

City Council Proceedings

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

} City Council Meeting
Monday, May 2, 2022

Vice President (V.P.) Rik Seiler called the meeting to order at approximately 6:00 p.m. with the following members present: Bass, Seiler, and Wolf.

Absent: Mayor Duane Jirik and Council Member Ryan

Staff Present at Meeting: Josh Tetzlaff, Robin Pikal, Bruce Reimers, Jim Gareis, Matt Rynda, and Steve Rynda

Others Present: Chris Cavett, City Engineer (on-line)

V.P. Seiler called the meeting to order at 6:00 p.m. and requested to remove agenda item 10C - "Approval of Police Officer position". Motion by Bass, seconded by Wolf to approve the amended Agenda. All voted in favor. Motion carried (3-0).

V.P. Seiler asked if there were any comments on the Consent Agenda, there being none, motion by Wolf, seconded by Bass. All voted in favor. Motion carried (3-0).

3. CONSENT AGENDA as follows:

A. April 14, 2022 Special City Council Meeting Minutes and
April 18, 2022 Regular City Council Meeting Minutes

B. Claims for Payment: \$169,057.64 (May 2, 2022)

All voted in favor. Motion carried (3-0).

4. COLUMBUS AVENUE NORTH (CSAH 15) 2022 CIP PROJECT:

A. Approve Award of Materials Testing Contract to Braun Intertec - Due to technical difficulties Public Works Director Matt Rynda spoke on behalf of City Engineer Chris Cavett. Requests for proposals for construction materials testing were sent to Braun Intertec and to American Engineering Testing to provide quality assurance testing on the Columbus Avenue project. Braun Intertec's Estimated Fee was \$28,237 and American Engineering Estimated Fee was \$29,460. It is the staff's and SEH's recommendation that the construction materials testing services contract for the 2022 CIP Project be awarded to Braun Intertec. Not only was Braun Intertec proposal the lowest, they have provided construction material testing services on nearly every city project since 2005 and continue to provide good services.

After discussion, motion by Wolf, seconded by Bass to approve *BRAUN INTERTEC TO ENTER INTO THE CONTRACT FOR CONSTRUCTION MATERIALS TESTING SERVICES ON BEHALF OF THE CITY OF NEW PRAGUE FOR THE COLUMBUS AVE N., 2022 CIP PROJECT*. All voted in favor. Motion carried (3-0).

B. Resolution Providing the Issuance and Sale of General Obligation Improvement Bonds, Series 2022A in an Estimated Original Aggregate Principal Amount of \$1,215,000: Finance Director Robin Pikal presented a recommendation from Doug Green of Baker Tilly (Municipal Advisor) and a Resolution from Sofia Lykke of Kennedy Graven (Bond Counsel) for the Issuance and Sale of General Obligation Improvement Bonds, Series 2022A, in an Estimated Original Aggregate Principal Amount of \$980,000. The Bonds would be amortized over a period of 10 years with an estimated interest rate of 2.78% which can fluctuate from now until the sale date. Also, back

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in January 2022 it was discussed to add a \$225,000 equipment certificate for golf course equipment. Director Pikal asked the Council that the \$225,000 be added to the \$980,000 for a total of \$1,215,000. The resolution authorizes the Bond Sale and it sets the date/time and terms of the sale for June 6, 2022. After June 6th, this will come back to Council for review and consideration.

City Administrator Josh Tetzlaff explained that in Minnesota, an equipment certificate is a bond that is used to pay for equipment. Council discussed a payment schedule that would allow for principal payments to happen towards the end of the certificate so as not to increase short-term debt payments. This kind of payment structuring is normal to maintain debt payments. Looking at the golf course debt, the principal payments drop from just over \$130,000 in 2023 to just under \$25,000 in 2024 and are gone after 2026. Speaking with Baker Tilly, the payments for this certificate wouldn't start until 2024, and if structured over five years, would equal around \$50,000 per year. With this drop in principle payments, it sets up a scenario where the City Council could begin to reduce subsidies to the Golf Course. As we begin working on budgets for 2023, the discussion will occur on whether we would want to start reducing those subsidies in 2023 or wait until 2024 when the debt payments begin to drop.

After discussion, motion by Bass, seconded by Seiler to approve and accept *RESOLUTION #22-05-02-01 AS AMENDED TO INCLUDE THE EQUIPMENT CERTIFICATE OF \$225,000 PROVIDING FOR THE ISSUANCE AND SALE OF GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2022A IN AN ESTIMATED ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,215,000.* All voted in favor. Motion carried (3-0).

GENERAL BUSINESS:

A. TH-19 MnDOT Contract #1033766, Amendment #2 to Cooperative Right of Way Acquisition - City Administrator Tetzlaff explained that before the Main Street project started, the City entered into a contract with MnDOT to help the City acquire the needed right-of-way for the reconstruction of Main Street. This included reimbursement of costs associated with right-of-way acquisition. Originally, the contract was not to exceed \$95,000. In December 2021, MnDOT offered to raise the amount to \$175,000 to ensure all costs were covered. The City Council approved this contract update. Recently, MnDOT offered to again raise the amount covered to \$250,000. This additional increase is to ensure the legal costs are covered as well by MnDOT. This amendment is precautionary on MnDOT's part to ensure the City doesn't have to pay any of these costs.

Motion by Wolf and seconded by Bass on the approval of *AMENDMENT #2 TO MNDOT CONTRACT #1033766 AUTHORIZING THE MAYOR AND CITY ADMINISTRATOR TO SIGN ON BEHALF OF THE CITY COUNCIL.* All voted in favor of the motion. Motion carried. (3-0)

B. Approval of Park Maintenance Position - Director Rynda shared the vacancy was posted on March 15, 2022 and received 17 applications and interviewed 6. An offer was made and accepted by Frank Ruzicka. Mr. Ruzicka previously worked for the City of New Prague in the Park's Department as a seasonal employee from 2018-2020 and did great work for

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the City. He also worked with a landscape/snowplow company from 2017-2019 and has been doing HVAC work the past, two years. Mr. Ruzicka will be placed at pay grade 8, Step 1. Start date will be May 16, 2022.

Motion by Bass, seconded Seiler to APPROVE THE HIRE OF FRANK RUZICKA TO PARK'S MAINTENANCE POSITION AT PAYGRADE 8, STEP 1. START DATE OF MAY 16, 2022. All voted in favor. Motion carried (3-0).

C. Police Officer Hire Request - Removed from the agenda.

D. Surplus City Property Update - Public Works Director Rynda explained that the City has 37 chairs that are no longer being utilized and have no planned use. At the April 18th City Council meeting, the Council approved to put the chairs up for bid. Staff posted them on Social Media and City's website for 7 days. Two bids were received, one for \$100 total and the second for \$740.00 (\$20 per chair).

Motion by Wolf, seconded by Bass to approve the SALE OF THE 37 CHAIRS FOR THE AMOUNT OF \$740.00. All voted in favor. Motion carried (3-0).

E. Surplus of Fire Vehicle - Fire Chief Steve Rynda explained that the City currently owns a 1979 Ladder Fire Truck. The truck has 20,342 miles, it starts, drives, and has a functioning pump ladder. With the Council's permission, staff would like to surplus the vehicle.

Motion by Wolf, seconded by Bass to allow staff to SURPLUS THE 1979 LADDER FIRE TRUCK AND AUTHORIZED STAFF TO SEEK THE HIGHEST BIDDER. All voted in favor. Motion carried (3-0).

MISCELLANEOUS:

1. Meeting Minutes - Informational only (Golf and Utilities).
2. Steve Rynda - Will have a retirement coming up within the next month and as a result, will need to post for another fire fighter.
3. Jim Gareis - With the withdrawal of the additional police officer, they will be looking at their current eligibility list and see if there are any viable candidates within. Otherwise, would need to open up another process to find additional candidates.
4. Robin Pikal - Council laptops arrived but unfortunately the wrong laptop bags were sent (too small). Working with CTS to assure the correct bags are sent. Will get the laptops set up, along with email accounts, new bags, and hope to have by the next City Council meeting on May 16th.
5. Bruce Wolf - Asked for an update on the New Prague Golf Club's memberships and talked about budget concerns. City Administrator Tetzlaff shared that per the last Golf Board meeting, he didn't have membership updates but did share that the Golf Course has more events booked this summer vs. previous years. Wolf understands the weather hasn't been cooperating and but expressed the importance of growing the golf course's memberships.
6. Rik Seiler - Reminded Councilmembers of the Special City Council meeting on Monday, May 9th for board and commission interviews.

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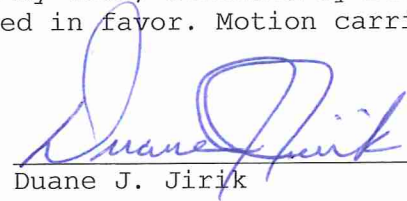
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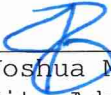
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There being no additional business, motion by Wolf, seconded by Bass to adjourn at approximately 6:28 p.m. All voted in favor. Motion carried. (3-0).

ATTEST:



Duane J. Jirik
Mayor



Joshua M. Tetzlaff
City Administrator