

1                   **DRAFT MINUTES OF THE REGULAR MEETING OF THE**  
2                   **COMFORT LAKE–FOREST LAKE WATERSHED DISTRICT**  
3                   **Thursday, October 23, 2025**

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5   **1. Call to Order**

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7       President Anderson called the October 23, 2025, regular board meeting to order at 6:30  
8       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 (virtual attendance)

13      Steve Schmaltz, Treasurer

14      Douglas Toavs, Assistant Treasurer (virtual attendance)

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16      **Managers Absent:**

17      Jim Schottmuller

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19      **Staff Present:**

20      Mike Kinney, District Administrator

21      Brad Jernberg, Business & Operations Manager

22      Tori Philippi, Office Manager

23      Emily Heinz, Planning Coordinator

24      Adam Hjelm, Education & Outreach Coordinator

25      Mike Sandager, Program Coordinator

26      Aidan Read, Land Management Specialist

27      Blayne Eineichner, Project Coordinator

28      Jackie Bussjaeger, Technician

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30      **Others Present:**

31      Greg Graska, Emmons & Olivier Resources

32      Chuck Holtman, Smith Partners

33      Bob Leba, SRF Consulting

34      Joe Triplett, Chisago County Public Works

35      Dmitry Tomasevich, MnDOT

36      Keith Kuhnly, Citizen Advisory Committee

37      Chris Loth, Forest Lake Lake Association

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39   **2. Setting of Meeting Agenda**

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41 Before beginning, Manager Schmaltz noted that he would like to ensure that options  
42 for reducing the proposed levy increase would be discussed during item 8c, 2026  
43 Budget Projected Expenditures, on the agenda.

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45 Manager Bakke moved to approve the agenda. Seconded by Manager Schmaltz.  
46 Upon a roll call vote, the motion carried 4-0.  
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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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### 50 3. Consent Agenda

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- 52 a) Regular Board Meeting Minutes – Sept. 11, 2025
- 53 b) Regular Board Meeting Minutes – Sept. 25, 2025
- 54 c) ReLeaf Community Forestry Grant Application

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56 President Anderson asked that the ReLeaf application matter be removed from the  
57 consent agenda.

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59 President Anderson made a motion to approve items a) and b) in the consent  
60 agenda. Seconded by Manager Bakke. Upon a roll call vote, the motion carried 4-0.  
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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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#### 63 3a. ReLeaf Community Forestry Grant Application

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65 Planning Coordinator Emily Heinz gave an overview of the ReLeaf Forestry Grant  
66 program hosted by the MN Department of Natural Resources (DNR). The purpose of  
67 the grant program is to provide funding for tree inventories, plantings, assessment,  
68 maintenance, improvement, protection, and restoration.

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Ms. Heinz noted that board policy requires the District Administrator to obtain board approval before applying for a grant in excess of \$40,000, which staff would intend here.

Manager Bakke made a motion to authorize the District Administrator to apply to the ReLeaf Community Forestry grant and execute the grant agreement, if awarded. Seconded by Manager Toavs. Upon a roll call vote, the motion carried 4-0.

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

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#### 4. 2026 Budget Comment Opportunity

President Anderson reviewed the average household impacts of the proposed 2026 levy. For the median value home in Washington County, the tax impact would be \$4.33 per month, and for Chisago, \$5.76 per month. She emphasized that the levy is substantially supplemented by grants, and that the growth of the budget is a natural process as the District continues to expand its projects and programs.

She added that the District’s targeted efforts have resulted in improving water quality in its lakes much faster than predicted. She shared that Comfort Lake is scheduled to be removed from the MN Pollution Control Agency (MPCA) Impaired Waters List in 2026, and several other lakes within the District are expected to be delisted in the near future.

Citizen Advisory Committee (CAC) Member Keith Kuhnly expressed concern about the rate of increase of the levy in the years beyond 2026. He stated that those increases should be noted in the current discussion of the budget, and the estimated impact should be clear to the public.

President Anderson responded that the District does consider 10 years into the future when budget planning. Manager Schmaltz presented highlights from the budget presentation given at the previous public hearing on Sept. 25. He explained that the budget projections for future years are estimations that are not set in stone, and the District continues to work on cutting back spending and leveraging other sources of revenue.

105 President Anderson added that within the last five years, the levy increases have  
106 been too low to support the District's actual needs.

107  
108 Manager Schmaltz shared some of the results and comments received from a survey  
109 of guests who attended the District's State of the Watershed event in September. The  
110 majority of attendees perceived that local streams, lakes, and rivers are improving  
111 in quality.

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113 Mr. Kuhnly stated that the 2026 levy increase doesn't sound like a lot now, but over  
114 three years the levy increases might begin to add up.

115  
116 President Anderson said that it is easier for people to understand as a dollar amount  
117 rather than a percentage. Manager Schmaltz acknowledged that this increase might  
118 become a difficulty for residents who are on fixed incomes. He compared the cost to  
119 a surcharge, pointing out that once the loans are paid off, the cost burden to  
120 taxpayers will lighten.

121  
122 Manager Toavs added that one drink from Starbucks costs more than the monthly  
123 amount the average resident would pay under the proposed levy increase.

124  
125 President Anderson agreed that as a percentage, the increase can sound  
126 substantial. She agreed that the board should be aware that taxpayers on fixed  
127 incomes might experience difficulty due to tax increases.

128  
129 She stated that the board is taking comments very seriously, and that the District will  
130 continue to increase efforts to seek out funding from other sources to help cover  
131 costs and potentially pay back the current loans.

132  
133 President Anderson encouraged other members of the public to reach out and share  
134 their perspectives with the board as the 2026 budget process comes to a close.

## 135 136 **5. Public Open Forum**

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138 No comments were given.

## 139 140 **6. Advisory Committee Updates**

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142 Land Management Specialist Aidan Read shared that in its most recent meeting, the  
143 CAC mainly discussed the 2026 budget. Several members attended the Sept. 25  
144 open forum. The committee also discussed topics they would like to see included on  
145 the board agenda in 2026. Members of the group expressed a desire to see budget  
146 documents earlier in the year. The CAC members appreciated being involved in the  
147 budgeting process.

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**7. New Business**

**a) Highway 8 Road Project**

Program Coordinator Mike Sandager introduced representatives involved with the planned Highway 8 Road Project. These included Joe Triplett of Chisago County, Dmitry Tomasevich of MnDOT, and Bob Leba of SRF Consulting. County employees have met with CLFLWD staff on several occasions to discuss the overall project and associated possible water quality improvements as a part of the pre-permitting planning process. The layout has been approved by MnDOT and right of way acquisition activities are underway. The county is working towards environmental clearance and 60% design.

Greg Graska of Emmons & Olivier Resources (EOR) has been reviewing the plans on behalf of CLFLWD. He stated that the county has been working hard to address watershed concerns and rules. There are currently 10 water quality treatment features proposed within the District, as well as additional features outside the District boundary.

Mr. Triplett shared that the environmental assessment was recently approved by the Federal Highway Association for release for public comment. The project has acquired \$118 million of the \$142 million estimated cost and has been in the process of closing the funding gap.

He explained that this will be a three-year project, set to begin in 2027. The highway will be required to stay open to traffic. He presented an overview of plans on the project site, highlighting that it will include a seven-mile extension of the Swedish Immigrant bike and pedestrian trail. He also stated that the number of direct entrances directly to Highway 8 would be greatly reduced with the addition of frontage and backage roads. He said that some of the areas that are challenged for space, such as the crossing over the channel between Comfort Lake and Little Comfort Lake, will be "necked down." President Anderson asked for an explanation of this term; Mr. Triplett explained it means that there would be a narrower concrete median rather than a grass median.

**8. Old Business**

**a) Bone Lake South Property Acquisition & Budget Transfer**

Ms. Heinz shared that all purchase agreement contingency items have been addressed and satisfied, and the District can move to closing on the Bone Lake South

191 property. She recommended the Board take two actions, first to amend the project  
 192 budget to accept the transfer of grant funds for the purchase, and second to  
 193 authorize the Administrator to complete the acquisition according to the purchase  
 194 agreement. The entire cost of the acquisition will be covered by funds from two  
 195 grants. A closing date has not been set.

196  
 197 Ms. Heinz gave an overview of the site, located at the southern end of Bone Lake in  
 198 Scandia. Staff worked to establish new lot lines, and the current owner will remain in  
 199 residence on about 80 acres of property. The rest, just under 238 acres, will be  
 200 acquired by the District.

201  
 202 Manager Bakke moved to amend the 2025 budget for account 6-000-F Bone Lake  
 203 South to \$2,350,000 and to transfer \$2,350,0000 from account 000-3300 Grants  
 204 Receivable to account 6-000-F. Seconded by President Anderson. Upon a roll call  
 205 vote, the motion carried 4-0.

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

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 208 Manager Bakke moved to authorize the administrator on advice of counsel to  
 209 complete the acquisition of the Bone Lake South Property as per the terms of the  
 210 Purchase Agreement executed on June 5, 2025. Seconded by Manager Toavs. Upon  
 211 a roll call vote, the motion carried 4-0.

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

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 215 **b) State of the Watershed Recap**

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 217 Education & Outreach Coordinator Adam Hjelm presented a review of the State of  
 218 the Watershed event held on Sept. 30, 2025. Mr. Hjelm shared that expenses for the  
 219 evening totaled \$5,336.59 for venue, production of awards, and printing costs. He

220 also presented the results of an informal survey given to attendees about their  
221 perceptions of the watershed district.

222  
223 There were 99 guests at the event, 40 of whom completed the survey. Mr. Hjelm  
224 provided an overview of each question and its responses, pertaining to perceptions  
225 about water quality improvement and priorities, sources of pollution and the District's  
226 function and effectiveness. It also allowed guests to provide open-ended feedback  
227 and asked for suggestions about how participants would like to see the District  
228 become more involved in local communities. Survey feedback was generally positive  
229 and supported the District's work.

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231 Manager Schmaltz stated that the District should continue to ask residents to share  
232 their thoughts on these matters and potentially enlarge the sample size.

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234 **c) 2026 Budget Projected Expenditures**

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236 The Board last discussed projected budget expenditures at its Oct. 9 meeting. The  
237 office lease was mentioned as a topic for further discussion.

238  
239 Ms. Heinz presented a spreadsheet of Treasurer Schmaltz's proposed budget  
240 adjustments made after discussion with staff. President Anderson suggested that  
241 this proposal be shared with all managers and possibly discussed in a special  
242 meeting or put on the agenda for action in November.

243  
244 Ms. Heinz stated that the Budget Changes Summary has been distributed in past  
245 board packets but may have been buried among other materials. She indicated she  
246 will distribute this document to managers on its own.

247  
248 She also summarized a meeting of District staff with MPCA about the terms of the  
249 District's loans. There are four current loans, designated Loans A, B, C, and D. Loans A  
250 and B were taken in the early days of the Clean Water Partnership Loan program and  
251 have always been zero interest, with 10-year repayment schedules. However, loans  
252 C and D were taken out after the program changed and have a 1.5 percent interest  
253 rate and 7-year repayment schedule.

254  
255 The meeting was to inquire with MPCA whether loans C and D could be changed to  
256 a 10-year repayment schedule. The existing loan agreement allowed MPCA to make  
257 the requested change. The amount of interest will go up a little, but the payments will  
258 be spread out over a longer period of time. Therefore, the total loan repayment  
259 amounts will go down by \$60,000 from years 2025-2030. Repayments in 2031-2035  
260 will increase proportionally, and these loans are now on schedule to be paid off by  
261 2035.

263 Manager Schmaltz suggested lowering the levy increase due to this change.  
264 President Anderson responded that there are a few options the board can take, but  
265 that the repayment is still a large chunk of money.  
266

267 Ms. Heinz presented a new budget scenario, developed with Treasurer Schmaltz,  
268 adjusted to reflect a 15.6 percent levy increase rather than the proposed 23.7 percent  
269 increase, as well as short-term loans.  
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271 President Anderson expressed that the board members who haven't been as directly  
272 involved in this process should have time to review these materials. She directed that  
273 a poll be taken to schedule a future meeting of managers to discuss the topic.  
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275 Manager Bakke expressed that all managers should be kept up to date on these  
276 changes, noting that some managers seem to have knowledge that others don't.  
277 Manager Schmaltz explained that things change too quickly to get the information  
278 out in a timely manner. Manager Bakke requested that even drafts and works in  
279 progress be shared more freely to all managers.  
280

281 Administrator Kinney clarified that the scenario in question was only developed the  
282 day previously, as an effort to provide another option to consider.  
283

284 Manager Bakke stated that the fact the levy increase was presented to the public  
285 after working for so long to establish a budget was confusing. He asked for additional  
286 transparency regarding any changes to the budget proposal going forward.  
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288 **d) Minnesota Watershed Annual Conference Registration**

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290 The Minnesota Watersheds Annual Conference and Tradeshow will take place at the  
291 Grand View Lodge in Nisswa December 3-5, 2025. Manager Bakke requested that  
292 only the necessary number of board members attend, given budget concerns. He  
293 suggested that President Anderson and Manager Schottmuller be the ones to attend  
294 this year.  
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296 Manager Bakke moved to authorize President Anderson and Manager Schottmuller  
297 to attend the Minnesota Watersheds Annual Conference. Seconded by Manager  
298 Schmaltz. Upon a roll call vote, the motion carried 4-0.  
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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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Legal counsel Chuck Holtman pointed out that the recommended motion also indicated authorization for staff attendance and asked whether the board intends to authorize staff attendance. President Anderson responded that staff should attend at the discretion of the Administrator based on which roles will benefit from attendance.

President Anderson moved to authorize staff to attend the Minnesota Watersheds Annual Conference at the discretion of the District Administrator. Seconded by Manager Toavs. Upon a roll call vote, the motion carried 4-0.

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

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## 9. Report of Staff

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### a) Administrator

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Ms. Heinz noted on behalf of Administrator Kinney that the Lower St. Croix Policy Committee quarterly meeting is coming up. Ms. Heinz and another staff member have prepared an update on the midpoint evaluation and Performance Review & Assistance Program (PRAP) to be presented at the meeting.

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### b) Emmons & Olivier Resources

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Mr. Graske reported that EOR is wrapping up second dose of alum on Forest Lake. The dose was increased based on data from sediment cores. The treatment is now complete and fell within the grant budget.

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### c) Smith Partners

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Nothing to report.

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## 10. Report of Treasurer and Approval of Bills

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Manager Schmaltz reported income of \$11,979.30 including interest of \$6,699.30. Expenses were \$491,837.50. He noted that the expenses were higher than usual due

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335 to the alum treatment, but forthcoming grant funds will be used to make up for that  
336 cost when they become available. He recommended a bank transfer of \$433,300.00.

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338 President Anderson moved to accept the Treasurer’s report, transfer funds in the  
339 amount of \$433,300.00 and pay the bills in the amount of \$491,837.50. Seconded by  
340 Manager Bakke. Upon a roll call vote, the motion carried 4-0.

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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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## 344 **11. Report of Officers and Managers**

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346 President Anderson reported that she and Administrator Kinney met with MN  
347 Watersheds Executive Director, Jan Voit, and Assistant Director for Regional  
348 Operations at the Board of Water and Soil Resources (BWSR), Justin Hanson. Funding  
349 for scientific work was a major topic of discussion, and another meeting will be  
350 scheduled with BWSR to discuss this matter in more depth.

351

352 President Anderson also noted that Comfort Lake is scheduled to be delisted from  
353 the Minnesota Impaired Waters list in 2026. MPCA is planning to film a video  
354 production featuring CLFLWD staff and board members that will tell the story of how  
355 the lake quality was improved and share the District’s improvement strategies for  
356 the benefit of other watershed districts.

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## 358 **12. Summary and Approval of Board Direction**

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360 The following board directives were summarized:

- 361 • Staff will survey managers on a date for a longer-term budget meeting and will  
362 distribute the related materials to managers.

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## 364 **13. Adjourn**

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366 **a) Next regular board meeting November 20, 2025, 6:30 pm**

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368 Manager Schmaltz moved to adjourn the meeting. Seconded by President Anderson.  
369 Upon a roll call vote, the motion carried 4-0 and the meeting was adjourned at 8:31  
370 pm.

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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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373 Dave Bakke, Secretary -----

DRAFT