

WACONIA CITY COUNCIL REGULAR MEETING AGENDA



**Monday, May 19, 2025
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 SIDDON**

**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@waconia.org 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**
 - 1) Proclamation Declaring May 18 through May 24, 2025, as National Public Works Week**

Mayor to read Proclamation into record.
- 4. ADOPT AGENDA**
- 5. PUBLIC HEARING**
- 6. VISITOR'S PRESENTATIONS, PETITIONS, CORRESPONDENCE**
- 7. 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) May 5, 2025 Council Minutes
- 2) Approve May 19, 2025 Expenditures
- 3) **Rink Management Services Corporation Waconia Ice Arena Expenditures Incurred April 2025**
Motion to Approve Rink Management Corporation Expenditures for Waconia Ice Arena Incurred April 2025
- 4) **Rink Management Services Corporation Safari Island Community Center Expenditures Incurred April 2025**
Motion to Approve Rink Management Corporation Expenditures for Safari Island Community Center Incurred April 2025
- 5) **Contractor Pay Request - Water Treatment Facility Piping Modifications #6**
Motion to approve Pay Request #6 to Municipal Builders, Inc. for the Water Treatment Facility Piping Modifications
- 6) **Contractor Pay Request - Fire Station Project with Kraus-Anderson #30**
Motion to Approve Fire Station Pay Request #30 with Kraus-Anderson
- 7) **Lot 4 Parking Time Limits**
Adopt Resolution No. 2025-138 Directing Time Limited Parking in Lot 4
- 8) **Public Works Roof Repair - Capital Project #838**
Authorize Contract Approval for the Public Works Roof Repair, Capital Project #838 with Schwickerts Tecta America
- 9) **Material Testing in Support of the CSAH 10 and Waconia Parkway North Roundabout Intersection Improvement Project**
Adopt Resolution No. 2025-139 Authorizing Acceptance for Material Testing in Support of the CSAH 10 and Waconia Parkway North Roundabout Intersection Improvement Project
- 10) **Approve Extension of Compost Contract with SMSC**
Adopt Resolution No. 2025-140 Authorizing the Public Services Director to Extend the Contract with SMSC for Compost Disposal
- 11) **Sale or Disposal of Surplus Equipment**
Adopt Resolution No. 2025-141 Approving Surplus Equipment and Sale
- 12) **Hiring of Probationary Firefighters**
Adopt Resolution No. 2025-142 Authorizing Hire of Probationary Firefighters
- 13) **Performance Measures & Report for 2024**
Adopt Resolution No. 2025-143 Approving Performance Measures and Report for Local Results and Innovation
- 14) **2026 State Capital Budget Local Requests**

Adopt Resolution No. 2025-144 Approving Capital Budget Request

15) Minnesota State Arts Board 2026 Arts Experiences for Older Adults Grant Application

Adopt Resolution No. 2025-145 Authorizing Minnesota State Arts Board 2026 Arts Experiences for Older Adults Grant Application

16) Service Contract for Outdoor Warning System - Annual Service, Inspections, and Preventative Maintenance

Approve Resolution No. 2025-146 Authorizing Contract with Frontline Warning Systems for Outdoor Sirens

17) Optional 2:00 a.m. Closing Applications

Adopt Resolution No. 2025-147 Approving an Application for Optional 2:00 a.m. Closing - The Saloon

Adopt Resolution No. 2025-148 Approving an Application for Optional 2:00 a.m. Closing - Hoppers

8. COUNCIL BUSINESS

1) Accepting Audited Annual Comprehensive Financial Report as of December 31, 2024

Resolution No. 2025-149 Accepting Audited Annual Comprehensive Financial Report as of December 31, 2024

2) Provide for the Issuance and Sale of \$9,425,000 General Obligation Bonds, Series 2025A

Adopt Resolution No. 2025-150 Providing for the Issuance and Sale of \$9,425,000 General Obligation Bonds, Series 2025A

3) Comprehensive Plan Amendment - Norsq Companies, LLC

Adopt Resolution No. 2025-151 Denying the Comprehensive Plan Amendment submitted by Norsq Companies, LLC

4) Ordinance Amending Chapter 900 - Zoning Code Updates Related to Cannabis Businesses

Adopt Ordinance No. 782 Amending Section 900 of the City Code Regarding Cannabis Zoning Regulations

Adopt Resolution No. 2025-152 Approving Summary Publication of Ordinance No. 782

9. ITEMS REMOVED FROM CONSENT AGENDA

10. STAFF REPORTS

11. BOARD REPORTS

1) Councilmember Coleman

2) Councilmember Grengs

3) Councilmember Gleason

4) **Councilmember Siddons**

5) **Mayor Litfin**

12. ANNOUNCEMENTS

13. CLOSED SESSION

Closed Session

1) Closed Session

Motion to Enter into Closed Session

14. ADJOURN REGULAR MEETING

OFFICE OF THE CITY ADMINISTRATOR

Shane Fineran

**WORK SESSION: STRATEGIC PLAN SUMMARY, MEETING GUIDELINES
POLICY, ANNEXATION 101, 1ST QTR BUDGET TO ACTUAL**

UPCOMING CALENDAR OF EVENTS/MEETINGS:

[MEET_FOOT]



REQUEST FOR CITY COUNCIL ACTION

Meeting Date:	May 19, 2025		
Item Name:	3.1. Proclamation Declaring May 18 through May 24, 2025, as National Public Works Week		
Originating Dept:	Public Services		
Presented By:	Jon Haukaas		
Previous Council Action:	None		
Item Type:	Discussion		
RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Mayor to read Proclamation into record.			
EXPLANATION OF AGENDA ITEM: By declaring May 18 through May 24, 2025, as National Public Works Week, the Council raises awareness in the community regarding the importance of public works and public works programs to maintain and rebuilding our nation's transportation, water supply, wastewater treatment, public building, and park system infrastructure.			
ATTACHMENTS: 1. Proclamation Declaring National Public Works Week			
FINANCIAL IMPLICATIONS:		ADVISORY BOARD RECOMMENDATIONS:	
Funding Sources & Uses:		Planning Commission:	
Budget Information:		Park Board:	
_____ Budgeted		Personnel Committee:	
_____ Non-Budgeted		Other:	
_____ Amendment Required			



PROCLAMATION

Declaring May 18-24, 2025 as National Public Works Week

“People, Purpose, Presence”

WHEREAS: Public Works professionals focus on infrastructure, facilities, and services that are of vital importance to sustainable and resilient communities and to public health, high quality of life, and well-being of the residents and businesses of Waconia; and

WHEREAS: these infrastructure, facilities, and services could not be provided without the dedicated efforts of public works professionals, who are engineers, managers, and employees at all levels of government and the private sector, who are responsible for rebuilding, improving, and protecting our nation’s transportation, water supply, water treatment and solid waste systems, public buildings, and other structures and facilities essential for our citizens; and

WHEREAS: it is in the public interest for the citizens, civic leaders, and children in Waconia to gain knowledge of and maintain an ongoing interest and understanding of the importance of public works and public works programs in their respective communities; and

WHEREAS: the year 2025 marks the 65th annual National Public Works Week sponsored by the American Public Works Association.

NOW, THEREOFRE, I, Tim Litfin, Mayor of Waconia, do hereby designate the week of May 18–24, 2025, as National Public Works Week. I urge all citizens to join with representatives of the American Public Works Association and government agencies in activities, events, and ceremonies designed to pay tribute to our public works professionals, engineers, managers, and employees and to recognize the substantial contributions they make to protecting our national health, safety, and advancing quality of life for all.

19th Day of May of 2025

Tim Litfin, Mayor

Attest: _____

Jackie Schulze, Assistant City Administrator



REQUEST FOR CITY COUNCIL ACTION

Meeting Date: May 19, 2025	
Item Name: 7.1. May 5, 2025 Council Minutes	
Originating Dept: Administration	
Presented By: Sue Schwalbe	
Previous Council Action: None	
Item Type:	Consent
RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Approve the May 5, 2025 Council Minutes	
EXPLANATION OF AGENDA ITEM: Approve the May 5, 2025 City Council Minutes	
ATTACHMENTS: 1. City Council Minutes May 5, 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
MAY 5, 2025**

1. CALL MEETING TO ORDER AND ROLL CALL

Mayor Litfin called the meeting to order at 6:00 p.m. noting that Council Member Jeff Grengs is absent

2. PLEDGE OF ALLEGIANCE

3. PROCLAMATIONS

1) Proclamation Declaring May 4 through May 10, 2025, as Drinking Water Week

Mayor Litfin read the proclamation into the record proclaiming May 4 through May 10, 2025 as Drinking Water Week

4. ADOPT AGENDA

Motion to Approve the Consent Agenda as Published made by Council Member Coleman, seconded by Council Member Siddons.

MOTION CARRIED.

5. VISITOR'S PRESENTATIONS, PETITIONS, CORRESPONDENCE

1) Second Annual Stewardship Award Presentation. The Mayor stated this award is in recognition of two Waconia residents - Darrel and Joan Sudheimer. For nearly 50 years, Darrel and Joan have been true stewards of Waconia, transforming businesses, supporting transportation improvements, and helping the City of Waconia grow and thrive. From bringing vital hotels to our community, to their leadership in the Southwest Transportation Coalition, to years of service through the Chamber, city commissions, serving as election judges, representing Waconia as a member of the Carver County CDA Board, and countless volunteer efforts. Then a hearty round of applause and a standing ovation for the recipients.

2) Chris Ohm and Eric Olson representing the Waconia Baseball Association. Provided the Council an update on Baseball Day Minnesota. On May 17, 2025, four games will be played in Waconia for Baseball Day in Minnesota. Friday Night is the welcome night with team practices, food trucks, and the Chamber providing Welcome to Waconia Bags. This event draws some of the best teams in Minnesota and draws professional as well as college scouts. The Minnesota Twins will host a free Twins Camp and Clinic from 9 am to 11 a.m. at Brook Peterson Park. Due to the interest in this clinic, the Twins have expanded the clinic to 175 children. There will be three out-of-state teams that will be staying in Waconia during this entire event.

On Saturday

10:00 am - Duluth Marshall vs Montevideo

1:00 pm - Rockford vs Perham

4:00 pm - Maple Grove vs Moundview

7:00 pm - Waconia vs Chaska--Always a fun rivalry

Other highlights include a Vendors and Athletics Village, inflatables, fire trucks, food trucks, and a live NSPN 4-camera stream so that anyone across the county can watch the event for free. The organizers are expecting approximately 2000 attendees and the Mayor will be throwing out a first pitch.

6. PUBLIC HEARING

None

7. ADOPT CONSENT AGENDA

- 1) May 5, 2025 Expenditures**
- 2) April 21, 2025 Council Minutes**
- 3) Bent Creek Culvert Lining CIP Project No. 849**
- 4) 2025 Dock Slip Lease for the Fire Department Boat**
- 5) Parking Lot Striping Agreement**
- 6) Facade Improvement Grant - Lakehouse Candle**
- 7) Cash Donations for Fire Safety and Prevention Efforts and Approving Pass Thru to the National Fire Safety Council**
- 8) Partial Release of the Development Agreement for Windmill Creek**
- 9) Waterford 9th Addition Development Agreement - JMH Land Development Company, LLC**
- 10) Holbrook Early Grading Agreement & Permit - Pulte Homes of Minnesota**

Motion to Adopt the Consent Agenda as Published made by Council Member Coleman, seconded by Council Member Siddons.

MOTION CARRIED.

8. COUNCIL BUSINESS

1) Parking Items

ITEM #1

Shane Fineran, City Administrator, reviewed the Paws Inn Pet Essentials request. Jodi Theis, the owner of the business, has requested dedicated parking spaces in the north half of Parking Lot 4. The request is for erecting signage in the parking lot adjacent to her business located at 122 South Vine Street and is requesting up to three stalls be signed for Paws Inn customers only during regular business hours. The City does not typically permit or create dedicated parking stalls either on streets or within a public

parking lot for a specific business. There are other parking stalls in the City that are signed limiting parking time to 15, 30, or 90 minutes.

RESOLUTION NO. 2025-133 FAILS DUE TO LACK OF A MOTION

Council Member Coleman is requesting staff to explore compromise options. All Council members and the Mayor agreed. Staff are directed to draft a compromise Resolution for Council consideration.

ITEM #2

Fineran stated the next item is also parking-related. In February 2025, the Council discussed this item as part of the decision related to final approval of plans and specifications for the Downtown Reconstruction Project Phase 3. At that time, the Council discussed the curb line design for the south side of the 100 block of First Street West, directly adjacent to the Emagine Theater. This is a curb-cut drop-off area with no parking allowed. At that time, the majority of the Council directed staff to leave the design as it is currently. At the April 21st Council Meeting, the Mayor requested further discussion on this area. The Mayor stated he visited businesses in the area, and they all expressed the need for parking.

Adopt Resolution No. 2025-134 Affirming Council Direction on Curb Line Design For 100 Block of 1st Street West made by Council Member Gleason, seconded by Siddons.

Litfin: Nay

Coleman: Nay

Gleason: Aye

Siddons: Aye

MOTION FAILS DUE TO LACK OF A MAJORITY

2) Approve Updated Waconia Works Loan for The Short Cut Salon, Inc.

Amanda Ortloff stated that the Council approved a Waconia Works Loan for the Short Cut Salon on September 3, 2024, for a total of \$20,000. The business was in need of roof replacement for the property at 132 West Main Street and the work has been finalized. A second application was received to enhance the Waconia Works Loan and was finalized by the owners on October 2, 2024. The lower and upper furnaces in the building failed with the total expenditure for the replacement and installation of these units being \$21,262. On May 1, 2025, the total principal balance due on the loan that closed on October 2, 2024, was \$17,768.31. Staff requested to modify the loan agreement and re-amortize the schedule with the new application requested. The total new loan will be \$38,930.31. The new loan amount would be amortized over a 5-year period with a 2.0% interest rate. Staff will close on the new loan in May and continue on with payments effective June 1, 2025. The current monthly payment is \$350.56. The new monthly payment will be approximately \$682.36.

Motion to Adopt Resolution No. 2025-135 Approving Waconia Works Loan for the Short Cut Saloon made by Council Member Coleman, seconded by Council Member Siddons.

MOTION CARRIED

3) Approve Waconia Works Loan for The Basement - 44 West Main Street

Amanda Ortloff stated this is another Waconia Works Loan for a new business in the City. The City received an application for the Waconia Works Loan program from The Basement. The Basement is a new business that will be located in the lower level of 44 West Main Street. The Basement will feature 12-15 full-sized arcade games and a party/seating area. This venue will be available for rental by customers for children's birthday parties or other special events. It will mainly be available on weekends and some select evenings during the week. Online booking and online payment will be offered.

The owners have requested a five-year loan totaling \$50,000 for equipment acquisition and some tenant space build-out. The total project costs for the start-up are estimated to be around \$110,000 and the owners plan to make a cash contribution to the project of \$60,000. The owners have provided the application along with supporting documents requested under the program. The borrowers will be required to sign a promissory note, loan agreement, and automatic payment agreement. The total amount will be amortized over a five-year period with a 2.0% interest rate. The total estimated monthly payment will be \$876.39.

Motion to Adopt Resolution No. 2025-136 Approving Waconia Works Loan for The Basement made by Council Member Coleman, seconded by Council Member Gleason.

MOTION CARRIED.

4) CSAH 10 / Waconia Parkway North Roundabout CIP Project No. 129-C

Jake Saulsbury, City Engineer, provided a description of the project. The City and Carver County initiated work on an extensive intersection traffic study and City intersections within the Waconia Parkway South corridor in early 2019. A final report for these critical transportation corridors was completed and presented to the respective government agencies in November 2019. The Council desired a roundabout intersection improvement at Highway 10 and Waconia Parkway North. Several roundabout alternatives were reviewed and guided upon meeting the long-term needs of the County and City. In June 2020, the County and City submitted a funding application request for Highway Safety Improvement Project (HSIP) dollars to assist in the construction of the roundabout. The grant request was successful, and the project has advanced through the design and bidding process to prepare for construction in the summer of 2025.

Bids were received for the project on April 25, 2025. Five bids were received and tabulated and reviewed. The low bid was submitted by Minger Construction Companies and was 16% below the engineer's estimate and 14% below the high bidder. Minger Construction has successfully completed projects of this type in the past and thereby have shown themselves to be a responsible contractor. Based on the items above, staff recommended the City award a contract in the amount of

\$2,670,410.18 to Minger Construction. This is a joint project with Carver County, and the County has also awarded the project.

Motion to Adopt Resolution No. 2025-137 Award Contract CSAH 10/Waconia Parkway North Roundabout Project made by Council Member Gleason, seconded by Council Member Coleman.

MOTION CARRIED.

9. ITEMS REMOVED FROM CONSENT AGENDA

None

10. STAFF REPORTS

1) Update on Wildcat Way Layout

Jake Salsbusry stated the Wildcat Way is currently closed as reconstruction is underway. There will be parallel parking from the north entrance of the baseball field up the retaining wall. There will be 11 additional parking stalls. The existing trail connection west to Pond Curve will also be resurfaced. In order to use Minnesota State Aid funds, we are currently working with the watershed district to confirm the approval with the stormwater plan. Upon approval, the plans will be sent to the Minnesota Department of Transportation for review. Construction should begin around September 2025 and be completed by the fall of 2025.

2) Update from the MCMA Conference

Last week, Shane Fineran and Jackie Schulze attended the Minnesota City County Managers Association Conference. This is a statewide professional association for local government administrators. Jackie Schulze has been elected the new president of MCMA, which is a very great honor and a positive reflection on the City.

3) Law Enforcement Update

No update

11. BOARD REPORTS

1) Councilmember Siddons

Nothing to report.

2) Councilmember Coleman

Nothing to report

3) Councilmember Gleason

4) Councilmember Grengs

Absent

5) Mayor Litfin

04-22 Attended the Waconia Lions Club Wild Game Dinner.

04-23 Honorary Bingo caller at the Waconia Senior Center.

04-28 Attended the monthly Ridgeview Board of Directors Meeting, discussing the audit

04-30 Presented at the Trinity Lutheran School Study Council

05-01 Attended the Waconia Chamber Coffee Connection

05-03 Attended Lola's Marathon Event with over 1600 runners and walkers

12. ANNOUNCEMENTS

Jackie Schulze, Assistant City Administrator, stated that on May 17, 2025, there will be a Public Services Open House. The event will take place from 9:00 to 1:00 at the Public Services Building, 310 10th Street East. The event will feature fun and games for the whole family, including paint-the-snowplow, stuff-the-truck food drive, and two food trucks.

13. CLOSED SESSION

1) Closed Session

The Mayor stated the Council will meet in closed session pursuant to Minn. Stat.

13.05, subd. 3(c)(3) to consider the purchase of real property in the City of Waconia identified as PID: 750240100, located at 801 Highway 284.

Motion by Council Member Siddons, second Council Member Coleman to adjourn to closed session.

MOTION CARRIED.

Motion by Coleman, second by Siddons to close the Closed Session.

MOTION CARRIED.

14. ADJOURN REGULAR MEETING

Motion to Adjourn the May 5, 2025, Waconia City Council Meeting at 7:45 p.m. made by Council Member Gleason, seconded by Council Member Coleman.

MOTION CARRIED.

WORK SESSION: CARVER COUNTY CDA UPDATE

UPCOMING CALENDAR OF EVENTS/MEETINGS:

Tim Litfin, Mayor

ATTEST:

Sue Schwalbe, Administrative Specialist



REQUEST FOR CITY COUNCIL ACTION

Meeting Date:	May 19, 2025
Item Name:	7.2. Approve May 19, 2025 Expenditures
Originating Dept:	Finance
Presented By:	Nicole Meyer
Previous Council Action: None	
Item Type:	Consent
RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Approve May 19, 2025 Expenditures	
EXPLANATION OF AGENDA ITEM: Attached are the claim and disbursements registers for the City of Waconia as of May 19, 2025. Payments are made to vendors via check, electric 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

Meeting Date:	May 19, 2025		
Item Name:	7.3. Rink Management Services Corporation Waconia Ice Arena Expenditures Incurred April 2025		
Originating Dept:	Finance		
Presented By:	Amanda Ortloff		
Previous Council Action:	None		
Item Type:	Consent		
RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Motion to Approve Rink Management Corporation Expenditures for Waconia Ice Arena Incurred April 2025			
EXPLANATION OF AGENDA ITEM: Rink Management Services Corporation has provided the attached report for expenditures paid in April 2025. Per the City's contract with Rink Management, these expenditures are paid by Rink Management for the City's operation of the Waconia Ice Arena.			
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

Meeting Date:	May 19, 2025		
Item Name:	7.4. Rink Management Services Corporation Safari Island Community Center Expenditures Incurred April 2025		
Originating Dept:	Finance		
Presented By:	Amanda Ortloff		
Previous Council Action:	None		
Item Type:	Consent		
RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Motion to Approve Rink Management Corporation Expenditures for Safari Island Community Center Incurred April 2025			
EXPLANATION OF AGENDA ITEM: Rink Management Services Corporation has provided the attached report for expenditures paid in April 2025. Per the City's contract with Rink Management, these expenditures are paid by Rink Management for the City's operation of the Safari Island Community Center .			
ATTACHMENTS: None			
FINANCIAL IMPLICATIONS:		ADVISORY BOARD RECOMMENDATIONS:	
Funding Sources & Uses: Budget Information: ☒ Budgeted _____ Non-Budgeted _____ Amendment Required		Planning Commission:	
		Park Board:	
		Personnel Committee:	
		Other:	



REQUEST FOR CITY COUNCIL ACTION

Meeting Date:	May 19, 2025
Item Name:	7.5. Contractor Pay Request - Water Treatment Facility Piping Modifications #6
Originating Dept:	Finance
Presented By:	Amanda Ortloff
Previous Council Action:	Resolution No. 2024-209 Authorizing Award of Contracts for the Construction of Well #9 and Associated Water Treatment Plant 3 Piping Modifications
Item Type:	Consent
RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Motion to approve Pay Request #6 to Municipal Builders, Inc. for the Water Treatment Facility Piping Modifications	
EXPLANATION OF AGENDA ITEM: Staff has reviewed the contractor pay request for the Water Treatment Facility Piping Modifications and recommends payment of \$58,793.60 based on the engineering request for payment. This payment represents approximately 56% of the total approved contract for the project.	
ATTACHMENTS: 1. Water Treatment Facility Piping Payment #6	
FINANCIAL IMPLICATIONS:	ADVISORY BOARD RECOMMENDATIONS:
Funding Sources & Uses: Water	Planning Commission:
Budget Information:	Park Board:
☒ Budgeted	Personnel Committee:
☐ Non-Budgeted	Other:
☐ Amendment Required	



Real People. Real Solutions.

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

May 8, 2025

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

**RE: Water Treatment Facility Piping Modifications
Pay Request No. 6**

Dear Mrs. Meyer:

Enclosed please find Pay Request No. 6 for the Water Treatment Facility Piping Modifications project. The request includes payment for the installation of new piping and valves inside the treatment facility.

We have reviewed the estimate and recommend the City make payment in the amount of **\$58,793.60** to Municipal Builders, Inc. 100% of this requested payment is for work associated with the water 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, Public Services Director
Seth Peterson, Bolton & Menk

Enclosure



REQUEST FOR CITY COUNCIL ACTION

Meeting Date:	May 19, 2025		
Item Name:	7.6. Contractor Pay Request - Fire Station Project with Kraus-Anderson #30		
Originating Dept:	Finance		
Presented By:	Amanda Ortloff		
Previous Council Action:	None		
Item Type:	Consent		
RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Motion to Approve Fire Station Pay Request #30 with Kraus-Anderson			
EXPLANATION OF AGENDA ITEM: Kraus-Anderson Construction Co. has reviewed the contractor pay request #30 for the new fire station project. The contractors requesting payment are as follows: Ebert Construction Company \$33,020.55 Sentra-Sota Sheet Metal, Inc. \$62,994.52 The total amount of the contractor payments for this request is \$96,015.07. Retainage remains due for each contractor until the project is complete and upon review of liquidated damages.			
ATTACHMENTS: None			
FINANCIAL IMPLICATIONS: Funding Sources & Uses: PIR Budget Information: ☒ Budgeted ☐ Non-Budgeted ☐ Amendment Required		ADVISORY BOARD RECOMMENDATIONS: Planning Commission: Park Board: Personnel Committee: Other:	



REQUEST FOR CITY COUNCIL ACTION

Meeting Date:		May 19, 2025
Item Name:		7.7. Lot 4 Parking Time Limits
Originating Dept:		Administration
Presented By:		Shane Fineran
Previous Council Action: None		
Item Type:	Consent	
RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2025-138 Directing Time Limited Parking in Lot 4 EXPLANATION OF AGENDA ITEM: At the May 5, 2025 City Council meeting, the Council directed staff to prepare action to erect time-limited parking signs in the northern half of Lot 4. By Municipal Code section 631.02, the City Council may designate certain areas where the right to park is limited during the specified hours. The attached Resolution directs that up to 3 parking stalls in the northern half of Lot 4 be signed as 15-minute parking during the hours of 10:00 a.m. to 6:00 p.m. ATTACHMENTS: 1. Resolution No. 2025-138 Approval of Parking Time Limits Lot 4		
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. 2025-138**

**RESOLUTION AUTHORIZING APPROVAL OF
TIME LIMITED PARKING FOR LOT #4**

WHEREAS, Municipal Code section 631.01 permits the City Council to designate certain streets or portions of streets as no parking zones or may limit the hours in which restrictions apply; and

WHEREAS, the City has determined that up to three parking stalls in the northern half of Lot #4 adjacent to 120 S Vine Street shall be signed as 15-minute parking during the hours of 10:00 a.m. and 6:00 p.m.; and

NOW, THEREFORE, BE IT RESOLVED That the City Council of the City of Waconia hereby approves the parking restrictions as described.

Adopted by the City Council of the City of Waconia this 19th day of May 2025.

Tim Litfin, Mayor

Attest: _____
Jackie Schulze, Assistant City Administrator



REQUEST FOR CITY COUNCIL ACTION

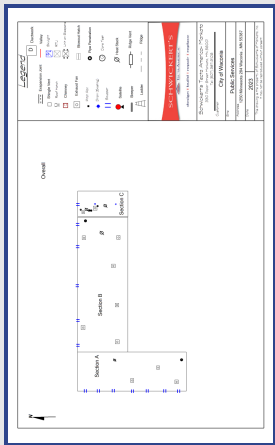
Meeting Date: May 19, 2025	
Item Name: 7.8. Public Works Roof Repair - Capital Project #838	
Originating Dept: Administration	
Presented By: Shane Fineran	
Previous Council Action: None	
Item Type:	Consent
RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Authorize Contract Approval for the Public Works Roof Repair, Capital Project #838 with Schwickerts Tecta America EXPLANATION OF AGENDA ITEM: The 2025 Capital Improvement Plan identified as Project #838 repairs to the old Public Works building at 1250 Hwy 284. This facility houses cold storage for the City as well as leases space to Rideview Ambulance for the ambulance base services. The City contracts with Schwickerts Tecta America to perform annual inspections and performance of minor repairs and sealing of up to \$1,000 at each facility. Following the annual inspections, the City receives a comprehensive facility audit of inspection findings and budgetary planning figures of priority repairs needed at each facility. After the 2024 inspection and audit, it was determined and budgeted to complete the Priority A, B, and C repairs at this facility. Based on the budgetary figures provided in the 2024 audit, project #838 was planned for 2025. Schwickerts has presented the attached scope and quote to complete the priority repairs at this facility. The original quote provided this spring was for \$49,720 to complete the identified work following the 2025 inspections due to some additional linear footage along the parapet wall needing additional work; however, Schwickerts offered to honor the 2024 estimates and complete the work for the budgeted amount of \$48,000 and is reflected in the attached quote. ATTACHMENTS: 1. Public Services 2025 Repair Proposal	
FINANCIAL IMPLICATIONS: Funding Sources & Uses: PIR Cash Budget Information: ☒ Budgeted ☐ Non-Budgeted ☐ Amendment Required	ADVISORY BOARD RECOMMENDATIONS: Planning Commission: Park Board: Personnel Committee: Other:



ROOF MAINTENANCE & REPAIR PROPOSAL



City of Waconia - Public Services
1250 Minnesota 284, Waconia, MN 55387



PRESENTED TO

Shane Fineran
City Administrator
City of Waconia
1250 Minnesota 284
Waconia, MN 55387
952-442-3100
sfineran@waconiamn.gov

PRESENTED BY

Ramon Ruiz Gonzalez
Roofing Service Manager
Tecta America Corp
507-508-0857
rrgonzalez@tectaaamerica.com



GENERAL SUMMARY

May 7, 2025

Dear Shane Fineran,

Thank you for the opportunity to perform the recent Facility Roof Audit at Public Services. We are pleased to provide the following proposal for maintenance items and repairs that should be performed in order to ensure the performance of your roofs and the watertight occupancy of your building.

For your convenience, repairs have been prioritized as follows:

- Priority A repairs are urgent because they are actively permitting water intrusion or are expected to during the next rainfall. Repairs are recommended immediately.
- Priority B repairs are not urgent, but are recommended for repair within 6-12 months. If left unaddressed, Priority B items can turn into Priority A items.
- Priority C repairs are recommended to ensure the long-term performance of your roof, but not considered necessary. For budget purposes, Priority C repairs should be completed within 1-2 years.

Below is a detailed scope of work and final project pricing. Please review this proposal and contact me with any questions. Your choice of partner to perform this work will affect not only the expeditious performance of this project, but more importantly, the long-term performance of your roof and the protection of your key business operations.

We look forward to working with you to address your needs. Our goal is to ensure that you are able to focus on meeting your core business objectives, and will rarely have to think about roof performance.

Sincerely,

Ramon Ruiz Gonzalez

Roofing Service Manager

507-508-0857



SCOPE OF WORK

PRIORITY - A REPAIRS

\$20,825.00



<https://www.tectatracker.com/q78197>

Section A : \$ 15,750.00

- **Repair #2** (Membrane Flashing Voids, Splits or Open Side Laps) -05/30/2024 - Recommend repair by using compatible single ply materials (Approximately 1 EA)
- **Repair #3** (Membrane Shrinkage) -05/30/2024 - Parapet wall flashing membrane and expansion joint wall flashing are presenting with extensive damage. We recommended having these areas fixed. RRG (Approximately 260 LF)
- **Repair #4** (Gutters or Downspouts Damaged, Deteriorated or Missing) -05/30/2024 - Recommend repair by replacing the downspout (Approximately 20 LF)
- **Repair #6** (Membrane Shrinkage) -05/30/2024 - Recommend repair by adding a 22 inch by 30 ft membrane (Approximately 30 LF)

Section B : \$ 5,075.00

- **Repair #1** (Scupper Flashing Deteriorated or Improperly Installed) -05/30/2024 - Recommend repair by reflash the scupper (Approximately 1 EA)
- **Repair #4** (Miscellaneous Single-Ply Roof Deficiency) -05/30/2024 - New target patch needed with new flashing. 3ft by 3ft area. Still needs attention (Approximately 18 SF)

PRIORITY - B REPAIRS

\$27,175.00



<https://www.tectatracker.com/w78197>

Section A : \$ 475.00

- **Repair #1** (Miscellaneous Roof Deficiency) -05/30/2024 - New pipe boot needed with target patch. still need attention (Approximately 1 EA)
- **Repair #5** (Metal Flashing - Corroded and/or at Mechanical Equipment) -05/30/2024 - Recommend repair by priming and painting (Approximately 4 SF)

Section B : \$ 26,305.00

- **Repair #2** (Debris & Vegetation) - 05/30/2024 - Recommend repair by removing the debris (Approximately 1 EA)
- **Repair #3** (Membrane Shrinkage) -05/30/2024 - Recommend repair by using compatible single ply materials (Approximately 444 LF)
- **Repair #5** (Metal Flashing - Sealant Deteriorated or Missing) -05/30/2024 - The sealant under metal cap is deteriorated, but we also noticed that the metal caps are deteriorated and bent. We recommended having them replaced to have a surface even and sealed. RRG (Approximately 29 EA)
- **Repair #6** (Metal Flashing - Corroded and/or at Mechanical Equipment) -05/30/2024 - Recommend repair by coating with aluminum (Approximately 4 SF)

- **Repair #8** (Membrane Shrinkage) -05/30/2024 - Recommend repair by using compatible single ply materials (Approximately 30 LF)

Section C : \$ 395.00

- **Repair #1** (Metal Flashing - Sealant Deteriorated or Missing) -05/30/2024 - Recommend repair by installing new sealant (Approximately 60 LF)

PHOTOS

Section A



Need New Pipe Boot



Need New Pipe Boot



Membrane flashing voids, splits or open side laps



Membrane flashing voids, splits or open side laps



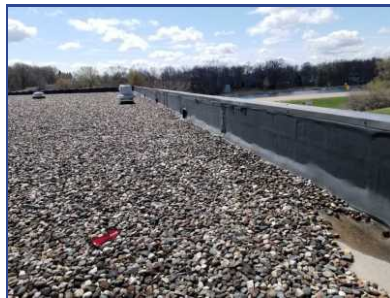
Membrane Shrinkage



Section A - Def 3 - Before Photo



Section A - Def 3 - Before Photo



Section A - Def 3 - Before Photo



Membrane Shrinkage



Membrane Shrinkage



Membrane Shrinkage



Membrane Shrinkage



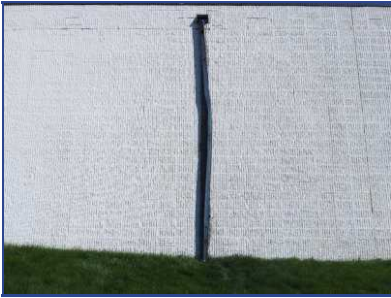
Membrane Shrinkage



Membrane Shrinkage



Damaged downspout



Damaged downspout



Corroded metal flashing



Membrane Shrinkage

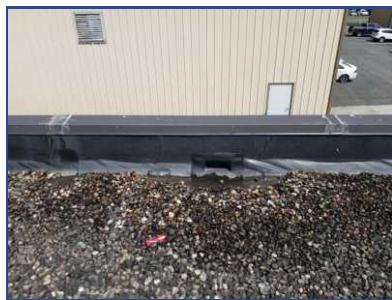


Membrane Shrinkage

Section B



Deteriorated Flashing



Section B - Def 1 - Before Photo



Section B - Def 1 - Before Photo



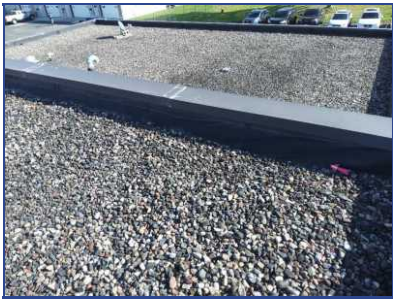
Deteriorated Flashing



Debris & Vegetation



Debris & Vegetation



Membrane Shrinkage



Membrane Shrinkage



Membrane Shrinkage



Membrane Shrinkage



Membrane Shrinkage



Membrane Shrinkage



Membrane Shrinkage



Membrane Shrinkage



Membrane Shrinkage



Section B - Def 3 - Before Photo



Section B - Def 3 - Before Photo



New target patch needed with new flashing



New target patch needed with new flashing



New target patch needed with new flashing



New target patch needed with new flashing



Sealant under metal cap deteriorated



Sealant under metal cap deteriorated



Sealant under metal cap deteriorated



Corroded metal



Membrane Shrinkage



Membrane Shrinkage

Section C



Metal sealant deteriorated



Metal sealant deteriorated



Section C - Def 1 - Before Photo



Section C - Def 1 - Before Photo

CITY OF WACONIA'S INVESTMENT

CONTRACT SUM: Schwickert's Tecta America, by and through its subsidiaries and affiliates, shall perform the Work for forty-eight thousand dollars (**\$48,000.00**) in current funds, and if this Proposal is accepted by the Owner, Owner shall pay said sum as provided herein.

Total price including labor, materials, supplies & tax	\$48,000.00
TOTAL PROJECT COST	\$48,000.00
(Total price includes labor, materials, supplies & tax)	

If this proposal is accepted by Owner, Owner shall pay said sum as provided herein.

The proposal sum indicated assumes all deficiencies are selected to be repaired. If all deficiencies are not accepted for repair and client/owner authorizes select deficiencies, contact Schwickert's Tecta America for pricing revisions.

This proposal is subject to revision or withdrawal by Schwickert's Tecta America until communication of acceptance. This proposal expires **thirty (30) days** after the date stated above, if not earlier accepted, revised or withdrawn.

Customer warrants he/she has personally read and understands the terms and conditions on the following page(s) of this proposal, and that any contract between the parties is subject to these terms and conditions.

The undersigned hereby accepts this Proposal, and agrees that this writing shall be a binding contract and authorizes Schwickert's Tecta America to proceed with the Work.

Owner/Customer:

Schwickert's Tecta America

Signature: _____

By: _____

Name: TIM LITFIN

Name: Ramon Ruiz Gonzalez

Title: MAYOR

Position: Roofing Service Manager

Date: MAY 19, 2025

Date: _____

TERMS & CONDITIONS

1. These terms and conditions relate to the services being performed as described herein. If this work is being performed in accordance with a Master Agreement, then the terms and conditions of the master agreement will take precedence.

2. **Nature of Work.** Schwickert's Tecta America ("Tecta") shall furnish the labor and material to perform the work described herein. Tecta does not provide engineering, consulting or architectural services. Tecta is not responsible for location of roof drains, adequacy of drainage, ponding on the roof or structural conditions.

3. **Commencement of Work.** Customer warrants that the structures on which Tecta is to work are in sound condition and capable of withstanding normal activities of roofing construction, equipment and operations. Tecta's prosecution of the work indicates only that the surface of the deck appears satisfactory to Tecta to attach roofing materials.

4. **Availability of Site.** Tecta shall be provided with direct access to the work site for the passage of trucks and materials and direct access to the roof.

5. **Asbestos and Toxic Materials.** This Work is based on Tecta not coming into contact with asbestos-containing or toxic materials. Tecta shall be entitled to reasonable compensation for all additional expenses incurred as a result of the presence of asbestos-containing or toxic materials at the work site. Customer agrees to indemnify Tecta from and against any liability, damages, losses, claims, demands or citations arising out of the presence of asbestos or toxic materials at the work site.

6. **Payment.** Unless stated otherwise on the face of this Work Order, Customer shall pay the invoiced amount within ten (10) days of receipt of the invoice. If completion of the Work extends beyond one month, Customer shall make monthly progress in accordance with the billed invoices. All sums not paid when due shall earn interest at the rate of 1-1/2% per month. Tecta shall be entitled to recover from Customer costs of collection, including attorney's fees, resulting from Customer's failure to make proper payment when due.

7. **Back charges.** No back charges or claims for payment of services or materials and equipment furnished by Customer to Tecta shall be valid unless previously authorized in writing by Tecta and unless written notice is given to Tecta within five (5) days of the event, act, or omission which is the basis of the back charge.

8. **Insurance.** Tecta shall carry worker's compensation, and commercial general liability insurance. Tecta will furnish a Certificate of Insurance, evidencing the types and amounts of its coverage's upon request. Moneys owed to Tecta shall not be withheld by reason of any damage or claim against Tecta covered by liability or property damage insurance maintained by Tecta.

9. **Interior Protection.** Customer acknowledges that roof work on an existing building may cause disturbance, dust or debris to fall into the interior. It is the customer's responsibility to remove

or protect property directly below the roof in order to minimize potential interior damage. Customer agrees to hold Tecta harmless from claims of tenants who were not so notified and did not provide protection.

10. **Fumes and Emissions.** Customer acknowledges that odors and emissions from roofing products may be released and noise will be generated as part of the roofing operations to be performed by Tecta. Customer shall be responsible for interior air quality, including controlling mechanical equipment, HVAC units, intake vents, wall vents, windows, doors and other openings to prevent fumes and odors from entering the building. Customer is aware that roofing products emit fumes, vapors and odors during the application process. Some people are more sensitive to these emissions than others. Customer shall hold Tecta harmless from claims from third parties relating to fumes and odors that are emitted during the normal roofing process.

11. **Warranty.** Tecta's work will be warranted by Tecta in accordance with its standard warranty, no other portions of the roof is warranted with the exception of those roofs still under a manufacturer's warranty. Tecta shall only be liable for work it has been specifically asked to perform. Tecta is not liable for the entire roof. Tecta is not guaranteeing any other areas of the roof beyond those it specifically repaired. Tecta is not responsible for any work performed by anyone or any company other than Tecta.

12. **Existing Conditions.** Tecta is not responsible for leakage due to the existing conditions of the roof or other portions of the building that have not yet been repaired by Tecta. While every attempt has been made by Tecta to resolve the leak condition, the roof may be experiencing numerous leak conditions and Tecta may be required to return to the roof to resolve these unforeseen conditions. Customers shall hold Tecta harmless for these unforeseen additional leak conditions. Tecta's warranty and liability only extends to the work performed by Tecta.

13. **Mold.** Tecta is committed to acting promptly so that roof leaks are not a source of potential interior mold growth. The Customer is responsible for monitoring any leak areas and for indoor air quality. Tecta is not responsible for indoor air quality. Customer shall hold harmless and indemnify Tecta from claims due to indoor air quality and resulting from water intrusion into the building. Customer agrees to indemnify and hold harmless Tecta from claims brought by tenants and third parties arising from mold growth.

14. **Indemnification.** To the fullest extent permitted by law, Tecta shall indemnify and hold harmless the customer, and all of their agents, officers, directors, and employees from and against all claims, damages, and losses directly caused by Tecta's work under this Work Order provided that any such claim, damage, loss or expense is caused in whole or in part, and only to the extent from a negligent act or omission of Tecta or anyone for whose work Tecta is responsible under this contract. **In no event shall such liability include indirect, incidental, special, exemplary, punitive, unmitigated, or consequential damages.**



REQUEST FOR CITY COUNCIL ACTION

Meeting Date:	May 19, 2025						
Item Name:	7.9. Material Testing in Support of the CSAH 10 and Waconia Parkway North Roundabout Intersection Improvement Project						
Originating Dept:	Public Services						
Presented By:	Jon Haukaas						
Previous Council Action:	None						
Item Type:	Consent						
RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2025-139 Authorizing Acceptance for Material Testing in Support of the CSAH 10 and Waconia Parkway North Roundabout Intersection Improvement Project							
EXPLANATION OF AGENDA ITEM: The construction of the CSAH 10 & Waconia Parkway North Roundabout Intersection Improvement project is scheduled to begin in early June. The project includes both state and federal funding. Projects that are constructed with state and federal funding are required to perform Quality Control and Quality Assurance (QC/QA) testing in accordance with the Minnesota Department of Transportation's (MnDOT's) 2020 Standard Specifications for Construction and MnDOT's Schedule of Materials Control. Personnel with MnDOT certifications must complete the monitoring and testing. The City Consulting Engineer solicited proposals from two firms to provide the required services. The results of that solicitation is as follows: <table style="width: 100%; border: none;"> <tr> <td style="width: 30%;">Braun Intertec</td> <td style="text-align: right;">\$43,747.00</td> </tr> <tr> <td>American Engineering Testing</td> <td style="text-align: right;">\$60,733.75</td> </tr> </table> Staff recommends approval of the resolution authorizing acceptance of the proposal from Braun Intertec.				Braun Intertec	\$43,747.00	American Engineering Testing	\$60,733.75
Braun Intertec	\$43,747.00						
American Engineering Testing	\$60,733.75						
ATTACHMENTS: 1. Resolution No. 2025-139 Authorizing Material Testing CSAH 10 and Waconia Parkway North Roundabout 2. Geotech Materials Testing							
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. 2025-139**

**RESOLUTION AUTHORIZING ACCEPTANCE OF A PROPOSAL FOR
CONSTRUCTION MATERIAL TESTING IN SUPPORT OF THE
CSAH 10 & WACONIA PARKWAY NORTH IMPROVEMENTS**

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

WHEREAS, the City of Waconia and Carver County have entered into a Joint Powers Agreement for the construction of a roundabout intersection of CSAH 10 and Waconia Parkway North; and

WHEREAS, bidding was performed resulting in the project being awarded at the May 5, 2025, City Council meeting; and

WHEREAS, projects that are constructed with state and federal funding are required to perform Quality Control and Quality Assurance (QC/QA) testing in accordance with the Minnesota Department of Transportation’s (MnDOT’s) 2020 Standard Specifications for Construction and MnDOT’s Schedule of Materials Control.; and

WHEREAS, the City Consulting Engineer has solicited proposals from two firms to perform the required material testing associated with the project; and

WHEREAS, staff recommends the City accept the proposal from Braun Intertec to perform this this work per the attached proposal and Scope of Work.

NOW, THEREFORE, BE IT RESOLVED That the City Council of the City of Waconia hereby authorizes acceptance of the proposal in the amount of \$43,747 to Braun Intertec of Minneapolis, MN.

Adopted by the City Council of the City of Waconia this 19th day of May, 2025.

Tim Litfin, Mayor

Attest: _____
Jackie Schulze, Assistant City Administrator



Real People. Real Solutions.

2638 Shadow Lane
Suite 200
Chaska, MN 55318-1172

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

May 7, 2025

City of Waconia
Attn: Jon Haukaas
310 10th Street East
Waconia, MN 55387

**RE: CSAH 10 & Waconia Parkway North Improvements Project
Materials Testing Award**

Dear Mr. Haukaas:

Pricing was solicited to provide materials testing during construction of the CSAH 10 & Waconia Parkway North Improvements project. Tests to be performed include soil proctors, utility trench compactions, sand and aggregate gradations, concrete and bituminous mix verifications, concrete strength analysis, and others noted in the proposal document. All testing will meet MNDOT Schedule of Materials Control requirements. The results of that solicitation is as follows:

- Braun Intertec \$43,747.00
- American Engineering Testing \$60,733.75

We have reviewed the proposals and recommend approval of the Braun Intertec Corporation proposal in the amount of **\$43,747.00**. A copy of that proposal is attached. Please note that if poor or contaminated soils are encountered that additional fees may be incurred. If acceptable, please sign and return a copy of this proposal.

Please contact me if you have any questions or concerns regarding this geotechnical work or this proposed project.

Sincerely,

Bolton & Menk, Inc.

Jake S. Saulsbury, P.E.

cc: Ryan Johnson, Bolton & Menk

May 5, 2025

Proposal QTB214896

Ryan Johnson, PE
Bolton & Menk, Inc.
2638 Shadow Lane Suite 200
Chaska, MN 55318

Re: Proposal for Construction Materials Testing Services
CSAH 10 & Waconia Parkway North Improvements
SP 231-118-002, SP 231-020-005, SP 010-610-055 and SAP 010-610-059
CSAH 10 & Waconia Parkway North
Waconia, Minnesota

Dear Mr. Johnson:

Braun Intertec Corporation is pleased to submit this proposal to provide construction materials testing services for the CSAH 10 and Waconia Parkway North Improvements Project in Waconia, Minnesota.

We have completed the geotechnical evaluation for this project, so we have a unique understanding of the site and construction challenges. We can aid the construction team by applying this experience and transferring our knowledge developed during the design phase which will provide professional continuity to the construction. Our work on the project to date gives us familiarity with the project team and design development which allows us to understand some of the considerations used when developing the project's design.

Since our inception in 1957, we have grown into one of the largest employee owned engineering firms in the nation. With more than 1,000 employee owners, retaining our firm gives you access to a diverse range of services and professionals you can consult with if the unforeseen occurs. The size of our company also allows us to respond quickly when schedule constraints occur.

Our Understanding of Project

We understand this project will include a mill and overlay portion, as well as a reconstruction portion that will include the construction of a new roundabout at the intersection of CSAH 10 and Waconia Parkway N. This project will include pavement subgrade preparation, placement of common embankment, select granular borrow and aggregate base, new concrete curb and gutter, median, sidewalk, pedestrian ramps, and roundabout pavement, along with a new bituminous pavement and driveways. Improvements to the storm sewer utilities will also be part of this project.

This project is a City of Waconia project with state and federal funding. Projects that are constructed with state and federal funding are required to perform Quality Control and Quality Assurance (QC/QA) testing in accordance with the Minnesota Department of Transportation's (MnDOT's) 2020 Standard Specifications for Construction and MnDOT's Schedule of Materials Control. This project is using MnDOT's 2024 State Aid for Local Transportation (SALT) Schedule of Materials Control. Personnel with

MnDOT certifications must complete the monitoring and testing. Braun Intertec will perform the QA field testing on the project as listed in our scope of services and as shown on our attached cost estimate table. The contractor will be responsible for performing all of the required QC testing and submitting all the documentation upon completion of the project. An audit of the project could be conducted upon completion. The audit may include reviewing tests and paperwork provided by your QC/QA representative.

Available Project Information

This proposal was prepared using the following documents and information.

- Mill and Overlay project plans and specifications prepared by Bolton & Menk, Inc., dated January 24, 2025.
- Roundabout project plans prepared by Bolton & Menk, Inc., dated February 10, 2025.
- Project specifications prepared by Bolton & Menk, Inc., dated March 24, 2025.
- Project Addendum numbered 1 and 2, dated April 18, 2025 and April 23, 2025, respectively.
- Discussions with Ryan Johnson with Bolton & Menk regarding scope of services and testing requirements of small quantity materials.

Braun Intertec Project Personnel

For this project, we will provide technicians that are MnDOT certified in each specialized field. For the proposed scope of services, our staff will have the following certifications:

- Aggregate Production
- Grading & Base Tester
- Concrete Field Tester
- Bituminous Street Inspector
- Bituminous Plant Tester
- MnDOT or ACI Strength Testing

Accredited Laboratory

In the 2024 SALT Schedule of Material Control, which is part of this project's testing requirements, MnDOT requires laboratories performing acceptance tests for payment to be accredited by the AASHTO Resource (formerly AASHTO Materials Reference Laboratory [AMRL]) for all test procedures performed.

Braun Intertec is one of the few independent testing companies that is accredited in the metro area. With Braun Intertec's Metro Material Laboratory typically operating 24 hours a day, laboratory test results are delivered in a timely manner.

Scope of Services

Testing services will be performed on an on-call, as-needed basis as requested and scheduled by you or your on-site project personnel. Based on our understanding of the project, we propose the following services.

Soil Related Services

- Perform nuclear gauge density tests on retaining wall and utility backfill materials.
- Perform moisture content tests at time of compaction on retaining wall and utility backfill materials.
- Perform gradation tests on granular bedding, select granular borrow, coarse filter, retaining wall backfill and aggregate base materials.
- Perform laboratory standard Proctor tests on backfill and fill materials.
- Provide test-roll observations of the pavement subgrade soils and aggregate base layer to determine if the materials tested are capable of supporting bituminous or concrete pavement.
- Observe and evaluate the soils exposed in the bottoms of excavations to determine if the soils are similar to those encountered with the geotechnical evaluation and suitable for support of fill, foundations or pavements. Our engineer can provide consultation for conditions that appear to differ from the geotechnical evaluation.
- Prepare the preliminary and final grading and base report along with assembling the random sampling locations report for the aggregate base according to MnDOT Specifications.

Concrete Field Testing Related Services (2461 Concrete)

- Sample and test the plastic concrete for slump, air content, temperature prior to placement. We assume that we will be able to appropriately dispose of excess concrete (and associated wash water) on site at no additional cost to us.
- Prepare 4-inch by 8-inch cylinders for compressive strength testing. A set of three cylinders will be tested at 28 days for each set cast. We have included 2 additional field cure cylinders for the retaining leveling pad concrete tests. If any additional field cure cylinders are requested, each additional cylinder will be charged at the unit price listed in our cost estimate.
- Laboratory compressive strength testing of cylinders.

Concrete Paving QA Field Testing (2301 Concrete, Truck Apron)

- Perform air content before consolidation.

- Perform slump and concrete temperature.
- Determine/observe probing, coring and texture using MnDOT's workbook.
- Supply beam molds, curing and testing of flexural strength beams.

Bituminous Related Services

- Collect verification samples per MnDOT's 2360 specification and randomly select one sample per day per mix to run quality assurance tests on. Perform quality assurance tests on the verification samples which include the following tests: Rice specific gravity, asphalt content, extracted aggregate gradation, gyratory density, coarse aggregate angularity, and fine aggregate angularity. Compare agency test results with contractor's test results for compliance with MnDOT 2360 specification.
- Randomly determine bituminous core locations by using MnDOT's random core worksheet and mark pavement core locations.
- Observe the contractor coring and core testing in accordance with MnDOT 2360 specification, which include watching quality control personnel weigh the cores at their laboratory.
- Collect companion cores and test for thickness and density of pavement cores. Compare agency test results with contractor's test results for compliance with MnDOT 2360 specification. Review incentive and disincentive sheets completed by contractor.

MnDOT Independent Assurance (IA)

On Federal funded projects, MnDOT requires one of their IA personnel observe the QC/QA representative performing soil, concrete and bituminous tests. We will schedule the IA visits as required for Braun Intertec Personnel.

Reporting and Project Management

Test results will be issued weekly for the project as the various tasks are performed. If, at any time, there are failing tests which do not appear to be in accordance with the plans and specifications or MnDOT's Schedule of Materials Control, we will notify the engineer's representative and any others that we are directed to notify.

Before the final project closeout, we will issue a final report. The report will include the following:

- Braun Intertec technician roster for technicians that conducted testing on the project.
- Completed MnDOT Materials Certification Exceptions Summary for items tested by Braun Intertec.

- Completed Preliminary and Final Grading and Base Report.
- Completed IA Summary Report.
- Moisture, Density, DCP, Proctor and Gradation tests.
- Concrete mix designs.
- Concrete compressive strength results.
- Concrete paving flexural strength test results.
- Concrete pavement field testing reports for slump, air content and temperature.
- Concrete pavement contractor's pavement texture, probing and coring test results.
- Completed test reports for samples sent to the MnDOT Materials Lab.
- Bituminous mix designs.
- Bituminous verification test results.
- Bituminous contractor's summary sheets.
- Random core log location worksheets.
- Completed density incentive/disincentive worksheets.
- Copies of concrete and bituminous plant certifications.

Basis of Scope of Work

The costs associated with the proposed scope of services were estimated using the following assumptions. If the construction schedule is modified or the contractor completes the various phases of the project at different frequencies or durations than shown in this proposal, we may need to adjust the overall cost accordingly. The scope of work and number of trips required to perform these services are as shown in the attached table. Notable assumptions in developing our estimate include:

- We assume it will take six trips to complete the nuclear density gauge testing on this project.
- We assume thirteen sets of concrete cylinders will be required to complete the project.
- We assume two sets of concrete beams will be required to complete the project.

- We understand that compaction of subgrade preparation, select granular borrow, granular bedding, common embankment and aggregate base materials will be obtained by the “Quality Compaction Method”. We assume this also applies to trail subgrade and aggregate base materials.
- We assume the rebar observations before concrete placements will be completed by the project representative’s construction oversight manager.
- We assume the ready-mix concrete for this project will come out of one ready-mix plant.
- We assume bituminous paving will be completed in ten days for this project.
- We understand MnDOT Metro Inspections will perform concrete batch plant monitoring and testing for this project.
- We understand MnDOT Metro Inspections will perform bituminous plant monitoring and testing for this project.
- We assume the concrete paving will be supplied from a MnDOT certified ready mix concrete plant.
- We assume MnDOT will calibrate and certify the ready-mix concrete plant.
- We assume the project engineer of record will review and approve the contractor’s quality control submittals and test results.
- You, or others you may designate, will provide us with current and approved plans and specifications for the project. Modification to these plans must also be sent to us so we can review their incorporation into the work.
- We will require a minimum of 24 hours’ notice for scheduling inspections for a specific time. Shorter than 24 hours’ notice may impact our ability to perform the requested services, and the associated impacts will be the responsibility of others.

If the work is completed at different rates than described above, this proposal should be revised.

Cost and Invoicing

We will furnish the services described herein for an estimated fee of **\$43,747**. **Our estimated costs are based on industry averages for construction production. Depending on the contractor’s performance, our costs may be significantly reduced or slightly higher than estimated.** A tabulation showing our estimated hourly and/or unit rates associated with our proposed scope of services is also attached. The actual cost of our services will be based on the actual units or hours expended to meet the requirements of the project documents.

This cost estimate was developed with the understanding that the scope of services defined herein will be required and requested during our normal work hours of 6:00 a.m. to 4:00 p.m., Monday through Friday. Services that we are asked to provide to meet the project requirements or the contractor's construction schedule **outside** our normal business hours will be invoiced using an overtime rate factor. The factor for services provided outside our normal work hours or on Saturday will be 1.25 times the listed hourly rate for the service provided. The factor for services provided on Sunday or legal holidays will be 1.5 times the listed hourly rate for the service provided. We have not included premiums for overtime in our cost estimate; however, we recommend that allowances and contingencies be made for overtime charges based on conversations with the contractor. You will be billed only for services provided on a time and materials basis.

Because our services are directly controlled by the schedule and performance of others, the actual cost may vary from our estimate. It is difficult to project all of the services and the quantity of services that may be required for any project. If services are required that are not discussed above, we will provide them at the rates shown in the attached table or, if not shown, at our current Schedule of Charges. We will invoice you on a monthly basis.

General Remarks

We will be happy to meet with you to discuss our proposed scope of services further and clarify the various scope components.

We appreciate the opportunity to present this proposal to you. After reviewing this proposal, **please sign and return one copy to our office as notification of acceptance and authorization to proceed.** If anything in this proposal is not consistent with your requirements, please let us know immediately. Braun Intertec will not release any written reports until we have received a signed agreement. Also, ordering services from Braun Intertec constitutes acceptance of the terms of this proposal.

The proposed fee is based on the scope of services described and the assumption that our services will be authorized within 30 days and that others will not delay us beyond our proposed schedule.

Our services will be provided under the terms of the Master Subcontractor Agreement between Bolton & Menk, Inc. and Braun Intertec Corporation, dated January 8, 2025.

To have questions answered or schedule a time to meet and discuss our approach to this project further, please contact Colin Keane at 612.704.2674 (ckeane@braunintertec.com) or Andrew Valerius at 952.995.2242 (avalerius@braunintertec.com).

Sincerely,

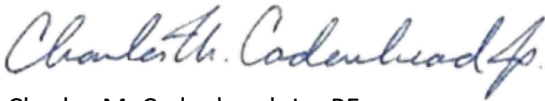
BRAUN INTERTEC CORPORATION



Colin M. Keane
Staff Engineer



Andrew M. Valerius
Associate Director, Senior Project Manager



Charles M. Cadenhead, Jr., PE
Vice President, Principal Engineer

Attachments:
Cost Estimate Table

The proposal is accepted. We will reimburse you in accordance with this agreement, and you are authorized to proceed:

Authorizer's Firm: CITY OF WACONIA

Authorizer's Signature

Authorizer's Name (please print or type) TIM LITFIN

Authorizer's Title: MAYOR

Date: May 19, 2025

Project Proposal

QTB214896

CSAH 10 & Waconia Parkway North Impts (SP 231-020-005)

Client:

Bolton & Menk, Inc.
Ryan Johnson
Attn: Accounts Payable
1960 Premier Dr
Mankato, MN 56001
(952) 448-8838

Work Site Address:

CSAH 10 & Waconia Parkway N
Waconia, MN 55387

Service Description:

Construction Materials Testing
SP 231-118-002, SP 231-020-005, SP 010-610-055, SAP 010-610-059

	Description	Quantity	Units	Unit Price	Extension
Phase 1	MnDOT Testing				
Activity 1.1	Soil Testing				\$9,530.00
206	Excavation Observations	3.00	Hour	116.00	\$348.00
	<i>Work Activity Detail</i>	<i>Qty</i>	<i>Units</i>	<i>Hrs/Unit</i>	<i>Extension</i>
	Retaining Wall	1.00	Trips	3.00	3.00
207	Compaction Testing - Nuclear	15.00	Hour	98.00	\$1,470.00
	<i>Work Activity Detail</i>	<i>Qty</i>	<i>Units</i>	<i>Hrs/Unit</i>	<i>Extension</i>
	Retaining Wall Backfill	2.00	Trips	2.50	5.00
	Storm Sewer Backfill	4.00	Trips	2.50	10.00
1308	Nuclear moisture-density meter charge, per hour	15.00	Each	30.00	\$450.00
1861	CMT Trip Charge	19.00	Each	50.00	\$950.00
1228	Topsoil Testing with nutrients, per sample	1.00	Each	430.00	\$430.00
1530AG	Asphalt Content of Aggregate Base, per sample	1.00	Each	170.00	\$170.00
209	Sample pick-up	15.00	Hour	98.00	\$1,470.00
	<i>Work Activity Detail</i>	<i>Qty</i>	<i>Units</i>	<i>Hrs/Unit</i>	<i>Extension</i>
	Sample Pickup	10.00	Trips	1.50	15.00
1318	Moisture Density Relationship (Proctor)	3.00	Each	208.00	\$624.00
211	Proofroll Observations	6.00	Hour	124.00	\$744.00
	<i>Work Activity Detail</i>	<i>Qty</i>	<i>Units</i>	<i>Hrs/Unit</i>	<i>Extension</i>
	Subgrade	1.00	Trips	3.00	3.00
	Aggregate Base	1.00	Trips	3.00	3.00
126	Project Engineer	5.00	Hour	186.00	\$930.00
1162	Sieve Analysis with 200 wash, per sample	12.00	Each	162.00	\$1,944.00
	<i>Work Activity Detail</i>	<i>Qty</i>	<i>Units</i>	<i>Hrs/Unit</i>	<i>Extension</i>
	Aggregate Base	8.00	Each	1.00	8.00
	Granular Bedding	1.00	Each	1.00	1.00
	Coarse Filter Aggregate	1.00	Each	1.00	1.00
	Select Granular Borrow - Mod 10%	1.00	Each	1.00	1.00
	Select Granular Embankment	1.00	Each	1.00	1.00
Activity 1.2	Concrete Testing				\$7,929.00
261	Concrete Testing	37.50	Hour	98.00	\$3,675.00
	<i>Work Activity Detail</i>	<i>Qty</i>	<i>Units</i>	<i>Hrs/Unit</i>	<i>Extension</i>
	Curb and Gutter	8.00	Trips	2.50	20.00
	Flatwork - Sidewalk, Median and Pavement	6.00	Trips	2.50	15.00
	Retaining Wall Leveling Pad	1.00	Trips	2.50	2.50
1861	CMT Trip Charge	23.00	Each	50.00	\$1,150.00
1364	Compressive strength of concrete cylinders, per specimen	41.00	Each	40.00	\$1,640.00
	<i>Work Activity Detail</i>	<i>Qty</i>	<i>Units</i>	<i>Hrs/Unit</i>	<i>Extension</i>
	Curb and Gutter	8.00	Sets	3.00	24.00
	Flatwork - Sidewalk and Median	4.00	Sets	3.00	12.00
	Retaining Wall Leveling Pad	1.00	Sets	5.00	5.00

Project Proposal

QTB214896

CSAH 10 & Waconia Parkway North Impts (SP 231-020-005)

1367	Flexural strength of beams (ASTM C 78 and ASTM C 293), per specimen	2.00	Each	144.00	\$288.00
	<i>Work Activity Detail</i>	<i>Qty</i>	<i>Units</i>	<i>Hrs/Unit</i>	<i>Extension</i>
	Roundabout Pavement	2.00	Sets	1.00	2.00
278	Concrete Cylinder Pick up	12.00	Hour	98.00	\$1,176.00
	<i>Work Activity Detail</i>	<i>Qty</i>	<i>Units</i>	<i>Hrs/Unit</i>	<i>Extension</i>
	Cylinder Pickup	8.00	Trips	1.50	12.00
Activity 1.3	Pavement Testing				\$18,206.00
2689	MnDOT Bituminous Verification, per sample	10.00	Each	780.00	\$7,800.00
	<i>Work Activity Detail</i>	<i>Qty</i>	<i>Units</i>	<i>Hrs/Unit</i>	<i>Extension</i>
	SPWEA340C	2.00	Each	1.00	2.00
	SPWEB330B	2.00	Each	1.00	2.00
	SPWEB340C	2.00	Each	1.00	2.00
	SPWEA340B	4.00	Each	1.00	4.00
209	Sample pick-up	15.00	Hour	98.00	\$1,470.00
	<i>Work Activity Detail</i>	<i>Qty</i>	<i>Units</i>	<i>Hrs/Unit</i>	<i>Extension</i>
	HMA Sample Pickup	10.00	Trips	1.50	15.00
221	Mark and Observe Contractor Coring	40.00	Hour	124.00	\$4,960.00
	<i>Work Activity Detail</i>	<i>Qty</i>	<i>Units</i>	<i>Hrs/Unit</i>	<i>Extension</i>
	Mark and Observe Cores	10.00	Trips	4.00	40.00
1861	CMT Trip Charge	20.00	Each	50.00	\$1,000.00
1542	Thickness and Density of Bituminous Core	48.00	Each	62.00	\$2,976.00
Activity 1.4	Project Management				\$8,082.00
226	Project Manager	24.00	Hour	180.00	\$4,320.00
130	Principal Engineer	1.00	Hour	246.00	\$246.00
1230	MnDOT Final Report	1.00	Each	1,500.00	\$1,500.00
228	Senior Project Manager	4.00	Hour	210.00	\$840.00
138	Project Assistant	12.00	Hour	98.00	\$1,176.00
Phase 1 Total:					\$43,747.00

Proposal Total: \$43,747.00



REQUEST FOR CITY COUNCIL ACTION

Meeting Date:	May 19, 2025		
Item Name:	7.10. Approve Extension of Compost Contract with SMSC		
Originating Dept:	Public Services		
Presented By:	Jon Haukaas		
Previous Council Action:	Adopt Resolution No. 2023-085 Authorizing Public Services Director to Accept Compost Collection Services Proposal for 2023		
Item Type:	Consent		
RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2025-140 Authorizing the Public Services Director to Extend the Contract with SMSC for Compost Disposal EXPLANATION OF AGENDA ITEM: Annually, Staff request approval for services related to compost collection of yard waste and leaf collection disposal services. The City works with Carver County Environmental Services to reduce the impact of compostable material entering the landfills. Each year, staff submit a request for funds from Carver County for compost and recycling efforts community wide. Composting is scheduled annually from May to November with altering days and weekends monitored by Public Services staff. Recycling efforts are utilized in the Park System to offset garbage collection and land fill impacts. These efforts assist in reducing the dumping of yard waste in or near storm ponds and receiving streams, which in turn reduces the pollution impacts of the communities receiving streams, lakes and ultimately the Minnesota River. The Shakopee Mdewakanton Sioux Community Organics and Recycling Operations has provided these services in the recent past, and staff is requesting to extend that contract through 2025. Previous sources of this work have discontinued collection services. Staff recommend approval of the request allowing the Public Services Director to extend the previous agreement through this year. Follow-up insurance and permit items are being completed by SMSC staff for delivery upon approval of the City Council. Public Service Staff work with Finance on the tracking and completion of permitting. ATTACHMENTS: 1. Resolution No. 2025-140 Authorizing Extension of Contract with SMSC for Compost Disposal 2. SMSC Organics Recycling 3. YardWasteCalendar2025			
FINANCIAL IMPLICATIONS:		ADVISORY BOARD RECOMMENDATIONS:	
Funding Sources & Uses:		Planning Commission:	
Budget Information:		Park Board:	
☒ Budgeted ☐ Non-Budgeted ☐ Amendment Required		Personnel Committee:	
		Other:	

**CITY OF WACONIA
RESOLUTION NO. 2025-140**

**RESOLUTION AUTHORIZING PUBLIC SERVICES DIRECTOR TO
EXTEND A COMPOST COLLECTION SERVICES AGREEMENT**

WHEREAS, one of the City's Priorities is to "Protecting the Quality of our Land, Air, Trees, Natural Space, Water and Lakes"; and

WHEREAS, the City operates a compost collection site throughout the spring, summer, and fall seasons; and

WHEREAS, the City has received excellent service from the SMSC Organics Recycling Facility over the past two years and has requested to extend this contract through 2025; and

WHEREAS, costs for services will be refunded by grants from Carver County for 2025.

NOW, THEREFORE, BE IT RESOLVED That the City Council of the City of Waconia hereby authorizing Public Services Director to extend the compost collection services agreement with SMSC Organics Recycling Facility.

Adopted by the City Council of the City of Waconia this 19th day of May, 2025.

Tim Litfin, Mayor

Attest: _____
Jackie Schulze, Assistant City Administrator



**City of Waconia
Compost Collection**

DELIVERY OF ROLL-OFF AND DISPOSAL OF COMPOST MATERIALS:

All materials, including lawn and garden waste and brush, will be deposited in the same roll-off:

30 Yard Container \$250.00

Larger than 30 Yard Container 40yd - \$300.00
Size and Price

Notification time required for additional containers 48 Hours

Containers must be on site (Waconia Public Services, 310 E. 10th Street, Waconia, MN) by 3:00 p.m. on day prior to collection date and removed no later than 3:00 p.m. within two business days following request for pickup.

SMSC Organics Recycling Facility

Company Name

Dustin Montey
Signature

3/19/2024
Date

Address 1905 Mystic Lake Drive South

Shakopee, MN, 55379

Phone: 612-430-2490

Accepted by:

CITY OF WACONIA

[Signature]
City Administrator

4/15/24
Date

The City of Waconia reserves the right to reject any and all quotes and to accept the quote it feels in the best interest of the community, not necessarily the low quote.

CITY OF WACONIA, 201 SOUTH VINE STREET, WACONIA, MN 55387
PHONE: (952) 442-2184 FAX: (952) 442-2135



Yard Waste Schedule

Site Location: 310 10th Street East

April						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

May						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	CANCELLED		
18	19	20	21	22	23	24
25	26	27	28	29	30	31

June						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

July						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

August						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

September						
S	M	T	W	T	F	S
31	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

October						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

November						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

Hours of Operation:



8am-12 (noon)

10am-3pm

Proof of Waconia
residency required

Dates may be cancelled
based on weather
conditions.

Fees:
\$1 per bag
\$10 per pickup/trailer load



REQUEST FOR CITY COUNCIL ACTION

Meeting Date:	May 19, 2025
Item Name:	7.11. Sale or Disposal of Surplus Equipment
Originating Dept:	Finance
Presented By:	Nicole Meyer
Previous Council Action:	None
Item Type:	Consent

RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2025-141 Approving Surplus Equipment and Sale

EXPLANATION OF AGENDA ITEM:

City staff have reviewed inventory and items in storage at Public Services Facility. Staff is requesting this equipment be deemed surplus equipment and be sold or properly disposed of since the equipment cannot be used in the City's current operations.

- 1 Plow Foot Pad & Crank
- OTC 590 Back Buddy 2 Flat Tires
- Aerofab Inc. Drum Cart
- Wesco Drum Cart 3PU23
- 50 Gallon Drum – Hand Sanitizer
- 2014 Teske Trailer – Asset ID #8022
- Pallet Fork

The City utilizes Jeff Martin Auctioneers, Inc. for the sale of these types of items along with general postings at City Hall. The equipment and supplies are listed at the lowest price the City will accept to be bid on the item. The equipment is sold to the highest bidder. Funds from the sale will be recognized in the General Fund - Streets (101) as reimbursement revenue.

ATTACHMENTS:

1. Resolution No. 2025-141 Approving Surplus Equipment and Sale

FINANCIAL IMPLICATIONS:	ADVISORY BOARD RECOMMENDATIONS:
Funding Sources & Uses: General Fund - Streets (101)	Planning Commission:
Budget Information:	Park Board:
_____ Budgeted	Personnel Committee:
_____ Non-Budgeted	Other:
_____ Amendment Required	

**CITY OF WACONIA
RESOLUTION NO. 2025-141**

RESOLUTION APPROVING SURPLUS EQUIPMENT AND SALE

WHEREAS, Public Services staff have identified equipment in storage that is no longer used in the department's operation; and

WHEREAS, the list of surplus equipment includes the following:

- 1 Plow Foot Pad & Crank
- OTC 590 Back Buddy 2 Flat Tires
- Aerofab Inc. Drum Cart
- Wesco Drum Cart 3PU23
- 50 Gallon Drum – Hand Sanitizer
- 2014 Teske Trailer – Asset ID #8022
- Pallet Fork

WHEREAS, funds received for the equipment with saleable value will be recognized in the General Fund – Streets (101) reimbursement revenue; and

WHEREAS, equipment that cannot be sold will be properly disposed of by City staff.

NOW, THEREFORE, BE IT RESOLVED the City Council of the City of Waconia hereby declares the equipment listed as surplus equipment and authorizes its sale or disposal as determined by City staff.

Adopted by the City Council of the City of Waconia this 19th day of May 2025.

Tim Litfin, Mayor

ATTEST: _____
Jackie Schulze, Assistant City Administrator



REQUEST FOR CITY COUNCIL ACTION

Meeting Date: May 19, 2025	
Item Name: 7.12. Hiring of Probationary Firefighters	
Originating Dept: Administration	
Presented By: Jackie Schulze	
Previous Council Action: None	
Item Type:	Consent
RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2025-142 Authorizing Hire of Probationary Firefighters EXPLANATION OF AGENDA ITEM: The Waconia Fire Department currently has multiple vacant firefighter positions. To address ongoing staffing needs, the department accepts applications year-round for experienced firefighters and conducts seasonal recruitment efforts in the fall and spring. Following a recent recruitment, staff recommends the conditional hiring of the following individuals as probationary firefighters, pending the successful completion and City evaluation of all pre-employment requirements: • Luke Meier • Adam Vanderbeek Pre-employment requirements include a background check, driving record check, medical exam, physical agility test, and psychological evaluation. The City currently has an open job posting for firefighter candidates without prior experience. Staff anticipates bringing forward additional hiring recommendations in June or July, in preparation for the fire academy starting in late summer. ATTACHMENTS: 1. Resolution No. 2025-142 Authorizing Hire of Probationary Firefighters	
FINANCIAL IMPLICATIONS: Funding Sources & Uses: Budget Information: _____ Budgeted _____ Non-Budgeted _____ Amendment Required	ADVISORY BOARD RECOMMENDATIONS: Planning Commission: Park Board: Personnel Committee: Other:

**CITY OF WACONIA
RESOLUTION NO. 2025 - 142**

**RESOLUTION AUTHORIZING THE
HIRING OF PROBATIONARY FIREFIGHTERS**

WHEREAS, there are multiple vacant firefighter positions within the Waconia Fire Department; and

WHEREAS, the department accepts applications for firefighters with experience year-round and does additional fall and spring recruitments; and

WHEREAS, the recommendation is to hire the following individuals as probationary firefighters upon the successful completion and City's evaluation of the preemployment conditions including background check, driving check, medical exam, physical agility test, and psychological evaluation:

- Luke Meier
- Adam Vanderbeek

and;

WHEREAS, the City currently has a job posting live for firefighters without experience and expects to bring forward a set of recommendations for additional hires in June or July in advance of this year's fire academy; and

NOW, THEREFORE, BE IT RESOLVED, that, the City Council of Waconia hereby approves the conditional hiring of two probationary firefighters, with varied start dates dependent on the pre-employment contingencies and training requirements for each individual firefighter.

Adopted by the City Council of the City of Waconia this 19th day of May 2025.

Tim Litfin, Mayor

Attest: _____
Jackie Schulze, Assistant City Administrator



REQUEST FOR CITY COUNCIL ACTION

Meeting Date:	May 19, 2025		
Item Name:	7.13. Performance Measures & Report for 2024		
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. 2025-143 Approving Performance Measures and Report for Local Results and Innovation			
EXPLANATION OF AGENDA ITEM: In 2010, the State Legislature created the Council on Local Results and Innovation, which consisted of a variety of local elected and appointed officials. In 2011, the Council on Local Results released a standard set of ten performance measures for local governments that aid residents, taxpayers, and state and local elected officials in determining the efficacy of local government in providing services, and measure residents' opinions of those services. Local units of government that choose to participate in the standards measure program are eligible for reimbursement in LGA, up to \$.14 per capita, up to \$25,000 and an exemption from levy limits, if levy limits are in effect. In reviewing the performance standards for cities, staff determined that many of the measures were already being collected in various formats. The City stands to gain around \$2,000 in additional revenue through the continuation of this program. Attached is a copy of the measurement report showing data trends for the last several years. If the City wishes to continue its involvement in 2024, we need to adopt the measures, report on the measures, submit the report to the Office of the State Auditor, and provide a report to our residents. Staff will publish this information in the newsletter and post to the website. Many of these items are also published on the website in various departmental annual reports.			
ATTACHMENTS: 1. Resolution No. 2025-143 Approving Performance Measurer and Report 2. Annual Performance Measures Data 2024			
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. 2025-143**

**RESOLUTION ADOPTING 2024 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 19th day of May 2025.

Tim Litfin, Mayor

ATTEST: _____
Jackie Schulze, Assistant City Administrator

Annual Performance Measures Review

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
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%
Number of Library Visits per 1,000 population	n/a	n/a	n/a	9,322	8,340	7,727	7,447	7,223	8260	1547	2964	3438	3752	3835
Bond Rating AA AA	AA	AA	AA	AA	AA+	AA+	AA+	AA+	AA+	AA+	AA+	AA+	AA+	AA+
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
Police Services*														
A Offenses	204	113	105	78	128	223	264	257	247	298	346	303	246	238
B Offenses	304	283	198	210	290	146	103	105	86	86	63	84	127	138
Non-Criminal Activity						2778	2775	2814	2713	2759	2892	3014	3253	3381
Traffic						2798	3135	2946	2627	2261	2281	2576	3095	3097
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
Fire & EMS Services														
Insurance industry rating of fire services	4	4	4	4	4	4	4	4	3	3	3	3	3	3
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
Average fire arrival time (minutes)****										5.33	6.30	5.95	6.05	6.05
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
Total Fire Calls	337	344	352	375	370	370	400	511	724	526	636	957	1036	1275
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
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
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
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



REQUEST FOR CITY COUNCIL ACTION

Meeting Date:	May 19, 2025
Item Name:	7.14. 2026 State Capital Budget Local Requests
Originating Dept:	Administration
Presented By:	Shane Fineran
Previous Council Action:	None
Item Type:	Consent
RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2025-144 Approving Capital Budget Request	
EXPLANATION OF AGENDA ITEM: Bi-annually the State of Minnesota accepts applications for local projects for the State Capital Budget, also known as the "bonding bill". The deadline for applications for consideration in the 2026 legislative session is upcoming in June of this year. Previously, the City had submitted an application for the construction of the frontage road system to completion between CSAH 59 and Hartman Drive as part of the Phase 2 Highway 5 construction in 2027. A bonding bill was not passed in the 2024 legislative session and appropriation in this year's session is undetermined. The previous request was for \$4.7 million in capital bonding funds to complete this segment of roadway and utilities. This frontage road system will allow for local traffic to safely and efficiently traverse through the community, access businesses, serve future industrial and commercial development, and enhance the pedestrian connections in this area. Staff recommend the adoption of Resolution No. 2025-144 and submittal of the local request again.	
ATTACHMENTS: 1. Resolution No. 2025-144 Approving Capital Budget Request	
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. 2025-144

A RESOLUTION AUTHORIZING A 2026 CAPITAL BUDGET REQUEST TO THE STATE OF MINNESOTA FOR THE HIGHWAY 5 PHASE II RECONSTRUCTION PROJECT

WHEREAS, under the provisions contained in Minnesota Statutes 16A.86, Subd. 3a (6) sets out the process by which local governments and political subdivisions may request state appropriations for capital improvement projects. The Governor and Legislature will consider these bonding requests in the 2026 session; and,

WHEREAS, Local governments should submit their capital budget requests to Minnesota Management and Budget (MMB) by June 13, 2025; and

WHEREAS, the City of Waconia proposes the construction of local system and public utility needs as part of the Highway 5 Phase II Reconstruction project and has identified a need for State financial assistance in addition to funding from local partners and other competitive funding sources: and

WHEREAS, the City of Waconia considers the completion and funding for Highway 5 Phase II Reconstruction to be the first priority for the community for projects submitted by the City to the 2026 Capital Budget process; and

WHEREAS, the Highway 5 Corridor in Waconia has seen continuing traffic volume increase with significant city population growth, as one of the fastest growing cities in Carver County which is one of the fastest growing counties in the State of Minnesota; and

WHEREAS, the proposed Capital Budget request will construct complete frontage road and public utility systems that opens up several acres of new industrial and highway commercial development while delivering operational benefits to the parallel Trunk Highway 5; and

WHEREAS, the Waconia Highway 5 Phase II Reconstruction Project is one of many planned and locally led investments to address crash and mobility issues on one of the highest crash rate corridors in Carver County; and

WHEREAS, the City of Waconia has the legal authority to apply for Capital Budget assistance, and has the financial, technical, and managerial capacity to ensure proper construction, operation and maintenance of the project for its design life; and

NOW THEREFORE, BE IT RESOLVED that the City of Waconia is authorized to submit the necessary 2026 Capital Budget application and information to the Minnesota Management and Budget Office.

Adopted by the City Council of the City of Waconia on this 19th day of May 2025.

Tim Liftin, Mayor

Attest: _____
Jackie Schulze, Assistant City Administrator



REQUEST FOR CITY COUNCIL ACTION

Meeting Date:	May 19, 2025		
Item Name:	7.15. Minnesota State Arts Board 2026 Arts Experiences for Older Adults Grant Application		
Originating Dept:	Finance		
Presented By:	Nicole Meyer		
Previous Council Action:	None		
Item Type:	Consent		
RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2025-145 Authorizing Minnesota State Arts Board 2026 Arts Experiences for Older Adults Grant Application EXPLANATION OF AGENDA ITEM: Staff with Sports Facilities Companies applied for the Minnesota State Arts Board's 2026 Arts Experiences for Older Adults grant on behalf of the Waconia Senior Center. The grant application requested a total of \$5,000 in funding. If the grant is awarded to the Waconia Senior Center, staff plan to use the funding to bring in additional art programming in 2026. Results of the application review will be received within four to eight months of the date of the application. Because of this, staff will be able to plan for the programming in the 2026 budget process.			
ATTACHMENTS: 1. Resolution No. 2025-145 Authorizing Minnesota State Arts Board Grant Application			
FINANCIAL IMPLICATIONS:		ADVISORY BOARD RECOMMENDATIONS:	
Funding Sources & Uses: General Fund - Recreation (101) Budget Information: ☐ Budgeted ☒ Non-Budgeted ☐ Amendment Required		Planning Commission:	
		Park Board:	
		Personnel Committee:	
		Other:	

**CITY OF WACONIA
RESOLUTION NO. 2025-145**

**RESOLUTION AUTHORIZING MINNESOTA STATE ARTS BOARD 2026 ARTS
EXPERIENCES FOR OLDER ADULTS GRANT APPLICATION**

WHEREAS, the Minnesota State Arts Board is offering a grant program for 2026 to support organizations with providing meaningful art experiences for Minnesotans; and

WHEREAS, the City of Waconia provides art programming at the Waconia Senior Center; and

WHEREAS, the grant funds would assist in off-setting operational expenditures to provide programming in fiscal year 2026; and

WHEREAS, a total of \$5,000 in funding is requested and if awarded will be considered in the 2026 budgeting process; and

WHEREAS, the City Council authorizes the City Administrator along with staff authorized with Sports Facilities Companies to prepare the grant application and supporting documents for the grant period.

NOW, THEREFORE, BE IT RESOLVED the City Council of the City of Waconia hereby authorizes approval of the grant application for the Minnesota State Arts Board 2026 Arts Experiences for Older Adults grant application.

Adopted by the City Council of Waconia, Minnesota this 19th day of May 2025.

Tim Litfin, Mayor

ATTEST: _____
Jackie Schulze, Assistant City Administrator



REQUEST FOR CITY COUNCIL ACTION

Meeting Date:	May 19, 2025
Item Name:	7.16. Service Contract for Outdoor Warning System - Annual Service, Inspections, and Preventative Maintenance
Originating Dept:	Administration
Presented By:	Jackie Schulze
Previous Council Action:	None
Item Type:	Consent
RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Approve Resolution No. 2025-146 Authorizing Contract with Frontline Warning Systems for Outdoor Sirens	
EXPLANATION OF AGENDA ITEM: The City of Waconia currently operates and maintains six (6) outdoor warning sirens that serve as a critical component of our Municipal Weather-Focused Warning System. These sirens are essential to public safety, providing timely alerts to residents during severe weather and other emergencies. To ensure these systems remain in proper working order, the City engages in annual inspection and maintenance services. Staff recommend entering into a service agreement with Frontline Warning Systems for the annual inspection and maintenance of the City's outdoor warning sirens. Frontline specializes in municipal siren systems and offers comprehensive maintenance services that align with manufacturer specifications and public safety best practices. The annual maintenance cost is \$400 per siren, for a total of \$2,400 annually. This includes inspection, testing, system alignment, and reporting for each siren, with additional charges only for parts and materials (such as batteries) or any follow-up service calls outside the scope of the agreement. Benefits of an annual maintenance agreement include: • Ensures sirens are operating reliably and according to manufacturer standards • Proactively identify potential issues before they result in system failure • Provides the City with comprehensive maintenance records and documentation • Reduces the need for emergency repairs and reactive service calls • Offers direct technician scheduling and support from Frontline Staff recommends that the City Council approve the annual service agreement with Frontline Warning Systems in the amount of \$2,400 for the maintenance of the City's six outdoor warning sirens. Please note that a service contract with Frontline is not budgeted for 2025. However, staff	

recommend outdoor siren maintenance in the long-term and has determined the budget can withstand this \$2,400 annual fee. Staff will ensure it is added as an annual expense next year.

ATTACHMENTS:

1. Resolution No. 2025-146 Approving Contract for Outdoor Warning System
2. Service Contract for Warning System

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. 2025 - 146**

**RESOLUTION APPROVING ANNUAL SERVICE
AGREEMENT WITH FRONTLINE WARNING SYSTEMS
FOR OUTDOOR WARNING SIREN MAINTENANCE**

WHEREAS, the City of Waconia operates six (6) outdoor warning sirens as part of its Municipal Weather-Focused Warning System to provide timely alerts and ensure public safety during severe weather events and emergencies; and

WHEREAS, proper maintenance and inspection of these sirens is essential to ensure their functionality and reliability; and

WHEREAS, Frontline Warning Systems provides maintenance services that meet manufacturer standards and includes annual inspections, testing, alignment, and reporting; and

WHEREAS, the total cost for annual maintenance is \$400 per siren, for a total of \$2,400 annually, with any additional materials or follow-up service calls charged separately to the City as needed; and

WHEREAS, the proposed agreement will ensure the City's warning systems remain operational and that any deficiencies are identified and addressed proactively.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Waconia hereby approves the service agreement with Frontline Warning Systems for annual maintenance of the City's outdoor warning sirens in the amount of \$2,400.

Adopted by the City Council of the City of Waconia this 19th day of May 2025.

Tim Litfin, Mayor

Attest: _____
Jackie Schulze, Assistant City Administrator



Frontline Warning Systems
Uncompromising Support throughout
the Midwest

8004 Aetna Ave NW Monticello MN 55362

8101 Birchwood Ct Johnston IA 50131

1001 S Main St Kalispell MT 59901

www.FrontlineWarningSystems.com

Phone: 1-800-879-3177 or 763-670-3500

Email: Support@frontlinewarningsystems.com

Proposed Service Contract for Warning System Annual Service, Inspections, and Preventative Maintenance

Creating a service agreement for Municipal Weather Focused Warning Systems (siren systems) between Frontline Warning Systems and our customers installs confidence in the communities that we serve, knowing the warning system equipment is being maintained, tested and held to a high standard. Service contracts for our customers allows them to ensure proper maintenance is being done on their equipment, eliminating any need to further procure services in response to a failed unit. Service contracts allow Communities to Proactively ensure their Sirens and Warning Systems are online and in reliable operating conditions as well as allowing Frontline Warning Systems to keep up to date records of equipment, ensuring proper operation to protect communities when a threat arises, and provides all parties with regular checks to ensure the equipment is operating at optimal performance.

The following Service Contract & Preventative Maintenance Agreement is between:

Frontline Warning Systems

&

Waconia, MN

Annual Siren Maintenance for Municipal Weather focused Sirens Systems includes:

(service manual 25500289 Rev. A7 0824)

1. Inspect all electrical and mechanical connections. Make sure all fasteners are properly tightened.
2. Visual inspection of the grounding system, utility pole, conduits and connections as well as cabinets.
3. Inspect both the rotator motor and siren motor (if equipped)
4. Grease and inspect the siren head (up to 65ft head height)
5. Realign and reset rotation tensioner (if equipped)
6. Check sensor adjustment (if equipped)
7. Check rotation current sensor (if equipped)
8. Check AC power sensor (if equipped)
9. Check intrusion sensor(s) (if equipped)
10. Check battery voltage/cold cranking amps (if equipped)
11. Check controller auto-reporting (if equipped)
12. Check battery charger voltage (if equipped)
13. Check transformer/rectifier (if equipped)
14. Test manual siren activation (if equipped)
15. Extract siren history since last visit and document (if equipped)
16. Check radio transmit power and antenna reflectivity (if equipped)
17. Check individual speaker cells (if equipped)
18. Check individual amplifiers (if equipped)

Any additional parts or materials that are needed, including batteries, will be charged to the end user. Subsequent service calls during the service period may incur an additional charge.

Frontline Warning Systems Responsibilities include:

- #1: Schedule technicians to perform services
- #2: Ensure inspections and maintenance meets manufacturer's specifications
- #3: Conduct work in a timely manner and in accordance with season parameters
- #4: Identify and document any/all open issues
- #5: Provide a service point and Emergency Contact to the end user

End User's Responsibilities:

- #1: Provide an authorized Point of Contact for schedule and site coordination
- #2: Notify Frontline Warning Systems of any failed monthly/audible test
- #3: Notify Frontline Warning Systems of any special site instructions
- #4: Provide unencumbered access to the equipment

Point of Contact: name _____ phone number _____



REQUEST FOR CITY COUNCIL ACTION

Meeting Date:	May 19, 2025
Item Name:	7.17. Optional 2:00 a.m. Closing Applications
Originating Dept:	Administration
Presented By:	Sue Schwalbe
Previous Council Action: None	
Item Type:	Consent
RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2025-147 Approving an Application for Optional 2:00 a.m. Closing - The Saloon Adopt Resolution No. 2025-148 Approving an Application for Optional 2:00 a.m. Closing - Hoppers	
EXPLANATION OF AGENDA ITEM: The Waconia Saloon Inc. dba The Saloon, located at 16 Elm Street South and P&D Incorporated dba Hopper's have submitted applications for Optional 2:00 a.m. Closing Liquor Licenses. At the June 16, 2023, Council Meeting, the Council amended Chapter 580 of the Waconia City Code to allow optional 2:00 a.m. closing for licensed establishments. If approved, the applications, along with payment, will be submitted to the Minnesota Department of Public Safety for review. The licenses will not become effective until the City receives approval from the Minnesota Department of Public Safety.	
ATTACHMENTS: 1. Resolution No. 2025-147 Approve Optional 2:00 a.m. Closing The Saloon 2. Resolution No. 2024-148 Approve Optional 2:00 a.m. Closing Hoppers	
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. 2025-147**

**RESOLUTION APPROVING OPTIONAL 2:00 A.M. CLOSING FOR
WACONIA SALOON, INC dba THE SALOON**

WHEREAS, Waconia Saloon, Inc. dba The Saloon located at 16 South Elm Street has submitted an application for Optional 2:00 a.m. closing; and

WHEREAS, the City Council adopted an Ordinance amending Chapter 580 of the Waconia City Code Related to Alcoholic Beverages to allow 2:00 a.m. closing of licensed liquor establishments in accordance with Minnesota State Statute, effective July 1, 2024

NOW, THEREFORE, BE IT RESOLVED That the City Council of the City of Waconia hereby approves the Optional 2:00 a.m. Closing Application of the Waconia Saloon Inc. dba The Saloon, contingent upon completion of all forms, payment of fees, receipt of certificates of insurance and proof of compliance with state and local requirements

Adopted by the City Council of the City of Waconia this 19th day of May 2025.

Tim Litfin, Mayor

Attest: _____
Jackie Schulze, Assistant City Administrator

**CITY OF WACONIA
RESOLUTION NO. 2025-148**

**RESOLUTION APPROVING OPTIONAL 2:00 A.M. CLOSING FOR
P&D INCORPORATED dba HOPPER'S**

WHEREAS, P&D Incorporated. dba Hopper's located at 119 Olive Street South has submitted an application for Optional 2:00 a.m. closing; and

WHEREAS, the City Council adopted an Ordinance amending Chapter 580 of the Waconia City Code Related to Alcoholic Beverages to allow 2:00 a.m. closing of licensed liquor establishments in accordance with Minnesota State Statute, effective July 1, 2024

NOW, THEREFORE, BE IT RESOLVED That the City Council of the City of Waconia hereby approves the Optional 2:00 a.m. Closing Application for P&D Incorporated dba Hopper's, contingent upon completion of all forms, payment of fees, receipt of certificates of insurance and proof of compliance with state and local requirements

Adopted by the City Council of the City of Waconia this 19th day of May 2025.

Tim Litfin, Mayor

Attest: _____
Jackie Schulze, Assistant City Administrator



REQUEST FOR CITY COUNCIL ACTION

Meeting Date:	May 19, 2025		
Item Name:	8.1. Accepting Audited Annual Comprehensive Financial Report as of December 31, 2024		
Originating Dept:	Finance		
Presented By:	Nicole Meyer		
Previous Council Action:	None		
Item Type:	Regular Session		
RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Resolution No. 2025-149 Accepting Audited Annual Comprehensive Financial Report as of December 31, 2024			
EXPLANATION OF AGENDA ITEM: City staff and the auditing firm of Redpath and Company have concluded the audit fieldwork and have prepared the City of Waconia Annual Comprehensive Financial Report for the year ending December 31, 2024. Andy Hering from Redpath and Company will be providing a presentation of the final reports and audit results at the meeting. Due to the length of the financial statement, a copy of the Annual Comprehensive Financial Report will be provided to the City Council prior to the meeting under separate cover. The following reports provided by Redpath and Company may be sent under separate cover for your review if they are not received prior to posting of the agenda: Internal Control, Minnesota Legal Compliance, and Communication with Those Charged with Governance. These reports will show the City did not have any internal control or compliance findings in 2024. A copy of these final reports will also be available for review by the public at City Hall prior to the meeting. With the Council's acceptance of the Annual Comprehensive Financial Report, staff will post a copy of the report on the City's website, and forward a copy to the Office of the State Auditor and the Government Finance Officers Association for consideration for the Excellence in Financial Reporting Certificate.			
ATTACHMENTS: 1. Resolution No. 2025-149 Accepting Annual Audit 12-31-2024 2. 2024 Final Issued Internal Control Report 3. 2024 Final Issued Legal Compliance Report 4. 2024 Final Issued Governance Letter 5. 2024 Independent Auditors Report 6. 2024 Final Statements 1-8			
FINANCIAL IMPLICATIONS:		ADVISORY BOARD RECOMMENDATIONS:	
Funding Sources & Uses:		Planning Commission:	
Budget Information:			

_____ Budgeted	Park Board:
_____ Non-Budgeted	Personnel Committee:
_____ Amendment Required	Other:

CITY OF WACONIA

RESOLUTION NO. 2025-149

**RESOLUTION ACCEPTING AUDITED ANNUAL
COMPREHENSIVE FINANCIAL REPORT AS OF DECEMBER 31, 2024**

BE IT RESOLVED that the City Council of the City of Waconia hereby accepts the Annual Comprehensive Financial Report for the year ending December 31, 2024, as presented by the City's finance department and the City's auditing firm, Redpath and Company.

Adopted by the City Council of the City of Waconia this 19th day of May 2025.

Tim Litfin, Mayor

ATTEST: _____
Jackie Schulze, Assistant City Administrator



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT
AUDITING STANDARDS*

To the Honorable Mayor and
Members of the City Council
City of Waconia, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Waconia, Minnesota as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City of Waconia, Minnesota's basic financial statements, and have issued our report thereon dated May 14, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Waconia, Minnesota's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Waconia, Minnesota's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Waconia, Minnesota's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Waconia, Minnesota's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Redpath and Company, LLC

REDPATH AND COMPANY, LLC
St. Paul, Minnesota

May 14, 2025



MINNESOTA LEGAL COMPLIANCE REPORT

To the Honorable Mayor and
Members of the City Council
City of Waconia, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Waconia, Minnesota as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City of Waconia, Minnesota's basic financial statements, and have issued our report thereon dated May 14, 2025.

In connection with our audit, nothing came to our attention that caused us to believe that the City of Waconia, Minnesota failed to comply with the provisions of the contracting – bid laws, depositories of public funds and public investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and tax increment financing sections of the *Minnesota Legal Compliance Audit Guide for Cities*, promulgated by the State Auditor pursuant to Minnesota Statute § 6.65, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City of Waconia, Minnesota's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this communication is not suitable for any other purpose.

Redpath and Company, LLC

REDPATH AND COMPANY, LLC
St. Paul, Minnesota

May 14, 2025



COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

To the Honorable Mayor and
Members of the City Council
City of Waconia, Minnesota

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Waconia, Minnesota (the City) for the year ended December 31, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 15, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2024. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the financial statements are the estimates used to calculate the net pension liability, the pension related deferred outflows and inflows of resources, and pension expense. These estimates are based on actuarial studies. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. Determining sensitivity is subjective, however, we believe the disclosure most likely to be considered sensitive is Note 8 – Long-term Debt.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no uncorrected misstatements that have an effect on our opinion on the financial statements. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 14, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

General Fund Balance

A significant portion of General Fund revenue is property taxes. The City does not receive its first property tax settlement from the county until around July 1 of each year. As such, the City must have adequate reserves at the beginning of the year to fund the first six months of operations. For 2025, the City's General Fund operating expenditure budget is \$9,797,235, excluding budgeted transfers to other funds. As of December 31, 2024, unassigned fund balance of the General Fund was \$4,128,895, or 42% of the ensuing year's operating budget, excluding transfers. This compares to 43% at December 31, 2023 and 50% at December 31, 2022. We recommend the City Council continue to closely monitor the cash and fund balance levels of the General Fund.

Other Matters

We applied certain limited procedures to the management's discussion and analysis, the budgetary comparison schedule, and the schedules of pension information, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual nonmajor fund financial statements and schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. Such information has not been subjected to auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the City Council and management of the City of Waconia, Minnesota and is not intended to be, and should not be, used by anyone other than these specified parties.

Redpath and Company, LLC

REDPATH AND COMPANY, LLC
St. Paul, Minnesota

May 14, 2025



INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the City Council
City of Waconia, Minnesota

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Waconia, Minnesota, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City of Waconia, Minnesota's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Waconia, Minnesota, as of December 31, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Waconia, Minnesota and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Report on Summarized Comparative Information

We have previously audited the City of Waconia, Minnesota's 2023 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information in our report dated May 17, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Waconia, Minnesota's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Governmental Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Waconia, Minnesota's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Waconia, Minnesota's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedule, and the schedules of pension information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Waconia, Minnesota's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 14, 2025 on our consideration of the City of Waconia, Minnesota's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Waconia, Minnesota's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Waconia, Minnesota's internal control over financial reporting and compliance.

Redpath and Company, LLC

REDPATH AND COMPANY, LLC
St. Paul, Minnesota

May 14, 2025

CITY OF WACONIA, MINNESOTA
STATEMENT OF NET POSITION

December 31, 2024

With Comparative Totals For December 31, 2023

Statement 1

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	
			2024	2023
Assets:				
Cash and investments	\$16,026,544	\$10,480,498	\$26,507,042	\$31,547,101
Accrued interest receivable	116,103	-	116,103	178,772
Due from other governmental units	1,063,029	-	1,063,029	645,996
Accounts receivable - net	232,450	594,501	826,951	883,969
Internal balances	(216,659)	216,659	-	-
Prepaid items	164,151	50,703	214,854	189,623
Property taxes receivable	27,144	-	27,144	27,459
Special assessments receivable	2,614,221	185,259	2,799,480	2,786,115
Deposits receivable	175,000	-	175,000	175,000
Notes receivable - net	1,253,355	36,884	1,290,239	1,200,407
Leases receivable	9,231,420	-	9,231,420	9,488,250
Land held for resale	20,000	-	20,000	20,000
Net pension asset	976,364	-	976,364	522,613
Capital assets - nondepreciable	26,001,628	2,403,525	28,405,153	29,212,662
Capital assets - net of accumulated depreciation	68,930,527	53,151,830	122,082,357	115,370,073
Total assets	126,615,277	67,119,859	193,735,136	192,248,040
Deferred outflows of resources related to:				
Pensions	636,228	137,449	773,677	1,278,588
Debt refunding	56,613	-	56,613	75,486
Total deferred outflows of resources	692,841	137,449	830,290	1,354,074
Liabilities:				
Accounts payable	640,773	248,142	888,915	1,086,135
Due to other governmental units	46,784	13,598	60,382	54,765
Salaries and benefits payable	160,591	63,996	224,587	162,423
Contracts payable	461,136	83,175	544,311	1,578,088
Deposits payable	996,391	-	996,391	1,244,427
Unearned revenue	111,171	-	111,171	454,752
Accrued interest payable	599,328	251,380	850,708	818,890
Long-term liabilities:				
Long-term debt, due within one year	4,594,073	2,547,036	7,141,109	6,429,893
Long-term debt, due in more than one year	36,306,300	13,691,518	49,997,818	50,685,817
Net pension liability, due in more than one year	1,158,373	476,772	1,635,145	2,364,214
Total liabilities	45,074,920	17,375,617	62,450,537	64,879,404
Deferred inflows of resources related to:				
Pensions	1,125,441	347,248	1,472,689	1,050,334
Leases	9,231,420	-	9,231,420	9,488,250
Total deferred inflows of resources	10,356,861	347,248	10,704,109	10,538,584
Net position:				
Net investment in capital assets	55,154,727	39,378,665	94,533,392	94,004,286
Restricted for:				
Debt service	8,699,919	-	8,699,919	8,438,086
Economic development loans	1,580,137	-	1,580,137	1,524,694
Fire Relief Association pension plan	976,364	-	976,364	522,613
Public safety purposes	416,559	-	416,559	581,881
Tax increment purposes	417,108	-	417,108	394,827
Park improvements	161,775	-	161,775	142,481
Affordable housing	73,323	-	73,323	-
Other purposes	30,196	-	30,196	42,684
Unrestricted	4,366,229	10,155,778	14,522,007	12,532,574
Total net position	\$71,876,337	\$49,534,443	\$121,410,780	\$118,184,126

The accompanying notes are an integral part of these financial statements.

CITY OF WACONIA, MINNESOTA
STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2024
With Comparative Totals For The Year Ended December 31, 2023

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>
		<u>Charges For Services</u>
Primary government:		
Governmental activities:		
Administrative services	\$3,836,884	\$782,060
Community development	1,139,167	1,050,659
Culture and recreation	2,157,232	1,778,948
Public safety	2,337,814	289,248
Public services	8,160,209	527,845
Interest on long-term debt	1,223,399	-
Total governmental activities	<u>18,854,705</u>	<u>4,428,760</u>
Business-type activities:		
Water	2,685,922	1,989,227
Sewer	3,117,004	2,957,982
Storm water	1,858,178	1,890,896
Street lighting	273,605	303,479
Total business-type activities	<u>7,934,709</u>	<u>7,141,584</u>
Total primary government	<u>\$26,789,414</u>	<u>\$11,570,344</u>

The accompanying notes are an integral part of these financial statements.

Program Revenues		Net (Expense) Revenue and Changes in Net Position Primary Government			
Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Totals	
				2024	2023
\$84,129	\$ -	(\$2,970,695)	\$ -	(\$2,970,695)	(\$2,803,281)
73,323	-	(15,185)	-	(15,185)	157,660
-	-	(378,284)	-	(378,284)	(319,033)
263,091	-	(1,785,475)	-	(1,785,475)	(4,674,208)
246,980	2,561,034	(4,824,350)	-	(4,824,350)	(2,964,259)
-	-	(1,223,399)	-	(1,223,399)	(1,232,380)
667,523	2,561,034	(11,197,388)	-	(11,197,388)	(11,835,501)
14,141	842,700	-	160,146	160,146	263,505
12,203	651,219	-	504,400	504,400	247,560
14,500	390,400	-	437,618	437,618	328,939
926	-	-	30,800	30,800	20,787
41,770	1,884,319	-	1,132,964	1,132,964	860,791
\$709,293	\$4,445,353	(11,197,388)	1,132,964	(10,064,424)	(10,974,710)
General revenues:					
Property taxes		11,542,466	-	11,542,466	10,208,438
Tax increment collections		193,304	-	193,304	158,073
Lodging taxes		33,992	-	33,992	38,872
Grants and contributions not restricted to specific programs		381,469	-	381,469	397,456
Unrestricted investment earnings		801,654	278,849	1,080,503	1,422,257
Gain on sale of capital assets		52,224	7,120	59,344	475,253
Transfers		100,366	(100,366)	-	-
Total general revenues and transfers		13,105,475	185,603	13,291,078	12,700,349
Change in net position		1,908,087	1,318,567	3,226,654	1,725,639
Net position - January 1		69,968,250	48,215,876	118,184,126	116,458,487
Net position - December 31		\$71,876,337	\$49,534,443	\$121,410,780	\$118,184,126

The accompanying notes are an integral part of these financial statements.

CITY OF WACONIA, MINNESOTA

BALANCE SHEET

GOVERNMENTAL FUNDS

December 31, 2024

With Comparative Totals For December 31, 2023

Statement 3

	General Fund (101)	Permanent Improvement Revolving Capital Fund (103)	Other Governmental Funds	Total Governmental Funds	
				2024	2023
Assets:					
Cash and investments	\$6,201,977	\$1,503,394	\$8,321,173	\$16,026,544	\$23,065,999
Accrued interest receivable	116,103	-	-	116,103	178,772
Due from other governmental units	169,345	813,128	80,556	1,063,029	642,874
Accounts receivable - net	19,548	98,131	114,771	232,450	345,611
Prepaid items	137,457	12,982	13,712	164,151	142,812
Property taxes receivable	18,126	-	9,018	27,144	27,459
Special assessments receivable:					
Delinquent	-	-	897	897	5,537
Deferred	7,897	-	2,605,427	2,613,324	2,565,858
Interfund loan receivable	115,000	-	518,457	633,457	419,782
Deposits receivable	-	-	175,000	175,000	175,000
Notes receivable - net	2,833	240,843	1,009,679	1,253,355	1,120,019
Leases receivable	9,231,420	-	-	9,231,420	9,488,250
Land held for resale	-	20,000	-	20,000	20,000
Total assets	<u>\$16,019,706</u>	<u>\$2,688,478</u>	<u>\$12,848,690</u>	<u>\$31,556,874</u>	<u>\$38,197,973</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance:					
Liabilities:					
Accounts payable	\$408,961	\$147,714	\$84,098	\$640,773	\$815,520
Due to other governmental units	48	-	46,736	46,784	54,765
Salaries and benefits payable	160,591	-	-	160,591	120,820
Contracts payable	-	461,136	-	461,136	1,490,348
Deposits payable	664,290	332,101	-	996,391	1,244,427
Interfund loan payable	-	240,843	609,273	850,116	752,368
Unearned revenue	111,171	-	-	111,171	454,752
Total liabilities	<u>1,345,061</u>	<u>1,181,794</u>	<u>740,107</u>	<u>3,266,962</u>	<u>4,933,000</u>
Deferred inflows of resources:					
Unavailable revenue	26,024	240,843	3,140,305	3,407,172	3,174,872
Related to leases	9,231,420	-	-	9,231,420	9,488,250
Total deferred inflows of resources	<u>9,257,444</u>	<u>240,843</u>	<u>3,140,305</u>	<u>12,638,592</u>	<u>12,663,122</u>
Fund balance:					
Nonspendable	137,457	12,982	13,712	164,151	142,812
Restricted	490,939	1,360,590	8,600,819	10,452,348	16,637,911
Committed	659,910	-	330,797	990,707	852,313
Assigned	-	-	366,826	366,826	522,552
Unassigned	4,128,895	(107,731)	(343,876)	3,677,288	2,446,263
Total fund balance	<u>5,417,201</u>	<u>1,265,841</u>	<u>8,968,278</u>	<u>15,651,320</u>	<u>20,601,851</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$16,019,706</u>	<u>\$2,688,478</u>	<u>\$12,848,690</u>	<u>\$31,556,874</u>	<u>\$38,197,973</u>
Fund balance reported above				\$15,651,320	\$20,601,851
Amounts reported for governmental activities in the statement of net position are different because:					
Certain assets and deferred outflows of resources used in governmental activities are not current financial resources and, therefore, are not reported in the funds.				96,601,360	90,588,362
Long-term liabilities, including deferred inflows of resources, are not due and payable in the current period and, therefore, are not reported in the funds.				(43,783,515)	(44,396,835)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the funds.				3,407,172	3,174,872
Net position of governmental activities				<u>\$71,876,337</u>	<u>\$69,968,250</u>

The accompanying notes are an integral part of these financial statements.

CITY OF WACONIA, MINNESOTA

STATEMENT OF REVENUES, EXPENDITURES AND

CHANGES IN FUND BALANCE

GOVERNMENTAL FUNDS

For The Year Ended December 31, 2024

With Comparative Totals For The Year Ended December 31, 2023

Statement 4

	General Fund (101)	Permanent Improvement Revolving Capital Fund (103)	Other Governmental Funds	Total Governmental Funds	
				2024	2023
Revenues:					
Property taxes	\$7,775,563	\$ -	\$3,767,218	\$11,542,781	\$10,206,142
Tax increment collections	-	-	193,304	193,304	158,073
Lodging taxes	-	-	33,992	33,992	38,872
Special assessments	-	-	523,696	523,696	351,508
Intergovernmental	559,833	1,432,235	379,501	2,371,569	1,625,918
Investment income	248,953	377,449	175,252	801,654	1,218,671
Charges for services	1,068,603	419,951	1,821,437	3,309,991	2,770,888
Licenses and permits	1,065,548	-	-	1,065,548	1,146,918
Fines and forfeits	53,221	-	-	53,221	53,504
Contributions and donations	35,805	50,000	20,000	105,805	91,420
Total revenues	<u>10,807,526</u>	<u>2,279,635</u>	<u>6,914,400</u>	<u>20,001,561</u>	<u>17,661,914</u>
Expenditures:					
Current:					
Administrative services	2,651,624	-	22,775	2,674,399	2,289,049
Community development	889,794	-	248,656	1,138,450	973,130
Culture and recreation	74,932	-	1,853,084	1,928,016	1,922,518
Public safety	2,217,927	-	-	2,217,927	1,683,055
Public services	2,920,646	1,050,526	-	3,971,172	4,020,845
Capital outlay:					
Administrative services	-	156,795	-	156,795	84,005
Culture and recreation	-	336,045	-	336,045	517,229
Public safety	-	6,416,339	69,965	6,486,304	7,694,778
Public services	-	3,287,234	1,089,495	4,376,729	3,506,375
Debt service:					
Principal	-	-	3,910,598	3,910,598	3,655,474
Interest and fiscal charges	-	72,052	1,412,140	1,484,192	1,315,156
Total expenditures	<u>8,754,923</u>	<u>11,318,991</u>	<u>8,606,713</u>	<u>28,680,627</u>	<u>27,661,614</u>
Revenues over (under) expenditures	<u>2,052,603</u>	<u>(9,039,356)</u>	<u>(1,692,313)</u>	<u>(8,679,066)</u>	<u>(9,999,700)</u>
Other financing sources (uses):					
Bonds issued	-	3,204,204	90,796	3,295,000	2,800,000
Bond premium	-	191,771	-	191,771	254,206
Sale of capital assets	-	141,398	-	141,398	411,890
Transfers in	316,700	425,000	1,816,241	2,557,941	2,731,876
Transfers out	(2,049,275)	-	(408,300)	(2,457,575)	(2,644,910)
Total other financing sources (uses)	<u>(1,732,575)</u>	<u>3,962,373</u>	<u>1,498,737</u>	<u>3,728,535</u>	<u>3,553,062</u>
Net change in fund balance	320,028	(5,076,983)	(193,576)	(4,950,531)	(6,446,638)
Fund balance - January 1	<u>5,097,173</u>	<u>6,342,824</u>	<u>9,161,854</u>	<u>20,601,851</u>	<u>27,048,489</u>
Fund balance - December 31	<u>\$5,417,201</u>	<u>\$1,265,841</u>	<u>\$8,968,278</u>	<u>\$15,651,320</u>	<u>\$20,601,851</u>

The accompanying notes are an integral part of these financial statements.

CITY OF WACONIA, MINNESOTA**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS****Statement 5**

For The Year Ended December 31, 2024

With Comparative Amounts For The Year Ended December 31, 2023

	2024	2023
Amounts reported for governmental activities in the statement of activities are different because:		
Net changes in fund balance - total governmental funds (Statement 4)	(\$4,950,531)	(\$6,446,638)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:		
Depreciation	(5,650,990)	(5,375,660)
Capital outlay	11,355,873	11,802,387
Capital outlay not capitalized	-	(6,054)
Current expenditures capitalized	68,049	-
Various other transactions involving capital assets increase (decrease) net position on the statement of activities, but are not reported in governmental funds because they do not provide (or use) current financial resources:		
Contributed capital assets	302,487	130,295
Gain (loss) on disposal of capital assets	(89,174)	63,363
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:		
Change in delinquent taxes	(315)	2,296
Change in deferred and delinquent special assessments	42,825	135,646
Change in long-term notes receivable	189,790	104,212
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.		
Bonds issued, including bond premium	(3,486,771)	(3,054,206)
Repayment of principal	3,910,598	3,655,474
Governmental funds report the effects of bond premiums and discounts when the debt is first issued, whereas these amounts are deferred and amortized over the life of the debt in the statement of activities.		
Amortization of bond premiums	290,920	265,499
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. Expenses reported in the statement of activities include the effects of the changes in these expense accruals as follows:		
Change in arbitrage rebate payable	(216,962)	-
Change in compensated absences payable	(42,923)	(47,440)
Change in accrued interest payable	(11,254)	(163,850)
Change in deferred outflows related to debt refunding	(18,873)	(18,873)
Governmental funds report pension contributions as expenditures, however pension expense is reported in the statement of activities. This is the amount by which pension expense differed from pension contributions:		
	215,338	(298,223)
Change in net position of governmental activities (Statement 2)	<u>\$1,908,087</u>	<u>\$748,228</u>

The accompanying notes are an integral part of these financial statements.

CITY OF WACONIA, MINNESOTA

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

December 31, 2024

With Comparative Totals For December 31, 2023

Statement 6

	Business-Type Activities - Enterprise Funds					
	Water (601)	Sewer (602)	Storm Water (655)	Street Light Utility (668)	Total	
					2024	2023
Assets:						
Current assets:						
Cash and cash equivalents	\$5,673,859	\$2,028,575	\$2,449,935	\$328,129	\$10,480,498	\$8,481,102
Due from other governmental units	-	-	-	-	-	3,122
Accounts receivable - net	131,131	265,503	171,624	26,243	594,501	538,358
Prepaid items	19,555	17,854	10,600	2,694	50,703	46,811
Special assessments receivable - current portion	28,814	-	11,497	-	40,311	35,430
Interfund loan receivable - current portion	-	33,689	-	-	33,689	43,708
Trunk fees receivable - current portion	2,010	2,365	-	-	4,375	43,442
Total current assets	5,855,369	2,347,986	2,643,656	357,066	11,204,077	9,191,973
Noncurrent assets:						
Special assessments receivable - noncurrent portion	95,666	-	49,282	-	144,948	179,290
Interfund loan receivable - noncurrent portion	-	182,970	-	-	182,970	288,878
Trunk fees receivable - noncurrent portion	15,249	17,260	-	-	32,509	36,946
Capital assets:						
Land	378,680	55,000	262,200	-	695,880	695,880
Buildings	9,880,592	303,447	-	-	10,184,039	10,184,039
Machinery and equipment	433,752	688,385	310,241	15,915	1,448,293	1,320,276
Infrastructure	26,972,243	21,815,032	26,763,608	192,682	75,743,565	71,336,085
Vehicles	289,956	395,339	540,099	-	1,225,394	1,252,180
Construction in progress	531,284	488,194	558,668	129,499	1,707,645	3,937,529
Total capital assets	38,486,507	23,745,397	28,434,816	338,096	91,004,816	88,725,989
Less: Allowance for depreciation	(16,556,893)	(9,146,247)	(9,541,234)	(205,087)	(35,449,461)	(33,089,164)
Net capital assets	21,929,614	14,599,150	18,893,582	133,009	55,555,355	55,636,825
Total noncurrent assets	22,040,529	14,799,380	18,942,864	133,009	55,915,782	56,141,939
Total assets	27,895,898	17,147,366	21,586,520	490,075	67,119,859	65,333,912
Deferred outflows of resources related to pensions	50,562	42,164	41,968	2,755	137,449	234,235
Liabilities:						
Current liabilities:						
Accounts payable	88,754	81,982	50,716	26,690	248,142	270,615
Due to other governments	5,507	2,584	5,507	-	13,598	-
Salaries and benefits payable	19,711	18,496	24,419	1,370	63,996	41,603
Contracts payable	39,421	25,010	18,744	-	83,175	87,740
Accrued interest payable	127,685	61,565	62,130	-	251,380	230,816
Compensated absences payable - current	48,242	47,557	29,602	2,658	128,059	91,636
Bonds and notes payable - current	1,095,900	800,000	523,077	-	2,418,977	2,218,618
Total current liabilities	1,425,220	1,037,194	714,195	30,718	3,207,327	2,941,028
Noncurrent liabilities:						
Compensated absences payable	6,397	6,306	3,925	352	16,980	37,004
Net pension liability	173,411	145,310	148,347	9,704	476,772	726,950
Bonds and notes payable	6,786,163	3,424,245	3,464,130	-	13,674,538	13,413,217
Total noncurrent liabilities	6,965,971	3,575,861	3,616,402	10,056	14,168,290	14,177,171
Total liabilities	8,391,191	4,613,055	4,330,597	40,774	17,375,617	17,118,199
Deferred inflows of resources related to pensions	119,493	102,588	117,582	7,585	347,248	234,072
Net position:						
Net investment in capital assets	14,008,130	10,349,895	14,887,631	133,009	39,378,665	39,917,250
Unrestricted	5,427,646	2,123,992	2,292,678	311,462	10,155,778	8,298,626
Total net position	\$19,435,776	\$12,473,887	\$17,180,309	\$444,471	\$49,534,443	\$48,215,876

The accompanying notes are an integral part of these financial statements.

CITY OF WACONIA, MINNESOTA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For The Year Ended December 31, 2024
With Comparative Totals For The Year Ended December 31, 2023

Statement 7

	Business-Type Activities - Enterprise Funds				Total	
	Water (601)	Sewer (602)	Storm Water (655)	Street Light Utility (668)		
					2024	2023
Operating revenues:						
Charges for services	\$1,919,568	\$2,946,131	\$1,799,626	\$298,479	\$6,963,804	\$6,787,746
Pension related revenue	14,141	12,203	14,500	926	41,770	56,722
Total operating revenues	<u>1,933,709</u>	<u>2,958,334</u>	<u>1,814,126</u>	<u>299,405</u>	<u>7,005,574</u>	<u>6,844,468</u>
Operating expenses:						
Wages and salaries	454,623	411,242	416,662	27,519	1,310,046	1,148,263
Employee benefits	164,540	149,680	150,496	7,351	472,067	399,686
Materials and supplies	222,221	16,667	28,606	1,649	269,143	415,301
Repairs and maintenance	90,537	223,726	56,258	25,800	396,321	274,320
Professional services	391,634	1,510,685	279,869	38,916	2,221,104	2,273,864
Insurance	36,295	33,345	20,003	6,207	95,850	99,477
Utilities	125,064	34,364	21,743	165,529	346,700	425,201
Depreciation	1,012,918	635,263	737,063	501	2,385,745	2,310,086
Equipment	6,956	4,702	6,148	-	17,806	13,548
Miscellaneous	24,370	44,369	40,155	133	109,027	85,438
Total operating expenses	<u>2,529,158</u>	<u>3,064,043</u>	<u>1,757,003</u>	<u>273,605</u>	<u>7,623,809</u>	<u>7,445,184</u>
Operating income (loss)	<u>(595,449)</u>	<u>(105,709)</u>	<u>57,123</u>	<u>25,800</u>	<u>(618,235)</u>	<u>(600,716)</u>
Nonoperating revenues (expenses):						
Investment income	150,612	52,217	62,951	13,069	278,849	203,586
Intergovernmental revenue	-	-	-	-	-	160,442
Other income	69,659	11,851	91,270	5,000	177,780	322,691
Interest and fiscal charges	(156,764)	(52,961)	(101,175)	-	(310,900)	(298,573)
Gain (loss) on disposal of capital assets	3,560	3,560	-	-	7,120	-
Total nonoperating revenues (expenses)	<u>67,067</u>	<u>14,667</u>	<u>53,046</u>	<u>18,069</u>	<u>152,849</u>	<u>388,146</u>
Income (loss) before contributions and transfers	<u>(528,382)</u>	<u>(91,042)</u>	<u>110,169</u>	<u>43,869</u>	<u>(465,386)</u>	<u>(212,570)</u>
Transfers in	203,300	203,300	-	-	406,600	375,000
Transfers out	(240,851)	(161,986)	(104,129)	-	(506,966)	(461,966)
Capital contributions:						
Connection charges	647,600	456,300	390,400	-	1,494,300	1,276,947
Contribution of capital assets	195,100	194,919	-	-	390,019	-
Total contributions and transfers	<u>805,149</u>	<u>692,533</u>	<u>286,271</u>	<u>-</u>	<u>1,783,953</u>	<u>1,189,981</u>
Change in net position	276,767	601,491	396,440	43,869	1,318,567	977,411
Net position - January 1	<u>19,159,009</u>	<u>11,872,396</u>	<u>16,783,869</u>	<u>400,602</u>	<u>48,215,876</u>	<u>47,238,465</u>
Net position - December 31	<u>\$19,435,776</u>	<u>\$12,473,887</u>	<u>\$17,180,309</u>	<u>\$444,471</u>	<u>\$49,534,443</u>	<u>\$48,215,876</u>

The accompanying notes are an integral part of these financial statements.

CITY OF WACONIA, MINNESOTA

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For The Year Ended December 31, 2024

With Comparative Totals For The Year Ended December 31, 2023

Statement 8

	Business-Type Activities - Enterprise Funds					
	Water (601)	Sewer (602)	Storm Water (655)	Street Light Utility (668)	Total	
					2024	2023
Cash flows from operating activities:						
Receipts from customers and users	\$1,929,013	\$2,928,621	\$1,790,587	\$304,332	\$6,952,553	\$6,759,943
Payment to suppliers	(868,245)	(1,850,928)	(488,605)	(265,505)	(3,473,283)	(3,569,333)
Payment to employees	(624,683)	(564,966)	(560,068)	(33,820)	(1,783,537)	(1,564,791)
Miscellaneous revenue	69,659	11,851	91,270	5,000	177,780	483,133
Net cash flows from operating activities	505,744	524,578	833,184	10,007	1,873,513	2,108,952
Cash flows from noncapital financing activities:						
Transfer to other funds	(130,000)	(125,000)	(60,000)	-	(315,000)	(270,000)
Repayment of interfund loan receivable	-	115,927	-	-	115,927	42,530
Net cash flows from noncapital financing activities:	(130,000)	(9,073)	(60,000)	-	(199,073)	(227,470)
Cash flows from capital and related financing activities:						
Principal paid on debt	(1,018,600)	(750,000)	(449,018)	-	(2,217,618)	(2,031,313)
Interest and fiscal charges paid on debt	(262,558)	(154,644)	(140,985)	-	(558,187)	(551,284)
Transfer to other funds	(110,851)	(36,986)	(44,129)	-	(191,966)	(191,966)
Special assessment collections	18,163	-	11,298	-	29,461	32,561
Connection charges	677,700	469,704	390,400	-	1,537,804	1,510,188
Bond proceeds, including premium	2,084,897	280,427	581,825	-	2,947,149	1,227,136
Acquisition of capital assets	(811,608)	(493,825)	(472,204)	(129,499)	(1,907,136)	(2,143,293)
Transfer from other funds	203,300	203,300	-	-	406,600	375,000
Net cash flows from capital and related financing activities	780,443	(482,024)	(122,813)	(129,499)	46,107	(1,772,971)
Cash flows from investing activities:						
Investment income	150,612	52,217	62,951	13,069	278,849	203,586
Net increase (decrease) in cash and cash equivalents	1,306,799	85,698	713,322	(106,423)	1,999,396	312,097
Cash and cash equivalents - January 1	4,367,060	1,942,877	1,736,613	434,552	8,481,102	8,169,005
Cash and cash equivalents - December 31	\$5,673,859	\$2,028,575	\$2,449,935	\$328,129	\$10,480,498	\$8,481,102
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating income (loss)	(\$595,449)	(\$105,709)	\$57,123	\$25,800	(\$618,235)	(\$600,716)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:						
Miscellaneous revenue	69,659	11,851	91,270	5,000	177,780	483,133
Depreciation	1,012,918	635,263	737,063	501	2,385,745	2,310,086
Changes in assets, liabilities, deferred outflows and inflows:						
Decrease (increase) in receivables	(4,696)	(29,713)	(23,539)	4,927	(53,021)	(27,803)
Decrease (increase) in prepaid items	(1,059)	(728)	(2,121)	16	(3,892)	(7,834)
Decrease (increase) in deferred outflows of resources	31,793	27,869	34,897	2,227	96,786	164,003
Increase (decrease) in payables	10,373	9,320	(1,281)	(27,287)	(8,875)	10,994
Increase (decrease) in salaries and benefits payable	4,883	4,905	11,920	685	22,393	(5,580)
Increase (decrease) in contracts payable	19,518	8,338	(32,421)	-	(4,565)	14,656
Increase (decrease) in compensated absences	2,806	2,632	9,670	1,291	16,399	(11,984)
Increase (decrease) in net pension liability	(82,179)	(72,038)	(90,203)	(5,758)	(250,178)	(436,719)
Increase (decrease) in deferred inflows of resources	37,177	32,588	40,806	2,605	113,176	216,716
Total adjustments	1,101,193	630,287	776,061	(15,793)	2,491,748	2,709,668
Net cash flows from operating activities	\$505,744	\$524,578	\$833,184	\$10,007	\$1,873,513	\$2,108,952
Noncash investing, capital and financing activities:						
Contribution of capital assets	\$195,100	\$194,919	\$ -	\$ -	\$390,019	\$ -

The accompanying notes are an integral part of these financial statements.



REQUEST FOR CITY COUNCIL ACTION

Meeting Date:	May 19, 2025
Item Name:	8.2. Provide for the Issuance and Sale of \$9,425,000 General Obligation Bonds, Series 2025A
Originating Dept:	Finance
Presented By:	Nicole Meyer
Previous Council Action:	None
Item Type:	Regular Session
RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2025-150 Providing for the Issuance and Sale of \$9,425,000 General Obligation Bonds, Series 2025A	
EXPLANATION OF AGENDA ITEM: Staff has been working with Ehler's on the issuance of bonds to fund the 2025 infrastructure improvement project, equipment financing, and utility oversizing due for of the Holbrook Development. The City budgeted to issue General Obligation 429 special assessment bonds, equipment certificates, and revenue bonds to fund some of the project costs. Along with the bonds, the City has some developer contributions and interest income from the 2022A bonds that reduce the amount of bonds that need to be issued to pay for these projects. Attached "Exhibit A" is breakdown of the 2025 projects along with their identified funding sources. General Obligation special assessment 429 bonds are being issued for the street, sidewalk, signage, and streetlight reconstruction in the downtown area. These improvements are planned to be repaid with special assessment payments from property owners in the area of the improvements. In addition, the City will issue a new special debt levy for the portions not paid by special assessments. General Obligation 115 bonds are bonds that can be issued only for sanitary sewer projects. Under Minnesota Statute 115.46, the City may issue these bonds to aid in financing sewer projects and repay the debt using special assessments, revenue, or a special debt levy if needed. Currently, the City plans to pay these bonds with revenues from the sanitary sewer fund. General Obligation 444 revenue bonds will be issued for those portions of the projects related to water and storm water. These are revenue bonds that must be repaid with revenues in the enterprise funds from sales paid by the City's customer base and trunk fees. General Obligation 410/412 bonds can be issued for equipment to be used by a public entity. The City is issuing bonds for the replacement of a fire rescue truck, the addition of a dump truck with ice and snow controls, and a fleet mobile lift. All of these equipment purchases are outlined in the City's capital improvement plan. The City will issue a new special debt levy for payment of these bonds. Todd Hagen from Ehlers will be at the meeting to present to the City Council a pre-sale report	

for the bonds along with the resolution to be considered for approval. This step will allow City staff to continue in the next steps of the issuance of bonds for the financing of these projects.

Staff will finalize the amount of the final bond issue after approval of the project bid and calculation of the special assessments.

ATTACHMENTS:

1. Resolution No. 2025-150 Issuance and Sale of Bonds
2. 2025A Bond Issuance Exhibit A Projects & Funding Sources
3. Pre-Sale Report Waconia 2025A

FINANCIAL IMPLICATIONS:

Funding Sources & Uses: Special Debt Tax Levy,
Water, Sewer, and Storm Water Utility Funds

Budget Information:

☒	Budgeted
☐	Non-Budgeted
☐	Amendment Required

ADVISORY BOARD RECOMMENDATIONS:

Planning Commission:

Park Board:

Personnel Committee:

Other:

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

HELD: MAY 19, 2025

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 City Hall on May 19, 2025, at 6:00 P.M., for the purpose, in part, of providing for the issuance and sale of \$9,425,000 General Obligation Bonds, Series 2025A.

The following members were present:

and the following were absent:

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION NO. 2025-150

RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF
\$9,425,000 GENERAL OBLIGATION BONDS, SERIES 2025A

A. WHEREAS, the City Council (the "Council") of the City of Waconia, Minnesota (the "City") has heretofore determined that it is necessary and expedient to issue the City's \$9,425,000 General Obligation Bonds, Series 2025A (the "Bonds"), to finance the construction of various street and utility system improvements; and the acquisition of various capital equipment in and for the City; and

B. WHEREAS, the City has retained Ehlers & Associates, Inc., in Roseville, Minnesota ("Ehlers"), as its independent municipal advisor for the Bonds in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9).

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

1. Authorization. The Council hereby authorizes Ehlers to assist the City for the sale of the Bonds.
2. Meeting; Proposal Opening. The Council shall meet at 6:00 P.M. on June 16, 2025, for the purpose of considering proposals for and awarding the sale of the Bonds.
3. Official Statement. In connection with said sale, the officers or employees of the City are hereby authorized to cooperate with Ehlers and participate in the preparation of an official statement for the Bonds and to execute and deliver it on behalf of the City upon its completion.

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

and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted.

STATE OF MINNESOTA
CARVER COUNTY
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 the minutes relate to providing for the issuance and sale of \$9,425,000 General Obligation Bonds, Series 2025A.

WITNESS my hand on May 19, 2025.

City Administrator

Exhibit "A"

Total 2025 Infrastructure Project Cost & Financing Breakdown

Number	Project	Project Cost	Financing
1	Street Reconstruction - Portions of 1st/Olive/2nd Street - Street Portion	\$ 2,179,632	429 Special Assessment Bonds
1	Street Reconstruction - Portions of 1st/Olive/2nd Street - Sidewalk Portion	\$ 408,681	429 Special Assessment Bonds (developer contribution)
1	Street Reconstruction - Portions of 1st/Olive/2nd Street - Lighting Portion	\$ 344,390	429 Special Assessment Bonds
	Street Reconstruction - Portions of 1st/Olive/2nd Street - Lighting		
1	Portion (Underground Power Lines)	\$ 130,000	429 Special Assessment Bonds
	Street Reconstruction - Portions of 1st/Olive/2nd Street - Signage		
1	Portion/Electric for Trailer	\$ 12,500	429 Special Assessment Bonds
1	Street Reconstruction - Portions of 1st/Olive/2nd Street - Water	\$ 862,771	Water Bonds - 444
1	Street Reconstruction - Portions of 1st/Olive/2nd Street - Sewer	\$ 754,863	Sewer Bonds - 115
1	Street Reconstruction - Portions of 1st/Olive/2nd Street - Storm Water	\$ 771,953	Storm Water Bonds - 444
2	Rescue Truck - Replacement #1017 (Rescue 11) (2026 Project)	\$ 1,135,000	Equipment Certificate
2	Dump Truck with Ice & Snow Equipment - Addition to Fleet	\$ 400,000	Equipment Certificate
2	Fleet Garage - Mobile Lift	\$ 195,000	Equipment Certificate
3	Utility Oversizing - Falk Property Development - Water Portion	\$ 621,000	Water Bonds - 444
3	Utility Oversizing - Falk Property Development - Sewer Portion	\$ 2,170,000	Sewer Bonds - 115
Total 2025 Project Costs:		\$ 9,985,790	

429 Special Assessment Bonds

Number	Project	Project Cost	Financing
1	Street Reconstruction - Portions of 1st/Olive/2nd Street - Street Portion	\$ 2,179,632	429 Special Assessment Bonds
1	Street Reconstruction - Portions of 1st/Olive/2nd Street - Sidewalk Portion	\$ 408,681	429 Special Assessment Bonds
1	Street Reconstruction - Portions of 1st/Olive/2nd Street - Lighting Portion	\$ 344,390	429 Special Assessment Bonds
	Street Reconstruction - Portions of 1st/Olive/2nd Street - Lighting		
1	Portion (Underground Pole)	\$ 130,000	429 Special Assessment Bonds
1	Street Reconstruction - Portions of 1st/Olive/2nd Street - Signage Portion	\$ 12,500	429 Special Assessment Bonds
	City Cash - Interest Income 2022A	\$ (700,000)	Cash Contribution
	Developer Contribution - Sidewalk	\$ (65,600)	Cash Contribution
	Developer Contribution - Alley	\$ (40,000)	Cash Contribution
Total 429 Special Assessment Bonds:		\$ 2,269,602.50	

Water Bonds

Number	Project	Project Cost	Financing
1	Street Reconstruction - Portions of 1st/Olive/2nd Street - Water	\$ 862,771	Water Bonds - 444
3	Utility Oversizing - Falk Property Development - Water Portion	\$ 621,000	Water Bonds - 444
Total Water Bonds:		\$ 1,483,771	

Sewer Bonds

Number	Project	Project Cost	Financing
1	Street Reconstruction - Portions of 1st/Olive/2nd Street - Sewer	\$ 754,863	Sewer Bonds - 115
3	Utility Oversizing - Falk Property Development - Sewer Portion	\$ 2,170,000	Sewer Bonds - 115
Total Sewer Bonds:		\$ 2,924,863	

Storm Water Bonds

Number	Project	Project Cost	Financing
1	Street Reconstruction - Portions of 1st/Olive/2nd Street - Storm Water	\$ 771,953	Storm Water Bonds - 444
	Developer Contribution - Stormwater	\$ (67,000)	Cash Contribution
Total Storm Water Bonds:		\$ 704,953	

Equipment Certificate

Number	Project	Project Cost	Financing
2	Rescue Truck - Replacement #1017 (Rescue 11) (2026 Project)	\$ 1,135,000	Equipment Certificate
2	Dump Truck with Ice & Snow Equipment - Addition to Fleet	\$ 400,000	Equipment Certificate
2	Fleet Garage - Mobile Lift	\$ 195,000	Equipment Certificate
Total Equipment Certificates:		\$ 1,730,000	

Other Sources

Number	Project	Project Cost	Financing
	City Cash - Interest Income 2022A	\$ 700,000	Cash Contribution
	Developer Contributions - Olive & 2nd Street Redevelopment	\$ 172,600	Developer Cost Sharing
Total Other Sources:		\$ 872,600	

May 19, 2025

PRE-SALE REPORT FOR

City of Waconia, Minnesota

\$9,425,000 General Obligation Bonds, Series 2025A



Prepared by:

Ehlers
3060 Centre Pointe Drive
Roseville, MN 55113

Advisors:

Todd Hagen, Senior Municipal Advisor
Bruce Kimmel, Senior Municipal Advisor
Keith Dahl, Municipal Advisor

BUILDING COMMUNITIES. IT'S WHAT WE DO.

EXECUTIVE SUMMARY OF PROPOSED DEBT

Proposed Issue:

\$9,425,000 General Obligation Bonds, Series 2025A

The City has directed Ehlers to assist in a financing method that combines four issuance authorities into one bond, does not require voter approval, and would allow for payments over 10 years.

Purposes:

The proposed issue includes fixed rate/tax-exempt financing with other available funds, for the construction of various street and utility system improvements; and the acquisition of various capital equipment for the City.

- **Street Improvement Portion (MS 429).** Debt service will be paid from special assessments and property taxes.
- **Water and Storm Sewer Portion (MS 444).** Debt service will be paid from water and storm sewer revenues.
- **Sanitary Sewer Portion (MS 115).** Debt service will be paid from property taxes to be reduced or cancelled with available sanitary sewer revenues.
- **Equipment Portion (MS 410/412).** Debt service will be paid from ad valorem property taxes.

Authority:

The Bonds are being issued pursuant to Minnesota Statutes, Chapters:

- 475 (general bonding authority)
- 429 (special assessment pledge)
- 444 (water and sewer revenue pledge)
- 115 (sanitary sewer tax levy pledge)
- 410/412 (equipment bonding authority)

Because the City is assessing at least 20% of the project costs, the Street Improvement Portion of the Bonds can be a general obligation without a referendum and will not count against the City's debt limit.

Chapter 444 allows cities to issue debt without limitation if debt service is expected to be paid from water and sewer revenues.

Chapter 115 allows bonds for disposal systems to be issued without a referendum and will not count against the City's debt limit.

The maximum that an entity can issue equipment certificates for at any one time without publication of a resolution allowing for a reverse referendum is limited to .25% of estimated

market value. The Equipment Portion of the Bonds does not exceed .25% of the estimated market value in the City.

The City has held the required public hearings and is under the maximum amount of debt limit proscribed in each statutory authority.

Only the Equipment Portion of the Bonds counts against the Net Debt Limit of 3% of the estimated market value of taxable property in the City. The Bonds do not exceed the City's debt limit.

The Bonds will be general obligations of the City for which its full faith, credit and taxing powers are pledged.

Term/Call Feature:

The Bonds are being issued for a term of 10 years. Principal on the Bonds will be due on February 1 in the years 2027 through 2036. Interest is payable every six months beginning February 1, 2026. A portion of the Bond proceeds will be used to make the February 1, 2026 interest payment.

The Bonds will be subject to prepayment at the discretion of the City on February 1, 2033 or any date thereafter.

Bank Qualification:

Because the City is expecting to issue no more than \$10,000,000 in tax exempt debt during the calendar year, the City will be able to designate the Bonds as "bank qualified" obligations.

Bank qualified status broadens the market for the Bonds, which can result in lower interest rates.

Rating:

The City's most recent bond issues were rated by S&P Global Ratings. The current rating on those bonds is "AA+". The City will request a new rating for the Bonds.

If the winning bidder on the Bonds elects to purchase bond insurance, the rating for the issue may be higher than the City's bond rating if the bond rating of the insurer is higher than that of the City.

Basis for Recommendation:

Based on our knowledge of the City's situation, their objectives communicated to us, our advisory relationship as well as characteristics of various financing options, we are recommending the issuance of general obligation bonds with a full competitive sale as a suitable financing option for the following reasons:

- General obligation bonds provide a straight-forward approach to financing projects identified by the City.
- We expect that the size and term of the issue, with bank qualification, will attract several quality bids based upon similar recent sales in Minnesota.

- The City does not expect to have surplus resources adequate to prepay the debt prior to the scheduled maturities.
- This is generally the most overall cost-effective option.

Because of its larger size, we are recommending against offering the Bonds to a limited number of local and regional banks and selling this issue rated through a full competitive process to the public market using an official statement. Also, there are no special circumstances that would require a negotiated sale. This method of sale complies with City policy as well as best practices endorsed by the Government Finance Officers Association (GFOA).

Method of Sale/Placement:

We will solicit competitive bids for the sale of the Bonds to underwriters and banks as the size, structure and term will likely result in the maximum number of bids at the lowest interest rates and is a desirable credit for municipal bond investors.

We will include an allowance for discount bidding in the terms of the issue. The discount is treated as an interest item and provides the underwriter with all or a portion of their compensation in the transaction.

If the Bonds are purchased at a price greater than the minimum bid amount (maximum discount), the unused allowance may be used to reduce your borrowing amount.

Premium Pricing:

In some cases, investors in municipal bonds prefer “premium” pricing structures. A premium is achieved when the coupon for any maturity (the interest rate paid by the issuer) exceeds the yield to the investor, resulting in a price paid that is greater than the face value of the bonds. The sum of the amounts paid more than face value is considered “reoffering premium.” The underwriter of the bonds will retain a portion of this reoffering premium as their compensation (or “discount”) but will pay the remainder of the premium to the City.

For this issue of Bonds, we have been directed to use the net premium to reduce the size of the issue rather than increase the net proceeds for the project; but that could change on the day of sale. The resulting adjustments may slightly change the true interest cost of the issue, either up or down.

Other Considerations:

The Bonds are structured according to the engineers estimate. Prior to the sale date, the amount of the Bonds may change depending on the construction bidding results.

Review of Existing Debt:

We have reviewed all outstanding indebtedness for the City and find that there are no refunding opportunities at this time.

We will continue to monitor the market and the call dates for the City’s outstanding debt and will alert you to any future refunding opportunities.

Continuing Disclosure:

Because the City has more than \$10,000,000 in outstanding debt (including this issue) and this issue is over \$1,000,000, the City will be agreeing to provide certain updated Annual Financial Information and its Audited Financial Statement annually, as well as providing notices of the occurrence of certain reportable events to the Municipal Securities Rulemaking Board (the “MSRB”), as required by rules of the Securities and Exchange Commission (SEC).

The City is already obligated to provide such reports for its existing bonds and has contracted with Ehlers to prepare and file the reports.

Arbitrage Monitoring:

The City must ensure compliance with certain sections of the Internal Revenue Code and Treasury Regulations (“Arbitrage Rules”) throughout the life of the issue to maintain the tax-exempt status of the Bonds. These Arbitrage Rules apply to amounts held in construction, escrow, reserve, debt service account(s), etc., along with related investment income on each fund/account.

IRS audits will verify compliance with rebate, yield restriction and records retention requirements within the Arbitrage Rules. The City’s specific arbitrage responsibilities will be detailed in the Nonarbitrage Certificate prepared by your bond attorney and provided at closing.

18-month and Two-Year (24-month) Spending Exceptions – The City expects to meet the two-year expenditure exception on the construction proceeds and the eighteen-month exception on the proceeds used for acquisition of equipment. If the City fails to meet the expenditure exceptions, it will be required to pay rebate.

We recommend that the City review its specific responsibilities related to the Bonds with an arbitrage expert to help monitor the exception used above.

Investment of Bond Proceeds:

Ehlers can assist the City in developing a strategy to invest your Bond proceeds until the funds are needed to pay project costs.

Risk Factors:

Special Assessments: We have not assumed any prepaid special assessments and we have assumed that assessments will be levied as projected. If the City receives a significant number of prepaid assessments or does not levy the assessments, it may need to increase the levy portion of the debt service to make up for lower interest earnings than the expected assessment interest rate.

Water and Sewer Revenues: The City expects to pay a portion of the Bond debt service with water and sewer funds. If water and sewer revenues are inadequate, the City may have to levy taxes to pay debt service on the Bonds.

GO Pledge: Because the Bonds will be general obligations of the City for which its full faith, credit and taxing powers are pledged, if the annual special assessments, water and sewer

revenues, and tax levy collected are not sufficient to pay the debt service payments, other City funds will need to be used.

Other Service Providers:

This debt issuance will require the engagement of other public finance service providers. This section identifies those other service providers, so Ehlers can coordinate their engagement on your behalf. Where you have previously used a particular firm to provide a service, we have assumed that you will continue that relationship. For services you have not previously required, we have identified a service provider. Fees charged by these service providers will be paid from proceeds of the obligation, unless you notify us that you wish to pay them from other sources. Our pre-sale bond sizing includes a good faith estimate of these fees, but the final fees may vary. If you have any questions pertaining to the identified service providers or their role, or if you would like to use a different service provider for any of the listed services, please contact us.

Bond Counsel: Taft Stettinius & Hollister

Paying Agent: Bond Trust Services

Rating Agency: S&P Global Ratings

Summary:

The decisions to be made by the City Council are as follows:

- Accept or modify the finance assumptions described in this report.
- Adopt the resolution attached to this report.

PROPOSED DEBT ISSUANCE SCHEDULE

Pre-Sale Review by City Council:	May 19, 2025
Due Diligence Call to review Official Statement and Conference with Rating Agency:	Week of June 2, 2025
Print Official Statement:	June 5, 2025
City Council Meeting to Award Sale of the Bonds:	June 16, 2025
Estimated Closing Date:	July 1, 2025

Attachments

Estimated Sources and Uses of Funds

Estimated Proposed Debt Service Schedule

Bond Buyer Index

Resolution Authorizing Ehlers to Proceed with Bond Sale (provided separately)

EHLERS' CONTACTS

Todd Hagen, Senior Municipal Advisor	(651) 697-8508
Bruce Kimmel, Senior Municipal Advisor	(651) 697-8572
Keith Dahl, Municipal Advisor	(651) 697-8595
Silvia Johnson, Lead Public Finance Analyst	(651) 697-8580
Alicia Gage, Senior Financial Analyst	(651) 697-8551

City of Waconia, Minnesota

\$9,425,000 General Obligation Bonds, Series 2025A

Issue Summary

Assumes Current Market Non-BQ "AA+" Rates plus 50bps

Total Issue Sources And Uses

Dated 07/01/2025 | Delivered 07/01/2025

	Improvements (429)	Water (444)	Storm Sewer (444)	Sanitary Sewer (115)	Equipment (410/412)	Issue Summary
Sources Of Funds						
Par Amount of Bonds	\$2,375,000.00	\$1,520,000.00	\$725,000.00	\$2,990,000.00	\$1,815,000.00	\$9,425,000.00
Planned Issuer Equity contribution	700,000.00	-	-	-	-	700,000.00
Developer Contribution	105,600.00	-	67,000.00	-	-	172,600.00
Total Sources	\$3,180,600.00	\$1,520,000.00	\$792,000.00	\$2,990,000.00	\$1,815,000.00	\$10,297,600.00
Uses Of Funds						
Total Underwriter's Discount (1.000%)	23,750.00	15,200.00	7,250.00	29,900.00	18,150.00	94,250.00
Costs of Issuance	31,246.70	19,997.87	9,538.46	39,337.92	23,879.05	124,000.00
Deposit to Capitalized Interest (CIF) Fund	50,268.75	-	-	-	38,416.88	88,685.63
Deposit to Project Construction Fund	3,075,203.00	1,483,771.00	771,953.00	2,924,863.00	1,730,000.00	9,985,790.00
Rounding Amount	131.55	1,031.13	3,258.54	(4,100.92)	4,554.07	4,874.37
Total Uses	\$3,180,600.00	\$1,520,000.00	\$792,000.00	\$2,990,000.00	\$1,815,000.00	\$10,297,600.00

City of Waconia, Minnesota

\$9,425,000 General Obligation Bonds, Series 2025A

Issue Summary

Assumes Current Market Non-BQ "AA+" Rates plus 50bps

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	CIF	Net New D/S	Fiscal Total
07/01/2025	-	-	-	-	-	-	-
02/01/2026	-	-	199,462.10	199,462.10	(88,685.63)	110,776.47	110,776.47
08/01/2026	-	-	170,967.50	170,967.50	-	170,967.50	-
02/01/2027	800,000.00	3.400%	170,967.50	970,967.50	-	970,967.50	1,141,935.00
08/01/2027	-	-	157,367.50	157,367.50	-	157,367.50	-
02/01/2028	835,000.00	3.400%	157,367.50	992,367.50	-	992,367.50	1,149,735.00
08/01/2028	-	-	143,172.50	143,172.50	-	143,172.50	-
02/01/2029	860,000.00	3.450%	143,172.50	1,003,172.50	-	1,003,172.50	1,146,345.00
08/01/2029	-	-	128,337.50	128,337.50	-	128,337.50	-
02/01/2030	885,000.00	3.500%	128,337.50	1,013,337.50	-	1,013,337.50	1,141,675.00
08/01/2030	-	-	112,850.00	112,850.00	-	112,850.00	-
02/01/2031	915,000.00	3.550%	112,850.00	1,027,850.00	-	1,027,850.00	1,140,700.00
08/01/2031	-	-	96,608.75	96,608.75	-	96,608.75	-
02/01/2032	955,000.00	3.600%	96,608.75	1,051,608.75	-	1,051,608.75	1,148,217.50
08/01/2032	-	-	79,418.75	79,418.75	-	79,418.75	-
02/01/2033	990,000.00	3.650%	79,418.75	1,069,418.75	-	1,069,418.75	1,148,837.50
08/01/2033	-	-	61,351.25	61,351.25	-	61,351.25	-
02/01/2034	1,025,000.00	3.750%	61,351.25	1,086,351.25	-	1,086,351.25	1,147,702.50
08/01/2034	-	-	42,132.50	42,132.50	-	42,132.50	-
02/01/2035	1,055,000.00	3.850%	42,132.50	1,097,132.50	-	1,097,132.50	1,139,265.00
08/01/2035	-	-	21,823.75	21,823.75	-	21,823.75	-
02/01/2036	1,105,000.00	3.950%	21,823.75	1,126,823.75	-	1,126,823.75	1,148,647.50
Total	\$9,425,000.00	-	\$2,227,522.10	\$11,652,522.10	(88,685.63)	\$11,563,836.47	-

Significant Dates

Dated

7/01/2025

First available call date

City of Waconia, Minnesota

\$2,375,000 General Obligation Bonds, Series 2025A
Improvements (429)

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	CIF	Net New D/S	Fiscal Total
07/01/2025	-	-	-	-	-	-	-
02/01/2026	-	-	50,268.75	50,268.75	(50,268.75)	-	-
08/01/2026	-	-	43,087.50	43,087.50	-	43,087.50	-
02/01/2027	200,000.00	3.400%	43,087.50	243,087.50	-	243,087.50	286,175.00
08/01/2027	-	-	39,687.50	39,687.50	-	39,687.50	-
02/01/2028	210,000.00	3.400%	39,687.50	249,687.50	-	249,687.50	289,375.00
08/01/2028	-	-	36,117.50	36,117.50	-	36,117.50	-
02/01/2029	215,000.00	3.450%	36,117.50	251,117.50	-	251,117.50	287,235.00
08/01/2029	-	-	32,408.75	32,408.75	-	32,408.75	-
02/01/2030	225,000.00	3.500%	32,408.75	257,408.75	-	257,408.75	289,817.50
08/01/2030	-	-	28,471.25	28,471.25	-	28,471.25	-
02/01/2031	230,000.00	3.550%	28,471.25	258,471.25	-	258,471.25	286,942.50
08/01/2031	-	-	24,388.75	24,388.75	-	24,388.75	-
02/01/2032	240,000.00	3.600%	24,388.75	264,388.75	-	264,388.75	288,777.50
08/01/2032	-	-	20,068.75	20,068.75	-	20,068.75	-
02/01/2033	250,000.00	3.650%	20,068.75	270,068.75	-	270,068.75	290,137.50
08/01/2033	-	-	15,506.25	15,506.25	-	15,506.25	-
02/01/2034	260,000.00	3.750%	15,506.25	275,506.25	-	275,506.25	291,012.50
08/01/2034	-	-	10,631.25	10,631.25	-	10,631.25	-
02/01/2035	265,000.00	3.850%	10,631.25	275,631.25	-	275,631.25	286,262.50
08/01/2035	-	-	5,530.00	5,530.00	-	5,530.00	-
02/01/2036	280,000.00	3.950%	5,530.00	285,530.00	-	285,530.00	291,060.00
Total	\$2,375,000.00	-	\$562,063.75	\$2,937,063.75	(50,268.75)	\$2,886,795.00	-

Significant Dates

Dated	7/01/2025
First available call date	

City of Waconia, Minnesota

\$2,375,000 General Obligation Bonds, Series 2025A
Improvements (429)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	CIF	Net New D/S	105% of Total	Assessments	Levy/(Surplus)
02/01/2026	-	-	50,268.75	50,268.75	(50,268.75)	-	-	-	-
02/01/2027	200,000.00	3.400%	86,175.00	286,175.00	-	286,175.00	300,483.75	153,114.07	147,369.68
02/01/2028	210,000.00	3.400%	79,375.00	289,375.00	-	289,375.00	303,843.75	153,114.08	150,729.67
02/01/2029	215,000.00	3.450%	72,235.00	287,235.00	-	287,235.00	301,596.75	153,114.07	148,482.68
02/01/2030	225,000.00	3.500%	64,817.50	289,817.50	-	289,817.50	304,308.38	153,114.07	151,194.31
02/01/2031	230,000.00	3.550%	56,942.50	286,942.50	-	286,942.50	301,289.63	153,114.07	148,175.56
02/01/2032	240,000.00	3.600%	48,777.50	288,777.50	-	288,777.50	303,216.38	153,114.07	150,102.31
02/01/2033	250,000.00	3.650%	40,137.50	290,137.50	-	290,137.50	304,644.38	153,114.08	151,530.30
02/01/2034	260,000.00	3.750%	31,012.50	291,012.50	-	291,012.50	305,563.13	153,114.08	152,449.05
02/01/2035	265,000.00	3.850%	21,262.50	286,262.50	-	286,262.50	300,575.63	153,114.08	147,461.55
02/01/2036	280,000.00	3.950%	11,060.00	291,060.00	-	291,060.00	305,613.00	153,114.08	152,498.92
Total	\$2,375,000.00	-	\$562,063.75	\$2,937,063.75	(50,268.75)	\$2,886,795.00	\$3,031,134.75	\$1,531,140.75	\$1,499,994.00

Significant Dates

Dated	7/01/2025
First Coupon Date	2/01/2026

Yield Statistics

Bond Year Dollars	\$15,155.42
Average Life	6.381 Years
Average Coupon	3.7086658%
Net Interest Cost (NIC)	3.8653754%
True Interest Cost (TIC)	3.8826666%
Bond Yield for Arbitrage Purposes	3.7002778%
All Inclusive Cost (AIC)	4.1260460%

City of Waconia, Minnesota

\$1,520,000 General Obligation Bonds, Series 2025A

Water (444)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
07/01/2025	-	-	-	-	-
02/01/2026	-	-	32,159.17	32,159.17	32,159.17
08/01/2026	-	-	27,565.00	27,565.00	-
02/01/2027	130,000.00	3.400%	27,565.00	157,565.00	185,130.00
08/01/2027	-	-	25,355.00	25,355.00	-
02/01/2028	135,000.00	3.400%	25,355.00	160,355.00	185,710.00
08/01/2028	-	-	23,060.00	23,060.00	-
02/01/2029	140,000.00	3.450%	23,060.00	163,060.00	186,120.00
08/01/2029	-	-	20,645.00	20,645.00	-
02/01/2030	140,000.00	3.500%	20,645.00	160,645.00	181,290.00
08/01/2030	-	-	18,195.00	18,195.00	-
02/01/2031	150,000.00	3.550%	18,195.00	168,195.00	186,390.00
08/01/2031	-	-	15,532.50	15,532.50	-
02/01/2032	155,000.00	3.600%	15,532.50	170,532.50	186,065.00
08/01/2032	-	-	12,742.50	12,742.50	-
02/01/2033	160,000.00	3.650%	12,742.50	172,742.50	185,485.00
08/01/2033	-	-	9,822.50	9,822.50	-
02/01/2034	165,000.00	3.750%	9,822.50	174,822.50	184,645.00
08/01/2034	-	-	6,728.75	6,728.75	-
02/01/2035	170,000.00	3.850%	6,728.75	176,728.75	183,457.50
08/01/2035	-	-	3,456.25	3,456.25	-
02/01/2036	175,000.00	3.950%	3,456.25	178,456.25	181,912.50
Total	\$1,520,000.00	-	\$358,364.17	\$1,878,364.17	-

Yield Statistics

Bond Year Dollars	\$9,666.67
Average Life	6.360 Years
Average Coupon	3.7072156%
Net Interest Cost (NIC)	3.8644569%
True Interest Cost (TIC)	3.8817771%
Bond Yield for Arbitrage Purposes	3.7002778%
All Inclusive Cost (AIC)	4.1258937%

IRS Form 8038

Net Interest Cost	3.7072156%
Weighted Average Maturity	6.360 Years

City of Waconia, Minnesota

\$725,000 General Obligation Bonds, Series 2025A
Storm Sewer (444)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
07/01/2025	-	-	-	-	-
02/01/2026	-	-	15,343.13	15,343.13	15,343.13
08/01/2026	-	-	13,151.25	13,151.25	-
02/01/2027	60,000.00	3.400%	13,151.25	73,151.25	86,302.50
08/01/2027	-	-	12,131.25	12,131.25	-
02/01/2028	65,000.00	3.400%	12,131.25	77,131.25	89,262.50
08/01/2028	-	-	11,026.25	11,026.25	-
02/01/2029	65,000.00	3.450%	11,026.25	76,026.25	87,052.50
08/01/2029	-	-	9,905.00	9,905.00	-
02/01/2030	70,000.00	3.500%	9,905.00	79,905.00	89,810.00
08/01/2030	-	-	8,680.00	8,680.00	-
02/01/2031	70,000.00	3.550%	8,680.00	78,680.00	87,360.00
08/01/2031	-	-	7,437.50	7,437.50	-
02/01/2032	75,000.00	3.600%	7,437.50	82,437.50	89,875.00
08/01/2032	-	-	6,087.50	6,087.50	-
02/01/2033	75,000.00	3.650%	6,087.50	81,087.50	87,175.00
08/01/2033	-	-	4,718.75	4,718.75	-
02/01/2034	80,000.00	3.750%	4,718.75	84,718.75	89,437.50
08/01/2034	-	-	3,218.75	3,218.75	-
02/01/2035	80,000.00	3.850%	3,218.75	83,218.75	86,437.50
08/01/2035	-	-	1,678.75	1,678.75	-
02/01/2036	85,000.00	3.950%	1,678.75	86,678.75	88,357.50
Total	\$725,000.00	-	\$171,413.13	\$896,413.13	-

Yield Statistics

Bond Year Dollars	\$4,622.92
Average Life	6.376 Years
Average Coupon	3.7079001%
Net Interest Cost (NIC)	3.8647275%
True Interest Cost (TIC)	3.8820083%
Bond Yield for Arbitrage Purposes	3.7002778%
All Inclusive Cost (AIC)	4.1255184%

IRS Form 8038

Net Interest Cost	3.7079001%
Weighted Average Maturity	6.376 Years

City of Waconia, Minnesota

\$2,990,000 General Obligation Bonds, Series 2025A
Sanitary Sewer (115)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
07/01/2025	-	-	-	-	-
02/01/2026	-	-	63,274.17	63,274.17	63,274.17
08/01/2026	-	-	54,235.00	54,235.00	-
02/01/2027	255,000.00	3.400%	54,235.00	309,235.00	363,470.00
08/01/2027	-	-	49,900.00	49,900.00	-
02/01/2028	265,000.00	3.400%	49,900.00	314,900.00	364,800.00
08/01/2028	-	-	45,395.00	45,395.00	-
02/01/2029	275,000.00	3.450%	45,395.00	320,395.00	365,790.00
08/01/2029	-	-	40,651.25	40,651.25	-
02/01/2030	280,000.00	3.500%	40,651.25	320,651.25	361,302.50
08/01/2030	-	-	35,751.25	35,751.25	-
02/01/2031	290,000.00	3.550%	35,751.25	325,751.25	361,502.50
08/01/2031	-	-	30,603.75	30,603.75	-
02/01/2032	300,000.00	3.600%	30,603.75	330,603.75	361,207.50
08/01/2032	-	-	25,203.75	25,203.75	-
02/01/2033	315,000.00	3.650%	25,203.75	340,203.75	365,407.50
08/01/2033	-	-	19,455.00	19,455.00	-
02/01/2034	325,000.00	3.750%	19,455.00	344,455.00	363,910.00
08/01/2034	-	-	13,361.25	13,361.25	-
02/01/2035	335,000.00	3.850%	13,361.25	348,361.25	361,722.50
08/01/2035	-	-	6,912.50	6,912.50	-
02/01/2036	350,000.00	3.950%	6,912.50	356,912.50	363,825.00
Total	\$2,990,000.00	-	\$706,211.67	\$3,696,211.67	-

Yield Statistics

Bond Year Dollars	\$19,044.17
Average Life	6.369 Years
Average Coupon	3.7082834%
Net Interest Cost (NIC)	3.8652869%
True Interest Cost (TIC)	3.8825865%
Bond Yield for Arbitrage Purposes	3.7002778%
All Inclusive Cost (AIC)	4.1263956%

IRS Form 8038

Net Interest Cost	3.7082834%
Weighted Average Maturity	6.369 Years

City of Waconia, Minnesota

\$1,815,000 General Obligation Bonds, Series 2025A
Equipment (410/412)

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	CIF	Net New D/S	Fiscal Total
07/01/2025	-	-	-	-	-	-	-
02/01/2026	-	-	38,416.88	38,416.88	(38,416.88)	-	-
08/01/2026	-	-	32,928.75	32,928.75	-	32,928.75	-
02/01/2027	155,000.00	3.400%	32,928.75	187,928.75	-	187,928.75	220,857.50
08/01/2027	-	-	30,293.75	30,293.75	-	30,293.75	-
02/01/2028	160,000.00	3.400%	30,293.75	190,293.75	-	190,293.75	220,587.50
08/01/2028	-	-	27,573.75	27,573.75	-	27,573.75	-
02/01/2029	165,000.00	3.450%	27,573.75	192,573.75	-	192,573.75	220,147.50
08/01/2029	-	-	24,727.50	24,727.50	-	24,727.50	-
02/01/2030	170,000.00	3.500%	24,727.50	194,727.50	-	194,727.50	219,455.00
08/01/2030	-	-	21,752.50	21,752.50	-	21,752.50	-
02/01/2031	175,000.00	3.550%	21,752.50	196,752.50	-	196,752.50	218,505.00
08/01/2031	-	-	18,646.25	18,646.25	-	18,646.25	-
02/01/2032	185,000.00	3.600%	18,646.25	203,646.25	-	203,646.25	222,292.50
08/01/2032	-	-	15,316.25	15,316.25	-	15,316.25	-
02/01/2033	190,000.00	3.650%	15,316.25	205,316.25	-	205,316.25	220,632.50
08/01/2033	-	-	11,848.75	11,848.75	-	11,848.75	-
02/01/2034	195,000.00	3.750%	11,848.75	206,848.75	-	206,848.75	218,697.50
08/01/2034	-	-	8,192.50	8,192.50	-	8,192.50	-
02/01/2035	205,000.00	3.850%	8,192.50	213,192.50	-	213,192.50	221,385.00
08/01/2035	-	-	4,246.25	4,246.25	-	4,246.25	-
02/01/2036	215,000.00	3.950%	4,246.25	219,246.25	-	219,246.25	223,492.50
Total	\$1,815,000.00	-	\$429,469.38	\$2,244,469.38	(38,416.88)	\$2,206,052.50	-

Significant Dates

Dated	7/01/2025
First available call date	

City of Waconia, Minnesota

\$1,188,069 General Obligation Bonds, Series 2025A

Assessments

1.0% over TIC - Equal P&I

Assessments

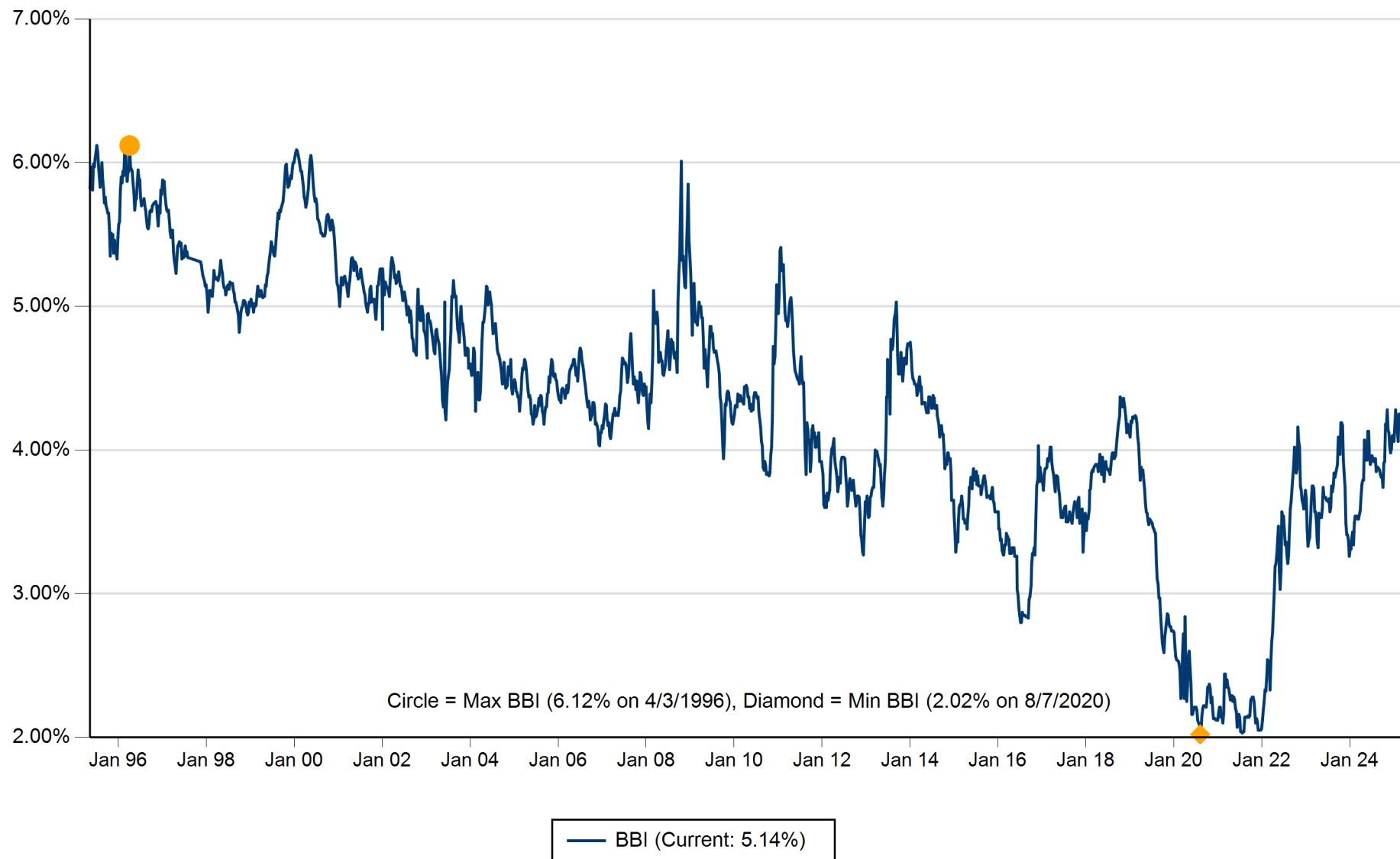
Date	Principal	Coupon	Interest	Total P+I
12/31/2026	94,898.69	4.900%	58,215.38	153,114.07
12/31/2027	99,548.73	4.900%	53,565.35	153,114.08
12/31/2028	104,426.61	4.900%	48,687.46	153,114.07
12/31/2029	109,543.52	4.900%	43,570.55	153,114.07
12/31/2030	114,911.15	4.900%	38,202.92	153,114.07
12/31/2031	120,541.80	4.900%	32,572.27	153,114.07
12/31/2032	126,448.35	4.900%	26,665.73	153,114.08
12/31/2033	132,644.32	4.900%	20,469.76	153,114.08
12/31/2034	139,143.89	4.900%	13,970.19	153,114.08
12/31/2035	145,961.94	4.900%	7,152.14	153,114.08
Total	\$1,188,069.00	-	\$343,071.75	\$1,531,140.75

Significant Dates

Filing Date	1/01/2026
First Payment Date	12/31/2026

30 YEAR TREND IN MUNICIPAL BOND INDICES

Weekly Rates May, 1995 - May, 2025



The Bond Buyer "20 Bond Index" (BBI) shows average yields on a group of municipal bonds that mature in 20 years and have an average rating equivalent to Moody's Aa2 and S&P's AA.

Source: The Bond Buyer





REQUEST FOR CITY COUNCIL ACTION

Meeting Date:	May 19, 2025
Item Name:	8.3. Comprehensive Plan Amendment - Norsq Companies, LLC
Originating Dept:	Community Development
Presented By:	Lane Braaten
Previous Council Action:	None
Item Type:	Regular Session

RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Resolution No. 2025-151 Denying the Comprehensive Plan Amendment submitted by Norsq Companies, LLC

EXPLANATION OF AGENDA ITEM:

BACKGROUND:

Applicant: Norsq Companies, LLC – Jeff Koch
Owner: Michael, Patricia, Mark Hartmann Trusts
P.I.D.#: 090240420
Comprehensive Plan Designation: I, Industrial

REQUEST:

The City has received a Comprehensive Plan Amendment application from Norsq Companies, LLC (the “Applicant”) to re-guide approximately 7 acres of PID# 090240420 as M, Medium Density Residential versus the current guidance of I, Industrial.

APPLICABLE ORDINANCE PROVISIONS:

1. Section 900.12, Subd. 6 - Amendments

EXISTING CONDITIONS:

The subject PID, which is located in Waconia Township, is bisected by Hartmann Drive and 10th Street East. The applicant is requesting to re-guide the 7-acre portion located west of Hartmann Drive and north of 10th Street East as M, Medium Density Residential to allow for a future townhome development.

COMPREHENSIVE PLAN AMENDMENT:

Table 1.1 below identifies the existing and proposed guidance and the applicable zoning districts if the property guidance were amended.

Table 1.1 - LAND USE PLAN CATEGORIES AND PROPOSED ZONING MAP DISTRICTS:

<u>CATEGORY</u>	<u>LAND USES</u>	<u>ZONING DISTRICTS</u>
<u>EXISTING COMP PLAN GUIDANCE</u>	This category includes manufacturing or warehousing that may involve heavy truck traffic and the handling of raw	I-1, Industrial Park District I-2, General Industrial District
I – Industrial		

PROPOSED COMP PLAN GUIDANCE

M – Medium Density Residential

materials

Single-family and two-family dwellings, townhouses and other forms of housing having an individual outdoor entrance for each housing unit. The density range should be from 4 to 10 units per acre.

R-2, Single-Family Residential District

R-3, Medium Density District

R-4, Mixed Residential District

**Information above taken from Table 3-10 of the City of Waconia Comprehensive Plan*

The Comprehensive Plan identifies the following criteria to consider when reviewing Comprehensive Plan changes/amendments:

1. *The change is consistent with the goals and objectives or other elements of the Waconia Comprehensive Plan.*
2. *The change does not create an adverse impact on the public facilities and services that cannot be mitigated. Public facilities and services include roads, sewers, water supply, drainage, schools, police, fire and parks.*
3. *Development resulting from the change does not create undue impact on surrounding properties. Such development should be consistent with the physical character of the surrounding neighborhood or would upgrade and improve its viability.*
4. *The change allows a more viable transition to the planned uses on adjacent properties than the current land use.*
5. *The change does not have a significant adverse impact on the natural environment including trees, slopes and groundwater, or the impact could be mitigated by improvements on the site or in the same vicinity.*
6. *There is a change in City policies or neighborhood characteristics that would justify a change.*
7. *The change corrects an error made in the original plan.*
8. *There is a community or regional need identified in the comprehensive plan for the proposed land use or service.*
9. *The change helps the City meet its life-cycle and affordable housing objectives.*
10. *The change does not adversely impact any landmarks or other historically significant structures or properties unless mitigated through relocation.*

The Planning Commission/City Council should consider the criteria stated above and determine if the proposal meets enough of the criteria to warrant a modification to the City's Comprehensive Plan.

COMPREHENSIVE PLAN AMENDMENT CONSIDERATIONS:

1. The 7-acre parcel is located Waconia Township and generally agricultural in nature.
2. Hartmann Drive and the surrounding properties remain within Waconia Township. The City does not plan to annex Hartmann Drive until the entire area is developed as we have anticipated that the existing roadway will most likely be relocated and realigned with

future development of the planned industrial uses. Access to Hartmann Drive versus 10th Street East would need to be further evaluated if the Comp Plan Amendment were to be approved by the City Council.

3. Water service is available to the parcel, and it is located in the 10th Street East road right-of-way. Sewer service is available but does not extend along this parcel. Connection to the manhole east of the Hartmann Drive intersection will require extension of the sanitary sewer mainline approximately 200 feet to the west to be in front of this parcel. Further, the existing invert elevation is approximately 25 feet deep. The extension will be required to remain at that depth with minimal grade to allow for use by other future development.
4. The alternative access to sewer is to extend mainline service downhill to the TH5 frontage road, which is approximately 1,000 feet north of the north end of the subject property.
5. Carver County Water Management Organization (CCWMO) stormwater requirements must be met with any development. Rate control will be critical as the outlet for this parcel will drain into Waconia Township and across the cemetery property to the north/northeast.
6. Deferred assessments in the amount of \$535,892 are due when any portion of the subject PID develops. This will be coordinated with the property owner if/when the City Council approves the Comp Plan Amendment and a future application is made to annex the property into the City Limits.
7. The City of Waconia 2022-2025 Strategic Plan identifies 4 strategic priorities which include financial stability, community engagement, effective growth management, and a stable, capable workforce. The effective growth management section directed staff to work on an industrial growth strategy, which included the planning for and the future annexation of additional developable industrial acreage. The result included a small area plan for the subject property, and the surrounding properties, to better understand and plan for growth in this area. Applicable sections of the small area plan have been attached for review.
8. The 2024 Land Use and Development Report identifies only 7.65 total acres of undeveloped industrial properties available. Of the three parcels included in this acreage, all of them have received Site Plan approval in the past 3 years. Staff anticipates at least one of the approved projects to be started in the coming year, which would leave very limited industrial acreage available for development within the City Limits. Further limiting future industrial growth for additional residential growth may not be consistent with the goals and objectives of the Planning Commission and City Council.

PUBLIC NOTICE/COMMENT

The notice was published in the WACONIA PATRIOT on March 20th, 2025 and posted at Waconia City Hall. Individual notices were mailed to all property owners within 350 feet of the subject parcel. As of the date of this memo the staff have not received any public hearing comments.

Procedurally, we are also required to notify all affected jurisdictions in relation to all comprehensive plan amendments. Staff notified Carver County, Waconia Public Schools,

Laketown Township, the DNR, MnDOT, Victoria and Waconia Township. To date, staff received a “no comment” statement from Victoria.

CONCLUSION/RECOMMENDATION

The Planning Commission reviewed the pertinent information and held the required public hearing at their regular meeting on April 3rd, 2025. The Planning Commission recommended denial of the proposed Comprehensive Plan Amendment via a 3-2 vote.

ATTACHMENTS:

1. Resolution No. 2025-151 Comprehensive Plan Amendment
2. Location Map
3. Norsq Companies Townhome Project Narrative
4. Norsq Waconia Concept
5. Norsq Companies Townhomes- PC Summary and Response 4.11.25v
6. Existing and Proposed Land Use Maps
7. 10th Street Small Area Plan Segment

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. 2025-151**

**RESOLUTION DENYING A COMPREHENSIVE PLAN AMENDMENT
FOR A PORTION OF PID# 090240420**

WHEREAS, Norsq Companies, LLC (the "**Applicant**") has submitted a Comprehensive Plan Amendment application pursuant to Section 900.12, Subd. 6 of the Waconia City Code; and

WHEREAS, the subject area includes 7+ acres located north of 10th Street East and west of Hartmann Drive and identified as PID# 090240420 (the "**Property**"); and

WHEREAS, the 2040 Comprehensive Plan currently guides the Property as I, Industrial; and

WHEREAS, the Applicant has requested an amendment to the Comprehensive Plan to re-guide the property M, Medium Density Residential to allow the future development of the Property as residential; and

WHEREAS, the Planning Commission reviewed the pertinent information and held a public hearing on April 3rd, 2025, and received all public comment; and

WHEREAS, the Planning Commission, at their regular meeting on April 3rd, 2025, voted 3-2 to recommend denial of the Comprehensive Plan Amendment to re-guide the property M, Medium Density Residential.

WHEREAS, the City Council further finds and concludes:

1. The proposed amendment is inconsistent with the 2040 Comprehensive Plan, which identifies the property would serve as future industrial when the property is annexed into the City Limits.
2. The amendment is inconsistent with the small area plan completed by the City which identifies the property as future industrial and provides future concepts related to the development of the subject property.
3. The need for developable industrial property is more prevalent than the need for additional residential development. Further, there are a number of adjacent properties within Waconia Township and Laketown Township guided for medium density residential development where the applicant could focus development that would be consistent with the City's Comprehensive Plan.
4. There are currently three undeveloped industrial properties within the City Limits. All three of which have received Site Plan approval within the past three years and could be developed at any time, which would result in no developable industrial acreage within the City Limits. Re-guiding adjacent industrially zoned property would not be in the best interest of the City.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Waconia hereby denies the Comprehensive Plan Amendment submitted by Norsq Companies, LLC for the portion of PID# 090240420 identified above.

Passed and adopted by the City Council of the City of Waconia this 21st day of April 2025.

Tim Litfin, Mayor

ATTEST: _____
Jackie Schulze, Assistant City Administrator





WACONIA TOWNHOME COMMUNITY – 74 Homes



**Comprehensive Plan Amendment – Mixed Use PUD
Project Narrative
Xxxx Hartmann Dr, Waconia, MN 55387
March 6, 2025**

Developer: Nörsq Companies: 2201 Meeting Street, Wayzata, MN 55391

Architect: Practic Design : 510 S 17th St, Ames, IA 50010

Development Services Consultant: Measure Group, PO Box 10 , Wayzata, MN 55391





1. DEVELOPER BACKGROUND

Nörsq Companies is a fully integrated real estate development company with ownership possessing over 20 years of real estate development experience totaling over \$2 Billion in total development value across the nation. Based in Wayzata, Minnesota, the company builds and operates communities across the Midwest and Texas, with ownership in over 46 multifamily projects across the US. They take pride in the communities they build in and seek to build long term relationships with the cities and neighborhoods they invest in. The companies name bodes homage to the strong Norwegian heritage that is engrained in the culture of their home state of Minnesota and community designs are influenced by Scandinavian architecture.

2. PROJECT VISION

Nörsq Companies is proposing a new construction, single family housing community on the Southeastern side of Waconia, a city highly regarded for its great schools, park systems, lakeside setting, and close proximity to major employers. More specifically, young families are seeking communities like Waconia to start families however, America is currently grappling with the widest housing cost gap for owning vs. renting a home on record since the federal government started tracking in 1954. As referenced in Exhibit A, the average house payment for a newly purchased home in Q3 2022 was 57% more expensive than the average monthly rental, the widest cost gap on record. With record high single family home prices in the for-sale market, coupled with low inventory and high mortgage interest rates, this project seeks to provide the same benefits of homeownership, including larger living spaces, personal 2-car garage, and outdoor patio space without the headaches, upkeep and expense of homeownership.

Subject to obtaining final development plan approvals, we anticipate commencing construction in the Fall of 2025 and proceeding continuously to completion by spring of 2027, however first occupancy would be expected in the fall of 2026.

Townhome living options range from a 3-story 2 BD home with 1,338 SF of living space with a 2-car garage and outdoor deck area or a 2-story 3BD townhome with 1,883 SF of living space, 2-car garage and outdoor patio.

3. PROJECT LOCATION

The community will be in close proximity to a range of new developments including retail, convenience, and manufacturing. Notable nearby manufacturers include Anderson Dahlen, Sackett Waconia, and Nordic Components. Notable nearby businesses include Target, Twin Cities Orthopedics, O2B Kids Daycare, Egg-Cetera Café, and Cadence Academy preschool in addition to many other retail establishments. Having all of these prominent businesses walkable to this proposed community will enhance the area and establish a vital link between these features.





4. LAND USE

The land is currently one large 56.17 Acre unincorporated parcel currently zoned Agricultural and is currently being used as farmland. As part of the land sale, we are proposing to Annex and subdivide the 56.17 Acre lot into three larger outlots. When parcels are annexed into the city of Waconia, their new zoning designations reflect the city of Waconia's 2040 Comprehensive Guide Plan. As part of this subdivision and annexation, we are specifically purchasing 7.13 approximate acres of land North of 10th St East and seeking to reguide from Industrial to "PUD – Mixed Use" at a concept level to support residential development at an approximate 10.4 units per acre level (74 townhomes on 7.13 acres).

The city of Waconia recently completed and adopted a 2040 comprehensive plan to guide the city on future growth and land planning to guide the city into the year 2040. Of the original 56.17 Acre parcel mentioned above, this plan contemplates the land to the North of 10th Street East to be guided for Industrial Use. The land to the South of 10th Street East is guided as Commercial.

More recently, in December 2022, Waconia city council reviewed this 56.17 Acre parcel in depth with the "Waconia 10th Street Small Area Plan". As part of this study, the city of Waconia asked its consultant, WSB Engineering to review the 56 acre Hartmann property for potential land use guidance. As a conclusion to the study, WSB suggested keeping the land to the North of 10th Street East as Industrial designation and the land to the South as a mixed use residential and commercial development. A few critical factors that were not addressed as part of this study drastically impact the land to the North of 10th Street East viability as suitable for industrial development include: 1) Topography of the sites, 2) Gas Line Easement impact and 3) suitability due to proximity to daycare, residential and retail.

Specifically, the 7.13 acre site contemplated has 30 feet of grade change falling from the South to the North. Industrial buildings of today are getting larger and larger, with many over 1 Million SF of space and minimum size of 100,000+ SF due to the changing needs of clients and financial viability of smaller buildings. This smaller 7 acre site will not fit the size of building needed for today's industrial tenants and more importantly, the 30' of grade change make it nearly impossible for this site to be financially viable as these large industrial buildings require large flat sites. Secondly, the small area plan did not take into account the gas line easement running through both of the Hartmann Parcels North of 10th st E. Both Concepts proposed as "Concept 1 North" and "Concept 2 North" fail to address the gas line easement running East/West through both Hartmann parcels contemplated. This is highlighted in figures 1.1 and 1.2 as well as Exhibit B – Survey. In both figures, the gas line is represented by a red line, that highlights the fact that the industrial buildings were placed right over the gas easement, which is not feasible. Lastly, these sites are not the highest and best use as Industrial due to the close proximity to O2B daycare, single family residential and retail. Light industrial zones increase semi-truck traffic, which is unsuitable near daycare centers and low-density residential areas.

Nörsq Companies proposed project provides a creative solution to the above-mentioned challenges as shown in the proposed site plan. These smaller and well-spaced building footprints allow us to manage the topographical challenges, provides an open green space amenity creatively placed over the gas line





easement, as well as brings a natural and more conducive buffer to the daycare and adjacent single-family neighborhood to the South as a more transitional use down from Industrial to a less intense use of low density SF residential. Additionally, a diversified rental housing approach in providing single family homes for rent for young and growing families as well as baby boomers looking to downsize into a maintenance free housing option helps to provide more affordable options than purchasing a home.

In summary, we feel this is a creative approach to the site constraints present on this 7-acre site and we ask staff to acknowledge and support an amendment to the 2040 comprehensive plan from light industrial to PUD or Medium density Residential with an approved conditional use up to 11 residential units per acre. We thank staff for their time and consideration regarding this matter.

Figure 1.1 – Concept 1 North (Source: “Waconia 10th Street Small Area Plan” Dec. 2022)

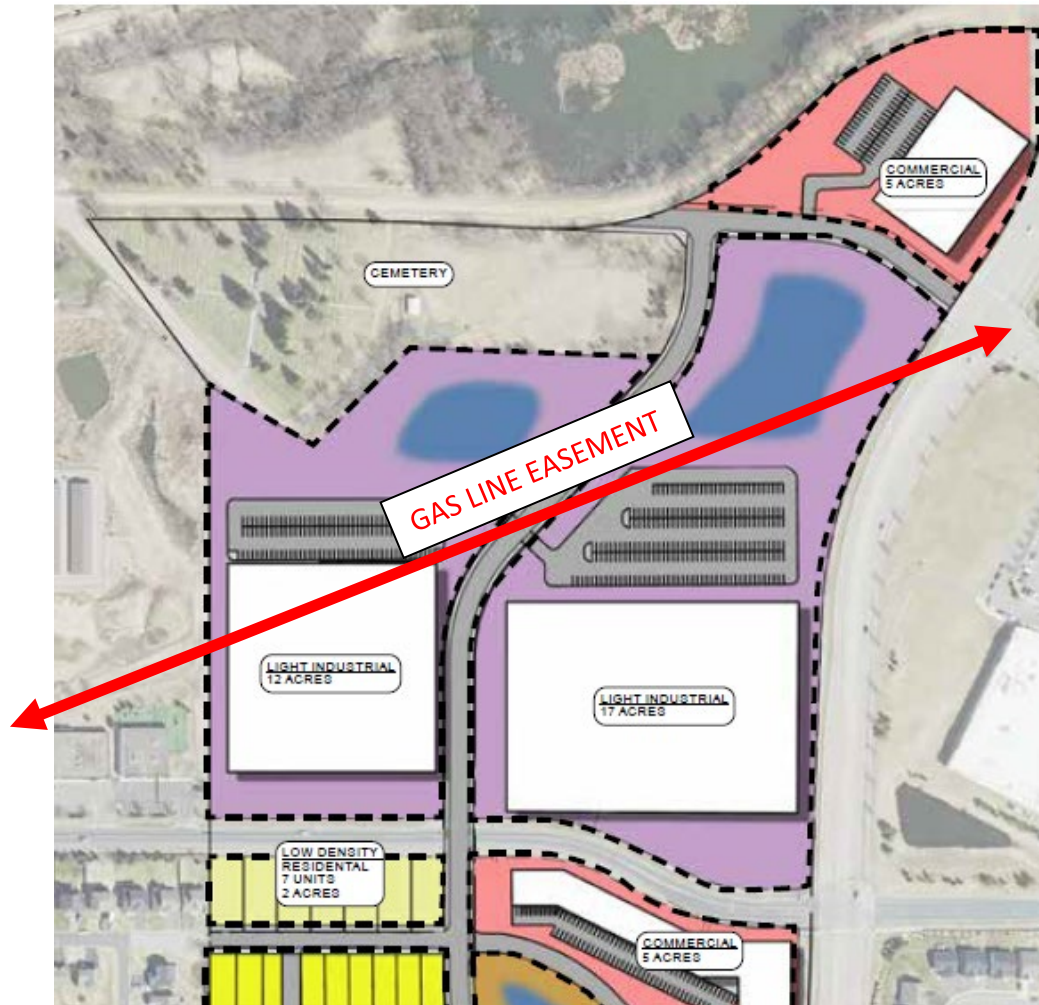




Figure 1.2 – Concept 2 North (Source: “Waconia 10th Street Small Area Plan” Dec. 2022)

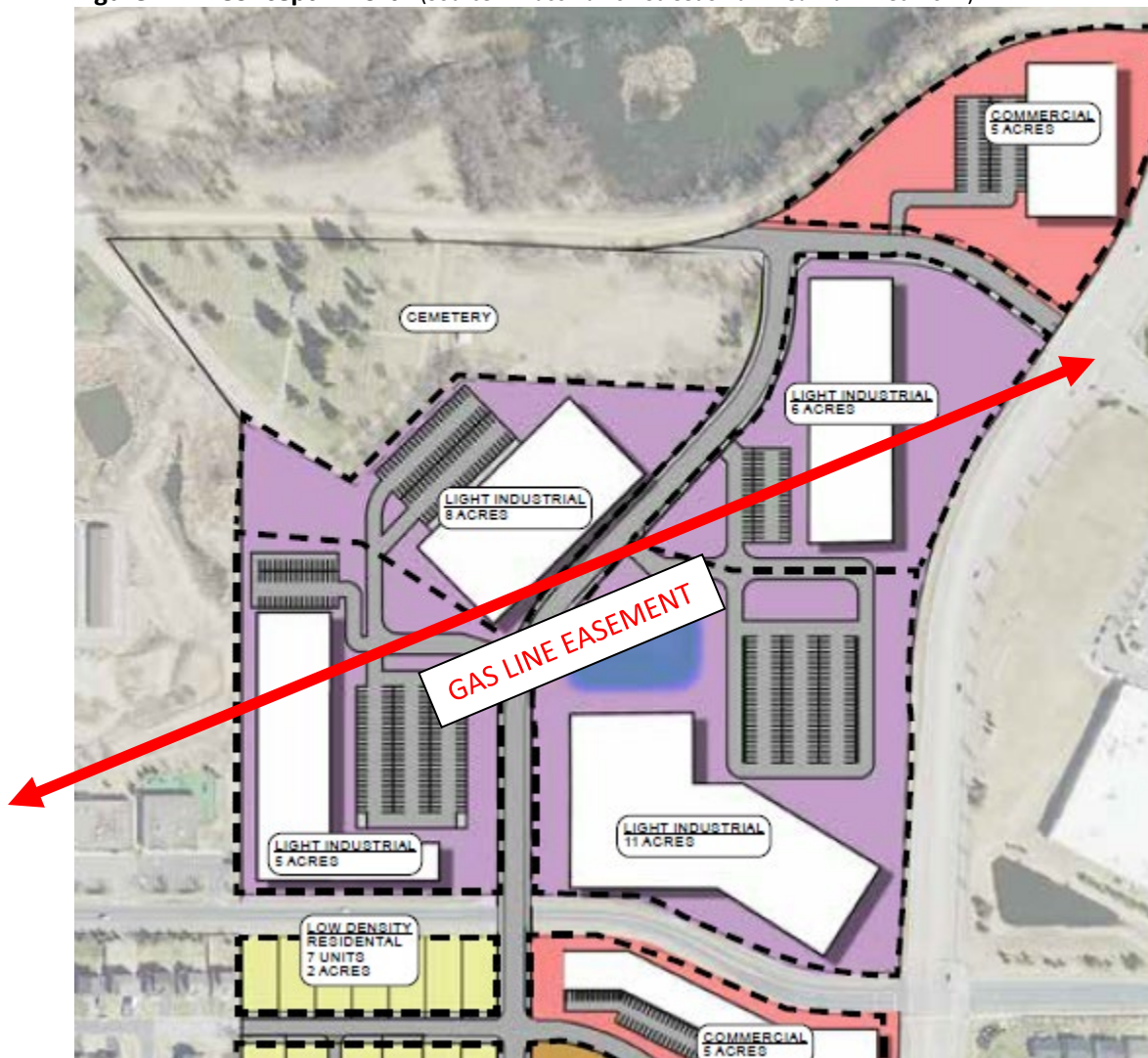
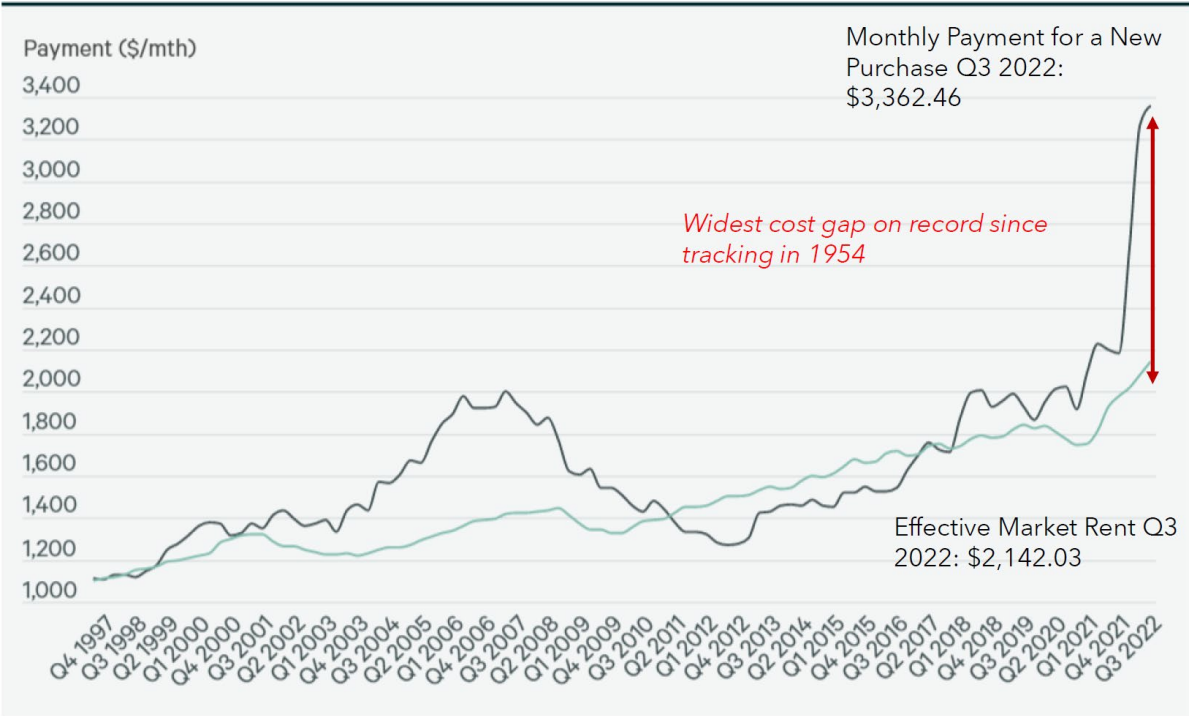




Exhibit A

Cost of Home Ownership vs. Cost of Renting



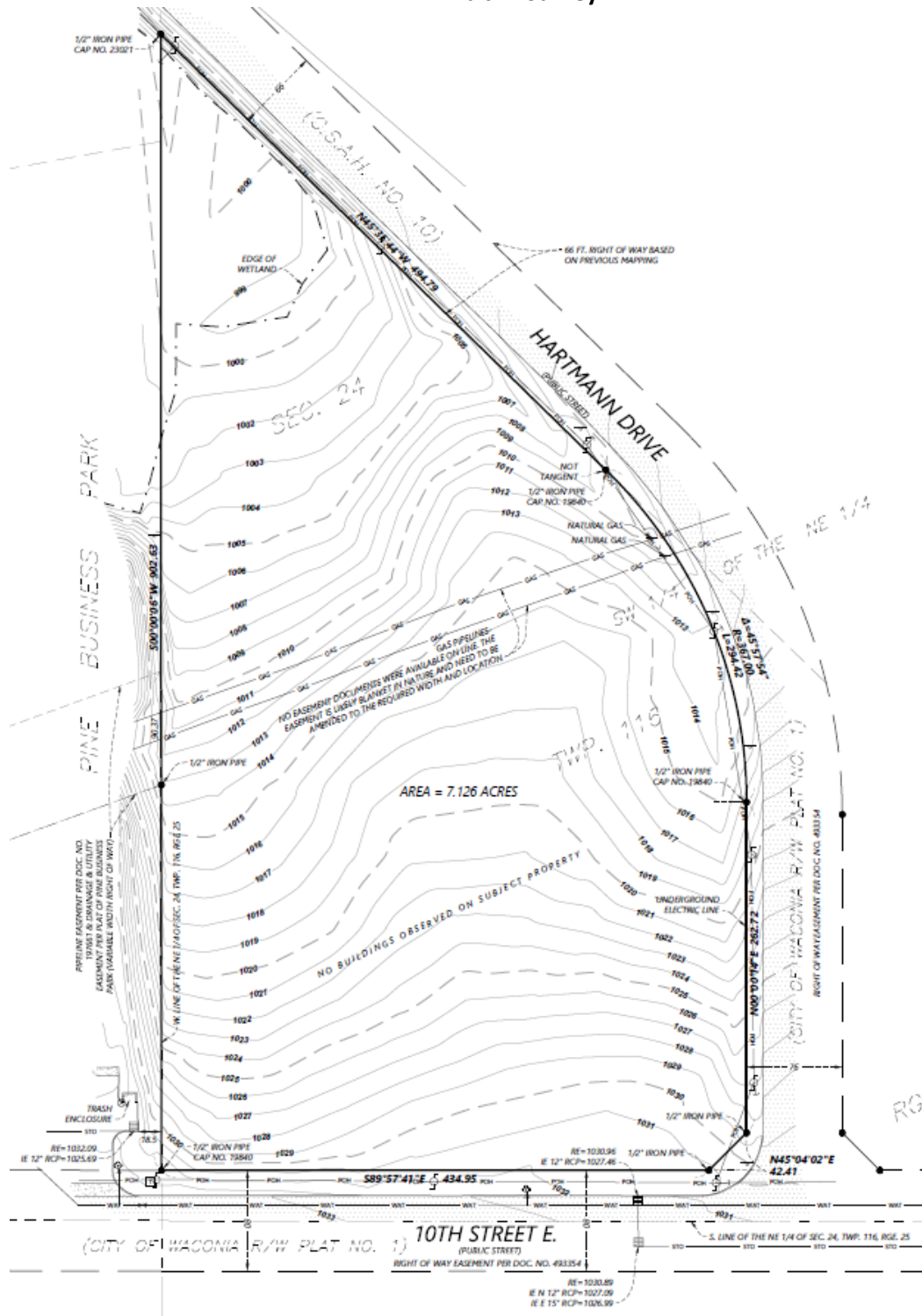
Note: The monthly payment for a newly purchased home assumes 30-year mortgage with a 10% down payment (in line with historical trends for first time buyers from the National Association of Realtors), the median listing price according to Realtor.com, as well as a presumed PMI payment of 0.75% and state and local tax payment of 1.8% of purchase price.

Sources: CBRE Research, CBRE Econometric Advisors, Freddie Mac, Census Bureau, National Association of Realtors, Q3 2022.





Exhibit B- Survey





LAND USE SUMMARY

SITE NET ACRES : 7.13 AC
TOTAL RESIDENTIAL UNITS: 74
PROPOSED DENSITY: 10.38 UNITS/ ACRE

 TOWNHOMES (70 UNITS)

DRAWING KEY

- ① ENTRANCE MONUMENT
- ② COMMUNITY RECREATION AREA
- ③ STORMWATER BASIN

**TOWNHOME
COMMUNITY
CONCEPTUAL
DEVELOPMENT PLAN
WACONIA, MN**

MARCH 5, 2025



measure









NORSQ COMPANIES – Planning Commission 4.3.25 Meeting
Summary of issues and Responses

1. Availability

- i. **Industrial zoning** – Planning Commission asked the question- “if we move zoning of 7 acres from industrial, what do we have left?”:
 - i. Currently there are 3 undeveloped industrial parcels available in city limits- (2) businesses currently under review: 1) Transport Security and then 2) Gopher one- site has been approved but hasn't been moved on in multiple years. The third parcel is adjacent to Micro Holdings
 - 1. Proposed Industrial use in future: Holbrook site- Little Avenue
 - a. 240 acres guided for industrial on east side of Little Avenue
 - b. Potentially 5 years out from redevelopment
 - c. This would fit the need for all types of users (small light industrial to large 1MM + SF warehouse) on a suitable parcel that is large (above 10 acres), flat, and unencumbered by utilities going through the middle of the sites.
- ii. **Medium Density/High Density Residential Zoning-**
 - i. 0 undeveloped parcels available in city limits
 - ii. 2040 comp plan has identified some parcels outside city limits zoned Medium Density Residential that would need to be annexed into the city. All would have to go through a similar annexation process.

2. Industrial leads?

- i. Other users have looked in the past at this site specifically, none have submitted for approval from this interest level (no formal application submitted)
- ii. Waconia Manufacturing - relocated to Norwood Young America onto a 25-acre parcel (no 25-acre industrial parcels were available in city of Waconia to our knowledge)

3. Adjacency Issues

- i. Odor/Noise concern from light industrial?
 - i. No Farm odor concerns we are aware of as this does not have an existing farm adjacent to the site.
- ii. There is some light manufacturing in the area but directly adjacent to our proposed site is a daycare use and storage building.
- iii. If land to the East stays light industrial, could it be impacted by potential noise/odor?





- i. Land to the South is guided for residential and to the Southeast there is a single-family neighborhood (Pinchill Blvd and Farmhouse Drive). All of this residential is adjacent to Industrial zoned land.
- iv. Summary- Single family residential is currently across the street from Industrial zoned property in Waconia and currently exist symbiotically. Land South of 10th St E is guided as low density residential so keeping the proposed site Industrial will drive the same condition the Planning Commission is trying to avoid (residential across the street from industrial).

4. Diversification of land uses

- i. Planning Commission stressed it is important to the City Council to have diversification of approved projects.
 - i. Really low industrial land available
 - ii. Waconia has many residential projects being developed
 - iii. Limited to no industrial projects being developed.
- ii. Summary: Is the reasoning light industrial isn't being developed due to the shortage of industrial land? Or not having industrial land available suitable for todays industrial tenant needs? Relocation of Waconia Manufacturing to Norwood Young America would point to the latter being the case.

5. Tax Revenue:

- i. During the public input session of the Planning Commission meeting, former council member Steve Yetzer mentioned light industrial "brings more tax dollars to the community". The following is a quick comparison to light industrial tax revenue proposed for FY 2025 in the surrounding parcels:
 - i. Lariat Companies - self storage PID 753700060
 - 1. 6.41 Acres
 - 2. 2025 EMV: \$4,164,800, Tax & Special Assessments: \$124,476
 - i. Nordic Properties - PID 753700010
 - 1. 2.45 Acres
 - 2. 2025 EMV: \$4,202,700, Tax & Special Assessments: \$125,622
 - ii. Waconia Manufacturing - PID 7540200450
 - 1. 2.03 Acres
 - 2. 2025 EMV: \$2,831,900, Tax & Special Assessments: \$84,160
 - iii. Proposed Townhome Project
 - 1. 7 Acres
 - 2. Average TH Property Tax in Waconia: \$3,250/ home. Tax Estimate: \$240,500
- ii. Summary: Proposed Townhome project will generate close to 2x the tax revenue for the community vs. light industrial. The city of Waconia is still growing and has low vacancy rates so keeping residents within the city of Waconia is paramount to keeping retail shopping \$ within the city vs. to neighboring Cities.





6. **Summary** - The city of Waconia currently has a limited supply of Industrial land available and no Medium or High-density residential land currently available within city limits. I would agree that it is important for cities to have a diversification of land uses available to develop, however the land that is designated for the intended use has to fit the parameters for which it is intended for. In this case Industrial land is available, however this site is too small, has 34' of grade change, and has an 85' wide gas easement going diagonally through the site making light industrial use very challenging. This site has been available and zoned as such for 20+ years without being developed as light industrial. The Industrial zoned land to the East has similar challenges in being viable for light industrial use (small , grade change, and gas line easement encumbered). Former council member Steve Yetzer mentioned during the public input portion that Waconia Manufacturing moved to Norwood Young America due to Industrial land not being available. This subject parcel was available, however it did not fit the parameters that Waconia Manufacturing was looking for (20+ acre site on flat land unencumbered by utility easements going through the middle of the property).

With all these facts taken under consideration, we still feel confident this proposed use is a creative solution to the challenges expressed above, aligns with the single-family zoned land immediately to the South over 10th St E, provides a diversified rental housing solution for residents of the city of Waconia, and provides additional rooftops near Target and the adjacent retail parcels which is crucial to support retail businesses. Lastly, this proposed solution drives higher tax revenue immediately vs. waiting for another 20 years for a light industrial tenant to try and make the current site constraints work.

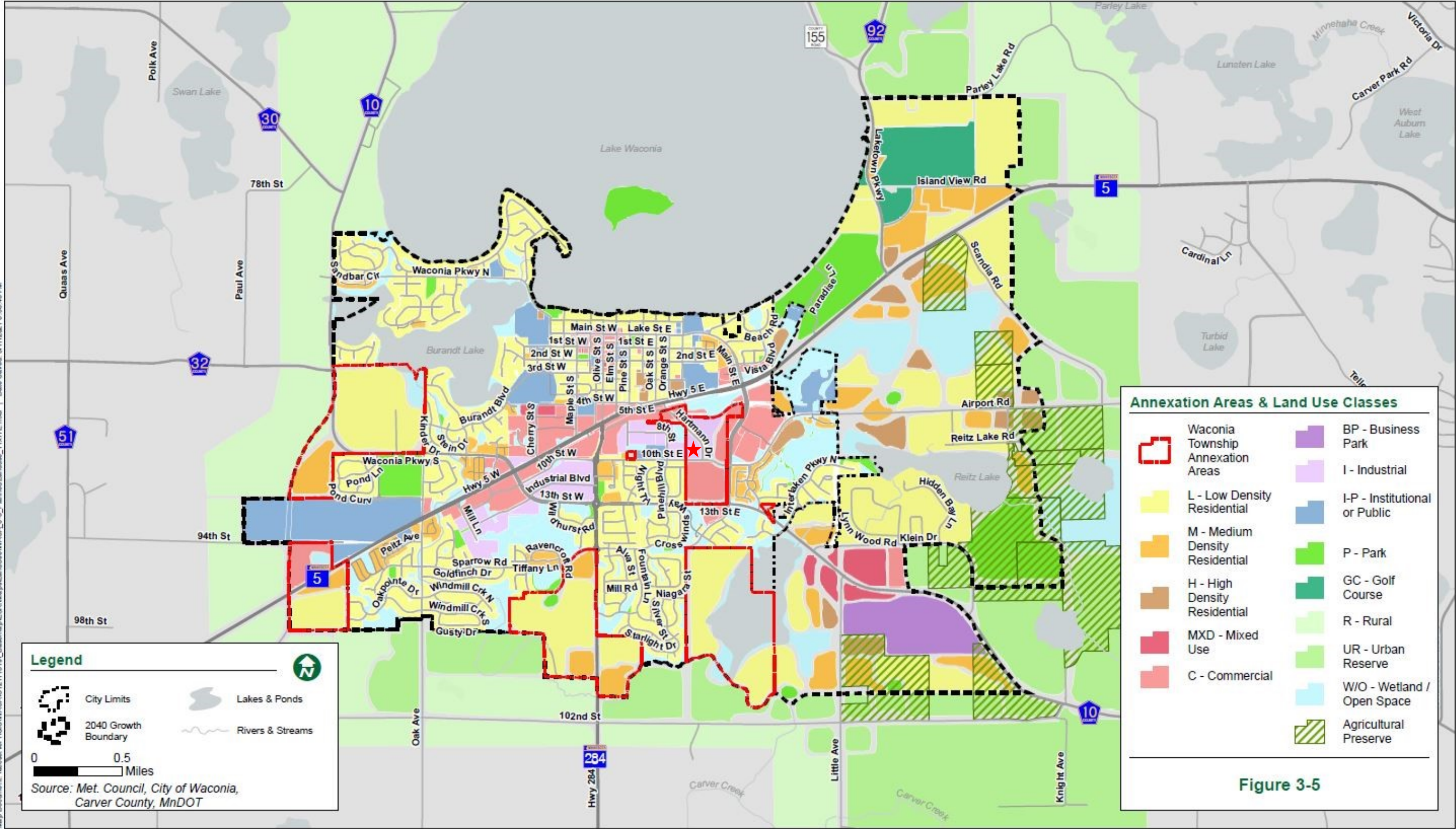
Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Jeff Koch', with a stylized, cursive script.

Jeff Koch – Owner Norsq Companies

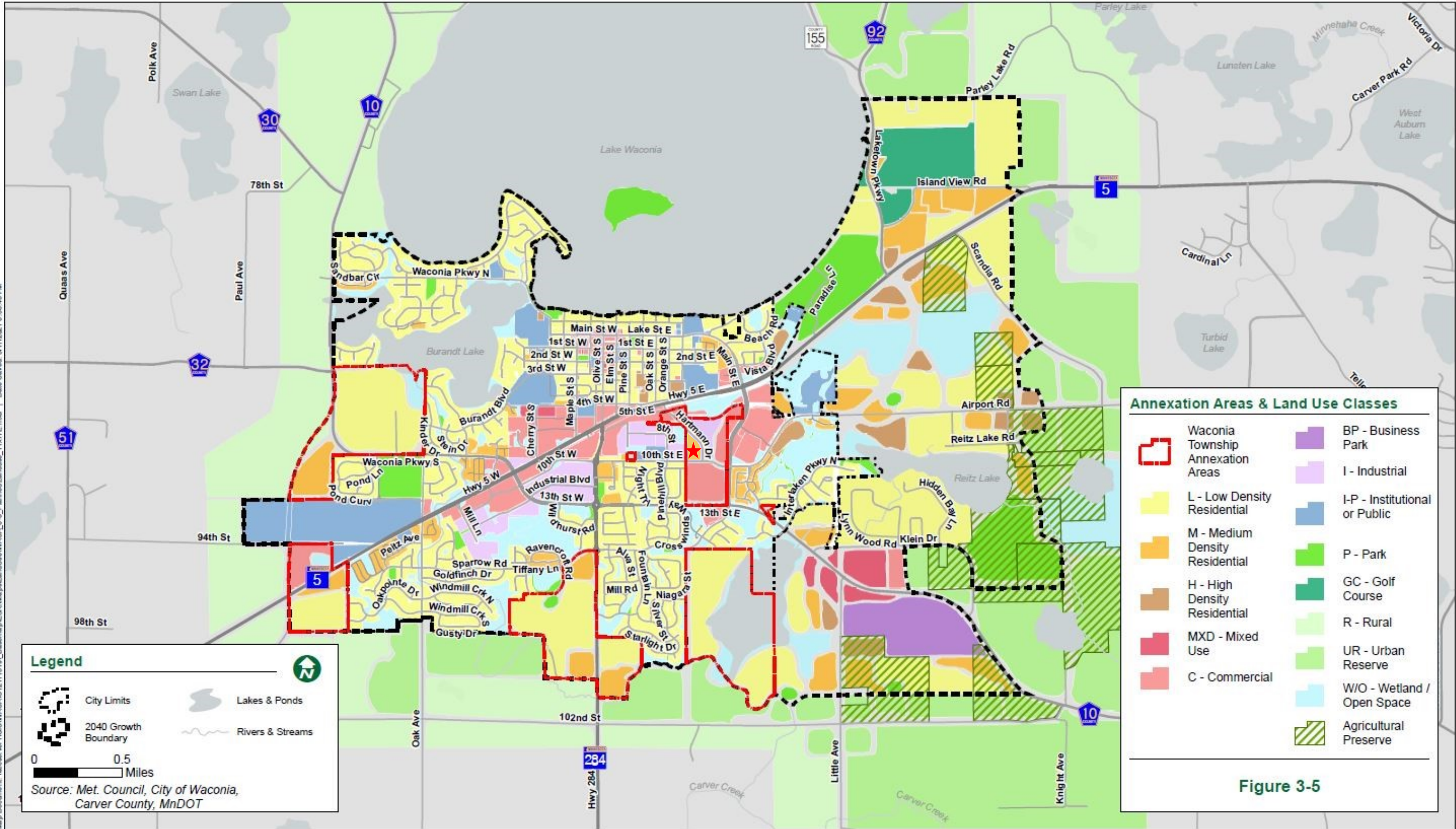


EXISTING LAND USE MAP



★ SUBJECT PROPERTY

PROPOSED LAND USE MAP



★ SUBJECT PROPERTY

Existing Conditions

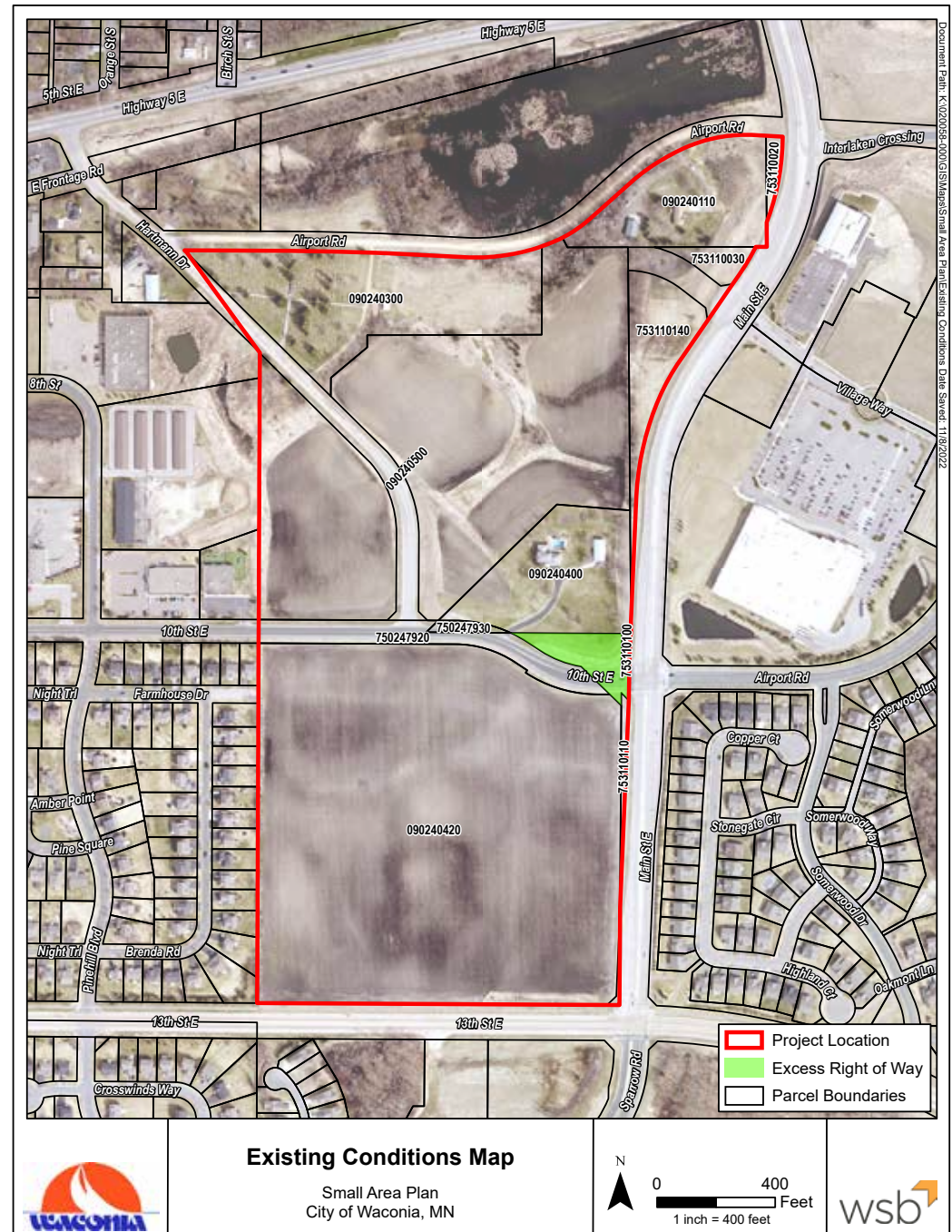
The review of the project area is a general review of the potential land use and the projected highest and best use for the city to both maximize the potential tax base generated and allow for the timely development of the area. As with all analyses, it is a snapshot in time, with the current market conditions that may change over time, potentially resulting in a different outcome for the area.

Site Condition and Constraints

The project area is comprised of 6 parcels for development for a total area of 67.67 gross acres. A cemetery on the north side of the property along Hartmann Drive and Airport Road is intended to remain and is not included in the acreage analysis or future development discussions. However, because the use, and it's access must be maintained, it is included in the overall site drawings.

- 09-02-40-420 – 56.17 acres
- 09-02-40-400 – 4.46 acres
- 09-02-40-110 – 4.15 acres
- 75-31-10-030 – 0.51 acres (city owned)
- 75-31-10-140 – 2.32 acres (city owned)
- 75-31-10-100 – 0.06 acres (city owned)

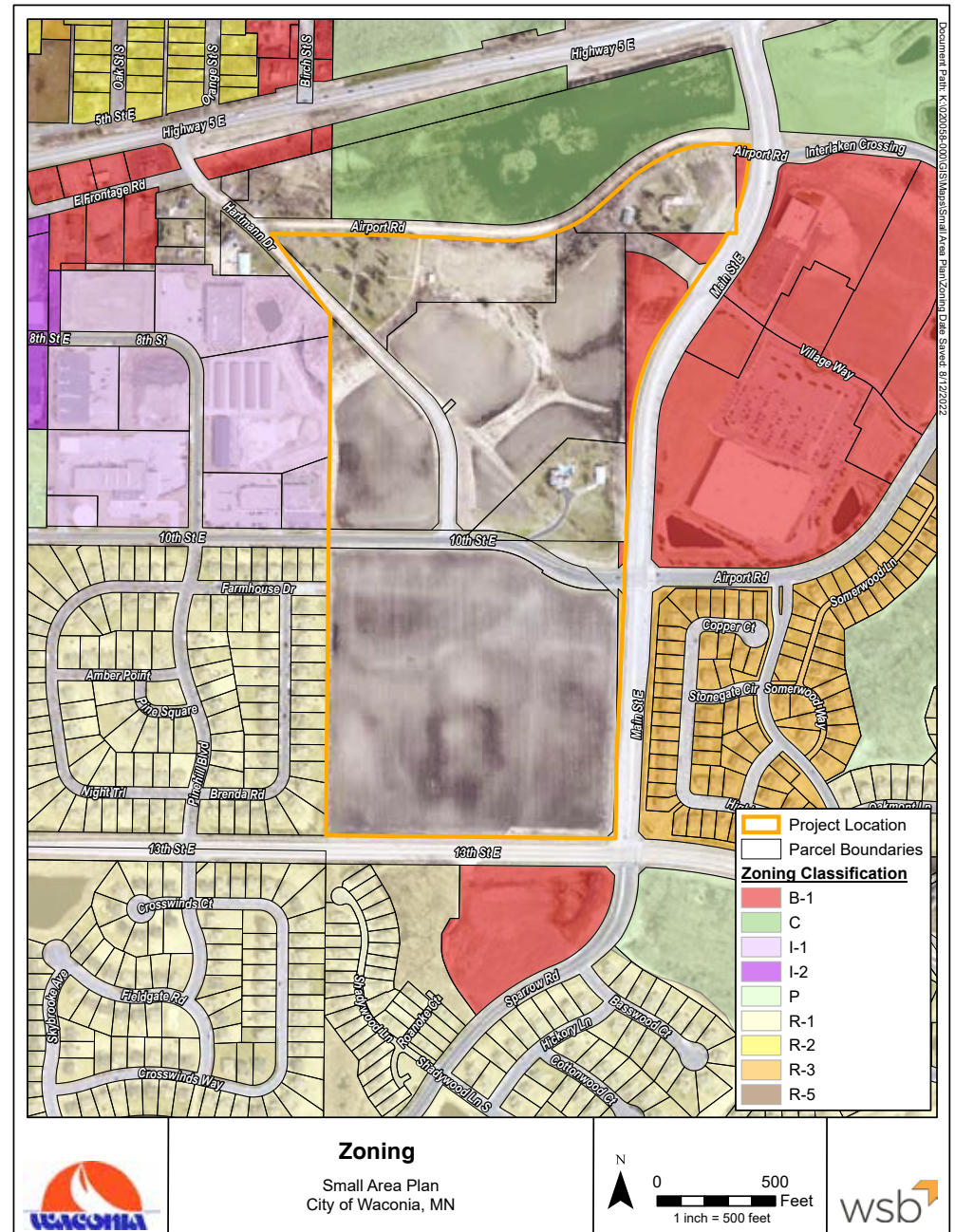
The project area also includes a parcel that is not assigned a parcel identification (PID) that would add .72 acres to the site. The parcel is highlighted in green on the adjacent exhibit. The city will need to determine the ownership of the property and the legal status of the parcel as the proposed development of the site moves forward. Should this site be added to the property, total land acreage would be 68.39 gross acres.



Existing Zoning and Study Area Annexation Potential

Carver County is responsible for the zoning of the study area, as the land is currently within Waconia Township. The County has declared the entire study area zoned “A” Agricultural District. The area south of 10th street that surrounds the study area, which is governed by the City of Waconia, is zoned a mix of R-1 Single Family Residential, R-3 Medium Density Residential, and B-1 Highway Business District. The area north of 10th street is zoned I-1 Industrial Park District, B-1 Highway Business District, and C Conservation District.

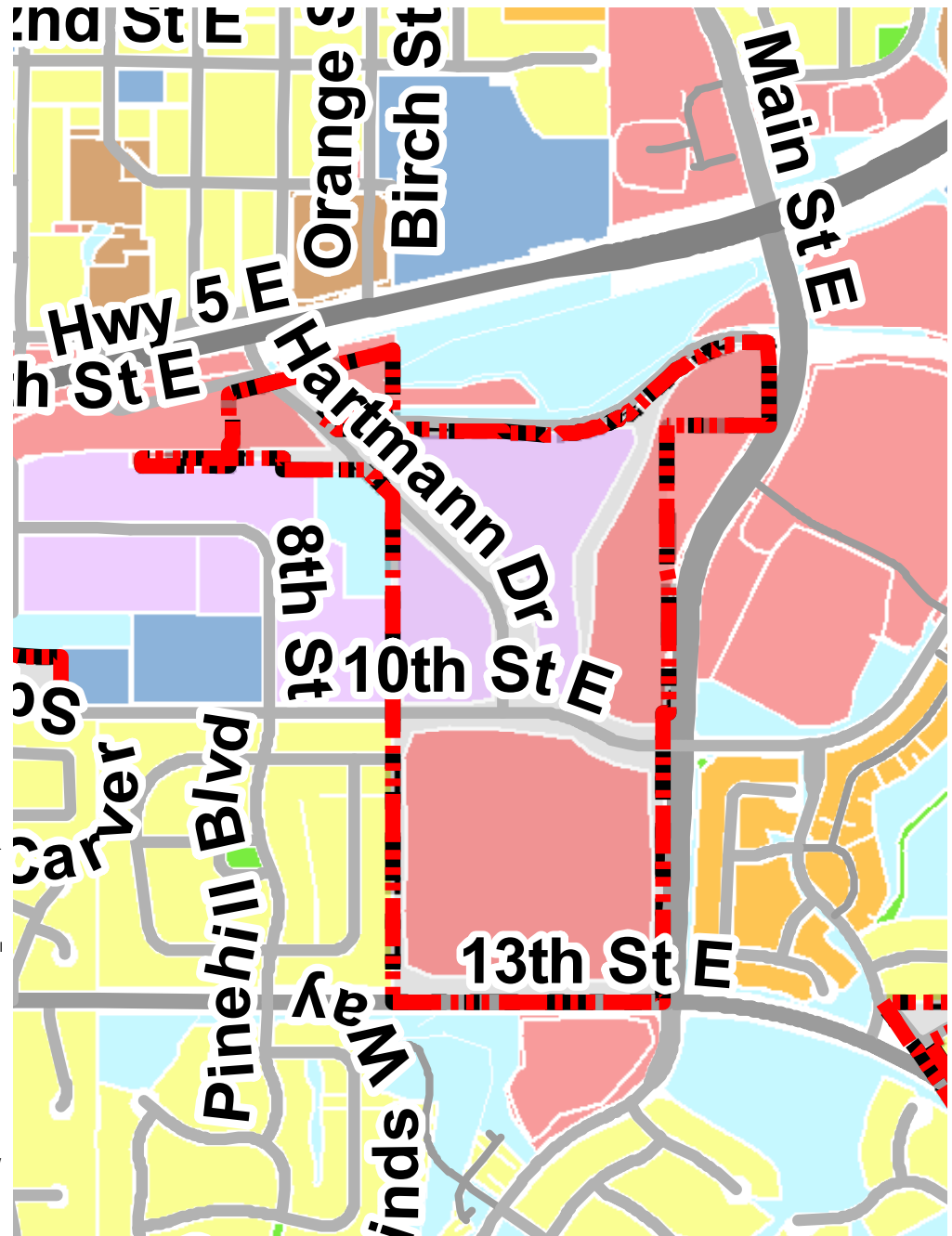
In Carver County’s 2040 Comprehensive Plan, the parcels within the study area that are unincorporated are defined as 2040 Growth areas. These areas are therefore already identified as potential sites for future annexation and expected to be served by sanitary sewer when developed. Consistent with the County policy, lands in transition are zoned for agricultural use. This is also consistent with the existing land use on the site.



Future Comprehensive Plan Designation; City of Waconia

Transition areas should be managed in accordance with the policies in the County Plan and the City of Waconia has planning and zoning authority over the parcels within its annexation area. Currently, County policy requires land in transition areas to remain zoned in the “A” Agriculture Zoning District – which aligns with the current land use of the study area. If parcels are to be annexed, then their new zoning designations would reflect Waconia’s 2040 Comprehensive Guide Plan.

The adopted City of Waconia 2019 Comprehensive Plan designates the southern portion of the site as Commercial. As defined in the Plan, the Commercial designation allows for businesses providing retail trade or services for individuals or businesses and includes office buildings. The zoning districts most appropriate for this designation would be B-1 Highway Business or B-4 Health Care Business. There was some initial thought, that the southern 40 acres of the study area could be developed in a similar fashion to the big box development, Target, across Main Street. Surrounding residential development and a changing retail market means that other land uses should be explored.



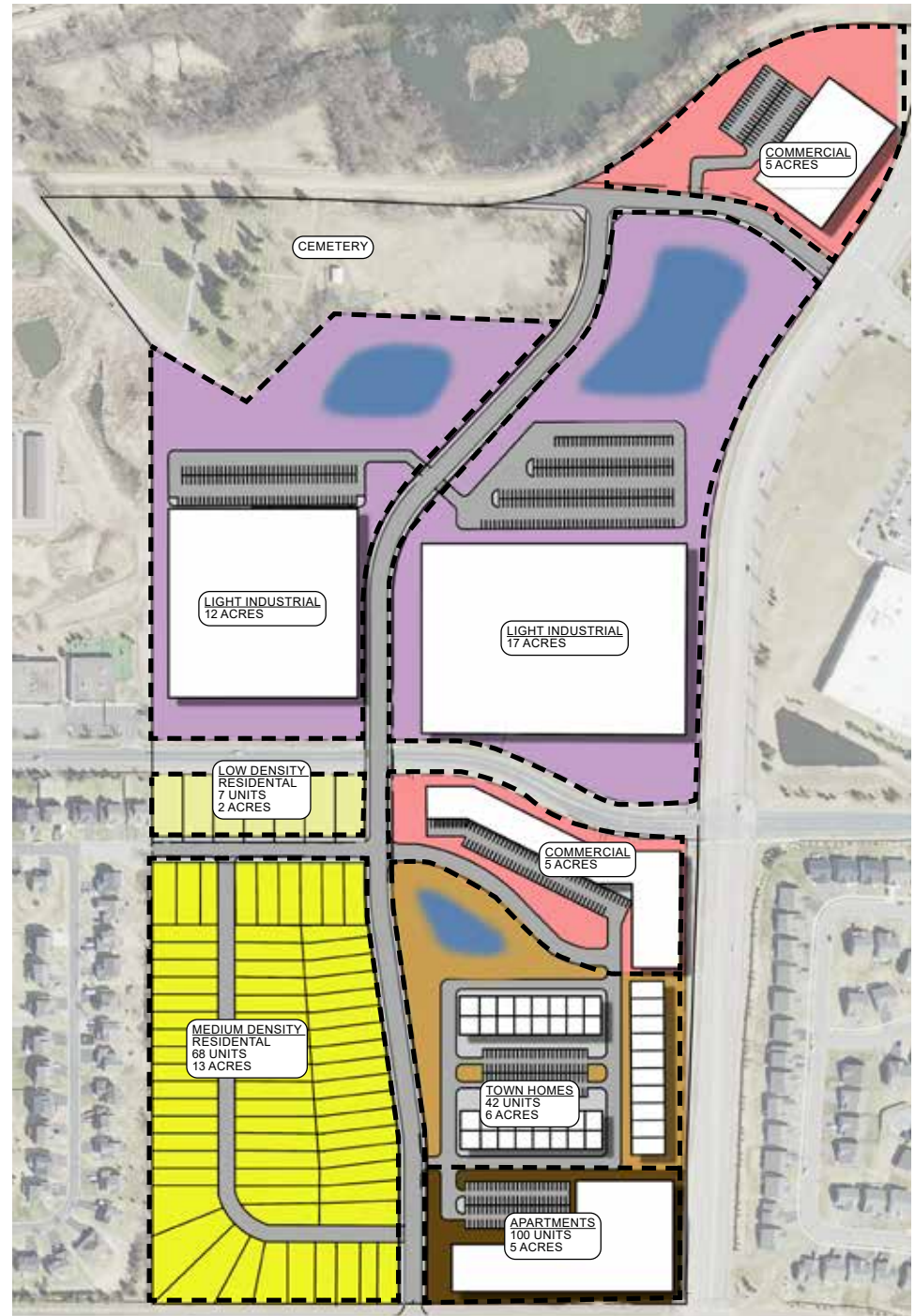
Source: City of Waconia 2040 Comprehensive Plan | <https://www.waconia.org/DocumentCenter/View/2320/CHAPTER-3---2040-FINAL-DRAFT---Waconia-Land-Use-Analysis-and-Plan-w-Maps-03-29-19>

The following is a list of land use acreage and approximate density for each of the concepts:

For ease of review, the discussion and analysis of the proposed concepts will be split into two sections, one each for the northern and southern site, with a description of what each concept proposes for the sites contained therein.

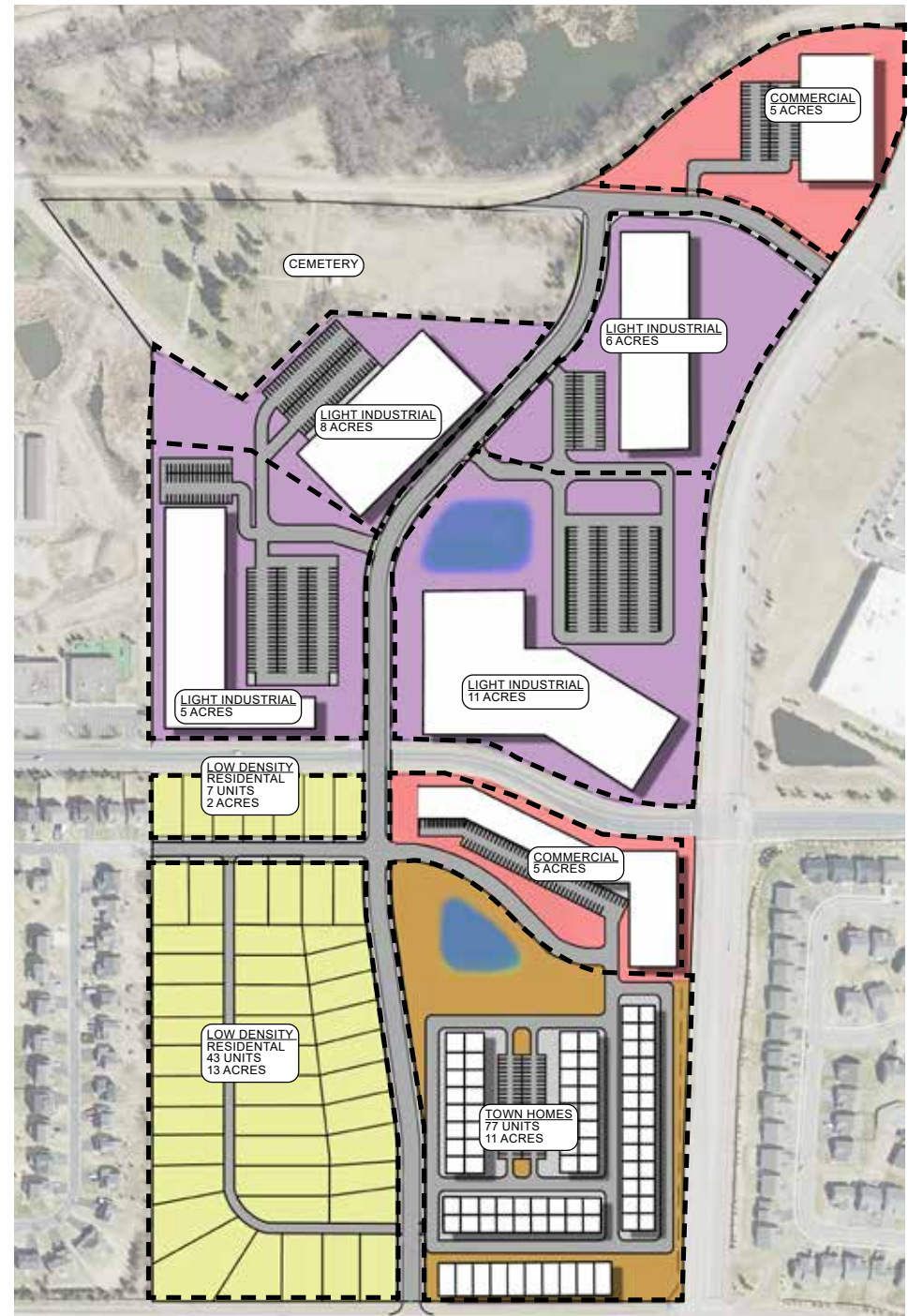
Concept #1

Northern Site		
Land Use	Acreage	
Commercial	5	
Light Industrial	29	
Southern Site		
Land Use	Acreage	Units
Commercial	5	N/A
Low Density Residential	2	3.5 DU/acre
Medium Density Residential	13	5.2 DU/acre
Town Home Residential	6	7 DU/acre
Apartment Residential	5	20 DU/acre



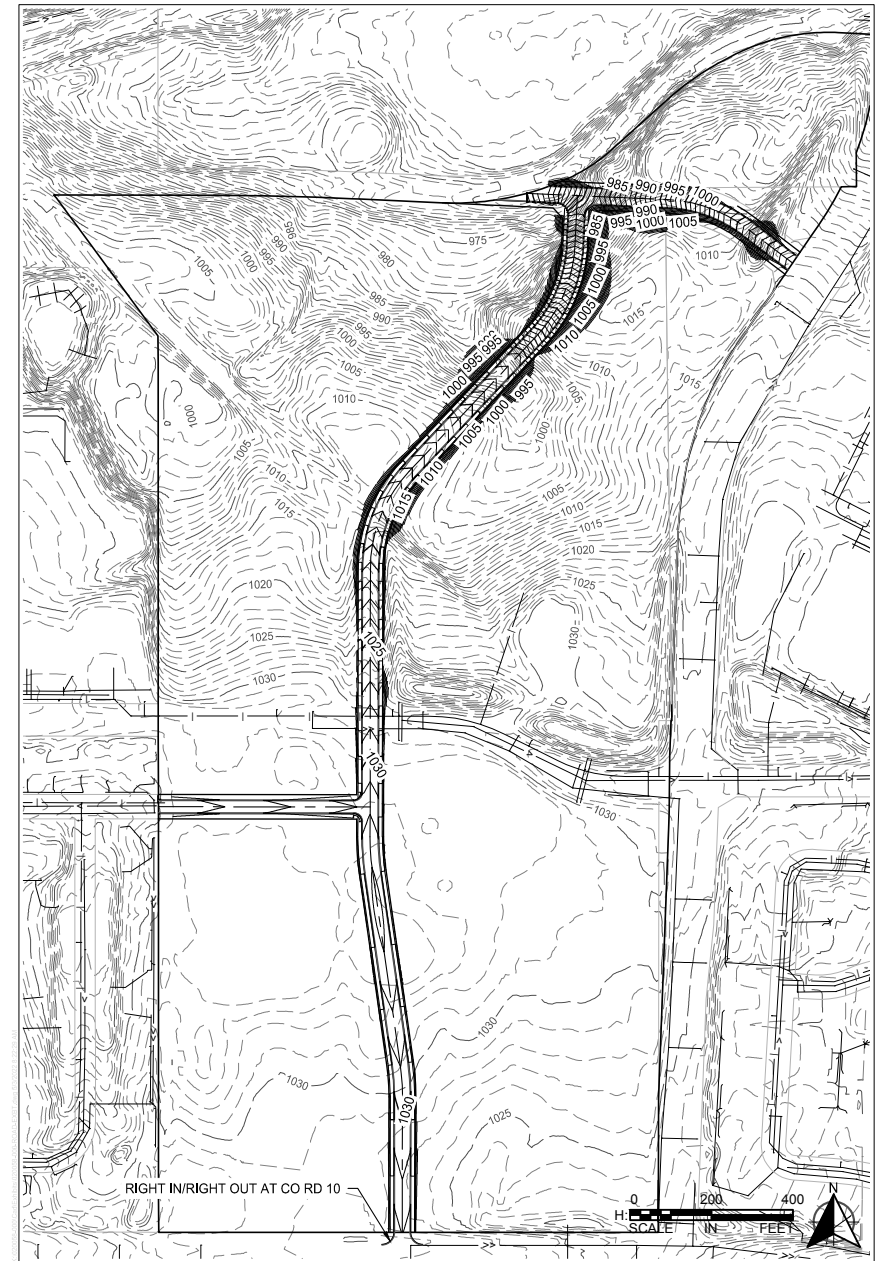
Concept #2

Northern Site		
Land Use	Acreage	
Commercial	5	
Light Industrial	30	
Southern Site		
Land Use	Acreage	Units
Commercial	5	N/A
Low Density Residential	15	3.33 DU/acre
Town Home Residential	11	7 DU/acre



Northern Site

The northern portion of the property has been primarily designated for industrial land uses. There is a 5-acre site, located at the new intersection of the proposed extension of Village Way and Main Street, that is recommended for commercial use, in part due to its high visibility and proximity to the commercial center, east of the site. The two development concepts provide options that vary only as it relates to the number of lots created. In both scenarios, a new public road is proposed that bisects the site to provide better access for development and to maximize site development potential. The location of the road is immediately adjacent to the eastern edge of the cemetery property and travels south between Airport Road and 10th Street. The alignment was chosen to meet City standards for road width and grade. The grades on the north half of the site are fairly steep and pose some challenges for installation of a road and ultimately creation of reasonable building pad sites. Another challenge in development of the north parcel is the presence of wetlands and the need to traverse a designated wetland for installation of the road and other utilities.



wsb
WSB PROJECT NO.:
020058-000
MAY 2, 2022

WACONIA SMALL AREA PLAN
ROAD GRADING EXHIBIT

EXHIBIT 1

Concept 1 uses the main road as the dividing line between two industrial parcels for future development. The two created sites, 17 acres in the east, and 12 acres in the west, provide the greatest amount of flexibility for new users due to their size. Potential grades over each of the parcels may inhibit development by one user, although the ability to parcel off smaller lots as users are identified is a reasonable development strategy. Concept 2 utilizes the same road alignment but creates four separate industrial sites, two in the west and east. Again, the exact configuration and size of the industrial lots will be more based upon user preference and need, and less on the designated land use.

Concept 1 North



Concept 2 North





REQUEST FOR CITY COUNCIL ACTION

Meeting Date:	May 19, 2025
Item Name:	8.4. Ordinance Amending Chapter 900 - Zoning Code Updates Related to Cannabis Businesses
Originating Dept:	Administration
Presented By:	Jackie Schulze
Previous Council Action:	December 16, 2024: Ordinance No. 779 Approving Proposed Amendments to Chapter 900 of City Code
Item Type:	Regular Session
RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Adopt Ordinance No. 782 Amending Section 900 of the City Code Regarding Cannabis Zoning Regulations Adopt Resolution No.2025-152 Approving Summary Publication of Ordinance No. 782	
EXPLANATION OF AGENDA ITEM: In December, the City Council approved Ordinances No. 778 and No. 779 related to cannabis licensing and zoning. As the State of Minnesota has now finalized its rules, and as we've begun developing our internal application process and responding to questions from prospective businesses, we've identified a few inconsistencies in the adopted ordinance that need to be addressed. This ordinance amendment makes the following key updates: Clarification of Definitions: The definition of "cannabis retail business" in Section 900.02 has been updated to remove the reference to "lower-potency hemp edible retailers." This change clarifies that these retailers are not considered the general cannabis retail businesses under the City's zoning code. Zoning Updates for Lower-Potency Hemp Edibles: The update allows "retailers selling lower-potency hemp edibles" as permitted uses in the B-1, B-2, and B-3 zoning districts. This corrects the earlier application of buffer requirements to these businesses and ensures that existing retailers who were selling these products prior to local regulation can continue to do so. The Minnesota Office of Cannabis Management is expected to begin licensing Lower Potency Hemp Edible Retailers this fall. Buffer Requirement Correction for Non-Retail Cannabis Businesses: The ordinance also clarifies the Council's intent in December to remove buffer requirements for non-retail cannabis businesses in the following zoning districts: • 900.05.11 – I-1: Industrial Park District • 900.05.12 – I-2: General Industrial District • 900.05.15 – A: Agricultural District	

It's important to note that this clarification reflects what was already approved by the City Council in December, but had not been fully captured in the previously published ordinance language.

ATTACHMENTS:

1. Ordinance No. 782 Amending Chapter 900 Zoning
2. Resolution No. 2025-152 Summary Publication of Ordinance No. 782

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
ORDINANCE NO. 782
AN ORDINANCE AMENDING CHAPTER 900
REGARDING ZONING

The City Council of the City of Waconia ordains:

FINDINGS AND PURPOSE

Chapter 900 of the Waconia City Code (the “Code”) regulates zoning in the City of Waconia (the “City”). A new law permitting recreational, adult use cannabis (Minnesota Statutes, Chapter 342) recently went into effect. In response to this new law, the City previously amended its zoning code to specify where cannabis related businesses are permitted, which provisions include buffer zone requirements. Further, City staff recently completed a map showing the areas affected by the buffer zones. Based on the map, City staff has determined some retailers that previously sold lower-potency hemp edibles will no longer be allowed to do so given the buffer requirements. The City Council did not intend to prohibit such pre-existing sales of lower-potency hemp edibles. Consequently, the City Council finds it is appropriate to further amend the zoning code to allow them. Further, the City Council finds it is appropriate to amend the zoning code to make other technical corrections.

The purpose of this ordinance is to amend Chapter 900 of the Code to: i) amend the definition of “cannabis retail business” to delete lower-potency hemp edible retailers from such definition; ii) amend the district regulations to list where lower-potency hemp edible retailers are permitted; and iii) amend the district regulations to make other technical corrections.

AMENDMENTS

1. Section 900.02, *Definitions*, is amended to modify the definition of “cannabis retail business” to delete the language shown below as ~~stricken~~ and to add the language double-underlined:

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; or iii) ~~a~~ medical cannabis combination businesses operating a retail location. ~~.; or iv) a lower-potency hemp edible retailer.~~

2. Section 900.05.7, A, 2, regarding uses permitted in the B-1 Highway Business District, is amended to add “retailers selling lower-potency hemp edibles” to such section.
3. Section 900.05.8, A, 2, regarding uses permitted in the B-2 General Business District, is amended to add “retailers selling lower-potency hemp edibles” to such section.
4. Section 900.05.9, A, 2, regarding uses permitted in the B-3 Central Business District, is

amended to add “retailers selling lower-potency hemp edibles” to such section.

5. Section 900.05.11, A, 5, regarding uses permitted with special restrictions in the I-1 Industrial Park District, is amended to delete the language shown as ~~stricken~~ below:

- c. Cannabis businesses licensed or endorsed for cultivation, manufacturer, wholesale, transportation, or delivery, ~~subject to the buffer requirements set forth in section 900.06.01, D, of this chapter.~~
- d. Medical cannabis combination businesses, ~~subject to the buffer requirements set forth in section 900.06.01, D, of this chapter.~~
- e. Businesses licensed or endorsed for low-potency hemp edible manufacturer, ~~subject to the buffer requirements set forth in section 900.06.01, D, of this chapter.~~

6. Section 900.05.12, A, 5, regarding uses permitted with special restrictions in the I-2 General Industrial District, is amended to delete the language shown as ~~stricken~~ below:

- c. Cannabis businesses licensed or endorsed for cultivation, manufacturer, wholesale, transportation, or delivery, ~~subject to the buffer requirements set forth in section 900.06.01, D, of this chapter.~~
- d. Medical cannabis combination businesses, ~~subject to the buffer requirements set forth in section 900.06.01, D, of this chapter.~~
- e. Businesses licensed or endorsed for low-potency hemp edible manufacturer, ~~subject to the buffer requirements set forth in section 900.06.01, D, of this chapter.~~

7. Section 900.05.15, A, 4, regarding uses permitted with special restrictions in the A Agricultural District, is amended to delete the language shown as ~~stricken~~ below:

- d. Cannabis businesses licensed or endorsed for cultivation, ~~subject to the buffer requirements set forth in section 900.06.01, D, of this chapter.~~

EFFECTIVE DATE

This ordinance is effective upon publication.

Passed and adopted by the City Council of the City of Waconia this 19th day of May 2025.

Tim Litfin, Mayor

ATTEST: _____
Jacqueline Schulze, Assistant City Administrator

**CITY OF WACONIA
RESOLUTION NO. 2025-152**

A RESOLUTION APPROVING SUMMARY PUBLICATION OF ORDINANCE NO. 782

WHEREAS, the City Council of the City of Waconia, Minnesota (the “City”) adopted Ordinance No. 782 on May 19, 2025 (the “Ordinance”); and

WHEREAS, pursuant to Minnesota Statutes §412.191, the City may publish the title and a summary of an Ordinance instead of its full text if the summary informs the public of the intent and effect of the Ordinance and the summary is approved by a four-fifths vote of the City Council; and

WHEREAS, the City Council finds: i) the summary set forth below informs the public of the intent and effect of the Ordinance; and ii) the title and summary of the Ordinance should be published instead of the full text of the Ordinance;

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

1. The above recitals and findings are incorporated as resolutions of the City Council.
2. The following official summary of Ordinance No. 782 is hereby approved:

ORDINANCE NO. 782, AN ORDINANCE AMENDING CHAPTER 900 REGARDING ZONING, amends Chapter 900 of the Waconia City Code to: i) amend the definition of “cannabis retail business” found in 900.02 to remove “lower-potency hemp edible retailer” from such definition; ii) to amend Sections 900.05.7, 900.05.8, and 900.05.9 to list “retailers selling lower-potency hemp edibles” as permitted uses in the B-1, B-2, and B-3 zoning districts and iii) to amend Sections 900.05.11, 900.05.12, and 900.05.15 to delete the references to buffer requirements for non-retail cannabis businesses.

The full text of the ordinance is available for public inspection during regular office hours at the office of the City Clerk, City Hall, 201 South Vine Street, Waconia, and will also be posted at City Hall. Further, any person may request the City to send the full text of the ordinance via standard or electronic mail by calling City Hall at (952) 442-2184.

3. The City Administrator shall submit the Ordinance title and summary to a qualified newspaper for publication using bold type no smaller than eight points in size.

Passed and adopted by the City Council of the City of Waconia this 19th day of May 2025.

Tim Litfin, Mayor

ATTEST:

Jacqueline Schulze, Assistant City Administrator



REQUEST FOR CITY COUNCIL ACTION

Meeting Date: May 19, 2025	
Item Name: 13.1. Closed Session	
Originating Dept: Administration	
Presented By: Shane Fineran	
Previous Council Action: None	
Item Type:	Discussion
RECOMMENDATIONS/COUNCIL ACTION/MOTION REQUESTED: Motion to Enter into Closed Session	
EXPLANATION OF AGENDA ITEM: The Council will meet in closed session pursuant to Minn Stat.13.05, subd. 3(c)(3) to consider the purchase of real property in the City of Waconia identified as PID: 750240100, located at 801 Highway 284.	
ATTACHMENTS: None	
FINANCIAL IMPLICATIONS:	ADVISORY BOARD RECOMMENDATIONS:
Funding Sources & Uses:	Planning Commission:
Budget Information:	Park Board:
_____ Budgeted	Personnel Committee:
_____ Non-Budgeted	Other:
_____ Amendment Required	