



# City Council

## Regular Meeting

~ Minutes ~

1408 Lake Street South  
Forest Lake, MN 55025  
[www.ci.forest-lake.mn.us](http://www.ci.forest-lake.mn.us)

Karin Derauf, Deputy City Clerk

Monday, August 22, 2022

6:00 PM

City Center - Council Chamber

### 1. Call to Order

### 2. Roll Call

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

### 3. Pledge of Allegiance

### 4. Approve the Agenda (Action)

Comments:

Motion to: Approve the Agenda

**RESULT:** ADOPTED [UNANIMOUS]  
**MOVER:** Kathy Bystrom, Councilmember  
**SECONDER:** Hanna Valento, 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.*

Comments: No Comments

### 6. Street Sweeper Program - League of MN Cities Award Recognition (Video Presentation <https://youtu.be/1nXewqf8WFs>) – Don Reeder, Public Affairs Coordinator, LMC



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Comments: Don Reeder, LMC was available to provide comments on the Enhanced Street Sweeper Program and award that was given to the City of Forest Lake as a City of Excellence. He indicated that the judges were impressed with the collaboration between the City and the Watershed and viewed this as a replicable model for other cities. He cited several features of the program and the benefits of the program to the community.

### 7. Consent Agenda Considerations (Action Items)

Comments: Councilmember Bystrom requested to remove Item 7. k. to the Regular Agenda for Separate Vote.

- a) Approve City Bills
- b) Approve Minutes from August 8, 2022 Regular Council Meeting
- c) 7490 North Shore Trl. N. (PID 0303221330038) - Demolition Escrow Agreement
- d) LMCIT Liability Coverage Waiver Form
- e) North Shore Circle Utility & Street Improvements – Contractor’s Request for Payment No. 3
- f) Rockin' Hollywoods Entertainment Agreement
- g) MN Law Enforcement Support Office (LESO) Program
- h) Resolution 08-22-22-01 – Surplus Equipment and Authorization of Disposal for Fire Department – 14 Halogen Streamlight Box Lights
- i) Resolution 08-22-22-02 – Surplus Equipment and Authorization of Disposal for Fire Department – 35 Motorola Pagers
- j) Church of St. Peter Fall Festival – Outdoor Entertainment Permit
- k) Tobacco Outlet – 2022 Tobacco License - NEW
- l) Premier Commercial Properties LLC and Forest Lake Daycare Properties LLC Improvement Agreement
- m) Lot 1-2, Block 1, Headwaters Village Development Agreement

Motion to: Approve Consent Agenda Items 7. a. through item 7. J. and Items 7. l. and Item 7. m.

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



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Comments: Councilmember Bystrom provided comments on the reviewing the tobacco ordinance and requested that the ordinance be studied. She indicated she would not be willing to support the approval of the license. City Administrator Casey commented that Staff would further review the tobacco ordinance again. Mayor Bain commented that she would support the license as the applicant is following the current ordinance. Councilmember Husnik and Councilmember Valento also indicated they would support the application. Councilmember Monson indicated that she would support a moratorium on the tobacco ordinance and would not support the current application.

Motion to: Approve Consent Agenda Item 7. k.

<b>RESULT:</b>	<b>ADOPTED [3 to 0]</b>
<b>MOVER:</b>	Sam Husnik, Councilmember
<b>SECONDER:</b>	Hanna Valento, Councilmember
<b>AYES:</b>	Bain, Husnik, Valento
<b>NAYS:</b>	Bystrom, Monson
<b>ABSTAIN:</b>	
<b>ABSENT:</b>	

### 8. Regular Agenda (Action Items)

- a) **Bridge Academy Project Public Hearing – Resolution 08-22-22-03 for Headwaters Village Plat (PID: 2903221120010 & 2903221120009) – Drainage and Utility Easement Vacation**

Comments: Community Development Director Wittman provided information pertaining to Headwaters Village Plat on drainage and utility easement and trail easement vacation.

Public Hearing opened at 6:23 p.m.

Public Hearing closed at 6:23 p.m.

Motion to: Approve Resolution 08-22-22-03 for Headwaters Village Plat (PID: 2903221120010 & 2903221120009) – Drainage and Utility Easement Vacation



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

**b) Bridge Academy Project Public Hearing – Resolution 08-22-22-04 for Headwaters Village Plat (PID: 2903221120010 & 2903221120009) – Trail Easement Vacation**

Comments:

Public Hearing opened at 6:24 p.m.

Public Hearing closed at 6:25 p.m.

**Motion to:** Approve Resolution 08-22-22-04 for Headwaters Village Plat (PID: 2903221120010 & 2903221120009) – Trail Easement Vacation

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

**c) Third Lake Estates Letter of Credit Reduction No. 4 - Warranty (Tabled August 8, 2022)**

Comments: Community Development Director Wittman provided information on the item that was tabled at the August 8, 2022 Council Meeting. She provided the options that have been provided to the applicant on the assurance of securities for the Third Lake Estates project. She indicated that Staff is recommending Council reduced the letter of credit total.

Councilmember Husnik confirmed the starting date of the letter of credit. City Engineer Goodman noted that the date would be June 3, 2022. Councilmember Husnik expressed concern of setting



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precedence, as did Councilmember Bystrom. City Engineer Goodman commented on the development agreement and what the warranty states.

**Motion to:** Approve Reducing the Financial Securities for Third Lake Estates (Madison Subdivision) for the Improvements to an Amount No Less than \$54,100

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Mara Bain, Mayor
<b>SECONDER:</b>	Hanna Valento, Councilmember
<b>AYES:</b>	Bain, Husnik, Bystrom, Monson, Valento
<b>NAYS:</b>	
<b>ABSTAIN:</b>	
<b>ABSENT:</b>	

**d) Resolution 08-22-22-05 for 2022-2023 Lift Stations and Forcemain Improvements Project – Resolution Declaring Real Property to be State Bond Financed Property**

Comments: City Engineer Goodman provided information on the lift station and forcemain projects and how that relates to declaration of real property to be state bond financed property noting that the City also needs record this resolution with Washington County. City Engineer Goodman stated this resolution is assurance that the City will not sell the property.

**Motion to:** Approve Resolution 08-22-22-05 for 2022-2023 Lift Stations and Forcemain Improvements Project – Resolution Declaring Real Property to be State Bond Financed Property

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Sam Husnik, Councilmember
<b>SECONDER:</b>	Kathy Bystrom, Councilmember
<b>AYES:</b>	Bain, Husnik, Bystrom, Monson, Valento
<b>NAYS:</b>	
<b>ABSTAIN:</b>	
<b>ABSENT:</b>	

**e) Resolution 08-22-22-06 for 2022-2023 Lift Stations and Forcemain Improvements Project – Resolution Certifying Real Property to be State Bond Financed Property**

Comments:



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**Motion to:** Approve Resolution 08-22-22-06 for 2022-2023 Lift Stations and Forcemain Improvements Project – Resolution Certifying Real Property to be State Bond Financed Property

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

## 9. Discussion

- a) Budget Discussion (*Presentation Information Under Separate Cover*) – Patrick Casey
1. General Fund Budget Presentation
  2. General Fund Budget Discussion
  3. Preliminary Look at Levy

Comments: City Administrator Casey reviewed the budget schedule that was approved at the previous Council Meeting. He provided information on what a budget is including the top policy document, a communication device, and an annual financial and policy document and used by the rating agencies to understand the City's financial position. He provided the proposed tax levy summary indicating a total change of 7.52% increase from last year. He highlighted the various fund increases noting the total levy proposed of \$13,201,859 as an increase of \$923,159.

City Administrator Casey provided comments on where the tax levy funds are allocated to including the general fund, capital equipment fund, economic development fund, and the parks, trails, and lakes fund. He noted the challenges of the 2023 budget including labor costs and recruiting and retaining staff in all areas of the City. He indicated that the job position being asked for is a Community Development Administration Assistant. He also noted that the health insurance and union contracts are unknowns at this time. He commented on additional expenditures as part of the challenges for the 2023 budget. He discussed financing solutions to ensure a fair and equitable distribution of cost to residents over decades to get work done. City Administrator Casey provided a line graph of the history of the tax rate showing that it will be 35.6% for 2023, noting this is a decrease from 40.9% in 2022. Mayor Bain clarified these numbers and discussed the difference between the levy and the tax rate.

Mayor Bain commented on the comparison of union contracts with other cities. She also commented on the updates of the zoning code in relation to the Comprehensive Plan noting that



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updating codes is part of the responsibility to the commitment of the information in the Plan. She also asked about delaying equipment purchase. City Administrator Casey commented that he will provide the equipment replacement schedule for budget discussions. There was further discussion regarding equipment costs and predictions of how the economy will behave in the future driving those costs up.

Councilmember Bystrom asked about the Downtown Plan and how that fits into the budget. City Administrator Casey indicated that the estimated \$35,000,000 for the Downtown Plan is not included in the 2023 budget. Assistant City Administrator Udem commented that keeping momentum on the Plan can be accomplished by working on the lower cost investments.

### 10. Staff Updates

Comments: Assistant City Administrator Udem commented that he received the final version of the Downtown Plan that he will post this week to the City website. Community Development Director Wittman noted that she is reviewing applications for the City Planner position. City Administrator Casey reminded everyone on commissions training. He also commented that he is working on some complaints about noise that were received. City Engineer Goodman commented on several projects currently in progress as well as future work. He noted that the open house for CSAH 32 last week was well attended. Chief Peterson commented that the Police Department currently has three vacancies noting that two of the officers left law enforcement and one went to another department. He indicated he has some good candidates that they will be interviewing. Chief Newman indicated that there will be an annual softball tournament and family friendly event at Fenway Field on Tuesday night. He noted that there will be a Mutual Aid Drill around Bixby Park and Cedar Park. He indicated he will notify the residents in the area about the drill. He also provided an update on hiring for the Fire Department indicating signs have been up for over a month. He noted that he has received only two applications.

### 11. Mayor and City Council Updates

Comments: Councilmember Bystrom noted she attended the CSAH 32 Open House. Councilmember Husnik commented he also attended. Mayor Bain noted she also attended the Open House and thanked the residents for attending as well.

### 12. Adjourn

Motion to: Adjourn



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