

MINUTES
CITY OF DELANO
City Council/Economic Development Authority
Tuesday, March 14, 2017
7:00 PM

1. Call to Order

2. Roll Call

Councilmembers Present: Dale Graunke, Mayor; Councilmembers Betsy Stolfa*, Jason Franzen, and Jon Sutherland

Councilmembers Absent: Holly Schrupp

Water, Light and Power Commission Members Present: John Nelson, Randy Keranen, Adam Steffl, Betsy Stolfa*

Also Present: Phil Kern, City Administrator; Paul Twite, Delano Municipal Utilities General Manager; Dan Hanson, Utility Senior Lineman; Makenzie Krause, Recorder; Wendy Neu, Recorder

3. Special Order of Business

A. Updates from the City and Delano Municipal Utilities

John Nelson gave the update for DMU.

In the recent audit, DMU came up clean. There were a few minor issues, but nothing that couldn't be fixed. DMU was asked to look into sale of "Utilities Plus," and it was uncovered was that DMU should have published its bids in the newspaper to make them public. The audit also encouraged DMU to gain perspective on its cash reserves, all of which are in a healthy state. DMU is feeling good about its financials, and it is very fiscally conservative.

With Hal stepping down, Paul Twite is taking over, which means that DMU is down one head count.

In terms of projects, DMU developed a new standard contract for solar energy. As the cost of solar falls and more people are able to afford it, DMU is ensuring that it is following state standards for agreements.

Phil noted that the City approved a new ordinance involving alternative energy sources on private properties, so it is likely that DMU will be working with solar panels in the future.

Jon Sutherland then commented there are two types of permits that residents can obtain. For one, a resident is connected to DMU, and DMU buys back the energy that the resident doesn't use. For the other permit, residents are not connected to the utility. Either way, however, the resident needs a permit from the city.

John Nelson then brought up the step program that the DMU did last year to help it become

more consistent in the HR department. Part of the program included doing performance appraisals and putting in a succession plan for key staff members.

Jason asked how far can DMU go for getting power to people, and John Nelson replied that there are plenty of options. The DMU is in a good enough place where it can say no to some deals so that it can say yes to others. Paul also replied that the country is split up in basically 5 different regions, and that DMU is able to reach out everywhere in its region.

DMU has no major projects that it is working on, but it is trying to keep costs competitive. There are a lot of beliefs that the industry will change in the next 20 years, but DMU is preparing for these changes.

Phil spoke next with city updates. He began by sharing the updated mission, values, and goals. The staff retreat in February produced new short term goals that the city will keep in its focus during the next 1-3 years. He noted that some of the goals could have been more specific, and that others will be difficult for measuring success at the next retreat, but overall the retreat was productive.

Dale commented that the goals that were set here weren't just set by Council, but also by several staff members.

Phil next brought up the Granite Works development. There is a high potential that development could take place out there to create more housing options. The developers would like to come to the Council workshop in two weeks to plan development. Their goal would be multiple family housing that could support people in all walks of life. They'll need help doing it, but there is potential. Undoubtedly, they'll have an ask, but because the city made it a goal to support affordable housing in Delano, there is a chance that it will work out.

In regards to Highland Ridge, the Planning Commission approved the final plat that will connect Highland Ridge to Clover Springs. This phase will add 29 lots.

Also covered with Planning was the Industrial Louvers expansion. The expansion itself was approved and the city is looking to set up a TIF district so that they don't have to pay for infrastructure fees.

The third topic from the Planning meeting was King's House Restaurant and Bar. That expansion was also approved, thus paving the way for Adam King to add a new restaurant along Highway 12.

When asked about Kwik Trip, Phil replied that the project isn't completely dead; they're just looking for the right site. There are a couple small retailers that are looking around, so the possibility isn't totally extinguished.

South Fork the new owner of South Fork is expanding it from a tap room to manufacturing. He could potentially build out in the new business park, but Phil isn't sure if it will happen.

So far this year, there are already 10 new building permits being processed. School construction is also having a major impact on the inspection department. Scott has to devote at least 4 hours a day for the school.

In regards to the splash pad, it is in the works, but it still has to be approved by council. City staff are looking at potential locations out in Central Park, where it could work really well if it is approved. It is up to Council to determine if the city should dedicate funds to a splash pad.

On March 28th, there will be an orientation for new commission members as well as a city update. The meeting will hopefully clarify all questions that newcomers have while also reminding current members what the rules are.

Paul asked Phil if it would be practical to put utilities out in the new business park to make lots more desirable, and Phil replied that, while it would create activity, it wouldn't make sense financially.

Shawn then began a discussion about the downtown parking lot behind Dave's. This lot was meant to be part of last year's street project, but the city was unable to get to it. The main plan includes ripping up the alley pavement and installing a center median.

The group then began a discussion about the different options for this project and what it would mean for DMU since there are utility boxes located in the lot. By the end of the discussion, the group thought that option 1 – a plan for the area – would be best. This option will be discussed at the next council meeting.

B. Discuss projects and business of joint concern

4. Adjournment

There being no further business to discuss, the special joint workshop of the Delano City Council and Delano Water, Light and Power Commission was adjourned at 8:49pm.