

**DRAFT MINUTES OF REGULAR MEETING
OF THE
COMFORT LAKE – FOREST LAKE
WATERSHED DISTRICT
Thursday, March 24, 2016**

1. Call to Order

Vice President Spence called the March 24, 2016 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 (arrival delayed), Vice President Jon Spence, Secretary Wayne Moe, Treasurer Stephen Schmaltz, Assistant Treasurer Jackie McNamara

Others: Michael Kinney, Emily Schmitz, Mike Sorensen (CLFLWD staff); Meghan Funke, Greg Grasko, Cecilio Olivier (EOR, Inc.); Ron Leaf (SEH Inc.); Margie Schmidt (Bone Lake Association); David Freemore, Wally Ostlie, Sharon Sill (Comfort Lake Association); Greg Wilson (Barr Engineering); Don Potts (Forest Lake Lake Association); Chuck Holtman (Smith Partners)

2. Setting of Meeting Agenda

Manager Schmaltz requested the addition of “Watershed District Metrics” to the agenda. This was added as item 7h.

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

3. Consent Agenda

- a. Board of Managers Workshop Minutes – February 4, 2016**
- b. Board of Managers Regular Meeting Minutes – February 25, 2016**

Manager Moe moved to approve the consent agenda. Seconded by Manager McNamara. Upon vote, the motion carried 4-0.

4. Public Open Forum

Vice President Spence asked for public comments. Margie Schmidt with the Bone Lake Association (BLA) thanked the Board for allowing the Program Assistant, Mike Sorensen, and the Watershed Technician, Emily Schmitz, for attending the BLA meeting and expressed appreciation for the increased communication from the District. She noted that the BLA supports the District’s continued treatment of aquatic invasive species on Bone Lake. She noted that if curly-leaf pondweed continues to be a problem, the BLA is interested in manual pulling of the plant, such as on Comfort Lake. The managers thanked

Ms. Schmidt for her comments. No other members of the public wished to offer comments.

5. Citizen Advisory Committee Update

Vice President Spence directed managers to the CAC meeting minutes included in the Board meeting packet. Manager Schmaltz noted his appreciation for the activity level of the CAC and its suggestions on District policies and programs.

6. New Business

a. Permit 16-003

District Engineer Graske reported on the proposed project for utility improvements and street widening along 15th Avenue SW in the City of Forest Lake. He noted that the project triggers District rules and that the District has been coordinating with the City on the project to incorporate six linear biofiltration/infiltration features. He also noted that some water drains to a ditch system to the south. The City is proposing to clean the ditch of accumulated sediment and incorporate rock check dams within the ditch. He noted the plans meet District rules for stormwater rate and water quality. He noted the project also meets District sediment and erosion control rules. He recommended approval of the permit with execution of a maintenance agreement with the District and submittal of final as-built surveys.

Manager Moe moved to approve the permit with the stipulations indicated in the Engineer's memo. Seconded by Manager Schmaltz.

Administrator Kinney reported that he recently discussed with the City the idea of incorporating maintenance of the ditch behind Target with the iron enhanced sand filter as part of this overall project. He noted he will continue to work with the City on that item.

Upon the vote, the motion carried 4-0.

b. Washington County Grant Agreements

Administrator Kinney reported that the three separate grant agreements from Washington County for AIS management programs have been approved and signed by Washington County.

Manager Schmaltz moved to approve the grant agreements with Washington County and authorize signature by the Board President. Seconded by Manager Moe. Upon the vote, the motion carried 4-0.

[President Anderson arrives at the meeting.]

c. Property Acquisition and Management Investigation Scope of Work

Administrator Kinney described two properties for potential District acquisition and indicated the process of acquisition should follow the criteria established in the District's watershed management plan for the new Land Acquisition and Management Program. He indicated the scope of work being proposed here would allow the District to fully evaluate the situation and also look for other partners in the acquisition. There was discussion about the location and status of the two properties in question, the history of communications with the property owners, and other projects happening near the properties in the near future.

Mr. Graska briefly walked through the proposed scope of work which includes screening for consistency with District policies, property investigations, and an evaluation of options. He noted that once this work is completed, results would be brought to the Board of Managers for further direction on the acquisition process.

President Anderson moved to approve the proposed scope of work for investigation of the two properties for potential acquisition. Seconded by Manager Moe.

Before the vote, Manager McNamara noted that she would likely oppose the District's purchase of land if it is appropriate for commercial development, but that she was in favor of the investigation. There was further discussion about the need to use some land for storm water treatment as development continues and the condition of the land in question with regards to potential soil contamination.

Upon the vote, the motion carried 5-0.

d. Change of Authorized Check Signers

Manager Spence moved to authorize the Administrator to make changes to the District's list of authorized check signers at First State Bank of Wyoming and at Central Bank so that authorized signer Mr. Dick Damchik is removed from the accounts and Manager Jackie McNamara is added as an authorized signer to the accounts. Seconded by Manager Moe. Upon the vote, the motion carried 5-0.

e. Rural BMP Program

Administrator Kinney updated the managers on the Rural BMP Program and reported a current need to assist agricultural producers with a grid sampling soil testing program that would engage farmers and gather data on actual phosphorus levels in local soils. He reported that an agronomy student who is from Chisago County is willing to assist with the field work and the Chisago and Washington Conservation Districts would help with marketing the program. There was discussion about how to

reach farmers and engage them in the program. Administrator Kinney noted he will keep the Board of Managers updated on the program as it proceeds.

f. EMWREP Annual Report

Administrator Kinney announced that the East Metro Water Resources Education Program's 2015 Annual Report is available online for review by the managers and the general public. He noted that managers could request a presentation by Angie Hong with Washington Conservation District (WCD) but that he isn't planning to present the report at this meeting.

President Anderson noted that the District's CAC is tracking many of these items. She also requested that WCD provide a proposal for the development of additional articles that could be printed in the District's local papers. She noted the EMWREP report shows only two articles were printed in the Forest Lake publication. Manager Schmaltz noted the list of press releases in the annual report, that weren't published by papers. President Anderson noted she was looking for articles more specific to the local area and more like a regular column in the paper. Administrator Kinney noted that District staff should follow up with local editors when EMWREP submits a press release to increase the likelihood that it gets printed.

Manager Schmaltz expressed appreciation for the WCD's work in meeting with two large homeowner groups on Forest Lake.

g. 2015 Draft Monitoring Report

Administrator Kinney informed the Managers and other stakeholders that the draft 2015 water monitoring report is available for review on the District website. He asked that comments on the report be directed to him and submitted by the April 28th Board meeting so that the final report and results would be presented at the May meeting.

7. Old Business

a. 2016 AIS Management Plan

Administrator Kinney noted that implementation of the AIS management program has budget implications and that decisions are needed by the managers as to how to proceed. District Watershed Technician Emily Schmitz briefly presented the plan for AIS activities in each lake as indicated in meeting materials and as presented at a recent Board of Managers workshop. She noted the budget breakdown for each lake including District budget, expenses, and grants and reported that for most lakes, estimated expenses are higher than the budgeted amount and grants. She noted that staff needs direction from the Board of Managers. She observed that the proposed work would result in exceeding the budget for Bone Lake, and slightly for Forest

Lake. Ms. Schmidt noted that there is a carryover from last year's Bone Lake work. Ms. Schmitz agreed and said that would be incorporated.

President Anderson said she hoped for more budget information including estimates from different firms for various activities and asked about budget implications if the managers decide to complete all of the recommended actions. Ms. Schmitz noted that some dollar figures are just estimates because it depends on what type of herbicide is used and how much area is treated. She walked through the budget table, the estimates from different firms, and the effectiveness of different treatment methods. There was discussion among managers regarding treatment methods, budgets, and possible methods of raising funds for additional treatment in future years. President Anderson noted that lake associations should be engaged in the discussion about funding options.

President Anderson noted that the meeting materials for this item are very helpful in framing the discussion and understanding options. She also noted the four different lake districts within the watershed and how the color coding for projects and programs in each lake district will be used in all documents going forward. She indicated that the water quality goal for each lake should also be added to the materials regarding lakes, particularly budget tables, so progress toward water quality goals can be tracked and understood.

Audience member Wally Ostlie noted that sediment in Comfort Lake has also been an issue, and should be addressed and tracked. It was noted that that information is included in the monitoring report.

Administrator Kinney reported that some AIS activities have already started due to timing and funding already available. He noted some treatment options will need to be decided at some point soon.

Manager Moe moved to direct staff to implement the AIS plan with the previously approved budget as presented on page two of the materials, and to continue discussions with lake associations regarding alternate treatment methods and options for funding over-budget activities.

Before a second and the vote, there was further discussion on the budget table and the activities covered by the dollar figures.

Seconded by Manager Spence. Upon the vote, the motion carried 5-0.

b. Cost Share Program

Administrator Kinney noted that the Board reviewed the program in detail at the Board of Managers workshop on March 9th and that coordination continues with the Washington and Chisago Conservation Districts. He noted that staff developed the proposed program outline but that a few questions for managers remain.

President Anderson indicated her support of many of the proposed provisions and noted that the program captures the managers' previous comments and recommendations. There was some discussion about allowing landowners to install practices in areas prone to ice heave as long as they sign a waiver acknowledging the risk that the project could be impacted by ice heaves in the future. There was consensus that a waiver provision would be added to section 4.

There was also discussion about how to handle the cost of project maintenance. There was consensus that 5d is appropriately worded.

Manager Spence moved to revise the cost share program provisions to clarify the section regarding projects in ice heave prone areas as noted in the discussion above. Seconded by Manager McNamara. Upon the vote, the motion carried 5-0.

c. Engineering Pool Proposal: Forest Lake South

Administrator Kinney reminded Managers that staff was directed to solicit a proposal from SEH, Inc. to assist the District, in cooperation with the City of Forest Lake, with implementation of three selected BMPs in the direct watershed to Forest Lake. He noted that task 5 in the proposal was modified slightly after the meeting materials were distributed. Ron Leaf, SEH, addressed the Board and reviewed the tasks listed in the proposed scope of work including the (revised) optional task of identifying additional opportunities for BMP implementation in conjunction with street reconstruction projects or other city projects.

There was discussion about the City of Forest Lake's level of financial commitment and ability to maintain existing BMPs and install new BMPs. Administrator Kinney noted that he believed progress was being made in this area and that the proposed scope of work would further improve the City's ability to implement BMPs by helping it prioritize projects.

There was also discussion about the possible likelihood and effects of sanitary sewer lift stations failing. President Anderson noted that perhaps the District should include an assessment of lift stations and the availability of Federal grant funding to help upgrade lift stations.

Manager Moe moved to approve the proposal from SEH, Inc., including tasks 1 – 5, with the understanding that additional strategies will developed for implementing task 5. Seconded by Manager Schmaltz. Upon the vote, the motion carried 5-0.

d. Engineering Pool Proposal: Lofton Pond/Moody Lake

Administrator Kinney reminded the managers of their direction in December to engage Barr Engineering for projects that may be related to alum treatments or other similar types of work. He noted that one of the recommendations related to the Moody Lake Wetland Rehabilitation Feasibility, is to conduct an alum treatment on Lofton Pond as

one of several possible options for that pond. He directed the managers' attention to the proposal from Barr Engineering and also noted that a grant agreement with the MN Board of Water and Soil Resources (BWSR) was recently executed for the Moody Lake Wetland Rehabilitation Project.

Greg Wilson, Barr Engineering, provided an overview of the proposal including the four tasks for the project including sediment coring in Lofton Pond, analysis of the amount of phosphorus in the sediment, a phosphorus release experiment, and an analysis of different options for reducing phosphorus release in Lofton Pond. Two optional tasks include performing sediment analysis of the other ponds involved in the Moody Lake Wetland Rehabilitation Project. These optional tasks would likely allow the District to better choose restoration options in other areas of the project. Mr. Wilson noted the cost for task 5 would probably range from \$18,000 - \$25,000 and if task 6 were also included, the cost for tasks 5 and 6 combined would be \$30,000 - \$35,000.

There was discussion about the timeline of the Clean Water Fund grant work plan and how this proposed monitoring would work into the monitoring costs laid out in the grant. District Engineers Funke and Graska also described the iterative monitoring steps and alum treatments planned within the project and Mr. Wilson further described the laboratory analyses proposed.

The managers noted that a decision tree is needed for this whole process to better understand options and trade-offs among different tasks and the timing of the tasks.

Staff and the managers agreed that a refined proposal for tasks 5 and 6 is needed including a timeline, costs, and how this proposed work is incorporated into the Clean Water Fund grant.

Manager Spence moved to approve the proposal from Barr Engineering for tasks 1 – 4 and to come back with a refined proposal for tasks 5 and 6. Seconded by Manager Schmaltz. Upon the vote, the motion carried 5-0.

e. Judicial Ditch 6 & Boundary Review

Administrator Kinney reported on continued conversations with the Rice Creek Watershed District (RCWD) regarding the hydrologic boundaries of Judicial Ditch 6 which drains to Forest Lake. He noted that an official assessment of the geography and hydrology is needed. District Engineer Graska walked through a proposal to perform the assessment. He noted that although a part of the ditch is currently within the boundaries of the RCWD, it flows into Forest Lake. Mr. Graska reported that the proposed assessment would answer the questions of what obligations the District would be taking on if the watershed boundary was changed to add the ditch to the District.

The Managers reviewed maps to determine what areas are likely included in the ditch system.

Mr. Grasko continued to review the tasks within the proposed scope and what type of information each task would provide. He indicated these tasks would help the District better understand and ultimately decide whether or not to request an official boundary change in this area. District Legal Counsel Holtman briefly reviewed the legal responsibilities that the District would be assuming as drainage authority under Minnesota drainage law. He noted that part of the District Engineers' proposed work is an assessment of the current conditions, the likelihood of the District being petitioned to evaluate or perform repairs, and the benefits to the District if it was to take over jurisdiction. Mr. Holtman noted that traditionally the District's activities as drainage authority are funded by assessment of benefited properties, but that benefits records often are old and incomplete and that probably it would be preferable for the District to establish a subdistrict consisting of the benefited properties that would be subject to annual charges as needed for system maintenance.

President Anderson noted that this issue has been one of definite interest by the District and she indicated that it should be pursued. Manager Schmaltz wondered about the need to pursue this issue given the numerous other improvement opportunities for the District to pursue within the Forest Lake subwatershed. He noted that District funding is finite and wondered about the potential future financial risk to the District if the ditch is moved into the District's jurisdiction. It was noted that the issue could be pursued in the future if current monitoring indicates that the ditch is a significant source of pollution.

There was further discussion about the proposed boundary changes and negotiations with RCWD. Mr. Grasko noted that they, as District Engineer, and engineers with RCWD are very close to agreement on areas in need of boundary changes because legal and hydrologic boundaries don't coincide. He noted and Administrator Kinney confirmed that the RCWD is not likely to agree to other boundary changes if the boundary in the area of JD 6 isn't also addressed, which would necessitate a transfer of the RCWD's role as drainage authority since JD 6 no longer would be within RCWD boundaries. Administrator Kinney suggested that a decision tree be developed for this issue so that the District can communicate a timeline to the RCWD.

There was discussion about the possibility and process for official abandonment of the ditch. Mr. Holtman noted that abandonment rests on a finding that the system doesn't provide drainage benefit to any lands, and therefore that more information would be needed to pursue official abandonment. Administrator Kinney reported that the District budget does include this work within the general engineering budget and also indicated that although the RCWD wasn't initially amenable to sharing assessment costs, he intends to continue those discussions, especially with tasks in the future after the initial assessment being proposed here.

President Anderson moved to direct the Administrator and staff to correspond with Rice Creek Watershed District about splitting the cost of the proposed assessment of Judicial Ditch 6 and to bring that information to a future Board of Managers meeting. Seconded by Manager Moe.

Manager McNamara wondered why the proposed ditch assessment would be performed without first knowing what pollutants are being contributed by the ditch to Forest Lake. She also noted that RCWD should already have a survey and other information related to the ditch and it was her opinion that the District should not have to pay to get that information. She also noted, and Manager Schmaltz agreed, that if the ditch is found to be contaminating Forest Lake, the RCWD should be required to improve ditch conditions and reduce the pollutant load, rather than the District taking that responsibility. President Anderson noted that this issue is one of correcting hydrologic boundaries of the watersheds. There was discussion about the need for the assessment at all - if the District concurs that it should assume responsibility over the area that flows to Forest Lake, it should simply accept that territory as well as the jurisdiction over JD 6 that would come with that, regardless of the specific condition of JD 6 or what the role of drainage authority might thereafter entail. Administrator Kinney agreed that this assessment is not necessary to pursue the boundary change and reported that he remembered the RCWD holding a public meeting last year on this subject just after the District became aware of the issue. The District could get the information from the public meeting to understand if there are concerns by the public and/or any ditch maintenance requested by landowners in the area.

After this discussion, the first motion was withdrawn by unanimous consent.

President Anderson moved to direct staff to gather more information for the Board of Managers on what information is available from the Rice Creek Watershed District on Judicial Ditch #6 that wouldn't need to be duplicated by the District. Seconded by Manager McNamara.

Manager Schmaltz indicated that even if the District doesn't spend funds on assessing the issue further, it may not be worth the future liability to move the ditch into the District's boundaries.

Upon the vote, the motion carried 4 – 1 (Manager Schmaltz opposed).

f. Project Update – Hilo Lane

Administrator Kinney updated the managers on the project noting that the project went out for bid to construction contractors and the bid opening is scheduled for Friday April 1st. There was clarification that the current bid is set up such that some work will be accomplished prior to the end of June so the grant funding can be utilized but the bulk of the construction work will be accomplished over the coming winter months.

g. Project Update – Bixby Park

Administrator Kinney updated the managers, noting that the last of the major project components has been completed. There is still some cleanup work needed in the park and along the access road. The contract will stay open until October to ensure vegetation establishment and make sure the settlement of the berm doesn't require more work.

h. Watershed District Metrics

Manager Schmaltz reminded the managers that the development of metrics was suggested through the BWSR's performance evaluation of the District. He recommended that in order to move forward with this process, staff work on completing some or all of the metric sections with data from 2015. This would help assess the usefulness of the format and then Managers could be briefed on the results and whether or not changes are recommended on the format. There was unanimous consent that staff be directed to report on 2015 progress by using the metric and report to the Board of Managers in April or May.

8. Report of Staff

a) Administrator

Administrator Kinney reported that lake level logger data from Bone Lake and Comfort Lake will be shown in real time on the District website in the coming days. He also reported on a beaver issue on July Avenue in Chisago County which was subsequently corrected by Minnesota Conservation Corps members that had extra time available. Corps members also removed a beaver dam south of Moody Lake.

There was also discussion about the early season control of Eurasian watermilfoil being tried on Comfort Lake this year.

b) Emmons and Olivier Resources

Mr. Grasko noted the engineering project tracking spreadsheet is now color coded according to lake district.

c) Smith Partners – Nothing to report

9. 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 \$326,342.09. Seconded by Manager McNamara. Upon vote, the motion carried 5-0.

Manager Spence also noted the grants summary sheet included in the report.

10. Report of Officers and Managers

Manager Schmaltz reported on the reception commemorating former Manager, Richard Damchik's service to the District and the City of Forest Lake.

President Anderson reported that she is still working on the billboard concept for the Bixby Park project.

11. Adjourn Next Meeting —April 28, 2016

Manager Spence moved to adjourn the meeting at 9:43 p.m. Seconded by Manager Schmaltz. Upon vote, the motion carried 5-0.

Wayne S. Moe, Secretary _____