

MEMORANDUM
Comfort Lake-Forest Lake Watershed District

To: Board of Managers

Date: May 25, 2022

From: Mike Kinney

Subject: Lake Association Grant Program

Background/Discussion

The purpose of this agenda item is to review the status of the Lake Association Grant Program and give direction as to how the Board would like to proceed.

Documented in the [March 11th, 2021](#), summary of board direction, it was requested that the Board and staff give input on the eligibility of lake associations to utilize funds from the District's community grant program for aquatic invasive species (AIS) treatments.

Staff provided the Board with the Chisago County Lake Improvement District's (LID) lake association grant as a model to reference at the [March 11th, 2021](#), regular meeting. Following the discussion, the Board directed staff to prepare a draft cost-share program using components of the LID's program and suggestions made by the Board. Staff drafted this document and brought it to the [March 25th, 2021](#), board meeting. Further discussion occurred at that meeting, and Manager Anderson offered to prepare a draft of an initial framework.

On [April 28th, 2021](#), Manager Anderson presented to the Board a draft grant program description that she had prepared. It was requested of the Board to review the document and provide feedback for the following meeting. During the [May 13th, 2021](#), regular meeting, the Board made a motion to approve Manager Anderson's grant program description as presented, with suggestions made by the Board, and directed Manager Anderson to work with staff and counsel to develop an application and review process. The understanding at the time was that staff and Manager Anderson would bring back the program outline, application form, and review form to the Board for review and approval at a future meeting.

Using the approved program description, staff worked internally to expand upon and develop the grant program. Staff considered the desired outcomes as well as appropriate constraints to fit the public purpose element of disbursing public funds. Several additions were incorporated into the draft, which staff felt enhanced the program and added a process for fair application review. These additions included:

- Review Committee Guidelines: The review committee would consist of only District staff and Citizen Advisory Committee (CAC) members. Members of the review committee that live on or are closely affiliated with the applicant's lake should abstain from the review process to avoid real or perceived conflict of interest concerns.
- Funding Scale: To encourage programs and projects that benefit a wider array of taxpayers, the level of funding for an application could be tied to the number of taxpayers who would benefit.
- Program Eligibility: Opening up the grant program to other community organizations and funding projects on waterbodies without lake associations. Establishing a more inclusive eligibility framework would align with the description of the Commercial/Community Grant Program from the Watershed Management Plan (implementation item 3004D).

At the [August 12th, 2021](#), regular board meeting, staff presented the draft program description, application form, and application evaluation document for review and feedback. The initial response was positive, as some board members thought the materials were done very professionally and worked to flesh out the program. However, Manager Anderson felt the draft materials strayed too far from her initial vision for the program. Following this discussion, the Board formally tabled work surrounding this program and directed

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Manager Anderson to speak with the District's three lake associations for input and to continue coordinating with staff on the development of the program for future presentation to the Board. At that meeting, a suggestion was made to utilize the District's existing community grant program for the time being. However, the District's Commercial/Community Grant Program, as described in the Watershed Management Plan, still does not have an associated application form or review process; it is merely a brief description in the WMP that is focused on non-point source pollution abatement (i.e., stormwater treatment).

On June 17th, 2021, while the program outline/application/review form were still being re-worked, District staff received an application from the Comfort Lakes Association (CLA) requesting grant funds for their Eurasian watermilfoil (EWM) treatment. CLA indicated in their application that they planned to perform a ProcellaCOR treatment by the end of September. With the Lake Association Grant Program tabled, the application was brought to the Board on [September 9th, 2021](#), for input on how to process the application. Despite the program description, application form, and evaluation document still not being finalized, the Board approved payment of \$7,381 to the Comfort Lakes Association from the District's general AIS budget. It should be noted that the program was not publicized in any way, nor were other lake associations offered this same opportunity for grant funding in 2021.

On May 3rd, 2022, District staff met with Comfort Lakes Association board members. The CLA board members mentioned that additional funding would be needed to afford their planned whole-lake Fluridone treatment for EWM. The lake association received a \$25,000 grant from the Minnesota DNR, but treatment expenses are estimated between \$50,000 and \$60,000. The CLA has already contracted Lake Management Inc. for this treatment, and work is anticipated to begin sometime in early-June. In addition to the treatment costs, the CLA also asked if the District would coordinate and possibly fund pre- and post- treatment point intercept (PI) surveys (estimated cost of \$5,400). The CLA did not communicate this expense to the District before the May 3rd meeting. The District did not budget enough for two full point-intercept surveys in its 2022 budget. Rather, the District merely budgeted for a single, less expensive meander survey. The Watershed Management Plan establishes a 5-year cycle for performing full point intercept surveys on District lakes (Comfort Lake is due for its regular 5-year PI survey in 2024).

Lastly, it should be noted again that no other lake association has announced their intention to apply for EWM grant funding as staff has not shared information regarding the grant program due to it being tabled at the August 12th, 2021 regular board meeting and received no further direction following. Only just recently, on May 24th 2022, was a revised draft outline and grant application received by staff from Manager Anderson (attached below).

Recommendations for Discussion

Staff recommends the Board consider the following options:

1. Direct staff to continue working with Manager Anderson to further develop the latest draft materials and bring back to the Board for approval prior to implementation
2. Make amendments to the Commercial/Community Grant Program to included AIS management and consider the necessity of a separate grant program
3. Have the District take EWM management under its umbrella of AIS activities

Links to past iterations of draft Lake Association Grant Program materials

- [Manager Anderson's Lake Association Grant Program Proposal](#) – Approved on May 13th, 2021
- [Staff created Lake Association Grant Program](#) – Program Description, Application Form, and Application Evaluation Document

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Attachments:

- May 24th, 2022 Lake Association Grant Program Proposal
- May 24th, 2022 Lake Association Grant Program Application Form