

MINUTES
CITY OF DELANO
City Council/Economic Development Authority
Tuesday, October 27, 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 meeting to order at 7:01pm.

3. Roll Call

Present: Dale Graunke, Betsy Moran, Holly Schrupp, Jason Franzen, Jon Sutherland

Also Present: Phil Kern – City Administrator, Nick Neaton – Community Services Coordinator, Brian Bloch – Financial Director, Rebecca Gaida – Administrative Intern

4. Special Order of Business

A. Discuss 2021 Preliminary Budget and 2021-2026 Capital Improvement Plan

Bloch discussed funds and budgets which do not rely on tax levies:

- Special revenue funds which include Community Room, Parks, Economic Development Authority (EDA), Revolving Loan, Motor Vehicle, Riverside Commons, and Storm Water
- Capital Projects Funds which include General Capital, Street Capital, Business Park, Baseball Field Improvements, Fox Meadow Trail, Project Year 3 Infrastructure Improvements, and County Road 30 Improvements
- Enterprise Funds which include Sanitary Sewer and Liquor Store

Moran asked if the City can add funds to EDA for events like Light the Night. Bloch said that the Council can attempt to budget or add things as they come up.

Moran asked about the fund balance of the Business Park fund. Bloch estimates it is about \$800,000.

Sutherland asked about Sanitary Sewer failures and if the City can help citizens pay for these failures. Graunke clarified that this was already discussed in a previous workshop. Kern mentioned that the Council did not want to change the policy because there were no funds to do so and the discussion could be revisited during a budget meeting. The money can be budgeted but there is still an issue of changing the policy. Sutherland would like to add a line item in the budget to help citizens pay for sewer failure. Moran asked what would happen if the policy changed and there was not a line item in the budget. Bloch added that the City could likely find the money from another source. Schrupp added that it is the home owner's personal responsibility to pay for their personal sanitary sewer.

Brian then outlined specific projects in individual departments for the years 2021-2025. Graunke added that he would like to see more money for street signs. Kern said the City could start budgeting for traffic signs.

Franzen asked how many projects could be put off for a year or two. Graunke replied that putting off projects means bigger increases in rates and levies.

Bloch then pointed to the funding source for each project. Finally, Brian mentioned the document with the detailed budget.

Schrupp asked about Local Government Aid (LGA). Bloch replied that LGA is estimated to be about \$300,000.

Sutherland asked about the Fire Department and the previous \$10,000 for a boat. Bloch said the Fire Department decided it doesn't need a boat.

B. Consider increase to Mayor and Council salary

Kern presented the salary survey conducted for Mayor and Council salaries. These cities in the survey are nearby and similar in size. Three cities are at or above for council salaries. Two cities are at or above for mayor salaries. Moran asked if those cities are also looking at a salary comparison. Kern said that they are likely using a similar but slightly different cohort for their comparison. The salary would become effective after the next election. The State created a salary advisory board. The salary for Mayor and Council in Delano hasn't changed in about 16 years. A best practice may be to agree on an amount increase per year. Sutherland added that he likes the technology stipend that Minnetrista has and would like to see something similar. Kern said that a salary change can only happen in an election year, so every 2 years. Schrupp asked if it's a salary or stipend. Kern replied that it is a salary. Moran suggested a 2% raise every 2 years, which would be around \$100. Kern clarified that this would be a policy directive to address salary every 2 years. Sutherland asked about commission meetings. Bloch said commissioners get paid \$150/year and council liaisons get \$10/meeting.

Moran motioned to approve a salary increase of \$100/year for Mayor and Council members and keep the special meetings at \$50/meeting and bring it up every election year, Franzen seconded the motion with an amendment of making the special meeting \$75. Moran agrees to the amendment. Motion carries 5-0 by roll call vote.

C. Consider request from Light the Night for assistance

Kern introduced the Light the Night request. Light the Night is a holiday light display in Central Park and the City is the fiscal sponsor. Dorothy is the lead on the project, she is looking for financial assistance. Dorothy explained that plans have changed due to COVID. The event is still happening and she would like to decorate the park. The display will start at Zitzloff field and some donations have come in, but there is still a need for lights and decorations. So far there is a train, a nativity scene, a Santa Claus, and other various props to

set up along with lights. The event hosts would also like to open up the road through Central Park to make the display a drive through. Moran asked what is needed. Dorothy has already talked with Delano Municipal Utilities (DMU) and decided about \$4000-4500 would be needed to fund the project. Schrupp asked if there has been any other fundraising done. Dorothy replied that they have raised \$1700 in donations from community organizations and the public. Graunke mentioned decorating trees along the levy to lead to the Central park display. Moran asked what the \$4500 would cover. Dorothy replied that this would cover lights on Zitzloff, all over Central park, and downtown. Moran mentioned traffic flow and having people start at Big Rock park. Kern mentioned that these funds would come out of the Economic Development Fund with the goal of economic development and driving sales and foot traffic in town. Kern explained that the invoices could be sent to the City. Schrupp asked the role of DMU. Dorothy added that DMU will assist with some set up. Kern added that DMU and the City will split the cost.

Schrupp made a motion to allocate \$2200 for Light the Night and second by Moran. Motion approved.

D. Discuss Riverside/Art Walk plan

Kern distributed a map of the River/Art Walk from 2014. Community gardens are proposed between ponding and pickleball courts. Sutherland asked how the current trajectory compares to the 2014 plan in terms of usage. Schrupp voiced concerns about pedestrian traffic at the park and near HWY 12. Franzen would like to see a pedestrian bridge added over the river to redirect traffic and make the park safer. Sutherland would like to see the property usage maximized. Moran agrees with the concerns about traffic but brought up that the intersection has been designed for another driveway and would like to see a pedestrian crossing. Sutherland would like the issue of pedestrian safety to be delegated to the City Engineer. Franzen would like to see some amenities moved to the Litfin land which would be safer. Kern added that the ice rink is a topic of conversation among the park board. Rain garden cannot happen because of excavation issues. Sutherland suggested that the park board update the Riverside park plan.

E. Discuss collector road improvement policy

Kern brought up development fees and road access for new development areas. Staff would like Council to consider the impacts of development on sewer, water, roads, and parks. The current plan does not allow equitable road construction for developers. There are currently 3 designation of street: Local streets, collector streets and arterial streets. The current policy states that there needs to be 2 points of access with a paved access from a major collector street. Developers have inequitable access to major collector roads leading to unequal costs to build roads. Growth will slow if road access continues as it is. Franzen asked about State funding for building a bridge. Kern added that 90th street is the next logical bridge site, costs could be upward of \$5 million. Kern added that the burden of road construction on the developer should be considered. Moran asked if the City is allowed to assess a percentage to the developer. Kern said the developer would be assessed a percentage cost of the project. More development could lead to a street upgrade. Schrupp asked if 90th street could remain gravel. Kern suggests revisiting the agreement with the township. Graunke would like to see

more conversation with the County. Kern added that the focus should remain on the developer's contribution to road construction costs. Kern would like the County to put a bridge between County Road 16 and 17. He added having a road access plan keeps development/housing prices fair. Moran asked if other communities have had the same problem. Kern mentioned that this is a common problem for growing communities. Sutherland asked for a traffic count on the road. Kern said there might be some older traffic data.

F. Discuss County Road 30/Tiger Drive Cooperative Agreement with Wright County

Kern mentioned that the County has revised the plan and reevaluated the policy for a roundabout on County Road 30 and Tiger Drive. The County has changed the design which would make the costs about \$30,000 for Delano. Delano would pay for the median and curb adjustment. The remaining project is in the County's right of way. The project would start next summer with the option for a payment plan.

G. Discuss Wastewater Treatment Facility Operation and Maintenance Services

Kern discussed the contract renewal for another 5 years. The proposed contract has no changes.

5. Adjournment

Meeting adjourned at 9:45pm

Signed:

Dale Graunke, Mayor

Paula Bauman, Administrative Services Coordinator

Attest: Rebecca Gaida, Administrative Intern