

MINUTES
CITY OF DELANO
City Council/Economic Development Authority
Tuesday, May 21, 2019
7:00 PM

1. Call to Order

2. Roll Call & Approval of Agenda

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

Also Present: Brian Bloch, Assistant City Administrator/Finance Director; Sabrina Hille, Administrative Intern

Motion by Jason Franzen to approve the Agenda as presented, seconded by Holly Schrupp; motion carried.

3. Minutes

4. Speaker, Presentations and Awards

5. Consent Items

Motion by Betsy Moran, seconded by Jon Sutherland to approve consent items; motion carried.

- A. Motion authorizing City Administrator to attend 2018 ICMA Conference
- B. Approve purchase of portable fencing from Crowd Control Warehouse
- C. Motion to hire part-time staff for City of Delano Splashpad
- D. Motion approving transition of Senior and Community Services Coordinator position to Community Services Director *Attachments:* Proposed Job Description | Existing Job Description

6. City Strategy No. 1: Provide comprehensive services to meet community needs

7. City Strategy No. 2: Maintain financial sustainability and fiscal stewardship

8. City Strategy No. 3: Conscientious asset/infrastructure management

- A. Motion approving 2019 Wastewater Treatment Plant pilot study *Attachments:* 2016 Pilot Study Results

Larry Cook was at the meeting to present on the water treatment plant study. Larry Cook mentioned that it is a repeat of the first phase of the study and this will look at the change of chemical allowance. The study is done to make sure that the plant is running efficiently and see

the difference between the two sides, one side with the chemicals and the other as a constant and how the chemicals are working, this would allow for the city to figure out how to work best with the chemicals and be cost efficient, since chemicals are expensive. The study will run for the summer, and it would continue for the fall and winter to see how the chemicals and study does in the change of weather. The chemicals would be used in a ratio to ensure that the water is treated correctly. The study still allows for the water to be run at the level of standard required. Franzen asked about surrounding areas that have the issues. Cook led that we would be the first study that would lead a path for the surrounding areas with the MNPCA, and the study would help improve the surrounding areas. Cook reinforced that the more open we are with the state the more they can be stewards for us, and we need to help. Franzen asked the size of the chemical in the water, and how that is going with the river and the water run-off. The talk was that the water and sludge need to be treated fairly, and everywhere that runs into the river can cause an issue. How the different treatment plants work makes that the water needs to be treated to allow for everything to work together. Franzen asked what was the side effect with the addition of the chemicals, and cook answered that the materials and equipment used for the chemicals is to ensure that it works well. Graunke commented and praised that the study sounds great and having the controlled side allows for great data.

Franzen asked if there trailers and portable treatment used for study, and they expensive to use. And so it is great that we have the ability to do this on our treatment.

Motion by Jason Franzen, seconded by Holly Schrupp to approve 2019 Wastewater Treatment Plant pilot study; motion carried.

9. City Strategy No. 4: Manage sustainable and planned growth

- A. Consider the establishment of Tax Increment Financing (TIF) District over select lots within the Delano West Metro Business Park First and Second Additions, within Delano MN.
Attachments: Draft TIF Plan for TIF 12 | Draft Modification to Development Program for Development District No. 4 | Resolution of the Planning Commission considering the review and approval

Brian Bloch was at the meeting to describe the history of the TIF and business park, Bloch summarized the document produced by the financial advisors, he described that this is needed because the change of boundaries, and also because there was no reasoning to notify the county before since there has been no construction until recently. Brian noted that the TIF plan initially had two businesses that did not go through. He mentioned that this plan is the whole of the business park. The presented plan will be filed with the county on this, and any increase of the property now will be what we received from the district. This would allow for those taxes to pay for the improvements. Brian noted that the new plan will hopefully double the increment of the area, and how the high number given helps to make sure that if we don't collect more it will be okay, but then we do not need to come back to the council. Once the filing happens with the County, then the base value of the property will start from that point, and so any increases for the 9 years will be accounted and collected in the district. Sutherland praised the positive numbers in the accounts for the district. The three projects will significantly help the city get to where we need to be, and there are options for the city if needed in the future. Brian noted we have two, 20-year bonds, and after all of this there is just a few payments that will

need to be made.

Motion by Holly Schrupp to open the Public Hearing on the TIF District, seconded by Betsy Moran; motion carried.

Mayor Graunke called for public comment three times. None was heard.

Motion by Jason Franzen, seconded by Jon Sutherland to close the public hearing; motion carried.

Motion by Jason Franzen, seconded by Betsy Moran to approve the establishment of the Tax Increment Financing District over select lots within the Delano West Metro Business Park First and Second Additions, within Delano MN; motion carried 5-0 by roll call vote.

10. City Strategy No. 5: Foster engaged and informed community

11. City Strategy No. 6: Ensure a high-performing team of public servants

12. City Strategy No. 7: Manage a safe and healthy community

13. City Strategy No. 8: Maintain and protect community strengths

14. Updates from Commission Liaisons

A. Fire Relief Association

1. May 9, 2019 Minutes

B. Park and Recreation Commission

C. Planning Commission

D. Public Safety Commission

Lions hosted an event for public safety appreciation night. There were about 18-20 families there for the event from multiple different divisions and cities. Jason was there and helped present. They hope to grow in the future.

E. Spirit of Community Commission

F. Water, Light and Power Commission

City Municipal Utilities approved an engineering study on the utilities and another study of GIS mapping, this will allow for everything to be on the GIS electronic map. These studies are greatly needed. Wenck will be teaming with the city on this, all paper maps will be transferred to digital. Revenue from the commission, 2.1 million dollars. We are acquiring land from West

Hennepin Electric which will increase the revenue. A number of the diesels are back in town, next week there will be an equipment install and a test firing coming up, all the engines are running successfully. The oldest engine from 1943 will not be used anymore, as it is a loss. David Berg consulting, came and talked about electric rate incentives for new businesses.

15. Communications and Announcements

Gabe from the Delano Herald Journal was there to give updates on community events

16. Claims

A. City Claims

Moran asked what the RBC was on the claims, and Finance Director Brian Bloch stated that the funds are going to CDs and will give the city more investment return on the money since the bond payments will not be due for some time.

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

17. Adjournment

There being no further business to discuss, the regular meeting of the Delano City Council/Economic Development Authority of Tuesday, May 21, 2019, was adjourned.

Signed

Dale Graunke, Mayor

Paula Bauman, Administrative Services Coordinator

Attest: Sabrina Hille, Administrative Intern