

CITY OF WACONIA

July 18, 2022

Pursuant to due call and notice thereof, the regular meeting of the City Council of the City of Waconia was called to order by Mayor Bloudek at 6:00 p.m. The following members were present: Kent Bloudek, Randall Sorensen, Carl Pierson, Nicole Waldron, Pete Leo.

Staff Present: Shane Fineran, Jackie Schulze, Lane Braaten, Nicole Meyer, Craig Eldred, Ethan Nelson, Mike Melchert, Justin Sorensen.

Visitors: Joe Polunc, Al Lohman, Terry Hartman.

Pledge of Allegiance was led by Mayor Bloudek.

ADOPT AGENDA: No Additions, item #1 under Council Business was moved to the end of Council Business and item #7 requested to be removed and considered at a future Council meeting. Motion by Sorensen, seconded by Waldron to adopt the agenda as amended. All present voted aye. **MOTION CARRIED.**

VISITOR'S PRESENTATION: None

ADOPT CONSENT AGENDA

- 1) June 20, 2022 City Council Meeting Minutes.
- 2) June 29, 2022 Special City Council Meeting Minutes.
- 3) July 18, 2022 Expenditures.
- 4) Rink Management Services Corporation Safari Island Community Center Expenditures incurred June 2022.
- 5) Rink Management Services Corporation Waconia Ice Arena Expenditure Incurred June 2022.
- 6) Contractor Pay Request #3 – Final – Bayview Elementary Reuse Expansion.
- 7) Contractor Pay Request #2 – Waconia 2022 Infrastructure Improvements.
- 8) Contractor Pay Request #4 – East Frontage Road Parking Lot.
- 9) Contractor Pay Request #3 – Waconia East Frontage Road Improvements.
- 10) Contractor Pay Request #8 – Final – Everson New Storage Shed.
- 11) Contractor Pay Request #6 – Waconia Parkway South Improvements.
- 12) Temp. On-Sale Liquor License and Use of Parking Lot – Waconia Brewing Company.
- 13) Approval of Civil Defense Equipment Installation.
- 14) Authorize Approval of Dump Body & Winter Equipment Acquisition.
- 15) Authorize Staff to Acquire Chassis, Dump Body Equipment Pricing.
- 16) Variance – 24 Dana Circle – John Rosenau – **PULLED**
- 17) Temporary Liquor License for Lions Club.
- 18) Site Plan & Design Review – Darabi Dermatology – submitted by Sephen Paetzel, Mohagen Hasen Architectural Group.
- 19) Park Improvement Agreement.
- 20) Windmill Creek 8th Addition Final Plat – Trumpy Land Development.
- 21) Car Wash Donation for Organizational Use.
- 22) Donation Acceptance – Cash Donations for Adaptive Playground Equipment.
- 23) Donation Acceptance – Cash Donations for Operations of the Fire Department.
- 24) Brine Pump Replacement – Waconia Ice Arena.
- 25) Return to Work for Firefighter Robbie Clark.
- 26) Trunk Fee Payment Plan – Tidal Wave Auto Spa.

Motion by Waldron, seconded by Leo to Adopt the Consent Agenda as amended. All present voted aye.

MOTION CARRIED.

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COUCIL BUSINESS:

Fire Station Authorization to Bid

Ba new fire station. A new station is necessary to house the equipment, training needs, and personnel of a growing department and community as well as provide necessary health and safety features for personnel engaged in fire service activities. The City engage with BKV Group to assist in the space and location analysis and ultimately decided on the 4 acre location at 10451 10th St E, a city owned parcel, as the site for the new fire station. Following the location determination, the City engaged with BKV Group to complete preliminary design and estimated related to the new station and in early 2022 continued with design and construction development along with Kraus Anderson as construction manager.

In keeping a focus on building a station that can serve the community much like the existing has for 40 plus years, the final design is 26,000 square feet supporting 6 apparatus bays, training tower and mezzanine features, decontamination areas between dirty and clean areas od the station, bunk rooms a 100 person capacity training and emergency operations center, command staff offices, fitness space, and kitchen with dayroom.

Based upon the design and construction development work, the overall project estimate stands at \$13,584,714, with a construction cost estimate of \$11,372,223 and soft costs of \$2,212,491. BKV and Kraus Anderson partners will be on hand to present highlights of the process and project. Staff is seeking authorization to bid the project at this time. If approved, bids will be due at the end of August with possible award in September. Construction could commence in early summer 2023 and a planned 11 month build time, the station could be occupied by late June of 2024.

Bruce Schwartzman and Michael Healy of BKV and Dustin Phillips of Krause Anderson came forward and gave Council an update on the progress so far.

Council Member Pierson asked what the timeline is. A representative from Kwik Trip responded that construction is hoped to start in May with opening in August.

Motion by Pierson, seconded by Waldron to Adopt Resolution 2022-203, Authorizing Public Bid for Construction of New Fire Station. All present voted aye. **MOTION CARRIED.**

Authorize Downtown Corridor Design for 2023 Infrastructure Improvement Project

Craig Eldred indicated that nearly 10 years ago, City Council authorized the initiation of a Task Force to assist in recommendations for reconstruction of Downtown Waconia. The initial kick-off meeting was held on February 13, 2013, Six more meeting were held ending on June 12, 2013, a work session with City Council on April 21, 2014, and a City Council meeting approving the Task Force recommendation was held on May 5, 3014,

Given consideration of the efforts taken by the Task Force previously, staff did add as an attachment the Task Force Design recommendations for Downtown. Those elements were as follows:

- Improve/Increase Downtown Parking Supply
- Develop Downtown Branding, Identify and Wayfinding
- Streetscape Improvements and Amendments

Eldred noted that during construction improvements within what is considered the Downtown, staff has worked to meet these recommendations of the Task Force.

The current processes started for Main, first and Side Linking Streets of Downtown in the summer of 2020. Virtual Open House, Public Input for comments and Open House events this past spring with compressed visual layouts. From the Open House comments the favorite layout by vote and consideration was Layout #2. On June 20, 2022 a work session was held with he City Council to review the layouts and discuss the communities more favorable layout for going forward. From the Council discussion Staff and Engineer worked to meet the request of

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a modified or hybrid design of Layout 1 and Layout 2. Eldred referred to a table provided by Mr. Saulsbury on a hybrid layout as Option 1A.

Option 1A provides all components of the Work Session discussion:

- Expanded north sidewalk
- Legal and recommended angle parking
- Modified drive lands of 16 and 15 feet to accommodate north angle parking backing into drive lane
- Legal width parallel parking on the south
- Nearly the same sidewalk width in the south corridor as today.

Key components of the design will necessitate discussion of meeting Task Force recommendations specific to streetscape improvements allowing the community to meet regulatory storm water requirements, pedestrian safety, and aesthetic elements made available by the Option 1A design. These items can be considered now or during the design phase completed by the Engineer. The critical path is to initiate design to formulate and complete the design costs, and Feasibility Study for Council consideration.

In the future staff will be bringing forth additional programmed improvements for pavement resurfacing, and construction known as Capital Projects 128-A & 128-B which may be bid in conjunction with the Downtown Infrastructure Project.

Council Member Sorensen expressed concern about losing downtown parking and indicated that residents he has spoken to are not in favor of bump outs.

Motion by Pierson, seconded by Leo to adopt Resolution 2022-207, Authorizing by Recommendation Downtown Corridor Design Option 1A for 2023 Infrastructure Improvement project, CIP Project 128. Bloudek, Pierson, Leo & Waldron voted aye. Sorensen voted nay. **MOTION CARRIED.**

Waterford Reuse Agreement

Eldred communicated that part of the Waterford Development storm water reuse has been a component of meeting volume and water quality requirements for the programmed Development improvements. City Staff, Attorney, Developer, Builder, and Townhome Association Representatives have been working for sometime to create a fully functional Storm Water Drainage and Reuse Agreement. The city has reached a point where items have been fully vetted and in agreement for the purposes of providing storm water reuse for irrigation of the programmed Townhome and expanded Park green spaces to meet the entire Development requirements.

Eldred stated that we are in the process of construction items to provide water components to source, filter, treat and distribute storm water for these Development areas and those previously irrigated and maintained by the City within Waterford Park and boulevards for Sparrow Road. S.M. Hentges was awarded the improvement project to meet the source water improvements. The Developer will install all private distribution system in accordance with delivery of storm water. The Town home Association will maintain their distribution system and City Staff as with other agreements work with the Townhome Association of initial start-up and winterization per the agreement.

Regarding the Reuse Agreement the City Attorney worked directly with the representatives of the respective agencies in defining the appropriate language. This improvement once completed in full will assist the City in offsetting over 11 MG of potable water use for irrigation based upon the requirements set forth in the agreement.

Motion by Leo, seconded by Waldron to Adopt Resolution 2022, 211, Authorize Approval of Mayor and City Clerk to Execute Waterford Reuse Agreement between JMH Land Development Company, LLC & U.S. Home, LLC & Waterford Townhome Homeowners Association. All present voted aye. **MOTION CARRIED.**

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Pre-Sale Report & Review of \$180,020,000 General Obligation Bonds

Nicole Meyer said that staff has been working with Ehler's on issuance of bonds to fund the 2022 infrastructure improvement and fire station projects. The City budgeted to issue General Obligation 429 special assessment bonds, General Obligation 469 tax abatement bonds, General Obligation 475 capital improvement plan bonds, and revenue bonds to fund some of the project costs. Staff has identified American Rescue Fund proceeds as another funding source for the projects.

General Obligation special assessment 429 bonds are being issued for the street reconstruction portion of the bonds. These improvements are planned to be repaid with special assessment payments from property owners in the area of the improvements. In addition the City will issue a new special debt levy for the portions not paid by special assessments.

General Obligation abatement 469 bonds have historically been issued by the City for park, trail, underpass, and sidewalk improvements. The repayment of 469 bonds will be made with tax abatements from properties identified in the project area. Property owners will make their property tax payments normally, and the City will dedicate the taxes paid to repayment of the debt obligations.

General Obligation 475 capital improvement bonds will be issued for construction of the fire station facility. They must be repaid with additional special debt levy as was identified in the 2022 budgeting process.

General Obligation 115 bonds are bonds that can be issued only for sanitary sewer projects. Under Minnesota Statute 115.46, the City may issue these bonds to aid in financing sewer projects and repay the debt using special assessments, revenue, or a special debt levy if needed. Currently the City plans to pay these bonds with revenues in the sanitary sewer fund.

General Obligation 444 revenue bonds will be issued for those portions of the projects related to water and storm water. These are revenue bonds that must be repaid with revenues in the enterprise funds from sales paid by the City's customer base.

Todd Hagen from Ehlers presented the pre-sale report for the bonds to Council.

Motion by Waldron, seconded by Leo to adopt Resolution 2022-204, Providing for the Sale of \$18,020,000 General Obligation Bonds Series 2022A-2022 Infrastructure Improvement Projects & Fire Station Construction. All present voted aye. **MOTION CARRIED.**

Motion by Leo, seconded by Pierson to adopt Resolution 2022-205, Calling Public Hearing on the Intention to issue General Obligation Capital Improvement Plan Bonds and the Proposal to Adopt a Capital Improvement Plan Therefor. All present vote aye. **MOTION CARRIED.**

Motion by Sorensen, seconded by Pierson to adopt Resolution 2022-206, Calling Public Hearing on Proposed Property Tax Abatements for Portion of the 2022 Infrastructure Projects. All present voted aye. **MOTION CARRIED.**

Woodland Creek 5th Addition Preliminary Plat and PUD Zoning Request

Ethan Nelson communicated that the City has received a preliminary Plat application from Hartman Communities, LLC titled Woodland Creek 5th, the applicant is requesting to plat the property located at PID 75.0250300 into 30 single-family residential parcels of one housing type. The proposed housing types include 55 foot-wide villa lots. The City has also received an application to zone the subject property PUD, Planned Unit Development, which would allow reduced lot sizes, reduced setbacks and increased impervious surface on the subject property.

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Nelson summarized all aspects of the Preliminary Plat Review. Notice was published in the Waconia Patriot on April 21, 2022 and posted at Waconia City Hall during the original review in May. Individual notices were mailed to all property owners within 350 feet of the subject parcel during the initial review and mailed out again for the July 7, 2022 Planning Commission Meeting.

The Planning Commission reviewed the pertinent information and recommended approval of the proposed Preliminary Plat and PUD Zoning Application via a 5-0 vote with 16 conditions.

Motion by Leo, seconded by Sorensen to adopt Resolution 2022-208, Approving the Preliminary Plat Application titled Woodland Creek 5th Addition, which proposes the development of the property located at PID 75.0250300 into 30 single family parcels and the additional request to zone the subject property as PUD, Planned Unit Development. All present voted aye. **MOTION CARRIED.**

Ordinance Amendment – Prohibition of permanent Docks and Removal of Seasonal Docks

Lane Braaten stated that subsequent to work sessions with both the Planning Commission and City Council, Staff noticed and scheduled a public hearing to review a proposed ordinance amendment which would regulate docks in the City of Waconia. The ordinance defines permanent and seasonal docks and identifies removal requirements depending on if the dock use is residential or commercial in nature. The proposed ordinance specifically prohibits permanent residential docks within the City Limits.

The notice was published in the Waconia Patriot on June 23, 2022 and posted at Waconia City Hall. Additionally, the notice and draft ordinance were posted on the City Website for review. The City has not received any public comments regarding the proposed ordinance amendment.

The Planning Commission, at their regular meeting on July 7, 2022, reviewed the pertinent information, held the public hearing and took all public comment regarding the proposed amendment. The Planning Commission recommended approval of the ordinance via a 5-0 vote.

Council Member Sorensen asked what do we do with docks that are not included in this ordinance. Braaten responded that docks at Marinas would not be regulated by this ordinance as long as they have proper permissions from the DNR.

Motion by Pierson, seconded by Waldron to adopt Ordinance No 751, Amending Waconia City Code Part VII by adding Chapter 750 Regulating Docks on Public Waters. All present voted aye. **MOTION CARRIED.**

Motion by Sorensen, seconded by Leo to adopt Resolution 2022-210, Approving Summary Publication of the Ordinance. All present voted aye. **MOTION CARRIED.**

Council Member Resignation and Vacancy

Council Member Pierson has submitted his resignation from the City Council effective July 29, 2022. He has more than two years remaining on the term of office and the resignation is prior to the next filing period of the general election, thus a special election should be held to fill the seat. For this to happen the Council will need to declare the vacancy and a special election will be held during the general election on November 9, 2022 to fill the remainder of the term.

Mayor Bloudek went to the podium to thank Council Member Pierson for his time and dedication to the City of Waconia and presented him with a plaque.

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Motion by Waldron, seconded by Leo to Adopt Resolution 2022-202, Accepting Resignation, Declaring Vacancy and Special Elections. All present voted aye. **MOTION CARRIED.**

ITEMS REMOVED FROM CONSENT AGENDA:

Variance – 24 Dana Circle – John Rosenau

Council Member Sorensen stated that he removed this item from the Consent Agenda because how he wanted to vote.

Shane Fineran explained that City Council at their regular meeting on June 20, 2022 voted on the approval resolution 2-2 resulting in a tie that failed to receive a majority. The failure to approve the resolution constitutes a denial of the land-use request.

Motion by Waldron, seconded by Leo to Adopt Resolution 2022-191, Denying the Variance Application for the proposed improvements to the principal Structure and other Site Improvement for the property located at 24 Dana Circle. Bloudek, Waldron, Leo, Pierson voted aye. Sorensen vote nay. **MOTION CARRIED.**

STAFF REPORTS:

Craig Eldred gave an update on transportation projects.

BOARD REPORTS:

Councilmember Sorensen – Nothing to Report

Councilmember Leo – Nothing to Report.

Councilmember Pierson – Nothing to Report.

Councilmember Waldron – Chamber Golf Event happened today. Nickle Dickle Day, September 16-17

Mayor Bloudek – Thank you to Carl and all you have done for the City.

ANNOUNCEMENTS: None.

ADJOURN:

Motion by Pierson, seconded by Leo to adjourn the meeting at 7:43 p.m. All present voted aye. **MOTION CARRIED.**

Kent Bloudek, Mayor

ATTEST: _____
Ann Meyerhoff, Office Assistant