

**DRAFT MINUTES OF THE REGULAR MEETING
OF THE
COMFORT LAKE–FOREST LAKE
WATERSHED DISTRICT
Thursday, May 14, 2020**

1. Call to Order

President Spence called the May 14, 2020 regular board meeting to order at 6:30 p.m. via online teleconference

Present: President Jon Spence, Vice President Jackie Anderson, Treasurer Steve Schmaltz, Secretary Jen Oknich, Assistant Treasurer Jim Dibble.

Others: Mike Kinney, Jessica Lindemyer, Emily Heinz (CLFLWD staff); Meghan Funke, Cecilio Olivier (Emmons & Olivier Resources); Chuck Holtman (Smith Partners).

2. Setting of Meeting Agenda

Items 4d – Governor’s Executive Order and 4e – Administrator Review were added to the agenda.

Manager Anderson moved to approve the agenda as amended. Seconded by Manager Dibble Upon a roll call vote, the motion carried 4-0.

Manager	Aye	Nay	Absent
Jon Spence	X		
Jackie Anderson	X		
Stephen Schmaltz	X		
Jen Oknich			X
Jim Dibble	X		

3. Public Open Forum

There were no comments.

4. Old Business

a) 2019 Water Monitoring Report

Dr. Funke explained she met with Manager Anderson to go over comments on the 2019 Water Monitoring Report. The comments resulting in the addition of more information and context, particularly in the stream section.

[Manager Oknich joined the meeting]

Manager Anderson asked for additional context why the reduction in total phosphorus (TP) and total suspended solids (TSS) is so significant between monitoring sites upstream and downstream of Shallow Pond. Dr. Funke explained particles will settle out in the Shallow Pond wetland system. The system is doing its job as a phosphorus sink, reducing TP and TSS loads; this is a normal reading. Dr. Funke advised that if/when reductions start to decrease, the District will want to look at a restoration in Shallow Pond. In response to another question from Manager Anderson, Dr. Funke explained that it is a common occurrence that water starts to flow before air temps are consistently above freezing in the springtime. This year the District was able to deploy monitoring equipment earlier than usual. Normally equipment is deployed at end of April/early May. There is risk of water freezing in the equipment tubing, which could possibly damage equipment. Dr. Funke indicated it is a fine line of when equipment can safely be deployed versus when water starts to flow. However, the majority of spring runoff occurs after thaw. Some data are missed, but it is not a huge proportion. Manager Anderson requested a qualifying statement be added after “therefore total annual flow is often underestimated.” It is underestimated, but only by a small margin. In response to another question from Manager Anderson, Dr. Funke explained the importance of rotating tributary monitoring sites around the District and having flexibility. The “do-it-yourself” IORodeo work will help with this. Manager Anderson thanked Dr. Funke for taking the extra time to amend the report. She indicated it makes the report more meaningful to have more context. President Spence noted the report contains a lot of valuable information which should be able to answer any questions someone might have on the subject.

Manager Schmaltz moved to accept the 2019 Water Monitoring Report as amended. Seconded by Manager Anderson. Upon a roll call vote, the motion carried 5-0.

Manager	Aye	Nay	Absent
Jon Spence	X		
Jackie Anderson	X		
Stephen Schmaltz	X		
Jen Oknich	X		
Jim Dibble	X		

Manager Anderson asked if the District paid for report writing from Washington Conservation District (WCD) for the 2019 data. Mr. Kinney indicated the time is billed as they go, so the District has not been billed by WCD for the report writing.

b) Lower St. Croix One Watershed-One Plan 60-Day Review Comments

Manager Schmaltz indicated he and Manager Anderson discussed some comments to send to the Lower St. Croix (LSC) One Watershed One Plan (1W1P) group as part of the 60-day review. He explained Manager Anderson is working on some comments on the process to be sent directly to the Board of Water and Soil Resources (BWSR). Manager Schmaltz indicated he has observations at both the “macro” (big picture, how the process went) and “micro” (report-specific, criteria for project selection) levels.

Manager Anderson suggested there is little value in providing comments on the plan at this point, noting that the District made such comments in real time throughout the process. She indicated she is surprised at how much the group did incorporate into the report the commentary the District has been providing, such as having a cost-benefit focus; it is not the plan the Board would have liked, but it's improved from what it was. She indicated it is probably the best the District get from the plan, given influences in the group. Manager Anderson indicated the Red River Watershed Management Board seems to work well. LSC should function like Red River and not interfere with existing watershed districts, but to be a coordination effort over the larger watershed area. She indicated her focus is to talk about this in the letter to BWSR, which does not necessarily need to be submitted by the June 3rd deadline.

President Spence suggested it is worth capturing and recording the District's commentary on the plan. Even if the comments are not addressed, at least the comments are on the official record. Administrator Kinney explained prior comments throughout the process were not provided directly to BWSR; comments during this 60-day period would be. He noted that it seems some of the staff at BWSR are recognizing some of the state's 1W1Ps are not what they should be. By providing these comments, we may move the needle in the process. He suggested picking some major issues the District really wants to focus on, particularly as the Watershed Based Funding (WBF) grant program changes the landscape of this plan. Manager Schmaltz indicated goals of the Clean Water Fund (CWF) and goals of 1W1P are repeated as trying to increase impact, improve cost value and increase the speed at which goals are achieved. He explained under the CWF competitive grant program, there have been some great engineering projects which had great value for taxpayers in terms of cost per pound of phosphorus reduced. In contrast, under 1W1P funding shifts from 100% of funds going toward in-ground projects, to 25% going to staff, 45% going to projects in the ground and the rest going to prioritization and overhead. The projects identified under 1W1P are hundreds of small projects – 200 best management practices (BMPs) at 10 pounds of phosphorus removal per BMP. Manager Schmaltz anticipated that subwatershed analyses (SWAs) will be used to find these BMPs, and they will have a poor cost-benefit ratio. He indicated soil and water conservation districts (SWCDs) are not thinking on a watershed basis, and watershed districts are not mentioned anywhere in the plan beyond the executive summary. The plan is not targeting projects strategically by subwatershed, but sprinkling projects across the landscape without adequate targeting from a phosphorus reduction standpoint. Manager Schmaltz noted the plan has a sidebar on SWAs and needs a sidebar on the Prioritized, Targeted and Measurable (PTM) process. There needs to be a PTM model for people to follow, otherwise this plan has a high probability of not delivering the outcomes citizens want.

Manager Anderson indicated it was the District's suggestion all along to use the BWSR CWF competitive grants process for 1W1P grants. She indicated BWSR has been complicit in lessening those types of requirements, opening the opportunity for SWCDs to obtain these grant funds without meeting the strict targeting requirements that watershed districts do. The concept of the two targeted strategies is the same, but they are different in execution and deliverables.

Manager Schmaltz explained the second issue is SWCDs already being funded by CWFs and state funds. He recommended against hiring more staff using 1W1P funds and using existing staff instead. Mr. Kinney clarified the plan allocates 25% of funding for new staff and 20% for existing staff to do SWAs. Diagnostic monitoring is not an eligible expense for these funds, but SWAs are. However, like Manager Anderson stated, these two targeting processes are very different. He indicated 45% of the budget is going to staff one way or the other, plus 10% for administration, leaving only 45% for projects, which as Manager Schmaltz stated, the Board believes are of questionable quality. It was clarified that the 1W1P grant funds require a 10% match, which could also be covered in-kind.

Manager Schmaltz reviewed the project priority tiers in the draft plan – tier A (high priority), tier B (medium priority), tier C (low priority). Right now, the only high priority item in CLFWLD is Forest Lake for an alum evaluation. CLFLWD lakes and wetlands are generally rated low priority. He noted the Sunrise River may be an opportunity for obtaining grant funds. Manager Schmaltz indicated CLFLWD has some good groundwater and wetland opportunities in our District, and we should lobby to make sure those are included in 1W1P. Manager Anderson explained the biggest issue for her is that counties and SWCDs should have raised local funding to address local issues. BWSR has allowed these entities to take money out of the CWF to correct bad habits without requiring any kind of local money used to correct those bad habits over many years. She indicated there is a favoritism for counties and SWCDs, as they are not made accountable for outcomes and they do not follow the PTM process. There was discussion about how the implementation plan sets goals for number of practices, not load reduced or measurable metrics that directly impact water resources and demonstrate how much a practice is worth. Manager Schmaltz suggest trying to get the funding criteria changed to emphasize actual outcomes of BMPs, not just the number of BMPs implemented.

Manager Dibble agreed with recording the District's comments now, so they may be referenced in the future if needed. President Spence recommended managers/staff write up the comments letter, summarizing other comments previously expressed. Dr. Funke added there is an amendment process built into the plan, so 5 years from now they could reconsider their prioritization structure after lessons are learned. It's easy to reprioritize things that are already in the plan, even if they are a lower priority.

Manager Schmaltz will draft the comment letter for review by Manager Anderson and Administrator Kinney, and this group will draft a letter to BWSR as well. The first letter will be sent to the LSC group by the June 3rd 60-day draft plan review deadline. This letter will focus on specific requested revisions to the plan itself. The other letter will be sent to BWSR, not necessarily by June 3rd, but in a timely manner, perhaps mid-June. This letter will focus on the bigger picture, suggesting improvements to the 1W1P process. Both letters will be discussed at the May 28th regular meeting and emailed to managers in advance. The board asked EOR to identify several priority wetland and groundwater projects in CLFLWD.

c) Watershed Based Funding

Managers Schmaltz and Anderson provided an update on the May 7th meeting with BWSR regarding the use of metro funds. Manager Schmaltz suggested using CLFLWD's existing northern and southern Forest Lake SWAs for this. Manager Anderson stressed that WBF was intended for metro entities and should not go to the LSC. Mr. Kinney noted the District worked with WSB & Associates in the past to expand on some Forest Lake dead end street projects that resulted from the Forest Lake SWA. There was discussion about other potential projects in the Little Comfort Lake Management District (LMD) and Bone LMD. Mr. Kinney noted the District is currently planning to submit the Bone Lake legacy site project this fall for a competitive CWF grant. It is a larger project than appropriate for watershed-based metro funding.

d) Governor's Executive Order

President Spence explained the governor's executive orders are changing and asked if this changes anything for CLFLWD. Legal Counsel Holtman advised the present remote meetings are based on President Spence's determination that, due to pandemic, it is not prudent to meet in person. This is independent of the governor's order. Changes in the executive orders don't affect the legal basis for the CLFLWD president's determination. There was consensus among the managers that it is still prudent to continue holding meetings virtually. Mr. Kinney confirmed the office will continue to be staffed at a minimal level, with all staff members primarily working remotely.

e) Administrator Review

Manager Anderson indicated Mr. Kinney's performance review form will be sent out to all managers electronically tomorrow. She requested managers provide responses by June 1st. The email will contain instructions for new managers how to go through the review form. Manager Anderson offered that managers can call her for assistance. The administrator performance review will be completed at the June 11th meeting.

5. Summary and Approval of Board Direction

Directives from the meeting were summarized:

- Manager Anderson had a few final requested edits to the 2019 Water Monitoring Report.
- EOR will identify the higher priority wetland and groundwater restoration/protection areas to include in the LSC IW1P comment letter.

Manager Anderson asked for an update on the Banta appraisal. Mr. Holtman explained he and Mr. Kinney received the appraisal marked as draft, and they will review before it is issued as final. He anticipated receiving the final appraisal sometime next week. At that point it is a confidential document for the District. The final appraisal will be distributed to

each of the managers electronically. The Board may discuss the appraisal and the terms of any offer on the property on May 28th in closed session.

6. Adjourn

- a) **Next plan update workshop – May 26, 2020**
- b) **Next regular board meeting – May 28, 2020**

Manager Anderson moved to adjourn the meeting. Seconded by Manager Dibble. Upon vote, the motion carried 5-0, and the meeting was adjourned at 7:55 p.m.

Manager	Aye	Nay	Absent
Jon Spence	X		
Jackie Anderson	X		
Stephen Schmaltz	X		
Jen Oknich	X		
Jim Dibble	X		

Jen Oknich, Secretary _____