



**Regular City Council Minutes
Tuesday, July 8, 2025**

PLEDGE OF ALLEGIANCE

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, and Wade Miller. Mac Nelson was absent.

CONSENT CALENDAR

Motion approving the consent calendar items.

- A. Claims Register Summary
- B. Monthly Financial Reports
- C. City Council Meeting Minutes:
 - a. June 10, 2025, Regular Meeting
 - b. June 16, 2025, Special Meeting

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

Public Hearing: DEED Minnesota Investment Fund (MIF) loan agreement.

Mason Brothers is working on an expansion which will boost local jobs and tax base. To help fund the project with gap financing, the City is seeking to apply for a Minnesota Investment Fund (MIF) loan. At this time, the loan is 3% below-market interest rate, which qualifies for the city's business subsidy program. Statutes require a public hearing to be held.

The City services the loan directly from DEED funds and retains up to 40% or maximum of \$100,000 of the repayment to be used for future development initiatives. The city has successfully used this program several times benefiting both the community and businesses.

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

Motion to close the public hearing at 5:07 pm.

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

NEW BUSINESS

Resolution 2025-30: Motion approving the issuance and sale of \$3,245,000 general obligation bonds, series 2025A, pledging for the security thereof special assessments for the Highway 10/71/29 projects.

George Eilertson from Northland Public Finance discussed the issuance and sale of \$3,245,000 General Obligation bonds. Also presenting a summary of the recent bond sale related to financing the city's share of major improvement projects on TH10/71/29.

The required public hearing was held in June.

The \$3,245,000 general obligation bonds have a 20-year term structure determined to best fit for the project versus a shorter option. The bond sale lower interest rate benefits from an AA-rating due to Wadena's diverse economy, ag, manufacturing, retail, and service sectors.

A strong financial profile with years of break-even general fund results, and reserves maintained well above the city's policy minimum, currently at 81%, is exceeding the six-month reserve requirement for annual operating expenditures.

To further improve the rating and marketability, bond insurance was purchased, boosting the bonds from AA- to AA. This allowed the city to receive slightly lower interest rates and attracted additional investors, including mutual funds that specifically seek insured bonds.

The true interest cost for the bonds is 4.35%. The bonds are callable beginning February 2033 with 23% of the principal repaid; leaving roughly \$2.5 million outstanding and providing flexibility to refinance in the future if market conditions become favorable.

The amount issued, \$3,245,000, is \$85,000 less than the preliminary project amount listed on the agenda. This difference is due to a premium received when the bonds were sold—investors paid an upfront premium in exchange for higher-coupon bonds, which increased the city's available funds and allowed for a smaller principal issue.

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

Resolution 2025-31: Motion authorizing the City to apply for a \$250,000 DEED MIF loan on behalf of Mason Brothers.

The loan application amount is \$250,000 and will be prepared and submitted when all necessary documentation is collected from Mason Brothers.

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

Resolution 2025-32: Motion authorizing participation in the Community Concern for Youth Program with Todd-Wadena Community Corrections in the amount of \$4,534.00.

Chief Naomi Plautz reports this is annual money budgeted to the program that mentors closely with the youth, instead of going to court and receiving a criminal record. That it is a great program that's been in place since she started with the city. She is grateful for the monies to support it every year.

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

Resolution 2025-33: Motion designating board/committee appointments and assignments.

The council updated appointments and assignments following Dan Sartell's resignation.

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

Resolution 2025-34: Motion accepting donations.

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

Resolution 2025-35: Motion authorizing delegation of authority to the city administrator and finance director to make electronic fund transfers.

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

Action 25-40: Motion adopting an Electric Funds Transfer (EFT) Policy.

Authorizing the City Administrator and Finance Director to initiate EFTs.

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

Actions 25-41; 25-42, and 25-43: Motion to table the Wastewater Foreman resignation and options until a special meeting July 15, 2025, at 4:00 pm.

The council tabled this item to allow additional time to review previous wage studies and gather information on the positions pay grade or potential contracted services with an outside company to manage the city's wastewater plant.

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

Action 25-44: Motion approving the Park Boards recommendation to place Murals in various city parks and on city buildings.

Local artists Sarah Brown and Kent Scheer presented a plan to create murals in city parks. Strong support was received from the Park Board. Sarah intends to fund the initial murals herself and pursue outside donations for any additional work.

No city funds are required at this time. Placement of murals will be coordinated with Public Works Director Dan Kovar to avoid interfering with building access or safety.

The project aims to enhance the community's character and is recommended for conditional approval, subject to funding, site-specific permissions, and safety considerations.

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

Action 25-45: Motion approving a temporary On-Sale liquor licenses for Wadena County Ag Society, 221 Harry Rich Drive, July 27, 2025, August 1-2, 2025, and August 16, 2025.

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

MEETING OPEN TO THE PUBLIC AT 5:48PM

Pioneer Journalist Nicole Stracek could not attend the meeting; reports that names are coming in and the new name will be decided by the City Council at August's Regular Meeting.

DEPARTMENT REPORTS

Public Works Department – Dan Kovar Nothing to report.

Utilities Department - Superintendent David Evans

- Street lighting has been removed on Highway 71 between Birch and Fir, no street lighting along that stretch for now. When the next northern section is closed, those lights will be removed, but the first section will be restored.

- The water main in front of Merickel's is complete; the second bacteria passed. Businesses will be connected to the new system and cleanup will begin. Coordination with MnDOT is underway to avoid restoration to areas that will be disturbed again.
- Concrete barriers collapsed near Merickel's. This was on the contractor with no city liability. The contractor was aware of a potential issue but did not act before the barrier collapsed.
- Chlorine is currently being flushed from the hydrants in the project area as part of final testing and water quality assurance.

Authority and Planning & Zoning – Dean Uselman

- The buckwheat growers building demolition project is nearly complete, with most of the structure already disassembled and moved off-site. The contractor plans to return this weekend and continue into next week until the building is fully removed.
- On the Roach housing project at Pinewood Estates, four foundations are finished, and two more footings are ready to be poured. The project will include 14 duplexes (28 units) and a community space, with the development approaching the halfway point on foundation work and progressing well.

Police Department – Naomi Plautz

- The body camera audit was completed, but due to recent legislative changes, updates to our policy were required.
- For the 2nd St detour, adjustments to the stoplight can only be made onsite, not remotely, and the light currently allows too little time for traffic to proceed, causing significant backups. Plans are in place to lengthen the green light and monitor timing throughout the day as traffic adjusts to the detour. The Colfax stoplight is also being monitored for impacts, but so far it handles overflow as expected, mainly used by through-traffic rather than locals.

Fire Department – Cody Yglesias Not Present.

Wadena Liquor Store – Tim Booth

- Reported steady sales and updated the construction impact hasn't affected revenue at this time.

Maslowski Wellness and Research Center – Lisa Anderson Nothing to report.

Whitetail Run Golf Course – Kevin Ross Not Present.

City Administrator – Kim Schroeder

- Receiving concerns about traffic confusion and safety on Hwy 10 near 2nd Street. Drivers are mistaking the right turn lane for a continuation of the four-lane road. Placed a request to MnDOT to add additional signage or cones in the turn lane to prevent thru traffic from misusing it as an express lane, making it clear the road narrows. The city will continue to consult with MnDOT about possible solutions, including cones or updated lane signage.

COUNCIL REPORTS

Duke Harrison:

- A former council member inquired about the quiet zone train crossing and status of associated funds. Approximately \$250,000 remains earmarked, but the main challenge is meeting new pedestrian safety requirements, such as installing and maintaining crossing arms. The city will need to coordinate with county officials and engineers before proceeding and review any requirements that have changed since project inception.
- It was also reported that ceramic artwork at the corner across from the brewery is deteriorating, with pieces falling onto the sidewalk and creating a potential safety hazard. Responsibility for cleanup and maintenance lies with the building owners, and the city may send notices similar to those for sidewalk mowing or nuisances, recommending prompt cleanup to prevent injuries. The city will reach out to building owners and, if needed, arrange for temporary cleanup.

Mark Lunde: Nothing to add.

Mac Nelson: Not Present.

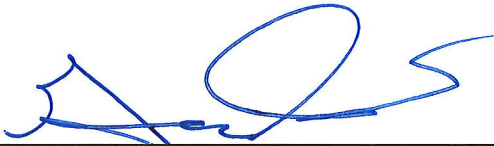
Wade Miller: Nothing to add.

Mayor George Deiss:

- Suggested to optimize traffic signals on Second Street, proposed to alternate the north and southbound signals, using the existing but inactive green arrow to facilitate smoother westbound turns and help reduce traffic congestion, particularly during detours. Staff will monitor traffic patterns and evaluate possible adjustments.

Action Motion: Motion to adjourn at 6:18pm.

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



George Deiss, Mayor

Attest: 

Kim Schroeder, City Administrator