

City Council Proceedings

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

} City Council Meeting
Monday, April 18, 2022

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

Staff Present at Meeting: Josh Tetzlaff (on-line), Ken Ondich, Robin Pikal, Bruce Reimers, Matt Rynda, and Barb Ulschmid (on-line)

Others Present: Chris Cavett, City Engineer (on-line), Abdo CPAs Brad J. Faltevsek and Abby Schmidt.

Mayor Jirik called the meeting to order at 6:00 p.m. and asked if there were any additions/updates to the Council Agenda, Mayor Jirik recommended the Ambulance Service Proposal be moved up from the General Business section to follow the Columbus Avenue Street Project Update. Motion by Ryan, seconded by Bass to approve the Agenda. All voted in favor. Motion carried (5-0).

Mayor Jirik asked if there were any comments on the Consent Agenda, there being none, motion by Seiler and seconded by Bass.

3. CONSENT AGENDA as follows:

- A. April 4, 2022 City Council Meeting Minutes and April 4, 2022 Special City Council Meeting Minutes
- B. Claims for Payment: \$85,969.71 (April 18, 2022)
- C. First Quarter Finance Report (January - March 2022)
All voted in favor. Motion carried (5-0).

4. PRESENTATION AND ACCEPTANCE OF 2021 ANNUAL FINANCIAL (AUDIT) REPORT - City Auditors Brad J. Faltevsek and Erin Ensad from Abdo Eick & Meyers, LLP. (AEM), presented to the City Council the 2021 Annual Financial (Audit) Report. The audit findings were presented and reviewed as it pertains to the General Fund, Other Governmental Funds and Enterprise Funds. AEM commended the City of New Prague Staff on a job well done. After discussion, it was moved by Wolf and seconded by Seiler to accept the 2021 Annual Financial (Audit) Report. All voted in favor. Motion carried (5-0).

5.A. COLUMBUS AVENUE NORTH (CSAH 15) 2022 STREET AND UTILITY IMPROVEMENT PROJECT: City Engineer Chris Cavett explained that per the 2021 Feasibility Study, the costs for the water and sanitary sewer services were estimated based on best available information at the time and the final amounts to be assessed for those items would be based on actual bid pricing. At this time staff and engineering wish to provide this assessment rate information to the affected property owners. These recommended assessment rates would be used in the assessment roll to be prepared in the fall of 2022. There are no recommended changes in the street assessment rates as proposed in the feasibility study.

After discussion, motion by Wolf, seconded by Bass to approve the ASSESSMENT RATES AS PRESENTED. All voted in favor. Motion carried (5-0).

5.B. AMBULANCE SERVICE PROPOSAL: Mayor Jirik explained that the Council has reviewed the proposals from North Memorial Ambulance and Mayo Clinic Ambulance and will be making their decision at this meeting. Jirik asked if there was any public comment. Two New Prague residents provided

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comment. Vernon Oraskovich, 713 1st St SE, New Prague - Spoke in favor of North Memorial. Ron McBroom, 711 1st St SE - Also spoke in favor of North Memorial and expressed his concerns with Mayo. Similar comments from residents and Councilmembers included their satisfaction with North Memorial's ambulance service these past 11 years. The Mayor and Council Members each provided input.

After discussion, motion by Seiler, seconded by Bass to approve and accept *NORTH MEMORIAL AS THE AMBULANCE SERVICE AND TO NEGOTIATE THE CONTRACT. THE FRIENDLY AMENDMENT IS TO TAKE INTO NEGOTIATION, ACCOUNT FOR HOURS OF ALS SERVICE AND THE RENT OF THE BUILDING.* All voted in favor. Motion carried (5-0).

RESOLUTIONS:

A. City Engineer Chris Cavett explained that as part of the annual administration of the Municipal State Aid Street (MSAS) system, they continually look at opportunities to maximize the financial strength of the city's MSAS network. The MSAS system allows the City to designate 20% of the City's local mileage as part of the MSAS network for streets of interest in the community. For the last few years, the City of New Prague has had a small amount of undesignated mileage "on-the-books", but not enough to designate to any specific route. With the completion of another local public street in 2021, (Summer Ave SE), the additional 20% of that mileage provided an opportunity to look at some better MSAS destinations. By revoking the mileage from the low volume 1st Street NE, (Columbus Ave N to Lexington Ave N) and adding it to the current undesignated mileage, the City has just enough mileage to designate a new MSAS route on the higher volume streets of 3rd Street SE and Alton Avenue SE. Streets with higher traffic volumes will earn more revenue for the City through the MSAS system.

Motion by Jirik, seconded by Seiler to *APPROVE RESOLUTION #22-04-18-01 ESTABLISHMENT OF STATE AID STREET.* All voted in favor. Motion carried (5-0).

B. Planning/Community Development Director Ken Ondich explained that at the June 7, 2021 City Council meeting, the City Council passed and authorized staff to work with Mark Michel, owner of Pioneer Saloon, regarding his desire to purchase land from the city so that his east wall is no longer encroaching on the city's property. While the Central Plaza plans were being completed, staff had the encroachment of Mr. Michel's building surveyed, and a description of land prepared in order to sell to Mr. Michel as well as the necessary legal documents written by Kennedy & Graven to complete the sale and maintain an easement on the east wall of Mr. Michel's building for stucco or art to be placed there. Mr. Michel agreed to cover the costs associated with the sale including: land sale price of \$645 (61.6 sq ft at \$10.50 per sq ft); Survey cost of \$670; and Legal Costs estimated at \$1,500 (will be billed based on actual).

After discussion, motion by Seiler and seconded by Ryan to approve *RESOLUTION #22-04-18-02 APPROVING SALE OF LAND, PURCHASE AGREEMENT, AND EASEMENT AGREEMENT BETWEEN THE CITY AND MARK MICHEL.* All voted in favor of the motion. Motion carried. (5-0)

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C. Director Ondich presented details on a donation from the New Prague Boys Basketball Association to donate two basketball hoops to the City. The hoops would be installed at Heritage Park and replace the existing 1998 vintage hoops that are located there today. City Staff would install the hoops. The value of the donated hoops is \$4,100 and the New Prague Boys Basketball Association would like a sticker or plaque installed on or by the new hoops to acknowledge the donation. This matter was scheduled to be reviewed by the Park Board at their April 12, 2022 meeting, but the meeting was cancelled due to a lack of a quorum. As the matter is time sensitive, staff is recommending that the City Council take action without a formal Park Board recommendation to accept the hoops.

Motion by Ryan, seconded by Seiler to approve RESOLUTION #22-04-18-03 ACCEPTING A DONATION OF BASKETBALL HOOPS AT HERITAGE PARK TO THE CITY. All voted in favor. Motion carried (5-0).

GENERAL BUSINESS:

A. Ambulance Service Proposal - This item was moved up to Agenda Item 5B.

B. Award of 2022 Street & Parking Lot Seal Coating Project to Allied Blacktop Co. - Public Works Director Matt Rynda reviewed the bids received for the 2022 Street Seal Coating Project:

<u>Company:</u>	<u>Per Square Yard:</u>
Allied Blacktop Company, Maple Grove, MN	\$1.49/sq. yd.
Pearson Brothers, Inc., Hanover, MN	\$1.50/sq. yd.
Fahrner Asphalt Sealer, Eau Claire, WI	\$2.76/sq. yd.

Street seal coating consists of applying a hot emulsified asphalt product which is immediately covered by small granite aggregate. Seal coating is a preventative maintenance program that is designed to extend the life of the street. Staff recommended the Council approve the low bid from Allied Blacktop Co. Seal coating operations would be expected to start sometime after June 1, 2022.

After discussion, it was moved by Seiler and seconded by Wolf to approve the 2022 SEAL COATING BID WITH ALLIED BLACKTOP CO. AT A COST OF \$1.49 PER SQUARE YARD AND APPROVED DOING 125,890 SQUARE YARDS FOR \$187,576.10. All voted in favor of the motion. Motion carried. (5-0)

C. Surplus City Property - Director Rynda explained that the City has 37 chairs that were no longer being utilized by the City and have no planned use. Asked the Council to consider these items as surplus and sell them. According to MN Statute 471.345(5), contracts of less than \$25,000 may be negotiated on the open market. City Attorney Scott Riggs said that selling surplus items also falls under this subdivision of the code. While the items may go for bid, they may also be negotiated on the open market if there is an interested party. The City was approached by an interested buyer who had offered \$20 per chair which would amount to a total sale price of \$740. Sale of these chairs would also free up space so that the

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City would not have to store the chairs as space continues to become limited at the City Hall.

The Council requested to put the chairs on the open market to ensure that everyone had a fair chance to bid on the chairs. Staff will post the chairs for bid and bring back to the next Council meeting (May 2nd) for approval. After discussion, motion by Seiler, seconded by Bass to *DECLARE THE CHAIRS AS SURPLUS PROPERTY*. All voted in favor. Motion carried (5-0).

D. Credit Card Use Policy - Finance Director Robin Pikal explained that previously a very similar copy of a credit card policy was in place, but staff could not find record that it had even been introduced to the City Council for consideration. The draft policy included in the packet was prepared by City Attorney Scott Rigg's office. The draft policy contains language similar to what was in place and provides comprehensive and detailed guidelines for the use of City-issued credit cards. Council Members suggested staff talk to the City Attorney and get further details on procedures for Contract workers (Golf, Fire). Director Pikal to follow up with City Attorney Riggs and provide updates to the Policy per the Council's recommendations and an upcoming City Council meeting.

E. Establish Special City Council Meeting Date for Boards & Commission Interviews - Director Ondich informed the City Council that 9 applications have been received for various open Board and Commission seats. The interviews will need to be completed prior to the May 16th City Council meeting so appointments can be in place by June 1st. The Mayor and Council decided to have the 9 interviews scheduled for one evening. The Council decided to have their Special meeting on Monday, May 9th, beginning at 5:30 p.m. in the Main Floor City Hall Conference Room. Bruce Wolf will be unable to attend but works for the rest. Each interview will be 15 minutes. Barb Ulschmid will contact the candidates and coordinate/schedule the interviews and communicate that information with the Councilmembers.

MISCELLANEOUS:

1. Meeting Minutes - Informational only (EDA).
2. Reimers - Due to the cold weather, the flushing of fire hydrants schedule has been delayed and is scheduled to begin next week (April 25th).

There being no additional business, motion by Seiler, seconded by Bass to adjourn at approximately 7:49 p.m. All voted in favor. Motion carried (5-0).

ATTEST:

Duane J. Jirik
Mayor

Joshua M. Tetzlaff
City Administrator