

**MINUTES OF THE REGULAR MEETING
OF THE
COMFORT LAKE -FOREST LAKE
WATERSHED DISTRICT**

TUESDAY, APRIL 24, 2007

1) **Call to Order**

The President called the April 24, 2007 meeting to order at 6:30 p.m. at the Forest Lake City Offices, 220 North Lake Street, Forest Lake, Minnesota

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

Absent: Vice President Richard Damchik

Staff: Randy Anhorn, Joe Bischoff (Wenck & Assoc.) Dan Fabian (EOR), Travis Thiel (WCD), Lisa Tilman (EOR)

2) **Reading and Approval of Agenda**

Motion to approve the agenda with additions made to the unfinished and new business sections, was made by Manager Lynch and seconded by Manager Moe. The Motion carried unanimously.

3) **Matters of Public Interest**

4) **Reading and Approval of Minutes**

The President called for the reading and approval of the minutes of the regular meeting of March 27, 2007. Manager Lynch highlighted a small edit.

Motion was made to approve the March 27, 2007 regular meeting minutes with corrections by Manager Lynch and seconded by Manager Spence. Upon vote, motion carried unanimously.

5) **Report of Treasurer**

Manager Spence and Manager Anderson discussed the Treasurer's Report for April 2007.

Motion was made by Manager Anderson to approve the April Treasurer's Report. Manager Moe seconded. Motion carried unanimously.

6) **Report of Engineer**
a) *Emmons and Olivier Resources (EOR):*

Dan Fabian and Lisa Tilman from EOR presented their review of the draft CLFLWD rules to determine their overall compatibility to the CLFLWD Watershed Management Plan (WMP). While EOR initially presented the summary results at the March 27, 2007 Board meeting, the Board requested a more focused presentation providing sample rule language to address specific areas identified in the draft as either conflicting with or not supporting the stated goals of the CLFLWD WMP. The presentation further attempted to spark Board discussion as to the future schedule and scope of work for the rule development process.

EOR presented each of the key areas highlighted in their CLFLWD Plan and Rule Comparison Summary Memo (a copy of the report is annexed and incorporated by reference), suggested possible solutions to issues raised, facilitated discussion on each, and sought direction as to the next step to be taken for each topic. The directions sought included; 1) having EOR and the Administrator develop a rule from the sample language or solutions presented for distribution to the Board and the technical advisory committee (TAC), 2) not officially developing a rule for the topic (but address the issue by another method), or 3) discuss the issue and potential language further at a future Board workshop.

Administrator Anhorn presented findings from his meetings with local communities within the watershed to gauge their interest in CLFLWD developing watershed-wide rules, their thoughts on a potential permitting program, get their overall feelings and concerns, and determine existing regulatory gaps and conflicts and seek their involvement in process. All five of the communities interviewed (Chisago City, Forest Lake, Scandia, Wyoming, and Wyoming Township) showed a willingness to take part in the District's rulemaking process. Anhorn further noted common themes, concerns, and opportunities raised as part of the interviews.

The Board directed EOR and Administrator Anhorn to prepare language for the May 24, 2007 Board meeting, to address the following issues in the draft rules:

- Focus water quality rule standards on loads or loading reductions as defined by the current water quality (load allocation) modeling effort as opposed to inflow concentrations
- Address the preservation of fish and wildlife passages in stream, wetlands, and lake crossings
- Address landlocked basins
- Use of pre-European settlement vegetation cover as the standard for both stormwater volume *and* rate control (while the draft rules had stormwater volume control standards based on pre-settlement conditions, rate control standards were based on pre-development standards)
- Develop potential rules to address wetland management/protection including the coordination with local WCA LGUs
- Develop overall rules to reflect CLFLWD's initial intention to implement rules as a review and comment program in partnership with local stakeholders. The rules will be

set up with a provision to potentially adopting a permit program if needed, or decided as part of the TAC rule review process

A workshop was scheduled for 6:00 p.m. June 5, 2007 in the Forest Lake Council Chambers to further discuss the following rule topics:

- Lake, stream, and wetland buffer widths and vegetation requirements
- Lake and stream shoreline alteration (prioritize natural shorelines)
- Lake vegetation management standards and rules
- Groundwater rule should state that the District would implement goals of the Washington County Groundwater Plan including:
 - a) Preservation of recharge areas
 - b) Wellhead protection
 - c) Protection and improvement of quality

Administrator Anhorn was directed by the Board to contact Chisago and Washington counties to compile information on their groundwater goals, policies, and rules prior to the scheduled workshop.

The Board then discussed the rulemaking process, the timing of legal review, and next steps. After discussion, Motion was made by Manager Spence for EOR to go forward with their proposed rule making agenda and for the District to continue to fund the effort. The Motion was seconded by Manager Lynch. The Motion carried unanimously.

b) Washington Conservation District (WCD)

Travis Thiel of WCD, thanked the Board for putting on the April 20, 2007 watershed tour. Mr. Thiel said that he found the tour and insight provided by the participants to be very educational.

The Board thanked Thiel and WCD for the production tour maps and providing a watershed-wide perspective to the tour.

c) Wenck & Associates

Joe Bischoff, of Wenck & Associates gave a presentation on the chloride total maximum daily load (TMDL) study on Shingle Creek. Mr. Bischoff stated that Shingle Creek watershed covers 40 plus square miles in the east-central Minneapolis metropolitan area. It includes 14 lakes and is encompassed by 1,375 lane miles of roads. As a result, significant amounts of road salt are applied to the watershed annually for deicing and snow control. A total maximum daily load (TMDL) study was developed to diagnose the cause and solution to the watershed's high chloride concentrations. High chloride concentrations have a significant impact on the biological integrity of receiving waters.

Mr. Bischoff further stated that details of this study are being used to develop appropriate BMPs and target areas to reduce the potential impact of chloride in the watershed, while

maintaining public safety for winter road conditions. The resulting BMPs (some as simple as calibrating each truck's salt spreaders) are also being recommended to other communities.

Mr. Bischoff then gave an update on where Wenck & Associates was in their water quality modeling process. Bischoff stated that Wenck was currently building water budgets for the lake response portion of the modeling effort. The lake response models should be concluded sometime around mid- to late- May at which time the second of four planned stakeholder meetings will be scheduled. Mr. Bischoff further mentioned that the ecological assessment portion of the study (shallow lake biology) will be completed very soon, and that they are on schedule to meet the Board's desired timeline for the project.

The Board thanked Mr. Bischoff for his presentation and update.

7) **Report of Attorney**

No Report

8) **Report of Administrator**

Administrator Anhorn presented an Administrator's report memo and addendum (a copy of each report 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.

Anhorn also stated that because responses to the Citizen Advisory Committee (CAC) survey have stopped coming in, and because we currently only have five members having interest in continuing on the committee, he recently published a news release seeking persons interested in serving on the CLFLWD CAC in the Chisago County Press and Forest Lake Times. Anhorn said that the news releases were published during the week of April 16, 2007. Because there has been no response to date, Anhorn will post a news release in the upcoming weeks. Anhorn also mentioned that he will include the news release on the District's upcoming website.

The Board received drafts of the CLFLWD logo in various colors. Administrator Anhorn requested direction as to which, if any, they would like to use. The Board unanimously chose the blue version (included within). Administrator Anhorn stated that the next step will be to forward the logo on to Bufflehead Web Design to incorporate into our website.

Anhorn stated that he has provided the web designer with previously presented content to be included on the website pages. The next step will be for the web designer to provide the District with a draft version of the site, from which we can make edits. After edits we should be able to activate the site.

9) **Reports of Officers and Manager**

The President called for reports.

Manager Anderson –

No report

Manager Damchik –

No report

Manager Lynch –

Manager Lynch inquired about a potential grant presented in EOR's November, 2006 summary of grants. The grant, *Water Resource Conservation and Protection-Clean Water Legacy* from the Board of Water and Soil Resources (BWSR), provided funds for the restoration and protection of streambanks and stream channels. If available in 2007, Manager Lynch mentioned that it may be worthwhile for the Forest Lake outlet channel.

Manager Moe-

Manager Moe mentioned that he distributed flyers of the District's upcoming May 8, 2007 workshop entitled "*Planting for Clean Water*" to residents around Bone Lake. Manager Moe also mentioned that he had been in contact with Dan Sobieck, Partnership and Challenge Cost-Share Grant Coordinator for the U.S. Fish and Wildlife Service, about their joint grant program with Pheasants Forever. Manager Moe stated that the program could provide potential funding for any future restoration project in the District.

Manager Spence –

Manager Spence mentioned that he distributed flyers of the District's upcoming May 8, 2007 workshop entitled "*Planting for Clean Water*", as well as the Chisago County May 22, 2007 rain garden workshop, to residents around Comfort Lake.

10) **Correspondence, Publications and Reports**

Correspondence, Publication and Reports are incorporated in the April, Administrator's Report.

11) **Unfinished Business**

Rules were discussed as part of the EOR report.

12) **New Business**

Manager Anderson inquired about findings the District's 2006 Annual Audit performed by HLB Tautges Redpath. Administrator Anhorn stated that there were going to be two findings: One, is **The Oversight of Financial Statement Preparation**. HLB Tautges Redpath states that this will be a finding in the vast majority of watershed audits and their recommendation, shown on the example, is to remain aware of the situation, however due to the increased cost, make a choice to make no changes to current procedures. And two is **Documentation of the Components of Internal Control**. Although we have an official procedure for our internal controls (i.e. who signs checks, who approves invoices for payment, payroll, etc.), we do not have these controls documented. HLB Tautges Redpath recommends that we establish a written control document. Because of recent accounting requirement changes these two findings are common for the majority of Watershed Districts in 2006.

Discussion was held as to the development of a document detailing the components of internal control for CLFLWD. Manager Spence and Administrator Anhorn are to work on preparing such a document.

Administrator Anhorn also mentioned that the Audit will state that CLFLWD was under-collateralized as of December 31, 2006. Anhorn explained that the reason CLFLWD was under-collateralized was due to Mainstreet Bank's assumption of being able to use the aggregate of FDIC coverages for CLFLWD's saving and checking accounts (\$100,000 for savings and \$100,000 for checking equaling \$200,000 of total coverage). Under their assumption, CLFLWD had enough collateral to cover ourselves. HLB Tautges Redpath pointed out however, that Mainstreet Bank was incorrect in their assumption (they could not use the aggregate. After relaying HLB's interpretation on to Mainstreet Bank, it was determined that Mainstreet Bank was indeed incorrect in their method of determining collateral, and will work with us in the future to ensure our collateral coverage. This will include informing Mainstreet Bank when County disbursements are due.

The Board then held discussion on the District's check signing policy. The District currently requires two signatures on the checks, but does not designate who directly has check signing authority. Motion was made by Manager Moe that the Board President, Secretary, and Treasurer, have check writing authority for CLFLWD. The Motion was seconded by Manager Lynch. Motion carried unanimously.

Manager Anderson mentioned that she recently received the Small City and Town Accounting Software (CTAS) from the State Auditors Office, and is working with them to format of version of CTAS software specifically for Watershed Districts. Anderson feels that this will allow the District to better track monthly accounts, and provide an easier way to prepare monthly financial reports. Ms. Anderson said that she and Treasurer Spence, District Accountant Kathy Blackford, and Administrator Anhorn met after the watershed tour to load the software on the District's computer. Ms. Blackford and Administrator Anhorn will work on getting the package up and running.

13) **Adjournment**

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

John T. Lynch, Secretary