

City Council Proceedings

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Counties of Scott & Le Sueur

City of New Prague

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City Council Meeting

Tuesday, July 6, 2021

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

Staff Present at Meeting: Mike Johnson, Jim Gareis, Ken Ondich, and Barb Ulschmid

Others Present at Meeting: Chris Cavett - City Engineer; Scott Riggs - City Attorney; Kyle & Kim Blomgren; Randy & Lisa Kubes; Gloria Flicek, Owen Schultz, Mona Schultz; Kevin Cassidy; Terri Heaton - Baker Tilly; Kyle McCarthy & Nathan Schatz - Boy Scouts

Mayor Jirik asked if there were any additions to the Council agenda. There being none, motion by Ryan, seconded by Seiler to approve the Agenda. All voted in favor. Motion carried (5-0).

City Administrator Mike Johnson presented the background information on the new Liquor License applications from Owen Mitchell Schultz, Adam Marshall Schultz and Jonathan A. Schultz. An On-Sale Intoxicating Liquor License, Sunday Liquor License and Off-Sale Liquor License for Schultzy's Restaurant Group LLC *dba* 1319 Woodfire Tavern at 125 Main Street East (including outside patio) to be located in the former "Czech'ers Sports Bar" building.

The applicants are proposing that their business would be eligible to begin operating at the above address on or after August 2, 2021. Liquor licensing period would be from that point through March 31, 2022 in accordance with the City of New Prague's normal liquor licensing period.

In accordance with City Code Section 110.16 Issuance of License (Subd. C.), prior to approving an application for issuance of a license, the Council shall provide an opportunity for public comment for or against issuance of the licenses. The Applicant has paid all license fees and has provided proof of Financial Responsibility at both locations. Property taxes and utility bills for both locations are current at the time of this memo. Police Chief Gareis conducted a background check on the applicant and is recommending that there are no disqualifiers preventing the applicant from being granted a license(s).

Mayor Jirik opened the Public Hearing on the Liquor Licenses at 6:04 p.m. Schultzy's Restaurant Group LLC representative was Mr. Owen Schultz, 1105 Sunset Blvd NW, Montgomery, MN 56069, he introduced himself and was present to answer any questions. No public comment was received. Motion by Bass, seconded by Seiler to close the Public Hearing at 6:05 p.m. By roll call vote, all voted in favor. Motion carried (5-0).

The only conditions that City Staff would recommend as a part of the license approvals would be:

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1. The liquor establishment "Licensed Premises" would include the first floor of the building at 125 Main Street East.
2. That the Sunday Liquor License not be issued and the liquor establishment not be allowed to open on Sunday's until a copy of the business's State of MN Health License is provided to the City.

Motion by Bass, seconded by Seiler to approve an On-Sale Intoxicating Liquor License, Sunday Liquor License and Off-Sale Liquor License for Schultzy's Restaurant Group LLC dba 1319 Woodfire Tavern at 125 Main Street East (including outside patio). All voted in favor. Motion carried (5-0).

City Administrator Johnson provided an overview of a request from German Days, Inc. out of Belle Plaine, MN for a Lawful Gambling LG214 "Premises Permit" application to conduct lawful gambling (paper and electronic pull-tabs, bar bingo, electronic linked bingo, paddlewheel and tipboards) at Schultzy's Restaurant Group LLC dba 1319 Woodfire Tavern at 125 Main Street East, New Prague, MN.

The LG214 Premises Permit application and resolution are required to be approved by the City Council (per MN. Statute 349.213 Subd.2) before the Gambling Control Board will issue a premises permit. Information was provided along with the permit application and resolution that the 1319 Woodfire Tavern owners (Owen Mitchell Schultz, Adam Marshall Schultz and Jonathan A. Schultz) can open for operations effective on or after August 2, 2021 and per approval from the City of New Prague and MN Gambling Board.

After discussion, it was moved by Ryan, seconded by Bass to approve RESOLUTION #21-07-06-01 APPROVING LAWFUL GAMBLING PREMISES PERMIT APPLICATION FOR GERMAN DAYS, INC. at Schultzy's Restaurant Group LLC dba 1319 Woodfire Tavern, per MN Gambling Board's approval on or after August 2, 2021. All voted in favor. Motion carried. (5-0)

City Engineer Chris Cavett provided an update to the City Council on the TH#19/Main Street Reconstruction Project (2020-2021 CIP). Mr. Cavett shared the progress being made this week and projected what will take place next week and into the weeks that follow.

Next week, Thursday, July 15th - the contractor is scheduled to do a mill and overlay at the intersection of 21 and 19, going up the hill past Kwik Trip up to 5th Avenue. This was supposed to happen last fall but due to the early cold conditions was delayed until this season. Mr. Cavett explained how the mill and overlay process will work and how the detour plan is going to take place. The Intersection of 19 & 21 also needs to get paved to 5th Avenue and will be closed for one day and opened back up by end of the day. Explained where traffic would be diverted and how the detour routes would work. Notices will be

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delivered to the businesses and residents affected by the July 15th project.

Planning/Community Development Director Ken Ondich provided an overview on the status of the building repairs at 102 E. Main Street. Explained that the City Staff has been working with one of the owners (Randy Kubes) of 102 E. Main Street building regarding options to repair the structural concerns related to the building's west wall and associated components.

In order to come to a resolution on the repairs, staff met with Mr. Kubes on 6/30/21 and indicated that action would need to be taken by the owner so the City Council at the July 6, 2021 meeting would have written authorization to bring the matter to a conclusion (which would mean repair of the building to bring to a safe condition.) The owner did provide a plan for repair at this meeting which is currently under review by the City's Building Official and Structural Engineer, however final approval of the plan has not occurred nor has a definite start date and end date for the repair has been communicated by the building's owner. While staff believes the building's owner is progressing towards a repair, City Staff believes further documentation is necessary at this time.

Scott Riggs and David Anderson with the City Attorney's office drafted a Resolution Ordering the Abatement of a Hazardous Building located at Le Sueur County PID 23.480.0130". This resolution documents the City Council deeming the building hazardous and authorizing staff to move forward with serving a lawsuit, entering into an agreement, or both, in order to reach a resolution of the building's concerns.

City Attorney Riggs explained how the process within the resolution works. There is the choice of two different action items within: order an abatement or a restoration agreement. The State's building code is if a building is labeled as hazardous, the City must take action. Both action items put a timeline in process that something is happening.

Randy Kubes - 1244 Monroe Street, Shakopee, MN, the building's owner since 1994 (along with his sister Kim Blomgren) was present and provided a timeline and details on the bowing west wall which Mr. Kubes states has been as it is for the past 80 years and beyond which is why it wasn't a major concern because it has been that way for so long. Another item noted per the Structural Engineer evaluation were two cracked boards. Mr. Kubes read a portion from the Wencel Engineering Structural report from January 14, 2021 which stated - "It is our opinion that the bowed condition on the west wall doesn't pose an immediate structural safety concern." Shared how Andy Bach with SM Hentges said he was going to call a meeting about his concerns. The meeting notification came out at 8:11 pm on a Thursday evening for a 10 am meeting on Friday, April 9th which Randy was unable to make. By 3 p.m. that Friday afternoon the building was deemed "hazardous" and unsafe and had to be shut down. Mr. Kubes has been working with a Structural Engineer on what can be done to fix the problem. Explained

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there are Crack Monitors on the building that haven't shown any movement through the road construction. Showed X-bracing in the rafters. Mr. Kubes was told the street can't open until the building is fixed. Wants to work with the City but will not sign the agreement. Need a structural plan put together. Will be petitioning the City to make whole those tenants they put out of business.

After discussion, motion by Jirik, seconded by Ryan to approve RESOLUTION #21-07-06-02 ORDERING THE ABATEMENT OF HAZARDOUS BUILDING LOCATED AT LE SUEUR COUNTY PID 23.480.0130. Councilmembers Wolf and Bass wanted Mr. Kubes to know that they will be voting in favor of the Resolution being it is deemed a hazardous building and they need to follow the State's statute. However, this is certainly not a negative reflection on him as a business owner. All voted in favor. Motion carried (5-0).

City Administrator Johnson provided details on a notice that was received from the Minnesota Amateur Sports Commission (MASC) awarding the City of New Prague a grant in the amount of \$17,500. The purpose of the grant is to work with the New Prague Area Community Center Association, Inc. (NPACCA) to undertake a \$35,000 Indirect R-22 Refrigerant Replacement Project at the hockey facility. The City is now required to approve the enclosed Grant Agreement - End Grant with the MASC to move forward with the project. The 50% match to the \$17,500 MASC grant will be paid for by the NPACCA.

Kevin Cassidy, General Manager of the NPACCA was present at the meeting and explained that the project is scheduled to begin middle August and be completed prior to the first scheduled ice time in the beginning of September (after Labor Day) which will avoid any demand charges. Mr. Cassidy said the timing of the grant works nicely with the start-up of the Community Center this fall and shared that this new refrigerant system is one for the future and is currently being used by the NHL and Olympics. The NPACCA has moved \$35,000 from their savings account to cover the price of the new refrigerant system.

Motion by Seiler, seconded by Bass to approve the 2020 JAMES METZEN MIGHTY DUCKS GRANT PROGRAM GRANT AGREEMENT. All voted in favor. Motion carried (5-0).

City Administrator Johnson introduced Terri Heaton, a Financial Advisor with Baker Tilly who presented to the Council an overview on the review and approval of a Resolution awarding the sale of \$5,925,000 General Obligation Bonds, Series 2021A. The proposed bond issue is intended to cover expenditures for the 2020-2021 Street & Utility Improvement Project for the City's share of the Highway #19/ Main Street Reconstruction project pertaining to the Watermain Services, Sanitary Sewer Main Services, Storm Sewer Improvements, Special Assessments and Improvements in developing Central Plaza. The \$5,925,000 in bonds would be sold and the proceeds would be used as follows, plus issuance costs:

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Water Improvements	\$1,624,524	28.0%
Sanitary Sewer Improvements	\$1,523,869	26.2%
Storm Sewer Improvements	\$ 119,790	2.1%
Special Assessments	\$1,773,665	30.5%
Debt Service Levy - Central Plaza Development and City Property Assessments	\$ 266,000	4.6%
Water Building Expansion	\$ 500,000	8.6%
TOTAL:	\$5,807,848	100.0%

After discussion, it was moved by Ryan, seconded by Wolf to approve *RESOLUTION #21-07-06-03 PROVIDING FOR THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS, SERIES 2021A, IN THE PROPOSED AGGREGATE PRINCIPAL AMOUNT OF \$5,925,000.* All voted in favor, motion carried. (5-0)

City Administrator Johnson presented a model resolution from the League of Minnesota Cities recommending Cities adopt pertaining to the "American Rescue Plan Act" (ARPA) Funding. The Resolution is an identification of the four statutory categories that the ARPA funds will be able to be spent on. The City was preliminarily notified that it was to receive approximately \$940,000, but it could end up being less than that when the Final per Capita estimates are applied.

City Staff is trying to become knowledgeable of the various rules developed by the U.S. Department of Treasury on this funding so that both Staff and Council can begin discussion on the future possible uses of these funds required to be obligated by December 31, 2024 and finally spent by December 31, 2026.

After discussion, it was moved by Bass, seconded by Wolf to approve *RESOLUTION #21-07-06-04 AND ACCEPT THE CORONAVIRUS LOCAL FISCAL RECOVERY FUND ESTABLISHED UNDER THE AMERICAN RESCUE PLAN ACT.* All voted in favor, motion carried. (5-0)

Public Works Director Matt Rynda was not available for the July 6th Council meeting. In Matt's absence, City Administrator Johnson provided background information on the hiring of two Maintenance Worker - Street positions. These positions became available after two internal promotions. City Administrator Johnson provided background information on the application process that began with twenty-four (24) applications and was narrowed down to seven (7). Upon completion of the interviews, Staff's recommendation is to hire Mr. Anthony Anderson and Mr. Ross Pumper, both from New Prague with an effective start date of July 21, 2021. Mr. Anderson with an initial starting wage of \$29.53 per hour (\$61,422.40 per year/Pay Grade 9-Step 7) on the 2021 City Wage Schedule. Mr. Pumper with an initial starting wage of \$27.97 per hour (\$58,177.60 per year/Pay Grade 9 - Step 5) on the 2021 City Wage Schedule. Both Mr. Anderson and Mr. Pumper passed their verification of education, criminal, employment, physical exam, drug and alcohol tests.

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After discussion, it was moved by Bass, seconded by Wolf to appoint both Anthony Anderson and Ross Pumper to the Maintenance Worker - Street Positions as recommended. All voted in favor, motion carried. (5-0)

Next item was the Approval of an Employment Agreement for the new City Administrator Joshua M. Tetzlaff. As members of the Negotiating Committee, Mayor Jirik and Councilmember Ryan worked with Liza Donabauer, David Drown Associates and City Attorney Scott Riggs in offering employment terms that mutually satisfied the City and the finalist based on initial feedback given by the full Council. Both parties were able to come to an agreement fairly quickly and were set up with an Employment Agreement for Joshua M. Tetzlaff. The agreement was provided to the Councilmembers for review and approval. City Attorney Riggs attended the meeting to provide clarification and appropriate changes to the employment agreement.

After discussion, it was moved by Bass, seconded by Seiler to Approve the Employment Agreement between the City of New Prague and Joshua M. Tetzlaff including the changes to Section 4 as being recommended by City Attorney Riggs as well as the change in the months within Section 17, with a start date of August 30, 2021. All voted in favor, motion carried. (5-0)

Mayor Jirik asked if there were any questions on the Consent Agenda. Ryan noted a correction from the 6/29/21 minutes. Motion by Ryan, seconded by Bass to approve the Consent Agenda as follows:

- A. June 21, 2021 City Council Meeting, June 21, 2021 Special City Council Meeting (closed), and June 29, 2021 Special City Council Meeting Minutes
- B. Claims for Payment - July 6, 2021
- C. Chamber of Commerce - Dožinky Temporary Liquor Requests:
 1. Temporary (1-4 Day) On-Sale Liquor License for Dožinky Days & Car Cruise on September 17-18, 2021: One (1) at the Chamber Beer Garden - Central Ave N. (on street) and One (1) Memorial Park Concession Stand & Ball Fields - 400 Main Street E. (One Permit per Location)
- D. Resolution #21-07-06-05 Setting Public Hearing Date and Introduce Ordinance for Vacation of Drainage Utilities Easement - Planning/Community Dev. Director Ken Ondich

All voted in favor. Motion carried (5-0).

Miscellaneous Items:

Kyle McCarthy and Nathan Schatz - Introduced themselves as Boy Scouts working on their Merit Badges. Mr. McCarthy is working on a Communication Merit Badge and Mr. Schatz is working on Merit Badges for Communication and Citizenship in the Community.

Duane Jirik - Shared that he had a tour of the new Hy-Vee Store and talked about how big the store is and very nice. He also shared they are still hiring.

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Shawn Ryan - Asked if the Emergency Powers Act has ended in the City of New Prague? Police Chief Gareis explained that a Resolution to end the Emergency Powers Act will be set up for the July 19th City Council Meeting.

Maggie Bass - Shared her concerns about the overuse/abuse of fireworks in the City of New Prague over the 4th of July weekend. Many of those fireworks (extremely loud) and probably not legal. Would like to look into passing an ordinance that fireworks (unless a sponsored event) are not allowed in the city limits of New Prague. Concerned for the people with PTSD, those sensitive to loud noises and pets. Council and the Police Chief had communications on this topic. Council agreed they would like to see what other communities are doing on this topic, and as the time gets closer for next year, put education piece out on Social Media, Newsletter and possibly New Prague Times on firework expectations.

Mike Johnson - Talked about the Bond Issue Process and time frame that will need to occur between staff and MnDOT. Mr. Johnson also reminded Council and Staff that he will not be at the next two Council meetings and Ken Ondich will run the meetings in his absence. His last day will be August 20th and went through items that will need to be taken care of before he leaves.

Scott Riggs - Will follow up with the Council with the two changes to be made to the Employment Agreement.

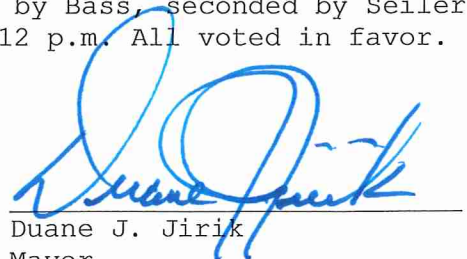
Jim Gareis - 1. Looking at updating the parking ordinance on semis and whether or not they should be allowed to park on the City streets for long periods of time. It is OK to park on the streets when unloading or loading. Private enterprises offering space for them to park in their parking lots is an option. 2. Smoke Shops - Going to take a look at updating the City's Tobacco Ordinance and looking to the Council's approval to not allow these Smoke Shops to sell items that are not tobacco related, such as "incense burners" that are basically pipes to smoke meth. Other cities have ordinances against selling these items. Council agreed and Police Chief Gareis will make the updates and present to the Council at a later meeting.

There being no additional business, motion by Bass, seconded by Seiler to adjourn the meeting at approximately 8:12 p.m. All voted in favor. Motion carried (5-0).

ATTEST:



Michael J. Johnson
City Administrator



Duane J. Jirik
Mayor

