

**MINUTES OF THE JOINT PUBLIC HEARING AND REGULAR MEETING  
OF THE  
COMFORT LAKE - FOREST LAKE  
WATERSHED DISTRICT**

**WEDNESDAY, DECEMBER 19, 2007**

**1) Call to Order**

The President called the December 19, 2007 Joint Public Hearing and Regular Board Meeting to order at 6:00 p.m. at the Forest Lake City Offices, 220 North Lake Street, Forest Lake, Minnesota

Present: President Jackie Anderson, Vice President Richard Damchik, Secretary John Lynch, Treasurer Jon Spence, Manager Wayne Moe

Staff: Randy Anhorn; Brett Emmons, Cecilio Olivier, Gary Oberts, and Lisa Tilman (EOR); Andy Erickson, Joe Bischoff, and Pamela Kiel Massaro (Wenck & Associates)

Others: Ron Harnack, Senator Rick Olseen (State Senate District 17)

**2) Call to Order of the Public Hearing for the CLFLWD BMP Cost-Share Incentive Program**

President Anderson called the Public Hearing to order and opened the hearing up for public testimony. The President further reported that the notice of the public hearing was published in the Chisago County Press and Forest Lake Times newspapers on December 6, 2007 and December 13, 2007. A copy of the Affidavits of Publication are annexed and incorporated by reference.

President Anderson asked if there was anyone present who wanted to speak on the proposed project. There was no one interested in speaking on the project. President Anderson closed the public testimony portion of the hearing and asked for Board discussion. Following discussion on the project, the President called for discussion on the proposed resolution

Administrator Anhorn stated that he had received comments on the Staff/Engineer Report for the District's WCD petitioned BMP Cost-Share Incentive Program project from the DNR and BWSR and that neither agency had any major concerns (a copy of the agencies review letters are annexed and incorporated by reference).

Manager Damchik offered the following resolution and moved for its adoption, seconded by Manager Spence:

**WHEREAS** the Washington Conservation District (WCD) filed a petition on October 11, 2007 with the Comfort Lake - Forest Lake Watershed District requesting that the District undertake a basic water management project to develop a program that provides financial support to projects that reduce nutrient load inputs identified in the District's 2007 watershed-wide load allocation model;

**WHEREAS** the Comfort Lake - Forest Lake Watershed District Board of Managers formally received the WCD Petition and ordered the Staff/Engineer to prepare a report evaluating the feasibility and estimating the costs of the proposed work;

**WHEREAS** District Staff/Engineer completed a report October 25, 2007, concluding that the BMP Cost-Share Incentive Program is a necessary and feasible part of the District's Watershed Management Plan, and that the project meets water quality management goals of the District without causing adverse impacts on natural resources of the area;

**WHEREAS**, the District Staff/Engineer's report was submitted to the Director, Division of Waters, Minnesota Department of Natural Resources and the Minnesota Board of Water and Soil Resources for review, and the advisory reports of these agencies approved the proposed Project as being practical;

**WHEREAS** the District Board of Managers held a duly noticed public hearing on the project on December 19, 2007 at which time all interested parties had the opportunity to address the Board concerning the Project;

**NOW THEREFORE BE IT RESOLVED** that the Comfort Lake - Forest Lake Watershed District Board of Managers finds that the recommendations of the District staff/engineer report as enumerated above are consistent with the objectives of the WCD petition; comply with the goals and objectives of the District's watershed management plan; address the reduction of nutrient loading needed to improve the water quality of the District's impaired waterbodies as indicated in the District's watershed-wide load allocation model; and will be conducive to public health, promote the general welfare, comply with the Watershed Law, and result in benefits greater than the cost of Project implementation and damages;

**BE IT FURTHER RESOLVED** that the Board of Managers hereby grants the Petition of the Washington Conservation District, confirms the Staff/Engineer's report, and orders that the Project be established and that Staff, in cooperation with WCD proceed in the development and promotion of the BMP Cost-Share Incentive Program.

The question was on the adoption of the above resolution and there were five (5) ayes and zero (0) nays as follows:

	<u>AYE</u>	<u>NAY</u>
Jackie A. Anderson	X	
Richard P. Damchik	X	
John T. Lynch	X	
Wayne S. Moe	X	
Jon W. Spence	X	

The President declared the resolution adopted.

3) **Close the Public Hearing Portion of the Meeting**

The President closed the Public Hearing portion of the meeting.

4) **Open the Regular Meeting**

The President opened the Regular Board Meeting.

5) **Reading and Approval of Agenda**

The motion to approve the agenda was accepted by consensus.

6) **Reading and Approval of Minutes**

The President called for the reading and approval of the minutes of the November 13, 2007 regular Board meeting. The motion to approve the November 13, 2007 regular Board meeting minutes with edits was made by Manager Damchik and seconded by Manager Lynch. Upon vote, the motion passed unanimously.

7) **Public Open Forum**

Nothing presented

8) **New Business**

*a) Senator Rick Olseen (State Senate District 17)*

Senator Olseen introduced himself and thanked the Board for their work over the past year. Senator Olseen mentioned that he had been in contact with the District's Administrator about the District seeking legislation to be re-designated as a 103B watershed. Senator Olseen stated that he was in favor of such legislation and at the request of the Administrator will be the chief author for the legislation in the Senate.

Following questions from the Board, Senator Olseen discussed the expected route and timeline of the District's legislation.

The Board thanked Senator Olseen for his support and willingness to author and champion the District's legislation.

*b) Lake Management Districts*

Administrator Anhorn stated that each Manager had received a memo detailing the state requirements for developing Lake Management Districts and determining utility fees (a copy of the update is annexed and incorporated by reference). Anhorn went through the memo and highlighted requirements under MN Statute 103D.729 the District would need to address in order to include Management Districts and utility fees. Anhorn stated that in the current amendment/revision being undertaken by the District, Management Districts will be included, but current information only describes the Management Districts at a subwatershed level as opposed to a parcel by parcel level that will eventually be needed if and when a Management District is used to collect fees or subwatershed taxing.

Administrator Anhorn also highlighted other needs and policy decisions the Board would have to make in order to set up such a program and eventually amend it to the watershed management plan. Anhorn said that EOR has had experience with setting up such a program for South Washington Watershed District,

and that he had asked EOR to present information on the set-up of Management Districts and calculation of fees at the January Board meeting.

The Board held discussion on the benefits of fees/taxes linked to a parcels actual stormwater and/or nutrient contribution as opposed to its market value, as well as credits for parcels that utilize BMPs to manage their own stormwater on-site. Manager Spence stated that he still wasn't sure the need to have four management districts as opposed to just one and hoped that EOR could address this in there presentation. Manager Anderson wanted to make sure that a utility fee would be able to be used for everything the Board was hoping, especially pre-engineering work for project.

***c) Proposed 2008 work plan and timeline***

Administrator Anhorn went over the District's proposed 2008 work plan and timeline. A copy of the update is annexed and incorporated by reference. Administrator Anhorn went over the timeline for the District's special legislation, the resulting timeline for amending the watershed management plan (either as a revised plan to meet 103B requirements, or amending the plan under 103D if the special legislation is unsuccessful), the adoption of rules, and other District-wide project/programs. Anhorn further stated that because of the tight timeline for revising the District's plan to fulfill 103B requirements (if legislation is successful), the Board will need to adopt the CIP no later than the end of January 2008. Anhorn said that the reason for the tight timeline is that in order for the BWSR Board to act on the District's Plan revision in August, they will need to have the revision finished and sent to all the reviewing entities by February 15, 2007.

If the District's 103B legislation is not successful, the timeline for amending the plan under 103D is not as tight.

**9) Old Business**

***a) Minnesota Association of Watershed Districts (MAWD) Watershed District Handbook***

Manager Anderson discussed the MAWD Watershed Handbook and its potential for use as a guideline for operations as well as providing consistency between watershed districts. Manager Anderson thought that it would be worthwhile for the District to adopt the handbook (specifically Appendix C) as a procedural guide for the District.

Motion was made by Manager Anderson and seconded by Manager Lynch to adopt the MAWD Watershed District Handbook as a guidance/procedural manual for the District. Upon vote, the motion passed unanimously.

***b) Draft Rules***

Administrator Anhorn mentioned that each Manager had a copy of the recent revision of the draft rules incorporating changes/edits recommended through a review by the District attorney (a copy of the update is annexed and incorporated by reference). Anhorn mentioned that the next step would be to present the draft rules to each of the local communities and start the TAC/CAC meeting process. The Board held discussion on the draft rules and requested that the Administrator forward both copies of the District's draft rules (one as a review comment program and one implementing a permitting program) on to the local communities.

Motion was made by Manager Lynch and seconded by Manager Moe to approve the draft rules as presented. Upon vote, the motion passed unanimously.

*c) TMDL*

Administrator Anhorn mentioned that due to the change in personnel at Wenck & Associates, he wanted the Board to be sure that they still wanted Wenck & Associate to undertake and prepare TMDL study on the District's impaired lakes. Anhorn reminded the Board that the main emphasis of the TMDL study is the use of the Water Quality Modeling Investigation for the Development of a Capital Improvement Plan study recently completed by Wenck & Associates and mold it into a TMDL format. Anhorn stated that while cost estimates by Wenck were used to prepare the TMDL work plan, the recently signed contract with MPCA could be amended to include a different engineering firm at the same presented cost estimates.

Administrator Anhorn stated that both firms were well qualified to undertake the project and that he has worked on past TMDLs with Joe Bischoff from Wenck and that he felt that Wenck & Associates would do a great job on the TMDL, and since they have worked on the watershed-wide load allocation model would provide seamless transition into the TMDL. But, due to recent changes in personnel he felt that the Board should decide if they still wanted Wenck & Associates to do the work or if they would feel more comfortable with EOR completing the TMDL. Anhorn stated that he felt that EOR would also do a great job and that they are currently working on other TMDL studies in Washington County as well as the Sunrise River Watershed (of which CLFLWD is a partner).

Manager Anderson asked for each firm to discuss their qualifications and experiences doing TMDL studies. Following the presented qualifications of each, the Board held discussion on the benefits of both firms, and felt that both were equally qualified.

Motion was made by Manager Anderson and seconded by Manager Damchik to obtain EOR to undertake the TMDL study on the District's impaired lakes. Upon vote, the motion passed 3-2 with Manager Lynch and Manager Moe voting against the motion.

*d) 2008 Budget*

Administrator Anhorn discussed the updated 2008 draft budget which broke budget areas into more detailed line items (a copy of each report is annexed and incorporated by reference). Administrator Anhorn went through each item line of the budget.

Motion was made by Manager Spence and seconded by Manager Moe, to adopt the proposed 2008 budget. Upon vote, the motion passed unanimously.

*e) 2007 Work Plan & Projects Update*

Administrator Anhorn provided the Managers with a copy of the 2007 proposed work plan with progress updates on each of the items listed and a list of overall highlights for 2007. A copy of the update is annexed and incorporated by reference. Anhorn further asked the Managers to review the provided list of highlights for 2007 in order include all highlights in the 2007 Annual Report that he will be working on in the first quarter of 2008.

Manager Anderson requested that the work plan and progress report be uploaded on the District's website.

*f) Water quality modeling CIP discussion*

Because of the importance of the study and the CIP, the Board thought that it would be worthwhile to schedule a workshop to give the subject ample time. The Board asked the Administrator if such a workshop would cause a timeline problem for the amendment to the District's watershed management plan. Administrator stated that while they were on a tight schedule, a workshop could be scheduled during the first or second week of January, but reiterated that the Board will need to adopt the CIP no later than the January meeting in order to remain on schedule with the amendment process discussed earlier.

Administrator Anhorn further stated that he and Wenck had tentatively scheduled the last of the four scheduled stakeholder meetings for the project on Monday, January 7 from 1:00-4:00 pm. After Board discussion, Manager Moe made motion to schedule a workshop to discuss the water quality modeling capital improvement plan study report for Monday, January 7, 2008 at 6:00 at the Forest Lake City Hall. Manager Lynch seconded the motion. Upon vote, the motion passed unanimously.

**10) Report of Administrator**

Administrator Anhorn presented an Administrator's report memo (a copy is annexed and incorporated by reference). The Administrator's report detailed recent correspondence, permit and plan submittals for review, and recent meetings with local stakeholders.

Administrator Anhorn highlighted the District's recent meetings with local communities and counties seeking support for the District's special legislation to be designated a Metro watershed. Anhorn stated that to date he has received support resolutions or letters from the MAWD, Metropolitan Council, Chisago County, Chisago County SWCD, City of Forest Lake, Wyoming Township, WCD, and Washington County. The District is on the agenda for upcoming meetings for Chisago City, City of Scandia and City of Wyoming.

Administrator Anhorn further stated he discussed potential language for the legislation with BWSR staff, and that he recently met with Representative Kalin and Senator Olseen (authors of the legislation) to discuss the BWSR suggested language. Anhorn further reviewed his recent meeting with Senator Vandever and Representative Dettmer.

Anhorn highlighted the increases in PERA and payroll tax contributions the District will be responsible for as part of his salary in 2008.

Administrator Anhorn mentioned that as a result of recommendations from the District's 2006 Annual Audit, he has completed a draft Internal Financial Control Manual (a copy is annexed and incorporated by reference) documenting the District's internal controls. Anhorn asked each Manager to review the manual and provide comments, especially on the eight policies presented in the manual. Manager Anderson mentioned that the Administrator should provide a draft to the county auditors for their comments as well.

Administrator Anhorn mentioned a recent discussion he had with the Washington County Auditor about the potential of receiving 70% of the District's first half or 2008 tax settlement a few weeks early

(roughly June 21, 2008 as opposed to July 5, 2007). In order to take advantage of this, the District would have to request the early deposit in writing. The Board requested that the Administrator make the suggested request.

Administrator Anhorn presented the schedule for the District's regular Board meetings in 2008 (a copy of the schedule is annexed and incorporated by reference).

**8) Report of Engineer**

*a) Emmons and Olivier Resources (EOR)*

Lisa Tilman stated that over the past month EOR has worked with the Administrator on revisions to the draft rules and provided review of the draft water quality modeling; CIP design study report prepared by Wenck & Associates.

*b) Washington Conservation District (WCD)*

Nothing presented

*c) Wenck & Associates*

Pamela Kiel Massaro mentioned that Wenck had recently forwarded the final report on to the Managers and she had nothing else to add at this time due to the workshop to discuss the report being scheduled for January 7<sup>th</sup>, 2008.

**9) Report of Attorney**

The Administrator stated that he and the President decided that there was no need for the attorneys to attend the December Board meeting.

**10) Report of Treasurer**

*a) Approval of Bills*

Manager Spence discussed the Treasurer's Report and bills for December 2007.

Motion was made by Manager Lynch to pay the bills as presented. Manager Damchik seconded. Upon vote, the motion passed unanimously.

*b) Approval of Treasurer's Report*

Motion was made by Manager Lynch to approve the December Treasurer's Report. Manager Damchik seconded. Upon vote, the motion passed unanimously.

**11) Reports of Officers and Manager**

**Manager Anderson –**

Manager Anderson stated that she would forward on a study linking phosphorus loading to the deformed frogs, on to the Administrator to copy and forward to the other Managers.

**Manager Damchik –**

Manager Damchik stated that the snow from the parking lot on the outlet channel of Forest Lake was again being plowed into the channel.

Administrator Anhorn mentioned that he had already contacted City of Forest Lake Administrator Robinson and that they were going to send a joint letter to the owners, Gaughan Properties.

**Manager Lynch –**

Manager Lynch passed around a Star Tribune article entitled “Murky Lakes”.

**Manager Moe-**

Manager Moe mentioned that he had attended the New Managers Workshop at the annual MAWD conference. Manager Moe stated that he found the workshop very informative.

**Manager Spence –**

Manager Spence mentioned that he had just sent an email to Dan Fabian (EOR) and Dick Berglund (Comfort Lake Association [CLA]) in order to set up a time for them to discuss Dan attending a CLA meeting to discuss outlet weirs.

**12) Adjournment**

Motion to adjourn the CLFLWD regular Board meeting was made by Manager Damchik and seconded by Manager Spence. Motion carried unanimously.

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John T. Lynch, Secretary