



# City Council

## Workshop

~ 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, September 18, 2023

6:30 PM

City Center - Council Chamber

[City of Forest Lake - Livestream and Recorded Meetings](#)

### 1. Call to Order

### 2. Roll Call

Attendee Name	Title	Status	Arrived
Mara Bain	Mayor	Present	
Sam Husnik	Councilmember	Present	
Hanna Valento	Councilmember	Present	
Leif Erickson	Councilmember	Present	
Blake Roberts	Councilmember	Present	

### 3. Pledge of Allegiance

### 4. 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.*

Comment: Eugene Huerstel, Resident, commented on the potential proposed levy over 20% and recommended a hiring freeze. He indicated that there will be less and less individuals coming in to the City because of inflated prices. He commented that public safety, sewer, and roads are important. He also commented about pickleball court maintenance possibly starting next May.

Gary Lee, Resident, commented on pickleball and concerns over the winter months and what will happen to the courts. His recommendation is to fill in the cracks this fall 2023 instead of waiting until next year. He noted that maintenance needs to be budgeted annually, not just for pickleball, but also for the rest of the parks. He also commented on the Veteran’s Memorial Park and that the City take on the expense of moving the water line relocation.

### 5. Discussion Items

#### a. 2024 Preliminary Budget Work Session

Comments: Mayor Bain commented that next Monday is the last opportunity for the preliminary levy discussion and to find consensus on the requested budget items. She suggested a work plan for the 4<sup>th</sup> quarter to make up any differences on working through budget consensus before the final December meeting of the Final Levy adoption. She noted that she asked the Finance Director, Kevin Knopik, to put together a spreadsheet to show different options for the requested budget items. She noted the goal is to identify areas of consensus and what work needs to be accomplished in the next ten (10) years.



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City Administrator Casey cautioned Council that they shouldn't go to low on the preliminary levy if there is anticipated items that may be reduced between the preliminary levy being set and the final levy adopted. He also noted that any adjustments being made to the 2024 levy will be carried over to subsequent years if the city stays in pace with the presented 10-Year Plan.

Mayor Bain commented that the overall number is most important, not necessarily individual items. She highlighted items on the spreadsheet presented by Finance Director Knopik. She indicated it would be helpful to find the areas of consensus on particular items.

Councilmember Erickson indicated he was in favor with the firefighter wage increase. There was a consensus with other Councilmembers. Councilmember Erickson commented on the mentioned that there was double counting in the EDA Levy. Finance Director Knopik explained the workable spreadsheet in real time. Councilmember Valento was in favor of the code enforcement position along with Councilmember Erickson.

City Administrator Casey mentioned that the City doesn't have dedicated Staff for the Code Enforcement position and current Staff does the best they can. Councilmember Husnik asked about additional duties for the Code Enforcement. City Administrator Casey commented that there may be some zoning duties. He also commented on the City Engineer position and work at the airport, noting the differences between work at the airport and administrative management like the Airport Commission Meetings. City Administrator Casey commented that the Code Enforcement position has been asked for several years.

Mayor Bain asked about the Stormwater Tech position and duties related to that job. City Administrator Casey commented on delayed maintenance issues such as stormwater issues, street sweeping, and other duties. Public Works Director Adams provided additional information regarding the MS4 permit and related duties to manage the permit requirements. City Administrator Casey indicated this position is low impact on the levy. He also noted that the position can be looked at again by Staff to determine funding from the surface water management fund. Finance Director Knopik explained the rate approval of 6% increase for the next two years.

Public Works Director Adams commented that the stormwater technician is not an administrative position, but will include some of that work. Councilmember Valento indicated that this position makes sense to keep because of the work that has been placed on the Public Works Department.

Councilmember Husnik asked about the Planning and EDA Supervisor position. City Administrator Casey commented on the previous employee noting the amount of work they had and not being the most efficient at trying to get that work done. He noted that now there is a Community Development Director, however, there is a significant amount of administrative work that has been



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the focus of her duties. He also commented that her position may turn into a Community Development Director/Deputy Administrator, so there is someone available if the City Administrator is out of the office for any reason. Councilmember Erickson commented on funding coming from the EDA. City Administrator Casey commented that he doesn't advise using fund balance to fund operations. His suggestion was to hire the Planning and EDA Supervisor as a half time position in the first year. Mayor Bain commented that the difficulty in funding a position half time in the first year is the commitment in the subsequent years. Councilmember Erickson expressed concern of doing too much and trying to keep the levy down.

Councilmember Roberts commented on using funds from the stormwater for operational use. Finance Director Knopik commented that funds are used for operating expense and that capital funding is outside of operations. He further explained capital funding and operational funding. Councilmember Roberts commented that he was on the EDA for 15 years noting that funding should come from the EDA for the Planning and EDA Supervisor. Mayor Bain commented on the Downtown Plan. City Administrator Casey also mentioned the shoreline study and boat launch relocation. Councilmember Roberts noted that those items are not big dollar amounts compared to \$100,000 for the position. The consensus was to start the position at half-time to see outcome of the numbers at the end of the discussion.

City Administrator Casey commented on the Community Service Officer position noting that it has been asked for several years. Mayor Bain commented that she could pass on this position. Councilmember Erickson suggested holding off on this position for at least a year. Councilmember Valento commented that she also agrees to hold off on the position.

Mayor Bain asked about the City Engineer position. City Administrator Casey commented that complete review of the positional duties has not been determined. He noted that it is a necessary position for the development of smaller projects. Councilmember Erickson noted that he is fine to keep the position in for the preliminary levy. Councilmember Husnik commented on the open position that the Assistant City Administrator left behind. City Administrator Casey commented that the new position focuses on human resources for that position. He noted that there are new legislative rules and mentioned several items that the City is facing with employee issues at this time. He noted that a dedicated staff member is needed to fill Dan's old position. He commented that the organization is very understaffed at this point. Councilmember Roberts commented that he appreciates Bolton and Menk's work and the City doesn't need an in-house City Engineer. Councilmember Husnik commented that he would like to circle back to that position for further discussion.

Mayor Bain asked about the Park Dedication fund. City Administrator Casey commented on the items funded by the fund and noted that there was a large loan taken against the park dedication fund that was required to pay back. He noted that the loan was paid off a couple years ago which



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depleted the park dedication fund. He provided an example of the pickleball courts costing \$75,000. Community Development Director Wittman provided explanation of what the park dedication funds are used for projects, not maintenance. Mayor Bain commented that she would like to see a reduction of the park dedication funds. Councilmember Roberts expressed concern about the Castlewood Clubhouse and funding that. City Administrator Casey commented that Staff has provided the information to Council that was asked for. Mayor Bain commented on the future park commission and funding for any work to be done. Councilmember Erickson commented to start the Park Dedication fund at \$100,000. Councilmember Valento suggested \$350,000 based on the previous Parks Commission five (5) members quit. Councilmember Roberts commented that he would like to start with \$150,000. Councilmember Husnik commented that he thinks the number should be lower. Mayor Bain commented that the increase is difficult to agree with. There was consensus to decrease the Park Dedication fund to \$250,000.

City Administrator Casey commented on the Capital Improvement Fund noting that the increase to \$900,000 get the city to a point of regular maintenance on roads. He suggested not changing this number very much. Councilmember Erickson commented that he would reduce it to \$800,000. Finance Director Knopik reminded Councilmembers that for all the reductions for 2024, those costs will appear in subsequent years and demonstrated an example for 2025 in the 10-Year plan, indicating a change of almost doubling the levy for 2025. Councilmember Husnik asked if future development is factored into the 10-year plan. Finance Director Knopik commented that projections include growth of the city and some of those assumptions are built into the 10-Year Plan. Mayor Bain commented on the capital equipment fund. Councilmember Erickson asked what drives the increases of this fund. City Administrator Casey indicated that the funds are for fire trucks, squad cars, and other city vehicles, noting the incredible increases for these vehicles. He noted there are no luxuries of equipment being used as Staff makes use as long as possible. Mayor Bain and Councilmember Valento indicated they are okay with the fund account at \$960,000.

Mayor Bain commented on the building maintenance fund. City Administrator Casey commented on maintenance schedules for city buildings noting that it is a small amount for the City Center, Senior Center, and other city buildings. Finance Director Knopik commented on maintenance needs for larger ticket items, for example the expense of a new roof. Councilmember Erickson suggested \$50,000. Councilmember Husnik agreed as did Councilmember Valento.

Finance Director Knopik commented on the reduction of equipment certificates for debt service. Council was in consensus for a total of \$105,000. He also mentioned park improvement bonds. He showed the proposed options that have been selected noting that it changes the projected levy amounts for the next two years and that they will also be in double digits until 2027. He provided information on other comparative cities noting that Forest Lake was the 5<sup>th</sup> lowest in 2023, and that even at the originally proposed 22.5% for 2024, Forest Lake would still be the 5<sup>th</sup> lowest in the comparative cities. Mayor Bain asked to see the differences if the wage numbers are changed for



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the proposed positions. After seeing changes, she noted she is looking for consensus rather than a 3 to 2 vote. Councilmember Husnik agreed. He indicated that he doesn't want the capital improvement fund decreased. Councilmember Roberts commented that maybe it's better to go with a higher percentage for the preliminary levy. Mayor Bain commented that she would like further information for the proposed city engineer position. Councilmember Roberts commented on an email that was sent to Staff regarding his requests for example additional street sweeping. City Administrator Casey commented that these items have not been added at this time because further analysis is needed to determine man-hours spent on the submitted requests. Public Works Director Adams provided explanation on irrigation for the hanging baskets in town. City Administrator Casey commented on additional street sweeping on Lake Street. Public Works Director commented that the City can step in if the State or County doesn't sweep the streets. Councilmember Erickson commented that the Staff needs a built-in plan to sweep that street in the Spring. Sidewalk snow removal was also discussed as well as snow berms along the road. Public Works Director Adams commented that the State will pay for a portion of snow clearance, but noted that there would be approximately thirty-one (31) hours per clearance that wouldn't be paid for. He provided additional information on snow clearance and the man power needed. City Administrator Casey noted that Staff would do further analysis to get the additional amount of over-time hours that will need to be added into the Public Works budget for the additional snow removal. There was further discussion on projects in the downtown area.

Mayor Bain commented that next Monday, a resolution will be presented to Council for a vote on the preliminary levy. She noted that the work tonight shows positions fully funded minus the community service officer, and with the park dedication fund reduced by \$250,000. She requested a draft of a summary document that describes in detail the preliminary levy and additional work towards the final levy in December.

### 6. Adjourn

Motion to: Adjourn

Comments:

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Hanna Valento, Councilmember
<b>SECONDER:</b>	Leif Erikson, Councilmember
<b>AYES:</b>	Bain, Husnik, Valento, Erickson, Roberts
<b>ABSENT:</b>	



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