

MINUTES
CITY OF DELANO
City Council/Economic Development Authority
Tuesday, March 2, 2010
7:00 PM

1. CALL TO ORDER

Mayor McDonald called the regular meeting of the Delano City Council/Economic Development Authority of Tuesday, March 2, 2010 at 7:02 PM.

PLEDGE OF ALLEGIANCE

2. ROLL CALL AND APPROVAL OF AGENDA

Members Present: Joe McDonald, Mayor
Holly Schrupp, Council Member
Brad Hotchkiss, Council Member
Larry Bartels, Council Member
Betsy Stolfa, Council Member

Members Absent: None

Also Present: Phil Kern, City Administrator
Ernie Eden, Public Works Director
Marlene E. Kittock, City Clerk/AV
Luke Fischer, Assistant to the City Administrator
Mark Johnson, City Attorney
Paula Bauman, Recorder

Phil Kern recommended adding 13A: Attorney/Client Privilege - Discuss eminent domain process for 208 Babcock Boulevard.

Motion Number (M-10-051) Motion by Holly Schrupp, seconded by Betsy Stolfa to approve the Agenda for the Delano City Council/Economic Development Authority meeting of Tuesday, March 2, 2010 with the addition of 13A: Attorney/Client Privilege - Discuss eminent domain process for 208 Babcock Boulevard. Motion Carried.

3. MINUTES

- A. Minutes of the Special Workshop of Monday, February 1, 2010.**
- B. Summary minutes from the Special Workshop of Monday, February 1, 2010 for publication in the Delano Herald Journal.**

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- C. Minutes of the regular City Council/Economic Development Authority of Tuesday, February 16, 2010.**

Motion Number (M-10-052) Motion by Betsy Stolfa, seconded by Brad Hotchkiss to approve the Minutes 5A, 5B and 5C as submitted. Motion Carried.

4. SPEAKERS, PRESENTATIONS AND AWARDS

Joe McDonald stated it was Betsy Stolfa's birthday and wished her a Happy Birthday.

- A. Presentation of Awards of Appreciation to the 2009 Adopt-a-Park/Trail groups.**

Joe McDonald handed out awards to all of the 2009 Adopt-a-Park/Trail groups and thanked them for their dedication and volunteerism.

5. CONSENT ITEMS

- A. Proclaim March to be Minnesota Food Share Month.**
- B. Approve and reauthorize the Adopt-A-Park/Trail program.**
- C. Approve pay request No. 7 for construction of the East Side Stormwater Lift Station.**
- D. Approve a Public Facilities Lease between the City of Delano and the American Cancer Society's Relay for Life event in Delano.**
- E. Approve purchase of Passpoint Prox Card Reader for the City Hall/Lobby entrance door with wireless exit request remote and wireless panic remote devices.**
- F. Approve Community Garden 2010 growing season.**
- G. Approve public facility lease agreement between the City of Delano and the Delano 4th of July Committee for use of the Central Park and various streets for the annual 4th of July Celebration. In addition, they are requesting a temporary license to sell strong beer, conduct a dance, display fireworks, hire carnival and to waive the fees associated with such licenses for the aforementioned event.**

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- H. Acceptance of donations in the amounts of \$1,000 and \$100 for the Delano Fire Department.**
- I. Review the City of Delano's Expenditure Report and the Liquor Store Income Statement for the Quarter Ended December 31, 2010.**

Motion Number (M-10-053) Motion by Holly Schrupp, seconded by Betsy Stolfa to approve Consent Items B, C and G as submitted. Motion Carried.

- 5A. Proclaim March to be Minnesota Food Share Month.**

Mayor McDonald read the proclamation and some important facts regarding hunger.

Motion Number (M-10-054) Motion by Betsy Stolfa, seconded by Holly Schrupp to proclaim March to be Minnesota Food Share Month. Motion Carried.

- 5D. Approve a Public Facilities Lease Agreement between the City of Delano and the American Cancer Society's Relay for Life event in Delano.**

Council Member Schrupp announced the 2010 Relay for Life event will be held in the Central Park on July 30 and 31. Schrupp invited people to attend the event.

Motion Number (M-10-055) Motion by Holly Schrupp, seconded by Brad Hotchkiss to approve the Public Facilities Lease agreement between the City of Delano and the American Cancer Society's Relay for Life event in Delano. Motion Carried.

- 5E. Approve purchase of Passpoint Prox Card Reader for the City Hall/Lobby entrance door with wireless exit request remote and wireless panic remote devices.**

Marlene Kittock discussed the proposal explaining the installation of a card reader onto the exterior side of the office door; with a wireless remote to be used at the Administrative Assistant's desk. This installation would allow easier access for Staff while still allowing restricted access and maintain security to the main administrative offices of City Hall. The proposal also requests a remote panic button as the current location is hard to get to in the event that it would be needed.

Larry Bartels stated he sees it as an inconvenience and inefficient time spent for staff to open the door during the day.

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Motion Number (M-10-056) Motion by Larry Bartels, seconded by Brad Hotchkiss to approve the purchase of a Passpoint Prox Card Reader for the Delano City Hall/Lobby entrance door with a wireless remote and wireless panic remote devices. Motion Carried.

5F. Approve Community Garden 2010 growing season.

Betsy Stolfa announced the community garden is located behind the bandshell and will be reopening again this year. There are spaces available for new gardeners. More information is available on the City of Delano's website.

Motion Number (M-10-057) Motion by Betsy Stolfa, seconded by Holly Schrupp to approve the Community Garden 2010 growing season. Motion Carried.

5H. Acceptance of donations in the amounts of \$1,000 and \$100 for the Delano Fire Department.

Council announced the donations of money received from Marilyn Running in the amount of \$1,000 and \$100 from Residential Mortgage Group through the efforts of Markus Hinrichs. Council thanked both parties for their donations.

Motion Number (M-10-058) Motion by Betsy Stolfa, seconded by Holly Schrupp to accept two donations for the Delano Fire Department in the amounts of \$1,000 and \$100. Motion Carried.

5I. Review the City of Delano's Expenditure Report and the Liquor Store Income Statement for the quarter ended December 31, 2009.

Betsy Stolfa stated she noticed all departments are below budget and questioned why the fee for transportation has been going over each quarter. Phil Kern stated the grants and donations received are not shown on the report. Kern clarified he will get more information from Gail Sinkel and Brian Bloch as there could be more related to this item.

Motion Number (M-10-059) Motion by Betsy Stolfa, seconded by Brad Hotchkiss to approve the City of Delano's Expenditure Report and the Liquor Store Income Statement for the quarter ended December 31, 2009. Motion Carried.

6. CITY STRATEGY No. 1: Provide high quality infrastructure and services in a planned fiscally responsible manner.

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- A. Review and approve an amendment to the Chapter 4 (Public Protection and General Licensing) Section 406.01 (Animal Regulations and Licenses) by repealing Subd. 15 (Dangerous and Potentially Dangerous Dogs), Subd. 17 (Restrictions on Authority for matters related to dangerous and potentially dangerous dogs and enforcement of the Wright County Ordinance.**

Phil Kern stated in March 2009 the City approved its recodification of the City Code which had included regulations and enforcement of dangerous dogs. On January 19 the Wright County Commissioners held a public hearing regarding the adoption of an Ordinance for dangerous and potentially dangerous dogs within Wright County. The Ordinance will allow the County to regulate the ownership and possession of dangerous and potentially dangerous dogs, as authorized by Minnesota Statutes, Chapter 347. The purpose of the Ordinance is to protect the public from such dogs and to reduce the threat to the health and safety of people and other animals that may come into contact with such dogs.

The Ordinance is countywide in jurisdiction, but any city or town may opt out if it has a dangerous dog Ordinance of its own and has declared itself to be the animal control authority for dangerous dogs found within its boundaries.

Marlene Kittock, City Clerk, has been following the County regarding this Ordinance and could answer any questions council may have. The city attorney has reviewed and approved this Ordinance. Staff is recommending approval.

Larry Bartels questioned if the sheriffs' office can be called anytime with any calls regarding dogs? Mark Johnson stated this Ordinance only regulates dangerous dogs and is not meant to replace general running at large or replace our current code regarding general dog regulations and licenses.

Betsy Stolfa questioned if there are dangerous dogs within the City of Delano. Kern stated there has not been within the last eight years.

- 1. Adopt Ordinance O-10-04 amending City Code Chapter 4 (Public Protection and General Licensing), Section 406.01 (Animal Regulations and Licenses) by repealing Subdivision 15 (Dangerous and Potentially Dangerous Dogs), Subdivision 17 (Restrictions on Dog Ownership) and Subdivision 23 (Dog Enclosures).**

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Motion Number (M-10-060) Motion by Larry Bartels, seconded by Betsy Stolfa to adopt Ordinance O-10-04 amending City Code Chapter 4 (Public Protection and General Licensing), Section 406.01 (Animal Regulations and Licenses) by repealing Subdivision 15 (Dangerous and Potentially Dangerous Dogs), Subdivision 17 (Restrictions on Dog Ownership) and Subdivision 23 (Dog Enclosures). Motion Carried 5-0 by Roll Call Vote.

- B. Consider recommendation from Delano Water, Light and Power Commission.**
- 1. Consider Fourth Restated Agency Agreement with Central Minnesota Municipal Power Agency.**

Kern stated the Central Minnesota Municipal Power Agency is a power agency of currently eleven communities in Central/Southern Minnesota. The communities historically formed the agency to collectively purchase power and provide for complex electric supply/distribution needs. The agency has revised the formative agreement on three occasions and is now attempting to get a fourth version approved by its member agencies.

Kern outlined concerns with the three remaining items: 1. The agreement requires the City to execute the document, whereas the City does not have the powers or abilities in most instances to execute the documents requirements. The City Attorney outlined the challenges with this requirement in several memos. At the special meeting on February 18, 2010 Central Minnesota Municipal Power Agency CEO, Bob Schulte, recommended language be added to the signature page of the agreement limiting the City's involvement. Both CMMPA attorney, Mike Gavin, and the City of Delano's Attorney, Mark Johnson, drafted language for council to review. 2. The agreement states that CMMPA would have bonding authority and cities/power commissions must charge rates sufficient to cover bonding obligations. The Agreement provides an exception for major projects. Staff has raised concern to the City Council that this puts the City's electrical payers at risk for decisions made by the CMMPA Board, only one of which represents Delano. 3. One of the significant changes with this agreement is the advent of a 5-year termination period. The previous agreement required a 60-day notice of withdrawal from the agency. That time period has been increased to 5 years in this agreement. The agreement contains a buy-out provision should a municipality sell its municipal utility it can pay a buyout payment equal to five years of the then-current annual member dues. CMMPA has held to the position that this time period is not a negotiable item.

Bob Schulte, Interim Chief Executive Officer, CMMPA, reviewed a power point presentation discussing the agreement. Mr. Schulte discussed the agreement while reviewing

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the goals and benefits of the revisions, the review process up to date, the approval process, the primary issues in the members review and how CMMPA have addressed those issues, and discussed the summary of revisions.

Joe McDonald questioned Mr. Schulte if the City has the authority to opt out of certain projects. Mr. Schulte stated individual cities have the ability to decide which projects to participate in. McDonald questioned what happens if a city decides to opt out after they've already committed. Mr. Schulte stated once a city has decided to participate they cannot opt out.

Betsy Stolfa stated regardless if the City of Delano approves the agreement or not the majority of cities have approved the agreement. That means the agreement is in effect. Mr. Schulte majority have approved the agreement but CMMPA values all impute of the cities can provide. Mark Johnson stated the legal answer is yes the agreement can go into effect because the majority has been approved.

Council questioned if the City of Delano decided to no longer be a member what would happen during the 5 year period. Mr. Schulte stated the City would still be liable for previous decisions but no additional liabilities will be added to the City.

Council thanked Mr. Schulte for attending the meeting and continued to discuss the need to look into continuing in the electric business or get out and let someone else control. The services provided are great – but the City needs to do diligence. Council discussed the verbiage on the signature page and felt this needed to be approved by the City Attorney before a motion could be made.

2. Discuss valuation analysis of electric enterprise.

Kern stated during the CMMPA Agency Agreement discussion, the Council discussed the merits of having more information available as it made decisions regarding the business activities of the City's electric enterprise. The Council discussed conducting a study to determine the value of the electric utility. Kern discussed soliciting a proposal from its financial consultant, Springsted, to provide the analysis. Council discussed the possibility of doing the analysis jointly with the utility. Bartels stated the last analysis was done in 1996 and suggested Phil Kern get a copy of the report.

Motion Number (M-10-061) Motion by Brad Hotchkiss, seconded by Betsy Stolfa to direct staff to solicit a proposal from its financial consultant (Springsted) to provide a valuation study regarding electric enterprise. Motion Carried.

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7. CITY STRATEGY No. 2: Ensure the City's financial stability.

There was none.

8. CITY STRATEGY No. 3: Manage high quality growth consistent with the City's Comprehensive Plan.

There was none.

9. CITY STRATEGY No. 4: Ensure a well-trained and productive workforce to meet the changes of the City.

There was none.

10. CITY STRATEGY No. 5: Increase accountability by measuring and evaluating service delivery.

There was none.

11. CITY STRATEGY No. 6: Continue to improve the City's downtown.

A. Consider phasing proposal for Delano Village Hall and authorize Legacy Grant Application.

Luke Fischer stated the City of Delano has contracted with Mac Donald and Mack for concept design of the Delano Village Hall; the Final Concept Design plan was presented to the Historic Preservation Committee. Fischer reviewed the concept design submitted and discussed the phases which include: Phase 1 - first floor façade and reconfiguration. Restore building façade which includes doors. Reconfigure the interior spaces which include the following: Conference room, improved display case and community gathering place. The estimated cost of phase 1 is \$179,500. Phase 2 – accessibility and egress improvement (annex). Construct enclosed egress. Add unisex bathroom to each floor. Bring existing restrooms to code. The estimated cost of phase 2 is \$211,000. Phase 3 – accessibility and egress improvements (elevator). Prepare bell tower. Install elevator. The estimated cost of phase 3 is \$185,000. Phase 4 – second floor reconfiguration. Reconfigure and improve second floor and installation of limited catering capabilities. The estimated cost of phase 4 is \$67,900. Phase 5 – exterior improvements which include tuck point and removal of paint. Estimated cost of phase 5 is \$48,800. The total cost of improvements is \$692,200, which 50% will be matched from state sources. The total City contribution will be \$346,000. Fischer discussed the grants stating the Minnesota Historical Society will match the

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improvements by 50%. The Minnesota Legacy Fund will also match improvements up to 50%. The pre-application is due by March 8, 2010.

Council Member Bartels questioned if staff has received an itemized list of items that need repair at Central Park. The decision should be made regarding the elevator funding received from the Jaycees. Kern stated a list has not been submitted.

Council Member Hotchkiss questioned if the City receives the grant – is there an option to refuse it? Luke Fischer stated you do have the option to back out if need be. There is a 12 month deadline to spend the money. This pre-application gets everything going.

Motion Number (M-10-062) Motion by Larry Bartels, seconded by Brad Hotchkiss to authorize phasing proposal for Delano Village Hall and authorize the Legacy Grant Application. Motion Carried.

- 12. CITY STRATEGY No. 7: Encourage communication and ideas with residents and business owners.**
- A. Minutes from Delano Water, Light and Power Commission meeting of January 21, 2010.**
 - B. Minutes from the Park and Recreation Committee meeting of January 27, 2010.**
 - C. Minutes from the Delano Fire Department Relief Association meeting of Thursday, February 11, 2010.**
 - D. Minutes from the Delano Fire Department meeting of Thursday, February 11, 2010.**

No discussion or motion taken.

13. OTHER BUSINESS

Mayor Joe McDonald offered condolences to the families of Marie Russek and John “Mud Lake” Olson.

Motion Number (M-10-063) Motion by Larry Bartels, seconded by Holly Schrupp to enter into Executive Session for the purpose of discussing eminent domain process at 208 Babcock Boulevard. Motion Carried.

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Motion Number (M-10-064) Motion by Larry Bartels, seconded by Holly Schrupp to exit out of Executive Session. Motion Carried.

Motion Number (M-10-065) Motion by Larry Bartels, seconded by Betsy Stolfa to authorize the City Attorney to file an appeal with the Commissioner's Award with Wright County District Court in the eminent domain action of 208 Babcock Boulevard. Motion Carried.

14. COMMUNICATIONS AND ANNOUNCEMENTS

Announcements were discussed in other business.

15. CLAIMS

A. City Claims

Motion Number (M-10-066) Motion by Holly Schrupp, seconded by Larry Bartels to approve City Claims in the amount of \$228,791.29. Motion Carried.

B. EDA Claims

Motion Number (M-10-067) Motion by Betsy Stolfa, seconded by Brad Hotchkiss to approve the EDA Claims in the amount of \$16,273.76. Motion Carried.

16. ADJOURNMENT

There being no further business to discuss the regular meeting of the Delano City Council/Economic Development Authority of Tuesday, March 2, 2010 was adjourned at 9:30 PM.

Joe McDonald, Mayor

Marlene E. Kittock, City Clerk

ATTEST:

Paula Bauman, Recorder