



MEMORANDUM
Comfort Lake-Forest Lake Watershed District

Date: February 11, 2026
To: CLFLWD Board of Managers
From: Mike Kinney, District Administrator
Subject: 2026-28 Funding Support Agreement for Aquatic Invasive Species and Lake Management Activities on Forest Lake



Background/Discussion

The Funding Support Agreement for Aquatic Invasive Species and Lake Management Activities on Forest Lake was adopted in 2022 to share the financial cost of aquatic invasive species (AIS) management on Forest Lake between the Comfort Lake-Forest Lake Watershed District (CLFLWD), the Forest Lake Lake Association (FLLA), and the City of Forest Lake. Prior to the agreement, an informal partnership existed where the FLLA and CLFLWD would request reimbursements from the City of Forest Lake for lake management activities at the end of each open-water season.

Funding levels have remained at the original 2022 amounts. Due to increased management costs, the parties have agreed to an updated 3-year agreement with contribution increases in the 2027 and 2028 seasons. To allow budget planning, 2026 amounts remain the same as 2025 with proposed increases of 15 percent in 2027 and 10 percent in 2028 to the previous year (Table A). Otherwise, the 2026-2028 agreement in principle remains the same as the 2024 and 2025 agreement.

Table A:

	2026	2027	2028
City:	\$63,750	\$73,312.50	\$80,643.75
	42.5%	42.5%	42.5%
District:	\$63,750	\$73,312.50	\$80,643.75
	42.5%	42.5%	42.5%
FLLA:	\$22,500	\$25,875.00	\$28,462.50
	15%	15%	15%

If a party spent less than its commitment, it is responsible to reimburse the others so that each party's contribution to total spending conformed to this percentage allocation. Any amount that a party expended above its commitment is at its discretion, and irrelevant to the operation of the agreement. All yearly CLFLWD AIS management expenses since 2022 have exceeded the proposed agreement levels for 2026-2028 (Table B).



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Table B:

	2022	2023	2024	2025
CLFLWD Contributions	\$112,513.47	\$93,069.23	107,577.95	\$128,124.05

If approved, the 2026 agreement would be the fifth season of partnership. During the last four years, the agreement has ensured that funding is available, and the cost of Forest Lake AIS and lake management activities are shared by its members.

Staff recommend the Board approve the 2026-2028 Forest Lake Cooperative Agreement and authorize the District Administrator to take any further steps necessary to execute the agreement, with advice from legal counsel.

Recommended Motion

Proposed Motion: Manager _____ moves to authorize the District Administrator to execute the 2026-2028 Funding Support Agreement for AIS and Lake Management Activities on Forest Lake, on advice of counsel and with any final, non-substantive changes. Seconded by Manager _____.

Attached

2026-2028 Funding Support Agreement for Aquatic Invasive Species and Lake Management Activities on Forest Lake

FUNDING SUPPORT AGREEMENT
for AQUATIC INVASIVE SPECIES and LAKE MANAGEMENT ACTIVITIES on FOREST LAKE

THIS FUNDING SUPPORT AGREEMENT is made this ___ day of _____, 20__ by and among the Comfort Lake-Forest Lake Watershed District ("District"), the City of Forest Lake ("City"), a Minnesota municipal corporation, and the Forest Lake Lake Association ("FLLA"), a 501c(3) non-profit organization hereafter collectively referred to as "Parties", and individually as "Party."

WHEREAS, the District has adopted its "2022-2031 Watershed Management Plan," effective August 26, 2021, ("WMP") pursuant to Minnesota Statutes §103B.231;

WHEREAS the WMP provides that the District will carry out a program to manage aquatic invasive species ("AIS") within the District's lakes, to prevent the spread of AIS, protect water quality, enhance ecological integrity and diversity, and maintain lake recreational use;

WHEREAS, the WMP implementation plan, at paragraphs 3011-B through 3011-H, describes AIS program elements including watercraft inspections; providing AIS signage and cleaning and disposal equipment at launch sites; performing aquatic macrophyte surveys; establishing and carrying out AIS early detection, rapid response, and prevention actions; conducting pilot work and research on AIS control; managing and removing AIS from lakes; and managing common carp to protect native plant communities ("WMP Plan").

WHEREAS, the City views the District's WMP Plan for Forest Lake as beneficial for the health, safety and welfare of the City, and the City and the FLLA wish to support the District's efforts by contributing funding;

WHEREAS, it is difficult to prepare for unseen challenges to AIS and Lake Management Activities. To help provide an opportunity for faster response and offset possible financial burdens, each party will create a reserve fund. If a party does not spend its total annual commitment, it will place the remaining balance in a reserve fund. This reserve fund will be capped at the party's annual contribution. Once the Reserve Fund has reached its cap, the party may choose at its own discretion what to do with further additional funding;

WHEREAS, the parties entered, and implemented, a funding agreement for several prior calendar years, and desire to enter into a funding agreement for calendar years 2026-2028, for the WMP Plan for Forest Lake.

NOW, THEREFORE, the City, FLLA, and District enter into this Agreement and hereby agree as follows:

1. The District will carry out AIS management activities on Forest Lake in accordance with paragraphs 3011-B through 3011-H of its WMP implementation plan.

2. The City will conduct native plant harvesting and other lake management activities to support the recreational quality of the lake.
3. FLLA will perform AIS management activities as determined by FLLA.
4. The parties agree to spend, in calendar year 2026, the following amounts on activities described in paragraphs 1 through 3:

City:	\$63,750 (42.5%)
District:	\$63,750 (42.5%)
FLLA:	\$22,500 (15%)

up to a combined maximum by all 3 parties of \$150,000. The parties agree that the combined maximum expenditure will increase by fifteen percent over prior year for calendar year 2027 and ten percent over prior year for calendar year 2028, with the spending commitment of each partner also increasing by fifteen percent in calendar year 2027 and ten percent in 2028. By November 15 of each year, each party will share with the others the documentation for its expenditures. If any party has not met its maximum spending commitment, reimbursement among the parties will occur so that the total expenditure is distributed in accordance with the stated percentages.

5. Expenditures that count toward a party's commitment include services and materials purchases, equipment rental, staff costs, and hired contractor costs. Expenditures covered by grant funds are not counted towards the totals in paragraph 4.
 - a. The City may count expenditures for native plant harvesting. However, pursuant to the District's WMP, the District cannot participate in the removal of native aquatic plants, including the reimbursement to others for such activities. Therefore, harvesting expenditures will not count in determining the amount of reimbursement the District must provide should it fail to meet its spending commitment.
6. If a party does not meet its spending commitment in paragraph 4, above, it will establish a reserve in the amount by which its spending, plus the amount it has reimbursed the other parties under paragraph 4, falls short of its commitment. The reserve for each party will be capped at its respective financial commitment for that year, as stated in paragraph 4. At a time of its choosing, it will spend the reserve for purposes described in this agreement and will inform the other parties when it has done so.

7. This agreement is for the purpose of establishing mutual funding commitments for the District's WMP Plan for Forest Lake. Each party is responsible for the activities it elects to perform, and no party assumes responsibility for the activities of another party. As between the District and the City, this is not a joint powers agreement and neither party agrees to be responsible for the acts or omissions of the other party within the meaning of Minnesota Statutes 471.59, subd. 1a(a).
8. The District, City and FLLA are performing the work subject to this agreement in reliance on the others' funding as herein provided. The City, District, and FLLA intend that this agreement be legally binding.
9. Official contacts for the administration of this agreement are:

City of Forest Lake
Dave Adams, Public Works Director
Dave.Adams@ci.forest-lake.mn.us

Comfort Lake-Forest Lake Watershed District
Michael Sandager, Permitting and AIS Coordinator
Mike.sandager@clflwd.org

Forest Lake Lake Association
Kenneth Wood, President
kenneth.wood@codywood.net

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In Witness Hereof, this Agreement is executed on the date first above written.

Comfort Lake-Forest Lake Watershed District

By: _____

Mike Kinney, Administrator

Date: _____

City of Forest Lake

By: _____

Blake Roberts, Mayor

Date: _____

By: _____

Attest: Jolleen Chaika, City Clerk

Date: _____

Forest Lake Lake Association

By: _____

Kenneth Wood, President

Date: _____