

**MINUTES OF REGULAR MEETING
OF THE
COMFORT LAKE - FOREST LAKE
WATERSHED DISTRICT**

Thursday, October 25, 2012

1. Call to Order

The President called the October 25, 2012 regular Board meeting to order at 6:30 p.m. at the Forest Lake City Offices, 220 North Lake Street, Forest Lake, Minnesota

Present: President Richard Damchik, Vice President Jackie Anderson, Secretary Wayne Moe, Treasurer Tom Lynch, and Manager Jon Spence

Absent: None

Others: Doug Thomas (CLFLWD), Lisa Tilman and Cecilio Olivier (EOR), Chuck Holtman (Smith Partners) and Mark Lobermier (Wyoming).

2. Setting of Agenda

The President called for the reading and approval of the October 25, 2012 Regular Board meeting agenda. President asked if there were any changes or additions. Administrator Thomas requested the addition of an agenda item under new business to discuss attendance at the upcoming MAWD Annual Meeting. Motion to approve the agenda as amended was made by Manager Anderson and seconded by Manager Moe. Discussion. Upon vote, the motion passed.

3. Reading and Approval of Minutes

The President called for the reading and approval of the minutes of the September 27, 2012 Regular Board Meeting. Administrator noted a correction on page 6 by Attorney Holtman. Manager Anderson noted corrections on pages 4 and 5 and also commented that she did not see any mention of the September 27th special meeting. Administrator Thomas responded that he will have minutes for the September 27th special meeting for approval at the October 25th meeting. Motion to approve the September 27, 2012 Regular Board meeting minutes, as corrected, was made by Manager Moe and seconded by Manager Spence. Discussion. Upon vote the motion passed.

4. Public Open Forum

Manager Damchik opened the floor to anyone in attendance wishing to comment on items that are not already scheduled to be discussed as part of the meeting agenda.

5. New Business

a) 2013 Audit Engagement Letter

Administrator Thomas noted his memo in the Board packet. He noted that HLB Tautges Redpath had submitted its 2012 audit proposal and engagement letter. He pointed out that the proposed cost to conduct the 2012 audit, prepare the annual financial report, and conduct a state legal compliance audit would be

\$8,100. The proposed cost is \$250 (3.2%) more than the cost of the 2011 audit. Staff recommended approval of the 2012 engagement letter and scope of services as presented by HLB Tautges Redpath. Manager Anderson moved to accept and approve the attached Engagement Letter from HLB Tautges Redpath to conduct the District's 2012 Audit and authorize its execution by the Board President. Motion was seconded by Manager Moe. Discussion. Upon vote the motion passed

b) Bergerson Residential Cost-Share Project Application

Administrator Thomas noted his memo in the Board packet. He provided a description of the project which is for the establishment of a native water quality buffer planting along the shoreline and adjacent steep slope on Comfort Lake. The project was reviewed and ranked by Manager's Lynch and Moe, Mary Jo Youngbauer (Chisago SWCD) and himself and recommended for funding. The cost for the Bergerson project is \$4,735.90 which is based on a quote from Shoreline Landscaping, Chisago City. Staff recommended Board approval for the Bergerson Cost-share project in the amount of \$2,367.95 not to exceed 50% of actual cost, including in-kind labor. Manager Anderson asked if this project will be done this fall or in the spring next year. Administrator Thomas responded that the project will be done in the spring of 2013. Manager Anderson followed up with asking how long the owner has to install the project. Administrator Thomas noted that the contract allows up to two years for completion of an approved project.

Manager Spence moved to approve the Bergerson Residential BMP Cost-Share Incentive Program application for a steep slope and shoreline water quality buffer planting project at the rate of 50% not to exceed \$2,367.95. Motion was seconded by Manager Anderson. Discussion. Upon vote the motion passed.

c) Peshorn Ag BMP Cost-Share Application

Administrator Thomas noted his staff memo in the Board packet. He also handed out an updated memo which included a new cost based on having a contractor quote rather than just the SWCD engineers estimate. He gave a brief description of the farm operation which is a horse stable and training facility (Sunborn Stables) with approximately 20 horses. He then gave background on how the District initially became involved and after investigating the site with the Chisago SWCD it was determined that the drainage problem was being caused by some level of failure or obstruction of an old tile line that was found during the site investigation. The tile line which was found to partially functioning outlets to a wetland that is connected to Third Lake. After checking with Jeff Fertig, Chisago County Wetland Specialist, Jeff determined that the landowner would be able to restore/repair the drainage system under the State's wetland conservation act, agricultural activity exemption. After providing this information to Ms. Peshorn she noted her concern about the water quality in Third Lake and that she did not want to do anything to make that worse. In discussions with the Chisago SWCD and their engineer the idea of building a water quality treatment feature into the repair came about and was presented to Ms. Peshorn. With her concurrence the Chisago SWCD approved the use of non-point engineering assistance funds to have the site surveyed and a plan developed. The result of that was a proposed plan to install an iron enhanced sand filter which would capture and treat both the tile water from an upper pasture and surface runoff from the adjacent horse paddocks. Ms. Peshorn submitted an application for cost-share assistance on October 16, 2012. The estimated cost based on a quote from D. George Construction was \$15,986. Administrator Thomas noted that approximately 80% of the total cost is associated with the iron sand filter and outlet and that staff recommended that the District provide up to \$12,776 or 80% of the total cost.

Manager Moe asked where the original drain tile went. Administrator Thomas commented that original/existing line goes to the north approximately in the same location as the iron sand filter area shown on the map. He also pointed out where the system empties into a wetland and that it is connected to Third

Lake. Manager Moe stated that he had some problem with this and that the District should not be getting into the business of replacing failed drain tile. He recognizes that the project uses a filter but it appears that the water had to go just as far before ouletting as it did before and if she had to replace it herself it would have been just as far and not sure why we are paying for that. He also stated that he has a problem with the statement that the project could provide up to 90% removal noting that it is not an exact science so it is somewhat unproven. Administrator Thomas commented on the where the estimated removal rates come from, which was the University of Minnesota, and how they have come up with the estimates for these iron sand filters. He also pointed out how he along with the Chisago SWCD felt that if we were to do nothing Ms. Penshorn could simply replace the system under the wetland conservation act and nothing would happen in the way of mitigating the phosphorus that is getting into the system and discharging to the downstream wetland and Third Lake. He also noted that the new location of the outlet for the iron sand filter will keep the system on one property and that its placement allows us to capture 100% of the runoff. Manager Moe commented on how he understands the opportunity here but recognizes that if they were to replace the whole system on their own the cost to them would be higher than what is shown. Administrator Thomas pointed out some the differences in just replacing the old system with what is being proposed. Manager Anderson asked if the cost to replace the old system is \$3200. Administrator Thomas commented that the \$3200 would be to replace the portion of the system upstream of the iron sand filter and that they did not estimate what the cost would be to simply replace the existing line. Manager Anderson commented that she is paying for the perforated line and the District is picking up the water quality portion and that this is a good thing and is consistent with what we are doing with some of our urban projects where we are sharing in the cost of stormsewer upgrades that incorporate water quality treatment.

She further noted that this is an interesting project but had a few more questions about the impact on Third Lake that goes into Bone Lake and our past discussions on these diffused loads and when this gets done that we will want to do some measurements before this project gets done so that we are alerted if this makes a difference after the project gets done and this is why she asked the question of when is this project planned to be done and hopefully our engineers can look at this and get some samples before the project is done if it is needed. Administrator Thomas commented that the plan is to take samples after the project is completed of the water before it goes into the filter and at the outlet which will allow us to measure the load reduction and the loading downstream which can then be factored into the model update that we discussed at the last meeting. Manager Moe commented that he wants to be on the record that he does not support simply replacing old drain tile and recognized in this case that the iron sand filter can do some good. Administrator Thomas noted that if it had simply been the desire on the part of the landowner to just replace the system then we would not have done anything more. But because of the landowner's concern for Third Lake and willingness to look at building water quality treatment into a repair project that was the reason to get the SWCD involved and ultimately come up with a project that reduces the phosphorus loading in the watershed.

Manager Anderson made the point that this is an opportunity and we should take advantage of it particularly when it is a spot where there is an identified problem especially in an area that we have just been discussing and it is critical that we are able to measure the before and after impacts from the project. If successful then we can use this to go out and work with other similar situations in the watershed. Manager Moe asked about the number of horses that are on this site. Administrator Thomas commented that it is between 20 and 25 depending on the time of year. Additional discussion took place on the number of animals and the potential for higher loads and how the paddock area drains and is also being captured where previously it could drain off as surface water from the site to the wetland and then the lake.

Cecilio Olivier, EOR, commented on the sand filter and on the site not discharging and the relation to volumes. Administrator Thomas corrected him in that the site does discharge in that the system is not completely failed and that drainage does take place. He further clarified that the feature also captures surface runoff that would also get to the wetland when the water got high in the north pasture area.

Manager Anderson commented that the bigger issue is that we have a failed system and surface drainage that is allowing polluted water to get downstream.

Manager Anderson made the motion to approve the project. Manager Spence commented that it is important that we make it very clear that the project is for water quality treatment and not restoring someone's drainage. Manager Anderson commented that she also had a follow-up motion. President commented that we have a motion on the table and asked if there was a second before further discussion. Manager Lynch seconded the motion. Discussion. Manager Spence mentioned the importance of it being a water quality problem not a drainage problem. Manager Anderson stated that maybe adding a paragraph is needed to make that point similar to the Broadway Project. Manager Moe commented that his point is that he does not want to see someone coming in with a drainage problem and by just adding some water quality treatment that we pay for the replacement of the whole system. Manager Anderson commented that it is not there call and the Board is responsible for making those calls. President asked if there was any further discussion. Hearing none he called for the question. Upon vote the motion passed.

Manager Anderson proposed a second motion that would have the Administrator work with EOR to formulate a before and after engineers report to monitor the impact of this project and bring this back to the Board over the next several months before this project would take place. Manager Spence clarified that the idea is to put together a plan on how they will monitor but not to actually monitor now. Manager Anderson commented that we have load now so it is to put together a plan to verify the impact from a real project. Manager Lynch seconded the motion. Engineer Tilman commented on how an isolated project like this fits into the monitoring plan and that it would not involve before monitoring as we might with larger projects such as the regional projects for the Sunrise River. She further commented that the method would be similar to what Administrator Thomas pointed out and the goal is to measure the effectiveness of the project and provide a load reduction number based on what is going in compared to what is going out. Manager Anderson asked what do you mean by it does not have to happen now. Engineer Tilman commented on the method of sampling which would be after construction and then sampling after events that can capture what is going into the filter and then what is coming out of the filter. Administrator Thomas noted that the landowner wants to complete the project yet this fall. Manager Moe commented that if the project gets done this fall then we could possibly get data next spring. Manager Anderson asked if you stated if this project is to get done this fall. Administrator Thomas commented that yes it is. Manager Anderson commented that her point is that if we have the opportunity to study it before hand and then afterwards to pin point the value then what is the harm to wait until spring to do the project if we do the before sampling now if we have the opportunity to measure a real life situation. Administrator Thomas commented that he did fully understand what the value of waiting was as the water coming in today will be no different post construction than what is coming pre construction. Engineer Tilman commented that one goal of the sampling as has been described would be used to measure the actual effectiveness of the filter and can be compared to the estimated effectiveness. The President called for the question. Upon vote the motion passed.

d) Hydrology & Hydraulic Model Update Task Order

Administrator Thomas noted his memo in the Board packet. He noted that this activity is a line item in the 2012 work plan. Its purpose is to update the model which was originally developed in 2005 and modified in 2008. Updating the model is designed to maintain it as a useful tool to estimate flood levels and characterize water quantity and quality in the system by reflecting changes that have occurred as a result of projects that required a district permit for stormwater. The attached work order from EOR proposes to perform the update for \$10,460. Staff recommended Board approval of the attached EOR work order titled "Hydrologic/Hydraulic Model Update and Verification" dated October 10, 2012.

Manager Moe moved to approve the attached EOR work order titled “Hydrologic/Hydraulic Model Update and Verification” dated October 10, 2012, and to authorize execution of the work order by the Board President. Motion was seconded by Manager Spence. Discussion. Upon vote the motion passed.

e) MAWD Annual Meeting Attendance

Administrator Thomas commented that the reason for this item is to see if any of the Managers are planning on attending the 2012 Annual Meeting in Alexandria on November 29th through December 1st. Managers Anderson and Lynch commented that they are considering attending. Based on that Administrator Thomas commented that a motion is needed to appoint Managers Anderson and Lynch as the Districts’ two official delegates.

Motion by Manager Spence to appoint and certify to MAWD Managers Anderson and Lynch as its two official delegates to the 2012 MAWD Annual Meeting. Motion was seconded by Manager Anderson. Discussion. Upon vote the motion passed.

6. Old Business

a) Beaver Control/Dam Removal Sunrise River

Administrator Thomas commented that since the last meeting he has been in contact with the new owners of the property which we were able to use earlier this year to access the area where beavers had built two dams on the Sunrise River just upstream of the culverts/control weir at County Road 22. He further commented that he was looking to the Board for direction on whether to go ahead with trapping and removal at this time as the beavers have re-established themselves and have constructed a new dam in the same approximate location as the old one. He also reviewed the estimated cost of using Animal Eviction Services if we were to conduct trapping and dam removal at this time.

Manager Spence asked how often we are going to have to do this. Administrator Thomas commented that it is likely a situation where we would have to go back frequently because beavers will likely attempt to repopulate and rebuild on an ongoing basis. Manager Spence asked what the current impact is such as how high was the current dam. Administrator Thomas noted that he had been out to the site the week before and based on his visual inspection it appeared to be around 10 to 12 inches high.

President entertained a motion to remove the beavers and dam. Manager Lynch made the motion to authorize removal of the beavers and dam. President Damchik seconded the motion. Discussion. Manager Spence asked if there were other areas where this is a problem. Administrator Thomas commented that he is not aware of any situations where concerns about property damage are high enough to cause concern. He further commented that since this is a highly visible site as soon as the beaver show up he will get calls from property owners. Manager Spence commented that from his perspective the water level is down from what it normally would be at this time of year. Manager Anderson agreed and asked what happens if we keep doing this when it is not really causing a lake level problem, will they go away or is it a situation where you have to keep going back in on a continual basis to control them. Administrator Thomas commented that it is more likely that you will have to be back continually to control them than not. Manager Moe asked if we had a contract what would be the annual cost. Administrator Thomas explained how the last contract was written and that you could cap the contract at \$1200. Manager Lynch asked if the other Managers were aware of the lake level being a problem. Manager Anderson commented that she did not think so. President asked if there were any more comments. Upon vote the motion failed.

b) District Comprehensive Monitoring Plan Adoption

Administrator Thomas noted his memo in the Board packet. He gave brief history on the process to develop the plan and the times at which it was presented and discussed with the Managers. Based on not having received any specific comments from Managers since the last meeting staff recommended Board adoption of the Comfort Lake-Forest Lake Comprehensive Monitoring Plan (2012). Manager Anderson asked what changes have been made since the August meeting. Engineer Tilman commented that additional language was added on page 23 relating to the investigative monitoring which acknowledges the use of volunteers as part of developing specific plans. The plan also reflected comments on the potential use of volunteers to expand seechi and transparency measurements on the smaller lakes. Manager Anderson commented that when we have big reports such as this that they come out with an executive summary for the Board that points out the changes made to the document during its development.

Motion was made by Manager Moe to approve the adoption of the Comfort Lake-Forest Lake Watershed District Comprehensive Plan (2012) as presented. Motion was seconded by Manager Anderson. Discussion. Upon vote the motion passed.

c) Moody Lake In-Lake Treatment – Update and Work Order

Administrator Thomas noted that this is a follow-up to the discussion on the project that took place at the August and September meetings. He then referred members to his staff memo and went over the outline for presentation by EOR of past efforts, findings from the September 27th report, and review of the tasks outlined in the attached work order and then discussed briefly a number of options for moving forward with the watershed load verification work in the attached work order date October 15, 2012. He then asked if that outline is acceptable then he would ask Lisa to continue. Manager Anderson commented that she did not feel it necessary for us to go over the report or findings but wanted to hear from Administrator Thomas why he is recommending Option 2 when she liked Option 3. Administrator Thomas commented that he preferred Option 2 in that much of the work that is identified in Task 1 is already being done in whole or in part by the Chisago SWCD with the MLCCS update and by the crop consultant we hired to develop a comprehensive farm plan for land being operated by Mr. Mattson which comprises a majority of the farmland in the western portion of the Moody Lake watershed and which will look at sheet, rill, and gully erosion as part of the effort. Beyond that he felt it was more cost effective for him to update the animal numbers as well as compared to having the consultant conduct those tasks. Manager Anderson commented that EOR is proposing that it be done together and that it is important to have them on the ground looking at the area as well. Seeing that it not a large amount of money having both sets of eyes might be a good thing. Administrator Thomas commented that in discussing this with EOR prior to the meeting a revised work order, if the Board went with Option 2, would be developed and would include a few hours for EOR to look at the data when it comes in. Manager Anderson commented that she feels more comfortable at least having a tour with EOR to have a look at the hot spots that might be identified through the field work and which should be able to be accomplished with a few hours of time. Administrator Thomas commented that the idea of a field visit at the end of Task 1 with EOR can be built in to a revised work order depending on the Board's decision. Manager Anderson commented that she like the provision in Option 3 to not move ahead with Task 3 until after the report from Task 2 is completed and reviewed with the Board.

Manager Anderson moved to have EOR prepare a revised work order for the next meeting that has Task 1 being done by staff with a small amount of time added for EOR to review the field work, Task 2 being completed at this time by EOR, and Task 3 being done by EOR only after Board review of the report identified in Task 2 and authorized at that time. Motion seconded by Manager Moe. Discussion. Upon vote the motion passed.

d) Bone Lake Fish Barrier – Partial Payment Request

Administrator Thomas gave a short presentation on the project background, design concepts, and construction. He noted that at this time the project has been substantially completed and the contractor Rachel Contracting has requested partial payment in the amount of \$264,061.05. He further noted that EOR has certified the partial payment request. The remaining amount of \$13,897.95 will be paid to Rachel Contracting after a few minor details are completed and all necessary contract documents have been submitted.

Manager Spence moved to make a partial payment to Rachel Contracting in the amount of \$264,061.05 for substantial completion of the Bone Lake Fish Barrier Project as certified by EOR. Motion was seconded by Manager Anderson. Discussion. Upon vote the motion passed.

8. Report of Staff

Administrator Thomas noted his written report in the Board packet. He mentioned to the Board that he will be gone the week of October 29th.

Emmons and Olivier Resources (EOR) – Nothing more to report.

Smith Partners – Nothing more to report.

9. Report of Treasurer

Approval of Bills

Treasurer Lynch presented the Treasurer’s Report (A copy of which is annexed and incorporated by reference) and bills and payroll totaling \$338,711.50

Motion was made by Manager Anderson to approve the October 25, 2012 Treasurer’s Report and pay the bills and payroll as presented. Manager Moe seconded the motion. Discussion. Upon vote, the motion passed.

10. Reports of Officers and Managers

Manager Damchik – Nothing new to report

Manager Lynch – Asked if we have heard any comments back on the proposal for the land. Administrator Thomas commented that the appraisal has been sent out. Manager Lynch commented on the newspaper article on the Bixby Park master park plan and asked about District involvement. Administrator Thomas commented that the District has been involved and his role has been to assure that activities being proposed do not conflict with projects that we have identified in the Sunrise River Engineers Report.

Manager Spence – Nothing new to report

Manager Anderson – Nothing to report

Manager Moe – Has gotten two positive comments on the carp control projects.

11. Adjournment

Motion to adjourn the CLFLWD regular Board meeting at 8:05pm was made by Manager Spence and seconded by Manager Lynch. Upon vote, the motion passed.

Wayne S. Moe, Secretary _____