

# City Council Proceedings

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

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City Council Meeting  
Monday, March 2, 2020

Mayor Nickolay called the meeting to order at approximately 6:00 p.m. with the following members present: Nickolay, Ryan, Bass, Seiler, and Wolf.

Staff Present: Mike Johnson, Jim Gareis, and Barb Ulschmid

It was moved by Seiler, seconded by Bass to approve the Agenda. All voted in favor, motion carried. (5-0)

Jon R. Olson, a DFL candidate for the Minnesota Senate District 20 provided an overview of his candidacy to the Mayor and Council. He is a retired Naval Officer who wants to continue his service for the community as a State Senator and represent this district. Three main areas of focus include health care, ag economy and the MN education system.

City Administrator Mike Johnson provided a brief recap that this is the meeting where there is the opportunity to take public comment on the renewal of the Ambulance Service Agreement with North Memorial Health (originally scheduled for the February 18<sup>th</sup> meeting which got cancelled due to not having a quorum and rescheduled for March 2nd). City Staff solicited for public comment by publishing a notice in the NP Times and the Times Extra.

The current (5) year Ambulance Service Agreement with North Memorial Health is due to expire on April 30, 2020. The new agreement term is due to begin May 1, 2020. For the past ten (10) years, covering May 1, 2010 to the present, the City has had an agreement with North Memorial Health and they have provided exceptional Ambulance service to the City. At the January 7, 2020 Council Meeting, North Memorial provided Renewal of Contract Services and Building Lease Agreement for May 1, 2020 to April 30, 2025. January 21, 2020 the Mayo Clinic Health System in New Prague came forward and made a presentation to the Council indicating that they would be interested in providing ambulance service to the community.

On February 3, 2020, following significant debate and discussion on renewal of the City's Ambulance Service, the Council directed Staff to solicit public comment on the renewal of the Ambulance Service Agreement.

13 letters were received by Staff and they were submitted to the Council. Mayor Nickolay opened the meeting for public comment. Those present to provide their oral comments in person included the following:

1. Matt Sirek - lives in Cedar Lake Township. Happy with North Memorial because their transportation services go to Hennepin County Medical Center.
2. Vern Oraskovich - 713 1<sup>st</sup> Street SE who is in favor of keeping North Memorial as the ambulance service. Shared his concerns of switching services at the January 21<sup>st</sup> Council meeting also. After the meeting, Mr. Oraskovich stated that he asked multiple New Prague residents the following three questions. 1. What's wrong with the current ambulance system? 2. Do you have any complaints regarding the current provider? 3. Is there a financial advantage for change for the City and residents of New Prague? Majority of those he questioned were in favor of North Memorial. Shared his concerns about Ambulance zones/territories with Mayo. Can they deliver to where ever the patient requests like North Memorial? North Memorial is the only

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ambulance service in the state of Minnesota to earn the Commission on Accreditation of Ambulance Services - the gold standard in the industry. Asks that the gold standard service continues in the City of New Prague.

3. Mickey Bjerke - lives at Mill Pond. Prefers North Memorial because they have delivery services to Allina facilities.

4. Brad Schoenbauer - lives at Columbus Avenue S. Isn't advocating for either Ambulance Service. Commended North Memorial for their service. Shared details on a Mayo Community Paramedic program which brings the care to an individual's home and is a program that has generated huge savings in other communities. Suggested signing on North Memorial for a year contract. After a year, go into a competitive bid process to select the next ambulance service.

5. Paul Drucker - Senior Director of Mayo Clinic Ambulance Service - Very fortunate to have two very qualified Ambulance Services. Both Cass accredited, both governed as Ambulance Services. Shared why Mayo is about the next generation of ambulance services and community care.

6. Dr. Marty Herman - 2<sup>nd</sup> Avenue SW - Medical Director for Mayo Health Systems. Also commended North Memorial for providing an ambulance service that has worked well for our community the past 10 years but is looking for an ambulance service that will take the community into the future. Talked about the fast changing environment of the EMS/Health Care Systems and health care delivery stay "nimble" and felt Mayo may be better suited. "Bold Forward" is Mayo's slogan which represents the idea that they are going to move things forward. Mayo wants to provide more high delivery of service into New Prague. Local delivery enhancement regarding EMS. Recommends a bidding process for EMS service future in New Prague. North Memorial has been a great partner and served our community well in the event North Memorial continues as the ambulance service, Mayo will continue to integrate as best they can and be good partners.

7. Rick Wagner - Director of North Memorial Health Ambulance Services. Explained that the Community Paramedic program is an advanced paramedic program that works to increase access to primary and preventative care and decrease the use of the Emergency departments which in turn decreases healthcare costs. North Memorial has a successful Community Paramedic program, they just haven't combined it with the ambulance service. Mr. Wagner expressed that providing ambulance services and being a community paramedic are two different jobs and should not be mixed together. Mayo can still do the Community Paramedic program even if they aren't the ambulance service provider. New Prague still needs an ambulance service in town and that is what North Memorial's focus is.

It was moved by Nickolay and seconded by Bass to close the public hearing at 6:42 p.m. All voted in favor, motion carried. (5-0)

City Engineer Chris Cavett presented a resolution approving the cooperative construction agreement and authorizing its execution. The TH19/Main Street 2020 Improvement Project is currently out for bids with the Bid Opening scheduled for Friday, March 6, 2020. The cooperative construction agreement

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needs to be approved and executed by the City as the lead agency, prior to opening bids.

Mr. Cavett explained how the cooperative construction agreement relates to the City in administering the construction contract through the Delegated Contract Process (DCP) and provides for payment by the State to the City for the State's share of the costs (of the grading, concrete pavement, bituminous mill and overlay, ADA improvements, roundabouts, lighting construction, construction engineering and other associated construction. The agreement also provides for payment by the City to State for the City's share of costs for the environmental consultant. The agreement as it relates to the Counties only covers their maintenance of the legs of the respective roundabouts.

The financial part (including estimated costs and funding numbers) of the project for the Counties will be through separate agreements between City and each County following the analysis of the bids. The more significant increase in estimated costs since the 2018 feasibility study are two primary reasons within the sanitary sewer project. The sanitary sewer pipe under the railroad tracks cannot be reutilized and will need to be replaced. Also, as a result of the sanitary sewer Comprehensive study, it was determined that the Library Lift Station could be eliminated which will reduce costs. As a result, the construction of 2 blocks of deeper sanitary sewer between Lincoln Avenue and 1<sup>st</sup> Avenue need to be rerouted.

Ryan did question how this project got on such a tight time line? Mr. Cavett explained that all the design issues took SEH and MnDOT longer on their end. Funding via State Aid vs General Levy was also among the items discussed.

After discussion, it was moved by Seiler, seconded by Nickolay to approve the *COOPERATIVE CONSTRUCTION AGREEMENT BETWEEN MNDOT, CITY OF NEW PRAGUE, SCOTT COUNTY AND LE SUEUR COUNTY AND RESOLUTION #20-03-02-01 APPROVING COOPERATIVE CONTRCITION AGREEMENT NO. 1035704 FOR STATE PROJECT NO. 4003-24 BETWEEN THE STATE OF MINNESOTA, DEPARTMENT OF TRANSPORTATION, CITY OF NEW PRAGUE, LE SUEUR COUNTY AND SOCTT COUNTY FOR THE TH 19/MAIN STREET 2020 IMPROVEMENTS*. All voted in favor, motion carried. (5-0)

City Administrator Johnson filled in for Planning/Community Development Director Ken Ondich (not able to attend this evening's meeting) and presented requests from Chart Inc. for proposed property modifications in the plat of Chart Inc. A request for a Comprehensive Plan Amendment and Rezoning Two Properties to I-1 Light Industrial in the Plat of Chart Inc., Second Addition.

At the November 28, 2018 Planning Commission Meeting, a public hearing was held for a proposed Comprehensive Plan Amendment and for the rezoning of two properties owned by Chart Inc. in the plat of Chart Inc. Second Addition located at the north end of 1<sup>st</sup> Ave. NW. Chart Inc. initiated the process of the Comprehensive Plan Amendment and Rezoning based on their need for more exterior storage and desire to utilize land they own that has been largely unused since they purchased and platted it in 2012.

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The Public Hearing heard comments from 4 residents that live adjacent to the site. One resident requested the land south of the creek remain residential (which was already included in the staff recommendation). The other three residents all had concerns from the existing operation along 1<sup>st</sup> Ave. NW regarding the light and noise. Staff did note their concerns. Conducted a traffic study and review of the lighting on the existing site. The traffic study did find that some high speeds were recorded on northbound traffic and police did complete enforcement activities following the traffic count.

Chart is proposing that the following lots be re-guided in the City's Comprehensive Plan and rezoned:

1. Outlot A, Chart Inc. Second Addition, according to the plat thereof, Scott County, MN (From RM Medium Density Residential to I-1 Light Industrial - 3.87 acres)
2. Outlot B, Chart Inc. Second Addition, according to the plat thereof, Scott County, MN (From RL-90 Single Family Residential to I-1 Light Industrial - 3.99 acres)

In order to rezone the property, it must fit with the City's Comprehensive Plan. At this time, the current zoning of the land fits with the comprehensive plan and therefore Chart Inc. is proposing to amend the City's Comprehensive Plan to rezone the property.

Chart Representatives Steve Cox and Kristie Vice were present to address the Council's questions and concerns. After discussion:

It was moved by Bass, seconded by Ryan to approve *RESOLUTION #20-03-02-02 APPROVING AN AMENDMENT TO THE CITY'S COMPREHENSIVE PLAN FUTURE LAND USE PLAN MAP TO REGUIDE TWO PROPERTIES TO THE I-1 LIGHT INDUSTRIAL ZONING DISTRICT LOCATED IN THE PLAT OF CHART INC. SECOND ADDITION, NEW PRAGUE, MN.* All voted in favor, motion carried. (5-0)

It was then moved by Wolf, seconded by Nickolay to approve the introduction of *ORDINANCE #310 REZONING TWO PROPERTIES TO THE I-1 LIGHT INDUSTRIAL ZONING DISTRICT IN THE PLAT OF CHART INC. SECOND ADDITION, AS PROPOSED BY CHART INC., NEW PRAGUE, MN.* All voted in favor, motion carried. (5-0)

At the Planning Commission meeting on November 28, 2018 the request for Conditional Use Permit #C1-2018 to allow the exterior storage of finished products, used equipment and storage trailers located at 1202 1<sup>st</sup> Ave. NW in the I-1 Light Industrial Zoning District was recommended for approval by a vote from the November 28, 2018 meeting of 3-1, Goldade). The Planning Commission's recommendation for approval contained additional conditions not found in the staff report including a berm for the south row of trees, the installation of a quiet zone sign and requiring dust control measures be used on the site, all of which were concerns discussed during the meeting.

It was moved by Seiler, seconded by Nickolay to approve *RESOLUTION #20-03-02-03 APPROVING CONDITIONAL USE PERMIT #C1-2018 TO ALLOW EXTERIOR STORAGE OF FINISHED PRODUCTS, USED EQUIPMENT AND STORAGE TRAILERS, LOCATED AT 1202 1<sup>ST</sup> AVE. NW IN THE I-1 LIGHT INDUSTRIAL ZONING DISTRICT, AS PROPOSED BY CHART, INC.* All voted in favor, motion carried. (5-0)

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City Administrator Johnson presented a subdivision agreement by and between the City of New Prague and Kwik Trip Inc. dba as Kwik Trip #1090. At the December 16, 2019 City Council meeting, the Plat of Kwik Trip #1090 was approved. One of the conditions of approval was that Kwik Trip was required to enter into a development agreement with the City to address public improvements (1<sup>st</sup> St. NE and George Ave. NE), maintenance and upkeep of the storm water improvements that would be constructed on the private development site and for the public street extensions and the payment of various development fees (park dedication, water area connection charge, etc.)

City Staff has worked with the City Attorney and the Developer's Attorney to draft an agreement that would satisfy the condition of the final plat approval requiring a development agreement. There isn't any new topic in the agreement that hasn't previously been discussed throughout the review process. This agreement follows the format of the development agreement used for the Belzer Addition Project in 2019.

It was moved by Nickolay, seconded by Seiler to approve the *SUBDIVISION AGREEMENT BY AND BETWEEN THE CITY OF NEW PRAGUE AND KWIK TRIP INC FOR KWIK TRIP #1090*. All voted in favor, motion carried. (5-0)

The City Councilmembers and Staff took a brief break at 7:42 p.m. and came back at 7:50 p.m.

City Administrator Johnson presented the Technology Refresh agreement. As the City Council is aware, on December 2, 2019, CTS was selected as the IT vendor for the technology refresh (new cabling, wireless access points, server, laptops/desktops and IT support). At this same meeting, TrueNorth was selected to perform contract administration on behalf of the City. City Staff and TrueNorth have been working on the review and confirmation of the managed services proposal, cabling proposal and equipment proposal since January 24, 2020.

Based on the original technology assessment that was completed by TrueNorth, the estimated cost of cabling and equipment was \$443,900. The final quotes provided for a total cost of \$376,330.30 for the cabling and equipment (includes the cabling, racks, wireless access points, switches, pc's new server and backups) which is under budget. This cost will be divided among all city departments and spread over five (5) years (2020-2024) at an estimated annual cost of \$75,266, not including financing. Funding has been budgeted for these costs in the General Fund and all of the Enterprise Funds.

The managed services contract includes the day to day management and IT support. The estimated monthly cost is \$9,930 including the WWTF SCADA system. As with the cabling and equipment, funding has been budgeted in the General Fund and all of the enterprise funds and is also under budget. Staff is still working on options to finance the equipment purchase over a time period (looking at financing with a local bank or with the bonding of the 2020 Main Street project in order to be at or below 3% interest rate) to get a better rate than leasing (which was upwards of 7% for the interest rate).

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The review is now complete by staff and TrueNorth and looking for approval from the City Council. City Attorney Scott Riggs has reviewed the Master Service Agreement and Addendum and has given his approval. Staff recommends that the City Council approve the following. After discussion:

- It was moved by Nickolay, seconded by Seiler to approve *ENTERING INTO A MANAGED SERVICES CONTRACT (QUOTE #AAAQ46346 - DATED 2/25/20 MASTER SERVICES AGREEMENT/ADDENDUM #1)*. All voted in favor, motion carried. (5-0)
- It was moved by Nickolay, seconded by Bass to *PURCHASE CABLING/INFRASTRUCTURE RELATED ITEMS (QUOTE #AAAQ45317 - DATED 2/25/20)*. All voted in favor, motion carried. (5-0)
- It was moved by Seiler, seconded by Nickolay to *PURCHASE EQUIPMENT (QUOTE #AAAQ45953 - DATED 2/25/20)*. All voted in favor, motion carried. (5-0)

City Administrator Johnson asked the Council to consider the approval of a Resolution Declaring the Official Intent of the City of New Prague to Reimburse Certain Expenditures from the Proceeds of Tax-Exempt Bonds or other Obligations and Establishing Procedures for Additional Declarations of Official Intent. Upon approval, the purchase of the Technology Cabling and Equipment with Computer Technology Solutions, Inc. (CTS), the City will need to determine how we will finance the purchase over a five (5) year period time.

City Staff has evaluated the purchase by looking at various financing alternatives such as lease purchase with a private firm, bank financing or include with a bond issue later this spring. After evaluating those options with the City's Financial Advisor, Baker Tilly (Terri Heuton), the Staff is recommending that we finance the purchase with the City's Bond Issue that will be developed for the 2020 CIP Project. To protect that financing option, the City needs to adopt the attached resolution declaring the official intent of the City to reimburse certain expenditures from the proceeds if tax-exempt bonds. The general description of the project and the maximum principal amount of the bonds are shown on Exhibit A in the Resolution.

After discussion, it was moved by Seiler, seconded by Ryan to approve *RESOLUTION #20-03-02-04 DECLARING THE OFFICIAL INTENT OF CITY OF NEW PRAGUE TO REIMBUSE CERTAIN EXPENITURES FROM THE PROCEEDS OF TAX-EXEMPT BONDS OR OTHER OBLIGATIONS AND ESTABLISHING PROCEDURES FOR ADDITIONAL DECLARATIONS OF OFFICIAL INTENT*. All voted in favor, motion carried. (5-0)

It was moved by Bass, seconded by Wolf to approve the Consent Agenda.

#### CONSENT AGENDA:

- A. February 3, 2020 Regular City Council Meeting Minutes, February 3, 2020 Special City Council Meeting, February 13, 2020 Special City Council Meeting
- B. Claims for Payment - February 18, 2020 and March 2, 2020
- C. Financial Reports as of 12/31/2019
- D. Call for Public Hearing on the Issuance of a 3.2% Off-Sale Malt Liquor License for Coborn's Inc. dba Coborn's #2038 at

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200 Alton Avenue SE.

- E. Approval of Delta Dental Contract Renewal:  
(April 1, 2020 to March 31, 2021)
  - F. Resolution Approving New Prague Personnel Policy Handbook
  - G. Resolution Adopting an Amended 2020 Fee Schedule
  - H. Adoption of Ordinance No. 309 Amending Chapter 90 of the  
City of New Prague Code Relating to Animal Regulations
  - I. Approval of 2020-2021 Liquor, Beer, Wine and Miscellaneous Licenses
  - J. Request for 35<sup>th</sup> Annual New Prague Half Marathon, 10K, 5K, and  
Kids Fun Run on Saturday, May 2, 2020
- All voted in favor. Motion carried (5-0).

Miscellaneous Items:

Mike Johnson - 1. Tomorrow, March 3<sup>rd</sup> is the Presidential Primary Election at St. Wenceslaus Church Parish Activity Center. Doors open at 7:00 a.m. and close at 8:00 p.m. 2. Delivery of the Fire Pumper Truck will be on March 3<sup>rd</sup> in the afternoon. Rental Fire Truck from Custom Fire will go back. The last pumper truck was purchased in 1984. 3. Bid opening is Friday, March 6<sup>th</sup> at 10 a.m. Public are welcome to attend and hear the news. 4. Invite for Coborn's Grand Opening, encouraged all to attend. 5. March 13<sup>th</sup>, SCALE will be doing a year-end review. 6. March 19<sup>th</sup> - Legislative Conference in St. Paul. Councilmembers Bass, Ryan and Seiler will be attending.


Bruce Wolf - 1. Inquired about Rental Task Force agenda item originally scheduled for this meeting. City Administrator Johnson stated this will be included on the March 16<sup>th</sup> City Council Agenda. 2. Asked for an insurance update from the Treatment Plant Fire. Mr. Johnson indicated all of the clean up was taken care of last week. Structural Engineer was out and determined that there was no extensive damage to the concrete floor or walls. Nothing has to be done there. Glen Sticha has an electrician lined up to take care of the lighting, heating and replacement items that have been authorized to be replaced by the insurance company. \$2,500 deductible is the only out of pocket expense for the City.

Chuck Nickolay - FYI - Mayor provided information on behalf of the Golf Board regarding the 2020 Marketing Efforts and Goals for the New Prague Golf Course. Will continue to keep the Council posted with any updates.

Following discussion, it was moved by Nickolay, seconded Seiler to adjourn the meeting at approximately 8:31 p.m. All voted in favor of the motion. Motion carried, 5-0.

ATTEST:

  
Michael J. Johnson  
City Administrator

  
Charles L. Nickolay  
Mayor

