DRAFT MINUTES OF THE REGULAR MEETING OF THE COMFORT LAKE-FOREST LAKE WATERSHED DISTRICT Thursday, May 11, 2023

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1. Call to Order

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President Schmaltz called the May 11th, 2023 regular board meeting to order at 6:30 p.m. at the District offices at 44 Lake Street South, Suite A, Forest Lake, MN. The meeting was also made available via Zoom teleconference.

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Managers Present:

- 12 Steve Schmaltz, President
- 13 Christopher Loth, Vice President (attending remotely)
- 14 Dave Bakke, Secretary (attending remotely)
- 15 Jackie Anderson, Treasurer
- 16 Douglas Toavs, Assistant Treasurer (attending remotely)

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18 Staff Present:

- 19 Mike Kinney, Administrator
- 20 Beth Carreño, Senior Program Manager
- 21 Bobbie Law, Office Manager
- 22 Emily Heinz, Planning Coordinator
- 23 Jessica Lindemyer, Operations and Outreach Specialist

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25 Others Present:

- 26 Greg Graske, Emmons & Olivier Resources
- 27 Cecilio Olivier, Emmons & Olivier Resources
- Joe Pallardy, Emmons & Olivier Resources
- 29 Chuck Holtman, Smith Partners

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2. Setting of Meeting Agenda

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Agenda item 5a – Update on City of Forest Lake Wetland Bank Ordinance was added to the agenda.

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<u>President Schmaltz moved to approve the agenda as presented. Seconded by Manager</u> Anderson. Upon a roll call vote, the motion carried 5-0.

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Manager	Aye	Nay	Absent	Abstain
Dave Bakke	Χ			
Christopher Loth	Χ			

Doug Toavs	Χ		
Jackie Anderson	Χ		
Stephen Schmaltz	Χ		

3. Public Hearing: Forest Lake Alum Treatment Project Ordering

President Schmaltz opened the public hearing.

A pre-recorded project presentation was played. In the presentation, Ms. Lindemyer explained the definitions of phosphorus, external loading, and internal loading. Alum treatments address internal phosphorus loading. She explained how the licensed alum treatment applicator applies liquid alum to the lake via a specialized barge. She noted that the District has completed several projects which address the majority of external phosphorus loading to the lake. The alum treatment will occur in the middle basin in areas where the depth exceeds 15 feet, but the water quality improvements will be realized in all three basins. After the alum treatment, Forest Lake will have improved water quality, increased water clarity, and fewer algae blooms. Increased clarity may result in increased aquatic plant growth in areas of the lake less than 15 feet deep.

President Schmaltz determined that no public comments had been submitted and no members of the public were present and closed the public hearing.

4. New Business

a) Forest Lake Alum Treatment Project Ordering

<u>Toavs.</u>

Manager Anderson stated that the presentation was very well done, and the Board has received informative reports from Emmons & Olivier Resources (EOR) thus far, so

Manager Anderson moved to adopt resolution 23-05-01. Seconded by Manager

 has received informative reports from Emmons & Olivier Resources (EOR) thus far, so she does not have any questions. President Schmaltz asked staff to speak on the risks associated with pH impact and what is being done to mitigate those risks. Administrator Kinney noted that the alum applicator will perform pH testing with oversight by EOR throughout the alum treatment process. Joe Pallardy explained how the pH testing and monitoring work. He noted that the treatment will include a sodium aluminate buffer, which will help maintain a safe pH.

Manager Bakke noted that the project is scheduled to include the first split-dose in 2023, monitoring in 2024, and a second dose in 2025 if needed. He asked if the project cost would be reduced by almost half if the second dose isn't needed. Mr. Pallardy

confirmed the cost would be reduced if the second application isn't needed. He explained how the 2024 monitoring will inform this decision.

President Schmaltz asked how the alum treatment in the middle basin would affect the east basin, given that the predominant flow is from east to west. Mr. Pallardy noted that there actually is a significant amount of flow from the middle basin into the east basin and vice-versa; inter-basin mixing is prevalent throughout the entire lake. Responding to a question from Manager Anderson, Mr. Pallardy advised that full water quality measurement would occur in the middle and east basins, with surface water quality measurement in the west basin as well. Based on the monitoring, the targeting of the second treatment may be adjusted.

Manager Bakke asked what other outreach is being done with respect to the lakeshore owners around the lake. Ms. Lindemyer explained that, given this project's visibility and magnitude, this is the first District project with its own outreach plan. Communications include emails, direct mailers, watercraft inspector handouts at the public launches, social media campaigns, and Arts in the Park in Forest Lake Lakeside Park every week throughout the summer.

Upon a roll call vote, the motion carried 5-0.

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

b) Forest Lake Downtown Agreement

Administrator Kinney explained that he and the District Engineer, Greg Graske, have been working with the City of Forest Lake on this topic for a few years. As a part of the City's downtown redevelopment planning efforts, the City and CLFLWD staff began a discussion in 2019 regarding stormwater management in this area. In 2020, the District committed to assisting in funding a portion of the study used to support this agreement. The results of the study were presented to the Board on October 28, 2021. The reimbursement for the District's portion of the study was made in January 2022. Staff and legal counsel have since been collaborating on the many elements of the vision regarding how this work would be accomplished. He noted that the agreement includes specific elements that required negotiation.

 Greg Graske highlighted the downtown area, which is located just west of Forest Lake's west basin. He noted that treatment options are lmited here due to the limited depth to groundwater in this area. Manager Toavs asked about the size of and maintenance for the hydrodynamic separators. Mr. Graske indicated they are a bit larger than a manhole. He estimated the City would need to clean them out once or twice per year, which is included in the maintenance requirements in the agreement. President Schmaltz asked how much phosphorus the hydrodynamic separators would remove. Mr. Graske indicated the treatment area is roughly 3 acres, and the phosphorus removal is approximately 3–5 pounds per year. Manager Anderson noted that sediment and chemical runoff will be filtered as well, which is also important.

Manager Anderson asked if these projects are going to reduce or increase the amount of water flowing northward to the Sunrise River. Mr. Graske indicated these would neither increase nor decrease flows. He explained that the regional treatment facility may reduce stormwater volume in the future.

Mr. Graske noted the City plans to build some of the best management practices (BMPs) this year. He explained the City's plan is to build a few BMPs and sell off the associated stormwater credits, then continue to build more BMPs afterward. Mr. Graske stated that it would be prohibitively expensive to build all of the potential BMPs right away. Manager Bakke asked if the District has any financial obligations under this agreement. Mr. Kinney stated that the District would not.

Manager Loth noted the study identified 5.5 acres to be treated. He asked if there are any other parts of the city in need of these types of projects. Mr. Graske noted that the study included two other subwatersheds – the Highway 61 corridor to the north and the Broadway Ave corridor to the west. Mr. Graske explained that space is often restricted on many of these redevelopment sites, making it difficult to place BMPs to treat stormwater onsite. The BMPs as part of this study will be an alternative for such sites, and the developers could purchase treatment credits from the City rather than building BMPs on their sites.

Manager Anderson indicated there are innovative treatment options available, such as underground treatment systems. Mr. Kinney noted that Mr. Graske does a good job working with permit applicants to identify innovative practices to meet stormwater treatment requirements. Manager Anderson suggested adding language to the agreement that indicates that the District and the City mutually support innovative practices. Mr. Holtman indicated that such a recital could be added.

Manager Anderson moved to authorize the President on advice of counsel, to make final non-substantive changes, including adding a recital expressing the mutual

interest of the parties in innovation, and to enter into the Forest Lake Downtown Agreement with the City of Forest Lake. Seconded by Manager Loth. Upon a roll call vote, the motion carried 5-0.

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

c) Comfort Lake Point Intercept Survey

Mr. Kinney explained that the Comfort Lakes Association (CLA) is requesting that the District complete a point-intercept survey on Comfort Lake in 2023. He noted the 2023 budget does not contain dedicated funding for a point-intercept survey on Comfort Lake. Rather, the budget only contains enough for the regularly planned meander survey, which is less expensive. Manager Toavs asked if this survey is required by the Minnesota Department of Natural Resources as a condition of the Eurasian watermilfoil treatment that the District cost-shared. Manager Anderson confirmed it is.

Manager Bakke asked for more explanation of the cost differential. Mr. Kinney explained the District schedules point intercept surveys for its major lakes on a 5 - year rotation, and Comfort Lake isn't due for another until 2024. The 2023 Blue Water Science service agreement was approved by the Board at the January 26, 2023, meeting. The 2023 AlS Prevention & Management Plan was approved by the Board at the March 9, 2023, meeting. Neither the service agreement nor the plan includes a point-intercept survey on Comfort Lake. Currently, Blue Water Science is scheduled to perform a less expensive meandering survey that is standard for most years. If contracting for a point-intercept survey alone, it would cost \$2,700. However, upgrading the planned meander survey (which costs \$1,800) to a point-intercept survey (which costs \$2,700) will merely cost an additional \$900.

President Schmaltz moved to perform a budget transfer of \$900 from Comfort Lake's (3-004-D) Lake Association Grant Program line item to cover the additional expense of a point intercept survey. Seconded by Manager Bakke.

Manager Loth asked if the CLA has the funds to pay for this on its own. Manager Anderson said the CLA has the funds to pay for the survey, but it is a small lake association with a small budget. Manager Bakke confirmed the next point-intercept survey would be scheduled for 2024, so this action merely moves up the schedule by

one year. Manager Loth asked if the 5-year schedule would then be adjusted accordingly. Mr. Kinney indicated it would, and the next point-intercept survey after this will be scheduled for 2028.

Upon a roll call vote, the motion carried 4-0-1.

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

5. Old Business

a) Update on Wetland Bank Ordinance

President Schmaltz asked for an update on the staff discussions on this topic. Mr. Kinney explained that he and Ms. Carreño will meet next week with other staff from City of Forest Lake, Rice Creek Watershed District, and Washington County. He noted the Planning Commission meeting is on May 22nd. Managers discussed the ordinance language and potential additional language to reflect the science of wetlands.

Manager Anderson moved to authorize President Schmaltz, on behalf of the District, to take such steps as he believes appropriate with respect to the City's ordinance consideration. Seconded by Manager Bakke.

President Schmaltz indicated it is important for the ordinance to reflect the science, and the District is looking out for landowners' rights to make use of their land for economic purposes, if they choose, by means of wetland bank creation.

Upon a roll call vote, the motion carried 5-0.

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

6. Program/Project Update

Administrator Kinney referred to the project update presentation slides prepared by Blayne Eineichner. He noted the Little Comfort Lake Infiltration Basin/Gravel Pit project is on hold because the landowner may no longer be willing to sell. Mr. Kinney noted that conversations with the landowner are ongoing. Manager Anderson noted the Lower St. Croix Watershed Partnership Policy Committee is excited to see the Sunrise River/Highway 61 Wetland Enhancement Project completed. Manager Bakke asked for an update on the County Road 50 Iron Enhanced Sand Filter Project. Mr. Graske noted the electrical panels are installed, but connection still needs to be made by the power company.

Emily Heinz presented an update on the Grant Research & Preparation Program and other funding/financing updates. The District utilizes three main sources of funding/financing. Major revenues include an ad-valorem tax levy on properties in District boundaries and grants. The District also utilizes a zero-interest Clean Water Partnership loan, which is not categorized as revenue, but as debt. Ms. Heinz explained how the levy has increased over time and is generally in line with increases in property values. She described that grant funding requires that the District complete an agreed-upon action or project, per the associated grant agreement. The District is on track with its grant program goals from the Watershed Management Plan, which include obtaining grant awards equal to 25% of the District's levy, applying to one new grant program per year, and keeping up on grant reporting requirements to ensure timely disbursement of funds.

Ms. Heinz explained how the Clean Water Partnership loan functions on a reimbursement basis during the 3-4 year disbursement period. The repayment period is 10 years. She recommended that, although there is zero interest, the District must still be conscious of how much debt it is taking on, because the loan repayments can add up as the District takes on more debt in the short term. She noted that it is the Board's decision whether to take on more debt or reduce expenditures.

Ms. Heinz noted there is a budget workshop scheduled for Wednesday, May 24th. She recommended the Board discuss high-level priorities in order to decide what can be funded in the 2024 budget and what isn't feasible to include. She stated these priorities should be cross-referenced to be in alignment with the Watershed Management Plan.

7. Summary and Approval of Board Direction

 Manager Anderson requested to discuss the aquatic invasive species program for both Bone Lake and Comfort Lake with staff.

Staff will research possibilities for larger signage for Highway 61 project and all

projects.Staff will send a link to the May 11th grants presentation to all the managers via

 Staff will send a link to the May 11th grants presentation to all the managers via email.

8. Adjourn

a) Next regular board meeting - May 25, 2023

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Manager Anderson moved to adjourn the meeting. Seconded by Manager Schmaltz. Upon a roll call vote, the motion carried 5-0, and the meeting was adjourned at 8:29 p.m.

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

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Dave Bakke, Secretary ______

