

**DRAFT MINUTES OF THE REGULAR MEETING
OF THE
COMFORT LAKE – FOREST LAKE
WATERSHED DISTRICT
Thursday, October 5, 2017**

1. Call to Order

President Anderson called the October 5, 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

Absent: Assistant Treasurer Jackie McNamara

Others: Mike Kinney, Jessica Lindemyer, Mike Sorensen, Sam Duncanson, Comfort Lake-Forest Lake Watershed District (District) staff; Greg Graske, Meghan Funke (Emmons & Olivier Resources); Chuck Holtman (Smith Partners); Mark Edlund (St. Croix Watershed Research Station); Richard Berglund, Mary Renn, Sharon Sill, Jeff Blankenheim, Chris Jimenez, Bill Keilty (Comfort Lake Association); Jerry Grundtner (Citizen Advisory Committee); Denise Martin (Chisago County Press)

2. Setting of Meeting Agenda

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

3. Consent Agenda

- a) **Board Workshop Minutes – August 8, 2017**
- b) **Regular Board Meeting Minutes – August 24, 2017**
- c) **Special Board Meeting Minutes – September 7, 2017**

President Anderson noted that she had some corrections for the August 24th minutes and some minor typo corrections for the September 7th minutes. She will work with staff to make these changes after the meeting.

Manager Moe moved to approve the consent agenda with President Anderson's revisions. Seconded by Manager Schmaltz. Upon a vote, the motion carried 4-0.

4. Public Open Forum

There were no comments.

5. Citizen Advisory Committee Update

Program Assistant Mike Sorensen provided an update on the CAC. President Anderson attended the last CAC meeting where they discussed the 2018 budget and levy. President Anderson added that she asked the CAC to increase education and outreach efforts by, for example, writing a regular watershed district updates column for the newspaper.

6. New Business

a) AIS Update

Mr. Sorensen provided a brief presentation including updates on Forest Lake flowering rush treatment and seed collection, and Forest Lake plant harvester season results. President Anderson asked about the Forest Lake harvester's potential for spreading invasive plant fragments downstream. Mr. Sorensen responded that this is one of the reasons for using the GPS unit and map that avoids known patches of invasive plants; the harvester shouldn't be going into areas with AIS and spreading those plant fragments. President Anderson asked if Pelican River Watershed District also collects flowering rush flowers and seeds like we have been doing. Mr. Sorensen explained that the population of flowering rush in Detroit Lakes doesn't produce viable seeds like the Forest Lake population, therefore flower collection is unnecessary. President Anderson noted that effects of increased herbicide usage have been observed by Comfort Lake homeowners recently. This is likely due to the fact that more private AIS treatments have been occurring this year. She asked that Mr. Sorensen notify Steve McComas of this news so that he is aware when writing the AIS report for Comfort Lake. There was discussion about private herbicide treatments, DNR permitting requirements, and coordination and outreach with lake associations and landowners.

Mr. Sorensen's presentation can be found on the October 5, 2017 meeting materials webpage at www.clflwd.org/10-05-17BoardMeetingPacket.php.

b) St. Croix Watershed Research Station – Paleolimnology Report

Dr. Mark Edlund from the St. Croix Watershed Research Station (SCWRS) presented the results of the deep sediment core paleolimnological study on Shields Lake, Moody Lake, and Comfort Lake. The purpose of the study was to reconstruct the histories of these lakes and use that information to more effectively improve their water quality now.

Shields Lake

Shields Lake has been high in nutrients since the early 1900s. Sedimentation rate (how fast sediment is accumulating) started increasing in the late 1800s after European settlement and reached a peak in the 1980s. This is thought to be largely due to landscape changes associated with the growth of the City of Forest Lake and suburban developments, as well as the increased use of chemical fertilizers for

agriculture. Dr. Edlund hypothesized that, based on the diatoms in the sediment core, Shields Lake had much clearer water prior to 1910.

Main takeaways: Shields Lake had a large shift in its watershed hydrology, likely due to agricultural ditches. Modern sedimentation rates are still high compared to pre-European settlement. Effects of the golf course are difficult to discern. The lake has long been a eutrophic system.

Moody Lake

Like Shields Lake, Moody Lake is hypereutrophic. It also experienced a similar sedimentation rate to Shields Lake with an increase in the late 1800s and now decreasing after the 1980s. The rapid increase in sedimentation rate can be attributed to erosion on the landscape. Diatoms show that nutrient levels increased in the 1960s, shifting the lake into the eutrophic (nutrient-rich) category we see today. Core results suggest that internal phosphorus loading is a major factor contributing to Moody Lake's hypereutrophic state.

Main takeaways: Sedimentation rates have recently dropped and are now similar to pre-settlement. Moody Lake was a much less eutrophic system prior to European settlement. Internal loading is exacerbating the problems in Moody Lake today.

Comfort Lake

The sedimentation rate for Comfort Lake resembles those of Shields and Moody lakes. However, though the sedimentation rates have been decreasing in recent years, they are still three times higher than pre-European settlement. The diatom community changed dramatically in the 1990s, which indicates a decline in total phosphorus levels since that time.

Main takeaways: Historic major landscape changes affected the sedimentation rate, and the rate is still high compared to other two lakes. In recent years the lake has seen improvements in water quality, however there are still issues with blue-green algae (cyanobacteria).

There was discussion about core location selection; sediment accumulation consistency is important for this. Manager Spence asked about using this information to guide future water quality improvement decision making. Dr. Edlund explained that it is important to note that Shields Lake has been eutrophic for a long time, so management efforts such as an alum treatment should be monitored carefully. Moody Lake on the other hand, used to be a high quality system and has the capacity to be a better lake. There was discussion about the previous Shields Lake alum treatment that occurred in the mid-1990s. That alum treatment did not have a long-lasting effect, but technology has significantly improved in recent years so the next alum treatment is expected to have a longer effect. These sediment core data will be helpful in determining the dosing rate for the Shields Lake alum treatment this time around. The core data suggest that Shields Lake was once a bog, rather than a lake. There was discussion about seasonal variations in sedimentation rates and causes of low water clarity.

Dr. Edlund’s presentation can be found on the October 5, 2017 meeting materials webpage at www.cflwd.org/10-05-17BoardMeetingPacket.php.

c) Resolution 17-10-01 – Delegating Permitting Authority

Administrator Kinney explained the purpose of the resolution is to allow staff the authority to complete more permitting administrative items between board meetings. Given the recent increase in permitting activity, this should allow the District to process permits more efficiently.

Manager Schmaltz moved to adopt resolution 17-10-01. Seconded by Manager Spence. Upon a roll call vote, the motion carried 4-0.

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

d) Resolution 17-10-02 – Change in Principal Place of Business

Administrator Kinney explained that the boundary adjustment with Rice Creek Watershed District (RCWD) has recently been finalized to more closely reflect actual drainage boundaries. This resolution is the first step to formally change the designation of the District’s principal place of business. It would be the intent to move regular meetings from the Forest Lake City Hall (which is still located in RCWD) to the District office (which was previously designated as being within RCWD, but is now officially in the District). There was general agreement among the managers that it is preferable to continue to hold regular board meetings at City Hall for a variety of reasons. Legal Counsel Holtman advised that the Board could choose to designate the District office as the principal place of business and still hold regular meetings at City Hall based on the reasons cited by the managers that make the City Hall a more suitable meeting location.

Manager Spence moved to adopt resolution 17-10-02. Seconded by Manager Schmaltz. Upon a roll call vote, the motion carried 4-0.

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

7. Old Business

a) Street Sweeping Plan

Dr. Meghan Funke presented the final street sweeping plan for the City of Forest Lake, which the District received a Clean Water Fund grant to complete. The objective of the plan is to identify road-specific timing, quantified pollutant reductions to lakes, itemized costs, cost-benefit scenarios, and recommended actions for the city. Street sweeping benefits both water quality and city infrastructure. A main factor that the study took into account is the amount of tree canopy cover over every street. Dr. Funke went through several cost-benefit scenarios. In general, cost-effectiveness increases as number of sweeps per year increases, but starts decreasing if frequency exceeds bi-weekly. Cost-effectiveness also increases if the city purchases its own vacuum sweeper as opposed to contracting to have the sweeping done. The recommended sweeping scenario has different frequencies for each zone, and a total phosphorus reduction of 167 pounds per year. The existing city sweeping program removes an estimated 51 pounds of phosphorus per year.

With support from the District and RCWD, the City of Forest Lake applied for a FY18 Clean Water Fund grant to help purchase a sweeper of its own. Mr. Kinney noted that the high cost-effectiveness of street sweeping makes it a strong grant candidate. If the grant does not get approved, the City could still use this plan to target its existing sweeping program more efficiently. There was discussion about long-term infrastructure maintenance savings the City would see if it implemented this enhanced sweeping program.

Dr. Funke's presentation can be found on the October 5, 2017 meeting materials webpage at www.cflwd.org/10-05-17BoardMeetingPacket.php.

b) 2018 Budget

Mr. Kinney presented information on different short-term loans that the District could consider as an alternative to raising its tax levy more than 20 percent if all components of projected capital projects moved forward by the end of 2018. . There was agreement that if the District wants to stay on-schedule with project implementation, but not increase its levy by as much as 60 percent, then a loan or a bond is necessary. President Anderson asked staff to put together a budget outlook scenario with a \$500,000 loan and 2018 levy of \$1.2 million.

Legal Counsel Holtman noted that the District has another project financing vehicle available not necessarily for immediate needs, but for its longer-term project implementation agenda, which is obtaining financing from one or both Counties. The process would essentially be for the county to provide a line of credit that it would fund by including anticipated sums in its own regular or periodic bond issuance. The District would pay interest essentially at the County's

bond interest rate and the administrative costs of a separate District bond issuance would be avoided. After discussion, the managers concluded that the county bond interest rate would not be significantly lower than a standard bank loan, but the administrative process involved in coordinating with the county(ies) could potentially be burdensome.

There was discussion about interest rates, project timing, and cost projections for future years. It was noted that the results of this year's project effectiveness monitoring would be presented at the October 26th board meeting. President Anderson emphasized the importance of project prioritization and adaptive management when it comes to implementing projects to reach water quality goals.

Mr. Kinney explained recent communications with Carnelian-Marine-St. Croix Watershed District about a shared staffing effort. The Board expressed approval of this coordination. Manager Schmaltz requested that staff compile some information to show how the District is saving money by hiring in-house staff to run programs, as opposed to hiring consultants to complete the work. President Anderson asked for confirmation that the District Engineer is maintaining oversight of all of the recent capital improvement projects going on.

The Board directed that a budget scenario with a \$500,000 loan and \$1.2 million levy, as well as an updated 2017 yearend estimated expense report, be brought to the October 26th meeting.

c) Shields Lake Fish Barrier

Engineer Graske provided an update on the project to replace the existing electric fish barrier with a passive (mechanical) system. EOR received three contracting quotes for the construction work, but all were much higher than anticipated. Some contractors have suggested that the proposed timing of construction this fall is a reason for the high quotes. The project grant doesn't expire until 2020, so EOR will do value engineering toward a 2018 construction timeline. Mr. Graske will bring another update to a future board meeting.

d) MAWD Resolution Process

Mr. Kinney reminded the Board of the October 20th deadline for submitting resolutions to the MN Association of Watershed Districts (MAWD). President Anderson explained that she has a draft resolution for quarantining lakes with aquatic invasive species, and is planning to work with District legal counsel to finalize it. She expressed concern for the One Watershed One Plan (1W1P) process, and that watershed districts that currently have very limited ad valorem taxing authority should be given more expanded authority so they can implement 1W1P projects. Without doing this, grant prioritization under 1W1P could be biased toward districts that don't have taxing authority as a source of income.

President Anderson indicated that she plans to work with legal counsel to formalize this idea into a resolution as well.

Manager Moe proposed a resolution requesting that MAWD support a strong Conservation Reserve Program (CRP) in the upcoming federal farm bill that is going to be drafted in 2018. He stressed the importance of agricultural conservation cover and its benefits for water quality and wildlife, as well as public benefits such as hunting.

There was consensus from the Board to submit these three resolutions to MAWD.

Manager Spence moved to direct the District Administrator to draft the three previously-described resolutions, then send to the managers via email for review at which time managers may provide comments directly to the Administrator, and delegating President Anderson authority to approve all three resolutions for submittal to MAWD by October 20th. Seconded by Manager Moe. Upon a vote, the motion carried 4-0.

8. Report of Staff

a) Administrator

Administrator Kinney reminded the Board that the Governor's office is accepting comments on the 25BY25 initiative via online submission form, and indicated that he plans to submit some comments regarding enforcement of required program agricultural best management practices along with other things. He asked managers to tentatively plan to attend a joint board meeting with the Forest Lake City Council on Monday, November 20th at 5:30 PM at City Hall to discuss topics such as the current rule revisions that staff and EOR are working on. Mr. Kinney also made note of staff's recent lake mapping initiative using ciBioBase, and recent coordination with St. Thomas University and University of Minnesota.

President Anderson asked about the earthwork near Highway 8 and I-35. Mr. Kinney explained that additional communication with the landowner and a site visit are necessary to determine if the ditch onsite connects to judicial ditch 2. The level of soil disturbance onsite triggers an erosion control permit from the District. President Anderson noted that permit activity seems to be high. She requested staff bring some statistics on permit applications and active permits to the next meeting. She noted that coordination with local municipalities appears to be going well.

Mr. Kinney noted that the District recently coordinated two storm drain stenciling events, resulting in about 300 storm drains in Forest Lake being stenciled with the words "No dumping, drains to Forest Lake" or "No dumping, drains to wetland." Mr. Sorensen explained that he hosted an activity at the Chisago County Children's Water Festival. Mr. Kinney indicated that the District is on-schedule for

Phase 2 of the Moody Lake Wetland Rehabilitation Project and that the project has been nominated as a finalist for the MAWD 2017 Project of the Year award.

b) Emmons & Olivier Resources

Engineer Graske explained that a permit application for a small subdivision near Birch Lake will be brought to the October 26th board meeting. Some more effectiveness monitoring samples were taken at the Bixby Park project recently. The Forest Lake Diagnostic Study is in the final stages, and Dr. Funke will give a presentation at the next board meeting.

c) Smith Partners

Nothing to report.

9. Report of Treasurer

a) Approval of Bills and Treasurer's Report

Manager Schmaltz reported income for the month of \$249,806, the majority of which was due to two grant payments, and expenses of \$131,547.52.

Manager Spence moved to accept the Treasurer's Report and pay the bills in the amount of \$131,547.52. Seconded by Manager Moe. Upon vote, the motion carried 4-0.

10. Report of Officers and Managers

Manager Spence recently noticed that watercraft inspections are mandatory for all boats entering Montana and Idaho. He explained that there are signs indicating that all vehicles towing boats into these states are required to pull over and get their watercraft inspected and certified for launch.

Manager Schmaltz noted that he recently read a study on lake associations in Minnesota, and noticed that it appears most lake associations are not coordinating with their local watershed districts. President Anderson stressed the importance of communicating with our local lake associations, and noted a recent article about usage of Clean Water Fund dollars. She requested that staff send out the lake associations study and Clean Water Fund article to the Board.

The study was done by Concordia College and is titled "Minnesota's Lake Associations: Who they are and what they do." The article was published in the Forest Lake Times and is titled "Raiding Clean Water Fund damages quest for clean water."

11. Adjourn

a) Next special board meeting – October 26, 2017

Manager Spence moved to adjourn the meeting at 9:35 p.m. Seconded by Manager Moe. Upon vote, the motion carried 4-0.

Wayne S. Moe, Secretary _____

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