

1 **DRAFT MINUTES OF THE REGULAR MEETING OF THE**
2 **COMFORT LAKE–FOREST LAKE WATERSHED DISTRICT**
3 **Thursday, January 12, 2023**

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5 **1. Call to Order**

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7 President Schmaltz called the January 12, 2023, regular board meeting to order at 6:29 p.m.
8 via online video conference.

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10 **Managers Present:**

11 Steve Schmaltz, President
12 Christopher Loth, Vice President
13 Dave Bakke, Secretary
14 Douglas Toavs, Assistant Treasurer

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16 **Absent:**

17 Jackie Anderson, Treasurer

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19 **Staff Present:**

20 Mike Kinney, Administrator
21 Bobbie Law, Office Manager
22 Garrett Miller, Watershed Assistant
23 Emily Heinz, Planning Coordinator
24 Beth Carreño, Senior Program Manager

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26 **Others Present:**

27 Cecilio Olivier, Emmons & Olivier Resources
28 Paul Nation, Emmons & Olivier Resources
29 Chuck Holtman, Smith Partners

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31 **2. Setting of Meeting Agenda**

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33 President Schmaltz requested to switch the order of agenda items 5c and 5d.

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35 Manager Bakke moved to approve the agenda as amended. Seconded by President
36 Schmaltz. Upon a roll call vote, the motion carried 4-0.

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Manager	Aye	Nay	Absent	Abstain
Dave Bakke	X			
Christopher Loth	X			
Doug Toavs	X			
Jackie Anderson			X	
Stephen Schmaltz	X			

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39 **3. Consent Agenda**

40 **a) Regular Board Meeting Minutes – November 17, 2023**

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Manager Toavs moved to approve the consent agenda as presented. Seconded by Manager Bakke. Upon a roll call vote, the motion carried 4-0.

Manager	Aye	Nay	Absent	Abstain
Dave Bakke	X			
Christopher Loth	X			
Doug Toavs	X			
Jackie Anderson			X	
Stephen Schmaltz	X			

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4. New Business

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a) Election of Officers and Liaison Appointments

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Mr. Kinney introduced this item. He explained that, per the governance manual, officers must be elected on an annual basis. He provided the options for nominations and voting: the Board can vote office by office or a manager can move a slate for multiple offices. If any manager objects to voting by slate, the vote must be by office.

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Manager Loth moved to elect officers by slate, as follows:

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President: Manager Schmaltz
Vice President: Manager Loth
Treasurer: Manager Anderson
Secretary: Manager Bakke
Assistant Treasurer: Manager Toavs

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Seconded by Manager Toavs. Upon a roll call vote the motion carried 4-0.

Manager	Aye	Nay	Absent	Abstain
Dave Bakke	X			
Christopher Loth	X			
Doug Toavs	X			
Jackie Anderson			X	
Stephen Schmaltz	X			

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President Schmaltz confirmed with all managers that they are comfortable with continuing their 2022 liaison appointments in 2023. President Schmaltz stated that he would update Manager Anderson after the meeting and confirm her liaison positions.

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Liaisons:

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- City of Forest Lake: Managers Schmaltz and Loth
- City of Wyoming: Manager Anderson
- City of Scandia: Manager Bakke
- Chisago City: Managers Anderson and Toavs

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- Chisago Lake Township: Manager Toavs
- Washington Conservation District: Managers Schmaltz and Loth
- Chisago Soil and Water Conservation District: Managers Anderson and Toavs
- Personnel: Manager Schmaltz
- Administrator Review Committee: No action taken.
- Citizen Advisory Committee: All managers rotate on a monthly basis (staff to coordinate rotation schedule)
- Annual State of the Watershed Public Meeting: Action deferred.
- Lower St. Croix One Watershed-One Plan Policy Committee: Manager Anderson, with Manager Schmaltz as alternate

b) Designation of Official Newspapers and Banks

Mr. Kinney explained that this item is also required per the governance manual and continues the practice designating the District’s newspapers and banks annually.

President Schmaltz moved to designate the official newspapers of the Comfort Lake Forest Lake Watershed District for 2023 as the Chisago County Press and the Forest Lake Times. Seconded by Manager Toavs. Upon a roll call vote, the motion carried 4-0.

Manager	Aye	Nay	Absent	Abstain
Dave Bakke	X			
Christopher Loth	X			
Doug Toavs	X			
Jackie Anderson			X	
Stephen Schmaltz	X			

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President Schmaltz moved to designate the First State Bank of Wyoming, First Resource Bank, and Midwest One Bank as the official financial depositories of the Comfort Lake-Forest Lake Watershed District for 2023. Seconded by Manager Toavs.

Managers discussed the inclusion of Midwest One Bank on the list of designated banks. Mr. Kinney confirmed the District’s banking with Midwest One Bank is limited in scope, but it holds a credit card at this bank. The District’s major banking is at the other two banks.

Upon a roll call vote, the motion carried 4-0.

Manager	Aye	Nay	Absent	Abstain
Dave Bakke	X			
Christopher Loth	X			
Doug Toavs	X			
Jackie Anderson			X	
Stephen Schmaltz	X			

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5. Old Business

a) H&H Model Update Final Reports and Presentation

Mr. Kinney introduced Mr. Olivier and Mr. Nation to present an overview of the hydrologic & hydraulic (H&H) model update. Mr. Kinney stated that there are videos and other resources available to the Board members to get more background on the subject.

Mr. Nation presented the modeling results including information on:

- Forest Lake drainage area location
- How the H&H model advances watershed district goals
- Key datasets - Data sets that go into the modeling
- Calibration & validation
- Conclusions of the final report

Manager Toavs moved to accept the H&H Model Technical Report. Seconded by Manager Bakke.

Manager Bakke asked if the District has any modeling data in the Scandia area. Mr. Nation clarified that this presentation only focused on the area that was updated most recently (the Forest Lake and Little Comfort Lake drainage areas). He noted that the model for the Bone Lake drainage area was updated in 2020.

Managers discussed the use of radar rainfall data as opposed to rain gauges.

Upon a roll call vote, the motion carried 4-0.

Manager	Aye	Nay	Absent	Abstain
Dave Bakke	X			
Christopher Loth	X			
Doug Toavs	X			
Jackie Anderson			X	
Stephen Schmaltz	X			

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b) AIS Detector Training

Mr. Miller reviewed the online course and training opportunity from the University of Minnesota’s Aquatic Invasive Species (AIS) Detectors program. The self-paced class is AIS Management 101. Mr. Miller explained the course is \$75, and the Board had approved partial funding of \$50 in 2022.

Mr. Miller reported that in 2022, two people applied for support and one completed the course. Managers discussed the previous participant’s involvement in aquatic invasive species matters after taking the course in 2022. Managers encouraged promoting this

148 opportunity with lake association members and Citizen Assisted Monitoring Program
149 (CAMP) volunteers.

150
151 Manager Loth mentioned that last year, the information was shared for funding
152 consideration later in the year. He noted that hopefully more individuals pursue the
153 opportunity since they are finding out sooner.

154
155 Managers agreed by consent to fund the University of Minnesota AIS Detectors
156 Training not to exceed \$50 per participant.

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158 **c) Potential Watershed Management Plan Amendment**

159
160 Mr. Kinney explained that on December 15th the Board adopted a redlined version of a
161 proposed lake association grant program. He noted that staff reached out to the Board
162 of Water and Soil Resources (BSWR) to see if the grant program would require the
163 District to complete a minor or major watershed management plan amendment. He
164 explained that BSWR suggested that if this program was to be implemented, the District
165 should complete a major plan amendment. He explained that staff could research options
166 to move forward and present them to the Board.

167
168 President Schmaltz explained that Manager Anderson requested no decisions be made
169 on this specific topic in her absence. He suggested the Board provide staff direction for
170 the regular meeting on January 26th by identifying amendment options and the cost for
171 each. Manager Bakke concurred and appreciated the idea that Manager Anderson should
172 be involved in the development of this program.

173
174 President Schmaltz spoke about Eurasian watermilfoil (EWM) management and
175 discussed possible projects that would be funded under this program. He noted that as
176 one option, the District could manage EWM as a part of its own program this year, and
177 that it is pertinent to consider whether and in what respects the AIS program would
178 address non-water quality purposes. Manager Bakke discussed a possible shoreline
179 restoration project. President Schmaltz noted that shoreline restoration has a water
180 quality component.

181
182 Manager Toavs understands there is a desire to ensure that available funding is used. He
183 indicated that those dollars may not meet the District's goals directly. He explained that
184 he would look to the Administrator for advice on what projects would be funded under
185 the grant program.

186
187 President Schmaltz explained that a shoreline restoration program could be covered
188 under the community grant program the District already has in place. He noted that if
189 the program is being implemented solely for the treatment of EWM that perhaps the
190 Board should re-think its decision. He noted that the grant program needs to be cleaned
191 up. He asked counsel if the structure of what was approved could be revisited at a
192 coming meeting even though it was already approved. Mr. Holtman explained that the
193 action taken was the approval of the grant program itself and, after the vote occurred,

194 there was a consensus to have Manager Anderson work with staff to finalize the grant
195 documents. He noted that there is a bit of ambiguity as to the particular details of the
196 approved program. As a matter of parliamentary procedure, the Board can still discuss
197 the program documents and consider edits.

198
199 Manager Loth requested clarity be provided on what was specifically voted on at the
200 December 15th, 2022, meeting.

201
202 Mr. Kinney said that a cleaned-up version of the program documents has been created
203 and can be shared with the entire Board.

204
205 President Schmaltz reiterated his reasoning for why he would like to review the program
206 again. He mentioned his concerns regarding the creation of a new grant program simply
207 to fund EWM treatment.

208
209 Manager Loth asked if the topic of EWM needs to be discussed before the grant
210 program, or if the topics can be discussed at the same time.

211
212 Managers discussed the history of EWM treatment, the currently available grant
213 programs, and the District's current aquatic invasive species management program.

214
215 Mr. Kinney clarified that even if EWM were taken out of the equation the addition of
216 the new lake association grant program would still require a major watershed
217 management plan amendment. He noted the benefits of separating the two topics for
218 discussion. He confirmed that the information being requested would be presented in a
219 memorandum.

220
221 Manager Bakke requested the conversation be halted until Manager Anderson is present
222 for the conversation. President Schmaltz agreed and requested the information be
223 provided for the January 26th Board meeting. Mr. Kinney agreed to compile the
224 information being requested.

225 226 227 **d) Eurasian Watermilfoil Management**

228
229 Mr. Kinney gave an overview of materials regarding the Board's past conversations
230 about Eurasian watermilfoil (EWM). He noted that Steve McComas from Blue Water
231 Science will attend the January 26th regular board meeting to address any technical
232 questions.

233
234 Mr. Kinney gave an overview of the varying positions previous and current managers
235 have taken on the management of EWM. He discussed the reasoning behind the
236 District's current stance not to fund the direct control of EWM on District lakes. Unlike
237 curly-leaf pondweed, EWM does not die back mid-summer and contribute to internal
238 phosphorus loading. Thus, it is not identified as a water quality problem. Mr. Kinney
239 explained that many factors will go into deciding the District's stance on EWM

240 management. The District currently provides technical expertise for EWM management
241 in District waterbodies by informing individuals and groups on best management
242 practices and providing technical assistance in applying for grant opportunities.
243

244 Mr. Miller gave a presentation on EWM that included the following topics:

- 245 • Management considerations for EWM and District options
 - 246 ○ Option one: The District’s current role in EWM management
 - 247 ○ Option two: Bringing the management of EWM “in-house”
 - 248 ○ Option three: Provide District lake associations with a grant program
249 for EWM management
- 250 • EWM impact on water quality
- 251 • The known life cycle of EWM
- 252 • Impacts of EWM on the native plant community
- 253 • Treatment’s effect on long-term EWM control
- 254 • The District’s 10-year management plan goals; specific to 3011 Aquatic
255 Invasive Species Prevention & Management Program goals
- 256 • Recommendations from staff if EWM management is taken “in-house” by the
257 District
258

259 Manager Bakke highlighted that, from a lake association perspective, there may not be
260 many differences between the current EWM management approach and bringing it in-
261 house. Mr. Miller explained that, if EWM management was taken in-house, the District
262 would decide treatment areas, with technical guidance from Blue Water Science.
263 Currently, lake associations decide the treatment areas, and District staff offers technical
264 advice on the matter.
265

266 President Schmaltz stated that EWM is a recreational issue. He would like to see local
267 communities also involved in the funding of treatment and management. He noted the
268 financial risks of the District taking on the sole responsibility of the treatments and
269 management of EWM in all District lakes, particularly if it proliferates. Manager Bakke
270 noted the dollar amount cap on the proposed lake association grant program for
271 management and treatments.
272

273 Manager Loth explained that while discussing EWM management and treatment in-
274 house with a lake association representative, there was some hesitation to have the
275 District take on the management in a more hands-on way. He explained that the lake
276 associations are currently in control of the level of treatment they want to pursue, and
277 this is possibly a more aggressive approach than the District would recommend. He
278 noted some history of why the District moved away from funding EWM management
279 in the past. He explained this was because residents wanted to be more involved in the
280 level of treatment occurring. Manager Bakke highlighted a possible group of individuals
281 that may not want any chemical treatment of aquatic invasive species in District lakes.
282

283 Manager Toavs asked if vegetation management for recreational purposes is within the
284 District’s mission, and if District staff are trying to avoid being involved in the
285 harvesting of aquatic plants. President Schmaltz noted that this would be a responsibility

286 in which he wouldn't want to involve the District. He explained that the process involves
287 altering the native vegetation.

288
289 President Schmaltz outlined a possible scenario where lake associations, communities,
290 and the District contribute to funding EWM management and treatment.

291
292 Manager Loth suggested that additional options be outlined by staff with the pros and
293 cons of each option. President Schmaltz outlined some pros and cons he sees initially,
294 mostly related to funding. Manager Bakke mentioned that having a cap on the proposed
295 lake association grant program would have the positive effect of engaging multiple
296 groups. Managers discussed the potential management options they would like to see
297 included for future review.

298
299 Manager Bakke explained that treatment and management in Forest Lake is more
300 complex than it might be on smaller District lakes. President Schmaltz outlined the
301 current management and treatment occurring on Forest Lake.

302
303 Manager Loth asked about funding structures the District might consider. Managers
304 discussed the financial requirements of management versus control. Manager Loth
305 posed the question of how to fund equitably among the District lakes.

306
307 Mr. Kinney said that the District should consider whether the cost of EWM treatment
308 outweighs the benefit. He stated his support for additional research and asked if the
309 District would want to be financially involved in a project with little research and low
310 benefit. He mentioned the opportunities for research and variability in the growth
311 patterns of EWM. He explained the importance of identifying the source of EWM
312 growth.

313
314 Mr. Holtman observed that EWM control is related to recreational use and noted that
315 the recreational component is not included in the District's 10-year management plan.
316 He explained that whether it's part of the cost-share program or something that the
317 District takes in-house, there will be a need to adjust the plan to incorporate recreational
318 treatment goals. He suggested that incorporating such goals might raise policy questions
319 for the Board about how to allocate limited funds to measurably larger demand. There
320 was discussion on how AIS species are defined and how the plan might need to be
321 amended. President Schmaltz suggested there may be some alternative wording to avoid
322 amendment to the 10-year plan. Mr. Holtman confirmed that his understanding is the
323 plan would need to undergo an amendment if the AIS management program is to be
324 extended to recreational purposes.

325
326 Mr. Kinney spoke to the factors considered by the District when setting the goals
327 including how to address future AIS. Manager Loth asked that Mr. Holtman provide
328 guidance on the watershed management plan amendment implications for each of the
329 options presented by staff.

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331 **e) District Office Lease**

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Mr. Kinney explained that he was contacted by the realtor for the current owner, 494 Properties, regarding the pending sale of the property. He noted that the building was put on the market in the summer of 2022. The owners want to close on the sale of the property pending the signing of an amendment to the current lease. He noted that District staff know nothing about the buyers or their intentions for the space.

President Schmaltz moved to authorize the Board President to sign the Amendment to Lease Agreement offered by 494 Properties dated January 9, 2023, by which the District waives the right of first refusal. Seconded by Manager Bakke.

Manager Bakke asked Mr. Holtman to confirm the meaning of the District agreeing to “waive the right of first refusal.” Mr. Holtman explained that in 2014 the District had chosen to include a clause in the lease agreement stating that if the owners were to enter into a purchase agreement to sell the office space, the District would have 60 days to purchase the space on the purchase agreement terms. The District would be amending the lease to remove this right.

President Schmaltz explained that the managers were thinking of purchasing the space in the past, and that is why the provision was added to the lease.

Mr. Holtman noted that the District lease does require that a new buyer recognize the lease, and specifically the term length and rent amount per month.

Upon a roll call vote, the motion carried 4-0.

Manager	Aye	Nay	Absent	Abstain
Dave Bakke	X			
Christopher Loth	X			
Doug Toavs	X			
Jackie Anderson			X	
Stephen Schmaltz	X			

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6. Program/Project Update

Mr. Kinney provided a brief overview of the Sunrise River/Highway 61 Wetland Enhancement project.

7. Summary and Approval of Board Direction

Board direction was summarized as listed:

- With respect to the pilot lake association grant program, Mr. Kinney will send out the clean revised program documents along with a summary of the factors triggering a need for a Watershed Management Plan amendment according to BWSR. President Schmaltz suggested staff investigate and advise how the grant

- 371 program would be refined to be able to proceed in a way that does not require a
 372 major plan amendment (6-months).
 373 • With respect to Eurasian watermilfoil management, staff will provide the managers
 374 with several different options including cost-sharing and the pros and cons of the
 375 options. The level of Watershed Management Plan amendments needed to
 376 implement the given options should also be included.
 377 • Garret Miller will reach out to the CAMP volunteers about the AIS training.
 378

379 **8. Land Acquisition – Bone Lake South**

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 381 Mr. Kinney suggested that the Board may choose to convene in closed session to discuss
 382 the property appraisal. He shared that an easement on the property has been drafted. He
 383 noted that the District would be receiving an additional \$200,000 from the Lessard-Sams
 384 Outdoor Heritage Fund for the acquisition. He stated that the staff is prepared to begin
 385 negotiations with the landowner.
 386

387 Mr. Holtman stated that the information staff should cover during the open session
 388 includes:

- 389 • The property’s natural resource features
 390 • Nature of the District’s interest in the property and potential use
 391 • The status of the District’s grant application to provide funds for the acquisition
 392

393 Mr. Kinney provided an overview of the land acquisition process completed by the District
 394 and staff, the status of the Lessard-Sams Outdoor Heritage grant, a review of the property,
 395 and possible management opportunities for the property. Mr. Holtman advised that the
 396 closed session would be for the purpose of formulating an offer for the property.
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398 Manager Bakke moved to convene in closed session to discuss the appraisal of the Bone
 399 Lake South Wetland property and formulate an offer, with the property consisting of the
 400 following PID numbers:

- 401 • 08.032.20.13.0001
 402 • 08.032.20.14.0001
 403 • 08.032.20.31.0001
 404 • 08.032.20.41.0001
 405 • 08.032.20.43.0001
 406 • 08.032.20.44.0001
 407 • 17.032.20.11.0001

408 Seconded by Manager Toavs. Upon a roll call vote the motion carried 4-0.
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Manager	Aye	Nay	Absent	Abstain
Dave Bakke	X			
Christopher Loth	X			
Doug Toavs	X			
Jackie Anderson			X	
Stephen Schmaltz	X			

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[Closed Session]

The Board reconvened in open session.

President Schmaltz moved to authorize the administrator to release the appraisal and proceed with acquisition negotiations with the landowner. Seconded by Manager Bakke. Upon a roll call vote, the motion carried 4-0.

Manager	Aye	Nay	Absent	Abstain
Dave Bakke	X			
Christopher Loth	X			
Doug Toavs	X			
Jackie Anderson			X	
Stephen Schmaltz	X			

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9. Adjourn

a) Next regular board meeting – January 26, 2023

Manager Toavs moved to adjourn the meeting. Seconded by Manager Bakke. Upon a roll call vote, the motion carried 4-0, and the meeting was adjourned at 9:29 p.m.

Manager	Aye	Nay	Absent	Abstain
Dave Bakke	X			
Christopher Loth	X			
Doug Toavs	X			
Jackie Anderson			X	
Stephen Schmaltz	X			

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Dave Bakke, Secretary _____