

MINUTES
CITY OF DELANO
City Council/Economic Development Authority
Tuesday, April 21, 2020
7:00 PM

1. *Due to COVID-19, the meeting was conducted via Zoom webinar as allowed under Minnesota Statutes, Section 130.021. All motions were approved by roll call vote.*

2. **Call to Order**

Mayor Graunke called the regular meeting of the Delano City Council/Economic Development Authority of Tuesday, April 21, 2020, to order at 7pm.

3. **Roll Call and Approval of Agenda**

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

Also Present: Phil Kern, City Administrator; Brian Bloch, Finance Director; Shawn Louwagie, City Engineer; Paula Bauman, Administrative Services Coordinator; Doug Green, Baker Tilly Municipal Advisors, LLC

4. **Minutes**

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

- A. March 17, 2020 - Regular Meeting
- B. March 31, 2020 - Special Workshop
- C. April 7, 2020 - Regular Meeting

5. **Speakers Presentations and Awards**

6. **Consent Items**

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

- A. Motion approving installation of new light fixtures at the Delano Public Library
- B. Motion approving purchase of picnic tables for various City parks

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

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

- A. Adopt resolution approving the authorization for the issuance of up to \$4,500,000 General Obligation (GO) Bonds, Series 2020A *Attachment: Resolution*

Brian Bloch stated the City has the approved plans and authorized bids for the 2020 Infrastructure Improvement Project and the CSAH 30 project. In order to finance these projects, Baker Tilly Municipal Advisors, LLC has assisted the City in the issuance of bonds. Not all the portions of the 2020 Infrastructure Improvement and CSAH 30 projects are to be financed by street reconstruction bonds. Staff is asking for approval to authorize the issuance of debt for the overall project costs not to be reimbursed by other means. The 2020 Bond is comprised of:

- A. Street reconstruction bond for the street improvements in the 2020 Infrastructure Improvement project
- B. Special assessment bond for the CSAH 30 improvements
- C. Storm sewer revenue bonds for storm sewer improvements
- D. Sanitary sewer revenue bonds for sanitary sewer improvements
- E. Water revenue bonds for water main improvements

The portion for CSAH 30 is being issued under Minnesota special assessment statutes. These statutes allow the City to issue debt for a project without going to the voters for approval. By using the special assessment statutes, the City avoids having this debt applicable to the debt limit.

The 2020 improvements regarding storm sewer, sanitary sewer, and waterman are being financed through revenue bonds. Revenue bonds are not subject to debt limit and are not subject to a referendum because revenue generated by the indicated sources are paying for the debt. However, the City must show that the sources are adequate to make the necessary payments on the debt. Current projections show there are sufficient funds available and, in the future, to allow the issuance of this debt.

The City's debt limit currently stands at about \$9.1M and will be reduced by the issuance of these bonds to an estimated \$6.9M. By the end of 2022, the debt limit is expected to increase to about \$9.4M through market value growth and reduction in debt applicable to the debt limit.

Motion by Holly Schrupp, seconded by Jason Franzen to adopt resolution R-20-16 approving the authorization for the issuance of up to \$4,500,00 General Obligation (GO) Bonds, Series 2020A; motion carried 5-0 by roll call vote.

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

- A. Motion approving development of plans and specifications for repair to the Delano Heritage Center

This item was removed from the agenda

- B. Motion approving the bid results and award the low bid for the CSAH 30 Reconstruction Project

Bids have been received electronically through the QuestCDN bidding site for the CSAH 30 Reconstruct project on April 14th at 11:00 am. This project is a cooperative agreement project between the City of Delano and Wright County. A total of 3 bids were received and read aloud through an online meeting platform

Motion by Betsy Moran, seconded by Jon Sutherland to approve the bid received from GMH Asphalt Corporation for their base bid of \$3,174,341.35 and include the Alternate 1 bid of \$24,218.30; totaling \$3,198,559.65 for the County Road 30 Reconstruction Project; motion carried.

- C. Motion approving the bid results and award the low bid for the 2020 Infrastructure Improvement Project

Bids have been received electronically through the QuestCDN bidding site for the 2020 Infrastructure Improvements project on April 16th at 11:00 am. A total of 5 bids were received. Staff is recommending accepting Kuechle Underground, Inc.'s bid.

Motion by Jon Sutherland, seconded by Holly Schrupp to accept the bid results and award the bid to Kuechle Underground, Inc. with the base bid of \$4,169,098.83 and include Alternates 1 (\$174,451.50 and 2 (\$166,829.00) for the 2020 Infrastructure Improvement Project; motion carried.

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

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

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

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

- A. Discuss the Community Health Emergency and City Services

The group discussed current operations of city services, continuing the liquor license fee credit, and steps moving forward.

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

15. Communication and Announcements

Staff recommended moving the time of Council meetings from 7pm to 5pm during the shutdown.

Motion by Betsy Moran, seconded by Jon Sutherland to hold the special and regular City Council meetings at 5pm during the state shutdown; motion carried.

16. Claims

A. City Claims

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

17. Adjournment

There being no further business to discuss the regular meeting of the Delano City Council/Economic Development Authority of Tuesday, April 21, 2020 was adjourned.

Signed:

Dale Graunke, Mayor

Paula Bauman, Administrative Services Coordinator