

**MINUTES OF THE REGULAR MEETING
OF THE
COMFORT LAKE–FOREST LAKE
WATERSHED DISTRICT
Thursday, August 22, 2019**

1. Call to Order

President Spence called the August 22, 2019 regular board meeting to order at 6:30 p.m. in the Community Room of the Forest Lake City Center, 1408 Lake Street South, Forest Lake.

Present: President Jon Spence, Vice President Jackie Anderson, Secretary Jen Oknich, Treasurer Steve Schmaltz

Absent: Assistant Treasurer Wayne Moe

Others: Mike Kinney, Jessica Lindemyer, Garrett Miller (CLFLWD staff); Meghan Funke (Emmons & Olivier Resources); Chuck Holtman (Smith Partners)

2. Setting of Meeting Agenda

Manager Anderson moved to approve the agenda as presented. Seconded by Manager Oknich. Upon a vote, the motion carried 4-0.

3. Consent Agenda

- a) **Regular Board Meeting Minutes – July 11, 2019**
- b) **Special Board Meeting Minutes – July 25, 2019**

Manager Anderson requested a revision to the July 25th minutes to clarify that the most recent 4-year water quality averages are building toward a 5-year average. She requested further clarification regarding the Total Maximum Daily Load (TMDL) discussion on page 5. There was agreement to bring the revised July 25th minutes to a future meeting for final approval.

Manager Anderson moved to approve the July 11, 2019 minutes. Seconded by Manager Schmaltz. Upon a vote, the motion carried 4-0.

4. Public Hearing – 2020 Budget and Levy

President Spence opened the public hearing. He determined that no members of the public were present to speak. Administrator Kinney gave a presentation on the 2020 budget. He summarized the process to date, including board meetings, public comment opportunities and the levy certification procedure. The total proposed expense budget is \$2,643,454. Revenues include a proposed levy (\$1,400,000), grants/loan/other (\$1,110,029), and reserve funds (\$133,425). The District's taxable market value increased by 13% this year. Mr. Kinney summarized the District's financial history, showing its initial phase of

monitoring/data collection and the current phase of project implementation. He explained how projects generally result in large/direct impacts on water quality. Programs help build the District's knowledge base and may have a direct or indirect impact on water quality. Mr. Kinney highlighted some of the major program initiatives in 2020 which include permitting, water monitoring, education and outreach, hydrologic & hydraulic (H&H) model update, Watershed Management Plan (WMP) update, Claros phosphorus-absorbing technology research, deep sediment cores, and a variety of aquatic invasive species (AIS) prevention and management activities. Planning tools and methods were described for water quality improvement projects. Mr. Kinney highlighted major projects in each Lake Management District including Bone Lake Subwatershed Assessment (SWA) implementation and wetland restorations, Birch Lake wetland restoration, School Lake outlet and wetland restoration, Heath Avenue subwatershed investigation, a wide variety of projects resulting from the Forest Lake Diagnostic Study and subsequent subwatershed analyses, Sunrise River assessment and regional stormwater treatment projects. Mr. Kinney described the District's adaptive management approach and implementation of a Prioritized, Targeted and Measurable (PTM) framework. He stressed the importance of cost-benefit analysis as a means to save a significant amount of money on both the scale of the District as well as the broader Lower St. Croix River Basin. To reach the Lower St. Croix Basin's phosphorus load reduction goal, the difference between implementing highly cost-effective projects (<\$500/lb phosphorus removed) and less cost-effective projects (>\$1,500/lb phosphorus) could be up to \$1.1 billion. President Spence closed the public hearing.

5. Public Open Forum

There were no comments.

6. Citizen Advisory Committee Update

Watershed Assistant Jessica Lindemyer reported that the Citizen Advisory Committee (CAC) discussed its roles and responsibilities document at the last meeting. It also discussed the proposed 2020 budget and had no major comments. Ms. Lindemyer noted that the CAC is in favor of the District utilizing the Clean Water Partnership loan. The CAC also discussed education and outreach initiatives for the remainder of 2019.

Manager Anderson requested that managers be updated on events such as Forest Lake Arts in the Park and initiatives with the Girl Scouts so that they may attend. Ms. Lindemyer noted that the Girl Scouts initiative was described in the last meeting's Administrator's Report. She is currently working with their representatives to identify how many volunteers are needed for the event and will update the Board once that information is known.

7. Aquatic Invasive Species Update

Watershed Assistant Garrett Miller reported that an invasive species, water hyacinth, was recently found and subsequently removed on Bone Lake. Mr. Miller reported that, earlier that day, he and Matt Downing from Washington Conservation District (WCD) removed flowers from flowering rush in Forest Lake. This method appears to help reduce propagation

and spread of the invasive rush to other parts of the lake. The two conversed with a few lakeshore residents during the removal effort. In response to a question from Manager Anderson, Mr. Miller explained that several follow-up surveys have occurred on Bone Lake since the zebra mussel treatment and no zebra mussels have been found. There are two zebra mussel sampler plates on Bone Lake which will help determine the presence of zebra mussels as well. Mr. Miller continued reporting on flowering rush management, indicating that a second round of herbicide treatment and a second round of flower removal will occur in the upcoming weeks. Manager Schmaltz asked for clarification on the District's ability to treat flowering rush located on the shoreline, above the ordinary high water line. He noted that this was done in past years. There was discussion about whether this was allowed by Department of Natural Resources (DNR) regulations and whether it is feasible for PLM Lake and Land Management to do so. Manager Schmaltz asked Mr. Miller to look into this question further.

Mr. Miller reported that the Shields Lake carp removal project is in the contracting phase, with the removal slated to occur by the end of September. On Saturday, August 17th Mr. Miller attended Starry Trek and surveyed local lakes with the help of several local volunteers. No starry stonewort was found. Mr. Miller provided an update on year to date watercraft inspections. As of August 18th, inspectors have reached 474.5 hours at Comfort Lake (90% of the goal), 417 hours at Bone Lake (83% of the goal), and 1,500 hours at Forest Lake (56% of the goal). With two months left in the season, inspectors will focus more on Forest Lake accesses in order to get closer to its goal hours. Mr. Miller provided an update on watercraft inspector staffing. With several inspectors leaving soon to go back to school, staff is in the process of hiring more inspectors. Watercraft inspectors will use rakes to help clear aquatic vegetation from the access and begin a new early detection pilot program. The early detection program will be fully implemented next year. Last Thursday Mr. Miller attended a Comfort Lakes Association (CLA) meeting and learned that the Comfort Lake Eurasian watermilfoil treatment has not yet occurred.

Manager Anderson indicated that a Comfort Lake resident recently found what appeared to be zebra mussels near her shoreline and sent in a picture. Mr. Miller explained that he responded to the report and confirmed that the mussels in the picture are zebra mussels. Manager Anderson requested that Mr. Miller provide an update on the Comfort Lake zebra mussel sampler plates at the next meeting. She also noted that there is a plant that looks similar to purple loosestrife near her home on Comfort Lake. She asked that Mr. Miller check into this and confirm whether it is native or invasive. She also requested that the informational memo on purple loosestrife be sent out to all three of the local lake associations.

8. New Business

a) MAWD Resolution – Ag Nutrient Management Plans

Mr. Kinney summarized the proposed resolution which aims to implement the “maximum return to nitrogen” (MRTN) concept and nutrient management plans generally into management of all agricultural fields that receive state financial support.

Mr. Kinney explained that the MN Pollution Control Agency (MPCA) set nitrogen reduction goals in a 2014 report. He explained that proper nutrient management is economically beneficial for farmers. There was agreement that Mr. Kinney would work with the MN Association of Watershed Districts (MAWD) to provide proof points and further information to support the resolution.

Manager Anderson moved to approve finalizing and submitting the resolution. Seconded by Manager Oknich. Upon a vote, the motion carried 4-0.

b) FY2020 Clean Water Fund Application

Mr. Kinney indicated that staff has begun preparations to submit at least one Clean Water Fund grant proposal this year. He requested Board concurrence to submit the proposal(s).

Manager Anderson 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 application(s) for 2020 that will benefit water resources within the Comfort Lake-Forest Lake Watershed District. Motion seconded by Manager Schmaltz. Upon a vote, the motion carried 4-0.

c) Joint City of Forest Lake, FLLA & CLFLWD Workshop

Mr. Kinney summarized previous discussions regarding a potential “on the water” boat tour with the District, Forest Lake Lake Association (FLLA) and City of Forest Lake. This event ultimately evolved into a workshop, which is proposed to be held on August 26th. The proposed agenda is included in the meeting packet for Board review. Mr. Kinney noted one minor correction – removing item 1c as it is a duplicate of item 2. He noted that he and Jerry Grundtner have discussed allocating times for each item. Manager Anderson indicated that she would like to talk about the City’s plans for stormwater treatment in the Comfort Lake management district. She recognized that this topic may be part of some of the broader items on the agenda and stressed that this specific topic not be overlooked. Manager Schmaltz indicated that the City appears to have done some good work in planning and that should be recognized. Mr. Kinney indicated that he would send out an informational memo regarding the monitoring that the City has been doing. There was discussion about how the District is working with the City to analyze street sweeping materials to quantify actual phosphorus and total suspended solids loads. Manager Schmaltz noted that the City recently did some work on 8th Street and covered the fresh tar with gravel. He asked how this new gravel might affect the sampling results. Mr. Kinney indicated that the Public Works Superintendent has already addressed this and won’t sweep this area until it is set. There was discussion about the meeting location.

d) Washington Co. Watershed Communication Recommendations

Mr. Kinney explained that Washington County created a new position to coordinate with watershed districts and hired Maureen Hoffman to fill the position. Mr. Kinney indicated that he has been more engaged with the County at meetings and expects that to be the trend going forward. Manager Anderson pointed out that the information packet provided by Washington County doesn't include CLFLWD in its list of watershed districts that span multiple counties. She expressed that the list of watershed district responsibilities seems a bit light and recommended referencing the relevant statute for this section. Manager Schmaltz noted that the name of the CLFLWD Board President is incorrect in the packet. Manager Anderson added that the list of CLFLWD completed projects is light. Manager Schmaltz expressed that watershed districts should not be equated to watershed management organizations (WMO), as figures 1 and 2 indicate. He suggested using the phrase watershed organizations instead. Legal Counsel Holtman did not disagree with Manager Schmaltz's point as a matter of communications, but clarified that, legally speaking, watershed management organizations include watershed districts as well as joint powers watershed management organizations. Manager Schmaltz noted that "watershed organizations" is used elsewhere in the document. He asked Mr. Kinney to discuss this with Ms. Hoffman. Manager Anderson also requested that Mr. Kinney ask Ms. Hoffman to number the pages in future info packets. There was discussion about the Public Health and Environment Department's involvement in the initiative. Manager Schmaltz pointed out that the County proposes creating a new board manager training program, but MAWD already has one in place.

9. Old Business

a) 2020 Budget and Levy

Manager Anderson indicated that she had some questions regarding the budget. She noted that the previous draft indicated grant and other revenue in the amount of \$585,035. The most recent draft indicates grant and other income in the amount of \$353,029. She noted that it appears that no additional expenses or revenue were added for new staff. She explained that she expected to see more revenue in the budget, not less. Manager Anderson recommended adding \$200,000 to the Projects expense budget, bringing the total budget to \$2,843,454, and bringing the revenue budget of "carryover, reserves, loans, grants and interest" to \$1,542,035. She recommended increasing the District's loan amount in 2020. President Spence noted that it is difficult to predict what the District's grant awards and grant revenue will be in 2020. Mr. Kinney explained that Watershed Technician Emily Heinz recently spoke with MPCA staff and confirmed that the District can request a loan amendment to increase the dollar amount. Further, it is possible to allocate the additional loan funds specifically to staff time devoted to clean water initiatives. This would be the case with the most recent hire, Project Coordinator Blayne Eineichner. Mr. Kinney noted that smaller loan amendment amounts (e.g. \$200K) are actually easier for MPCA to process and are therefore preferable to larger amendment requests (e.g. \$1.5M).

Manager Anderson recommended adding \$232,006 back into the grant revenue budget to reflect the amount that was previously shown (\$585,035). There was discussion regarding the relationship between the grant summary and revenue recap pages of the budget. Manager Schmaltz pointed out that the grant summary indicates estimated 2020 grant revenue at a total of \$353,029, as indicated on the latest revenue recap. He questioned increasing the grant revenue budget higher than what is actually estimated to be received. Mr. Kinney explained that, while grant awards are always uncertain, staff does its best to make an estimate of future year grant revenue. He noted that there are two more board meetings between now and the September 15th levy certification due date. The Board doesn't need to make a final decision at the current meeting. President Spence recommended that the Board decide on a proposed expense budget, which was proposed to increase by \$200,000 to \$2,843,454 to account for staff. Revenue would then equal \$2,843,454, and the District would request a loan amendment to account for the difference. There was agreement to keep the levy at \$1.4M. There was further discussion regarding grant awards and the loan amendment.

Manager Anderson suggested that the Board doesn't need to get into the details right now but should agree on aggregate amounts. She reiterated her suggestion to approve a total expense budget of \$2,843,454 to be funded by carryover, reserves, loans, grants and interest of \$1,542,035 and a levy of \$1,400,000. She clarified that she proposes the revenue budget to be \$2,942,035. This would leave the District with a positive yearend balance of \$98,581. There was discussion about how to structure the budget resolution. President Spence suggested that the resolution indicate total revenues equal to the total expense budget: carryover, reserves, loans, grants and interest of \$1,443,454 and a levy of \$1,400,000. There was further discussion about the revenue breakout and agreement to give staff time to incorporate the changes discussed.

The budget and levy approval action was postponed to the September 5, 2019 special board meeting.

b) CLFLWD Anniversary Events and District Tour

Mr. Kinney noted that the District's 20th anniversary of establishment will occur at the end of September. He explained staff's recommendation to hold public events and activities throughout the week leading up to the District Tour which has been scheduled for Saturday, September 21st, according to the regular board meeting schedule. The tour is set for 8:00 am, meeting at the District office to board a tour bus and ending at 12:00 pm. Manager Anderson requested that the week of events be moved to the following week. She noted that she will be out of town September 19th and 20th and that the exact date of the anniversary is September 23rd. The tour would still occur on the 21st and would instead kick off the anniversary events instead of being the culmination of them. President Spence suggested holding the open house on Monday the 23rd. Extra refreshments could be provided at the regularly scheduled meeting on September 26th. Manager Anderson expressed that she liked the proposed activities that staff has outlined. There was further discussion about the proposed tour stops and potential to run into time constraints. Mr. Kinney suggested combining the activities at stops 5 (Bone

Lake public access/inlet) and 6 (Moody Lake public access), only stopping at Moody Lake instead of both, in order to save time. Manager Anderson suggested discussing the success of the Bone Lake fish barriers on the tour as well. She also suggested revising the District Tour invitation flyer to note the week of other activities celebrating the anniversary.

10. Report of Staff

a) Administrator

Administrator Kinney reported that the District recently received complaints from a local landowner regarding high water levels. Similar complaints have been received in past years and staff is looking into the issue again. Mr. Kinney noted that he recently met with a landowner in the Washington Judicial Ditch 6 (JD-6) subwatershed, and the landowner seems interested in participating in a project. New staff member, Blayne Eineichner, Project Coordinator, is due to start on August 30th. Unfortunately, Permit Coordinator, Erin Edison, has been offered and accepted a position at another watershed district. Her last day will be September 6th. Seasonal Technician Peter Brennhofer, recently went back to school. Interviews for his replacement will occur next week. Finally, Mr. Kinney reported that he recently sent an offer letter to a candidate for the position of Program Coordinator.

Manager Anderson asked if the District will hold joint board meetings with Scandia and Wyoming, similar to the one that is scheduled with the City of Forest Lake. She suggested that topics of discussion may include projects completed to date and items with which the District needs support from the cities. She suggested holding such meetings once every 1-2 years. Mr. Kinney indicated that there was recently turnover on the staff at Chisago County and that he is exploring further coordination with the county board by sending it a report. He added that he would reach out to Scandia and Wyoming to coordinate joint board meetings.

President Spence noted the item in the Administrator's Report regarding difficulties with IT support for the Comfort Lake automated level logger. Mr. Kinney explained that the District has worked with this IT support individual for the past 10 years. However, recently this person has been receiving more contract work, making the District's issues lower priority. As a replacement plan, Mr. Kinney has been in discussion with EOR regarding providing the District with support through its IT person. He noted that Ms. Lindemyer provides a lot of IT support as well but can only fit so many tasks on her plate.

b) Emmons & Olivier Resources

Dr. Meghan Funke provided updates on several projects:

- Claros Phosphorus Technology: Dr. Funke and Kyle Crawford recently deployed in-lake trial test buckets at volunteer docks on Comfort Lake and Forest Lake.

- Moody Lake Alum Treatment: Preliminary 2019 monitoring data suggests moderate surface phosphorus concentrations (60-80 micrograms per liter) and low bottom phosphorus concentrations (< 40 micrograms per liter). This is promising, especially considering the whole-lake alum treatment is only halfway complete at this point. The second alum application will occur this fall. Dr. Funke expected to achieve in-lake phosphorus concentrations near 40 micrograms per liter by the end of the season.
- Bone Lake Outlet Wetland Feasibility Study: This area was previously identified for a project. This year, EOR surveyed the channel, talked to local landowners, toured the nearby koi fish farm, and reviewed historical aerial photos and other records.
- Hayward Avenue Assessment and Feasibility: A site visit and surveying occurred in preparation for the R3 Claros ditch checks project in this subwatershed. Assessment of feasibility is ongoing. In preparation for the cattail harvesting project, EOR performed a vegetation survey and collected soil samples. For the R5 wetland pond cleanout project, EOR performed a vegetation survey and collected pond depth and sediment samples.
- JD-6 Assessment and Feasibility: Recent accomplishments included landowner coordination, ditch geomorphic survey, vegetation survey, field road survey, historic profile alignment, and wetland water level monitoring. There appears to be a lot of groundwater-surface water interaction in this subwatershed. One of the top potential projects that is emerging from the study is an iron-enhanced sand filter treatment system between County Road 50 and Highway 97.

There was discussion about phosphorus loading sources upstream of the Forest Lake 3rd Lake Pond project. Manager Anderson referenced a report from EOR stating that 50% of the loading in that tributary remains to be addressed. Dr. Funke agreed that further implementation is necessary upstream of the project in order to address all of that loading.

c) Smith Partners

Nothing to report.

11. Report of Treasurer

a) Approval of Bills and Treasurer’s Report

Treasurer Schmaltz reported income for the period of \$894,761.39, largely due to levy disbursement from Washington and Chisago Counties and Clean Water Partnership loan disbursement from MN Pollution Control Agency.

Manager Anderson moved to accept the Treasurer’s Report and pay the bills in the amount of \$162,335.95. Seconded by Manager Oknich. Upon vote, the motion carried 4-0.

12. Report of Officers and Managers

Manager Anderson had several questions and requests:

- It was confirmed that both articles included with the Administrator's Report were from Angie Hong, East Metro Water Resources Education Program (EMWREP).
- Requested staff send the Score Your Shore information to local lake associations.
- Are there any updates regarding the MnDOT Highway 8 culvert collapse and reconstruction?
- Requested staff obtain more information regarding potential pollutant discharge from the koi ponds near Bone Lake. Dr. Funke noted that EOR is coordinating with DNR regarding the koi pond permit.

President Spence noted that a DNR staff member attended the last Comfort Lake Association meeting. At that time President Spence learned that the DNR only performed the Score Your Shore assessment on 8 properties. He explained that the DNR staff member indicated that the results are summarized in a single sentence in one of the DNR's reports. There was discussion regarding the value of these data, outreach to lakeshore residents regarding natural shorelines, and value of having a natural shoreline in terms of geese prevention.

13. Summary and Approval of Board Direction

The following items were recapped:

- Manager Anderson asked that staff let the Board know about educational activities so that managers may attend/participate if desired.
- Manager Schmaltz asked staff to look more closely at the physical and/or legal constraints of treating flowering rush on the shoreline.
- Manager Anderson asked for an update next time on zebra mussel status on Comfort Lake.
- Manager Anderson asked about assessing purple loosestrife status on Comfort Lake.
- Manager Anderson suggested that the District's AIS report be distributed to local lake associations.
- Mr. Kinney stated that EOR will provide an updated map of the Comfort Lake management district for the joint workshop.
- The Board asked that the Forest Lake memo about the city's MS4 activities and an additional memo concerning revenue status be provided to the managers.
- Managers Anderson and Schmaltz noted several items in the Washington County materials on which the Administrator should follow up with the county (see above).
- Manager Anderson suggested a note be added to the District Tour flyer inviting the public to the open house events.
- Mr. Kinney will be further exploring the notion of giving a report to the Chisago County board and will be reaching out to Wyoming and Scandia for joint board meetings.
- Manager Anderson asked several questions under Report of Managers (see above).
- Mr. Kinney will work with MAWD regarding the topic of the proposed resolution.

- President Spence noted that the Administrator’s review is overdue. Manager Anderson offered to meet with Mr. Kinney after the meeting to go over this. It was clarified that this could be discussed on September 5th or 12th.

14. Adjourn

- a) Next special board meeting – September 5, 2019**
- b) Next regular board meeting – September 12, 2019**

Manager Oknich moved to adjourn the meeting. Seconded by Manager Anderson. Upon vote, the motion carried 4-0, and the meeting was adjourned at 8:34 p.m.

Jen Oknich, Secretary _____