

**DRAFT MINUTES OF THE REGULAR MEETING OF THE
COMFORT LAKE–FOREST LAKE WATERSHED DISTRICT
Thursday, June 9, 2022**

1. Call to Order

President Schmaltz called the June 9, 2022, regular board meeting to order at 6:30 p.m. via online video conference.

Present: President Steve Schmaltz, Vice President Christopher Loth, Secretary Dave Bakke, Treasurer Jackie Anderson, Assistant Treasurer Douglas Toavs.

Absent: None.

Others: Mike Kinney, Administrator; Bobbie Law, Office Manager; Emily Heinz, Planning Coordinator; Garrett Miller, Watershed Assistant; Beth Carreño, Senior Program Manager (CLFLWD staff); Kyle Crawford, Cecilio Olivier (Emmons & Olivier Resources); Chuck Holtman (Smith Partners); Ted Hansen (CAC Member); Steve McComas (Blue Water Science)

2. Setting of Meeting Agenda

Managers amended the agenda to cover item 4a Eurasian Watermilfoil and item 4d after 3b Staff Introduction. Agenda item 3e under new business, July Avenue Investigation Scope of Work, was added to the agenda.

Manager Anderson moved to approve the agenda as amended. Seconded by Manager Toavs. Upon a roll call vote, the motion carried 5-0.

Manager	Aye	Nay	Absent	Abstain
Stephen Schmaltz	X			
Christopher Loth	X			
Dave Bakke	X			
Jackie Anderson	X			
Doug Toavs	X			

3. New Business

a) Staff Introduction

Mr. Kinney introduced Beth Carreño as the District’s new Senior Program Manager. Mr. Carreño thanked the board for having her at the meeting. She gave a brief history of her diverse background including schooling completed at the University of Minnesota and work experience including working in the field of water rights, community planning, administering statewide grant programs, and education and

outreach. She noted that she is excited to put her background, experience, and knowledge to work at the Comfort Lake-Forest Lake Watershed District.

The Board welcomed Beth to the team.

b) Eurasian Watermilfoil

Mr. Kinney explained that Eurasian watermilfoil (EWM) has been discussed by the Board in the past. He explained that staff had compiled District goals and funding considerations for EWM. He noted that there are various considerations in developing District policy as to involvement in EWM management, the District's role, and its commitment of resources to that effort. He explained that the board will need to determine the District's role going forward.

President Schmaltz presented a list of questions to which Mr. McComas has been asked to respond. Mr. McComas reviewed the questions, as follows:

1. What experience do you have with Fluridone for treatment of Eurasian watermilfoil?
2. When is Fluridone normally used for EWM control and what are the guidelines/parameters for its use?
3. Are there any risks associated with its use such as decreased water clarity/loss of native species such as coontail?
4. In Comfort Lake what is your assessment for the continued expansion of EWM to where it could be a major issue? Is the nitrogen level in the lake bottom relevant in Comfort Lake and the EWM outlook?
5. If Fluridone is used in Comfort Lake and loss of water clarity and loss of some native species occurs, what is the "recovery" recourse?
6. What EWM control strategy would you recommend for Comfort Lake?

Mr. McComas suggested that Fluoridone is best used in an environment with medium plant diversity; if there is low diversity, it can remove native cover. If there is high diversity, valued native species such as coontail and elodea may be affected.

Ordinarily, though, native species will reestablish. If the coverage area is less than 40 acres, spot treatment generally is preferred on cost grounds.

Mr. McComas indicated that EWM covers about 30 acres of Comfort Lake, and probably has reached its limit due to water depths. There has been moderate to heavy growth with this area of coverage for the past six years. Nitrogen levels in sediment are fairly low, so he expects EWM abundance to decline over time. If water clarity is affected by treatment, probably it will return within a few years, but not if an unbalanced algae condition follows.

Mr. McComas suggested, in summary, that management in the riparian zone be left to riparian property owners, and that the lake association address EWM from 150 feet.

Manager Anderson spoke to a comment made regarding the correlation between nitrogen and the health of Eurasian Watermilfoil and its growth. She questioned if the nitrogen would not continue to replenish in the lake sediment. Mr. McComas clarified that nitrogen is prevalent in the sediment. He noted that for the first few years Eurasian watermilfoil uses up most nitrogen and high nitrogen is needed for the plant to grow closer to the top of the water surface. Manager Anderson highlighted the fact that each lake's ecosystem is different and may not fit the described circumstances. Mr. McComas offered that if water flowing into Comfort Lake from the Sunrise River carries a high level of suspended nitrogen, this could support growth. The data would need to be reviewed. Manager Anderson asked how to address the growth of lilies within the Eurasian watermilfoil. Mr. McComas explained that because the lilies grow to the surface, he would not expect EWM to be detrimental to the lilies.

Manager Anderson asked about the effect of EWM biomass on summer water oxygen levels. Mr. McComas explained that during the day the water is not oxygen depleted, but in the evening shallow waters could become depleted. He noted that the oxygen depleted areas can be replenished by the other areas of the lake. Manager Anderson noted that every lake has a different riparian zone. She reiterated that every lake is different and that she would be careful in comparing lakes. Mr. McComas explained treatment depths on shallow lakes. He noted that there can be lakes with an entire lake being the littoral zone. He noted the difference between the riparian and the littoral zone. He expanded on the fact that Comfort Lake has a small littoral zone, which is the "plant growth zone". Manager Anderson noted that the steep drop-off in Comfort Lake makes it difficult for homeowners to treat, and suggested this is a reason for the District to play a role. She noted as well that conditions in the littoral zone affect ecological condition and this lies within the District's interest. Mr. McComas explained that from an ecological standpoint, EWM stem densities are low enough so as not to affect fish habitat and movement. He suggested that EWM principally affects recreation and aesthetics.

Manager Bakke asked for clarity regarding a motion made at the May regular meeting. He recalls the board made a failed motion to treat EWM. He noted that a cost analysis for treatment was requested. He suggested the managers be clear on the goal of the conversation. President Schmaltz replied that a question posed was if EWM has negative ecological and water quality effects or simply recreational negative effects. President Schmaltz explained that the goal is to have the managers understand the alternatives to manage EWM. Mr. Holtman explained that a motion was made to include the treatment and management of EWM in the District's Aquatic Invasive Species program, and that the motion failed due to a lack of a second. Mr. Miller added that the Comfort Lake Association in 2021 was awarded funding even though the lake association grant program was not fully implemented. He noted that no funding or financial support has been initiated for EWM treatment.

Managers discussed the treatment options including grant programs specific to Comfort Lake. President Schmaltz asked if the lake association could work with riparian homeowners to treat broadly within the riparian zone. Mr. McComas

suggested this would require a DNR variance, but probably could be obtained. President Schmaltz observed that there is a question as to whether the board would support a Fluridone application by the lake association.

Manager Anderson noted that the DNR is researching Fluridone all-lake treatments. She asked why the DNR would promote this research if there are concerns about Fluridone use. Mr. McComas explained that it is not routine herbicide treatment and is surely being done for research reasons. He noted that it is a trial to see what the results are.

President Schmaltz asked about the need for long herbicide residence time for the treatment to be effective and noted that water passes through Comfort Lake fairly quickly. Mr. McComas explained that the concentration would be tested at 30 and 60 days to maintain a target zone concentration for 60-80 days. President Schmaltz also asked for clarification on oxygen depletion and algae effects possibly occurring with the growth of EWM. Mr. McComas explained that the nutrients are released in the fall however during this time the temperatures are not conducive to algae production and the nutrients instead are taken up within the food chain.

Manager Toavs asked what the impacts would be on the river if the herbicide flows out of Comfort Lake and into the Sunrise River. Mr. McComas explained that the impacts are limited due to the low concentration (3-4 parts per billion) and low contact time.

Manager Loth asked what caused the DNR to begin to allow this treatment 10 to 12 years ago. Mr. McComas explained that it was a change in overall philosophy. He noted that harvesting was promoted more than herbicide treatments in general. He explained that U.S. Army Corps of Engineers research indicated a smaller impact from the use of herbicides than was thought before that time.

Managers discussed nitrogen levels in Comfort Lake. Mr. Olivier explained that there are 16 years of monitoring data for this lake. He noted that there are multiple factors that affect the morphology of the lake.

Manager Anderson asked if the data were collected at the intersection of Little Comfort and Comfort Lake. Mr. Olivier confirmed that there are data available. Managers discussed input sources.

Mr. Kinney commented on a project recently completed on Bone Lake to remove nitrogen sources. He would like to see how these sources affect the growth of EWM. Mr. Olivier explained that the data for Comfort Lakes would not show that nitrogen is a contributing factor. Although, new data will be coming. He noted that algae are fueled by phosphorus on Comfort and Little Comfort Lake.

c) Commercial/Community Grant Program

Mr. Miller gave an overview of the program's history. He noted that the program has been reviewed and revised for over a year. He noted the memo lists some recommendations for consideration and to spark conversation. He explained the options, noting the current program is open to lake associations and could be utilized by them. Mr. Miller further clarified the proposed lake association grant program would only be available to District lakes that have associations. He explained that residents on smaller lakes without associations have the same concerns as those on larger lakes with associations and that they would likely be interested in funds that wouldn't be available to them. Mr. Miller explained that there is value in strengthening partnerships with the District's lake associations. He noted that the District watershed management plan may need to be amended.

Manager Anderson explained that the program was vetted before the management plan was finalized and it was her understanding that the plan would not have to be amended. Mr. Holtman explained that there are two parts to the question, one to do with the District re-orienting its overall cost-share grant program, which could be done without an amendment. The other portion of the question is if the cost share program is expanding to address aquatic invasive species issues not related to ecological protections and or water quality issues, such as funding for recreation purposes. If that is the case, the plan may need to be amended if it does not reflect a District programmatic purpose of enhancing recreational use. He noted one possible benefit of a plan amendment would be receiving stakeholder input. Manager Anderson explained that she believes that recreational benefits have always been a goal of the District written in the plan. She referenced the state's Clean Water Roadmap, which references recreational values. She expanded on the water quality goals of the District as it pertains to the newly updated 10-year management plan. President Schmaltz explained that the District had previously been involved in Eurasian watermilfoil (EWM) treatment. Mr. Holtman explained that what public funds are applied to and what is in the management plan are based on goals and needs. He added that if EWM treatment has been done within the cycle of the current plan, that would lend itself as a basis for continuing such efforts.

Manager Bakke explained that lakeshore residents often pay out of their own pockets to protect District lakes, even though those waters are available for all members of the public to enjoy. He indicated that everyone would benefit from these grant projects and programs.

Manager Anderson explained that she previously requested input on the lake association grant program and has not received any. She requested comments from the managers. President Schmaltz advised that he has received lake association members' and citizen advisory committee input in support of the program. Manager Anderson asked that he forward that information to the managers.

Manager Loth asked if the board is going to make a decision regarding its role in EWM management before finalizing the grant program. President Schmaltz explained

that AIS management can be included in the grant program, even if the District's direct involvement still is in question. He offered that the watershed plan does speak to enhancement of recreational uses. Mr. Miller explained that the plan does indicate that the purposes pursued by AIS management include recreation. The plan states that the District will ensure ecological integrity is protected by providing guidance and technical support to other organizations and residents who manage AIS for recreational benefits (program 3011, goal 4).

President Schmaltz noted that the Board may pursue the lake association grant program and also update the current community/commercial grant program. He noted that a shoreline restoration program should also be included. Manager Anderson explained that a shoreline program needs to be established and integrated into the District's grant programs. Manager Anderson spoke to the District staff's ability to provide shoreline management support. She explained that coordination can go a long way with motivated lakeshore residents. She requested staff create a one- or two-page guidance document regarding restoring natural shorelines. She noted that this guidance could be used for interested lakeshore owners that do not have lake associations. Manager Schmaltz explained that lake associations will not play the same role in shoreline grants, as they don't solicit participation by individual homeowners. He stated that what Manager Anderson was proposing may be more appropriate for singular landowners and not for group initiatives such as the lake associations. President Schmaltz indicated that these programs need to be implemented. Manager Loth asked if the District plant grant program is a part of an individual landowner program. Mr. Kinney explained that this program is budgeted for and being implemented with limited interest and at a smaller scale due to the low return on investment.

Mr. Kinney noted that not all District lakes are meeting state water quality standards. He mentioned that there are large capital improvement projects to be completed within the next 3-5 years to try and reach these goals. Mr. Kinney expressed his support for lake associations but also would like to look into making it a larger program with an application created and process in place.

President Schmaltz requested that staff incorporate the suggestions they have into the lake association grant materials to be reviewed by the full board. He noted that the memorandum mentioned many recommendations. Manager Anderson clarified that the interest in implementing this program is clear and has support from the entire Board. She requested that this program not be restrictive and that she would like to see the edits. She requested that staff move quickly on the administrative items related to program development.

Manager Bakke voiced his support for the lake association grant program.

Manger Toavs explained that, as a resident who lives on a lake without an association, he can see the value. Although, his area benefits more from larger capital improvement projects. He stated that he would like to see a more inclusive program split into

categories of lake association work, community programs, and individual riparian homeowners.

President Schmaltz stated that he is in support of the program. He recommended again that staff make the changes they see fit to the lake association document, then have Manager Anderson redline the document to bring to the full Board so the managers can see what her suggested changes are. The goal will be to see what staff is recommending vs. what Manager Anderson is recommending.

Manager Anderson made a motion to direct staff to revise the lake association grant document, have Manager Anderson redline the document, and then return it to the board. Seconded by President Schmaltz. Upon a roll call vote, the motion carried 5-0.

Manager	Aye	Nay	Absent	Abstain
Stephen Schmaltz	X			
Christopher Loth	X			
Dave Bakke	X			
Jackie Anderson	X			
Doug Toavs	X			

d) CR50 Iron Enhanced Sand Filter Authorization to Solicit Bid

Mr. Kinney introduced Kyle Crawford, the Emmons and Olivier Resources project engineer.

Mr. Crawford introduced the project timeline explaining that the next step would be to put the project out for public bid from contractors. He explained that the project will entail two iron enhanced sand filters. He outlined the construction estimates including grant contributions and District grant match amounts. Manager Anderson asked if the grant in question has been awarded. Mr. Crawford explained that the grant for the project was awarded and has an extension through December 31st, 2023. He highlighted the project’s permit requirements noting that not all permits have been approved, but they are expected imminently.

Manager Anderson moved to adopt resolution 22-06-01 Approving Plans and Directing Solicitation of Bids for the CR50 Iron Enhanced Sand Filter Project. Seconded by Manager Toavs. Upon a roll call vote, the motion carried 5-0.

Manager	Aye	Nay	Absent	Abstain
Stephen Schmaltz	X			
Christopher Loth	X			
Dave Bakke	X			
Jackie Anderson	X			
Doug Toavs	X			

e) Lower St. Croix 1W1P Convene Meeting

Ms. Heinz introduced the biennial process of funding sourced through the state. She explained that the partners of the Lower St. Croix (LSC) One Watershed One Plan (1W1P) Partnership need to decide what will happen with the FY23 funding dedicated to the metro portion of the LSC basin. She noted that the options for funding distribution are to pool the funds and create a work plan for those combined funds or to allocate those funds to the partners in an even-cut fashion. She explained that the LSC Partnership has, in the past, pursued both options in separate fiscal years. She explained that this decision will be made at the metro convene meeting.

President Schmaltz, as a liaison to the partnership, spoke about current funding issues. He explained there is a possibility to lose grant dollars if not spent by the grant expiration date. Manager Anderson, the lead liaison, agrees with Manager Schmaltz's concerns. Ms. Heinz said there are about \$600 thousand in unencumbered FY 21 grant dollars and estimates the LSC Partnership will be able to expend all of these dollars by the December 31, 2023 grant expiration date. Manager Anderson suggested that the LSC Partnership send out a message to all metro partners requesting applications to implement projects utilizing these grant dollars. She noted her hesitation to pool these funds to the LSC Partnership due to the lack of organization and lack of cost-effective projects coming forward so far. Managers discussed the administrative uses for grant dollars, including Ms. Heinz's time spent on progress reporting for the Partnership. Ms. Heinz highlighted the fact that education and outreach efforts are eligible grant expenses. Manager Anderson noted that she is very pleased with the education and outreach portion of the Lower St. Croix 1W1P efforts. Manager Anderson indicated the CLFWD may also apply for additional grant dollars through this program. Ms. Heinz explained that the District has been and continues to tap into these funds for District projects such as the Forest Lake Internal Load Analysis. She noted that staff recently submitted a proposal for \$300,000 for the Sunrise River/Tax Forfeit Wetland Restoration project. She explained that the Partnership put in a lot of time and energy to hire the shared services educator and agronomy outreach specialist. Now that these two positions have been filled, and the new staff members in place, more focus can be put on identifying water quality improvement projects in the basin.

Managers decided, by consensus, to direct the Lower St. Croix One Watershed One Plan liaisons to vote in favor of pooling the metro funds and creating a work plan for those combined funds. Manager Toavs abstained on the basis of his limited experience with and knowledge as to this matter.

f) July Avenue Investigation Scope of Work

Mr. Kinney stated that the focus of this investigation is a series of wetlands being affected by the continued discharge from a nearby feedlot. He noted that staff would like to research the possibility of legacy phosphorus loads. Manager Anderson noted her experience with the possible water quality effects.

Manager Anderson moved to authorize the administrator, on advice of counsel, to enter into an agreement with EOR in accordance with the June 6, 2022, scope of work, Tasks 1-3, and in an amount not to exceed \$5,998. Seconded by Manager Toavs. Upon a roll call vote, the motion carried 5-0.

Manager	Aye	Nay	Absent	Abstain
Stephen Schmaltz	X			
Christopher Loth	X			
Dave Bakke	X			
Jackie Anderson	X			
Doug Toavs	X			

4. Old Business

a) Office Space Visioning

Mr. Kinney explained that he believes strategic planning can begin as soon as the board approves. President Schmaltz agreed and requested that ISG staff be available at a coming meeting to present information and answer any questions from the board.

Manager Anderson moved to authorize the administrator, on advice of counsel, to enter into an agreement with ISG in accordance with the Comfort Lake-Forest Lake Watershed District Strategic Planning for Office/Education and Outreach Space scope of work and authorize said scope of work in an amount not to exceed \$11,700. Seconded by Manager Loth. Upon a roll call vote, the motion carried 5-0.

Manager	Aye	Nay	Absent	Abstain
Stephen Schmaltz	X			
Christopher Loth	X			
Dave Bakke	X			
Jackie Anderson	X			
Doug Toavs	X			

b) Presentation of the Monthly Treasurers Report Format

Manager Anderson explained that the purpose of this agenda item is to review an update of the treasurer’s report format. She noted that multiple formats have been reviewed to make the document readable, understandable, and transparent for the public. Manager Anderson gave an overview of the updates made to the report, including the addition of fund transfer info, current percentage of the budget, a look back at previous years percent of budget, and fund balance info. She also gave an overview of the layout for expenses and receivables for a month. Lastly, she gave an overview of a balance sheet. President Schmaltz asked if any additional changes would be made for the budgeting process. Manager Anderson explained that there would not be any changes to that process. Manager Anderson explained that the presented information can be emailed to all managers for review. Managers discussed having

materials sent in a timely manner before meetings so that all managers can review them before the meeting. Managers discussed the difference in formatting and page length. Manager Loth asked for a side-by-side comparison of new and old reports. Manager Anderson noted that there will be limited changes made.

c) 2023 Draft Budget

Ms. Heinz stated the total proposed 2023 budget is \$4.9 million. She noted that it is a bit higher than what is indicated in the watershed management plan due to the timing of some larger water quality projects. She explained that there are multiple grants currently being utilized, as well as other grant opportunities the District can apply for, and that the budget is predicated on the use of additional Minnesota Pollution Control Agency loan proceeds. Ms. Heinz explained that levy remains unchanged at \$1.625 million. President Schmaltz asked that all questions be sent to Ms. Heinz. Manager Anderson requested that any changes to the budget be discussed with the treasurer.

Manager Bakke asked if the District has applied for the Lessard-Sams Outdoor Heritage Council grant for land acquisition south of Bone Lake this year. Ms. Heinz explained that staff submitted the grant application for \$4.5 million. Since this is such a large number in comparison to the total budget, and since the grant award is uncertain, the full grant request is not factored into the budget, but a smaller portion has been. If the District is awarded the grant, the District can complete a budget amendment to reflect the full grant amount.

5. Program/Project Update

Mr. Kinney gave the monthly project update. He included updates on:

- Bone Lake Northeast Wetland Enhancement “Legacy Load” Project: Hydroseeding has been completed. Restoration is planned to be completed in June.
- County Road 50 Iron Enhanced Sand Filter: Board approved the project to go for bid.
- Little Comfort Lake Subwatershed enhancement “School/Little Comfort Channel” Project: Interfluve has completed the field work and will be presenting two options for the board to consider soon.
- Sunrise River Drained Wetland Restoration “Tax Forfeit Property”: Staff is discussing a possible re-naming of the project to reference the project’s proximity to Highway 61. An open house for this project is scheduled for June 22nd.
- Moody Lake Capstone Projects: Landowner outreach has continued. Manager Anderson asked what capstone signifies. Mr. Kinney explained that the project entails several smaller best management practices which will address the remaining portion of watershed phosphorus loading to Moody Lake. These projects will represent the capstone in meeting Moody Lake’s water quality goals.
- WJD6 Western Tributary Wetland: The grant work plan has been completed and the initial 50% grant payment has been released.

Manager Schmaltz commented that these updates are very helpful for the Board. He requested that staff focus on program overviews as well. Manager Toavs indicated that he likes that idea.

Managers discussed the location and project benefits of the WJD6 Western Tributary Wetland Project.

6. Summary and Approval of Board Direction

A summary of the Board direction was presented as listed:

- Staff will identify projects that would be applicable to the Lower St. Croix One Watershed One Plan funding and implementation.
- Staff will send the newly formatted treasurer’s report to all managers.
- Staff will coordinate with Manager Anderson regarding the next steps of the 2023 budget.
- Staff will expand the monthly program/project update at the 1st meeting of each month to include a programs overview.

7. Adjourn

a) Next regular board meeting – June 23, 2022

Manager Anderson moved to adjourn the meeting. Seconded by Manager Bakke, Upon a roll call vote, the motion carried 5-0, and the meeting was adjourned at 9:24 p.m.

Manager	Aye	Nay	Absent	Abstain
Stephen Schmaltz	X			
Christopher Loth	X			
Dave Bakke	X			
Jackie Anderson	X			
Doug Toavs	X			

Dave Bakke, Secretary _____