

**DRAFT MINUTES OF THE SPECIAL MEETING
OF THE
COMFORT LAKE – FOREST LAKE
WATERSHED DISTRICT
Tuesday, July 19, 2016**

1. Call to Order

President Anderson called the July 19, 2016 Special Board meeting to order at 5:00 p.m. at the offices of the Comfort Lake-Forest Lake Watershed District at 44 Lake Street South, Forest Lake MN 55025

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

Absent: Assistant Treasurer Jackie McNamara

Others: Michael Kinney, Mike Sorensen, Jessica Lindemyer (CLFLWD staff); Jerry Grundtner (CAC); District Engineer Greg Graske (EOR, Inc.)

2. Public Open Forum

Citizen Advisory Committee President, Jerry Grundtner, asked that the Managers consider adding to the 2017 budget funding to address issues with Judicial Ditch 6.

3. New Business

a) 2017 Draft Budget

Administrator Kinney noted that at this meeting, the Board is to discuss and make decisions concerning the budget for capital projects in 2017 (5000 series within the budget). He noted that additional information was gathered from District engineers and analysis of expected year-end fund balances for different projects currently in progress.

There was discussion about appropriate levels of funding for different projects. Administrator Kinney noted that under the Lakes budget lines, the Bone Lake infiltration basin planning is moving forward with staff working to identify properties and discuss potential projects with landowners. Administrator Kinney acknowledged that some unspent funding will carry over in the budget for projects in progress.

Administrator Kinney also discussed proposed work for the Little Comfort Diagnostic study (phosphorus source assessment). There was discussion about the District's adaptive management policy and how implementation of that policy impacts the District's budget.

Administrator Kinney reported on proposed projects for Forest Lake in 2017. District Engineer, Greg Graska, described one new project proposed for the Shields Lake subwatershed on the golf course. Staff reported a Clean Water Fund grant application will be submitted for this project and that match funding is needed for project design. Managers noted the agricultural land in the lake's subwatershed should also contribute to pollutant reductions. There was consensus to add \$60,000 for the Shields Lake project under budget line 5228B (Forest Lake Diagnostic Implementation). (It was noted that staff may move this funding to a different line item to better reflect alignment with the Watershed Management Plan.)

There was discussion about where in the budget the work on Judicial Ditch 6 should go and discussed potential projects for Sylvan Lake. Managers also reviewed proposed projects in Forest Lake subwatersheds and discussed the capacity of the staff to handle multiple projects in multiple subwatersheds in the same year. President Anderson wondered if different engineering firms should be contracted to work in different lake subwatersheds so that many projects can be done in the same year, to the benefit of the residents. District Engineer Graska noted that EOR, Inc. has capacity to work on multiple projects in the same year, reducing the need for the District to contract with multiple firms.

There was discussion about the merits of assessing the effect of bonding vs. ad valorem tax levy for multiple projects. There was consensus that EOR, Inc. should provide an estimate of doing several projects in 2017 and bring further information to a future meeting.

Managers then reviewed projects for the Comfort Lake subwatershed. Administrator Kinney reported that the District should have some budget for an inventory of current property owners and identifying streambank restoration needs along the Sunrise River, and other projects in the Comfort Lake watershed. There was discussion about how the District has been petitioned for a project in this area and will get guidance from the District's legal counsel.

The Managers reviewed projects proposed for the Bone Lake subwatershed. Administrator Kinney noted some funding may be needed for Blue Water Science and EOR to assist staff with developing a lake study report using the recent water monitoring data. Administrator Kinney was directed to look into needs for funding diagnostic studies in the Bone Lake subwatershed, given the complexity of the subwatershed. There was consensus to assign \$8,000 per study as a place holder.

Managers discussed projects proposed for streams in the District. There was consensus that the budget was appropriate as presented.

Managers discussed projects proposed in wetlands. There was discussion about wetland planning and design in the Bone Lake subwatershed and the possibility for grant funding. There was consensus that the budget was appropriate as presented.

The Managers discussed projects proposed for upland resources in the District. There was consensus that the budget was appropriate as presented.

The Managers discussed projects proposed for groundwater in the District including studying protection strategies to protect the good water quality in the groundwater-fed Sylvan Lake. There was consensus that the budget was appropriate as presented.

The Managers discussed projects slated for public education, interagency communication, and land acquisition and management. Managers agreed that \$5,000 should be added to the budget for interagency communication. For land acquisition and management, Managers agreed that \$140,000 should be moved to a dedicated fund for land purchase and agreed that it makes sense to begin accumulating funding to some appropriate level. Administrator Kinney indicated he would research loan options and come back to the Board with additional information in the future.

Manager Schmaltz distributed a chart showing a history of sources of revenue and expenses over years. He noted the chart shows how much of the reserve funding has been using over the years. He noted that in most years, the District spent less reserve funds than budgeted. Managers and staff agreed the information should be included in the budget sheets.

4. Adjourn

a) Next meeting – July 28, 2016

Manager Spence moved to adjourn the meeting at approximately 7:12 p.m. Seconded by Manager Moe. Upon vote, the motion carried 4-0. ~~Manager McNamara was absent from the vote.~~

Wayne S. Moe, Secretary _____