

Sunrise River Water Management Organization Meeting
Thursday April 2, 2020
Meeting was held remotely due to the Covid-19 pandemic.

1. Call to order

Vice Chair Mager called the meeting to order at 6:37 pm.

2. Roll Call

Present: Leon Mager, Matt Downing, Sandy Flaherty, Tim Harrington, Janet Hegland, Shelly Logren, Paul Enestvedt

Absent: Dan Babineau

Audience: Jamie Schurbon, Anoka Conservation District (ACD)
Rick Krueger, Coon Lake Improvement Association (CLIA) Member

3. Approval of Agenda

Ms. Flaherty asked that #4 Approval of Minutes be corrected to February 6, 2020. Mr. Schurbon asked that an additional item be added under #6 Unfinished Business Item F. Coon and Martin Lakes Retrofits Project Update.

Mr. Downing moved and Mr. Harrington seconded to approve the agenda as amended. Mager yes, Downing yes, Enestvedt yes, Harrington yes, Flaherty yes, Hegland yes, Logren yes. Motion carried unanimously.

4. Approval of Minutes

Mr. Schurbon noted one change to the minutes on page 4, Item 7 C. the contract total is \$41,651.

Mr. Harrington moved and Mr. Enestvedt seconded to approve the February 6, 2020 minutes as amended. Mager abstain, Downing abstain, Enestvedt yes, Harrington yes, Flaherty abstain, Hegland yes, Logren yes. Motion carried.

5. Financial Reports

A. Treasurer's report

Mr. Downing reported a March beginning balance of \$69,089.26 with two debits \$2,691.50 and \$175 leaving a balance of \$71,605.76.

Ms. Flaherty moved and Ms. Hegland seconded to approve the Treasurer's report. Motion carried unanimously.

Ham Lake has paid it's second payment for the 2020 budget.

Mr. Downing suggested that a budget versus actual expenditures comparison may not need to be presented in the future because of the way the SRWMO's ledger has been reconfigured to show current year budget and expenses.

Mr. Harrington moved and Ms. Hegland seconded to approve the Treasurer's report as presented. Mager yes, Downing yes, Enestvedt yes, Harrington yes, Flaherty yes, Hegland yes, Logren yes. Motion carried unanimously.

B. Current grants financial report from ACD as of December 17, 2019

Mr. Schurbon reported:

- Added 2020 contribution of \$2,000 to SRWMO cost share grant fund for landowners bringing the current fund balance to \$5,816.53.

Ms. Hegland clarified that the Board agreed to include the \$2,000 SRWMO cost share grant fund amount for 2020, not 2021. The February 6, 2020 minutes were reviewed; Ms. Hegland was correct, the \$2,000 Cost Share Grant Fund contribution is for 2020, not 2021.

6. Unfinished Business

A. SRWMO Natural Resources Improvement Grants Policy Update

At the February SRWMO meeting this topic was tabled. The primary question is, “does the SRWMO want to revise its policy to allow curly-leaf pondweed (CLP) treatments as an eligible project? Per the February minutes, *“Mr. Babineau expressed concern about investing funds into curly-leaf pondweed treatments when any water quality benefits vary by lake and do not always occur. He favors making water quality benefit the metric by which fund expenditures are judged, not recreational suitability due to invasive weed reduction.”*

Mr. Mager stated on Coon Lake CLP management has coincided with lake phosphorus decreases. Mr. Downing noted that that is not necessarily the case for other lakes. It was asked how Mr. Mager knew that CLP treatment has lowered phosphorus? Mr. Mager has treatment data to support his statement.

Ms. Hegland did some research and found a statement from the DNR that states water quality is not consistently improved for lakes by CLP treatment. Mr. Downing said he did not have an issue with lakes being reviewed on a case-by-case basis for grants for CLP treatment. He wished to avoid funding for treatments of >15% of the lake area, which are only rarely granted a permit by the MN DNR. It was suggested the policy could be amended to read that CLP treatments could be eligible for SRWMO cost share grants for specific lakes where there is data to suggest it will improve water quality and the treated area will be less than 15%. Ms. Hegland wants to stay away from grants for CLP treatment because it may appear that the water quality funds are being used for work that is primarily for recreational access.

Ms. Hegland moved and Mr. Enestvedt seconded to not update the policy and to leave it written as is, excluding CLP from SRWMO cost share grant eligibility. Mager no, Downing no, Enestvedt yes, Harrington no, Flaherty no, Hegland yes, Logren yes. Motion was defeated.

Ms. Hegland said its too hard to justify that it will help with water conditions on all lakes unless it can be proven to result in improvement. Linwood Lake has two variables being managed simultaneously for water improvement (carp removal and CLP treatment) so it is difficult to determine which is responsible for water quality improvements. Coon Lake only has one variable being actively managed. Mr. Schurbon noted Coon and Linwood Lakes are supported by lake associations doing treatment programs.

Mr. Downing asked if Ms. Hegland would be agreeable if Coon Lake is written as eligible because there is data supporting the benefits of CLP treatment for water quality and other lakes be reviewed

after X number of years of treatment? Ms. Hegland said CLP treatment is not a project for the SRWMO to take care of, it should be addressed by lake associations.

Mr. Downing moved and Ms. Flaherty seconded to amend the SRWMO Natural Resources Improvement Grants Policy to be amended to include, “Curly-leaf pondweed treatments are eligible at Coon Lake and other lakes to be considered on a case-by-case basis after as history of CLP treatments have occurred and there have been water quality benefits.” Mager yes, Downing yes, Enestvedt yes, Harrington yes, Flaherty yes, Hegland no, Logren yes. Motion carried.

B. Lower St. Croix One Watershed One Plan (1W1P) update
This was an informational item with no action needed.

Mr. Schurbon reported:

- A draft plan is complete and was provided to Board members for review. Any comments can be made individually or be sent to Mr. Schurbon who will then provide them for review at the May 7th SRWMO meeting.
- The 1W1P Policy Committee has selected a joint powers collaboration, not a joint powers entity.

Ms. Hegland asked if the draft plan also needs to be reviewed by the member communities? Mr. Schurbon stated the communities have been invited to review and comment.

C. Agreed upon procedures engagement update

The SRWMO previously authorized expenditure for an audit-like agreed upon procedures engagement (AUPE) to be done. Because the Upper Rum River WMO is required by the State to do the same process, Mr. Schurbon delayed ordering the work until the URRWMO decided on a firm. At least one firm indicated they may have a reduced price if they were doing both the URRWMO and SRWMO.

The URRWMO is planning to have Mike Pophal, CPA (who is the accountant for the City of Nowthen) do an audit instead of the AUPE. Mr. Schurbon contacted the State Auditor who said they would accept an audit instead of the AUP.

Mr. Schurbon asked Mr. Pophal if he would also do an audit for the SRWMO. Mr. Pophal has indicated he will do an audit for less than \$1,000, compared to up to \$2,500 which was the lowest of five firms asked for an AUPE quote.

The SRWMO can consider between these two options:

1. AUPE by Smith-Schafer Associations for \$2,000-\$2,500 (this was already approved) or
2. Audit by Michael Pophal for \$1,000 or less.

It was suggested that in the audit agreement a deadline will be written for work to be completed within the next two months.

Mr. Downing moved and Ms. Flaherty seconded to authorize Chair Babineau or Treasurer Downing to authorize Mike Pophal, CPA to proceed with an audit for the SRWMO with a

May 7, 2020 deadline for an amount not to exceed \$1,000 for the audit with payment to be made after the audit is delivered. Mager yes, Downing yes, Enestvedt yes, Harrington yes, Flaherty yes, Hegland yes, Logren yes. Motion carried unanimously.

D. Carp management update

Work under the new carp management grant is coming together. However, actual work may be delayed due to the COVID-19 restrictions. Also, work has not begun because an agreement has not yet been reached with the State on “project assurances”.

Update on carp management services contracting

Mr. Schurbon met with representatives from three firms offering carp management services: Carp Solutions, WSB Associates, and Wenck Associates. A major take-away from those meetings and from discussions with colleagues metro-wide is that the SRWMO should diversify its approaches – box netting alone is unlikely to achieve the goals because the carp learn to avoid them. Carp Solutions is well positioned to provide box netting services. No one else provides this. They recommend we use 10 nets simultaneously and do this twice per year. We discussed several other methods too but found that they were not within budget.

Mr. Schurbon has been negotiating a contract with Carp Solutions. Costs are higher than previous years, but ways are being found to reduce the contract by having volunteers and ACD staff do more of the work. Carp Solutions has been an outstanding partner in the past. Presently, it appears that ACD will consider a contract with Carp Solutions for box netting Martin Lake in 2020. There would be ten nets which would be sprung twice with one month between net springing. Mr. Schurbon has discussed this approach with leaders of the Martin Lakers Association and they are supportive.

WSB is well positioned to provide seine netting services in collaboration with a commercial fisherman. In the past the SRWMO has tried to get a commercial fisherman to net these lakes; nothing happened. Now, WSB seems to be overcoming some of the obstacles for commercial fishermen by buying a fish transport and processing facility. They are also trying to become a trusted source of work for the commercial fisherman. ACD has executed a \$30,686 contract with WSB. It includes:

- Seining of Linwood Lake at ice out if a school with radio-tagged carp being tracked holds together. However, work may not occur due to pandemic circumstances.
- Seining Typo Lake in the fall by “herding” the carp down the entire length of the lake using underwater speakers.

Martin Lake was left out of this contract because there is a good network of volunteers to do box netting there and it’s not ready to invest that much in the commercial fishing option.

The third firm Mr. Schurbon met with was Wenck. They provided excellent insight into carp management. However, they are not ready or equipped to provide carp removal services at this time.

Update on the grant contract finalization

No work can begin until the State finalizes the grant contract and work plan. All grant projects are required to have “project assurances” that the project will be maintained. Mr. Schurbon asked the SRWMO to enter a memorandum of agreement to help on this front.

BWSR has concerns about how “assurances” will work with an in-lake project like carp management. Writing the assurances for more typical construction projects is easy. It’s difficult to write the “operations and maintenance” for carp management.

BWSR is requiring that ACD enter into an agreement with the State that outlines “project assurances” as grant recipient. That agreement will refer to an operations and maintenance document that ACD will develop throughout the project. The ACD board will consider the “project assurances” agreement with BWSR in April.

BWSR has also suggested that the SRWMO, as a major project partner, enter into a similar agreement with ACD. A draft agreement in the form of a Memorandum of Agreement (MOA), was provided. The agreement walks a line between expressing the SRWMO’s backing of this work without creating an endless commitment to uncertain tasks in the future.

If the SRWMO were to approve this agreement, the tasks and expense seem relatively predictable. The most likely task is carp surveys to determine that the carp population is being maintained. That might happen every few years. The SRWMO already has funds in its watershed management plan for this work - \$2,000 in 2023 and \$4,500 in 2025. If additional carp harvests were needed, the SRWMO has \$25,500 in its plan for 2026-2027 for “projects identified in its guidance documents” (including the carp management feasibility studies). In truth, we’re not predicting that much of this will be needed at all. Our feasibility study from by Dr. Przemek Bajer states little “maintenance” is likely.

The SRWMO can have trust that the lake associations and ACD have already committed financially to these projects and have funds to do so again in the future. Martin Lakers Association recently raised nearly \$2,000 for their water quality fund, which has been used frequently in recent years for carp work. That fund has over \$8,000. The Linwood Lake Association is holding several fundraisers per year.

Mr. Downing stated the SRWMO would be unable to provide guarantees requested by BWSR. He expressed concerns that BWSR requirements are vague for these in-lake projects. He noted that this form of assurances has not been required by BWSR in the past. Mr. Schurbon stated that if the SRWMO signed the proposed agreement, it would be in a supporting role to ACD. ACD is the grant recipient and ultimately responsible.

Mr. Mager asked if carp goals are met, does that mean the expectation is that the carp population is to remain the same in future years? How can that be accurately measured over the next 10 years? Even if ACD does the maintenance of carp population “maintenance of carp” is undefinable.

Mr. Schurbon said BWSR will require ACD to create a maintenance plan for the carp project. BWSR can review the plan but ACD has approval authority. That plan will define carp maintenance. Ms. Hegland does not recommend that the SRWMO sign the Memorandum of Agreement (MOA). She noted that ultimately the project assurances responsibility is ACD’s, as grant recipient. She suggested a different format, such as a letter of commitment may be more appropriate. She asked to have a lawyer review the MOA.

Mr. Schurbon said BWSR suggested the SRWMO sign an agreement with ACD to show collaboration on project maintenance. The SRWMO is already a major project collaborator and the project is a high priority in the SRWMO's Watershed Management Plan. Additional discussion ensued about the difficulty of defining "maintenance" for in-lake projects and concern that BWSR's future interpretations of it will create a large liability for the ACD or SRWMO. The Board questioned whether BWSR would take back the grant if the ACD and SRWMO did not sign these "project assurances" agreements.

Mr. Downing moved and Janet Hegland seconded to not sign the Memorandum of Agreement at this time, but to have legal counsel review it for liability of the SRWMO and to provide different wording if warranted. Ms. Logren suggested not having an attorney review the MOA, but rather motion to not sign the agreement. **Mager yes, Downing yes, Enestvedt yes, Harrington yes, Flaherty yes, Hegland yes, Logren yes. Motion carried unanimously.**

Mr. Mager suggested a trend analysis be done on each lake for: Money spent on each lake, number of carp and phosphorus as this may show lake quality improvement for the three lakes. Mr. Schurbon said that lake water quality trend analyses are already being done. After discussion, Mr. Mager dropped his request.

E. 2021 budget ratification by member communities update

Mr. Schurbon reported East Bethel and Ham Lake have ratified the SRWMO 2021 draft budget. Ms. Hegland reported Columbus is waiting for the revised analysis with public land removed. There won't be ratification discussion until a revised analysis is completed by Columbus. Mr. Schurbon noted that if the community contribution percentages are changed in the Joint Powers Agreement (JPA), is unlikely to be complete in time for the 2021 budgeting but may be for the 2022 budget. No response has been received from Linwood; Mr. Schurbon will follow-up with an email. Once Linwood and Columbus ratify it, the SRWMO can approve the budget.

F. Coon and Martin Lakes retrofits project update

Background

The SRWMO is the recipient of a \$156,000 FY2019 Watershed Based Funding grant that included three projects: a) lakeshore restoration outreach (\$1,925 including match), b) Linwood Lake carp feasibility study (\$23,892), and c) Martin and Coon Lakes retrofits (\$146,608). The SRWMO has chosen ACD to serve as fiscal agent and to lead the projects.

The Coon and Martin Lakes retrofits project are reaching an important stage. Three projects are identified, concept designs are done, water quality benefits have been modeled, and basic cost estimates exist. Each project will treat stormwater before it reaches the lake.

Action Needed

Review the project concepts and instruct ACD to proceed with full designs. At the May SRWMO meeting the SRWMO can proceed to approval of construction bidding.

Financial Summary

Funds available for construction \$109,108

Construction cost estimates:

228th Place Stormwater pond	\$ 46,399
230th Avenue stormwater pond	\$ 23,219
4417 Channel Lane rain garden	\$ 21,000
Contingency (17%)	<u>\$ 18,490</u>
Balance	\$ 0

Conclusion: Available funds appear sufficient to construct all three projects.

Grant Deliverables Summary

These projects will meet the promised grant deliverables. The grant work plan specifically mentions construction of the two stormwater ponds, plus additional rain gardens or other BMPs that were previously identified. Consistent with the grant work plan, there are projects benefiting both Martin and Coon Lakes. Together the three proposed projects will reduce suspended solids by 2,100 lbs./yr. and phosphorus by 5.4 lbs./yr.

Timeline

This project is on or ahead of schedule. The grant work plan called for construction completion in 2021. ACD would like to bid construction in 2020 for construction in late 2020 or early 2021.

Project Selection Process

ACD considered 21 candidate projects, nearly all of which were previously identified and ranked in a subwatershed assessment study. Of these, seven had the most favorable cost-benefit ratio (pounds of pollutant removed per dollar spent). Owners of these sites were approached.

The three selected projects had interested owners. The 228th Place and 230th Avenue stormwater ponds are owned by Linwood Township and were the first and second most cost effective in a previous subwatershed assessment study of Martin Lake’s direct drainage area. The 4417 Channel Lake rain garden site has an enthusiastic landowner. That project ranked first in cost effectiveness amongst non-lakeshore restorations in a Coon Lake subwatershed assessment study.

A fourth project site, a rain garden at Coon Lake, is interested but was not selected. That site on East Front Boulevard would require substantial tree clearing and the landowner is not yet willing to commit to ownership and maintenance.

Board members were provided with detailed concepts for each project.

Mr. Mager noted that a holding pond model is being used as a model for the rain garden. Mr. Schurbon said that is correct and that model is used to estimate phosphorus reductions. Ms. Hegland added that the stormwater ponds are designed to collect sediments and phosphorus also. Following discussion, the board instructed ACD to continue with the design of these projects.

7. New Business

A. New community events display, concept to be presented by ACD

One of ACD’s contracted tasks for the SRWMO is to create a new SRWMO display for community events. Presently, the SRWMO’s display is a fuzzy tri-folded base on which laminated photos and text are attached to it by Velcro. It’s outdated and not especially professional.

A new concept is provided for consideration. It was done by Emily Johnson from the Anoka County Water Resources Outreach Collaborative. If the concept is approved, Emily will make a full design to be reviewed and refined. Finally, it will go to print.

Recommended display:

- Large roll-up style display about the SRWMO. 33” wide by 80” tall size.
- If funding remains, create a small (24”x40”) display about SRWMO priority waters and projects that have been done.

Styling of the SRWMO display(s) will be consistent with 11 other topic-specific displays that have already been created by the ACD. These can be checked out by the SRWMO at no cost, turning the single panel display into multiple panels of your choosing for each event.

Topics of the other displays are:

- Backyard habitat
- Invasive species
- Lakeshore restoration
- Natural resource threats
- Open space protection
- Rain gardens
- Riverbank stabilization
- Water conservation
- Wetlands
- Ecological health

Consensus of the SRWMO Board was to move forward with the proposed signage concept.

B. Insurance coverage review

Ms. Gessner gave a brief background on how the SRWMO received insurance coverage from MCIT.

The IWIP process has prompted some questions about the SRWMO’s insurance. Mr. Schurbon researched these questions, and answers are below.

Does the SRWMO insurance coverage meet the statutory liability exposure of \$1.5M?

Ans: Yes. Policy declarations has liability coverage of \$1.5M per occurrence.

Should the SRWMO policy specifically name the board members? Columbus’ city insurance does not cover a councilmember’s actions as part of a joint powers organization.

Ans: The SRWMO does have coverage for board members. Coverage article 2, part D is “public employees’ liability” at \$1.5M per act. It covers both employees and board members.

Ans: MCIT recommends against specifically naming board members on the policy. Reason #1: This would restrict the coverage. By not naming them, anyone acting in an official capacity for the WMO is covered. Reason #2: It’s administratively simpler. It eliminates need to call MCIT whenever there is a board member change. And it eliminates the risk of having an uncovered board member if MCIT is not notified.

Does SRWMO have unneeded coverage?

Need auto insurance (uninsured and underinsured motorists, and auto liability including hired and non-owned auto)?

Ans: This coverage is bundled into every MCIT insurance policy. You can't cherry-pick it out, and you should not because there is some exposure to underinsured motorists or non-owned autos. For example, if a board member was driving a personal car during WMO duties and got into an accident. In that instance, if damages exceeded personal insurance coverage, then the WMO or the WMO's insurance might need to pay.

Ans: Each year MCIT has the SRWMO fill out a rate assessment survey upon which premiums are based. On it, the SRWMO lists that it owns no autos, and therefore its premiums for auto coverages are very low.

Need public employees' liability and employee benefits liability?

Ans: This coverage is for employees and board members. Because the SRWMO's annual rate assessment indicates there are no employees, rates are lower.

Should the SRWMO do a little insurance shopping? The League of MN Cities offers insurance to WMOs too.

Ans: The board can decide. In the past, MCIT costs (your current insurer) were lower than the League of MN Cities. In 2012 the SRWMO switched from the League of MN Cities insurance (\$2,429 premiums in 2011) to MCIT (\$1,646 premiums in 2012). The SRWMO had to apply to, and be accepted by, MCIT. The 2020 MCIT premium is \$1,433. From 2012 to 2020 MCIT premiums have varied from \$1,349 (2019) to \$1,859 (2015), with an average of around \$1,603. All of these MCIT costs are >\$500 savings over the League of MN Cities 2011 cost.

Ans: While the SRWMO is required to get bids for "professional services" every two years, there is not a similar requirement for insurance shopping. The board may choose to do so at any time.

Ms. Hegland said she will get an insurance quote from LMCIT and bring the information to the May meeting. Mr. Schurbon will send Ms. Hegland the Coverage and Declarations section of its current insurance policy.

8. Mail

None

9. Other

Neither Ms. Hegland nor Ms. Logren will be able to attend the May 7, 2020 meeting.

10. Invoice(s) approval

A. Recording secretary April 2020 invoice - \$175

Mr. Downing moved and Mr. Harrington seconded to pay the Recording secretary April 2020 invoice for \$175. Mager yes, Downing yes, Enestvedt yes, Harrington yes, Flaherty yes, Hegland yes, Logren yes. Motion carried unanimously.

B. ACD Invoice #2020042 payment 1 of 3

Mr. Schurbon noted two errors on the invoice payments. First, the invoice shows payments one and two are "paid" but this is incorrect. Second, the invoice was not correctly divided into thirds for the

three payments; the payment amount was \$167 too much. Because a check has already been cut for \$14,050.33 for payment 1 of 3, Payment 2 will be \$13,800.34 and Payment 3 will be \$13,800.33.

Ms. Hegland reminded members that Columbus said it would not pay any line items for costs for participation in 1W1P.

Mr. Downing moved and Ms. Hegland seconded to pay ACD Invoice #202042 payment 1 of 3 for \$14,050.33. Mager yes, Downing yes, Enestvedt yes, Harrington yes, Flaherty yes, Hegland yes, Logren yes. Motion carried unanimously.

11. Adjourn

Mr. Harrington moved and Ms. Hegland seconded to adjourn at 8:40 pm. Mager yes, Downing yes, Enestvedt yes, Harrington yes, Flaherty yes, Hegland yes, Logren yes. Motion carried unanimously.

Submitted by:
Gail Gessner
Recording Secretary