

**DRAFT MINUTES OF THE REGULAR MEETING OF THE
COMFORT LAKE–FOREST LAKE WATERSHED DISTRICT
Thursday, August 11, 2022**

1. Call to Order

President Schmaltz called the August 11, 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; Emily Heinz, Planning Coordinator; Jessica Lindemyer, Operations and Outreach Specialist; Beth Carreño, Senior Program Manager (CLFLWD staff); Greg Graske, Joe Pallardy (Emmons & Olivier Resources); Chuck Holtman (Smith Partners).

2. Setting of Meeting Agenda

Agenda item 3g – Lake Keewahtin Purple Loosestrife Budget Transfer was added to the agenda, and Agenda item 4b – Cost Share Programs was removed from the agenda.

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

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

3. New Business

a) Forest Lake In-Lake Feasibility Study

Joe Pallardy presented the findings of the Forest Lake In-Lake Feasibility Study. He noted that this project is a story of the District’s successes over a long period of time and represents the progress that has been made to address external phosphorus loading to Forest Lake. Although most of the external phosphorus loading has been addressed for Forest Lake, internal phosphorus loading from sediments in the lake remains a concern. Despite the various water quality projects in the watershed, there are some declining water quality trends in Forest Lake’s middle and east basins, which can be attributed to internal phosphorus loading.

Mr. Pallardy presented several options for managing internal phosphorus loading, ranging from chemical (e.g., alum) to physical (e.g., aeration) to biological (e.g., carp removal). He described the data gathering that went into the feasibility study, including water quality monitoring, bottom hardness, dissolved oxygen profiles, and sediment cores. As a result, EOR is recommending a split-application alum treatment in the middle basin of Forest Lake, which will result in improvements to the adjacent east and west basins. The recommended approach is to perform the first of two split-application treatments in fall 2023, monitor water quality in 2024, then perform the second and final treatment in fall 2025. Mr. Pallardy indicated this approach is consistent with the District's adaptive management philosophy. The estimated phosphorus reduction as a result of this project is 527 pounds per year.

Mr. Pallardy also recommended the District continue curly-leaf pondweed management as well as develop a lake vegetation management plan. He recommended that the District engage local stakeholders and lakeshore property owners throughout the process of aquatic vegetation planning and management. Finally, Mr. Pallardy recommended the District conduct a focused population survey to validate that carp populations in Forest Lake remain below the management threshold of 30 pounds per acre.

Mr. Pallardy summarized recommended next steps including applying for a Clean Water Fund grant for alum treatment, working with Blue Water Science on an adaptive management approach for future aquatic plant management, performing a carp survey, and planning for significant public outreach prior to alum treatment in 2023.

Manager Anderson asked how water generally flows between the three basins. Mr. Pallardy explained that the highest concentrations of phosphorus occur in the middle basin and diffuse into east and west basins from the middle basin. Mr. Graske noted that in general, the hydraulic flow is from east to west. However, prevailing winds are from west to east, which complicates flow. Mr. Graske noted two projects in-progress that will be online by the time of the alum treatment – County Road 50 Iron Enhanced Sand Filter and Washington Judicial Ditch 6 Wetland Restoration.

Manager Bakke asked how much of the alum treatment would be potentially funded by the Clean Water Fund grant. Mr. Graske indicated the grant could cover 80% of the project cost.

Manager Loth asked how quickly the alum treatment will work. Mr. Pallardy indicated it will initially form a floc, then slowly sink down through the water column. Not every molecule of phosphorus will get absorbed, but most of it will. Once it sinks to the bottom, the floc will form a sort of blanket layer on the lake bottom which will bind the phosphorus for at least 10 years. In other words, there would be enough alum binding sites to control any release of phosphorus from the top 6 cm of sediment for the next 10 years.

Manager Loth asked if curly-leaf pondweed mechanical harvesting would be an option for Forest Lake. Mr. Pallardy indicated that acreage comes into play; high acreages become very time- and cost-prohibitive. He noted there is a small window when curly-leaf pondweed herbicide treatment is allowed in Minnesota (when the water temperature is between 50-60 degrees F).

President Schmaltz indicated that the increased vegetation growth that may result from improved water quality may affect boat navigation, and so lake user expectations will need to be addressed. He asked if there is any way to fill in the rest of the bottom hardness data for the lake so the District can do a projection of vegetation percentage increase. Mr. Pallardy indicated water clarity has been significantly improving on Forest Lake’s west basin over the last 10 years. As such, plants may already be growing out to 15-foot depths. Mr. Pallardy indicated he doesn’t expect Forest Lake to experience vegetation increases quite as dramatic as Spring Lake. President Schmaltz commended EOR on the data-driven report and recommendations. Manager Loth stepped away from the meeting for a moment.

Manager Anderson moved to accept the Forest Lake In-Lake Feasibility Study Report. Seconded by Manager Bakke. Upon a roll call vote, the motion carried 5-0.

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

b) FY23 Clean Water Fund Grant Applications

Administrator Kinney indicated staff have begun the grant application for the Forest Lake Alum Treatment project. He explained that the July Avenue Project may not be ready to submit quite yet, and landowner communications are underway. He indicated that landowner communications take time and require building trust.

Manager Bakke asked if the Clean Water Fund grant is just for the alum treatment and wouldn’t include lake vegetation management or carp surveys. Mr. Kinney clarified that the latter two items are not eligible for Clean Water Fund funding, so the application would be for the alum treatment only.

Manager Toavs moved to direct the District Administrator to work with staff and coordinate with the District Engineer and others to develop and submit Clean Water Fund grant applications for 2023 that will benefit water resources within the Comfort Lake-Forest Lake Watershed District. Motion seconded by President Schmaltz. Upon a roll call vote, the motion carried 5-0.

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

c) Project Database Scope of Work

Administrator Kinney explained this item was in the 2021 budget but wasn't completed within the 2021 fiscal year. Staff is recommending completion of this project in 2022.

Manager Anderson moved to amend the 2022 budget for account 3-006-D to \$23,045 and to transfer \$17,895 from account 000-2900 to account 3-006-D. Seconded by Manager Loth. Upon a roll call vote, the motion carried 5-0.

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

Manager Anderson moved to authorize the administrator on advice of counsel to enter into an agreement with Emmons & Olivier Resources in accordance with the July 15, 2022 scope of work and in an amount not to exceed \$11,138. Seconded by Manager Toavs. Upon a roll call vote, the motion carried 5-0.

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

d) 2023-2024 Professional Services Request For Proposals

Administrator Kinney noted this RFP is for all professional services including accounting/payroll, engineering, and legal. Manager Anderson noted that this process is a statutory requirement.

Manager Anderson moved to direct the Administrator to publish and post solicitation for 2023-2024 professional services. Seconded by Manager Loth. Upon a roll call vote, the motion carried 5-0.

Manager	Aye	Nay	Absent	Abstain
Dave Bakke	X			
Christopher Loth	X			
Douglas Toavs	X			

Jackie Anderson	X			
Stephen Schmaltz	X			

e) MN Association of Watershed District Awards & Presentations

Administrator Kinney indicated the MN Association of Watershed Districts (MAWD) has released the call for award nominations and presentation abstracts for this year’s annual conference. Manager Anderson suggested the District submit an award nomination for the Bixby Park project. She recalled the District submitted for this project a few years ago, but it did not win because it was too soon in the implementation process. Although, it received a good review and probably would have won if the District had the post-project effectiveness monitoring data at the time of submittal. Manager Bakke reminded the Board that the City of Scandia will award a local landowner with the Good Neighbor Award at an upcoming city council meeting. Mr. Kinney explained the District now has the effectiveness monitoring for the Shields Lake Stormwater Reuse project, which would also make a good nomination. He indicated either one of the Shields or Bixby projects would make a good story. The District can only submit one nomination per award category (i.e., one nomination for Project of the Year and one for Program of the Year).

The Board directed staff to submit award nominations and presentation abstracts at staff’s discretion.

f) Agricultural Conservation Practices

Administrator Kinney indicated this year’s MAWD Summer Tour is combined with the Red River Partners Summer Tour. He presented photos that he took recently, while traveling, of various agricultural fields in western Minnesota. The photos showed severe erosion occurring on clean tilled fields and he did not observe a single field that was using no-till or a cover crop. He explained the importance of agricultural land management practices and having a culture of land stewardship. He indicated that there are two factors influencing the focus of conservation staff across MN: 1) technician training has moved away from conservation planning and field observations to “conservation by computer” and 2) Soil and Water Conservation District (SWCD) staff funding has focused largely on technicians to implement best management practices (BMP), e.g., build things, rather than focusing on soil conservation planning, regardless of all the research that shows that the dominant water quality and flooding issues are directly tied to the way cropland is being managed, and that conservation planning addresses these issues at scale. He explained the majority of One Watershed One Plans prioritize BMPs over acres of land meeting the Tolerable Soil Loss Level of “T”. Only recently has the Board of Water and Soil Resources provided grant funding for a select few SWCDs to hire conservation planners. These were two-year grants. He stated he believes the Certified Crop Advisor (CCA) in the Lower St. Croix basin is the first CCA hired to support SWCDs in implementing conservation efforts.

Manager Toavs indicated he used to farm in northeast Montana and can validate everything Mr. Kinney is talking about. There is a culture of maximizing yield, even if

it results in significant soil loss. He indicated that farmers need to find the balance of making a reasonable profit while preserving soil for the next generation. President Schmaltz encouraged Mr. Kinney to look for opportunities to make a presentation such as this and spread this message.

g) Lake Keewahtin Purple Loosestrife Treatment Budget Transfer

Manager Bakke moved to amend the 2022 budget for account 3-011-27-G Lake Keewahtin AIS Management to \$1,500 and to transfer \$1,500 from account 3-011-22-G Bone Lake AIS Management to account 3-011-27-G. Seconded by Manager Loth. Upon a roll call vote, the motion carried 5-0.

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

4. Old Business

a) 2023 Draft Budget and Funding/Financing Program Update

Ms. Heinz suggested that, given the time, the Board may wish to skip the Funding & Financing program update presentation for now and focus on the objective of agreeing upon a total budget and levy amount to indicate in the public hearing notice. The staff memo indicates a proposed budget of \$4,244,689 (i.e., \$700,000 less than the previous draft budget, due to the new information reducing the estimated cost of the Forest Lake Alum Treatment) and a proposed levy of \$1,622,500 (i.e., no change from the 2022 levy).

Manager Anderson suggested keeping the total budget at the originally proposed \$4,944,689, despite the alum treatment cost estimates coming in lower than originally expected. She listed several other budget line items that she thinks should be increased (e.g., shoreline inventories/restorations, aquatic invasive species treatment, rule review). She listed several other recommended changes to the budget including increasing the loan revenue, moving some line items out of Board Administration, and reducing the budget amount for Volume Control Facility. She suggested that the District’s role in the Volume Control Facility project would be to provide technical assistance. She indicated it should be the cities’ responsibility to bear the cost of project construction. Manager Anderson indicated she also has several questions pertaining to estimated unearned grant revenue and estimated tax impacts.

Administrator Kinney noted that the Board must certify its levy to the counties by September 15th. It may not thereafter increase the levy but can reduce the levy by the end of the year. He noted the Board can amend the expense budget at will.

President Schmaltz recommended that managers provide their comments/questions to staff as early in the budget process as possible and to provide the comments in writing so that the Q&A can be distributed to the full board. Manager Loth indicated it would be helpful to talk through the Q&A. Manager Bakke noted that the written Q&A that was distributed for President Schmaltz's questions earlier this year was very helpful to read through before the meeting, then discuss at the meeting. Manager Anderson indicated she will write her questions and send to staff, and the Q&A will be distributed to the full board in the August 25th meeting packet.

There was discussion about what budget and levy to indicate in the public hearing notice, and the Board took an informal poll. All managers stated they were in favor of indicating a levy of \$1,622,500 and a budget of \$4,944,689.

Ms. Heinz summarized that staff will look to post the Q&A document in the board packet on August 18th. The Board will discuss this topic at the August 25th regular board meeting. The public hearing will be duly noticed and held during the September 8th regular board meeting. The deadline to certify the levy to the counties is September 15th.

b) Cost-Share Programs [removed from agenda]

c) District Tour and State of the Watershed Update

Ms. Lindemyer gave an update on the planning that has been done for the District Tour and State of the Watershed Public Meeting. She described the State of the Watershed venue, Eko Backen. She suggested that, since this is an open-air barn environment, the District could make it a mask optional event. Managers expressed general agreement with Ms. Lindemyer's proposed plans for these two events.

5. Program/Project Update

a) Project Update

Mr. Kinney stated that the project update slides are included in the meeting packet. There were no questions about the project update.

6. Summary and Approval of Board Direction

No board directives were recorded.

Ms. Lindemyer noted that some League of MN Cities representatives will attend the City of Forest Lake council meeting on August 22nd to present the City of Excellence award to both the City and the District for the Enhanced Street Sweeping Program.

7. Adjourn

a) Next regular board meeting – August 25th, 2022

Manager Anderson moved to adjourn the meeting. Seconded by Manager Toavs. Upon a roll call vote, the motion carried 5-0, and the meeting was adjourned at 9:00 p.m.

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

Dave Bakke, Secretary _____