

MINUTES
CITY OF DELANO
City Council/Economic Development Authority
Wednesday, November 7, 2018
7:00 PM

1. Call to Order

Mayor Graunke called the regular meeting of the Delano City Council/Economic Development Authority meeting of Wednesday, November 7, 2018, to order at 7:00pm.

2. Roll Call & Approval of Agenda

Members Present: Dale Graunke, Mayor; Councilmembers Betsy Moran, Jason Franzen, Holly Schrupp, and Jon Sutherland

Also Present: Phil Kern, City Administrator; Alan Brixius, City Planner; Shawn Louwagie, City Engineer; Bob Van Lith, Fire Chief; Scott Dornfeld, Building Official; Paula Bauman, Administrative Services Coordinator

Motion by Holly Schrupp, seconded by Jon Sutherland to approve the agenda as submitted; motion carried.

3. Minutes

Motion by Jason Franzen, seconded by Betsy Moran to approve the minutes as submitted; motion carried.

- A. Minutes of the Delano City Council/Economic Development Authority meeting of Tuesday, July 17, 2018
- B. Minutes of the Delano City Council/Economic Development Authority meeting of Tuesday, August 7, 2018
- C. Minutes of the special workshop of Tuesday, August 28, 2018 | Summary minutes for publication
- D. Minutes of the Delano City Council/Economic Development Authority meeting of Tuesday, September 4, 2018
- E. Minutes of the Delano City Council/Economic Development Authority meeting of Tuesday, September 18, 2018
- F.

Minutes of the special workshop of Tuesday, September 25, 2018 | Summary minutes for publication

- G. Minutes of the Delano City Council/Economic Development Authority meeting of Tuesday, October 16, 2018

4. Speaker, Presentation & Awards

5. Consent Items

Motion by Jason Franzen, seconded by Jon Sutherland to approve the consent items as submitted; motion carried 5-0 by roll call vote.

A. City

1. Adopt resolution transferring funds to the General Capital Improvements Fund from the General Fund
2. Approve 2019 Maintenance Agreement with Wright County Department of Highway
3. Adopt resolution accepting the 2018 General Election returns for the City of Delano
4. Pay Request No. 20 for the 2016 Infrastructure Improvements Project
5. Approve purchase of new skid loader attachments

B. EDA

1. Quarterly Financial Report of the Delano EDA/Crow River Villa Apartments for the 4th Quarter of fiscal year 2017-18
2. Quarterly Financial Report of the Delano EDA/Crow River Villa Apartments for the 2nd Quarter of fiscal year 2018-19

6. CITY STRATEGY No. 1: Provide and proactively facilitate the delivery of quality public and community services in a planned, fiscally responsible manner

- A. Review a request from the Big Woods Garden Club for an amendment to the River Front Planting Plan

A representative from the Big Woods Garden Club presented a plan for updated plantings within the River Front park. The Club feels this area could be greatly enhanced while some of the original planting have not survived. Within the new plantings, the Club would choose

heartier plants that would survive in the area. Holly Schrupp recommended Council take the time to look at the proposal and direction the Big Woods Garden Club would like to go. In addition, funding should be reviewed along with contracts. Jon Sutherland stated he felt it sounds like a great plan but felt Council should see an illustration of the area and see a plant list.

B. Discuss a "No Parking Zone" along 2nd Street North in front of the Delano Fire Station

Bob Van Lith stated Staff is recommending a no parking zone along Second Street North in front of the Fire Department. The suggestion restricted parking would begin at the property line of the Fire Station to Elm Avenue along both sides of 2nd Street. This parking restriction would be in effect 24/7. Creating this parking restriction would allow Fire Fighters who respond to fire and medical emergency calls a safe place to park their vehicles. Van Lith stated fire calls happen at all hours of the day; there are times with the additional events and activities within the community fire fighters are having to double park on 2nd Street. This is making it difficult to get the trucks out of the station for calls. Council reviewed the parking areas along 2nd Street and questioned how many fire fighters respond to calls. Van Lith stated there are times where as many as 18 show up which require them to park in the back of the building and double parking on the street. Bob Van Lith gave an example during the Oktoberfest event, there were three fire and medical calls; it was difficult in that situation to get the fire fighters in town and get the trucks out of the station.

Motion by Holly Schrupp, seconded by Jon Sutherland to authorize “No Parking Zone” along Second Street North in front of the Delano Fire Station; motion carried.

C. Approve necessary agreements, licenses and request for road closure for the 2018 Old Fashioned Christmas Event scheduled for Saturday, December 1, 2018

The Old-Fashioned Christmas Committee will be hosting Old Fashioned Christmas celebration on Saturday, December 1, 2018, from 10a-9p. This event will be taking place throughout the downtown business district. During this time, the committee is requesting to close the intersection of Bridge Avenue and Second Street North to create a Towne Centre for hosting a variety of events. Those events include a Christmas market, music, caroling, games, dancing, food, beer and refreshments.

The Committee is requesting approval to close the intersection and parts of Bridge Avenue and Second Street North to create a Towne Center for hosting their events. The proposed road closure will block the intersection, but not parking lots or alleys. They will work with Public Works to get the proper road barricades prior to the event.

Lupine Brewing and St. Peter’s Lutheran Church, Watertown, have requested temporary liquor licenses for the event. Alcohol will be served in the “Town Centre”; both entities will ensure their product is sold to age 21 and older.

These licenses will allow the sale and consumption of beer and liquor at Bridge Avenue and 2nd Street; alcohol will not be allowed to be brought into the buildings where additional events are

happening, such as city hall. Signage will be posted outside of City Hall stating alcohol is not allowed.

Live Music is planned to go on and off throughout the day during this event. This music will include instruments played and carolers. There may be music played in the “Towne Centre” along with carolers throughout the downtown.

From 5-9pm, the Committee is requesting to hold a Snow Stomp Street Dance featuring a live band. As indicated on the map, the band will set up on 2nd Street facing Bridge Avenue.

Starting at 4:30pm there will be a Deladazzle Parade, which will go around the block of Elm Avenue, River Street, Bridge Avenue and Second Street North. Staff has received a permit from Wright County Department of Highway authorizing closure of River Street between the hours of 4:30-5:30pm. The Committee will need to post this road closure in advance.

Firemans BBQ food truck will be the only vendor serving food. A separate permit will need to be applied for and appropriate fees paid prior to the event.

Staff is recommending approval of the requested road closure, 1-4 Day Temporary Liquor License (Lupine and St Peter Lutheran Church) and the outdoor music license for the Old-Fashioned Christmas event scheduled for Saturday, December 1, 2018; subject to receiving the proper insurance.

Motion by Holly Schrupp, seconded by Jon Sutherland to Approve necessary agreements, licenses and request for road closure for the 2018 Old Fashioned Christmas event scheduled for Saturday, December 1, 2018; motion carried.

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

8. CITY STRATEGY No. 3: Plan for the maintenance, replacement and efficient operations of the City's equipment, buildings, and infrastructure, energy and utility systems

A. Consider backstop alternatives for Memorial Baseball Stadium

Phil Kern updated Council on backstop alternative stating Staff has collected warranty information from LSI on its product. LSI’s printed warranty covers 10 years on the fabric and 15 years on the operation of the steel structure. The City has similar fabric products that have lasted 12+ years – not to the same size or height – but we do not have experience with the operation of the steel retractable features. The Council wanted this information for consideration of lifespan of the two options. Beyond the 10/15 years’ time periods, staff is confident in the product but unable to offer any further guarantees.

B. Highland Ridge 6th Addition amended grading plan

During the trail grading activities in Highland Ridge 6th Addition, it was discovered that an excess amount of fill material was still on site. The amount of excess material was not

substantial and can be used on site to improve the usable backyard area of Lot 6.

The proposed changes to the grading plan will improve the usable backyard space, meets the tree preservation plan, and will not negatively affect the designed drainage patterns or change needed easements. Staff recommends approving the amended grading plan.

Motion by Jon Sutherland, seconded by Betsy Moran to approve the Highland Ridge 6th Addition amended grading plan; motion carried.

9. CITY STRATEGY No. 4: Manage the City's growth so that it is high quality and consistent with the city's Comprehensive Plan while maintaining the City's historical culture, characteristics and features

A. Approve resolution providing for the orderly annexation of land within Franklin Township

Following recent successful negotiations with Ventures West, the property owner immediately west of the West Metro Business Park, it has applied to the City for annexation of large portion of this parcel. The attached joint resolution with Franklin Township calls for the annexation of 57 acres of land immediately adjacent to the existing Business Park. The annexation would provide for 2019 expansion of the Business Park and guide the land for future commercial/industrial development.

The EDA and Ventures West have executed a purchase agreement (as of 11/1/18) for 11.85 acres of land to be combined with existing Business Park property. This area will provide for two new development projects, which will total 36.5 acres in total. The EDA is not required to close on the acquisition of this land until the development projects financially commit to the project. The annexation is the second step, following the purchase agreement, in this process.

Franklin Township approved the resolution at its November 5 meeting. The orderly annexation agreement provides for an expedited annexation process compared to the annexation by ordinance process the City more often follows. This expedited process will assist the Ventures West group with time needed to prepare the land for sale under the regulations and governance of the City.

Motion by Betsy Moran, seconded by Jason Franzen to adopt a joint resolution R-18-37 providing for the orderly annexation of land within Franklin Township to the City of Delano pursuant to Minnesota Statutes 414.0325; motion carried 5-0 by roll call vote.

10. CITY STRATEGY No. 5 Encourage and improve the communication of information and ideas with residents and business owners

11. CITY STRATEGY No. 6: Ensure communication and positive relationships between the Council, City Staff, Employees and Commission members

A. Updates from Commission Liaisons

1. Fire Relief Association
 - a. Minutes -- March - October 2018
2. Park and Recreation Commission
3. Planning Commission
4. Public Safety Commission
5. Spirit of Community Commission
6. Water Light and Power Commission

12. CITY STRATEGY No. 7: Ensure the City has a well-trained, productive and accountable workforce to meet the changing needs of the community

13. CITY STRATEGY No. 8: To ensure the public's safety from crime and manmade or natural disasters

A. Discuss Building Code Section 1306 regarding commercial building fire suppression systems

In 2006, the City adopted Section 1306 of the State Building Code requiring the installation of fire suppression systems in all new commercial buildings, and in expansions of commercial buildings 2,000 square feet or larger. The objective is provide protection in the event of fire for the occupants of buildings, the first-responders and firefighters responding, others that may be impacted, and to minimize property loss. It also provides insurance reductions for the property owner and community, as adoption of the Code is a benefit recognized through the ISO rating citywide.

The City has successfully implemented this Code since its adoption. This implementation, however, has created notable impacts from time-to-time for small business looking to expand in the community. The City has received feedback from several businesses since its implementation about a financial hardship created for small expansions to commercial/industrial buildings that currently do not have fire suppression systems. Most recently, the City approved expansion for All Seasons Sports is an example where excavation into Crow River Drive and additional of a new water connection and service (fire suppression cannot be serviced off domestic water supply) add significantly to the cost of the project.

Staff have discussed this challenge and offer a few considerations for the Council. While revocation of the Code is an option for the City, we believe the purpose of Section 1306 is important and add to fire safety for occupants of the building and public safety personnel responding to a fire. Therefore, we are not recommending consideration of repealing 1306. Secondly, the option of continuing as-is with the implementation of 1306 has community benefits and it a viable solution. Third, we would propose an option to continue the safety benefits of 1306 while trying to mitigate the financial hardship to the business. We would

propose the following:

- A. Creation of a loan program for commercial/industrial properties under 10,000 square feet, looking to expand no more than 50% of its existing building footprint. (These numbers can be flexible – ultimately, trying to establish a level for small businesses looking at small-to-moderate expansion.)
- B. Utilize tax abatement funds created by the Delano Crossings development project, initiated in 2001, to support the loan program with funding.
- C. Provide loan funding to cover costs associated with providing the building with the additional water service line, from the nearest main up to the building. (In the case of All Seasons, the utility extension could be around \$25,000.) The actual fire suppression system and interior building improvements would not be eligible.
- D. Interest costs of the loan program would be zero percent, and loan repayment would be required in years 3- 5 after completion of the improvement. Staff would also suggest a loan forgiveness option that could convert the loan to a forgivable grant provided the business continues its operation and payment of property taxes through the 5-year repayment period.
- E. In the event the loan program is underfunded or no longer has funds, the City would not be able to continue offering the subsidy.

Staff is hoping to present this policy issue to the Council and seek direction. If the Council wants to proceed with creating a loan program, staff would create an application form and loan/assessment agreement that would guarantee the repayment (or terms of forgiveness, if applicable).

Motion by Betsy Moran, seconded by Jon Sutherland to authorize the establishment of a loan program for 1306 regarding commercial building fire suppression systems; motion carried.

14. CITY STRATEGY No. 9: To ensure the overall aesthetic appeal of the City

15. Other Business

16. Communications & Announcements

17. Claims

A. Claims | By Account

Motion by Holly Schrupp, seconded by Jon Sutherland to approve city claims as submitted; motion carried.

B. EDA Claims

Motion by Betsy Moran, seconded by Holly Schrupp to approve EDA claims as submitted; motion carried.

18. Adjournment

There being no further business to discuss, the regular meeting of the Delano City Council/Economic Development Authority of Wednesday, November 7, 2018, was adjourned.

Signed:

Dale Graunke, Mayor

Attest: Paula Bauman, Administrative Services Coordinator