

**CITY OF WACONIA
SEPTEMBER 15, 2025**

1. CALL MEETING TO ORDER AND ROLL CALL

Mayor Litfin called the City of Waconia September 15, 2025, Council Meeting to order at 6:00 p.m.

2. PLEDGE OF ALLEGIANCE

Mayor Litfin led all in the Pledge of Allegiance.

3. PROCLAMATIONS

None

4. ADOPT AGENDA

Motion to Adopt the Agenda as Published made by Council Member Coleman seconded by Council Member Grengs
MOTION CARRIED.

5. PUBLIC HEARING

PUBLIC HEARING - 2026 Downtown Reconstruction Phase 4

Motion to Open the Public Hearing made by Council Member Gleason, seconded by Council Member Coleman
MOTION CARRIED.

Jake Saulsbury, City Engineer, stated the downtown street reconstruction project began in 2020 and the project was broken down into four phases. Phase 3 is close to completion, so Staff is moving into phase 4.

Proposed street improvements include:

- 1st Street from Olive Street to Elm Street will be 51.5 feet wide, 9-foot sidewalk on both sides, 60-degree angled parking on the north side, and parallel parking on the south side.
- 1st Street from Elm Street to Pine Street will be 51.5 feet wide, with an 8-foot sidewalk on the north side, a 7.5-foot sidewalk on the south side, 60-degree angled parking on the north side, and parallel parking on the south side.
- 1st Street from Pine Street to Spruce Street will be 48 feet wide, with a 6-foot sidewalk on both sides, with a 5-foot boulevard on both sides, and parallel parking on both sides.

- Elm Street from 1st Street to 2nd Street will be 48 feet wide, with a 9-foot sidewalk on both sides, parallel parking on both sides, and adding a 4-way stop at the 2nd Street Intersection to be evaluated.
- 2nd Street from Elm Street to Pine Street will be 42 feet wide, with an 8-foot sidewalk on the north side, a 6-foot sidewalk on the south side, a 5-foot boulevard on the south side, parallel parking on both sides, and a 4-way stop at Elm Street Intersection to be evaluated.
- The proposed off-street parking improvements have an estimated project cost of \$308,050 and include the option to partner with property owners for off-street parking, up to 35 parking stalls in a paved lot, and agreements with the property owners for reserved parking stalls for tenants.
- The proposed sidewalk improvements have an estimated project cost of \$572,410.
- The proposed storm sewer improvements have an estimated project cost of \$4,306,750 and include the reconstruction and expansion of the storm sewer system with a 10.1% reduction of impervious area.
- The proposed street and park lighting cost is included in the street/storm project cost with the lighting style and layout to match previous phases, City park lighting to be upgraded, and three banner pole locations proposed along 1st Street.
- The proposed sanitary sewer improvements have an estimated project cost of \$451,450 with the replacement of utility holes, replacement of 8-inch sanitary sewer and replacement of all services to the building or right-of-way line.
- The proposed water system improvements have an estimated project cost of \$1,239,670 with the replacement of hydrants and gate valves, and the replacement of all services to the building or right-of-way lines.
- The proposed irrigation system improvement costs are included with the water system improvements with the installation of a 1-inch irrigation main behind the curb for planter irrigation.

Mr. Saulsbury reviewed the City's assessment policy, which has remained unchanged since 2005. Under this policy, 50% of project costs for standard residential street and storm sewer improvements are assessed on a front-footage basis, while 50% of sanitary sewer and watermain costs are assessed on a per-unit basis. Within the project area, there are 34 properties, with assessments proposed for 32, as two are City-owned. The estimated reconstruction costs are as follows:

- Street/Storm Sewer: \$287.95 per foot
- Sanitary Sewer: \$5,770 per unit
- Watermain: \$10,180 per unit

Tom Konrardy, 130 Stacy Circle. Speaking on behalf of St. Joseph Church, requested details regarding the light poles and clarification of the number of units identified in the presentation. Mr. Saulsbury responded that, there is one watermain, as reflected in

the preliminary assessment spreadsheet provided.

Steve Yetzer, 332 West Fourth Street, inquired about the change in light pole locations from Phase One and Phase Two of the street reconstruction, noting that the poles are not being staggered. Mr. Saulsbury stated that the goal is to install five poles per block, which generally aligns with previous phases, and added that locations may vary due to the poles being installed behind the sidewalks.

Gregg Malsbary, 17 East 2nd Street, expressed concern that the new light fixtures would shine directly into his home. Mr. Saulsbury explained that the light poles are equipped with a downcast feature, directing light downward rather than outward.

Mr. Konrardy stated that St. Joseph Church may have concerns regarding the displays on the banner poles located near the church. Mayor Litfin noted he had previously discussed the matter with Father Mader and Deacon Bruce, and that the Church is requesting the banner pole not be placed at that location.

Mr. Saulsbury reminded residents to visit the project website, accessible through the City's main page at www.waconiamn.gov, which includes a feature to request project updates. He also noted the direct link: www.waconiamn.gov/downtown.

Motion to Close the Public Hearing made by Council Member Grengs, seconded by Council Member Siddons
MOTION CARRIED.

6. OPEN FORUM

None.

7. COMMUNITY INTEREST PRESENTATIONS

Waconia High School Homecoming — Student Council Leaders

Elle Baggenstoss, Student Council Vice-President
Reidun Trostad, Student Council Secretary
Clara Kuerschner, Student Council Advisor

Waconia Home Coming Week is scheduled for September 22nd through September 26th.

- **Saturday** – Homecoming Dance
- **Monday** – PJ/Comfy Day
- **Tuesday** – Monochrome Day

- **Wednesday** – Students wear pink
- **Thursday** – “Anything But a Backpack” Day. A new activity, **Bingo**, will also be introduced. If successful, organizers hope to open Bingo to the public next year.
- **Friday** – Waconia Spirit Day and pepfest. The Homecoming royalty court will be crowned just before the football game, with kickoff at 7:00 p.m. against Burnsville. The annual Homecoming Parade is also scheduled, with a student request for the closure of Community Drive from 5:00 to 6:00 p.m

Shane Fineran noted that on tonight's consent agenda, Item 8.10, the Council will consider Resolution No.2025-244, Approving a Special Event Permit to the Waconia High School Homecoming Parade. This is a City-supported event, and staff will provide barricades for the road closure.

8. ADOPT CONSENT AGENDA

- 1) **City Council Minutes September 2, 2025**
- 2) **Approve September 15, 2025 Expenditures**
- 3) **Safari Island Community Center Expenditures from Sports Facilities Companies Incurred August 2025**
- 4) **Ice Arena Expenditures from Sports Facilities Companies Incurred August 2025**
- 5) **CSAH 10 & Waconia Parkway North Improvements to Minger Construction Pay Request #3**
- 6) **Water Treatment Facility Piping Modifications to Municipal Builders Pay Request #9**
- 7) **Weight Room Flooring Replacement Project - Safari Island Community Center**
- 8) **Donation and Approve Pass Thru Recommendation - Waconia Fire Relief Association**
- 9) **Approve One Year Contract Extension with Northland Lining for Sewer Lateral Lining**
- 10) **Approve Contract for L52 Lift Station Exterior Improvements**
- 11) **Approve Final Purchase Price and Contract for Deed for the purchase of property for Water Treatment Plant No. 4.**
- 12) **Lodging Tax Fund Request - Waconia Convention & Visitors Bureau (CVB)**
- 13) **Memorandum of Understanding Outlining Payment Plan with Independent School District #110 and Safari Island Community Center**
- 14) **2025 Downtown Phase 3 Reconstruction Final Costs, Preparing Proposed Assessment, and Calling Public Hearing**
- 15) **Calling Public Hearing - Certification for Payment with Taxes - Payable 2026**
- 16) **Special Event Permit - Waconia Homecoming Parade**

17) Application for Exempt Gambling Permit for Carver County Pheasants Forever

Mayor Litfin requested to have consent agenda item 8.13 *Memorandum of Understanding Outlining Payment Plan with Independent School District #110 and Safari Island Community Center* be removed from the consent agenda.

Motion to adopt the consent agenda removing Item 8.13 was made by Council member Coleman, seconded by Council Member Grengs
MOTION CARRIED.

9. COUNCIL BUSINESS

1) 2026 Budget & Preliminary Levy

Nicole Meyer, Finance Director, reported that staff has prepared the preliminary 2026 budgets for all departments within the General Fund. She noted that the City is required to set a preliminary levy by September 30 each year. Once adopted, the levy may be reduced but cannot be increased. A full review of the General Fund will occur in November, with final budget approval scheduled for December 15, 2025. A public hearing on the levy is scheduled for the December 1, 2025, Council Meeting, providing residents and property owners the opportunity to ask questions.

Meyer stated that staff has reviewed property market value and tax capacity information provided by the Carver County Assessor. Overall taxable market value is increasing by approximately \$174 million, or 6.9%, with tax capacity increasing by \$1.9 million, or 7.61%, from 2025. Carver County further reported that the average single-family home in Waconia will experience an estimated 4.6% increase in market value for 2026.

For the preliminary levy, staff recommends a 12.8% increase in the general property tax levy, which supports City operations. This would maintain the General Fund balance at approximately 41%. The special debt levy is projected to decrease by 5% from 2025. Overall, the net levy to taxpayers is estimated to increase by 7.62% in 2026.

The preliminary levy tax rate would rise slightly, from 48.173% to 48.180%. With this rate, the average-valued home would see a property value increase of about 4% and an estimated 5% increase in the property tax bill—approximately \$8.61 more per month.

Mayor Litfin stated he would like to see the fund balance decrease to 40% to lower property taxes.

Motion to adopt Resolution No. 2025-226 adopting the 2026 preliminary levy made by Council Member Siddons, seconded by Council Member Gleason
MOTION CARRIED.

2) Ordering Improvements for the 2026 Downtown Phase 4 Reconstruction Project

Jon Haukaas, Public Services Director, stated this agenda item is the Resolution ordering the Improvement and Preparation of Plans to move forward on Phase 4. Based on what the Council has reviewed regarding the Feasibility Study, this is the next step which is required before the final design of the project.

Motion to Adopt Resolution No. 2025-227 Ordering the Improvements and Preparation of Plans made by Council Member Grengs, Seconded by Council Member Coleman

MOTION CARRIED.

10. ITEMS REMOVED FROM CONSENT AGENDA

Mayor Litfin removed from the consent agenda Item 8.13 *Memorandum of Understanding Outlining Payment Plan with Independent School District #110 and Safari Island Community* for explanation and clarification.

Staff reported that they have been working with ISD #110 on an HVAC project at Safari Island. The project falls under the existing Shared Use Agreement between the City and the School District, and the memorandum outlines how the HVAC improvements align with that agreement. Final project costs will be presented to the Council for approval upon completion.

Motion to adopt Resolution No. 2025-220 Approving Memorandum of Understanding Outlining Payment Plan with Independent School District #110 for HVAC Project at Safari Island Community Center made by Council Member Siddons, seconded by Council Member Gleason

MOTION CARRIED.

11. REPORTS/EMERGING ISSUES

1) Staff Reports

Jon Haukaas provided the Council with an update on several ongoing projects. He noted that significant work was completed on Olive Street in preparation for Nickle Dickle Day, with remaining efforts focused on alley improvements and landscaping. Haukaas reported that the Waconia Parkway North and Highway 10 Roundabout opened at approximately 9:00 p.m. on Friday evening, earlier than expected, as pavement markings cured more quickly due to favorable weather conditions. The pavement sealing project, originally scheduled to begin on September 17, has been delayed until September 23 due to equipment issues. On Main Street, from Birch Street to Vista Boulevard, and along Waconia Parkway North, existing fog lines will be removed by water blasting. In the fall, when re-striping is completed, lane widths will be reduced as a traffic-calming measure to decrease vehicle speeds and improve safety.

Dan Montague, General Manager of Safari Island, the Waconia Ice Arena and the

Senior Center. Mr. Montague provided the Council with construction and program updates.

A new sauna, constructed on the pool deck next to the hot tub, opened on August 22. A grand re-opening and ribbon cutting ceremony is scheduled for November 8 from 11:00 a.m. to 2:00 p.m. at Safari Island. Montague highlighted new fitness offerings, including Stay Active and Independent for Life (SAIL), line dancing, and Shine Dance Fitness, as well as new aquatics programs featuring adapted swimming lessons. On October 4th, from 1 p.m. to 3 p.m. there is a Taylor Swift Skate where participants can dance and skate to Taylor Swift hits with a live DJ. On October 13th at 5:00 p.m. there is an after-hours event at the senior center including dinner and a show featuring the Wild Rose Cloggers.

Jackie Schulze announced that the Fire Department Open House is scheduled for Saturday, October 4, 2025, at the Fire Station, running from 12:00 p.m. to 4:00 p.m. Activities will include a bounce house, fire truck rides, hot dogs and hamburgers, as well as CPR and First Aid training.

2) Councilmember Siddons

Nothing to report

3) Councilmember Coleman

Nothing to report.

4) Councilmember Gleason

Attended the CIP meeting on September 15th with Council Member Grengs. Staff provided great information with more to come.

5) Councilmember Grengs

Attended the CIP meeting on September 15th with more information coming.

6) Mayor Litfin

Mayor Litfin – Recent Meetings and Activities

- **09-03-25:** Met with Carver County Parks Director Marty Walch to discuss dog parks and trails. The Mayor continues to work with the County on a trail connection from Sterling Hills Addition to the new trailhead at the Dakota Rail Trail. Mr. Walch will submit a grant request to the County Board for this project. The Council will need to pass and submit a Resolution in support of the grant.
- **09-08-25:** Met with representatives of the Eva Sophie project, who are currently seeking property in Waconia for their project.

- **09-10-25:** Attended the Celebration of Philanthropy dinner in Chaska.
- **09-11-25:** Held the first Mayor Youth Advisory Council meeting with a group of 10 students.
- **09-12-25:** Attended the Southwest Transportation Coalition Commission meeting in Waconia. Updates include:
 - The Highway 5 and County Road 11 roundabout will not be constructed this fall; construction is expected in spring 2026.
 - The Highway 212 bridge project remains on schedule for completion in fall 2026.
 - Rolling Acres Road construction between Highway 5 and Highway 7 is rescheduled for 2029.
 - Redevelopment of Highway 5 from the Arboretum west to Victoria is moving forward, with bids to be awarded in November.
- **09-13-25:** Participated in Nickle Dickle Day; congratulations to all involved for a successful event.
- **09-19-25:** Attended the groundbreaking ceremony for a major expansion at the Lakeview Clinic Waconia campus.

12. ANNOUNCEMENTS

13. ADJOURN REGULAR MEETING

Motion to adjourn the September 15, 2025, Waconia City Council Meeting at 7:50 p.m. made by Council Member Coleman, seconded by Council Member Grengs
MOTION CARRIED.

WORK SESSION: 2026 SAFARI ISLAND & ICE ARENA BUDGET, WINTER MAINTENANCE POLICY UPDATES

Tim Litfin, Mayor

ATTEST: _____
 Sue Schwalbe, Administrative Specialist