

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

TUESDAY, MARCH 27, 2007

1) **Call to Order**

The President called the March 27, 2007 meeting to order at 6:30 p.m. at the Forest Lake City Offices, 220 North Lake Street, Forest Lake, Minnesota

Present: Jackie Anderson, Richard Damchik, John Lynch, Wayne Moe, Jon Spence

Staff: Randy Anhorn, Dan Fabian, Travis Thiel, Lisa Tilman

Others: Deb Anderson, Beryl Halldorson, Sam Hathaway, Les Lemm (BWSR),
Commissioner Ben Montzka (Chisago County Commissioner), Steve Woods (BWSR)

2) **Election of Officers**

Discussion was held on the election of officers for 2007. The following slate of officers was presented:

President	Jackie Anderson
Vice President	Richard Damchik
Secretary	John Lynch
Treasurer	Jon Spence
Manager	Wayne Moe

Motion was made by Manager Spence to accept the slate as presented. Motion was seconded by Manager Anderson. The Motion carried unanimously. The election of new officers will be effective April 1, 2007.

3) **Reading and Approval of Agenda**

Motion to approve agenda was made by Manager Damchik and seconded by Manager Spence. The Motion carried unanimously.

4) **Matters of Public Interest**

Chisago County Commissioner Ben Montzka spoke before the Board of Managers.

Commissioner Montzka stated that he represents Wyoming Township, the City of Wyoming and a part of Chisago City which includes almost the entire watershed district in Chisago County. Because of this, he follows the proceedings of the CLFLWD with interest.

Commissioner Montzka thanked the Managers for their hard work and public service they have given the communities over the years. He is looking forward to creating a partnership with the

Board to accomplish projects and implement strategies to address water quality and quantity issues within the watershed.

Commissioner Montzka reminded the Board of the two tax-forfeited parcels of land (equaling roughly 40 acres); Chisago County gave the CLFLWD back in 2004. The two parcels of land about the former Judicial Ditch (JD1) now known as the Sunrise River. He is looking forward to seeing this land being used for a water resource management project which could possibly include the development of a park.

Commissioner Montzka stated that while looking forward, he does have some concern as to the watershed's history documented as a case study in the Office of Legislative Auditors report on watershed management in Minnesota. In order to address past shortcomings, Commissioner Montzka wanted to reiterate that he would give any support CLFLWD needed to attend to the documented areas of concern and keep the District moving forward to better manage our water resources.

Manager Damchik asked if Commissioner Montzka was speaking for himself, or the whole Chisago County Board. Commissioner Montzka said that while he was speaking for himself, he could seek a resolution from the County Board stating their support for CLFLWD.

Manager Anderson wanted to remind the Board that CLFLWD did have resolutions from each County when the CLFLWD was formed. Manager Anderson also requested that Commissioner Montzka contact the County engineer to see if he can locate historical engineering documents of the old Joint Ditch Board (i.e. cross sections of culverts, laterals to ditch) on the old JD1. Manager Anderson stated that CLFLWD has been unable to locate the documents and would find them very useful.

The Board thanked Commissioner Montzka for taking the time to attend out meeting and presenting his concerns and hopes for the future.

5) **Reading and Approval of Minutes**

The President called for the reading and approval of the minutes of the regular meeting of February 22, 2007. Manager Anderson highlighted two small edits.

Motion was made to approve the February 22, 2007 regular meeting minutes with corrections by Manager Anderson and seconded by Manager Moe. Upon vote, motion carried with Manager Damchik abstaining due to absence.

6) **Report of Treasurer**

Manager Anderson discussed the Treasurer's Report for March 2007. Manager Anderson mentioned that CLFLWD is in good financial shape with good balances in the bank prior to the anticipate tax revenues this summer. One caveat not shown in this month's report was the need for a stop payment on a check (# 2971) to Wenck & Associates from September, 2006

and replaced with a new one (# 3048). While the initial check was written and sent (and accounted for in the September 2006 Treasurer's Report), it never got cashed. A copy of the March 2007 Treasurer's report is annexed and incorporated by reference.

Manager Anderson also explained the need to realign some of the budget item categories in order to allow for our Rule making process. Manager Anderson provided handouts showing realignment.

Motion was made by Manager Damchik to approve the March Treasurer's Report with the addition of payment of the explained bills. Manager Spence seconded. Motion carried unanimously.

Manager Anderson then mentioned that she spoke with the state auditor's office about our ongoing effort to find a better account tracking tool. Manager Anderson requested a copy of the software that small cities, townships, and special taxing districts use. Anderson feels that this would allow the CLFLWD to better track monthly accounts and provide an easier way to prepare monthly financials. Anderson said that Administrator Anhorn could enter invoices as they came in, and our Accountant, Kathy Blackford could oversee the process. Anderson said that she, Treasurer elect Spence, Administrator Anhorn and Kathy Blackford would sit down and discuss the process once they had the software in hand.

Manager Anderson also detailed lingering issues we have been having with the payroll. While Kathy Blackford initially recommended a payroll company in order to save time, it seems that the Administrator and Ms. Blackford still spend considerable time to entering numbers and transferring payments. Manager Anderson said she talked to Kathy Blackford and both agreed that she could take back the payroll responsibilities if her monthly rate increase reflected the increase in her time. Manger Anderson further stated that the monthly increase would actually be less than what the payroll company was charging.

Manager Anderson motioned to have Kathy Blackford do the CLFLWD payroll and to increase her monthly rate from \$400.00 per month, to \$450.00 per month. Manager Lynch seconded. Motion carried unanimously.

7) **Board of Water and Soil Resources (BWSR)**

Per Board request, Steve Woods (Assistant Director) and Les Lemm (Board Conservationist) from BWSR were present to discuss and answer questions on prearranged topics detailed by the Board. The three main topics were; 1) the Office of Legislative Auditors (OLA) report on watershed management in Minnesota, 2) the rule making process, and 3) the differences and advantages between 103b and 103d.

Mr. Woods first addressed the OLA report and discussed how CLFLWD's history was a case study in the report. Woods further stated that BWSR had ended up being the focus of the Audit resulting in two main recommendations; 1) that there should be more state oversight of water management entities (i.e. watershed districts), and 2) to overhaul the structure of BWSR

from a 17-member Governor appointed board, which hires the Director of BWSR, to that of an advisory board, and the Director of BWSR would be appointed by the Governor (similar to the structure of the Department of Natural Resources).

Mr. Woods stated that while there has been some Legislative activity in both the Senate and the House as to the Audits first recommendation of more BWSR oversight, there has been no activity as to the second recommendation, a structural overhaul of BWSR.

Woods then addressed the differences between metro watersheds (103b) and outstate watersheds (103d). While CLFLWD's predecessor, Forest Lake Watershed Management Organization (FLWMO), worked under 103b, this distinction was lost with the formation of CLFLWD. The reason being that the watershed management group was no longer wholly inside the seven-county metropolitan area. CLFLWD is the only watershed district in the state that transects metro and outstate counties (60 percent in Washington County and 40 percent in Chisago County). Some of the differences between the two are, while metro watersheds (103b) require more detail in their watershed management plans and require additional financial information, they also pick-up additional funding mechanisms.

The Board asked if it was possible to seek a change in designation. Mr. Woods said that while there is no precedent for a watershed district to change from 103d to 103b, he said it could be possible. Woods said that it would take special legislation. The District would have to find a Representative to author a bill. Woods said the Ray Bohn of Minnesota Association of Watershed Districts (MAWD) would be a good resource to help in the process if the watershed ever decided to seek such a change.

Manager Anderson stated that it was her understanding was that 103d was just as good as 103b for raising funds for projects, and that 103d added the petition process for projects which is not available under 103b.

Woods said that while 103d has all the provisions to accomplish everything that the watershed needs, the tools to do projects increase under 103b (103b is in addition to 103d, they are not exclusive). Given the choice between 103b and 103d, he said that he would opt for 103b.

Manager Anderson stated that her main point was that she doesn't want the Board to think that they can not raise funds for projects under 103d because although 103b may provide more "tools", getting a change to 103b designation may take some time. In the mean time CLFLWD has the funding mechanism available to us to implement projects. Mr. Woods agreed.

Manager Anderson also asked if BWSR has talked about raising the ceiling on the administrative levy. It has been at \$250,000 for many years now. Woods stated that while it has been at the same level for many years, he was unaware of any recent talks about raising the ceiling. It is something that would more than likely come from MAWD.

Manager Moe stated that because we are 60 percent within the metro and how rapid Chisago County is growing, he didn't think we would have as much opposition as some feared, when

seeking someone to author legislation for the change from 103d distinction to 103b. Mr. Woods stated that if we can get Chisago and Washington counties, and local communities on board, it would be easier to get legislative support. Commissioner Montzka stated that if and when the Board wanted to go forward in the designation change, and if the Board feels it would be helpful, he could help garner Chisago County support on such a resolution.

The Board thanked The BWSR representatives for providing insight on the above referenced subjects.

8) **Report of Engineer**

a) Emmons and Olivier Resources (EOR):

Dan Fabian and Lisa Tilman from EOR presented their review of the previously submitted CLFLWD rules to determine their overall compatibility to the CLFLWD Watershed Management Plan. Prior to the meeting EOR provided a memo summarizing background information, goals, and standards found in the CLFLWD Watershed Management Plan and the 2005 proposed CLFLWD Rules. A copy of the memo is annexed and incorporated by reference.

EOR noted a few key differences between the CLFLWD Plan and the 2005 proposed Rules. These differences were the central point of the discussion between the Board and EOR in an effort to determine a direction for the standards and policies incorporated into the Rules. In some areas the proposed Rules had no specific supporting language in the Watershed Management Plan, and in other cases, goals within the Watershed Management Plan were not supported by specific rules.

After EOR's presentation, Manager Lynch asked Mr. Woods from BWSR, if he could provide any thoughts in regard to rules and rule making. Mr. Woods stated that there was a whole array of things the watershed could choose to regulate from activities, to the protection of specific resources. He said that rather than rushing through the process to get the rules adopted, the watershed should concentrate on what the local communities want and need to assist them in regulating. Where are the gaps and can CLFLWD plug them? Woods further stated that CLFLWD needs to determine how much work (staff time) they want to put into regulating rather than doing projects.

The Board then discussed the different rulemaking alternatives, the relationship between watershed standards and state and federal standards, the pros and cons of developing a CLFLWD permitting program and its relationship to MS4 regulations.

Administrator Anhorn asked for questions specific to EOR's summary. Anhorn raised the reviews conflict between rate and water quality standards based on pre-development conditions and stormwater volume control based on pre-settlement conditions. Anhorn stated that neighboring watershed districts undergoing rule revisions are basing standards on pre-settlement conditions. Anhorn also mentioned using the Wenck load allocation model results for water quality standards. While the EOR review shows the proposed rules using inflow phosphorus concentration standards in order to manage in-lake water quality standards, the use of load based standards (from the load allocation model) may be a better method.

Manager Anderson stated that we should make sure we address in-lake aquatic vegetation and the importance of diversity and water quantity issues related to land-locked basins.

Anhorn asked for the Board's thoughts on the next step for CLFLWD. Anhorn re-presented EOR's two proposals (submitted at the February meeting) While both proposals included the use of a CAC and TAC in the rule making/review process, one of the proposals included the development of a technical document to support the rules, and one proposal did not.

Manager Spence stated that because of the amount information, he would like some time to really review it rather than try to accomplish something on the fly.

Manager Anderson questioned the need to "start from scratch." She was under the belief that the review of the proposed rules would result in the determination of areas where CLFLWD needed to add or subtract specific language in order to make it compliant with the Watershed Management Plan (WMP). Then, once the lacking areas were completed, the whole document could be provided for edit to the Board.

Manager Lynch seconded Manager Anderson's request of making suggested additions/edits to the proposed rules and then providing the entire proposed rule document to the Board for their comments and suggestions at the April meeting. Manager Lynch further stated that in the mean time, the Managers should take a look at the rule review memo from EOR and provide comment to them on issues and concerns they each think should be addressed.

Additionally, the Board decided that Administrator Anhorn should contact each stakeholder community to gage their interest in CLFLWD developing watershed-wide rules, their thoughts on a potential permitting program, get heir overall their feelings and concerns, and determine existing regulatory gaps and conflicts.

b) Washington Conservation District (WCD)

Travis Thiel of WCD, mentioned that they are finished moving the Forest Lake outlet monitoring site down stream to a new location adjacent to the Ducharme farm.

Mr. Thiel also mentioned that debris was starting to clog the outlet grates at the Forest Lake Outlet dam. Thiel said that although the debris was not yet hindering flow, it may soon. Manager Lynch stated that the City of Forest Lake has cleaned the grate in the past and that Administrator Anhorn should contact the city to seek the same arrangement.

c) Wenck & Associates

While there was no representative from Wenck & Associates at the meeting, a progress report memo on the water quality (load allocation) model was submitted. A copy of the report is annexed and incorporated by reference.

Administrator Anhorn mentioned that the first in a planned series of four stakeholder meetings will be held from 1:00 p.m. to 3:30 p.m. on Wednesday, March 28, 2007. The purpose of the meeting was to detail the model and the design development process.

9) **Report of Attorney**

No Report

10) **Report of Administrator**

Administrator Anhorn presented an Administrator's report memo and addendum (a copy of each report is annexed and incorporated by reference). The Administrator's report detailed recent correspondence, permit and plan submittals for review, and recent meetings with local stakeholders.

Anhorn mentioned that he and Manager Anderson attended the March 15, 2007 MAWD Legislative breakfast and then each attempted meet with each of the Representatives within the CLFLWD Boundaries. Administrator Anhorn stated that he was able to meet with Senator Rick Olseen (District 17) and Representative Jeremy Kalin (District 17B) personally, but he was only able to speak with the aides of Senator Ray Vandever (District 52) and Representative Dettmer (District 52A). Anhorn stated that he hopes to set up meetings with each after the Legislative session is adjourned.

Administrator Anhorn mentioned that through a recently published news release in the Forest Lake Times, he has found a volunteer lake monitor for Forest Lake, a Mr. Dale Hebeisen. Anhorn stated that he has volunteers for the other four lakes in which volunteers will be used to collect water samples. Anhorn said that he will be getting the equipment soon and will be setting up trainings with the volunteers in early April.

Anhorn provided updates on recent meetings with Chisago SWCD, Chisago County Environmental Services, WCD, Washington County and other Washington County watersheds to discuss collaboration possibilities on potential BWSR challenge grant submittals.

Anhorn then mentioned that has been in contact with representatives of a newly formed Forest Lake Association. He and a representative from the Comfort Lake Association are to attend an April 10, 2007 meeting with the Forest Lake group to go over association structure and charter questions as well as help them in their development stage as much as possible.

Anhorn also stated that the responses to the Citizen Advisory Committee (CAC) survey have stopped coming in. To date there has only been six surveys returned out of the 15 sent in early February 2007. Only two out of the six responses stated their desire to continue on the Board. For this reason Anhorn plans on publishing a news release the Chisago County Press and Forest Lake Times, seeking persons interested in serving on the CLFLWD CAC. Anhorn said he planned on having those interested fill out an application form, from which the Board can choose the final make-up of the CAC.

Administrator Anhorn then presented a few items that needed Board action.

WCD Monitoring Contract Amendment: Because the 2007 monitoring program and budget were changed, eliminating some sites, relocating others, and using volunteers on several lakes, the scope of WCD's services represented in the two-year contract for technical services between WCD and CLFLWD changed. WCD has prepared an amendment to the previously signed contract in order to better describe expectations for 2007.

Motion was made by Manager Lynch to sign the amended contract for 2007, between WCD and CLFLWD for technical assistance. Manager Damchik seconds. The Motion carried unanimously.

CLFLWD Logo: The Board received several drafts of a potential CLFLWD logo. Administrator Anhorn requested direction as to which, if any, we would like to use and then discuss potential color schemes. The Board unanimously chose one of the logos (included within). Administrator Anhorn stated that the next step will be to decide on a color scheme and he will get the information to the designer and come back with a few options. The Board favored a blue and green combination.

Website: The Board received official quotes from for development of a CLFLWD website from Bufflehead Web Design, GovOffice, and EOR (a copy of each is annexed and incorporated by reference). Administrator Anhorn stated that after researching the alternatives and seeking references, he recommended that CLFLWD hire Bufflehead Design to construct the CLFLWD website.

The Board reviewed the website design quotes and directed Anhorn to contact Bufflehead Design and start the process of creating a CLFLWD website. Hosting services will be determined after the site is developed.

Anhorn also provided examples of expected pages for the website as well as potential content. Anhorn asked for the Board to review and comment on the provided content.

Draft Annual Report: Administrator presented a draft of the 2006 Annual Report to the Board. Anhorn mentioned that the Report is due to the various state agencies by April 30, 2007. Anhorn is seeking comments on the draft Annual Report in order to incorporate the comments in to the report prior to the April 22, 2007 regular Board meeting.

Watershed Tour: Administrator Anhorn re-raised the issue of planning a watershed tour. After discussion, the Board decided on a date and time for the tour: Friday, April 20, 2007 from 8:00 a.m. to noon. The Board directed Administrator Anhorn to look into renting a large passenger van for the tour which would include the CLFLWD Board and Administrator, and representatives from EOR, Wenck & Associates, and WCD.

Anhorn reminded the Board that due the unavailability of the Council Chambers, they decided to change the date of the April 2007 Regular Board meeting from Thursday, April 26, to Tuesday, April 24, 2007.

11) **Reports of Officers and Manager**

The President called for reports.

Manager Damchik –

Manager Damchik commented on the project reviews from the watershed. Although he thought they were very good, he thought they were at times to lenient. He hoped that the formation of rules would provide the basis for stronger review and enforcement by the District.

Manager Damchik further stated that the condition of the outlet channel from Forest Lake looked in considerable disrepair. The timbers along the banks looked as though they were ready to fall in. The Board directed Administrator Anhorn to contact Gaughan Companies to see where they were in their process of seeking proposals to address the erosion along the channel.

Manager Anderson –

Manager Anderson asked if Administrator Anhorn had a chance to investigate the JD1/HWY 8 snowmelt/erosion area she had called on. Administrator Anhorn mentioned that he did take pictures of the site and while there were pools of water present, they looked land-locked.

Manager Spence –

Manager Spence mentioned that Administrator Anhorn gave a presentation on lake and watershed ecology and Comfort Lake to the Comfort Lake Association on April 14, 2007. Manager Spence thanked Administrator Anhorn for the informative presentation.

Manager Lynch –

No report

Manager Moe-

No report

12) **Correspondence, Publications and Reports**

13) **Unfinished Business**

14) **New Business**

Administrator Anhorn stated that he received an inquiry the City of Forest Lake seeking CLFLWD's interest in taking over the contract for annual service of the Shield's Lake Electric Fish Barrier. In the past, the contract was set up between The City of Forest Lake and the electric fish barrier maintenance company (Smith-Root Inc). The cost for the service was then invoiced back to CLFLWD by the City. Although the City is fine with continuing this arrangement, they came to him to inquire about CLFLWD's desire to "cut out the middle person" and actually be the co-signer with Smith-Root Inc.

Manager Spence questioned if the barrier is actually doing any good. Manager Lynch mentioned that the barrier has been in place for many years. It was installed as part of a bio-manipulation project on Shields Lake back in the FLWMO days. Administrator Anhorn stated that the MNDNR has a fish survey planned for 2007 and from that we will be able to tell if there are carp in the lake or not.

The Board decided that the City should continue to be the co-signer for the maintenance of the fish-barrier contract, and should invoice the annual cost of the maintenance back to the CLFLWD. The continued operation of the fish-barrier and contractual arrangement will be re-addressed after the results of the MNDNR fish survey are known.

15) **Adjournment**

Motion to adjourn the CLFLWD regular Board meeting was made by Manager Damchik and seconded by Manager Moe. Motion carried unanimously.

John T. Lynch, Secretary