

WACONIA CITY COUNCIL REGULAR MEETING AGENDA



**Monday, June 15, 2026
6:00 PM**

VISION STATEMENT

A thriving, connected community with deep roots: a great place to live for a lifetime.

MISSION STATEMENT

A city that leads, serves, and governs to enhance the quality of life for all community members.

MAYOR: TIM LITFIN
COUNCIL MEMBER: NICK GLEASON
COUNCIL MEMBER: JEFF GRENGS
COUNCIL MEMBER: JACOB COLEMAN
COUNCIL MEMBER: DEREK SIDDONS

**NOTE: TO ENSURE THAT YOU ARE PRESENT FOR ITEMS OF INTEREST,
PLEASE BE PRESENT AT 6:00 P.M.**

Those with items on the agenda should reach out to their staff contact. Others who wish to participate in the meeting, please contact the City Administrator at 952-442-3100 or sfineran@waconiamn.gov to make certain that you are called upon during the meeting.

- 1. CALL MEETING TO ORDER AND ROLL CALL**
- 2. PLEDGE OF ALLEGIANCE**
- 3. PROCLAMATIONS**
- 4. ADOPT AGENDA**
- 5. PUBLIC HEARING**
- 6. OPEN FORUM**
- 7. COMMUNITY INTEREST PRESENTATIONS**
- 8. ADOPT CONSENT AGENDA**

The items listed on the Consent Agenda are considered routine and non-controversial by the Council and will be approved by one motion. There will be no separate discussion of

these items unless a Councilmember, City Staff, or Citizen so requests; in which case, the item will be removed from the Consent Agenda and considered at the end of the Regular Agenda.

- 1) Approve the June 1, 2026, City Council Minutes
- 2) **Approve June 15, 2026 Expenditures**
- 3) **Safari Island Community Center Expenditures from Sports Facilities Companies Incurred May 2026**
Motion to Approve Safari Island Community Center Expenditures from Sports Facilities Companies Incurred May 2026
- 4) **Ice Arena Expenditures from Sports Facilities Companies Incurred May 2026**
Motion to Approve Ice Arena Expenditures from Sports Facilities Companies Incurred May 2026
- 5) **Contractor Pay Request - CSAH 10 Trail Project to GMH Asphalt, Inc. #2**
Motion to approve CSAH 10 Trail Project Pay Request No. 2 to GMH Asphalt, Inc.
- 6) **Authorizing Replacement of Liquid De-Icing Storage Tanks**
Adopt Resolution No. 2026-142 Authorizing Acquisition of 3,000 Double-Walled Liquid Tank.
- 7) **Authorize Acquisition of Second UTV**
Adopt Resolution No. 2026-143 Authorizing Acquisition of Second UTV
- 8) **Intersection Control Change to All Way Stop at Elm Street and 2nd Street**
Adopt Resolution No. 2026-144 Approving the installation of stop signs on Elm Street at the intersection with 2nd Street to create an all-way stop condition.
- 9) **Award the Fox Run Ravine Stabilization Project**
Adopt Resolution No. 2026-145 Awarding the Contract for the Fox Run Ravine Stabilization Project
- 10) **Support Resolutions for Carver County Regional Solicitation Applications**
Adopt Resolution No. 2026-146 Supporting Regional Solicitation Application for Dakota Rail Trail Connection
Adopt Resolution No. 2026-147 Supporting Regional Solicitation Application for CSAH 92 & TH 5 Intersection Improvements
- 11) **Local Housing Aid - Mt. Olivet 3rd Street Home**
Adopt Resolution No. 2026-148 Committing Local Housing Aid for Mt. Olivet
- 12) **Facade Improvement Grant - Springs Wellness**
Adopt Resolution No. 2026-149 Approving Facade Grant for Springs Wellness Center
- 13) **Donation and Approve Pass Thru Recommendation - Waconia Fire Relief Association**
Adopt Resolution No. 2026-150 Accepting Donation and Approving Pass Through Recommendation from Waconia Fire Relief Association
- 14) **Firefighter Resignation**

Adopt Resolution No. 206-151 Accepting Firefighter Resignation

- 15) Authorizing Furniture Replacement at Public Services Private Offices**
Adopt Resolution No. 2026-152 Authorizing Furniture Replacement at Public Services Private Offices
- 16) Performance Measures & Report for 2025**
Adopt Resolution No. 2026-153 Approving 2025 Performance Measures and Report for Local Results and Innovation
- 17) Approve Temporary On-Sale Liquor License for the Waconia Legion Post 150**
Adopt Resolution No. 2026-154 approving a temporary-sale liquor license for the Waconia Legion Post 150
- 18) Approve Temporary On-Sale Liquor License and Application for Exempt Gambling Bingo at the Carver County Fair**
Adopt Resolution No. 2026-155 Approving Application for Temporary On-Sale Liquor License, Carver County Agriculture Society
Adopt Resolution No. 2026-156 Approving Application for Exempt Permit BINGO, Carver County Agriculture Society
- 19) Group Fitness Flooring Replacement - Safari Island Community Center**
Adopt Resolution No. 2026-160 Approving Capital Project at Safari Island Community Center for Replacement of Group Fitness Flooring with Johnson Fitness
- 20) Purchase of Real Property PID #750501620 & #750501610**
Adopt Resolution No. 2026-162 Approving Purchase Agreement for Real Property
- 21) Appointment of Finance Director**
Adopt Resolution No. 2026-161 Authorizing Hire of Finance Director

9. COUNCIL BUSINESS

- 1) Authorize the Issuance and Awarding Sale of General Obligation Bonds, Series 2026A & 2026B**
Adopt Resolution No. 2026-157 Authorizing the Issuance and Awarding the Sale of \$9,510,000 General Obligation Bonds, Series 2026A, Pledging for the Security Thereof Net Revenues, Special Assessments, and Levying a Tax for the Payment Thereof

Adopt Resolution No. 2026-158 Authorizing the Issuance and Awarding the Sale of \$3,280,000 General Obligation Temporary Street Reconstruction Bonds, Series 2026B, and Levying a Tax for the Payment Thereof in Anticipation of Long-Term Financing
- 2) Ordinance Amendment - Amend Sections 900.05.7, B-1, Highway Business District, Section 900.06.1.D Cannabis Retail Business Buffer Requirements and Section 900.11, Uses Permitted by Conditional Use Permit (CUP) and Interim Use Permit (IUP)**
Adopt Resolution No. 2026-159 denying the proposed amendment to allow cannabis micro and mezzobusinesses as an interim use in the B-1, Highway Business District and reduce the cannabis retail business buffer requirements.

10. ITEMS REMOVED FROM CONSENT AGENDA

11. BOARD REPORTS

- 1) **Staff Reports**
- 2) **Councilmember Siddons**
- 3) **Councilmember Coleman**
- 4) **Councilmember Gleason**
- 5) **Councilmember Grengs**
- 6) **Mayor Litfin**

12. ANNOUNCEMENTS

13. ADJOURN REGULAR MEETING

**OFFICE OF THE CITY ADMINISTRATOR
Shane Fineran**

WORK SESSION: EDA PROGRAM REVIEW, AFFORDABILITY MEASURES

UPCOMING CALENDAR OF EVENTS/MEETINGS:



REQUEST FOR CITY COUNCIL ACTION

| | |
|--|--|
| Meeting Date: June 15, 2026 | |
| Item Name: 8.1. Approve the June 1, 2026, City Council Minutes | |
| Originating Dept: Administration | |
| Presented By: Sue Schwalbe | |
| Previous Council Action: None | |
| Item Type: | Consent |
| RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Approve the June 1, 2026, City Council Minutes | |
| EXPLANATION OF AGENDA ITEM: Approve the June 1, 2026, City Council Minutes | |
| ATTACHMENTS: 1. Minutes of the June 1, 2026, City Council Meeting | |
| FINANCIAL IMPLICATIONS: | ADVISORY BOARD RECOMMENDATIONS: |
| Funding Sources & Uses: | Planning Commission: |
| Budget Information: | Park Board: |
| _____ Budgeted | Personnel Committee: |
| _____ Non-Budgeted | Other: |
| _____ Amendment Required | |

CITY OF WACONIA
JUNE 1, 2026

1. CALL MEETING TO ORDER AND ROLL CALL

Mayor Litfin called the June 1, 2026, Waconia City Council Meeting to order at 6:00 p.m. with all Council Members present.

2. PLEDGE OF ALLEGIANCE

- 1) Caleb Louden, fifth grader from Southview Elementary, will lead all in the Pledge of Allegiance.**

Caleb Louden led all in the Pledge of Allegiance.

3. PROCLAMATIONS

None.

4. ADOPT AGENDA

Motion to adopt the agenda as published was made by Council Member Gleason, seconded by Council Member Siddons.

MOTION CARRIED.

5. PUBLIC HEARING

- 1) Public Hearing on the Improvements to the 5th Street Reconstruction Project**

Motion to open the public hearing was made by Council Member Coleman, seconded by Council Member Gleason.

MOTION CARRIED.

Jake Saulsbury, City Engineer, provided a presentation for the 5th Street Reconstruction Project. He explained that the Council received the feasibility report on May 4 and that the public hearing was part of the process required before ordering final plans and improvements and considering future special assessments. Property owners within the project area were notified of the hearing. The project areas include 5th Street, between Olive Street and Orange Street; Elm Street South, between 5th Street and Highway 5; and Pine Street South, between 5th Street and Highway 5. Mr. Saulsbury reviewed the project timeline, scope, estimated costs, financing sources, and the City's assessment policy. He noted that all assessment amounts are preliminary and will be recalculated based on final project design and bonding costs. Mr. Saulsbury provided a general project timeline, project scope, project costs, financing and funding and reviewed the City's assessment policy. At this time, all assessments are very preliminary. The final assessments will be based on project costs, design

costs, bond costs and number will be recalculated.

The proposed street improvements include reconstruction of 5th Street, Elm Street, and Pine Street; truck section improvements on Elm Street; residential street sections on 5th Street and Pine Street; coordination with the Highway 5 project; curb and gutter replacement; sidewalk replacement and completion on Elm Street; access modifications at Elm Street, and closure of the Highway 5 access east of Pine Street with an estimated cost of \$2,576,000 with storm sewer

The proposed storm sewer improvements include extension of the storm sewer from Elm Street to the 5th Street intersection; modification of the storm sewer at the Highway 5 entrance to be moved; installation of drain tile behind curbs throughout the project area; maintenance of an existing drainage pattern; stormwater treatment through a basin included in the Highway 5 Phase 2 project with an estimated cost of 2,576,000 with Street.

The proposed sanitary sewer improvements include replacement of all existing 8-inch sanitary sewer mains; replacement of sanitary sewer manholes, and replacement of sanitary sewer services to the right-of-way line with an estimated cost of \$551,000.

The proposed water system improvements include replacement of existing 6-inch watermains with 8-inch mains; installation of a new 8-inch looped watermain on 5th Street from Olive Street to Pine Street; replacement of hydrants and gate valves; replacement of water services to the right-of-way line; addition of cathodic protection; with an estimated cost of \$700,000 anticipated to be fully funded by MnDOT due to Highway 5 Phase 2 project coordination.

Mr. Saulsbury explained that project financing would include bond proceeds and funding from special assessments, utility funds, the Pavement Improvement and Replacement Fund, and Highway 5 Grant funding.

Mayor Litfin requested additional information regarding MnDOT's partnership. Mr. Saulsbury noted the project benefits significantly from approximately \$12,000,000 in grant funding including: \$7 million from the Metropolitan Council Regional Solicitation Program; and \$5 million from the Transportation Economic Development (TED) Fund.

Jon Haukaas, Public Services Director, addressed concerns raised in three resident letters. He stated that the sidewalk work is limited to Elm Street and includes connecting to the new Highway 5 trail, future sidewalk construction on 5th Street may occur if grant funding becomes available, and the 8-inch watermain is the City's standard for looped systems and is not intended to accommodate future development.

Kurt Sieberg, 501 Olive Street South, opposed the special assessments, stating that while infrastructure maintenance is necessary, the funding mechanism places an unfair burden on property owners. He expressed concern that the project primarily benefits

commercial development and questioned the need for curb replacement.

Leland Otto, 509 Pine Street South and 441 Pine Street South, stated that 5th Street appears to need only maintenance and seal coating rather than reconstruction. He also questioned the need to replace water and sewer infrastructure that has not experienced failures and expressed concern regarding assessment costs.

Philip Graffunder, 440 Elm Street South, opposed the project and stated that maintenance rather than reconstruction is needed. He suggested greater speed enforcement, opposed property acquisition for street widening, questioned the need for sidewalks, and expressed concerns regarding the pace of Highway 5 construction.

Charles Schmakel, 156 5th Street, noted that major street improvements had not occurred since 1972. He expressed concern about closing the Highway 5 access at 5th Street and hoped assessments would not force residents from their homes.

Douglas Haran, 1606 Gale Lane, asked about the range of potential changes to the preliminary assessments.

Mr. Saulsbury responded that assessments on recent projects have typically decreased by approximately 10-15% from the feasibility study estimates. Shane Fineran, City Administrator, explained that the City also conducts a Special Benefit Evaluation through an independent third-party evaluator. Under City policy, the final assessment is limited to the lower of the special benefit determination or the actual assessable project costs.

Motion to close the public hearing was made by Council Member Grengs, seconded by Council Member Coleman.

MOTION CARRIED.

6. OPEN FORUM

None.

7. COMMUNITY INTEREST PRESENTATIONS

None.

8. ADOPT CONSENT AGENDA

- 1) Approve the May 18, 2026, City Council Minutes**
- 2) Approve June 1, 2026 Expenditures**
- 3) Contractor Pay Request - Downtown Reconstruction Phase 4 to GMH Asphalt Corporation #1**

- 4) **Downtown Reconstruction Phase 4, Change Order No. 1, City Square Park Electrical Improvements**
- 5) **Waterford 10th Addition Development Agreement– JMH Land Development Company, LLC**
- 6) **Elm Creek Ridge 1st Addition Final Plat & Elm Creek Ridge 2nd Addition Final Plat — Elm Creek Ridge, LLC**
- 7) **Elm Creek Ridge Development Agreement - REVISED**
- 8) **Utility Easement Agreement – Song River Holdings, LLC**
- 9) **Close Debt Fund No. 304 & Authorize Transfer to PIR Capital Project Fund No. 103**
- 10) **Accepting Cash Donations for Operations of the Fire Department**

Motion to adopt the consent agenda as published was made by Council Member Gleason, seconded by Council Member Coleman.
MOTION CARRIED.

9. COUNCIL BUSINESS

1) **Ordering Improvements for the 5th Street Reconstruction Project**

Jon Haukaas stated that this item represents the next step in the 2026 5th Street Reconstruction Project following the public hearing after the Public Hearing earlier in this meeting. Staff is requesting that the Council order the improvements for the project in order to continue moving it forward. No additional presentation was provided.

Mayor Litfin asked what percentage of savings the City would realize by completing the project at this time. Shane Fineran, City Administrator, explained that one of the primary savings is the approximately \$700,000 watermain cost. If the project were not completed in conjunction with the State's Highway 5 project, that cost would be the responsibility of the adjacent property owners. He noted that this represents a direct financial benefit to both the City and the affected property owners. Mr. Fineran further stated that because the State's Highway 5 Project is being bid on at the same time, the City is expected to receive more competitive bids from contractors. Based on estimates from the City Engineer, the combined savings associated with the project could approach \$1,000,000. He noted that while the project was originally scheduled for 2032, advancing it to coincide with the Highway 5 Project allows the City to take advantage of these significant cost-savings opportunities.

Motion to adopt Resolution No. 2026-140 ordering improvements and preparation of plans was made by Council Member Grengs, seconded by Council Member Siddons.
MOTION CARRIED.

2) **Accept Plans & Specifications and Authorize Ad for Bids - Water Treatment Plant No. 4**

Jon Haukaas, stated that Kevin Young of SEH, Incorporated, is the City's consultant for the proposed new water treatment facility and has finalized the plans and specifications to begin the bidding process.

Mr. Young stated that the project addresses the City's long-term water treatment capacity and regulatory compliance needs. On April 6, 2026, the Council authorized the incorporation of a Cold Storage Building into the project. SEH has advanced the design to near completion, including integration of this additional facility and related site improvements.

This project will be developed on the new 15 acre site purchased in 2025 on the east side of Little Avenue, south of County Road 10/Engler Blvd. A new road with utilities will be constructed across the site which will serve as the entrance to a future business park based on the proposed land use of the comprehensive plan. The facility will include an oversized two-stall garage to house the newest jet wash vacuum sewer cleaning combination unit and a utility repair response truck. Also included is an alternate to construct a 20,000 square foot cold storage facility that will be used for parking of seasonal vehicles, traffic control equipment, and other long-term uses to greatly improve the flow and efficiency of the existing Public Works Facility. If approved, the online bid opening will be June/July with a contract award considered at the August 3, 2026, Council meeting. Construction is to begin in September of the site grading, utility, and road extension into the site, foundations, and underground tank construction. The total project is estimated to be complete and operational in the summer of 2028. This is a total probable cost of \$35,041,000, which includes the base bid, the cold storage building (alternate) contingency, engineering, geotechnical services, materials and administrative costs.

Motion to adopt Resolution No. 2026-141 Accepting Plans and Specifications and Authorizing Advertisement for Bids for the Water Treatment Plant No. 4 Project was made by Council Member Gleason, seconded by Council Member Siddons.
MOTION CARRIED.

10. ITEMS REMOVED FROM CONSENT AGENDA

None.

11. BOARD REPORTS

1) Staff Reports

a. Regulation of Short Term Rentals - Shane Fineran

City Administrator Shane Fineran responded to an inquiry from Council Member Siddons regarding how municipalities regulate short-term rentals, including private homes, rooms, or apartments rented for less than 30 days. Mr. Fineran explained that the City does not currently regulate short-term rentals separately from other rental

properties. Short-term rentals are subject to the City's rental licensing and inspection program, which provides oversight of life-safety requirements and the adequacy of rental units. The City does not distinguish between short-term rentals and traditional long-term rental arrangements for licensing purposes. He further noted that bed-and-breakfast establishments are regulated separately under the City Code and may be permitted through a Conditional Use Permit in the R-2 and R-3 zoning districts, subject to specific requirements regarding parking, owner occupancy, meal service, animals, and the number of guest units.

Mr. Fineran stated that short-term rental operators are required to collect and remit the City's lodging tax and must also obtain the appropriate lodging license from the State of Minnesota. A review of popular rental platforms identified approximately 13 short-term rental properties operating in Waconia. Of those, nine appeared to have valid rental licenses, and two regularly remit lodging taxes to the City. Lodging tax reporting is self-reported. State records indicate no lodging licenses have been issued within the city beyond the traditional hotels and motels currently operating.

Council Member Siddons stated that his intent was to raise public awareness and initiate a discussion regarding short-term rentals, noting that the City is currently enforcing the regulations already in place.

Mayor Litfin requested that the topic be scheduled for a future City Council work session for further evaluation.

b. Election Update - Jackie Schulze

Jackie Schulze, Assistant City Administrator, reported that the candidate filing period for the 2026 election will open on July 14 and close on July 28. She noted that filing has traditionally occurred in August and Staff will continue to promote the new filing dates to the public. Ms. Schulze stated that the primary election will be held on August 11, 2026, and the general election on November 3, 2026. She explained that Waconia is the only city in Carver County that provides in-person absentee voting for its residents. A recent change in Minnesota law allows cities to opt into an 18-day early voting period instead of the previous 46-day absentee voting period. Under the early voting process, voters can place their ballots directly into a tabulating voting machine rather than sealing them in multiple envelopes as required under absentee voting procedures. She stated this change will reduce the number of times ballots are handled and enhance election security. Ms. Schulze noted that approximately 85% of Waconia voters who voted early during the last election did so within the final 18 days of the voting period. She also outlined the City's planned early voting schedule, which will include extended voting opportunities on Saturday, October 24; Tuesday, October 27, until 7:00 p.m.; Saturday, October 31; Sunday, November 1; and Monday, November 2, 2026, in addition to regular business hours.

Sgt. Howard reported that the Department responded to 30 total offenses in May 2026, a significant decrease from 65 offenses in May 2025. He noted that theft-related incidents were a major contributor to last year's higher total but have declined this

year. Residents were encouraged to continue taking preventive measures, such as keeping vehicles locked both during the day and overnight to help maintain the reduction in thefts. Sgt. Howard also reminded residents that school is out for the summer, resulting in more children walking and biking throughout the community. Motorists were urged to drive cautiously and obey posted speed limits.

He further noted that there have been no calls for service related to VRBO properties in Waconia indicating no issues associated with short-term rental activity. The department issued 57 traffic citations and violations during May, including enforcement actions involving e-bikes and other traffic-related offenses. This represents an increase in traffic enforcement activity compared to the same period last year.

2) Councilmember Siddons

Nothing to report.

3) Councilmember Coleman

Nothing to report.

4) Councilmember Gleason

Nothing to report.

5) Councilmember Grengs

Nothing to report.

6) Mayor Litfin

Mayor's Report for 06-01-2026:

A big thank you to the Waconia Marching Band Director Nick Hansbury, and two of his student leaders, Benet and Mia, for hosting the Mayor's Minute on Tuesday, May 19th.

The Mayor also attended three ribbon-cutting ceremonies on May 21st. The first was at the Wilford, where Chamber members joined Steve and Rita Yetzer and Carl Yetzer in celebrating the opening of the new downtown Waconia building. The second ribbon cutting was held for Lakeview Clinic's newly completed addition, reception area, and lobby renovation. The third ceremony celebrated the opening of Three Bears, a new indoor playground located in Brian Falk's recently constructed building.

Mayor Litfin further recognized the community's Memorial Day observance on May 25th, and thanked the American Legion Post 150 for organizing and preserving the annual tradition. He noted that Waconia is fortunate to have both the Memorial Day ceremony and the veteran's monuments in City Square Park. The Mayor participated as one of the presenters during the ceremony and described it as a meaningful event

honoring those who made the ultimate sacrifice, while also recognizing veterans and active-duty and reserve military personnel. He encouraged all residents to attend Memorial Day observances.

12. ANNOUNCEMENTS

Jackie Schulze, Assistant City Administrator. Thursday, June 4th, is the return of the Summer Music Series from 6:30 to 8:00 p.m. with Anti Skip Protection performing on Olive Street between 1st Street and 2nd Street. Local businesses will be offering food and drink specials with fun for the whole family.

On Tuesday, June 2, from 5:00 to 7:00 at Waconia City Hall, there will be an Open House for the former UFC Location at 801 Highway 284. The City is developing a small area plan and has recently completed a market study to explore the best potential uses for the site. This is an opportunity to learn more about the site, view potential concepts, and share your feedback.

13. ADJOURN REGULAR MEETING

Motion to adjourn the June 1, 2026, Waconia City Council Meeting at 7:45 p.m. was made by Council Member Coleman, seconded by Council Member Siddons.

MOTION CARRIED.

Tim Litfin, Mayor

ATTEST: _____
Sue Schwalbe, Administrative Specialist



REQUEST FOR CITY COUNCIL ACTION

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| Meeting Date: June 15, 2026 | |
| Item Name: 8.2. Approve June 15, 2026 Expenditures | |
| Originating Dept: Finance | |
| Presented By: Nicole Meyer | |
| Previous Council Action: | |
| Item Type: | Consent |
| RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Approve June 15, 2026 Expenditures | |
| EXPLANATION OF AGENDA ITEM: | |
| Attached are the claim and disbursement registers for the City of Waconia as of June 15, 2026. Payments are made to vendors via check, electronic payment, and through the City's purchasing card program. | |
| ATTACHMENTS: | |
| None | |
| FINANCIAL IMPLICATIONS: | ADVISORY BOARD RECOMMENDATIONS: |
| Funding Sources & Uses: | Planning Commission: |
| Budget Information: | Park Board: |
| _____ Budgeted | Personnel Committee: |
| _____ Non-Budgeted | Other: |
| _____ Amendment Required | |



REQUEST FOR CITY COUNCIL ACTION

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|--|--|
| Meeting Date: June 15, 2026 | |
| Item Name: 8.3. Safari Island Community Center Expenditures from Sports Facilities Companies Incurred May 2026 | |
| Originating Dept: Finance | |
| Presented By: Amanda Ortloff | |
| Previous Council Action: None | |
| Item Type: | Consent |
| RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Motion to Approve Safari Island Community Center Expenditures from Sports Facilities Companies Incurred May 2026 | |
| EXPLANATION OF AGENDA ITEM: Sports Facilities Companies has provided the attached report for expenditures paid in May 2026. Per the City's contract with Sports Facilities Companies, these expenditures are paid by Sports Facilities Companies for the City's operation of the Safari Island Community Center. | |
| ATTACHMENTS: None | |
| FINANCIAL IMPLICATIONS: | ADVISORY BOARD RECOMMENDATIONS: |
| Funding Sources & Uses: Safari Island | Planning Commission: |
| Budget Information: | Park Board: |
| <input checked="" type="checkbox"/> Budgeted | Personnel Committee: |
| <input type="checkbox"/> Non-Budgeted | Other: |
| <input type="checkbox"/> Amendment Required | |



REQUEST FOR CITY COUNCIL ACTION

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|---|--|
| Meeting Date: June 15, 2026 | |
| Item Name: 8.4. Ice Arena Expenditures from Sports Facilities Companies Incurred May 2026 | |
| Originating Dept: Finance | |
| Presented By: Amanda Ortloff | |
| Previous Council Action: None | |
| Item Type: | Consent |
| RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Motion to Approve Ice Arena Expenditures from Sports Facilities Companies Incurred May 2026 | |
| EXPLANATION OF AGENDA ITEM: Sports Facilities Companies has provided the attached report for expenditures paid in May 2026. Per the City's contract with Sports Facilities Companies, these expenditures are paid by Sports Facilities Companies for the City's operation of the Waconia Ice Arena. | |
| ATTACHMENTS: None | |
| FINANCIAL IMPLICATIONS: | ADVISORY BOARD RECOMMENDATIONS: |
| Funding Sources & Uses: Ice Arena | Planning Commission: |
| Budget Information: | Park Board: |
| <input checked="" type="checkbox"/> Budgeted | Personnel Committee: |
| <input type="checkbox"/> Non-Budgeted | Other: |
| <input type="checkbox"/> Amendment Required | |



REQUEST FOR CITY COUNCIL ACTION

| | |
|---|--|
| Meeting Date: June 15, 2026 | |
| Item Name: 8.5. Contractor Pay Request - CSAH 10 Trail Project to GMH Asphalt, Inc. #2 | |
| Originating Dept: Finance | |
| Presented By: Amanda Ortloff | |
| Previous Council Action: Resolution No. 2026-022 Ordering Preparation of Plans & Specifications and Authorizing Advertisement for Bids - CSAH 10 Connector Trail Resolution No. 2026-090 Authorizing Joint Powers Agreement with Carver County for Hwy 10 Regional Trail Connection Project Resolution No. 2026-102 Authorizing Award of Construction Contract for the Hwy10 Regional Trail Connection Project | |
| Item Type: | Consent |
| RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Motion to approve CSAH 10 Trail Project Pay Request No. 2 to GMH Asphalt, Inc. | |
| EXPLANATION OF AGENDA ITEM: Staff have reviewed the contractor pay request for the CSAH 10 Trail Project and recommends payment of \$107,547.17 based on the engineering request for payment. This payment represents approximately 37% of the total approved contract for the project. | |
| ATTACHMENTS: 1. CSAH 10 Trail Payment B&M Memo Pay Request #2 | |
| FINANCIAL IMPLICATIONS: | ADVISORY BOARD RECOMMENDATIONS: |
| Funding Sources & Uses: PIR | Planning Commission: |
| Budget Information: | Park Board: |
| <input checked="" type="checkbox"/> Budgeted | Personnel Committee: |
| <input type="checkbox"/> Non-Budgeted | Other: |
| <input type="checkbox"/> Amendment Required | |



Real People. Real Solutions.

2638 Shadow Lane
Suite 200
Chaska, MN 55318-1172

Ph: (952) 448-8838
Fax: (952) 448-8805
Bolton-Menk.com

June 10, 2026

City of Waconia
Attn: Nicole Meyer
201 South Vine St.
Waconia, MN 55387

**RE: CSAH 10 Trail Project
Payment Request No. 2**

Dear Mrs. Meyer:

Enclosed please find Payment Request No. 2 for work completed through 6/5/2026 on the above-referenced project. The work completed includes payment for common excavation, muck excavation, stabilizing aggregate, geogrid, erosion control, and other miscellaneous items.

We have reviewed the estimate, verified the quantities, and recommend the City make payment in the amount of **\$107,547.17** to GMH Asphalt, Inc. 100% of this requested payment is for the trail system.

Please contact me if you have any questions regarding this pay request.

Respectfully Submitted,
Bolton & Menk, Inc.

Jake Saulsbury, P.E.

cc: Jon Haukaas, City of Waconia
Ryan Johnson, Bolton & Menk

Enclosure

CONTRACTOR'S PAY REQUEST

CSAH 10 TRAIL



BOLTON & MENK

Real People. Real Solutions.

DISTRIBUTION:

CONTRACTOR (1)

OWNER (1)

ENGINEER (1)

CITY OF WACONIA -

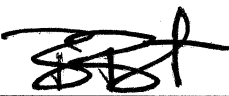
BMI PROJECT NO. 25X141972

| | |
|---|--------------|
| TOTAL AMOUNT BID PLUS APPROVED CHANGE ORDERS | \$344,905.27 |
| TOTAL, COMPLETED WORK TO DATE | \$133,350.55 |
| TOTAL, STORED MATERIALS TO DATE | \$0.00 |
| DEDUCTION FOR STORED MATERIALS USED IN WORK COMPLETED | \$0.00 |
| TOTAL, COMPLETED WORK & STORED MATERIALS | \$133,350.55 |
| RETAINED PERCENTAGE (5.0%) | \$6,667.53 |
| TOTAL AMOUNT OF OTHER PAYMENTS OR (DEDUCTIONS) | \$0.00 |
| NET AMOUNT DUE TO CONTRACTOR TO DATE | \$126,683.02 |
| TOTAL AMOUNT PAID ON PREVIOUS ESTIMATES | \$19,135.85 |
| PAY CONTRACTOR AS ESTIMATE NO. 2 | \$107,547.17 |

CERTIFICATE FOR PARTIAL PAYMENT

I hereby certify that, to the best of my knowledge and belief, all items quantities and prices of work and material shown on this Estimate are correct and that all work has been performed in full accordance with the terms and conditions of the Contract for this project between the Owner and the undersigned Contractor, and as amended by any authorized changes, and that the foregoing is a true and correct statement of the contract amount for the period covered by this Estimate.


Contractor: GMH Asphalt Corp
9180 Laketown Road
Chaska, MN 55318

By  Name VP Title

Date 6-10-26

CHECKED AND APPROVED AS TO QUANTITIES AND AMOUNT:

ENGINEER: BOLTON & MENK, INC., 2638 SHADOW LANE, STE 200, CHASKA, MN 55318

By , CONSULTING ENGINEER

Date 6/8/2026

APPROVED FOR PAYMENT:

OWNER:

By _____ Name Title Date

And _____ Name Title Date



REQUEST FOR CITY COUNCIL ACTION

| | |
|--|---|
| Meeting Date: | June 15, 2026 |
| Item Name: | 8.6. Authorizing Replacement of Liquid De-Icing Storage Tanks |
| Originating Dept: | Public Services |
| Presented By: | Mike Dressel |
| Previous Council Action: None | |
| Item Type: | Consent |
| RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2026-142 Authorizing Acquisition of 3,000 Double-Walled Liquid Tank. | |
| EXPLANATION OF AGENDA ITEM: | |
| <p>The City owns and maintains six liquid de-icing storage tanks ranging in size from 500 gallons to 6,500 gallons. These tanks are used to store salt brine, Beet Heat, and Apex de-icing projects.</p> <p>Staff is requesting approval to replace two single-wall 500-gallon tanks with one double-wall 3,000-gallon storage tank. This replacement would increase the City's Beet Heat storage capacity and provide greater flexibility in scheduling product deliveries.</p> <p>Beet Heat is a concentrated, corrosion inhibited, organically enhanced, liquid highway de-icer consisting of sodium chloride (NaCl) and potassium chloride (KCl). It is blended with salt brine at various ratios to improve melting performance when applying liquid de-icers to the streets. The City's current Beet Heat storage capacity is limited to 2,000 gallons. Adding a 3,000-gallon tank would increase available storage and improve operational efficiency.</p> <p>The 2023-2024 and 2024-2025 winter seasons experienced below-average snowfall, resulting in reduced rock salt usage and a surplus salt inventory. Due to this surplus, Staff did not purchase additional salt for the 2025-2026 winter season and reduced the Streets Division sand and salt budget by \$25,000 for 2026.</p> <p>Staff purposes to purchase a double-wall 3,000-gallon tank from Varietch Industries, Inc. at a cost of \$19,134.38. Funding would come from the Streets Division's 2026 sand and salt operating budget. Of the \$40,000 budgeted for 2026, \$10,145 has been spent, leaving a balance of \$29,855. Following the purchase, approximately \$10,720.62 would remain available for the production of salt brine and the purchase of additional Beet Heat as needed during the remainder of the 2026 budget year.</p> <p>Staff compared pricing through the Minnesota State Cooperative Purchasing Program and the Sourcewell Cooperative Purchasing Program to ensure the most competitive pricing was obtained for the storage tank.</p> | |
| ATTACHMENTS: | |
| <ol style="list-style-type: none">1. Resolution No. 2026-142 Purchase of De-Icing Equipment2. Varitech Industries 3,000-gallon Quote | |

| FINANCIAL IMPLICATIONS: | ADVISORY BOARD RECOMMENDATIONS: |
|--|--|
| Funding Sources & Uses: | Planning Commission: |
| Budget Information: | Park Board: |
| <input type="checkbox"/> Budgeted | Personnel Committee: |
| <input checked="" type="checkbox"/> Non-Budgeted | Other: |
| <input type="checkbox"/> Amendment Required | |

**CITY OF WACONIA
RESOLUTION NO. 2026-142**

RESOLUTION AUTHORIZING ACQUISITION OF CAPITAL EQUIPMENT

WHEREAS, one of the City’s Priorities is to “manage, maintain, and improve our current and future physical assets”; and

WHEREAS, the Public Services staff continually evaluates equipment needs in an effort to optimize use and improve efficiency of operations; and

WHEREAS, which more recent evaluation identified other equipment that will be provide better utilized and improve operations; and

WHEREAS, the following equipment has been priced through the Minnesota State Cooperative Purchasing Program, and the Sourcewell Cooperative Purchasing Program to find the best pricing on the desired equipment; and

Doubled-walled 3,000-gallon Capture tank \$19,134.88

WHEREAS, Staff recommends approval and authorization to purchase the requested equipment.

NOW, THEREFORE, BE IT RESOLVED That the City Council of the City of Waconia hereby authorizes acquisition of equipment from Varitech Industries Inc. through Sourcewell Cooperative Purchasing Program and the State of Minnesota Cooperative Purchasing Program.

Adopted by the City Council of the City of Waconia this 15th day of June 2026.

Tim Litfin, Mayor

Attest: _____
Jackie Schulze, Assistant City Administrator

Sales Quotation



VariTech Industries Inc.
 A subsidiary of FORCE America, Inc.
 8633 Eagle Creek Pkwy
 Savage, MN 55378
 (952) 707-1300

QUOTE
QT060-2008155-1
 DATE 5/27/2026
 PAGE 1 OF 1

SOLD TO
001369
CITY OF WACONIA PUBLIC WORKS
 201 S VINE ST
 WACONIA, MN 55387-1337
 USA

SHIP TO
2358
CITY OF WACONIA PUBLIC WORKS
 201 S VINE ST
 WACONIA, MN 55387-1337
 USA

Expiration Date: 6/26/2026
Customer Ref.: 3000 Gal Captor Tank - 1.5 Sg
Customer P/O:
Customer Contact:
Payment Terms: Credit Card
Sales Rep: Zeppelin, Jason W

Ship From: VARITECH INDUSTRIES INC
 Site 160
 4115 MINNESOTA ST
 ALEXANDRIA, MN
 56308-3328
 USA

NOTES

| | PRODUCT / DESCRIPTION | QTY | U/M | PRICE | EXTENSION |
|---|---|-----|-----|-------------|-----------|
| 1 | 1085332 3000 Gal Captor Tank - 1.5 Sg Captor Tank Only <i>SNY TAN-3000CCS-15</i> | 1 | ea | 16,374.0000 | 16,374.00 |
| 2 | 1085313 2" Fth Ss Bolted Tank Ftg New Style Epdm Gasket <i>SNY TAN-200BOLT-SS</i> | 2 | ea | 287.1900 | 574.38 |
| 3 | 1085314 2" Poly Siphon Tube <i>SNY TAN-200SIPHON-FT</i> | 1 | ea | 91.0000 | 91.00 |
| 4 | 1024744 90" Dia. Gallonage Decal <i>NPNX585</i> | 1 | ea | 95.0000 | 95.00 |
| 5 | 1067215 Dwst (Dual Wall Storage Tank) 2" Ext Fill Tube with Sight Tube Assy for 2" Tank Outlet <i>LDS 8069X001</i> | 1 | ea | 2,000.0000 | 2,000.00 |

 Prices & Lead Times & Delivery Dates Are Based Upon Current Information And Are Subject to Change
 Unless Otherwise Noted, Prices Do Not Include Freight

Accepted By: _____
Date: June 15, 2026

MERCHANDISE TOTAL: \$19,134.38
CHARGES: \$0.00
TAX: \$0.00
QUOTE TOTAL: **\$19,134.38**

Questions about your order? Contact us by phone at 888-208-0686 or email us at sales@varitech-industries.com

**VARITECH INDUSTRIES, INC.
TERMS AND CONDITIONS**

Acceptance: These Terms and Conditions shall govern all contracts for the sale of any goods to Buyer by VariTech Industries, Inc. and/or its subsidiaries and divisions (collectively "Seller"). These Terms and Conditions shall control over any conflicting terms and condition set forth in any request for quotation, purchase order, confirmation or other transaction document submitted to Seller by Buyer.

Delays in Delivery: Seller shall not be responsible for any delay in delivery of goods to Buyer due to fires, strikes, riots, Acts of God, government orders or restrictions, delays in transportation delays by suppliers or materials or parts, inability to obtain necessary labor or other causes beyond Seller's control. In the event of such delay, the delivery date shall be extended for a reasonable period of time.

Damage or Loss in Transit: All risk of loss shall pass to Buyer at the time of delivery of the goods. Deliver of the goods to any carrier shall constitute delivery of the goods to Buyer, regardless of which party retained or hired the carrier.

Warranties: Seller warrants that any goods sold by Seller to Buyer shall be free from defects in material and workmanship for a period of one (1) year from the date of delivery. THIS WARRANTY SHALL BE THE SOLE AND EXCLUSIVE WARRANTY MADE BY SELLER TO BUYER. SELLER HEREBY DISCLAIMS ANY IMPLIED WARRANTIES, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Exclusive Remedy: If within the aforementioned one-year warranty period, any goods sold by Seller are proven by Buyer to be defective to Seller's reasonable satisfaction, then such defective goods shall be repaired or replaced, at Seller's sole option. THIS REMEDY SHALL BE THE SOLE AND EXCLUSIVE REMEDY AVAILABLE TO BUYER. BUYER SHALL NOT, UNDER ANY CIRCUMSTANCES, BE ENTITLED TO RECOVER ANY INCIDENTAL, CONSEQUENTIAL OR CONTINGENT DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST PROFITS.

Payment: Buyer shall pay Seller's invoices within thirty (30) days of receipt. Buyer agrees to pay interest to Seller on any past-due amounts at the rate of 18% per year.

Security Interest: To secure payment of Seller's invoices, Buyer hereby grants Seller a security interest in all goods sold by Seller to Buyer. Buyer hereby authorizes Seller to file financing statements on behalf of Buyer to perfect Seller's security interest. In the event Buyer fails to timely pay Seller for any goods sold to Buyer, Seller may proceed, at its option, to utilize the remedies available to a secured party under Article 9 of the Uniform Commercial Code.

Freight Terms: All sales made by Seller to Buyer shall be F.O.B. Seller's Distribution Center.

Returned Goods: Goods may only be returned by Buyer with Seller's prior authorization and consent. Only unused goods in original containers of current design will be considered for return. Specially manufactured, custom or modified goods shall not be returnable. Buyer shall pay all transportation charges for any goods accepted for return by Seller. Buyer shall also pay a restocking charge equal to 15% of the original price of any goods accepted by Seller for return.

Taxes and Other Charges: Buyer shall be responsible for paying any taxes, duties, fees, or other charges imposed by any governmental entity based upon Buyer's purchase of any goods from Seller.

Legal Action: These Terms and Conditions and the terms of any contract for the sale of goods by Seller to Buyer shall be governed by and construed in accordance with Minnesota law. Any action relating to or arising out of any contact for the sale of goods by Seller to Buyer shall be venued in state or federal court in Minnesota. Buyer consents to the personal jurisdiction of Minnesota courts and waives any defense that venue in Minnesota is in any manner inconvenient. Buyer shall pay all attorney fees, costs and disbursements incurred by Seller in collecting any amounts due from Buyer, enforcing these Terms and Conditions and/or enforcing the terms of any contract for the sale of goods by Seller to Buyer. Any legal action by Buyer against Seller relating to or arising out of any contract for the sale of goods by Seller to Buyer shall be brought within one (1) year after the delivery of the goods or be forever barred.



REQUEST FOR CITY COUNCIL ACTION

| | |
|--|--|
| Meeting Date: June 15, 2026 | |
| Item Name: 8.7. Authorize Acquisition of Second UTV | |
| Originating Dept: Public Services | |
| Presented By: Mike Dressel | |
| Previous Council Action: Adopt Resolution No. 2026-093 Authorizing Acquisition of Capital Equipment. | |
| Item Type: | Consent |
| RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2026-143 Authorizing Acquisition of Second UTV | |
| EXPLANATION OF AGENDA ITEM: | |
| <p>The 2026 Capital Improvement Plan includes \$60,000 for the purchase of two utility task vehicles (UTVs). At its April 6, 2026, meeting, the Council approved the purchase of the first John Deere Gator XUV 845M HVAC model. Since taking delivery, staff have evaluated the vehicle's performance and found it to be well-suited for operational needs. Staff is now requesting authorization to purchase the second UTV included in the CIP. The UTV will be used primarily by the Parks Department to transport seasonal staff, tow portable dumpsters for collecting refuse from park trash receptacles, and perform a variety of park maintenance activities. Use of the UTV will also help reduce mileage and wear on higher-cost Toolcat vehicles.</p> <p>Pricing was compared through both the Minnesota State Cooperative Purchasing Program and the Sourcewell Cooperative Purchasing Program to ensure the City received the most competitive pricing available. Staff recommends approval of the purchase of one (1) 2026 John Deere Gator XUV 845M HVAC from Kibble Equipment in the amount of \$30,726.56.</p> | |
| ATTACHMENTS: | |
| <ol style="list-style-type: none"> Resolution No. 2026-143 Authorize Acquisition of 2nd UTV Kibble John Deere UTV Quote | |
| FINANCIAL IMPLICATIONS: | ADVISORY BOARD RECOMMENDATIONS: |
| Funding Sources & Uses: | Planning Commission: |
| Budget Information: | Park Board: |
| <input checked="" type="checkbox"/> Budgeted | Personnel Committee: |
| _____ Non-Budgeted | Other: |
| _____ Amendment Required | |

**CITY OF WACONIA
RESOLUTION NO. 2026-143**

RESOLUTION AUTHORIZING ACQUISITION OF CAPITAL EQUIPMENT

WHEREAS, one of the City’s Priorities is to “manage, maintain, and improve our current and future physical assets”; and

WHEREAS, the Public Services staff continually evaluates equipment needs in an effort to optimize use and improve efficiency of operations; and

WHEREAS, which more recent evaluation identified other equipment that will be provide better utilized and improve operations across multiple divisions; and

WHEREAS, the following list of equipment has been priced through the Minnesota State Cooperative Purchasing Program, and Sourcewell Cooperative Purchasing Program to find the best pricing on the desired equipment; and

2026 John Deere Gator XUV 845M HVAC \$30,726.57

WHEREAS, Staff recommends approval and authorization to purchase the requested equipment.

NOW, THEREFORE, BE IT RESOLVED That the City Council of the City of Waconia hereby authorizes acquisition of equipment from Kibble Equipment through Sourcewell Cooperative Purchasing Program and the State of Minnesota Cooperative Purchasing Program.

Adopted by the City Council of the City of Waconia this 15th day of June 2026.

Tim Litfin, Mayor

Attest: _____
Jackie Schulze, Assistant City Administrator

Customer:

Quotes are valid for 30 days from the creation date or upon contract expiration, whichever occurs first.

A Purchase Order (PO) or Letter of Intent (LOI) including the below information is required to proceed with this sale. The PO or LOI will be returned if information is missing.

Vendor: Deere & Company

2000 John Deere Run

Cary, NC 27513-2789 US

FED ID: 36-2382580

UEID: FNSWEDARMK53

Signature on all LOIs and POs with a signature line

Contract name or number; or JD Quote ID

Sold to street address

Ship to street address (no PO box)

Bill to contact name and phone number

Bill to address

Bill to email address (required to send the invoice and/or to obtain the tax exemption certificate)

Membership number if required by the contract

Quotes of equipment offered through contracts between Deere & Company, its divisions and subsidiaries (collectively "Deere") and government agencies are subject to audit and access by Deere's Strategic Accounts Business Division to ensure compliance with the terms and conditions of the contracts.

For any questions, please contact:

PAUL MURPHY

Kibble Equipment

1051 Old Hwy 169 Blvd

Belle Plaine, MN 56011

Work Phone: 9524060701

Cell Phone: 9524060701

Email: paul.murphy@kibbleeq.com

ALL PURCHASE ORDERS MUST BE MADE OUT TO (VENDOR):

Deere & Company
 2000 John Deere Run
 Cary, NC 27513-2789 US
 FED ID: 36-2382580
 UEID: FNSWEDARMK53

ALL PURCHASE ORDERS MUST BE SENT TO DELIVERING DEALER:

PAUL MURPHY
 Kibble Equipment
 1051 Old Hwy 169 Blvd Belle Plaine, MN 56011

Prepared For

MIKE MAWDSLEY
 CITY OF WACONIA PUBLIC WORKS
 310 E 10TH ST
 WACONIA, MN 553879509
 (612) 940-1027
 MMAWDSLEY@WACONIAMN.GOV

Prepared By

PAUL MURPHY
 Kibble Equipment
 1051 Old Hwy 169 Blvd
 Belle Plaine, MN 56011
 9524060701
 paul.murphy@kibbleeq.com

Quote Id 2205949

Creation Date 08-Jun-2026

Expiration Date 08-Jul-2026

Quote Summary

| Equipment Summary | Suggested List | Selling Price | QTY In Group | Extended |
|---|----------------|---------------|--------------|--------------------|
| GATOR™ XUV 845M HVAC (Model Year 2026) Contract: Sourcewell Grounds Maint 112624-DAC (PG NB CG 70) Price Effective Date: 07-Jun-2026 | \$35,147.17 | \$30,226.57 | 1 | \$30,226.57 |
| 7-Pin Connector Contract: Open Market | \$500.00 | \$500.00 | 1 | \$500.00 |
| Equipment Total | | | | \$30,726.57 |

Quote Summary

| | |
|-----------------------------------|--------------------|
| Total Selling Price | \$30,726.57 |
| Total Taxable Equipment Fees | \$0.00 |
| Sub-total | \$30,726.57 |
| *Total Non-Taxable Equipment Fees | \$0.00 |
| Rental Applied | \$0.00 |
| Total Amount Due | \$30,726.57 |
| Down Payment | \$0.00 |
| Balance Due | \$30,726.57 |

Salesperson : X _____

Accepted By : X _____

Selling Equipment

Quote # 2205949
 Customer CITY OF WACONIA PUBLIC WORKS

GATOR™ XUV 845M HVAC (Model Year 2026)

QTY In Group : 1

| | | |
|----------------------|---|-----------------|
| Equipment Notes | --- | Suggested List |
| Hours | --- | \$35,147.17 |
| Serial Number | --- | Selling Price |
| Stock Number | --- | \$30,226.57 |
| Contract | Sourcewell Grounds Maint 112624-DAC (PG NB CG 70) | Discount Amount |
| Price Effective Date | 07-Jun-2026 | (\$4,920.60) |
| PUK Parent Serial # | --- | |

Equipment Summary

| Code | Description | Qty | List Price | Discount % | Discount \$ | Adjusted Selling Price |
|-------|--|-----|-------------|------------|--------------|------------------------|
| 8816M | GATOR™ XUV 845M HVAC (Model Year 2026) | 1 | \$29,999.00 | 14.0% | (\$4,199.86) | \$25,799.14 |

Base / Options

| Code | Description | Qty | List Price | Discount % | Discount \$ | Adjusted Selling Price |
|------|---|-----|------------|------------|-------------|------------------------|
| 001F | US 49 State | 1 | \$0.00 | 14.0% | \$0.00 | \$0.00 |
| 0505 | Build To Order | 1 | \$0.00 | 14.0% | \$0.00 | \$0.00 |
| 182A | Less AutoTrac™ /GreenStar™ Harness | 1 | \$0.00 | 14.0% | \$0.00 | \$0.00 |
| 183B | Less JDLINK™ Hardware | 1 | \$0.00 | 14.0% | \$0.00 | \$0.00 |
| 1880 | Less Receiver | 1 | \$0.00 | 14.0% | \$0.00 | \$0.00 |
| 1900 | Less Display | 1 | \$0.00 | 14.0% | \$0.00 | \$0.00 |
| 1950 | Less Application | 1 | \$0.00 | 14.0% | \$0.00 | \$0.00 |
| 2500 | Green and Yellow | 1 | \$0.00 | 14.0% | \$0.00 | \$0.00 |
| 1062 | 27" Predator Heavy-Duty all-terrain radial tires on 14" Yellow Alloy Wheels | 1 | \$650.00 | 14.0% | (\$91.00) | \$559.00 |
| 4022 | Full Door with Side Mirrors | 1 | \$0.00 | 14.0% | \$0.00 | \$0.00 |

| | | | | | | |
|-----------------------------|---|---|--------------------|-------|---------------------|--------------------|
| 4063 | HVAC Cab with Radio | 1 | \$1,300.00 | 14.0% | (\$182.00) | \$1,118.00 |
| 2350 | Park Position in Transmission | 1 | \$0.00 | 14.0% | \$0.00 | \$0.00 |
| 5007 | Premium Protection Package | 1 | \$1,200.00 | 14.0% | (\$168.00) | \$1,032.00 |
| 5110 | Premium Comfort and Convenience Package | 1 | \$1,600.00 | 14.0% | (\$224.00) | \$1,376.00 |
| Total Base / Options | | | \$34,749.00 | | (\$4,864.86) | \$29,884.14 |

Dealer Attachments

| Code | Description | Qty | List Price | Discount % | Discount \$ | Adjusted Selling Price |
|---------------------------------|--|-----|--------------------|------------|---------------------|------------------------|
| BM26477 | Rearview mirror Serial Number: --- Stock Number: --- | 1 | \$255.73 | 14.0% | (\$35.80) | \$219.93 |
| BUC11349 | Backup alarm Serial Number: --- Stock Number: --- | 1 | \$142.44 | 14.0% | (\$19.94) | \$122.50 |
| Total Dealer Attachments | | | \$398.17 | | (\$55.74) | \$342.43 |
| Selling Price Subtotal | | | | | | \$30,226.57 |
| Total Selling Price | | | \$35,147.17 | | (\$4,920.60) | \$30,226.57 |

7-Pin Connector

QTY In Group : 1

| | | |
|---------------------|-------------|-----------------|
| Equipment Notes | --- | Suggested List |
| Hours | --- | \$500.00 |
| Serial Number | --- | Selling Price |
| Stock Number | --- | \$500.00 |
| Contract | Open Market | Discount Amount |
| PUK Parent Serial # | --- | \$0.00 |

Equipment Summary

| Code | Description | Qty | List Price | Discount % | Discount \$ | Adjusted Selling Price |
|-------------------------------|-----------------|-----|-----------------|------------|---------------|------------------------|
| 1 | 7-Pin Connector | 1 | \$500.00 | 0.0% | \$0.00 | \$500.00 |
| Total Base / Options | | | \$500.00 | | \$0.00 | \$500.00 |
| Selling Price Subtotal | | | | | | \$500.00 |
| Total Selling Price | | | \$500.00 | | \$0.00 | \$500.00 |



JOHN DEERE
FINANCIAL

WHY FINANCE WITH JOHN DEERE FINANCIAL?

Whether you're running a farm, managing a business, or maintaining your property, John Deere Financial is here to support you. With decades of experience and deep knowledge of John Deere equipment, we offer flexible financing solutions tailored to your needs, your goals, and your budget. From large-scale ag producers to commercial contractors to homeowners, we make it easier to own and operate the equipment you trust, with competitive rates and terms that work for you.

For generations, we've stood by our customers with reliable financing and long-term commitment. With John Deere Financial, your financing works as hard and reliably as your equipment, because we believe in building lasting relationships that grow with you.

CONVENIENT

- Multiple finance solutions for the products and services you need.
- Enjoy a seamless experience with eStatements, easy account management through My Financial Accounts, secure eSignature options, and fast approvals—saving you time and simplifying your financial life.

COMPETITIVE

- Customized solutions — help choosing the best financial mix to support your needs.
- Unmatched industry expertise.
- Tailored terms, flexible payments, and cost-effective maintenance plans.

COMMITTED

- Here for you in good times and in bad - we'll find solutions to keep you in your equipment and on track for future success.
- As a finance company owned and operated by John Deere, we are focused on products built by John Deere.

INSIGHTFUL

- Customer service team that thoroughly understands your industry and the challenges customers face.
- Financing solutions for real life.



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*To learn about our
finance products.*

SCAN HERE
To apply online today!





REQUEST FOR CITY COUNCIL ACTION

| | |
|--|--|
| Meeting Date: June 15, 2026 | |
| Item Name: 8.8. Intersection Control Change to All Way Stop at Elm Street and 2nd Street | |
| Originating Dept: Public Services | |
| Presented By: Jon Haukaas | |
| Previous Council Action: Resolution No. 2025-214 Ordering a Warrant Analysis for All-Way Stop Condition at the intersection of Elm Street and 2nd Street to be performed | |
| Item Type: | Consent |
| <p>RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2026-144 Approving the installation of stop signs on Elm Street at the intersection with 2nd Street to create an all-way stop condition.</p> <p>EXPLANATION OF AGENDA ITEM:</p> <p>The Council directed staff to conduct a review of the traffic control at the intersection of Elm Street and 2nd Street to evaluate the justification of an all-way stop condition (AWSC). The safety concerns raised regarding this intersection include sight lines from the buildings and parked vehicles, and the higher pedestrian traffic during school start/end and downtown events.</p> <p>The City's Consulting Engineering Firm, Bolton & Menk, has several highly qualified Transportation Engineers on staff and were asked to conduct this evaluation. AWSC installation is not warranted by crash/volume thresholds but is supported by engineering judgment based on sight distance, school/pedestrian context, and future conditions. The installation is justified based on the intersection's adjacency to a school, expected changes in traffic patterns from Pine Street access changes, obstructed sight-lines from parked vehicles on Elm Street (and the adjacent building that restricts eastbound and southbound approach views). Because restricting parking is unlikely to gain local support, conversion to all-way stop control is anticipated to enhance the overall long-term safety and operations at the intersection. Conversion from the existing two-way stop to AWSC is recommended.</p> <p>ATTACHMENTS:</p> <ol style="list-style-type: none"> Resolution No. 2026-144 Authorize Changes to Intersection Traffic Control at Elm St & 2nd St Intersection Evaluation at 2nd St at Elm St | |
| FINANCIAL IMPLICATIONS: | ADVISORY BOARD RECOMMENDATIONS: |
| Funding Sources & Uses: | Planning Commission: |
| Budget Information: | Park Board: |
| <input checked="" type="checkbox"/> Budgeted | Personnel Committee: |
| _____ Non-Budgeted | Other: |
| _____ Amendment Required | |

**CITY OF WACONIA
RESOLUTION NO. 2026-144**

**RESOLUTION AUTHORIZING CHANGES TO INTERSECTION TRAFFIC
CONTROL AT ELM STREET AND SECOND STREET**

WHEREAS, one of the City’s Priorities is to “manage, maintain, and improve our current and future physical assets”; and

WHEREAS, the City Council directed staff to review the intersection control at Elm and 2nd Streets due to safety concerns and evaluation of an all-way stop condition; and

WHEREAS, currently Elm Street flows freely from TH5 to 1st Street and the stop condition is on 2nd Street; and

WHEREAS, the intersection experiences several safety constraints due to the reduced sightlines for vehicles on Elm Street from the close proximity of buildings, vehicle parking, the heavy pedestrian traffic during school start/end times, and events; and

WHEREAS, a review by the City’s Consultant Transportation Engineer concluded that the intersection meets the secondary evaluation criteria for an All-Way Stop Condition as allowed in the Minnesota MUTCD by the use of engineering judgement to recommend and install additional traffic control where it will benefit the operation of the intersection; and

WHEREAS, staff agrees with the review and recommends the addition of STOP signs for Elm Street to create an All-Way Stop Condition to improve traffic movements, flow, and reduce conflicts at the intersection.

NOW, THEREFORE, BE IT RESOLVED That the City Council of the City of Waconia hereby authorizes approval of STOP signage on Elm Street to create an All-Way Stop Condition.

Adopted by the City Council of the City of Waconia this 15th day of June 2026.

Tim Litfin, Mayor

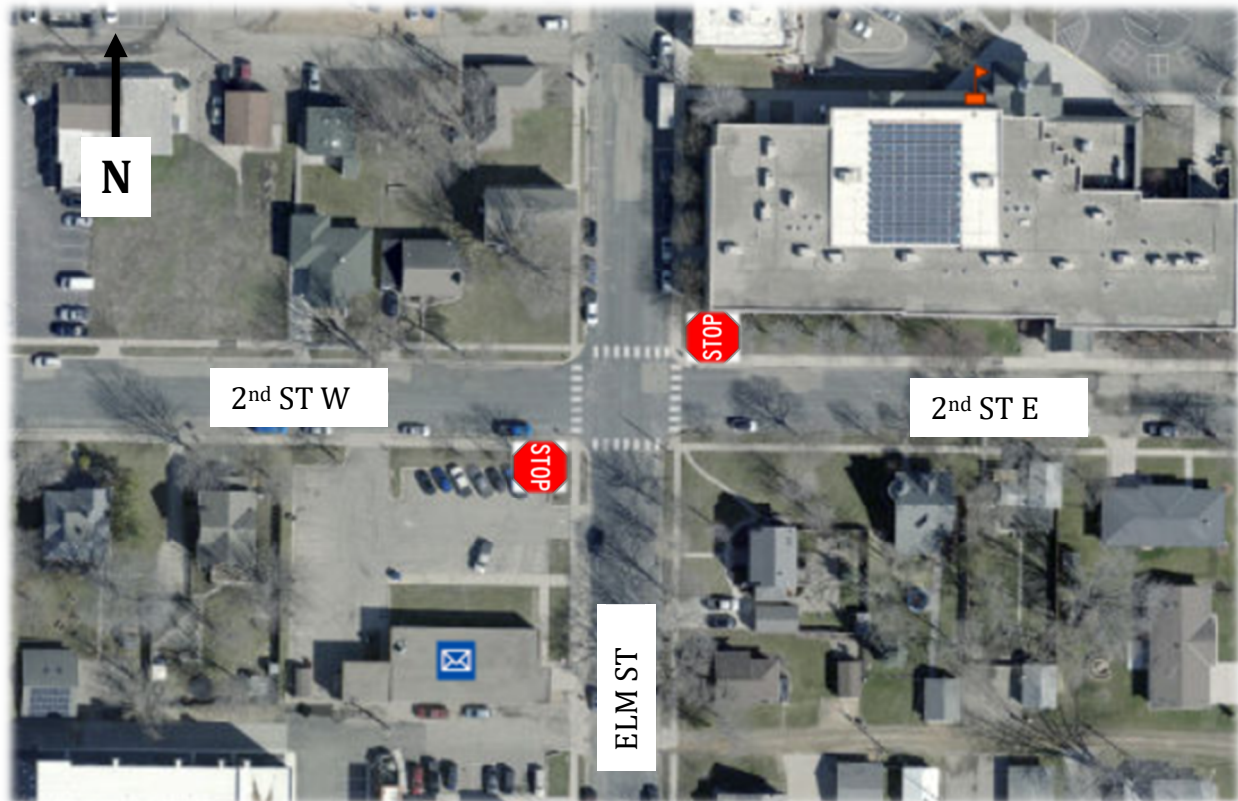
Attest: _____
Jackie Schulze, Assistant City Administrator

MEMORANDUM

Date: June 9, 2026
To: Jon Haukaas, Public Services Director
From: Jake Saulsbury, PE – City Engineer
Maury Hooper, PE – Transportation Project Manager
Subject: All-Way Stop Control Evaluation
2nd Street and Elm Street

The City of Waconia continues to receive feedback regarding safety concerns at the intersection of 2nd Street and Elm Street. The City has requested assistance in evaluating a change to an all-way stop controlled (AWSC) condition to help address reported safety concerns, which include both pedestrian and cross-traffic conflicts. The intersection is shown below in **Figure 1**.

Figure 1. Existing Conditions – 2nd St./Elm St. Intersection



Located near the City's downtown commercial area, the 2nd Street and Elm Street intersection features one lane of travel on each approach and is two-way stop controlled (TWSC) on the minor approach of 2nd Street. On-street parking is permitted on both sides of all approaches. All approaches feature a 30-mph posted speed limit and feature sidewalks along both sides of each approach. The 2025 ADT on Elm Street is 1,046 and the 2025 ADT on 2nd Street is 776. Elm Street is functionally classified as a minor collector, and 2nd Street is a local road. There are marked crosswalks across all approaches and lighting is present at the intersection. Pedestrian ramps are not ADA-compliant in any corner of the intersection; however, ADA-compliant pedestrian ramps will be installed in all corners in tandem with the completion of the current reconstruction effort in the study area.

A review of the need for implementing AWSC at this intersection considers entering traffic volumes, intersection sightlines, and historical crash data per Minnesota Manual for Minimum Uniform Traffic Control Devices (MnMUCTD) Section 2B.12 All-Way Stop Control.

Per the MnMUCTD, the decision to install AWSC should be based on an engineering study. The following criteria should be considered:

A. Crash Experience:

- 1. For a four-leg intersection, there are five or more reported crashes in a 12-month period or six or more reported crashes in a 36-month period that were of a type susceptible to correction by the installation of all-way stop control.*

B. Sight Distance:

- 1. If sight distance on the minor-road approaches controlled by a STOP sign is not adequate for a vehicle to turn onto or cross the major (uncontrolled) road.*
- 2. At such a location, a road user, after stopping, cannot see conflicting traffic and is not able to negotiate the intersection unless conflicting cross traffic is also required to stop.*

C. Transition to Signal Control:

- 1. At locations where all-way stop control is an interim measure that can be installed to control traffic while arrangements are being made for the installation of a traffic control signal (see Chapter 4C) at the intersection.*

D. 8-Hour Volume (Vehicles, Pedestrians, Bicycles):

- 1. The combined motor vehicle, bicycle, and pedestrian volume entering the intersection from the major-street approaches is at least 300 units per hour for each of any 8 hours of a typical day; and*
- 2. The combined motor vehicle, bicycle, and pedestrian volume entering the intersection from the minor-street approaches is at least 200 units per hour for each of any of the same 8 hours.*
- 3. If the 85th-percentile approach speed of the major-street traffic exceeds 40 mph, the minimum vehicular volume warrants may be reduced to 70 percent of the values given in Items A and B in Paragraph 1 of this Section.*

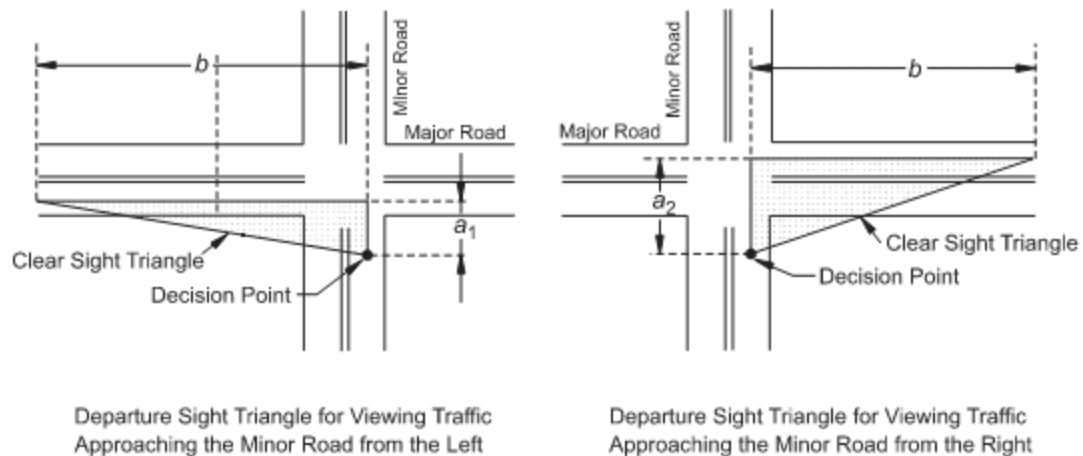
Other criteria that may be considered in an engineering study include:

- A. The need to control left-turn conflicts,
- B. An intersection of two residential neighborhood collector (through) streets of similar design and operating characteristics where all-way stop control would improve traffic operational characteristics of the intersection, or
- C. Where pedestrian and/or bicyclist movements support the installation of all-way stop control.

An analysis of the intersection in consideration of primary MnMUTCD guidance finds the following:

- A. Crash data obtained from MnCMAT2 indicates no angle-related crashes have been reported at the intersection within the last 10 years. This does not meet the required 5 or more crashes in one year susceptible to correction by an all-way stop installation; therefore, the crash history does not meet the threshold for implementing AWSC.
- B. Required intersection sightlines for a left turn from stop condition are established in the AASHTO Green Book, see **Figure 2**. For 30 mph approaches under typical geometric conditions, a 335-foot sight triangle must be provided at the point of stopping so left-turning drivers can safely judge whether there is an adequate gap in conflicting traffic to safely enter the major road. Similarly, a 290-foot sight triangle must be provided for drivers attempting to turn right from the minor road. Implementing control on all approaches reduces the sight distance required to safely navigate the intersection.

Figure 2: Departure Sight Triangles (Stop-Controlled)



There is a recently constructed apartment complex in the northwest corner of the intersection. Given the addition of the new building as well as existing sightline obstruction caused by parked vehicles, further sightline review was conducted for the eastbound approach, with the approximate building location and resulting sight distance triangles shown below in **Figure 3**.

Figure 3: Eastbound Approach Sight Triangles



It was determined that there are frequent sightline limitations related to on-street vehicles parked in the west shoulder of the north leg for eastbound traffic. Additionally, eastbound and southbound approach sightlines will be impacted by the east wall of the apartment building. Sight triangles for westbound traffic were not created; however, similar issues caused by parked vehicles in the east shoulders of the north and south legs may exist for westbound vehicles. The existing vertical and horizontal curvature of Elm Street does not cause any sightline issues assuming traffic is traveling at the posted speed limit of 30 mph or less. It is assumed that removal of parking near the intersection will not be supported locally due to the importance of parking and its role in supporting residential and commercial uses in the area.

- C. No traffic control signal is planned or warranted at the study intersection.

- D. The traffic volume on the major street approaches of Elm Street does not exceed 300 vehicles for any hours of the day, with a maximum of 88 for one hour. The maximum combined hourly volume for the minor street of 2nd Street is 86, short of the minimum 200 units per hour. Even with a reduction to 70% volume thresholds, the hourly volumes on the major and minor approaches do not meet the reduced thresholds for any hours of the day.

Engineering judgment may be applied in considering the secondary AWSC conditions outlined in the MnMUTCD:

- A. With low traffic volumes and no major traffic generated in the immediate area, it is unlikely that there are a high number of left-turn conflicts that need to be controlled. Additionally, no left turn-related crashes have occurred within the past 10 years.
- B. Elm Street is classified as a minor collector, while 2nd Street is classified as a local roadway. Both Elm Street and 2nd Street serve the local downtown and nearby residential areas of Waconia. However, Elm Street provides a through connection to TH 5 roughly 1/3 mile south of the intersection, while 2nd Street does not provide through connections to any major roadways. It should be noted that the intersection of Elm Street and TH 5 will be converted to a restricted access intersection that will eliminate major street (eastbound) left-turn and minor street (southbound) left-turn movements with the TH 5 reconstruction effort set to be completed in 2027.
- C. Pedestrian counts taken over a 13-hour period (6:00 AM to 7:00 PM) on Thursday, April 16th, 2026, indicated 187 total pedestrians and cyclists were found to have crossed the intersection during the 13-hour period. 25 of these were observed crossing the uncontrolled north leg of the intersection, as well as 54 crossing the uncontrolled south leg of the intersection. Pedestrian crossing activity was highest between 11:00 AM and 2:00 PM where combined northbound and southbound leg pedestrian crossings at the intersection totaled 37 over the 3-hour period, with the highest hourly total of 16 from 1:00 PM to 2:00 PM. It should be noted that these counts may not fully capture overall pedestrian activity at the intersection. There is a multi-story apartment complex with an attached restaurant/retail space in the northwest corner of the intersection which was unoccupied when the counts were taken, which will generate increased pedestrian traffic at the intersection when occupied. Further evaluation of changes to pedestrian traffic in the surrounding area may be warranted in the future.

ADDITIONAL CONSIDERATIONS

The study intersection lies adjacent to St. Joseph Catholic STEM School, which hosts pre-kindergarten through 8th grade students and is located in the northeast corner of the intersection. The main school entrance is located on the north side of the school facing 1st Street to the north, with multiple side entrances on the school's east side and one on the south side. There are designated mid-block school crossings on both 1st Street and Pine Street. The school features two parking lots located on 1st Street between Elm Street and Pine Street, which are designated for teachers/buses only. Parent drop-offs are allowed on the secondary entrances on the school's east and south sides on Pine Street and 2nd Street, respectively. However, a

permanent closure of Pine Street between 2nd Street and 1st Street will require all parent drop-offs to occur at the 2nd Street south entrance beginning Fall 2026, located approximately 250' east of the study intersection. The closure of Pine Street is expected to increase school-related traffic passing through the intersection of Elm Street and 2nd Street. No safe routes to school information could be located for St. Joseph Catholic STEM school.

The addition of the new apartment complex in the northwest corner of the intersection is anticipated to serve as a notable pedestrian generator as well.

CONCLUSION

AWSC installation is not warranted by crash/volume thresholds but is supported by engineering judgment based on sight distance, school/pedestrian context, and future conditions. The installation is justified based on the intersection's adjacency to a school, expected changes in traffic patterns from Pine Street access changes, obstructed sightlines from parked vehicles on Elm Street (and the adjacent building that restricts eastbound and southbound approach views). Because restricting parking is unlikely to gain local support, conversion to all-way stop control is anticipated to enhance the overall long-term safety and operations at the intersection, **conversion from the existing two-way stop to AWSC is recommended.**



REQUEST FOR CITY COUNCIL ACTION

| Meeting Date: | June 15, 2026 | | | | | | |
|--|---|------------|--------------|--|--------------|-------------------------------|--------------|
| Item Name: | 8.9. Award the Fox Run Ravine Stabilization Project | | | | | | |
| Originating Dept: | Public Services | | | | | | |
| Presented By: | Jon Haukaas | | | | | | |
| Previous Council Action: | Resolution No. 2025-286 Authorizing Staff to Solicit Pricing for 2026 Capital Projects and Equipment Acquisitions | | | | | | |
| Item Type: | Consent | | | | | | |
| <p>RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2026-145 Awarding the Contract for the Fox Run Ravine Stabilization Project</p> <p>EXPLANATION OF AGENDA ITEM:</p> <p>CIP Project No. 345 is for the stabilization of the ravine and slope improvements to reduce sediment run off from the Fox Run Development area. The Fox Run Ravine is located near CR 10, TH 284, and Fox Run Park. The City’s Storm Water Pollution Prevention Plan regularly identifies areas of severe erosion or other potential stormwater pollution issues such as this one. In addition to the eroding slopes, several stormwater outfalls and energy dissapatot structures will be repaired with this project. Reduction of sediment run off assists the Waconia community in meeting target TMDL requirements for Carver Creek, which this development ultimately drains into.</p> <p>The construction costs of the project were estimated to be approximately \$167,000 and, the city is allowed to solicit quotes for the work. Staff reached out to five potential contractors requesting quotes. Two quotes were received as follows:</p> <table border="0"> <thead> <tr> <th align="left">Contractor</th> <th align="right">Quote Amount</th> </tr> </thead> <tbody> <tr> <td>Schneider Excavating and Grading, Inc.</td> <td align="right">\$176,695.00</td> </tr> <tr> <td>Minger Construction Co., Inc.</td> <td align="right">\$177,694.50</td> </tr> </tbody> </table> <p>Schneider Excavating and Grading has successfully completed projects of this type in the past and have thereby shown themselves to be a responsible contractor. Based on the items above, it is recommended the City award a construction contract in the amount of \$176,695.00 to Schneider Excavating and Grading.</p> <p>A neighborhood meeting invite has been sent to the surrounding properties inviting them to an informal informational meeting on July 1 where staff will be available to answer questions.</p> <p>ATTACHMENTS:</p> <ol style="list-style-type: none"> 1. Resolution No. 2026-145 Fox Run Ravine Stabilization Project 2. Fox Run Ravine Award | | Contractor | Quote Amount | Schneider Excavating and Grading, Inc. | \$176,695.00 | Minger Construction Co., Inc. | \$177,694.50 |
| Contractor | Quote Amount | | | | | | |
| Schneider Excavating and Grading, Inc. | \$176,695.00 | | | | | | |
| Minger Construction Co., Inc. | \$177,694.50 | | | | | | |

3. Project Notice Open House Invite

| FINANCIAL IMPLICATIONS: | ADVISORY BOARD RECOMMENDATIONS: |
|--|--|
| Funding Sources & Uses: Budget Information: _____ Budgeted _____ Non-Budgeted _____ Amendment Required | Planning Commission: Park Board: Personnel Committee: Other: _____ |

**CITY OF WACONIA
RESOLUTION NO. 2026-145**

**RESOLUTION AWARDING CONTRACT FOR THE
FOX RUN RAVINE STABILIZATION PROJECT**

WHEREAS, one of the City’s Priorities “Infrastructure – managing, maintaining, and improving our current and future physical assets”; and

WHEREAS, The City’s Storm Water Pollution Prevention Plan regularly identifies areas of severe erosion or other potential stormwater pollution issues; and

WHEREAS, the Fox Run Ravine is an area identified in this plan showing signs of severe erosion an damaged stormwater outfall pipes; and

WHEREAS, staff successfully submitted and received a grant from the Carver County Watershed Management Organization for the design of a stabilization and restoration project to repair the ravine; and

WHEREAS, the project has been included in the 2026 Capital Improvement Plan; and

WHEREAS, the City Engineer has received two quotes from qualified contractors for the work with the lowest quote being received from Schneider Excavating and Grading, Inc. of Norwood Young America.

NOW, THEREFORE, BE IT RESOLVED That the City Council of the City of Waconia hereby awards the contract for the Fox Run Ravine Stabilization Project to Schneider Excavating and Grading, Inc. of Norwood Young America in the amount of \$176,695.00.

Adopted by the City Council of the City of Waconia this 15th day of June 2026.

Tim Litfin, Mayor

Attest: _____
Jackie Schulze, Assistant City Administrator



Real People. Real Solutions.

2638 Shadow Lane
Suite 200
Chaska, MN 55318

Phone: (952) 448-8838
Bolton-Menk.com

June 10, 2026

City of Waconia
Attn: Jon Haukaas
310 10th St E
Waconia, MN 55387

RE: Fox Run Ravine Restoration Award Recommendation

Dear Mr. Haukaas,

Quotes were received on Tuesday, June 9, 2026, for a project to restore the Fox Run Ravine located near CR 10, TH 284, and Fox Run Park. Five quotes were solicited and two quotes were received. The results of those are tabulated below:

| <u>Contractor</u> | <u>Quote Amount</u> |
|--|---------------------|
| Schneider Excavating and Grading, Inc. | \$176,695.00 |
| Minger Construction Co., Inc. | \$177,694.50 |

The low quote for the project is Schneider Excavating and Grading, from Norwood Young America, Minnesota. The low quote is approximately 6% higher than the Engineer's Estimate of \$166,517.00 and is less than 1% below the next quote.

Schneider Excavating and Grading has successfully completed projects of this type in the past and have thereby shown themselves to be a responsible contractor. Based on the items above, it is recommended the City award a construction contract in the amount of **\$176,695.00** to Schneider Excavating and Grading. I am open to discuss this information with you and answer any questions that you or the City Council may have.

Sincerely,

Bolton & Menk, Inc.

Jake Saulsbury, P.E.

Cc: Ryan Johnson, Bolton & Menk



Fox Run Ravine Restoration Project

MEMORANDUM

Date: June 8, 2026
To: Ravine Adjacent Property Owners & Residents
From: Jon Haukaas, Director of Public Services
CC: Jake Saulsbury, City Engineer
Subject: Ravine Restoration Project – Project Background and Meeting Invitation

Construction for this project is anticipated to begin later this summer.

Restoration of the Fox Run Ravine is scheduled to begin later this summer to improve the function of stormwater conveyance in the project area. The exact construction schedule is not known at this time but you will be notified approximately one week before work begins. The construction activities include sediment excavation, overgrowth removal, tree removal, grading work, and vegetation restoration. The major construction activities are anticipated to take approximately one month to complete.

Neighborhood Meeting

You are invited to attend a **Neighborhood Meeting from 4:00 p.m. – 6:00 p.m. on Wednesday, July 1, 2026.** The meeting will be held in **Fox Run Park**, adjacent to the project site. City Staff will be at the meeting to discuss the project scope and any questions or concerns you may have.

Description of Work

Tree and overgrowth removal will be taking place prior to any grading and excavation activities onsite. Once completed, excavation equipment will arrive onsite and begin the grading work. Once grading is complete, the ravine banks and bottom will be stabilized with erosion control methods and seeded. Please note that there will be times when trucks are hauling in the eastern parking lot driveway of the condominium property. Delays in access to the parking lot should be minimal. A map has been included in this mailer for project location reference.

Project Need

Regular stormwater maintenance is scheduled throughout the city to maintain and improve stormwater quality for our watersheds, ensure stormwater conveyance through the systems, and meet permitting requirements.

If you have any questions or concerns related to this notice, please notify the project team below:

Ryan Johnson, Project Manager

(952) 426-8335

ryan.johnson@bolton-menk.com

Thank you for your cooperation and patience as the City of Waconia completes this important project.



REQUEST FOR CITY COUNCIL ACTION

| | |
|---|--|
| Meeting Date: June 15, 2026 | |
| Item Name: 8.10. Support Resolutions for Carver County Regional Solicitation Applications | |
| Originating Dept: Administration | |
| Presented By: Shane Fineran | |
| Previous Council Action: Adopted Resolution No. 2025-235 Requesting Carver County Board Support Application | |
| Item Type: | Consent |
| <p>RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2026-146 Supporting Regional Solicitation Application for Dakota Rail Trail Connection Adopt Resolution No. 2026-147 Supporting Regional Solicitation Application for CSAH 92 & TH 5 Intersection Improvements</p> <p>EXPLANATION OF AGENDA ITEM:</p> <p>Carver County Public Works intends to apply for Metropolitan Council Regional Solicitation Program funds for two projects adjacent to Waconia. The first project is for a regional trail connection along CSAH 10 to the Dakota Rail Trail. The second project is for intersection improvements at CSAH 92 and TH 5.</p> <p>Attached are two resolutions of support for the project applications.</p> <p>ATTACHMENTS:</p> <ol style="list-style-type: none"> 1. Resolution No. 2026-146 CSAH 10 Regional Solicitation 2. Resolution No. 2026-147 CSAH 92 HWY 5 Intersection | |
| FINANCIAL IMPLICATIONS: | ADVISORY BOARD RECOMMENDATIONS: |
| Funding Sources & Uses: | Planning Commission: |
| Budget Information: | Park Board: |
| _____ Budgeted | Personnel Committee: |
| _____ Non-Budgeted | Other: |
| _____ Amendment Required | |

**CITY OF WACONIA
RESOLUTION NO. 2026-146**

**RESOLUTION SUPPORTING APPLICATION FOR REGIONAL SOLICITATION FUNDS FOR
CSAH 10 REGIONAL TRAIL CONNECTION**

WHEREAS, connection to the Dakota Rail Regional Trail by residents and visitors to the City of Waconia is needed; and

WHEREAS, the City of Waconia has invested in numerous trail connections that provide connectivity to and along the CSAH 10 corridor in the community; and

WHEREAS, Carver County has identified existing and search corridors for linking and destination trails as part of their 2040 Comprehensive Plan; and

WHEREAS, the County Road 10 Regional Trail linking trail can utilize existing road right of way connecting the City of Waconia local trail system to the Dakota Rail Trail destination trail; and

WHEREAS, the City of Waconia requests and supports the application by Carver County to the Metropolitan Council for Regional Solicitation funds to support the connection of this corridor from the intersection of Waconia Parkway North and CSAH 10 to the Dakota Rail Regional Trail; and

NOW, THEREFORE, BE IT RESOLVED That the City Council of the City of Waconia hereby supports the request for the Carver County Board of Commissioners to approve application to the Metropolitan Council Regional Solicitation.

Adopted by the City Council of the City of Waconia this 15th day of June 2026.

Tim Litfin, Mayor

Attest: _____
Jackie Schulze, Assistant City Administrator

**CITY OF WACONIA
RESOLUTION NO. 2026-147**

**RESOLUTION SUPPORTING APPLICATION FOR REGIONAL SOLICITATION FUNDS FOR
TRUNK HIGHWAY 5 AND CSAH92 INTERSECTION IMPROVEMENTS**

WHEREAS, State Trunk Highway 5 is a critical regional transportation corridor bringing people, goods, and services to the residents of Waconia; and

WHEREAS, County State Aid Highway 92 provides north and south access and connection to State Trunk Highway 7 and beyond; and

WHEREAS, Carver County has identified future connection of County State Aid Highway 92 to the south through the eastern areas of Waconia's growth boundary connecting to County State Aid Highway 10 and beyond; and

WHEREAS, the existing and future traffic volume and patterns have created delays and dangerous conflicts for motorists and pedestrians at the existing intersection configuration of State Trunk Highway 5 and County State Aid Highway 92; and

WHEREAS, the City of Waconia supports intersection improvements that deliver safety and mobility for motorists and pedestrians; and

NOW, THEREFORE, BE IT RESOLVED That the City Council of the City of Waconia hereby supports the request for the Carver County Board of Commissioners to approve application to the Metropolitan Council Regional Solicitation program for intersection improvements.

Adopted by the City Council of the City of Waconia this 15th day of June.

Tim Litfin, Mayor

Attest: _____
Jackie Schulze, Assistant City Administrator



REQUEST FOR CITY COUNCIL ACTION

| | |
|--------------------------------------|--|
| Meeting Date: | June 15, 2026 |
| Item Name: | 8.11. Local Housing Aid - Mt. Olivet 3rd Street Home |
| Originating Dept: | Administration |
| Presented By: | Shane Fineran |
| Previous Council Action: None | |
| Item Type: | Consent |

RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2026-148 Committing Local Housing Aid for Mt. Olivet

EXPLANATION OF AGENDA ITEM:

During the 2023 legislative session, the legislature created a new aid program for metropolitan cities to develop and preserve affordable housing within their communities called Local Affordable Housing Aid (LAHA) and administered by the State Department of Revenue. We currently have approximately \$26,685 in unencumbered LAHA funds that the City can direct to other eligible projects related to supporting affordable housing in the community.

Qualifying uses of these funds include: emergency rental assistance; financial support to nonprofit affordable housing providers; financial support for projects that meet income targets for ownership or rental housing or housing that is affordable to the local workforce; and maintenance of existing affordable housing units. If a municipality cannot spend the funds within the required timeline, it must demonstrate that it was due to factors outside the control of the city or transfer funds to a local housing trust fund. nts that would improve the facade, grounds, and life/safety systems at the property.

Mt. Olivet, which owns and manages a licensed group home on W 3rd Street which serves adults with disabilities and meet income guidelines for affordability standards of the LAHA program, have submitted a request to access the LAHA funds in order to make exterior facade improvements to the home which include new entry way, hard surface replacement improving accessibility, drainage improvements, and fence replacement at a cost of \$14,220.

Staff have reviewed these projects and their eligibility for use of LAHA funds and recommend approving and encumbering the amounts noted for a total of \$14,220.

ATTACHMENTS:

1. Resolution No. 2026-148 Committing Local Housing Aid for Mt Olivet
2. Waconia LAHA Request

| | |
|--------------------------------|--|
| FINANCIAL IMPLICATIONS: | ADVISORY BOARD RECOMMENDATIONS: |
| Funding Sources & Uses: | Planning Commission: |
| Budget Information: | Park Board: |
| _____ Budgeted | Personnel Committee: |
| _____ Non-Budgeted | |

| | |
|--------------------------------------|-----------------|
| <u> </u> Amendment Required | Other: <hr/> |
|--------------------------------------|-----------------|

**CITY OF WACONIA
RESOLUTION NO. 2026-148**

**RESOLUTION ALLOCATING LOCAL
AFFORDABLE HOUSING AID**

WHEREAS, the City has unallocated Local Affordable Housing Aid;
and

WHEREAS, the City wishes to support the maintenance and upkeep
of existing affordable housing units in the community; and

WHEREAS, the City will allocate up to \$91,000 of this aid to
supplement investment made by Mt. Olivet in the repair, maintenance, and
life/safety systems at the 3rd Street W home in the following projects.

1. Façade, Drainage, and Surfacing - \$12,240
2. Fence Replacement - \$1,980

NOW, THEREFORE, BE IT RESOLVED That the City Council of
the City of Waconia hereby allocates and commits the aid in the amount
stated for the 3rd Street W home.

Adopted by the City Council of the City of Waconia this 15th day of June
2026.

Tim Litfin, Mayor

Attest: _____
Jackie Schulze, Assistant City Administrator

February 19, 2026

Lane Braaten
Community Development Director
City of Waconia
201 South Vine Street
Waconia, MN 55387
lbraaten@waconiamn.gov

Dear Lane,

Please find below the cost estimates and corresponding justifications for several projects for which Mt. Olivet Rolling Acres (MORA) is seeking LAHA financial support from the City of Waconia.

Waconia Property – West 3rd Street

- **Front Entry Remodel – \$12,240**

The existing front entry has a short overhang, causing rain and snow to accumulate directly onto the walkway and porch. This results in water pooling near the entry door and significant ice buildup during winter months, creating serious safety concerns for individuals with mobility challenges. The proposed remodel includes enlarging the overhang, adding a gutter system, and installing an underground drainpipe to redirect water appropriately. This improvement is critical to maintaining safe and accessible entry to the home.

- **Bedroom Flooring Replacement – \$1,683**

The current bedroom floor has reached the end of its lifespan and can no longer be sanded or refinished. Replacing it with a durable vinyl hard-surface floor will ensure a safe, stable surface for the residents, particularly given existing mobility needs.

- **Fence Replacement – \$1,980**

The current plastic fence sustained damage in recent storms and is no longer in acceptable condition. We propose replacing the damaged section with a cedar fence to improve the home's appearance, align with neighborhood standards, and maintain needed privacy for the residents.

- **Dining Room, Kitchen, and Hallway Flooring – \$8,211**

The existing laminate flooring in these areas is beginning to buckle, creating a tripping hazard. Replacing it with high-quality laminate plank flooring will eliminate this safety concern and provide a durable, long-term solution.

Total Estimated Project Cost: \$24,114

If additional information or documentation would be helpful, please do not hesitate to contact me. I am happy to assist, answer questions, or provide any further details needed.

Sincerely,

Katie Elleraas, Sr. Director of Advancement
763-412-7866, kjelleraas@mtolivet-mora.org



REQUEST FOR CITY COUNCIL ACTION

| | |
|---|--|
| Meeting Date: June 15, 2026 | |
| Item Name: 8.12. Facade Improvement Grant - Springs Wellness | |
| Originating Dept: Administration | |
| Presented By: Shane Fineran | |
| Previous Council Action: None | |
| Item Type: | Consent |
| RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2026-149 Approving Facade Grant for Springs Wellness Center | |
| EXPLANATION OF AGENDA ITEM: | |
| <p>Trisha Hayden of Springs Wellness Center, 26 W 2nd Street has submitted a facade improvement grant application. The project will be for business signage at Wilford on 2nd Street facing commercial space. The total project is \$7,243.83 and, once completed, will be eligible for grant funds of \$3,621.91. Approval of the grant still requires a sign permit and is noted on the quote by the vendor.</p> <p>Staff reviewed the application materials and eligibility and recommended approval of the grant application.</p> | |
| ATTACHMENTS: | |
| 1. Resolution No. 2026-149 Facade Improvement Grant for 17 1st Street West | |
| FINANCIAL IMPLICATIONS: | ADVISORY BOARD RECOMMENDATIONS: |
| Funding Sources & Uses: | Planning Commission: |
| Budget Information: | Park Board: |
| <input checked="" type="checkbox"/> Budgeted | Personnel Committee: |
| <input type="checkbox"/> Non-Budgeted | Other: |
| <input type="checkbox"/> Amendment Required | |

CITY OF WACONIA
RESOLUTION NO. 2026-149
RESOLUTION APPROVING FAÇADE IMPROVEMENT GRANT
FOR 17 1ST STREET WEST

WHEREAS, the City has approved three economic development programs to support the downtown commercial core, commercial and industrial sectors, and small business start-ups; and

WHEREAS, the City has received a Façade Improvement for 17 1st Street West; and

WHEREAS, proposed work includes facia, gutters, and mansard roof sections; and

WHEREAS, the proposed work is consistent with the goals of the Façade Improvement Grant and Economic Development Programs; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Waconia approves the \$5,000 façade improvement grant at 17 1st Steet West once eligible expenses are incurred.

Adopted by the Waconia City Council this 15th day of June 2026.

Tim Litfin, Mayor

ATTEST: _____
Jackie Schulze, Assistant City Administrator



REQUEST FOR CITY COUNCIL ACTION

| | | | | | | | | | | | | | |
|---|--|--------------------------------|--|---|----------------------|---------------------|-------------|----------------|----------------------|-----------------------|--------|--------------------------|--|
| Meeting Date: June 15, 2026 | | | | | | | | | | | | | |
| Item Name: 8.13. Donation and Approve Pass Thru Recommendation - Waconia Fire Relief Association | | | | | | | | | | | | | |
| Originating Dept: Finance | | | | | | | | | | | | | |
| Presented By: Nicole Meyer | | | | | | | | | | | | | |
| Previous Council Action: None | | | | | | | | | | | | | |
| Item Type: | Consent | | | | | | | | | | | | |
| <p>RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2026-150 Accepting Donation and Approving Pass Through Recommendation from Waconia Fire Relief Association</p> <p>EXPLANATION OF AGENDA ITEM:</p> <p>The City received a donation from the Waconia Fire Department Gambling Board totaling \$1,500. The gambling board approved this donation as a pass-through for the following purposes:</p> <ul style="list-style-type: none"> • \$1,500 – Support staff time expenditures and operating costs for CPR class offerings <p>With the Council’s acceptance of the donation and recommended purpose for pass through by the gambling board, City staff will recognize the donation revenue and off-setting expenditures in the General Fund - Fire budget (101).</p> <p>ATTACHMENTS:</p> <p>1. Resolution No. 2026-150 Fire Relief Association</p> | | | | | | | | | | | | | |
| <table border="1"> <tr> <td>FINANCIAL IMPLICATIONS:</td> <td>ADVISORY BOARD RECOMMENDATIONS:</td> </tr> <tr> <td>Funding Sources & Uses: General Fund - Fire (101)</td> <td>Planning Commission:</td> </tr> <tr> <td>Budget Information:</td> <td>Park Board:</td> </tr> <tr> <td>_____ Budgeted</td> <td>Personnel Committee:</td> </tr> <tr> <td><u>X</u> Non-Budgeted</td> <td>Other:</td> </tr> <tr> <td>_____ Amendment Required</td> <td></td> </tr> </table> | | FINANCIAL IMPLICATIONS: | ADVISORY BOARD RECOMMENDATIONS: | Funding Sources & Uses: General Fund - Fire (101) | Planning Commission: | Budget Information: | Park Board: | _____ Budgeted | Personnel Committee: | <u>X</u> Non-Budgeted | Other: | _____ Amendment Required | |
| FINANCIAL IMPLICATIONS: | ADVISORY BOARD RECOMMENDATIONS: | | | | | | | | | | | | |
| Funding Sources & Uses: General Fund - Fire (101) | Planning Commission: | | | | | | | | | | | | |
| Budget Information: | Park Board: | | | | | | | | | | | | |
| _____ Budgeted | Personnel Committee: | | | | | | | | | | | | |
| <u>X</u> Non-Budgeted | Other: | | | | | | | | | | | | |
| _____ Amendment Required | | | | | | | | | | | | | |

**CITY OF WACONIA
RESOLUTION NO. 2026-150
RESOLUTION ACCEPTING DONATION AND PASS THRU RECOMMENDATION FROM
WACONIA FIRE RELIEF ASSOCIATION**

WHEREAS, the City of Waconia is generally authorized to accept contributions of real and personal property pursuant to Minnesota Statutes Sections 412.21 and 465.03 for the benefit of its citizens and is specifically authorized to accept gifts and requests for the benefit of recreational facilities, services and the development of programs to benefit residents pursuant to Minnesota Statutes Section 471.17; and

WHEREAS, the following persons and/or entities have offered to contribute the items set forth below to the City:

| <u>Name of Donor</u> | <u>Item</u> | <u>Value</u> | <u>Department/Fund</u> |
|-----------------------------|-------------|--------------|------------------------|
| Waconia Fire Gambling Board | Check | \$1,500 | General Fund - Fire |

WHEREAS, these donations have been contributed for the benefit of residents within the City's corporate limits either alone or in cooperation with others, as allowed by law; and

WHEREAS, the City Council hereby finds that it is appropriate to accept the contributions offered.

WHEREAS, the Waconia Fire Department Gambling Board wishes to enhance the donation by passing the funds thru for the following purpose:

- \$1,500 – Support staff time expenditures and operating costs for CPR class offerings

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF WACONIA, MINNESOTA, AS FOLLOWS:

1. The contribution described above is hereby accepted and acknowledged with gratitude.
2. Said contribution shall be deposited to the appropriate funds and used for the designated purposes.
3. That the Finance Director is hereby directed to issue receipts to the donor acknowledging the City's receipt of the donor's contribution.

Adopted by the City Council of the City of Waconia this 15th day of June 2026.

Tim Litfin, Mayor

ATTEST: _____
Jackie Schulze, Assistant City Administrator



REQUEST FOR CITY COUNCIL ACTION

| | |
|--------------------------------------|-------------------------------|
| Meeting Date: | June 15, 2026 |
| Item Name: | 8.14. Firefighter Resignation |
| Originating Dept: | Administration |
| Presented By: | Jackie Schulze |
| Previous Council Action: None | |
| Item Type: | Consent |

RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 206-151 Accepting Firefighter Resignation

EXPLANATION OF AGENDA ITEM:

Firefighter Ivan Flores has submitted a resignation letter contingent upon a temporary change in his eligibility to work, tentatively effective June 26, 2026. Should the change occur, the City will be required to separate the employee from service until work eligibility is restored.

The employee remains in good standing with the Waconia Fire Department and has provided advance notice of the situation. The anticipated interruption is expected to be temporary. Upon restoration of work eligibility, staff intends to bring forward a recommendation for reappointment to the Fire Department, subject to applicable employment requirements at that time.

Staff has consulted with legal counsel regarding this matter and believes acceptance of the contingent resignation is the most appropriate course of action to ensure compliance with employment requirements while preserving the opportunity for future service.

ATTACHMENTS:

1. Resolution No. 2026-154 Firefighter Resignation

| | |
|--------------------------------|--|
| FINANCIAL IMPLICATIONS: | ADVISORY BOARD RECOMMENDATIONS: |
| Funding Sources & Uses: | Planning Commission: |
| Budget Information: | Park Board: |
| _____ Budgeted | Personnel Committee: |
| _____ Non-Budgeted | Other: |
| _____ Amendment Required | |

**CITY OF WACONIA
RESOLUTION NO. 2026 - 151**

**RESOLUTION ACCEPTING THE CONTINGENT RESIGNATION
OF FIREFIGHTER IVAN FLORES**

WHEREAS, Firefighter Ivan Flores has submitted a resignation letter contingent upon a temporary change in his eligibility to work; and

WHEREAS, whereas should such change occur, the City is required to ensure compliance with all applicable employment eligibility requirements; and

WHEREAS, the employee remains in good standing with the City of Waconia and Waconia Fire Department; and

WHEREAS, the City anticipates that any interruption in employment will be temporary and intends to consider reappointment upon restoration of the employee's eligibility to work, subject to applicable employment requirements and City policies; and

NOW, THEREFORE, BE IT RESOLVED, by, the City Council of the City of Waconia, that the City Council hereby accepts the contingent resignation of Firefighter Flores, effective upon the expiration of his authorization to work, if applicable.

Adopted by the City Council of the City of Waconia this 15th day of June 2026.

Tim Litfin, Mayor

Attest: _____
Jackie Schulze, Assistant City Administrator



REQUEST FOR CITY COUNCIL ACTION

| | |
|---|--|
| Meeting Date: | June 15, 2026 |
| Item Name: | 8.15. Authorizing Furniture Replacement at Public Services Private Offices |
| Originating Dept: | Administration |
| Presented By: | Jackie Schulze |
| Previous Council Action: None | |
| Item Type: | Consent |
| RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2026-152 Authorizing Furniture Replacement at Public Services Private Offices | |
| EXPLANATION OF AGENDA ITEM: | |
| <p>The City of Waconia has been gradually upgrading furniture throughout its facilities to provide employees with functional, safe, and consistent workspaces. Currently, two offices at the Public Services Facility remain furnished with the original office furniture. As part of the 2026 operating budget, the City allocated \$30,000 for furniture replacement at the Public Services Facility.</p> | |
| <p>The City received a proposal from Atmosphere Commercial Interiors, the vendor that furnished City Hall and the recently updated offices within the Public Services Facility, to complete the replacement of furniture in the offices of the Street Maintenance Supervisor and Utility Maintenance Supervisor.</p> | |
| <p>The existing furniture in the Utility Maintenance Supervisor's office is in particularly poor condition, with desk components and legs beginning to fail and requiring replacement. The furniture in the Street Maintenance Supervisor's office is also showing significant wear and has reached the end of its useful life. The City no longer has compatible replacement components available to repair or replace damaged pieces of the original furniture system. Replacing the remaining original furniture will improve functionality, provide a consistent workspace standard throughout the facility, and address ongoing maintenance and safety concerns associated with the aging furniture.</p> | |
| <p>All furniture included in the proposal consists of the standard furnishings currently installed in the other Public Services offices and does not require any customizations. The total cost of the proposal is \$24,074.77, which is within the amount budgeted for furniture replacement in 2026.</p> | |
| <p>Staff recommends that the City Council approve the purchase of office furniture from Atmosphere Commercial Interiors for the amount of \$24,074.77, allowing the project to move forward and complete the planned furniture upgrades at the Public Services Facility.</p> | |
| ATTACHMENTS: | |
| <ol style="list-style-type: none">1. Resolution No. 2026-152 Furniture Replacement Public Services Private Offices2. Atmosphere Quote Public Works Private Offices | |

| FINANCIAL IMPLICATIONS: | ADVISORY BOARD RECOMMENDATIONS: |
|--|--|
| Funding Sources & Uses: | Planning Commission: |
| Budget Information: | Park Board: |
| <input checked="" type="checkbox"/> Budgeted | Personnel Committee: |
| <input type="checkbox"/> Non-Budgeted | Other: |
| <input type="checkbox"/> Amendment Required | |

**CITY OF WACONIA
RESOLUTION NO. 2026-152**

**RESOLUTION APPROVING THE PURCHASE
OF OFFICE FURNITURE FOR
PUBLIC SERVICES FACILITY FROM
ATMOSPHERE COMMERCIAL INTERIORS**

WHEREAS, the City of Waconia has been implementing a phased replacement of aging office furniture throughout its facilities to provide employees with safe, functional, and consistent workspaces; and

WHEREAS, two offices at the Public Services Facility remain furnished with original office furniture that has reached the end of its useful life; and

WHEREAS, the City included \$30,000 in the 2026 operating budget for furniture replacement at the Public Services Facility; and

WHEREAS, Atmosphere Commercial Interiors, the City's current office furniture vendor, submitted a proposal in the amount of \$24,074.77 to furnish and install replacement office furniture consistent with the furnishings used throughout City Hall and the Public Services Facility; and

WHEREAS, the proposed purchase is within the approved budget and will complete the planned private office furniture replacement project at the Public Services Facility.

NOW THEREFORE LET IT BE RESOLVED, by the City Council of the City of Waconia, Minnesota, that the purchase of office furniture from Atmosphere Commercial Interiors in the amount of Twenty-Four Thousand Seventy-Four Dollars and Seventy-Seven Cents (\$24,074.77) is hereby approved.

Adopted by the City Council of the City of Waconia this 15th day of June 2026.

Tim Litfin, Mayor

ATTEST: _____
Jackie Schulze, Assistant City Administrator

Quote Date 05/22/26

Project 18972

Customer CITY58

Terms NET 30,LATE CHG 1.5%

Account Representative GARY BEDNAR
612.343.5837

Quote To

CITY OF WACONIA
Accounts Payable
201 S. VINE STREET
WACONIA MN 55387-1337

Ship To

CITY OF WACONIA
Mike Dressel
310 10th St E
Waconia MN 55387-4551

Phone +1 (952) 442-2184
Finance@Waconia.org

Phone +1 (952) 442-5802
mdressel@waconiamn.gov

Sales Location MINNEAPOLIS MN

| Description | Quantity | Unit Price | Extended Price |
|-------------|----------|------------|----------------|
|-------------|----------|------------|----------------|

Office 1 Pricing

| | | | | |
|---|--|---|--------|--------|
| 1 | 4821412 - Amia;Chair,Uph,Air Bckrst AIRBACK: 6249 PLATINUM SOLID PLASTIC: 6249 PLATINUM SOLID UPHSTRY: 5S25 GRAPHITE ARMS: *OPT:ARM OPTIONS H/W/P/D: STD:H/W/P/D ARMS SEAT HGT: *OPT:BASE ASSY HEIGHT RANGE 5" RANGE: STD:5" PNEU SEAT HEIGHT RANGE BASE OPT: *OPT:BASE OPTION PLASTIC: STD:PLASTIC BASE CASTERS: CASTERS HARD CST: STD:HARD CASTERS PACKAGE: *OPT:PACKAGING OPTIONS NA: Not Applicable STEELCASE Tag For Office 1 Pricing AMIA | 1 | 671.56 | 671.56 |
| 2 | CFPLUS - CF Plus Monitor Arm Arm Finish: Textured Paint 7018 - PEWTER Arm: Dual Pole: 14 INCH OPTION Tilt Head: STD Slider Bar Tilt Head w QR | 1 | 500.03 | 500.03 |

THIS PRICE QUOTATION INCORPORATES, BY REFERENCE, ATMOSPHERE COMMERCIAL INTERIORS TERMS AND CONDITIONS (July 2022 or prior contract signed by client). EXECUTION OF THIS PRICE QUOTATION IS BUYER'S ACCEPTANCE OF THOSE TERMS AND CONDITIONS.

ACCEPTED BY _____ / _____ / _____
 CLIENT SIGNATURE, TITLE DATE ATMOSPHERE COMMERCIAL INTERIORS

| Description | Quantity | Unit Price | Extended Price |
|---|----------|------------|----------------|
| <p>7 STEELCASE</p> <p>Tag For Office 1 Pricing OH/72.0000/15</p> | | | |
| <p>8 CRPDSLH2HBBF - Pedestal- For Use With Shells,2-High,Box/Box/File</p> <p>Application: Currency Desk Shell</p> <p>Size Option: Modular</p> <p>Application Depth: 24.00000</p> <p>Depth: 23.09449</p> <p>Case Finish: Woodgrain HPL 2HWF - SMOKED WALNUT (HPL)</p> <p>Headset Finish: Woodgrain HPL 2HWF - SMOKED WALNUT (HPL)</p> <p>Lock Finish: Polished Chrome 9201 - POLISHED CHROME</p> <p>Keys: Key Plug</p> <p>Pull: Ledge</p> <p>Pull Finish: Smooth Metallic 4799 - PLATINUM METALLIC</p> <p>Counterweight: With Counterweight</p> <p>STEELCASE</p> <p>Tag For Office 1 Pricing BBF/2/24</p> | 1 | 633.46 | 633.46 |
| <p>9 CRTBWM - Tackboard, Wallmount</p> <p>Size Option: Modular</p> <p>Height: 20.25000</p> <p>Width: 72.00000</p> <p>Tackboard Finish: Abacus P123 - PORTICO</p> <p>Fabric Direction: Horizontal</p> <p>STEELCASE</p> <p>Tag For Office 1 Pricing TB/72/20.2500</p> | 1 | 282.67 | 282.67 |
| <p>10 CRTWFFL - Tower- Single Door,File/File, Hinged Left</p> <p>Size Option: Parametric</p> <p>Depth: 24.00000</p> <p>Width: 15.90600</p> <p>Height: 66.00000</p> <p>Case Finish: Woodgrain HPL 2HWF - SMOKED WALNUT (HPL)</p> <p>Headset Finish: Woodgrain HPL 2HWF - SMOKED WALNUT (HPL)</p> <p>Keys: Key Plug</p> <p>Lock Finish: Polished Chrome 9201 - POLISHED CHROME</p> <p>Pull: Ledge</p> <p>Pull Finish: Smooth Metallic 4799 - PLATINUM METALLIC</p> | 1 | 1,399.74 | 1,399.74 |

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ACCEPTED BY _____ / _____ / _____
 CLIENT SIGNATURE, TITLE DATE ATMOSPHERE COMMERCIAL INTERIORS

| Description | Quantity | Unit Price | Extended Price |
|---|----------|------------|----------------|
| 10 STEELCASE Tag For Office 1 Pricing ST/66 | | | |
| 11 CRWDL - Cabinet- Hinged Left Size Option: Parametric Depth: 24.00000 Width: 15.00000 Height: 66.00000 Case Finish: Woodgrain HPL 2HWF - SMOKED WALNUT (HPL) Headset Finish: Woodgrain HPL 2HWF - SMOKED WALNUT (HPL) Keys: Key Plug Lock Finish: Polished Chrome 9201 - POLISHED CHROME Pull: Ledge Pull Finish: Smooth Metallic 4799 - PLATINUM METALLIC Interior Configuration: Coat Rod Shelf Option: Fixed Shelf - Top STEELCASE Tag For Office 1 Pricing WR/66/24 | 1 | 865.05 | 865.05 |
| 12 DSTRAYLG - Tray-Cable Management, Smart straps, 30W STEELCASE Tag For Office 1 Pricing TS | 1 | 71.20 | 71.20 |
| 13 EEWSMHL - Hanging Modesty Laminate Panel Width: 60.00000 Height: 12.00000 Panel Finish: Solid HPL 2730 - ARCTIC WHITE Bracket Finish: Smooth Metallic 4799 - PLATINUM METALLIC Grain Direction: No Grain Direction Scallop: With Scallop STEELCASE Tag For Office 1 Pricing MP/60 | 1 | 319.14 | 319.14 |
| 14 FCH4CX - Desktop Power Module Including 14" 6-Outlet Power Adapter, (2) AC Power And (1) USB-A Outlet, (1) USB-C Outlet. Mounts On Top Or Under Desk Finish: WHT: White ESI ERGONO | 1 | 278.86 | 278.86 |

THIS PRICE QUOTATION INCORPORATES, BY REFERENCE, ATMOSPHERE COMMERCIAL INTERIORS TERMS AND CONDITIONS (July 2022 or prior contract signed by client). EXECUTION OF THIS PRICE QUOTATION IS BUYER'S ACCEPTANCE OF THOSE TERMS AND CONDITIONS.

ACCEPTED BY _____ / _____ / _____
CLIENT SIGNATURE, TITLE DATE ATMOSPHERE COMMERCIAL INTERIORS

| Description | | Quantity | Unit Price | Extended Price |
|--|---|----------|------------|-----------------|
| 14 | Tag For Office 1 Pricing FCH4CX | | | |
| 15 | LOCKFR - FIELD INSTALLED LOCK PLUGS & KEYS, FR Lock Finish: Polished Chrome 9201 - POLISHED CHROME Key: KEY SPECIFIC 5-353 STEELCASE Tag For Office 1 Pricing | 5 | N/C | N/C |
| 16 | MGELTRQ - Migration SE; Desk-Rectangle, T leg, Extended height Size: Modular Depth: 29.00000 Width: 76.00000 Overhang: No Overhang Top Surface Finish: Solid HPL 2730 - ARCTIC WHITE Edge Finish: Plastic - PG1 6009 - ARCTIC WHITE Base Finish: Smooth Metallic 4799 - PLATINUM METALLIC Controller: Up/Down Controller Power: NA 120V, NEMA 1-15 Type A - D Foot Option: Mitered Edge Corner: Square Corner Office Set: NONE STEELCASE Tag For Office 1 Pricing 29/76/EXT-UP | 1 | 1,007.84 | 1,007.84 |
| 17 | MIGCR - Migration; Cable riser Connection Type: Leg Connection STEELCASE Tag For Office 1 Pricing CRX | 1 | 119.16 | 119.16 |
| 18 | UFB - Bracket-Flush mount STEELCASE Tag For Office 1 Pricing BRKT | 1 | 14.31 | 14.31 |
| Sub Total | | | | 9,947.72 |
| MINNESOTA- Exempt - Local Municipality | | | | 0.00 |
| Total | | | | 9,947.72 |
| Office 2 Pricing | | | | |

THIS PRICE QUOTATION INCORPORATES, BY REFERENCE, ATMOSPHERE COMMERCIAL INTERIORS TERMS AND CONDITIONS (July 2022 or prior contract signed by client). EXECUTION OF THIS PRICE QUOTATION IS BUYER'S ACCEPTANCE OF THOSE TERMS AND CONDITIONS.

ACCEPTED BY _____ / _____ / _____
 CLIENT SIGNATURE, TITLE DATE ATMOSPHERE COMMERCIAL INTERIORS

| Description | | Quantity | Unit Price | Extended Price |
|-------------|---|----------|------------|----------------|
| 21 | Tag For Office 2 Pricing BC/66/24 | | | |
| 22 | CRDSHL - Desk- Shell Size Option: Modular Depth: 24.00000 Width: 72.00000 Thickness - Worksurface: 1.12500 Top Surface Finish: Solid HPL 2730 - ARCTIC WHITE Edge Finish: Plastic - PG1 6009 - ARCTIC WHITE Case Finish: Solid HPL 2730 - ARCTIC WHITE Support - Right: Clear-Access End Panel Support - Left: Full Depth End Panel Modesty Panel: Quarter Height Grommet Location: No Grommet STEELCASE Tag For Office 2 Pricing 24/72/FD/CA | 1 | 515.23 | 515.23 |
| 23 | CRDSHL - Desk- Shell Size Option: Parametric Depth: 24.00000 Width: 90.00000 Thickness - Worksurface: 1.12500 Top Surface Finish: Solid HPL 2730 - ARCTIC WHITE Edge Finish: Plastic - PG1 6009 - ARCTIC WHITE Case Finish: Solid HPL 2730 - ARCTIC WHITE Support - Right: Clear-Access End Panel Support - Left: Full Depth End Panel Modesty Panel: Quarter Height Grommet Location: No Grommet STEELCASE Tag For Office 2 Pricing 24/90/FD/CA | 1 | 861.64 | 861.64 |
| 24 | CRL2H - Lateral 2 High File/File Size Option: Modular Depth: 24.00000 Width: 30.00000 Top: With Top Application: Full | 1 | 1,050.41 | 1,050.41 |

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ACCEPTED BY _____ / _____ / _____
 CLIENT SIGNATURE, TITLE DATE ATMOSPHERE COMMERCIAL INTERIORS

| Description | Quantity | Unit Price | Extended Price |
|---|----------|------------|----------------|
| 29 Interior Configuration: Coat Rod Shelf Option: Fixed Shelf - Top STEELCASE Tag For Office 2 Pricing WR/66/24 | | | |
| 30 DSTRAYLG - Tray-Cable Management, Smart straps, 30W STEELCASE Tag For Office 2 Pricing TS | 1 | 71.20 | 71.20 |
| 31 EEWSMHL - Hanging Modesty Laminate Panel Width: 60.00000 Height: 12.00000 Panel Finish: Solid HPL 2730 - ARCTIC WHITE Bracket Finish: Smooth Metallic 4799 - PLATINUM METALLIC Grain Direction: No Grain Direction Scallop: With Scallop STEELCASE Tag For Office 2 Pricing MP/60 | 1 | 319.14 | 319.14 |
| 32 FCH4CX - Desktop Power Module Including 14" 6-Outlet Power Adapter, (2) AC Power And (1) USB-A Outlet, (1) USB-C Outlet. Mounts On Top Or Under Desk Finish: WHT: White ESI ERGONO Tag For Office 2 Pricing FCH4CX | 1 | 278.86 | 278.86 |
| 33 LOCKFR - FIELD INSTALLED LOCK PLUGS & KEYS, FR Lock Finish: Polished Chrome 9201 - POLISHED CHROME Key: KEY SPECIFIC 5-354 STEELCASE Tag For Office 2 Pricing | 5 | N/C | N/C |
| 34 MGELTRQ - Migration SE; Desk-Rectangle, T leg, Extended height Size: Modular Depth: 29.00000 Width: 76.00000 Overhang: No Overhang Top Surface Finish: Solid HPL 2730 - ARCTIC WHITE | 1 | 1,007.84 | 1,007.84 |

THIS PRICE QUOTATION INCORPORATES, BY REFERENCE, ATMOSPHERE COMMERCIAL INTERIORS TERMS AND CONDITIONS (July 2022 or prior contract signed by client). EXECUTION OF THIS PRICE QUOTATION IS BUYER'S ACCEPTANCE OF THOSE TERMS AND CONDITIONS.

ACCEPTED BY _____ / _____ / _____
 CLIENT SIGNATURE, TITLE DATE ATMOSPHERE COMMERCIAL INTERIORS

| Description | Quantity | Unit Price | Extended Price |
|--|----------|------------|----------------|
| 41 Includes labor coordination, schedule and delivery planning, project progress tracking and communication, punchlist resolution and project close-out. EMERALD BL | | | |
| 42 LABOR - 05/21 3:35PM: STRAX#: 303755-4.1 PM: TROY EHRMAN ----- LABOR TO DELIVER AND INSTALL: 2 NEW U SHAPE OFFICES SEE ATTACHED PLAN FOR REFERENCE ***** DO NOT MODIFY ABOVE THIS LINE. ***** <ul style="list-style-type: none"> •WORK TO BE PERFORMED BY NON-UNION LABOR. •WORK TO BE PERFORMED DURING NORMAL BUSINESS HOURS (7:00 AM - 4:30 PM MONDAY-FRIDAY). •WORK TO BE PERFORMED AFTER NORMAL BUSINESS (AFTER 4:30 PM MONDAY-FRIDAY AND WEEKENDS). •INSTALLATION IS COMPLETED IN ____ PHASE(S). •SPACE TO HAVE CLEAR & FREE ACCESS TO BUILDING AND INSTALLATION SITE. •IF ELEVATOR IS REQUIRED, ONE IS TO BE AVAILABLE FOR OUR USE TO MOVE PRODUCT AND EQUIPMENT. •IF LICENSED ELECTRICIAN OR DATA CABLING IS REQUIRED, IT WOULD BE THE CLIENT'S RESPONSIBILITY. •CLIENT IS RESPONSIBLE TO PACK ALL REQUIRED ITEMS TO ALLOW THE RELOCATION OF THE PRODUCT. •CLIENT IS RESPONSIBLE TO DISCONNECT AND RECONNECT ANY PHONE OR COMPUTER EQUIPMENT. •ANY CHANGES TO THE SCOPE OF WORK DETAILED ABOVE MAY RESULT IN ADDITIONAL COSTS. EMERALD BL | 1 | 2,310.00 | 2,310.00 |

| | |
|--|------------------|
| Quotation Totals | |
| Sub Total | 24,074.77 |
| MINNESOTA- Exempt - Local Municipality | 0.00 |
| Grand Total | 24,074.77 |

End of Quotation

THIS PRICE QUOTATION INCORPORATES, BY REFERENCE, ATMOSPHERE COMMERCIAL INTERIORS TERMS AND CONDITIONS (July 2022 or prior contract signed by client). EXECUTION OF THIS PRICE QUOTATION IS BUYER'S ACCEPTANCE OF THOSE TERMS AND CONDITIONS.

ACCEPTED BY _____ / _____ / _____
CLIENT SIGNATURE, TITLE DATE ATMOSPHERE COMMERCIAL INTERIORS



REQUEST FOR CITY COUNCIL ACTION

| | |
|---------------------------------|--|
| Meeting Date: | June 15, 2026 |
| Item Name: | 8.16. Performance Measures & Report for 2025 |
| Originating Dept: | Administration |
| Presented By: | Jackie Schulze |
| Previous Council Action: | Approved on an annual basis |
| Item Type: | Consent |

RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2026-153 Approving 2025 Performance Measures and Report for Local Results and Innovation

EXPLANATION OF AGENDA ITEM:

In 2010, the Minnesota State Legislature established the Council on Local Results and Innovation, comprised of local elected and appointed officials from across the state. In 2011, the Council developed a standard set of performance measures for local governments. These measures are intended to help residents, taxpayers, and elected officials evaluate the effectiveness and efficiency of local government services, while also measuring resident satisfaction with those services.

Local governments that choose to participate in the Performance Measurement Program are eligible to receive additional Local Government Aid (LGA) reimbursement of up to \$0.14 per capita, with a maximum reimbursement of \$25,000. Participating communities are also exempt from levy limits should such limits be imposed by the State.

Staff reviewed the City's current performance measurement practices and determined that much of the required data is already being collected through existing departmental reporting processes. Based on current population estimates, the City stands to receive approximately \$2,000 in additional revenue through continued participation in the program.

Attached is the City's performance measurement report, which includes trend data from recent years. To remain eligible for the program in 2026, the City must formally adopt the performance measures, report the results, submit the report to the Office of the State Auditor, and make the information available to residents. Staff will publish the results in the City newsletter and on the City's website. Many of these performance measures are already shared with the public through departmental annual reports and other reporting documents.

With the completion of the City's first comprehensive community survey, staff anticipates being able to incorporate additional resident satisfaction measures into the program beginning in 2027, further enhancing the City's ability to evaluate and communicate service performance.

ATTACHMENTS:

1. Resolution No. 2025-153 Performance Measures & Report for 2025
2. Annual Performance Measures Data 2025

| FINANCIAL IMPLICATIONS: | ADVISORY BOARD RECOMMENDATIONS: |
|--------------------------------|--|
| Funding Sources & Uses: | Planning Commission: |
| Budget Information: | Park Board: |
| _____ Budgeted | Personnel Committee: |
| _____ Non-Budgeted | Other: |
| _____ Amendment Required | |

**CITY OF WACONIA
RESOLUTION NO. 2026-153**

**RESOLUTION ADOPTING 2025 PERFORMANCE MEASURES
AND AUTHORIZING REPORTING**

WHEREAS, Benefits to the City of Waconia for participation in the Minnesota Council on Local Results and Innovation’s comprehensive performance measurement program are outlined in MS 6.91 and include eligibility for a reimbursement as set by State statute; and

WHEREAS, Any city/county participating in the comprehensive performance measurement program is also exempt from levy limits for taxes, if levy limits are in effect; and

WHEREAS, The City Council of Waconia has adopted and implemented at least 10 of the performance measures, as developed by the Council on Local Results and Innovation, and a system to use this information to help plan, budget, manage and evaluate programs and processes for optimal future outcomes; and

NOW THEREFORE LET IT BE RESOLVED THAT, The City Council of Waconia will continue to report the results of the performance measures to its citizenry by the end of the year through publication, direct mailing, posting on the city’s/county’s website, or through a public hearing at which the budget and levy will be discussed and public input allowed.

BE IT FURTHER RESOLVED, The City Council of Waconia will submit to the Office of the State Auditor the actual results of the performance measures adopted by the city.

Adopted by the City Council of the City of Waconia this 15th day of June 2026.

Tim Litfin, Mayor

ATTEST: _____
Jackie Schulze, Assistant City Administrator

Annual Performance Measures Review- City of Waconia, MN

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | Data Location |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---|
| General | | | | | | | | | | | | | | | | |
| Percent change in the taxable property value | -6.40% | -7.83% | -9.65% | 6.83% | 13.01% | 7.53% | 2.69% | 7.45% | 6.7% | 12.6% | 3.42% | 4.70% | 21.61% | 6.25% | 6.82% | From Tax Payer services, found on the City's Financial Policy Document used for Budgeting |
| Number of Library Visits per 1,000 population | n/a | n/a | n/a | 9,322 | 8,340 | 7,727 | 7,447 | 7,223 | 8,260 | 1547 | 2964 | 3438 | 3752 | 3835 | 3981 | From Carver County Library |
| Bond Rating | AA | AA | AA | AA | AA+ | AA+ | AA+ | AA+ | AA+ | AA+ | AA+ | AA+ | AA+ | AA+ | AA+ | From Recent Bond Rating |
| Streets | | | | | | | | | | | | | | | | |
| Average city street pavement condition rating | 62 | 62 | 73.00 | 70.71 | 61.40 | 61.40 | 61.82 | 60.34 | 59.64 | 59.19 | 57.23 | 57.5 | 57.71 | 57.71 | 59.43 | From Public Services |
| Police Services* | | | | | | | | | | | | | | | | |
| A Offenses | 204 | 113 | 105 | 78 | 128 | 223 | 264 | 257 | 247 | 298 | 346 | 303 | 246 | 238 | 269 | From Year End Report from Sheriff's Office - A Offense |
| B Offenses | 304 | 283 | 198 | 210 | 290 | 146 | 103 | 105 | 86 | 86 | 63 | 84 | 127 | 138 | 115 | From Year End Report from Sheriff's Office - B Offense |
| Non-Criminal Activity | | | | | | 2778 | 2775 | 2814 | 2713 | 2759 | 2892 | 3014 | 3253 | 3381 | 3031 | From Year End Report from Sheriff's Office |
| Traffic | | | | | | 2798 | 3135 | 2946 | 2627 | 2261 | 2281 | 2576 | 3095 | 3097 | 3106 | From Year End Report from Sheriff's Office |
| Total Crimes per 1,000 population | 46.73 | 36.43 | 26.20 | 24.35 | 34.59 | 29.52 | 29.19 | 28.40 | 26.02 | 29.45 | 29.55 | 26.81 | 25.15 | 24.24 | 24.23 | |
| Fire & EMS Services | | | | | | | | | | | | | | | | |
| Insurance industry rating of fire services | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 6 From Fire Chief |
| Average fire response time (minutes)** | 1 | 1 | 1 | 2 | 1 | 2 | ** | 2.43 | 2.10 | 2.48 | 1.43 | 2.63 | 2.50 | 2.30 | 2.57 | From Fire Department Annual Report - For Waconia Only (2020-2022, 2024-present) |
| Average fire arrival time (minutes)**** | | | | | | | | | | 5.33 | 6.30 | 5.95 | 6.05 | 6.05 | 5.92 | From Fire Department Annual Report - For Waconia Only (2020-2022, 2024-present) |
| Fire calls per 1,000 population | 31.0 | 31.6 | 30.4 | 31.7 | 30.6 | 29.6 | 31.8 | 40.1 | 56.6 | 40.3 | 46.0 | 66.3 | 69.9 | 82.2 | 76.8 | From Fire Department Annual Report - For Waconia Only (2020-2022, 2024-present) |
| Total Fire Calls | 337 | 344 | 352 | 375 | 370 | 370 | 400 | 511 | 724 | 526 | 636 | 957 | 1036 | 1275 | 1217 | From Fire Department Annual Report - For Waconia Only (2020-2022, 2024-present) |
| Water | | | | | | | | | | | | | | | | |
| Operating costs per 1,000,000 Gallons of water pumped/produced | \$4,748 | \$4,748 | \$3,917 | \$4,362 | \$6,156 | \$6,580 | \$6,126 | \$5,176 | \$5,926 | \$5,692 | \$4,575 | \$5,234 | \$5,232 | \$6,397 | \$7,935 | From Finance Department |
| Total Population | 10,621 | 10,873 | 11,563 | 11,827 | 12,085 | 12,500 | 12,571 | 12,745 | 12,797 | 13,038 | 13,841 | 14,433 | 14,830 | 15,512 | 15,850 | From Annual Land Use Report |
| per 1,000 | 10.87 | 10.87 | 11.56 | 11.83 | 12.09 | 12.50 | 12.57 | 12.75 | 12.80 | 13.04 | 13.84 | 14.43 | 14.83 | 15.51 | 15.85 | |
| per 100 | 108.73 | 108.73 | 115.63 | 118.27 | 120.85 | 125.00 | 125.71 | 127.45 | 127.97 | 130.38 | 138.41 | 144.33 | 148.30 | 155.12 | 158.50 | |



REQUEST FOR CITY COUNCIL ACTION

| | |
|---|--|
| Meeting Date: June 15, 2026 | |
| Item Name: 8.17. Approve Temporary On-Sale Liquor License for the Waconia Legion Post 150 | |
| Originating Dept: Administration | |
| Presented By: Sue Schwalbe | |
| Previous Council Action: None | |
| Item Type: | Consent |
| <p>RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2026-154 approving a temporary-sale liquor license for the Waconia Legion Post 150</p> <p>EXPLANATION OF AGENDA ITEM:</p> <p>The Office of the City Administrator received an application for a temporary on-sale liquor license from the Waconia Legion Post 150 for an event scheduled for July 17 through July 19, 2026.</p> <p>Sale and consumption of alcoholic beverages will be limited to the parking lot and patio area associated with the 4 Main Building located at 4 Main Street East in Waconia.</p> <p>ATTACHMENTS:</p> <p>1. Resolution No. 2026-154 Temporary On-Sale Waconia Legion</p> | |
| FINANCIAL IMPLICATIONS: | ADVISORY BOARD RECOMMENDATIONS: |
| Funding Sources & Uses: | Planning Commission: |
| Budget Information: | Park Board: |
| _____ Budgeted | Personnel Committee: |
| _____ Non-Budgeted | Other: |
| _____ Amendment Required | |

**CITY OF WACONIA
RESOLUTION NO. 2026-154**

**RESOLUTION APPROVING TEMPORARY
ON-SALE LIQUOR LICENSE APPLICATION
WACONIA LEGIONS POST NO. 150**

WHEREAS, an application for a temporary on-sale liquor license has been received in the Office of the City Administrator from the Waconia American Legion Post No.150 for an event July 17th through July 19, 2026, in the parking lot and patio area associated with the 4 Main Building located at 4 Main Street East Suite 1 in Waconia; and

WHEREAS, the applicant shall furnish the City of Waconia with a certificate of insurance naming the City as an additional insured with the limits consistent with the Special Event Policy and at least two weeks prior to the event; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Waconia hereby approves the temporary on-sale liquor license application of the Waconia American Legion Post No. 150 for July 17 through July 19, 2206, contingent upon completion of all forms, payment of fees, and receipt of certificate of insurance and proof of compliance with state and local requirements

Adopted by the City Council of the City of Waconia this 15th day of June 2026.

Tim Litfin, Mayor

Attest: _____
Jackie Schulze, Assistant City Administrator



REQUEST FOR CITY COUNCIL ACTION

| | |
|---|--|
| Meeting Date: June 15, 2026 | |
| Item Name: 8.18. Approve Temporary On-Sale Liquor License and Application for Exempt Gambling Bingo at the Carver County Fair | |
| Originating Dept: Administration | |
| Presented By: Sue Schwalbe | |
| Previous Council Action: None | |
| Item Type: | Consent |
| <p>RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2026-155 Approving Application for Temporary On-Sale Liquor License, Carver County Agriculture Society Adopt Resolution No. 2026-156 Approving Application for Exempt Permit BINGO, Carver County Agriculture Society</p> <p>EXPLANATION OF AGENDA ITEM:</p> <p>The City received an application for a temporary on-sale liquor license from the Carver County Agriculture Society to sell liquor at the Carver County Fair from August 12–16, 2026. Sales and consumption of liquor beverages and liquor will be limited to the beer garden and the grandstand. All liquor and beverage containers must be completely opened upon sale.</p> <p>The City received an application for a gambling exempt permit from the Carver County Agriculture Society in order to conduct BINGO at the Carver County Fair from August 12–16, 2026, at the Carver County Fairgrounds.</p> <p>ATTACHMENTS:</p> <ol style="list-style-type: none"> Resolution No. 2026-155 Temp Liquor Carver County Fair Resolution No. 2026-156 BINGO Carver County Fair | |
| FINANCIAL IMPLICATIONS: | |
| Funding Sources & Uses: | ADVISORY BOARD RECOMMENDATIONS: |
| Budget Information: | Planning Commission: |
| _____ Budgeted | Park Board: |
| _____ Non-Budgeted | Personnel Committee: |
| _____ Amendment Required | Other: |
| | |

**CITY OF WACONIA
RESOLUTION NO. 2026-155**

**RESOLUTION APPROVING TEMPORARY ON-SALE
LIQUOR LICENSE APPLICATION
CARVER COUNTY AGRICULTURE SOCIETY
dba CARVER COUNTY FAIR**

WHEREAS, an application for a temporary on-sale liquor license has been received in the Office of the City Administrator from the Carver County Agriculture Society for August 12, 2026, through August 16, 2026, at the Carver County Fairgrounds, Waconia, Minnesota; and

WHEREAS, sales and consumption of alcoholic beverages will be limited to the beer garden and grandstand of the Carver County Fairgrounds; and

WHEREAS, the applicant shall furnish the City of Waconia a certificate of insurance naming the City as an additional insured with the limits consistent with the Special Events Policy and at least two weeks prior to the event; and

NOW, THEREFORE, BE IT RESOLVED That the City Council of the City of Waconia hereby approves the temporary on-sale liquor license application of the Carver County Agriculture Society from August 6 through August 10, 2025, contingent upon completion of all forms, payment of fees, receipt of certificate of insurance and proof of compliance with state and local requirements

Adopted by the City Council of the City of Waconia this 15th day of June 2026.

Tim Litfin, Mayor

Attest: _____
Jackie Schulze, Assistant City Administrator

**CITY OF WACONIA
RESOLUTION NO. 2026-156**

**RESOLUTION APPROVING AN APPLICATION TO CONDUCT
EXEMPT GAMBLING BINGO
CARVER COUNTY AGRICULTURE SOCIETY
dba CARVER COUNTY FAIR**

WHEREAS, an application for an exempt permit has been received in the Office of the City Administrator from the Carver County Agriculture Society for August 12, 2026, through August 16, 2026, at the Carver County Fairgrounds, Waconia, Minnesota; and

WHEREAS, the Carver County Agricultural Society requested this exempt permit in order to conduct “BINGO” at the Carver County Fairgrounds in conjunction with the Carver County Fair as stated on the application for said exempt permit; and

WHEREAS, the applicant shall furnish the City of Waconia a certificate of insurance naming the City as an additional insured with the limits consistent with the Special Events Policy and at least two weeks prior to the event; and

WHEREAS, the City Clerk is hereby instructed to provide a copy of this Resolution to be included with the permit application to the Department of Gaming, Gambling Control Division, State of Minnesota.

NOW, THEREFORE, BE IT RESOLVED That the City Council of the City of Waconia hereby approves the application for exempt gambling BINGO of the Carver County Agriculture Society at the Carver County Fairgrounds in Waconia from August 6 through August 10, 2025, contingent upon completion of all forms, payment of fees, receipt of certificate of insurance and proof of compliance with state and local requirements

Adopted by the City Council of the City of Waconia this 15th day of June 2026.

Tim Litfin, Mayor

Attest: _____
Jackie Schulze, Assistant City Administrator



REQUEST FOR CITY COUNCIL ACTION

| | |
|---|--|
| Meeting Date: June 15, 2026 | |
| Item Name: 8.19. Group Fitness Flooring Replacement - Safari Island Community Center | |
| Originating Dept: Finance | |
| Presented By: Nicole Meyer | |
| Previous Council Action: None | |
| Item Type: | Consent |
| <p>RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2026-160 Approving Capital Project at Safari Island Community Center for Replacement of Group Fitness Flooring with Johnson Fitness</p> <p>EXPLANATION OF AGENDA ITEM:</p> <p>A project listed in the City's current 2027 capital budget is the replacement of the group fitness room flooring at Safari Island Community Center. The current budget for this project is \$27,000. Staff has requested this project be moved into 2026 as other projects that are budgeted in 2026 are not scheduled to occur.</p> <p>Staff received two quotes for the project. They are attached for review: Johnson Fitness - \$23,967.78 Sage Flooring - \$30,206.16</p> <p>Staff is recommending moving forward with the quote from Johnson Fitness. This project is planned in the CIP to use PIR Capital Project Fund Cash (Fund 103) cash to complete. With approval of the project, Staff will work with the vendor to schedule the work.</p> <p>ATTACHMENTS:</p> <ol style="list-style-type: none"> 1. Resolution No. 2026-160 Safari Island Group Ex Flooring 2. Johnson Fitness - Safari Group Fitness Quote 3. Sage Flooring Safari Group Fitness Quote | |
| FINANCIAL IMPLICATIONS: | ADVISORY BOARD RECOMMENDATIONS: |
| Funding Sources & Uses: Capital Equipment Fund (105) | Planning Commission: |
| Budget Information: | Park Board: |
| <input checked="" type="checkbox"/> Budgeted | Personnel Committee: |
| <input type="checkbox"/> Non-Budgeted | Other: |
| <input type="checkbox"/> Amendment Required | |

**CITY OF WACONIA
RESOLUTION NO. 2026-160**

**RESOLUTION APPROVING CAPITAL PROJECT AT SAFARI ISLAND
COMMUNITY CENTER FOR REPLACEMENT OF GROUP FITNESS ROOM
FLOORING WITH JOHNSON FITNESS**

WHEREAS, the 2027 capital improvement plan includes a project for replacement of the flooring in the group fitness room at Safari Island Community Center; and

WHEREAS, the current flooring was put into place over 10 years ago; and

WHEREAS, City staff obtained two quotes as listed below:

- Johnson Fitness - \$23,967.78
- Sage Flooring - \$30,206.16

WHEREAS, the City budgeted \$27,000 to fund the project and plans to utilize PIR Capital Project fund cash (Fund 103); and

WHEREAS, City staff requests approval of the project to ensure the flooring can be ordered, delivered, and installed as soon as possible.

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Waconia hereby approves the capital project at the Safari Island Community Center for replacement of the group fitness room flooring with Johnson Fitness.

Adopted by the City Council of the City of Waconia this 15th day of June 2026.

Tim Litfin, Mayor

ATTEST: _____
Jackie Schulze, Assistant City Administrator



Johnson Fitness & Wellness

Drew Wurst (3827)
 10759 Hampshire Avenue South
 Bloomington, MN 55438
 Phone: (952) 500-0508
 Fax: (952) 906-6909
 Email: drew.wurst@johnsonfit.com

Quote

Quote Order 22-075231
Date 01/20/26

Ship To Information

Safari Island Waconia Community Center
 Dan Montague
 1600 Community Drive
 Waconia, MN 55387

Home: (651) 438-4188 Work: (651) 438-4188
 Fax: (952) 442-0692
 Email: dmontague@waconiamn.gov

Bill To Information

Safari Island Waconia Community Center
 Dan Montague
 1600 Community Drive
 Waconia, MN 55387

Home: (651) 438-4188 Work: (651) 438-4188
 Fax: (952) 442-0692
 Email: dmontague@waconiamn.gov

Expiration Date: 9/19/2026

Terms: Net 30 Days

| Qty | SKU | Description | Delivery Method | Tax | Your Price | Ext. Price |
|------|----------------|--|-----------------|--------------------------|------------|-------------|
| | | Studio Flooring Project - install 8/13-8/14 | | <input type="checkbox"/> | | |
| | | Ship flooring to arrive by 8/5/26 | | <input type="checkbox"/> | | |
| | | 6 rolls of 47'x6' Vinyl Flooring (1692 sq ft) | | <input type="checkbox"/> | | |
| 1692 | LMNT-000377-A1 | Bounce 2 Vinyl Flooring - Wheat - 47'x6' Roll | Deliver | <input type="checkbox"/> | \$7.00 | \$11,844.00 |
| | | | | <input type="checkbox"/> | | |
| 1 | 801027 | Weld Rod Spool covers 328LF | Deliver | <input type="checkbox"/> | \$102.70 | \$102.70 |
| 5 | AC1008 | Ecore Adhesive 4-Gallon Egrip | Deliver | <input type="checkbox"/> | \$299.79 | \$1,498.95 |
| | | | | <input type="checkbox"/> | | |
| 1 | | Factory Freight | | <input type="checkbox"/> | \$692.48 | \$692.48 |
| | | shipping directly to Safari Island | | <input type="checkbox"/> | | |
| | | **please have materials available inside near room | | <input type="checkbox"/> | | |
| | | for installation on install date | | <input type="checkbox"/> | | |
| | | | | <input type="checkbox"/> | | |
| | | Installers: FITNESS INSTALLATION | | <input type="checkbox"/> | | |
| 1 | | Install Labor | Deliver | <input type="checkbox"/> | \$9,829.65 | \$9,829.65 |
| | | includes demo, prep, install, heat weld, and | | <input type="checkbox"/> | | |
| | | transition strips for doorways | | <input type="checkbox"/> | | |
| | | | | <input type="checkbox"/> | | |
| | | Update includes 180 Linear Ft of Black Vinyl Base | | <input type="checkbox"/> | | |
| | | & Installation of the 180ft of Black Vinyl Base | | <input type="checkbox"/> | | |
| | | | | <input type="checkbox"/> | | |
| | | Safari Island must provide dumpsters for debris | | <input type="checkbox"/> | | |
| | | from the tear-out | | <input type="checkbox"/> | | |

| Qty | SKU | Description | Delivery Method | Tax | Your Price | Ext. Price |
|-----|-----|---|-----------------|--------------------------|------------|------------|
| | | | | <input type="checkbox"/> | | |
| | | Please have room cleared of all equipment and any items that might obstruct the ability to tear out | | <input type="checkbox"/> | | |
| | | and install materials | | <input type="checkbox"/> | | |
| | | Ship flooring to arrive by 8/5/26 | | <input type="checkbox"/> | | |
| | | | | <input type="checkbox"/> | | |

Special Instructions:

Studio Flooring

| | |
|--------------------|--------------------|
| Item Total: | \$23,967.78 |
| Tax: | \$0.00 |
| TOTAL: | \$23,967.78 |

Standard Terms and Conditions

1. All orders must be prepaid before shipment without approved credit.
2. These prices are subject to change after 30 days from document date.
3. There will be a 1.5% monthly service charge on all overdue accounts. The buyer is also responsible for any collection and/or legal fees involved in collecting past due accounts.
4. Any changes on orders must be made within 7 days after the order is accepted.
5. Clerical errors subject to correction. All prices and agreements are contingent upon strikes, accidents, and other causes avoidable or beyond our control.
6. Buyer agrees to promptly file claim for all goods damaged in transit.
7. There will be a 25-35% restocking charge on merchandise ordered but not accepted. Special orders are not refundable. Delivery, Set-Up and Freight charges will not be refunded.
8. A Preventative Maintenance Agreement is available for all equipment.
9. Equipment lease is available with approved credit.
10. All unit prices are F.O.B. manufacturer.
11. Products purchased without commercial warranties that are placed in non-residential settings void manufacturer's warranty. All repair costs are customers responsibility.

Please send check payments to:

DBA Johnson Fitness & Wellness

1600 Landmark Drive

Cottage Grove, WI 53527

Acceptance of Proposal:

These prices, specifications and conditions are satisfactory and are hereby accepted.

I am authorized to order the listed equipment with full understanding
of the payment terms.

Authorized Signature: _____

Print Name: **TIM LITFIN, MAYOR**

Date of Acceptance: **JUNE 15, 2026**

www.johnsonfit.com/commercial



FLOORING
CARPET • HARDWOOD • VINYL • LAMINATE • TILE

www.SageFlooringMN.com
222 W Main St • Waconia MN 55387
612-799-4969

DATE: 06/08/2026

TO Dan Montague
 Safari Island
 Waconia

| SALESPERSON | | JOB | |
|-----------------|--|---------------|---------------|
| Pat | | Group Fitness | |
| | DESCRIPTION | | LINE TOTAL |
| | Vinyl flooring (like existing), wood grain | | \$20,871.25 |
| | Professional vinyl flooring installation | | \$6,797.50 |
| | Vinyl base | | \$356.16 |
| | Professional vinyl base installation | | \$175.00 |
| | Remove & dispose existing vinyl flooring | | \$2,006.25 |
| SUBTOTAL | | | \$32,206.16 |
| TAX | | | EXEMPT |
| TOTAL | | | \$30,206.16 |

Sage Flooring, LLC requires payment for all materials or fifty percent (50%) of the total project cost, whichever is greater, prior to the start of work. The remaining balance is due upon substantial completion of the project and customer acceptance of the completed work.

Your total for down payment is:

\$21,227.41

WARRANTY:

All work completed by Sage Flooring, LLC carries a two-year workmanship warranty. This warranty covers installation workmanship only and does not cover defects in materials.
 If a material defect is suspected, Sage Flooring, LLC will assist the customer in contacting the manufacturer. This warranty is void if materials are removed, altered, or disturbed without written authorization from Sage Flooring, LLC; if unapproved cleaning products or services are used; or if damage occurs for reasons unrelated to installation workmanship.

We agree to have Sage Flooring install our flooring. If the customer cancels the project after materials are ordered or work is scheduled, the customer agrees to forfeit the deposit to cover material costs, scheduling commitments, and administrative expenses. Any additional work not expressly listed in this proposal will require a written change order approved by both parties prior to execution.

THANK YOU FOR THE OPPORTUNITY TO GAIN YOUR BUSINESS!



REQUEST FOR CITY COUNCIL ACTION

| | |
|---|--|
| Meeting Date: June 15, 2026 | |
| Item Name: 8.20. Purchase of Real Property PID #750501620 & #750501610 | |
| Originating Dept: Administration | |
| Presented By: | |
| Previous Council Action: | |
| Item Type: | Consent |
| RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2026-162 Approving Purchase Agreement for Real Property | |
| EXPLANATION OF AGENDA ITEM: | |
| <p>The City has been in discussions with Burr Oaks LLC. owner of PID #750501620 & #750501610. These vacant lots adjacent to municipal parking and 9 1st St W have been serving as private surface parking. As part of the Downtown Phase 4 Reconstruction project, discussions have been had about public/private partnership to improve this area in order to add additional public parking opportunities.</p> <p>The City and Burr Oaks LLC have come to agreement for acquisition of the vacant lots to then be improved to a municipal parking lot standard. This acquisition will allow for 9 additional surface public parking stalls and aesthetic improvement of the area. The City will commit to signing one ADA stall for up to 72 hours of parking. The purchase price per lot is \$60,000.</p> | |
| ATTACHMENTS: | |
| <ol style="list-style-type: none"> 1. Resolution No. 2026-162 Purchase of Property 2. Purchase Agreement (Draft-06-11-2026) | |
| FINANCIAL IMPLICATIONS: | ADVISORY BOARD RECOMMENDATIONS: |
| Funding Sources & Uses: | Planning Commission: |
| Budget Information: | Park Board: |
| _____ Budgeted | Personnel Committee: |
| _____ Non-Budgeted | Other: |
| _____ Amendment Required | |

CITY OF WACONIA
RESOLUTION NO. 2026-162

RESOLUTION APPROVING PURCHASE OF REAL PROPERTY

WHEREAS, the City of Waconia, Minnesota (the “**City**”) desires to purchase two parcels of vacant land located at 7 First Street West, Waconia, PID Nos. 750501610 and 750501620 (the “**Property**”); and

WHEREAS, the City Council finds the acquisition of the Property is in the best interests of the City and its residents; and

WHEREAS, based on negotiations with the owner of the Property, City staff has prepared a proposed Purchase Agreement, a copy of which has been provided to the City Council for review and which is on file with the Clerk; and

WHEREAS, pursuant to Minnesota Statutes §462.356, subd. 2, the City Council finds the acquisition of the Property has no relationship to the City’s comprehensive municipal plan and the City may dispense with the requirements of §462.356, subd. 2, to the extent applicable;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Waconia, Minnesota, that:

1. The above recitals and findings are incorporated as part of these resolutions.
2. The purchase of the Property for the sum of \$120,000.00 is hereby approved, subject to the terms of this resolution.
3. The form of the Purchase Agreement, together with such modifications thereof, deletions therefrom, and additions thereto as the City Administrator or City Attorney deem appropriate, is hereby approved.
4. The Mayor, Clerk, and City Administrator, and each of them, are hereby authorized to execute, acknowledge, and deliver the Purchase Agreement and any other documents or instruments necessary or desirable to effectuate the purchase of the Property as described in the Purchase Agreement. In the event of the absence or disability of the Mayor, Clerk, or City Administrator, such officers of the City as, in the opinion of the City Attorney, may act on their behalf, shall without further act or authorization of the City Council, do all things and execute all instruments and documents required to be done or executed by such absent or disabled officers. The execution of any document or instrument by the appropriate officer or officers of the City authorized herein shall be conclusive evidence of the approval of such document or instrument in accordance with the terms of this resolution.

5. The City of Waconia will commit to signage and/or amendment of Chapter 630 of one accessible parking stall within the reconstructed lot area for parking up to 72 hours in length.
6. The City Administrator is authorized to pay the purchase price and all transaction costs allocated to the City under the Purchase Agreement.

Passed and adopted by the City Council of the City of Waconia on June 15, 2026.

Tim Litfin, Mayor

ATTEST: _____
Jackie Schulze, Assistant City Administrator

PURCHASE AGREEMENT

This Purchase Agreement (“**Agreement**”) is dated June 15, 2026 (the “**Effective Date**”) and is between Burr Oaks LLC, a Minnesota limited liability company (“**Seller**”) and the City of Waconia, a Minnesota municipal corporation (“**Buyer**”).

1. SALE OF PROPERTY

- 1.1 **Real Property.** Subject to the terms and conditions of this Agreement, Seller shall sell to Buyer and Buyer shall purchase from Seller the following (collectively, the “**Property**”):
 - 1.1.1 Two parcels of vacant land located at 7 First Street West, Waconia, PID Nos. 750501610 and 750501620, which is depicted on attached Exhibit A (the “**Land**”); and
 - 1.1.2 Seller’s interest in all easements and rights benefiting or appurtenant to the Land, including any right, title, or interest in the bed of any street, road, highway, or alley adjoining the Land.
- 1.2 **Legal Description and Subdivision.** Buyer, at its expense, shall determine the legal description needed to convey the Land and, if necessary, obtain subdivision approval.
- 1.3 **Personal Property.** No personal property is included in the sale. Seller, at its expense, shall remove all personal property from the Property prior to the Closing (defined in Section 7.1 below). Any personal property remaining on the Property after Closing shall be deemed abandoned by Seller and may be disposed of by Buyer.

2. PURCHASE PRICE

- 2.1 **Purchase Price.** Buyer shall pay Seller the sum of \$120,000.00 as the total purchase price for the Property (the “**Purchase Price**”).
- 2.2 **Payment of Purchase Price.**
 - 2.2.1 **Earnest Money.** Within five (5) calendar days after the Effective Date of this Agreement, Buyer shall deposit the sum of \$5,000.00 of earnest money with Title Mark, LLC (“**Title Company**”). The earnest money deposit (the “**Earnest Money**”) shall constitute a credit against the Purchase Price.
 - 2.2.2 **Payment at Closing.** Buyer shall pay the sum of \$115,000.00 to Seller at Closing. Costs and prorations associated with the Property and the transactions described in this Agreement shall be allocated between the parties as described in Section 9 below.
- 2.3 **Title Company.** The Title Company shall hold the Earnest Money in a noninterest bearing account and disburse it according to the terms,

covenants, and conditions of this Agreement. The parties acknowledge Title Company, in its capacity as escrow agent, i) shall act solely at the request of the parties to this Agreement and for their convenience; ii) shall not be deemed to be the agent of either party; and iii) shall not be liable to either party for any act or omission on its part unless taken or suffered in bad faith or willful disregard of this Agreement, or as a result of negligence. If the Closing does not occur for any reason and either party makes a written demand on Title Company for payment of the Earnest Money, Title Company shall give written notice of the demand to the other party. If Title Company does not receive a written objection from the other party to the proposed payment within 15 business days after giving its notice, Title Company shall pay the Earnest Money to the party making the demand. If Title Company receives written objection within the 15 business day period, Title Company shall continue to hold the Earnest Money until otherwise directed by joint written instructions from the parties or until otherwise directed by a court of competent jurisdiction. The Title Company shall acknowledge its agreement to these provisions by executing this Agreement in the space provided following the signatures of the parties.

3. INVESTIGATION OF PROPERTY

- 3.1 **Existing Reports and Information.** Within five (5) calendar days after the Effective Date of this Agreement, Seller shall deliver to Buyer true and complete copies of all documents relating to the Property that are in Seller's possession or control including: notices, surveys, inspections, environmental reports, assessment and tax records, leases, plans, contracts, permits, and warranties.
- 3.2 **Additional Investigation.** Buyer and its agents shall have 60 calendar days from the Effective Date of this Agreement (the "**Contingency Period**") to go upon the Property to inspect and test the Property. Without limiting the general nature of the preceding sentence, Buyer's right to inspect and test shall include testing for: i) the presence or absence of hazardous substances, petroleum products, and asbestos; and ii) the condition of soils. Regarding environmental testing, Buyer may immediately request a Phase 1 evaluation of the Property. If the Phase 1 report recommends Phase 2 evaluation, Buyer shall consult with Seller and obtain Seller's approval prior to proceeding, which approval shall not be unreasonably withheld, conditioned, or delayed. If Seller fails to grant approval for any desired Phase 2 evaluation, Buyer may terminate this Agreement pursuant to Section 6.2 below. Buyer agrees to repair any damage to the Property caused by such inspections and testing and to return the Property to substantially the same condition as existed prior to Buyer's inspection and testing.

4. EXAMINATION OF TITLE

- 4.1 **Title Evidence.** The parties acknowledge that Title Company has issued a title insurance commitment for an ALTA 2021 Owner's Policy of Title Insurance in the amount of the Purchase Price (the "**Title Commitment**"), which must be updated to include the legal description for the Property attached as Exhibit A. The parties further acknowledge that Buyer has obtained a boundary survey of the Property, which Buyer desires to update to a ALTA/ACSM survey (the "**Survey**"). Promptly after this Agreement has been fully executed, Buyer shall request an updated Title Commitment and an updated Survey, as described above. The updated Title Commitment and Survey, when finished, will constitute the "**Title Evidence.**"
- 4.2 **Examination and Objections.** Within 10 calendar days after Buyer's receipt of the last item of Title Evidence, Buyer shall give Seller written notice of any defect to title, encumbrance to title, encroachment, or other item affecting title that Buyer is unwilling to accept ("**Objections**"). Any mortgages or other monetary liens or encumbrances against the Property shall be deemed automatic Objections (without any further action by Buyer) and Seller shall cure them on or before Closing. Seller shall use commercially reasonable efforts to cure any other Objections, to Buyer's satisfaction, prior to the expiration of the Contingency Period. If any of the Title Evidence is further endorsed, revised, or updated, Buyer shall have 10 calendar days after Buyer's receipt of the endorsed, revised, or updated Title Evidence to object to any matters shown or disclosed therein and such matters shall be deemed part of Buyer's Objections. If any Objections are first raised after the expiration of the Contingency Period pursuant to the immediately preceding sentence, Seller shall make commercially reasonable efforts to cure them prior to the Date of Closing and, in regard to such Objections, all references in Section 4.3 below to "the expiration of the Contingency Period" shall be deemed to read "the Date of Closing."
- 4.3 **Failure to Cure Objections.** If Seller is unable to cure any of the Objections before the expiration of the Contingency Period, Buyer may, at its option i) cure any Objections and deduct the cost thereof from the Purchase Price at Closing; ii) notify Seller that Buyer waives any of the Objections that could not be cured; or iii) give Seller written notice of termination at any time on or before the expiration of the Contingency Period.
- 4.4 "**Permitted Encumbrances**" shall include matters to which Buyer does not object and Objections waived by Buyer, if any.

5. OPERATION PRIOR TO CLOSING; FIELD ACCESS EASEMENT

- 5.1 **Agreements.** Seller shall not execute any contracts, leases, easements, or other agreements regarding the Property without the written consent of Buyer, which consent may be withheld by Buyer, in its sole discretion. Moreover,

Seller shall fully perform each of Seller's obligations under (and shall observe any restriction imposed by) any easement agreement, covenant, condition, or restriction affecting or relating to the Property.

5.2 **Outstanding Obligations.** On or before the Date of Closing, Seller shall pay for all labor or materials furnished to the Property at the request of Seller.

5.3 **Easement.** At Closing, Seller and Buyer shall enter into an easement agreement in the form attached to this Agreement as Exhibit B ("**Easement**"). Prior to Closing, Buyer shall have its surveyor prepare a description of the easement areas needed for the Easement, which will describe a small easement area for a stairway landing and another small easement area for a trash enclosure, both which serve the building adjacent to the Property.

6. BUYER'S CONTINGENCIES

6.1 **Contingencies.** Buyer's obligations under this Agreement are contingent on the satisfaction of the following contingencies:

6.1.1 Buyer determining on or before the expiration of the Contingency Period, in Buyer's sole discretion, that Buyer is satisfied with the results of its inspections and the condition of the Property;

6.1.2 The representations and warranties made by Seller in Section 10 below being true at the time of the Closing;

6.1.3 Seller conveying marketable title to the Property at the Closing, subject only to Permitted Encumbrances.

6.1.4 The Title Company issuing an owner's title insurance policy to Buyer that is acceptable to Buyer, in Buyer's sole discretion.

6.2 **Buyer's Right to Terminate.** If any contingency is not satisfied on or before the expiration of the Contingency Period or the Date of Closing, as applicable, Buyer may terminate this Agreement and receive a full refund of the Earnest Money. Failure of Buyer to give Seller written notice of termination on or before the applicable date constitutes Buyer's waiver of such contingency. If Buyer gives termination notice because a contingency has not been met, Section 15 regarding termination shall apply.

7. CLOSING

7.1 **Closing Date and Location.** The closing shall occur at 1:00 p.m., on June , 2026, or another time mutually agreed to by the parties (the "**Date of Closing**"), at which time the closing of the purchase and sale (the "**Closing**") shall occur. The Closing shall take place at the offices of Title Company at its Waconia, Minnesota, location, or at such other place as the parties may agree.

7.2 **Seller's Deliveries at Closing.** At Closing, Seller shall:

- 7.2.1 Execute and deliver to Title Company all documents necessary to establish the marketability of Seller's actual and record title to the Property, subject only to Permitted Encumbrances.
- 7.2.2 Execute and deliver a standard form Limited Warranty Deed to Buyer for the Property (the "**Deed**"), subject only to Permitted Encumbrances.
- 7.2.3 If subdivision is required per Section 1.2 above, execute and deliver a deed for the remnant parcel confirming Seller's continued ownership of the remnant parcel.
- 7.2.4 Execute and deliver the Easement.
- 7.2.5 Execute and deliver to Buyer and Title Company an appropriate Minnesota Uniform Conveyancing Form Affidavit (Form 50.1.2 / 50.1.3) evidencing: a) the absence of bankruptcies, judgments, tax liens or marriage dissolution proceedings involving parties with the same or similar names as Seller; ii) the absence of mechanic's lien rights affecting the Property, unrecorded interests affecting the Property, persons in possession of the Property, and known encroachments or boundary line questions affecting the Property.
- 7.2.6 Execute and deliver to Buyer and Title Company: i) a non-foreign affidavit containing such information as is required under §1445(b)(2) of the Internal Revenue Code and any regulations relating thereto; and ii) appropriate tax reporting forms.
- 7.2.7 Execute and deliver to Title Company the Septic System Transfer Disclosure Form required by Carver County.
- 7.2.8 Deliver to Buyer the Date Down Certificate described in Section 10.3.
- 7.2.9 Execute and deliver any other documents required hereunder or reasonably requested by Title Company to issue any title insurance policy desired by Buyer.
- 7.3 **Buyer's Deliveries at Closing.** At Closing Buyer shall:
 - 7.3.1 Execute and deliver the Easement.
 - 7.3.2 Tender the Purchase Price to Seller pursuant to the provisions of Section 2.2.2 above.
 - 7.3.3 Execute and deliver any other documents required hereunder or reasonably requested by Title Company to issue any title insurance policy desired by Buyer.

8. **DELIVERY OF PROPERTY**

Seller shall deliver possession of the Property to Buyer at Closing in substantially the same condition as the Property existed on the Effective Date.

9. **PRORATIONS AND ALLOCATIONS**

9.1 **Real Estate Taxes and Special Assessments.** The parties shall pay real estate taxes (“**Real Estate Taxes**”), service charges (including service charges assessed against real property on an annual basis pursuant to Minnesota Statutes, §429.101) (“**Service Charges**”) and special assessments (“**Special Assessments**”) as follows:

9.1.1 On or before the Date of Closing, Seller shall pay all Real Estate Taxes, Service Charges, and any penalties and interest thereon, that are due and payable with respect to the Property for all years prior to the year Closing occurs. In addition, on or before the Date of Closing, Seller shall pay all levied and pending special assessments associated with the Property and all deferred Real Estate Taxes.

9.1.2 On or before the Date of Closing, Seller shall pay or provide for the payment of any Special Assessments levied or pending against the Property.

9.1.3 On or before the Date of Closing, Real Estate Taxes and Service Charges associated with the Property shall be prorated between the parties on a per diem basis, using a calendar year, to the Date of Closing.

9.2 **Title and Closing Costs**

9.2.1 Buyer shall pay:

9.2.1.1 The cost of the Survey;

9.2.1.2 Any costs associated with Buyer’s investigation of the Property (provided Seller shall provide its reasonable cooperation without charge);

9.2.1.3 The cost of recording the Deed;

9.2.1.4 50% of the closing fee charged by Title Company; and

9.2.1.5 The cost of the title insurance premium and any endorsements desired by Buyer;

9.2.2 Seller shall pay:

9.2.2.1 The cost of the Title Commitment;

- 9.2.2.2 The cost of recording the deed for the remnant parcel, if required, and the cost of recording the Easement;
- 9.2.2.3 The cost of recording a satisfaction or partial release of Seller's mortgage and the cost of recording any other documents required to eliminate Objections to title;
- 9.2.2.4 Transfer taxes, including the deed tax; and
- 9.2.2.5 50% of the closing fee charged by Title Company.

9.3 **Brokers.** Each party represents and warrants to the other party that it has not engaged any real estate agent or broker to whom a commission or fee is due regarding this Agreement or the sale of the Property.

9.4 **Attorneys' Fees.** Each party shall pay its own attorneys' fees.

10. SELLER'S REPRESENTATIONS, WARRANTIES AND DISCLOSURES

10.1 **Representations, Warranties, and Required Minnesota Disclosures.** Seller represents and warrants to Buyer the following:

10.1.1 **Marketable Title.** Seller is the fee owner of the Property and holds marketable title thereto, subject only to Permitted Encumbrances.

10.1.2 **Authority.** Seller has the legal authority to enter into this Agreement and to sell the Property. The individuals executing this Agreement on behalf of Seller have the legal authority to execute this Agreement on behalf of Seller and to bind Seller. Seller is not a foreign person, foreign corporation, foreign partnership, foreign trust, or foreign estate, as defined in §1445 of the Internal Revenue Code.

10.1.3 **Adverse Matters.** There have been no bankruptcy or dissolution proceedings involving Seller, there are no unsatisfied judgments of record against Seller, and there are no state or federal tax liens filed against Seller. There has been no labor or materials furnished to the Property at the request of Seller or on Seller's behalf for which payment has not been made. Seller is not a party to any action, litigation, governmental investigation, condemnation, or administrative proceeding of any kind with respect to any portion of the Property. To the best of Seller's knowledge, there is no action, litigation, governmental investigation, condemnation, or administrative proceeding of any kind threatened with respect to any portion of the Property and no third party has threatened Seller with the commencement of any such action, litigation, investigation, condemnation, or administrative proceeding. Seller is not in default in the performance of any of Seller's obligations under any mortgage or contract for deed relating to the Property and, to the best of Seller's

knowledge, Seller is not in default in the performance of any of Seller's obligations under any easement agreement, covenant, condition, restriction, or other instrument relating to the Property. To the best of Seller's knowledge, the Property is not in violation of any statute, law, ordinance, or regulation.

- 10.1.4 **Unrecorded Interests.** There are no unrecorded mortgages, contracts, purchase agreements, options, leases, easements or other agreements or interest relating to the Property. There are no persons in possession of any portion of the Property other than pursuant to a recorded document. Further, there are no tenants or licensees using any portion of the Property. To the best of Seller's knowledge, there are no encroachments or boundary line questions affecting the Property.
- 10.1.5 **Hazardous Substances.** To the best of Seller's knowledge, there are no Hazardous Materials (as defined below) located on or within the Property; the Property is not subject to any liens or claims by government or regulatory agencies or third parties arising from the release or threatened release of any Hazardous Materials in, on or about the Property; and Property has not been used in connection with the generation, disposal, storage, treatment, or transportation of any Hazardous Materials. Further, to the best of Seller's knowledge, there is no basis for Seller to record with the County Recorder or Registrar of Titles an affidavit described in Minnesota Statutes, §115B.16, Subd. 2, indicating that there is "extensive contamination" on the Property. For purposes of this Agreement, "**Hazardous Materials**" means materials or substances such as polychlorinated biphenyls, petroleum, including crude oil or any fraction thereof, petroleum products, heating oil, natural gas, natural gas liquids, liquified natural gas or synthetic gas usable for fuel, including, without limitation, substances defined as "hazardous substances," "toxic substances," "hazardous waste", "pollutants or contaminants" or similar substances under federal, state and local laws, regulations, and ordinances.
- 10.1.6 **Storage Tanks.** To the best of Seller's knowledge, there are no underground or above ground storage tanks of any size or type located on the Property.
- 10.1.7 **Wells and Septic Systems.** To the best of Seller's knowledge, there are no wells located on the Property. To the best of Seller's knowledge, there are no abandoned individual sewage treatment systems on the Property.
- 10.1.8 **Methamphetamine Production.** To the best of Seller's knowledge, methamphetamine production has not occurred on the Property.

10.1.9 **Airport Zoning Regulations.** If airport zoning regulations affect the Property, a copy of those airport zoning regulations as adopted can be viewed or obtained at the office of the county recorder where the Property is located.

10.2 **Updates.** If, at any time prior to the Date of Closing, Seller acquires knowledge of events or circumstances that render one or more of the representations and warranties set forth in this Section 10 as inaccurate in any respect, Seller shall immediately notify Buyer, in writing. The representations and warranties set forth above shall survive Closing and Seller's delivery of the Deed to Buyer. Buyer's acceptance of the Deed from Seller and payment of the Purchase Price to Seller with knowledge that any matter set forth above is not as represented shall not constitute Buyer's waiver or release of any claims due to such misrepresentation.

10.3 **Date Down Certificate.** At Closing, Seller shall execute and deliver to Buyer a certificate of Seller certifying that the representations and warranties contained in this Section 10 are true as of the Date of Closing or, if such representations are no longer true, describing, in detail, the reasons why the representations are no longer true (the "**Date Down Certificate**").

11. **BUYER'S REPRESENTATIONS AND WARRANTIES**

Buyer represents and warrants to Seller that Buyer has the full and complete authority to enter into this Agreement and to purchase the Property. The individuals executing this Agreement on behalf of Buyer have the authority to execute this Agreement on behalf of Buyer and to bind Buyer.

12. **CONDEMNATION**

If, prior to the Date of Closing, a public or private entity with the power of eminent domain commences condemnation proceedings against all or any part of the Property, Seller shall promptly notify Buyer and Buyer may, at Buyer's sole option, terminate this Agreement pursuant to Section 15 below. Buyer shall have until the earlier of (a) the Date of Closing; or (b) the date 20 calendar days from Buyer's receipt of Seller's notice to Buyer to exercise Buyer's termination right. If Buyer does not terminate this Agreement pursuant to this Section 12, the parties shall fully perform their obligations under this Agreement, with no reduction in the Purchase Price, and Seller shall assign to Buyer, on the Date of Closing, all of Seller's right, title and interest in any award made or to be made in the condemnation proceedings. Seller shall not designate counsel or appear or otherwise act with respect to any such condemnation proceedings without Buyer's prior written consent unless Buyer fails to respond within seven (7) calendar days to a request for such written consent.

13. **DAMAGE**

If, prior to the Date of Closing, any portion of the Property is damaged by fire, wind, water or any other cause, Seller shall promptly notify Buyer of such damage and Buyer may, at Buyer's sole option, terminate this Agreement pursuant to Section 15 below. Buyer shall have until the earlier of (a) the Date of Closing; or (b) the date 20 calendar days from Buyer's receipt of Seller's notice to Buyer to exercise Buyer's termination right. If Buyer does not terminate this Agreement pursuant to this Section 13, the parties shall fully perform their obligations under this Agreement subject to the following: a) at the Closing, Seller shall assign to Buyer all of Seller's right, title and interest to any insurance proceeds payable as a result of the damage; and ii) at the Closing the Purchase Price payable to Seller shall be reduced by an amount equal to any applicable insurance deductible or retention amount. Upon Buyer's request, Seller shall promptly disclose all insurance information to Buyer.

14. **DEFAULT**

If either party to this Agreement defaults in the performance of any of such party's obligations under this Agreement, the non-defaulting party may, after written notice to the defaulting party, suspend performance of its obligations under this Agreement, and the rights of the non-defaulting party shall be as follows:

14.1 **Buyer's Default.** If Buyer defaults in the performance of any of Buyer's obligations under this Agreement, or if any of Buyer's representations in Section 11 are inaccurate when made, Seller may cancel this Agreement pursuant to Minnesota Statutes §559.21 and the Earnest Money shall be distributed to Seller. The remedies set forth in this Section 14.1 are Seller's sole and exclusive remedies. Under no circumstance shall Buyer be liable to Seller for damages of any nature, whether direct, indirect, consequential, special, or otherwise.

14.2 **Seller's Default.** If Seller defaults in the performance of any of Seller's obligations under this Agreement, or if any of Seller's representations or warranties in Section 10 are inaccurate, Buyer may:

- Terminate this Agreement pursuant to Section 15; or
- Initiate a civil action to compel Seller's specific performance of Seller's obligations under this Agreement provided Buyer commences such action within 12 months of the date of Seller's default.

In either case, if Seller has breached any representation or warranty contained in Section 10, Buyer may also seek damages. The remedies set forth in this Section 14.2 are Buyer's sole and exclusive remedies in the event of Seller's default. Under no circumstance shall Seller be liable to Buyer for consequential or special damages. Notwithstanding anything to the contrary in the preceding provisions of this section, if Seller is required to pay any sum to Buyer and Seller fails to promptly make such payment, Buyer shall have the

right to commence an action in a court of competent jurisdiction seeking a judgment awarding Buyer the sum due. If any action is brought by Buyer for specific performance or to obtain a sum due Buyer, Buyer may also recover Buyer's attorneys' fees and costs. Seller's obligation to pay any sum to Buyer after termination of this Agreement shall survive such termination.

15. TERMINATION OF THIS AGREEMENT

Various sections of this Agreement allow Seller and Buyer to terminate this Agreement under certain conditions. The following procedures shall govern either party's exercise of its termination rights:

- 15.1 A party intending to terminate this Agreement (the "**Terminating Party**") shall notify the non-terminating party (the "**Non-Terminating Party**") in writing pursuant to Section 16 below of the Terminating Party's intent to terminate this Agreement.
- 15.2 The Terminating Party's notice shall recite the section of this Agreement that authorizes the Terminating Party's termination of this Agreement and shall describe the facts and circumstances which the Terminating Party asserts justify termination under the referenced section.
- 15.3 The Terminating Party's notice of termination shall be effective as of the date specified in Section 16 below.
- 15.4 If the Non-Terminating Party disputes the Terminating Party's right to terminate this Agreement, the Non-Terminating Party shall so notify the Terminating Party, in writing, within three (3) business days of the Non-Terminating Party's receipt of the Terminating Party's notice of termination.
- 15.5 If the Non-Terminating Party does not dispute the Terminating Party's right to terminate this Agreement, Buyer shall execute and deliver to Seller a recordable quit claim deed conveying the Property to Seller or another recordable instrument evidencing the termination of this Agreement, and on the receipt of such a quit claim deed or other instrument this Agreement shall terminate and the Earnest Money shall be returned to Buyer unless this Agreement expressly requires distribution to Seller.
- 15.6 If the parties dispute the validity of an attempted termination of this Agreement, either party may initiate a civil action in a court of competent jurisdiction to determine the status of this Agreement, and the party that prevails in any such action shall be entitled to recover the costs and reasonable attorneys' fees that such party incurs in the action from the non-prevailing party. If termination is disputed, Title Company shall retain the Earnest Money until a court of competent jurisdiction renders an order regarding the termination. Thereafter, Title Company shall distribute the Earnest Money as directed by the court's order. If the order does not address

the Earnest Money, it shall be returned to Buyer unless this Agreement expressly requires distribution to Seller.

- 15.7 Except as expressly provided in this Agreement to the contrary, if this Agreement is canceled or terminated the parties agree each party shall bear all costs paid by such party prior to cancellation or termination of this Agreement.

16. NOTICES

16.1 **Seller.** All notices that Buyer may desire or is required to give to Seller shall be deemed sufficiently given or rendered if in writing and it) personally delivered to Seller at: Nathan M. Albee, Chief Manager, Burr Oaks LLC, 134 Stacy Circle, Waconia, Minnesota 55387 (“**Seller’s Address**”); ii) sent to Seller’s Address via overnight courier with item tracking; or iii) sent to Seller’s Address via registered or certified U.S. Mail. The effective date of a notice or communication shall be deemed to be the day of delivery in the case of personal delivery or, in the case of delivery via overnight courier or U.S. Mail, the day after the same is deposited with the overnight courier or the U.S. Postal Service, as applicable. Seller may change its address for notice at any time by giving Buyer notice of the change.

16.2 **Buyer.** All notices or communications that Seller may desire or is required to give to Buyer shall be deemed sufficiently given or rendered if in writing and a) personally delivered to Buyer at: Shane Fineran, City Administrator, City of Waconia, 201 South Vine Street, Waconia, Minnesota 55387 (“**Buyer’s Address**”); ii) sent to Buyer’s Address via overnight courier with item tracking; or iii) sent to Buyer’s Address via registered or certified U.S. Mail. The effective date of a notice or communication shall be deemed to be the day of delivery in the case of personal delivery or, in the case of delivery via overnight courier or U.S. Mail, the day after the same is deposited with the overnight courier or the U.S. Postal Service, as applicable. Buyer may change its address for notice at any time by giving Seller notice of the change.

17. MISCELLANEOUS

17.1 **Assignment.** Seller shall not assign this Agreement or any of its rights and obligations under this Agreement without Buyer’s prior, written consent. Buyer may assign this Agreement without Seller’s consent to any entity controlling or controlled by Buyer. Except as provided in the immediately preceding sentence, Buyer shall not assign this Agreement or any of its rights and obligations under this Agreement without Seller’s prior, written consent.

17.2 **Construction of Agreement.** Seller and Buyer have participated jointly in the negotiation and drafting of this Agreement and no presumption or burden of proof shall arise favoring or disfavoring any party. The word “party” means either party to this Agreement and the word “parties” means both parties to

this Agreement. The word “including” means including without limitation. The phrase “business day” means any day Title Company is open for business to the general public. The parties intend each representation, warranty, and covenant contained in this Agreement to have independent significance. The captions used in this Agreement are for convenience only and do not constitute terms of the Agreement.

- 17.3 **No Agency, Partnership or Joint Venture.** This Agreement does not create any partnership, joint venture, association, or principal and agent relationship between Seller and Buyer.
- 17.4 **No Waiver Implied.** No waiver of any default shall be implied from any omission to act regarding the default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and then only for the time and to the extent therein stated.
- 17.5 **Entire Agreement.** All preliminary negotiations are merged into and incorporated in this Agreement. This Agreement can only be modified or amended by another written agreement signed by both parties.
- 17.6 **Successors and Assigns.** Subject to Section 17.1, this Agreement shall bind and inure to the benefit of the respective heirs, successors and assigns of the parties.
- 17.7 **Attorneys’ Fees and Court Costs.** In the event of any litigation between the parties regarding a default or alleged default under this Agreement, the prevailing party shall be entitled to reimbursement by the other party of all reasonable attorneys’ fees and court costs incurred in such litigation.
- 17.8 **Law.** This Agreement is governed by and shall be construed according to Minnesota law, exclusive of choice of law rules.
- 17.9 **Time.** Time is of the essence.
- 17.10 **Exhibits and Recitals.** The exhibits attached to this Agreement and the provisions contained in such exhibits are incorporated by reference as terms of the Agreement. Further, the provisions contained in the introductory paragraph and any recitals of this Agreement are also incorporated as terms of the Agreement.
- 17.11 **Counterparts and Facsimile Signatures.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, and together which shall constitute one and the same document. Signatures transmitted by fax, email (e.g., pdf attachment), or other electronic means (e.g., DocuSign) shall be deemed binding, delivered, and enforceable.
- 17.12 **Agreement Only Effective upon Full Execution.** Submission of this document for examination does not constitute an offer or option for the Property. This

Agreement shall only become effective upon full execution and delivery by Seller and Buyer.

[Signature pages follow.]

SIGNATURE PAGE TO PURCHASE AGREEMENT

SELLER

BURR OAKS LLC

Nathan M. Albee, Chief Manager

Date: _____, 2026

SIGNATURE PAGE TO PURCHASE AGREEMENT

BUYER

CITY OF WACONIA

Tim Litfin, Mayor

Jackie Shulze, Assistant City Administrator

Date: JUNE 15, 2026

SIGNATURE PAGE TO PURCHASE AGREEMENT

The undersigned joins in the execution of the foregoing Agreement for the sole purpose of agreeing to hold and apply the Earnest Money subject to and in accordance with the terms of the foregoing Agreement.

TITLE COMPANY

Title Mark, LLC

Signature: _____

Printed Name: _____

Title: _____

Date: _____, 2026

EXHIBIT A
Diagram of Property

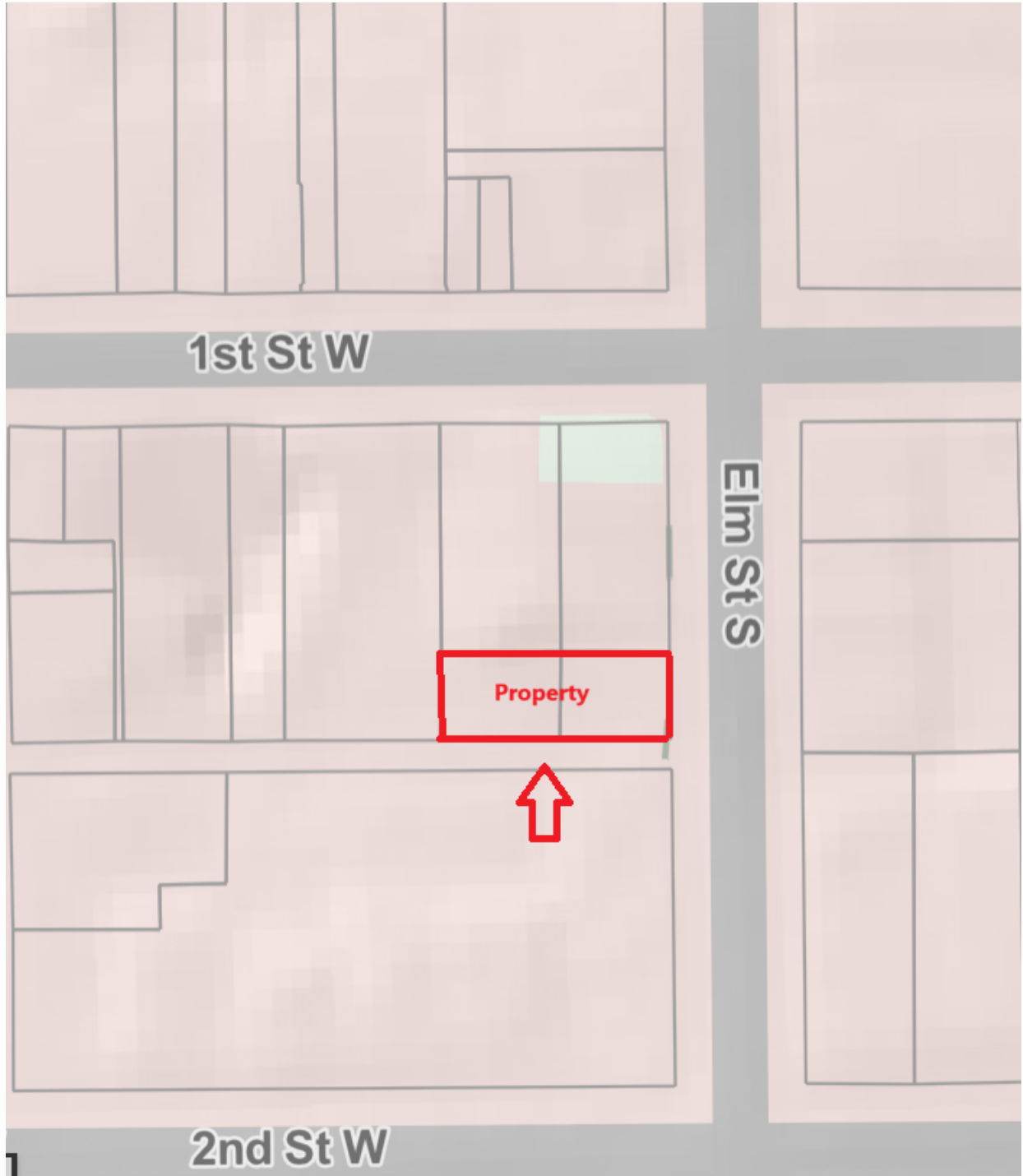


EXHIBIT B
Form of Easement

EASEMENT AGREEMENT

This Field Access Easement Agreement (“**Agreement**”) is dated _____, 2026, and is between the City of Waconia, a Minnesota municipal corporation (“**Grantor**”), and Burr Oaks LLC, a Minnesota limited liability company (“**Grantee**”).

RECITALS

- A. Grantor owns the real property located in Carver County, Minnesota, that is legally described on attached Exhibit A (the “**Burdened Property**”).
- B. Grantee owns the adjacent real property located in Carver County, Minnesota, legally described on attached Exhibit B (the “**Benefited Property**”).
- C. Grantor desires to grant an easement to Grantee over the portion of the Burdened Property labeled “Stairway Landing” on attached Exhibit C (the “**Stairway Landing Easement Area**”) for pedestrian ingress and egress.
- D. Grantor desires to grant an easement to Grantee over the portion of the Burdened Property labeled “Trash Enclosure” on attached Exhibit C (the “**Trash Enclosure Easement Area**”) for trash storage.
- E. The Stairway Landing Easement Area and the Trash Enclosure Easement Area are, collectively, the “**Easement Areas.**”
- F. The parties desire to memorialize the terms and conditions of such easement in this Agreement.

AGREEMENT

- 1. **Grant of Easement.** Grantor grants and conveys to Grantee an appurtenant, non-exclusive easement for pedestrian ingress and egress over and across the Stairway Landing Easement Area. Grantor further grants and conveys to Grantee an appurtenant,

non-exclusive easement for residential trash storage over and across the Trash Enclosure Easement Area. The Easement Areas shall be used solely for the purposes stated above and no other uses shall be permitted without the prior written consent of Grantor. The easements granted herein are non-exclusive, and Grantor reserves the right to use and permit others to use the Easement Area in a manner that does not unreasonably interfere with Grantee's rights under this Agreement.

2. **Costs and Maintenance.** Grantor shall have no obligation to maintain or improve the Easement Areas. Grantee, at its expense, shall at all times maintain the Easement Areas in a safe condition. Each party to this Agreement shall be responsible for its own acts and omissions.

3. **Runs with the Land/Binding Effect.** This Agreement shall run with the land and be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, and heirs.

4. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

[Signature pages follow.]

SIGNATURE PAGE TO EASEMENT AGREEMENT

GRANTOR:

City of Waconia, Minnesota

Tim Litfin, Mayor

Jackie Shulze, Assistant City Administrator

STATE OF MINNESOTA)
) ss.
COUNTY OF CARVER)

This instrument was acknowledged before me this 15th day of June, 2026, by Tim Litfin and Jackie Shulze, the Mayor and Assistant City Administrator, respectively, of the City of Waconia, a Minnesota municipal corporation, on behalf of such municipal corporation.

Notary Public

SIGNATURE PAGE TO EASEMENT AGREEMENT

GRANTEE:

Burr Oaks LLC

Nathan M. Albee, Chief Manager

STATE OF MINNESOTA)
)
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2026, by Nathan M. Albee, the Chief Manager of Burr Oaks LLC, a Minnesota limited liability company, for and on behalf of the company.

Notary Public

THIS INSTRUMENT WAS DRAFTED BY:

Melchert Hubert Sjodin, PLLP (jmm)
121 West Main Street, Suite 200
Waconia, MN 55387
(952) 442-7700

EXHIBITS TO ATTACH TO EXECUTION DRAFT OF EASEMENT AGREEMENT PRIOR TO CLOSING:

Exhibit A – Legal Description of Burdened Property

Exhibit B – Legal Description of Benefited Property

Exhibit C – Legal Descriptions of Easement Areas

(Insert legal descriptions of Easement Areas, to be developed by Buyer's surveyor per terms of Purchase Agreement)

DRAFT



REQUEST FOR CITY COUNCIL ACTION

| | |
|--------------------------------------|---------------------------------------|
| Meeting Date: | June 15, 2026 |
| Item Name: | 8.21. Appointment of Finance Director |
| Originating Dept: | Administration |
| Presented By: | Shane Fineran |
| Previous Council Action: None | |
| Item Type: | Consent |

RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2026-161 Authorizing Hire of Finance Director

EXPLANATION OF AGENDA ITEM:

In February, the City Council authorized recruitment for the Finance Director position with the City of Waconia. Following an extensive review of candidates, the interview team selected Mr. Joel Merry as the finalist.

Candidate Qualifications

Mr. Merry brings 25 years of municipal finance experience to Waconia, most recently as the Assistance Finance Director in Minnetonka. He holds a B.S. in Accounting from Winona State University and is an active member and executive board member of the MN GFOA and GFOA.

Staff believe his breadth of experience, professional associations, and municipal finance expertise will be a strong asset to the City of Waconia and the leadership team

Compensation Recommendation

Based on his years of relevant experience and qualifications, we recommend:

- Placement at Step 9 of the Finance Director pay scale
- An 80-hour PTO bank upon hire, consistent with what we have done for other senior leadership positions with the City
- Crediting fifteen years of service for PTO accrual purposes

ATTACHMENTS:

1. Resolution No. 2026-161 Finance Director Appointment

| | |
|--|--|
| FINANCIAL IMPLICATIONS: | ADVISORY BOARD RECOMMENDATIONS: |
| Funding Sources & Uses: | Planning Commission: |
| Budget Information: | Park Board: |
| <input checked="" type="checkbox"/> Budgeted | Personnel Committee: |
| <input type="checkbox"/> Non-Budgeted | Other: |
| <input type="checkbox"/> Amendment Required | |

**CITY OF WACONIA
RESOLUTION NO. 2026 – 161**

**RESOLUTION AUTHORIZING
HIRE OF FINANCE DIRECTOR**

WHEREAS, the City of Waconia recently recruited for Finance Director position; and

WHEREAS, following a comprehensive candidate review and interview process, staff recommend the hiring of Joel Merry to this position; and

WHEREAS, Mr. Merry will start at Step Nine on the Finance Director pay scale, with a 80-hour PTO bank, and be credited with fifteen-years of service for PTO accrual purposes; and

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Waconia authorizes the hire of Joel Merry for the Finance Director position with a start date to be determined.

Adopted by the City Council of the City of Waconia this 15th day of June 2026.

Tim Litfin, Mayor

ATTEST: _____
Jackie Schulze, Assistant City Administrator



REQUEST FOR CITY COUNCIL ACTION

| | |
|--|---|
| Meeting Date: | June 15, 2026 |
| Item Name: | 9.1. Authorize the Issuance and Awarding Sale of General Obligation Bonds, Series 2026A & 2026B |
| Originating Dept: | Finance |
| Presented By: | Nicole Meyer |
| Previous Council Action: | Resolution No. 2026-103: Resolution Providing for the Issuance and Sale of \$9,520,000 General Obligation Bonds, Series 2026A – Approved April 6, 2026 Resolution No. 2026-104: Resolution Providing for the Issuance and Sale of \$3,265,000 General Obligation Temporary Street Reconstruction Plan Bonds, Series 2026B - Approved April 6, 2026 Resolution No. 2026-113: Resolution Adopting a Street Reconstruction and Overlay Plan and Approving the Issuance of General Obligation Street Reconstruction Bonds - Approved: May 4, 2026 |
| Item Type: | Regular Session |
| RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2026-157 Authorizing the Issuance and Awarding the Sale of \$9,510,000 General Obligation Bonds, Series 2026A, Pledging for the Security Thereof Net Revenues, Special Assessments, and Levying a Tax for the Payment Thereof | |
| Adopt Resolution No. 2026-158 Authorizing the Issuance and Awarding the Sale of \$3,280,000 General Obligation Temporary Street Reconstruction Bonds, Series 2026B, and Levying a Tax for the Payment Thereof in Anticipation of Long-Term Financing | |
| EXPLANATION OF AGENDA ITEM: | |
| On April 6, 2026 the City Council approved resolution 2026-103 providing for the sale of \$9,520,000 in General Obligation Bonds, Series 2026A. The bonds are to be issued to finance the 2026 downtown infrastructure improvement project, a budgeted portion of the City's 2026 mill and overlay project, and construction of the Reitz Lake Lift Station. The City budgeted to issue bonds for these improvements as part of the 2026 capital improvement plan. | |
| In addition to these bonds, the City Council approved resolution 2026-104 providing for the sale of \$3,265,000 General Obligation Temporary Street Reconstruction Plan Bonds, Series 2026B. These bonds are to be issued to assist with cash flow for the Highway 5 Phase 2 project. This project has several funding sources. Grant and aid funds will be received by the City as expenses are incurred. These bonds will be paid for fully from grant and aid funds reimbursed to the City for the project. No additional special debt levy will be issued by the City for these bonds. | |
| Ehlers will provide final resolutions for approval at the meeting if the bond can be reduced due to premium offered as part of the sale and with all the details of the sale. A listing of the funding sources for this project is attached as "Exhibit A." | |
| With the Council's approval of the call for sale of the bonds, City staff and Ehlers took the next steps in the issuance process which included a due diligence and Standard & Poor's bond rating call. The City's current bond rating of AA+ was confirmed by Standard & Poor's on June 10, | |

2026. The report states that the City's strong credit is supported by forward-looking management, long-term planning, and healthy fund balance reserve levels.

The bonds are being sold on June 15, 2026 - the day of the City Council meeting. Todd Hagen from Ehlers will attend the council meeting and make a presentation to the Council of the sale.

ATTACHMENTS:

1. Resolution No. 2026-157 Waconia 2026A
2. Resolution No. 2026-158 Waconia 2026B
3. Breakdown of Debt Issuance Exhibit A

| FINANCIAL IMPLICATIONS: | ADVISORY BOARD RECOMMENDATIONS: |
|--|---|
| Funding Sources & Uses: Budget Information: _____ Budgeted _____ Non-Budgeted _____ Amendment Required | Planning Commission: _____ Park Board: _____ Personnel Committee: _____ Other: _____ |

EXTRACT OF MINUTES OF A MEETING
CITY COUNCIL OF THE
CITY OF WACONIA, MINNESOTA

HELD: JUNE 15, 2026

Pursuant to due call, a regular or special meeting of the City Council of the City of Waconia, Carver County, Minnesota, was duly held at the City Hall on June 15, 2026, at 6:00 P.M., for the purpose, in part, of authorizing the issuance and awarding the sale of \$9,510,000 General Obligation Bonds, Series 2026A.

The following members were present: Mayor Litfin, Council Member Grengs, Council Member Coleman, Council Member Gleason, and Council Member Siddons.

and the following were absent: None

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION NO. 2026-157

RESOLUTION AUTHORIZING THE ISSUANCE AND AWARDING THE SALE OF \$9,510,000 GENERAL OBLIGATION BONDS, SERIES 2026A, PLEDGING FOR THE SECURITY THEREOF NET REVENUES, SPECIAL ASSESSMENTS AND LEVYING A TAX FOR THE PAYMENT THEREOF

A. WHEREAS, the City Council of the City of Waconia, Minnesota (the "City"), has heretofore determined and declared that it is necessary and expedient to issue \$9,510,000 General Obligation Bonds, Series 2026A (the "Bonds" or individually a "Bond"), pursuant to Minnesota Statutes, Chapter 475; and

1. Chapter 429 to finance various public improvements (the "Improvements"); and
2. Section 444.075 to finance improvements to the municipal water and storm water systems (the "Utility Projects"); and
3. Section 115.46 to finance improvements to the municipal sanitary sewer system (the "Sanitary Sewer Projects"); and

B. WHEREAS, the Improvements and all their components have been ordered prior to the date hereof, pursuant to the procedural requirements of Minnesota Statutes, Chapter 429; and

C. WHEREAS, the City owns and operates a municipal water system (the "Water System"), a storm water system (the "Storm Water System," and together with the Water System, the "System") and a sanitary sewer system (the "Sanitary Sewer System") as separate revenue producing public utilities; and

D. WHEREAS, the net revenues of the Water System and the Sanitary Sewer System are pledged to the payment of the principal and interest of the City's outstanding (1) General Obligation Bonds, Series 2018A, in the original principal amount \$1,654,000, of which a portion was designated the "Water Portion" and another portion was designated the "Sanitary Sewer Portion" of General Obligation Bonds, Series 2018A, dated September 12, 2018; and (2) General Obligation Water and Sewer Revenue Refunding Bonds, Series 2020B, in the original principal amount of \$4,515,000, dated December 10, 2020 (together, the "Outstanding Water and Sanitary Sewer Bonds"), and

E. WHEREAS, the net revenues of the System are pledged to the payment of the principal and interest of the City's outstanding (1) \$4,515,000 original principal amount, of which a portion was designated the "Utility Revenue Portion," of General Obligation Bonds, Series 2019A, dated August 22, 2019; (2) \$4,755,000 original principal amount, of which a portion was designated the "Water and Storm Sewer Portion," of General Obligation Bonds, Series 2020A, dated September 3, 2020; (3) \$7,215,000 original principal amount, of which a portion was designated the "Utility Revenue Portion," of General Obligation Bonds, Series 2021A, dated December 2, 2021; (4) \$17,630,000 original principal amount, of which a portion was designated the "Utility Revenue Portion," of General Obligation Bonds, Series 2022A, dated October 6, 2022; (5) General Obligation Bonds, Series 2023A, in the original principal amount of \$3,925,000, of which a portion was designated the "Utility Revenue Portion," dated June 1, 2023; (6) General Obligation Bonds, Series 2024A, in the original principal amount of \$6,080,000, of which a portion was designated the "Utility Revenue Portion," dated May 23, 2024; and (7) General Obligation Bonds, Series 2025A, in the original principal amount of \$8,740,000, of which a portion was designated the "Utility Revenue Portion," dated July 2, 2026 (collectively, the "Outstanding System Bonds"); and

F. WHEREAS, the City has retained Ehlers and Associates, Inc., in Minneapolis, Minnesota ("Ehlers"), as its independent municipal advisor for the sale of the Bonds and was therefore authorized to sell the Bonds by private negotiation in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9) and proposals to purchase the Bonds have been solicited by Ehlers; and

G. WHEREAS, the proposals set forth on Exhibit A attached hereto were received by the City Administrator, or designee, at the offices of Ehlers at 10:00 A.M. this same day pursuant to the Preliminary Official Statement for the Bonds, dated June 4, 2026; and

H. WHEREAS, it is in the best interests of the City that the Bonds be issued in book-entry form as hereinafter provided; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Waconia, Minnesota, as follows:

1. Acceptance of Proposal. The proposal of _____ (the "Purchaser"), to purchase the Bonds in accordance with the Preliminary Official Statement, at the rates of interest hereinafter set forth, and to pay therefor the sum of \$_____, plus interest accrued to settlement, is hereby found, determined and declared to be the most favorable proposal

received and is hereby accepted and the Bonds are hereby awarded to the Purchaser. The Finance Director is directed to retain the deposit of the Purchaser.

2. Bond Terms.

(a) Original Issue Date; Denominations; Maturities; Term Bond Option. The Bonds shall be dated July 2, 2026, as the date of original issue and shall be issued forthwith on or after such date in fully registered form, shall be numbered from R-1 upward in the denomination of \$5,000 each or in any integral multiple thereof of a single maturity (the "Authorized Denominations") and shall mature on February 1 in the years and amounts as follows:

| <u>Year</u> | <u>Amount</u> | <u>Year</u> | <u>Amount</u> |
|-------------|---------------|-------------|---------------|
| 2028 | | 2033 | |
| 2029 | | 2034 | |
| 2030 | | 2035 | |
| 2031 | | 2036 | |
| 2032 | | 2037 | |

As may be requested by the Purchaser, one or more term Bonds may be issued having mandatory sinking fund redemption and final maturity amounts conforming to the foregoing principal repayment schedule, and corresponding additions may be made to the provisions of the applicable Bond(s).

(b) Allocation. The aggregate principal amount of \$_____ maturing in each of the years and amounts hereinafter set forth is issued to finance the Improvements (the "Improvement Portion"); the aggregate principal amount of \$_____ maturing in each of the years and amounts hereinafter set forth is issued to finance the Utility Projects (the "Utility Revenue Portion"); the aggregate principal amount of \$_____ maturing in each of the years and amounts hereinafter set forth is issued to finance the Sanitary Sewer Projects (the "Sanitary Sewer Portion"):

| <u>Year</u> | <u>Improvement Portion</u> | <u>Utility Revenue Portion</u> | <u>Sanitary Sewer Portion</u> | <u>Total Amount</u> |
|-------------|----------------------------|--------------------------------|-------------------------------|---------------------|
| 2028 | | | | |
| 2029 | | | | |
| 2030 | | | | |
| 2031 | | | | |
| 2032 | | | | |
| 2033 | | | | |
| 2034 | | | | |
| 2035 | | | | |
| 2036 | | | | |
| 2037 | | | | |

If Bonds are prepaid, the prepayments shall be allocated to the portions of debt service (and hence allocated to the payment of Bonds treated as relating to a particular portion of debt service) as provided in this paragraph. If the source of prepayment moneys is the general fund of the City, or other generally available source, including the levy of taxes, the prepayment may be allocated to any or all portions of debt service in such amounts as the City shall determine. If the source of the prepayment is special assessments pledged to and taxes levied for the Improvements, the prepayment shall be allocated to the Improvement Portion of debt service. If the source of a prepayment is excess net revenues of the System pledged to the Utility Projects, the prepayment shall be allocated to the Utility Revenue Portion of debt service.

(c) Book Entry Only System. The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York or any of its successors or its successors to its functions hereunder (the "Depository") will act as securities depository for the Bonds, and to this end:

(i) The Bonds shall be initially issued and, so long as they remain in book entry form only (the "Book Entry Only Period"), shall at all times be in the form of a separate single fully registered Bond for each maturity of the Bonds; and for purposes of complying with this requirement under paragraphs 5 and 10 Authorized Denominations for any Bond shall be deemed to be limited during the Book Entry Only Period to the outstanding principal amount of that Bond.

(ii) Upon initial issuance, ownership of the Bonds shall be registered in a bond register maintained by the Bond Registrar (as hereinafter defined) in the name of CEDE & CO., as the nominee (it or any nominee of the existing or a successor Depository, the "Nominee").

(iii) With respect to the Bonds neither the City nor the Bond Registrar shall have any responsibility or obligation to any broker, dealer, bank, or any other financial institution for which the Depository holds Bonds as securities depository (the "Participant") or the person for which a Participant holds an interest in the Bonds shown on the books and records of the Participant (the "Beneficial Owner"). Without limiting the immediately preceding sentence, neither the City, nor the Bond Registrar, shall have any such responsibility or obligation with respect to (A) the accuracy of the records of the Depository, the Nominee or any Participant with respect to any ownership interest in the Bonds, or (B) the delivery to any Participant, any Owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any notice of redemption, or (C) the payment to any Participant, any Beneficial Owner or any other person, other than the Depository, of any amount with respect to the principal of or premium, if any, or interest on the Bonds, or (D) the consent given or other action taken by the Depository as the Registered Holder of any Bonds (the "Holder"). For purposes of securing the vote or consent of any Holder under this resolution, the City may, however, rely upon an omnibus proxy under which the Depository assigns its consenting or voting rights to certain Participants to whose accounts the Bonds are credited on the record date identified in a listing attached to the omnibus proxy.

(iv) The City and the Bond Registrar may treat as and deem the Depository to be the absolute owner of the Bonds for the purpose of payment of the principal of and premium, if any, and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to the Bonds, for the purpose of obtaining any consent or other action to be taken by Holders for the purpose of registering transfers with respect to such Bonds, and for all purpose whatsoever. The Bond Registrar, as paying agent hereunder, shall pay all principal of and premium, if any, and interest on the Bonds only to the Holder or the Holders of the Bonds as shown on the bond register, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal of and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid.

(v) Upon delivery by the Depository to the Bond Registrar of written notice to the effect that the Depository has determined to substitute a new Nominee in place of the existing Nominee, and subject to the transfer provisions in paragraph 10 hereof, references to the Nominee hereunder shall refer to such new Nominee.

(vi) So long as any Bond is registered in the name of a Nominee, all payments with respect to the principal of and premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, by the Bond Registrar or City, as the case may be, to the Depository as provided in the Letter of Representations to the Depository required by the Depository as a condition to its acting as book-entry Depository for the Bonds (said Letter of Representations, together with any replacement thereof or amendment or substitute thereto, including any standard procedures or policies referenced therein or applicable thereto respecting the procedures and other matters relating to the Depository's role as book-entry Depository for the Bonds, collectively hereinafter referred to as the "Letter of Representations").

(vii) All transfers of beneficial ownership interests in each Bond issued in book-entry form shall be limited in principal amount to Authorized Denominations and shall be effected by procedures by the Depository with the Participants for recording and transferring the ownership of beneficial interests in such Bonds.

(viii) In connection with any notice or other communication to be provided to the Holders pursuant to this resolution by the City or Bond Registrar with respect to any consent or other action to be taken by Holders, the Depository shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action; provided, that the City or the Bond Registrar may establish a special record date for such consent or other action. The City or the Bond Registrar shall, to the extent possible, give the Depository notice of such special record date not less than fifteen calendar days in advance of such special record date to the extent possible.

(ix) Any successor Bond Registrar in its written acceptance of its duties under this resolution and any paying agency/bond registrar agreement, shall agree to take any actions necessary from time to time to comply with the requirements of the Letter of Representations.

(d) Termination of Book-Entry Only System. Discontinuance of a particular Depository's services and termination of the book-entry only system may be effected as follows:

(i) The Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the City and discharging its responsibilities with respect thereto under applicable law. The City may terminate the services of the Depository with respect to the Bond if it determines that the Depository is no longer able to carry out its functions as securities depository or the continuation of the system of book-entry transfers through the Depository is not in the best interests of the City or the Beneficial Owners.

(ii) Upon termination of the services of the Depository as provided in the preceding paragraph, and if no substitute securities depository is willing to undertake the functions of the Depository hereunder can be found which, in the opinion of the City, is willing and able to assume such functions upon reasonable or customary terms, or if the City determines that it is in the best interests of the City or the Beneficial Owners of the Bond that the Beneficial Owners be able to obtain certificates for the Bonds, the Bonds shall no longer be registered as being registered in the bond register in the name of the Nominee, but may be registered in whatever name or names the Holder of the Bonds shall designate at that time, in accordance with paragraph 10. To the extent that the Beneficial Owners are designated as the transferee by the Holders, in accordance with paragraph 10, the Bonds will be delivered to the Beneficial Owners.

(iii) Nothing in this subparagraph (d) shall limit or restrict the provisions of paragraph 10.

(e) Letter of Representations. The provisions in the Letter of Representations are incorporated herein by reference and made a part of this resolution, and if and to the extent any such provisions are inconsistent with the other provisions of this resolution, the provisions in the Letter of Representations shall control.

3. Purpose. The Improvement Portion of the Bonds shall provide funds to finance the Improvements. The Utility Revenue Portion of the Bonds shall provide funds to finance the Utility Projects. The Sanitary Sewer Portion of the Bonds shall provide funds for the Sanitary Sewer Projects. The Improvements, the Utility Projects and the Sanitary Sewer Projects are herein referred to collectively as the Project. The total cost of the Project which shall include all costs enumerated in Minnesota Statutes, Section 475.65, is estimated to be at least equal to the amount of the Bonds. The City covenants that it shall do all things and perform all acts required of it to assure that work on the Project proceeds with due diligence to completion and that any and all permits and studies required under law for the Project are obtained.

4. Interest. The Bonds shall bear interest payable semiannually on February 1 and August 1 of each year (each, an "Interest Payment Date"), commencing February 1, 2027, calculated on the basis of a 360-day year of twelve 30-day months, at the respective rates per annum set forth opposite the maturity years as follows:

| <u>Maturity Year</u> | <u>Interest Rate</u> | <u>Maturity Year</u> | <u>Interest Rate</u> |
|----------------------|----------------------|----------------------|----------------------|
|----------------------|----------------------|----------------------|----------------------|

| | |
|------|------|
| 2028 | 2033 |
| 2029 | 2034 |
| 2030 | 2035 |
| 2031 | 2036 |
| 2032 | 2037 |

5. Redemption. All Bonds maturing on February 1, 2035 and thereafter, shall be subject to redemption and prepayment at the option of the City on February 1, 2034, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the maturities and the principal amounts within each maturity to be redeemed shall be determined by the City; and if only part of the Bonds having a common maturity date are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Mailed notice of redemption shall be given to the paying agent and to each affected registered Holder of the Bonds not more than sixty (60) days and not fewer thirty (30) days prior to the date fixed for redemption.

To effect a partial redemption of Bonds having a common maturity date, the Bond Registrar prior to giving notice of redemption shall assign to each Bond having a common maturity date a distinctive number for each \$5,000 of the principal amount of such Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers so assigned to such Bonds, as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of each such Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the City or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the City and Bond Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the City shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder of the Bond, without service charge, a new Bond or Bonds having the same stated maturity and interest rate and of any Authorized Denomination or Denominations, as requested by the Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

6. Bond Registrar. Bond Trust Services Corporation, in Minneapolis, Minnesota, is appointed to act as bond registrar and transfer agent with respect to the Bonds (the "Bond Registrar"), and shall do so unless and until a successor Bond Registrar is duly appointed, all pursuant to any contract the City and any successor Bond Registrar shall execute which is consistent herewith. The Bond Registrar shall also serve as paying agent unless and until a successor-paying agent is duly appointed. Principal and interest on the Bonds shall be paid to the registered holders (or record holders) of the Bonds in the manner set forth in the form of Bond and paragraph 12.

7. Form of Bond. The Bonds, together with the Bond Registrar's Certificate of Authentication, the form of Assignment and the registration information thereon, shall be in substantially the form set forth on Exhibit B attached hereto.

8. Execution. The Bonds shall be in typewritten form, shall be executed on behalf of the City by the signatures of its Mayor and City Administrator and be sealed with the seal of the City; provided, as permitted by law, both signatures may be photocopied facsimiles and the corporate seal has been omitted. In the event of disability or resignation or other absence of either officer, the Bonds may be signed by the manual or facsimile signature of the officer who may act on behalf of the absent or disabled officer. In case either officer whose signature or facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of the Bonds, the signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery.

9. Authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this resolution unless a Certificate of Authentication on such Bond, substantially in the form set forth on Exhibit B attached hereto, shall have been duly executed by an authorized representative of the Bond Registrar. Certificates of Authentication on different Bonds need not be signed by the same person. The Bond Registrar shall authenticate the signatures of officers of the City on each Bond by execution of the Certificate of Authentication on the Bond and by inserting as the date of registration in the space provided the date on which the Bond is authenticated, except that for purposes of delivering the original Bonds to the Purchaser, the Bond Registrar shall insert as a date of registration the date of original issue of July 2, 2026. The Certificate of Authentication so executed on each Bond shall be conclusive evidence that it has been authenticated and delivered under this resolution.

10. Registration; Transfer; Exchange. The City will cause to be kept at the principal office of the Bond Registrar a bond register in which, subject to such reasonable regulations as the Bond Registrar may prescribe, the Bond Registrar shall provide for the registration of Bonds and the registration of transfers of Bonds entitled to be registered or transferred as herein provided.

Upon surrender for transfer of any Bond at the principal office of the Bond Registrar, the City shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration (as provided in paragraph 9) of, and deliver, in the name of the designated transferee or transferees, one or more new Bonds of any Authorized Denomination or Denominations of a like aggregate principal amount, having the same stated maturity and interest rate, as requested by the transferor; provided, however, that no Bond may be registered in blank or in the name of "bearer" or similar designation.

At the option of the Holder, Bonds may be exchanged for Bonds of any Authorized Denomination or Denominations of a like aggregate principal amount and stated maturity, upon surrender of the Bonds to be exchanged at the office of the Bond Registrar. Whenever any Bonds are so surrendered for exchange, the City shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration of, and deliver the Bonds which the Holder making the exchange is entitled to receive.

All Bonds surrendered upon any exchange or transfer provided for in this resolution shall be promptly canceled by the Bond Registrar and thereafter disposed of as directed by the City.

All Bonds delivered in exchange for or upon transfer of Bonds shall be valid general obligations of the City evidencing the same debt, and entitled to the same benefits under this resolution, as the Bonds surrendered for such exchange or transfer.

Every Bond presented or surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, in form satisfactory to the Bond Registrar, duly executed by the Holder thereof or the Holder's attorney duly authorized in writing.

The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of any Bond and any legal or unusual costs regarding transfers and lost Bonds.

Transfers shall also be subject to reasonable regulations of the City contained in any agreement with the Bond Registrar, including regulations which permit the Bond Registrar to close its transfer books between record dates and payment dates. The Finance Director is hereby authorized to negotiate and execute the terms of said agreement.

11. Rights Upon Transfer or Exchange. Each Bond delivered upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond.

12. Interest Payment; Record Date. Interest on any Bond shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name the Bond is registered (the "Holder") on the registration books of the City maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth (15th) day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any such interest not so timely paid shall cease to be payable to the person who is the Holder thereof as of the Regular Record Date, and shall be payable to the person who is the Holder thereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given by the Bond Registrar to the Holders not less than ten days prior to the Special Record Date.

13. Treatment of Registered Owner. The City and Bond Registrar may treat the person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of principal of and premium, if any, and interest (subject to the payment provisions in paragraph 12) on, such Bond and for all other purposes whatsoever whether or not such Bond shall be overdue, and neither the City nor the Bond Registrar shall be affected by notice to the contrary.

14. Delivery; Application of Proceeds. The Bonds when so prepared and executed shall be delivered by the Finance Director to the Purchaser upon receipt of the purchase price, and the Purchaser shall not be obliged to see to the proper application thereof.

15. Fund and Accounts. There is hereby established a special fund to be designated "General Obligation Bonds, Series 2026A Fund" (the "Fund") to be administered and maintained by the Finance Director as a bookkeeping account separate and apart from all other funds

maintained in the official financial records of the City. The Fund shall be maintained in the manner herein specified until all of the Bonds and the interest thereon have been fully paid. The Operation and Maintenance Account for the Water System and the Operation and Maintenance for the Storm Water System (together, the "Operation and Maintenance Accounts") heretofore established by the City shall continue to be maintained in the manner heretofore and herein provided by the City. All moneys remaining after paying or providing for the items set forth in the resolution(s) establishing the Operation and Maintenance Accounts shall constitute or are referred to as "net revenues" until the Utility Revenue Portion of the Bonds have been paid. In such records there shall be established accounts of the Fund for the purposes and in the amounts as follows:

(a) Construction Account. To the Construction Account shall be credited the proceeds of the sale of the Bonds, less capitalized interest, plus any special assessments levied with respect to the Improvements and collected prior to completion of the Improvements and payment of the costs thereof. From the Construction Account there shall be paid all costs and expenses of making the Project, including the cost of any construction contracts heretofore let and all other costs incurred and to be incurred of the kind authorized in Minnesota Statutes, Section 475.65; and the moneys in the Construction Account shall be used for no other purpose except as otherwise provided by law; provided that the proceeds of the Bonds may also be used to the extent necessary to pay interest on the Bonds due prior to the anticipated date of commencement of the receipt of the collection of taxes or special assessments herein levied or covenanted to be levied; and provided further that if upon completion of the Project, there shall remain any unexpended balance in the Construction Account, the balance (other than any special assessments) may be transferred to the Debt Service Account provided that any funds attributable to the Improvement Portion of the Bonds may be transferred to the fund of any other improvement instituted pursuant to Minnesota Statutes, Chapter 429, and provided further that any special assessments credited to the Construction Account shall only be applied towards payment of the costs of the Improvements upon adoption of a resolution by the City Council determining that the application of the special assessments for such purpose will not cause the City to no longer be in compliance with Minnesota Statutes, Section 475.61, Subdivision 1.

(b) Debt Service Account. There shall be maintained four separate subaccounts in the Debt Service Account to be designated the "Improvement Debt Service Subaccount," the "Utility Revenue Debt Service Subaccount," and "the "Sanitary Sewer Debt Service Subaccount." There are hereby irrevocably appropriated and pledged to, and there shall be credited to the separate subaccounts of the Debt Service Account:

(i) Improvement Debt Service Subaccount. To the Improvement Debt Service Subaccount there shall be credited: (1) capitalized interest in the amount of \$ _____ (together with interest earnings thereon and subject to such other adjustments as are appropriate to provide sufficient funds to pay interest on the Improvement Portion of the Bonds on or before February 1, 2027); (2) all collections of special assessments herein covenanted to be levied with respect to the Improvements and either initially credited to the Construction Account and not already spent as permitted above and required to pay any principal and interest due on the Improvement Portion of the Bonds or collected subsequent to the completion of the Improvements and payment of the costs thereof; (3) all collections of taxes herein and hereinafter levied for the payment of the Improvement Portion of the Bonds and interest thereon; (4) a pro rata share of all funds remaining in the Construction

Account after completion of the Improvements and payment of the costs thereof; (5) all investment earnings on funds held in the Improvement Debt Service Subaccount; and (6) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Improvement Debt Service Subaccount. The amount of any surplus remaining in the Improvement Debt Service Subaccount when the Improvement Portion of the Bonds and interest thereon are paid shall be used consistent with Minnesota Statutes, Section 475.61, Subdivision 4. The Improvement Debt Service Subaccount shall be used solely to pay the principal and interest on the Improvement Portion of the Bonds and any other general obligation bonds of the City hereafter issued by the City and made payable from said subaccount as provided by law.

(ii) Utility Revenue Debt Service Subaccount. To the Utility Revenue Debt Service Subaccount there shall be credited: (1) the net revenues of the System not otherwise pledged and applied to the payment of other obligations of the City, in an amount, together with other funds which may herein or hereafter from time to time be irrevocably appropriated to the Utility Revenue Debt Service Subaccount, sufficient to meet the requirements of Minnesota Statutes, Section 475.61 for the payment of the principal and interest of the Utility Revenue Portion of the Bonds; (2) all collections of taxes which may hereafter be levied in the event that the net revenues of the System and other funds herein pledged to the payment of the principal and interest on the Utility Revenue Portion of the Bonds are insufficient therefore; (3) a pro rata share of all funds remaining in the Construction Account after completion of the Project and payment of the costs thereof; (4) all investment earnings on funds held in the Utility Revenue Debt Service Subaccount; and (5) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Utility Revenue Debt Service Subaccount. The amount of any surplus remaining in the Utility Revenue Debt Service Subaccount when the Utility Revenue Portion of the Bonds and interest thereon are paid shall be used consistent with Minnesota Statutes, Section 475.61, Subdivision 4. The Utility Revenue Debt Service Subaccount shall be used solely to pay the principal and interest on the Utility Revenue Portion of the Bonds and any other general obligation bonds of the City hereafter issued by the City and made payable from said subaccount as provided by law.

(iii) Sanitary Sewer Debt Service Subaccount. To the Sanitary Sewer Debt Service Subaccount there shall be credited: (1) available funds of the City in the amount of \$_____ which is sufficient to pay interest due on the Sanitary Sewer Portion of the Bonds on or before February 1, 2027; (2) all collections of taxes which herein or hereafter levied for the payment of the principal and interest on the Sanitary Sewer Portion of the Bonds; (3) a pro rata share of all funds remaining in the Construction Account after completion of the Project and payment of the costs thereof; (4) all investment earnings on funds held in the Sanitary Sewer Debt Service Subaccount; and (5) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Sanitary Sewer Debt Service Subaccount. The amount of any surplus remaining in the Sanitary Sewer Debt Service Subaccount when the Sanitary Sewer Portion of the Bonds and interest thereon are paid shall be used consistent with Minnesota Statutes, Section 475.61, Subdivision 4. The Sanitary Sewer Debt Service Subaccount shall be used solely to pay the principal and interest on the Sanitary Sewer Portion of the Bonds and any

other general obligation bonds of the City hereafter issued by the City and made payable from said subaccount as provided by law.

No portion of the proceeds of the Bonds shall be used directly or indirectly to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except (1) for a reasonable temporary period until such proceeds are needed for the purpose for which the Bonds were issued and (2) in addition to the above in an amount not greater than the lesser of five percent of the proceeds of the Bonds or \$100,000. To this effect, any proceeds of the Bonds and any sums from time to time held in the Construction Account, Operation and Maintenance Accounts or Debt Service Account (or any other City account which will be used to pay principal or interest to become due on the bonds payable therefrom) in excess of amounts which under then applicable federal arbitrage regulations may be invested without regard to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by said arbitrage regulations on such investments after taking into account any applicable "temporary periods" or "minor portion" made available under the federal arbitrage regulations. Money in the Fund shall not be invested in obligations or deposits issued by, guaranteed by or insured by the United States or any agency or instrumentality thereof if and to the extent that such investment would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code").

16. Covenants Relating to the Improvement Portion of the Bonds.

(a) Special Assessments. It is hereby determined that no less than twenty percent (20%) of the cost to the City of each Improvement financed hereunder within the meaning of Minnesota Statutes, Section 475.58, Subdivision 1(3), shall be paid by special assessments to be levied against every assessable lot, piece and parcel of land benefited by any of the Improvements. The City hereby covenants and agrees that it will let all construction contracts not heretofore let within one year after ordering each Improvement financed hereunder unless the resolution ordering the Improvement specifies a different time limit for the letting of construction contracts. The City hereby further covenants and agrees that it will do and perform as soon as they may be done all acts and things necessary for the final and valid levy of such special assessments, and in the event that any such special assessment be at any time held invalid with respect to any lot, piece or parcel of land due to any error, defect, or irregularity in any action or proceedings taken or to be taken by the City or the City Council or any of the City officers or employees, either in the making of the special assessments or in the performance of any condition precedent thereto, the City and the City Council will forthwith do all further acts and take all further proceedings as may be required by law to make the special assessments a valid and binding lien upon such property.

The special assessments have heretofore been authorized. Subject to such adjustments as are required by conditions in existence at the time the assessments are levied, it is hereby determined that the assessments shall be payable in equal, consecutive, annual installments, including both principal and interest, with interest at a rate per annum set forth below:

| <u>Improvement Designation</u> | <u>Amount</u> | <u>Levy Years</u> | <u>Collection Years</u> | <u>Rate</u> |
|--------------------------------|---------------|-----------------------|-----------------------------|-------------|
|--------------------------------|---------------|-----------------------|-----------------------------|-------------|

See Attached Schedule in Exhibit C

At the time the assessments are in fact levied the City Council shall, based on the then-current estimated collections of the assessments, make any adjustments in any ad valorem taxes required to be levied in order to assure that the City continues to be in compliance with Minnesota Statutes, Section 475.61, Subdivision 1.

(b) Tax Levy. To provide moneys for payment of the principal and interest on the Improvement Portion of the Bonds there is hereby levied upon all of the taxable property in the City a direct annual ad valorem tax which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the City for the years and in the amounts as follows:

| <u>Year of Tax Levy</u> | <u>Year of Tax Collection</u> | <u>Amount</u> |
|-------------------------|-------------------------------|---------------|
|-------------------------|-------------------------------|---------------|

See Attached Schedule in Exhibit C

(c) Coverage Test. The tax levies are such that if collected in full they, together with estimated collections of special assessments and other revenues herein pledged for the payment of the Improvement Portion of the Bonds, will produce at least five percent (5%) in excess of the amount needed to meet when due the principal and interest payments on the Improvement Portion of the Bonds. The tax levies shall be irrevocable so long as any of the Improvement Portion of the Bonds are outstanding and unpaid, provided that the City reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61, Subdivision 3.

17. Covenants Relating to the Sanitary Sewer Portion of the Bonds.

(a) Tax Levy. To provide moneys for payment of the principal and interest on the Sanitary Sewer Portion of the Bonds there is hereby levied upon all of the taxable property in the City a direct annual ad valorem tax which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the City for the years and in the amounts as follows:

| <u>Year of Tax Levy</u> | <u>Year of Tax Collection</u> | <u>Amount</u> |
|-------------------------|-------------------------------|---------------|
|-------------------------|-------------------------------|---------------|

See Attached Schedule in Exhibit C

(b) Coverage Test. The tax levies are such that if collected in full they, together with other revenues herein pledged for the payment of the Sanitary Sewer Portion of the Bonds, will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the Sanitary Sewer Portion of the Bonds. The tax levies shall be irrevocable so long as any of the Sanitary Sewer Portion of the Bonds are outstanding and unpaid, provided that the City reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61, Subdivision 3.

18. Covenants Relating to the Utility Revenue Portion of the Bonds.

(a) Sufficiency of Net Revenues. It is hereby found, determined and declared that the net revenues of the System are sufficient in amount to pay when due the principal of and interest on the Utility Revenue Portion of the Bonds and the Outstanding System Bonds and a sum at least five percent in excess thereof. The net revenues of the Water System and the Sanitary Sewer System are sufficient to pay when due the principal and interest on the Outstanding Water and Sanitary Sewer Bonds and a sum at least five percent in excess thereof. The net revenues of the System are hereby pledged on a parity lien with the Outstanding System Bonds and the Outstanding Water and the Sanitary Sewer Bonds and shall be applied for that purpose, but solely to the extent required to meet, together with other pledged sums, the principal and interest requirements of the Utility Revenue Portion of the Bonds as the same become due. Nothing contained herein shall be deemed to preclude the City from making further pledges and appropriations of the net revenues of the System for the payment of other or additional obligations of the City, provided that it has first been determined by the City Council that the estimated net revenues of the System will be sufficient in addition to all other sources, for the payment of the Utility Revenue Portion of the Bonds and such additional obligations and any such pledge and appropriation of the net revenues may be made superior or subordinate to, or on a parity with the pledge and appropriation herein.

(b) Excess Net Revenues. Net revenues in excess of those required for the foregoing may be used for any proper purpose.

(c) Covenant to Maintain Rates and Charges. In accordance with Minnesota Statutes, Section 444.075, the City hereby covenants and agrees with the Holders of the Utility Revenue Portion of the Bonds that it will impose and collect charges for the service, use, availability and connection to the System at the times and in the amounts required to produce net revenues adequate to pay all principal and interest when due on the Utility Revenue Portion of the Bonds. Minnesota Statutes, Section 444.075, Subdivision 2, provides as follows: "Real estate tax revenues should be used only, and then on a temporary basis, to pay general or special obligations when the other revenues are insufficient to meet the obligations."

19. General Obligation Pledge. For the prompt and full payment of the principal and interest on the Bonds, as the same respectively become due, the full faith, credit and taxing powers of the City shall be and are hereby irrevocably pledged. If the net revenues of the System appropriated and pledged to the payment of principal and interest on the Utility Revenue Portion of the Bonds, together with other funds irrevocably appropriated to the Utility Revenue Debt Service Subaccount herein established, shall at any time be insufficient to pay such principal and interest when due, the City covenants and agrees to levy, without limitation as to rate or amount an ad valorem tax upon all taxable property in the City sufficient to pay such principal and interest as it becomes due. If the balance in the Debt Service Account is ever insufficient to pay all principal and interest then due on the Bonds and any other bonds payable therefrom, the deficiency shall be promptly paid out of any other funds of the City which are available for such purpose, and such other funds may be reimbursed with or without interest from the Debt Service Account when a sufficient balance is available therein.

20. Defeasance. When all Bonds have been discharged as provided in this paragraph, all pledges, covenants and other rights granted by this resolution to the registered holders of the Bonds shall, to the extent permitted by law, cease. The City may discharge its obligations with

respect to any Bonds which are due on any date by irrevocably depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full; or if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Bond Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit. The City may also discharge its obligations with respect to any prepayable Bonds called for redemption on any date when they are prepayable according to their terms, by depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full, provided that notice of redemption thereof has been duly given. The City may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a suitable banking institution qualified by law as an escrow agent for this purpose, cash or securities described in Minnesota Statutes, Section 475.67, Subdivision 8, bearing interest payable at such times and at such rates and maturing on such dates as shall be required, without regard to sale and/or reinvestment, to pay all amounts to become due thereon to maturity or, if notice of redemption as herein required has been duly provided for, to such earlier redemption date.

21. Compliance With Reimbursement Bond Regulations. The provisions of this paragraph are intended to establish and provide for the City's compliance with United States Treasury Regulations Section 1.150-2 (the "Reimbursement Regulations") applicable to the "reimbursement proceeds" of the Bonds, being those portions thereof which will be used by the City to reimburse itself for any expenditure which the City paid or will have paid prior to the Closing Date (a "Reimbursement Expenditure").

The City hereby certifies and/or covenants as follows:

(a) Not later than sixty days after the date of payment of a Reimbursement Expenditure, the City (or person designated to do so on behalf of the City) has made or will have made a written declaration of the City's official intent (a "Declaration") which effectively (i) states the City's reasonable expectation to reimburse itself for the payment of the Reimbursement Expenditure out of the proceeds of a subsequent borrowing; (ii) gives a general and functional description of the property, project or program to which the Declaration relates and for which the Reimbursement Expenditure is paid, or identifies a specific fund or account of the City and the general functional purpose thereof from which the Reimbursement Expenditure was to be paid (collectively the "Program"); and (iii) states the maximum principal amount of debt expected to be issued by the City for the purpose of financing the Program; provided, however, that no such Declaration shall necessarily have been made with respect to: (i) "preliminary expenditures" for the Program, defined in the Reimbursement Regulations to include engineering or architectural, surveying and soil testing expenses and similar prefatory costs, which in the aggregate do not exceed twenty percent of the "issue price" of the Bonds, and (ii) a *de minimis* amount of Reimbursement Expenditures not in excess of the lesser of \$100,000 or five percent of the proceeds of the Bonds.

(b) Each Reimbursement Expenditure is a capital expenditure or a cost of issuance of the Bonds or any of the other types of expenditures described in Section 1.150-2(d)(3) of the Reimbursement Regulations.

(c) The "reimbursement allocation" described in the Reimbursement Regulations for each Reimbursement Expenditure shall and will be made forthwith following (but not prior to) the

issuance of the Bonds, and not later than 18 months after the later of (i) the date of the payment of the Reimbursement Expenditure, or (ii) the date on which the Program to which the Reimbursement Expenditure relates is first placed in service, but in no event more than three years after the date of payment of the Reimbursement Expenditure.

(d) Each such reimbursement allocation will be made in a writing that evidences the City's use of Bond proceeds to reimburse the Reimbursement Expenditure and, if made within 30 days after the Bonds are issued, shall be treated as made on the day the Bonds are issued.

Provided, however, that the City may take action contrary to any of the foregoing covenants in this paragraph upon receipt of an opinion of its Bond Counsel for the Bonds stating in effect that such action will not impair the tax-exempt status of the Bonds.

22. Continuing Disclosure. The City is the sole obligated person with respect to the Bonds. The City hereby agrees, in accordance with the provisions of Rule 15c2-12 (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, as amended, and a Continuing Disclosure Undertaking (the "Undertaking") hereinafter described to:

(a) Provide or cause to be provided to the Municipal Securities Rulemaking Board (the "MSRB") by filing at www.emma.msrb.org in accordance with the Rule, certain annual financial information and operating data in accordance with the Undertaking. The City reserves the right to modify from time to time the terms of the Undertaking as provided therein.

(b) Provide or cause to be provided to the MSRB notice of the occurrence of certain events with respect to the Bonds in not more than ten (10) business days after the occurrence of the event, in accordance with the Undertaking.

(c) Provide or cause to be provided to the MSRB notice of a failure by the City to provide the annual financial information with respect to the City described in the Undertaking, in not more than ten (10) business days following such occurrence.

(d) The City agrees that its covenants pursuant to the Rule set forth in this paragraph and in the Undertaking is intended to be for the benefit of the Holders of the Bonds and shall be enforceable on behalf of such Holders; provided that the right to enforce the provisions of these covenants shall be limited to a right to obtain specific enforcement of the City's obligations under the covenants.

The Mayor and City Administrator of the City or any other officer of the City authorized to act in their place (the "Officers") are hereby authorized and directed to execute on behalf of the City the Undertaking in substantially the form presented to the City Council subject to such modifications thereof or additions thereto as are (i) consistent with the requirements under the Rule, (ii) required by the Purchaser of the Bonds, and (iii) acceptable to the Officers.

23. Certificate of Registration and Tax Levy. A certified copy of this resolution is hereby directed to be filed with the County Auditor of Carver County, Minnesota, together with such other information as the County Auditor shall require, and there shall be obtained from the

County Auditor a certificate that the Bonds have been entered in the County Auditor's Bond Register, and that the tax levy required by law has been made.

24. Records and Certificates. The officers of the City are hereby authorized and directed to prepare and furnish to the Purchaser, and to bond counsel, certified copies of all proceedings and records of the City relating to the Bonds and to the financial condition and affairs of the City, and such other affidavits, certificates and information as are required to show the facts relating to the legality and marketability of the Bonds as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the City as to the facts recited therein.

25. Negative Covenant as to Use of Bond Proceeds and Project. The City hereby covenants not to use the proceeds of the Bonds or to use the Project, or to cause or permit them to be used, or to enter into any deferred payment arrangements for the cost of the Project, in such a manner as to cause the Bonds to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

26. Tax-Exempt Status of the Bonds; Rebate. The City shall comply with requirements necessary under the Code to establish and maintain the exclusion from gross income under Section 103 of the Code of the interest on the Bonds, including without limitation (i) requirements relating to temporary periods for investments, (ii) limitations on amounts invested at a yield greater than the yield on the Bonds, and (iii) the rebate of excess investment earnings to the United States. The City expects to satisfy the twenty-four month exemption for gross proceeds of the Bonds as provided in Section 1.148-7(e) of the Regulations. The Mayor and/or the City Administrator and/or Finance Director, are hereby authorized and directed to make such elections as to arbitrage and rebate matters relating to the Bonds as they deem necessary, appropriate or desirable in connection with the Bonds, and all such elections shall be, and shall be deemed and treated as, elections of the City.

27. No Designation of Qualified Tax-Exempt Obligations. The City will not designate the Bonds as "qualified tax exempt obligations" for purposes of Section 265(b)(3) of the Code.

28. Official Statement. The Official Statement relating to the Bonds prepared and distributed by Ehlers is hereby approved and the officers of the City are authorized in connection with the delivery of the Bonds to sign such certificates as may be necessary with respect to the completeness and accuracy of the Official Statement.

29. Payment of Issuance Expenses. The City authorizes the Purchaser to forward the amount of Bond proceeds allocable to the payment of issuance expenses to Wells Fargo Bank, National Association, San Francisco, California, on the closing date for further distribution as directed by Ehlers.

30. Severability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

31. Headings. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

The motion for the adoption of the foregoing resolution was duly seconded by member _____ and, after a full discussion thereof and upon a vote being taken thereon, the following voted in favor thereof: Mayor Litfin, Council Member Siddons, Council Member Gleason, Council Member Coleman, and Council Member Grengs.

and the following voted against the same: None

Whereupon the resolution was declared duly passed and adopted.

STATE OF MINNESOTA
COUNTY OF CARVER
CITY OF WACONIA

I, the undersigned, being the duly qualified and acting City Administrator of the City of Waconia, Minnesota, do hereby certify that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council, duly called and held on the date therein indicated, insofar as such minutes relate to authorizing the issuance and awarding the sale of \$9,510,000 General Obligation Bonds, Series 2026A.

WITNESS my hand on June 15, 2026.

City Administrator

EXHIBIT A

PROPOSALS

[To be supplied by Ehlers & Associates, Inc.]

EXHIBIT B

FORM OF BOND

UNITED STATES OF AMERICA
STATE OF MINNESOTA
CARVER COUNTY
CITY OF WACONIA

R- _____ \$ _____

GENERAL OBLIGATION BOND, SERIES 2026A

| <u>Interest Rate</u> | <u>Maturity Date</u> | <u>Date of Original Issue</u> | <u>CUSIP</u> |
|----------------------|----------------------|-------------------------------|--------------|
| _____ % | February 1, 20__ | July 2, 2026 | 930013 |

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The City of Waconia, Carver County, Minnesota (the "Issuer"), certifies that it is indebted and for value received promises to pay to the registered owner specified above, or registered assigns, unless called for earlier redemption, in the manner hereinafter set forth, the principal amount specified above, on the maturity date specified above, and to pay interest thereon semiannually on February 1 and August 1 of each year (each, an "Interest Payment Date"), commencing February 1, 2027, at the rate per annum specified above (calculated on the basis of a 360-day year of twelve 30-day months) until the principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or, if no interest has been paid, from the date of original issue hereof. The principal of and premium, if any, on this Bond are payable upon presentation and surrender hereof at the principal office of Bond Trust Services Corporation, in Minneapolis, Minnesota (the "Bond Registrar"), acting as paying agent, or any successor paying agent duly appointed by the Issuer. Interest on this Bond will be paid on each Interest Payment Date by check or draft mailed to the person in whose name this Bond is registered (the "Holder" or "Bondholder") on the registration books of the Issuer maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth (15th) day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any interest not so timely paid shall cease to be payable to the person who is the Holder hereof as of the Regular Record Date, and shall be payable to the person who is the Holder hereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given to Bondholders not less than ten days prior to the Special Record Date. The principal of and premium, if any, and interest on this Bond are payable in lawful money of the United States of America. So long as this Bond is registered in the name of the Depository or its Nominee as provided in the Resolution hereinafter described, and as those terms are defined therein, payment of principal of, premium, if any, and interest on this Bond and notice with respect thereto shall be made as provided in the Letter of Representations, as defined

in the Resolution, and surrender of this Bond shall not be required for payment of the redemption price upon a partial redemption of this Bond. Until termination of the book-entry only system pursuant to the Resolution, Bonds may only be registered in the name of the Depository or its Nominee.

Optional Redemption. All Bonds of this issue (the "Bonds") maturing on February 1, 2035 and thereafter, are subject to redemption and prepayment at the option of the Issuer on February 1, 2034, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the maturities and the principal amounts within each maturity to be redeemed shall be determined by the Issuer; and if only part of the Bonds having a common maturity date are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Mailed notice of redemption shall be given to the paying agent and to each affected registered holder of the Bonds not more than sixty (60) days and not fewer thirty (30) days prior to the date fixed for redemption.

Prior to the date on which any Bond or Bonds are directed by the Issuer to be redeemed in advance of maturity, the Issuer will cause notice of the call thereof for redemption identifying the Bonds to be redeemed to be mailed to the Bond Registrar and all Bondholders, at the addresses shown on the Bond Register. All Bonds so called for redemption will cease to bear interest on the specified redemption date, provided funds for their redemption have been duly deposited.

Selection of Bonds for Redemption; Partial Redemption. To effect a partial redemption of Bonds having a common maturity date, the Bond Registrar shall assign to each Bond having a common maturity date a distinctive number for each \$5,000 of the principal amount of such Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers assigned to the Bonds, as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of such Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the Issuer or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the Issuer and Bond Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the Issuer shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder of the Bond, without service charge, a new Bond or Bonds having the same stated maturity and interest rate and of any Authorized Denomination or Denominations, as requested by the Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

Issuance; Purpose; General Obligation. This Bond is one of an issue in the total principal amount of \$9,510,000, all of like date of original issue and tenor, except as to number, maturity, interest rate, denomination and redemption privilege, issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota and pursuant to a resolution adopted by the City Council on June 15, 2026 (the "Resolution"), for the purpose of providing money to finance public improvement projects all within the jurisdiction of the Issuer. This Bond is payable

out of the General Obligation Bonds, Series 2026A Fund of the Issuer. This Bond constitutes a general obligation of the Issuer, and to provide moneys for the prompt and full payment of its principal, premium, if any, and interest when the same become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

Denominations; Exchange; Resolution. The Bonds are issuable solely in fully registered form in Authorized Denominations (as defined in the Resolution) and are exchangeable for fully registered Bonds of other Authorized Denominations in equal aggregate principal amounts at the office of the Bond Registrar, but only in the manner and subject to the limitations provided in the Resolution. Reference is hereby made to the Resolution for a description of the rights and duties of the Bond Registrar. Copies of the Resolution are on file in the office of the Bond Registrar.

Transfer. This Bond is transferable by the Holder in person or the Holder's attorney duly authorized in writing at the office of the Bond Registrar upon presentation and surrender hereof to the Bond Registrar, all subject to the terms and conditions provided in the Resolution and to reasonable regulations of the Issuer contained in any agreement with the Bond Registrar. Thereupon the Issuer shall execute and the Bond Registrar shall authenticate and deliver, in exchange for this Bond, one or more new fully registered Bonds in the name of the transferee (but not registered in blank or to "bearer" or similar designation), of an Authorized Denomination or Denominations, in aggregate principal amount equal to the principal amount of this Bond, of the same maturity and bearing interest at the same rate.

Fees upon Transfer or Loss. The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of this Bond and any legal or unusual costs regarding transfers and lost Bonds.

Treatment of Registered Owners. The Issuer and Bond Registrar may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except as otherwise provided herein with respect to the Record Date) and for all other purposes, whether or not this Bond shall be overdue, and neither the Issuer nor the Bond Registrar shall be affected by notice to the contrary.

Authentication. This Bond shall not be valid or become obligatory for any purpose or be entitled to any security unless the Certificate of Authentication hereon shall have been executed by the Bond Registrar.

Not Qualified Tax-Exempt Obligation. This Bond has not been designated by the Issuer as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to happen and to be performed, precedent to and in the issuance of this Bond, have been done, have happened and have been performed, in regular and due form, time and manner as required by law; that the Issuer has covenanted and agreed with the Holders of the Bonds that it will impose and collect charges for the service, use and availability of its municipal water system and storm water system (together, the "System") at the times and in amounts necessary to produce net revenues, together with other

sums pledged to the payment of the Utility Revenue Portion of the Bonds, as defined in the Resolution, adequate to pay all principal and interest when due on the Utility Revenue Portion of the Bonds; and that the Issuer will levy a direct, annual, irrevocable ad valorem tax upon all of the taxable property of the Issuer, without limitation as to rate or amount, for the years and in amounts sufficient to pay the principal and interest on Utility Revenue Portion of the Bonds as they respectively become due, if the net revenues from the System, and any other sums irrevocably appropriated to the Debt Service Account are insufficient therefor; and that this Bond, together with all other debts of the Issuer outstanding on the date of original issue hereof and the date of its issuance and delivery to the original purchaser, does not exceed any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the City of Waconia, Carver County, Minnesota, by its City Council has caused this Bond to be executed on its behalf by the facsimile signatures of its Mayor and its City Administrator, the corporate seal of the Issuer having been intentionally omitted as permitted by law.

Date of Registration: _____ Registrable by: BOND TRUST SERVICES CORPORATION

Payable at: BOND TRUST SERVICES CORPORATION

BOND REGISTRAR'S
CERTIFICATE OF
AUTHENTICATION

CITY OF WACONIA,
CARVER COUNTY, MINNESOTA

This Bond is one of the Bonds described in the Resolution mentioned within.

[DO NOT SIGN THIS FORM OF BOND]
Mayor

BOND TRUST SERVICES
CORPORATION
Minneapolis, Minnesota
Bond Registrar

[DO NOT SIGN THIS FORM OF BOND]
City Administrator

By: _____
Authorized Signature

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with right of survivorship and not as tenants in common
UTMA - _____ as custodian for _____
(Cust) (Minor)
under the _____ Uniform Transfers to Minors Act
(State)

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____ attorney to transfer the Bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: _____

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Signature Guaranteed: _____

Signature(s) must be guaranteed by a national bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges or any other "Eligible Guarantor Institution" as defined in 17 CFR 240.17 Ad-15(a)(2).

The Bond Registrar will not effect transfer of this Bond unless the information concerning the transferee requested below is provided.

Name and Address: _____

(Include information for all joint owners if the Bond is held by joint account.)

EXHIBIT C

TAX LEVY SCHEDULES

[To be supplied by Ehlers & Associates, Inc.]

EXTRACT OF MINUTES OF A MEETING
CITY COUNCIL OF THE
CITY OF WACONIA, MINNESOTA

HELD: JUNE 15, 2026

Pursuant to due call and notice thereof, a regular or special meeting of the City Council of the City of Waconia, Carver County, Minnesota, was duly held at the City Hall on June 15, 2026, at 6:00 P.M., for the purpose, in part, of authorizing the issuance and awarding the sale of \$3,280,000 General Obligation Temporary Street Reconstruction Plan Bonds, Series 2026B.

The following members were present: Mayor Litfin, Council Member Siddons, Council Member Gleason, Council Member Coleman, and Council Member Grengs

and the following were absent:

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION NO. 2026-158

RESOLUTION AUTHORIZING THE ISSUANCE AND AWARDING THE SALE OF \$3,280,000 GENERAL OBLIGATION TEMPORARY STREET RECONSTRUCTION PLAN BONDS, SERIES 2026B, AND LEVYING A TAX FOR THE PAYMENT THEREOF IN ANTICIPATION OF LONG-TERM FINANCING

A. WHEREAS, the City Council of the City of Waconia, Minnesota (the "City"), has heretofore determined and declared that it is necessary and expedient to issue \$3,280,000 General Obligation Temporary Street Reconstruction Plan Bonds, Series 2026B (the "Bonds" or, individually, a "Bond"), pursuant to Minnesota Statutes, Chapter 475 and Section 475.58, Subdivision 3b, to temporarily finance street reconstruction projects under the City's Street Reconstruction and Overlay Plan adopted on May 4, 2026 (the "Project"), in anticipation of the issuance of a long-term definitive bond; and

B. WHEREAS, on May 4, 2026, following duly published notice thereof, the City Council held a public hearing on the issuance of not to exceed approximately \$3,300,000 principal amount of bonds to finance the Project and all persons who wished to speak or provide written information relative to the public hearing were afforded an opportunity to do so; and

C. WHEREAS, no petition signed by voters equal to 5 percent of the votes cast in the City in the last municipal general election requesting a vote on the issuance of the street reconstruction bonds was filed with the City Administrator within 30 days after the public hearing on May 4, 2026; and

D. WHEREAS, the Bonds, together with any outstanding bonds of the City that are subject to the City's net debt limit, do not exceed the City's net debt limit; and

A. WHEREAS, the City has retained Ehlers & Associates, Inc., in Minneapolis, Minnesota ("Ehlers"), as its independent municipal advisor for the sale of the Bonds and was

therefore authorized to sell the Bonds by private negotiation in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9) and proposals to purchase the Bonds have been solicited by Ehlers; and

B. WHEREAS, the proposals set forth on Exhibit A attached hereto were received by the City Administrator, or designee, at the offices of Ehlers at 10:00 A.M. this same day pursuant to the Preliminary Official Statement for the Bonds, dated June 4, 2026; and

C. WHEREAS, it is in the best interests of the City that the Bonds be issued in book-entry form as hereinafter provided; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Waconia, Minnesota, as follows:

1. Acceptance of Proposal. The proposal of _____ (the "Purchaser"), to purchase the Bonds, in accordance with the Preliminary Official Statement established for the Bonds, at the rates of interest hereinafter set forth, and to pay therefor the sum of \$ _____, plus interest accrued to settlement, is hereby found, determined and declared to be the most favorable proposal received, is hereby accepted and the Bonds are hereby awarded to the Purchaser. The Finance Director is directed to retain the deposit of the Purchaser.

2. Bond Terms.

(a) Original Issue Date; Denominations; Maturity. The Bonds shall be dated July 2, 2026, as the date of original issue, and shall be issued forthwith on or after such date in fully registered form. The Bond shall be numbered R-1 in the denomination of \$5,000 each or in any integral multiple thereof of a single maturity (the "Authorized Denominations"). The Bonds shall mature on February 1, 2029.

(b) Book Entry Only System. The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York or any of its successors or its successors to its functions hereunder (the "Depository") will act as securities depository for the Bonds, and to this end:

(i) The Bonds shall be initially issued and, so long as they remain in book entry form only (the "Book Entry Only Period"), shall at all times be in the form of a separate single fully registered Bond for each maturity of the Bonds; and for purposes of complying with this requirement under paragraphs 5 and 10 Authorized Denominations for any Bond shall be deemed to be limited during the Book Entry Only Period to the outstanding principal amount of that Bond.

(ii) Upon initial issuance, ownership of the Bonds shall be registered in a bond register maintained by the Bond Registrar (as hereinafter defined) in the name of CEDE & CO., as the nominee (it or any nominee of the existing or a successor Depository, the "Nominee").

(iii) With respect to the Bonds neither the City nor the Bond Registrar shall have any responsibility or obligation to any broker, dealer, bank, or any other financial

institution for which the Depository holds Bonds as securities depository (the "Participant") or the person for which a Participant holds an interest in the Bonds shown on the books and records of the Participant (the "Beneficial Owner"). Without limiting the immediately preceding sentence, neither the City, nor the Bond Registrar, shall have any such responsibility or obligation with respect to (A) the accuracy of the records of the Depository, the Nominee or any Participant with respect to any ownership interest in the Bonds, or (B) the delivery to any Participant, any Owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any notice of redemption, or (C) the payment to any Participant, any Beneficial Owner or any other person, other than the Depository, of any amount with respect to the principal of or premium, if any, or interest on the Bonds, or (D) the consent given or other action taken by the Depository as the Registered Holder of any Bonds (the "Holder"). For purposes of securing the vote or consent of any Holder under this Resolution, the City may, however, rely upon an omnibus proxy under which the Depository assigns its consenting or voting rights to certain Participants to whose accounts the Bonds are credited on the record date identified in a listing attached to the omnibus proxy.

(iv) The City and the Bond Registrar may treat as and deem the Depository to be the absolute owner of the Bonds for the purpose of payment of the principal of and premium, if any, and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to the Bonds, for the purpose of obtaining any consent or other action to be taken by Holders for the purpose of registering transfers with respect to such Bonds, and for all purpose whatsoever. The Bond Registrar, as paying agent hereunder, shall pay all principal of and premium, if any, and interest on the Bonds only to the Holder or the Holders of the Bonds as shown on the bond register, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal of and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid.

(v) Upon delivery by the Depository to the Bond Registrar of written notice to the effect that the Depository has determined to substitute a new Nominee in place of the existing Nominee, and subject to the transfer provisions in paragraph 10, references to the Nominee hereunder shall refer to such new Nominee.

(vi) So long as any Bond is registered in the name of a Nominee, all payments with respect to the principal of and premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, by the Bond Registrar or City, as the case may be, to the Depository as provided in the Letter of Representations to the Depository required by the Depository as a condition to its acting as book-entry Depository for the Bonds (said Letter of Representations, together with any replacement thereof or amendment or substitute thereto, including any standard procedures or policies referenced therein or applicable thereto respecting the procedures and other matters relating to the Depository's role as book-entry Depository for the Bonds, collectively hereinafter referred to as the "Letter of Representations").

(vii) All transfers of beneficial ownership interests in each Bond issued in book-entry form shall be limited in principal amount to Authorized Denominations and shall be

effected by procedures by the Depository with the Participants for recording and transferring the ownership of beneficial interests in such Bonds.

(viii) In connection with any notice or other communication to be provided to the Holders pursuant to this Resolution by the City or Bond Registrar with respect to any consent or other action to be taken by Holders, the Depository shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action; provided, that the City or the Bond Registrar may establish a special record date for such consent or other action. The City or the Bond Registrar shall, to the extent possible, give the Depository notice of such special record date not less than 15 calendar days in advance of such special record date to the extent possible.

(ix) Any successor Bond Registrar in its written acceptance of its duties under this Resolution and any paying agency/bond registrar agreement, shall agree to take any actions necessary from time to time to comply with the requirements of the Letter of Representations.

(c) Termination of Book-Entry Only System. Discontinuance of a particular Depository's services and termination of the book-entry only system may be effected as follows:

(i) The Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the City and discharging its responsibilities with respect thereto under applicable law. The City may terminate the services of the Depository with respect to the Bond if it determines that the Depository is no longer able to carry out its functions as securities depository or the continuation of the system of book-entry transfers through the Depository is not in the best interests of the City or the Beneficial Owners.

(ii) Upon termination of the services of the Depository as provided in the preceding paragraph, and if no substitute securities depository is willing to undertake the functions of the Depository hereunder can be found which, in the opinion of the City, is willing and able to assume such functions upon reasonable or customary terms, or if the City determines that it is in the best interests of the City or the Beneficial Owners of the Bond that the Beneficial Owners be able to obtain certificates for the Bonds, the Bonds shall no longer be registered as being registered in the bond register in the name of the Nominee, but may be registered in whatever name or names the Holder of the Bonds shall designate at that time, in accordance with paragraph 10. To the extent that the Beneficial Owners are designated as the transferee by the Holders, in accordance with paragraph 10, the Bonds will be delivered to the Beneficial Owners.

(iii) Nothing in this subparagraph (c) shall limit or restrict the provisions of paragraph 10.

(d) Letter of Representations. The provisions in the Letter of Representations are incorporated herein by reference and made a part of the resolution, and if and to the extent any such provisions are inconsistent with the other provisions of this resolution, the provisions in the Letter of Representations shall control.

3. Purpose. The Bonds shall provide funds to temporarily finance the Project. The total cost of the Project, which shall include all costs enumerated in Minnesota Statutes, Section 475.65, is estimated to be at least equal to the amount of the Bonds.

4. Interest. The Bonds shall bear interest payable semiannually on February 1 and August 1 of each year (each, an "Interest Payment Date"), commencing February 1, 2027, calculated on the basis of a 360-day year of twelve 30-day months, at the rate of _____% per annum.

5. Redemption. The Bonds shall be subject to redemption and prepayment at the option of the City on August 1, 2027, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Mailed notice of redemption shall be given to the paying agent and to each affected registered holder of the Bonds not more than sixty (60) days and not fewer than thirty (30) days prior to the date fixed for redemption.

To effect a partial redemption of Bonds having a common maturity date, the Bond Registrar prior to giving notice of redemption shall assign to each Bond having a common maturity date a distinctive number for each \$5,000 of the principal amount of such Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers so assigned to such Bonds, as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of each such Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the City or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the City and Bond Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the City shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder of the Bond, without service charge, a new Bond or Bonds having the same stated maturity and interest rate and of any Authorized Denomination or Denominations, as requested by the Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

6. Bond Registrar. Bond Trust Services Corporation in Minneapolis, Minnesota, is appointed to act as bond registrar and transfer agent with respect to the Bonds (the "Bond Registrar"), and shall do so unless and until a successor Bond Registrar is duly appointed, all pursuant to any contract the City and any successor Bond Registrar shall execute which is consistent herewith. The Bond Registrar shall also serve as paying agent unless and until a successor paying agent is duly appointed. Principal and interest on the Bonds shall be paid to the registered holders (or record holders) of the Bonds in the manner set forth in the form of Bond and paragraph 12.

7. Form of Bond. The Bonds, together with the Bond Registrar's Certificate of Authentication, the form of Assignment and the registration information thereon, shall be in substantially the form set forth on Exhibit B attached hereto.

8. Execution. The Bonds shall be in typewritten form, shall be executed on behalf of the City by the signatures of its Mayor and City Administrator and be sealed with the seal of the City; provided, as permitted by law, both signatures may be photocopied facsimiles and the corporate seal has been omitted. In the event of disability or resignation or other absence of either officer, the Bonds may be signed by the manual or facsimile signature of the officer who may act on behalf of the absent or disabled officer. In case either officer whose signature or facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of the Bonds, the signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery.

9. Authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this resolution unless a Certificate of Authentication on such Bond, substantially in the form set forth on Exhibit B attached hereto, shall have been duly executed by an authorized representative of the Bond Registrar. Certificates of Authentication on different Bonds need not be signed by the same person. The Bond Registrar shall authenticate the signatures of officers of the City on each Bond by execution of the Certificate of Authentication on the Bond and by inserting as the date of registration in the space provided the date on which the Bond is authenticated, except that for purposes of delivering the original Bonds to the Purchaser, the Bond Registrar shall insert as a date of registration the date of original issue of July 2, 2026. The Certificate of Authentication so executed on each Bond shall be conclusive evidence that it has been authenticated and delivered under this resolution.

10. Registration; Transfer; Exchange. The City will cause to be kept at the principal office of the Bond Registrar a bond register in which, subject to such reasonable regulations as the Bond Registrar may prescribe, the Bond Registrar shall provide for the registration of Bonds and the registration of transfers of Bonds entitled to be registered or transferred as herein provided.

Upon surrender for transfer of any Bond at the principal office of the Bond Registrar, the City shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration (as provided in paragraph 9) of, and deliver, in the name of the designated transferee or transferees, one or more new Bonds of any Authorized Denomination or Denominations of a like aggregate principal amount, having the same stated maturity and interest rate, as requested by the transferor; provided, however, that no Bond may be registered in blank or in the name of "bearer" or similar designation.

At the option of the Holder, Bonds may be exchanged for Bonds of any Authorized Denomination or Denominations of a like aggregate principal amount and stated maturity, upon surrender of the Bonds to be exchanged at the principal office of the Bond Registrar. Whenever any Bonds are so surrendered for exchange, the City shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration of, and deliver the Bonds which the Holder making the exchange is entitled to receive.

All Bonds surrendered upon any exchange or transfer provided for in this resolution shall be promptly canceled by the Bond Registrar and thereafter disposed of as directed by the City.

All Bonds delivered in exchange for or upon transfer of Bonds shall be valid general obligations of the City evidencing the same debt, and entitled to the same benefits under this resolution, as the Bonds surrendered for such exchange or transfer.

Every Bond presented or surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, in form satisfactory to the Bond Registrar, duly executed by the Holder thereof or the Holder's attorney duly authorized in writing.

The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of any Bond and any legal or unusual costs regarding transfers and lost Bonds.

Transfers shall also be subject to reasonable regulations of the City contained in any agreement with the Bond Registrar, including regulations which permit the Bond Registrar to close its transfer books between record dates and payment dates. The Finance Director is hereby authorized to negotiate and execute the terms of said agreement.

11. Rights Upon Transfer or Exchange. Each Bond delivered upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond.

12. Interest Payment; Record Date. Interest on any Bond shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name the Bond is registered (the "Holder") on the registration books of the City maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth (15th) day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any such interest not so timely paid shall cease to be payable to the person who is the Holder thereof as of the Regular Record Date, and shall be payable to the person who is the Holder thereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given by the Bond Registrar to the Holders not less than ten days prior to the Special Record Date.

13. Treatment of Registered Owner. The City and Bond Registrar may treat the person in whose name any Bond is registered as the owner of the Bond for the purpose of receiving payment of principal of and premium, if any, and interest (subject to the payment provisions in paragraph 12) on, the Bond and for all other purposes whatsoever whether or not the Bond shall be overdue, and neither the City nor the Bond Registrar shall be affected by notice to the contrary.

14. Delivery; Application of Proceeds. The Bonds when so prepared and executed shall be delivered by the Finance Director to the Purchaser upon receipt of the purchase price, and the Purchaser shall not be obliged to see to the proper application thereof.

15. Fund and Accounts. There is hereby created a special fund to be designated the "General Obligation Temporary Street Reconstruction Plan Bonds, Series 2026B Fund" (the "Fund") to be administered and maintained by the Finance Director as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The Fund shall be maintained in the manner herein specified until all of the Bonds and the interest

thereon have been fully paid. There shall be maintained in the Fund the following separate accounts:

(a) Construction Account. To the Construction Account there shall be credited the proceeds of the sale of the Bonds, less capitalized interest. From the Construction Account there shall be paid all costs of issuance of the Bonds and all costs and expenses of financing the Project, including the cost of any construction contracts heretofore let and all other costs incurred and to be incurred of the kind authorized in Minnesota Statutes, Section 475.65. Moneys in the Construction Account shall be used for no other purpose except as otherwise provided by law; provided that the proceeds of the Bonds may also be used to the extent necessary to pay interest on the Bonds due prior to the anticipated date of commencement of the collection of taxes herein levied or covenanted to be levied; and provided further that if upon completion of the Project there shall remain any unexpended balance in the Construction Account, the balance shall be transferred to the Debt Service Account.

(b) Debt Service Account. To the Debt Service Account there are hereby irrevocably appropriated and pledged to, and there shall be credited: (i) the proceeds of any definitive bond or additional temporary bonds in an amount, together with other moneys then on hand irrevocably appropriated to said account, as is necessary to pay the principal of, and interest on, the Bonds; (ii) capitalized interest in the amount of \$ _____ (together with interest earnings thereon and subject to such other adjustments as are appropriate to provide sufficient funds to pay interest due on the Bonds on or before February 1, 2028; (iii) all collections of taxes which may be herein and hereafter be levied in the event that the proceeds of any definitive bond or additional temporary bonds and other available sums herein pledged to the payment of the Bonds are insufficient therefor; (iv) all funds remaining in the Construction Account after completion of the Project and payment of the costs thereof; (v) all investment earnings on funds held in the Debt Service Account; and (vi) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Debt Service Account. The amount of any surplus remaining in the Debt Service Account when the Bonds and interest thereon are paid shall be used consistent with Minnesota Statutes, Section 475.61, Subdivision 4. The Debt Service Account shall be used solely to pay the principal and interest on the Bonds and any other general obligation bonds of the City hereafter issued by the City and made payable from said account as provided by law.

No portion of the proceeds of the Bonds shall be used directly or indirectly to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except (1) for a reasonable temporary period until such proceeds are needed for the purpose for which the Bonds were issued and (2) in addition to the above in an amount not greater than the lesser of five percent of the proceeds of the Bonds or \$100,000. To this effect, any proceeds of the Bonds and any sums from time to time held in the Construction Account or Debt Service Account (or any other City account which will be used to pay principal or interest to become due on the bonds payable therefrom) in excess of amounts which under then applicable federal arbitrage regulations may be invested without regard to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by said arbitrage regulations on such investments after taking into account any applicable "temporary periods" or "minor portion" made available under the federal arbitrage regulations. Money in the Fund shall not be invested in obligations or deposits issued by, guaranteed by or insured by the United States or any agency or instrumentality thereof if and to the extent that such investment would cause the

Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code").

16. Tax Levy. To provide moneys for payment of the February 1, 2029 interest on the Bonds, there is hereby levied upon all of the taxable property in the City a direct ad valorem tax which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the City for the year and in the amount as follows:

| <u>Year of Tax Levy</u> | <u>Year of Tax Collection</u> | <u>Amount</u> |
|-------------------------|-------------------------------|---------------|
| 2027 | 2028 | \$ _____ |

17. General Obligation Pledge. For the prompt and full payment of the principal and interest on the Bonds, as the same respectively become due, the full faith, credit and taxing powers of the City shall be and are hereby irrevocably pledged. If the balance in the Debt Service Account is ever insufficient to pay all principal and interest then due on the Bonds and any other bonds payable therefrom, the deficiency shall be promptly paid out of any other funds of the City which are available for such purpose, and such other funds may be reimbursed with or without interest from the Debt Service Account when a sufficient balance is available therein.

18. Pledge of Proceeds of Definitive Bonds or Additional Temporary Bonds; Coverage Test. To provide moneys for the prompt and full payment of principal and interest on the Bonds, the City shall issue and sell the definitive bonds or additional temporary bonds for delivery and payment at or prior to the maturity date of the Bonds. The proceeds of the definitive bonds or additional temporary bonds, together with any other available funds of the City to be received before the maturity date of the Bonds for the Project, are hereby found, determined and declared to be sufficient in amount to pay when due one hundred five percent (105%) of the principal of and interest on the Bonds.

19. Conditions Prior to Issuance of Definitive Bonds. It is hereby found, determined and declared that all conditions precedent to the offering of definitive bonds of the City to refund the Bond to the extent necessary within the meaning of Minnesota Statutes, Section 475.61, Subdivision 5, have been met and exist.

20. Defeasance. When all Bonds have been discharged as provided in this paragraph, all pledges, covenants and other rights granted by this resolution to the registered holders of the Bonds shall, to the extent permitted by law, cease. The City may discharge its obligations with respect to any Bonds which are due on any date by irrevocably depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full; or if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Bond Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit. The City may also discharge its obligations with respect to any prepayable Bonds called for redemption on any date when they are prepayable according to their terms, by depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full, provided that notice of redemption thereof has been duly given. The City may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a suitable banking institution qualified by law as an escrow agent for this purpose, cash or securities described in Minnesota Statutes, Section 475.67, Subdivision 8, bearing interest payable at such times and at such rates

and maturing on such dates as shall be required, without regard to sale and/or reinvestment, to pay all amounts to become due thereon to maturity or, if notice of redemption as herein required has been duly provided for, to such earlier redemption date.

21. Compliance With Reimbursement Bond Regulations. The provisions of this paragraph are intended to establish and provide for the City's compliance with United States Treasury Regulations Section 1.150-2 (the "Reimbursement Regulations") applicable to the "reimbursement proceeds" of the Bonds, being those portions thereof which will be used by the City to reimburse itself for any expenditure which the City paid or will have paid prior to the Closing Date (a "Reimbursement Expenditure").

The City hereby certifies and/or covenants as follows:

(a) Not later than sixty days after the date of payment of a Reimbursement Expenditure, the City (or person designated to do so on behalf of the City) has made or will have made a written declaration of the City's official intent (a "Declaration") which effectively (i) states the City's reasonable expectation to reimburse itself for the payment of the Reimbursement Expenditure out of the proceeds of a subsequent borrowing; (ii) gives a general and functional description of the property, project or program to which the Declaration relates and for which the Reimbursement Expenditure is paid, or identifies a specific fund or account of the City and the general functional purpose thereof from which the Reimbursement Expenditure was to be paid (collectively the "Program"); and (iii) states the maximum principal amount of debt expected to be issued by the City for the purpose of financing the Program; provided, however, that no such Declaration shall necessarily have been made with respect to: (i) "preliminary expenditures" for the Program, defined in the Reimbursement Regulations to include engineering or architectural, surveying and soil testing expenses and similar prefatory costs, which in the aggregate do not exceed twenty percent of the "issue price" of the Bonds, and (ii) a *de minimis* amount of Reimbursement Expenditures not in excess of the lesser of \$100,000 or five percent of the proceeds of the Bonds.

(b) Each Reimbursement Expenditure is a capital expenditure or a cost of issuance of the Bonds or any of the other types of expenditures described in Section 1.150-2(d)(3) of the Reimbursement Regulations.

(c) The "reimbursement allocation" described in the Reimbursement Regulations for each Reimbursement Expenditure shall and will be made forthwith following (but not prior to) the issuance of the Bonds, and not later than 18 months after the later of (i) the date of the payment of the Reimbursement Expenditure, or (ii) the date on which the Program to which the Reimbursement Expenditure relates is first placed in service, but in no event more than three years after the date of payment of the Reimbursement Expenditure.

(d) Each such reimbursement allocation will be made in a writing that evidences the City's use of Bond proceeds to reimburse the Reimbursement Expenditure and, if made within 30 days after the Bonds are issued, shall be treated as made on the day the Bonds are issued.

Provided, however, that the City may take action contrary to any of the foregoing covenants in this paragraph upon receipt of an opinion of its bond counsel for the Bonds stating in effect that such action will not impair the tax-exempt status of the Bonds.

22. Certificate of Registration and Tax Levy. A certified copy of this resolution is hereby directed to be filed with the County Auditor of Carver County, Minnesota, together with such other information as the County Auditor shall require, and to obtain the County Auditor's Certificate that the Bonds have been entered in the County Auditor's Bond Register, and that the tax levy required by law has been made.

23. Records and Certificates. The officers of the City are hereby authorized and directed to prepare and furnish to the Purchaser, and bond counsel, certified copies of all proceedings and records of the City relating to the Bonds and to the financial condition and affairs of the City, and such other affidavits, certificates and information as are required to show the facts relating to the legality and marketability of the Bonds as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the City as to the facts recited therein.

24. Continuing Disclosure. The City is the sole obligated person with respect to the Bonds. The City hereby agrees, in accordance with the provisions of Rule 15c2-12 (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, as amended, and a Continuing Disclosure Undertaking (the "Undertaking") hereinafter described to:

(a) Provide or cause to be provided to the Municipal Securities Rulemaking Board (the "MSRB") by filing at www.emma.msrb.org in accordance with the Rule, certain annual financial information and operating data in accordance with the Undertaking. The City reserves the right to modify from time to time the terms of the Undertaking as provided therein.

(b) Provide or cause to be provided to the MSRB notice of the occurrence of certain events with respect to the Bonds in not more than ten (10) business days after the occurrence of the event, in accordance with the Undertaking.

(c) Provide or cause to be provided to the MSRB notice of a failure by the City to provide the annual financial information with respect to the City described in the Undertaking, in not more than ten (10) business days following such occurrence.

(d) The City agrees that its covenants pursuant to the Rule set forth in this paragraph and in the Undertaking is intended to be for the benefit of the Holders of the Bonds and shall be enforceable on behalf of such Holders; provided that the right to enforce the provisions of these covenants shall be limited to a right to obtain specific enforcement of the City's obligations under the covenants.

The Mayor and City Administrator of the City or any other officer of the City authorized to act in their place (the "Officers") are hereby authorized and directed to execute on behalf of the City the Undertaking in substantially the form presented to the City Council subject to such modifications thereof or additions thereto as are (i) consistent with the requirements under the Rule, (ii) required by the Purchaser of the Bonds, and (iii) acceptable to the Officers.

25. Negative Covenant as to Use of Bond Proceeds and Project. The City hereby covenants not to use the proceeds of the Bonds or to use the Project, or to cause or permit them to

be used, or to enter into any deferred payment arrangements for the cost of the Project, in such a manner as to cause the Bonds to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

26. Tax-Exempt Status of the Bonds; Rebate. The City shall comply with requirements necessary under the Code to establish and maintain the exclusion from gross income under Section 103 of the Code of the interest on the Bonds, including without limitation (i) requirements relating to temporary periods for investments, (ii) limitations on amounts invested at a yield greater than the yield on the Bonds, and (iii) the rebate of excess investment earnings to the United States. The City expects to satisfy the twenty-four month exemption for gross proceeds of the Bonds as provided in Section 1.148-7(e) of the Regulations. The Mayor and/or the City Administrator and/or Finance Director, are hereby authorized and directed to make such elections as to arbitrage and rebate matters relating to the Bonds as they deem necessary, appropriate or desirable in connection with the Bonds, and all such elections shall be, and shall be deemed and treated as, elections of the City.

27. No Designation of Qualified Tax-Exempt Obligations. The City will not designate the Bonds as "qualified tax exempt obligations" for purposes of Section 265(b)(3) of the Code.

28. Official Statement. The Official Statement relating to the Bonds prepared and distributed by Ehlers is hereby approved and the officers of the City are authorized in connection with the delivery of the Bonds to sign such certificates as may be necessary with respect to the completeness and accuracy of the Official Statement.

29. Payment of Issuance Expenses. The City authorizes the Purchaser to forward the amount of Bond proceeds allocable to the payment of issuance expenses to Wells Fargo Bank, National Association, San Francisco, California on the closing date for further distribution as directed by the City's municipal advisor, Ehlers.

30. Severability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

31. Headings. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

The motion for the adoption of the foregoing resolution was duly seconded by member _____ and, after a full discussion thereof and upon a vote being taken thereon, the following voted in favor thereof: Mayor Litfin, Council Member Grengs, Council Member Coleman, Council Member Gleason, and Council Member Siddons

and the following voted against the same: None

Whereupon the resolution was declared duly passed and adopted.

STATE OF MINNESOTA
COUNTY OF CARVER
CITY OF WACONIA

I, the undersigned, the City Administrator of the City of Waconia, Minnesota, do hereby certify that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council, duly called and held on the date therein indicated, insofar as such minutes relate to authorizing the issuance and awarding the sale of \$3,280,000 General Obligation Temporary Street Reconstruction Plan Bonds, Series 2026B.

WITNESS my hand on June 15, 2026.

City Administrator

EXHIBIT A

PROPOSALS

[To be supplied by Ehlers & Associates, Inc.]

EXHIBIT B

FORM OF BOND

UNITED STATES OF AMERICA
STATE OF MINNESOTA
CARVER COUNTY
CITY OF WACONIA

R-__ \$ _____

GENERAL OBLIGATION TEMPORARY STREET
RECONSTRUCTION PLAN BOND, SERIES 2026B

| | | | |
|----------------------|----------------------|-------------------------------|--------------|
| <u>Interest Rate</u> | <u>Maturity Date</u> | <u>Date of Original Issue</u> | <u>CUSIP</u> |
| _____ % | February 1, 2029 | July 2, 2026 | |

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The City of Waconia, Carver County, Minnesota (the "Issuer" or the "City"), certifies that it is indebted and for value received promises to pay to the registered owner specified above, or registered assigns, in the manner hereinafter set forth, the principal amount specified above, on the maturity date specified above, unless called for prepayment, and to pay interest thereon semiannually on February 1 and August 1 of each year (each, an "Interest Payment Date"), commencing February 1, 2027, at the rate per annum specified above (calculated on the basis of a 360-day year of twelve 30-day months) until the principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or, if no interest has been paid, from the date of original issue hereof. The principal of and premium, if any, on this Bond are payable upon presentation and surrender hereof at the principal office of Bond Trust Services Corporation, in Minneapolis, Minnesota (the "Bond Registrar"), acting as paying agent, or any successor paying agent duly appointed by the Issuer. Interest on this Bond will be paid on each Interest Payment Date by check or draft mailed to the person in whose name this Bond is registered (the "Holder" or "Bondholder") on the registration books of the Issuer maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth (15th) day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any interest not so timely paid shall cease to be payable to the person who is the Holder hereof as of the Regular Record Date, and shall be payable to the person who is the Holder hereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given to Bondholders not less than ten days prior to the Special Record Date. The principal of and premium, if any, and interest on this Bond are payable in lawful money of the United States of America. So long as this Bond is registered in the name of the Depository or its Nominee as provided in the Resolution hereinafter described, and as those

terms are defined therein, payment of principal of, premium, if any, and interest on this Bond and notice with respect thereto shall be made as provided in the Letter of Representations, as defined in the Resolution. Until termination of the book-entry only system pursuant to the Resolution, Bonds may only be registered in the name of the Depository or its Nominee.

Optional Redemption. The Bonds of this issue (the "Bonds") shall be subject to redemption and prepayment at the option of the City on August 1, 2027, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Mailed notice of redemption shall be given to the paying agent and to each affected registered holder of the Bonds not more than sixty (60) days and not fewer than thirty (30) days prior to the date fixed for redemption.

Prior to the date on which any Bond or Bonds are directed by the Issuer to be redeemed in advance of maturity, the Issuer will cause notice of the call thereof for redemption identifying the Bonds to be redeemed to be mailed to the Bond Registrar and all Bondholders, at the addresses shown on the Bond Register. All Bonds so called for redemption will cease to bear interest on the specified redemption date, provided funds for their redemption have been duly deposited.

Selection of Bonds for Redemption; Partial Redemption. To effect a partial redemption of Bonds, the Bond Registrar shall assign to each Bond having a common maturity date a distinctive number for each \$5,000 of the principal amount of such Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers assigned to the Bonds, as many numbers as, at \$5,000 for each number, shall equal the principal amount of the Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the Issuer or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the Issuer and Bond Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the Issuer shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder of the Bond, without service charge, a new Bond or Bonds having the same stated maturity and interest rate and of any Authorized Denomination or Denominations, as requested by the Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

Issuance; Purpose; General Obligation. This Bond is one of an issue in the total principal amount of \$3,280,000, issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota and pursuant to a resolution adopted by the City Council on June 15, 2026 (the "Resolution"), to temporarily finance street reconstruction projects under the City's Street Reconstruction and Overlay Plan adopted on May 4, 2026 . This Bond is payable out of the General Obligation Temporary Street Reconstruction Plan Bonds, Series 2026B Fund of the Issuer, and into which fund there are to be paid proceeds of the definitive general obligation bonds or additional general obligation temporary bonds which the Issuer is required by law to issue at or

prior to the maturity of this Bond for the purpose of refunding the same. This Bond constitutes a general obligation of the Issuer, and to provide moneys for the prompt and full payment of its principal, premium, if any, and interest when the same become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

Denominations; Exchange; Resolution. The Bonds are issuable solely in fully registered form in Authorized Denominations (as defined in the Resolution) and are exchangeable for fully registered Bonds of other Authorized Denominations in equal aggregate principal amounts at the principal office of the Bond Registrar, but only in the manner and subject to the limitations provided in the Resolution. Reference is hereby made to the Resolution for a description of the rights and duties of the Bond Registrar. Copies of the Resolution are on file in the principal office of the Bond Registrar.

Transfer. This Bond is transferable by the Holder in person or by the Holder's attorney duly authorized in writing at the principal office of the Bond Registrar upon presentation and surrender hereof to the Bond Registrar, all subject to the terms and conditions provided in the Resolution and to reasonable regulations of the Issuer contained in any agreement with the Bond Registrar. Thereupon the Issuer shall execute and the Bond Registrar shall authenticate and deliver, in exchange for this Bond, one or more new fully registered Bonds in the name of the transferee (but not registered in blank or to "bearer" or similar designation), of an Authorized Denomination or Denominations, in aggregate principal amount equal to the principal amount of this Bond, of the same maturity and bearing interest at the same rate.

Fees upon Transfer or Loss. The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of this Bond and any legal or unusual costs regarding transfers and lost Bonds.

Treatment of Registered Owners. The Issuer and Bond Registrar may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except as otherwise provided herein with respect to the Record Date) and for all other purposes, whether or not this Bond shall be overdue, and neither the Issuer nor the Bond Registrar shall be affected by notice to the contrary.

Authentication. This Bond shall not be valid or become obligatory for any purpose or be entitled to any security unless the Certificate of Authentication hereon shall have been executed by the Bond Registrar.

Not Qualified Tax-Exempt Obligation. This Bond has not been designated by the Issuer as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to happen and to be performed, precedent to and in the issuance of this Bond, have been done, have happened and have been performed, in regular and due form, time and manner as required by law, and that this Bond, together with all other debts of the Issuer outstanding on the date of original issue hereof and the

date of its issuance and delivery to the original purchaser, does not exceed any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the City of Waconia, Carver County, Minnesota, by its City Council has caused this Bond to be executed on its behalf by the facsimile signatures of its Mayor and its City Administrator, the corporate seal of the Issuer having been intentionally omitted as permitted by law.

Date of Registration:

Registrable by: BOND TRUST SERVICES CORPORATION

Payable at: BOND TRUST SERVICES CORPORATION

CITY OF WACONIA,
CARVER COUNTY, MINNESOTA

BOND REGISTRAR'S
CERTIFICATE OF
AUTHENTICATION

This Bond is one of the Bonds described in the Resolution mentioned within.

[DO NOT SIGN THIS FORM OF BOND]
Mayor

BOND TRUST SERVICES CORPORATION
Minneapolis, Minnesota,
Bond Registrar

[DO NOT SIGN THIS FORM OF BOND]
City Administrator

By _____
Authorized Signature

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common

TEN ENT - as tenants by the entireties

JT TEN - as joint tenants with right of survivorship
and not as tenants in common

UTMA - _____ as custodian for _____
(Cust) (Minor)

under the _____ Uniform Transfers to Minors Act
(State)

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____ attorney to transfer the Bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: _____

Notice: _____
The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Signature Guaranteed: _____

Signature(s) must be guaranteed by a national bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges or any other "Eligible Guarantor Institution" as defined in 17 CFR 240.17 Ad-15(a)(2).

The Bond Registrar will not effect transfer of this Bond unless the information concerning the transferee requested below is provided.

Name and Address: _____

(Include information for all joint owners if the Bond is held by joint account.)

"Exhibit A"

Total 2026 Infrastructure Project Cost & Financing Breakdown

| <u>Number</u> | <u>Project</u> | <u>Project Cost</u> | <u>Financing</u> |
|----------------------------------|---|----------------------|---|
| 1 | Street Reconstruction - Portions of 1st/Olive/2nd Street - Street Portion | \$ 2,557,333 | 429 Special Assessment Bonds |
| 1 | Street Reconstruction - Portions of 1st/Olive/2nd Street - Sidewalk Portion | \$ 494,032 | 429 Special Assessment Bonds (developer contribution) |
| 1 | Street Reconstruction - Portions of 1st/Olive/2nd Street - Lighting Portion (Street & Park) | \$ 937,768 | 429 Special Assessment Bonds |
| 1 | Street Reconstruction - Portions of 1st/Olive/2nd Street - Parking Lot | \$ 308,050 | 429 Special Assessment Bonds |
| 1 | Street Reconstruction - Portions of 1st/Olive/2nd Street - Signage Portion/Electric for Trailer | \$ 62,000 | 429 Special Assessment Bonds |
| 1 | Street Reconstruction - Portions of 1st/Olive/2nd Street - Holiday Lighting | \$ 35,000 | 429 Special Assessment Bonds |
| 1 | Street Reconstruction - Portions of 1st/Olive/2nd Street - Water | \$ 938,660 | Water Bonds - 444 |
| 1 | Street Reconstruction - Portions of 1st/Olive/2nd Street - Sewer | \$ 395,225 | Sewer Bonds - 115 |
| 1 | Street Reconstruction - Portions of 1st/Olive/2nd Street - Storm Water | \$ 247,016 | Storm Water Bonds - 444 |
| 2 | Mill & Overlay Project - Landing | \$ 222,000 | 429 Special Assessment Bonds |
| 3 | Reitz Lake Lift Station Construction | \$ 3,000,000 | Sewer Bonds - 115 |
| 4 | Highway 5 Phase 2 - Temporary Bond for Easement Acquisition-Engineering Expense | \$ 3,000,000 | Temporary Bond - 3 Year Principal Repayment |
| Total 2026 Project Costs: | | \$ 12,197,084 | |

429 Special Assessment Bonds

| <u>Number</u> | <u>Project</u> | <u>Project Cost</u> | <u>Financing</u> |
|--|---|------------------------|------------------------------|
| 1 | Street Reconstruction - Portions of 1st/Olive/2nd Street - Street Portion | \$ 2,557,333 | 429 Special Assessment Bonds |
| 1 | Street Reconstruction - Portions of 1st/Olive/2nd Street - Sidewalk Portion | \$ 494,032 | 429 Special Assessment Bonds |
| 1 | Street Reconstruction - Portions of 1st/Olive/2nd Street - Lighting Portion (Street & Park) | \$ 937,768 | 429 Special Assessment Bonds |
| 1 | Street Reconstruction - Portions of 1st/Olive/2nd Street - Parking Lot | \$ 308,050 | 429 Special Assessment Bonds |
| 1 | Street Reconstruction - Portions of 1st/Olive/2nd Street - Holiday Lighting | \$ 35,000 | 429 Special Assessment Bonds |
| 1 | Street Reconstruction - Portions of 1st/Olive/2nd Street - Signage Portion/Electric for Trailer | \$ 62,000 | 429 Special Assessment Bonds |
| 2 | Mill & Overlay Project - Landing | \$ 222,000 | 429 Special Assessment Bonds |
| Total 429 Special Assessment Bonds: | | \$ 4,616,182.69 | |

Water Bonds

| <u>Number</u> | <u>Project</u> | <u>Project Cost</u> | <u>Financing</u> |
|---------------------------|--|---------------------|-------------------|
| 1 | Street Reconstruction - Portions of 1st/Olive/2nd Street - Water | \$ 938,660 | Water Bonds - 444 |
| Total Water Bonds: | | \$ 938,660 | |

Sewer Bonds

| <u>Number</u> | <u>Project</u> | <u>Project Cost</u> | <u>Financing</u> |
|---------------------------|--|---------------------|-------------------|
| 1 | Street Reconstruction - Portions of 1st/Olive/2nd Street - Sewer | \$ 395,225 | Sewer Bonds - 115 |
| 3 | Reitz Lake Lift Station Construction | \$ 3,000,000 | Sewer Bonds - 115 |
| Total Sewer Bonds: | | \$ 3,395,225 | |

Storm Water Bonds

| <u>Number</u> | <u>Project</u> | <u>Project Cost</u> | <u>Financing</u> |
|---------------------------------|--|---------------------|-------------------------|
| 1 | Street Reconstruction - Portions of 1st/Olive/2nd Street - Storm Water | \$ 247,016 | Storm Water Bonds - 444 |
| Total Storm Water Bonds: | | \$ 247,016 | |

Temporary Street Reconstruction Bond - 3 Years

| <u>Number</u> | <u>Project</u> | <u>Project Cost</u> | <u>Financing</u> |
|---------------------------------|---|---------------------|---|
| 4 | Highway 5 Phase 2 - Temporary Bond for Easement Acquisition-Engineering Expense | \$ 3,000,000 | Temporary Bond - 3 Year Principal Repayment |
| Total Storm Water Bonds: | | \$ 3,000,000 | |



REQUEST FOR CITY COUNCIL ACTION

| | |
|--|---|
| Meeting Date: | June 15, 2026 |
| Item Name: | 9.2. Ordinance Amendment - Amend Sections 900.05.7, B-1, Highway Business District, Section 900.06.1.D Cannabis Retail Business Buffer Requirements and Section 900.11, Uses Permitted by Conditional Use Permit (CUP) and Interim Use Permit (IUP) |
| Originating Dept: | Community Development |
| Presented By: | Lane Braaten |
| Previous Council Action: | None |
| Item Type: | Regular Session |
| RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2026-159 denying the proposed amendment to allow cannabis micro and mezzobusinesses as an interim use in the B-1, Highway Business District and reduce the cannabis retail business buffer requirements. | |
| EXPLANATION OF AGENDA ITEM: | |
| <u>APPLICANT INFORMATION</u> | |
| Applicant: Charlie Levine, Laketown Farms, LLC | |
| <u>REQUEST</u> | |
| The applicant, Charlie Levine, has submitted an Ordinance Amendment application proposing to amend Section 900.05.7, B-1, Highway Business District; Section 900.06.1.D. Cannabis Retail Business Buffer Requirements; and Section 900.11, Uses Permitted by Conditional Use Permit (CUP) and Interim Use Permit (IUP). Specifically, the applicant is proposing amendments to the B-1, Highway Business District to allow cannabis mezzobusinesses and cannabis microbusinesses as an interim use in the district. Additionally, the amendments propose reductions to the retail buffer setbacks from both school parcels and park parcels. | |
| <u>APPLICABLE ORDINANCE PROVISIONS:</u> | |
| 1. Section 515, Use of Cannabis in Public Places 2. Section 900.04, Definitions 3. Section 900.05.7. B-1, Highway Business District 4. Section 900.06.1.D, Cannabis Retail Business Buffer Requirements 5. Section 900.11, Uses Permitted by Conditional Use Permit (CUP) and Interim Use Permit (IUP) | |
| <u>DEFINITIONS:</u> | |
| <i>Cannabis business</i> has the meaning given it in Minn. Stat. § 342.01, subd. 14. <i>Cannabis mezzobusiness</i> means a vertically integrated license offered by the OCM that allows a license holder to cultivate (fifteen thousand (15,000) square foot plant canopy limit), manufacture, and sell cannabis and related products. Cannabis microbusiness means a vertically integrated license offered by the OCM that allows a license holder to cultivate (five thousand (5,000) square foot plant canopy limit), manufacture, | |

and sell cannabis and related products.

Cannabis retail business means the retail location(s) of a: i) cannabis mezzobusiness with a retail operations endorsement; ii) a cannabis microbusiness with a retail operations endorsement; iii) a medical cannabis combination businesses operating a retail location; or iv) a lower-potency hemp edible retailer.

Cannabis retailer means any person, partnership, firm, corporation, or association, foreign or domestic, selling cannabis product to a consumer in any form, and not for the purpose of resale.

Conditional use means those occupations, vocations, skills, arts, businesses, professions, or uses specifically designated in each zoning use district, which for the respective conduct or performance in such designated use districts may require reasonable, but special, peculiar, unusual or extraordinary limitations, facilities, plans, structures, thoroughfares, conditions, modification or regulations in such use district for the promotion or preservation of the general public welfare, health, convenience, or safety therein and in the county, and therefore may be permitted in such use district only by a conditional use permit (CUP).

District refers to a specific zoning district as described in the zoning ordinance.

Interim use means a use, allowed on an interim or temporary basis, consistent with the zoning ordinance. An interim use shall have a known termination date.

Lower-potency hemp edible has the meaning given it under Minn. Stat. § 342.01, subd. 50.

Medical cannabis combination business has the meaning given it in Minn. Stat. § 342.515.

OCM means the Minnesota Office of Cannabis Management.

Use, permitted means a use which conforms with the requirements of the zoning district within which it is located.

BACKGROUND:

The Ordinance Amendment is in response to conversations with the applicant related to the possible acquisition of 1320 Mill Lane. Specifically, our current City Code language as drafted would not allow cannabis micro and mezzo businesses in the B-1, Highway Business District. Additionally, our current buffer requirements from both the Waconia Middle School and the park setback from Bent Creek Park would prohibit cannabis retail in this location.

ORDINANCE AMENDMENT ANALYSIS:

1. The City Council adopted our cannabis related ordinances in December of 2024, subsequent to the Minnesota Legislature passing a comprehensive bill to legalize adult use cannabis back in 2023. In summary, our City Code allows the following:
 - a. Cannabis **Retail** Business in the B-1, Highway Business District, the B-2, General Business District, and the B-3, Central Business District as a permitted use with special restrictions subject to the buffer requirements set forth in City Code, which in summary include:
 - i. 1,000 feet from a school property
 - ii. 500 feet from a license day care property
 - iii. 500 feet from a residential treatment facility
 - iv. 500 feet from an attraction used by children in a public park
 - b. Cannabis Businesses licensed or endorsed for **cultivation, manufacturing, wholesale, transportation or delivery** are allowed as a permitted use with special restrictions in the I-1, Industrial Park District and the I-2, General

Industrial District.

- c. **Medical Cannabis** combination businesses are allowed as a permitted use with special restrictions in the I-1, Industrial Park District and the I-2, General Industrial District.
 - d. Businesses licensed or endorsed for **low-potency hemp edible manufacturer** are allowed as a permitted use with special restrictions in the I-1, Industrial Park District and the I-2, General Industrial District.
2. The current city code, as an oversimplification, allows retail use in the highway commercial and downtown districts if you meet the buffer requirements. Additionally, the buffers are not applicable for the sale of low-potency hemp edibles. All manufacturing, growing, etc. is allowed in our industrially zoned properties, but our City Code does not allow retail sales in our industrial parks.
 3. To help inform the conversation staff have created some buffer maps showing existing cannabis retail setbacks and possible buffer setback amendments. The buffer setback options are not a recommendation but rather an example of the current condition versus what additional properties may become available cannabis retail options if the buffers were to be reduced (see attached).
 4. Generally speaking, based on a review of the existing and example buffer maps, our existing buffers allow for approximately 9 properties that conform to the buffers and zoning required for a cannabis retail location. These properties are scattered throughout the community, with some along Hwy. 5 and the others downtown.
 5. As a point of consideration, if the Planning Commission and Council were to reduce the buffers to 500 ft. from a school property and 250 from a park and/or park attraction, there would be approximately 54 properties that would conform to the buffers and zoning required for a cannabis retail location. The majority of these properties would be located near Mackenthun's and Waconia Dodge, seven near the Target development and over 25 properties within the downtown district.
 6. Please note that even with the buffer reduction example that includes 500 ft. from a school and 250 ft. from a park/park activity area, the subject property at 1320 Mill Lane would still not meet the retail buffer requirements as the measurement is made from the property boundaries. If the Planning Commission and City Council are interested in a possible amendment to the buffers, it could also be an option to measure the required buffers from structure (i.e. school) to structure (i.e. the principal structure at 1320 Mill Lane).
 7. Helpful information related to buffers is also included on the City Website on the Cannabis Licensing page. I have provided a link below for convenience.
 - a. <https://www.waconiamn.gov/573/Cannabis-Licensing>
 8. The applicant is requesting an amendment to allow cannabis microbusinesses and cannabis mezzobusinesses as an interim use in the B-1, Highway Business District. An interim use is similar to a conditional use but requires a known termination date. Any consideration of approval should clarify if this use should be an interim or conditional use.
 9. The draft language has been submitted to the City Attorney for review and comment. Staff will provide the City Attorney comments when received.
 10. Based on the population of the City of Waconia, and the City Code adopted, only two cannabis retail locations are allowed. To date we have had a lot of interest, and one

application was submitted, but we have not issued a cannabis retail license.

PUBLIC NOTICE/COMMENT:

The notice was published in the WACONIA PATRIOT on May 21st, 2026, and posted at Waconia City Hall. To date we have received one public hearing comment which has been attached to this report for review and consideration.

RECOMMENDATION:

The Planning Commission, at their regular meeting on June 4th, 2026, held the required public hearing, took all public comment and reviewed all pertinent information related to the proposed draft ordinance language. The Planning Commission recommended denial via a 4-0 vote subject to the findings identified in the attached draft resolution of denial.

ATTACHMENTS:

1. Resolution No. 206-159 Denial OA Cannabis
2. Proposed Ordinance Amendment & Interim Use Permit Consideration
3. Public Hearing_Cannabis Ord Amend
4. Maps with Buffers

| | |
|--------------------------------|--|
| FINANCIAL IMPLICATIONS: | ADVISORY BOARD RECOMMENDATIONS: |
| Funding Sources & Uses: | Planning Commission: |
| Budget Information: | Park Board: |
| _____ Budgeted | Personnel Committee: |
| _____ Non-Budgeted | Other: More sample text. |
| _____ Amendment Required | |

**CITY OF WACONIA
RESOLUTION NO. 2026-159**

**RESOLUTION DENYING ORDINANCE AMENDMENT
TO REVISE SECTION 900.05, SECTION 900.06, AND SECTION 900.11 RELATED TO
CANNABIS RETAIL BUFFERS, PERMITTED USES AND INTERIM USES**

WHEREAS, Charlie Levine (the “Applicant”) has requested consideration of an Ordinance Amendment pursuant to Section 900.12 of the Waconia City Code; and

WHEREAS, the Applicant has requested consideration of an amendment to Section 900.05.7, B-1, Highway Business District to allow cannabis mezzobusinesses and cannabis microbusinesses as an interim use in the district; and

WHEREAS, the Applicant has requested consideration of an amendment to Section 900.06.1.D. Cannabis Retail Business Buffer Requirements that would reduce the buffer setbacks from both school properties and park properties; and

WHEREAS, the Applicant has requested consideration of an amendment to Section 900.11, Uses Permitted by Conditional Use Permit (CUP) and Interim Use Permit (IUP) to allow cannabis mezzobusinesses and cannabis microbusinesses as an interim use in the B-1, Highway Business District subject to specific conditions; and

WHEREAS, the public hearing notice was published in the Waconia Patriot on May 21st, 2026, and the Planning Commission held a public hearing on June 4th, 2026 and received all public comment; and

WHEREAS, the Planning Commission reviewed all pertinent information at their regular meeting on June 4th, 2026 and recommended, via a 4-0 vote, denial of the proposed amendments related to cannabis buffers and amended uses in the B-1, Highway Business District; and

WHEREAS, the City Council reviewed all pertinent information at their regular meeting on June 15th, 2026 and, via a 5-0 vote, denied the application based on the following findings:

1. The amendment to reduce buffers related to schools and parks, as proposed, would fail to protect the public health, safety and welfare of the city’s residents.
2. The amendment would not be appropriate as the City already allows for the proposed uses within certain industrial and commercially zoned properties.
3. The current city code language reflects reasonable standards related to specific cannabis related uses.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Waconia hereby denies the Ordinance Amendment to allow reduced cannabis buffers and to allow cannabis mezzobusinesses and microbusinesses as an interim use in the B-1, Highway Business District subject to the findings and the conditions of approval stated above.

Passed and adopted by the City Council of the City of Waconia this 15th day of June 2026.

Tim Litfin, Mayor

ATTEST: _____
Jackie Schulze, City Clerk

Proposed Ordinance Amendment & Interim Use Permit Consideration

Laketown Farms, LLC – Relocation to 1320 Mill Lane, Waconia, Minnesota

City of Waconia
Attn: Lane L. Braaten
Community Development Director
201 South Vine Street
Waconia, MN 55387

Dear Mr. Braaten and Members of the Planning Commission,

Thank you for taking the time to discuss the City's cannabis ordinance and the future relocation plans for Laketown Farms, LLC. We appreciate the City's thoughtful and cautious approach to implementing cannabis regulations in Waconia and value the opportunity to collaboratively discuss a path forward that aligns with the City's planning objectives, public safety priorities, and economic development goals.

Laketown Farms, LLC is a locally owned and operated Minnesota cannabis microbusiness currently licensed through the Minnesota Office of Cannabis Management (OCM). Our ownership group has operated compliant hemp and ingredient processing operations in Waconia for several years under Hemp Acres and Laketown Mills, maintaining strong regulatory compliance, professional operations, and significant investment within the community.

We are respectfully requesting the City consider targeted amendments to the cannabis zoning ordinance that would allow Laketown Farms to relocate operations to the former J. Carver Distillery property located at 1320 Mill Lane.

The proposed relocation would allow for the adaptive reuse of an existing commercial facility while preserving local investment, jobs, tax base, and long-term economic activity within Waconia.

Background of Proposed Relocation

The property located at 1320 Mill Lane is currently zoned B-1 Highway Business District. Under the City's existing cannabis ordinance, retail cannabis operations are conditionally permitted within B-1 districts. However, the current 1,000-foot buffer requirements from schools and parks effectively restrict the property from qualifying despite its otherwise appropriate commercial location and operational compatibility.

Additionally, while retail cannabis operations may be considered within B-1 zoning, cultivation and manufacturing activities are currently limited exclusively to industrial districts. Because Laketown Farms operates under a state-issued microbusiness license structure that integrates retail, manufacturing, and indoor cultivation under one operational framework, the current ordinance unintentionally prevents otherwise compatible adaptive reuse opportunities at commercially appropriate properties such as 1320 Mill Lane.

To address these issues in a limited and controlled manner, we respectfully request consideration of the following ordinance modifications.

Request #1 – Modification of Cannabis Buffer Requirements

We respectfully request the City evaluate reducing the current cannabis setback requirements from schools and parks from 1,000 feet to a range of approximately 300–500 feet, or alternatively revise the measurement methodology to better reflect practical land-use conditions.

We fully understand and support the City’s goal of maintaining appropriate separation between cannabis businesses and sensitive uses. However, the current setback distances may unintentionally function as a practical prohibition on otherwise appropriate commercial properties within the B-1 district due to overlapping park and school buffer areas throughout the City.

State-licensed cannabis businesses in Minnesota operate under substantial regulatory oversight, including:

- Age-restricted entry requirements
- Mandatory surveillance systems
- Inventory tracking through METRC
- Security and alarm monitoring
- Product testing requirements
- Restricted operating procedures
- State compliance inspections

Modern cannabis retail operations function more similarly to regulated pharmacies or controlled adult-use retailers than traditional nuisance uses. Furthermore, the proposed location is a destination commercial property rather than a neighborhood storefront or pedestrian-oriented school-adjacent business.

We respectfully believe that refining the setback standards would still preserve the City’s intent while allowing limited flexibility for commercially appropriate sites.

We also request the City evaluate how many B-1 parcels would realistically become eligible under modified setbacks. Based on the City’s existing park and school geography, we believe only a limited number of commercially developed parcels would qualify, thereby avoiding unintended widespread expansion of cannabis retail locations.

Importantly, the City's existing limitation of two retail registrations would remain unchanged, further ensuring controlled and limited market presence.

Request #2 – Allow Cannabis Microbusiness and Mezzobusiness Operations in B-1 Through an Interim Use Permit (IUP)

Rather than pursuing rezoning of the property, we respectfully request the City consider allowing cannabis microbusiness or mezzobusiness operations that include manufacturing and indoor cultivation activities within the B-1 Highway Business District through an Interim Use Permit process.

We believe the Interim Use Permit structure provides the City with the most balanced and controlled approach because it allows case-by-case review and ongoing oversight while preserving flexibility for the City to impose operational conditions tailored to each site.

This approach would allow the City to maintain control over:

- Security requirements
- Odor mitigation standards
- Lighting controls
- Traffic management
- Hours of operation
- Signage limitations
- Operational review standards
- Compliance enforcement mechanisms

Importantly, the former J. Carver Distillery property is uniquely suited for this type of use due to its existing infrastructure, commercial character, parking capacity, and prior history of regulated production activities.

The site previously supported alcohol production, processing, tasting room operations, and public visitation. We believe a professionally operated cannabis microbusiness would be operationally compatible with the property and, in many respects, less impactful than previously permitted uses.

Security & Operational Commitment

Security and compliance remain top priorities for Laketown Farms. If approved, the proposed facility would incorporate extensive operational controls including:

- 24/7 monitored surveillance systems
- Controlled access entry systems
- Restricted employee access areas

- State-compliant inventory tracking
- Commercial alarm systems
- Secure storage vaults
- Exterior lighting and monitoring
- Professional compliance management

Cannabis facilities are among the most heavily monitored and regulated commercial operations in Minnesota, and we are committed to operating at the highest professional standard.

Economic Development & Community Benefit

The proposed relocation would provide several long-term benefits to the City of Waconia, including:

- Adaptive reuse of an existing commercial facility
- Retention of a locally owned business within Waconia
- Continued private investment within the community
- Job creation and retention
- Increased commercial tax base utilization
- Productive reuse of a currently underutilized property

Laketown Farms is committed to being a long-term, compliant, and community-oriented business partner within Waconia.

We respectfully request the opportunity to continue discussions with City staff and the Planning Commission regarding these proposed ordinance amendments and potential Interim Use Permit framework considerations.

Thank you again for your time, guidance, and consideration.

Sincerely,
Charlie Levine

CITY OF WACONIA, MN
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the Planning Commission of the City of Waconia, MN, will hold a public hearing on June 4th, 2026, at 6:30 p.m., at the Waconia City Hall, 201 South Vine Street, Waconia, MN, to consider proposed amendments to City of Waconia Ordinance Section 900.05.7, B-1, Highway Business District; Section 900.06.1.D. Cannabis Retail Business Buffer Requirements; and Section 900.11, Uses Permitted by Conditional Use Permit (CUP) and Interim Use Permit (IUP).

The language, submitted by Charlie Levine, proposes amendments to the B-1, Highway Business District to allow cannabis mezzobusinesses and cannabis microbusinesses as an interim use in the district. Additionally, the amendments propose reductions to the retail buffer setbacks from both school parcels and park parcels.

Pertinent information pertaining to this request is available at City Hall. Interested persons may submit written or oral comments pertaining to this matter any time prior to the hearing, or at the hearing on June 4th, 2026. Written comments will be distributed to the Planning Commission for review and consideration. Please submit written comments by mail, email or in person as follows:

Mail/in person: Attention: Lane L. Braaten, 201 South Vine Street, Waconia, MN 55387
Email: lbraaten@waconiamn.gov

By: WACONIA PLANNING COMMISSION
ATTEST: Lane L. Braaten, Community Development Director

(Published in the Waconia Patriot May 21st, 2026)

Buffer Map—Existing City Code Buffers

Business District

- B-1 Highway Business District
- B-2 General Business District
- B-3 Central Business District
- B-4 Health Care Business District

Industrial District

- I-1 Industrial Park District
- I-2 General Industrial District

Residential District

- AG Agricultural
- R-1 Single Family Residential
- R-2 Single Family Residential
- R-3 Medium Density Residential
- R-4 Mixed Residential
- R-5 High Density Residential

Daycare Parcels



Daycare Buffer 500 ft



School Parcels



School Buffer 1000 ft



Parks Activities



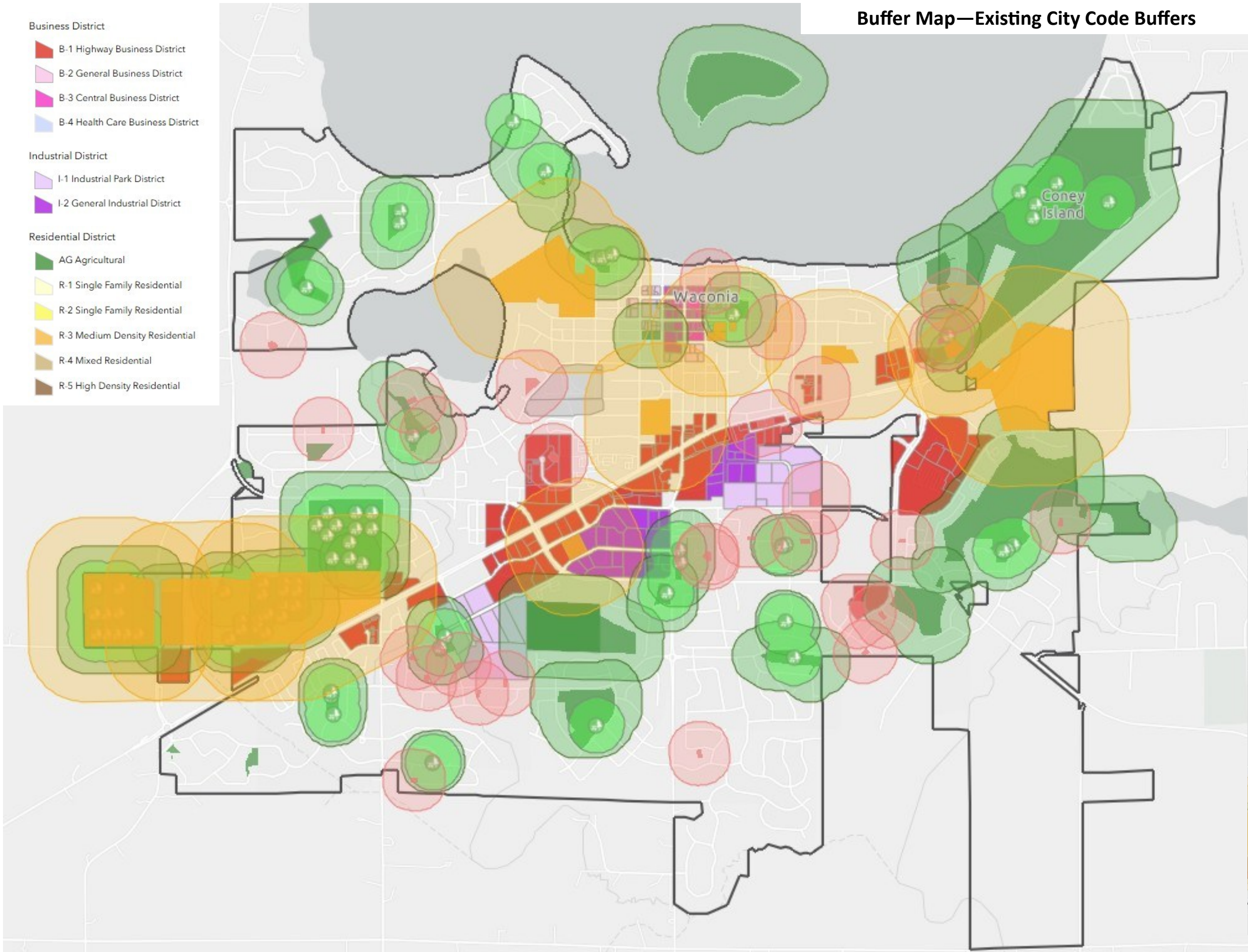
Park Activities Buffer 500 ft



Parks



Parks Buffer 500 ft



Business District

- B-1 Highway Business District
- B-2 General Business District
- B-3 Central Business District
- B-4 Health Care Business District

Industrial District

- I-1 Industrial Park District
- I-2 General Industrial District

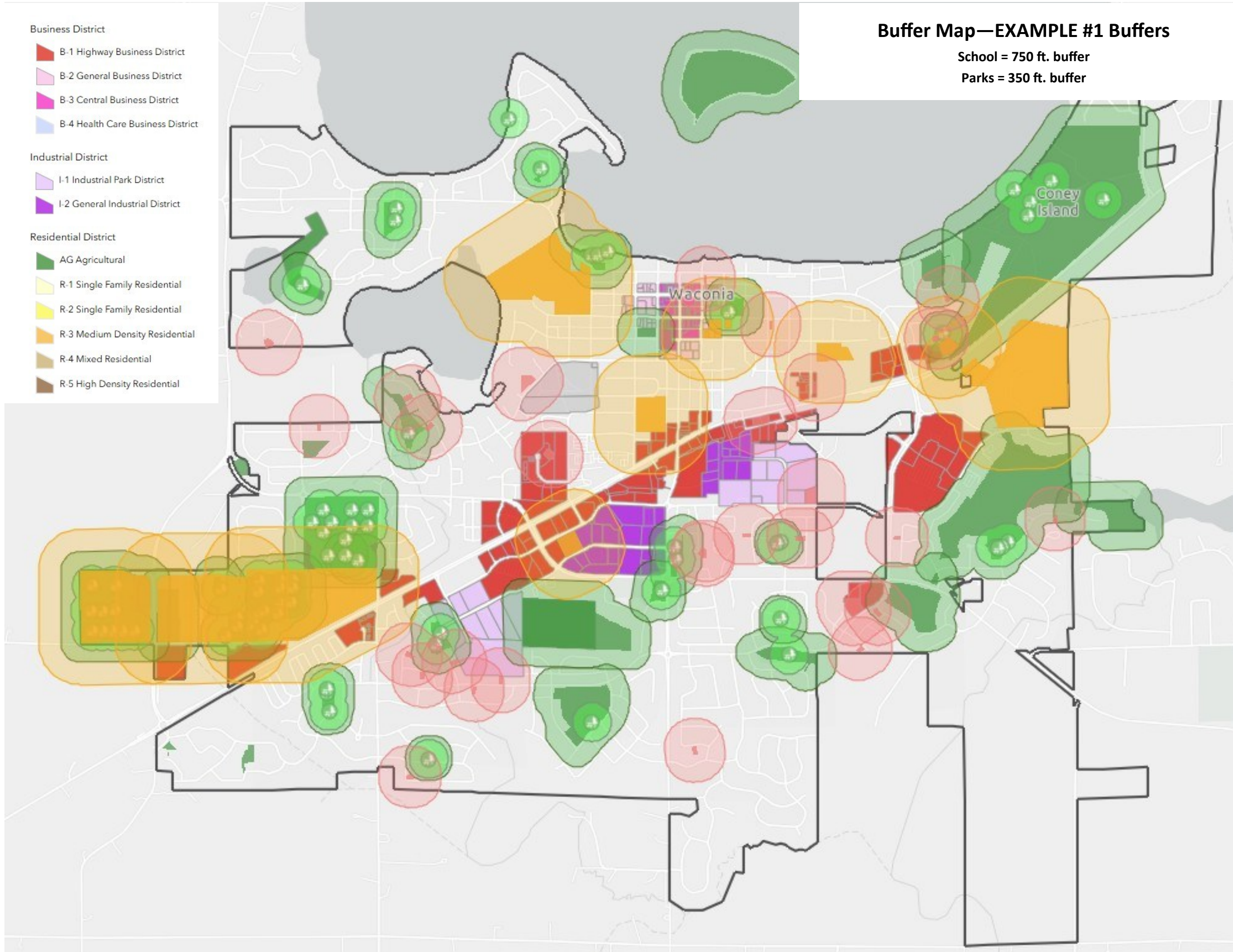
Residential District

- AG Agricultural
- R-1 Single Family Residential
- R-2 Single Family Residential
- R-3 Medium Density Residential
- R-4 Mixed Residential
- R-5 High Density Residential

Buffer Map—EXAMPLE #1 Buffers

School = 750 ft. buffer
Parks = 350 ft. buffer

- Daycare Parcels
- Daycare Buffer 500 ft
- School Parcels
- School Buffer 750 ft
- Parks Activities
- Park Activities Buffer 350 ft
- Parks
- Parks Buffer 350 ft



Buffer Map—EXAMPLE #2 Buffers

School = 500 ft. buffer

Parks = 250 ft. buffer

- Business District**
 - B-1 Highway Business District
 - B-2 General Business District
 - B-3 Central Business District
 - B-4 Health Care Business District
- Industrial District**
 - I-1 Industrial Park District
 - I-2 General Industrial District
- Residential District**
 - AG Agricultural
 - R-1 Single Family Residential
 - R-2 Single Family Residential
 - R-3 Medium Density Residential
 - R-4 Mixed Residential
 - R-5 High Density Residential

- Daycare Parcels
- Daycare Buffer 500 ft
- School Parcels
- School Buffer 500 ft
- Parks Activities
- Park Activities Buffer 250 ft
- Parks
- Parks Buffer 250 ft

