

**DRAFT MINUTES OF THE REGULAR MEETING OF THE  
COMFORT LAKE-FOREST LAKE WATERSHED DISTRICT  
Thursday, September 25, 2025**

**1. Call to Order**

President Anderson called the September 25, 2025, regular board meeting to order at 6:30 p.m. at the CLFLWD office, 44 Lake Street South, and via online video conference.

**Managers Present:**

Jackie Anderson, President  
Dave Bakke, Secretary  
Steve Schmaltz, Treasurer  
Douglas Toavs, Assistant Treasurer  
Jim Schottmuller, Manager

**Staff Present:**

Mike Kinney, District Administrator  
Tori Philippi, Office Manager  
Emily Heinz, Planning Coordinator  
Mike Sandager, Permitting Coordinator  
Aidan Read, Land Management Specialist  
Brad Jernberg, Business & Operations Manager  
Adam Hjelm, Outreach and Educator Coordinator  
Jackie Bussjaeger, Technician  
Katherine Miller, Seasonal Technician

**Others Present:**

Anne Wilkinson, Emmons & Olivier Resources  
Greg Graske, Emmons & Olivier Resources  
Chuck Holtman, Smith Partners  
Randy Schumacher, CAC Member  
Ted Hansen, CAC Member  
Jerry Grundtner, CAC Member  
Keith Kuhnly, CAC Member  
Chris Parucci, Forest Lake Association President  
Denise Martin, Chisago County Press  
Julie Ohman  
Chris Loth  
Jenny Erickson  
Daniel Tuott

Commented [BJ1]: Can you please add me to Staff Present. Thanks.

## 2. Oath of Office

Mr. Holtman administered the oath of office to Jim Schottmuller. The Board congratulated and welcomed him.

## 3. Setting of Meeting Agenda

President Anderson requested to move item 8a, New Manager and Board Officer Positions, to a future meeting to allow Manager Schottmuller more time to understand the responsibilities of each office.

Manager Bakke moved to approve the agenda as amended. Seconded by Manager Toavs. Upon a roll call vote, the motion carried 5-0.

| Manager          | Aye | Nay | Absent | Abstain |
|------------------|-----|-----|--------|---------|
| Jim Schottmuller | X   |     |        |         |
| Dave Bakke       | X   |     |        |         |
| Doug Toavs       | X   |     |        |         |
| Stephen Schmaltz | X   |     |        |         |
| Jackie Anderson  | X   |     |        |         |

## 4. Consent Agenda

- a) Special Board Meeting Minutes- July 28, 2025
- b) Special Board Meeting Minutes – August 11, 2025
- c) Regular Board Meeting Minutes – August 14, 2025
- d) Special Board Meeting Minutes – August 20, 2025
- e) Regular Board Meeting Minutes – August 28, 2025

Manager Schmaltz moved to approve the consent agenda as presented. Seconded by Manager Bakke. Upon a roll call vote, the motion carried 5-0.

| Manager          | Aye | Nay | Absent | Abstain |
|------------------|-----|-----|--------|---------|
| Jim Schottmuller | X   |     |        |         |
| Dave Bakke       | X   |     |        |         |
| Doug Toavs       | X   |     |        |         |
| Stephen Schmaltz | X   |     |        |         |
| Jackie Anderson  | X   |     |        |         |

## 5. Public Hearing: 2026 Budget & Levy

73 President Anderson introduced the proposed 2026 budget and property tax levy and  
74 explained that the levy must be certified to Washington County and Chisago County by  
75 September 30. Further meetings with the public are planned for October and  
76 November. Until December 26, 2025, the board may decrease the levy but may not  
77 increase it.

78  
79 Administrator Kinney and Manager Schmaltz presented an overview of the budget  
80 proposal to the board and attendees. Total District expenses in 2026 are expected to  
81 be \$4.4 million. The potential levy range will be between \$2.1 million and \$2.2 million.

82  
83 Currently, the tax impact for a median value home in Washington County (\$415,400) is  
84 \$200 per year. In Chisago County, a median value home (\$450,000) pays \$249 per  
85 year. The proposed 2026 levy range would increase this number to the range of \$244-  
86 \$252 for a Washington County median value home, and between \$296-\$306 for a  
87 Chisago County median value home.

88  
89 Administrator Kinney provided an overview of the District's work over the last 25 years  
90 in the community, highlighting different water quality projects, program areas, and  
91 grant seeking efforts. Historically the District has aimed, to the extent possible, to fund  
92 its programs and projects by grants and other sources rather than the tax levy, and it  
93 will continue to place emphasis on finding additional grant funding in 2026.

94  
95 To balance the budget, the District has also implemented adjustments such as  
96 changes to the permitting program so that permit costs related to construction will be  
97 captured entirely from private permit applicants, rather than placing the financial  
98 burden on taxpayers. Going forward, the District will likely follow a conservative  
99 spending approach, especially in regard to its monitoring program, to limit the effect  
100 on the taxpayers.

101  
102 Administrator Kinney added that the District has used scientifically based diagnostic  
103 monitoring methods to target projects with the biggest water quality benefits. Its ability  
104 to delist Bone Lake from the MPCA Impaired Waters List within a decade has changed  
105 the scientific understanding of how long it truly takes to improve impaired waterways.

106  
107 Manager Schmaltz provided additional reasoning for the proposed levy increase, which  
108 has been set for as much as 23 percent with the option to limit the increase to 20  
109 percent. He explained that ups and downs in the market are a natural part of operating  
110 an organization, and it is no different at CLFLWD. He pointed to inflation of material  
111 costs due to COVID as one of the reasons the District has accrued loan debt that now  
112 needs to be repaid. He also explained that when compared to past levy increases, the  
113 ratio has stayed the same related to estimated home market values.

He illustrated the many benefits that residents and visitors have enjoyed due to the District's efforts, allowing them to swim, boat, and enjoy lakes that were once choked with algae. The public is enjoying clean waters, but the loans that made it possible now need to be repaid.

President Anderson opened the floor for public comment. Attendees included members of the CLFLWD Citizen Advisory Committee and members of the public.

Randy Schumacher asked whether the loan payments could be extended. President Anderson responded that CLFLWD has a good relationship with its loan servicer, and requesting an extension or negotiating repayment is a possibility. Members of the board stated that the District would not be likely to take out more loans, instead focusing efforts on sourcing funding through grants.

Ted Hansen pointed out that a minority of residents live on lakeshore property, and asked what benefits exist for residents who do not own lakeshore. President Anderson and Manager Schmaltz responded that all water in the watershed is connected and has a downstream impact, regardless of whether a residence is located on lakeshore property.

Daniel Tuott asked whether it is possible to decide on the final percentage increase in the next few months, once it is known which grants have been awarded. Manager Schmaltz said that there is still time before the final levy submission deadline to learn whether the District receives more grant funding, and to lower the percentage increase before the end of the year.

Administrator Kinney shared that the District has plans to approach the MPCA and the Board of Water and Soil Resources about capturing funds to cover preplanning costs for projects. In other watersheds and soil conservation districts, it is common to use computer modeling alone to determine areas of highest impact. However, CLFLWD uses sequential monitoring to inform its project design, which in some cases has proved to be more effective. This type of data collection is not typically covered by BWSR grants but is essential for implementation.

President Anderson determined that there was no one present at the meeting or virtually with further comment and closed the budget hearing. The regular agenda resumed.

## **6. Public Open Forum**

No comments given.

## 7. Advisory Committee Update

Land Management Specialist Aidan Read reported that the majority of the last CAC meeting was spent discussing the 2026 budget. Members discussed the results of phase II of the St. Anthony Falls Laboratory study of the impact of wake boats on lake ecosystems. A watershed update was also provided, as the CAC had no formal meeting in August.

The CAC will next meet at 5 p.m. on Tuesday, Oct. 14.

## 8. New Business

### a) 2026 Budget & Levy Adoption

The board previously decided it would set the levy at a figure between \$2,167,012 and \$2,233,838. The board considered adoption of Resolution A set at \$2,167,012, and Resolution B set at \$2,233,828.

Manager Schottmuller asked what the effective difference would be between the two choices. Manager Schmaltz responded that the higher amount would allow the District to pay off its loans faster. Administrator Kinney added that the higher amount creates less risk that the District will need to draw on loans again to make up for any unexpected shortfalls in the budget.

Manager Bakke moved to adopt Resolution B, adopting the 2026 budget and directing certification of the levy. Seconded by President Anderson. Upon a roll call vote, the motion carried 5-0.

| Manager          | Aye | Nay | Absent | Abstain |
|------------------|-----|-----|--------|---------|
| Jim Schottmuller | X   |     |        |         |
| Dave Bakke       | X   |     |        |         |
| Doug Toavs       | X   |     |        |         |
| Stephen Schmaltz | X   |     |        |         |
| Jackie Anderson  | X   |     |        |         |

Commented [CH2]: ?? My notes say Resolution B (higher number) was moved and adopted ...??

### b) Permit Fee Structure Rule Revision

Program Manager Mike Sandager introduced a proposed rule change to implement a flat rate fee system for new permit applications. The recommended motion is to distribute the proposed change to required regulatory agencies and units of government and for public comment, allowing a 45-day comment period as required by state statute.

Mr. Sandager explained that the District has not been capturing some expenses that could be charged to permittees, placing the cost burden on the District. The majority of watershed authorities in Minnesota use a flat rate fee system.

Staff working with EOR, have analyzed previous permits and determined the average cost for District review of applications subject to particular categories of District rules. Some actual project costs would be above this average, and some would be below. Outliers that fall substantially above the average would be required to reimburse any additional engineering and legal costs above a specified amount. Dr. Anne Wilkinson of EOR explained the analysis and presented a proposed fee schedule.

Mr. Sandager also explained that the board now is considering only whether to initiate the rule revision to shift to a fixed fee schedule; the specifics of the fee schedule would be considered by the board as separate, formal action after the required 45-day comment period and a board action to adopt the revised rule.

President Anderson questioned whether any city fee structures were reviewed. Greg Graske of EOR responded that city fees structures likely wouldn't be comparable to fees required by watershed authorities because cities review projects under different procedures and for different purposes. President Anderson is also concerned that the proposed fee structure would shift cost burden onto other permittees.

Legal counsel Chuck Holtman interjected to observe that the redlined proposed rule in the meeting packet is not the most up-to-date version. He suggested that the board motion authorize publication of a proposed rule generally instituting a fixed fee approach, but delegate final wording to the administrator.

President Anderson moved to publish and distribute a proposed revised rule, accompanied by the cover note and engineer's memorandum with tentative fee schedule, and provide at least 45 days for public comment. Seconded by Manager Schmaltz. Upon a roll call vote, the motion carried 5-0.

| Manager          | Aye | Nay | Absent | Abstain |
|------------------|-----|-----|--------|---------|
| Jim Schottmuller | X   |     |        |         |
| Dave Bakke       | X   |     |        |         |
| Doug Toavs       | X   |     |        |         |
| Stephen Schmaltz | X   |     |        |         |
| Jackie Anderson  | X   |     |        |         |

231  
232 **c) Resident Shoreline Award Recognition**  
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234 Mr. Read informed the board that Forest Lake residents Jean and John Schreckeis  
235 have recently received a 2025 Lower St. Croix Watershed Partnership Natural  
236 Shoreline Award from Washington Conservation District. Their shoreline restoration  
237 on Lake Keewahtin was installed in part through cost-share partnership with the  
238 District. Mr. Read said that this is a much-deserved recognition of the hard work  
239 they have put in.  
240

241 President Anderson directed staff to draft a commendation letter to the  
242 Schreckeises for President Anderson's signature.  
243  
244

245 **9. Old Business**  
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247 **a) State of the Watershed Update**  
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249 Outreach and Education Coordinator Adam Hjelm provided an update on the  
250 upcoming State of the Watershed event to be held Sept. 30. He reported it is on  
251 track and there would also be an acknowledgement for Jean and John Schreckeis  
252 during the event.  
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254

255 **10. Report of Staff**  
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257 **a) Administrator**  
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259 Administrator Kinney introduced Brad Jernberg, the new Business & Operations  
260 Manager. He also reported that there was a successful turnout at the Bixby Park  
261 neighborhood meeting, where nearby residents were able to meet with District staff  
262 and board members to discuss concerns and ask questions about the impact of  
263 the wetlands on their property.  
264

265 He also shared that the day prior, the District received an initial grant allocation  
266 totaling \$2.5 million from the Lessard-Sams Outdoor Heritage Fund. The grant  
267 awards will not be finalized until the spring, but there is a high likelihood that the  
268 allocations will be approved. He thanked staff for their hard work on achieving this  
269 success.  
270

271 **b) Emmons & Olivier Resources**  
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Dr. Wilkinson updated the board on the plans for the upcoming alum treatment on Forest Lake. She also reported that EOR staff are making progress on plans for the Heath Avenue Iron Enhanced Sand Filter and are awaiting comments from City of Wyoming staff.

**c) Smith Partners**

Nothing to report.

**11. Report of the Treasurer**

Manager Schmaltz reported income of \$45,871.37 including interest of \$6,093.87. Expenses were \$221,172.92. Manager Schmaltz recommended a bank transfer of \$90,500.00.

Manager Toavs moved to accept the Treasurer's report, transfer funds in the amount of \$90,500.00 and pay the bills in the amount of \$221,172.92. Seconded by President Anderson. Upon a roll call vote, the motion carried 5-0.

| Manager          | Aye | Nay | Absent | Abstain |
|------------------|-----|-----|--------|---------|
| Jim Schottmuller | X   |     |        |         |
| Dave Bakke       | X   |     |        |         |
| Doug Toavs       | X   |     |        |         |
| Stephen Schmaltz | X   |     |        |         |
| Jackie Anderson  | X   |     |        |         |

**12. Report of Officers and Managers**

Nothing to report.

**13. Summary and Approval of Board Direction**

Board directives were summarized:

- Staff will prepare a letter of commendation to the Schreckeises for signature.

**14. Adjourn**

**a) Next regular board meeting – October 9, 2025, 6:30 pm**

Manager Bakke moved to adjourn the meeting. Seconded by Manager Toavs. Upon a roll call vote, the motion carried 5-0 and the meeting was adjourned at 9:11 p.m.

| Manager          | Aye | Nay | Absent | Abstain |
|------------------|-----|-----|--------|---------|
| Jim Schottmuller | X   |     |        |         |
| Dave Bakke       | X   |     |        |         |
| Doug Toavs       | X   |     |        |         |
| Stephen Schmaltz | X   |     |        |         |
| Jackie Anderson  | X   |     |        |         |

309

310 Dave Bakke, Secretary -----

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