

City Council Proceedings

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State of Minnesota
Counties of Scott & Le Sueur
City of New Prague

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Special City Council Meeting
Monday, February 1, 2021

Conducted via GoToMeeting due to the COVID-19 Pandemic which is preventing attendance at the regular meeting location.

Mayor Duane Jirik called the online meeting to order at approximately 6:01 p.m. with the following members present: Jirik, Bass, Ryan, Seiler, and Wolf.

Staff Present Online: Mike Johnson, Jim Gareis, Ken Ondich, Bruce Reimers, Matt Rynda, Patty Solheid and Barb Ulschmid

Others Present Online: Trevor Poonal, President of Ivy Brook Parking LLC and Kathy Kalow.

Planning/Community Development Director Ken Ondich presented and reviewed RESOLUTION #21-02-01-01 Approving Conditional Use Permit #C1-2021 to Allow Exterior Storage/Parking of Recreational Vehicles, Commercial Vehicles, Boats and Equipment, located at 1111 4th Ave. NW in the I-1 Light Industrial Zoning District, as proposed by Ivy Brook Parking, LLC. During the presentation, Ondich summarized that at the Planning Commission meeting on January 27, 2021 the request for Conditional Use Permit #C1-2021 would allow the exterior storage/parking of recreational vehicles, commercial vehicles, boats and equipment located at 1111 4th Ave. NW in the I-1 Light Industrial Zoning District was recommended for approval by a vote of (5-0).

Mr. Ondich shared that at the Public Hearing, the adjacent property owner Mark Peabody, whose home is located on the west side of TH21 and outside of City Limits, noted concerns about noise from vehicles and hours of operation. The Planning Commission also noted concerns about idling of vehicles, height of items on the site, limiting the storage of certain items on the north end of the site and finally regarding screening along the Highway which resulted in the addition of four additional conditions being added to their recommendation (#11-#14 on the resolution).

Trevor Poonal, President of Ivy Brook Parking LLC attended the online meeting and addressed questions and concerns from the Council. Some questions included the details of the screening surrounding the property, type of vehicles within, storm water requirements, dumping rules, dust control, but mostly about the need to set up a list of hazardous materials that cannot be stored on the property.

The Council recommended that Staff work with Police Chief Gareis and Fire Chief Steve Rynda to create a list of hazardous materials that would include general categories that could cause health concerns (explosives, flammable gases, solids and liquids, radioactive, corrosive substances - general categories that could propose a risk and not be allowed on-site.

After discussion, motion by Bass, seconded by Wolf to approve RESOLUTION #21-02-01-01 as amended by adding Condition #15 which would be a list of hazardous materials (to be defined by the Police Chief and

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Fire Chief for inclusion within the CUP) that cannot be stored on the property, along with a change in the wording within the resolution, (Item A on page one (1), within the last sentence), by changing the word "any" to "significant" within the Conditional Use Permit #C1-2021. By roll call vote, all voted in favor. Motion carried (5-0).

Motion by Seiler, seconded by Bass to approve the Agenda. By roll call vote, all voted in favor. Motion carried (5-0).

Planning/Community Development Director Ondich provided an overview of the 2020 Growth Statistics for the City, the Annual Commercial Building Audit for 2021, and the 2021 Lot Inventory for Commercial, Industrial and Residential properties.

No action was needed on these reports as they were provided for informational purposes. All copies of the three reports will be posted on the Planning Department website.

City Administrator Johnson explained that recently Mayor Duane Jirik was contacted by Mayor Kurt Briggs of Prior Lake seeking adoption of an updated Resolution Supporting Legislation Authorizing Infrastructure Development Fees. The City had previously adopted a Resolution of Support (No.19-03-04-02) on this matter back on March 4, 2019. Mayor Briggs is asking that new resolutions of support be adopted by all of the cities in Scott County as an update to the previous resolutions since there are new Mayors and Councilmembers in many of the Scott County cities. With the adoption of the Resolution by New Prague and other Scott County cities, Prior Lake will be spear heading legislative efforts to develop legislation that would attempt to help provide cities with the ability to develop and charge infrastructure development fees with new developments. Should this Resolution get approved, a copy would be forwarded to the City of Prior Lake and our State Senator/State Representative on this matter.

Motion by Seiler, seconded by Wolf to approve *RESOLUTION SUPPORTING LEGISLATION AUTHORIZING INFRASTRUCTURE DEVELOPMENT FEES*. By roll call vote, all voted in favor. Motion carried (5-0).

In preparation for the City's 2020 Annual Audit, City Administrator Mike Johnson provided the Council with a memo and year-end resolution from Finance Director Patty Solheid. It is necessary to review all funds within the City along with accounting practices, policies and standards. Based on the CARES Act Funds that were distributed to the City in the amount of \$606,941 and \$2,792, Staff is recommending the proposed budget amendments. The 2020 adopted revenue budget of \$5,087,117 would be amended to \$5,482,850. The adopted 2020 expense budget of \$5,087,117 would be amended to \$5,309,601.

Regarding the 2020 EDA Budget: Staff is recommending Special Projects increase by \$200,000 from \$8,460 to \$208,460. For Professional Services, an increase of \$14,000 from \$500 to \$14,500. Based on the proposed budget amendments above, the 2020 adopted revenue budget of

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\$50,100 would be amended to \$264,100. The adopted 2020 expense budget of \$50,100 would be amended to \$264,100.

Motion by Bass, seconded by Ryan to approve *RESOLUTION #21-02-01-03 AMENDING THE CITY OF NEW PRAGUE'S 2020 GENERAL FUND AND EDA BUDGETS*. By roll call vote, all voted in favor. Motion carried (5-0).

Utilities General Manager Bruce Reimers explained to the Council that over the past several months, the Utilities Commission has been working with Staff and SEH's Building Consultant Brian Bergstrom to come up with recommendations to address current and future space needs requirements for the Water and Electric Distribution Departments. The primary goal of the Space Needs Study was to come up with a building design and location that will meet the equipment, storage, inventory, and personnel space needs for the next 15-20 years. After completion of the study, the Staff and Building Consultants presented the Commission with two options that would accommodate the space needs requirements for the next 15 to 20 years.

Option #1 was to add a 13,775 square foot addition to the existing building located at 200 7th Street NW for an estimated cost of \$3 million and nearly 22,000 total square footage. Benefits included: Lower cost - Around \$2 million less; Location / Access - More centrally located to the most traveled work areas; Accommodate at least fifteen (15-20) years of anticipated growth; Extra mezzanine storage - makes good use of the proposed addition layout. Option #2 was to build a new facility at the west end of the Industrial Park at an estimated cost of \$5.3 million and 26,000 total square footage. Benefits included: Slightly larger building; Larger lay down area; Space for future growth.

Following several meetings involving input from Staff, Building Space Needs Consultants and Commissioners, a recommendation was presented to the Commission at the January 25, 2021 Utilities Commission meeting. The Commission approved the Building Option #1 and authorized Staff to work with the City Planner, Planning Commission and City Council to approve the required variances for the building addition/expansion and move forward. Also, begin developing plans, specifications, and the required bidding documents to go out for public bid.

As for financing options for this project, the Commission will be working with the City's Financial Consultants to consider the best options for financing or using cash reserves. The Financing information will be brought back to the City Council for approval as the City Council needs to approve all bonding should that be the desired financing plan. No additional action was taken by the City Council.

Ryan acknowledged the 50% reduction in the On-Sale Liquor License fee that was agreed upon at the January 5th City Council Meeting. He had mentioned several businesses that were also closed due to COVID and carry a different type of liquor license were wondering if their

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liquor license fee (off-sale, 3.2 off sale, 3.2 on-sale, On-Sale Wine and Strong Beer, Consumption & Display, Sunday Liquor and Brewer) could be reduced by 50% as well? This topic will be discussed more in the Miscellaneous section.

Motion by Seiler, seconded by Ryan to approve the Consent Agenda as follows:

- A. January 19, 2021 Special City Council Meeting Minutes
- B. Claims for Payment - February 1, 2021
- C. Call for Public Hearing on the Issuance of an On-Sale Liquor Intoxicating License and Sunday Liquor License for DJMS Enterprises, LLC dba The Local 105 at 105 Main Street East.

By roll call vote, all voted in favor. Motion carried (5-0).

Miscellaneous Items:

Shawn Ryan - Revisited the 50% liquor license reduction across the board for all businesses, not just those that have the On-Sale Liquor License. After discussion, motion by Ryan, seconded by Seiler to direct Staff to prepare and bring back to the February 16th meeting a 50% discount for all liquor license fees with the exception of the Consumption & Display Permit paid to the State. By roll call vote, all voted in favor. Motion carried (5-0).

Bruce Wolf - Appreciated receiving and reviewing the Golf Financials. Good positive cash flow and no line of credit for 2021.

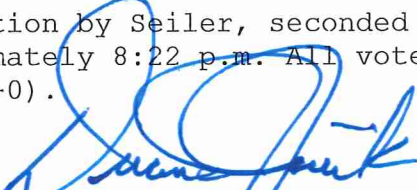
Mike Johnson - Brought up the Compensation Plan for the City of New Prague and stated we need to be in a marketable position in recruiting new employees and dealing with our competitors. Need to schedule a special session with the Council to educate and review draft update.

Shawn Ryan - Also brought up the status of in person Council meetings again. Mr. Ondich showed pictures of how the Council Chambers could be set up should they decide to go that route. Mixed reactions amongst the Council and Staff on this topic. To be discussed further at the February 16th Council meeting.

There being no additional business, motion by Seiler, seconded by Ryan to adjourn the meeting at approximately 8:22 p.m. All voted in favor of the motion. Motion carried (5-0).

ATTEST:


Michael J. Johnson
City Administrator


Duane J. Jirik
Mayor