

MINUTES
CITY OF DELANO
City Council/Economic Development Authority
Tuesday, December 8, 2020
7:00 PM

1. Call to Order

Mayor Graunke called the special joint workshop of the Delano City Council and Water, Light and Power Commission meeting to order.

2. Roll Call

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

City Staff Present: Phil Kern, City Administrator; Paula Bauman, Administrative Services Coordinator

Water, Light and Power Commission Members Present: Adam Steffl, Michael Mathisen, Jason Franzen*, Nick Willing, Tom Rowbotham

Delano Municipal Utilities Staff Present: Paul Twite, General Manager, Wendy Neu, Office Manager

3. Special Order of Business

A. Joint Workshop of the Delano City Council and Water, Light and Power Commission

1. Updates from Delano Municipal Utilities

Adam Steffl and Paul Twite updated the group on utility operations. Discussions included power cost adjustment, the excess monies within the emergency fund and how to allocate it. The 2021 budget is set and discussed the strong industrial and residential growth within the community. There will be no changes to rates for 2021. Utilities has also been working on overhauling its transformers, and discussed the equipment within the utility building.

2. Updates from the City

Phil Kern recapped the budget and tax levy which will be approved later this month, building permit data for the year – seven hundred permits have been issued this year; which is a record number. The overall goal for the community is balanced growth between residential and industrial. Kern highlighted current development projects within the community.

3. Discuss power purchasing agreement

The group discussed current happenings with the agreement. Delano Municipal Utilities is currently in the process of exiting compass agreement and the process is

going well. Paul Twite touched on the energy market and its pricing.

4. Discuss facility planning

Kern presented his December 8 memo discussing facility needs for both Delano Public Works and Utilities highlighting existing space for operations while discussing potential options. Those options include building expansions, purchase new or construct new facility. Staff is recommending moving forward with a study to proceed. The group discussed the fees involved for the study along with its benefits. The consensus of both Delano City Council and Water, Light and Power Commission was to move forward with the study. No motion taken.

There being no further business to discuss, the joint workshop of the Delano City Council and Water, Light and Power Commission of Tuesday, December 8, 2020, was adjourned.

B. City Council Special Workshop

1. Consider option agreements for West Metro Business Park Expansion

Kern outlined the agreements for the West Metro Business Park Expansion. In 2018, when Randy's acquired this parcel, they wanted additional options to grow to the south. The proceeds from sale and negotiated potential acquisition with this parcel. The fifteen acres of land to combine with Randy's for their next phase. This agreement had a 2023 expiration. In light of the recent sale, Randy's has cancelled the agreement for the potential 15-acre transaction. Council needs to decide to continue with the option moving forward. Council discussed the property and potential uses and agreed to continue with the option agreement as is and reevaluate at a future meeting.

4. Adjournment

There being no further business to discuss, the workshop of Tuesday, December 8, 2020, was adjourned

Signed:

Dale Graunke, Mayor

Attest: Paula Bauman, Administrative Services Coordinator