

**MINUTES OF THE REGULAR MEETING  
OF THE  
COMFORT LAKE – FOREST LAKE  
WATERSHED DISTRICT  
Thursday, November 16, 2017**

**1. Call to Order**

President Anderson called the November 16, 2017 regular board meeting to order at 6:35 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, Treasurer Steve Schmaltz, Assistant Treasurer Jackie McNamara

Absent: Secretary Wayne Moe

Others: Mike Kinney, Jessica Lindemyer, Mike Sorensen (CLFLWD staff); Greg Graske, Meghan Funke (Emmons & Olivier Resources); Chuck Holtman (Smith Partners); Jerry Grundtner (Citizen Advisory Committee); Dan Lander (Leader of the Chisago County 4H Club) and students.

**2. Setting of Meeting Agenda**

President Anderson noted two revisions to the agenda to add items: 9h Continuation of Rule Revisions Workshop Discussion and 9i Resolution 17-11-02 Distribution of Proposed Rule Revisions.

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

**3. Consent Agenda**

**a) Regular Board Meeting Minutes – October 26, 2017**

President Anderson noted that she had a few suggested minor changes to the minutes that she will go over with staff after the meeting.

Manager Spence moved to approve the consent agenda with President Anderson's changes. Seconded by Manager Schmaltz. Upon a vote, the motion carried 3-0.

[Manager McNamara arrives.]

**4. Public Hearing – Principal Place of Business**

President Anderson explained the purpose of the proposed change in principal place of business is due to the recent boundary change now putting the District office within the CLFLWD instead of Rice Creek Watershed District. She opened the public hearing. No comments were made. President Anderson closed the public hearing.

**5. Public Comments on 2018 Budget & Levy**

President Anderson invited public comments on the 2018 budget and levy adopted in September. No comments were made.

**6. Public Open Forum**

No comments were offered by members of the public.

**7. Citizen Advisory Committee Update**

Program Assistant Mike Sorensen explained that the CAC went over the Forest Lake Diagnostic Study results at their last meeting and had a good discussion about it. Mr. Sorensen noted that the CAC also discussed the topic of developing a “Watershed Steward of the Year” award. President Anderson noted that there may be some confusion with regard to using the word “steward” to talk about both the Master Water Steward and Master Watershed Steward programs. She suggested that a different word be used for the different programs.

**8. New Business**

**a) LEGO League Team Presentation**

Dan Lander explained that this year’s Lego League competition is coming up and the theme is Hydrodynamics. The team is required to program a robot to complete an obstacle course as well as do its own research on a project related to the human water cycle and come up with its own innovative solution on it. The team chose the problem of zebra mussels clogging irrigation pipes.

The students gave a 5-minute presentation explaining the problem of zebra mussels and proposing the solution of using an innovative filter to prevent them from clogging the pipes.

**b) Resolution 17-11-01 Change in Principal Place of Business**

Manager Spence moved to adopt resolution 17-11-01 changing the principal place of business to the District offices. Seconded by Manager McNamara. 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		

## 9. Old Business

### a) 2018 Loan Options Update

Administrator Kinney provided an update on loan options for 2018 including a bank loan, a loan from Washington County by means of County bonding, and/or a loan through the MN Pollution Control Agency's (MPCA) Clean Water Partnership (CWP) loan program. While the bank loan would have a 2.25% interest rate, the CWP loan would have 0% interest rate.

Manager Spence asked about the level of time and effort needed to obtain the CWP loan. Mr. Kinney estimated that it would be somewhere in between that of the bank loan and the Washington County loan. The CWP loan would need to be tied to a specific project or projects, which is different than a bank loan which would be more flexible. President Anderson noted the limited time availability of the 2.25% interest rate bank loan, and suggested the District use that as the primary way to supplement the 2018 budget, which is in need of additional revenue since the Board lowered the proposed 2018 levy from \$1.6M to \$1.2M. The CWP loan would be a good way to supplement specific projects such as implementation of the agricultural best management practice (BMP) program. Manager McNamara expressed an interest in taking advantage of the 0% interest rate of the CWP loan. Manager Schmaltz offered that the MPCA loan would be more flexible if the District is not certain about the amount of funds it will need. He asked about the turnaround time and the likelihood that the District would be offered such a loan. There was discussion about timing, potential projects, and the application process for the CWP loan. Mr. Kinney explained that staff can start moving forward on the bank loan from First State Bank of Wyoming while finding more information on the CWP loan program. It was agreed that this topic would be discussed further at the December 21 regular board meeting.

### b) Levy Certification

Administrator Kinney explained that this agenda item is a placeholder in the event that the District received public comment during the earlier agenda item and the Board wishes to adjust the levy. No comment was received, so no action is required. Mr. Kinney will proceed with certifying the final levy of \$1.2M with Washington and Chisago counties as adopted on October 26, 2017.

### c) 2017 Budget Adjustments

During the budget process this past summer, the Board expressed a desire to make adjustments to the 2017 budget to account for significant changes such as grant awards and projects moving forward. Mr. Kinney explained that staff recommends the Board authorize an adjustment to the 2017 expense budget in the amount of \$146,000 to account for Clean Water Fund grant projects moving forward (Shields Lake Stormwater Harvest, Forest Lake Enhanced Street Sweeping Study, and Bone Lake Wetland Restoration Project). It was clarified that the grant revenue is being taken into consideration with respect to 2017 projected income. There was discussion about accounting methods for the 2017 and 2018 expenses and revenues. President Anderson proposed that the purpose of the budget amendment is to not show deficits. There was general agreement that Mr. Kinney, President Anderson and Manager Schmaltz would meet with the District accountant before the next meeting in order to go over this in more detail, for further discussion at the December 21 regular meeting.

**d) MAWD Delegate Appointments**

President Anderson moved to appoint President Anderson and Manager Spence as the District delegates at the MAWD annual meeting, with no alternate delegate. Seconded by Manager McNamara. Upon a vote, the motion carried 4-0.

**e) MAWD Resolutions – Delegate Instructions**

There was discussion about revisions to the MN Association of Watershed Districts (MAWD) bylaws as well as proposed policy and legislative resolutions. The Board reviewed each proposed resolution and associated recommendations from the MAWD resolutions committee. There was consensus among the Board in support of the position of the MAWD resolutions committee as to all nine proposed resolutions as presented, with an additional recommendation with respect to resolution #7 “Lift MFCRWD’s General Fund Levy Limit” – if the limit is lifted for Middle Fork Crow River Watershed District, then it should be lifted for all watershed districts throughout the state.

**f) Forest Hills Golf Club Agreement**

Mr. Kinney explained that the final agreement with the Forest Hills Golf Club for the Shields Lake Stormwater Harvest project is ready for review and approval by the District Board. Manager Schmaltz noted that the District has the right to terminate the agreement at any time and asked if the agreement allows the golf club any termination rights. Legal Counsel Holtman explained that the golf club doesn’t have any specific termination right, but does have the right to concur in the 90% plans. He also noted that the project ordering and associated public hearing for the project are slated for the December 21<sup>st</sup> regular meeting.

Manager Spence moved that:

- President Anderson is authorized to execute the Recordable Agreement, with further non-substantive changes and on advice of counsel;

- The District Administrator is directed, on the Board's ordering of the Shields Lake Stormwater Harvest and Irrigation Reuse Project under Minnesota Statutes §103B.251, to file the Recordable Agreement for recording in Washington County property records;
- President Anderson is authorized, on project ordering, to execute an easement pursuant to subsection 3.4 of the Recordable Agreement, on advice of counsel, and the District Administrator is directed to file the easement for recording in Washington County property records.

Seconded by Manager Schmaltz. Upon a vote, the motion carried 4-0.

#### **g) One Watershed One Plan & 10-Year Plan Amendment**

Administrator Kinney provided an update on the recent meetings and developments with respect to One Watershed One Plan (1W1P). At the first 1W1P planning group meeting BWSR staff recommend that the group revise the Lower St. Croix 1W1P planning grant budget request so as to include the ten-year watershed plan updates for the CLFLWD and Carnelian-Marine-St. Croix Watershed District (CMSCWD). This would result in the CLFLWD finishing its major plan amendment in 2019 as opposed to 2021. There was discussion about timing of the 1W1P planning process, grant program allocation impacts as a result of 1W1P, WMP formatting, and cooperative goal-setting. Manager Schmaltz suggested involving the lake associations in this process. President Anderson noted the level of burden that 1W1P presents for organizations with small staffs, and suggested contracting with an experienced consulting firm to help with the process and ensure a quality end product. She asked that District staff share a list of such firms with the 1W1P planning group.

There was discussion about the CLFLWD 2018 staff work plan. Mr. Kinney summarized past discussions about some level of staff-sharing with CMSCWD, and noted that a new position announcement has been posted with hopes of adding another staff member to the team by the first of the year. Funding for this new position would come partly from CMSCWD and partly from the 1W1P planning grant.

There was general consensus from the Board to begin the CLFLWD major plan amendment in 2018.

#### **h) Continuation of Rule Revisions Workshop Discussion**

President Anderson recapped where the Board left off at the workshop: finishing with her suggested revisions to the proposed rules and moving on to recommended joint meeting discussion points from Manager Schmaltz. Engineer Graske noted that EOR has taken Manager Schmaltz's prior feedback and highlighted points in the rule revisions where comments from the cities have been taken into account. Manager Schmaltz explained that it is clear that the District has made some accommodations for the cities, so it would be fair to expect some reciprocation, especially from the City of Forest Lake in particular. The City should know the history of watershed impacts in the

area and understand the importance of reversing those negative impacts in order to protect the resources that have such an important effect on local economics. Some specific requests for City of Forest Lake actions include: performing regular maintenance on city stormwater ponds and other structures, creating a mapped stormwater infrastructure inventory, and collaborating with the District on regional stormwater treatment facilities. President Anderson recalled some past collaboration and cooperation with the City in efforts to accomplish water quality goals, and stressed the importance of continuing coordination on a staff level to ensure that the stormwater mapping effort gets completed. She suggested that the District compile annual progress reports for each of the four lake management districts and provide those to the cities.

Mr. Kinney noted that the City of Forest Lake's stormwater fee is one of the lowest in the metro area, which hinders its ability to perform regular pond maintenance. There was discussion about progress that the current Public Works Superintendent, Dave Adams, has been able to accomplish with regard to stormwater planning. Mr. Kinney explained how proper stormwater planning and maintenance on the City's part would be a great service to its residents, provide a cost-effective solution to several existing problems, and benefit many local businesses which are tied to the quality of local resources.

Manager Spence suggested the discussion topic of establishing the idea of an equal partnership between the City of Forest Lake and the District. The cities should think about how upcoming projects could impact these economically valuable local resources and work together with the District to reduce or prevent that impact. There was further discussion about coordination with the City of Forest Lake and the importance of having an infrastructure map so as to inform hydrologic modeling and prediction efforts as well as project prioritization. Manager Schmaltz suggested that staff research the relationship between water quality and local property values, similar to the 2003 Bemidji Study ("Lakeshore Property Values And Water Quality: Evidence From Property Sales In The Mississippi Headwaters Region") but focused on lakes and properties specifically within the District.

There was discussion about the agenda and presentation for the joint meeting with the City of Forest Lake, as well as the importance of regional stormwater treatment facilities, long-term cooperative planning, and regular stormwater facility maintenance. President Anderson suggested noting in her opening remarks: the history of the partnership, briefly reviewing major items left to be done (e.g. regional stormwater ponding map for commercial areas and stormwater infrastructure map), and the shared goal of flood prevention. She suggested that the main avenue for project/planning coordination should be at the staff level, with regular communication between the District Administrator and City Administrator.

There was general agreement to focus on the rule revisions during the November 20<sup>th</sup> joint workshop. The possibility of annual coordination meetings between the District and each municipality to discuss additional items such as capital improvement projects should be coordinated by the Administrators.

**i) Resolution 17-11-02 Distribution of Proposed Rule Revisions**

It was clarified that updates from today’s workshop would be incorporated into the proposed rule revisions before being sent out for agency review and general public comment.

Manager Spence moved to adopt resolution 17-11-02. Seconded by Manager Schmaltz.

Discussion: Legal Counsel Holtman noted two provisions in the proposed revised rules: 3.2.2 and 3.7. These are new provisions that address the Board’s past expressed concerns regarding soil disturbance that poses a threat to waterbodies. The provisions state that even if the disturbance is less than the erosion control permit trigger, erosion control best management practices must be followed. As it is currently written, these provisions apply to disturbance anywhere in the District, regardless of proximity to waterbodies. Mr. Holtman asked if this is the intent of the Board. President Anderson suggested that the provision remain as written due to the high degree of hydrologic connectivity that is present in the District. There was general agreement among the Board.

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		

**10. Report of Staff**

**a) Administrator**

Administrator Kinney provided the meeting availability of the Cities of Wyoming and Scandia for joint workshops to discuss the rule revisions. The Board agreed on Tuesday, December 19 from 6:00-7:00 pm for Wyoming, and Wednesday, December 6 at 6:30 pm for Scandia.

**b) Emmons & Olivier Resources**

Engineer Graske noted a permit application that may potentially be on the December 21 meeting agenda. It entails construction of a new apartment complex in the southwest portion of the District in Forest Lake. There was discussion about rule applicability and past communications with the property owner.

**c) Smith Partners**

Nothing to report.

## **11. Report of Treasurer**

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

Manager Spence moved to accept the Treasurer's Report and pay the bills in the amount of \$130,357.79. Seconded by Manager McNamara. Upon vote, the motion carried 4-0.

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

Nothing to report.

## **13. Adjourn**

### **a) Next regular board meeting – December 21, 2017**

Manager Spence moved to adjourn the meeting. Seconded by Manager McNamara. Upon vote, the motion carried 4-0, and the meeting was adjourned at 9:20 p.m.

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