

**MINUTES**  
**CITY OF DELANO**  
**City Council/Economic Development Authority**  
**Tuesday, September 1, 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**

Dale Graunke called the regular meeting of the Delano City Council/Economic Development Authority of Tuesday, September 1, 2020, to order at 7:02pm.

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

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

**Also Present:** Phil Kern, City Administrator; Paula Bauman, City Clerk; Nick Neaton, Senior Center Director, Rebecca Gaida, Administrative Intern, Shawn Louwagie, City Engineer

Phil Kern recommended adding the following to the agenda:

7B: Delano Honors the Blue event

7C: Delano Municipal Utilities Pavement Quotes

13: Discuss community health emergency

16: west metro business park expansion

**Motion by Jon Sutherland, second by Jason Franzen to approve the agenda with the following additions: 7B: Delano Honors the Blue event; 7C: Delano Municipal Utilities Pavement Quotes; 13: Discuss Community Health Emergency; 16: West Metro Business Park Expansion; motion carried.**

4. **Minutes**

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

- A. June 16, 2020 - Regular Meeting
- B. July 7, 2020 - Regular Meeting
- C. July 21, 2020 - Regular Meeting
- D. August 4, 2020 - Regular Meeting
- E. August 18, 2020 - Regular Meeting

5. **Speakers, Presentations and Awards**

## 6. Consent Items

### A. Authorize the hiring of Administrative Assistant for City Hall

Kern elaborated on the administrative position which was created a month ago and filled by Alisha. The previous customer service representative role was restructured and named administrative assistant and filled by Jane from DMV.

**Motion by Jon Sutherland, seconded by Betsy Moran to authorize the hiring of Administrative Assistant for City Hall; motion carried.**

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

### A. Consider soliciting bids for installation of fencing in Central Park and a possible no parking zone

Kern presented the recommendation from the Park Board to add fencing and a no parking zone on the west side of River Street. Improvements have already been made for pedestrian crossings; however, people still try to cross in the middle of the street. Fencing has been part of the plan for many years, a previous bid came in at \$18,000. The fence would direct pedestrians to the crosswalks. Bump-outs have slowed traffic but during an event like a ball game, pedestrians still do not use crosswalks. This item may also need recommendation from the Public Safety Commission. Staff can proceed with soliciting quotes. Funding would come from Capital Projects fund. Schrupp asked if there would be no parking on both sides of the street. Kern answered there would still be parking on the Central Park side of River Street. Moran asked if it's possible to evaluate the speed of cars with parking on River Street versus no parking. She added that people may slow down when there are cars parked on the street. Franzen added that the Public Safety Commission should consider the topic. He asked what the impact would be on larger events and how many parking spots would be lost. Sutherland added that he would like the City Engineer to evaluate parking. Graunke asked how tall the fence would be. Louwagie answered that the fence would be 4ft high.

**Motion by Jon Sutherland, seconded by Jason Franzen to direct City Engineer to proceed with soliciting bids for installation of fencing in Central Park and direct staff to gather data and present to Public Safety Commission regarding no parking zones; motion carried.**

### B. Consider event license application received for a Delano Honors the Blue event on Tuesday, October 6

Paula Bauman stated that Justin May would like to host the Delano Honors the Blue event on 10.6. He is expecting about 200 people. Everything is done except for insurance. The event is from 4:30-6pm. Franzen and Sutherland both expressed support event

**Motion by Jason Franzen, seconded by Holly Schrupp to approve event license application received for a Delano Honors the Blue event on Tuesday, October 6; motion carried.**

Kern mentioned it would be beneficial for the council to reconsider insurance requirements on events at a future session.

C. Consider quotes received by DMU for requested pavement work at their facilities

Louwagie stated that DMU would like to work on three different roads: the water tower access road, power plant, and water treatment plant. Two quotes were received. He suggests awarding bid to Mid-Minnesota Hot Mix. DMU has decided not to go forward with water treatment plant but instead the well #2.

**Motion by Betsy Moran, seconded by Jon Sutherland to award bid to Mid-Minnesota Hot Mix, Inc. for DMU work to be done at the following locations: water tower access road, Power Plant, Water Treatment Plant; motion carried.**

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

A. Discuss the distribution of CARES funding

Kern presented on the CARES funds the City received from the federal government and allocated by MN. Delano has received approximately \$466k for COVID related expenses. If the funds are not used by Nov, 15<sup>th</sup>, the money goes back. He recommends spending the money in four areas, action does not need to be taken tonight. 1: City expenses related to COVID like PPE, plexiglass barriers, and automatic doors at the liquor store 2: Public agencies like Schools and DMU 3: Business grants, revolving loan fund was offered earlier in the year and now expired and begins repayment starting Sept 2020. Wright County will be offering business grants of \$10,000. Additional grants of \$5,000 from the City. 4: Food Shelf/City Services and purchasing the 221 Building. The food shelf is interested in moving into the 221 Building to expand services and improve access. City Hall and DMV need more space for operations, especially during COVID. The 221 Building could house both Food Shelf and DMV while keeping operations separate. There is an opportunity to use CARES funds to acquire the building.

City Expenses: \$100,000  
Public Agencies: \$50,000  
Business grants: \$100,000  
Purchasing the 221: \$216,000

Franzen stated there is a consistent need for the food shelf, in support of purchasing 221. There would be no effect on the tax base. Moran asked why the CARES money can't be used to remodel a building the city already owns like the Heritage Center. Kern replied that it can be. The DMV and Senior Center currently share an entrance. The funding could be used to renovate the Heritage Center and move the DMV. The acquisitions of the 221 adds the opportunity of adding the food shelf, visibility, and access of 221 is better than the Heritage Center. Moran asked if the City will pay property tax on the building. Ker replied yes, and the food shelf is a nonprofit so it is tax-exempt. Franzen asked about the tax status of the 221. Kern replied that the 221 is currently taxed as a commercial property. Sutherland commented that

the Delano Chamber received and distributed masks. He asked if the CARES funding be used on PPE for local businesses. Kern added that businesses can use the grant to buy masks, or the City can purchase and distribute them. Sutherland added that he would like to look at the 221 building.

Moran asked if the food shelf could receive a grant to purchase the building. Kern answered that the food shelf would be eligible for the county's business grant. If the city does proceed with purchasing the 221 the food shelf can apply to other grants to remodel and rent from the City. Franzen asked what the rent be for the food shelf. Kern replied that the rent has not yet been set for the food shelf, in the future a lease agreement would need to be considered by the Council. Moran asked how this would affect the tax base. Kern stated that if the City leases to a for-profit business then the property is taxable. If the lease is for a nonprofit/city purpose then it is tax-exempt. Moran added that she is hesitant about City owning multiple buildings downtown when the City already owns the Heritage Center. Schrupp asked about the square footage on the 221 building. Neaton replied that the 221 in the 7000 sq ft range. Kern added that the heritage center is about 1700 sq ft on the first floor. Graunke asked if the food shelf access has to be discrete. Neaton added that the 221 would be ADA accessible and easier to move product. The current location is difficult to access.

Council would like more information before proceeding with the purchase of the 221 Building.

- 9. City Strategy No. 3: Conscientious asset/infrastructure management**
- 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. Extend the community health emergency

Kern state the City has been handling the community health emergency on a month by month basis to continue through September

**Motion by Holly Schrupp, seconded by Betsy Moran to extend the community health emergency to September 30, 2020; motion carried.**

- 14. City Strategy No. 8: Maintain and protect community strengths**
- 15. Updates from Commission Liaisons**
- 16. Other Business**

- A. West Metro Business Park Expansion

Kern said there have been requests to expand the West Metro Business Park. He recommends entering a closed session.

**Motion by Holly Schrupp, seconded by Jason Franzen to enter into executive session for the purpose of discussing a purchase agreement for West Metro Business Park Expansion for Lot 1, West Metro Business Park 2nd Addition; motion carried.**

**Motion by Holly Schrupp, seconded by Jon Sutherland to exit out of closed session; motion carried.**

## **17. Communications and Announcements**

### **18. Claims**

#### A. City Claims

**Motion by Holly Schrupp, seconded by Jon Sutherland to approve City Claims as submitted; motion carried.**

## **19. Adjournment**

With no further business, the meeting adjourned at 8:19pm by Dale Graunke

Signed:

Dale Graunke, Mayor

Paula Bauman, Administrative Services Coordinator

Attest: Rebecca Gaida, Administrative Intern