-0.

**c) Moody Lake Diagnostic Study – Final Memo**

Dr. Jacobson presented the final report. She began by clarifying the phosphorus loads (volume of water by the concentration) from the northwest. The phosphorus concentration is greater at the Peterson site than at the 256<sup>th</sup> St. site, but the total load exiting the system is lower there than upstream. Basically, the wetland absorbs more water, but less phosphorus.

Dr. Jacobson reviewed the results of the 2014 monitoring that was presented last month at the Board meeting and is in the report. She provided data on Moody in-lake monitoring to help understand how the lake stratifies and how quickly the bottom waters of the lake are depleted in oxygen, causing eutrophication. The shallow regions of Moody Lake lose oxygen at about three meters, as well. The monitoring results indicate that Moody Lake, including the shallow regions, should receive alum treatment. But before installing the treatment, the loads should be reduced by maintaining current and installing additional BMPs. Based on new monitoring data, Dr. Jacobson amended her presentation from last month to state that the northwest wetlands (256<sup>th</sup> St. site and near the Peterson site) are clearly phosphorus sources. The wetland upstream of 4<sup>th</sup> St., but downstream of 256<sup>th</sup>, is a sink and the wetland upland of 250<sup>th</sup> St. is neutral. She summarized prioritized recommendations: 1. Targeted management in the northwest watershed with additional BMPs and wetland and Lofton Pond rehabilitations, 2. Moody Lake alum treatment, 3.

Long-term BMP maintenance with performance tracking. Discussion included agriculture cost shares completed near Lofton Pond, their functioning and improving a cattle farm near Lofton Pond by capturing manure before this spring's runoff, moving the cattle or possibly buying the property.

Moving downstream, Dr. Jacobson outlined the scope of the 2015 Bone Lake diagnostic study to include monitoring four key tributaries and possibly using the new SWIMS (Surface Water Integrated Monitoring Systems) tool to identify agriculture BMPs. Another step is to insure carp populations are under control through monitoring (working with Peter Sorenson [?] of the University of Minnesota) and possibly harvesting (working with St. Mary's University or commercial fishermen) before alum treatment is considered. She proposed an aggressive schedule:

- Wetland rehabilitation feasibility work including collecting core samples (spring 2015), vegetation surveys (summer 2015) and carp assessment in Moody and Bone lakes (late summer 2015)
- Wetland scraping rehabilitation (winter 2015-2016)
- Pond rehabilitation (spring 2016)
- Moody Lake alum treatment (spring 2016)
- Bone Lake Diagnostic Study (spring 2015)
- BWSR targeted watershed grant for Bone and Moody lakes application (August 2015)

In response to a question about wetland core sampling, Dr. Jacobson stated that sampling identifies soil layers and indicates phosphorus levels, but does not provide core dates. She concurred that sampling indicates if phosphorus is naturally occurring or from agricultural runoff.

Manager Anderson moved to direct EOR to prepare an implementation plan based on the Moody Lake Diagnostic Study final report. Seconded by Manager Moe. Upon vote, motion carried 5-0.

Manager Moe moved to direct EOR to prepare a proposal for a Bone Lake Diagnostic Study. Seconded by Manager Spence. Upon vote, motion carried 5-0.

**d) Professional Services Proposals**

Administrator Kinney stated that there was only one submission for auditing.

Manager Anderson moved to accept the Abdo, Eick & Meyer proposal for 2015 and 2016 auditing services. Seconded by Manager Spence. Upon vote, motion carried 5-0.

Administrator Kinney stated that there were four proposals for accounting services. Manager Anderson stated that she thought Redpath provided the best value with the least exclusions and has a lot of experience with governments and watershed districts. She expressed concern about the risk of using a one-person shop.

Manager Anderson moved to accept Redpath as the new accounting services company. Seconded by Manager Moe. Upon vote, motion carried 5-0.

Three Managers indicated that they rated EOR as their number one choice for engineering services. Manager Anderson stated that she had a tie between EOR and Barr, but felt that the proposals were incomplete and recommended using a request for proposals (RFP) in the future. Discussion included using a broader base of engineers, with the in-house engineer coordinating projects and providing continuity in engineering services.

Manager Damchik moved to retain EOR as the CLFLWD primary engineer. Seconded by Manager Spence. Manager Anderson requested that EOR ensure that it benefits the District with its historical knowledge by providing for continuity in its service. Upon vote, motion carried 5-0.

**e) Flowering Rush Proposed 2015 Action Plan**

Jerry Grundtner stated that he is here to present an action plan and get thoughts and suggestions from the Board. He is also getting input on the plan from the Forest Lake Lake Association (FLLA) and the City of Forest Lake and hopes for a consensus from the three groups. He presented two options for treating flowering rush in Forest Lake. In both options, PLM is budgeted to chemically treat the large areas of rush. In Option 1, MCC is budgeted to cut flowering rush, while in Option 2 volunteers will be used for cutting. A proposal for MCC services has been submitted. Education about flowering rush and BMPs is an important component of the action plan. Mr. Grundtner is working with Angie Hong on an education packet and is planning an open house. The timeline is short to accomplish treatment and education this year.

Discussion focused on the aquatic invasive species (AIS) delineation study for targeted lakes with the intent to have a coordinated approach to District AIS activities. The final analysis and plan from Steve McComas of Blue Water Sciences has not been completed. Administrator Kinney stated that he, Mr. McComas and the Department of Natural Resources (DNR) staff developed the flowering rush action plan. Manager Anderson expressed concern about moving forward with the action plan without engineering approval and oversight. As such, recommended that EOR provide this oversight and develop an overall AIS management strategy and plan with this as part of it so this and related resources can be accessible across the community for all the lakes. It was agreed that Administrator Kinney will schedule a few coordinating meetings, Mr. Grundtner will continue to work with Ms. Hong on education, EOR will coordinate the overall AIS program including the flowering rush action plan along with working with Mr. McComas on elements of the AIS management plan. Mr. McComas will be invited to present the diagnostic study in January. The managers thanked Mr. Grundtner for all the work he has done.

**f) MPCA Comfort Lake TMDL Explanation Letter**

Administrator Kinney reported that in lieu of MPCA staff being available, Dr. Jacobson has agreed to clarify the TMDL memo prepared by Chris Klucas. The memo was provided to clarify expectations for and how the Comfort Lake TMDL was developed. Mr. Klucas, in the memo, noted that at the November District meeting he was in error regarding the phosphorus reductions from Shallow Pond. The pond is downstream of the Bixby Park project. Phosphorus reductions in this TMDL were based on existing

conditions. No reductions were assigned from the Forest Lake drainage area due to sufficient existing treatment from the Shallow Pond wetland complex and Forest Lake itself. However, monitoring is important to ensure that the Shallow Pond area does not degrade and become a source of phosphorus in the future. A key point is local units of government (LGUs) are required by their MS4 permits, Stormwater Pollution Prevention Plans and Anti-Degradation rules not to increase pollutant loadings. LGUs can do this by participating in upstream projects with the District such as with the Bixby Park project. Although Bixby Park was not mentioned in the memo, Mr. Klucas and MPCA staff are aware of the project and its significance.

In response to a question about discharges from the Bixby ditch (or the ditch through Shallow Pond? I'm not sure what it's called) affecting phosphorus loads and District standards being more stringent than State standards, Mr. Olivier responded that through monitoring, if the District determines the Shallow Pond is not reducing phosphorus, it can require the city to do more and the District has the authority to enforce its standards. When the District meets with the Forest Lake City Council in February, it has the opportunity to make the case for cooperation on the Bixby Park project to ensure meeting standards in the future. The overarching question for the city, is it willing to bet that the Shallow Pond will be treating 26% of the load in perpetuity?

In questioning the ability to reopen the TMDL to require waterbody-specific standards for the impaired lakes (Comfort and Little Comfort), Mr. Graske responded that reopening the TMDL is very time consuming and would not be worthwhile unless the MPCA would allow the District to use its more stringent standard of 30 ug/L rather than 40 ug/L, and would require a separate Site Specific Standard study to be submitted to and approved by US EPA. He added that the standards are set by statute for categories of waterbodies. In response to a question from the board, Mr. Holtman clarified that the District has the right of eminent domain in the event it is essential to acquire property rights for a project, though the exercise of the right is more complicated when the property in question is owned by another public body.

Although the Bixby Park project will not provide Forest Lake with MS4 credits, it will help take Comfort Lake off the impaired list in the long run. Before the joint meeting with Forest Lake, it was agreed to prepare arguments in favor of the Bixby Park project including the Shallow Pond filtration capacity, the need for multiple treatments, other benefits of Bixby Park including wildlife habitat, rate control and future cost savings to meet TMDLs and MS4 permits, if Bixby is done. Stormwater mapping from the city was also mentioned as being needed before the meeting. Incentives the District can present are projects the District has already done to help the city and additional assistance the District can provide such as inventory projects, identify projects needing maintenance, prioritize projects and schedule maintenance. Mr. Olivier suggesting having EOR prepare a memo explaining why the city cannot get MS4 credit for certain projects.

#### **g) Target / Bone Lake Project Updates**

Administrator Kinney reported that he met with Dan Fabian (BSWR) about closing out the Target project grant. He is still working with the City of Forest Lake on cleaning out the ditch. He reported that Mr. Graske is taking the lead on the DNR grant application for Bone Lake and the barrier modification.

Ms. Halldorson stated that she is interested in Bone Lake. Although she has heard about monitoring and diagnostic studies for 12 years, what has been most helpful was past carp removal and spraying for milfoil. She asked about other remediation for Bone Lake including shallow ponds and alum treatment. Administrator Kinney stated that shallow ponds can be installed in front of the naturally occurring wetlands upstream of Bone Lake. Manager Anderson clarified that carp were taken out of Bone and then a barrier was added to keep the carp from returning. Before alum treatment is used, the hot spots must be dealt with. Projects upstream on Moody Lake and Oakhill Road will help Bone Lake.

## **7. Report of Staff**

### **a) Administrator**

Administrator Kinney reported that as far as moving the office, the old city hall will be open until mid-January. He is working on IT services and finalizing office set up issues with Tom Swanson.

### **b) Emmons & Olivier**

Mr. Graske reported that following up on a discussion a couple of months ago about the watershed boundaries related to a project in the south of the watershed, he looked at the legal description and got Washington County's opinion. Although the area is being taxed as part of the Rice Creek Watershed District (RCWD), it is hydrologically in CLFLWD. It was suggested that boundaries overall be reviewed including the location of the District's new office, in downtown Forest Lake, which is in within the RCWD boundary but the drainage from which almost certainly is conveyed to Forest Lake. Mr. Holtman stated that it would be good to have the Forest Lake stormwater maps when looking at the watershed district boundaries.

### **c) Smith Partners - Nothing to report.**

## **9. Report of Treasurer**

### **a) Approval of Bills and Treasurer's Report**

Treasurer Spence presented the Treasurer's Report and bills to be paid. He asked for a motion to approve the report and pay the bills. Manager Anderson moved to approve the December 18, 2014 Treasurer's Report and pay the bills and payroll as presented in the amount of \$322,536.03. Seconded by Manager Moe. Upon vote, the motion passed 5-0.

## **9. Report of Officers and Managers**

- Manager Moe stated that he was checking on the website recently, and observed that current minutes and agendas were not posted. Administrator Kinney noted that as of Tuesday these had been posted.

- Manager Damchik welcomed Emily Schmidt to the District and wished all a Merry Christmas.

### **11. Adjourn**

Manager Spence moved to adjourn the CLFLWD regular Board meeting at 10:18 p.m.

Seconded by Manager Moe. Upon vote, the motion passed, 5-0.

Wayne S. Moe, Secretary \_\_\_\_\_