



## MEMORANDUM

Comfort Lake-Forest Lake Watershed District

**Date:** February 19, 2026  
**To:** CLFLWD Board of Managers  
**From:** Mike Kinney, District Administrator  
**Subject:** Water Management Districts



**District Wide**

### **Background/Discussion:**

This topic was last discussed at the February 12<sup>th</sup> regular board meeting. Chuck Holtman has provided additional information on water management districts (WMDs) in the attached memo.

### **Attached:**

Smith Partners Memo



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## MEMORANDUM

**TO:** Comfort Lake-Forest Lake Board of Managers  
**FROM:** Chuck Holtman  
**RE:** Water Management Districts  
**DATE:** February 18, 2026

At the February 12, 2026 Board of Managers meeting, President Anderson noted provision for water management districts (WMDs) in the watershed law as one tool for Comfort Lake-Forest Lake Watershed District (CLFLWD) aquatic invasive species management in its lakes.

WMDs are provided for at Minnesota Statutes §103D.729. A WMD allows CLFLWD to coordinate work with residents within a defined geographic area and to fund that work through charges on real property within the area. More specifically:

1. A WMD is created by amendment into the CLFLWD 10-year watershed management plan (WMP). The statute states:

The amendment must describe with particularity the territory or the area to be included in the water management district, the amount of the necessary charges, the methods used to determine charges, and the length of time the water management district will remain in force.

2. The amendment will describe the purpose of the WMD and the scope of work that it will be used to fund. For a lake-centered WMD, the scope may be narrow, for example, a specific lake alum treatment. It may be broader, for example, aquatic invasive species (AIS) management through a program that may evolve from year to year. Or it may be more open-ended, dedicated for example toward improving the lake's water quality generally. If the WMD isn't for a specific project, typically its duration would match that of the WMP, with its extension considered in the next 10-year WMP revision.

3. In some cases, a body of residents (e.g., a lake association) will approach the watershed district to establish a WMD for a particular program of work. If this is not the case, the Board may wish to affirmatively seek a measure of support from the relevant constituency before moving forward to establish a WMD.

4. Typically, the amendment will describe the process the Board will use each year to determine the next year's (and potentially additional years') program and budget. It's sound to include in the process a specific framework of engagement with residents within the WMD area.

5. The Board would task CLFLWD staff or the CLFLWD engineer to develop and recommend a charge schedule. The schedule may be as simple as an equal charge on each parcel of record within the defined area. Or, charges may vary as among residential and other uses, improved and unimproved, riparian and non-riparian, etc. In general, a simpler framework is recommended as legally and administratively uncomplicated. Use of charge classes would be based on differential benefits received or burdens created as between the different classes. Whether these differences exist, so as to justify a more complex charge system, will depend on the scope and nature of activities to be funded.

6. Each year, when the Board certifies its ad valorem levy to the county auditor, it also will certify WMD charges. The auditor will extend the charges and disburse receipts to CLFLWD. The auditor may charge an administrative fee on a per-parcel or other basis. CLFLWD would retain fund balance in a restricted fund for the specified purposes.

7. The statute requires that CLFLWD notify the affected cities, towns and counties before implementing activities using WMD funds. This may be done as a part of the annual budgeting process. If there is an objection, it is decided by the Minnesota Board of Water and Soil Resources.

When the Board decides how to fund a particular undertaking, it considers, to one extent or another, how the benefits of the undertaking will be distributed. Where benefits are local, it may be appropriate to fund the work on a local basis. Where benefits will accrue to the public generally, a larger proportion of state or federal grant funds may be appropriate. A WMD is one more tool to align project costs with the incidence of project benefits. For any given undertaking, the Board may use the WMD to provide part funding, in combination with grant funds, revenues from the CLFLWD-wide ad valorem levy, or other more local sources of funds.

c: Mike Kinney, CLFLWD Administrator  
Dr. Anne Wilkinson, Emmons & Olivier Resources