

**MINUTES OF THE REGULAR MEETING
OF THE
COMFORT LAKE–FOREST LAKE
WATERSHED DISTRICT
Thursday, July 22, 2021**

1. Call to Order

Vice President Anderson called the July 22, 2021 regular board meeting to order at 6:33 p.m. via online video conference.

Present: Vice President Jackie Anderson, Secretary Jen Oknich, Treasurer Steve Schmaltz, Manager Doug Toavs.

Absent: None.

Others: Mike Kinney, Jessica Lindemyer, Bobbie Law, Garrett Miller, Emily Heinz, (CLFLWD staff); Greg Graske, Cecilio Olivier, Kevin Biehn (Emmons & Olivier Resources); Chuck Holtman (Smith Partners).

2. Oath of Office

Manager Toavs was sworn into office. Other managers of the District welcomed Manager Toavs to the board.

3. Setting of Meeting Agenda

Item 8a – Election of Officers was removed from the agenda.

Manager Schmaltz suggested that the Board not hold an election of officers at this meeting. He mentioned his reason for the request was due to new board managers coming aboard. Manager Anderson explained that it was her understanding that the Board would be performing a reorganization. She stated that she agrees with Manager Schmaltz. Manager Anderson requested information on rules of reorganization from Legal Counsel Holtman. Mr. Holtman explained that he believed it would be appropriate to fill the position of president as soon as they see fit. Manager Anderson noted that the bylaws detail a function in which the vice president can step in as the president. Managers discussed the fact this is an unusual year for serving terms of office. Managers agreed upon tabling the election of officers until November of 2021.

Managers discussed Manager Oknich soon approaching departure and their hopes for a smooth transition to appoint a new manager to fill her position this fall. Mr. Kinney noted that there is an interested resident that has been in communication with Washington County. Manager Schmaltz explained that the protocol of the County in the past has made appointing individuals a lengthy process. He asked Mr. Kinney if the County would be sending a

timeline to the District. Mr. Kinney stated that he would ask for a projected timeline for the County Board's plan of action.

4. Consent Agenda

- a) Regular Board Meeting Minutes – June 10, 2021**
- b) Special Board Meeting Minutes – June 24, 2021**

Manager Anderson requested to remove the June 24, 2021 minutes from the consent agenda.

5. Public Open Forum

There were no comments.

6. Citizen Advisory Committee Update

Administrator Kinney provided an update on the Citizen Advisory Committee (CAC). He noted that the Committee met in June. He explained that the Administrator's Report was reviewed during this meeting. He also noted that the East Metro Water Resource Education Program (EMWREP) Educator, Angie Hong, was present and gave an update on her program. Mr. Kinney explained that the Committee also reviewed the budget. He explained that the Committee should have comments submitted to the Board by August 2021.

Manager Anderson requested information on the attendance levels at the meeting. Mr. Kinney explained that there were four CAC members, three District staff, and Angie Hong in attendance at the June meeting. Mr. Kinney explained that he has hopes to conduct additional recruiting for new Committee members in the near future.

7. Aquatic Invasive Species Update

Mr. Miller gave an aquatic invasive species update. Mr. Miller showed maps depicting early detection surveys that were completed on Lake Keewahtin and Little Comfort Lake. He explained that both were surveyed for curly-leaf pondweed.

Mr. Miller explained that on Lake Keewahtin staff discovered six locations with curly-leaf pondweed. He clarified that the number of plants was sparse in those six locations. He noted curly-leaf pondweed was mostly present near docks. Mr. Miller stated that he believes the dense native vegetation plays a role in minimizing the number of invasive species that can grow. He then explained that on Little Comfort Lake staff detected substantially more curly-leaf pondweed than on Keewahtin. Mr. Miller noted that, in the locations where staff found curly-leaf pondweed, only one or two stems were found. He also mentioned that similar to Keewahtin Lake, Little Comfort Lake had the most curly-leaf pondweed near docks and areas disturbed by boat traffic. Mr. Miller described the aerial photo of the lake. He explained that this lake has a thick ring of coontail and water lilies. He noted that these are both native plants.

Mr. Miller remarked that a Flowering rush treatment had been completed on Forest Lake, but it was completed later than he had hoped for. He believes that PLM, the treatment company, is busy this year. Mr. Miller explained that Steve McComas from Blue Water Science had completed an initial survey of some “hot spots” on Forest Lake three and he will also do a follow up survey in mid to late August to determine whether additional spot treatment is necessary. Mr. Miller noted that he was observing Purple loosestrife growing around the District but is pleased with the treatment completed on Forest Lake. He explained that in previous years the shores were remarkably purple from the flowering rush on the shores. Mr. Miller noted that he is not seeing this now.

Mr. Milled explained that Blue Water Science completed a point intercept survey and included purple loosestrife at no additional cost. He stated that he believes this will give us a good idea of where the loosestrife will be growing this year. Mr. Miller explained that he plans to coordinate treatment on Lake Keewahntin due to the abundance on those shores.

Mr. Miller explained that the treatment of Forest Lake using a new material to treat curly-leaf pondweed inadvertently reduced the amount of Eurasian watermilfoil drastically; to the point that a survey found none in the entire lake. Mr. McComas, with Blue Water Science, will be going out shortly to survey the lake. He noted that the Forest Lake Lake Association has money pooled up to treat in the event the District finds any re-growth.

Mr. Miller noted that he is starting to compile planning options for potential carp removal on Shields Lake. He would like to conduct a removal in the early fall. He explained that he is in conversation with University of Minnesota researchers to compile the options for removal.

He also gave an update on the watercraft inspection program. He explained that the District currently has six inspectors on staff. He noted that the District is about 47% of the way through with the inspection season and is presently on track to reach inspection hours goals. He explained that the District will be losing inspectors during the fall due to school starting back up. Mr. Miller explained that he is working to get as many hours as possible during the busier times before those individuals head back to school. He mentioned that he is still heavily advertising open positions with job advertisements along with handouts at boat landings and is hoping to get one or two inspectors to work during the fall months. Manager Toavs asked when the inspection season ends. Mr. Miller explained that the inspection season ends around the third week in October. He noted that traffic slows down by that time of year.

Manager Schmaltz mentioned that he had observed an article written in the Forest Lake Times concerning blue-green algae. He stated that Mr. Miller’s input was well done and that he believes Mr. Miller did a great job explaining the issue. Managers requested that Ms. Law send a copy of the article to all managers.

8. New Business

a) Election of Officers

[REMOVED FROM AGENDA]

9. Old Business

a) Land Acquisition Update

Administrator Kinney introduced the topic and noted that Senior Land Management Coordinator Nick Bancks and Emmons & Olivier Resources Community Practice Lead Kevin Biehn were attending the meeting to take any questions managers may have. Mr. Bancks gave an overview of the memo. He explained that the Board had requested information on funding scenarios, zoning information, and letters of interest from prospective partners. Mr. Bancks explained that in the process of acquiring letters of interest and information it was noted that a purchase offer was made by a developer on the 8th of July. He explained that the buyers are in the due diligence process of the purchase, and the offer was contingent. Even though an offer was made on the property, staff still explained that they believed it was important to share the requested information.

Mr. Bancks gave an overview of the materials provided. He opened it up to the Board to decide what they would like to discuss in further detail. Manager Schmaltz noted that the managers should refine their overall approach to land acquisition. He explained he believes Mr. Bancks should focus on disseminating what possible land acquisition opportunities were in need of immediate attention and which could be held off. Mr. Bancks explained that there are some groups, including The Conservation Fund, that could immediately provide funding for acquisition that could be paid back. Manager Schmaltz asked Mr. Bancks if the groups that provide this funding are actively looking for these types of acquisition opportunities or if opportunities are merely brought to them as they arise. Mr. Bancks noted that land acquisition is similar to the housing market currently and things are moving quickly. Manager Anderson explained that she believes the District needs to have a more defined strategy as a whole for land acquisition. She also believes having this defined strategy or standardized operating procedure will help when and if the District is working with the aforementioned funding groups. She explained that the standard practice in government organizations is to have discussion publicly regarding the acquisition which can slow the District down and possibly put developers at an advantage. Manager Schmaltz explained that the due diligence process will always be something managers and staff complete. He believes it would be important to let property owners know that we are interested in the purchase price pending the District's due diligence process. Manager Anderson explained that those elements should be included in the defined strategy/standard operating procedure for land acquisition. She indicated it is important to have well-defined steps outlined and documents in place for land acquisition. Manager Schmaltz agreed with Manager Anderson's statement. Manager Toavs asked if anything in the Watershed Management Plan that addresses land acquisition. Manager Anderson explained that the overall intent is outlined.

Mr. Holtman explained that the District is usually not in competition with developers. He mentioned a possibility of a cluster development or a conservation development plan. Manager Anderson asked if staff have reached out to the potential buyer. Administrator Kinney explained that he had met with staff and Emmons and Olivier Resources (EOR) staff to discuss this land acquisition. He noted that the Watershed Management Plan outlines the steps necessary to acquire property that do lengthen the due diligence process. Mr. Kinney explained that some of these particular properties have been for sale for a long time, and when the District proposed an interest in the property, buyers came in and purchased the property before the District. He indicated going forward it may be useful for the managers to consider a standing committee to take action on land acquisition. Mr. Kinney explained that this is something that staff could bring to the developer if that is the direction the Board would like to take. Mr. Kinney explained that this process would likely repeat with more properties coming for sale that the District has to act fast on. He mentioned that there would be a high likelihood that managers would need to make a contingent offer.

Manager Anderson explained that she believes everyone is on the same page as far as where the Board wants to see this program heading. She asked if staff could create a document that would serve as a manual that includes standard operating procedures and required documentation. Administrator Kinney said that staff will create and compile such documents.

Managers discussed if Board action was needed. They also discussed the number of buildable lots possible on the property. Mr. Kinney explained that the city ordinance allows for clustering. He noted that there are eight sites they can put on about 60 acres of upland to create parcels. Manager Anderson requested again if staff required Board action. Mr. Kinney explained that the goal would be to reach out to the realtor with potential offer. Mr. Holtman explained that the Watershed Management Plan requires the Board to consider multiple factors before it moves to acquire land rights. One such consideration is the value of the property. Mr. Holtman noted that this could be by appraisal or however the Board deemed appropriate. He explained that Mr. Kinney and staff can have communications and discussion, but before there is binding offer accepted the Board would have to meet in closed session and review those criteria. The Board discussed grant funding as a part of the future manual. Mr. Kinney noted that in June the Board approved this project for next steps. He noted the importance of being prepared if the possible offer falls through be in a position to be up second.

Manager Anderson complimented the information gathered via Board request. She indicated it satisfied all the questions that the Board had at the time. She indicated this would be a good template to use for future projects. Manager Anderson inquired if there were any more questions or comments regarding this topic. She then thanked staff for their work.

b) Greenway Corridor Update

Mr. Bancks gave an overview of the engagement meetings staff have planned for visioning of the greenway corridor. He noted that these meetings are staff level meetings with Washington County, the City of Forest Lake. He explained that the goal of these meetings is to engage stakeholders.

Mr. Bancks displayed a draft flyer that the District plans to provide to stakeholders at these planned engagement meetings. Mr. Bancks explained that the flyers provide visuals and examples of what the greenway could be along with the status of the project and why this area is critical for protection. Manager Anderson asked what areas flyers had been created for. Mr. Bancks explained that the District has created two different flyers: one for the Sunrise River corridor and another for the Washington Judicial Ditch 6 (WJD-6) corridor.

Mr. Bancks noted that the idea of these meetings is to brainstorm with multiple stakeholders, gauge partner interest going forward, and take what staff learn and bring that information back to the Board of Managers. Manager Anderson noted that she believes that the graphics and flyers are very nice. She explained that they do a good job laying out the concept of what the District is trying to accomplish. Manager Schmaltz asked about the possibility of losing greenway area due to land acquisition not being completed. He explained that he wonders how that will affect the greenway as a whole. Mr. Grasko explained that even if the parcel mentioned in Agenda Item 9a is developed, they will still have permitting requirements including a buffer requirement. Mr. Grasko indicated he does not believe it forgoes the entire greenway and associated potential projects. Manager Anderson noted the area surrounding WJD-6 and the possibilities of working with that location for pathways. Manager Anderson wished the staff luck with the coming meetings. She noted she has hopes that they are productive.

c) 2022 Draft Budget

Administrator Kinney introduced Ms. Heinz as the staff lead for the budgeting process. Ms. Heinz gave an overview of the Board's workshop that was held on July 7th, 2021. She noted that two of the major changes made during that meeting included increasing the expense budget to a total of \$4.1 million and switching the way the District shows grant revenue. Ms. Heinz explained that in the past the budget showed gross grant revenue, but now distinguishes between earned grant revenue (i.e., grant funds received and spent) and unearned grant revenue (i.e., grant funds received but not spent). Ms. Heinz explained a situation in which the earned revenue will only be a fraction of the grant dollars awarded. The reason this is helpful is because dedicated grant funds are not getting buried in the carryover category of the budget. She noted that this answers one of the requests managers made on July 7th. Ms. Heinz explained that the request of the managers was to see how much of that carryover is received grant dollars that aren't spent. She requested the Board give staff direction on requesting a second Clean Water Partnership loan. She noted that the District has until June 2022 to spend the remaining balance on the first loan. Once it is spent and closed out, the District can apply for a second loan with quick turnaround.

The Board reviewed the budget and discussed the Revenue-Expenditure Recap page in detail. Staff was directed to review the carryover amounts and ensure they are correct. Ms. Heinz explained the process for loan disbursement and repayment. Manager Anderson directed staff to confirm these processes with the District Accountant and Auditor. Managers Anderson and Schmaltz directed staff to send the revised budget documents to them prior to posting in the next board meeting packet.

d) COVID-19 Preparedness Plan & Open Meeting Law Declaration

Administrator Kinney explained that due to the ever-changing situation surrounding the COVID-19 pandemic, he wanted to have an initial conversation on proceeding with any possible changes to current policy and guidance for staff when working with the public. Managers discussed a summary sent them by the District Attorney. Manager Anderson explained that her understanding of the information provided meant that the Board could continue to meet virtually. She also mentioned that staff should look to surrounding local units of government for what the standard practices for meeting should be. She mentioned that the cities of Wyoming and Forest Lake have been meeting in person. Manager Schmaltz noted that some of the lake associations had also switched to in person meetings. Manager Anderson requested that the first meeting in August be virtual so that staff can confirm that the regular board meeting location is available for use. Managers further discussed the importance of meeting in person if other local agencies are also meeting in person. Managers also discussed reservations not being made with the City of Forest Lake. Manager Anderson stated that the Board should prepare to meet in person at the second regular meeting of the month. Manager Schmaltz noted that staff should try to make reservations through the end of the year if possible. Manager Anderson explained that the Board can make a final decision after reviewing more information at the August 12th board meeting. Legal Counsel Holtman explained that the other pieces to this would be staff protocol for interacting with the public and office policy. Administrator Kinney mentioned he would support staff wearing masks if meetings do resume in person.

10. Report of Staff

a) Administrator

Administrator Kinney gave a report of the last couple of weeks. He noted that he has been able to take some time off recently. He explained that staff have been spending a good amount of time in the field. He explained that he was impressed with both long standing staff and new staff's engagement and push to get projects moving. He highlighted the Bone Lake Northeast Wetland Restoration Project, for which the District was awarded funding this year, that had construction planned to start this winter. Administrator Kinney gave kudos to staff and landowners for getting this project up and moving quickly.

He noted that staff are looking at Clean Water Fund grant applications and that they will have a summary of these at the next board meeting.

He explained that the Board of Water and Soil Resources (BWSR) Central Region Committee meeting will take place on August 4th from 1:00-3:00pm. He explained that staff will be presenting the draft Watershed Management Plan and explaining how the District identifies goals and targets projects. He explained once the Central Region Committee approves the Plan, the next step will be for the full BWSR Board to consider approving the Plan. Staff will not give a presentation at the full BWSR Board meeting.

Manager Anderson and Manager Schmaltz noted that they would like to attend the Committee meeting. Administrator Kinney explained that the meeting will be a hybrid style with an option to attend virtually or in person. He noted that managers can attend however they like. He also noted that District staff will be attending remotely. Managers discussed how they would be attending the meeting.

b) Emmons & Olivier Resources

Engineer Graske gave an update from Emmons and Olivier Resources (EOR). He mentioned that the Bone Lake Northeast Wetland Restoration Project will be going out to bid soon. Some other work EOR staff have been completing along with District staff include general field work, iron enhanced sand filter efforts, and wetland surveying. Mr. Graske also noted that he did receive a downtown study report from the City of Forest Lake. He explained that he has completed an initial preliminary review and will be meeting with the City to discuss the document once it is more finalized.

Manager Anderson asked about the Highway 8 project and whether or not EOR was receiving updates on this project. She was wondering what the schedule is for this major project. Mr. Graske explained that at the last project stakeholder meeting it was explained that the project was several years out. He made clear that he will add to his list to set up a meeting to see where they are at.

c) Smith Partners

Nothing to report.

11. Report of Treasurer

a) Approval of Bills and Treasurer’s Report

Treasurer Schmaltz reported income for the period of \$15,542.89 and expenses in the amount of \$185,131.78.

Manager Oknich moved to accept the Treasurer’s Report and pay the bills in the amount of \$185,131.78. Seconded by Manager Toavs. Upon a roll call vote, the motion carried 4-0.

Manager	Aye	Nay	Absent
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Douglas Toavs	X		
Jackie Anderson	X		
Stephen Schmaltz	X		
Jen Oknich	X		

12. Report of Officers and Managers

Manager Schmaltz: Manager Schmaltz explained that he had some very positive feedback from the Forest Lake Lake Association regarding District staff, including Ms. Law and Ms. Lindemyer, who recently attended Arts in the Park. He thanked staff for their great effort in connecting and building partnerships with local lake associations.

Manager Oknich: Nothing to report. She mentioned her hopes of rain.

Manager Toavs: Noted he is working to get his feet wet in his new role as manager.

Manager Anderson: Found a large mussel in Comfort Lake in July and sent pictures to Mr. Miller. She indicated she had never seen them before in Comfort Lake, but the Lower St. Croix River has the most variety of mussels in the world (42 varieties). Manager Toavs mentioned he also found a similar mussel and sent it in to the Department of Natural Resources. He indicated it was called a giant floater.

13. Summary and Approval of Board Direction

Board directives were summarized:

- Staff will develop a strategic plan for land acquisition.
- Staff will consult with the District Accountant, District Auditor, and Pollution Control Agency (PCA) and the District accountant about the treatment of Clean Water Partnership loan disbursements and repayments.
- Staff will work with the District Accountant to review the revenues and expenditures with a focus on the treatment of earned and unearned grant funds.
- Staff will provide Manager Anderson and Manager Schmaltz with revised budget documents before they are posted to the District website.
- Staff will provide a proposal to the Board regarding COVID-19 conditions and office closures to the public.
- Staff will provide managers with information on the Board of Soil and Water Resources (BWSR) Central Region Committee meeting.
- Emmons and Olivier Resources (EOR) staff will provide an overview of the Highway 8 project at the August 12th board meeting.

14. Adjourn

a) Next regular board meeting – August 12, 2021

Manager Schmaltz moved to adjourn the meeting. Seconded by Manager Oknich. Upon roll call vote, the motion carried 4-0, and the meeting was adjourned at 8:51 p.m.

Manager	Aye	Nay	Absent
Douglas Toavs	X		
Jackie Anderson	X		
Stephen Schmaltz	X		
Jen Oknich	X		

Jen Oknich, Secretary _____