

## CITY OF WACONIA

June 7, 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 6:05 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 Waldron to adopt the agenda as presented. All present voted aye. **MOTION CARRIED.**

**VISITOR'S PRESENTATION:** None

### **ADOPT CONSENT AGENDA**

- 1) May 17, 2021, City Council Meeting Minutes.
- 2) Payment of June 7, 2021 Expenditures.
- 3) Rink Management Services Corporation Waconia Ice Arena Expenditures Incurred in April 2021.
- 4) Rink Management Services Corporation Safari Island Community Center Expenditures Incurred in April 2021.
- 5) Use of Streets/Parade Permit: Lake Waconia Band Festival.
- 6) Call for Annual Storm Water Pollution Prevention Program Meeting.
- 7) Resolution No. 2012-144, Application for Exempt Permit: Waconia Band Boosters.
- 8) Resolution No. 2021-145, On-Sale Liquor License: Rey Azteca of Waconia.
- 9) Resolution No. 2021-146, Temp. On-Sale Liquor License & Use of Parking Lot: Waconia Brewing.
- 10) Resolution No. 2021-147 Cash Donation for Adaptive Playground Equipment.
- 11) Resolution No. 2021-148, Authorize Surplus Equipment for Disposal.
- 12) Resolution No. 2021-149, Granicus Agenda Management Software.
- 13) Resolution No. 2021-150, Authorize Staff to Submit Grant Application.
- 14) Resolution No. 2021-151, Authorize Advertisement of East Frontage Road Improvement Project.
- 15) Resolution No. 2021-152, Approval of Risk and Resilience Assessment.
- 16) Resolution No. 2021-153, Authorize Advertisement of Parking Lot Improvements
- 17) Resolution No. 2021-155, Waterford Additions – Early Grading Agreement & Permit.
- 18) Resolution No. 2021-156, Capital Projects at the Waconia Ice Arena

Council Member Sorensen asked to pull Resolution No. 2021-154 from Consent to be discussed after Council Business.

Motion by Pierson, seconded by Leo to Adopt the Consent Agenda as amended. All present voted aye. **MOTION CARRIED.**

### **COUCIL BUSINESS:**

#### **Purchase Agreement with S&C Properties, LLC**

Lane Braaten stated that City Council, at previous closed sessions, considered offers to purchase the City owned industrial parcels located at 10451 10<sup>th</sup> Street West and 87 8<sup>th</sup> Street. Subsequent to the most recent closed session staff has been working with S&C Properties, LLC to formalize a purchase agreement for the properties.

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Mike Melchert came forward and explained the components of the purchase agreement. Both parcels are included in the same document with no personal property included. There is a contingency in the agreement that if the City chooses to keep the 10<sup>th</sup> Street property because it is appropriate for the Fire Station, the City needs to elect in writing by giving the buyer notice by June 23<sup>rd</sup> that piece of property will be taken out of the transaction.

The closing date is listed as July 15<sup>th</sup>, however if the City's contingency is extended past June 23<sup>rd</sup> the closing date will have to be changed as well.

Mayor Bloudek express concern that the 10<sup>th</sup> Street parcel is one of two being considered for the Fire Station and at a point to not be able meet the expectation of that date. The current buyers want to move on quickly but more information still needs to be gathered to make a decision on the Fire Station.

Melchert responded that both parcels are currently covered by the purchase agreement. If the City were to give notice and use the 10<sup>th</sup> Street property for the Fire Station that would drop out and the buyer would still have the opportunity to purchase the 8<sup>th</sup> Street property or they can terminate the entire agreement.

Mayor Bloudek asked that based with the way things are looking is the best thing to deny the purchase agreement.

Melchert stated that the dates could be changed to accommodate the City's needs. The June 23<sup>rd</sup> date could be changed to September 1<sup>st</sup> and July 15<sup>th</sup> to September 15<sup>th</sup>. Melchert went on and explained that if the purchase agreement stays the same with both properties included the buyers would not be able to purchase just the 8<sup>th</sup> Street property before September 1<sup>st</sup>. If it is the intent that they want to purchase 8<sup>th</sup> Street prior the agreement would need major revisions separating the two parcels.

Council Members agreed that it would be best to rewrite the purchase agreement allowing the buys to be able to purchase the 8<sup>th</sup> Street property prior to September 1<sup>st</sup> and change the date for the 10<sup>th</sup> Street property to September 1<sup>st</sup> giving more time to gather the information needed to make a decision about the Fire Station.

Melchert advised that no action be taken on this item and it be brought back to Council on June 21<sup>st</sup> at the next Council Meeting.

### **Construction Contract for Bayview Reuse Project**

Craig Eldred indicated that on April 16, 2021 Staff requested of the City Council authorization to reject the bids received and re-advertisement of the Bayview Reuse Project based upon discrepancies of the bids received on April 13, 2021. The City Engineer did revise the scope as provided on April 16, 2021. New bids were received by the City Engineer and Public Services Director on May 25, 2021 through a virtual process. Four bids were received and acknowledged at 10:00 a.m. ranging in a low bid of \$784,215.00 to a high bid of \$871,269.00.

Eldred mentioned that the project is over what is programmed in the CIP, however there is \$200,000 in grant funds coming. We were underbid on a few other projects so overall we are short \$54,215. Emphasis for this project is to improve the pretreatment for the site, currently the structure is inadequate and creates more maintenance for staff. There are also pump issues, because of the size of the distribution line going out to the irrigation system. That will be increased from a 2 inch to a 4 inch line.

Mayor Bloudek asked if Eldred could explain how the reuse works.

Eldred explained that storm water is collected and managed and then used for irrigation and is good for the soils.

Eldred recommended award of a Construction Contract with Minger Construction Company, Inc. in the amount of \$784,215.00. The revised schedule is Substantial Completion, Fall 2021 and Final Completion, Spring 2022.

Motion by Leo, seconded by Waldron to Adopt Resolution No. 2021-158, Award Construction Contract with Minger Construction Company, Inc. in the Amount of \$784,215.00 for the Bayview Reuse Project. All present voted aye. **MOTION CARRIED.**

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**ITEMS REMOVED FROM CONSENT AGENDA:**

**Authorize Architectural Design Services**

Craig Eldred explained that one of the necessary steps to allow construction o the East Frontage Road is to meet the recital items of the agreement with Mr. and Mrs. Everson agreed upon on March 1, 2021 to construct a garage and façade improvements to maintain their business operation, since the roadway alignment is through their existing structures and consumes the very most southern portion of their business parcel.

Staff consulted with Jennifer Kaeding owner of Kaeding Architecture, LLC. To obtain a proposal to design and bid necessary services for construction of the replacement garage and façade improvements agreed upon. The costs of the services are provided within the proposal at a cost of \$22,000.00. Within the proposal are detailed costs if items exceed the design factors provided by Jennifer Kaeding. Staff is hopeful the extra fee items will not be necessary but wanted to make Council aware of possible extra related fees.

Council Member Sorensen voiced some concerns which include:

Who will be constructing the concrete slab?

Eldred responded that it would be who ever the contractor they end up using is.

In doing some research, \$22,000.00 to construct a shed seems way to high and there has to be a much more economical way to design this at a lesser cost.

Eldred stated that because of some of the improvements we are doing to the site and with building permits this has to be done with an architectural design. Some of the improvement costs will be coming out of the \$500,000 that we will be receiving from the state.

Council Member Pierson asked if this is something we can put out for bids to find the most competitive price

Eldred said yes that is a possibility but wanted to keep it as local as possible.

Lane Braaten shared that he met with the building inspector and asked what was going to be required for this project. He was told that for a building permit and to meet City Code the project will need to be signed off by an architect and engineer.

Motion by Leo, seconded by Waldron to Adopt Resolution No. 2012-154, Authorization of Public Services Director to Execute Proposal for Architectural Design and bid Services for Garage and Façade Improvements of Everson Hardware Site as Component of East Frontage Road Improvement Project. Bloudek, Waldron, Leo, Pierson voted aye. Sorenson voted nay. **MOTION CARRIED.**

**STAFF REPORTS:** None

**BOARD REPORTS:**

Councilmember Sorensen – Nothing to Report

Councilmember Leo – Nothing to Report.

Councilmember Pierson – Nothing to Report.

Councilmember Waldron – Nothing to Report.

Mayor Bloudek – Waconia go some good coverage during the Town Ball Tour last week.

**ANNOUNCEMENTS:** None

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**RECESS TO CLOSED SESSION**

The Council will meet in closed session pursuant to Minn Stat. 13D.05, subd. 3(c)(3) to consider purchase of property located at 10250 10<sup>th</sup> Street East (PID# 09240610).

**ADJOURN:**

Motion by Sorensen, seconded by Pierson to adjourn the meeting at 7:25 p.m. All present voted aye. **MOTION CARRIED.**

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Kent Bloudek, Mayor

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