

1 **MINUTES OF THE REGULAR MEETING OF THE**
2 **COMFORT LAKE–FOREST LAKE WATERSHED DISTRICT**
3 **Thursday, September 25, 2025**
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5 **1. Call to Order**
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7 President Anderson called the September 25, 2025, regular board meeting to order at
8 6:30 p.m. at the CLFLWD office, 44 Lake Street South, and via online video conference.
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10 **Managers Present:**

11 Jackie Anderson, President
12 Dave Bakke, Secretary
13 Steve Schmaltz, Treasurer
14 Douglas Toavs, Assistant Treasurer
15 Jim Schottmuller, Manager
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17 **Staff Present:**

18 Mike Kinney, District Administrator
19 Tori Philippi, Office Manager
20 Emily Heinz, Planning Coordinator
21 Mike Sandager, Permitting Coordinator
22 Aidan Read, Land Management Specialist
23 Brad Jernberg, Business & Operations Manager
24 Adam Hjelm, Outreach and Educator Coordinator
25 Jackie Bussjaeger, Technician
26 Katherine Miller, Seasonal Technician
27

28 **Others Present:**

29 Anne Wilkinson, Emmons & Olivier Resources
30 Greg Grasse, Emmons & Olivier Resources
31 Chuck Holtman, Smith Partners
32 Randy Schumacher, CAC Member
33 Ted Hansen, CAC Member
34 Jerry Grundtner, CAC Member
35 Keith Kuhnly, CAC Member
36 Chris Parucci, Forest Lake Association President
37 Denise Martin, Chisago County Press
38 Julie Ohman
39 Chris Loth
40 Jenny Erickson
41 Daniel Tuott
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43 **2. Oath of Office**

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

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48 **3. Setting of Meeting Agenda**

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

53

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

56

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

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58 **4. Consent Agenda**

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- 60 a) **Special Board Meeting Minutes- July 28, 2025**
- 61 b) **Special Board Meeting Minutes – August 11, 2025**
- 62 c) **Regular Board Meeting Minutes – August 14, 2025**
- 63 d) **Special Board Meeting Minutes – August 20, 2025**
- 64 e) **Regular Board Meeting Minutes – August 28, 2025**

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

68

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

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71 **5. Public Hearing: 2026 Budget & Levy**

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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.

114

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

119
120 President Anderson opened the floor for public comment. Attendees included
121 members of the CLFLWD Citizen Advisory Committee and members of the public.

122
123 Randy Schumacher asked whether the loan payments could be extended. President
124 Anderson responded that CLFLWD has a good relationship with its loan servicer, and
125 requesting an extension or negotiating repayment is a possibility. Members of the
126 board stated that the District would not be likely to take out more loans, instead
127 focusing efforts on sourcing funding through grants.

128
129
130 Ted Hansen pointed out that a minority of residents live on lakeshore property, and
131 asked what benefits exist for residents who do not own lakeshore. President Anderson
132 and Manager Schmaltz responded that all water in the watershed is connected and
133 has a downstream impact, regardless of whether a residence is located on lakeshore
134 property.

135
136 Daniel Tuott asked whether it is possible to decide on the final percentage increase in
137 the next few months, once it is known which grants have been awarded. Manager
138 Schmaltz said that there is still time before the final levy submission deadline to learn
139 whether the District receives more grant funding, and to lower the percentage increase
140 before the end of the year.

141
142 Administrator Kinney shared that the District has plans to approach the MPCA and the
143 Board of Water and Soil Resources about capturing funds to cover preplanning costs
144 for projects. In other watersheds and soil conservation districts, it is common to use
145 computer modeling alone to determine areas of highest impact. However, CLFLWD
146 uses sequential monitoring to inform its project design, which in some cases has
147 proved to be more effective. This type of data collection is not typically covered by
148 BWSR grants but is essential for implementation.

149
150 President Anderson determined that there was no one present at the meeting or
151 virtually with further comment and closed the budget hearing. The regular agenda
152 resumed.

153 154 **6. Public Open Forum**

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156 No comments given.

157

158 **7. Advisory Committee Update**

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

165
166 The CAC will next meet at 5 p.m. on Tuesday, Oct. 14.

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168 **8. New Business**

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170 **a) 2026 Budget & Levy Adoption**

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

175
176 Manager Schottmuller asked what the effective difference would be between the
177 two choices. Manager Schmaltz responded that the higher amount would allow the
178 District to pay off its loans faster. Administrator Kinney added that the higher
179 amount creates less risk that the District will need to draw on loans again to make
180 up for any unexpected shortfalls in the budget.

181
182 Manager Bakke moved to adopt Resolution B, adopting the 2026 budget and
183 directing certification of the levy. Seconded by President Anderson. Upon a roll call
184 vote, the motion carried 5-0.

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

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188 **b) Permit Fee Structure Rule Revision**

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

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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			

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c) Resident Shoreline Award Recognition

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

President Anderson directed staff to draft a commendation letter to the Schreckeises for President Anderson’s signature.

9. Old Business

a) State of the Watershed Update

Outreach and Education Coordinator Adam Hjelm provided an update on the upcoming State of the Watershed event to be held Sept. 30. He reported it is on track and there would also be an acknowledgement for Jean and John Schreckeis during the event.

10. Report of Staff

a) Administrator

Administrator Kinney introduced Brad Jernberg, the new Business & Operations Manager. He also reported that there was a successful turnout at the Bixby Park neighborhood meeting, where nearby residents were able to meet with District staff and board members to discuss concerns and ask questions about the impact of the wetlands on their property.

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

b) Emmons & Olivier Resources

273 Dr. Wilkinson updated the board on the plans for the upcoming alum treatment on
274 Forest Lake. She also reported that EOR staff are making progress on plans for the
275 Heath Avenue Iron Enhanced Sand Filter and are awaiting comments from City of
276 Wyoming staff.

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278 **c) Smith Partners**

279 Nothing to report.

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281 **11. Report of the Treasurer**

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283 Manager Schmaltz reported income of \$45,871.37 including interest of \$6,093.87.
284 Expenses were \$221,172.92. Manager Schmaltz recommended a bank transfer of
285 \$90,500.00.

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

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

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292 **12. Report of Officers and Managers**

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294 Nothing to report.

295

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

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298 Board directives were summarized:

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

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302 **14. Adjourn**

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

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

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

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310 Dave Bakke, Secretary -----