

**DRAFT MINUTES OF BOARD WORKSHOP  
OF THE  
COMFORT LAKE – FOREST LAKE WATERSHED DISTRICT**

**Thursday July 28, 2016**

**1. Call to Order**

The meeting was called to order on July 28, 2016 at 4:15 p.m. in the Forest Lake Conference Room of the Forest Lake City Center, 1408 Lake Street South, Forest Lake, MN.

Present: President Jackie Anderson, Vice President Jon Spence, Secretary Wayne Moe, Treasurer Stephen Schmaltz

Absent: Assistant Treasurer Jackie McNamara

Others: Mike Kinney, Emily Schmitz, Mike Sorensen, Jessica Lindemyer (CLFLWD staff); District Engineer Greg Graske (EOR, Inc.)

**2. 2017 Draft Budget Discussion**

Staff began with a general overview of the current proposed budget. President Anderson noted that the District should decide whether or not to budget for complete projects even though grant funding will be sought so that the project can move forward if grants are not obtained; or if the District should only budget for approximately half the projects' costs and delay project implementation if grants are not received.

President Anderson noted that the reserve funds should stay at a level of at least 50% of the annual budget so that cash flow isn't an issue as projects are implemented and costs are incurred, but taxes are not yet collected. She indicated this practice would require an increase in the tax levy. Managers discussed different ways to raise funds including grants, bonds, and special levies for particular subwatersheds. President Anderson noted that the District must start significant implementation of projects in order to truly impact water quality and satisfy residents' desires for change in their particular lake or subwatershed.

Administrator Kinney reported on the progress of the Bone Lake diagnostic study and the work of the Chisago County SWCD that will be completed this year resulting in projects identified for implementation in 2017. He noted that the District is trying to get positioned for submitting a Clean Water Fund grant application for this project. There was discussion about how to show grant funding received vs. expected within the budget table.

The Managers walked through line items where they had questions, beginning with AIS funding for Forest Lake (line 5228G in the budget). Ms. Emily Schmitz described the proposed AIS treatments for Forest Lake in 2017. President Anderson noted that Bone Lake and Comfort Lake will likely need more AIS funding than is currently budgeted. She proposed that each major lake have a minimum AIS budget of \$10,000. There was discussion

about the different approaches to AIS management including responding to initial infestations and managing established infestations. Manager Schmaltz noted that the District needs a policy regarding when, where, and how the District would perform AIS activities. There was further discussion about AIS expenses in 2016 and appropriate spending levels for 2017 on different lakes.

There was consensus that the budget should include a \$1,000 minimum for AIS activities including rapid response activities on each of the minor lakes.

There was further discussion about appropriate AIS activities and funding level for major lakes. There was consensus to add \$5,000 to Comfort Lake AIS treatment 2017 budget. There was consensus to include \$150,000 in the 2017 budget for AIS treatments on Forest Lake. There was consensus to include \$10,000 in the 2017 budget for AIS treatments on Bone Lake. It was acknowledged that grant funding could help augment these figures.

The Managers also agreed that the budget and future AIS policy should allow for flexibility in activity.

At Manger Moe's request, Administrator Kinney described the status of the effort by the Chisago SWCD to inventory agricultural lands and identify areas for best management practices.

President Anderson asked about the new overtime rules from the Federal government and possible impacts on District staff. She wondered if the budget accommodates possible overtime pay. Administrator Kinney reported, no, and also raised the question about limits to staff capacity for the number of projects and programs slated for 2017. He noted there may be a need to hire interns or use contractors, especially with plans for a rules revision process and a watershed plan revision later this year and into next year. He asked Managers to consider adding funds for District administration and staff.

There was consensus to add 10% to the salary budget line in 2017 to allow for options of hiring interns, using more contractors, or paying for overtime.

President Anderson noted that the budget doesn't include a specific line item for implementing the communication plan. Staff confirmed that tasks related to implementing the plan are found under Education and Outreach. President Anderson referred to the communication plan of August 2015 and noted many of the recommended activities are happening currently. She noted that development of fact sheets per project can and should be developed, distributed to lake groups, and posted online. She also noted that a semi-annual newsletter is needed. Manager Schmaltz also asked about watershed boundary signs. He wondered if the budget could support the installation of one or two boundary signs each year. Administrator Kinney noted that older watershed signs at projects should be eventually replaced and there are many locations where new signs could be installed.

There was consensus to add \$5,000 (for a total of \$10,000) for project signage.

President Anderson wondered if there was enough funding allocated for on-going monitoring projects. Staff indicated the amount was appropriate as presented.

President Anderson mentioned the petitioned project from Chisago County from 2010. She noted the first element of that project is complete but that more work is needed. She asked that the second phase be adequately funded. She recommended that on-going initiatives, in general, be funded in order to take preliminary steps for future projects.

There was consensus to add a budget line to the bottom of the “5000” series as number 5-999: General Project Development. There was discussion about the prioritization of projects throughout the watershed. There was consensus to include \$20,000 in the new line item.

The Managers then turned their attention to areas without current budget amounts. President Anderson noted the “Rule Implementation Review” and the proposal from EOR, Inc. for \$35,000. Administrator Kinney noted that figure does not include attorney fees. Mr. Graske, District Engineer noted that EOR could complete most of the project this year, if approved at the regular meeting. There was consensus to include \$60,000 for work on this item in 2017, understanding that some reserve funds will be used for work this year and replenished with 2017 funds.

Managers then looked at the “Municipal Stormwater Remediation Program.” Administrator Kinney reported that after meeting with the City of Forest Lake, he still does not have an estimate for the projected work. There was consensus to include \$50,000 in the 2017 budget for this line item.

Managers considered the “New Initiatives” under Research and “On-going Initiatives” under Measurement of Progress. Administrator Kinney indicated that a grant is unlikely for “New Initiatives” under Research, and it was agreed that the grant figure would be removed from that line item.

Managers considered “Ongoing Initiatives” under Operations and Maintenance. Administrator Kinney indicated that work on a grant application for the Shields Lake fish barrier retrofit is ongoing. The budget was left as proposed.

Under item 5222C – Bone Lake Infiltration Basin, Administrator Kinney noted the District is reapplying for grant funds and does not have a refined budget number. There was consensus to leave the budget as proposed.

Manager Schmaltz asked for clarification on the grant summary sheet to make sure all items added up appropriately. Staff and Managers discussed the difference between estimated amounts, awarded amounts, and funding already received and how to show that within the budget table. Staff agreed that the table should be revised and reconciled to show grants in an easier format.

Administrator Kinney noted that Washington County is looking for a boat launch to demo a new compressed-air decontamination unit. Managers agreed the District could lend in-kind support.

**3. Adjourn**

**a) Next meeting – July 28, 2016 – Regular Meeting**

Manager Schmaltz moved to adjourn the meeting at approximately 6:10 p.m. Seconded by Manager Moe. Upon vote, the motion carried 4-0.

Wayne S. Moe, Secretary \_\_\_\_\_