



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, February 28, 2022

7:00 PM

City Center - Council Chamber

1. Call to Order

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

2. Roll Call

3. Pledge of Allegiance

4. Approve the Agenda (Action)

1. **Motion To:** Approve the Agenda

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

5. Open Forum - Citizen Petitions, Requests and Concerns

6. Consent Agenda Considerations (Action Items)*

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Sam Husnik, Councilmember
SECONDER:	Kathy Bystrom, Councilmember
AYES:	Husnik, Bain, Monson, Bystrom, Valento

- a. **Approve City Bills**
- b. **Approve Minutes from February 14, 2022 Regular Council Meeting**
- c. **Shanon Elko - 2022 Massage Individual License – NEW**
- d. **Northern Tier Retail, LLC dba Speedway #4370 – 2022 Tobacco License - NEW**
- e. **Airport Hangar E Lease Agreement - Clint Letch**

7. Regular Agenda (Action Items)

a. Motion To: Voter Precinct Redistricting

COMMENTS - Current Meeting:

Deputy City Clerk Derauf presented information on precinct redistricting and noted that there have been State Legislative lines redrawn that will affect Precinct 1. She commented that Precinct 1 will be split in half horizontally along Broadway Avenue and proposed that the south half become part of Precinct 2.

She also presented information on the number of voters and the proposed changes to Precinct 5, noting that the division line between Precinct 5 and Precinct 4 is Harrow Avenue. She proposed that line to be moved to Highway 61 to account for voters at the polling locations as well as future development in the current Precinct 5 area.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Sam Husnik, Councilmember
SECONDER:	Kelly Monson, Councilmember
AYES:	Husnik, Bain, Monson, Bystrom, Valento

b. Motion To: Planning Commission Appointment

COMMENTS - Current Meeting:

Mayor Bain recommended Don Stehler to serve a three year term on the open Planning Commission seat.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Mara Bain, Mayor
SECONDER:	Sam Husnik, Councilmember
AYES:	Husnik, Bain, Monson, Bystrom, Valento

c. Motion To: Council Liaison Appointments - Athletic Facility Advisory Committee

COMMENTS - Current Meeting:

Mayor Bain recommended Councilmember Bystrom and Councilmember Monson to be appointed as Council Liaisons to the Athletic Facility Advisory Committee.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Mara Bain, Mayor
SECONDER:	Hanna Valento, Councilmember
AYES:	Husnik, Bain, Monson, Bystrom, Valento

8. Discussion

a. Infrastructure Update

1. Water Treatment Plant 4

City Administrator Casey commented on the inflation and challenges to supply chains. He also noted the increases in prices and the difficulty of keeping in line with the adopted budget. He noted there was an estimated \$8M in funding that was allocated for the Water

Treatment Plan 4 and indicated the bids that came in were at \$8.4M. He provided further project costs and noted that the City is \$1.9M short of completing the WTP and well projects that were planned. He noted that the City cannot put these projects on hold due to the necessary infrastructures that are vital to the City. He recommended to Council that when the bid comes forward to them, they should still consider approving the bid. He indicated that Staff can review funding sources and Council will be provided with information after the 2022 Audit is completed.

He commented that he will be having discussions with Ehlers to calculate what the rate increases will be to help facilitate covering the costs for Water Treatment Plant 4 and the wells. He also noted that the Water Treatment Plan is the top priority based on critical infrastructure needs.

Councilmember Bystrom asked if the City can award a bid without the funding determined and City Administrator Casey indicated that the City can move forward with the award. He cited strategies of potential revenue sources that can be utilized. Mayor Bain asked about a rate increase with SAC and WAC fees. City Administrator Casey also indicated that there are Federal funds available for infrastructure that will be determined.

City Administrator Casey noted he has been having discussions with Ehlers regarding bonding and indicated that Ehlers' opinion is that the bonding rates are not going to go up significantly, but may go to 2% or 3%. He noted that it will be beneficial to wait for bonding until next year.

City Engineer Goodman indicated that Water Treatment Plant 4 is the last of the treatment plants projects. He provided further comment on the potential developments as it relates to SAC and WAC fees.

2. North Shore Circle

City Administrator Casey provided information on the North Shore Circle and noted that the bids for this project are also over the allocated budget.

3. 2022 Paving Program

City Administrator Casey provided comment on the 2022 paving program and noted that there are 40% to 50% increases in costs. City Engineer Goodman indicated that bituminous per ton is showing a 30% increase of cost. He noted that due to the increase of these costs the City should consider pausing on these projects.

Councilmember Bystrom asked what the costs would be if the City moved forward on the 2022 paving projects. City Engineer Goodman provided some costs for two projects. Councilmember Husnik asked about federal funding. City Administrator Casey noted that the City has \$1.5M for infrastructure and those funds have to be allocated appropriately.

City Administrator Casey discussed equipment replacement and noted that Staff will proceed with fire equipment replacement, but hold on other equipment.

9. Staff Updates

Deputy Clerk Derauf provided an update on agenda management and updates to website content and where information will be located.

Assistant City Administrator Udem commented on the website redesign that will have a new structure. He also commented that he will be reaching out to LATV for new photos to be included in the website redesign.

Director Adams commented that ice rink maintenance is finished for the year and also that Water Treatment Plant 2 is now operational.

City Engineer Goodman commented on developments that are coming.

Chief Peterson commented on the Forest Lake Rotary Plunge event and the Pro Ice Snowmobile Racing event. He noted that both events were successful.

Finance Director Knopik commented that his first two weeks with the City have been successful.

10. Mayor and City Council Updates

Councilmember Monson commented that she attended the Planning Commission Meeting last week.

11. Closed Session Pursuant to Minnesota Statutes Section 13D.05, Subd. 3(b), for a confidential attorney-client discussion regarding pending litigation in the matter Lighthouse Lofts, LLC v. City of Forest Lake, Court File No. 82-CV-21-723

- Motion To:** Move to Closed Session Pursuant to Minnesota Statutes Section 13D.05, Subd. 3(b), for a confidential attorney-client discussion regarding pending litigation in the matter Lighthouse Lofts, LLC v. City of Forest Lake, Court File No. 82-CV-21-723

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

- Motion To:** Close the Closed Session and Return to the Regular Council Meeting

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

12. Adjourn

- Motion To:** Adjourn

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Mara Bain, Mayor
SECONDER:	Sam Husnik, Councilmember
AYES:	Husnik, Bain, Monson, Bystrom, Valento