

**Minutes – City of Delano  
City Council/Economic Development Authority  
Tuesday, December 16, 2025, 7:00 PM**

**1. Call to Order**

Mayor Holly Schrapp called the regular meeting of the Delano City Council/Economic Development Authority of Tuesday, December 16, 2025 to order at 7:00 PM

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

**Members Present:** Mayor Holly Schrapp; Councilmembers Jason Franzen, Becky Schaust, Todd Belz, Peter Froehle

**Members Absent:**

**Also Present:** Phil Kern, City Administrator; Brian Bloch, Finance Director; Nick Neaton, Community Enrichment Director; Shawn Louwagie, City Engineer; Kim Lindquist, City Planner; Matt Van Lith, Fire Chief; Alisha Ely, City Clerk | HR Specialist; Cassie Johnson, Deputy Clerk

**Motion by Todd Belz, seconded by Peter Froehle to approve the agenda; motion carried.**

**3. Communications and Announcements**

Robert Hopwood, Delano Herald Journal, presents on upcoming community events.

- Hanukkah celebrations through December 22
- December 28: Delano Dramatic Theatre free performances of *Tuesdays with Morrie*
- December 19–21: Sean Snow performing in *A Sherlock Carol* presented by the FungusAmongus Players
- Light the Night events:
  - December 20: St. Maximilian Kolbe Carolers
  - December 27: Rockin' Christmas
  - January 10: Snow Much Fun
- December 25: Christmas
- December 26: Kwanzaa
- December 31: American Legion prime rib dinner and silent auction

**4. Speakers, Presentations and Awards**

**5. Minutes**

- A. November 25, 2025 – Regular Meeting Minutes
- B. December 2, 2025 – Regular Workshop Meeting Minutes

**Motion by Jason Franzen, seconded by Becky Schaust to approve MINUTES A and B; motion carried.**

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6. Consent Items

- A. Approve Gambling License Request from Delano High School Grad Party to Host Bingo and Raffle
- B. Approve Ordinance Amending the City of Delano Fee Schedule
- C. Approve Employee Salary and Benefit Changes for 2026

Holly Schrupp abstained from this item.

Motion by Jason Franzen, seconded by Todd Belz, to approve employee salary and benefit changes for 2026; Holly Schrupp abstained; motion carried.

- D. Approve Mayor and Council Salary Changes for 2027
- E. Approve a Resolution Not Waiving Statutory Tort Limits
- F. Approve Pay Request No. 9 and No. 10 for the Heritage Center Elevator Project
- G. Approve Release of security for Willowbrook, Wright Neighborhoods 4th Addition
- H. Approve a Reduction in Security for River Waters 1st Addition
- I. Approve Reduction in Security for River Waters 2nd Addition

Peter Froehle asked whether the requested security reduction of \$29,658 would leave sufficient funds to cover remaining improvements. Shawn Louwagie explained that the City would retain \$109,816 in security, representing remaining costs plus 15 percent, which is sufficient to cover outstanding work.

Motion by Peter Froehle, seconded by Becky Schaubt to approve the reduction in security for River Waters 2nd Addition; motion carried.

- J. Authorize Payment Request No. 1 to Sunram Construction for Riverway Park Project
- K. Authorize the Purchase of the 2025 Toro Mower
- L. Authorize Payment to Global Specialty Contractors for 90th Street Guardrail Installation
- M. Motion Approving Amended Lease Agreement with Ridgewater College

Jason Franzen asked for an overview of the City's relationship with Ridgewater College and the requested lease modification. Phil Kern explained that the City and Ridgewater have been operating without a formal lease agreement for nearly two years while working toward a long-term agreement to support expanded job training opportunities. Kern stated that Council approved a lease structure in September with rent increasing over three years, and Ridgewater requested a modification reducing the third-year rent from \$3,000 per month to \$1,500 per month while accepting all other terms. The amended lease will run from January 1, 2026, through 2028, beginning at \$300 per month and increasing to \$1,500 per month by year three.

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Franzen highlighted the benefit of maintaining Ridgewater's presence in Delano and the expanded educational opportunities it provides.

**Motion by Jason Franzen, seconded by Peter Froehle to approve the amended lease agreement with Ridgewater College; motion carried.**

**Motion by Peter Froehle, seconded by Todd Belz to approve Consent Items A, B, D-H, & J-L.**

**Roll call vote:**

**Ayes: Schrupp, Franzen, Schaust, Belz, Froehle**

**Nays:**

**Absent:**

**Motion carried.**

**7. Public Hearing**

**8. General Business**

**A. Administration**

**1. Summary of City Administrator Performance Review**

Schrupp provided an overview of the closed session, summarizing areas that are performing well and areas identified as ongoing challenges. Schrupp stated that, overall, operations are going well.

Franzen highlighted the positive work being done by Phil Kern.

**B. Community Development**

**1. Discuss and Approve Resolution Amendment to the Approved Granite Works PUD and Approval of Revised Master Development Plan**

Kim Lindquist presented the proposed amendment to the Granite Works Planned Unit Development (PUD) and the revised master development plan for the third and final phase of the redevelopment project. Lindquist stated that the 1.89-acre northern parcel had been delayed due to economic conditions and a change in developers. The amended proposal increases the project from 55 units to 72 units and modifies the building to a more rectangular footprint.

Lindquist reviewed the updated site plan, parking configuration, and landscaping enhancements. The project includes 64 garage stalls and 63 surface parking stalls. Lindquist stated that 36 units will be maintained as affordable units at 60 percent of Area Median Income (AMI).

Staff recommended approval subject to nine conditions, including additional landscaping along the north and northeast portions of the site, revisions to building materials including

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added brick veneer on the south façade, and Condition 8 addressing parking for affordable units and parking fees for other units.

Becky Schraust asked whether parking stalls for affordable units would be labeled. Jake Budenski, Ebert Companies, stated that stalls could be labeled if desired. Budenski explained that surface parking would be free, underground parking would have an additional fee, and property management would monitor parking use. Budenski stated that each affordable unit would have guaranteed free parking. Jason Franzen expressed concern that labeling stalls could unintentionally identify residents participating in the affordable housing program.

Peter Froehle asked about income qualification monitoring for affordable units and requested City Attorney review. Council also asked about maneuverability and access for Fire and EMS response. Matt Van Lith stated there are no concerns with fire or EMS access.

**Motion by Becky Schraust, seconded by Jason Franzen to approve the resolution amending the Granite Works PUD and approve the revised master development plan.**

**Roll call vote:**

**Ayes:** Schrupp, Franzen, Schraust, Belz, Froehle

**Nays:**

**Absent:**

**Motion carried.**

**C. Community Enrichment**

**D. Engineering and Public Works**

**1. Adopt Resolution Authorizing Participation in PFAS Settlement**

Kern provided an overview of per- and polyfluoroalkyl substances (PFAS) and a national settlement involving manufacturers 3M and DuPont. Kern emphasized that the City of Delano's municipal water supply does not currently contain PFAS and that drinking water provided to residents meets all applicable state and federal standards.

Kern stated that while Delano's water system is not impacted, the Crow River has been identified by regulatory agencies as an impaired water body with PFAS present. Kern explained that the settlement is intended to support long-term monitoring, research, and response efforts related to PFAS contamination nationwide.

Kern outlined three options available to the City under the settlement:

1. Remove the City from the class action lawsuit, which would eliminate any future claims related to PFAS.
2. Take no action, which would keep the City nominally included in the lawsuit but waive the ability to receive any future settlement benefits.

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3. Affirmatively participate in the settlement, preserving the City's ability to access future resources and technical assistance if PFAS were ever to impact the municipal water supply.

Kern stated that participation in the settlement does not indicate that PFAS is present in Delano's water, nor does it require any immediate action or expense by the City. Instead, participation serves as a precautionary measure that would allow the City to access funding, scientific studies, and potential compensation if PFAS contamination were to affect local groundwater or surface water sources in the future.

Kern explained that participation would allow the City to maintain standing in the settlement should future conditions change, including the ability to seek assistance if PFAS in the Crow River were ever shown to impact the City's water supply or aquifers. Kern stated that there is no cost to the City or Delano Municipal Utilities to participate. The Delano Municipal Utilities Board reviewed the matter and approved participation at its prior meeting.

Kern stated that participation in the settlement is intended solely as a protective measure to safeguard the City's long-term water resources.

**Motion by Todd Belz, seconded by Becky Schauft to adopt Resolution authorizing participation in PFAS Settlement.**

**Roll call vote:**

**Ayes: Schrupp, Franzen, Schauft, Belz, Froehle**

**Nays:**

**Absent:**

**Motion carried.**

**E. Finance and Business**

**F. Public Safety**

**1. Discuss Action Related to Replacement of Fire Engine 11**

Matt Van Lith reviewed prior discussions regarding the replacement of Fire Engine 11 and provided additional information for Council consideration. Van Lith explained that the City's fire apparatus replacement planning is based on a 25-year lifecycle, and that ordering a replacement engine at this time would align with that schedule.

Van Lith explained that the City considered two primary options: replacing the existing fire engine or refurbishing the current unit. Van Lith stated that refurbishing the existing engine would cost approximately \$400,000 and would extend the life of the vehicle by an estimated 10 years. The refurbishment process would take approximately four to eight months, during which the City would need to utilize a temporary replacement. Van Lith stated that the full scope of refurbishment needs would not be known until work began and that refurbishing would not fully address long-term mechanical risks.

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Van Lith further explained that, based on projected inflation and industry cost increases, delaying replacement could result in significantly higher costs when the engine ultimately needs to be replaced. Using a conservative estimate of a 7% annual increase, replacing the engine in 10 years could result in an effective cost increase of approximately \$56,000 per year over that period. Based on these factors, Van Lith recommended purchasing a new fire engine rather than refurbishing the existing unit.

Kern stated that the Council had previously voted not to proceed with the purchase in October, and that a formal motion to reconsider would be required in order to take further action on the matter.

**Motion by Todd Belz, seconded by Peter Froehle to reconsider the prior Council action; motion carried.**

Todd Belz stated that the additional clarification provided by staff was helpful and noted that if the City wished to change how large capital equipment is funded or timed, those changes would need to be addressed through the City's long-term capital planning process.

Franzen expressed concern about the escalating costs of fire apparatus and referenced recent Department of Justice investigations involving price collusion allegations within the fire apparatus manufacturing industry, noting that Pierce Manufacturing was not among the companies named. Franzen stated that he believed market conditions and inflation pressures could improve over the next one to two years and expressed interest in delaying the purchase to allow time for potential price stabilization. Franzen also expressed a preference for prioritizing funding toward ambulance services and other public safety needs.

Discussion followed regarding ambulance service costs and operational impacts. Schrapp asked about the financial implications of delaying the purchase. Van Lith responded that the updated purchase agreement reflects an increase from \$1,325,000 to \$1,328,000 since October. Van Lith explained that the current quote includes a prepayment discount that expires January 1, and that the discount would be reduced after that date. Van Lith further stated that an additional manufacturer price increase is anticipated in the first quarter of the year.

Franzen reiterated concerns about overall cost and requested that staff explore opportunities to secure better pricing from the manufacturer. Staff stated that demand for fire apparatus remains strong nationwide and that prices are not expected to decrease, even if the purchase is delayed, and that the City has limited bargaining power in the current market.

**Motion by Becky Schaust, seconded by Todd Belz to approve the purchase of a new fire engine. Jason Franzen requested a rollcall vote.**

**Roll call vote:**

**Ayes: Schrapp, Schaust, Belz, Froehle**

**Nays: Franzen**

**Absent:**

**Motion carried.**

Kern suggested that the City Attorney provide an overview of the purchase contract prior to final execution.

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**9. Updates from Commission Liaisons**

**A. Planning Commission**

Froehle provided an update related to the Granite Works PUD discussion.

**B. Water Light and Power Commission**

Belz reported that the cold weather rule is in effect. Additional updates included PFAS settlement participation, advertisement for an apprentice position, and additional funding for Generator 9.

**C. Park and Recreation Commission**

Schaust provided updates regarding the sculpture park, the sesquicentennial wall, the pickleball project, and maintenance and leadership transition related to the labyrinth. Schaust also provided an update on the Central Park Pavilion. Phil Kern added that the contractor plans to resume work in spring, with substantial completion anticipated in early June 2026.

**D. Fire Relief Association**

Schrupp reported that the Fire Relief Association addressed officer salary items and is preparing for the annual event.

**E. Wright County Board of Commissioners**

Kern stated that Wright County is seeking nominations from all cities for a City official to serve on the Wright County Aggregate Tax Committee. Kern explained that the County requested each city either nominate or endorse a representative to serve on the committee. Jason Franzen stated interest in being considered for the appointment. Kern asked whether the Council wished to endorse Franzen's interest or provide a letter of support to Wright County. Council discussed the request and expressed support for providing a letter endorsing Jason Franzen's interest in serving on the Wright County Aggregate Tax Committee.

**10. Claims**

**A. City Claims**

**1. Claims listing for December 3, 2025- December 16, 2025**

Motion by Peter Froehle, seconded by Todd Belz approving Claims listing for December 3, 2025- December 16, 2025; motion carried.

**B. EDA Claims**

**11. Close/Executive Session**

**12. Adjournment**

There being no further business to discuss, the regular City Council meeting of Tuesday, December 16, 2025 was adjourned at 8:22 PM.

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Signed:

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Holly Schrupp, Mayor

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Alisha Ely, City Clerk | HR Specialist

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Attest: Cassie Johnson, Deputy Clerk