

1 **DRAFT MINUTES OF THE REGULAR MEETING OF THE**
2 **COMFORT LAKE–FOREST LAKE WATERSHED DISTRICT**
3 **Thursday, September 12, 2024**

4
5 **1. Call to Order**

6
7 President Schmaltz called the September 12, 2024, regular board meeting to order at 6:30
8 p.m. at the CLFLWD office, 44 Lake Street South, and via online video conference.

9
10 **Managers Present:**

11 Steve Schmaltz, President
12 Christopher Loth, Vice President (virtual attendance)
13 Dave Bakke, Secretary (virtual attendance)
14 Jackie Anderson, Treasurer
15 Douglas Toavs, Assistant Treasurer (virtual attendance)

16
17 **Staff Present:**

18 Mike Kinney, District Administrator
19 Emily Heinz, Planning Coordinator
20 Tori Philippi, Office Manager
21 Adam Hjelm, Education & Outreach Coordinator
22 Mike Sandager, Permitting Coordinator
23 Aidan Read, Land Management Specialist

24
25 **Others Present:**

26 Anne Wilkinson, Emmons & Olivier Resources
27 Chuck Holtman, Smith Partners
28 Scott Kragness, Metro East Commercial Real Estate Inc.

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31 **2. Setting of Meeting Agenda**

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33 Manager Anderson moved to approve the agenda as presented. Seconded by Manager
34 Bakke. Upon a roll call vote, the motion carried 3-0.

35

Manager	Aye	Nay	Absent	Abstain
Dave Bakke	X			
Christopher Loth			X	
Doug Toavs			X	
Jackie Anderson	X			
Stephen Schmaltz	X			

36 Manager Toavs and Manager Loth joined the meeting.

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38 **3. New Business**

39
40 **a) East Metro Water Resource Education Program (EMWREP) Contract**

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42 Manager Anderson introduced the topic. The current East Metro Water Resource
43 Education Program (EMWREP) contract is up for renewal at the end of this year.
44 EMWREP's proposed contract covers 2025-2027 and starts at an annual contribution
45 of \$24,577 for the CLFLWD. The contract includes a 4% increase for all partners in years
46 2 and 3 to account for inflation.

47
48 Manager Anderson moved to not sign the EMWREP contract. Seconded by Manager
49 Bakke.

50
51 Manager Anderson indicated she has attended the EMWREP steering committee
52 meetings this year. She explained that the EMWREP program started roughly 20 years
53 ago with 8 watershed districts, and the membership has now grown to 33 entities.
54 She stated that the majority of the cost burden is still being shouldered by the original
55 8 watershed districts. Manager Anderson explained that the District's participation in
56 EMWREP has been relatively affordable up to this point, but the outreach services are
57 general in nature and not tailored to the CLFLWD's needs. She stated that it's hard for
58 the program to provide individualized service to each partner when there are that
59 many partners.

60
61 Manager Toavs asked if District staff has the capacity to make up for the loss of
62 EMWREP services and provide the sort of tailored services that the District needs. Mr.
63 Kinney responded that the District now has a full-time Education & Outreach
64 Coordinator, who can provide a great deal of outreach work for the District. He
65 clarified that EMWREP staff do good work, but the District needs more tailored service.
66 He noted that the 2025 budget has roughly \$14,000 earmarked for EMWREP. Mr. Kinney
67 noted that Forest Lake residents pay four times for EMWREP services because four
68 EMWREP partners overlap with Forest Lake boundaries: City of Forest Lake,
69 Washington County, the Lower St. Croix IWIP, and the CLFLWD. He noted that there is
70 some uncertainty with how EMWREP's revenues from TikTok are being handled.

71
72 Manager Anderson explained that the District used to have one person on staff, so it
73 was important that its outreach services were outsourced to EMWREP. At that time,
74 the budget allowed it. The District has grown over the years, and now has in-house
75 staff to provide education & outreach services specifically for the CLFLWD. Mr. Kinney
76 stated that the EMWREP dues formula doesn't reflect the District's needs from the
77 program.

78 President Schmaltz offered one reservation that EMWREP is a collective effort that
 79 rests on mutual participation. Manager Toavs suggested that there might be a
 80 conversation about the charge formula. Manager Anderson agreed as to the need
 81 for that conversation, but believes that EMWREP is no longer useful to the District, and
 82 the money budgeted for EMWREP is better spent on our own targeted program for
 83 outreach and education within our own boundaries. She said the District's budget is
 84 tight, with \$1 million dedicated to staff costs and \$500,000 to loan repayment. She
 85 stated that the District needs to be very prioritized with the remainder of its budget.

86
 87 Manager Anderson noted the District has until November to make this decision.
 88 Manager Bakke suggested the board vote now.

89
 90 Upon a roll call vote, the motion carried 5-0. The managers asked that staff prepare
 91 in writing the Board's rationale for its action and distribute it to the managers.

92

Manager	Aye	Nay	Absent	Abstain
Dave Bakke	X			
Christopher Loth	X			
Doug Toavs	X			
Jackie Anderson	X			
Stephen Schmaltz	X			

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b) Office Lease Option

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Mr. Kinney explained this topic is two-fold: lease extension for current building and
 97 future building partnership option.

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Manager Anderson stated that the District received the lease extension for the
 101 current office rental space, but there are a few issues with language. Legal Counsel
 102 Chuck Holtman explained that reference to the lease as an "NNN" lease is not
 103 appropriate. He indicated the reference had been removed in one place, but
 104 remained in another. He recommended that this reference be removed. He also
 105 suggested that the managers authorize the administrator to sign the lease so that
 106 this could be done electronically. Manager Anderson noted the District is tax exempt.
 107 Scott Kragness indicated that the building owner is working to ensure the District is
 108 not paying any taxes on its rent.

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109

Manager Anderson moved to approve the lease with the amendment outlined by
 110 legal counsel and to authorize the District Administrator to sign the lease. Seconded
 111 by Manager Bakke. Upon a roll call vote, the motion carried 5-0.

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Manager	Aye	Nay	Absent	Abstain
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Dave Bakke	X			
Christopher Loth	X			
Doug Toavs	X			
Jackie Anderson	X			
Stephen Schmaltz	X			

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Manager Anderson explained that Metro East Commercial Real Estate Inc. has proposed an alternative path for the District to find a new office space. Mr. Kragness explained that Metro East Commercial Real Estate Inc. could work with a client who is interested in purchasing real estate. The client would purchase the new building/site and construct a building in accordance with District specifications. The client would then lease the space to the District on a long-term basis, typically a 10-year or 20-year lease agreement.

Manager Anderson asked Mr. Holtman if there are any legal factors prohibiting the District from such a partnership. Mr. Holtman said he believes this would be a viable path from a legal standpoint. He recommended that the District should take care in the drafting of the agreement, as each party would be making a substantial commitment with respect to a building that would not yet exist. Mr. Kragness agreed that all parties would want to take a lot of time to make sure the arrangement works for all involved.

Manager Loth left the meeting.

Manager Bakke stated that the timing of this topic is appropriate because the District is about to embark on a strategic planning process, which will include a strategy for the office space search.

Mr. Kragness offered to follow up with more information if the District has any questions.

4. Old Business

a) State of the Watershed Update

Adam Hjelm provided an update on the State of the Watershed event planning. He indicated the District has 92 RVSPs so far, and the venue can prepare additional food to accommodate more, if needed. Mr. Hjelm presented an outline of the event program including display tables and social hour, presentations, buffet dinner, and watershed champion awards. He explained there are 5 award nominees, all of which have been informed of their nomination. Manager Anderson asked for a breakdown of people who have RSVP'd. Mr. Hjelm estimated that approximately 1/3 of RSVPs are government partners, and the remaining 2/3 are members of the general public.

151 **b) Roles and Authorities as to Flow in Channels**

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153 Mr. Holtman noted that this topic arose last meeting when a local resident attended
154 the meeting and submitted comments about inadequate flowage in a ditch on his
155 property. Mr. Holtman explained that there are different authorities and
156 responsibilities associated with varying types of drainages such as public drainage
157 systems established under the state drainage code, ditches owned or operated by
158 public entities, private ditches, and natural channels.

159
160 Mr. Holtman explained there is only one public drainage system within District
161 boundaries: Washington Judicial Ditch (WJD) 6. The District is the “drainage
162 authority” responsible for managing WJD 6 pursuant to MN Statute Chapter 103E. The
163 statute requires that the District inspect the system “on a regular basis”, and at least
164 every five years. The District is responsible to maintain the hydraulic efficiency of WJD
165 6, subject however to the Board’s consideration of the benefits and cost of doing so
166 for the owners of lands drained by the system, ecological impacts and other
167 judgments of public benefit. Any party owning land that drains to WJD 6 may petition
168 the Board to consider a system repair. Questions of maintaining WJD 6 may arise
169 with respect to its existing condition, or with respect to a circumstance such as a
170 beaver dam or fallen tree. He indicated that the District does not have a legal
171 obligation to remove obstructions from other types of channels, though it has the
172 authority to do so, subject to landowner permission, if it finds that the action would
173 be in the general public interest.

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175 **5. Program/Project Update**

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177 **a) Project Update**

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179 Mr. Kinney noted that the project update presentation slides are available on the
180 District website. Two projects are nearing closeout – Moody Lake Capstone and WJD-
181 6 Wetland Enhancement. The Heath Iron Enhanced Sand Filter project is moving
182 forward with continued progress on project feasibility, landowner purchase
183 agreement, Clean Water Fund grant application, and property rezoning/subdivision.

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185 **b) Program Update – Shoreline Inventory**

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187 Aidan Read presented a summary of the District’s 2024 shoreline inventory efforts on
188 Moody Lake, Birch Lake, School Lake, and Shields Lake. He noted the District performed
189 shoreline inventories on Forest Lake, Bone Lake, and Comfort Lake in 2023. Mr. Read
190 stated that the District’s shoreline goal for its lakes is to achieve 75% natural coverage
191 on 75% of the lake’s shoreline. Shields, School, Moody, and Birch lakes each received
192 an overall shoreline score of “moderate.” All four lakes are currently exceeding the
193 District’s shoreline goals. Mr. Read noted that staff plans to inventory Lake Keewahtin

194 and Little Comfort Lake in 2025, which will complete the slate of inventories of the
195 nine priority lakes in the Watershed Management Plan.

196
197 Manager Anderson requested that the DNR classification for each lake be shown
198 during presentations such as this. She stated that each lake is unique, and a General
199 Development lake can't be held to the same standards as a Natural Environment
200 lake. President Schmaltz asked if Mr. Read could find comparable shoreline
201 information for Bald Eagle Lake and White Bear Lake. Mr. Read said he would see what
202 he could find online and share with the Board.

203 204 **6. Summary and Approval of Board Direction**

205
206 The following board directives were summarized:

- 207 • Staff will write up and distribute to the managers rationale for not signing up for
208 the EMWREP contract
- 209 • Staff will, as appropriate, include reference to the DNR classification of
210 waterbodies and wetlands that are the subject of presentations.
- 211 • Mr. Read will make available to the board information on shoreline inventories
212 for other lakes

213 214 **7. Adjourn**

215 216 **a) Next regular board meeting – September 26, 2024**

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218 Manager Anderson moved to adjourn the meeting. Seconded by President Schmaltz.

219 Upon a roll call vote, the motion carried 4-0, and the meeting was adjourned at 8:11
220 p.m.

221 222 Manager	Aye	Nay	Absent	Abstain
Dave Bakke	X			
Christopher Loth			X	
Doug Toavs	X			
Jackie Anderson	X			
Stephen Schmaltz	X			

223 Dave Bakke, Secretary -----