

MINUTES
CITY OF DELANO
City Council/Economic Development Authority
Tuesday, September 17, 2019
7:00 PM

1. Call to Order

Mayor Graunke called the regular City Council meeting of Tuesday, September 17, 2019, to order at 7:00pm.

2. Roll Call and Approval of Agenda

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

Also Present: Phil Kern, City Administrator; Alan Brixius, City Planner; Vince Vander Top, City Engineer; Brian Bloch, Finance Director; Scott Dornfeld, Building Official; Paula Bauman, Administrative Services Coordinator; Molly Fleming, Intern

Phil Kern requested adding:

5D: Motion to hire part-time staff at Delano Wine and Spirits

9C: Discuss 125 Woodland Road

Motion by Holly Schrupp, seconded by Betsy Moran to approve the agenda with recommended changes; motion carried.

3. Minutes

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

- A. June 4, 2019 - Regular Meeting
- B. June 18, 2019 - Regular Meeting
- C. June 25, 2019 - Special Workshop | Summary Minutes
- D. July 16, 2019 - Regular Meeting
- E. July 30, 2019 - Special Workshop | Summary Minutes

4. Speakers, Presentations and Awards

5. Consent Items

Motion by Holly Schrupp, seconded by Betsy Moran to approve the consent items as submitted; motion carried.

- A. Final Pay Request No. 22 for the 2016 Infrastructure Improvements Project
- B. Consider approving the "Spark the Power of Art" art application
- C. Approve gambling application exempt permit for the Delano Snowstormer's Snowmobile Club on Saturday, December 7, 2019

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

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

- A. Adopt resolution approving the 2020 preliminary tax levy and public meeting dates for the 2020 budget

Brian Bloch stated Council and staff met at the August 27, 2019, workshop and discussed the 2020 budget, tax levy and capital improvement plan. From the discussion at August's meeting, the preliminary tax levy, will increase 5.2 percent over last year's tax levy.

The budget will further be discussed at the regular Council meeting on Tuesday, December 3, at 7pm. If there are no alterations the final levy, budget and capital improvement plan will be adopted. The last date to approve will be December 17, 2019.

Additional budget meetings have been tentatively scheduled for September 24 and November 26, 2019.

Motion by Betsy Moran, seconded by Jon Sutherland to adopt resolution R-19-26 approving the 2020 preliminary tax levy and public meeting dates for the 2020 budget; motion carried 5-0 by roll call vote.

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

- A. Consider purchase of Trailer Jet for Public Works from Flexible Pipe Tool Company

Public Works is seeking to replace a 1995 Jetter and have budgeted for a \$110,000 Trailer Jet for the fiscal year of 2019. The Trailer Jet is used by Public Works to clean both plastic PVC pipes and clay sanitary tiles. The two main functions of the Trailer Jet are:

- A. To ensure the City's sanitary and storm water sewer systems are clean and kept clear of obstructions
- B. To unplug tiles and culverts during the spring

The Trailer Jet was quoted from the Flexible Pipe Tool Company. Staff opted for a Trailer Jet with a diesel engine as it is more reliable in the long term and will benefit from trade in, resale value and maintenance. The Trailer Jet also features an LED strobe light with a stand and an LED Arrow stick that will increase the safety of employees in the field.

The current quote for the Trailer Jet is \$86,626.50 after trade in credit and minus the wireless remote-control pendant. Staff is recommending approval.

Motion by Betsy Moran, seconded by Jason Franzen to approve the purchase of trailer jet for Public Works from Flexible Pipe Tool Company for \$86,626.50; motion carried.

B. Review bids and authorize River Street Floodwall project to proceed

The Crow River has been eroding away the river bank along River Street near its intersection with 2nd Street for many years. In 2014, staff noticed a fracture along the top of the river bank, approximately 5 feet away from the curb line of County Road 17. This bank lies within the County's Right-of-Way; therefore, staff notified the County of the issue and pressed for the County to address the matter. The river bank continued to slide into the river to the point where, in of 2018, a significant amount of the river bank broke away and ended up in the River. The remaining bank was exposed and presented a threat for future erosion.

Additionally, the river bank in this area presents the lowest flood elevation without flood protection in the developed portion of the City. Over the past two decades, on at least five occasions (2001, 2010, 2011, 2014, and 2019) the City has been forced to construct a temporary levee across County Road 17 to prevent floodwaters from overtopping the bank and flooding the street and homes at a lower elevation to the north. This effort has been necessary, but also costly in each occurrence. In addition to the cost of constructing the temporary levee, the City has also suffered damage to neighboring streets as a result of roadway detours and ongoing staff time necessary to manage the temporary levee throughout the flood event.

The City and County began working together in 2018 on a plan to address both problems: the issue of bank stabilization and flood protection. The solution designed to address both is a sheet piling wall along 300+ feet of River Street, capped with concrete at a level consistent with the City's flood levees. The County has taken the lead on the project, and the State of Minnesota has approved participation through its Flood Hazard Mitigation Grant program. In total, the State of Minnesota will pay for 50% of the project expenses, with the City and County sharing the remaining 50%.

Staff is looking for direction on the alternates for the project:

Alternate 1 includes a wire fence design on top of the levy. This fence will be thirty-nine inches from the ground to the top of the levy. Cost is \$37,000

Alternate 2 includes ornamental decorative metal railing. Same railing as the Highway 12 fencing. Cost is \$60,000

Alternate 3 includes preventative sealer coating on the concrete, anti-graffiti coating. This will allow to color the concrete and be maintenance free. This will help with long term maintenance. Staff would match to the Highway 12 bridge. Cost is \$30,000

Motion by Holly Schrupp, seconded by Jason Franzen to authorize bids received from Redstone Construction for the River Street Floodwall project to include alternate three

(anti-graffiti coating, arch surface finish-multi color, concrete texture – cut stone); motion carried.

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

- A. Consider request from Spike's Feed, Seed and Pet Supply for a variance to allow a structure to exceed the maximum of 48-foot height requirements within the City of Delano's I-2, General Industrial District *Attachments: Supporting Documents*

Spike's Feed, Seed and Pet Supply operates a retail and manufacturing operation at the current facility along Railroad Avenue and has been in business for several years. The company sells products for turf supplies, and various types of pet and bird food. At the facility the company mixes different varieties of seeds and grains to create some of the product it sells in the retail and wholesale markets.

The owners would like to upgrade and automate their business by expanding their buildings, adding various sizes of grain storage bins, including a new leg or conveyor system, installing retaining walls, constructing a new trash enclosure and adding concrete areas for bulk sales.

In 2018, the City approved the following development application to allow Spike Seed to expand.

- A. Site plan approval based on plans dated 10 /12/18
- B. Variances from the I-2 district front and rear yard setbacks for the principal building.
- C. Variance from the I-2. District rear yard setback for accessory buildings (bins)
- D. Conditional use permit allowing an exception to the building materials for the proposed building addition.

The applicant has begun site and building improvements this year, when staff notice that the construction did not follow the approved site and building plans dated 10/12/18. The significant changes include the following:

- A. The 2018 plans show 3 exterior storage bins and 7 bins stored with a building expansion on the west side of the existing building. The new plan introduces 7 exterior storage bins on the west side of the building along with feeder tubes, augers, and exterior motors this is in addition to the three future steel bins. This new bin configuration changes the appearance and operation of the site.
- B. Along with the exterior bin arrangement the new site plan introduces three towers with conveyors that were not identified on the 2018 plan. Based on the new plans the tallest building height of the existing building is 58 feet. Tower 1, which will be located at the southeast corner of the building, will have a height of 40 feet. Tower 2, located at the center of the storage bins shows a height of 62 feet (4 feet above the

existing building). Tower 3, located on the west side of the building will have a height of 94 feet. Towers 2 and 3 are substantial structures with heights that exceed the I-2 zoning district standards.

The new construction drawings include the aforementioned items that were not part of the 2018 approvals. The 2018 approvals allowed City Staff to process subsequent plan modifications administratively unless the plans significantly changed the layout and design of the building or site. The aforementioned items represent significant changes in building and site design requiring a new site and building plan application and a request for variance from the I-2 district height restrictions to allow the new towers. With this determination the applicant has submitted application for a new site and building plan review and height variances. The site plan is being processed in August to allow the applicant to proceed with site work. The variances which require public hearing will be processed in September to allow proper publications for a public hearing.

The new construction plans for Spike Seed, are significantly different than the plans approved by Council in 2018. These plan changes represent more detailed evaluation of the business operations and most streamlined product processing. The changes from the previous plan are significant, warranting a new site building plan review and processing of tower height variances. Based on meetings with the applicant and staff review of the new plans, we can recommend approval of the new site and building plans dated 5/23/19 with the following conditions which also reflect the 2018 original approval.

1. The Planning Commission and City Council agree with the variance findings of the NAC planning report dated August 9, 2019.
2. The site development shall follow the approved site plans dated 5/23/19. The applicant obtains required building permits and engineering approvals for all building, bin and tower improvements.
3. Applicant shall provide a building floor plan that identifies the use of each area of the building and provide off street parking per the City Zoning Code.
4. All parking, driveways, and loading areas shall meet the city design standards related to continuous concrete perimeter curbing, paving, and striping of parking stalls.
5. Applicant shall provide a lighting and photometric plan for all exterior lighting with said lighting meeting city standards for light fixtures and light levels.
6. Applicant shall provide a site grading, drainage, and storm water management plan for review and approval of the city engineer.
7. The applicant shall comply with the conditions of the December 1, 2018 Technical Memo.
8. Applicant agrees that if nuisance complaints result from site operations, the City reserves the right to require additional nuisance mitigation measures or the restriction of business hours. If a noise study is required by the city due to noise complaints the

applicant shall cover the cost of the study.

9. Truck travel routes accessing and egressing the Spike's Feed, Seed and Pet Supply site shall use the following streets. The property owner shall advise all vendors, contractors, delivery services to use the following truck routes to avoid traveling through residential neighborhoods.
 - A. Access from the east shall be via Highway 12 to Tiger Drive to Railroad Avenue
 - B. Access from the west shall be via Highway 12 to Bridge Street to River Street to Railroad Avenue

The exiting of the site shall follow the aforementioned streets in reverse.

Dale Graunke questioned the replacement of structure on top and if there is an established height. Alan Brixius stated based on the planned set that was received 120 feet.

1. Resolution approving structure height variances for Spike's Feed, Seed and Pet Supply located at 511 Railroad Avenue, within the City of Delano, Minnesota.

Motion by Holly Schrupp, seconded by Jason Franzen to adopt resolution R-19-27 approving structure height variances for Spike's Feed, Seed and Pet Supply located at 511 Railroad Avenue, within the City of Delano, Minnesota; motion carried 5-0 by roll call vote.

- B. Consider request from Lennar Homes for Final Plat of Highland Ridge 8th Addition *Attachment Support Documents*

On January 15, 2019, the Delano City Council approved a preliminary plat application of U.S. Home Corp DBA Lennar for a 49-lot single family residential subdivision entitled "Highland Ridge 7th Addition" The subject site overlays approximately 34 acres of land located south of the BNSF rail line between 2nd Street SW and 3rd Street SW.

In conjunction with the preliminary plat approval, the City Council also approved the rezoning of the subject site from R-2, Single Family Residential district to R-5, Single and Two-Family Residential. The change in zoning (to R-5, Single and Two-Family Residential) was necessary to make an allowance for 65-foot wide lot lots and a minimum lot area of 9,000 square feet.

At this time, the applicants have requesting final plat approval for the Highland Hills 8th Addition. This final plat consists of 21 single family lots around two cul-de-sac extending north and south from Franklin Avenue. This final plat is the second phase of the Highland Hills 7th Addition Preliminary plat.

Based on the preceding review, Planning Staff recommends approval of the Highland Ridge 7th Addition final plat subject to the following conditions:

1. All corner lots which have a side yard which abuts Franklin Avenue shall not take driveway access from Franklin Avenue.
2. Street names shall be determined to be consistent with City Policy.
3. Street lights, street signs and traffic control signs shall be consistent with City standards.
4. The applicant shall be responsible for the demarcation of the boundaries of Outlots B. The design and location of demarcation posts shall be provided by the applicant and approved by the city.
5. All homes shall be designed to meet the City's design standards for single family homes.
6. A landscape plan shall be submitted which addresses general subdivision landscaping, wetland buffers, turf establishment of all grading areas, ponds and easement areas. Such landscape plan shall be subject to City approval.
7. The applicant shall pay a cash contribution of \$2001.00 per lot in lieu of land dedication.
8. The applicant shall satisfy all recommendations of the City Engineer related to streets, utilities, grading, drainage and storm water management outlined in their August 28, 2019 Technical Memo.
9. The applicant shall enter into a development agreement with the City.

Paul Tabone, Lennar Homes, asked for clarification on Lot 12. If the lot has a side yard, the access onto cul-de-sac. Alan Brixius stated both option are open.

1. Resolution approving the final plat for Highland Ridge 8th Addition within the City of Delano, Minnesota

Motion by Jon Sutherland, seconded by Betsy Moran to adopt resolution R-19-28 approving the final plat for Highland Ridge 8th Addition, within the City of Delano, Minnesota; motion carried 5-0 by roll call vote.

C. Discuss 125 Woodland Road

The City of Delano is currently under contract with the Quik Shop building with the intention of creating it a high functioning property again. The property will not close until early November, this give staff time to prepare and plan for the property. Staff is requesting the ability to request for proposals prior to closing. This would not bound the City to anything only to decide if the property should be demolished or market as is.

Council questioned if easements around the property can be established prior to the City selling. Kern stated further discussion will be needed in regards to traffic flow through the site and easement to protect future roadway.

Motion by Holly Schrupp, seconded by Betsy Moran to authorize staff to seek proposals for 125 Woodland Road; motion carried.

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
- B. Park and Recreation Commission
- C. Planning Commission
- D. Public Safety Commission
- E. Spirit of Community Commission
- F. Water, Light and Power Commission

1. August 26, 2019 - Regular Meeting

15. Communications and Announcements

16. Claims

- A. City Claims

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

17. Adjournment

There being no further business to discuss, the Delano City Council/Economic Development Authority meeting of Tuesday, September 17, 2019, was adjourned at 8:00pm.

Signed:

Dale Graunke, Mayor

Attest: Paula Bauman, Administrative Services Coordinator

