

**DRAFT MINUTES OF THE REGULAR MEETING
OF THE
COMFORT LAKE – FOREST LAKE
WATERSHED DISTRICT
Thursday, July 12, 2018**

1. Call to Order

President Anderson called the July 12, 2018 regular board meeting to order at 4:05 p.m. in the offices of the Comfort Lake-Forest Lake Watershed District at 44 Lake Street South, Suite A, Forest Lake.

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

Others: Mike Kinney, Emily Heinz (via teleconference), Erin Edison, Peter Brennhofner (CLFLWD staff); Greg Graske, Meghan Funke (Emmons & Olivier Resources); Chuck Holtman (Smith Partners); Jerry Grundtner (Citizen Advisory Committee)

2. Setting of Meeting Agenda

Manager Spence moved to approve the meeting agenda as presented. Seconded by Manager Schmaltz. Upon a vote, the motion carried 5-0.

3. Consent Agenda

- a) **Regular Board Meeting Minutes – May 9, 2018**
- b) **Regular Board Meeting Minutes – May 22, 2018**

Manager McNamara moved to approve the consent agenda as presented. Seconded by Manager Spence. Upon a vote, the motion carried 5-0.

4. Public Open Forum

No comments were made.

5. Citizen Advisory Committee Update

CAC Chair, Jerry Grundtner, reported that the CAC recently discussed: prioritizing activities for East Metro Water Resources Education Program (EMWREP), and communication and outreach within the community – what has been done so far, what needs to be improved, and how to get people more involved in projects such as the pavement stenciling. Mr. Grundtner indicated that the CAC's recommendation to the CLFLWD Board is to hire a part-time communications staff member or consultant. He expressed that current District staff mostly spend time on implementing projects, which is a good thing, but there needs to be more outreach to the average resident within the District. Another recommendation by the CAC is that the District should consider setting up a foundation that

could promote community programs such as children's summer camps and scholarships. He indicated that the CAC will bring an outline with further details on this recommendation to a future board meeting.

Manager McNamara asked if the CAC discussed specific strategies for public outreach. Mr. Grundtner explained that rotary clubs, lions clubs, and churches may be good groups to reach out to. Manager Schmaltz expressed concern about the cost-benefit ratio of residential best management practice (BMP) projects as it relates to nutrient load reductions to District waterbodies. There was discussion about current outreach efforts and recommended future outreach objectives.

6. New Business

a) AIS Update

Watershed Technician Emily Heinz gave an update on the most recent aquatic invasive species (AIS) activities. The Shields Lake carp survey will occur later this summer. It will cost more to add carp ageing analysis, but there are remaining funds in the overall AIS budget that will cover this and the information will be useful for management decisions. The first round of flowering rush herbicide treatment on Forest Lake is scheduled for tomorrow, July 13th. The Lake Keewahtin AIS detection survey will occur later this month.

There was discussion about the plant harvester that the City of Forest Lake operates on Forest Lake. President Anderson expressed concern about floating fragmented plant matter that the harvester cuts but does not completely pick up. She was concerned about the zebra mussels latching on to the plants which float down the Sunrise River, eventually into Comfort Lake. Ms. Heinz explained that zebra mussels reproduce by releasing many microscopic offspring which float in the water. If the District wanted to stop zebra mussels from spreading downstream through natural flow pathways, it would have to filter out all of the water that leaves the lake. She explained that Blue Water Science has talked to staff about this option before and suggested that it is very expensive and not proven to work, especially considering that most invasive species spread via watercraft rather than natural pathways. President Anderson expressed that the District should be doing whatever it can to stop the migration of zebra mussels, and that the Board can discuss further during the budget process.

Manager Schmaltz noted that there appears to be a problem with the zebra mussel sampler plates this year; zebra mussels in Forest Lake are not attaching to them as they did in previous years. He hypothesized that year after year cleaning efforts has made the surface less attractive to the mussels. Manager McNamara noted that her dock appears to be attracting fewer attached mussels this year. She did not clean it with cleaning chemicals or something similar. It is unclear why the mussels aren't attaching. Ms. Heinz noted that staff is aware of the sampler plate issue and is working on a solution.

b) MN State Statute 103D.311

President Anderson expressed concern about the number of vacancies on the board due for this year. Legal Counsel Holtman summarized the process and associated responsibilities of renewing existing manager positions and filling vacant manager positions. President Anderson noted that according to the statutory language, certain procedures such as those related to cities supplying candidate lists apply only to watershed districts located wholly within the seven-county metro area, and so would not seem to apply to the District. President Anderson recommended that the District create a policy to ensure that manager term expiration dates are staggered.

President Anderson moved to establish a practice by which the Administrator will notify the counties 90 days prior to the expiration of a manager's term. Seconded by Manager Spence.

Discussion: Administrator Kinney clarified that staff will revise the governance manual to reflect this, and work with the counties to stagger manager term expiration dates.

Upon a vote, the motion carried 5-0.

7. Old Business

a) 2018 EMWREP Activities Prioritization

President Anderson requested that the “watershed steward” decals idea be added to list of priorities. Under this program, local business or other organizations can get recognition for implementing water-friendly practices on their property through the use of decals that the business/organization can display.

Manager Moe moved to accept the CAC's proposed list of prioritized EMWREP activities, as amended. Seconded by Manager Spence. Upon a vote, the motion carried 5-0.

b) 3rd Lake Pond Project – Prairie Restorations Contract

Administrator Kinney recapped that the Board previously approved a not-to-exceed amount for this work back in March. Since then, additional surveys have been performed on the site without snow cover, which identified that more work than originally anticipated needs to be done. The revised work proposal from Prairie Restorations has now been received and is included in this meeting for Board approval of a higher NTE amount. The extra funds would come from reserve.

Manager Moe moved to authorize the District Administrator to enter into an agreement, upon review of legal counsel, with Prairie Restorations, Inc. for the revised amount not to exceed \$10,540 to complete project restoration and future maintenance efforts as part of the 3rd Lake Pond project. Seconded by Manager Spence.

Discussion: Manager McNamara asked whether the work isn't the responsibility of the project contractor, and why the restoration hasn't been completed sooner. Mr. Kinney explained that the previous contractor tasked with the restoration, Peterson Companies, was on several occasions told by landowners to leave the site, despite the fact that the work was located on City of Forest Lake property. Due to these types of conflicts with the surrounding landowners, Peterson Companies never finished the restoration work in the timeline needed for that work to be successful. The need for the work is not due to any inadequate work by Peterson Companies. The District has a deduction from the Peterson Companies contract which partially covers the remaining cost. There have been multiple conversations with the surrounding homeowners over the past year and it has been a challenge to manage expectations for the work. President Anderson stressed that a lesson learned here is to do extra communication and use several visual explanations in order to communicate with surrounding homeowners for future projects.

Upon a vote, the motion carried 5-0.

c) Additional Monitoring – Revised Technical Services Agreement

Mr. Kinney explained that at the March 22nd 2018 board meeting, the Board approved a budget for 2018 effectiveness monitoring for \$20,469 which left \$9,531 of the budgeted \$30,000 for this effort. At that meeting the Board discussed other monitoring that could be done and ultimately the Board directed staff to review other uses for these funds. Since then, staff, working with EOR, identified some data gaps in the Comfort Lake subwatershed related to load reductions coming out of Shallow Pond and before entering the Sunrise River at 256th St.. This revised technical services agreement with WCD reflects this additional monitoring effort.

Manager Schmaltz moved to authorize the Board President to execute the revised agreement, upon review of legal counsel, with the Washington Conservation District for an additional amount not to exceed \$11,151 for monitoring at Greenway Ave and at 256th St. Seconded by Manager Moe. Upon a vote, the motion carried 5-0.

d) Regional Treatment Identification – Phase 1 Update

Engineer Graska described progress made on this initiative to date. Phase 1 tasks include interagency meetings, data collection and review, and summary memo with next steps. Mr. Graska summarized recent discussions with the cities of Forest Lake and Wyoming regarding regional stormwater treatment needs, potential BMPs, and potential locations. He presented some of the main potential sites for regional treatment facilities for these two cities. Recommended next steps include further exploration of potential regional treatment areas identified in this process, diagnostic study of the Sunrise River and assessment of other regional opportunities, and future update of the Hydrologic/Hydraulic Model for the Sunrise River drainage area.

Mr. Graska's presentation can be found at www.cflwd.org/7-12-18BoardMeetingPacket.php.

[Manager Moe left the meeting.]

e) Project Updates

Administrator Kinney provided the following updates:

- Moody Lake Wetland Rehabilitation Project: The Wetland A/B alum spot treatments were completed in June. Mr. Kinney met with the property owner downstream of Wetland C to discuss easement finalization, project design, and construction timing.
- Moody Lake Alum Treatment: The project ordering will occur at the August 9th regular board meeting, and aiming to complete the alum treatment during the first week of October.
- Shields Lake Stormwater Harvest, Irrigation Reuse System, and Alum Treatment: Construction of the stormwater harvest and irrigation reuse system is slated to begin mid-late October.
- Bone Lake Drained Wetland Rehabilitation Project: Staff and WCD are finalizing project design, landowner agreements, and construction quotes. The goal is to begin construction in late August.

Dr. Funke noted that EOR will present on monitoring data collected this year at the July 26th regular board meeting.

f) Budget Schedule/Loan Update

Administrator Kinney described staff's recommended outline for the 2019 budget meeting schedule. He also noted that the Clean Water Partnership loan is now fully executed and the District can begin requesting disbursements. The Board agreed to schedule two additional budget workshops this year:

- Tuesday, July 24 at 4:30 pm at the District office
- Tuesday, August 14th at 4:30 pm at the District office

g) 2019 Budget

Each manager provided comments on the draft 2019 budget.

Manager Spence had questions about changes between the 2018 yearend totals and the 2019 budget totals. He indicated that he will work with staff directly to address his specific questions.

Manager Schmaltz provided several comments:

- Staff should provide an updated grant summary sheet
- Staff should provide an expense/revenue recap sheet

- Staff should try to include phosphorus reduction estimates in the PRAP Progress Evaluation Table
- The District should consider raising the budgets for accounting and legal professional services to reflect projected 2018 yearend expenditures
- Staff should provide an estimate on certainty of grant awards
- Staff should be prepared to explain why there are large increases to certain line items

President Anderson provided several comments:

- Consider adding extra funding to manager per diem and reimbursement line items to account for increased manager participation in additional meetings such as One Watershed-One Plan
- Consider increasing the Education budget to at least \$90,000 in order to address CAC's recommendations
- There is a need to advance implementation of the cost-share programs
- Consider adding more projects for the Comfort Lake management district. President Anderson expressed that the Sunrise River diagnostic study is not enough, and that she would like to see more dollars going toward the Comfort Lake subwatershed.
- She asked if \$100,000 is enough for the WJD-6 project. Engineer Graske explained that there are funds in several items within the Forest Lake subwatershed, and they can be shifted as needed, based on what we learn at the end of this year's monitoring.

[Manager McNamara left the meeting]

Manager Schmaltz requested that the managers' comments and requested revisions be tracked separately from the draft budget itself. This way, the entire Board agrees on any increases or decreases, which will make it easier to keep costs in check. He recommended that the Board keep the total expense budget at approximately its current amount, so any additions have to be accompanied by an approximately equal decrease.

There was discussion about priority setting and water quality goals. President Anderson suggested that the Board consider pulling back on some projects because some of the District's lakes are so close to their goals; if a lake is at its 30-year water quality goal already, then maybe we hold off on some of those projects. There was discussion about projected increases in both program and project implementation, and the necessary staff or consultant expenses that accompany that increased work load. Manager Spence stressed the importance of putting a cap on spending. There is a lot of work that needs to be done, but the District can't do all of it at once, which is why priority setting is so important. Administrator Kinney stressed the importance of gathering monitoring data and estimated pollutant loads in order to be able to identify projects and submit strong grant applications. Monitoring is an investment which can pay for itself with grant funds.

There was agreement that staff would take the managers' comments and compile the changes for discussion at the next budget workshop on July 24th.

8. Report of Staff

a) Administrator

Nothing to report. President Anderson noted that she attended the MAWD Summer Tour this year and gave some information to Ms. Lindemyer to share with the rest of the board.

b) Emmons & Olivier Resources

Nothing to report.

c) Smith Partners

Nothing to report.

9. Report of Treasurer

a) Approval of Bills and Treasurer's Report

Treasurer Schmaltz reported income for the period of \$19,776 and expenses of \$126,534.74.

Manager Spence moved to accept the Treasurer's Report and pay the bills in the amount of \$126,534.74. Seconded by President Anderson. Upon vote, the motion carried 3-0.

Manager Schmaltz noted that he has been working with staff on closing out some of its MidWestOne Bank accounts and shifting funds over to Lake Area Bank, per Board discussion and action at the January 16, 2018 regular board meeting.

10. Report of Officers and Managers

Nothing to report.

11. Summary and Approval of Board Direction

[In the interest of time, this agenda item was skipped.]

12. Administrator MBO Finalization

By unanimous consent the Board convened in closed session to continue the performance evaluation of the District Administrator. Administrator Kinney did not elect for the discussion to occur in open session.

The Board reconvened in open session. The Board adopted the Management By Objective structure as presented.

13. Adjourn

- a) Next special board meeting – July 24, 2018**
- b) Next regular board meeting – July 26, 2018**

Manager Spence moved to adjourn the meeting at 7:27 p.m. Seconded by Manager Schmaltz. Upon vote, the motion carried 3-0.

Wayne S. Moe, Secretary _____