

2015



2015 ANNUAL REPORT

The mission of the Clearwater River Watershed District is to promote, preserve, and protect water resources within the boundaries of the district in order to maintain property values and quality of life as authorized by MS 103D.

Table of Contents

Table of Contents	1
1.0 Introduction	2
2.0 District Background	3
2.1. District Mission	3
2.2. CRWD Location & Boundary	3
2.3. CRWD History	3
2.4 CRWD Office Location, Meetings, Other Information	4
3.0 2015 Financial Condition	5
4.0 Work Completed in 2015	6
5.0 Work Plans for 2016	9
5.1. Introduction	9
5.2. Administration and Management Operations	9
5.3. Projects and programs in operation & maintenance phase	10
5.4. Current and active projects and programs	15
5.5. New and potential undertakings	16
6.0 Status of CRWD Projects and Programs	17
6.1. Physical Projects	17
6.2. Aquatic Invasive Species Projects	17
6.3 Bog Control Projects	21
7.0 Other matters affecting the interests of the CRWD	22

1.0 Introduction

This report has been prepared to satisfy the annual reporting requirements set forth in Minnesota Statutes Chapter 103D.351, which requires all watershed districts to file an annual report with the MN Board of Water and Soil Resources, as well as the MN Department of Natural Resources. This report summarizes the Clearwater River Watershed District's (CRWD) financial condition, 2015 work completed, plans for 2016, status of projects, and other matters affecting the interests of the CRWD.

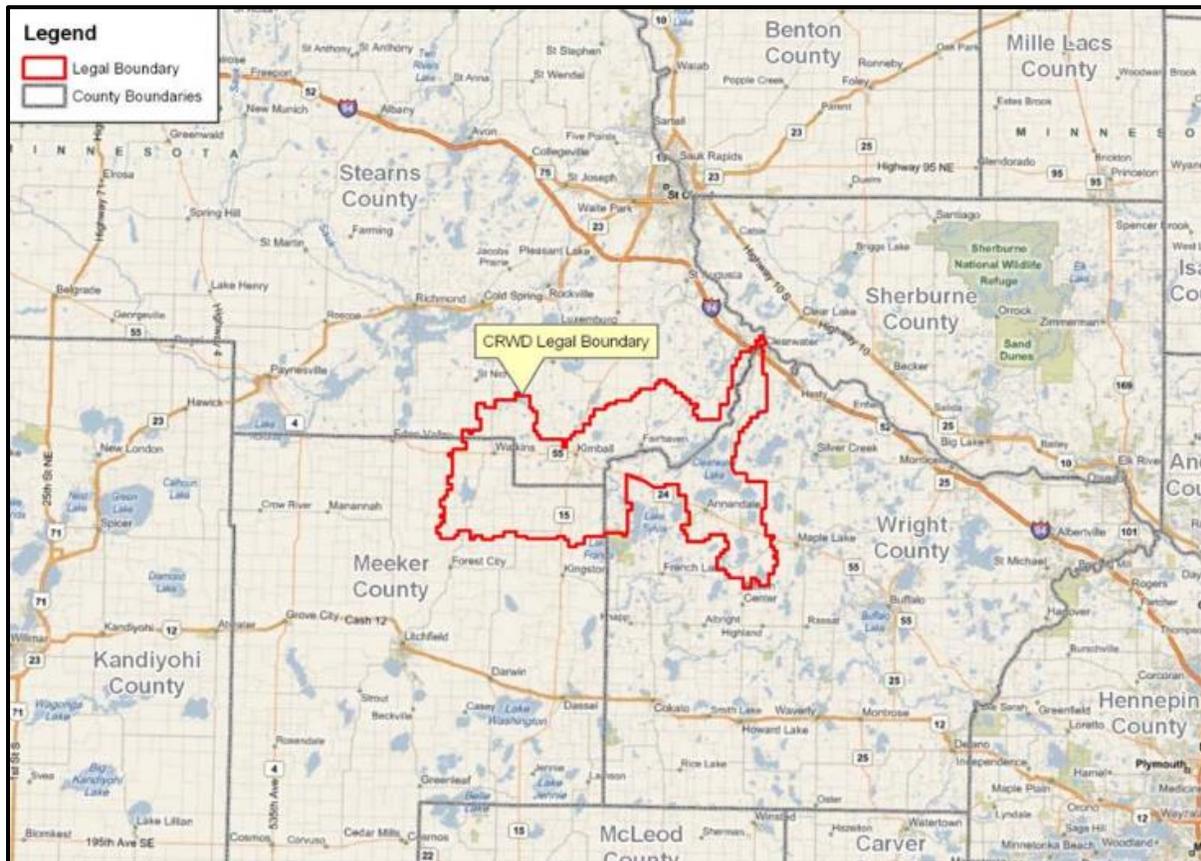
Much of the information presented within stems from more detailed documents the CRWD creates during the course of business. Those documents are referred to when applicable within this report. The CRWD's website, <http://crwd.org/>, has these documents available for review online, along with other resources.

2.0 District Background

2.1. District Mission

To promote, preserve and protect water resources within the boundaries of the District in order to maintain property values and quality of life.

2.2. CRWD Location & Boundary



2.3. CRWD History

The area encompassed by the CRWD is rich in soil and water resources. The presence of those resources has encouraged the growth of two economic mainstays in this Central Minnesota territory – farming and tourism. Around these basics have grown the communities that support their needs. As population and industry grow, those priceless resources, which we often take for granted, may deteriorate.

In the 1960s and early 1970s, those who fished and enjoyed the waters of the Clearwater River Chain of Lakes began to notice a decrease in the clarity of those waters, an increase in the number of rough fish (bullheads and carp), and an increase in the growth of algae on the surface of the water. Property owners sought new tests from scientists interested in water quality. Those tests revealed that the nutrient content of the water had increased substantially since 1946 – phosphorus was coming into the Clearwater Lake at a rate almost double the rate considered damaging.

The lakes through which the Clearwater River flowed were aging much too quickly. That process, which is a natural phenomenon called "eutrophication," was being helped along at an alarming rate via pollution entering the river system from cities, farmland, private property, and industry.

Further reports concluded that the rate of phosphorus input could be reduced by as much as 50% if the cities of Watkins, Kimball, and Annandale, and the Modern Craftsmen's Milk Association of Watkins installed on-land waste treatment systems instead of discharging sewage and industrial effluents into the Clearwater River and Warner Creek. In addition, if the phosphorus input from all non-point sources (such as septic tanks, agricultural wastes, storm water runoff, and soil erosion) could be significantly reduced, water quality in the watershed could be restored to an acceptable level.

After a lengthy series of meetings and legal research, those concerned came to the conclusion that only a watershed district, with its powers of enforcement and its abilities to assess and to obtain federal and state funding, could tackle the pollution problem in the Chain of Lakes. The CRWD was the culmination of years of hard work and the beginning of many more years of work aimed at undoing some of the damage done over a long period of time to one of our most important resources – our lakes and streams.

The CRWD was established as a unit of local government on April 9, 1975, through citizen petition by order of the Minnesota Water Resources Board, acting under authority of Chapter 112, MSA (the Minnesota Watershed Act). Though the original thrust of the CRWD and its five-member Board of Managers was the improvement of water quality in the Clearwater River Chain of Lakes, its scope has grown into a complete program of water management within its boundaries.

2.4 CRWD Office Location, Meetings, Other Information

Clearwater River Watershed District
75 Elm Street East | PO BOX 481
Annandale, MN 55302 ([Map](#))
P: 320.274.3935
F: 320.274.3975
W: <http://crwd.org/>

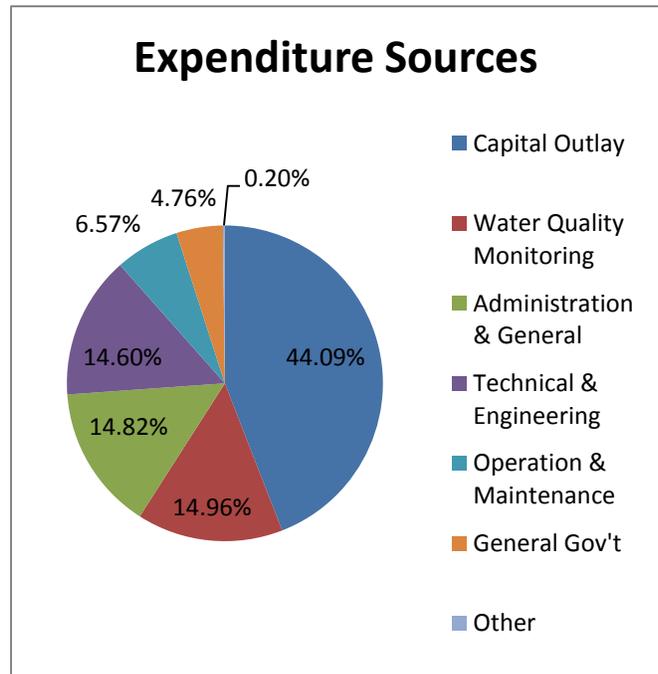
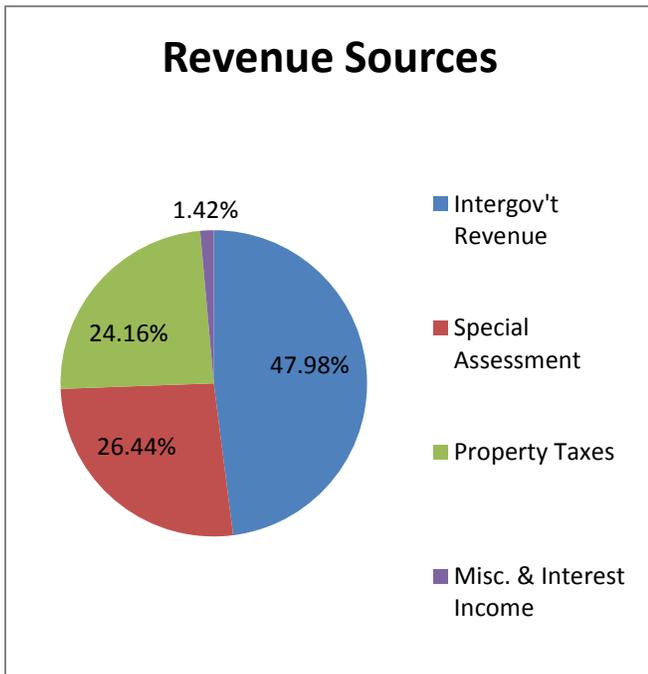
Normal office hours are 8am to 4pm
Monday- Friday.
Staff may be in the field during
normal office hours.



The Board of Managers holds its regular meeting the third Wednesday of the month at City Hall in Annandale, MN ([Map](#)) at 6:00pm. Special meetings are called on an as-needed basis. All meetings are open to the public, and are subject to noticing requirements as laid out in MN Statutes. Meeting notices and minutes are published in the Annandale Advocate (Annandale, MN). Meeting agendas and minutes can be found on the CRWD's website at: <http://crwd.org/>.

3.0 2015 Financial Condition

SUMMARY OF REVENUES		SUMMARY OF EXPENDITURES	
General Property Taxes	\$248,042	General Government	\$49,553
Intergovernmental Revenue	\$492,615	Administration & General	\$154,263
Special Assessments	\$271,461	Technical & Engineering	\$151,914
Miscellaneous Income	\$12,248	Operation & Maintenance	\$68,422
Interest Income	\$2,240	Water Quality Monitoring	\$155,656
		Study, Survey, Plan Development	\$1,036
		Other Special Projects	\$1,000
		Capital Outlay	\$458,879
Total Revenue	\$1,026,606	Total Expenditures	\$1,040,723
		Fund Balance – January 1, 2015	\$934,472
		Fund Balance – December 31, 2015	\$920,354



Note: The District conducts an independent audit annually; audited financial statements are available for public review at the District's office during normal business hours, at the Annandale Public Library, and online at: http://crwd.org/audit_reports.html. The above information can be found on pages 10-11 of said report.

The activities of the CRWD are funded by a combination of an ad valorem tax levy (based on property values within the CRWD), special assessments, and grants. Funds raised by special assessment can only be used for the specific purpose they were levied for. The CRWD budget and corresponding levies and special assessments are approved after public notice and hearing, as dictated by statute. This public hearing is normally held at the September regular meeting. A detailed budget is available for public review at the CRWD office.

4.0 Work Completed in 2015

Activity	Notes
Annual Project Inspections	Provides annual review of operational status of all projects the CRWD owns, operates and/ or maintains on the landscape. Minimum visual inspections of individual project's components; provide recommendations on actions needed to maintain operational effectiveness. Reported to Board of Managers June 10, 2015. Copy of report can be viewed at: http://crwd.org/publications_reports.html .
Aquatic Invasive Species (AIS) Treatment Programs	The CRWD has established four programs for the treatment of AIS in certain CRWD waters. These programs are funded by special assessments, and the lake associations on each lake undertake the management of the treatment programs; the CRWD acts as a fiscal agent: <ul style="list-style-type: none"> • Cedar Lake AIS Project • Clearwater Lake Eurasian Watermilfoil Treatment Project • Lake Augusta AIS Project • Lakes Louisa & Marie AIS Project
Education and Outreach Program	Program is a collection of activities, events, publications, etc. that fall under various projects and programs of the CRWD. Provides means to: <ul style="list-style-type: none"> • Inform citizens on CRWD activities • Encourage involvement and ownership of water-resource issues • Discover citizen concerns • Establish and test methods Activities completed in 2015 under this program include: <ul style="list-style-type: none"> • Multiple news articles, reports, and other publications • Several CRWD advisory committee meetings • Booth at Annandale Business Expo • Attendance at multiple meetings and with individuals on a variety of circumstances • Commented on variance and permit requests from Corinna Township, Meeker County, Stearns County and Wright County • Engineering staff presented on a CRWD project at the 2015 Water Resource Conference • Project signage installed at Willow Creek Park in Kimball • Resident Tour of Old Highway 55 component of Cedar Lake Watershed Protection & Improvement Project; Annandale Advocate article on same • Presentation at 2015 MN Isaak Walton League Watershed Summit on Targeted Fertilizer Program • Presentation at 2015 MN Association of Watershed District's Conference on Targeted Fertilizer • Presentation at 2015 Water Resource Conference on Kingston Wetland Restoration Project • Partnership formed with Sauk River Watershed District to extend their school-age outreach programming to schools in the CRWD
Incentive Program	Agricultural Incentives <ul style="list-style-type: none"> • No-till to spring incentive: 20.45 acres • Seeded buffer incentive: 2.5 acres Visit: http://crwd.org/incentives.html to learn more about these incentive offerings.

Activity	Notes
Partnerships	<p>County AIS Task Forces/ Committees CRWD administrator actively participates in Stearns County Aquatic Invasive Species (AIS) Committee and was part of Wright County's AIS advisory group to its AIS Task Force.</p> <p>Mississippi River (St. Cloud) Watershed WRAPS Collaborated with partners on this project where possible. The CRWD remains committed to working with its partners on the watershed restoration and protection strategies report process.</p> <p>Opportunistic Partnerships The CRWD will often work with other entities to accomplish water quality goals.</p> <ul style="list-style-type: none"> • Norton Ave Erosion Issue: The CRWD was contacted by local residents regarding concerns with significant erosion along Norton Ave on the southern shore of Lake Augusta. The CRWD solicited the involvement of Wright County SWCD to develop a solution to this issue. Solution development continues into 2016.
Project-specific	<p>Agricultural Cost-Share BMPs Continued targeted implementation of agricultural cost-share best management practices (BMPs) in high priority locations identified in TMDL studies. This included a Section 319 grant to install alternative tile intakes as part of a demonstration program.</p> <p>Cedar Lake Watershed Protection & Improvement Project Began construction of two project components. Completed construction on Old Highway 55 component. Substantially completed construction of East Swartout component. Funded through a Clean Water Fund grant via MN BWSR and special assessments on benefitted property owners.</p> <p>Kingston Wetland Restoration Project Continued ongoing monitoring of project; monitoring shows dissolved oxygen concentrations have improved so that the river now meets the state's DO standard in most flow regimes. Data also shows reductions of soluble reactive phosphorus from the wetland to downstream lakes. Indices of biotic integrity showed significant improvement. The sediment basin was maintained in 2015. Final project report for the Section 319 grant was completed summer 2015.</p> <p>Kimball Stormwater Phase II Project Final construction and project closeout was completed in 2015.</p> <p>Targeted Fertilizer Application Reduction Project Continued to enroll participants to conduct gridded soil testing and GPS-aided application in upper watershed (funded by a Section 319 grant). Several presentations on this project were given by staff.</p> <p>Watkins Area Stormwater Treatment Project Received Clean Water Legacy Grant via MN BWSR; concept designs for this project were completed in 2015, initial conversations with permitting agencies were begun.</p>
Rough Fish Management Program	The CRWD continues to implement rough fish management strategies (principally removal and migration barriers) in areas of the CRWD where management funding has been established.
Water quality monitoring	<p>Data gaps The CRWD continued to implement additional monitoring tasks to fill data gaps</p>

Activity	Notes
	<p>identified in the TMDL study process. These data assist in achieving grants, design of capital improvement projects and improved targeting of BMPs.</p> <p>Maintained robust monitoring program</p> <p>Water quality and hydrologic monitoring was completed in accordance with recommendation of the CRWD's comprehensive plan to assist with long-term trend analysis, project performance and better focus implementation efforts.</p> <p>Summary of 2015 monitoring</p> <ul style="list-style-type: none"> • Overall, annual precipitation and runoff was above normal at monitored locations for year in 2015. Precipitation ranged from 37.61 inches in Annandale to 32.12 in Kimball. Runoff near the watershed outlet was below average at 5.9 inches (compared to 7.9 inches in an average year) • Phosphorus loads from the Clearwater River are stable to declining, but still above water quality target loads: 2,926 lbs. at the Grass Lake Dam and 7,438 lbs. upstream of Lake Betsy • Lake water quality is stable to improving in all CRWD lakes based on long-term trends. Lake Betsy remains a bright spot in the watershed. Water quality in this lake (located in the high priority target watershed for implementation) has improved dramatically since implementation activities began in 2009

More detail can be found in the CRWD's Water Quality Monitoring and Watershed Management Plan Implementation Status Report, located at http://crwd.org/publications_reports.html.

5.0 Work Plans for 2016

5.1. Introduction

Per MN Statute 103D.351 (a), the CRWD Board of Managers must provide a discussion of their plans for the upcoming year. The Board has traditionally set its yearly plan of work at its annual strategic planning meeting. The Managers' Plan of Work is an important document, as it guides and implements the Board's directives on various District matters for the following year. While focused on only one year, it factors in long-term plans to ensure the District remains on task to accomplish its mission and purpose.

The plan based on the activities of the past year, the current Watershed Management Plan, the recently completed Water Quality Monitoring and Watershed Management Plan Implementation Status Report, and other various documents. The plan is divided into four sections: 1) Administration and management operations, 2) Projects and programs in operation & maintenance phase, 3) Current and active projects and programs, 4) New and potential undertakings. It is important to note that this plan is not set in stone; as new information and opportunities arise, the CRWD Board remains free to adapt this plan.

5.2. Administration and Management Operations

Tasks		Summary, Plans, Priority Level
1	Accounting System Upgrade	<p>Summary: The CRWD recently switched to a new accounting system to provide better services, decrease operational costs, comply with changing standards and provide more options for reporting and recordkeeping.</p> <p>Plan:</p> <ul style="list-style-type: none"> • Staff continues throughout 2016 to become more familiar with the new system, and will work with Board to develop & standardize financial reporting tools by the end of 2016. • Staff implements the new utility billing program by September 2016. • Staff implements the new special assessment program by October 2016. <p>Priority: High</p>
2	Policy drafts	<p>Summary: The CRWD currently has six policies on the docket for implementing/modifying this year.</p> <p>Plan:</p> <ul style="list-style-type: none"> • Staff drafts and Board approves a policy addressing conflicts of interest, as recommend by CRWD auditors by July 2016. Priority: High • Staff drafts and Board approves a policy on reviews/ comments to various LGUs' boards, commissions, etc. by end of 2016. Priority: Medium • Staff drafts and Board approves a policy addressing Board and staff training, including an orientation & continuing education plan as well as recordkeeping, by end of year 2016. Priority: Medium • Staff amends current policy related to CRWD sewer systems to add language clarifying how combining and/or splitting lots is handled for utility billing. Priority: Medium • Staff drafts and Board approves a policy addressing the maintenance of land held by CRWD (owned/ easements) to promote diverse habitat, including pollinators. Priority: Medium • Staff drafts and Board approves a policy addressing the use of social media outlets for the CRWD by end of 2016. Priority: Low
3	Policy collection	<p>Summary: The CRWD has a suite of policies dealing with various activities and topics. Currently those policies are stand-alone documents. Goal is to merge those policies into one collection, making it easier to retrieve, review and manage.</p> <p>Plan:</p>

Tasks		Summary, Plans, Priority Level
		<ul style="list-style-type: none"> Staff will review various methods to compile and present CRWD policies in a single, standard collection by November. Priority: Medium Board will review, critique and approve collection by December. Priority: Medium
4	Re-estimate phosphorus removal calculations	<p>Summary: The CRWD has several legacy projects (ex. Annandale Wetland) that originally were calculated to contribute a significant nutrient load reduction. It has been some time since those projects were analyzed to determine whether they continue to provide said reductions, whether the projects have reached the end of their useful lives, and/or whether modifications are needed.</p> <p>Plan:</p> <ul style="list-style-type: none"> Staff develops and Board approves an analysis schedule for legacy projects by end of year 2016. Priority: Medium

5.3. Projects and programs in operation & maintenance phase

Projects/ program*		Summary, Plans, Priority Level
<i>Clearwater River Chain of Lakes (1980) Project^</i>		
1	Annandale Wetland Treatment System	<p>Summary: Constructed in the 1980s to address nutrient loading from City of Annandale, including former wastewater treatment plant. Estimated phosphorous load reduction is ~750lbs./ yr.</p> <p>Plan:</p> <ul style="list-style-type: none"> Complete annual inspection. Priority: High West channel has breach that is causing a channel to develop in the wetland, short-circuiting its treatment effectiveness. This breach will be repaired by end of year 2016. Priority: High West diversion berm has large amount of woody growth. Staff will evaluate whether woody vegetation should be cleared to protect integrity of berm. Priority: Medium
2	Clear Lake North Notch Weir	<p>Summary: Constructed in the early 00s, project provides particulate phosphorus treatment by slowing down water flow. Estimated phosphorous load reduction is 236lbs./ yr.</p> <p>Plan: Complete annual inspection. Priority: High</p>
3	Kingston Wetland Restoration & Treatment System	<p>Summary: Constructed in the 1980s; underwent major restoration in 2013-15, resulting in significant improvements to water quality in the Clearwater River. Estimated the wetland provide ~8,000 lbs./ yr. phosphorous load reductions for both particulate and soluble forms.</p> <p>Plan:</p> <ul style="list-style-type: none"> Complete annual inspection. Priority: High Sedimentation basin will be inspected and cleanout will occur if needed. Priority: High Staff will work with property owner to develop agreement for long-term removal and stockpiling of sediment removed from said basin. Priority: High
4	Lake Aeration	<p>Summary: Pump oxygen-rich air into the hypolimnion of Lakes Augusta, Louisa, and Marie to minimize release of phosphorus from bottom sediments during anoxic conditions. Estimated phosphorous load reduction was ~1,088 lbs./ yr.</p> <p>Plan: aerators are no longer active and were replaced by other projects to provide same phosphorus removal benefits; reactivation remains possible, and will be evaluated based on water quality trends and other activities undertaken in the watersheds of said lakes. No specific plans in 2016 for these projects.</p>
5	Lake Augusta Erosion Control	<p>Summary: Constructed in 1980s to alleviate a large erosion problem on the southwest side of Lake Augusta due to groundwater action. Estimated phosphorus load reduction is ~42lbs./ yr.</p>

Projects/ program*		Summary, Plans, Priority Level
		<p>Plan:</p> <ul style="list-style-type: none"> Complete annual inspection. Priority: High Repair conducted into early 2016 to clean basin, inlets and reset outlet riprap. Staff will ensure final site restoration is completed in the spring. Priority: High
6	Nistler- Geislinger Basin	<p>Summary: One of the replacement projects for lake aeration; sediment settling pond. Estimated phosphorus load reduction is ~27 lbs./ yr.</p> <p>Plans: Complete annual inspection. Priority: High</p>
7	Non-point Source Pollution Abatement	<p>Summary: Instituted farming practices to mitigate water quality degradation, reduce soil loss and improve farm operations. Mixture of various practices, include conservation tillage, erosion controls, manure management, etc. Estimated phosphorous load reduction is 2,100 lbs./ yr. Aspects of program continue today with various CRWD initiatives, such as tile intake replacement, gridded soil testing and variable-rate application, feedlot assistance, etc.</p> <p>Plans: CRWD currently has several programs active that fit into this vein. See Alternative Tile Intake, Clearwater River Restoration & Protection Phase II and Targeted Fertilizer Application Reduction in tables below.</p>
8	Rough Fish Management	<p>Summary: Fish seining was performed on Betsy, Scott, Union, Louisa and Marie in the 1980s to improve lake ecology and minimize disturbance to bottom sediments. A fish trap was added at the State Highway 55 crossing of the Clearwater River for additional rough fish management. Estimated phosphorus load reduction is ~1,500 lbs./ yr.</p> <p>Plans:</p> <ul style="list-style-type: none"> Complete annual inspection of highway 55 fish trap. Priority: High Continue operation of Highway 55 fish trap, including maintenance to one trap panel. Priority: High Continue to investigate effectiveness of open water seining from lakes Louisa and Marie. Priority: High
9	Watkins Wetland Isolation Unit	<p>Summary: Constructed in 1980s to isolate a wetland that previously received large amounts of wastewater discharge from a creamery; single largest source of phosphorus in watershed. Estimated phosphorus load reduction is ~30,000 lbs./ yr.</p> <p>Plans:</p> <ul style="list-style-type: none"> Complete annual inspection. Priority: High Control noxious weeds as needed. Priority: High Cleanout of southern diversion channel to as-built conditions will be conducted by end of year 2016. Priority: High
10	Watkins (County Ditch 20) Wetland Treatment System	<p>Summary: Constructed in 1980s to provide particulate treatment of flow through County Ditch 20. Estimated phosphorus load reduction is ~1,000 lbs./ yr.</p> <ul style="list-style-type: none"> Complete annual inspection. Priority: High Control noxious weeds as needed. Priority: High Clean selection of individual ports by end of year 2016. Priority: Medium Clear woody vegetation from select portion of diversion channel berm. Priority: Low
<i>Cedar, Albion, Swartout, Henshaw Project #06-1^</i>		
1	Agricultural BMPs	<p>Summary: Instituted in 2007 as part of project; incorporated into Incentive Program (see below)</p>
2	Curlyleaf Pondweed Treatment	<p>Summary: Instituted in 2009 as part of project; incorporated into AIS Projects (see below)</p>
3	Rough Fish Management	<p>Summary: Instituted in 2006 as part of project; includes rough fish seining from shallow lakes, rough fish trapping in inlet to Segner Pond and rough fish migration barriers (5).</p> <p>Plans:</p> <ul style="list-style-type: none"> Complete annual inspection of barriers. Priority: High Reconstruction of Swartout Inlet barrier to be completed as part of East Swartout

Projects/ program*		Summary, Plans, Priority Level
		<p>component construction. Priority: High</p> <ul style="list-style-type: none"> Staff to work with Wright County on the timing of repairs to Swartout Outlet Fish Barrier with reconstruction of CO RD 6. Priority: Medium Staff to work with MN DNR and local property owners to determine the feasibility and location of a velocity tube to replace the Henshaw Outlet Fish Barrier. Priority: Medium
4	Segner Pond	<p>Summary: Completed in 2007, large pond with limestone filter berm to treat runoff before entering Cedar Lake; estimated phosphorus load removal is ~1,200 lbs./ yr.</p> <p>Plans:</p> <ul style="list-style-type: none"> Complete annual inspection of Segner Pond, including a pond depth survey to determine sedimentation rate and limestone filter survey to determine need for additional limestone due to slumping. Priority: High
<i>Communal Wastewater Treatment Systems</i>		
1	Clearwater Harbor	<p>Summary: Completed in 00s, communal wastewater treatment system petitioned by Stearns County.</p> <p>Plans:</p> <ul style="list-style-type: none"> Due to tighter standards for nitrogen in groundwater by state, system is forced to undergo significant upgrades to meet permit requirements. CRWD begin implementation and seek funding assistance by end of 2016. Priority: High System managed by professional firm. Maintenance schedule established for system components. Priority: High
2	Hidden River	<p>Summary: Completed in 00s, communal wastewater treatment system petitioned by developer.</p> <p>Plans:</p> <ul style="list-style-type: none"> Due to tighter standards for nitrogen in groundwater by state, system is forced to undergo significant upgrades to meet permit requirements. CRWD begin implementation and seek funding assistance by end of 2016. Priority: High System managed by professional firm. Maintenance schedule established for system components. Priority: High
3	Rest-A-While	<p>Summary: Completed in 00s, communal wastewater treatment system petitioned by developer.</p> <p>Plans: System managed by professional firm. Maintenance schedule established for system components.</p>
4	Wandering Pond	<p>Summary: Completed in 00s, communal wastewater treatment system petitioned by developer.</p> <p>Plans: System managed by professional firm. Maintenance schedule established for system components.</p>
<i>Outlet Control Structures</i>		
1	Pleasant Lake	<p>Summary: Instituted in mid-1980s to address high water on this lake and minimize erosion caused by high water.</p> <p>Plans:</p> <ul style="list-style-type: none"> Complete annual inspection of structure. Priority: High Repair trash guards. Priority: Low Follow MN DNR permit operational requirements. Priority: High
2	School Section Lake	<p>Summary: Instituted in mid-1980s to address high water on this lake and minimize erosion caused by high water.</p> <p>Plans:</p> <ul style="list-style-type: none"> Complete annual inspection of structure. Priority: High Repair leakage around stop logs. Priority: High Follow MN DNR permit operational requirements. Priority: High
<i>Aquatic Invasive Species (AIS) Control Projects</i>		
1	Cedar Lake	<p>Summary: Project established to provide funding for control of AIS in Cedar Lake. Cedar Lake Conservation Club leads and manages control efforts; CRWD acts as fiscal</p>

Projects/ program*		Summary, Plans, Priority Level
		agent. Current AIS in Cedar Lake that is actively managed by club include Eurasian Milfoil and Curly-leaf Pondweed. Plans: <ul style="list-style-type: none"> Act as fiscal agent for this project, following established policy. Priority: High Project moves out of initial funding to recurring operation & maintenance assessments in 2016. Staff will ensure this transition is completed smoothly. Priority: High
2	Clearwater Lake (Eurasian Milfoil)	Summary: Project established to provide funding for control of Eurasian Milfoil in Clearwater Lake. Clearwater Lake Property Owners Association leads and manages control efforts; CRWD acts as fiscal agent. Plans: Act as fiscal agent for this project, following established policy. Priority: High
3	Lake Augusta	Summary: Project established to provide funding for control of AIS in Lake Augusta. Lake Augusta Association leads and manages control efforts; CRWD acts as fiscal agent. Current AIS in Lake Augusta that is actively managed by association include Eurasian Milfoil and Curly-leaf Pondweed. Plans: Act as fiscal agent for this project, following established policy. Priority: High
4	Lakes Louisa & Marie	Summary: Project established to provide funding for control of AIS in Lakes Louisa & Marie. Chain of Lakes Association leads and manages control efforts; CRWD acts as fiscal agent. Current AIS in lakes that is actively managed by association include Curly-leaf Pondweed. Plans: <ul style="list-style-type: none"> Act as fiscal agent for this project, following established policy. Priority: High Project moves out of initial funding to recurring operation & maintenance assessments this year. Staff will ensure this transition is completed smoothly. Priority: High
<i>Bog Control Projects</i>		
1	Clearwater/ Grass Lake	Summary: Instituted in the 1980s to control floating bog that could potentially cause flooding problems by blocking flow at the Grass Lake Dam and channel between Grass and Clearwater Lakes. Plans: continue to remove floating bogs that threaten to block flow at noted points above. Priority: High
2	Lake Augusta	Summary: Instituted in the 1980s to control floating bog that could potentially cause flooding problems by blocking flow at the river channel between Clearwater and Augusta. Plans: continue to remove floating bogs that threaten to block flow at noted points above. Priority: High
<i>Other Projects/ Programs</i>		
1	Civic Engagement Program	Summary: A program to create & increase public awareness, develop ownership & buy-in among citizens in water quality improvement efforts, provide useful information & encourage decision makers and improve adoption of conservation on the landscape. Plans: <ul style="list-style-type: none"> Continue to attend various civic groups and LGU meetings as able. Priority: Medium Update brochure/ fact sheet Priority: High Update event displays to increase interaction Priority: Medium Attend Annandale & Kimball business expos Priority: High Hold District tour Priority: High Continue to implement social media outreach Priority: Medium Continue to implement school-age educational program Priority: High
2	Clear Lake South Notch Weir & Sand-Iron Filter	Summary: Constructed in 2012-13, project provides particulate and soluble phosphorus treatment by slowing down water flow and routing a portion of flow through a sand-iron filter. Estimated phosphorous load reduction is 888 lbs./ yr.

Projects/ program*		Summary, Plans, Priority Level
		<p>Plans:</p> <ul style="list-style-type: none"> • Complete annual inspection. Priority: High • Install agri-drain to facility sampling of outlet of sand-iron filter to determine effectiveness. Priority: High
3	Eddie Schultz Buffer	<p>Summary: The CRWD assisted with the installation of a buffer above the southern gully that outlets into the Lake Augusta Erosion Control Project. The buffer provides a filter to field runoff, slowing flow and providing particulates a chance to settle out.</p> <ul style="list-style-type: none"> • Complete annual inspection. Priority: High
4	Incentive Program	<p>Summary: A program to provide monetary incentives to various individuals to install practices that protect and improve water quality.</p> <p>Plans:</p> <ul style="list-style-type: none"> • Board will conduct review of existing program to evaluate whether changes are needed to meet program's goals Priority: Medium • Continue to enroll individuals into program based on eligibility and funding. Priority: Medium
5	Kimball Stormwater	<p>Summary: Stormwater improvements were made from 2010-15 to treat stormwater runoff from the City of Kimball.</p> <p>Plans:</p> <ul style="list-style-type: none"> • Complete annual inspection of project elements. Priority: High • Conduct maintenance as needed per O&M plan. Priority: High
6	Lake Augusta West Channel	<p>Summary: The CRWD was petitioned by property owners on the channel to conduct a channel cleanout to return the channel to navigable status.</p> <p>Plans: None.</p>
7	Ostmark Basin	<p>Summary: Depression created via berm to slow flow of water downhill to Clear Lake via gully.</p> <p>Plans:</p> <ul style="list-style-type: none"> • Complete annual inspection of project elements. Priority: High
8	Norton Avenue Sediment Basin	<p>Summary: Small detention area to slow flow of water downhill to Lake Augusta via gully.</p> <p>Plans:</p> <ul style="list-style-type: none"> • Complete annual inspection of project elements. Priority: High • Wright County SWCD is in the process of making changes to this area to provide additional practices to slow water flow and protect the downstream gully from further erosion. The CRWD may assist in this effort.
9	Water Quality Monitoring (WQM) Program	<p>Summary: Program to collect water quality data (primarily chemistry and hydrology) to establish trends, assist with setting goals, determine projects, practices, and programs to implement and evaluate effectiveness of completed projects, practices and programs.</p> <p>Plans: The CRWD Board annually establishes a work plan for this program. Please refer to this work plan.</p>
<p>Notes* *= all physical projects are inspected at least once per year as part of the CRWD's inspection program and a summary report is created (can be found at www.crw.org), plans are subject to change based on results of inspections; ^= projects that include water quality monitoring elements covered under WQM Program</p>		

5.4. Current and active projects and programs

Tasks		Summary, Plans, Priority Level
1	Alternative tile Intake Project	<p>Summary: The CRWD recently was awarded a \$45,000 Section 319 Grant from MN Pollution Control Agency (MPCA) to provide cost-share and technical assistance to producers to replace open intakes with alternatives that provide better protection of receiving waters from pollutant runoff.</p> <p>Plan: Continue to implement. See separate work plan for details. Priority: High</p>
2	Cedar Lake Watershed Protection & Improvement Project	<p>Summary: The CRWD was awarded a \$277,900 Clean Water Legacy Grant from MN Board of Water & Soil Resources (BWSR) to construct two water quality improvement projects to treat soluble phosphorus entering Cedar and Swartout Lakes with filter technology.</p> <p>Plan: Finish project. See separate work plan for details Priority: High</p>
3	Clearwater River Restoration & Protection Phase II	<p>Summary: The CRWD recently was awarded a \$72,000 Clean Water Partnership Grant from MPCA) for the updating of sediment and bacteria source inventory in the upper portion of the watershed, along with the implementation of practices to address said sources.</p> <p>Plan: Continue to implement. See separate work plan for details. Priority: High</p>
4	Targeted Fertilizer Project	<p>Summary: The CRWD was awarded a \$300,000 Section 319 Grant from the MPCA to implement a cost-share program to increase the use of gridded soil testing and variable-rate fertilizer application in the upper portions of the watershed.</p> <p>Plans: Finish project. See separate work plan for details. Priority: High</p>
5	Watkins Area Stormwater Treatment Project	<p>Summary: The CRWD was awarded a \$351,906 Clean Water Legacy Grant from BWSR to construct a water quality project to treat particulate and soluble phosphorus from runoff in and around the City of Watkins.</p> <p>Plan: Finish permitting and final design, begin construction. Priority: High</p>

5.5. New and potential undertakings

Tasks		Summary, Plans, Priority Level
1	Lake Betsy Internal Load Reduction Project	<p>Summary: The CRWD lists addressing internal load in lake Betsy as one of five priority activities in its current watershed management plan. In preparation, the CRWD has completed a feasibility study and is conducting additional water monitoring.</p> <p>Plan:</p> <ul style="list-style-type: none"> • Staff forms an ad hoc working group to facilitate discussions with likely stakeholders on steps to address internal load in Lake Betsy by end of year 2016. <p>Priority: High</p>
2	CREP & RIM Opportunities	<p>Summary: Based on data and recent field reconnaissance work, the CRWD has several areas of opportunity to implement buffers and/or water storage areas that could be good candidates for the upcoming CREP & RIM funding opportunity.</p> <p>Plan:</p> <ul style="list-style-type: none"> • Develop plan to join with efforts in Meeker, Stearns, and Wright Counties to implement CREP & RIM in strategic locations in the CRWD (ex. DWSMA, riparian area, loss wetland areas, sediment source inventory, etc.) • Determine level of involvement of CRWD in CREP & RIM opportunities (ex. funding, leadership, technical assistance, etc.) <p>Priority: High</p>

6.0 Status of CRWD Projects and Programs

6.1. Physical Projects

The status of CRWD projects on the land (i.e. capital projects, best management practices) is covered in the 2015 Project Inspection Report as well as the 2015 Water Quality Monitoring and Watershed Management Plan Implementation Status Report, both of which can be reviewed here: http://crwd.org/publications_reports.html. Information on projects and programs not covered by either report is listed below.

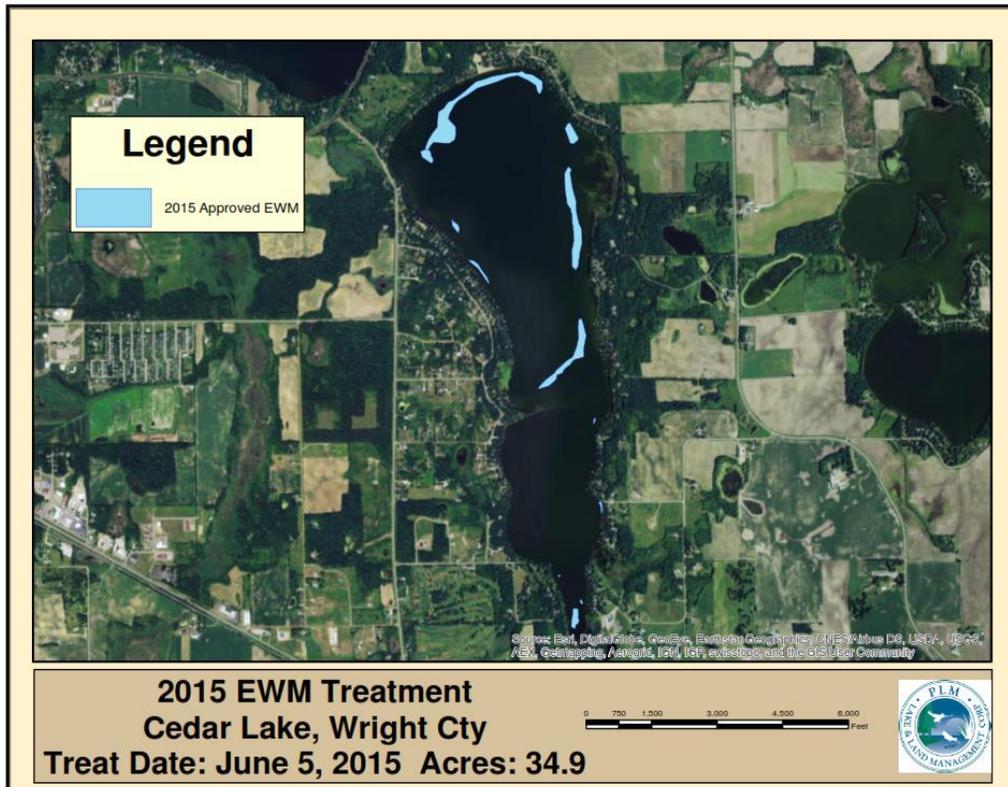
6.2. Aquatic Invasive Species Projects

The CRWD currently has four projects aimed at controlling aquatic invasive species on several district lakes. Each project is financed by a special assessment against riparian properties of the particular lake. The CRWD's involvement in these projects is governed by CRWD Policy #2015-1.

6.2.1. Cedar Lake Aquatic Invasive Species (AIS) Project

Currently, Cedar Lake is infested with two invasive species, Eurasian Watermilfoil (EWM), and Curly-leaf Pondweed (CLP). Treatment is conducted annually by the Cedar Lake Conservation Club (CLCC), which develops a treatment program and undergoes permitting through the Minnesota Department of Natural Resources. The CRWD provides fiscal oversight and offers other assistance when necessary, but minimizes involvement to keep costs low.

In 2015, the CLCC conducted chemical treatment of ~35 acres of Eurasian Watermilfoil via treatment vendor PLM Lakes & Land Management Corporation. Curly-leaf Pondweed (CLP) presence was below the CLCC goal of 10 acres; as such, the association elected not to treat CLP in 2015. See the figure below for a map of the approved areas for treatment of EWM in 2015.

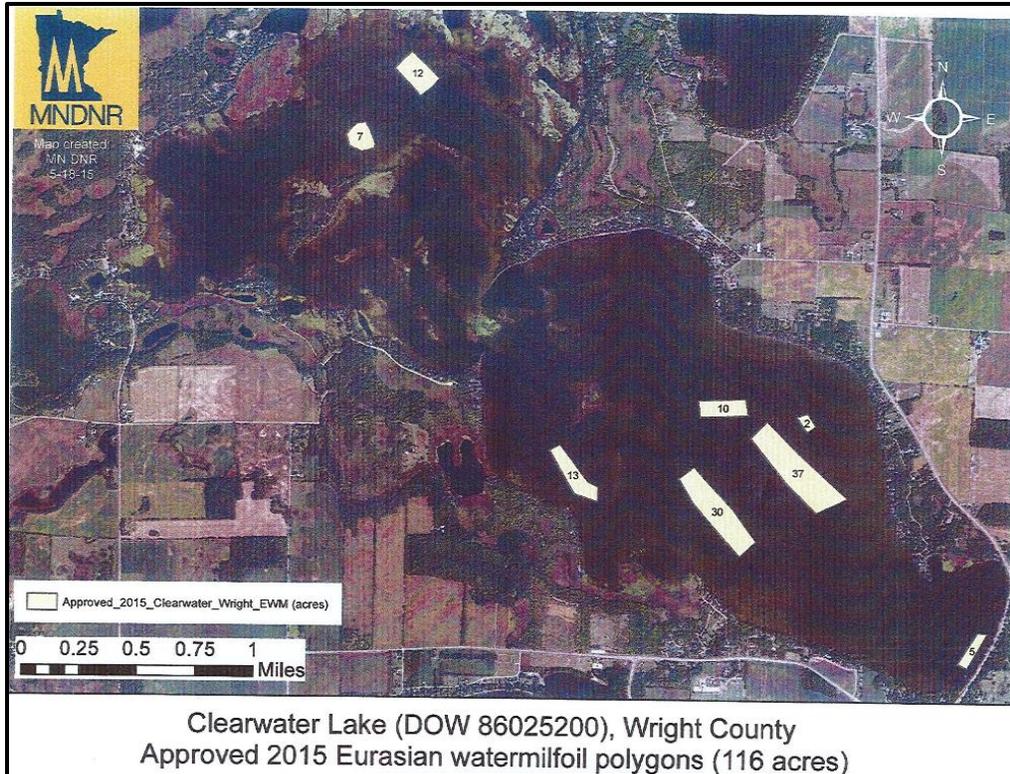


In addition, in 2015 the CLCC conducted delineation surveys pre- and post- treatment of both EWM and CLP to determine treatment effectiveness and to plan for future years' activities. Results of those surveys are available for public review at the CRWD's office.

6.2.2 Clearwater Lake Eurasian Watermilfoil Control Project

Treatment of EWM is carried out annually by the Clearwater Lake Property Owners Association (CLPOA), which develops a treatment program and undergoes permitting with and through the Minnesota Department of Natural Resources. The CRWD provides fiscal oversight and offers other assistance when necessary, but seeks to minimize involvement to keep costs low.

In 2015, the CLPOA conducted chemical treatment of ~116 acres of EWM via a volunteer- driven treatment program. See the figure below for a map of the approved areas for treatment of EWM in 2015.



It is expected that a petition will eventually be received from residents of Clearwater Lake to change this project from Eurasian Watermilfoil to all Aquatic Invasive Species.

6.2.3 Lake Augusta Aquatic Invasive Species Project #01-2

Currently, Lake Augusta is infested with two invasive species, Curly-leaf Pondweed and Eurasian Watermilfoil. Treatment is carried out annually by the Lake Augusta Association, which develops a treatment program and undergoes permitting with and through the Minnesota Department of Natural Resources. The CRWD provides fiscal oversight and offers other assistance when necessary, but seeks to minimize involvement to keep costs low.

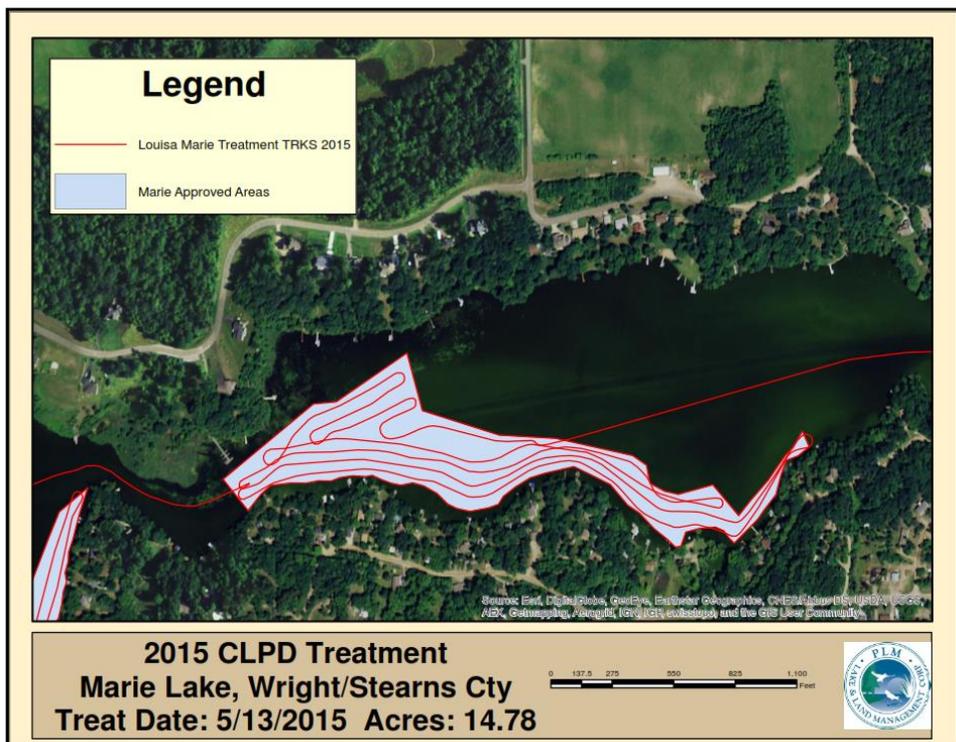
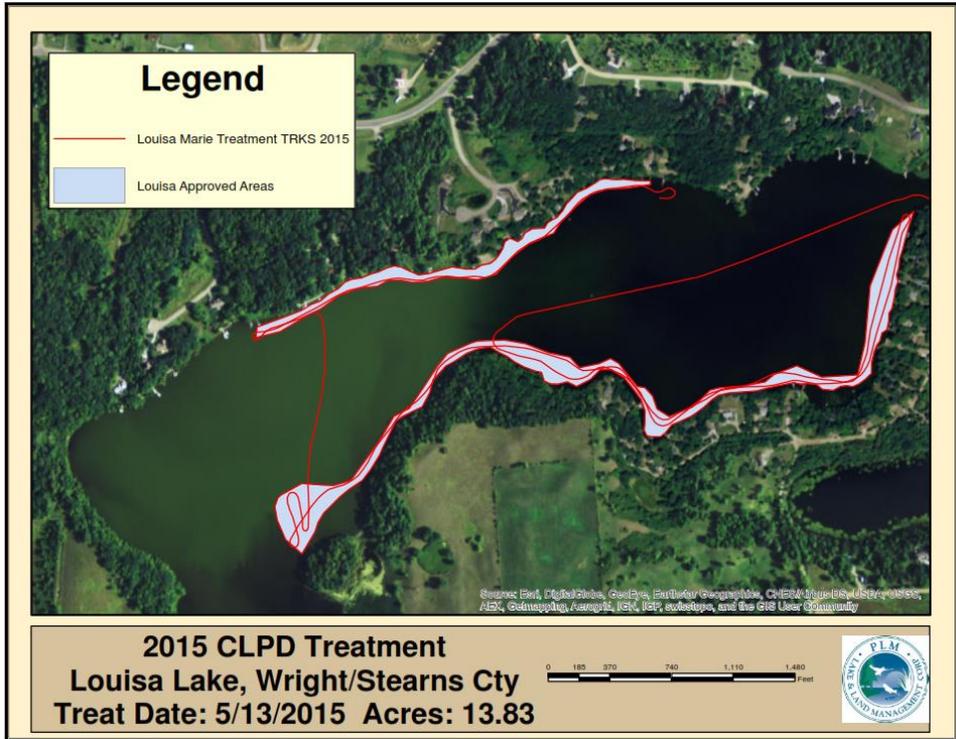
The CRWD was petitioned by residents of Lake Augusta to amend this project to include the treatment of all aquatic invasive species found in the lake. The amendment process was completed in 2014, and this project is now referred to as the Lake Augusta Aquatic Invasive Species (AIS) Project.

In 2015, the Lake Augusta Association did not use any project funds to cover treatment costs. As such, the CRWD does not have any records of any AIS treatment occurring in 2015.

6.2.4 Lakes Louisa and Marie Aquatic Invasive Species (AIS) Project

Currently, Lakes Louisa & Marie are infested with one invasive species, Curly-leaf Pondweed. Treatment is conducted annually by the Chain of Lakes Association, which develops a treatment program and undergoes permitting with and through the Minnesota Department of Natural Resources. The CRWD provides fiscal oversight and offers other forms of assistance when necessary, but seeks to minimize involvement to keep costs low.

In 2015, the Chain of Lakes Association conducted chemical treatment of a combined ~28.61 acres of CLP via treatment vendor PLM Lakes & Land Management Corporation. See the figures below for a map of the approved areas for treatment of CLP in 2015.



6.3 Bog Control Projects

In response to high water levels in the mid-1980s that caused severe floating bog problems on Augusta, Clearwater, and Grass Lakes (which led to several emergency bog removal activities to prevent flooding), the CRWD set up two bog control projects with the cooperation of the lake property owners involved. These projects included acquisition and improvement of access areas for bog removal, and the funding (via assessment) and process for removal of floating bogs deemed harmful. Estimated cost for the two projects was \$17,000, and they were initiated in the summer of 1985.

In 2011, the CRWD experienced high water that rivaled the water levels in the mid-1980s. This high water resulted in a significant number of floating bogs on Clearwater Lake, Grass Lake, Lake Augusta, and Clear Lake. The CRWD, through its established bog control projects (or through the CRWD's special projects account) removed several bogs that were threatening to restrict flow of the river (which in turn could cause flooding on these lakes). The CRWD works in conjunction with the Minnesota Department of Natural Resources as well as other local authorities in removal of problematic bogs. Bog removal by the CRWD is governed by CRWD Policy #2014-2. Minimal bog activity was noted in 2015.

7.0 Other matters affecting the interests of the CRWD

Listed below are several matters that occurred in 2015 that affected the CRWD's interests.

1. The CRWD updated its accounting system to a more robust solution due to its complex operations and expected future audit requirements. The new system is expected to lower administrative burden and improve financial reporting.
2. The CRWD was selected to undergo financial verification of grant reconciliations as part of the MN Board of Water & Soil Resources' grant verification policy for all entities receiving grants from the agency. Results of the verification review found no major concerns, with only minor items noted in the verification's findings.
3. The Minnesota Pollution Control Agency, through its operating permit for the Clearwater Harbor and Hidden River Sanitary Sewer Systems, has required the institution of a Nitrogen Mitigation and Analysis Plan. At the end of 2015 the CRWD was in the process of investigating alternatives to meet the requirements of the plan.