



2010 ANNUAL REPORT & 2011 WORKPLAN AND BUDGET

Comfort Lake – Forest Lake Watershed District

220 North Lake Street
Forest Lake, MN 55025

April 28, 2011



**Comfort Lake Forest Lake Watershed
District Board of Managers**

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Term Expires: September 2013

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County: Chisago
Term Expires: September 2012

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Term Expires: September 2012

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COMFORT LAKE - FOREST LAKE WATERSHED DISTRICT

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INTRODUCTION

Pursuant to Minnesota Statutes Section 103D.351 and Minnesota Rules Section 8410.0150, the Board of Managers of the Comfort Lake - Forest Lake Watershed District (CLFLWD or District) submits its 2010 Annual Report. The District was established in 1999. The report is intended to inform readers of the District's activities, plans, goals and objectives in 2010 as well as projected work plan and budget for 2011. The District invites comments and suggestions on the report.

The District submits its Annual Activity Report to the Board of Water and Soil Resources, the Commissioner of the Department of Natural Resources, and the Director of the Division of Waters. Copies are available from the District Administrator or the District Board of Managers.

This report is organized in three sections

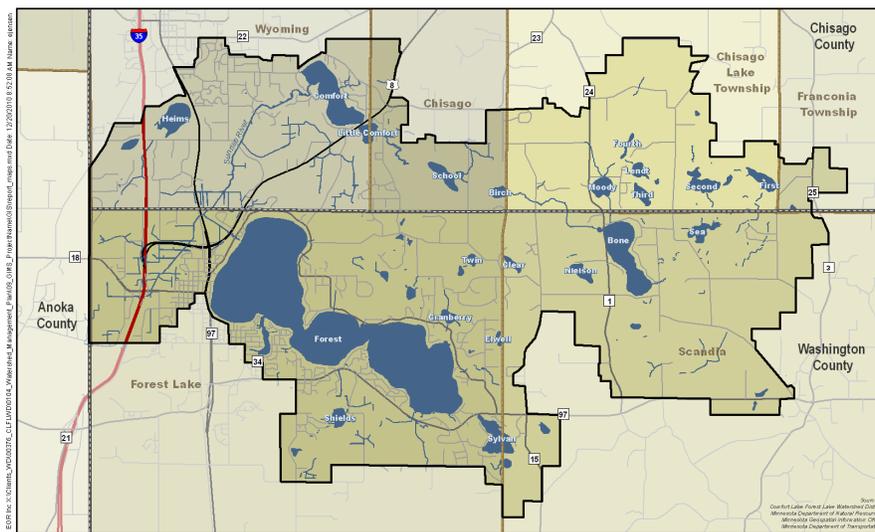
Section 1: Introduction and Background: Provides background information on the District.

Section 2: Financial Report Summarizes budgets, levies and the 2010 audit.

Section 3: Activity Report: Summarizes the District's programs and activities completed in 2009 and presents a work plan for 2010.

BACKGROUND

The Comfort Lake – Forest Lake Watershed District was established in 1999 after citizens petitioned the Board of Water and Soil Resources (BWSR) to replace the existing Forest Lake Watershed Management Organization (FLWMO) in order to address water quality and flooding issues. The petition included the area encompassed by the predecessor organization (FLWMO), plus the drainage area of Comfort Lake in Chisago County (i.e., Joint Ditch No. 1 (JD 1)).



The CLFLWD encompasses roughly 47 square miles in northern Washington County and southern Chisago County, including the portions of the Cities of Chisago City, Forest Lake, Scandia, Wyoming and Chisago Lake Township. The CLFLWD transects both metropolitan and outstate counties, with roughly 60 percent of the watershed within Washington County and 40 percent in Chisago County.

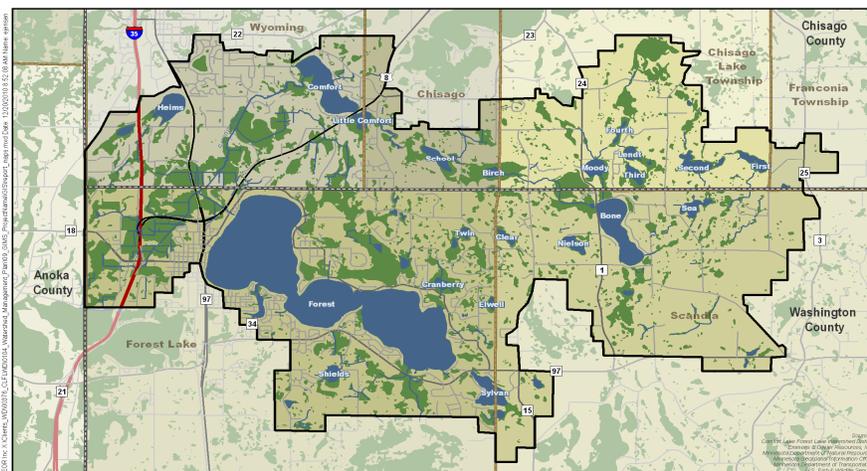
History of Significant Events

- 1983 – First organized as a Watershed Management Organization under the Metropolitan Surface Water Management Act.
- 1987 – Original boundary expanded to include the drainage areas of Bone and Twin Lakes.
- 1998 – Petition filed with State of Minnesota to establish the Comfort Lake – Forest Lake Watershed District under MS 103D (Watershed Law).
- 1999 – State orders establishment of the Comfort Lake- Forest Lake Watershed District. Former Forest Lake Watershed Management Organization dissolved.
- 2001 –First Watershed Management Plan completed and adopted.
- 2005 – Hires first full-time administrator and opens local office in Forest Lake
- 2007 – Completion of Watershed and Lake Water Quality Modeling Report and Capital Improvement Plan
- 2008 – Legislature authorizes Metropolitan Surface Water Management Act authorities for the District. Provides expanded authority to raise funds for projects.
- 2008 – Comprehensive Water Management Plan amended to include Capital Improvement Plan
- 2010 – Six Lakes Total Maximum Daily Load (TMDL) Study completed.

The District is managed by a five member appointed Board, with three members appointed by Washington County and two member appointed by Chisago County. From the five member Board of Managers, the positions of President, Vice President, Treasurer, Vice Treasurer and Secretary are elected annually. The Comfort Lake – Forest Lake Watershed District’s first Water Management Plan was approved by the Board of Water and Soil Resources in October 2001.

The Board of Managers, with the help of its Citizen Advisory Committee, adopted the following mission statement:

The mission of the Comfort Lake – Forest Lake Watershed District is to protect and conserve its water resources. The District will use sound scientific water management approaches, technologies, and methods. The District will develop a uniform, integrated approach to water management within a rapidly changing and urbanizing area.



2010 AT A GLANCE



Summary of Capital Projects and Programs

Bone and Moody Lake Restoration

Work began in 2010 on three aspects of this 5 year project to restore water quality to state standards in Bone and Moody Lakes, both of which are listed as impaired for recreational use by the MN Pollution Control Agency. Implementation included the removal of rough fish from both lakes in the winter of 2010.



Removal of carp and bullhead is to improve water clarity by reducing phosphorous and suspended sediment in the lakes. The District was awarded a \$283,000 grant from the DNR in 2010 to build three fish barriers. Total project cost will be \$372,000.

The second activity was the start of construction of the NB12 project which includes the restoration of wetlands and exclusion of cattle from waterways north of Moody Lake.

Sunrise River Water Quality and Flowage Management Project

The Board of Managers accepted a project petition from Chisago County and began work on the development of the project feasibility/engineers report. The purpose of the project is to identify and construct water quality improvements in the portion of the Sunrise River between Forest Lake and Comfort Lake. The engineers report is expected to be completed in 2011 and the first stages of implementation planned to start in 2012.

Water Quality Best Management practices (BMPs) Cost-Share Grant Program

This project provides funding to provide technical and financial assistance to private landowners to implement water quality restoration and/or protection BMPs. Nine projects were approved in 2010, primarily consisting of shore restoration and water quality buffers. Since its inception three years ago 25 projects have been completed with a combined phosphorous reduction of 6 pounds per year. Success of the program led the District to create a commercial and multi-landowner program in 2009.

Program Highlights

Watershed Management Plan Update

A priority in 2010 was to update and revise the District Watershed Management Plan, including involvement of citizens, cities, counties, and state agencies in that process. Significant changes and/or updates included:

- Enhanced stream and lake monitoring
- Establishment of nutrient load reductions for impaired lakes and streams.
- Creation of a new rural/ag pollution reduction cost-share incentive program.
- Updated 10 year capital improvement plan.

Total Maximum Daily Load (TMDL) Study

The District completed and received approval of the Six Lakes TMDL Study and Implementation Plan in 2010. The study and implementation plan is designed to identify sources of pollutants causing water quality impairments and design plans for the pollutant load reductions needed to meet water quality standards.

The lakes that the TMDL Study and Implementation Plan cover are the six major recreational lakes in the District which are: Moody, Bone, School, Little Comfort, Shields, and Comfort.

Lake & Stream Monitoring

The District continued its efforts in 2010 to monitor long-term trends in water quality, support project implementation, prioritization of District resources, and measure effectiveness of its efforts over time. In 2010 the District monitored 6 lakes, and 6 stream locations.



Permit Program

The District maintains a permit program designed to address stormwater management, erosion control, water quality buffers, shoreland and streambank alterations, stream and lake crossings, and floodplain alteration for new and redevelopment projects. 10 permits were issued in 2010.

Water Education & Outreach Program

The District provided continued support to the East Metro Water Resource Educational Program and the Chisago County Children's Water Festival.



Stormdrain Stenciling Project in Forest Lake

Other 2010 Cooperative Education and Information Efforts

- Participate in East Metro Water Resource Educational program
- Participate in Chisago County Children's Water Festival
- Participate in Washington County Water Consortium Meetings
- Participate in the Washington County Ground Water Plan Update
- Participate on the Chisago County Water Plan Technical Committee
- Participate with Washington County on their Land and Water Legacy Program
- Participate with Chisago SWCD to conduct grazing workshop
- Attend monthly City of Forest Lake engineering staff meetings.

Watershed District Budget & Levy Process

The CLFLWD is funded through the collection of tax dollars on residences within the boundaries of the watershed, these funds along with grants, loans, bonds, and special assessments are used to fund specific projects and programs. The Districts’ permit program is funded in part through the collection of permit fees.

Tax dollars are collected from watershed residents through its statutory authority found in the MN Watershed Act (M.S. 103D), and the Metropolitan Surface Water Management (M.S. 103B).

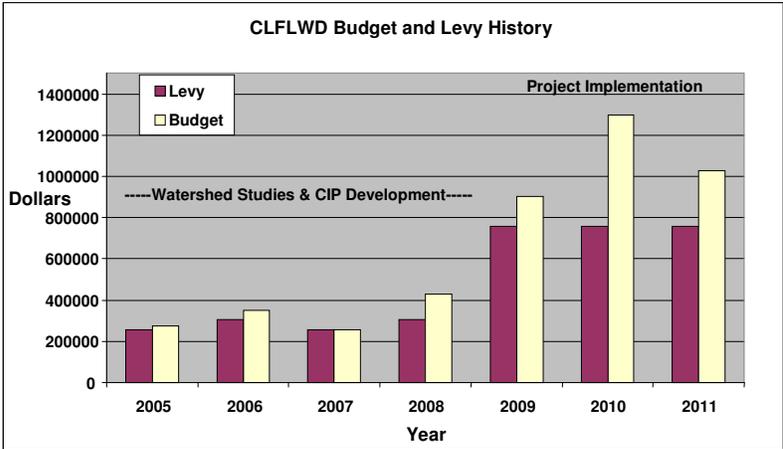
At a minimum, M.S. Chapter 103D indicates that Watershed Districts must have the following programs:

- General/Administrative: conducting the business of the District
- Regulation: administering the District’s rules and permits
- Planning: administering the District’s watershed management plan and budgets
- Maintenance of Projects and District Owned Facilities
- Capital Projects
- Public Relations: administering the requirements of reporting to and notifying the public

The budget must be adopted and certified on or before September 15th of each year. M.S. Chapter 103D.911 requires that the managers hold a public hearing before adopting a budget.

The CLFLWD actual annual budgets are generally greater than that of the District levy. In order to make the best use of District funds, and reduce tax burdens to watershed residents, the District is continually researching and applying for grants to reduce costs of water quality monitoring, education, cost-share incentive programs, and individual projects detailed in the District’s CIP. As CLFLWD starts to implement projects in its CIP to address water quality impairments, the need for outside funding sources will become greater. It is the intention of the CLFLWD to partner with local counties and cities and leverage tax dollars by actively seeking grants from private and public sources to subsidize project costs and therefore reducing the tax burden of its watershed residents.

The figure below provides a recent history of the District’s past budgets, levies, and grants. It is important to note, that as the District moves into the project oriented phase of its Plan; it is the intention of the District to have future levies remain relatively flat.

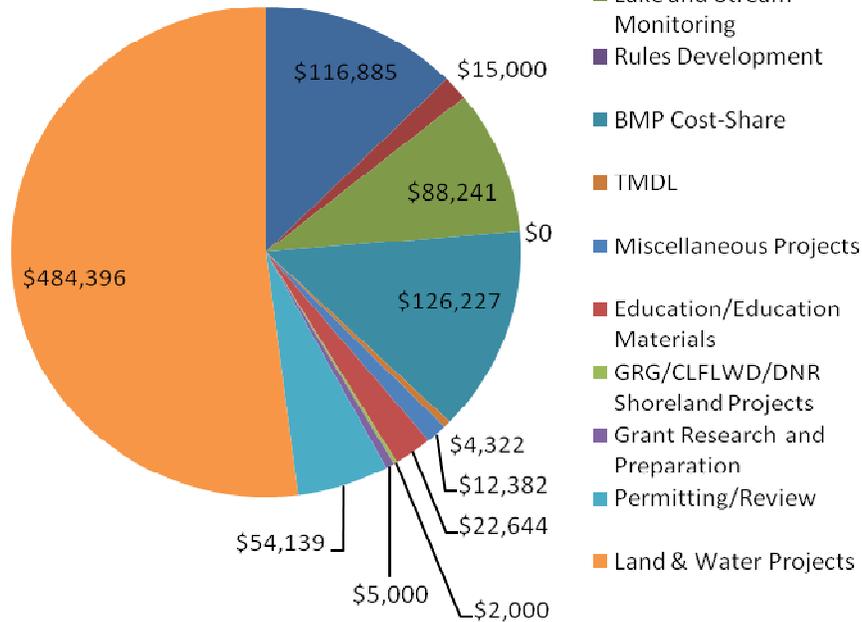


**FINANCIAL REPORT / BUDGET
HISTORY (2009-2011)**

	2009 BUDGET	2009 ACTUAL	2010 BUDGET	2010 ACTUAL	2011 BUDGET
EXPENDITURES					
<u>GENERAL ADMINISTRATION</u>	\$118,006	\$105,655	\$116,885	\$97,037	\$119,540
<u>PROGRAMS</u>					
District Tech Support	\$15,000	\$0	\$15,000	\$0	\$15,000
Lake and Stream Monitoring	\$73,809	\$54,411	\$88,241	\$59,454	\$67,080
Rules Development		\$3,701			
BMP Cost-Share	\$92,503	\$16,367	\$126,227	\$38,760	\$145,150
TMDL	\$17,515	\$12,673	\$4,322	\$4,429	
Miscellaneous Projects	\$5,500	\$4,800	\$12,382	\$9,443	\$17,320
Education/Education Materials	\$19,400	\$13,468	\$22,644	\$18,298	\$21,220
GRG/CLFLWD/DNR Shoreland Projects	\$22,000	\$22,823	\$2,000	\$2,356	
Grant Research and Preparation	\$5,000	\$5,478	\$5,000	\$1,419	\$4,320
Permitting/Review	\$47,000	\$30,989	\$54,139	\$39,449	\$40,250
Total Admin & Programs	\$415,733	\$270,365	\$446,840	\$270,646	\$429,880
<u>CAPITAL PROJECTS</u>					
FL44	\$48,000	\$5,305	\$79,000	\$5,566	\$44,050
NBL12 (Moody Lake	\$396,344	\$5,003	\$706,344	\$11,325	\$382,809
FL44 Assessment Project	\$44,259	\$13,902	\$29,248	\$12,416	
Watershed Management Plan			\$57,500	\$73,911	\$70,400
Bone/Moody Lake Rough Fish Cntrl			\$45,646	\$23,122	\$89,341
Moody Lake Alum Treatment			\$23,250	\$1,758	\$37,000
Regional Stormwater Facility					\$329,000
Total Capital Projects	\$488,603	\$24,210	\$940,988	\$128,099	\$952,600
TOTAL ALL ADMIN/PROGRAMS/PROJECTS	\$904,336	\$294,575	\$1,387,828	\$398,745	\$1,382,480
CARRYFORWARD TO NEXT YEAR		\$578,524		\$622,350	
TRANSFER TO CAPITAL PROJECT ACCT.				\$326,335	
TRANSFER TO FUND BALANCE				\$71,217	
TOTAL EXPENDITURES + CARRY FORWARD	\$904,336	\$873,099	\$1,387,828	\$1,418,647	\$1,382,480
REVENUE					
Levy	\$754,458	\$697,876	\$755,000	\$724,000	\$755,000
Grants & Other	\$81,418	\$94,854	\$151,405	\$116,123	\$5,000
Plus carry forward	\$68,420	\$68,420	\$578,524	\$578,524	\$622,350
TOTAL REVENUE	\$904,296	\$861,150	\$1,484,929	\$1,418,647	\$1,382,350

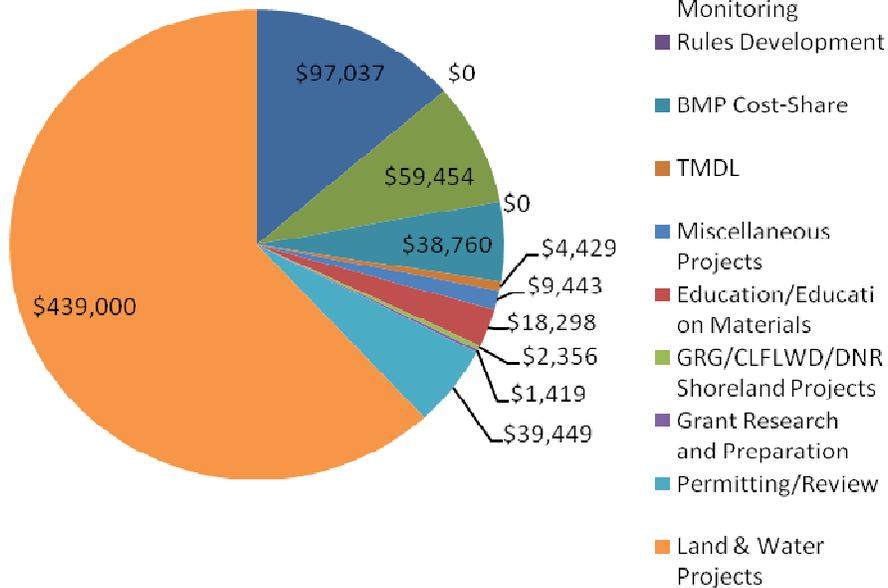
2010 BUDGET

\$931,236



2010 EXPENDITURES

\$709,646



Notes

Administration = 9% of Budget

Expenditures vs. Budget: The \$221,590 difference was due primarily to less projects funded in the BMP Cost-Share Program and reduced cost for land rights for the NBL12 & FL44 Projects

2010 ANNUAL ACTIVITY REPORT AND ACCOMPLISHMENTS

District accomplishments and highlights for 2010 include:

Lake and Stream Monitoring. The CLFLWD continued its baseline monitoring program in 2010. The District currently contracts with Washington County Conservation District (WCD) for technical services associated with the majority of the monitoring program. In 2010, however, the CLFLWD directly enrolled six (6) lakes (Bone, Comfort, Forest (west basin), Little Comfort, Moody, and Sylvan) into the Metropolitan Council's Citizen-Assisted Monitoring Program (CAMP), which uses volunteers to collect water samples, take Secchi transparencies and surface water temperature, and record basic user perceptions and climate information. The samples are then analyzed for total phosphorus, total Kjeldahl nitrogen, and chlorophyll-a. In addition, the CLFLWD recruited volunteers to take Secchi transparency readings throughout the monitoring season on three (3) additional lakes (Ashton, Forest (middle basin), and Forest (east basin)). The use of volunteers not only resulted in a savings to the monitoring budget, but builds needed relationships between CLFLWD and local lake associations and stakeholders.

Findings in the District's 2008 watershed-wide load allocation modeling effort, led to a new stream monitoring site which will assist in identifying pollutant loads and aide in siting projects to remediate water quality issues

In all, the District monitored 10 stream sites and six lakes in 2010.



Monitoring Site on Little Comfort Lake Inlet

Future monitoring efforts will continue to provide information on the condition of the District's water resources, and will help determine the success of future projects following the District's goal of adaptive management. Adaptive management is an interactive approach of implementation, evaluation, and course correction. Future conditions and technological advances may alter the specific course of actions detailed in the District's CIP. Continued monitoring and course corrections responding to monitoring results offer the best opportunity for meeting the various management goals. Through adaptive management the success of, and in-lake response to, BMPs and capital improvement projects can be determined.

Capital Improvement Plan (capital projects to address District issues).

In 2010 the District began work on two wetland restoration/cattle exclusion projects included in its adopted CIP (FL44 and NBL12) to reduce nutrient loads to area lakes [to be continued in 2010]. While these projects, in partnership with Chisago and Washington county SWCDs, were initiated in 2009, (including meetings with landowners associated with the project sites, negotiating conservation easements, seeking outside funding sources, and undertaking needed engineering to fulfill design needs for the projects), the actual construction for the projects took place in 2010 and will be finished in 2011.

Other project's initiated in 2010 as part of the District's CIP include the Bone Lake and Moody Lake rough fish removal/barrier installation project, and the initiation of the Moody Lake in-lake alum treatment project. Both projects were initiated with authorizing and conducting engineering and diagnostic studies for each. Actual project work will be undertaken in 2011 and 2012.

In addition, the District initiated research for a regional stormwater management facility for treatment of stormwater flow from the City of Forest Lake. Forest Lake stormwater outflow has been identified as a major load factor downstream. A project petition from Chisago County was accepted by the Board of Managers and the development of the required feasibility/engineers report to identify projects to mitigate the impact was initiated in 2010. The engineers report is expected to be completed in 2011 with construction beginning in 2012-2013.

The District will continue its very successful BMP program seeking opportunities to promote BMP projects throughout the watershed through its BMP cost-share programs. New in 2010 was the addition of a Community-Based Cost Share Incentive program to work with public, commercial and multi-parcel projects.

Rules and Regulations. In order to fulfill requirements mandated by the State, as well as provide guidance to local communities, the CLFLWD adopted the Rules on December 18, 2008, and determined that all permit applications filed and deemed complete by District staff on or after February 1, 2009, shall be subject to the District's adopted rules. Projects with local approvals prior to February 1, 2009 still worked under the District's review/comment process. The District rules and information on its permit program and materials can be found on its website at clflwd.org.

The Board implemented a permit and inspection program on February 1, 2009 to uphold the integrity of its rules and standards. In 2010 the CLFLWD issued;

- Eight (8) erosion control permits
- One (1) buffer permit
- Three (3) stormwater control permits
- Three (3) watercourse basin crossing permits
- One (1) floodplain alteration permit

Education/Outreach Program. As part of the CLFLWD education and outreach program in 2010, the District continued as a member of the shared East Metro Water Resources Education Program (EMWREP), and maintained a website (clflwd.org) in order to increase their visibility, transparency, and accountability with local stakeholders. The website is continually updated in order to provide the best and most current information to its citizens.

In addition, the District hosted or participated in the following events in 2010:

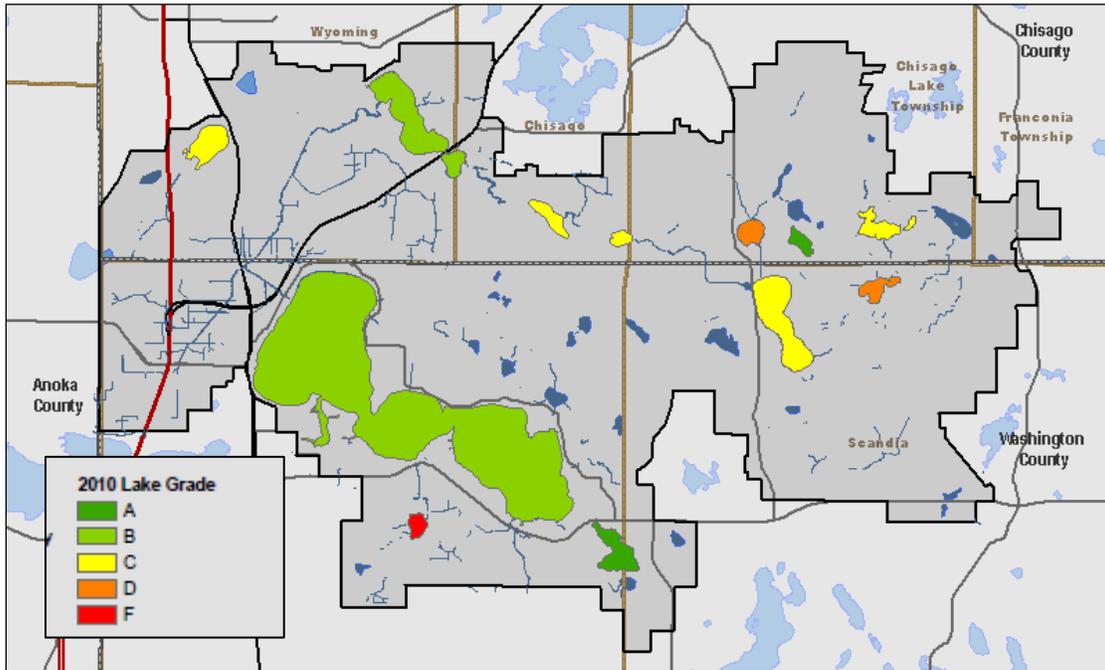
- Hosted a “*Planting for Clean Water*” workshop. The workshop addressed shoreland restoration and stabilization plantings using native plants as well as the use of infiltration/ filtration practices (i.e. raingardens) to reduce stormwater runoff
- Hosted a small acreage grazing workshop geared toward small hobby farms with horses in order to help establish a rotational grazing system, manure management, and fencing and watering techniques
- Participated in the Chisago County Children’s Water Festival which educated over 500 fifth graders from Chisago County on an array of water resources issues
- Presented surface and groundwater management needs and alternative agricultural practices at the Forest Lake High School Agricultural Day
- Presented District Information at local Lake Association meetings, Forest Lake Rotary, Forest Lake Scout Troops, City of Scandia and Chisago Lakes Township.
- Wrote multiple educational articles that were published in the local Forest Lake paper, and posted on the District’s website (clflwd.org/program_education.php), including:

Other Projects/Programs/Partnerships. Other projects/programs/partnerships the District was involved in 2010 include the following.

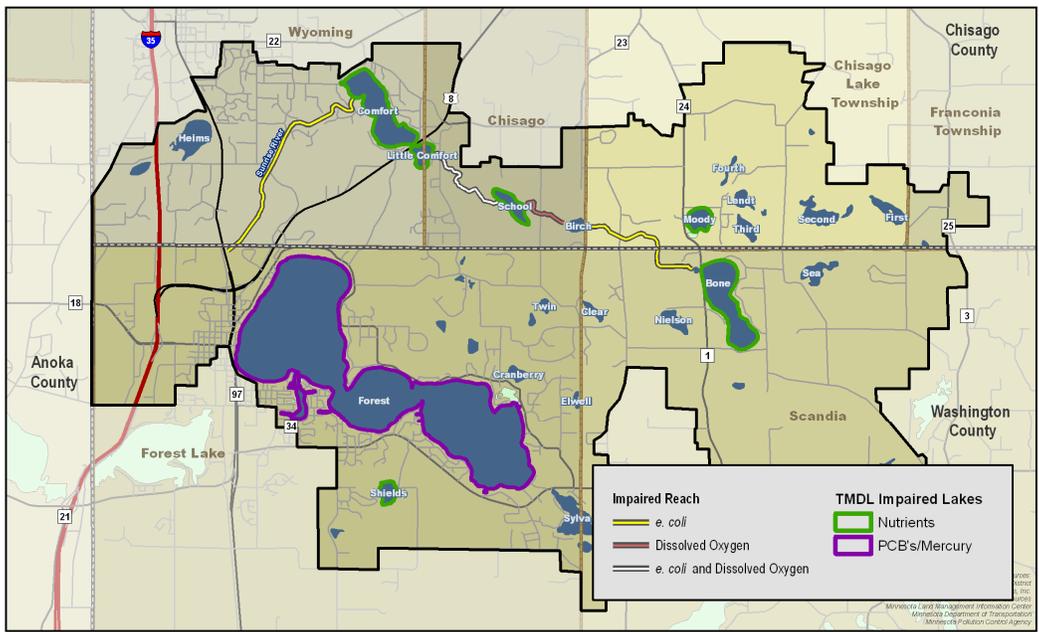
- The District continued as a member of the newly formed Forest Lake Improvement Committee which was formed as a sidebar from the recent cut of the weed harvesting program by the City of Forest Lake. The committee, consisting of representation from the City, watershed district, Lake Association and others, addresses issues on Forest Lake.
- The District continues to be a partner on the Sunrise River study/TMDL
- The District continues to be a partner of the St. Croix Basin Planning Team
- The District was an active member of the Washington County Water Consortium. The Water Consortium, which was identified in the County’s water governance study, is a group of those responsible for water resource management in Washington County, working toward consistent performance between watershed districts in accounting, rules development, groundwater management, budgetary development and sharing information regarding studies or research.

- Was an active participant in the Minnesota Association of Watershed Districts (MAWD) [including Metro MAWD].
- Initiated 2011 Watershed Management Plan update process

Total Maximum Daily Loads (TMDLs). The District completed its Six Lake TMDL and associated Implementation Plan in mid-2009 and which was approved by the MPCA in 2010.

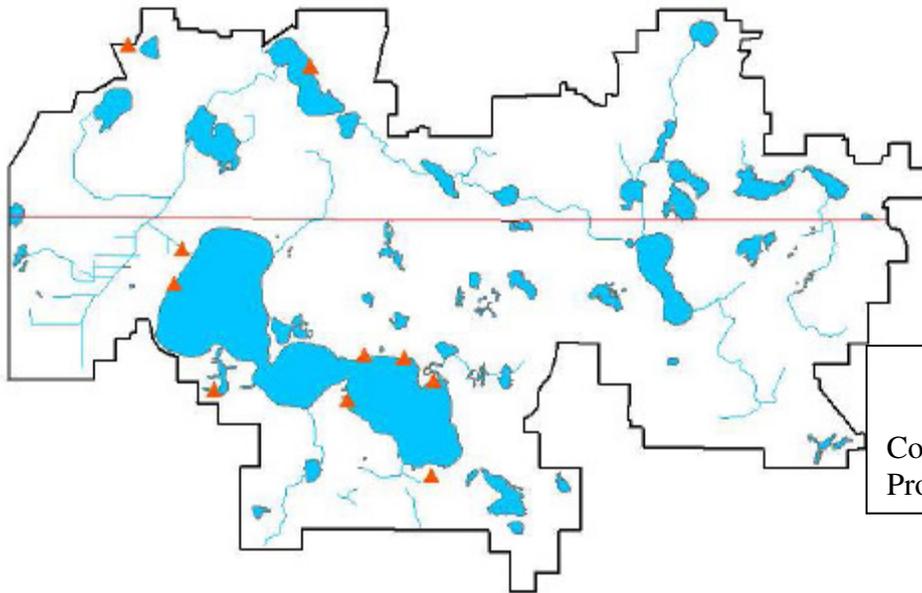


2010 Lake Water Quality Grades
(based on summer averages for phosphorous)



Lakes and Streams Listed as Impaired by the MPCA
(impaired = not meeting state water quality standards)

BMP Water Quality Cost-Share Program. Continued a BMP cost-share program to promote native plantings (shoreline and raingardens) to provide wildlife habitat, control erosion, and protect water quality. Project profiles for many of the completed projects can be found on the District’s website (<http://www.cflwd.org/projects.php>).



Location Map
Completed 2010 Cost Share Project Projects

2010 Load Reduction Summary – All BMP Projects

Project Name	Total Cost-Share	Load Reduction (lbs/yr)		
		Phosphorous	TSS	Nitrogen
McAvoy	\$459.27	0.49	25.77	0.79
Bocklund	\$202.84	0.93	105.55	1.70
Haider	\$3000.00	0.46	34.11	1.04
Stoiber	\$2,944.41	0.64	188.87	3.05
McEvoy	\$1,523.65	0.50	24.89	0.76
Neudauer	\$931.10	0.63	38.28	1.17
Robinson	\$2,662.75	0.78	52.05	1.59
Irlbeck	\$1,676.35	0.38	20.45	0.62
Whitehill	n/a	n/a	n/a	n/a
Hosanna LC	\$2,063.95	0.07	47.36	1.44
TOTALS	\$15,464.32	4.88 lbs	537.33 lbs	12.16 lbs



Citizen Involvement. In 2010 the CAC participated in the District’s update/revision of its Watershed Management Plan

Other Highlights. In 2010 the District:

- Maintained the outlet structure of Forest Lake.
- In an effort to provide more transparency, the District continued to develop internal control policies both financial (describing District policy/procedures/documentation) and internal/administrative (describing data practices policy and record retention schedule, conflict of interest policy, and policies and procedures for site inspections and enforcement associated with the District permit program).
 - BWSR Clean Water Fund - Feedlot Water Quality Improvement grant (\$73,000) for the NBL12 & FL44 CIPs.
 - DNR Boat Launch Inspection Program (along with Chisago County) (\$5,000) to conduct boat inspections at public landing on Bone, Comfort and Forest Lake. Inspections control the transport and spreading of eurasian water milfoil and zebra mussels.
 - DNR Conservation Partners Legacy Grant program (\$283,000) for construction of three fish barriers at Bone & Moody Lakes.



2011 WORK PLAN

A copy of the District's adopted budget for 2011 is included in Appendix B. Additional copies are available by contacting the District Administrator at the District offices.

The District's 2011 work plan includes:

- 1) **General Operations.** Manage District organization and operation by providing for skilled staff, modern office facilities, management and support of Board of Managers and advisory committee functions, and necessary operational expenses, including professional services, equipment, board and staff training, planning support, and accounting and audit services.
- 2) **Lake and Stream Monitoring.** The District will continue its baseline monitoring program in 2011 in order to track the quality of its water resources and aid in its adaptive management approach to addressing water quality and quantity issues throughout the watershed.
- 3) **BMP Water Quality Cost-Share Program.**
The District will continue to implement its BMP cost-share programs in 2011. As part of the program, District landowners can apply for cost-share funds to help implement BMPs (i.e. native riparian buffers and raingardens) for small single family residential or larger community-based projects that help reduce stormwater runoff, erosion and associated nutrient loads from the District's water resources.

More information on the District's BMP cost-share program will be posted on the District's website at clflwd.org once it becomes available.
- 4) **Other Projects/Programs/Partnerships.** Other projects/programs/partnerships the District will be involved in 2011 include the following.
 - a. Continue to conduct boat launch inspections in partnership with the DNR.
 - b. Continue to be a participating member of the Washington County Water Consortium.
 - c. Continue to be a member of the Forest Lake Improvement Committee which was formed as a sidebar from the recent cut of the weed harvesting program by the City of Forest Lake. The committee, consisting of representation from the City, watershed district, Lake Association and others, will address issues on Forest Lake.
 - d. Continue to participate with local lake associations including assistance to market shoreline restoration projects with lakeshore owners.
 - e. Continue to be a partner on the Sunrise River study/TMDL and St. Croix Basin Planning Team.
- 5) **Education/Outreach Program.** As part of the CLFLWD education and outreach program in 2011, the District will continue to maintain its website and find other outlets to distribute information on an array of water management issues. In addition, the District will:

- a. In partnership with Chisago SWCD and WCD, the District will look into hosting additional agricultural-based workshop such as the grazing workshop geared towards small acreage horse farmers held in 2011.
 - b. The District plans to participate and staff a booth at area fairs and shows (i.e. Forest Lake Home Show, Forest Lake High School Agriculture Day and area Lake Association Annual Meetings) in 2011.
 - c. Continue to write educational articles to be published in local papers and posted on the District website.
 - d. Continue partnership in the East Metro Water Resource Educational Program.
- 6) District Permit Program.** In 2011, the District will continue to implement its rules in part through a permitting program for new and re-development (including inspection and enforcement). The District rules clarify the requirements of the District's permit program regarding stormwater management, erosion control, buffers, shoreline and streambank alteration, stream and lake crossings, and floodplain alterations. The rules also include procedural requirement and include regulations on exceptions and variance.
- 7) Watershed Management Plan Revision/Update.** The District will be completing the informal and formal plan review and comment requirements in 2011 and expect state approval of its plan revision in the fall of 2011.
- 8) Capital Improvement Plan (capital projects to address District issues).**

Implement Projects to Address Water Quality Impairments

- 1. Wetland Restoration/Cattle Exclusion:* the District will be initiating and/or completing the following projects listed in its adopted CIP in 2009.
- o NBL 12 wetland restoration project (2011- 2012)
 - o FL44 wetland restoration project (2011)

The anticipated outcome of the projects is the reduction in the nutrient loads to Forest and Moody lakes, as well as all downstream lakes.

- 2. Bone and Moody Lake Rough Fish Control:* the District will be finalizing designs and constructing low-velocity fish barriers (in partnership with the MDNR) at the north inlet to Moody Lake, North inlet to Bone Lake and Bone Lake outlet. (2011-2012)

Rough fish such as carp and bullhead are known to cause significant internal loading to lakes by their disturbance of lake sediments. Once the rough fish removal is complete, the barriers will prevent the reestablishment of the lakes' rough fish populations.

- 3. Moody Lake In-Lake Alum Treatment:* As part of the District's recently adopted CIP, an in-lake alum treatment was identified as a needed project in order to address Moody Lake's impairments. The initial diagnostic work to determine dosage, area and permit needs, are to be undertaken in 2011 with the actual treatment scheduled for 2012.

4. *Regional Stormwater Management Facility / Sunrise Rive Water Quality and Flowage Management Project:* The Board of managers accepted by resolution number 2010-08-02 the petition from the Chisago County Commissioners regarding the “Sunrise River Water Quality Improvement and Flowage Management Project” on August 26, 2010. This initiated a three month scoping process where the District Engineer along with the District Administrator met with the Board of Managers to present information on the current state of the water resources, the possible range of projects that might be implemented, and to seek input from the Managers on their ideas and goals for project features and outcomes.

In 2011 the District will finalize the feasibility study/engineers report which will include an evaluation of the following project concepts:

- Enhancements to floodplain interaction within the wetlands along the Sunrise River upstream of Comfort Lake.
- Modifications to improve water quality treatment on the District’s tax forfeit properties.
- Modifications to improve water quality treatment within Bixby Park.
- Carp management strategies.
- Incorporation of iron enhanced filtration along route to city outflow at Bixby Park.
- Identification of locations for retrofits to improve stormwater treatment in urbanized portions of the City of Forest Lake that drain to the Sunrise River.
- Investigation on the need for stream stabilization or remeander of the Sunrise River between 256th and Comfort Lake.

Water Quality Treatment Project on Forest Lake



Before



After

2011 BUDGET

Operations Budget 2010	
General Administrative & Operations	
Board Administration	\$23,400
General Office Expenses	\$21,470
General Administrative	\$41,470
Professional Services	\$33,200
General Operations Total	\$119,540
Programs	
District Tech Support	\$15,000
Lake and Stream Monitoring	\$67,080
Rules Development	
BMP Cost-Share	\$145,150
TMDL	
Miscellaneous Projects	\$17,320
Education/Education Materials	\$21,220
GRG/CLFLWD/DNR Shoreland Projects	
Grant Research and Preparation	\$4,320
Permitting/Review	\$40,250
Programs Total	\$310,340
Projects	
FL44	\$44,050
NBL12 (Moody Lake	\$382,809
Watershed Management Plan	\$70,400
Bone/Moody Lake Rough Fish Control	\$89,341
Moody Lake Alum Treatment	\$37,000
Regional Stormwater Facility	\$329,000
Projects Total	\$952,600
TOTAL BUDGET	\$1,382,480

SOLICITATIONS OF INTEREST

In June of 2010, the District solicited accounting, engineering, and legal services. Pursuant to statute, the District's next biennial solicitation is scheduled for 2012.

WETLAND BANKING PROGRAM

Currently, the District is not the Wetland Conservation Act local government unit, and does not have an adopted wetland-banking program. The District relies upon the state wetland bank administered by the Board of Soil and Water Resources.

2009 EMPLOYEES AND CONSULTANTS

In 2010, the District employed one full-time employee (Administrator) and numerous independent contractor consultants who provided all of the necessary accounting, legal, public information and other services to fulfill its obligations, goals, and objectives within budget. The following consultants served the District in 2010:

Employees		Address	Telephone	E-mail
Doug Thomas CLFLWD	Administrator/ Lic Soil Scientist	220 North Lake Street Forest Lake, MN 55025	(651) 209-9753	doug.thomas@clflwd.org
Randy Anhorn CLFLWD 1/2010 to 7/2010	Administrator/ Limnologist	220 North Lake Street Forest Lake, MN 55025	(651) 209-9753	randy.anhorn@clflwd.org
Consultants	Services	Address	Telephone	E-mail
Kathleen Blackford	Accountant	21231 Paso Fino Circle P.O. Box 186 Forest Lake, MN 55025	(651) 748-1889	kmb@kblackford.com
Lisa Tilman Emmons and Olivier Resources	Engineer	651 Hale Ave N Oakdale, MN 55128	(651) 203-6015	ltilman@eorinc.com
Cathy Hruby/ Deb Jezierski HLB Tautges Redpath, Ltd.	Auditor	4810 White Bear Parkway White Bear Lake, MN 55110	(651) 426-7000	chrubys@hlbtr.com djezierski@hlbtr.com
John Hoffman ICS Agency	Insurance	4901 West 7 th Street Minneapolis, MN 55435	(612) 835-4848	john@icsagencyinc.com
Chuck Holtman/ Louis Smith Smith Partners, PLLP	Attorney	400 Second Ave. S. Suite 1200 Minneapolis, MN 55401	(612) 344-1400	holtman@smithpartners.com smith@smithpartners.com
Erik Anderson/Pete Young Washington Conservation District	Technical Advisor	1380 W Frontage Rd Hwy 36 Stillwater, MN 55082	(651) 275-1136	eanderson@mnwcd.org pyoung@mnwcd.org

Technical Advisory Committee Members

The District's Technical Advisory Committee (TAC) is comprised of representatives from each of the District's cities and counties, state agencies, and the Metropolitan Council. The TAC assists with the development of the District's watershed management and capital improvement plans, rules and specific projects, as well as support for the CAC.

In 2010 the TAC was participated in the District's TMDL study process.

Name	Organization
Bonestroo Engineering Representative	City of Forest Lake
Doug Borglund	City of Forest Lake
Jack Frost	Metropolitan Council
Amanda Strommer	Washington County
Anne Hurlburt	City of Scandia
Chris Klucas	MPCA
Melissa Lewis	BWSR
Craig Mattson	City of Wyoming
Craig Mell	Chisago SWCD
Mike Mueller	MNDNR
John Pechman	Chisago City
Jay Riggs	Washington Conservation District
Chip Robinson	City of Forest Lake
Dan Seemon	ACOE
Curt Sparks	North American Wetland Engineering
Jerry Spetzman	Chisago County
Amanda Strommer	Washington County
Jyneen Thatcher	Washington Conservation District
Nick Tiedeken	MNDOT
Neil Vanderbosch	MNDNR
Fred Weck	Wyoming Township/City of Wyoming
Craig Wills	MNDNR
WSB Engineering Representative	City of Wyoming
Pete Young	Washington Conservation District

ANNUAL AUDIT

The 2010 Audit was completed by HLB Tautges Redpath, Ltd, and includes the District's Annual Financial Report and the Independent Auditor's Report on Compliance with Minnesota Legal Compliance Guide of Local Governments for the year ended December 31, 2009. A complete copy of the 2010 Audit is included in Appendix B of this report.

APPENDIX A
COMFORT LAKE - FOREST LAKE WATERSHED DISTRICT
2010 LAKE SUMMARIES

APPENDIX B
COMFORT LAKE - FOREST LAKE WATERSHED DISTRICT
FINAL 2011 WORKPLAN & BUDGET

COMFORT LAKE - FOREST LAKE WATERSHED DISTRICT
 2011 BUDGET (August, 2010)

Budget Category	Account Number	Budget Item	2010 Carryover	2011 PROPOSED	Total Funds Available
ADMINISTRATIVE					
BOARD ADMINISTRATION					
	200-4800	Advisory Committee	--	500	500
	200-4330	Annual Audit	--	7,500	7,500
	200-4250	MAWD Dues	--	2,900	2,900
	200-4250	LMC Dues	--	1,500	1,500
	200-4270	Insurance (LMCIT and workers comp)	--	5,000	5,000
	200-4000	Managers Per Diem	--	5,000	5,000
	200-4010	Manager Expenses	--	500	500
	200-4130	Managers Payroll Taxes	--	500	500
		TOTAL BOARD ADMINISTRATION	--	\$ 23,400	\$ 23,400

GENERAL OFFICE EXPENSES					
	200-4240	Cell Phone	--	720	720
	200-4640	Computer Supplies/Software	--	4,000	4,000
	200-4635	Copier (lease)	--	5,000	5,000
	200-4200	General Office Supplies	--	800	800
	200-4250	Dues/Fees/subscriptions	--	200	200
	200-4265	Conferences	--	1,000	1,000
	200-4320	Travel (Mileage)	--	2,500	2,500
	200-4280	Postage	--	700	700
	200-4290	Notices	--	500	500
	200-4210	Office rental space	--	6,000	6,000
	200-4910	Bank Fees	--	50	50
		TOTAL OFFICE EXPENSES	--	\$ 21,470	\$ 21,470

GENERAL ADMINISTRATIVE					
		Annual Budget			
		Annual Communication			
		Annual Report			
		Official Records			
		Rules & permitting			
	200-4100	Salary (Administrator/Limnologist)-General Admin.	--	13,720	13,720
	200-4130	Payroll taxes	--	6,660	6,660
	200-4120	PERA	--	6,090	6,090
	200-4110	Benefits (health,dental,life, STD/LTD)	--	15,000	15,000
		TOTAL GENERAL ADMINISTRATIVE	--	\$ 41,470	\$ 41,470

PROFESSIONAL SERVICES					
	300-4330	CPA/bookeeping	--	7,200	7,200
			--		
	300-4500	Consulting engineer	--	14,000	14,000
			--		
	300-4410	Legal	--	12,000	12,000
			--		
		TOTAL PROFESSIONAL SERVICES	--	\$ 33,200	\$ 33,200

All Administrative/Professional

\$ 119,540 \$ 119,540

COMFORT LAKE - FOREST LAKE WATERSHED DISTRICT
 2011 BUDGET (Adopted August 26, 2010)

Budget Category	Account Number	Budget Item	2010 Carryover	2011 PROPOSED	Total Funds Available
MANAGEMENT PLAN EXPENSE & PROJECTS/PROGRAMS					
To carry out plans and purposes of Watershed District Plan		DISTRICT TECHNICAL SUPPORT			
	600-4101-10	DISTRICT/TECH.ED. Assistance (Part time)	15,000	---	15,000
	601-	LAKE & STREAM MONITORING:			
	601-4100-10	Administrator Management of Monitoring Program	---		0
	601-10	Lake Monitoring -Consultant	---	7,830	7,830
	601-10	Lake Monitoring -Consultant Labor	---	---	0
	601-4710-10	Lake Monitoring Lab	---	3,300	3,300
	601-4715-10	Stream Monitoring -Consultant (including report writing)		45,000	45,000
	601-4718-10	Stream Monitoring Lab		---	0
	601-10	WCD Grant Admin. Proj., Coord. Reporting	---	---	0
	601-4716-10	WCD Report Writing	---		0
	601-10	Equipment Replacement/Maintenance Fund	6,000	1,980	7,980
	603-	BMP COST-SHARE			
	603-4100-10	Administrator Management of BMP C-S Program	---	8,910	8,910
	603-4420-10	SWCD Technical Support/Follow-up	8,000	7,500	15,500
	603-4780-10	Cost-Share Monies	75,000	42,500	117,500
	605-10-00	MISCELLANEOUS PROJECTS			
	605-4100-10	Administrator Management/Coord.	---	3,240	3,240
	605-4950-10	Miscellaneous Projects	7,000	6,000	13,000
	606-10-00	EDUCATION/ EDUC. MATERIALS			
	606-4100-10	Administrator Management/Coord.	---	3,240	3,240
	606-4811-10	EMWREP participation		15,500	15,500
	606-4810-10	Miscellaneous education		1,000	1,000
	606-4265-10	Website hosting/domain		400	400
	608-	GRANT RESEARCH & PREPARATION			
	608-4100-10	Administrator Grant Research and Preparation (WMP)	---	3,240	3,240
	609-	PERMITTING/REVIEW			
	609-4100-10	Administrator Management of Permitting/Review Prog.	---	14,850	14,850
	609-4520-10	Permitting/Review - Engineers recouped (liability)	---	---	---
	609-4521-10	Permitting/Review - Engineers un-recouped		15,000	15,000
	609-4702-10	Permitting/Review - Legal recouped (liability)	---	---	---
	609-4704-10	Permitting/Review - Legal un-recouped	---	5,000	5,000
	610-	YEAR 1-2 CAPITAL PROJECTS (as defined in CIP)			
	610-	FL44			
	610-4100-10	Administrator Management/Coord.	---	2,970	2,970
	610-4532-10	Engineering/Legal etc.. As described in CIP	40,000	0	40,000
	611-	NBL12 (Moody Lake)			
	611-4100-10	Administrator Management/Coord.	---	7,830	7,830
	611-4532-10	Engineering/Legal etc. As described in CIP	372,009	0	372,009
	613-	Watershed Management Plan			
	613-4100-10	Administrator Management	---	4,050	4,050
	613-4532-10	Consultant(s)	---	65,000	65,000
	614-	Bone Lake - Moody Lake Rough Fish Control			
	614-4100-10	Administrator Management--grant/project/permit admin.	---	4,050	
	614-4635-10	Materials and supplies for 3 barriers	0		20,500
	614-4600-10	DNR labor/construction	0		5,640
	614-4420-10	Roughfish Removal (Bone and Moody)	5,000		5,000
	614-4532-10	Engineering/Legal/Professional etc.. As described in CIP	84,341	5,000	89,341
	615-	Moody Lake Alum Treatment			
	615-4100-10	Administrator Management	---	3,240	3,240
	615-4532-10	Engineering/Legal etc.. As described in CIP	15,000	22,000	37,000
	616-	Regional Stormwater Facility			
	616-4100	Administrator Management		7,830	
	616-4532	Engineering/Legal etc.. As described in CIP		329,000	329,000

TOTAL PROJECTS BUDGET	\$ 627,350	\$ 635,460	\$ 1,277,070
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* carryover is combination of Administrator carryover and BMP cost-share money carryover

**COMFORT LAKE - FOREST LAKE WATERSHED DISTRICT
2011 BUDGET (Adopted August 26, 2010)**

Budget Category	Acct No.	Budget Item	2011 PROPOSED
2011 EXPENSES			
		Board Administration	\$ 23,400
		General Office	\$ 21,470
		General Administration	\$ 41,470
		Professional Services	\$ 33,200
		Projects/Programs (2011)	\$ 635,460
		Projects/Programs (est. carryover from 2010)	\$ 627,350
TOTAL 2011 EXPENSES			\$ 1,382,350

2011 REVENUES/FUNDING	INCOMING FUNDS		
	2910	Project/Program Carryover Funds (to fulfill WMP and CIP)	\$ 627,350
	3100	Total of Levies	\$ 755,000
	3400	Permits (recouped engineers and legal - Liability)	--
		Contributions to <i>Administrative</i> Reserve Fund	\$ (15,000)
		Contributions to <i>Designated</i> Contingency Reserve (CIP/Plan & Project)	\$ (311,335)
	3550	Total of Grants (estimated in 2011)	\$ -
TOTAL, ESTIMATED 2011 INCOME REVENUE/FUNDING			\$ 1,056,015

2011 LEVIES:

GENERAL FUND	250,000	103D.905
INSURANCE LEVY	8,000	MN Statute 466.06
Projects/Programs to support WMP/CIP	497,000	103B.241
TOTAL LEVIED	\$ 755,000	

GRANTS RECEIVED:

	grant minus unused eq
	grant minus unused eq

APPENDIX C
COMFORT LAKE - FOREST LAKE WATERSHED DISTRICT
2011 AUDIT