

City Council Proceedings

1336

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

} Special City Council Meeting
Monday, August 3, 2020

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

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

Staff Present Online: Mike Johnson, Ken Ondich, Jim Gareis, Patty Solheid, Glen Sticha, and Barb Ulschmid

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

Public Works Director Glen Sticha provided the City Council with an update on the TH#19/Main Street Reconstruction Project (2020 CIP) which included setting up the work area for the bore and tunnel work under the railroad tracks for the new storm sewer line and installation of the 58" casing. The progress is slow and tedious work that takes about an hour to complete per one foot of boring.

Planning/Community Development Director Ken Ondich presented a Planning Commission Summary and recommended to the Council their approval of a preliminary plat of Tikalsky Estates which contains two lots and tow out lots on 72.58 acres of land with the two findings, eleven conditions and five notable items as listed in the staff report dated 7/22/2020. At the 6/24/2020 Planning Commission Meeting, the Planning Commission reviewed and unanimously approved (3-0). It is noted that the plat contains land that is partially located outside of City Limits but that an annexation petition is expected to be received shortly. It is also noted that rezoning request for the land that is not yet annexed is being concurrently reviewed. It was also discussed that the concept layout on the preliminary plat was just shown for discussion purposes at this time and that a development agreement would be necessary for the two lots being platted to address current and future development fees as well as the necessary easement over Lot 2 in favor of Lot 1 so that the existing home could continue to use the septic system located there as the applicants would be selling Lot 1 that contains the existing home.

Motion by Bass, seconded by Seiler on the approval of *PRELIMINARY PLAT OF TIKALSKY ESTATES CONSISTING OF 2 LOTS AND 2 OUTLOTS ON 72.58 ACRES WITH TWO FINDINGS, ELEVEN CONDITIONS AND FIVE NOTABLE ITEMS LISTED IN THE STAFF REPORT DATED 7/22/2020*. By roll call vote, all voted in favor. Motion carried (5-0).

Planning/Community Development Director Ken Ondich also presented a Planning Commission Summary and recommendation on the approval of a resolution approving an Amendment to the City's Comprehensive Plan Future Land Use Map to reguide properties to the RL-90 Single Family Residential Zoning District vs. Industrial in the plat of Tikalsky Estates, for Patricia A. Tikalsky, revocable trust applicant. At the July 22, 2020 Planning Commission Meeting, a public hearing was held for a proposed Comprehensive Plan Amendment and for the rezoning of a property owned by the Patricia A. Tikalsky Revocable Trust per the proposed plat of Tikalsky Estates. Director Ondich explained the land use plan guides all the land (which is not already within City

City Council Proceedings

1337

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

}

Special City Council Meeting
Monday, August 3, 2020

Limits) within the proposed plat of Tikalsky Estates as RL-90 Single Family Residential. Regarding the Comprehensive Plan Amendment, the applicants believe that the land west of the railroad is more conducive to future residential development. Staff concurred with this opinion based on review of the topographic and natural feature information contained on the preliminary plat drawings. Said information shows that the land is limited in its usability for large commercial/industrial lot development due to topography and natural features (wetland and flood plain) and also because of the surrounding land being residentially used on all but the south side.

The public hearing did not generate any public comment, however after the hearing had closed the Planning Commission heard comments from Mark Verhoeven, Lanesburgh Township Supervisor and resident at 5142 1st Ave. SE, who asked why the land should not remain guided industrial at the NE corner of TH13/21 and Country Road 29 and noted that the railroad would provide direct access for an industrial use to a rail line. Staff noted that the topography of the site made the land less usable for industrial use and that the railroad is significantly down grade from the site where a building would have to be placed. Also stated that it would be possible to develop industrially, but with the woods and the elevation change it would be better suited for residential development. Other discussion with Mr. Verhoeven was related to the unlikely ability for the land west of the railroad to have direct access onto the highway.

The Planning Commission recommended the City Council amend the Comprehensive Plan and rezone the property as described. The Comprehensive Plan amendment is required to be adopted via resolution and an Ordinance needs to be adopted to rezone the property to the RL-90 Single Family Residential Zoning District.

After discussion, motion by Ryan, seconded by Bass to approve *RESOLUTION #20-08-17-01 APPROVING AN AMENDMENT TO THE CITY'S COMPREHENSIVE PLAN FUTURE LAND USE PLAN MAP TO RE-GUIDE PROPERTIES TO THE RL SINGLE FAMILY RESIDENTIAL ZONING DISTRICT, NEW PRAGUE, MINNESOTA*. By roll call vote, all voted in favor. Motion carried (5-0).

Motion by Nickolay, seconded by Ryan to *INTRODUCE ORDINANCE #318 REZONING PROPERTY TO THE RL-90 SINGLE FAMILY RESIDENTIAL ZONING DISTRICT IN THE PLAT OF TIKALSKY ESTATES, AS PROPOSED BY THE PATRICIA A. TIKALSKY REVOCABLE TRUST, NEW PRAGUE, MINNESOTA*. By roll call vote, all voted in favor. Motion carried (5-0).

Planning/Community Development Director Ken Ondich requested approval of a resolution covering a variance request presented at the July 22, 2020 Planning Commission meeting where it was unanimously approved. The applicants, Bob & Kelly Connelly are proposing to install a 6' tall wooden privacy fence along their corner side property line of their backyard as well as in their side yard area to the front edge of the house. The zoning ordinance only allows 4' tall fences within 30' of a property line along a right of way and to the rear edge of the home on side lot lines. The request was made to provide an area for their dog to be contained for privacy reasons, to enclose an inground pool and to utilize an area of roughly a third of the size of their backyard that would not otherwise be allowed to

City Council Proceedings

1338

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

}

Special City Council Meeting
Monday, August 3, 2020

be fenced in with the 6' tall fence. There were no public comments received on this agenda item. Bass pointed out to the Council that maybe the fence ordinance should be modified based on all the recent fence variance requests.

After discussion, motion by Seiler, seconded by Ryan to approve *RESOLUTION #20-08-17-02 APPROVING VARIANCE (#V5-2020) FROM THE FENCE REGULATIONS IN THE RM MEDIUM DENSITY RESIDENTIAL ZONING DISTRICT AT 214 8TH AVE. NW, AS PROPOSED BY BOB AND KELLY CONNELLY, NEW PRAGUE, MINNESOTA*. By roll call vote, all voted in favor. Motion carried (5-0).

City Administrator Mike Johnson provided the City Council with a copy of the Form SC-20, "Schedule Form for Lump Sum Pension Plans Reporting Year 2020" from the New Prague Fire Relief Association. Contained within the schedule form is the City's required municipal contribution for 2021 to the Firemen's Pension Fund. For 2021, the City's anticipated contribution is projected to be \$0. This is the same as the City's 2020 contribution which was also \$0. Mr. Johnson provided an overview of the report, the historical annual contributions and the historical annual pension benefit amount.

According to a phone conversation dated July 9, 2020 with Mr. Steve Rynda, Treasurer of the New Prague Fire Relief Association, the Association will not be asking for a pension benefit increase this year.

After discussion, it was moved by Nickolay, seconded by Bass to accept the Form SC-20 from the New Prague Fire Relief Association recognizing that there is no required municipal pension contribution for 2021. By roll call vote, all voted in favor. Motion carried (5-0).

Planning/Community Development Director Ondich provided an overview of the Grant Agreement where the City was awarded \$696.96 for a Minnesota Pollution Control Agency (MPCA) Alternative Landscaping Equipment Grant. The grant is a 50% match towards the cost of a new cordless electric trimmer for use in the parks department. In order to receive the grant, the city must enter into the grant agreement.

The purpose of this grant is to replace one of the Parks Department's 4 gas trimmers with an electric/battery operated one with the goal of reducing emissions. The trimmers are used every other week for all five days in the week they are used and are a critical piece of parks maintenance equipment. The replaced trimmer must be destroyed per the grant agreement. The Parks Department had budgeted funding in their 2020 Budget the cost of a gas trimmer, but the grant allows the replacement to be made with a Stihl Kombi System Electric Trimmer at no additional cost to the City above the cost of a gas trimmer. The Kombi system would allow the City to purchase other electric landscaping tools in the future (such as chain saws, etc.) to utilize the battery pack.

After discussion, it was moved by Seiler, seconded by Nickolay to approve the MPCA Agreement for Alternative Landscaping Equipment. By roll call vote, all voted in favor. Motion carried (5-0).

City Council Proceedings

1339

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

}

Special City Council Meeting
Monday, August 3, 2020

City Administrator Johnson presented an authorization to solicit request for proposals for "Insurance Agent of Record" for Property/Casualty Insurance. The City of New Prague (City) and the New Prague Utilities Commission (NPUC) have been with the League of MN Cities (LMC) Insurance Trust for our property/casualty and worker's compensation programs since at 1985. These initial programs were originally designed to operate thru an insurance agent. Locally, the City has used the services of the Tupy Insurance Agency, Inc. of New Prague since 1985 (35 years) and the NPUC since 1990 (30 years) based on the best available information received from the LMC.

Although most cities utilize the services of an insurance agent for their property/casualty insurance, many have foregone the need of an insurance agent for their worker's compensation insurance needs. City Staff feel that our local insurance agency and insurance agent have always provided the City with excellent insurance services (annual renewals, claims handling, answering questions, adding coverage, etc.), but recently we have received inquiries from other insurance entities offering to provide the same types of services as well. The intriguing possibility about these inquiries is the belief that the City could possibly reduce its annual insurance commission expenses fairly significantly.

City Administrator Johnson explained that in an effort to try and develop budgetary expense reductions in our annual insurance costs, City Staff believes that we can generate savings by going to a flat rate versus commission basis of payment arrangement for our insurance services on an annual basis. This thought process is no reflection on the quality of services currently being provided by our local insurance agent or agency, but an attempt to control insurance agent costs going forward that are not necessarily based on services being performed for the City. To address this cost issue, City Staff believes that it could be done by either negotiating a fixed rate with our current insurance agent, or by using a "Request for Proposals" (RFP) process to find out what the outside market might be willing to provide for similar services.

Once proposals are received and evaluated, the Council would have several choices: 1. Choose to go with the lowest priced vendor (not required as these services are considered professional services) as the agent of record for insurance services for P & C. 2. Choose to continue to do business with the Tupy Insurance Agency, Inc. at a new fixed annual rate as the agent of record for our insurance services for P & C based on their submittal. 3. Direct City Staff to renegotiate with the Tupy Insurance Agency, Inc. after all of the quotes are in as they are a local New Prague business and are in close proximity to existing city operations which as value to the City.

City Staff hopes to be able to advertise the RFP process the week of August 4th, with submittals due by August 20th, RFP reviews and interviews completed by September 3rd, final decision/contract negotiation by September 11th, and a contract presentation to the City Council / NPUC on September 21st. The only other separate policy that the City has that is separately obtained annually and not included in the P & C, is the City's Liquor Liability Policy for the New Prague Golf Course which would have to be added into the RFP as a separate item.

City Council Proceedings

1340

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

}

Special City Council Meeting
Monday, August 3, 2020

Mayor Nickolay believes the decision should come from the City Administrator and Finance Department. Bass stated most entities are required to go through a RFP process at least every 3-5 years to make sure we are getting market value and staying inline with their competitors. Ryan agreed with Bass but would like to negotiate with Tupy Insurance if necessary and keep business local. Seiler also agreed and should go ahead with the RFP process. After discussion, it was moved by Seiler, seconded by Ryan to Solicit Request for Proposals for "Insurance Agent of Record" for Property/Casualty Insurance. By roll call vote, all voted in favor. Motion carried (5-0).

Mayor Nickolay provided the Council with a formal summary of the 2019 City Administrator Evaluation and reported that the City Council had conducted the evaluation of Mr. Johnson on July 20, 2020. It was a unanimous decision by the Council that City Administrator Johnson had done an excellent job for the City of New Prague in 2019, receiving a rating of 4.25 out of 5 which translated to Exceptional - Generally Exceeds Expectations. Mayor Nickolay stated, "City Administrator Johnson is an asset to our community and has done a great job and always puts the city first." Congratulated City Administrator Johnson on another positive evaluation and thanked him on behalf of the Council and citizens of New Prague for all his hard work.

Motion by Nickolay, seconded by Bass to approve City Administrator Mike Johnson's cost of living raise going retroactive back to January 1, 2020. By roll call vote, all voted in favor. Motion carried (5-0).

Emergency Management Director (EMD) Jim Gareis provided the Council with a COVID-19 order update. Continue to manage the workforce here at the City. Now with the Governor's executive order to wear masks, making sure there is enough product on hand at the City. Once the City Hall does open, will need to provide masks for those that stop in at the City Hall that don't have one. Biggest issue as of late is the opening-up of the schools. Right now, looks like it will be Hybrid learning but will need to wait a couple weeks to see what the numbers do. Being the New Prague School District is in three counties, you use the numbers from the county with the highest numbers. Dožinky festivities discussion continue but is unlikely it will be able to happen per the COVID executive orders. Will continue discussions and keep the Council informed. Mayor asked if it's possible to meet in person for the Golf Board meetings? Chief Gareis stated it can work and important also to allow the meeting to continue online as well for the public via video conferencing. Will need to blend technologies together for the in-person participants and those participating remotely. Ken Ondich is working with CTS and another external vendor on Wednesday to get a better handle on an effective way to blend the in person and online participants.

After discussion, it was moved by Nickolay, seconded by Ryan to approve the Consent Agenda.

CONSENT AGENDA:

- A. July 20, 2020 Special City Council Meeting Minutes, July 20, 2020
Special Closed City Council Meeting Minutes and July 29, 2020 Special
City Council Meeting Minutes

City Council Proceedings

1341

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

}

Special City Council Meeting
Monday, August 3, 2020

B. Claims for Payment - August 3, 2020
All voted in favor. Motion carried (5-0).

Miscellaneous Items:

Ken Ondich - Will get Councilmember Seiler set up with the proper equipment to help with the technical issues he is experiencing.

Jim Gareis - Informed the Council that per the email received last week, he has contacted that individual, and all has been taken care of.

Shawn Ryan - 1. Discussion on a neighborhood complaint on property being developed at Lexington and 7th Street NE and the weeds growing out of control. Mr. Ondich stated the property owner will be mowing on Wednesday. If it is not done by Wednesday, the City will take care of on Thursday. Property owner must keep weeds/grass at 12" or lower. 2. Asked Glen Sticha if it is true the University of Duluth (through a grant) is taking water samples as a study to test wastewater in looking for COVID-19. Ryan asked with this tracking if there are results/data to see? Mr. Sticha stated they will do a number of tests for a period of time and assess at a later time (months down the road). Upon receipt of those numbers, Mr. Sticha will share those numbers with the Council.

Bruce Wolf - Followed up with Ken on the Comprehensive Plan. Discussion on when is the next time this will be updated. Generally, happens every 5-10 years. Mr. Ondich stated 2022 would be a good time to revisit this question. Referred to today's meeting and a plat going from being zoned as commercial to residential. Good to get the census data before doing an update.

Mayor - Regarding budgets, concerned about the uncertainties of delinquencies of property taxes (second half) because of COVID and if COVID continues, the delinquencies of property taxes into next year. Encouraged to have contingencies in place to stay proactive vs reactive going into next year with these potential problems.

Mike Johnson - A reminder of the filing for elective offices for the Mayor and Council will be running for another week and will be closing on Tuesday, August 11th at 5 p.m. Three positions to fill including: Mayor (two years), and two Councilmembers seats, each 4-year terms.

There being no additional business, motion by Nickolay, seconded by Ryan to adjourn the meeting at approximately 7:53 p.m. All voted in favor of the motion. Motion carried (5-0).

ATTEST:



Michael J. Johnson
City Administrator



Charles L. Nickolay
Mayor