

Middle Fork Crow River Watershed District Meeting Minutes
February 11th, 2025 at 6:00 pm at the MFCRWD Office

Board of Managers Present: Ruth Schaefer, Jay Hedtke, Jeff Gertgen, Shane Braegelman (departed at 7:41 p.m.), Amanda Toutges.

Staff & Guests Present: Dan Coughlin – District Administrator; Andy Johnson – Project Manager; Jon Morales – Program Manager; Leah Melges – Office & Finance Manager; and John Kolb – District Attorney; Tom Beneke – Stantec; Nick Wyers – Stantec; Chris Stephan – Moleaer (arrived at 6:52 p.m.); Anita Hagen – DLARA; Tom Hayden – DLARA; Darvin Hauptli – DLARA; Dale Anderson – County Commissioner

1. President Schaefer called the meeting to order at 5:55 p.m.
2. Special Meeting / Closed Session at 5:55 p.m. – District Staffing Discussion (closed under the authority of MN Statute 13D.05 Subd.3(a))
3. Adjourn Special Meeting at 6:34 p.m. / Convene Regular Meeting – President Schaefer
4. President Schaefer recited the District’s mission statement: “We exist for the protection and preservation of water quality in the Middle Fork Crow River Watershed District.”
5. Additions / Corrections to the Agenda: **A motion to approve the distributed agenda was made by Manager Braegelman, seconded by Manager Toutges. Motion passed unanimously.**
6. Consent Agenda
 - a. Financial Report
 - i. Finance Report
 - ii. Approval of Payables & Expenditures
 - b. Regular Board Meeting Minutes – January 14th, 2025.
 - c. **Resolution 2025-06, Authorization to Update Financial Institution Signature Cards Motion by Manager Toutges, seconded by Manager Hedtke to approve the Consent Agenda. The motion passed unanimously.**
7. Discussion / Business Items
 - a. Diamond Lake Condition Engineering Report – Tom Beneke, Stantec Inc.
 - i. **Consideration of a Motion to Accept the Report and its Recommendations**
Stantec’s Tom Beneke presented the findings of the Diamond Lake Assessment regarding efficacy of nanobubble treatment. The report highlighted key findings related to water quality standards in Diamond Lake. Data from the Tadd Lake pilot study was used to inform anticipated outcomes including decreased muck/lake bottom, increased water clarity, sustained conditions for aerobic microbes, reduced organic matter/higher dissolved oxygen around docks beaches and nearshore sites of recreational importance, odor improvements due to increased decomposition, beneficial

oxygenation of surface/near surface waters for aquatic biota, possibility of harmful algal bloom (HAB) reduction due to circulation, however no appreciable change in phosphorus budget. Further considerations involved the potential of nanobubbles offering more immediate noticeable aesthetic benefits to the lake than watershed work, however the type/timing/extent of those changes are difficult to predict, and watershed work to reduce phosphorus loading will still be critical to the long-term health of the lake. Recommendations focused on pre and post implementation monitoring being KEY to evaluating effectiveness (sediment cores, water column profiles, water quality grab samples, phytoplankton identification and enumeration) and investing in monitoring data will help evaluate success of the system, provide valuable insight about these systems' role in high external loading MN lakes and making determinations about future investments.

By unanimous consent the Board put this motion on hold until the report is finalized (tentatively end of February) to consider this recommendation.

ii. **Consideration of a Motion to Direct Staff & Consultant Staff to Develop Final Plans and Specifications, Seek Bids / Quotes, and Secure Pertinent Permits and Agreements.**

By unanimous consent of the Board, this item is on hold pending finalization of Stantec Engineering Report.

b. **Lake Calhoun Dam & Bridge Project Update – Nick Wyers, Stantec Inc.**

Nick Wyers reported that a bridge design has been selected for the Calhoun Dam & Bridge Project and bids have been sent out for tree removal. Final bidding will occur on Friday, February 21st, 2025. Designs are currently at 30% and the advisory team plans to meet in March for 60% design phase.

c. **Amendment to DNR Lake Calhoun Project Agreement – Resolution 2025-04**

During the project design, it was determined that shore fishing should be provided near the dam modification, so an amendment was added to incorporate the installation of shore fishing infrastructure funded by Get Out More Shore Fishing program for an additional \$100,000 to the initial contract total.

A motion was made to approve Resolution 2025-04 by Manager Toutges, seconded by Manager Gertgen. Motion passed unanimously.

d. **CD-47 Project Update – Andy Johnson**

The CD-47 project has started and is underway. Due to a few days of extreme cold temperatures, work temporarily halted to ensure proper functioning of equipment. Tree thinning is complete and sloping of areas has begun. Project Manager Andy Johnson has been in communication with landowners regarding continuous project updates, and the project has been met with full landowner support. One landowner, who owns a gravel pit, has allowed the tree trimmings to be placed in their quarry pit to be burned as

well as some of the sloping materials. Per permit requirements, March 15th is the deadline for in-stream work and fish/bat protections.

e. Other Project Updates

The HSW Technical Advisory Committee met for their annual meeting to review and update on the HSW Draw-Down Project. Suggestions for another potential draw-down of HSW Chain of Lakes this year were discussed, but may potentially require the channel to be reopened as part of another draw-down. A condition driven draw-down must meet condition triggers that qualify for a draw-down and the TAC team will meet again later this summer to assess. If another draw-down is deemed appropriate, District Attorney John Kolb stated that the HSW funds could be used to finance dredging the man-made channel as it is considered project maintenance. A review of the original permit is necessary to determine if it allows maintenance of that channel or if a new permit is required.

f. MN Watersheds Legislative Day Planning – Jeff / Ruth

Managers Schaefer and Gertgen will be attending the MN Watersheds Legislative Event, meeting with Senator Andrew Lang and Representative Dave Baker to discuss developing legislation regarding implementing a 60-day permit review period for the DNR and MPCA, as well as developing regulatory approaches to reduce chloride contamination.

A motion to approve Manager Schaefer and Manager Gertgen attending the MN Watersheds Legislative Day was made by Manager Hedtke, seconded by Manager Toutges. Motion passed unanimously.

g. Acceptance of Resignation of Dan Coughlin as District Administrator – **Resolution 2025-05**

The resignation of District Administrator Dan Coughlin was reviewed and accepted by the Board of Managers identifying specific provisions and stipulations of his resignation including allowing Coughlin to deplete his accrued vacation time at the end of his employment with the district to satisfy the 60-day notice requirement of his employment contract. February 21st, 2025 will be Coughlin's last day in office, with his official final day of employment being April 1st, 2025. As of February 21st, 2025, Coughlin will no longer accrue any additional PTO, be eligible for cell phone reimbursement or receive any health insurance stipend.

A motion to accept Resolution 2005-05 Resignation of Dan Coughlin as District Administrator was made by Manager Toutges, seconded by Manager Gertgen. Motion passed unanimously.

h. Agenda Additions / Other Matters: None.

8. Reports & Updates

a. Administrator – Dan Coughlin:

District Administrator Dan Coughlin has completed the submission of a grant application through the Army Corps of Engineers for the Diamond Lake Nanobubble project. He continues working on updating a second submittal

for the LCCMR grant for New London Mill Pond Nanobubble project. Coughlin stated that the priority for the remainder of his days in the office will be dedicated to providing guidance and mentorship as he transitions towards his departure. Lastly, Coughlin expressed his sincere gratitude for having served alongside the Board and staff here at MFCRWD and well wishes for all future endeavors.

b. Program Manager – Jon Morales:

Program Manager Jon Morales reported that the meeting with the HSW TAC team was productive, and as the 10-year mark is approaching there is opportunity to modify the plan. The TAC team will be looking at whether there should be any amendments to the current plan or other general changes. Any changes would likely require revising the permitting process with the DNR. Morales also shared that staff met with County Administrator Kelsey Baker, County Engineer Mel Odens, County Commissioners Duane Anderson and Dale Anderson, as well as DLARA board members to discuss and clarify what the details of potential partnership with the county entails regarding the Diamond Lake Nanobubble project. Baker reported that she would like to see the engineers report from Stantec once it is available, and Board President Schaefer recommended that Morales send her the presentation slides for the time being. Lastly, Morales updated on applying for the MPCA's Stormwater Resiliency Grant for underground storage in the parking lot by the New London Legion.

c. Project Manager – Andy Johnson:

Project Manager Andy Johnson reported that he and Program Manager Jon Morales attended the MN Lake Management Society seminar last Tuesday focusing on alum treatments and dredging. Johnson updated that review of the 319 grant by the EPA should be completed soon and Chris Lundeen provided Johnson with the template to start getting projects submitted. Johnson reported that he already has projects around New London and Elkhorn Lake in mind for the 319 grant. He is in continued talks with City of Belgrade regarding the MPCA Grant and partnership opportunities that would hopefully coincide with their stormwater plans. Johnson is also focusing on how to get buy-in from the city of Atwater to focus on water quality through a potential fishing pier for Upper Lake. Lastly, Johnson's update on the Calhoun Dam/Bridge Project included going to meet with Stantec and construction bidders Tuesday to go over bidding contractors for tree clearing. The bidding will be due by Friday, February 21, 2025 and the clearing will need to be completed by March.

d. Finance Manager – Leah Melges:

Finance Manager Leah Melges reported that we have signed and submitted the engagement letter for Abdo Financial Solutions to assist in filing the District's 2024 tax return as part of applying for the Solar Panel Investment Tax Credit. For 2024 year-end, the 4th quarter quarterly return has been filed with the IRS and MN e-Services, and the Unemployment Insurance payment has been submitted. 1099's and W2's have been distributed, 1096 and

copies of 1099's have been submitted to the IRS, W2's and W3's have been uploaded to the Social Security Administration and Annual Leave Report and Exclusion Reports have been submitted to PERA. All final 2024 property tax settlement payments have been received from all 4 counties. A donation request from New London Spicer High School for the Gary and Cindy Westby Internship Program has been received. In past years, the District has given a \$500 donation.

A motion to approve the 2025 Westby Internship donation for \$500 was made by Manager Hedtke, seconded by Manager Gertgen. Motion passed unanimously.

- e. District Engineer – Chris Meehan: Written report provided.
Not present.
 - f. District Attorney – John Kolb:
No report.
 - g. Other Reports from Managers / Staff:
Manager Gertgen inquired regarding having a staff member attend the MN Legislative Day with President Schaefer and Manager Gertgen. President Schaefer expressed desire to allow staff to prioritize the remaining time with Administrator Coughlin as they work to transition duties before Coughlin's departure.
President Schaefer acknowledged that during the closed session the Board discussed the options of how to fill the Administrator position, which included the possibility to promote internally. President Schaefer addressed Program Manager Jon Morales and officially extended the District Administrator position to him. Morales expressed his intent to consider dependent on review of the employment details and he will meet with the Personnel Committee on Friday, February 14, 2025 to discuss further. Lastly, President Schaefer reported that Long Lake North, in Hawick, will be requesting reimbursement for point-intercept surveys, so a policy will need to be drafted outlining details of reimbursement parameters and funding.
9. Public Access Forum (*those desiring to speak, please share your name for the meeting record*):
DLARA Board Member Darvin Hauptli expressed continued thanks for consideration and work with DLARA on the Diamond Lake Nanobubble project. County Commissioner Dale Anderson posed a question on behalf of the County Board: based on a news report from KWLM recently on the radio, there was a fish kill in Diamond Lake due to oxygen levels that were too high, so wouldn't a nanobubble unit that infuses the lake with more oxygen be counterproductive. President Schaefer suggested that this information be investigated as possible misinformation.
10. Adjournment: **Motion made by Manager Toutges, seconded by Manager Hedtke to adjourn the meeting. Motion passed unanimously.**

The meeting declared adjourned by President Schaefer at 8:23 p.m.

Submitted by,

Leah Melges
Recording Secretary
Office & Finance Manager