

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

1. Call to Order

Vice President Spence called the March 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, Treasurer Steve Schmaltz, Assistant Treasurer Jackie McNamara

Others: Mike Kinney, Jessica Lindemyer, Mike Sorensen (CLFLWD staff); Greg Graske, Meghan Funke, (Emmons & Olivier Resources); Chuck Holtman (Smith Partners); Sam Husnik (City of Forest Lake), Jeff Bock (Gaughan Companies), Lance Hoff (Momentum Environmental), Jack McKenzie (Citizen Advisory Committee).

2. Setting of Meeting Agenda

Administrator Kinney requested that an action item for the Bixby Park Operations and Maintenance Plan be added as the last item under New Business.

Manager Moe moved to approve the agenda as amended. Seconded by Manager Schmaltz. Upon a vote, the motion carried 4-0.

[President Anderson arrives]

3. Consent Agenda

- a) **Special Board Meeting Minutes – February 2, 2017**
- b) **Regular Board Meeting Minutes – February 23, 2017**

Manager Moe moved to approve the consent agenda as presented. Seconded by Manager Schmaltz.

Discussion: Manager Schmaltz noted a statement in the February 23rd minutes about timing for executing the grant agreement for the Shields Lake Stormwater Harvest project. He asked if the agreement has been executed yet. Administrator Kinney explained that the Board of Water and Soil Resources (BWSR) wanted to approve the language in the agreement with the golf club before approving the grant agreement. He noted that there have been communications with both BWSR and the golf club in order to come to an agreement on the language. There was discussion on the importance of timing and next steps.

President Anderson noted that she wants to clarify a few points in the meeting minutes before approving them. One of which was on the February 2nd minutes: with regard to the board's action on the 3rd Lake Pond project pipe issue, the action wasn't just a motion but a unanimous vote. She explained that there were a few more clarifications she'd like to make, and that they wouldn't be major changes. It was agreed that she would follow up with staff on those clarifications after the meeting.

Manager Moe amended his motion to include President Anderson's changes to the minutes. Seconded by Manager Schmaltz. Upon a vote, the motion carried 5-0.

4. Public Open Forum

There were no comments.

5. Citizen Advisory Committee Update

Program Assistant Mike Sorensen explained that CAC Chair Jerry Grundtner was unable to attend the meeting and that he would provide the CAC update in his stead. Mr. Sorensen explained that the CAC has continued its collaboration with the Forest Lake High School on the native plant growing project. They are still working on choosing a location for the planting field trip, and he anticipates that it will likely either be at the District office or one of the dead end streets around Forest Lake. Mr. Sorensen added that Jack McKenzie has continued to make progress on his Master Watershed Steward capstone project welcome coolers. He invited Mr. McKenzie to provide more information on the project.

Mr. McKenzie explained that the original plan of working with local real estate agents hasn't worked out, so he is now working with the local lake associations to develop the informational welcome coolers for new lakeshore homeowners. Mr. McKenzie explained that he has prepared an educational presentation on water quality best management practices that he will present to the lake associations at various dates within the upcoming months. The presentation dates would be open to all residents within the District.

President Anderson asked about another Master Watershed Steward capstone project: stormwater inlet stenciling. She noted that part of the project entails distributing informational door knockers to homes throughout the District and asked that the material on the door knockers be provided to the Board for review before distribution.

6. New Business

a) AIS Update

Mr. Sorensen went through the current month's aquatic invasive species (AIS) update, pointing out changes from the previous month's update. The first change arose from a

suggestion from President Anderson at the last board meeting to add columns to the budget summary page for each lake's acreage and calculated spend per acre. There was discussion about whether to use littoral area (i.e. the area within a lake where plants grow) acreage instead of whole-lake acreage. President Anderson noted that littoral acreage seems to be more appropriate given that most herbicide treatments occur within the littoral area. There was discussion regarding the high expense per acre for Shields Lake due to the planned fish barrier retrofit. It was clarified that the fish barrier largely benefits Forest Lake and that point should be made in the AIS update. President Anderson reminded Mr. Sorensen that she wanted to see the expense per acreage calculation broken out between Forest Lake's three basins as well. Manager Schmaltz asked if these changes to the budget summary sheet were intended to guide decision-making or were solely for public information purposes. President Anderson responded that they were intended to help clarify expenditures for the public. There was discussion regarding allocating staff time to details such as these. Mr. Sorensen noted that staff is currently working on President Anderson's other request from the last meeting to create an AIS-severity ranking for each lake. He noted that staff contacted Steve McComas for assistance with this and will bring something to a future meeting.

Mr. Sorensen explained that he reached out to the fisheries office at the Department of Natural Resources (DNR) in order to coordinate future fish surveys on District lakes. He presented a schedule of fish surveys that are being planned by the DNR. President Anderson asked that this schedule be posted to the District website. Mr. Sorensen then noted the two budget transfers that occurred at the last meeting and how they have been incorporated into the management sheets. He explained the seven AIS control grants that the District received from the DNR, ranging from \$50 for some treatments to \$4,999 for another. The District is soliciting quotes from two different herbicide treatment companies for AIS treatments this year: Lake Management Inc. and Clarke Consulting. Manager Schmaltz asked about a treatment credit from Lake Management Inc. for curly-leaf pondweed treatment on Forest Lake. Mr. Sorensen responded that staff has been in contact with Lake Management, and they have agreed to give the District a credit for the treatment area that was considered poor control in 2016. Administrator Kinney noted that Clarke Consulting uses CiBiobase electronic bathymetric and plant matter mapping during the treatment process.

Mr. Sorensen noted that the Comfort Lake Association has agreed to contribute \$2,000 to the District's watercraft inspection program to fund additional hours on Comfort Lake this year. This additional funding, in combination with the District's budget and Chisago County contribution, will allow the District to reach a goal of 650 inspection hours on Comfort Lake in 2017. He compared the funding levels and inspection goals for each lake: 300 hours for Bone, 650 for Comfort, and 2,500 for Forest. It is possible that Forest Lake may receive even more than 2,500 hours, depending on additional scheduling from DNR inspectors.

b) Washington County AIS Grant Agreements

Administrator Kinney explained that the District was awarded two out of the four grants that they applied for this year. He noted that the Washington County board has already approved the agreements, and asked that the CLFLWD board approve them for execution as well.

Manager Moe moved to approve the grant agreements with Washington County and authorize signature by the Board President. Seconded by Manager Spence. Upon a vote, the motion carried 5-0.

c) Manager Attendance at CAC Meetings

Administrator Kinney explained that at the last meeting CAC Chair Jerry Grundtner encouraged manager attendance at future CAC meetings. Staff has provided a few recommended CAC meeting dates that the managers could choose from if they were interested in attending. There was discussion about manager availability and the options of a rotating attendance schedule versus assigning one manager as the CAC liaison. Manager Moe expressed concern about scheduling availability and required time commitment. President Anderson agreed that managers' schedules are very busy. She expressed concern about a disconnect between the CAC and Board, and suggested that the CAC meet less often: quarterly instead of monthly. She suggested that she have more discussion with staff and CAC members before making a decision on a protocol for manager attendance at CAC meetings. There was consensus from the Board to have managers sign up to attend one of the meetings recommended by staff, and to have President Anderson engage in further communication in order to determine a more formal protocol for Board-CAC communication.

There was further discussion about the impetus of the request for manager attendance at CAC meetings. President Anderson explained the statutory purpose of CACs and how their projects should align with the Watershed Management Plan.

Sam Husnik, Forest Lake City Council liaison, addressed the Board regarding the issue of having a communication disconnect. He explained that the city council was discussing the Forest Lake mechanical harvester and potential dredging work at its last workshop. He suggested to the council that the CLFLWD should be involved in these types of discussions, and recommended that the District get in contact with the city council and park board. President Anderson agreed with Mr. Husnik's recommendation for increased communication.

d) 17-002 Lighthouse Apartments

Engineer Graske explained that this permit application is for redevelopment of the old Forest Lake City Hall site. The proposed redevelopment will entail an apartment building with some retail and a restaurant on the ground floor. The project will also entail some reconstruction of 2nd Street. The applicants are proposing an underground stormwater management facility in order to meet the District's stormwater rule. In response to a question from President Anderson, Mr. Graske confirmed that the

proposed layout of the site will be relatively similar to the current layout as far as building and parking lot placement. One difference will be that the apartment building will be four stories high, as opposed to the current single-story building onsite.

Mr. Grasko explained that the site eventually drains to the Sunrise River and Comfort Lake through a series of storm sewer and ditch systems. He noted that the applicants are proposing to achieve all of the stormwater management requirements through the underground chamber system. President Anderson asked if there are any other similar systems in place in the District currently. It was noted that a similar, but slightly different, system is currently in place beneath Lakeside Park in Forest Lake. Mr. Grasko then explained the details of how the underground treatment system works. The system is designed to be able to infiltrate water from most storms, and overflows into the sewer system in cases of heavier storm events. Manager Moe asked about possible siltation of the rock barriers surrounding the chambers. Mr. Grasko explained that certain areas are designed to collect sediment in order to keep other sections of the system clean. He noted that a typical lifespan for a system like this is 25 years, which is similar to a regular stormwater pond. Annual maintenance will be required throughout the life cycle of the system. Mr. Grasko noted that all of these details will be included in the maintenance declaration for the permit. It was clarified that the owners of the property will be responsible for maintenance. There was discussion about the District's procedure for obtaining annual maintenance reports from past maintenance declaration holders.

Mr. Grasko explained how the proposed project meets the District's rules for stormwater management and erosion control. He recommended conditional approval of the permit application pending receipt of the required exhibits noted in the engineer's report.

Manager Schmaltz moved to approve permit application 17-002 contingent upon the conditions stated in the engineer's memo. Seconded by Manager Spence.

Discussion: President Anderson thanked the applicants for not only meeting the District's minimum requirements, but exceeding them.

Upon a vote, the motion carried 5-0.

e) Permit Financial Assurance Policy

Administrator Kinney explained that a current permit applicant has inquired about the possibility of the District accepting a letter of credit from an institution that is not FDIC-insured. He noted that the District's rules do not have specific guidance on this, so he is looking to the Board on a decision for how to proceed. There was discussion about the different options available including a letter of credit and set-aside letter. Mr. Grasko explained that the applicant has two options for satisfying the financial assurance for stormwater management: providing it directly to the District or demonstrating that an equal or greater assurance has been provided to the

municipality. In either case, the applicant is required to provide financial assurance to the District for grading and alteration. In this case, the applicant wishes to provide financial assurance for both grading and alteration as well as stormwater management to the District (rather than demonstrating that assurance has been provided to the municipality). It is assumed that working with one party rather than two is easier for the applicants.

Legal Counsel Holtman explained that the scenario of dealing with a non-FDIC insured institution is rare. He noted that the applicants would be able to obtain a letter of credit from an FDIC-insured bank if needed. However, the question is whether or not the District wants to make an accommodation for the applicant so that they can work with their chosen (non-FDIC insured) institution, Lutheran Church Extension Fund. Mr. Holtman explained that this is a risk-based judgement that involves consideration of the amount of financial assurance and length of the proposed project.

The Board agreed that the best solution would be to suggest that the applicants proceed with a cash escrow to be held in the District's account, as this is one of the three accepted forms of assurance specific in the District Rules.

Manager Schmaltz moved to deny the acceptance of a letter of credit or set aside letter from Lutheran Church Extension Fund and recommend that the applicants proceed with submitting a cash escrow to the District. Seconded by Manager Spence. Upon a vote, the motion carried 5-0.

f) 2016 Draft Monitoring Report

Administrator Kinney explained that the District has received the draft 2016 water monitoring report from the Washington Conservation District. He asked that the Board review the draft and bring any comments or questions to the April regular board meeting for discussion. The current plan is to then bring the final report to the May regular board meeting for a presentation and final acceptance from the Board.

President Anderson and Manager Moe requested hard copies of the report.

g) Meetings for Performance Based Watershed Funding

Administrator Kinney explained that the Board of Water and Soil Resources (BWSR) is holding meetings in the metro area to discuss performance-based watershed grant funding. He explained the importance of agreeing on standard performance calculations such as phosphorus removals.

Manager Schmaltz asked if the purpose of the performance-based watershed funding meetings is to set the stage for changing how watershed districts obtain state funding such as Clean Water Fund grants. He inquired if the Clean Water Fund grants will no longer be available, and watershed districts will need to obtain grant funds by participating in One Watershed One Plan (1W1P). Administrator Kinney responded

that he anticipates there will be a long-term push toward 1W1P, but the Clean Water Fund grants should still be available for several years. There was discussion about project prioritization under 1W1P and how that relates to the need for standard performance calculations across the state.

Mr. Holtman explained that another factor regarding 1W1P is that 1W1P does not apply to watersheds within the metro area. There are several policy questions that arise from this distinction, and even further questions that arise from the block grant funding structure that is currently being proposed. He explained that since the CLFLWD is partially located within the metro, and partially outside of the metro, it is subject to complications when it comes to implementation of 1W1P.

President Anderson noted that she is planning to attend the April 3rd meeting in Oakdale. She recommended that managers coordinate with staff on which of these meetings they plan to attend.

h) Bixby Park Operations & Maintenance Plan

Administrator Kinney explained that BWSR has requested that several items be submitted in order for the Bixby Park Clean Water Fund grant to be closed out and for final payment to be submitted. One of which is an operations and maintenance plan for the project. He noted that staff used EOR's O&M plan for the Bone Lake fish barriers as a template to create this plan. He recommended Board approval pending final review from the District Engineer and legal counsel.

Manager Moe moved to approve the operations and maintenance plan as presented, pending final review from the District Engineer and legal counsel. Seconded by Manager McNamara.

Discussion: President Anderson asked if the ponds shown in the cover page photograph were the same ones that were constructed by the DNR in previous years as an attempt at rate control. Administrator Kinney confirmed that they are. President Anderson commented on how well the vegetation in the project site has grown in and the abundance of wildlife in the area.

Upon a vote, the motion carried 5-0.

7. Old Business

a) Washington Judicial Ditch 6 Resolution 17-03-01

Legal Counsel Holtman provided some background information on the topic. The District has been working on modifying part of its boundary with the Rice Creek Watershed District (RCWD). One component of this boundary change includes the transfer of drainage authority for Washington Judicial Ditch 6 (WJD6) from RCWD to the District. Mr. Holtman explained that statute does not contain specific guidance on

how to transfer drainage authority from one watershed district to another. Therefore, Mr. Holtman has been working with RCWD’s legal counsel to devise a reasonable procedure to completing the transfer. The initial plan entailed transferring authority from RCWD to Washington County, then immediately to the District afterward. However, the county’s legal counsel was not comfortable with this method, so a new plan had to be devised. This entails enacting special legislation. A similar resolution to the one being proposed has already been adopted by the RCWD board of managers. Additionally, Mr. Holtman has communicated with the Board of Water and Soil Resources and Department of Natural Resources on the matter, and they have each expressed approval of the legislation.

President Anderson suggested a revision to the briefing memo that was included in the meeting packet. She noted that WJD6 is known to be the largest contributor of phosphorus and sediment to Forest Lake from that drainage area. She suggested that the memo specify that, rather than simply noting that the ditch contributes sediment and phosphorus to Forest Lake. President Anderson explained that this revision would summarize the main objective of completing the boundary change and drainage authority transfer – for the District to gain control of the ditch in order to mitigate water quality impacts to Forest Lake. She also suggested that the phrase “would like” be changed to “seek” in the fourth line of the first paragraph in the briefing memo. Manager McNamara expressed agreement with President Anderson’s suggested revisions.

Manager Schmaltz asked if the transfer of tax base from RCWD to the District should be noted in the memo. Administrator Kinney noted that the tax base transfer will take place later on in the process when the boundary change is completed in June.

Manager McNamara moved to adopt resolution 17-03-01. Seconded by Manager Spence. Upon a roll call vote, the motion carried 5-0.

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

b) CD3 Station Update

Administrator Kinney recapped the District’s involvement in the development of the Clean, Drain, Dry, Dispose (CD3) boat cleaning station, including discussions with the product developers and City of Forest Lake staff. He explained that the CD3 station developers came to the District’s October regular board meeting and gave a presentation, at which time the Board directed staff to proceed with discussions with

the developers and seek funding assistance from other sources such as Washington County, Forest Lake Lake Association (FLLA), and the City of Forest Lake. The District's grant proposal to Washington County was denied and the FLLA expressed an interest to put off implementation of the station until 2018. Considering recent discussions that he has had with the city, Mr. Kinney noted that a funding contribution from them is unlikely at this point. If the District wished to proceed with the installation of the station, it would need to be funded through the District's reserves. Given these considerations, Mr. Kinney recommended that the District postpone the purchase and installation of the CD3 station until 2018.

President Anderson indicated that she was uncomfortable with the District providing funding to the product in such early stages of development. She recommended that the District reverse its prior decision to fund the project. Manager Moe expressed agreement. President Anderson suggested that the CD3 station developers should finish developing and testing their product without the District's involvement, and bring back a finished product for sale at a later time. There was discussion about the proper board motion necessary to retract the District's funding commitment to the CD3 station project.

Manager Anderson moved to rescind authorization for the District to fund the CD3 station project. Seconded by Manager Moe.

Discussion: Manager Spence noted that one of the original appeals of participating in the product development process would be that the District may receive a lower price for purchasing the product compared to the selling price once the product has been fully tested. Manager McNamara noted that one topic from the original conversation was that the developers should contribute more funding to the project themselves.

Upon a vote, the motion carried 5-0.

c) 3rd Lake Pond Monitoring

Administrator Kinney explained that the District should consider the topic of capital project effectiveness monitoring in general, and that the 3rd Lake Pond Project (aka Forest Lake Wetland Treatment Basin) is one example of this. He noted that there are arguments for waiting a year after project construction to begin effectiveness monitoring. In this scenario, final stabilization and permanent vegetation can occur in the project area before monitoring begins. He noted that the District has been in contact with the Pollution Control Agency with regard to establishing an effectiveness monitoring standard procedure and protocol. He urged the board to discuss this topic with other members of the MN Association of Watershed Districts.

There was discussion about effectiveness monitoring being performed by other watershed districts throughout the state. Mr. Kinney and Mr. Graska each noted that other watershed districts generally don't perform the same level of effectiveness monitoring as the District is proposing. Mr. Graska noted that cost can be a prohibitive

factor for performing targeted effectiveness monitoring for all capital improvement projects. Manager Moe noted that the District's monitoring efforts prove how successful its projects are, which may be one of the reasons for the District's past success in obtaining grant funds. Mr. Graska concurred that monitoring, especially targeted pre-project monitoring, heavily influences grant awards. President Anderson expressed that effectiveness monitoring is necessary to justify spending on large capital improvement projects, and that monitoring is a key component of the District's adaptive management philosophy.

President Anderson expressed concern about the reported silty discharge from the 3rd Lake Pond project site. She referenced the District's experience with discharge issues from the Broadway Avenue iron-enhanced sand filter, and how that was a learning experience for the District. Mr. Graska explained that the silty discharge at the 3rd Lake Pond project resulted from construction activity within the wetland. He noted that wetland excavation tends to be very dirty work, and that the contractor was using a silt sock to separate silt from the water before discharging into the lake. However, the silt sock was reported to experience frequent clogging. Mr. Graska explained that the contractor did everything possible to keep up with cleaning out the silt sock, but was unable to capture all of the silt from the discharge. He noted that this minor discharge is greatly offset by the benefit that the project will have on water quality in the long run. Mr. Graska also noted that these types of projects are typically constructed in the winter time when flows are at their lowest, however recent warm weather in combination with some groundwater contribution contributed to greater flows than what would be ideal.

Administrator Kinney added that the contractor, Peterson Companies, is scheduled to return to the site with a vacuum truck as soon as road restrictions are off and clean up as much of the sediment as they can. There was discussion regarding factors contributing to the discharge, current conditions, and potential solutions. Mr. Graska noted that he visited the project site just before the board meeting and it was discharging clear water. President Anderson asked about EOR's protocol for addressing issues with projects such as this. Mr. Graska explained that EOR's site inspectors identified the problem and notified Administrator Kinney immediately. There was discussion regarding road restrictions prohibiting a vacuum truck from accessing the site for cleanup, and communications with Peterson Companies.

President Anderson stressed the importance of resolving issues such as this in an urgent manner. She expressed dissatisfaction with the amount of time between identifying the issue and coming to a solution, and the methods of communication between the District and the contractor. Manager Moe added that the Board President should have been copied on all communications with regard to the issue.

There was discussion about effectiveness monitoring and costs. President Anderson expressed that the contractor should be responsible for costs associated with monitoring because they caused the silty discharge. Mr. Kinney noted that some grab samples have been taken at the outlet of the project which have determined that silt

was only being discharged during the time of construction. There was discussion regarding the extent of the discharge. Manager Moe noted that it would probably take at least a year for the project to be fully re-stabilized with permanent vegetation and for disturbed sediment in the water to settle. Until then, the project wouldn't be functioning to its full potential. He asked if it would be more cost-effective to simply take a few grab samples this year, and perform more comprehensive effectiveness monitoring in 2018. Engineer Graske concurred that this seems like a sensible course of action.

President Anderson indicated that the District should have an action plan in place in the event that issues arise in future projects. Mr. Graske responded that any large capital improvement project such as this is bound to encounter some unexpected problems, and that the discharge in this case is significantly smaller in comparison to the amount of water quality benefit that will arise from the project in the future. Manager McNamara explained that the discharge is highly visible to nearby homeowners and creates a bad image for the District. She expressed that Peterson Companies should be held responsible for the discharge. Manager Moe agreed that issues are bound to arise when constructing projects, but they should be addressed in a timely manner.

Administrator Kinney explained that he feels ultimately responsible for the delay in removing the sediment from the project outlet. In early discussions after the problem arose, he had given direction for the contractor to send workers out to the site to remove the sediment with shovels and wheelbarrows. During discussions with the contractor, he was ultimately convinced that the impact was small enough that the removal could wait until road restrictions were off, and the contractor could bring a vacuum truck down to the site. Though the physical impact of the discharge was small, Mr. Kinney explained that he should have given more consideration to the image of the sediment at the time and been more firm about immediate hand removal.

There was discussion about next steps including directing EOR to take grab samples at the project outlet this year and planning for future project effectiveness monitoring in general. Manager Schmaltz noted that Peterson Companies has had a good performance track record with the District in several aspects. He noted how they worked around the clock on the Moody Lake Wetland Rehabilitation Project and adjusted the timeline for the Bixby Park Project, both in order to accommodate unexpected warm weather in the wintertime. President Anderson explained that the management of the contractor by District staff and EOR is the issue at-hand. She expressed discontent for the way the discharge issue was handled by District staff and EOR. There was further discussion about the public image created by the sediment discharge.

Manager Schmaltz noted that there are two payments addressed to Peterson Companies in this month's Treasurer's Report. He asked about how the District will ensure that the remainder of the required work will be completed after the checks have been delivered. Mr. Kinney explained that the District is still holding some funds back

until the project is fully completed. There was discussion about post-construction as-built surveys and a potential bathymetric survey of the pond.

In response to a question by Manager Moe, there was discussion regarding spreading of the excavated material as part of the Moody Lake Wetland Rehabilitation Project. Administrator Kinney explained the details of temporary stabilization of the material stockpile in the meantime before it gets spread on the field in the fall.

There was further discussion regarding payment to Peterson Companies and the set-aside finances for the project. President Anderson commented that the District should begin discussions with the City of Forest Lake and Metropolitan Council regarding outdated sewer lines in residential areas. She expressed that this is a wide-spread problem that should be addressed.

Manager Schmaltz commented that he had several questions with regard to EOR's monthly project update sheet. He noted that the deadline to execute the FY17 Clean Water Fund grant agreement with BWSR is April 7th, and asked if that deadline is going to be met. Mr. Graska explained that the grant work plans for all of those projects have been submitted to BWSR. He noted one key component of the Shields Lake Stormwater Harvest project is the agreement with the Forest Hills Golf Club, which is currently being reviewed by the golf club. Mr. Kinney explained that the original intent was to execute the golf club agreement after the BWSR grant agreement had been executed. However, BWSR recently notified the District that it wanted the golf club agreement to be executed before the grant agreement, which the District did not expect. He explained the discussions he's had with BWSR regarding this topic, as well as the status of the work plans for the other two CWF projects. He concluded that he does not anticipate there being any issues with meeting the April 7th grant agreement execution deadline.

d) Buffer Law

Administrator Kinney explained that there is a mechanism within the new buffer law that would give the District authority to enforce the law within its boundaries. He noted that Chisago Soil and Water Conservation District's (SWCD) database contains zero parcels to check for noncompliance within the Chisago County side of the CLFLWD. There are several parcels within the Washington County portion of the District that require attention. Mr. Kinney recommended that the board move to inform BWSR that the District declines to assume enforcement authority for the buffer law.

Manager Spence asked who the responsibility would fall to in the event that the District declines. Legal Counsel Holtman responded that the counties have the first choice to assume authority. If the county declines, the responsibility will fall to BWSR. There was discussion regarding procedural methods for enforcement. Mr. Holtman explained that the SWCDs are responsible for performing all of the compliance monitoring. If they should observe a case of noncompliance they would

notify the enforcement authority for that area which could either be the watershed district, county, or BWSR. It was clarified that the enforcement decision could be changed at a later date if the board desires.

Manager Spence moved to direct the Administrator to advise the Board of Water and Soil Resources that the District declines to assume enforcement jurisdiction and authority under Minnesota Statutes 103F.48, subdivision 7(b). Seconded by Manager Schmaltz. Upon a vote, the motion carried 5-0.

President Anderson requested that a preliminary draft report on the St. Croix Watershed Research Station's deep sediment core results be given to the board ahead of the final report that is due in July. She noted that a presentation on the findings was recently given at a symposium in Philadelphia.

8. Report of Staff

a) Administrator

Administrator Kinney noted that Mike Sorensen will be hosting a table this Saturday at the 2017 Lakes Area Expo hosted by the Forest Lake Chamber of Commerce. Mr. Sorensen added that the District will be sharing a booth with the Forest Lake Lake Association. He prepared a trivia question to ask passersby: how many gallons of water are in Forest Lake? Whoever guesses closest to the correct answer of 8 billion gallons will receive a free t-shirt.

President Anderson asked that the story map that EOR created for Bone [Moody] Lake be added to the website. She then noted the information on permit meetings with the cities of Scandia and Wyoming in the Administrator's Report. She asked if there are any other regular meetings being held with these two municipalities outside of permitting. Mr. Kinney responded that he set up such meetings with Scandia, and still needs to do so with Wyoming. President Anderson asked for an update on the final draft of the 2016 Progress Report. Mr. Kinney responded that the final draft will be brought to the April regular board meeting. President Anderson asked about plant fragments drifting downstream due to the Forest Lake mechanical harvester, and if there were any screens in place at the outlet to catch plant fragments. Mr. Kinney responded that the harvester machine collects the majority of severed fragments and brings them to shore to be taken to the city's compost site. Some fragments are likely to escape the machine and would drift downstream; there are no screens in place at the lake outlet. He noted that the District is getting more involved with managing the pathways of the harvester this year so that it avoids known invasive plant patches and limits fragmentation and spread of those invasive plants.

Manager Moe noted that he has had discussions with staff regarding planting the Kernza grain on cropland within the Bone Lake subwatershed. He explained that Kernza is a perennial grain with deep roots that are longer than a typical wheat plant. He was interested in experimenting with planting the grain in the field that the District

is leasing in order to determine its impacts on water quality. Mr. Kinney explained that he has been in contact with the USDA and University of Minnesota with regard to obtaining some Kernza seeds and possibly setting up a demonstration experiment.

President Anderson brought to the board's attention the May 6th project tour that is listed on the meeting schedule.

b) Emmons & Olivier

Engineer Graske noted that the District received a permit application for the new proposed development on Comfort Lake. The applicants still needed to submit several exhibits, so the permit application was deemed incomplete. Mr. Graske expected the application to come to the April board meeting.

c) Smith Partners

Nothing to report.

9. Report of Treasurer

a) Approval of Bills and Treasurer's Report

Manager Schmaltz presented the Treasurer's Report and invoices to be paid and recommended approval. He explained that the large expense amount this month is due to the two large payments to Peterson Companies for their work on capital improvement projects. He noted that this brings the District's fund balance down to \$269,000 and referred to a memo prepared by staff explaining how grant reimbursements are being sought in order to bring the fund balance back up. It is expected that over \$800,000 will be received in grants before the District receives its next tax levy settlement. Mr. Kinney added that staff has been working on an informational handout explaining the District's tax levy and funding. There was discussion regarding grant reporting deadlines and reimbursement timelines.

Manager Schmaltz requested that staff produce a report on projects that may be delayed or postponed in order to guide decision making on budget transfers. Mr. Kinney noted that staff has begun this process.

Manager Schmaltz moved to accept the Treasurer's Report and pay the bills in the amount of \$458,720.32. Seconded by Manager Moe. Upon vote, the motion carried 5-0.

10. Report of Officers and Managers

Manager Schmaltz noted that he will be attending the Lakes Area Expo on Saturday. There was discussion regarding next steps for the performance review of the District Administrator.

Manager Moe moved to assign Managers Anderson and Schmaltz to perform a preliminary review and consolidation of the performance and salary of the District Administrator and develop a recommendation for review by the rest of the board. Seconded by Manager McNamara. Upon a vote, the motion carried 5-0.

Manager Spence announced that he is retiring from his job and plans to do so sometime in May.

11. Adjourn

a) Next regular board meeting – April 27, 2017

Manager Spence moved to adjourn the meeting at 9:09 p.m. Seconded by Manager Moe. Upon vote, the motion carried 5-0.

Wayne S. Moe, Secretary _____