

**MINUTES OF THE REGULAR MEETING
OF THE
COMFORT LAKE–FOREST LAKE
WATERSHED DISTRICT
Thursday, January 28th, 2021**

1. Call to Order

President Spence called the January 28th, 2021 regular board meeting to order at 6:30 p.m. by online video conference.

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

Others: Mike Kinney, Emily Heinz, Garrett Miller, Blayne Eineichner (CLFLWD staff); Dr. Meghan Funke, Jason Naber (Emmons & Olivier Resources); Chuck Holtman (Smith Partners); Chris Loth (FLLA board member).

2. Setting of Meeting Agenda

Lower St. Croix Policy Meeting Update will be discussed during the Administrator’s Report.

Manager Anderson moved to approve the agenda as presented. Seconded by Manager Schmaltz. 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		

3. Consent Agenda

a) Regular Board Meeting Minutes – December 17th, 2020

Manager Anderson moved to approve the consent agenda as presented. Seconded by Manager Schmaltz. 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		

4. Public Open Forum

President Spence introduced Chris Loth, a Forest Lake Lake Association board member, who is interested in the open CLFLWD Board position, and asked him to give a few words about himself. Mr. Loth stated he first heard of the board opening from Manager Schmaltz and was quickly interested after reading the position’s description. Mr. Loth also mentioned that he received a degree in chemistry and math from St. John’s University, as well as a chemical engineering degree from the University of Minnesota that found him a position as a water treatment expert for a technical sales and consulting firm after graduation. After spending 10 years in that position, Mr. Loth decided to join his family’s entertainment business a few years ago. He stated that he appreciated the opportunity to be in attendance and to apply for the board position.

5. Citizen Advisory Committee Update

Ms. Heinz stated the Citizen Advisory Committee (CAC) met at the beginning of the month with both her and Dr. Megan Funke (Emmons & Olivier Resources Limnologist and Water Resources Engineer) in attendance to discuss the Water Management Plan update. Members of the CAC provided good feedback, some of which was brought to the Board during the January 19th workshop, while the rest was recorded in the comment-response matrix that tracks all comments for the preliminary draft plan.

6. New Business

a) Election of Officers & Liaison Appointments

President Spence stated his term is ending in September and that he is unsure if he will seek reappointment. It was decided to keep the four officer positions the same, leave the Assistant Treasurer position open, and adjust officer positions if Manager Spence does not seek reappointment.

President Spence moved to re-elect managers to their present offices, keep the liaison positions the same, and remove former-manager Dibble from the liaison list. Seconded by Manager Anderson. 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		

The following liaison appointments were made on January 28, 2021:

- City of Forest Lake: Manager Schmaltz
- City of Wyoming: Managers Anderson and Spence
- City of Scandia: Manager Oknich
- Chisago City: Managers Anderson and Spence
- Chisago Lake Township: Managers Anderson and Spence
- Washington Conservation District: Manager Schmaltz
- Chisago Soil and Water Conservation District: Managers Anderson and Spence

- Personnel: Managers Anderson and Schmaltz
- Administrator Review Committee: Managers Anderson and Oknich
- Citizen Advisory Committee: All managers rotate on a quarterly basis. Manager Anderson requested that staff help the Board create a rotation schedule for this.
- Annual State of the Watershed Public Meeting: Managers Anderson and Oknich
- Lower St. Croix One Watershed-One Plan: Manager Schmaltz, with Manager Anderson as alternate.

b) Citizen Advisory Committee Appointments

Manager Schmaltz moved to appoint Bruce Anderson, Tom Furey, Jerry Grundtner, Jack MacKenzie, Randy Schumacher, Curt Sparks, and Doug Toavs to serve as the District’s Citizen Advisory Committee for 2021. Seconded by Manager Oknich. 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		

c) Designation of Official Newspaper & Banks

Manager Schmaltz moved to designate the official newspapers of the Comfort Lake-Forest Lake Watershed District for 2021 as the Chisago County Press and the Forest Lake Times. Seconded by Manager Oknich. 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		

Manager Anderson moved to designate the First State Bank of Wyoming and Lake Area Bank as the official financial depositories of the Comfort Lake-Forest Lake Watershed District for 2021. Seconded by Manager Oknich. 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		

d) 2020 Water Monitoring Preliminary Results

Dr. Megan Funke began the presentation by reminding attendees that 2020 was the first District-led water monitoring season. She noted data were collected not only by District and EOR staff, but also by volunteers from both the Citizen Assisted Monitoring Program (CAMP) and lake residents. Before discussing the data, Dr. Funke gave the disclaimer that the Metropolitan Council data collected by CAMP volunteers are still preliminary but should closely resemble the final results.

Looking at the water quality data, Dr. Funke stated that overall, water quality was very good across all the District's lakes in 2020. Again, she reminded attendees to keep these data in the context of climate as year-to-year variations in environmental conditions could affect water quality in the short-term. However, the significant water quality improvements on Moody and Shields Lakes can likely be attributed to District projects. The only exception is Forest Lake (middle basin), which shows a decline in water quality. Dr. Funke mentioned that this decline was observed in 2019 as well and that she will be focusing on this basin in 2021 to determine if this is becoming a trend. She went on to say that the St. Croix Watershed Research Station will be collecting sediment cores to determine if alum treatments are needed. Additionally, updates to the diagnostic monitoring program will be made this year which will include more tributary sampling locations around Forest Lake. Dr. Funke believes the new focus and new monitoring projects will help to discern why there is a decline in the middle basin of Forest Lake.

In years past, bottom water phosphorus sampling was sporadic but became more strategic and consistent in 2020. Dr. Funke said any lake they suspected had internal loading was sampled this year. Most notable was Forest Lake (Middle), which shows a very large seasonal increase in bottom water phosphorus that has the potential to impact water quality. Another lake that shows a similar increase is Little Comfort, which had higher bottom water phosphorus concentrations than Forest Lake (Middle). Dr. Funke stated since Little Comfort Lake showed lower surface water quality that the internal loading could be a driving factor. She ended the internal load monitoring section by mentioning the District was awarded a Clean Water Fund grant from the Board of Water and Soil Resources (BWSR) to perform, among other projects, an alum treatment on Little Comfort Lake and that a similar treatment will be investigated for Forest Lake (Middle).

To match with the District's new 10-year Watershed Management Plan, the District's long-term sustainable phosphorus goal timing was changed from 2040 to 2031 (i.e., to be accomplished by the end of the next 10-year Plan). The long-term goal timeline was moved up to reflect the progress the District has made in recent years. Already, the District has two lakes that meet their 2031 goals, Lake Keewahtin and Forest Lake (West). However, Dr. Funke proposed that phosphorus reductions in Forest Lake (West) might be influenced by zebra mussels and not just watershed reductions. Other lakes approaching their 2031 goals are Bone, Comfort, and School Lakes. Dr. Funke stated that she believes Moody and Shields Lakes will be near their goals after a couple more

years. As for the clarity of lakes, Keewahtin and Birch Lakes were shown to have met their 2031 goals already.

Prefacing Dr. Funke's discussion of the lake water quality trends which includes total phosphorus, chlorophyll-a, and Secchi disk, she mentioned that not all are long-term trends as some lakes have large data gaps from years the lake went unmonitored. To account for this, Dr. Funke said it is best to focus on the short-term trends that includes all data since 2011 (last 10 years) rather than include all data since monitoring began. Of the District's nine major waterbodies, four of them are improving or showing statistically significant improvements in all three water quality parameters. These lakes include Bone, Comfort, Forest (West), and Moody. Keewahtin and Shields Lakes are close with 2 of the 3 parameters improving, but data indicate a decline in total phosphorus and a significant decline in Secchi, respectively. Lastly, both Forest Lake Middle and East show declining total phosphorus and chlorophyll-a trends but do have improving Secchi trends.

The second half of Dr. Funke's presentation focused on stream monitoring and diagnostic effectiveness monitoring, and in which she commented on the extensiveness of the District's program. In 2020, data were collected at 8 long-term sites, tributaries to Bone Lake, Moody Wetland Rehabilitation Project, Shields Lake Stormwater Harvest and Reuse System, and around the Forest Lake and Comfort Lake management districts. Overall, in terms of sediment the water quality in District streams generally appeared good with most sites measuring below 30 mg total suspended solids per liter (TSS/L). The exceptions were Bone Lake north inlet, Little Comfort Lake inlet, Heims Drainage Ditch, and R7E in the Washington Judicial Ditch 6 (WJD-6) subwatershed. In contrast, Dr. Funke mentioned that in terms of total phosphorus most sites are not meeting the 0.10 mg total phosphorus per liter (TP/L) state standard. Exceptions to this are the Bone Lake north inlet, Fourth outlet, Lendt outlet, and Shields reuse irrigation pond which were below the total phosphorus standard, which is good.

Manager Anderson emphasized the importance of the District's effectiveness monitoring. She asked when the Shields Lake report would be available so that the overall effectiveness of the District's project work could be assessed. Dr. Funke replied that it should be available in the spring.

Manager Anderson advised that she would provide comments on the report by the middle of the week. She is concerned with some high numbers within Little Comfort Lake and the Comfort Lake District. Dr. Funke noted that the Comfort Lake diagnostic report will come to the managers in February.

Manager Anderson asked Dr. Funke's impression of how the program worked as an in-house program. Dr. Funke replied that from EOR's point of view, it was successful overall, though COVID presented coordination challenges. She noted the significant work done by Mr. Miller and Blayne Eineichner.

e) Watercraft Inspection Program DNR Delegation Agreement

Manager Anderson moved to approve the DNR Delegation Agreement which allows the District to operate a watercraft inspection program for another three years. Seconded by Manger Schmaltz. 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		

f) Washington County Watercraft Inspection Grant Agreement

Manager Anderson moved to authorize the District Administrator, on advice of legal counsel, to execute the Washington County AIS Prevention Aid grant agreements. Seconded by Manager Schmaltz. 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		

g) Chisago County Joint Powers Agreement

Mr. Miller commented that the joint powers agreement is very similar to previous years, with the only exception being the total cost has been reduced from \$75,000 down to \$35,000. The cost reduction is a reflection of the District’s trend toward taking more of the program in-house by hiring its own inspectors.

Manager Anderson moved to approve the joint powers agreement between Chisago County and the Comfort Lake-Forest Lake Watershed District for cost sharing of the boat launch inspection program. Seconded by Manager Schmaltz. 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		

7. Old Business

a) Local Government Roads Wetland Replacement Program

Jason Naber explained the way the program works is that the Board of Water and Soil Resources (BWSR) has money available every couple of years and is willing to partner with organizations that have wetland replacement projects already identified. He believes BWSR presently has \$5 million for the program and intends to issue a request for proposals in February. It is a competitive program with the potential for many applicants. BWSR will select the best projects that generate the most wetland credits in areas of the state where credits most are needed. The St. Croix watershed is one of these. Mr. Naber stated that the District has already spent its own funds to identify wetland banking projects. To apply, the District would need to submit a proposal that includes the project area and an agreement with the landowner. If BWSR selects the District's proposal, they have a few options of how to move forward. Either BWSR can solely complete the project and obtain all the wetland credits for itself or it can partner with the District so the credits can be split between the two organizations. In order to partner, the District would have to cover some part of the total expenses. Mr. Naber made it clear that if the District does not already have a willing landowner and a viable project, there is little point in applying.

President Spence asked whether the District has any projects identified yet. Mr. Naber responded that the District has already identified some sites but has not advanced to the point of getting landowner permission to perform such a wetland rehabilitation project. Project Coordinator Blayne Eineichner commented that he personally has spoken with several landowners and has not been able to find anyone fully on board with wetland banking. He went on to mention that there are other parcels in the District that could be investigated, but currently there is nothing that is set up to be a good wetland banking project with an interested landowner. He said that landowners typically wish to know the return up front, which is not in the nature of the undertaking, and so there is too much uncertainty to interest them. Also many are concerned about taking land out of production.

Manager Schmaltz asked how this BWSR program is different from the District's own wetland credit and banking pursuits. Mr. Naber said that if a party is interested in wetland banking, then there is no prescribed timeline so long as you have a suitable project. All expenses would be on the District to pay, but if the project is approved then the credits would become the District's property with which it could choose to sell to any entity that wishes to use them. The difference with the Local Government Roads Wetland Replacement Program (LGRWRP) is the credits go directly to the State of Minnesota and BWSR manages them. While credits would not be owned by the District through LGRWRP, expenses would be greatly offset by the grant. Further, the District would benefit from the water quality improvements and ecological enhancements realized by the wetland restoration project.

Mr. Kinney reminded the Board that the District would get the water quality benefits from either program, and that the District doesn't necessarily need to focus on profiting from wetland bank credit sale. However, he mentioned the District could sell any credits earned to offset any potential permitted wetland impacts in the District as there are no

credits available in the area. Manager Anderson agreed that the water quality improvements are what the District is truly after.

b) Land Acquisition & Management Program

Mr. Kinney reminded the Board that the District amended its Water Management Plan several years ago to include land acquisition. The framework developed in the Plan gives a very basic outline of what the process of acquiring land would look like. Since then, the District has had the opportunity to use this framework on a couple of occasions where landowners were looking to donate their properties. Mr. Kinney went on to say that while District staff has some experience, the workload analysis with Houston Engineering identified a need for a dedicated staff member with landscape architecture or landscape management experience to help with future acquisitions.

Manager Schmaltz suggested instead of hiring someone full-time, to find a specialized consultant to work with and help find potential land acquisition opportunities. Mr. Kinney responded by noting that the position would have other duties beyond land acquisition, as the work plan has several other items that could be covered with another staff member. Additionally, the position would be responsible for a large amount of coordination with partners to enhance completed projects for public engagement, identify new projects, and assist other organizations with land acquisition as well. Manager Anderson agreed with Mr. Kinney that there is a substantial amount of coordination to be done that cannot be completed with just current staff. She urged the other managers that they need to move quickly on this as there are current opportunities available that will not be around much longer. Manager Anderson commented that she believes a consultant is still needed while the District seeks an applicant to fill the position, as there are opportunities that need to be investigated soon. She noted that as the District completes its large planned capital projects, it needs to be proactive to anticipate future flooding concerns and other regional impacts from expected development. Manager Schmaltz identified parks, wetland banks, flood management and District offices all as areas of future District focus linked to the necessary disciplines. The managers concurred in the idea of a consultant to provide interim assistance.

c) Watershed Management Plan Update

Ms. Heinz gave an update on the status of the Watershed Management Plan, starting with a recap of recent events which included releasing a first draft in mid-December, meeting with the Citizen Advisory Committee and Technical Advisory Committee, hosting a workshop with the Board, and receiving over 200 comments from the aforementioned groups. On February 4th, a cleaned-up copy of the Plan that addresses comments will be included in the February 11th meeting board packet. Ms. Heinz stated the Board will have time during the special board meetings on February 9th and 11th to discuss and propose changes to the latest draft prior to the proposed deadline to approve the 60-day draft on February 25th.

8. Report of Staff

a) Administrator

Mr. Kinney announced two quick updates to the Board. First, the District now has a contracted IT service from which the Board can seek technical assistance. From his observations, the service has been working well and has alleviated additional IT work for staff so they can focus on more pressing matters. Secondly, the salary survey is ongoing but nearing completion as consultants and Mr. Kinney have been meeting frequently to wrap things up. Mr. Kinney mentioned that he would be meeting with two Board members in early February to help develop the presentation on the survey before bringing it to a Board meeting.

Manager Anderson asked if Mr. Kinney could expand upon the Claros test results. She noted that the report indicated the Claros media removed little phosphorus during the field test. Mr. Kinney confirmed that the amount was small, but the District's ability to control the operation of the trial was limited. For next steps, he suggested to staff to contact the University of Minnesota and others that would be willing to help research the Claros material in a more controlled environment.

Addressing the Lower St. Croix One Watershed One Plan, Mr. Kinney told the Board there was recently a meeting of metro administrators to discuss the Watershed Based Implementation Funding program. From his account, there was widespread disappointment with the lack of leadership BWSR is providing. The group plans to coordinate a meeting with BWSR to discuss soon. Expressing the group's frustrations further, Mr. Kinney stated BWSR is now bypassing watershed districts and giving all funding to soil and water conservation districts (SWCDs), which are implementing projects without proper comprehensive water plans. He stated that work plan elements all are being led by SWCDs and not a single watershed district. The foreseen issue with this is the vast majority of funds will be led and spent by SWCDs, which largely will go to staffing costs and not to project implementation based on principles of prioritize, target and measure. Mr. Kinney believes partnership is possible, but each organization needs to oversee what it is good at, instead of one entity taking all the funding and implementation power.

Manager Anderson noted that the Washington and Chisago County conservation districts both have received large Clean Water Fund grants independent of the LSC 1W1P collaboration. She would like clarity as to how external state funding and independent work is coordinated with the 1W1P work plan and allocations.

b) Emmons & Olivier Resources

Dr. Funke noted that Bone Lake Northeast Wetland Restoration and Little Comfort Lake Clean Water Fund grant implementation were added to the usual engineer's report. Additionally, she commented that due to land ownership and transfer issues affecting

property adjacent to the District's tax forfeit property, project design will be on-hold for the foreseeable future until things are resolved.

c) Smith Partners

Mr. Holtman had nothing to report.

[Manager Oknich left the meeting at this time.]

9. Report of Treasurer

a) Approval of Bills and Treasurer's Report

Manager Schmaltz stated the District had income of \$661,226.38 for the month of January, most of which came from Chisago and Washington Counties tax payments. The month's expenses total \$164,516.40. Manager Schmaltz asked the Board to approve payment of monthly expenses.

Manager Anderson moved to accept the Treasurer's Report and pay the bills in the amount of \$164,516.40. Seconded by President Spence. Upon a roll call vote, the motion carried 3-0.

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

10. Report of Officers and Managers

Nothing to report.

11. Summary and Approval of Board Direction

Directives from the meeting were summarized:

1. Mr. Kinney will continue looking for a consultant for land acquisition matters.
2. Mr. Holtman will consult with his colleague and check back with the managers regarding their questions about the 1WIP.
3. Manager Anderson will provide EOR with written comments on the draft monitoring report.

12. Adjourn

a) Watershed Management Plan workshop – February 9, 2021, 1:00 pm

- b) **Watershed Management Plan workshop – February 11, 2021, 4:00 pm**
- c) **Next regular board meeting – February 11, 2021, 6:30 pm**

Manager Schmaltz moved to adjourn the meeting. Seconded by Manager Anderson. Upon a roll call vote, the motion carried 3-0, and the meeting was adjourned at 9:19 p.m.

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

Jen Oknich, Secretary _____