

**WATERVILLE CITY COUNCIL
SPECIAL/WORK SESSION MEETING
March 3, 2023, 3:00 p.m.**

There was a meeting that the Waterville City Council held in the Senior Center at 3:00 p.m. on March 3, 2023.

Present: Mayor Daryl Bauer, Council members Tim Smith, Jennifer Grobe, and Sean McCaslin

Absent: Dave Wollin

Special Guests Present: Carlie Wagner (invasive species specialist DNR), Todd Piepho (hydrologist w/DNR), Mike Willcox (partial owner of Cannon Gate Resort), David Preisler (Le Sueur County Commissioner), Logan Sendel (Lake Shore Potential owner lake weed removal company), Andrea Berg (President of Waterville Lakes Association), Valerie Vail (Member of Waterville's Parks Board, Emergency Management, Prior Council Member), Brian Pfarr (State Representative), Jay Schnider (Representative of Lake Region Life), Joe Martin (County Administrator)

Special Guests Absent:

Also, Present Administrator/Clerk Hill,

Call to Order / Roll Call/Pledge of Allegiance

Mayor Bauer called the meeting order at 3:00 p.m. Pledge of allegiance was recited. Mayor Bauer spoke about all the work that has made the pathways to where we are in the development of protecting our waterways today and gave a huge thank you to all that have been a part of these processes so far. There was an introduction of Special Guests and Council Members. Mayor Bauer expressed his main goal for the outcome of the meeting to continue bettering our waterways, protecting our assets, our image, and tourism for our city. Mayor Bauer had mentioned that what has been done in the past doesn't seem to be working by the appearance of our waterways and was hoping for a more sustainable and fundable solution. Mayor Bauer also touched on the effect on the flow of the watershed, and how the trash comes downstream.

Approval of Agenda/Additional Items to Agenda.

Motion by Council Member Tim Smith to approve the agenda as it is written. Second by Council Member Sean McCaslin Motion passed 4-0

Sakatah Bay Clean-up Work Session

Sakatah Bay Work Session. Mayor Bauer opened the floor up for discussion for Council Members if they wanted to voice their opinions. Council Member Smith states the ample amount of work that has been done on the city level along with the mass amount of people that are working with the one watershed one plan. The more we all work together with every one the better the outcome of the project. This will work best for funding as well. Council Member Smith also stated that to obtain monies for this, the city would have to come up with a well-thought-out plan. Council Member McCaslin, the biggest thing is how do we address this is dredging, spraying, what is the best line of attack. We want to get rid of the green, and the blue-green algae in there. So, what is the best and most effective way to do this? Council Member Smith returned to McCaslin's comment "this problem has been coming on for years. It is not going to be an overnight fix. It is going to take years and years to get them back. I've lived here for years and it is going to take a long time and a lot of work to ever get them back that way."

Todd Piepho replied to the council that the City of Waterville is not the only lake that has this going on. More specific to the question on the in-lake treatment has not been the answer. Dredging in the spring takes care of that problem temporarily. That is because the City of Waterville is on the river system which is the biggest variable that is uncontrolled. If bad water is coming in, there is going to be bad water no matter how clean the

bay is. There was mention of the One Watershed One Plan and the headwaters for the Cannon River are a priority for that plan. This plan has been established for a couple of years. With this plan, there is a lot of money that will be funneled through this. It is recommended that, depending on the scope of the project and what the thought is, to talk to a representative out of the Riceville water office or Ashley Gallagher from Dakota County. Ashley was one the main leads for the One Watershed One Plan. With this plan, they get funding for up to ten years. The way this would work is if you were a part of the equation, you need to come up with a plan and apply for the funds so the City can get in line for distributions of funding. This is not going to be an overnight turnaround. This could be a couple of years out. They are already in year two of the ten-year plan.

Carlie Wagner implied her input on the current concerns from the Council. As Todd mentions this is a flow-through system, pondweed is the most invasive plant in Sakatah Bay. It is not necessarily the driver of the water quality problems. The pond weed grows well because the Bay is shallow and there are a lot of nutrients, even in the spring. The invasive species specialists have worked annually to permit the control of curly-leaf in the Bay. There has been pesticides used in the past. This takes place as an early-season treatment. There has been talk of open water systems with the potential of harvesting. If you decided to harvest you may see a less gradual spike in water quality in early June. Some of the barriers in Sakatah Bay harvesting one the access to the bay for a Harvester, you would need a barge to remove those plants. Also, the interruption to recreation would be something to plan for. Second, having a place to offload the harvested curly leaf pond weed. In Carlie's opinion, with the volume of curly leaves in the spring, harvesting could potentially be a good option if you can get the set up for the operation of the harvester, barge, and access somewhere to dispose of harvested curly leaves. It would create open water potentially sooner. The native plants also perform very well in the bay throughout the summer. This is treated differently because it is native aquatic vegetation. The DNR has an aquatic plant management program. This could potentially bring in the possibility of more open water. The plants respond well to all of the nutrients in the bay. It was also noted on the lake dynamics, and what kind of impact that has on the lakes as well. For instance, the drought last summer with the warm conditions and already shallow bay grew very well. Last year in general was a rough year in water quality. Carlie closed her opening response to the council by extending her offer to work with the city to fine-tune the curly leaf management in the bay to better achieve your outcomes, we could look at harvesting or pesticide.

Mayor Bauer asked pesticide viruses something more natural like harvesting. To me it seems, everything we've learned is that we are killing these weeds with chemicals. Then the weed dies and it goes to the bottom. Which in turn creates more food for more weeds to come up. I almost feel like the money that was used to treat with chemicals has done nothing. So maybe there is a more natural way to go into harvesting.

Carlie Wagner replied I see both of these managements going on in this area. It ultimately depends on the system. Sakatah Bay is a flow so it can be a challenge for pesticides. To perform with pesticide, it needs to be held in an area for some time. There has been good control on the peripheral area of the bay, but through the channel, there is less control due to the natural flow of the water. One benefit of harvesting is that pesticides wouldn't need to be used in a flow-through bay. The pesticides that are used for aquatic life management are all registered for use in aquatic habitats. They do get broken down by microbial activities pretty rapidly so they are generally safe to use in aquatic systems.

Mayor Bauer asked, about different types of harvesting equipment and the ability to cut the tops off or root the weed, and is one way better than the other. The secondary question was asked if there were different types of permitting for that.

Carlie replied to the mayor's question. Overall the two types of harvesting methods have the same amount of efficacy. The main thing with the invasive curly leaf pond weed, whether treated with pesticide or harvested, is you are treating that plant before it produces turions which is the vegetative propagule that will fall to the sediment and sprout the next season or seasons to come. If harvesting timing is everything, it would need to be harvested before the turions drop. For pesticides, the plant should be treated and killed before it forms. The limiting thing with harvesting can be getting a contractor that has the equipment to travel out to the area. If harvesting is going to be an option, try to get a contractor to bid out for this permit.

Logan Sendel mentioned his company was not contracting at this scale and he was aware of a company out of North Dakota that was handling most of the weed harvesting within the surrounding area. Hunts and Circle Lake were mentioned, which was confirmed by Carlie.

Carlie did state that one major thing to remember about harvesting there is allowed limits, basically how much you're allowed to manage, also including the near shore work. With 15% of the littoral area for pesticides, and 50% for harvesting, Sakatah Bay has been able to treat a lot of acreages because it is adjacent to the lake. Tim Smith questioned if Sakatah bay looks to be 32 acres give or take, can it be estimated what was treated in the past, percentage wise or acreage wise, with harvesting and how it would affect the bay? Carlie answered, for the bay it probably wouldn't shake out that different because there was a large application of almost 25 to 30 acres in the past. Recently there have also been native plants earlier in the season. Mostly noticed is coon tail and that is not permitted by Carlie so it's been operating at 16 to 18 acres of the curly leaf that can be treated with pesticides. Tim Smith wanted to know how this is determined? Carlie explained, that a delineation survey is performed by a rake or visually, this is identifying the aquatic plants that are present and in what abundance they appear. This is how the treatment and harvest areas are around large contiguous stands of invasive aquatic plants. Carlie mentioned the DNR invasive aquatic control grant monies that were received by the City with past applications.

Council Member Grobe asked what causes that green in the water. Carlie replied that there are two types of algae; filamentous and regular algae you may see an excess of nutrients. These would be responding to phosphorus and nitrogen. Typically, a spike in algae can be any time there are anoxic conditions or the oxygen levels go down, this triggers a release of the sediment and the algae respond to that as well. Todd Piepho reminded the council of the low water this past year. With low standing water with high nutrient loads is an ideal breeding ground for algae.

Council Member Grobe asked, you say we have a flow-through system, is the river flow through impeded by the silt that forms by the bridge, do we not get enough flow through to move this stuff coming in through? Todd replied yes there is a silt fan downstream at the end of it. Which you may have seen at the bridge and White-Water Creek. When the flows come up it does not impede flows at all. It was mentioned that a few studies have been done on the flow. Mike Willcox rebuttal Piepho's statement and referred to an overview map of Waterville and described what he saw that Lake Sakatah was open and the Bay was weeded in, it appears that there is nowhere for that water to go. Piepho questioned the water is still moving right? Wilcox agreed and stated if there was more flow as in a couple of culverts to get that water out of there. It seems we need more depth and flow. When the highway was built it dammed up the water flow. Piepho did not deny that the algae were sitting in the bay. Piepho suggested reaching out to MN Dot to see if they were interested in putting in a few more culverts.

Mayor Bauer, lifelong resident of this community, used to swim in the bay back in the 60s-70s. What has changed from then until now? What is happening upstream? How is agriculture filtering their runoff? Mayor Bauer states he feels the biggest difference from the 50-60 is the pollutants that are being put in the waterways. Mayor Bauer shared ideas on accountability. There needs to be a way to hold those accountable that are polluting the waterways to help clean them up. There could be an extensive ditch system. Possibly impose a fee for seasonal waterfront, or resort use tax for Lake cleanup and maintenance. The possibility of a fertilizer tax was also mentioned.

Council Member McCaslin asked if dredging has ever been looked at? Todd responded The DNR's most recent project was with Fountain Lake in Albert Lee, which was extremely costly at 85 – 100 p/yd³. This will take a solid plan, a consultant, and a place to disregard the dredged material. Most cities have a hard time finding disposal facilities, which are wastewater ponds of earth embankments where you pump the dredged material which consists of water to 80 water 20 sewers, you can't haul it. This would need to be hydraulics pumped to a location to let it filter out which takes several years for that material to dry out. The material that is pumped out of PCA gets involved with testing at the disposal facility, there are concerns about reactivating the pollutants in the bedrock sediment. Todd stated that there are benefits that could come of this process such as fish, wildlife, navigation, and water quality per rural. It was mentioned that it could promote the economy that is driven by the clarity and cleanliness of the lake. Council Member Smith (or Mike campground owner) asked if it has improved with Fountain Lake, and Piepho responded with "no." The last 2-3 yrs. and it is just as bad as before as for water quality it is better in-depth. They are in the similar situation where Waterville has a river system that moves sediment. There are a lot of diffs. the thing that is slowing the flow of that sediment to drop out and the Bay is the prime spot for this to take place. With that mentioned dredging gives a place for sediment

to fill in more rapidly to the expanded depth of the lake. The weather pattern directly affects the flow, which determines the water levels, but the weather is not like it used to be, there is no normal weather right now. Spraying and harvest may open it off for navigation and recreation with little water quality impact, due to the influence of the weather, and the water is flowing down the Cannon River.

Mike (campground owner) It was asked if the weeds are pulled does that provide more phosphorus and more nurturance for the invasive species? Carlie replied yes it depends on the type of substrate the harvesting is taking place. So, if it is unconsolidated it can stir up sediment. The discussion was had on the different types of water bottoms, and seasons that would affect either pulling or cutting the weed back for a harvesting process.

Council Member Smith, what has been the most successful in increasing the water quality? Todd Piepho, replied “upstream work, the One Watershed One Plan is focusing on the Cannon River and watershed, which is 88% in agriculture and a few wetlands. This is because the area has pretty much gone away with or potholes that were used for holding back water and it was something to filter out the pollutants and sediments. The other contributor is land use has changed to more impervious areas, all this contributes to the flow of the water. What needs to be looked at is something to hold the water back and installing natural buffers for the long-term effects. Natural buffers such as cattails and wetlands also help with the nurturance and stabilization of the land.

Todd Piepho reminded the council of the high waters 2012-2018 and how it detreated the shoreland, and how it is important to restore these spaces to maintain and promote healthy shorelands. Council Member Smith wanted to know what types of natural buffers would help with the stabilization of ground and filtration for silt and sediments, that won't take over the native plants? Carli, yes, the local SWCD does a lot of work within the area with landowners to introduce some other species that are more short than tall for the shoreline. Carlie did want to mention, “the native aquatic plant coverage the great function in the Bay is a good thing if they were not there to stabilize the sediment and oxygenated the plants in the Bay it would be a lot worse in the summer. Due to density, it may seem worse than it is, most of the time you will see Duck weed which has the appearance of algae but it is not.”

Council Member McCaslin, if we were to create these buffer zones, what types of permits are needed on the DNR side of the up here buffers. Todd Piepho replied average water line would require a permit, if you are doing below the average water line you could work with Fisheries, the aquatic plant manager program. Carlie would also be a good reference to provide a good list of plants to plant. It was suggested to put the buffers primarily upstream.

Mayor Bauer inquired about the One Watershed One plan and Todd Piepho, explained the process of the funding and how they are looking for projects because there is more funding to be added to this pot of monies. The best contact for this would be Rice Soil and Water Conservation District. What they do is prioritize projects that are submitted and approved. This means a plan needs to be put together to approach the needs of Waterville and submitted.

Mayor Bauer, the two-prong approach is the long-term making of water storage upstream and short-term incremental clean-ups.

Administrator, we do have some projects going on the One Watershed One plan, but they are not in tier 1, and that is currently where they are in process. The tiers run in most prioritized with their first approach. I've been in contact with Mike Schultz before, and he was very knowledgeable about the O.W.O.P and will be able to help us navigate. It was suggested that the city revisit where they are currently at with the O.W.O.P. scope to help move this be moved up the latter quicker.

Council Member Smith wanted to know, from the county's standpoint, what they are doing and do they have available funding and aid? County officials, the counties priority with the water quality, are currently trying to obtain land to store water back, which is not an easy task. Many landowners do not want to sell at this time, but this would help with getting the sediment to drop out and would help with flood control. County Administrator stated he was now a part of the O.W.O.P. committee and would like to advocate for projects that are currently in our area along with future projects to take place. From a nutrition standpoint getting non-conformed septic systems cleaned up. Depending on the severity of the situation of the septic that needs to be fixed there is a loan program through the county for this. This will continue as long as the funding is available. For those who do not meet compliance for a septic system, have received notice to update, and have not

complied with the requirements within the timely manner suggested, a misdemeanor will be sent out to those individuals. Joe Martin, we have focused on 3 different steps: 1 - septic in noncompliance, 2 - shoreland lawns mowed down to the shoreline doesn't help with the stabilization of the shoreland, and 3 - interested land owners for retention.

Administrator, there is a plan in play for the upland storage, some funding has been obtained for a hydro study that has started this project, and we have obtained that data, now it is what we do with that data. This funding for the hydro study should be available by 2024.

Valarie Vail touched on the changes that have taken over time that has deteriorated our waterways since the highway bridge was put in. The water quality has improved in the last few years with the treatments that have been taking place to get rid of the curly leaf. This has been proven by the increased bass population no longer having bullheads and carp. As a city, our drainage comes into the lake and, using sand and not salt in the winter, and the things coming in from town. In the City, we have a rain garden and a storm sceptor. These have helped but have taken lots of time from start to finish. Vail asked county officials if there was funding available for shoreland restoration. County representative Joe, replied yes for planting plants but no longer for rip-rap.

Carlie explained to the council the longevity of treating curly leaves and how they will get better over some time. It also mentioned the hardiness of this invasive species and how it can be out of water for days and still live, and how the turions that drop can be fertilized years after settling into the water bed. Vail questioned Carlie about the water quality and invasive and native plants. It explained the dynamic growth patterns with curly leaves. Native plants respond well to changes in water quality and when conditions are favorable, it tends to be high propagule. When there is a decline in water quality you will see the native plants drop off. Carlie also explained how the curly leaf has its growing cycle starting in the fall and seeds sprout over the winter months so in essence there is no other vegetation to compete with.

Joe mentioned that the DOT has the highway due for construction in the next two years. This may be a good time to reach out to the City Engineer to have them look at possibly being able to open and increase the flow of water. Council Member Smith added there are a few stagnant areas in both corners of the Bay. If culverts do happen and it can flush some of this visible stuff out, how is that going to affect the native and invasive species that we have in the Bay with the increase of water flow?

There was discussion on the existence of the Lakes Association and how they are always looking for and welcoming new members. It was mentioned the ample amount of knowledge and camaraderie they have within this group of individuals. Members in participation of the association stated that the Association spends money on treating Lake Tetonka and performing due diligence of the single entity to maintain the weeds; stated a reminder to all people that the Lakes Association is only a small piece of the puzzle. It takes lots of individual people, groups, and associations to make our lakes great again.

Todd Piepho talked about the Lake Improvement District which is citizens and local governments willing to undertake such initiatives benefit from greater local involvement in the management of their lake with the assistance of DNR providing oversight. It was mentioned that Circle Lake was doing this. Lake tax is being added to the City of Waterville. This could be another avenue to start a pot of money to take care of these ongoing short- and long-term projects. It was mentioned by Council Member Smith how the Lakes Association, had taken this path in the past and it did not go over as well as the council would have hoped and left homeowners disgruntled. There was discussion on the past approach the Lakes Association did and how it was very close to passing. There was also mention of the implied Lake Tax to homeowners to better the quality of the Lakes and Rivers would have been a \$50.00 increase in taxes. There was also discussion that had this past it would have been more plentiful of a process because it was through a government entity that there were more funds available.

Andrea, Lakes association, mentioned that when applying for the state grant, which has turned into a lottery, there are times when the Association has not been chosen. Daryl Bauer, 165 camping sites within the city using the city services, fire and police, and toll on the streets, and per site for campers and an additional lodging tax; this could be looked at as a user's fee. Council Member Smith, if we were to do that to the resort owners here, what % of tax would your customers be willing to apply to the cost of stay? Mike, replied why are you charging us so much more when everyone else uses the lake too? Council Member Smith, due to this being specific to the Bay and there are three resorts located down there, that being said those monies if applied would

go specifically to the Bay, not the lakes. There was discussion on the pros and cons of the idea of taxing the Bay area and how to make it more palatable for everyone involved.

Council Member McCaslin asked how much monies are looking at to treat the Bay to take care of the short-term maintenance. Carlie mentioned the DNR grant that the city has participated in and has received monies that have contributed to the cost. This type of grant is still available but is a lottery-based grant. It was explained the amount received on the grant monies is based on a dollar amount per treatable acre. Administrator Hill stated that the City received free treatments in the beginning for 4 years. Then the funds were received by grant monies, and this time the grant is for a two-year process for \$8,000; \$5,000 was applied to the first treatment, due to the unpredictability of what the treatment area will be in the upcoming year. The Administrator mentioned she could get the council the dollar amount that the city spends on treating the Bay.

Logan the residential harvesting company, stated it depends on price p/acre wise so the more you can harvest the lower the cost p/acre. Also from a business standpoint, it depends on the length of a contract that is willing to be signed. Also mentioned is that for 20 acres a rough estimate would be \$750-\$1,000 p/acre, this would just be for harvesting, not the hauling or disposal of this. Council discussion of a possible 20-30 grand per/harvest. It was mentioned in different time frames that harvesting could take effect with the balance of permits allowed. There was a discussion held around curly leaves ideal timing and temperature that would be permitted for harvesting. There was mention of the Near Shore Aquatic Plant Management and how it would be a beneficial resource option to consider. Carlie had mentioned the increase in cost to chemically treat invasive plants.

Council Members discussed the great information that was received at this meeting and what they will be moving forward to setting another meeting to figure out the next plan. There was talk about how treating Sakatah Bay isn't going to fix all of your problems, you will still have the duck weed the green blob which is healthy for the aquatic species. Also educating the public property owners that are waterfront to educate them on how to properly dispose of any harvested vegetation that may come on their properties. Administrator Hill brought the previous year's invoice out to share with the council and with that 16.7 acres was treated at \$317/acre which equates to approximately \$5,300.00. With that being said if the same amount was treated this year, at the same rate as the 8,000 that was received 2,700 would be applied from that and the rest would come out to City Coffers monies.

Hill also stated, DOT has done a flood study and a note to self to request those reviewed plans. They were talking about doing a box culvert on the White Waterside but were unfamiliar with what their plans said that they were going to be doing with the bridge, but the City has requested they do something different with the opening over there. But with knowledge of the bridge being connected to the White Water, there may be potential. This was a part of the plans because it was a pinch point in the White Water. Mayor Bauer questioned if the DOT and DNR would have to work together on something on this scale, there was discussion on the hydrology study that was performed by MN DOT. Todd Piepho mentioned in 2017 they found constriction and the White-Water Creek Box but as for the Hwy 13 bridge, I don't think they found any concerns as for square footage opening for water flowage during a flood event. At the 99 bridge, there is a slight bottleneck. There was discussion on the improved flow that is needed to move some of the weeds out of the Bay area. This is because the flow is not increased, which is determined by the river system, it is the increased area of water movement that will also improve the Bay.

Chuck Af, the Senator outreach person for federal strings to pull and there was nothing that caught the attention of federal funding. It was suggested that the city can put together an argument that a retention pond is for flood mitigation and flood prevention. Then you can get the Emergency Management Director to talk to the state agency. The term used within this is climate resiliency for flood mitigation.

Adjourn.

Motion by Smith to adjourn and thank you, everyone, seconded by Bauer to adjourn. Motion Carried 4-0. The meeting adjourned at 5:13 p.m.

Daryl Bauer, Mayor

Teresa Hill, Administrator-Clerk