

**MINUTES OF REGULAR MEETING
OF THE
COMFORT LAKE – FOREST LAKE
WATERSHED DISTRICT
Thursday, August 27, 2015**

1. Call to Order

The President called the August 27, 2015 Regular Board meeting to order at 6:30 p.m. at the Community Room of the Forest Lake City Center, 1408 Lake Street South, Forest Lake.

Present: President Richard Damchik, Vice President Jackie Anderson, Treasurer Jon Spence, Secretary Wayne Moe.

Absent: Assistant Treasurer Stephen Schmaltz.

Others: Michael Kinney and Emily Schmitz (CLFLWD staff), Chuck Holtman (Smith Partners), Greg Graske, Meghan Funke, Cecilio Olivier and Jason Naber, (EOR), James Landini (Washington Conservation District), Mark Lobermeier (Wyoming), Jerry Grundtner (CAC member), Margie Schmidt (Bone Lake Association) and Thomas and Cindy Turry (residents).

2. Setting of Meeting Agenda

The President called for approval of the August 27 agenda. Manager Anderson moved to approve the agenda as amended. Seconded by Manager Spence. Upon vote, the motion carried 4-0.

3. Consent Agenda

- a) AIS Update
- b) Regular Board Meeting Minutes – July 9, 2015
- c) Joint Workshop Meeting Minutes – July 14, 2015

Manager Anderson moved to approve the consent agenda with a correction from “Shields” to “Sylvan” on line 8, page 4 of the July 9, 2015 minutes. Seconded by Manager Moe. Upon vote, the motion carried 4-0.

4. Public Open Forum

The President asked for public comments. There were no public comments.

5. Public Hearing –Watershed Management Plan Amendment

Administrator Kinney stated that all documentation for the Plan Amendment to include land acquisition has been submitted to the Board of Water and Soil Resources (BWSR) and otherwise duly distributed for the comment period. No comments were received. Manager Damchik asked for public comments. Mr. Grundtner asked if there is any stipulation as to dollar value for land purchases. Administrator Kinney stated that although there is no dollar amount, there is a clause on page 64 that requires a cost-benefit analysis.

There is also a capital improvement project budget designating \$75,000 annually for property acquisition that can be carried forward. Manager Damchik closed the public hearing. Manager Moe moved to adopt Resolution 15-08-01. Seconded by Manager Anderson. Upon roll call vote, the motion carried 4-0.

6. New Business

a) Resolution for Adopting Governance Manual

Mr. Holtman clarified that red lines in the document indicate that the text was amended. Smith Partners has worked with other watershed districts to develop manuals. Some of the policies are mandated, others were incrementally developed using best practices. Manager Anderson stated that the manual is very comprehensive and counsel did a nice job. Manager Anderson moved to adopt Resolution 15-08-02. Seconded by Manager Moe. Upon roll call vote, the motion carried 4-0.

7. Old Business

a) Stream Biotic Monitoring Revised Scope

Dr. Funke stated that this is a revised scope in response to Board comments. According to University of St. Mary's biologists, September is within the acceptable range for monitoring. For fish and macroinvertebrates, monitoring twice—once in spring and once in late summer—captures species with different life cycles. Stream monitoring is important for managing lake water quality. Streams support macroinvertebrate communities, which are important food for fish. Streams support spawning and fry rearing habitat, and the biological communities are long-term indicators of lake water quality. Water quality is influenced by nutrients and how the nutrients are distributed among organisms. The goal is to manage water quality to support fish and the connection between streams and lakes is important for management. Manager Anderson moved to authorize the stream monitoring assessment and scope of work. Seconded by Manager Moe. Upon vote, the motion carried 4-0.

b) Draft Comment Letter on Chloride TMDL

Administrator Kinney reported that based on Board discussion, staff drafted a letter to the Minnesota Pollution Control Agency (MPCA). Manager Anderson stated that the District should test for and look at impact of chloride on all the lakes where road salt has nowhere to go but into the lakes. Manager Moe stated that about one-third of Bone Lake on the western side is bordered by a road. Dr. Funke noted that the District's management plan can include chloride management. She clarified that the TMDL is for the seven county metro area so does not include Chisago County. Manager Anderson moved to approve the draft letter to be sent to the MPCA. Seconded by Manager Moe. Upon vote, the motion carried 4-0.

c) Buffer Width Effectiveness

Dr. Funke stated that this is a follow up to July 23 meeting where the Board discussed narrowing the shoreline buffer in the cost-share program to encourage more participation. About 15 years ago, EOR reviewed reports and conducted a large literature review to address buffer width. In summary, buffers less than 15 feet can be

effective at removing sediment and phosphorus if they comprise deep-rooted, dense vegetation and are not susceptible to gullyng. These buffers can slow down and filter runoff. A wider buffer, however, provides additional benefits: it can infiltrate more runoff, absorb more pollutants, provide better shoreline stabilization and deter geese. EOR recommends funding buffers less than 15 feet wide, with a minimum width of 10 feet, through the cost-share program if the District engineer or staff conducts a brief site inspection to ensure the site is not susceptible to gullyng and vegetation is deep rooted and dense.

Manager Spence stated that he was hoping for 25 foot buffers with a minimum of 15 feet. Both Managers Moe and Anderson spoke in favor of the narrower buffers to encourage more participation and to go back to a more natural shoreline. Mr. Graske clarified that it is the size of the watershed flowing to a buffer that is important. If the watershed is too large, it will cause a sheet flow or ponding. Mr. Holtman stated that earlier in the year the Board passed a resolution for the cost share program establishing a baseline funding criterion of \$5,000 per pound of phosphorus reduction, but with the caveat that other benefits may be considered in determining District cost share. The key is coming up with assigning dollar amounts to other benefits. Manager Moe stated that he would like the program linked to phosphorus removal, but wants people to use the program. Mr. Olivier added that all had agreed that something is better than nothing, and that all had also agreed that maintenance is the burden. Lowering the maintenance requirements might be something to look at. Mr. Grundtner also suggested ensuring participants understand the maintenance agreement. Other issues discussed included helping participants identify weeds and/or helping them with maintenance possibly by hiring a contractor, encouraging a less manicured look for those wanting less maintenance, and/or tweaking the inspection piece. Ms. Schmitz reported that a recent applicant, who has had the design work done, would be a good candidate for the program. This would require putting funds in the budget for technical assistance to do a phosphorus reduction estimate. It was agreed that Managers Spence and Schmaltz will meet with the accountant to review the budget and provide input for an informed decision.

d) Moody Rehabilitation Feasibility

Dr. Funke summarized the feasibility analysis of Moody Lake restoration options. The study looked at three wetland basins in the northwest Moody Lake watershed that contribute the majority of the phosphorus load to Moody Lake. Restoration recommendations, moving from upstream to downstream, were divided into three phases. Phase 1 focuses on land acquisition/conservation easement to establish a buffer strip and exclude livestock, followed by soil excavation and monitoring in Wetlands A and B. If further reductions are needed, Phase 2 will focus on soil excavation and then monitoring in Wetland C. Phase 3, if needed, will focus on alum spot treatments to immobilize soil phosphorus. A Clean Water Fund proposal has been drafted to fund 75% of the project cost. Manager Anderson suggested exploring other grants such as the Initiative Funds available for projects in Chisago County and state and federal agricultural grants. Manager Moe noted that land acquisition might be difficult and suggested looking at an alternative water source or making a good offer

for the land. For uncooperative landowners, Manager Moe stated that lake associations have been able to sue under nuisance law by demonstrating that their properties have been harmed by the runoff. Dr. Funke clarified that alum treatments in wetlands are not experimental, however, the application method being proposed is experimental. Because the treatments are expensive, EOR is recommending removing the top layers of soil to remove the high levels of phosphorus before considering alum treatment. Alum treatments would be needed on a yearly basis if phosphorus continues to enter the wetland.

e) Bone Lake Diagnostic Report

Dr. Funke summarized the monitoring and modeling results to identify pollutant-loading hotspots and develop and locate BMPs to reduce the pollutant loads. The Melanie Trail and Meadowbrook tributaries were identified as hotspots. Five implementation priorities were recommended and a Clean Water Fund grant was drafted to fund 75% of the implementation costs. Manager Anderson stated that the report was very comprehensive. Margie Schmidt noted that several of the farms identified as hotspots are also lakeshore properties. She suggested that the lake association talk to the property owners as a next step with the Otte Farm being on the top of the list because the property is up for sale.

f) 3rd Lake Pond Feasibility

Mr. Graske presented a memo and plan sheet to the Board. He indicated that this is a project that came out of algae bloom investigation and study on the east side of Forest Lake, 3rd lake. The results of the study concluded that there was elevated levels of phosphorus coming through this pond. It is not a pond but actually a wetland. The purpose of the feasibility study was to look at what improvements to the wetland basin could be done to improve water quality coming out of it. As part of the study, the site was surveyed, sediment cores were taken, and an initial wetland assessment was performed. Some of the key findings included: this wetland is a Wetland Conservation Act (WCA) regulated wetland, vegetation around the perimeter is degraded, but the center island contains nice wetland species. Staff was tasked with figuring out how we can we maximize the storage in the wetland basin without impacting the native vegetation in the center. A 3 celled design within the basin was proposed with flow to the south being bermed off to direct flow through the cells. Of the 3 soil samples taken, 2 showed elevated phosphorus levels similar to those in the Moody Lake wetlands, but not quite as high. This tells us that the wetland is degraded and is more of a source of phosphorus than a sink. The plan is to remove those degraded soils and add more storage. In addition to the excavation, enhancement of existing vegetation and incorporation of a buffer around the basin is proposed. The plan is to work with property owners around the pond to do this. The parcel on which the wetland basin resides is tax forfeited, and the City of Forest Lake is in the process of acquiring it. Administrator Kinney met with the City Administrator earlier this afternoon. He indicated that the conveyance to the City will be up for county board approval this September. It is our understanding that the City will want to contribute to this project by acquiring the land and hopefully performing future maintenance of the facility. Mr. Graske also mentioned that the results of the sediment cores indicated that the

sediment will not be required to go into a landfill. However, high levels of iron in the sediment will limit disposal options specifically in residential areas. There are still other disposal options that exist. Mr. Graske also mentioned a skimmer structure on the outlet to prevent floatables from exiting the pond and prevent carp migration into the pond for spawning.

Estimated construction costs for the project are \$110,000. The total estimated costs come to \$150,000 when adding in engineering and contingency costs. The project would remove about 56 pounds of phosphorus per year. It is a good step in the right direction, but a lot more projects within the watershed will still be needed to reach the District's water quality goal for Forest Lake. The estimated cost per pound of phosphorus removal over the entire lifespan of the project is \$150/lb, which was agreed to be favorable. Factors that likely caused the degradation of the wetland include: past agricultural practices, manipulation of the basin such as channel excavation and filling in, and homeowners extending their lawns down to the wetland edge. Landowner coordination will be a necessary part of the project, as homeowners' lawns extend into the tax forfeit property where the proposed buffer would go. Mr. Graske proposed submitting a BWSR grant application. The board had budgeted \$60,000 for this project and aimed for winter construction. If the BWSR grant were obtained, it wouldn't be in effect until March 2016, causing delays in construction. Manager Anderson stated that there are some necessary steps to take before construction such as finalizing tax forfeit property acquisition etc. She asked if the City would grant the property to the District. Mr. Graske indicated that the City likely has the desire to own that property in order to gain access to a lift station. Mr. Graske mentioned that obtaining a maintenance agreement with the City would be desirable. Administrator Kinney clarified that he recently had a discussion with the City about overall agreements for maintenance. Manager Anderson moved to direct EOR to submit a grant application to BWSR for the 3rd Lake pond project. Seconded by Manager Moe. Upon vote, the motion carried 4-0.

g) Grant Application Update

Administrator Kinney reported that beyond the applications summarized above, there is just one additional grant application being submitted for wetland restoration work based off of the wetland inventory work that the Chisago SWCD completed in the prior year. District, City of Forest Lake and Bolton & Menk staff had several discussions regarding the Shields Lake drainage area. The City is interested in two potential grants, but plans to hold off on applying until the next round.

h) City of Forest Lake Stormwater Utility

Administrator Kinney reported that the City Council passed a stormwater utility rate increase of \$8 for the purpose of increasing street sweepings. The council will pass an increase again in the following years because there are more maintenance needs such as pond maintenance and Forest Lake's rates are below other metro city rates.

8. Report of Staff

a) Administrator

Administrator Kinney reported that he worked with the accountant on the issues raised at the budget workshop. A budget workshop was scheduled for Wednesday, September 2 at 4:30 p.m. at the District office to review the changes and the proposed levy before the public hearing.

b) Emmons and Olivier

Mr. Graske reported that the Shields Lake modeling has been completed and he will bring results to a future meeting.

c) Smith Partners – nothing to report

9. Report of Treasurer

a) Approval of Bills and Treasurer's Report

Manager Spence presented the Treasurer's Report. Manager Anderson moved to accept the Treasurer's Report and pay the bills in the amount of \$150,499.86.

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

10. Report of Officers and Managers – nothing to report

11. Adjourn Next Meeting —September 10, 2015

Manager Spence moved to adjourn the meeting at 8:25 p.m. Seconded by Manager Moe. Upon vote, the motion carried 4-0.

Wayne S. Moe, Secretary _____