

**DRAFT MINUTES OF THE REGULAR MEETING
OF THE
COMFORT LAKE–FOREST LAKE
WATERSHED DISTRICT
Thursday, July 25, 2019**

1. Call to Order

President Spence called the July 25, 2019 regular board meeting to order at 6:30 p.m. in the Council Chambers of the Forest Lake City Center, 1408 Lake Street South, Forest Lake.

Present: President Jon Spence, Vice President Jackie Anderson, Treasurer Steve Schmaltz, Assistant Treasurer Wayne Moe

Absent: Secretary Jen Oknich

Others: Mike Kinney, Jessica Lindemyer, Garrett Miller, Peter Brennhofer (CLFLWD staff); Meghan Funke, Cecilio Olivier, Kyle Crawford (Emmons & Olivier Resources); Chuck Holtman (Smith Partners); Paul Girard (City of Forest Lake)

2. Setting of Meeting Agenda

Item 8b Office Space was added to the agenda, moving Draft 2020 Budget to 8c.

Manager Anderson moved to approve the agenda as revised. Seconded by Manager Schmaltz. Upon a vote, the motion carried 4-0.

3. Consent Agenda

- a) **Special Board Meeting Minutes – June 3, 2019**
- b) **Initial Planning Meeting Minutes – June 20, 2019**
- c) **Regular Board Meeting Minutes – June 20, 2019**

Manager Anderson indicated that she will work with staff to incorporate her requested changes to the June 20th regular board meeting minutes and bring the redlines to the next meeting for approval.

Manager Anderson moved to approve the June 3rd Special Board Meeting Minutes and June 20th Initial Planning Meeting Minutes as presented. Seconded by Manager Moe. Upon a vote, the motion carried 4-0.

4. Public Open Forum

There were no comments.

5. Citizen Advisory Committee Update

Watershed Assistant Jessica Lindemyer reported that the Citizen Advisory Committee (CAC) has mainly been working on the Roles & Responsibilities document, which is further down on the agenda. Manager Anderson expressed that it was a good idea for the CAC to go through the roles and responsibilities exercise.

6. Aquatic Invasive Species Update

Watershed Assistant Garrett Miller reported on watercraft inspection hours so far this year. Forest Lake has reached 25% of its goal, Bone Lake has reached 31% of its goal, and Comfort Lake has reached 53% of its goal for total inspection hours. An additional inspector was recently hired in order to achieve hours goals by the end of the season. The Bone Lake zebra mussel rapid response pilot treatment was completed on June 26th and the in-lake barrier was removed from around the public launch. The first round of flowering rush treatment on Forest Lake was originally set for today but had to be rescheduled due to winds. Mr. Miller is researching treatment options for local populations of non-native phragmites. There is a population just east of Bone Lake which may be treated this year. A suspected patch of non-native phragmites south of Forest Lake's middle basin was recently confirmed to actually be a native variety of phragmites. Mr. Miller explained that one of the main differences between native and non-native phragmites is height. The non-native species is significantly taller and spreads more aggressively than the native species.

Mr. Miller noted that staff recently obtained quotes for carp removal on Shields Lake and will work with WSB & Associates. Staff is in the process of preparing the service agreement. Depending on the success of the initial netting, some of the carp may be radio-tagged and tracked over the winter for a potential second harvest. This is to ensure enough carp are being removed in order to bring the population to the recommended management threshold. In response to a question from Manager Schmaltz, Mr. Kinney indicated that he is familiar with the firm and its work. Manager Schmaltz indicated that a recent carp netting attempt on Clear Lake was unsuccessful due to poor timing and most of the carp spawning onshore during the netting. There was discussion about coordination with WSB to ensure appropriate timing and a successful catch. Manager Schmaltz asked about paying for seining on a quantity basis. Mr. Kinney replied that at times fishermen will agree to compensation on a per-pound basis, but that the commercial fisherman that WSB will use will be paid a lump sum for two seine attempts. Mr. Kinney indicated that the lump sum amount is favorable and so justifies the fact that the District will bear the risk of a less than successful seine.

Manager Schmaltz expressed concern regarding Moody Lake and Shields Lake curly-leaf pondweed treatment effectiveness and its relation to the upcoming alum treatment applications. He requested that staff confirm with Blue Water Science that the entire lake, including along the shoreline, was inspected in the post-treatment assessment.

Manager Anderson indicated that her earlier requested revision to the aquatic invasive species (AIS) update was misunderstood. She clarified that she wished to see the 5-year averages for 2005-2009, 2010-2014, and 2015-2018. The most recent average would not be the 5-year average. She expressed that the earlier 5-year buckets are meant to show the

progression of water quality changes over time. Dr. Meghan Funke indicated she would talk to staff about this.

In response to a question from Manager Anderson, Mr. Miller indicated that he has not received any responses from Little Comfort Lake residents regarding volunteering to monitor a zebra mussel sampler plate.

Manager Anderson noted that the AIS update indicates the Forest Lake plant harvester will attempt to remove 49 acres of plant growth in the lake. Manager Schmaltz indicated that there is approximately 900 acres of plant growth in the lake. Manager Anderson agreed it was a small enough percentage that is being removed.

Manager Anderson requested that the AIS update for Comfort Lake be revised to note the year that the District performed an early-season treatment of Eurasian watermilfoil. She noted that Comfort Lake has a high amount of white water lily growth this year. She counted 70 water lilies growing near the Highway 8 culvert at the south end of the lake. She recalled Steve McComas once indicating that white water lilies are a sign of improving water quality.

Mr. Miller added that staff and the Washington Conservation District (WCD) are performing regular follow-up zebra mussel surveys on Bone Lake to assess treatment effectiveness. He noted that he and WCD staff member, Matt Downing, attended a Bone Lake Association meeting on June 25th. At the meeting they gave an update on the treatment and distributed information on how residents can help with the assessment surveys.

7. New Business

a) Permit 19-005 Menards Warehouse Addition

Dr. Funke explained that this project triggers rule 2.0 Stormwater Management and rule 3.0 Erosion Control. The project location is off Broadway Avenue in Forest Lake. The warehouse addition will be built behind the existing Menards store. The project will disturb less than half of the site, so only the new impervious surface needs to be treated for stormwater. The site contains an existing stormwater pond, and the project proposes installation of a multi-chamber underground filter. The proposed project meets stormwater requirements. Given the proximity to wetlands, the erosion control plan contains a double layer of silt fence. The erosion control plan meets the District's requirements. Submittal of an executed maintenance instrument and financial assurances are required before permit issuance. Dr. Funke recommended approval of the permit contingent upon the conditions outlined in the engineer's memo. It was clarified that Menards will be responsible for maintenance of the stormwater management facilities, and Engineer Graske will review the maintenance schedule in detail. Manager Schmaltz noted the importance of maintaining a database to track the location of best management practices installed pursuant to District permits, such as these.

Manager Schmaltz moved to approve permit application 19-005 with the conditions in the July 18, 2019 engineer's memo. Seconded by Manager Anderson. Upon a vote, the motion carried 4-0.

b) Citizen Advisory Committee Roles & Responsibilities

Ms. Lindemyer explained that this topic originally arose because of an influx of new CAC members and turnover of the CAC Chair position. Members were hesitant to volunteer to fill the Chair position due to a lack of guidance on the roles and responsibilities of the Chair and CAC as a whole. The draft roles and responsibilities document in the packet was approved by the CAC at its last meeting. Ms. Lindemyer noted that the recommendation is to obtain the Board's concurrence on the document. Legal Counsel Holtman explained how statute indicates that the Board appoints CAC members, and then the CAC organizes itself and decides how to conduct its business. It is to be expected that the CAC will coordinate with the District so that it will apply its efforts in a way that is useful to the District and advances its work. Therefore, the Board would not formally approve the document, but may concur in it. By unanimous consent, the Board concurred.

Ms. Lindemyer noted that President Spence plans to attend the next CAC meeting on August 6th. The Board should decide which manager will attend a meeting next quarter. President Spence noted that managers agreed to rotate attending CAC meetings at least once per quarter. Manager Anderson volunteered to attend the October CAC meeting.

8. Old Business

a) Manager Per Diem

Administrator Kinney explained that, per the Board's direction, staff discussed with legal counsel the matter of instituting the proposed monthly payment of per diems, as opposed to quarterly. No changes to the bylaws or governance policies are needed for per diem processing to occur on a monthly basis. He noted that per diem for attendance of District meetings will automatically be processed by staff on a monthly basis. Per diem submittals for all other activities (meeting prep, liaison meetings, etc.) must be submitted to staff, either in person or electronically, within 60 days of occurrence per General Governance Policies, Art. III. c. It was clarified that the 60-day period is waived for the first submittal associated with activities newly subject to per diem.

b) Office Space

Manager Schmaltz noted three items to be discussed: discrepancy on common area maintenance (CAM) charges, CAM statements received from the current office space landlord, and review of suggested changes to the lease agreement extension. He explained that the District is paying a slightly higher proportion of CAM charges than the lease stipulates, owing to being allocated a higher proportion of common area square

footage. The committee recommends leaving this as-is since it is a small amount, and the landlord has agreed to provide \$5,000 toward renovations to the office space.

Manager Schmaltz reviewed initial paid and recently received, final adjusted CAM charges for 2018. The 2018 final charges were close to what the District paid. The District should receive a credit of \$918. Manager Schmaltz will ask for documentation of CAM charges for the prior three years. There was further discussion about actual costs and revisions to the extension to the lease agreement.

Manager Moe moved to authorize the Board President to sign the extension to the lease agreement with any further changes in his judgment, and on advice of counsel. Seconded by Manager Anderson.

Discussion: Mr. Kinney explained that as the result of an informal agreement, the District pays for bi-weekly rug service in the common area in exchange for utilizing garbage services onsite at no additional cost. However, the past year and next year CAM charges include a monthly fee that appears to be associated with being charged for garbage services. Manager Anderson noted that the charge appears to only be for recycling. Manager Schmaltz indicated he would discuss this with the landlord. It was clarified that, if the process is drawn out, Manager Anderson can meet with the landlord while Manager Schmaltz is out of town in August.

Upon a vote, the motion carried 4-0.

c) Draft 2020 Budget

President Spence asked whether \$5,000 is enough for item 5-221-C Moody Lake Alum Treatment. Mr. Kinney explained that the second and final round of split-application treatments will be completed this year. Some final sampling/monitoring may occur in 2020, and \$5,000 should cover that.

Mr. Kinney noted that staff updated the track changes spreadsheet and included the levy apportionment form and Lake District Budgeting (LDB) long-term outlook table from Emmons & Olivier Resources (EOR). Per Manager Anderson's request, Dr. Funke explained why some of the phosphorus reduction goal figures are different from those found in the Six Lakes Total Maximum Daily Load (TMDL) study. Some of the District's 2040 goals go beyond the state standards, and therefore the load reduction goals go beyond what is in the TMDL. The phosphorus reduction figures in the LDB table reflect those in the 2018 Progress Report.

In response to a question from Manager Anderson, Dr. Funke explained that Birch Lake currently has an in-lake phosphorus concentration over 100 parts per billion (ppb). If Birch Lake's phosphorus concentration were reduced to 60 ppb, that would result in an estimated load reduction of 267 pounds per year to School Lake. Since a lake will store a certain amount of phosphorus, the downstream load reduction isn't as high as the in-lake load reduction. Manager Anderson requested that this be noted in a footnote, as

well as all of the asterisks in the table having an associated footnote. She also requested that the parenthetical regarding Home Depot in the Comfort Lake subwatershed be made more general, such as stormwater treatment systems, since this line item refers to stormwater treatment in this general area, not just projects on the Home Depot parcels. There was further discussion about phosphorus loading estimates. Dr. Funke explained how upstream lakes, watershed runoff, and internal loading factor into these estimates, and how the LDB table may be revised to clarify these different sources. Dr. Funke explained how, in the Comfort Lake subwatershed, the Shallow Pond wetland retains phosphorus, which is why the edge-of-project load reduction for the Bixby Park project is higher than the reduction seen at Comfort Lake (206 pounds per year vs. 93 pounds per year). The Shallow Pond reduction factor applies to all of the best management practices upstream of the wetland complex, which is the majority of practices in the Comfort Lake subwatershed. Manager Anderson suggested adding another footnote explaining this. There was discussion about the 26% reduction in phosphorus loading coming out of Forest Lake's outlet. Dr. Funke indicated she needs to look into this question further. Manager Anderson asked that staff confirm which year the Comfort Lake point-intercept macrophyte survey will occur.

Manager Schmaltz expressed that the LDB table is helpful and requested that it be revised to denote which phosphorus reductions are estimates for future projects. In response to a question from Manager Schmaltz, Dr. Funke explained that the phosphorus reduction figures are on a per-year basis, rather than a life-cycle basis, therefore the cost-benefit cannot be calculated by simply dividing the given cost by the given reduction per year; the lifespan of the project needs to be taken into consideration (e.g. multiplying by a 10 or 20+ year lifespan). Staff was directed to add a column clarifying this. There was discussion regarding projects in the Forest Lake subwatershed including Hayward Avenue and Washington Judicial Ditch 6 (WJD6). Dr. Funke explained that assessment and feasibility is in progress for many of these projects, the results of which will inform management and budgeting decisions.

There was discussion regarding the location of the Sunrise River headwaters. Manager Anderson referred to a study of the Sunrise River watershed by Chisago County and the US Army Corps of Engineers. Manager Anderson requested that the Sunrise River Headwaters line item under the Forest Lake subwatershed be revised to exclude the term "headwaters" since it is uncertain exactly where the headwaters are. Manager Moe noted that he has seen Google Maps refer to the WJD6 area as Sunrise River. Manager Schmaltz referred to the Lower St. Croix One Watershed One Plan and suggested the name not be omitted where it is justified, as it will make grant applications for this area more competitive.

There was agreement to cut \$55,000 from Land Acquisition and Management and fund any activities under that line item from reserve as necessary.

There was discussion about the Bone Lake Outlet Wetland Assessment. As denoted by the italic font, this line item is one that has a preliminary rough cost estimate. Further data are needed in order to narrow down the estimate. It was confirmed that the nearby

koi ponds are part of the ongoing study/investigation. The Bone Lake Outlet Restoration is the same project as the Birch Lake Wetland Restoration. Manager Moe emphasized the importance of designing the project so that it doesn't have the effect of holding more water back on Bone Lake.

The proposed levy is \$1.3 million, which is the same as this year. Manager Anderson recommended increasing the levy to \$1.6 million and applying another \$1.2-\$1.5 million from the Clean Water Partnership loan. She also recommended allocating a certain dollar amount to the District reserve. Manager Schmaltz noted that the District likely will not receive about nine percent of its levy amount, due to delinquent taxpayers. He recommended raising the levy to account for this shortage. There was further discussion regarding project expense placeholders, and levy and loan income. There was agreement to raise the levy to \$1.4 million, and to decrease funding for the following three projects: Volume Control Facility (5-220-B), Bone Lake Outlet Wetland Assessment (5-225-D3), and Forest Lake Judicial Ditch 6 Assessment (5-228-K). If a project is ready to move forward, the District can use PCA loan funds. Mr. Kinney clarified that the District's loan may be amended to a total of up to \$5 million. The managers noted that this approach will allow the reserve to be maintained at a steady figure.

There was discussion regarding the county net tax capacities. It was clarified that the Washington-Chisago County net tax capacity ratio is 77-23%, though the land area split is roughly 60-40%. Mr. Kinney noted that the Chisago portion of the net tax capacity increases each year.

Manager Anderson moved to authorize the Administrator, on advice of counsel, to sign an addendum to the District's service agreement with CLA, or to contract with another provider, subscribing to accounting software in an amount not to exceed \$325 per month, and receiving setup assistance from CLA, or other provider, in an amount not to exceed \$18,500. Seconded by Manager Moe. Upon a vote, the motion carried 4-0.

Manager Moe moved to transfer \$20,125 from the reserve fund to line item 1-002-4203 Computer Supplies/Software/IT Support. Seconded by Manager Anderson. Upon a vote, the motion carried 4-0.

9. Report of Staff

a) Administrator

Mr. Kinney reported that, in reviewing the office space and staff benefits, he has considered staff's need for shower facilities, given the necessity of field work and board meetings in the same day. While the office space doesn't easily accommodate this, a membership to the local YMCA or otherwise may be beneficial. He noted the effects of recent tornados and strong winds in Minnesota and Wisconsin this past week. Mr. Kinney suggested preparing for such emergencies that could potentially occur within

the District. There was discussion regarding preparation of an emergency action plan and coordination with other local entities.

b) Emmons & Olivier Resources

Dr. Funke noted that construction has begun on the Shields Lake fish barrier retrofit project. Kyle Crawford showed some photos of the construction and expressed that he is happy with the work quality and progress being made by the contractor, Dunaway Construction. The goal is to complete the project by the end of next week.

Mr. Kinney noted that staff and the contractor are attempting to coordinate a controlled burn of the native buffer surrounding the 3rd Lake Pond project but are having issues with access and landowner cooperation. The land underlying the project is property of the City of Forest Lake. There was discussion about coordination with the City to ensure access, requirement of the District's Clean Water Fund grant to ensure the project is finished properly, and the District's ability to impose a fee assessment on the parcels if necessary. Mr. Kinney indicated that he would request a meeting with the City Administrator to discuss this.

c) Smith Partners

Nothing to report.

10. Report of Treasurer

a) Approval of Bills and Treasurer's Report

Treasurer Schmaltz reported income for the period of \$97,260.69. Of the period's income, about \$90,000 is from a Clean Water Fund grant. He reported expenses of \$214,213.00.

Manager Anderson moved to accept the Treasurer's Report and pay the bills in the amount of \$214,213.00. Seconded by Manager Moe. Upon vote, the motion carried 4-0.

11. Report of Officers and Managers

Manager Schmaltz reported that he and Manager Anderson attended a One Watershed One Plan meeting wherein the group worked on setting priorities. CLFLWD will have an opportunity to present on its prioritization philosophy at an upcoming meeting.

Manager Anderson noted that some additional aquatic plant herbicide treatments have occurred near her shoreline on Comfort Lake. The treatment appears to be affecting water lilies as well.

President Spence reported that he saw an update on the Wright County AIS program. A breakdown of state funds was published and there are ongoing discussions between lakeshore residents and recreational anglers.

12. Summary and Approval of Board Direction

Mr. Holtman noted that a number of directives for adjusting the proposed budget and levy documents were given during the budget discussion. Additionally, the presentation of the 5-year water quality data in the AIS update will be revised. Ms. Lindemyer noted that staff was directed to check on the Blue Water Science curly-leaf pondweed assessments and check in on finding a zebra mussel sampler plate volunteer on Little Comfort Lake.

Manager Anderson reported that the MN Association of Watershed Districts Board (MAWD) is discussing how to respond to and manage an expected recommencement of a developer-led effort last legislative session to modify watershed districts regulatory authority. The proponents of the bill have disseminated information that looks well put-together but is factually inaccurate. MAWD is planning to produce materials that will provide factual corrections to these inaccuracies. President Spence noted that the MAWD strategic plan is out for public comment.

13. Adjourn

a) Next regular board meeting – August 8, 2018

Manager Schmaltz moved to adjourn the meeting. Seconded by Manager Moe. Upon vote, the motion carried 4-0, and the meeting was adjourned at 8:45 p.m.

Jen Oknich, Secretary _____