

1 **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
18

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
29

30 **Others Present:**

31 Greg Graske, 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.

58

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.

69

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

73
74 Manager Bakke made a motion to authorize the District Administrator to apply to the
75 ReLeaf Community Forestry grant and execute the grant agreement, if awarded.
76 Seconded by Manager Toavs. 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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79 **4. 2026 Budget Comment Opportunity**
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81 President Anderson reviewed the average household impacts of the proposed 2026
82 levy. For the median value home in Washington County, the tax impact would be
83 \$4.33 per month, and for Chisago, \$5.76 per month. She emphasized that the levy is
84 substantially supplemented by grants, and that the growth of the budget is a natural
85 process as the District continues to expand its projects and programs.

86
87 She added that the District’s targeted efforts have resulted in improving water quality
88 in its lakes much faster than predicted. She shared that Comfort Lake is scheduled
89 to be removed from the MN Pollution Control Agency (MPCA) Impaired Waters List in
90 2026, and several other lakes within the District are expected to be delisted in the
91 near future.

92
93 Citizen Advisory Committee (CAC) Member Keith Kuhnly expressed concern about
94 the rate of increase of the levy in the years beyond 2026. He stated that those
95 increases should be noted in the current discussion of the budget, and the estimated
96 impact should be clear to the public.

97
98 President Anderson responded that the District does consider 10 years into the future
99 when budget planning. Manager Schmaltz presented highlights from the budget
100 presentation given at the previous public hearing on Sept. 25. He explained that the
101 budget projections for future years are estimations that are not set in stone, and the
102 District continues to work on cutting back spending and leveraging other sources of
103 revenue.
104

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.

112
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**

137
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.

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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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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.

212

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

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b) State of the Watershed Recap

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Education & Outreach Coordinator Adam Hjelm presented a review of the State of the Watershed event held on Sept. 30, 2025. Mr. Hjelm shared that expenses for the 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.

230
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.

233
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.

262

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.
270

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.
274

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.
287

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.
295

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

a) Administrator

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.

b) Emmons & Olivier Resources

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.

c) Smith Partners

Nothing to report.

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

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.

337
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.

357

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.

363

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.

371

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 -----