

**MINUTES OF REGULAR MEETING
OF THE
COMFORT LAKE – FOREST LAKE
WATERSHED DISTRICT
Thursday, September 10, 2015**

1. Call to Order

The President called the September 10, 2015 Regular Board meeting to order at 6:30 p.m. at the Council Chambers of the Forest Lake City Center, 1408 Lake Street South, Forest Lake.

Present: President Richard Damchik, Vice President Jackie Anderson, Treasurer Jon Spence, Secretary Wayne Moe and Assistant Treasurer Stephen Schmaltz.

Others: Michael Kinney and Emily Schmitz (CLFLWD staff), Chuck Holtman (Smith Partners), Brett Emmons and Jay Michels (EOR), Jay Riggs (Washington Conservation District), Laura Jester (Keystone Waters, LLC), Mark Lobermeier (City of Wyoming), Jerry Grundtner (CAC member), Margie Schmidt (Bone Lake Association) and Debbie Meister (MMC Associates).

2. Setting of Meeting Agenda

The President called for approval of the September 10 agenda. Manager Moe moved to adopt the agenda. Seconded by Manager Spence. Upon vote, the motion carried 4-0.

3. Public Open Forum

The President asked for public comments. There were no public comments.

4. Public Hearing –Proposed 2016 Budget and Levy

The President opened the public hearing. Mr. Grundtner spoke as the CAC representative and presented comments from the CAC. The budget is significantly larger than in previous years, especially for projects including AIS. While the CAC approves, the 91% budget increase and the reserve need to be considered, especially for the long term. The CAC knows that grants are time consuming to acquire in staff and consultant time and encouraged doing a better job applying for any and all grants. Currently, 42% of the budget comes from grants. Grant revenue will have to increase or the levy will need to increase significantly.

(Manager Anderson arrived at this time.)

Mr. Grundtner continued that the CAC asked the Board to consider grant writing needs when considering hiring a community outreach person. This should be a high focus of the position, if the District wants to continue with programs going forward. Also seeking and receiving grant funds for Forest Lake, will free up District funds for projects in other regions and lakes where we cannot leverage funds. The AIS program continues to grow and the CAC encouraged the Board to apply what we learned this year to water bodies not currently infested. Overall, the CAC was pleased. Administrator Kinney clarified that the

91% increase has been reduced through a few revisions. Mr. Holtman clarified that at the regular meeting on November 19, 2015, the Board will hold hearing public meeting to accept further comment on the budget and levy. At that time, the Board may reduce but not increase the levy. President Damchik closed the public hearing.

5. New Business

a) Resolution Adopting 2016 Budget and Levy

Responding to Manager Anderson's question, Mr. Holtman clarified that administrative expenses are not limited to \$250,000 as Minnesota Statutes §103D.905 states; in the metro area, watershed districts can levy for administrative expenses under authority of Minnesota Statutes §103B.241. The Board asked that he summarize this in a memo. Administrator Kinney clarified that Chisago County's charge to the District for overhead at \$20/hour is undervalued and so in reality serves as an in-kind contribution for District expenses such as boat inspections on Comfort Lake. Manager Anderson recommended applying to the Initiative Foundation for projects in Chisago County, transferring AIS expenditures to a stand-alone program account, putting funds into land acquisition and looking at shifting funds to programs that need attention right now, after the budget and levy are adopted. Mr. Holtman stated that the Board can move money between funds as long as the budget is adjusted. Manager Moe moved to adopt Resolution 15-09-01 to adopt the 2016 budget and tax levies. Seconded by Manager Schmaltz. Upon roll call vote, the motion carried 5-0.

Manager Anderson requested a template for the Chisago County tax levy estimates. This will be helpful when Managers talk to residents.

6. Old Business

a) Draft Communications Plan

Ms. Jester presented the Communication Plan, which was developed from surveys, a Board workshop and conversations with District partners. The plan covers three communication objectives:

1. Garner support and cooperation for District projects and programs through regular communication with partners and residents. Specifics included reaching various audiences; focusing on the mode and timing of communications, such as a well-maintained and updated website; meeting with audiences on a regular basis, such as regular meetings with city staff and adding meetings with others including lake associations and city councils; and communicating through email updates and factsheets.

#2. Improve compliance with District rules and permitting program to foster sustainable growth and development and minimized impacts on water. Suggestions included regular meetings with city staff and local officials, meeting with developers, creating a flow chart for the permit process and posting on the District website. Manager Schmaltz stated that the District has made progress on working with the cities. There is a permit process flow chart in the handbook and the Board will be discussing a uniform approach/standardization of ordinances with cities later in the meeting.

#3. Change behaviors among residents, lake users, shoreland owners and rural landowners toward more water-friendly practices. With East Metro Watershed Resource Education Program (EMWREP), the District has hired an expert to take care of messages. Discussion included: work as closely as possible with EMWREP to make sure the District messages are presented, foster a good relationship with a reporter so messages are more likely to be covered and use CAC to help with messaging.

Manager Schmaltz stated that Ms. Jester did a great job identifying how the District is perceived and laying out strategies. The Board now needs to decide how much we want to implement and where to start. The website is being updated. One staff member should be assigned to keep the website updated. Administrator Kinney stated that some things are fairly simple, such as the entire board packet is now distributed to all who were receiving the agenda. Manager Anderson stated that the South Washington Watershed District website is an excellent site with interactive maps and suggested providing or even paying for a consistent clean water column in local papers, maybe through EMWREP. Mr. Riggs noted that Angie Hong prepares a weekly article, but papers in this area have not been willing to publish them. The District can help get articles published. Ms. Jester suggested putting meeting materials on a District webpage. Administrator Kinney clarified that transitioning to a different IT service is slowing down updating the website. The base of the site has been designed, but moving the site and building content are still needed. Manager Anderson recommended posting an ad for a community person with those skills.

b) Cost-Share Program Budget

Jay Riggs attended the meeting to discuss the change in the Cost-Share Program format and budget, which has run out of funds for technical assistance. He stated that EMWREP was specifically designed to promote BMP programs. We can show that BMP programs, when coupled with education and technical assistance, have been very successful. In CLFLWD, initial site visits are funded by Washington County. The site visits are often outcomes of workshops Ms. Hong organizes. The visits connect to the Cost-Share Program, which achieves water quality load reduction goals. This year there was a heavy concentration of site visits on Forest Lake because of the spring AIS workshop. As of today, there were 17 initial site visits, 15 concept designs, but only one installed project. Nine-of the 10-shoreline projects did not move forward. While shoreline projects provide sediment reduction and habitat benefit, they only provide a small phosphorus removal benefit. In comparison, the Carnelian-Marine-St. Croix Watershed District had no shoreline cost-share projects this year and that program is capped at a reimbursement of \$2,500. WCD is still doing site visits, but not concept designs, because the budget for technical assistance was used up.

Discussion focused on the District program moving from a maximum cost share of \$1,500 to tying payment to phosphorus reductions. Mr. Riggs stated that WCD is supporting performance-based programs in Washington County. Manager Anderson asked if a lot of small projects are as valuable as one large one and are there other

benefits besides phosphorus reduction that are valuable? Mr. Grundtner stated that he is one of the 15 concept designs that did not do a project. The 50% cost-share program was successful. Now most of the shoreline properties have a difficult time getting to ¼ pound of phosphorus reduction, so it is hard to get to a payment of \$1,000. Also the required buffer is 15 feet. Manager Anderson noted that Dr. Funke indicated that a 10-foot buffer could be effective, depending on the type of vegetation, its density and other factors. Mr. Riggs stated that if the District has a goal to enhance buffers, then a phosphorus-based standard is not the most productive criterion and there are other ways to accomplish this, such as using TMDL goals or using performance-based standards, but also funding based on other benefits such as habitat. Additional comments included:

- Manager Schmaltz stated that standards need to be changed before more money is thrown into the program.
- Manager Anderson stated that we have a program that worked before switching to a phosphorus-removal based payment criterion and we should go back to that while we work on revising it.
- Manager Spence stated that a phosphorus standard has worked and should not be thrown off. We need to add more options. We don't know how to fix the program, but projects are waiting.
- Manager Moe stated that the District has a ranking system and Managers use their best judgment. He also stated that at least one cost share approved in the past was nothing more than a shoreline beautification project and was not the best use of funds.
- Margie Schmidt stated that she did not complete a cost-share project because the plugs recommended were not locally available.
- Mr. Emmons suggested using the 50% cost-share for shoreline stabilization and phosphorus reduction for other projects. Why be that proscriptive, if all elements are important? Other benefits could be added in the future. Projects go through a technical review process.
- Mr. Riggs stated that WCD is trying to reduce costs for review and design, use consistent criteria, level the playing field and encourage phosphorus reductions. Having exceptions for shoreline can be provided. We developed a formula of \$5,000/pound of phosphorus reduction over many years, but it does not often work for shoreline. We have other criteria, such as standards for total suspended solids.
- Mr. Holtman noted that the policy the Board adopted says that in determining funding the Board can consider benefits other than phosphorus reduction. This may be particularly applicable to shoreline enhancements. What is necessary is for staff and the engineer to come up with an approach for how funding based on other benefits will be determined.

Manager Anderson made a motion to transfer \$15,000 from the Municipal Stormwater Remediation Program into the SWCD Technical Support/Follow up for the Cost-Share Program. Seconded by Manager Moe. Upon vote, the motion carried 5-0.

There was general agreement that the cost-share criteria need to be broadened and that the technical staff should provide standards/policy for the Board to consider.

Manager Schmaltz moved to go back to the original program of 50% cost share up to \$3,000 and look to revise the program. Seconded by Manager Anderson. Upon vote, the motion carried 5-0. Manager Moe suggested that there should not be a minimum required buffer in all cases. The Board directed the Administrator and EOR to return with recommendations as to a revised funding approach.

c) City Ordinance Comparison

Jay Michels presented the ordinance comparison survey of CLFLWD rules to the Minimal Impact Design Standard (MIDS) model and to relevant sections of local city and county codes. MIDS focuses on three elements. 1. Promote a higher performance goal to improve water quality for new and re-developments. 2. Implement credits for water quality practices. 3. Provide a community assistance package with sustainable ordinances. The goal is to create a one-stop shop for communities to meet water quality standards. This can help with MS4 permits, TMDL waste loads and Legacy grant applications. The survey compared standards for BMPs, the process for permitting, inspections and maintenance, and requirements for enforcement and financial security.

Discussion focused on next steps and working with local government units (LGUs).

- Manager Schmaltz stated that the biggest benefit with uniform ordinances is making it easier for developers/contractors and this is the way to approach cities. Mr. Michels stated that a number of watershed districts are adopting MIDS and then this trickles down to cities. There are areas with a critical mass of the same set of rules and we are expanding on this.
- Manager Spence asked about the cost of taking MIDS, tailoring it to communities within CLFLWD, making it more stringent to coincide with the more strict CLFLWD rules and providing it to our communities to adopt. Mr. Michels stated that although it is expensive (probably \$25,000-\$30,000 to revise ordinances), there is Legacy funding if the District and communities are willing to go above the current standards. He recommended a process: start by getting a commitment from communities to support the process; meet with city staff to review community ordinances and establish a working group to work through each ordinance before taking it to the city council.
- Mr. Holtman clarified that Statute 103B does not necessarily mandate consistency in ordinances, it gives districts authority to set standards within their boundaries and lets cities adopt standards to meet the district standards. He also stated that the value of consistency between government units is lost if the District wants to keep its higher standards. If the District wants to be consistent with other communities that adopt MIDS, it would have to adjust its rules to the MIDS standards unless its communities agree to ordinances that follow the MIDS framework but are stricter than MIDS in some respects.
- Manager Anderson stated that the District Rules focus on keeping water on site. The goal is to get lakes back to predevelopment. Mr. Michels clarified that watershed district rules trump the MIDS standards. CLFLWD Rules for volume and water quality are above MIDS standards. MIDS rules can be customized and the credit calculator can be changed to calculate higher standards.

- Managers and staff can now start planting the seeds and talking with LGU staff and developers. These standards will help cities such as Wyoming meet their MS4 requirements. New rules requiring review of development plans before projects are platted and applications are submitted will save developers time and expense.
- Administrator Kinney stated that the Board has been given direction for developing a proposal for rule revisions, what it will cost and grant opportunities. Mr. Emmons suggested estimating costs based on the communities and how likely they are to embrace the revisions.

7. Report of Officers and Managers

- Manager Schmaltz reported that the Department of Natural Resources is dropping the limit for AIS grants and suggested that lake associations might want to voice an opinion. Manager Anderson suggested drafting a resolution for the Minnesota Association of Watershed Districts for the 2106 Legislative session.

8. Adjourn Next Meeting —September 24, 2015

Manager Spence moved to adjourn the meeting. Seconded by Manager Schmaltz. Upon vote, the motion carried 5-0, and the meeting was adjourned at 9:15 p.m.

Wayne S. Moe, Secretary _____