City of WADENA

222 2nd Street SE
Wadena, MN 56482

Regular City Council Minutes
Tuesday, April 14, 2026

CALL TO ORDER AND ROLL CALL

Comprising a quorum of the City Council, the meeting was called to order at 5:00 pm with the following members present: Mayor George Deiss, Council Members Duke Harrison, Mark Lunde, Wade Miller and Mac Nelson.

CONSENT CALENDAR

Motion approving the consent calendar items.

A. Claims Register Summary
B. Monthly Financial Reports
C. City Council Meeting Minutes:
   a. March 10, 2026, Regular Meeting
D. Action 26-24: J&M Displays, Inc, Transient Merchant License
E. Action 26:25: Salsa Festival, Request to Close Aldrich Ave

Moved by:	Harrison	Seconded by:	Lunde
Roll call vote:	Deiss, Harrison, Lunde, Miller, Nelson		

OLD BUSINESS

Ordinance 260: Motion approving to amend City Code, Chapter 152 Zoning, 152.28 C-B Commercial District, to allow residential dwelling units, size, and off-street parking requirements on secondary levels of commercial buildings.

Second reading is completed.

Moved by:	Nelson	Seconded by:	Miller
Roll Call Vote:	Deiss, Harrison, Lunde, Miller, Nelson		

Ordinance 261: Motion approving to amend City Code, Chapter 152 Zoning, 152.29 C-1 Central Business District, to allow residential dwelling units, size, and off-street parking requirements on secondary levels of commercial buildings.

Second reading is completed.

Moved by:	Lunde	Seconded by:	Miller
Roll Call Vote:	Deiss, Harrison, Lunde, Miller, Nelson		

NEW BUSINESS

Resolution 2026-21: Motion approving a grant application to the MN PFA Drinking Water Revolving Fund for a $400,000 Lead Service Line Replacement (LSLR) project.

Authorization to request PFA reimbursement funds for the Northeast drinking water project addressing galvanized service lines. Approximately 50 services are planned, with over half of the area residents expressing interest. The City is pursuing full grant funding to cover costs, has received positive contractor interest, and is proceeding with contracts. Potential surplus funds may be used to address additional service lines citywide, prioritizing residents with urgent needs.

Moved by:	Nelson	Seconded by:	Lunde
Roll Call Vote:	Deiss, Harrison, Lunde, Miller, Nelson		

Resolution 2026-22: Motion approving designation of Mayor Deiss and Council Member Harrison to the Philanthropy, Foundation, Charitable committee.

Moved by:	Lunde	Seconded by:	Miller
Roll Call Vote:	Deiss, Harrison, Lunde, Miller, Nelson		

Action 26-26: Motion failed to pass. Motion approving installation of the city digital sign to the Northeast corner of intersecting Highways 10 and 71.

Resident Kent Scheer requests to postpone the proposed digital sign, citing a 2018 community planning process involving public participation, professional guidance, and financial investment. His foremost concern is maintaining the intersection sight as a gateway to downtown.
Each council member shared differing perspectives on the placement and land use of each (available) corner, along with visibility and economic development impacts. Member Lunde and Administrator Schroeder shared concerns that the NE location minimizes the future commerce and economic buildability of the property; not an ideal location for greenspace.
It was noted MnDOT currently owns the SE and SW corners. The City is working with MnDOT for options to acquire.
Member Miller motioned to move the sign to the NE corner of the intersection as a potential solution to Sheer's concerns. Motion failed for lack of a quorum in favor.

Moved by:	Miller	Seconded by:	Nelson
Roll Call Vote:	Miller, Nelson		
Opposed:	Deiss, Harrison, Lunde		

Action 26-27: No action taken. Vicki Chepulis, concerned with the digital sign at Hwy 10 and 71 intersections.

Resident Vicki Chepulis expressed appreciation for the City Council's service. She then voiced concern regarding the proposed digital sign near the Highway 10/71 intersection. She referenced prior community planning efforts involving extensive public input and professional design. She raised concerns about traffic safety, citing research on driver distraction, and questioned the effectiveness and return on investment of digital signage.
Council and staff responded with differing positive perspectives on safety, purpose, and design of the sign, noting the only use will be City, Chamber, and potential non-profit community event promotions.

Action 26-28: Motion approving WDA recommendation to enter a purchase option and right of first refusal to Hunke Fuel Station, LLC., on Lot 4, Block 2 of the Wadena Business Park.

The lot was previously under the option by Hunke and later released for a potential Dollar General project. Dollar General relinquished their option, allowing Hunke to reestablish with a planned convenience store development in the near future.

Moved by:	Lunde	Seconded by:	Nelson
Vote in Favor:	Deiss, Lunde, Miller, Nelson		
Abstained:	Harrison		

Action 26-29: Motion approving disclosure notice of a fix up loan to MJJR Properties, Mark Lunde, elected official of the city council.

Notice disclosure is provided that an elected official, Mark Lunde, owner of MJJR Properties LLC and a resident of Wadena, has applied for the city's Fix-Up Loan program. It was noted the program is available to all eligible city residents under the same terms and conditions, with no preferential treatment. The disclosure was made in a public meeting to ensure transparency and confirm the application is being processed through standard public program procedures.

Moved by:	Harrison	Seconded by:	Miller
Vote in Favor:	Deiss, Harrison, Miller, Nelson		
Abstained:	Lunde		

Action 26-30: Motion approving a $7,500, 20% deferred, 80% repayable, 3% interest Fix-Up loan to MJJR Properties, Mark Lunde.

Lunde intends to place a tiny home on the vacant lot, which involves moving a structure onto the property and subsequent improvements. Although the application references fix up and renovation, the work includes both placement and renovation.

Moved by:	Miller	Seconded by:	Harrison
Vote in Favor:	Deiss, Harrison, Miller, Nelson		
Abstained:	Lunde		

Action 26-31: Motion approving SEH Apron Reconstruction project award recommendation to Anderson Brothers Construction for a total construction cost of $641,766.29, local city cost share totaling $16,044.15.

The project is part of the Capital Improvement Plan (CIP). MnDOT Aeronautics design requires to relocate the aircraft crossing point between the runway and taxiway area to eliminate direct line-of-sight access, improving safety and compliance. The project also includes improvements to the tie-down area.

The design phase was approved in 2025; this project request is for the construction phase.

Total project funding is largely covered by FAA and state funds, with the City's cost participation at 2.5%, or $16,044.15.

Administrator Schroeder noted this will utilize 2025 and 2026 budgeted airport capital funds, with potential additional reliance from prior or future year balances.

FAA and MnDOT aviation projects follow a pre-bid process, meaning design and bidding occur prior to final approval. The bid has been received and is now before Council for authorization before final state and federal review.

Moved by:	Lunde	Seconded by:	Harrison
Roll Call Vote:	Deiss, Harrison, Lunde, Miller, Nelson		

Action 26-32: Motion approving SEH Snow Removal Equipment project award recommendation to Hy-Tec Construction, Inc. for a total construction cost of $663,051.02, local city cost share totaling $16,576.27.

The City's large airport hangar, currently housing snow removal equipment (SRE) and partially leased to tenant Sean Barron's crop spraying business, was discussed as part of a proposed reconfiguration. The tenant currently occupies approximately two-thirds of the building and has expressed interest in leasing the entire hangar.

Relocation of city SRE equipment to a new building would allow the full facility to be leased, increasing rental revenue. Current rent arrangements were discussed, with acknowledgement that further negotiations with the tenant is expected.

Increased revenue will help offset airport capital costs and assist with future City project cost participation amounts. Staff also referenced that favorable FAA and MnDOT funding makes the timing of the project advantageous, though future changes to state funding formulas could impact costs going forward.

Moved by:	Nelson	Seconded by:	Lunde
Roll Call Vote:	Deiss, Harrison, Lunde, Miller, Nelson		

Action 26-33: Motion approving to increase the credit card customer processing fees through Tyler Technologies utility bill process from 2% to 3% effective May 1, 2026.

Currently, the city's credit card processing fee is 2% and passed on to customers. However, actual processing costs to the city vary by card type and often exceed that amount, resulting in the city absorbing the difference. Following discussion, Council and staff considered adjusting the fee to better align with actual processing costs, with suggestions ranging up to 3.25% keeping consideration in remaining compliant with applicable limitations. ACH payments remain a no-cost option for residents. Ultimately, consensus settled at a standard percentage aligned with average rates. Review and adjustments will continue forward through the annual fee schedule.

Moved by:	Lunde	Seconded by:	Miller
Roll Call Vote:	Deiss, Harrison, Lunde, Miller, Nelson		

Action 26-34: Motion approving a Military Leave request form.

The form was adopted from another municipality and reviewed by the city attorney. The form is intended to provide a consistent process for documenting leave requests, particularly when advance notice is available.

Moved by:	Lunde	Seconded by:	Nelson
Roll Call Vote:	Deiss, Harrison, Lunde, Miller, Nelson		

MEETING OPEN TO THE PUBLIC: 6:18 pm

Nicole Stracek from the Wadena Pioneer Journal stated that while she does not live in Wadena, she has come to cherish many members of the community who want to see Wadena thrive. She encouraged the council to listen and work together to reach a reasonable resolution when it comes to the city sign on Hwy 10/71.

DEPARTMENT REPORTS

Public Works Department – Dan Kovar – Nothing to add.

Utilities Department - Superintendent David Evans

- Lights will be removed along Highway 10 East from Heartland Tire to Shady Lane, expect darker conditions in that area.
- MRES annual meeting is scheduled May 6th and 7th; if a council member is interested in going, an extra room has been reserved and travel can be arranged.

Wadena Development Authority and Planning & Zoning – Dean Uselman Nothing to add

Police Department – Naomi Plautz Not present

Fire Department – Cody Yglesias Fire Chief – Not Present

Wadena Liquor Store – Tim Booth Not present

Maslowski Wellness and Research Center – Lisa Anderson

- A donation was received to purchase and replace 21 tables, with 9 remaining to upgrade.

Whitetail Run Golf Course – Kevin Ross - Not present

City Administrator – Kim Schroeder

- The Quiet Zone project continues. Bolton and Menk and the Federal Railroad Association met to discuss the city's options.
- Weekly meetings with Mathiowetz and MnDOT have begun. It's urged that the council or public notify the city or state of any issues, questions, or concerns businesses or residents have.

COUNCIL REPORTS

Duke Harrison: A swing at Tapley park has broken, Dan Kovar will schedule an inspection.
Mark Lunde: The Airport Committee is considering moving the Fly-In to August.
Mac Nelson: Noted WDC school staff and/or students are parking in the Maslowski parking lot to get on a bus for athletic event(s). Requested permission to send an email to WDC activity director to request parking elsewhere. The council saw no issue to proceed with an email.
Wade Miller: Nothing to report or add.
Mayor George Deiss: Gave thanks to the council for their dedication to the city while full-time citizens and fulfilling full-time jobs.

Action Motion: Motion to adjourn at 6:51 pm.

Moved by:	Nelson	Seconded by:	Miller
Vote in favor:	Deiss, Harrison, Lunde, Miller, Nelson		

George Deiss, Mayor

Attest: Kim Schroeder
Kim Schroeder, City Administrator