

**MINUTES OF THE REGULAR MEETING
OF THE
COMFORT LAKE – FOREST LAKE
WATERSHED DISTRICT
Thursday, February 23, 2017**

1. Call to Order

President Anderson called the February 23, 2017 regular board meeting to order at 6:30 p.m. in the Council Chambers of the Forest Lake City Center, 1408 Lake Street South, Forest Lake.

Present: President Jackie Anderson, Vice President Jon Spence, Secretary Wayne Moe

Absent: Treasurer Steve Schmaltz, Assistant Treasurer Jackie McNamara

Others: Mike Kinney, Emily Heinz, Jessica Lindemyer, Mike Sorensen (CLFLWD staff); Greg Grasko, Meghan Funke, (Emmons & Olivier Resources); Chuck Holtman (Smith Partners); Jerry Grundtner (Citizen Advisory Committee), Sam Husnik (City of Forest Lake), Matt Engstrom (City of Wyoming)

2. Setting of Meeting Agenda

Administrator Kinney requested that an agreement between the District and the Forest Hills Golf Course be added onto agenda item 5e. Shields Lake Scope of Work – Phase 1.

Manager Moe moved to approve the agenda as amended. Seconded by Manager Spence. Upon a vote, the motion carried 3-0.

3. Consent Agenda

- a) **Board Workshop Minutes – January 12, 2017**
- b) **Regular Board Meeting Minutes – January 26, 2017**

Manager Moe moved to approve the consent agenda as presented. Seconded by Manager Spence. Upon a vote, the motion carried 3-0.

4. Public Open Forum

There were no comments.

5. New Business

- a) **Citizen Advisory Committee Update**

Citizen Advisory Committee (CAC) Chair, Jerry Grundtner, explained that he would provide an update on recent CAC activities as well as an update on the CAC itself. He also recognized Program Assistant Mike Sorensen for his consistent meeting attendance and hard work with the CAC. Mr. Grundtner then explained the four main action items that the CAC is focusing on for 2017: coordinate a student internship program; oversee the installation of educational messages (e.g. “No dumping. Drains to Forest Lake”) on storm drain inlets District-wide; regularly meet with the City of Forest Lake Parks, Lakes and Trails Commission; and continue collaborating with Forest Lake High School (FLHS), especially related to native plant projects. The District recently purchased a bag of native plant seeds and will give those to the agriculture teacher at FLHS, Mike Miron. Mr. Miron will then work with students in his agriculture classes to plant and grow the seeds in the school’s greenhouse. Once the plants reach a certain level of maturity, the CAC will organize a field trip with Mr. Miron during which the students may assist with planting the native plants at a community site. A specific site was previously planned for the planting, but recently expressed an interest not to participate in the program. The CAC is currently looking for another site.

President Anderson expressed approval of the initiatives to educate younger members in the community. She recommended that the CAC advertise the native planting field trip to the public and invite people to the event in order to learn more about the benefits of native plants. She also suggested that the city park or the public boat launches would be good sites for the native plantings due to their high traffic and public visibility. There was discussion regarding other potential sites for the plantings.

Manager Anderson asked about the upcoming rain barrel sale being planned by East Metro Water Resources Education Program (EMWREP). She noted that the proposed pick-up location is Hugo City Hall and asked if a location closer to the CLFLWD would be possible. Mr. Grundtner responded that he would ask EMWREP about this. There was discussion about advertising for this event.

Mr. Grundtner noted that there are currently seven members on the CAC, but meeting attendance is usually only about 2-3 people. He explained that Mr. Sorensen has been working hard on recruiting new members, but hasn’t received many commitments. He asked if the Board had any ideas about how to increase membership and commitment level. Mr. Grundtner added that several committee members have mentioned that they don’t feel much support from the Board, as they have never seen a Board member attend a CAC meeting. The CAC has reached out to several CACs for other watershed districts asking for advice on how to make the CLFLWD’s committee more vibrant and involved. President Anderson noted that low participation rates have been a problem since the District’s beginning, and suggested the assignment of a Board liaison to the CAC. Mr. Grundtner suggested that the liaison could attend a meeting once every quarter or so. There was discussion about advisory committee liaisons for other organizations. President Anderson suggested that the District needs to improve its messaging to the public about progress and activities, which should help get people

more excited about participating. There was discussion about contacting other advisory committees and obtaining more detailed information on their efforts to increase participation. The Board thanked Mr. Grundtner for his presentation and work on the CAC.

b) Blue Water Science Service Contract

Watershed Technician Emily Heinz noted that there was a mistake, and the copy of the contract included in the meeting packet was not the correct version of the document. She explained that legal counsel had some suggested revisions to the contract language, and the revised version of the contract did not make it into the board packet. Legal Counsel Holtman explained that the revisions were not major and largely pertained to conforming the District's contract template to the nature of the work being performed by Blue Water Science. He explained that the changes were made for three specific purposes: referring to the scope of work included in Attachment A to the contract and not to independent task orders, providing for compensation based on a lump sum and not hourly basis, and removing references to professional liability warranty and insurance, which do not apply to Blue Water Science.

Manager Moe moved to authorize the Administrator, on advice of counsel, to enter into an agreement with Blue Water Science in accordance with the February 7, 2017 services agreement, as revised by legal counsel, in an amount not to exceed \$19,200. Seconded by Manager Spence. Upon a vote, the motion carried 3-0.

c) 2017 AIS Management Plan

Ms. Heinz explained that the 2017 Aquatic Invasive Species (AIS) Management Plan provided in the meeting packet is a general overview of planned activities, with additional detail provided as necessary. She noted that all items included in the plan have been budgeted for in 2017. Some items were budgeted for emergency or reserve purposes. Staff recommends that action not be taken for such items, unless deemed necessary later in the year. President Anderson suggested adding onto the report's budget summary page the acreage of each lake and calculated spending per acre. This would help explain how the budget for each lake is usually relative to its size. She noted this could also be broken out by each basin for Forest Lake, because the District doesn't treat the entire lake evenly throughout. President Anderson also suggested using a simple format to rate the severity of the AIS issues for each lake such as number of different invasive species and growth densities.

Ms. Heinz provided a brief overview of planned activities on a lake-by-lake basis. On Moody Lake the District will continue operation of the winter aeration system, plan to not treat curly-leaf pondweed until the wetland rehabilitation project is complete, and plan to perform a fish survey periodically in future years. On Bone Lake the District will attempt a special late-season treatment of curly-leaf pondweed, plan to treat Eurasian watermilfoil as in previous years, continue operation of the fish barriers,

work with local homeowners to observe carp spawning patterns, work with volunteers to monitor zebra mussel sampler plates, and aim to achieve 300 watercraft inspection hours at the public access. On Little Comfort Lake the District will survey curly-leaf pondweed to determine if herbicide treatment is warranted, and work with a volunteer to monitor a zebra mussel sampler plate. On Shields Lake the District will replace the existing electric fish barrier with a mechanical barrier, seek a volunteer to monitor a zebra mussel sampler plate, and look to treat curly-leaf pondweed in future years after the stormwater harvest/irrigation reuse system/alum treatment project is complete. On Sylvan Lake the District will coordinate another biological control collection and release to manage purple loosestrife, work with a volunteer to monitor a zebra mussel sampler plate, and perform an AIS detection survey to monitor for new infestations. On Forest Lake the District will plan to treat curly-leaf pondweed, Eurasian watermilfoil, and flowering rush; work with volunteers to monitor zebra mussel sampler plates; aim to achieve 2,500 watercraft inspection hours at the public accesses; and install a Clean, Drain, Dry, Dispose (CD³) boat cleaning station at a public access. On Comfort Lake the District will survey curly-leaf pondweed to determine if herbicide treatment is warranted, plan for an early-season treatment of Eurasian watermilfoil, work with volunteers to monitor zebra mussel sampler plates, and aim to achieve 650 watercraft inspection hours at the public access.

Ms. Heinz provided further details on the watercraft inspection program including interagency agreements, funding levels, hiring process, and scheduling guidelines. In addition to its levied funds, the District is expecting to receive grants and financial contributions from several sources including the City of Forest Lake, Forest Lake Lake Association, Washington County, Chisago County, and potentially the Comfort Lake Association. The levels of funding vary by each access and influence the amount of inspection hours the District is aiming to achieve on each. The District will continue to coordinate the joint program with Chisago County and hire both level 1 and level 2 inspectors. In addition to the inspectors hired through the joint program, the District plans to hire 3 more watercraft inspectors on its own. Inspectors will be required to make their own schedules according to a set of guidelines that emphasize inspection hours on holidays and weekends. Based on the estimated amount of funding available, it is anticipated that the District may get close to achieving full weekend inspection coverage this year.

In response to a question from Manager Moe, Ms. Heinz explained that each inspector receives a tablet at the beginning of the year that enables them to access the electronic boat inspection survey and shared calendar. Inspectors use the shared calendar to create their schedules and know which accesses are being covered at what times. Manager Moe asked if staff performs any spot checks to ensure that inspectors are in fact at the access during their scheduled shifts. He also asked if the Board would have access to the shared calendar in order to check in with inspectors during their scheduled shifts. Ms. Heinz replied that Mr. Sorensen will have access to the shared calendar and will perform frequent onsite spot checks as well as regularly review each inspector's schedule to ensure that the scheduling guidelines are being followed. She was unsure if it would be possible to share the calendar with the Board, as it is

operated through Chisago County and therefore has security restrictions. There was discussion about past issues with discrepancies between inspectors' schedules and actual presence at the access. Mr. Sorensen noted that he is planning to work with each lake association to monitor the quality of inspections throughout the summer as well.

Ms. Heinz concluded by noting that the watercraft inspection season is anticipated to begin around May 6th (roughly one week before fishing season opening day) and run until mid-October.

d) FY2017 Clean Water Fund Grant Agreement

Administrator Kinney presented the grant agreement with the Board of Water and Soil Resources (BWSR) for the three FY17 Clean Water Fund grants that were awarded to the District: Bone Lake Partially Drained Wetland Restorations; Shields Lake Stormwater Harvest, Irrigation Reuse, and Alum Treatment; and Forest Lake Enhanced Street Sweeping Plan. Mr. Kinney also presented resolution 17-02-01, authorizing execution of the grant agreement, for the Board's consideration.

Manager Spence moved to adopt resolution 17-02-01 as presented. Seconded by Manager Moe. Upon a roll call vote, the motion carried 3-0.

Manager	Aye	Nay	Absent
Jackie Anderson	X		
Jackie McNamara			X
Wayne Moe	X		
Stephen Schmaltz			X
Jon Spence	X		

e) Shields Lake Scope of Work – Phase 1 [with added Forest Hills Golf Course agreement]

Administrator Kinney explained that the District needs to execute an agreement with Forest Hills Golf Course in order to implement the stormwater harvest and irrigation reuse phase of the upcoming Shields Lake project. He explained the recent discussions with BWSR regarding the sequencing of executing that agreement, with relation to the project grant agreement with BWSR. He then explained that the golf course contract language has not yet been finalized, and provided details on the general framework including standard formatting, language about operations and maintenance, and necessary timing. The ideal timeframe for project construction is mid-late October. Before construction, the board must order the project after public notice and hearing, and several activities such as design, feasibility, and permitting need to be accomplished. Both agreements need to be in place in order to begin work on those activities. Mr. Kinney noted that if the agreement wasn't executed until the March board meeting, it wouldn't be feasible to begin construction in 2017.

There was discussion about authorizing one or more board members to execute the agreement once the language has been finalized. Legal Counsel Holtman explained that if the board is comfortable with the general framework presented, it may authorize the President, on advice of counsel, to execute the agreement once it is finalized. He added that the board may, if it wishes, add to the motion a requirement for the President to consult with an additional board member before executing the agreement.

Manager Moe moved to delegate authority to the President to sign the agreement with Forest Hills Golf Course and resulting easement, on advice of counsel. Seconded by Manager Spence.

Discussion: Engineer Graske asked for clarification about the inclusion of the easement with the agreement. He noted that the location for some of the project components have not yet been finalized at this point. Mr. Holtman explained that one of the terms of the agreement is that an easement would be signed once the project design is at a stage during which the locations and alignments are known. The easement is a separate document from the agreement.

Upon a vote, the motion carried 3-0.

Administrator Kinney explained that the second part of the agenda item includes EOR's scope of work for phase 1 of the project. He noted that if the Board chooses to authorize the scope tonight, work on those tasks may begin immediately after execution of the grant agreement with BWSR.

Manager Spence moved to authorize the Administrator, on advice of counsel, to enter into an agreement with EOR for services outlined in the attached memo dated February 16, 2017 regarding feasibility work under Phases 1-4 & 9 of the Shields Lake Stormwater Harvest and Irrigation Reuse System and Alum Treatment in an amount not to exceed \$71,800. Seconded by Manager Moe.

Discussion: President Anderson noted that, since he was unable to attend this meeting, Manager Schmaltz provided the board with written comments regarding the project. President Anderson summarized some of the comments and explained that they largely pertain to the relationship between in-lake phosphorus concentration and water clarity. Manager Schmaltz's comments expressed concern that the District's phosphorus concentration goal for Shields Lake is not aggressive enough. Engineer Graske noted that Shields Lake is classified as a shallow lake, and therefore has a different state standard for phosphorus concentration than other District lakes such as Forest Lake, Bone Lake, and Comfort Lake (60 micrograms per liter instead of 40 micrograms per liter). Dr. Meghan Funke explained that, for shallow lakes, the relationship between in-lake phosphorus concentration and water clarity is not as linear as it is for other lakes. Shallow lakes are typically found in one of two steady states: turbid state (the current state of Shields Lake) or clear state (the goal). The phosphorus load reductions that will be achieved by the Shields Lake project are anticipated to be significant enough to flip Shields Lake from its current turbid state to a clear water state. Though

the state standard indicates a concentration of 60 micrograms per liter, the actual concentration once Shields reaches a clear water state will likely be much less. Dr. Funke added that flipping Shields Lake to a clear water state is expected to result in a significant phosphorus load reduction to Forest Lake. President Anderson asked that EOR provide that sort of explanation in their memos in the future. There was further discussion about shallow lake stable states. Manager Spence concluded that it seems like the District is being adequately aggressive with its water quality goals for Shields Lake.

Upon a vote, the motion carried 3-0.

f) Bone Lake Cropland Rental Agreement

Administrator Kinney explained that the Bone Lake Diagnostic Study identified a small area of farmland in the Bone Lake subwatershed that was contributing a very high phosphorus concentration to the lake. The District has since reached out to the landowner in an attempt to implement agricultural best management practices (BMPs) on that property. The landowner is agreeable to a year-to-year contract with the District, but doesn't want to commit to anything long-term. The proposed land rental agreement is in the packet and provides for a payment to the landowner of \$3,040 per year allowing the District to manage just over 30 acres of farmland. Mr. Kinney noted that implementing agricultural BMPs on this property would be very cost effective at an average of \$100 per pound of phosphorous removal.

In response to a question from President Anderson, Mr. Kinney noted that funding for these activities would come from the District's cost-share program budget.

Manager Moe moves to authorize the Administrator, on advice of counsel, to enter into an agreement with Mr. Warren Dahlin for the purpose of renting and managing annually the cropland owned by Mr. Dahlin so as to reduce the nutrient loading into Bone Lake. Seconded by Manager Spence. Upon a vote, the motion carried 3-0.

g) MAWD Request for Special Meeting

Administrator Kinney explained that the Minnesota Association of Watershed Districts (MAWD) board typically conducts its business at its annual meeting in December. However, in order to meet its goal of having new structures in place by January 1, 2018 the MAWD board has requested a special meeting during the summer tour in June.

President Anderson noted that this was discussed during the breakout sessions at the 2016 MAWD annual meeting. She explained that MAWD wants to encourage more involvement and is therefore proposing to raise the annual dues. She added that there was also discussion about adding different levels of membership. President Anderson encouraged other board members to attend the MAWD summer tour in June. She then asked legal counsel if the letter included in the board packet should be signed by the

board instead of the District Administrator, since the board members are the voting members of MAWD. Legal Counsel Holtman responded that the board could opt to pass a motion authorizing the Administrator to sign the letter on behalf of the board.

Manager Spence moved to authorize the Administrator to sign the attached draft letter to the MAWD Board President requesting a special meeting of the MAWD Board be held during the MAWD Summer Tour that is scheduled for June 21-23, 2017. Seconded by Manager Moe. Upon a vote, the motion carried 3-0.

Administrator Kinney noted that information on the upcoming legislative session is also included in the board packet. Managers could register to attend themselves, or ask staff to register for them. President Anderson noted that she is planning to attend.

6. Old Business

a) Amendment and Data Review Scope of Work

Administrator Kinney presented the scope of work from EOR for two different tasks: assistance with the Watershed Management Plan amendment, and performance of a comprehensive monitoring data review. He noted that the scope of work for the plan amendment has a cost that is higher than what is in the 2017 budget for that item. Mr. Kinney explained that there are a couple of line items in the 2017 budget that are expected to be underspent, and asked for board input on how to handle transfers between budget line items.

President Anderson noted that the board should decide on a procedure for aligning the budget with the actual anticipated spending, as things progress and change over the course of the year. She explained that the budget report should be amended as budget transfers occur in order to ensure that line items are not overspent. Administrator Kinney explained that he has spoken with the District's accountant and auditor about this, and they have indicated that it is okay for the District to have overspent line items in the budget, as long as there is an adequate explanation for the overage. The auditor is more concerned about the District's overall budget balance, especially with respect to the reserve. There was discussion about proper procedure for processing and documenting budget transfers. Legal Counsel Holtman explained that his experience with other watershed districts has shown that typically administrators present a proposed expense to the board and show that the expense is covered by the corresponding budget line item. If a budget transfer is necessary to fund the expense, the administrator would propose an alternative line item from which funds could be transferred. In conjunction with authorizing the expenditure, the board would also authorize the transfer of funds in this case. This would then be communicated to the accountant, who would then make that adjustment. There was discussion about a standard template to be used in the event of a budget transfer. It was unclear if MAWD or BWSR has templates that the District could use. President Anderson suggested asking the District accountant and auditor for a template.

Mr. Holtman added that, with respect to the \$21 overage for the comprehensive data review scope of work, the board could authorize the Administrator to overspend a particular line item budget if there is another uncommitted fund budget, such as the reserve fund, from which funds could be drawn. In doing so, the board could specify a limit on this authority.

Manager Moe moved to authorize the requested fund transfers and authorize the Administrator, on advice of counsel, to enter into an agreement with Emmons and Olivier Resources in accordance with the January 11, 2017 scope of work and in an amount not to exceed \$9,985. Seconded by Manager Spence. Upon a vote, the motion carried 3-0.

Manager Anderson moved to direct staff to formulate a standard template for fund transfers to accommodate changes in the budget that would be used to present the proposed fund transfer to the board and subsequently communicate it to the accountant. Seconded by Manager Spence. Upon a vote, the motion carried 3-0.

b) Project Updates

Administrator Kinney explained that the District has recently completed some of its larger capital improvement projects. He explained that the 3rd Lake Pond (a.k.a. Forest Lake Wetland Treatment Basin) project was completed, then the contractor for both projects, Peterson Companies, began work on the Moody Lake Wetland Rehabilitation Project. Due to forecasted warm temperatures, the decision was made for Peterson Companies to work around the clock in order to finish the project ahead of schedule. District staff notified nearby homeowners of the revised work schedule by knocking on doors. Construction was completed late in the day on Thursday, February 16th. Phase 2 of the project will entail effectiveness monitoring to determine if alum treatment within these excavated wetlands is warranted. Mr. Kinney noted that the excavated material will likely remain onsite until next fall when it will be spread onto the flat area of the field located to the north. Engineer Graske added that there will be erosion control measures on and around the material stockpile in the meantime. There was discussion about the size of the project and projected phosphorus load reduction of 445 pounds per year. Engineer Graske pointed out that the main construction phase of these projects is now complete, but site cleanup and restoration will occur later this spring. He noted that some silt buildup was observed at the outlet of the 3rd Lake Pond project due to the dewatering operations, and will be cleaned up.

7. Report of Staff

a) Administrator

Manager Spence asked for an update on the proposed housing development on Comfort Lake. Engineer Graske responded that the District received a permit application for that development yesterday.

Administrator Kinney noted that the board may expect a workshop in the near future to discuss the District rule revisions with the City of Forest Lake. He explained that a meeting on the staff level will occur first, and that topics of discussion will likely include new developments and regional stormwater treatment. Mr. Kinney has asked the city to prepare a memo explaining their desired changes to the District rules.

b) Emmons & Olivier

Engineer Graske noted that in addition to the Comfort Lake development permit application, the District received a permit application for redevelopment of the old Forest Lake city hall site. The proposed project will include an apartment complex with some retail on the ground floor, as well as redevelopment of some of the adjacent roads.

He added that Dr. Funke is continuing to make progress on the Forest Lake Diagnostic Study and has begun framing up the prioritization of projects. The study is expected to be completed by June.

President Anderson asked for an update on the deep core sediment sampling. Administrator Kinney responded that the final report is expected to be received in July. He added that one of the St. Thomas students will be giving a presentation using some of the core data at an upcoming conference in Pittsburgh in March. It was noted that the sediment core data will be used to determine the dosing rate for the alum treatment on Shields Lake.

c) Smith Partners

Nothing to report.

8. Report of Treasurer

a) Approval of Bills and Treasurer's Report

Manager Spence presented the Treasurer's Report and invoices to be paid and recommended approval.

Manager Moe moved to accept the Treasurer's Report and pay the bills in the amount of \$235,695.87. Seconded by Manager Anderson. Upon vote, the motion carried 3-0.

9. Report of Officers and Managers

Manager Spence commented that the District's open house event on Tuesday had a high rate of attendance by the public.

10. Adjourn

a) Next regular board meeting – March 23, 2017

Manager Spence moved to adjourn the meeting at 8:22 p.m. Seconded by Manager Moe. Upon vote, the motion carried 3-0.

Wayne S. Moe, Secretary _____