

**DRAFT MINUTES OF THE REGULAR MEETING
OF THE
COMFORT LAKE-FOREST LAKE
WATERSHED DISTRICT
Thursday, October 25, 2018**

1. Call to Order

President Anderson called the October 25, 2018 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, Manager Jen Oknich.

Others: Mike Kinney, Jessica Lindemyer, Emily Heinz, Erin Edison (CLFLWD staff); Greg Graske, Meghan Funke (Emmons & Olivier Resources); Chuck Holtman (Smith Partners); Jerry Grundtner (Citizen Advisory Committee, Forest Lake Lake Association); Sam Husnik (Forest Lake City Council); Greg Wilson (Barr Engineering).

2. Oath of Office – Jen Oknich

Attorney Holtman administered the oath of office to Jen Oknich, who was appointed to the Board of Managers by the Washington County Board of Commissioners. Manager Oknich was welcomed to the Board.

3. Setting of Meeting Agenda

President Anderson requested that the September 27th minutes be moved to agenda item 11a after the reports of managers. Administrator Kinney requested that item 7c be added regarding MN Stormwater Research Council Request for Funds. Manager Schmaltz requested item 8d be added to discuss the District's office space.

Manager Moe moved to approve the agenda as amended. Seconded by Manager Spence. Upon a vote, the motion carried 5-0.

4. Consent Agenda

- a) **Regular Board Meeting Minutes – September 13, 2018**
- b) **Special Board Meeting Minutes – September 18, 2018**
- c) **Regular Board Meeting Minutes – September 27, 2018 [moved to 11a]**

Manager Moe moved to approve the minutes from September 13 and September 18, as presented. Seconded by Manager Spence. Upon a vote, the motion carried 5-0.

5. Public Open Forum

There were no comments.

6. Citizen Advisory Committee Update

Citizen Advisory Committee (CAC) Chair Jerry Grundtner updated the Board on recent CAC discussions including continuing working on the Watershed Champion award program and other 2019 initiatives. He explained that the goal was to finalize the award program by the end of this year so that awards could be given out in spring 2019.

7. New Business

a) Permitting Update

Permitting Coordinator Erin Edison provided an update on the permitting program. She gave an overview of the program in general and described several changes which have been made since she started her position as Permitting Coordinator earlier this year. Changes include rule revisions, significant increase in permit activity, improvements to outreach materials, and efficiency improvements for internal processes. Ms. Edison proposed a new format for monthly permit updates and explained that the new format will be less time-consuming for staff to prepare.

President Anderson expressed approval of the proposed monthly permitting update format. She requested that the permit location dots on the map be color coded according to permit type (e.g. residential, commercial, linear). She indicated that this information will be helpful for budgeting purposes and stressed the importance of the District's permitting program in preventing negative impacts to the District's lakes.

Administrator Kinney noted that he and Ms. Edison recently attended a meeting with other watershed districts to compare permitting programs. He said that it appears the CLFLWD is the only district receiving annual maintenance reports for past permit best management practices. There was discussion about mapping permit sites. Mr. Kinney suggested that the District could take inspiration from Capitol Region Watershed District's online permit mapping program.

Manager Schmaltz noted that, as indicated in the Permitting Update board packet memo, it appears that the Minnehaha Creek Watershed District board of managers acts on permit applications only when they involve a variance; otherwise authority is delegated to the administrator. He expressed interest in adopting this practice in order to further increase program efficiency. Administrator Kinney indicated that he would communicate with the District Engineer and Legal Counsel to bring more information on this topic to a future board meeting.

b) AIS Update

Watershed Technician Emily Heinz explained that, with the summer season coming to a close, aquatic invasive species (AIS) program activities are winding down. Final watercraft inspection survey data will soon be available, and Blue Water Science will be submitting preliminary summaries in November. As such, staff will compile a yearend report to be included in the December 13th regular meeting board packet.

c) MN Stormwater Research Council Request for Funds

Administrator Kinney explained that he received a funding request from the MN Stormwater Research Council. The Council is currently reviewing 26 proposals for stormwater research projects. In order to fund more of these projects, the Council has requested financial contributions from local organizations such as the CLFLWD. These partner contributions would supplement existing Clean Water Legacy funding. Three principal areas on which the Council is planning to focus partner dollars include: stormwater reuse; chloride use and effectiveness; and development or evaluation of stormwater practices and technologies including temporary, permanent and pre-treatment BMPs for new development and retrofit applications. There was general agreement amongst the managers that these are topics of concern to the District and that the research would be of benefit to the District’s efforts.

Manager Schmaltz moved to allocate \$2,500 from the District’s reserve fund to be contributed to the MN Stormwater Research Council. Seconded by Manager Spence. Upon a vote, the motion carried 5-0.

8. Old Business

a) Bone Lake Wetland Restoration

Administrator Kinney explained that the contract price for the Edell property work, which the Board earlier awarded to Shoreline Landscaping, is based on the use of on-site soils for berm construction, but that soil test results since have been received and indicate the need to import soils for this purpose. Shoreline Landscaping has revised its quote accordingly. The revised quote is \$24,154.55, which exceeds the Board’s previous authorization of \$23,022. Thus further Board approval is required.

Manager Spence moved to adopt resolution 18-10-01. Seconded by Manager Schmaltz. Upon a roll call vote, the motion carried 5-0.

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

b) Land Acquisition & Management – Banta Property Review

Administrator Kinney explained that Emmons & Olivier Resources (EOR) has completed Task 1 from the scope of work which entailed screening for consistency with the District Watershed Management Plan. Results of the screening suggest that there is high potential for the land acquisition to facilitate the District's pursuit of water quality, flood management or other water resources goals identified in the Plan. Mr. Kinney recommended that the District proceed with Task 2 from the scope of work which will entail Initial Project Scoping. Task 3, Phase 1 Environmental Site Assessment (ESA), could be approved as well if the Board so chooses. The ESA is a standard practice, and its purpose would be to provide a reasonable level of assurance that there are no significant environmental conditions on the parcel. The estimated cost of the ESA is \$3,600.

There was discussion regarding the purchasing and due diligence process. Legal Counsel Holtman explained that if the site doesn't have an expectation that there are environmental conditions (e.g. historic industrial site) then the District may wish to advance the discussion of purchase price prior to performing the ESA, to determine whether the expectations of the District and the potential seller are sufficiently close to suggest that an agreement may be achievable. Mr. Kinney indicated that it is estimated that past land use was primarily agricultural, not industrial, but it has not been uncommon for private landowners to have their own private dump site. It was clarified that the purchaser, Don Steinke, is still in the process of purchasing the parcel. Manager Spence recommended that, prior to approving engineering tasks beyond Task 2, the District should ensure it is on the same page as Mr. Steinke with regard to expectations of property value and purchase amount. It was clarified that the District would only be purchasing 20 acres of the entire 86-acre parcel.

Manager Spence moved to authorize the Administrator, on advice of counsel, to enter into an agreement with Emmons & Olivier Resources in accordance with Task 2 as described in the October 4, 2018 scope of work and in an amount not to exceed \$3,200. Seconded by Manager Anderson. Upon a vote, the motion carried 5-0.

c) 2019-2020 Professional Services RFP – Initial Review

Mr. Kinney indicated that nine proposals were received in response to the Request for Proposals (RFP). He explained that the Board may elect to make final decisions for some or all the proposals at this meeting or may choose to invite firms in for presentations and/or interviews at the November 15th meeting. In either case, the goal is to execute contracts at the December 13th meeting.

Manager Spence moved to select and authorize preparation of professional service contracts with Smith Partners (legal services), Abdo, Eick & Meyers (audit services); and Blue Water Science (lake management/community outreach support). Seconded by Manager Schmaltz. Upon a vote, the motion carried 5-0.

There was discussion about the engineering proposals. Proposals were received from Barr Engineering Co., Emmons & Olivier Resources, and Wenck Associates Inc. Manager Spence recommended continuing to contract with EOR due to having a good working relationship already established. President Anderson indicated that the Barr proposal appears to have lower rates compared to the EOR proposal and suggested that Barr be invited to give a presentation at the next board meeting. Manager Schmaltz noted that ranges are given for the rates which affects how the overall cost may be estimated. Managers Spence and Schmaltz indicated that there doesn't appear to be a large rate difference between EOR and Barr. Managers Moe and Oknich indicated that they have not been able to thoroughly review all of the engineering proposals yet. There was agreement to postpone a decision until the next meeting so that all managers can thoroughly review the proposals and so that engineering firms can give presentations to the Board.

President Anderson moved to postpone the engineering decision until November 15, to invite Barr and EOR to present at the November 15th meeting, and to direct Managers Moe and Oknich to review the proposals and advise Administrator Kinney whether Wenck Associates should be invited to present at the meeting as well. Seconded by Manager Spence. Upon a vote, the motion carried 5-0.

There was discussion about the accounting proposals. Proposals were received from Redpath & Company and CliftonLarsonAllen (CLA). There was general agreement that the CLA proposal appears to have significantly lower rates than Redpath & Company. President Anderson indicated that she has worked with CLA previously for auditing and strategic funding planning purposes. She indicated that they were professional and helpful throughout that process. Manager Schmaltz indicated that CLA doesn't appear to have much experience with watershed districts specifically, and noted that its office is in Minneapolis which is further from the District office than Redpath's White Bear Lake office. He asked if the lack of watershed district experience and distance would present a problem. Administrator Kinney explained that he and Ms. Heinz recently spoke to CLA over the phone regarding their proposal. He indicated that CLA does have some experience working with government entities and appears to fully understand the necessary work involved in being the CLFLWD accountant. He added that the office distance shouldn't be a problem as in-person office visits are generally limited to a single annual audit discussion meeting.

Manager Spence moved to authorize signature of the professional service contract with Clifton Larson Allen for accounting services. Seconded by Manager Anderson. Upon a vote, the motion carried 5-0.

d) District Office Property

Manager Schmaltz provided an update on his recent efforts to research and evaluate potential office space options for when the current office lease expires in November 2019. He explained that he met with a realtor who specializes in commercial properties,

and together they visited about 15 properties. Some spaces are for sale and some are for rent. The District is paying just under \$11 per square foot per year under its current office lease, which appears to be competitive compared to the spaces he's recently seen. Manager Schmaltz described a few of the spaces he's seen.

Manager Schmaltz recommended that he meet with one other manager to continue this investigation. He also noted that he has been working with a real estate agent, and the agent has requested that the District sign an agreement indicating that she is the District's dedicated agent. The District would bear no cost, as the closing fees are paid by the seller, in the event the District should decide to purchase a property. It was noted that the current landlord wants to increase rates if/when the District renews its lease. The current landlord is open to discussions about the District purchasing the building in which it is currently renting. There was agreement to discuss this topic further at the next board meeting.

9. Report of Staff

a) Administrator

Administrator Kinney reported that the Shields Lake Stormwater Harvest and Irrigation Reuse project is now under construction, and that the 2019 staff work plan will be distributed at the November board meeting. President Anderson requested the One Watershed One Plan (1W1P) billing and cost tracking documents be distributed to the Board at the next meeting. In response to a question from Manager Schmaltz, there was discussion regarding the recent permitting data request from Summit Management LLC. There was discussion about the recent sediment discharge in Carnelian-Marine-St. Croix Watershed District and the associated news article.

There was discussion regarding the 1W1P educational handout that was attached to the Administrator's Report. Administrator Kinney explained that absentee landowners of cropland can be detrimental as they don't have much incentive to implement water quality best management practices. There is room for improvement, while keeping the 80/20 rule in mind and prioritizing the sites with the biggest benefit for the public dollars. President Anderson expressed that the handout is very clear and recommended using it as inspiration for future District handouts. There was discussion regarding agriculture being a major contributor to water quality degradation.

b) Emmons & Olivier Resources

Engineer Graske noted that there have recently been some pre-permit meetings and a few permit applications that will be coming to the Board soon. EOR is wrapping up monitoring efforts and will now be working on the feasibility studies. The notice to proceed for the Shields Lake Stormwater Harvest & Irrigation Reuse project has been issued. The contractor is starting with erosion control installation and tree clearing this week. Grading is slated to commence next week. Dr. Funke added that the Moody Lake

alum treatment was very interesting and recommended that managers try to observe the second round of split-treatment in fall 2019.

There was discussion regarding the 2018 Minnesota Association of Watershed Districts (MAWD) Annual Meeting and Conference scheduled for early December. Managers were encouraged to notify Ms. Lindemyer if they plan to attend by November 1st. Managers Spence and Anderson already communicated with Ms. Lindemyer about their planned attendance. Manager Moe indicated he can't attend. The Board must appoint delegates and alternates at the next board meeting on November 15.

c) Smith Partners

Nothing to report. Legal Counsel Holtman thanked the Board for continuing to place its trust in Smith Partners as the District Attorney.

10. Report of Treasurer

a) Approval of Bills and Treasurer's Report

Treasurer Schmaltz reported income for the period of \$9,578 and expenses, one of which was the alum treatment, in the amount of \$179,754.65.

Manager Moe moved to accept the Treasurer's Report and pay the bills in the amount of \$179,754.65. Seconded by Manager Spence. Upon vote, the motion carried 5-0.

11. Report of Officers and Managers

Manager Schmaltz reported that he attended the metro MAWD meeting during which the Clean Water Council budget recommendations were discussed. There was discussion regarding 1W1P funds and surface/drinking water grants.

Manager Spence reported that he found zebra mussels on his boat as he was taking it out of Comfort Lake for the year. There was discussion regarding decontamination requirements and zebra mussel growth preferences for aluminum (e.g. pontoons) versus steel (e.g. docks).

a) Regular Board Meeting Minutes – September 27, 2018

President Anderson explained her requested changes to the September 27th minutes.

Manager Moe moved to approve the minutes as amended. Seconded by Manager Spence. Upon a vote, the motion carried 5-0.

12. Summary and Approval of Board Direction

Staff went over the directives from the meeting. President Anderson expressed that it isn't necessary to include the individual manager's name next to each directive on the summary table. She explained that if there is no objection from other managers during the meeting, then the directive should be considered direction from the entire board.

13. Adjourn

a) Next regular board meeting – October 25, 2018

Manager Spence moved to adjourn the meeting. Seconded by Manager Schmaltz. Upon vote, the motion carried 5-0, and the meeting adjourned at 8:37 p.m.

Wayne S. Moe, Secretary _____