

**MINUTES OF THE REGULAR MEETING  
OF THE  
COMFORT LAKE – FOREST LAKE  
WATERSHED DISTRICT  
Thursday, December 15, 2016**

**1. Call to Order**

Vice President Spence called the December 15, 2016 Regular Board meeting to order at 6:32 p.m. in the Council Chambers of the Forest Lake City Center, 1408 Lake Street South, Forest Lake.

Present: President Jackie Anderson, Vice President Jon Spence, Secretary Wayne Moe, Treasurer Steve Schmaltz

Absent: Assistant Treasurer Jackie McNamara

Others: Mike Kinney, Mike Sorensen, Jessica Lindemyer (CLFLWD staff); Greg Graske, Cecilio Olivier, Meghan Funke, Derek Lash (EOR); Chuck Holtman (Smith Partners); Mary Renn (Comfort Lake Association)

**2. Setting of Meeting Agenda**

Manager Spence suggested that item 7d) Hilo Lane Construction Contract Award be switched with item 7a) Personnel Policy Manual.

Manager Moe moved to approve the agenda as amended. Seconded by Manager Schmaltz. Upon a vote, the motion carried 3-0.

**3. Consent Agenda**

**a) Regular Board Meeting Minutes – November 17, 2016**

Manager Moe moved to approve the consent agenda as presented. Seconded by Manager Schmaltz. Upon a vote, the motion carried 3-0.

**4. Public Open Forum**

There were no comments.

## **5. Citizen Advisory Committee Update**

Mike Sorensen provided a brief update on the recent activities of the Citizen Advisory Committee (CAC). He indicated that the CAC is currently planning for 2017 activities and looking to other CACs throughout the metro area for ideas. He went on to note that the CAC is also actively trying to recruit new members. The District recently sent out a mailer to over 100 residents in the area with information about the CAC, and posted information on the District's website and social media pages. The CAC will start prioritizing activities for 2017 at their next meeting.

## **6. New Business**

### **a) Permit 16-022 Application: MnDOT I-35 Project**

Engineer Graske provided background information on the permit application and proposed project. This project entails improvements to Highway I-35, and was discussed at the last regular board meeting. This is a design-build project, which means the MN Department of Transportation (MnDOT) is requesting Board approval of the 30% plans at this time. The Board's approval of the permit application will also entail authorizing the Administrator to approve the final plan packages, with advice from the District Engineer and Legal Counsel. The majority of the project entails concrete overlay. All of this area drains to the Bixby Park Water Quality Improvement Project area. Filtration basins with iron-enhanced sand features will be incorporated into the project and will treat runoff before entering Bixby Park. Mr. Graske explained that part of the project is located in Rice Creek Watershed District and that he has been in communication with their staff.

Manager Moe asked who will be overseeing the mixing for the iron-enhanced sand filters. Mr. Graske explained that the District generally doesn't oversee other organizations' projects. However, he has discussed specific mixing ratios with MnDOT and they have come to an agreement. MnDOT will require that the contractors tasked with mixing the iron-enhanced sand filters follow these specifications. Manager Moe expressed concern that not having oversight during the mixing process may result in a mixture that does not conform to specifications. He inquired if it is within the District's authority to require oversight of this portion of the project. Legal Counsel Holtman explained that the District could require that MnDOT include in its contract specifications about MnDOT oversight as to iron-sand composition and mixing and about sample submittals and reporting. He indicated that the District could also have the District Engineer perform inspections on the facilities to ensure that they are performing as designed. However, the District would bear its own costs for the inspections.

Manager Schmaltz indicated that MnDOT will be responsible for stormwater facility monitoring and maintenance, and asked about the required timelines for that. Mr. Graske indicated that the District and MnDOT have a programmatic maintenance agreement in place that contains timeline requirements for MnDOT inspections and

maintenance. Mr. Holtman added that the agreement does not require MnDOT reporting. There was discussion about the importance of keeping track of maintenance on best management practices (BMPs) installed within the District pursuant to District stormwater permit requirements. Administrator Kinney noted that District staff are working on developing an inspection program utilizing the District's BMP webmapper database.

Mr. Holtman suggested a slight addition to recommended condition number four in the engineer's memorandum. Given that the programmatic agreement was executed in 2011, it does not address properly maintaining iron-enhanced sand filters. Mr. Holtman offered the following additional language to condition four for the Board's consideration: "and with additional terms for maintenance of iron sand enhanced facilities as deemed acceptable by the District." There was general agreement with this addition.

Manager Schmaltz then asked about a wetland restoration component of the project that was not included in the permit documents. Mr. Grasko responded that he believes the wetland restoration will be part of the project bid package. However, it is not a requirement of the permit which is why it isn't described in the engineer's review. Additional coordination between the District and MnDOT will be needed to implement this part of the project.

Administrator Kinney added that the City of Forest Lake has not yet approved the permit application that was submitted to it, as it is asking MnDOT to add an off ramp at the 11<sup>th</sup> Street overpass to the plans. He recommended that the Board consider adding to the motion a condition that the District will review any changes to the currently submitted plans.

Manager Schmaltz moved to approve permit application 16-022 subject to conditions as recommended in the District Engineer's memorandum with the following addition to condition two: *that the Administrator's approval authority includes the authority to require that MnDOT observe and report to the District on the iron-enhanced sand facility installation, and the following addition to condition four: and with additional terms for maintenance of iron sand enhanced facilities as deemed acceptable by the District, and with the stipulation that MnDOT must return to the District if the design changes as the result of City review. Seconded by Manager Moe. Upon a vote, the motion carried 3-0.*

#### **b) Permit 16-024 Application: Lord of the Lakes Church**

Engineer Grasko provided background information on the permit application and proposed project. The proposed project is located north of Little Comfort Lake, off Itasca Ave N. Runoff from the site flows through roadside ditches to Little Comfort Lake. The project entails additions to the existing church building and parking lot expansion, resulting in ½ acre of new impervious surface for a total of 1.4 acres of

impervious surface on the site. The applicant proposes to treat stormwater runoff from the site utilizing two ponding areas and an infiltration bench. The proposed treatment facilities meet the District stormwater requirements, and will result in roughly one pound of reduction from the current phosphorus load. Mr. Graska explained the remaining required submittals as indicated in the engineer's memo.

Manager Schmaltz moved to approve permit application 16-024 subject to conditions as recommended in the District Engineer's memorandum. Seconded by Manager Moe. Upon a vote, the motion carried 3-0.

**c) Shields Lake Fish Barrier Grant Contract**

Administrator Kinney explained that the District has received a grant from the Minnesota Department of Natural Resources (DNR) to install a passive fish barrier in place of the existing electric barrier between Shields Lake and Forest Lake. Staff is looking for the Board to authorize the Administrator to sign the grant agreement and proceed with the project.

Manager Moe moved to authorize the Administrator to execute the final Conservation Partners Legacy grant agreement on advice of legal counsel and to terminate the SmithRoot service contract effective at the appropriate time and in a manner that does not cause the District to incur any unnecessary service contract costs.

Discussion: Manager Schmaltz asked if there was an issue with timing between the SmithRoot contract end date and construction start date. Mr. Kinney explained that the construction start date will be weather-dependent, but will likely begin in Fall 2017. The current SmithRoot contract is set to end in August 2017. Mr. Kinney explained that, if necessary, the District could cancel the contract with SmithRoot effective the end of the service year and that a short gap in maintenance would not be harmful in that there is not carp spawning in the fall.

Seconded by Manager Schmaltz. Upon a vote, the motion carried 3-0.

**d) 2016 Watercraft Inspections and AIS Report Summaries**

Program Assistant Mike Sorensen explained that there are two components to this agenda item: a summary presentation on the 2016 watercraft inspection program and the submittal of several aquatic invasive species (AIS) report summaries from Blue Water Science for Board review. The final AIS reports will be presented by Steve McComas at the January regular board meeting.

Mr. Sorensen indicated that the total cost of the 2016 watercraft inspection program was just under \$52,000. Of that, the District paid roughly \$10,000 due to the leveraging of grant funds and contributions from partnering agencies. Mr. Sorensen added that the DNR provided additional inspection hours at accesses on Forest Lake. He went on to provide specific details on inspection hours from the past three years.

Over 4,000 inspections were performed at District lakes in 2016, at an average rate of 1.3 inspections per hour. He went on to note that 1.2% of boaters arriving at District lakes this year had their drain plug in, which is against the law. The state average for drain plug violations this year was 4%. Drain plug violations have gone down between 2015 and 2016 which might be an indication of the success of outreach and/or enforcement efforts. Mr. Sorensen noted the importance of educating boaters about AIS. Although inspectors can't be at accesses 24/7, their goal is to provide education so that boaters can prevent the spread of AIS themselves.

Mr. Sorensen then discussed the spiny water flea, an invasive species of zooplankton that is found in approximately 40 Minnesota lakes, but not yet in District lakes. He indicated that 231 watercraft inspected at a District lake access in 2016 had previously been in spiny water flea-infested lakes. Of this, 36 had been in the infested lake less than 24 hours earlier. Most of these boats were inspected at the Lakeside Park access on Forest Lake. Mr. Sorensen noted that all of these watercraft were inspected and deemed compliant to launch. He then provided similar information for another invasive species, starry stonewort. This year, 83 watercraft inspected at a District lake access had previously been in a starry stonewort-infested lake. Of this, 8 had been in the infested lake less than 24 hours earlier. It was clarified that most of the lakes that are currently infested with starry stonewort are located in northern Minnesota. Mr. Sorensen then explained that 160 watercraft that had previously been in zebra mussel-infested lakes launched at Comfort Lake and Bone Lake this year. Of this, 17 had been in the infested lake less than 24 hours earlier. Only two out of the 160 boats that were previously in a zebra mussel-infested lake came from Forest Lake. All others came from other lakes throughout the state. Mr. Sorensen then presented a map showing the previous locations of watercraft that launched at a District lake this year. There was general discussion among the Board about the importance of this information.

[President Anderson arrives]

#### **e) Board of Water and Soil Resources (BWSR) 2017 Grants**

Administrator Kinney provided a summary of the District's success in the latest round of Clean Water Fund (CWF) grant applications. Out of five applications, three were recommended for full funding of the grant request. Mr. Kinney explained that one of the five applications was not recommended for funding because BWSR considered it to be more of a monitoring effort than a project. Overall, roughly \$13.5M in CWF grant funds were awarded across the state. The District received almost \$950,000 of that funding, which is higher than average. Next steps will involve work plan development and grant agreement execution. Additionally, the District will involve both the Washington Conservation District (WCD) and Chisago Soil and Water Conservation District (Chisago SWCD) in the Bone Lake Partially Drained Wetland Restorations project. Coordination with both entities is underway.

Mr. Kinney added that the request for proposals for the Washington County AIS Prevention Grant program will be published the following day, and proposals will be

due before the next board meeting. Staff is planning to submit similar proposals as previous years, with the addition of a proposal for the Clean, Drain, Dry, Dispose (CD3) station pilot project on Forest Lake. Washington County has previously given some indication that they would support a grant proposal for the CD3 station.

President Anderson asked if there has been progress with applying for grants through the Initiative Foundation. Mr. Kinney responded that Mike Sorensen has had several communications with the foundation in an attempt to identify ways to utilize funding from their grant program. President Anderson noted that the Initiative Foundation promoted clean water projects through their grant program for many years previously, though that may not be the case currently. She added the Initiative Foundation grant program focuses on funding projects primarily in rural Minnesota counties, which includes Chisago County but not Washington County. Mr. Sorensen noted that in his discussions with the Foundation, he has found that they primarily want to fund “innovative” projects. Managing existing AIS infestations does not fall under that category.

The Board gave Mr. Kinney its imprimatur to apply for all such grants as may support the District’s work.

#### **f) Moody Lake Story Map**

Dr. Meghan Funke introduced the story map application that was previously presented to the Board in January and February 2016. A story map from another watershed district was presented at the MN Association of Watershed Districts 2016 annual meeting, so this seemed like an appropriate time to re-introduce this application to the Board. Dr. Funke explained each component of the existing Moody Lake story map template including:

1. Lake Background Information
2. Drone Flight Video
3. “What Makes a Lake Look Green?”
4. “Where does Phosphorus Come From?”
5. Interactive Pie Chart: Phosphorus Sources
6. Interactive Bar Graph: Phosphorus Reductions
7. Interactive Spy Glass: 1930 versus 2004 Aerials
8. Interactive Figure: Water Quality Over Time
9. Interactive Pie Chart: Fish Survey by Year
10. Interactive Map: Project Location & Information
11. Interactive Scale: Project Progress Evaluation
12. “What Can I Do?”
13. “Lake Data Links”

Dr. Funke then went on to describe the potential for including information about aquatic invasive species (AIS) and links to the District website in the story map. She also explained the estimated pricing for EOR to create story maps for other lakes that are similar to the Moody Lake story map that was just presented. The total estimated

cost for the District to have story maps for Bone, Little Comfort, Comfort, Forest, Heims, Shields, and Sylvan lakes would be \$39,000. If the District chose to add information about AIS into the story maps, the total cost would come to \$51,000.

President Anderson indicated that she was impressed with the application, as she was back in February. She expressed that, in her opinion, this application would be a more valuable education tool than the dollars currently being spent to participate in the East Metro Water Resource Education Program (EMWREP). She went on to explain that most people have access to a computer and would be able to use this application to navigate directly to what is interesting to them. Additionally, the District's interactive web mapping feature that was previously put together could be incorporated into the story map as well. President Anderson then discussed how the interactive charts would help communicate the District's progress toward its water quality goals to the public.

Manager Schmaltz asked how much traffic the District website currently receives. Watershed Assistant Jessica Lindemyer responded that the District website doesn't receive very much traffic currently. She added that the story map feature wouldn't be able to be embedded in the District website, so users would have to click on a link to be brought to an external webpage to view the story map. Manager Schmaltz pointed out that the story map application is a useful feature, there is still the hurdle of getting the public to click on the link and view it. Whereas, an educational article published in the newspaper might reach thousands of people. President Anderson noted that navigability on the District website should be improved, which would improve chances of people finding the story map.

## **7. Old Business**

### **a) Hilo Lane Construction Contract Award [switched from item 7d]**

Administrator Kinney explained that this agenda item stemmed from the Board's direction to terminate the contract with the previous contractor for the Hilo Lane Stormwater Retrofit Project. The District solicited quotes from contractors to perform the second phase of the project, and received quotes from two companies: Shoreline Landscaping and Peterson Companies, both of which are located in Chisago City, MN. Though Shoreline Landscaping came highly recommended from the Chisago SWCD and submitted a slightly lower quote, staff recommends hiring Peterson Companies as the contractor due to its experience with winter construction and the installation of iron-enhanced sand filtration systems, and in addition the setting and the expectations the homeowners have of the District. Mr. Kinney added that there would be additional oversight and associated costs required with Shoreline Landscaping, since the District has not worked with them before.

President Anderson moved to award the construction contract to Peterson Companies for Phase 2 of the Hilo Lane Stormwater Retrofit Project in the amount of \$93,630.50. Seconded by Manager Moe.

Discussion: Manager Schmaltz asked how many contractors have experience with installing iron-enhanced sand filters. Will the District be limited to Peterson Companies for all iron-enhanced sand projects in the future because they are the only contractor with experience? Mr. Kinney responded that there are other companies that have experience with iron-enhanced sand filter installation, as this practice is becoming more common. When asked, Mr. Kinney explained that the reason why the District only received two quotes was that the District reached out to four companies to request quotes. The more time-consuming sealed bid process was not legally required. Derek Lash added that Shoreline Landscaping would likely be an excellent partner for a different type of project, but didn't seem like a good fit for what is needed for the Hilo Lane project. President Anderson noted that the difference in the two quotes was about \$2,000 and that the District will likely save that much in oversight costs due to hiring a company that it has worked well with before.

Upon a vote, the motion carried 4-0.

**b) Forest Lake Wetland Treatment Basin Construction Contract Award**

Administrator Kinney explained that the Forest Lake Wetland Treatment Basin project is a Clean Water Fund project that has been in the works for several years. The District received four bids for the project, and Peterson Companies was the lowest bidder for all items including the base bid and each of the three add alternates. Mr. Kinney added that some of the add alternates are items that were requested by the City of Forest Lake in an effort to holistically address that drainage area. Due to these additions, the total construction cost is higher than originally budgeted. The City of Forest Lake has committed to splitting the cost difference with the District.

Manager Moe moved to adopt resolution 16-12-01 and award the construction contract to Peterson Companies for the Forest Lake Wetland Treatment Basin. Seconded by Manager Schmaltz. Upon a roll call vote, the motion carried 4-0.

<b>Manager</b>	<b>Aye</b>	<b>Nay</b>	<b>Absent</b>
Jackie Anderson	X		
Jackie McNamara			X
Wayne Moe	X		
Stephen Schmaltz	X		
Jon Spence	X		

**c) Moody Lake Wetland Restoration Construction Contract Award**

Administrator Kinney explained the components of the project bid package including the two add alternates. Add alternate 1 consists of all work associated with Wetland C (East of Lofton Avenue). Add Alternate 2 substitutes off-site disposal of excavated material for disposal on the project site. He also noted that the District has obtained the necessary easements to complete the project. The lowest base bid for the project was submitted by Rachel Contracting. However, the lowest overall bid for each add alternate was submitted by Peterson Companies. Mr. Kinney explained that the District has an agreement with the landowner allowing for excavated materials to be placed on site. This could constitute final disposition, but under the agreement the landowner, within two years, could request that the District remove it. Mr. Kinney offered his recommendation that it would be preferable for the contractor to haul the material away instead of stockpiling onsite, because of the contingent liability and the risk of substantially greater disposal cost later. Upon receiving the bids, Administrator Kinney directed EOR to obtain quotes from other contractors, not involved in the bid process, for material removal. Two quotes were received, each totaling over \$200,000. Therefore, the recommendation to the Board is to select both add alternates and to accept the total bid from Peterson Companies that is the low bid for each of the add alternate scenarios selected. The bid from Peterson Companies for base bid plus both add alternates amounts to \$415,488.75.

Manager Schmaltz moved to adopt resolution 16-12-02 and award the construction contract to Peterson Companies for the Moody Lake Wetland Rehabilitation Project. Seconded by Manager Anderson.

Discussion: Manager Spence asked if the bid from Peterson Companies is within the District's budget constraints for the project. Administrator Kinney responded that the precise scope of the work on Wetland C (Add Alternate 1) may be adjusted based on further data review, but that he is optimistic that the District will stay within budget for the project overall.

President Anderson noted three separate contracts awarded to Peterson Companies this evening. Does Peterson Companies have the capacity to construct all three projects at the same time? Cecilio Olivier responded that he believes they do. Engineer Graske added that Peterson Companies should have sufficient capacity, and that the District will communicate with them on exact timing. It is possible that some of the projects will be under construction at the time same, while one may occur afterward. Mr. Graske added that the scale of the three projects combined isn't much more than that of the previously constructed Bixby Park project. Manager Schmaltz asked if there are any penalties outlined in the construction contract for not staying on schedule. Administrator Kinney explained that there shouldn't be a concern about timing, as long as weather conditions remain relatively normal. Legal Counsel Holtman explained that the contract covers two types of delays: unforeseen circumstances and those due to the fault of the contractor. In the latter case, it is standard in the District's contract documents to provide for liquidated damages. Manager Schmaltz noted that winter work is required and asked about grant jeopardy if a year is lost to timing or insufficient freeze. Mr. Kinney replied that the District is initiating work on both the

Forest Lake Wetland and Moody Lake Wetland projects in year 1 of the two-year grant period. He also noted that in the Bixby Park project, Peterson Companies did a very good job of mobilizing to complete work in advance of a thaw.

Upon a roll call vote, the motion carried 4-0.

<b>Manager</b>	<b>Aye</b>	<b>Nay</b>	<b>Absent</b>
Jackie Anderson	X		
Jackie McNamara			X
Wayne Moe	X		
Stephen Schmaltz	X		
Jon Spence	X		

**d) Personnel Policy Manual [switched from item 7a]**

Administrator Kinney explained that some further editing to the District Personnel Policy Manual has occurred since Board adoption in June 2016. Most revisions were minor semantics and formatting. The more substantial revisions are listed in a memorandum to the Board. Administrator Kinney asked if the Board had any questions or comments on the revisions.

President Anderson asked about the difference between a salary increase and a salary adjustment. Mr. Holtman noted that the section in question could be found on page 16 of the manual. President Anderson explained that salary increases that remain within the range provided in the previously-provided salary survey would not need to be approved by the Board, however that the Board would have an approval role for any adjustments beyond that range. There was general concurrence among the managers. It was clarified that District holidays reflect the City of Forest Lake’s policy. There was discussion about Family and Medical Care Leave.

Manager Anderson moved to approve the Personnel Policy Manual as revised. Seconded by Manager Moe. Upon a vote, the motion carried 4-0.

**f) 2017 Professional Services Contracts**

Administrator Kinney explained that the District has reviewed the professional service contracts for 2017-2018 and recommends the Board authorize the Administrator to enter into the service agreements.

Manager Anderson moved to authorize signature of the professional service contracts for Smith Partners (legal services), Abdo, Eick & Meyers (audit services), Redpath &

Company (accounting and payroll services), and Emmons & Olivier Resources (engineering services). Seconded by Manager Moe.

Discussion: Manager Schmaltz suggested that the District request that Redpath formally include a statement in their proposal indicating that staff time to answer questions from CLFLWD board or staff members is included in the flat monthly accounting fee.

Upon a vote, the motion carried 4-0.

#### **g) 2017 Board Meeting Schedule**

Administrator Kinney presented the proposed 2017 schedule for regular board meetings and CAC meetings. He noted that workshops and special meetings may be added throughout the year. President Anderson noted that the Board should pick a date for the spring project tour. Mr. Kinney responded that the first weekend in May is currently the choice for the tour date. It was also noted that staff is tentatively planning a workshop for January 12<sup>th</sup> at the District office. President Anderson requested that the January 12<sup>th</sup> and May 6<sup>th</sup> workshop and tour be added to the meeting schedule. She also suggested that the District invite interested citizens such as CAC members to the May 6<sup>th</sup> tour.

Manager Anderson moved to approve the 2017 meeting schedule as amended. Seconded by Manager Moe. Upon a vote, the motion carried 4-0.

#### **h) Forest Lake Diagnostic Update**

Dr. Meghan Funke provided a short update on the Forest Lake Diagnostic Study since monitoring wrapped up at the end of October. Continuous flow records have been compiled and loads have been calculated for the monitoring sites. She presented the watershed phosphorus loads for each of Forest Lake's three basins. Overall, they were able to monitor 57% of Forest Lake's subwatershed. Phosphorus loading calculations aligned with the original estimates based on preliminary data. The heaviest loading is coming from the urbanized portions of the City of Forest Lake, and the Washington Judicial Ditch 6 drainage area. Next steps include identifying projects in priority subcatchments, implementation plan technical advisory committee (TAC) meeting, final implementation plan, and grant writing.

There was discussion about the comparison between phosphorus loading estimates from the 2007 capital improvement plan and the 2016 diagnostic study. The 2007 estimate for the west basin was much higher than the 2016 estimate, while the 2007 estimate for the middle basin was much lower than the 2016 estimate. The 2007 and 2016 estimates for the east basin were roughly the same. Overall, the 2007 estimate for the entire lake was roughly the same as the 2016 estimate. It was clarified that the 2007 estimates resulted from a model created by Wenck and Associates. President Anderson explained that possible reasons for the discrepancies between the estimates

for the west and middle basins could be the high-level scale of the 2007 study, and best management practices that have since been installed in those subwatersheds. There was discussion about subwatershed numbering and nomenclature, and it was agreed that it should be consistent with previous studies.

President Anderson asked if lake depths are being considered in the diagnostic study, as shallow lakes respond to phosphorus loading differently than deep lakes. Dr. Funke responded that lake depths are being taken into account. There was discussion about the large amount of effort needed to meet the District's long-term phosphorus reduction goals.

## **8. Report of Staff**

### **a) Administrator**

President Anderson asked for an update on Washington Judicial Ditch 6 (WJD6). Administrator Kinney responded that he and legal counsel met with the Rice Creek Watershed District (RCWD) administrator and legal counsel in early December. Discussion concerned final options for moving forward with the transfer of ditch authority from RCWD to CLFLWD. He indicated that Legal Counsel Holtman has begun the legal work associated with the transfer, and that EOR will be involved with matters concerning the boundary change. Mr. Kinney added that he has reached out to Washington County on this matter as well. He concluded that there is a plan moving forward, and that Washington County may have input on it in the future. Adjustments may be made, if deemed necessary by Washington County.

### **b) Emmons & Olivier**

Engineer Graske indicated that the District held its first TAC meeting to discuss the rule revisions on December 5<sup>th</sup>. He explained that the District received input from committee members, and will bring that information to the workshop scheduled for January 12<sup>th</sup>.

Mr. Graske noted that EOR has begun compiling groundwater data in the Sylvan Lake area, as part of phase 1 of the groundwater feasibility study. He then indicated that the water quality study for Heims Lake is now complete. He explained that the study concluded that there wasn't a need to implement projects in the Heims Lake subwatershed, but that implementing the District rules would be enough to protect water quality in the lake.

### **c) Smith Partners**

Nothing to report.

## **9. Report of Treasurer**

### **a) Approval of Bills and Treasurer's Report**

Manager Schmaltz presented the Treasurer's Report and invoices to be paid and recommended approval. He estimated that the District's fund balance will be around \$994,000 at the end of the year, which is in the desired range. There was discussion about the fund balance, District levy income, project expenses, and cash flow.

Manager Moe moved to accept the Treasurer's Report and pay the bills in the amount of \$108,230.37. Seconded by Manager Anderson. Upon vote, the motion carried 4-0.

## **10. Report of Officers and Managers**

Manager Schmaltz handed out an information sheet regarding future dues for the MN Association of Watershed Districts. President Anderson indicated that she received a call from a resident on Comfort Lake regarding an upcoming development on the lake. She explained to the resident that the District's role is not to regulate land use, but to ensure that the lake is being protected. President Anderson then noted that she has been in discussions with staff and a landowner regarding the classification of Shallow Pond as either a wetland or a lake. Administrator Kinney explained that it is classified as a wetland, and that he has asked the landowner to submit a formal permit application for the house that he is proposing to build.

Manager Spence noted that the District's use of a remotely piloted aircraft (referred to as a "drone") in order to perform a shoreline survey on Comfort Lake has caused concern among some homeowners on the lake. He suggested that District staff reach out to the concerned homeowners in order to explain the project and answer any questions. Mike Sorensen responded that he will look into this. Administrator Kinney explained that the shoreline survey serves two purposes. One is to assist municipalities with enforcing their shoreline alterations ordinance; if the city has a record of the previous condition of the shoreline, they will be able to better regulate any changes to it. The second purpose is to expedite cost-share applications; if an applicant expresses interest in a shoreline restoration project in the winter, then the District will have a record of the condition of the shoreline to refer back to and be able to move forward with project design sooner. Mr. Kinney noted that more outreach should have occurred before the shoreline survey, and that will be noted for future surveys. Legal Counsel Holtman added that there are unanswered legal questions associated with operating remotely piloted aircraft near houses and similarly constitutionally protected areas and therefore that Smith Partners advises public sector clients to restrict their use to flying over undeveloped or unimproved areas. There was further discussion about utilizing remotely piloted aircraft for shoreline surveys, homeowner outreach, and legal considerations.

## **11. Adjourn**

### **a) Next regular board meeting – January 26, 2017**

Manager Schmaltz moved to adjourn the meeting at 8:54 p.m. Seconded by Manager Anderson. Upon vote, the motion carried 4-0.

Wayne S. Moe, Secretary \_\_\_\_\_