



**Regular City Council Minutes
Tuesday, September 9, 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, 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. August 12, 2025, Regular Meeting
- D. Action 25-59: Temporary On-Sale Liquor License, Drastic Measures Brewing
- E. Resolution 2025-36: Approving Wadena Fire Department Relief Association Application to Conduct Off-Site Gambling

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

OLD BUSINESS

Memo 25-B: Jim Merickel, Electrical Rates Charged on Power Brought Into Lots

No action taken, tax abatement has been applied for on the property.

NEW BUSINESS

2025 Coalition of Greater MN Cities (CGMC) Legislative Update Presentation.

Elizabeth from Coalition of Greater Minnesota Cities provided a legislative update. The session was complicated by divided control and concerns about a future deficit. A \$700 million bonding bill passed with increased funding for water and wastewater projects, however no local projects. Housing and zoning changes failed to advance.

Local Government Aid (LGA) was ultimately protected despite proposed cuts. Future budget pressures may impact LGA when the legislature reconvenes February 17, 2026.

Resolution 2025-37: Motion approving a \$50,000 Sourcewell Impact grant support for police squad and equipment purchase.

Sourcewell's new fiscal year has opened grant applications. Separate grants for law enforcement and fire are available. Wadena PD received this grant last year under the same process. Applications are chosen by lottery, the police dept. likely won't be in this year's first round of selection but could be approved in a second round if funds remain. The grant is up

to \$50,000 with no match. Requesting the grant for a new squad and equipment purchase. If awarded the departments 2021 squad will be sold, or a future request made to the council for five vehicles in the fleet. Will be discussed at the general fund budget work session.

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

Resolution 2025-38: Motion authorizing execution of estimated \$82,080 FAA and MnDOT grant agreement for design only apron reconstruction.

Construction is planned in 2027 under the airport Capital Improvement Plan (CIP). The FAA funds 95%, MnDOT aeronautics 2.5%. The city's cost participation is 2.5%, approx. \$2,052. The city has its portion of the funds available in capital outlay.

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

Resolution 2025-39: Motion to table adding Moreton Capital as a designated official depository.

Moreton Capital Markets is an investing opportunity that will save the city with zero fees. Currently Schwab charges .10%. The council requests more details and information explaining how no fees are charged before approving.

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

Action 25-60: Motion approving to set a public hearing for Jim Merickel tax abatement request on property at 832 6th Street SW, parcel 225900100.

Jim Merickel is seeking to build a duplex at 832 6th Street SW. The project scored 22 points out of a possible 45, placing it in the moderate eligibility range for abatement. The application was reviewed by the business subsidy/tax abatement/TIF committee and approved to recommend to the city council for preliminary approval. State statute requires a public hearing for business subsidies with the hearing set for the October 14, 2025, regular meeting.

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

Action 25-61: Approved a \$15,000 annual lease agreement with 3% annual adder to Midco for water tower equipment space.

Christopher Valmont from Midco was present to request lease space on the water tower. Midco currently operates fiber optic service in town and owns the communications building near Greenwood Ave. The proposed equipment would be smaller compared to current cell carriers leasing the tower.

A structural analysis and interference study will be completed to ensure the tower's integrity and functionality are not compromised. The equipment use will broadcast fixed wireless internet, an obligation under federal Connect America Fund requirements. Wadena's water tower will serve as one of two broadcast sites, the other located near Staples. Coverage is expected to reach approx. 342 homes in the local service area, with approx. 6,000 customers between both locations.

Midco will provide a \$10,000 escrow to cover engineering costs. The annual rent will be \$15,000 with a 3% annual increase. The City's water department expressed support, noting no concerns. Required studies will be completed satisfying potential community benefit and added revenue.

Mayor Deiss abstained since his son works for Midco.

Moved by:	Miller	Seconded by:	Nelson
-----------	--------	--------------	--------

Vote in Favor:	Harrison, Lunde, Miller, Nelson
Abstain:	Deiss

Resolution 2025-62: Motion approving \$57,000 DGR engineering proposal for North Substation improvements.

Improvements are scheduled to the North Substation behind the Armory. The existing 1973 5-MW transformer is 50 years old, undersized compared to other 10-MW transformers in the city, and due for replacement. It can no longer handle full load transfers in the event of an outage creating a risk of extended outages rather than brief interruptions.

The project will involve installing a new transformer, breakers, structural building, oil containment, and proposed a new pad. With 2-3 year lead times, ordering the transformer now is critical. A down payment of 30% is required once a vendor is selected.

The total project cost is expected to be \$2.5–\$3 million. The electric fund has prepared and budgeted the expenses.

Final engineering, bidding, construction, and oversight will be brought to the council in 2026.

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

Resolution 2025-63: Motion approving a \$20,000 Energy Efficiency Conservation Block subgrant agreement and \$20,000 Region Five Development Commission Comprehensive Plan proposal.

The city's comprehensive plan is overdue for an update. Comprehensive plans are ideal every 5-10 years. The project will cost \$20,000, covered by a \$20,000 grant. Approval tonight would both accept the grant and authorize moving forward with the planning process.

A project team will be formed, consisting of city staff including the Administrator and Planning and Zoning Director, at least two council members, the chamber director, and several community members at large.

Mayor Deiss and Councilmember Harrison volunteered to be involved. The kickoff meeting is tentatively scheduled for November with committee meetings once a month, along with public open houses and involvement encouraged.

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

MEETING OPEN TO THE PUBLIC AT 5:37PM

Dawn Lundgren, owner of Hometown Crafts and Fabrics on Jefferson St (Hwy 71), questioned who businesses can contact regarding next year's downtown highway construction project. Council members noted this project will be less disruptive than the past "Big Dig" project. The prior project included underground utility improvements whereas this time it's mill and overlay with sidewalk ADA compliance work. MnDOT will hold a public meeting this fall, and the project contractor will also be in touch with businesses.

Lundgren additionally requested signage be placed earlier in the construction season compared to the current years. Current signage is funded through a Wadena Chamber administered grant, with \$3,500 allocated for signs. Approx. half was used for 2025 season; the remaining funds will be used to prepare signs for the 2026 season. If more funding is needed, another grant application will be submitted in December.

DEPARTMENT REPORTS

Public Works Department – Dan Kovar Nothing to add.

Utilities Department - Superintendent David Evans

- Crews have made visible progress on Highway 71 North, with tar and curb work completed. City crews installed new light poles this week to ensure conduit was in place before sidewalks are poured on Thursday. While the lights are not yet operational, wiring and fixtures will be completed later. Next week, crews will move further north to continue shoulder work. Wooden poles in that area will also be replaced with new aluminum poles.

Wadena Development Authority and Planning & Zoning – Dean Uselman

- The DEED representative visited today for a childcare grant compliance inspection, which went very well. She was impressed with the project during the onsite review and encouraged the city to apply for another round of funding next year, particularly for infant and toddler care. At Pinewood Estates, the Roach project is moving quickly with all foundations in and framing underway. Water and sewer lines are being installed, and two new homes—a single-family and a twin home—are under construction, with additional interest in lot sales. Overall, business is moving along as usual.

Police Department – Naomi Plautz

- The MnDOT lighting engineer reviewed the ongoing signal issues at Highway 10 and 2nd Street. A detector malfunctioned causing the Highway 10 green light to max out. MnDOT will continue monitoring the situation. Overall, the issue appears to be a technical error.

Fire Department – Cody Yglesias Not Present.

Wadena Liquor Store – Tim Booth

- Reported the store has been experiencing a decline in sales, believed to be from the construction.

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

Whitetail Run Golf Course – Kevin Ross Not Present.

City Administrator – Kim Schroeder Nothing to report.

COUNCIL REPORTS

Duke Harrison:

- Thanked Kim for following up on the quiet whistle zone train crossing issue.

Mark Lunde: Nothing to report or add.

Mac Nelson: Nothing to report or add.

Wade Miller: Nothing to report or add.

Mayor George Deiss:

- Several community events are coming up, including Salsa Fest, Drastic Measures Oktoberfest, and the Zombie Run. Residents are encouraged to support local businesses.
- The city is moving the library donations held at Initiative Foundation into a separate account allowing interest earning gains 2-3.5% above current earnings. A check was deposited today, once cleared, it will be reinvested accordingly.

Action Motion: Motion to adjourn at 5:57pm.

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

George Deiss, Mayor

Attest: _____
Kim Schroeder, City Administrator