



City Council

Regular Meeting

~ Minutes ~

1408 Lake Street South
Forest Lake, MN 55025
www.ci.forest-lake.mn.us

Karin Derauf, Deputy City Clerk

Monday, June 27, 2022

7:00 PM

City Center - Council Chamber

1. Call to Order

2. Roll Call

Attendee Name	Title	Status	Arrived
Mara Bain	Mayor		
Sam Husnik	Councilmember		
Kathy Bystrom	Councilmember		
Kelly Monson	Councilmember		
Hanna Valento	Councilmember		

3. Pledge of Allegiance

4. Approve the Agenda (Action)

Motion to: Approve the Agenda

Comments:

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Kathy Bystrom, Councilmember
SECONDER:	Kelly Monson, Councilmember
AYES:	Bain, Husnik, Bystrom, Monson, Valento
NAYS:	
ABSTAIN:	
ABSENT:	

5. Open Forum – Citizen Petitions, Requests, and Concerns

*The Open Forum is available for residents to express personal opinions for any item of business.
Please limit your comments to three (3) minutes.*

6. Consent Agenda Considerations (Action Items)

Motion to: Approve Consent Agenda Items 6. a. through 6. m. and Items 6. o. through 6. r. and Move Item 6. n. to the Regular Agenda

Comments:

- a) Approve City Bills
- b) Approve Minutes from June 13, 2022 Regular Council Meeting
- c) Forest Lake High School Booster Club – LG220 Gambling Exempt Permit
- d) Palumbo Warranty Deed - Joint Petition - Proceedings Subsequent to Initial Registration



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- e) X-treme Paint and Auto Body Powerboat Regatta - Outdoor Entertainment Permit
- f) Church of St Peter Fall Festival - LG220 Gambling Permit
- g) Church of St Peter Fall Festival – 1 to 4 Day Temporary Liquor License
- h) Revive Church – Outdoor Entertainment Permit
- i) Water Treatment Plant No.4 - Contractor Pay Request No. 2
- j) Forest Lake Area Chamber of Commerce - LG220 Gambling Exempt Permit
- k) North Shore Circle Utility & Street Improvements – Contractor’s Request for Payment No. 1
- l) Rasa Ruelas LLC dba Rancho Loco Grill & Bar – NEW Liquor License
- m) Northern Tier Retail LLC dba Speedway #4370 – NEW Liquor License
- n) Mediated Settlement Agreement – Gaughan Companies-Lighthouse Lofts
- o) Resolution 06-27-22-01 – Interfund Loan for Advance of Certain Costs in Connection with the Former City Hall TIF District
- p) Dan Coates – Outdoor Entertainment Permit
- q) Resolution 06-27-22-02 - Designation of Election Judges for 2022 Primary Elections
- r) Arts In the Park and July 4th Entertainment Contracts

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Mara Bain, Mayor
SECONDER:	Kathy Bystrom, Councilmember
AYES:	Bain, Husnik, Bystrom, Monson, Valento
NAYS:	
ABSTAIN:	
ABSENT:	

7. Regular Agenda (Action Items)

- a. Audit Presentation
 - 1. 2021 Audit Presentation – BerganKDV
 - 2. 2021 Audit Presentation – Kevin Knopik
 - 3. 2021 Final Annual Comprehensive Financial Report
 - 4. 2021 Communications Letter
 - 5. 2021 Legal Compliance Report

Comments: BerganKDV provided an independent auditors report noting the responsibility of their organization in relation to the City. She noted the changes to the Finance Department over the past year and indicated that there were some deficiencies that need recognition by their group including late paid invoices, lack of segregation of accounting duties, proper documentation of journal entries, untimely deposits.



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The BerganKDV representative provided information about the General Fund Performance, Fund Balance, Revenues, Expenditures, Enterprise Funds (Water Fund and Sewer Fund), and Tax Capacity, Levy, and Rates.

Kevin Knopik, Finance Director, thanked BerganKDV for their help. He provided comment on the deficiencies that were presented including lack of segregation of accounting duties, material audit adjustment, journal entry documentation, timely deposits, and prompt payment of bills. Finance Director Knopik indicated that the deficiencies were mostly related to staff turnover at the end of 2021.

Mayor Bain commented on the lack of support for journal entries and asked if they were validated. Finance Director Knopik indicated he made completed most of the journal entries to reconcile. He provided an explanation of the procedures that have been developed to ensure correctly supported journal entries.

Motion to: Approve 2021 Final Annual Comprehensive Financial Report Presentation

RESULT:	ADOPTED [5 TO 0]
MOVER:	Sam Husnik, Councilmember
SECONDER:	Kelly Monson, Councilmember
AYES:	Bain, Husnik, Bystrom, Monson, Valento
NAYS:	
ABSTAIN:	
ABSENT:	

b. MS4 Annual Meeting – Program Year 2021

Comments: Dave Adams, Public Works Director, introduced Tim Olson from Bolton-Menk. Tim presented information on the MS4 permit, the SWPPP, significant accomplishments in 2021, and several other items.

Tim noted that the MS4 permit gives authorization to discharge stormwater and that the previous permit ended in 2019 (2021). He noted the permit is an environmental protection mechanism. He also noted that the MS4 Annual Report was submitted and approval is pending. Tim discussed the Minimum Control Measures (MCM) that is in place within the SWPPP. He also discussed the investments in local street improvements, Forest Hills preserve, pond cleaning, and other stormwater management and improvements. Tim commented on public outreach and education that the City of Forest Lake participates in along with other agencies including Washington County, Comfort Lake Forest Lake Watershed District, Rice Creek Watershed District and Washington Conservation District. Tim mentioned significant accomplishments including a fish barrier,



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continued street sweeping, JD4 Watershed Planning, Downtown Area Stormwater Planning, and pond cleaning #4.

Tim indicated there are MS4 Permit Updates that are major modifications due in September 2022. He also noted that education requirements are indicated, along with public-private maintenance, and linear street projects. He explained the types of road construction projects which include mill and overlay, and reclamation types of construction. There was discussion regarding road reconstruction and inclusion of stormwater projects. There was also discussion regarding pond maintenance. Public Works Director Adams provided information on the street sweeping program and how that affects and reduces the pond sediment.

Motion to: Approve the MS4 Annual Meeting – Program Year 2021 Presentation

RESULT:	ADOPTED [5 TO 0]
MOVER:	Hanna Valento, Councilmember
SECONDER:	Kathy Bystrom, Councilmember
AYES:	Bain, Husnik, Bystrom, Monson, Valento
NAYS:	
ABSTAIN:	
ABSENT:	

c. Police Department New Office Hire

Comments: Chief Peterson presented information on a new hire of Carson Johnson for the Police Department. He also commented that he will be posting a job notice after July 4 for another vacancy within the Police Department.

Motion to: Approve Hiring of Carson Johnson at pay grade 9 step 1

RESULT:	ADOPTED [5 TO 0]
MOVER:	Kathy Bystrom, Councilmember
SECONDER:	Kelly Monson, Councilmember
AYES:	Bain, Husnik, Bystrom, Monson, Valento
NAYS:	
ABSTAIN:	
ABSENT:	



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d. Finance Department New Administrative Assistant Utility Billing

Comments: Finance Director Knopik provided information on the new hire of an administrative assistant utility billing position open in the Finance Department.

Motion to: Approve the new hire in the Finance Department of Holly Cedarblade at grade 5 step 3

RESULT:	ADOPTED [5 TO 0]
MOVER:	Sam Husnik, Councilmember
SECONDER:	Hanna Valento, Councilmember
AYES:	Bain, Husnik, Bystrom, Monson, Valento
NAYS:	
ABSTAIN:	
ABSENT:	

e. Hidden Creek Lot Line Adjustment

Comments: Abbi Wittman, Community Development Director presented information for a lot line adjustment on the Hidden Creek Plat. She indicated that there were deadlines and expiration dates to consider for the purchase of the properties. She also noted a major change for the combination of the parcels.

Mayor Bain asked for a review of the development. Wittman indicated that Staff is waiting on the development agreement and the final plat approval will be brought back to Council by the end of July.

Motion to: Approve Hidden Creek Lot Line Adjustment as presented subject to approvals as required by City Staff and Council including legal changes that are pending.

RESULT:	ADOPTED [5 TO 0]
MOVER:	Kelly Monson, Councilmember
SECONDER:	Kathy Bystrom, Councilmember
AYES:	Bain, Husnik, Bystrom, Monson, Valento
NAYS:	
ABSTAIN:	
ABSENT:	

f. Mediated Settlement Agreement – Gaughan Companies-Lighthouse Lofts

Comments: Mayor Bain indicated she will abstain from the item as she has a new employment arrangement with a party involved in this agreement.



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Motion to: Approve

RESULT:	ADOPTED [5 TO 0]
MOVER:	Kathy Bystrom, Councilmember
SECONDER:	Sam Husnik, Councilmember
AYES:	Husnik, Bystrom, Monson, Valento
NAYS:	
ABSTAIN:	Bain
ABSENT:	

8. Discussion

a. Veterans Memorial Concept Plan Review

Comments: Ron Miller and Mark Finnemann presented a concept plan for the Veteran's Memorial Park and provided a description of the plans. Mark Finnemann provided a description of the graphics presented as part of the concept. He noted the plans include representation of 6 different elevated surfaces, sentries, and a central piece of art. Ron explained some infrastructure concerns regarding a water main that is in the area and some potential plans.

Councilmember Bystrom asked about room for expansion of additional pavers. Mark Finnemann indicated there will be plenty of space to add more pavers. Councilmembers commented on the significance of the message of the proposed artwork.

9. Staff Updates

Comments: Deputy Clerk Derauf provided a brief update regarding elections, Assistant City Administrator Udem commented on the Airport Drainage Improvements which will help the area drain quicker after rain events and snow. He indicated that will be completed after July 4. Development Director Wittman commented that she has been having conversations with agencies regarding the Wetland Moratorium. She also thanked Jamie Muscha, Parks Director, and Bolton-Menk for securing \$300,000 in grant funding from the DNR for Beltz Park. Chief Peterson commented that Safety Camp had over 50 participants along with volunteers. The thanked the volunteers, the Fire Department and the Public Works Department. He also thanked the Police Staff that has been at Arts in the Park as part of community engagement efforts. He also commented on the speed trailer being deployed and in use on a daily basis. Chief Peterson also mentioned July 4 and that the city staff is ready for the event.

10. Mayor and City Council Updates

Comments: Councilmember Monson indicated she attended the Planning Commission meeting last week and that they reviewed the concept plan on the old Houle's building. Councilmember Valento



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indicated she has been appointed to the Governor's Work Force Board. Mayor Bain noted that she attended the EDA-DTC Workshop where the Downtown Plan was given a final review. She also indicated the Plan will be reviewed again by the EDA for recommendation for Council approval as well as the Planning Commission and Parks, Trails, and Lakes, prior to Council approval at the end of July.

11. Adjourn

Motion to: Adjourn

Comments:

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Kathy Bystrom, Councilmember
SECONDER:	Hanna Valento, Councilmember
AYES:	Bain, Husnik, Bystrom, Monson, Valento
ABSENT:	