

1                   **DRAFT MINUTES OF THE REGULAR MEETING OF THE**  
2                   **COMFORT LAKE–FOREST LAKE WATERSHED DISTRICT**  
3                   **Thursday, February 12, 2026**

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5   **1. Call to Order**

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7       President Anderson called the February 12, 2026, 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 (virtual attendance)  
14      Douglas Toavs, Assistant Treasurer (virtual attendance)

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16      **Managers Absent:**

17      Jim Schottmuller, Vice President

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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      Mike Sandager, Permitting Coordinator  
25      Jackie Bussjaeger, Technician  
26      Adam Hjelm, Education & Outreach Coordinator  
27      Matthew Hendrickson, Technician

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29      **Others Present:**

30      Anne Wilkinson, Emmons & Olivier Resources (EOR)  
31      Chuck Holtman, Smith Partners  
32      Ted Hansen, Community Advisory Committee  
33      Michael (not further identified)  
34      Kevin Miller (not further identified)

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36   **2. Setting of Meeting Agenda**

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38      Manager Toavs moved to approve the agenda as presented. Seconded by Manager  
39      Schmaltz. Upon a roll call vote, the motion carried 4-0.

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

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**3. New Business**

**a) 2026–2028 Forest Lake Cooperative Aquatic Invasive Species Agreement (Tri-Party Agreement)**

Mike Sandager explained the purpose of the Forest Lake Cooperative Aquatic Invasive Species (AIS) Agreement, aka “Tri-Party Agreement,” is to share AIS management costs among the CLFLWD, City of Forest Lake, and the Forest Lake Lake Association (FLLA). Mr. Sandager noted the proposed agreement is for a 3-year term and includes an in the total amount of committed spending of 15 percent in 2027 and 10 percent in 2028.

Manager Bakke asked why the annual spending increases are so high. Mr. Sandager explained that the agreement amounts had been too low in past years and therefore had not covered all the AIS expenses incurred. He said the CLFLWD has historically spent more than its commitment, and the increase in agreement amount helps the CLFLWD leverage its commitment. Manager Schmaltz noted that AIS herbicide costs have increased significantly over the years, and the Tri-Party Agreement hasn’t been adjusted to keep up. Mr. Sandager added that the county AIS Prevention Aid grants have been decreasing over the years. Manager Schmaltz emphasized the importance of partnerships to manage AIS.

President Anderson asked if there are any changes to the agreement. Mr. Holtman explained the term of the agreement will increased from 1 year to 3 years, the cost adjustment schedule was added, and otherwise there are non-substantive changes for clarity.

Manager Schmaltz moved to authorize the District Administrator to execute the 2026–2028 Funding Support Agreement (Tri-Party Agreement) for AIS and Lake Management Activities on Forest Lake, on advice of counsel and with any final, non-substantive changes. Seconded by Manager Toavs.

Manager Bakke urged that, given the District’s budgetary constraints, the Board should take more time to consider this agreement and evaluate other funding options. President Anderson agreed that further analysis of past spending and clarification by staff would be helpful. Emily Heinz noted the District’s 2026 budget for Forest Lake AIS Management is \$60,500 (\$11,000 of which is earmarked as funded by grants/partnerships, and \$49,500 is earmarked as funded by levy). Administrator

79 Kinney suggested staff evaluate past AIS costs for Comfort Lake and Bone Lake as  
80 well.

81  
82 Manager Schmaltz said AIS growth is unpredictable and varies greatly each year.  
83 Manager Bakke mentioned the Community Advisory Committee's (CAC) past  
84 comments on the District budget and importance of keeping expenditures within  
85 budget. He indicated he supports the idea of staff reaching out to the Bone Lake  
86 Association and Comfort Lakes Association to discuss similar funding agreements.  
87 President Anderson stated the District has an obligation to approve an agreement  
88 amount that's comfortable for the District. She indicated Forest Lake is basically three  
89 lakes put together, and even divided by the three basins, the Forest Lake AIS budget  
90 is larger than the other lakes.

91  
92 President Anderson mentioned it is possible for the District to create special taxing  
93 districts to pay for AIS management. Mr. Holtman indicated that other watershed  
94 districts have done this in the past. He described that water management districts  
95 are created through a plan amendment, in which an annual budget is funded by  
96 charges on properties that the District determines to benefit from the activities  
97 undertaken. He noted that the Board of Managers would ask District staff or the  
98 District engineer to review the scope of proposed activity and recommend a charge  
99 system. Dr. Wilkinson indicated she is familiar with the process, and it is  
100 straightforward to evaluate different options for individual issues and assign costs.  
101 She noted that public hearings are typically part of the process. President Anderson  
102 indicated this is something to consider for next year's AIS budget. Manager Schmaltz  
103 indicated he would expect public pushback to the creation of a special taxing district.

104  
105 President Anderson suggested discussing this topic again at one of the March  
106 regular board meetings. Manager Schmaltz asked staff to prepare a summary of the  
107 last couple years of AIS spending, including the District's contribution to the Comfort  
108 Lake Eurasian watermilfoil treatment. President Anderson recommended that the  
109 District consider how lake size factors into cost calculations.

110  
111 President Anderson noted the legislative session is coming up. She encouraged  
112 managers to keep notes on topics that might be important to bring to the legislature.

113  
114 Administrator Kinney noted that those who are not residents in the District share the  
115 benefit of the District's work of improving the water quality and recreational  
116 environment on its lakes. Manager Bakke clarified he doesn't intend this to be a  
117 competition among the lakes for funding. Rather, the District has limited funds and  
118 needs to be smart about how to use its funding.

119  
120 Manager Schmaltz asked about the District's current policy for Eurasian watermilfoil  
121 (EWM) treatment. He believes that the District participates only in controlling heavy

122 growth. Mr. Sandager explained the CLFLWD coordinates and funds the delineation  
123 surveys, and lake associations have paid for the treatments. He noted the 2026  
124 budget doesn't have any funding for EWM treatment.

125  
126 President Anderson moved to table the main motion until the March 12<sup>th</sup> meeting.  
127 Seconded by Manager Bakke. Upon a roll call vote, the motion carried 4-0.  
128

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

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130 **4. Old Business**

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132 **a) 2025 Blue Water Science Reports**

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134 Mr. Sandager indicated this item was presented at the last meeting, and the District  
135 has since received all final reports.

136  
137 Manager Bakke moved to accept Blue Water Science's 2025 Survey Reports.  
138 Seconded by Manager Schmaltz. Upon a roll call vote, the motion carried 4-0.  
139

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

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141 **b) 2025 Education & Outreach Yearend Summary**

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143 Adam Hjelm said this topic was presented at the December regular board meeting,  
144 and managers were invited to provide comments. Mr. Hjelm indicated he hasn't  
145 received any comments since that time.

146  
147 Manager Bakke moved to approve the 2025 Education and Outreach Summary.  
148 Seconded by Manager Toavs.  
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150  
151 Manager Toavs commended Mr. Hjelm on the success of the program. He noted the  
high attendance rate at the recent educational workshop on loons. President

152 Anderson and Manager Bakke echoed this sentiment. Manager Schmaltz asked if  
 153 staff collects workshop attendees' emails on the sign-in sheet. Mr. Hjelm said that  
 154 events with online registration have emails indicated, and sign-in sheets have  
 155 emails. Manager Bakke indicated he appreciates the video presentations.

156  
 157 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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160 **c) 2026 Education & Outreach Implementation Plan**

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162 Mr. Hjelm indicated this topic was also presented at the December regular board  
 163 meeting, and managers were invited to provide comments. Mr. Hjelm indicated he  
 164 hasn't received any comments since that time.

165

166 President Anderson noted the Minnesota Land Trust program could be useful to the  
 167 District moving forward.

168

169 Manager Bakke moved to approve the 2026 Education and Outreach  
 170 Implementation Plan. Seconded by Manager Schmaltz. Upon a roll call vote, the  
 171 motion carried 4-0.

172

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

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174 **d) 2026 Education & Outreach Events**

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176 Mr. Hjelm presented a schedule of major watershed events in 2026 such as  
 177 watershed connections lecture series, informational booths/speaking events, and  
 178 tours/events. President Anderson indicated she appreciates having an event  
 179 schedule in place.

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181 **e) 2026 Rule Revision**

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Administrator Kinney noted he had considered not placing this item on the meeting agenda, but decided last-minute to do so. As such, the materials were delayed in posting.

Mr. Sandager provided an overview of the proposed rule revision process. He recommends an overall approach that protects water resources while balancing the needs of the local communities. He summarized a three-phase rule revision process:

1. Rule assessment and gap analysis (February 2026–October 2026)
2. Draft rule revision (November 2026–February 2027)
3. Adoption of revised rules (February 2027–May 2027)

Mr. Sandager presented rule revision goals, timeline, and budget. Mr. Sandager and Dr. Wilkinson summarized potential rule revisions to consider, many of which would make the permitting process easier for permit applicants.

Mr. Sandager indicated that Emmons & Olivier Resources (EOR) has provided a scope of work for assistance with the rule revisions, and Smith Partners has provided a memorandum with further recommendations.

President Anderson asked that the rule revisions clarify timing to repair erosion control practices and that the District include coordination with the Department of Natural Resources (DNR) on shoreline regulation.

Manager Schmaltz indicated he appreciates the timetable and process outline, similar to the process that was laid forth for the Watershed Management Plan update a few years ago. He recommended that the resulting rules should make it easier for permittees to work with, and the rule changes should also do a better job protecting the water resources. Manager Bakke noted favorably staff’s inclusion of outreach to prior permittees for input.

**f) Clean Water Partnership Loan E**

Administrator Kinney indicated that President Anderson spoke with him over the phone after the last meeting and asked that this topic be brought back to the Board for discussion. Brad Jernberg explained that the 2026 budget calls for a loan of \$234,000 to balance the budget. He indicated the maximum loan award is \$750,000. If the District anticipates taking out additional loans in the future, it would save on bond counsel fees by getting approval for the higher amount now. Mr. Jernberg explained that the District would have a decision point before going above the budgeted \$234,000 loan disbursement, and the topic would be discussed at a board

224 meeting. Bond counsel fees associated with applying for a new loan are estimated  
225 at approximately \$2,500.

226  
227 President Anderson suggested applying for the maximum amount in case the District  
228 has an unexpected event and requires additional funds. She indicated the budget is  
229 so tight that the District would not want to expend an additional approximately  
230 \$2,500 in bond counsel fees to apply for another loan if needed in the future. She  
231 indicated this would provide some breathing room for the District to operate. She  
232 indicated the decision would come back to the board with further analysis, and the  
233 board would make a decision at that time.

234  
235 Manager Bakke indicated he has a different perspective on the loan. He explained  
236 that when the board voted on the \$234,000 loan amount, the board was reluctant to  
237 get further into debt. The alternative to going further into debt is to make some  
238 budget cuts. He stated the District should cut expenses before opening the door to  
239 taking on more debt.

240  
241 Manager Schmaltz said that everything in the budget is important. He recommended  
242 the District seek approval for \$750,000 just in case, but the District can still limit itself  
243 to \$234,000. In which case, the balance would remain undisbursed upon loan  
244 closeout.

245  
246 Manager Bakke indicated he does not support opening the door to taking on  
247 additional debt.

248  
249 Manager Schmaltz asked staff to prepare a prioritized list of expenses in the 2026  
250 budget to help the board decide if anything needs to be cut.

251  
252 President Anderson indicated the District got itself into this situation by not budgeting  
253 properly over the last 6 years. She indicated it would not be a good position to be in  
254 if the District had to shut down operations; it wouldn't send a good signal to the  
255 community. President Anderson indicated the District should prepare a monthly cash  
256 flow analysis moving forward.

257  
258 Manager Schmaltz indicated the District needs to closely review the budget and cash  
259 flow each month.

260  
261 Ted Hansen indicated it appears the Board is re-creating the 2026 budget at this  
262 point, despite the fact that the budget was approved last year.

263  
264 Mr. Jernberg confirmed that the authorized loan amount operates as a line of credit.  
265 If the District is authorized for the full \$750,000 and requests disbursement only of  
266 \$234,000, the latter figure is the principal and the amount subject to interest.

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Manager Schmaltz moved to direct staff to apply for a Clean Water Partnership Loan in the amount of \$750,000 and to provide a cash flow analysis monthly. Seconded by President Anderson. Upon a roll-call vote, the motion carried 3-1.

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

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## 5. Program/Project Update

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### a) Project Update

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Administrator Kinney gave a brief overview of ongoing projects. The Heath Iron Enhanced Sand Filter project construction bid solicitation is upcoming in March. The District expects to receive a federal grant through Section 319 Small Watersheds which will be available in January 2027. The FY27 Clean Water Fund competitive grants request for proposals was released this week, and grant applications are due March 25<sup>th</sup>.

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## 6. Report of Managers

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Manager Toavs reported that the aerator is running on Moody Lake. He indicated nearby residents are excited about having public walking trails on the Bone Lake South property.

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Manager Bakke reported that Blayne Eineichner and Jackie Bussjaeger attended the last Bone Lake Association meeting and shared information regarding permits and the Bone Lake South property. He commended staff on their knowledgeable presentations and staying after the meeting to answer questions from lake association members.

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Manager Schmaltz indicated the Forest Lake Lake Association board met and was discussing shoreline project support. He requested that Aidan Read send him more information on the topic. Manager Schmaltz also requested monthly budget reports, cash flow reports, and project timelines.

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Manager Schmaltz indicated he received a note from Administrator Kinney regarding ditch work and sediment movement near Shields Lake. Mr. Sandager said he has been in communication with the City of Forest Lake regarding stabilization and cleanout.

303 Mr. Kinney reported staff met with a state senator regarding the Liberty Ponds  
304 development near Little Comfort Lake. President Anderson stated that the District has  
305 been asked to provide a technical assessment of this stormwater system. She indicated  
306 the District should bill its time and expenses to the county.

307  
308 President Anderson indicated she spoke with a couple of residents who are very excited  
309 about the Bone Lake South Property acquisition and protecting this open space for public  
310 use. She reported that the Lower St. Croix Watershed Based Implementation Funding  
311 metro convene meeting is scheduled for March 24<sup>th</sup>. She indicated she has asked staff  
312 to prepare a couple of grant proposals to bring to that meeting.

313  
314 President Anderson reported there is a group lobbying for the removal of watershed  
315 district stormwater rules so that all stormwater permitting would be handled by cities.  
316 She asked Mr. Holtman for an explanation. Mr. Holtman indicated the group is called the  
317 Sensible Land Use Coalition, and it is a nonprofit made up of developers and city staff  
318 members. He confirmed the Coalition has produced a white paper recommending that  
319 watershed districts defer stormwater regulation to cities. Smith Partners and MN  
320 Watersheds are keeping track of developments on this matter. He recommended no  
321 action needed at this time.

322  
323 President Anderson questioned the accuracy of water quality trend information  
324 presented on a recent flyer with respect to Comfort Lake and Little Comfort Lake. She  
325 asked staff and EOR to review and confirm.

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## 327 **7. Summary and Approval of Board Direction**

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329 The following board directives were summarized:

- 330 • Regarding the Forest Lake Tri-Party AIS Agreement, staff will provide an analysis  
331 of how funding has been applied to Forest Lake, Bone Lake, and Comfort Lake in  
332 recent years.
- 333 • President Anderson asked that the rule revisions clarify timing to repair erosion  
334 control practices and that the District include coordination with the Department  
335 of Natural Resources (DNR) on shoreline regulation. Manager Schmaltz  
336 indicated the District should be sure to coordinate with municipalities as well.
- 337 • Manager Schmaltz asked that Aidan Read send him information on the staff  
338 request to the Forest Lake Lake Association (FLLA) regarding a shoreline project.
- 339 • The Treasurer's Report will include a cash flow report each month.
- 340 • Mr. Sandager will take appropriate steps with respect to dirt in the ditch near  
341 Shields Lake.
- 342 • President Anderson asked EOR to review the accuracy of reported water quality  
343 data for Comfort Lake and Little Comfort Lake, as shown on a recent flyer.

344

345 President Anderson encouraged staff to clean up the 2025 items on the Summary of  
346 Board Direction table.

347  
348 **8. Adjourn**

349 **a) Next regular board meeting – February 26, 2026**

350  
351 Manager Bakke moved to adjourn the meeting. Seconded by Manager Schmaltz.  
352 Upon a roll call vote, the motion carried 4-0, and the meeting was adjourned at 8:45  
353 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			

355  
356 Dave Bakke, Secretary \_\_\_\_\_