

1 **DRAFT MINUTES OF THE SPECIAL MEETING OF THE**
2 **COMFORT LAKE–FOREST LAKE WATERSHED DISTRICT**
3 **Wednesday, June 14, 2023**

4
5 **1. Call to Order**

6
7 President Schmaltz called the June 14, 2023, special board meeting to order at 3:05 p.m. at 44 Lake
8 Street South Forest Lake and via online video conference.

9
10 Managers Present:

11 Steve Schmaltz, President
12 Christopher Loth, Vice President
13 Dave Bakke, Secretary (Attending Virtually)
14 Jackie Anderson, Treasurer (Attending Virtually)
15 Douglas Toavs, Assistant Treasurer (Attending Virtually)

16
17 Staff Present:

18 Mike Kinney, Administrator
19 Bobbie Law, Office Manager
20 Emily Heinz, Planning Coordinator

21
22 **2. 2024 Budget Workshop**

23
24 Ms. Heinz explained that the purpose of this workshop is to give the managers time to bring forth their
25 questions, comments, or concerns about the current draft budget. She noted that the additional
26 materials provided to the board are based on questions raised at the May special budget meeting.

27
28 Manager Toavs noted the increasing trend in the net tax capacity in recent years and asked if it is safe
29 to expect this trend to continue. Manager Anderson noted that the District is in a high area of growth,
30 and she expects the net tax capacity to continue its increasing trend.

31
32 Manager Anderson requested an update on the natural resources inventory, greenway corridor visioning,
33 and District capital improvement projects in the Comfort and Little Comfort Lake Management Districts.

34
35 Manager Bakke requested more information on what areas (i.e., Admin, Programs, Projects) the District
36 needs to focus on in a budgetary sense. He noted that the District office space and floodplain
37 management are two big priorities for the next budget season. Administrator Kinney noted that Ms.
38 Heinz presented proposed budget priorities at the May budget workshop, including maintaining staff,
39 finishing up water quality capital improvement projects, and dedicating more focus on key programs
40 identified during the workload analysis visioning.

41
42 Manager Loth requested information on the education and outreach program. He noted that he would
43 like to confirm the 2024 draft budget is enough to cover the newly enhanced and updated program.

44
45 Manager Schmaltz requested an update on the greenway efforts. He would like to know if there will be
46 action on this project in 2024. He referenced the 5-year projection page in the budget packet, noting
47 the potential levy increases. He supported the idea of slowly increasing the levy in order to rebuild the

48 reserve fund. He stated he expects that there will be minimal impacts on the taxpayers. Manager
49 Anderson explained that it is her understanding that expense budget will not change much, even though
50 projects are slowing down in the next few years; spending will merely occur in categories other than
51 projects (e.g., loan repayments, programs, and staffing).

52
53 Managers discussed the expenses in terms of office space for the District. President Schmaltz explained
54 that he thinks it will be important to understand rental prices in order to understand the cost of renting
55 versus owning. Managers discussed different financing options for an office space including grants and
56 loans.

57
58 Manager Loth asked what items would be replacing the costs of large capital projects. President Schmaltz
59 indicated the District would shift focus from 5000 Projects to 3000 Programs. Manager Toavs asked if
60 the greenway corridor included land acquisition. President Schmaltz confirmed that yes it would, but
61 those acquisition or easement expenses would be largely covered by grant dollars. Ms. Heinz added that
62 acquisition is just one tool in the toolbox when it comes to creating a greenway corridor. She noted the
63 importance of partnerships and explained that conservation easements could be used. Mr. Kinney
64 explained the District is currently partnering with Great River Greening to implement an Environment
65 and Natural Resources Trust Fund (ENRTF) grant to restore native vegetation on a District-owned
66 property north of Forest Lake's 3rd basin. He also noted the City of Forest Lake's street sweeping program
67 is a good example of a partnership that benefits water quality.

68
69 President Schmaltz highlighted loan repayments to come in future budget years and referenced the loan
70 repayment page in the budget packet.

71
72 Manager Anderson explained that budgeting for a larger staff is something she would like to focus on.
73 Manager Toavs requested staff growth be included in ISG's office space analysis.

74
75 Managers discussed having written communications regarding the 2024 budget. President Schmaltz
76 indicated that it works well for managers to send their questions/comments to staff via email in advance
77 of the meeting so that staff can provide written responses. He encouraged managers to send questions
78 and comments in writing, and he noted that these Q&A's can be discussed during the meetings.

79
80 Managers discussed the budget for the Nonpoint Source Pollution Abatement cost-share programs.
81 President Schmaltz noted Mr. Kinney's expertise in the field of agriculture. Manager Anderson noted that
82 farming is diminishing in the area. Mr. Kinney explained the District's programs and efforts working with
83 local farmers.

84
85 Mr. Kinney gave an overview of recent planning efforts including flood hazard mapping and updates to
86 the District's hydrologic & hydraulic (H&H) model. He explained how the District has begun prioritizing
87 sites for wetland restoration and flood retention projects. Ms. Heinz noted that flood *hazard* mapping is
88 just the first step, and the next step will be to comprehensively evaluate flood *vulnerability*. Mr. Kinney
89 explained that the greenway effort is generally a new concept for many organizations. He referenced the
90 presentation given by Al Singer with Dakota County in 2022 and noted staff can share the recording with
91 the board.

92
93 Managers discussed the Highway 8 road reconstruction project. Manager Anderson stated that
94 floodplain vulnerability data will be critical to the Highway 8 project design. Managers discussed flooding
95 effects on residential wells. Mr. Kinney noted the soil type effects on flooding. He noted that there are

96 many factors that go into determining what is at the most risk; it is very complex. Mr. Kinney explained
97 that this information was shared with MnDOT and Chisago County to utilize while planning the Highway
98 8 project.
99

100 Manager Anderson noted that the administration levy cap that was recently increased to \$500,000.
101 Managers directed staff to adjust the budget recap page to reflect this.
102

103 President Schmaltz asked all the managers if they would like a copy of the bylaws recently presented by
104 the District attorney.
105

106 Ms. Heinz summarized follow-up items:

- 107 • She will share the meeting recording for the Dakota County greenway presentation.
- 108 • She will send out an online survey via email in order to schedule the July workshop.
- 109 • Staff will give a presentation at the July workshop in order to more fully address the questions
110 raised today.
- 111 • She will make the following revisions to the budget packet: ensure headers are shown for all
112 columns, and increase the administration levy to \$500,000.
113

114 3. Adjourn

115 a) Next regular board meeting - June 22, 2023
116
117

118 Manager Anderson moved to adjourn the meeting. Seconded by Manager Toavs. Upon a roll
119 call vote, the motion carried 5-0, and the meeting was adjourned at 4:22 p.m.
120

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

121
122 Dave Bakke, Secretary _____