

## CITY OF WACONIA

May 17, 2021

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

Staff Present: Jackie Schulze, Lane Braaten, Craig Eldred, Nicole Meyer, Mike Melchert, Ann Meyerhoff.

Visitors: Due to the Covid-19 local emergency, the City has suspended the practice of having members of the public sign in for meeting.

Pledge of Allegiance was led by Mayor Bloudek.

**ADOPT AGENDA:** Motion by Leo, seconded by Pierson to adopt the agenda as presented. All present voted aye.  
**MOTION CARRIED.**

### **VISITOR'S PRESENTATION:**

- Sonja Mumford, Animal Trapping Ordinance

### **ADOPT CONSENT AGENDA**

- 1) May 3, 2021, City Council Meeting Minutes.
- 2) Payment of May 17, 2021 Expenditures.
- 3) Resolution No. 2021-127, Donation Acceptance – Fire Department.
- 4) Resolution No. 2021-128, Donation Acceptance – Adaptive Playground.
- 5) Resolution No. 2021-129, Equipment Surplus – Public Services.
- 6) Resolution No. 2021-130, Equipment Surplus – Fire Department.
- 7) Resolution No. 2012-131, Execution of SCADA System Upgrades.
- 8) Resolution No. 2021-132, Lease of City Hall Copier/Scanner.
- 9) Resolution No. 2021-133, Preparation of Feasibility Report – 2022 Improvements.
- 10) Resolution No. 2021-134, The Fields Phase 1 – Development Agreement.
- 11) Resolution No. 2021-135, The Fields Final Plat.

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

**MOTION CARRIED.**

### **COUCIL BUSINESS:**

#### **Audited Comprehensive Annual Financial Report**

Nicole Meyer stated that city staff and the auditing firm of Redpath and Company have concluded the audit fieldwork and have prepared the City of Waconia Comprehensive Annual Report along with the Schedule of Expenditures of Federal Awards and Independent Auditor's Report the year ending December 31, 2020. The City did not have any internal control findings in 2020.

Andy Hering from Redpath and Company provided a presentation of the final report and audit results. Due to the length of the financial statement, a copy of the report was provided to the City Council prior to the meeting under separate cover. In addition, a copy of the final report was made available for review by the public at City Hall prior to the meeting. The Schedule of Expenditures of federal Awards and independent Auditor's Report (Single Audit) was completed by staff in compliance set forth by the U.S. Treasury Department for federal funds received through the Coronavirus Relief Fund. The type of audit will need to be completed in future years where the City expenditures are more than \$750,000 in federal funds.

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Staff will forward a copy of the report to the Office of the State Auditor and the Government Finance Officers Association for consideration for the Excellence in Financial Reporting Certificate. The Schedule of Expenditures of Federal Awards and Independent Auditor's Report will be forwarded to the Federal Audit Clearinghouse.

Council Member Pierson asked if there is a point when the fund balance is too large.

Meyer responded that policy is to be at 40% but this year shows higher because of CARES money that was received.

Motion by Leo, seconded by Waldron to Adopt Resolution No. 2021-136, Accepting Audited Comprehensive Annual Financial Report & Schedule of Expenditures of Federal Awards and Independent Auditor's Report as of December 31, 2020. All present voted aye. **MOTION CARRIED.**

### **Comprehensive Plan Amendment – 601 Industrial Blvd West**

Ethan Nelson indicated that the City has received a Comprehensive Plan Amendment application from Paul Tucci to re-guide the property located at 601 Industrial Blvd as H, High Density Residential versus the current guidance of I, Industrial. The approximately 11.68-acre subject parcel is currently an undeveloped parcel zoned A, Agriculture and located within the City of Waconia.

Nelson went over considerations for a comprehensive plan amendment which include:

1. The 11.68-acre parcel is located south of Industrial Blvd West and County Road 10. The neighboring area to the east is the Wildhurst single-family residential development. The properties to the northeast/southwest are all zoned and developed as Industrial. The properties to the northwest are zoned Commercial and Sudheimer Park is located to the south.
2. The City currently has an inventory of 23.42 acres of land guided for I, Industrial. The Sudheimer Trust Property's 11.68 acres represents 49.87% of the City's available land inventory.
3. The applicant submitted a Traffic Impact Analysis on April 28<sup>th</sup>, 2021 that was completed by Kimley-Horn and Associates, Inc. The City Engineer has completed a review of the Traffic Impact Analysis and provided a memo indicating that the additional traffic generated by a contemplated apartment use from the proposed Comprehensive Plan Amendment is not expected to have a noticeable impact on the operations of the study intersections and nearby regional roadways.

Public notice was published in the Waconia Patriot on April 22, 2021 and posted at Waconia City Hall. Individual notices were mailed to all property owners within 350 feet of the subject parcel. One written comment pertaining to this application was received.

It is also required to notify all affected jurisdictions in relation to all comprehensive plan amendments. Staff notified Carver County, Waconia Public Schools and Waconia Township. The comments received were attached for Council review and consideration.

The Planning Commission at their regular meeting on May 6, 2021, reviewed the pertinent information, held a public hearing and recommended via a 5-0 vote that the City Council approve the proposed Comprehensive Plan Amendment for 601 Industrial Blvd. West.

Paul Tucci gave a short presentation stating that if the property is re-guided, the proposed development for this property is a 4-story multi-family development. The proposed unit count would be in the range of 150-160 units. Parking would be provided both underground and with surface parking stalls to meet the needs of the users within the building.

The building will be designed to include a mix of studio/alcove, 1-bedroom, 2-bedroom and 3-bedroom units. Amenities within the building will include those items that are found at other suburban developments in nearby

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communities. These would include a community/party room, exercise/yoga room, media room, mail/package room, management/leasing office, patio amenity, exterior dog run, bike storage and potentially a roof-top deck feature.

A market study has been completed showing the need for market rate housing in the community. As more development occurs, home prices continue to escalate, making it more difficult and competitive for residents wishing to move into Waconia to realize. By providing the opportunity for a quality, amenitized residential development, these people will be able to make the move into the community.

The development would also include an access easement to the City of Waconia, allowing future access to the park land area via Industrial Boulevard, rather than from the neighborhood to the south.

Council Member Pierson asked Mr. Tucci to address concerns for storm water drainage into the wetlands. Tucci responded that they will be held to City standards for storm water management.

Council shared their thoughts and support for this amendment and project.

Motion by Leo, seconded by Pierson to Adopt Resolution No. 2021-137, Approving the Comprehensive Plan Amendment to re-guide the subject parcel as H, High Density Residential versus the current guidance if I, Industrial. All present voted aye. **MOTION CARRIED.**

### **Advertisement of Waconia Parkway South Corridor Project**

Craig Eldred shared that in 2019 the City initiated review of the corridors of County Road 10 and Waconia Parkway South as it related to current traffic and future Development. Items reviewed were current & future traffic, current and future Development access, intersection needs based upon traffic, pedestrian mobility movements and regional trail studies previously completed, links to Middle and High School, Brook Peterson Park, Ice Arena and Safari Island.

Given the current and future needs of this corridor, staff was authorized to prepare a corridor improvement project with funding in the Capital Improvement Plan. Also approved was the initial phase of a residential development called the Fields, which necessitated further improvements of the corridor. Staff was authorized to complete multiple steps to prepare the current step of advertisement of the programmed improvements of the corridor guided upon improving traffic and pedestrian enhancements which will serve local and regional traffic long-term.

Eldred walked Council through the components of the projects which include, a roundabout, traffic signal, detailed turn lanes and some water main improvements & sidewalks along Oak Ave. He indicated that we are waiting to hear if we will receive local road improvement funds from the state. If we do not receive those funds the sidewalk may have to wait and be done as a different project.

Staff is requesting City Council approval to advertise the project for bid. Anticipated project award would be in late July and anticipate phased construction to start in August. Improvements will continue into 2022 until completion in the summer.

Council Member Sorensen asked about the speed limit coming up to the roundabout.

Eldred replied that the speed limit is set at 50 mph but the roundabout will be 30 mph. He doesn't think people will actually get up to that speed before hitting the roundabout.

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Motion by Pierson, seconded by Leo to Adopt Resolution No. 2021-138, Authorizing Advertisement of Waconia Parkway South, South Corridor from Pond Lane to Trunk Highway Five and Inclusion of Wildcat Way and Pond Land Link to Corridor. All present voted aye. **MOTION CARRIED.**

**Construction Contract for L-52 Lift Station**

Craig Eldred stated the approximately 24 years ago the City and Metropolitan Council Environmental Services constructed an agreement whereby the City would assume the operations and control of the sanitary sewer lift station known as L-52 in the Lakeview Terrace Development. Since then, the City has made operational improvements to the lift station and items related to its support and transmission of wastewater to the MCES Regional lift station immediately east of Waconia. L-52 lift station improvements are scheduled in the Capital Improvement Plan for 2021 and listed as Project 324.

The current lift station make-up consists of concrete wet-well and an operational portion which is buried and known as a "Can". It has always been staff's intent as part of Capital Project 324 to improve the mechanical operational elements of the lift station itself by constructing a new wet-well supporting pumps, flow-line grinder, valve vault and air release. The improvement goals are to reduce liability and improve safety and operations of the lift station long-term. In consideration of liability, it is our intent to utilize the existing wet well for peak flow storage of wastewater in cases of extreme flow demands.

Currently, we have in possession the structural hatches, JWC grinder and components for installation. Ordered from our supplier are SCADA components, Air-Release Valve, Magnetic Flow Meter, and interior Lift Station Equipment. It is the intention to modify the current dry-well pumps to submersible to save 200+thousand dollars.

On May 11<sup>th</sup> via remote quest bid process, the City received three bids for the programmed improvements for L-52. It is expected that there will be additional project related expenses to relocate the existing XCEL Energy electrical service. As part of this process, the city will receive a credit from XCEL for the modification of the current transformer. The City will work with Center Point Energy to relocate the gas service to the control building.

Staff recommended approval of the request to execute a Construction Contract with Lametti and Sons in the amount of \$1,078,069.00 for L-52 sanitary sewer lift station improvement project.

Mayor Bloudek asked Eldred to explain to the public what a grinder pump is and what it does. Eldred explained that there is a growing issue with flushable wipes going into the sewer system. The grinder pump grinds the material and allows it to flow better through the system.

Motion by Sorensen, seconded by Waldron to Adopt Resolution No. 2021-139, Authorize Construction Contract with Lametti & Sons for L-52 Sanitary Sewer Lift Station in the Amount of \$1,078,069.00. CIP Project 324. All present voted aye. **MOTION CARRIED.**

**Authorize Award of CIPP Storm Pipe Lining**

Eldred explained that in December of 2020 staff obtained authorization to price CIPP Storm pipe lining for Willowbrooke, Trunk Highway Five and Mill lane storm sewer pipe segments. An Addition segment within the Fox Run Park was added which has caused settlements in the Park and its bituminous trail system. March 15, 2021 staff was authorized to obtain bids for the programmed improvement areas.

May 10, 2021 the City Engineers received four bids for the programmed CIPP storm pipe lining areas. Staff along with our Engineer recommend approval of awarding the CIPP lining project to Veit Construction in the amount of \$83,184.00.

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Motion by Leo, seconded by Sorensen to Adopt Resolution No. 2021-140, Authorize Contract Award of CIPP Storm Pipe Lining Improvement Project to Veit Construction in the Amount of \$83,184.00. CIP Project 627. All present voted aye. **MOTION CARRIED.**

### **Performance Measures & Report**

Jackie Schulze shared that 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 will aid residents, taxpayers, and state and local elected officials in determining the efficacy of local governments in providing services, and measure residents' opinions of those services. Local units of government that choose to participate in the new standards measure program may be eligible for reimbursement in LGA, \$0.14 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 again easy to gather data on for Waconia. Much of the data is already being generated, such as law enforcement data and fire service response. The City Stands to gain somewhere around \$1,800 in additional revenue through the implementation of this program.

Schulze shared the measurement report showing data trends for the last several years. Staff recommended participation in the Performance Measurement Program for 2021.

Motion by Waldron, seconded by Leo to Adopt Resolution No. 2021-141, Approving Performance measures & Report for Local Results & Innovation. All present voted aye. **MOTION CARRIED.**

### **Summer Hours at City Hall**

Jackie Schulze communicated that City Hall is looking at the possibility of going to a summer schedule for the summer of 2021, as a trial. This was discussed at the Council Work Session on May 3, 2021.

Under normal operating hours, City Hall is open 8:00 a.m. – 4:30 p.m. and employees are entitled to an hour lunch break (half hour paid, half hour unpaid) for a total of 8 hours of pay in a day. Many of our employees do not take their lunch break or have evening meetings during the week, which results in extra hours come the end of the week. The City does a good job of limiting overtime and compensatory time and encourages employees to flex their schedules. This, coupled with staff vacations and pre-planned time off, results in small staffing numbers on Fridays at City Hall throughout the year, but especially in the summer. In addition, Fridays in general, but especially Friday afternoons are very quiet, with few members of the public coming in.

After much discussion, City staff and the Personnel Committee recommend testing out a summer schedule for Memorial Day – Labor Day, 2021. This schedule would include four nine-hour days (7:30 a.m. – 4:30 p.m.) Monday – Thursday, and a four-hour day (7:30 a.m. – 11:30 a.m.) on Friday. City staff will then have a half hour paid break during the day to use as they see fit. The Fair Labor Standards Act (FLSA) and the State of Minnesota law states that employees must be given two breaks during the day to use the restroom and time to eat lunch, but do not specify how long these breaks must be. After checking with the League of Minnesota Cities as well as the City's Employment Attorney, they did not see any concerns with this schedule regarding FLSA or state laws.

This schedule would be a trial for the summer months of 2021. If we see the public taking advantage of our earlier office hours and it works well for staff, we may discuss options such as opening earlier year-round, however this would be brought to the Personnel Committee and the entire City Council before any decisions are made.

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Motion by Waldron, seconded by Leo to Adopt Resolution No. 2021-142, Adopting Summer Hours at City Hall. All present voted aye. **MOTION CARRIED.**

**ITEMS REMOVED FROM CONSENT AGENDA:** None

**STAFF REPORTS:** Schulze informed the Council that on June 2<sup>nd</sup> Fox 9 will be doing a profile on Waconia and the State Baseball Tournament.

**BOARD REPORTS:**

Councilmember Sorensen – The School Board acknowledged teachers that are retiring. They have a strong budget for the next year.

Councilmember Leo – Nothing to Report.

Councilmember Pierson – Nothing to Report.

Councilmember Waldron – Sister Saturday was a success. Plans for fireworks are moving forward.

Mayor Bloudek – Nothing to Report.

**ANNOUNCEMENTS:** None

**RECESS TO CLOSED SESSION**

The Council will meet in closed session pursuant to Minn Stat. 13D.05, subd. 3(c)(3) to consider an offer to purchase parcels of real property owned by the City of Waconia located at 10451 10<sup>th</sup> Street West: PID No. 754630010 and 87 8<sup>th</sup> Street; PID No. 753700020.

The Council will continue their closed session pursuant to Minn Stat. 13D.05, subd.3(c)(3) to consider the City's proposed purchase of vacant land located at 83 East Highway 5, Waconia; PID 750243200.

Council returned from closed session and Mike Melchert explained that the City currently has a purchase agreement in effect with United Farmers Cooperative to buy a vacant lot that is located along Highway 5. The purchase agreement was signed late last summer. After it was signed the City did due diligence on the property and found a couple of items that needed to be addressed. One of the items is still pending but at this point we are ready to move forward with the transaction. The parties involved would like to amend the purchase agreement to address resetting the closing date to a date this spring.

Motion by Leo, seconded by Waldron to Adopt Resolution No. 2021-143, Amendment to Purchase Agreement. All present voted aye. **MOTION CARRIED.**

**ADJOURN:**

Motion by Sorensen, seconded by Pierson to adjourn the meeting at 8:25 p.m. All present voted aye. **MOTION CARRIED.**

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Kent Bloudek, Mayor

ATTEST: \_\_\_\_\_  
Ann Meyerhoff, Office Assistant