

City Council Proceedings

1219

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

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City Council Meeting
Monday, October 21, 2019

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

Staff Present: Ken Ondich, Jim Gareis, Bruce Reimers, Glen Sticha, and Barb Ulschmid

Staff Absent: Mike Johnson

Others Present: City Engineer Chris Cavett, PE, City Attorney Scott Riggs and Insurance Specialist Vicki Walsh, CBIZ, Inc.

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

Pursuant to due call and notification, a special assessment public hearing was held for the 2019 Street and Utility Improvements project including a resolution adopting assessment.

Mayor Nickolay called the Public Hearing to order at 6:03 p.m. City Attorney Scott Riggs and City Engineer Chris Cavett were present and provided clarification of the special assessment process.

City Engineer Chris Cavett explained that letters were mailed to the affected property owners and published in the New Prague Times according to the requirements of Minnesota Statutes 429. The assessment roll was prepared based on the City's Assessment Policy and used the rates and procedures outlined in the November 5, 2018, project feasibility study and as presented at the October 10, 2018 neighborhood meeting and the November 19, 2018 public hearing. Mr. Cavett explained that the proposed assessments, upon approval of the assessment roll, would result in final assessment statements being sent to all the affected property owners. Property owners could elect to pay their assessment interest free within the first 30 days. After 30 days, any unpaid assessments will be certified to Scott or Le Sueur Counties respectively for collection beginning in 2020.

The streets included in the 2019 Project included:

- 12th Street NW, English Avenue NW to Columbus Avenue N
- Columbus Avenue N, 12th Street NW to end of pavement
- Heritage Trail NE, Columbus Avenue N to 1,430 feet east
- Philipp Parkway, 7th Street NE to trail 250 feet south of Heritage Trail NE
- Bohemia Street NE, Philipp Parkway to Lexington Avenue N
- Bavaria Lane, Philipp Parkway to dead-end
- Bernas Lane, Philipp Parkway to dead-end
- Vrtis Lane, Philipp Parkway to dead-end
- Bruzek Lane, Lexington Avenue N to dead-end
- Lexington Avenue N, Bruzek Lane to Bohemia Street
- Highview Drive NE, 10th Avenue NE to dead-end
- Ironwood Avenue NE, 4th Street NE to dead-end
- Cherrywood Drive NE, Ironwood Avenue NE to Lady Slipper Avenue
- Cottonwood Lane NE, Lady Slipper Avenue to 3rd Street NE

City Council Proceedings

1220

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

}

City Council Meeting
Monday, October 21, 2019

- 1st Street NE, 10th Avenue NE to Lady Slipper Avenue
- Columbus Avenue S, 2nd Street SE to 8th Street SE
- 4th Street SE, Columbus Avenue S to dead-end
- 5th Street SE, Columbus Avenue S to dead-end
- 6th Street SE, Columbus Avenue S to dead-end
- 8th Street SE, 1st Avenue SE to Columbus Avenue S
- Naylor Avenue, Main Street to end
- 7th Street NW/NE, TH 21 to 10th Avenue NE
- 10th Avenue NE, TH 19 to 7th Street NE
- 3rd Avenue NW Sanitary Sewer Reconstruction.
- Mini Roundabouts at the intersections of 7th Street NE/Columbus Avenue N and 12th Street NE/Columbus Avenue N.

There was some discussion between Council, City Engineer Cavett and City Attorney Riggs before it was opened up to the public.

In attendance, received assessment questions/comments/concerns from:

Paul Simon, 708 Lexington Ave N, PID#: 240250060-1. Can he pay with credit card? Ken Ondich said he will need to get back to him on this. 2. Railroad tracks by Flipside, why paying for this? Tax payers are not, it's part of the 2020 project. 3. Question of his property on Red Wing Avenue. Cavett addressed his questions. 4. CR37 Detour Route during 2020 Main Street project. Cavett assured the road is set up to handle the traffic. The road is a 10 ton road and has a two year warranty.

Darcy Mach, 701 Columbus Ave S, PID#: 23.520.0020-1. Why can't you make partial payments to the special assessments? Attorney Riggs stated it is a City ordinance that requires full payment. 2. Who to talk to about damage done to her yard from the gas meter replacement completed this summer. City Engineer Cavett has made note of this issue and will follow up Center Point Energy on this.

Craig Sindelar, 807 Columbus Ave S, PID#: 23.620.0080-asked for Council's thoughts on the 2019 project and provided his. Frustrated that the crews didn't appear to work late during the week or on the weekends to get the job done. He felt they did a poor job.

David Bruzek, 204 6th St Cir SE, PID#: 23.520.0100-concerned about some roadwork needing to be patched. Was informed it's on the to do list of items to do. Also concerned about the poor clean up from the Gas Co.

Nathan Girard, 601 Bavaria Ln, PID#: 240680080-concern about the percentage of assessments paid. Mr. Cavett addressed his concerns. Cash payment discount? Ondich confirmed no.

Craig Sindelar, 807 Columbus Ave. S, - Questions about deferred assessments. See City Administrator Johnson or Ken Ondich about this.

Chris Skluzacek, 606 Columbus Avenue South - PID#:23.520.0140-Clarification on Special Assessment payments.

City Council Proceedings

1221

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

}

City Council Meeting
Monday, October 21, 2019

Per Ken Ondich, addressed three special assessment objections submitted in writing and City Attorney Riggs provided additional comments:

1. New Day Church, 1201 1st St NE, PID#: 240570050-disputing proposed assessment.
2. Community Baptist Church, 500 CR37, PID#'s: 240330010 & 240330020-objection to the assessment
3. Steven & Jen Moore, 402 7th St NE, PID#:240220180 - disagree with the short notice they were given to pay the assessment before it incurs interest. Extend the time before interest is charged?

After discussion, it was moved by Nickolay and seconded by Bass to close the public hearing at 6:56 pm. All voted in favor, motion carried. (5-0)

It was moved by Nickolay and seconded by Seiler to acknowledge the three objections received by the City were addressed and approve *RESOLUTION #19-10-21-01 2019 STREET AND UTILITY IMPROVEMENT PROJECT RESOLUTION ADOPTING ASSESSMENT*. All voted in favor, motion carried. (5-0)

Planning/Community Development Director Ken Ondich presented to the Council a request from Kwik Trip, Inc. who has applied to re-plat Lots 1 & 2, Block 3, Highview 10th Addition as part of the platting process to create a larger single lot for a new Kwik Trip Store to be located at the NE corner of the intersection of Main Street and Chalupsky Ave. NE.

The re-plat of the two lots in Highview 10th Addition doesn't automatically vacate the easements that exist adjacent to the existing lot lines and therefore Kwik Trip, Inc. has made application to vacate certain easements that are no longer needed once the property is re-platted. New easements will be platted with their proposed plat which is to be known as "Kwik Trip 1090" and will be reviewed by the Planning Commission in November. One of the conditions for approval of the plat will be the need to vacate these unneeded easements. Staff does not believe there to be any utility lines (public or private) located in the easements at this time as the lots have remained undeveloped since they were platted in 2000.

A public hearing needs to be scheduled before the vacation can be approved to gather input from utility companies and affected properties. Staff recommends holding this public hearing on Monday, November 18th, 2019. A public notice will be published in the Thursday, October 31, 2019 and Thursday, November 7, 2019 New Prague Times. The proposed ordinance approving the vacation is also attached so that the introduction of the ordinance can be completed at tonight's meeting to allow for possible adoption the ordinance following the public hearing on November 18th.

After discussion, it was moved by Nickolay, seconded by Bass to approve *RESOLUTION #19-10-21-02 SETTING A PUBLIC HEARING TO VACATE CERTAIN EASEMENTS IN THE PLAT OF HIGHVIEW 10TH ADDITION*. All voted in favor, motion carried. (5-0)

City Council Proceedings

1222

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

}

City Council Meeting
Monday, October 21, 2019

It was moved by Seiler, seconded by Nickolay to approve the introduction of the First Reading of *ORDINANCE #307 VACATING CERTAIN EASEMENTS IN THE PLAT OF HIGHVIEW 10TH ADDITION*. All voted in favor, motion carried. (5-0)

Ken Ondich (Patty wasn't at the meeting) and Ms. Vicki Walsh with CBIZ, Inc. presented to the Council the details of offering a Health Savings Account (HSA) to employees that will be more beneficial to the employees while saving the City money. Since 2009, the employees have engaged in a Flexible Spending Account (FSA) and Voluntary Employee's Beneficiary Association (VEBA) Currently, the VEBA plan is controlled by what the City is willing to contribute, which means employees cannot contribute to their VEBA account. Since 2014, the City contribution has been \$500 for single and \$1,000 for family.

In addition to VEBA, the City engaged in a FSA that allowed the employees to commit to a deduction amount per paycheck and use the money immediately and pay throughout the year. The downside is the annual maximum that can be contributed by the employee is \$2,700. Once the decision is made, the employee cannot change their contribution until the next open enrollment period. If they don't use the entire amount, they lose it at year end and it does not roll over.

Staff has researched and is recommending that the employees can benefit far more if the City switches to a Health Savings Account (HSA) instead of a FSA. A HSA is more flexible and allows the employee to save more money on a pre-tax basis. They will never lose the money they contribute to this account and it accumulates tax free without limits (must comply with annual limits). Also, employees can change their contributions throughout the year. Moving to a qualified High Deductible Health Plan (HDHP) allows the plan to cover preventative medications prior to deductible.

After discussion, it was moved by Seiler, seconded by Bass to approve the move from the current FSA/VEBA plan to a HSA plan effective January 1, 2020. All voted in favor, motion carried. (5-0)

Ken Ondich and Ms. Walsh with CBIZ presented to the Council the 2020 health insurance rates based on the previous agenda item where the Council had approved the move to the HSA Plan. The Staff recommendation was to approve Health Partners health insurance premium increase of 9.3% for all full-time City employees/families for 2020.

It was moved by Nickolay, seconded by Wolf to approve Health Partner's health insurance premium increase of 9.3%. All voted in favor, motion carried. (5-0)

Golf Board Member Chuck Nickolay presented to the Council some elements of the proposed 2020 Golf Budget. Although they did not finish their proposed budget for next year, they would like to recommend to the Council their proposed 2020 golf membership rates and the 2020 green fees/cart fees. The Golf Board budget likely won't be ready until the first part of November but would appreciate the Council to consider the 2020 green and cart fees so they can begin advertising and marketing the 2020 rates.

City Council Proceedings

1223

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

}

City Council Meeting
Monday, October 21, 2019

It was moved by Wolf, seconded by Ryan to approve New Prague Golf Board's recommended Membership Rates and Green Fees/Cart Fees for 2020. All voted in favor, motion carried. (5-0)

Planning/Community Development Director Ondich provided a follow up from the Council Workshop on March 11, 2019 and a discussion with the City Council on April 1, 2019 regarding a rental dwelling license ordinance. The last discussion the Council had on this topic was to have City Staff collect data on the number of calls received regarding rental properties for both nuisance/code issues (Building/Planning Dept.) as well as for calls for service (Police Dept.) for the six (6) month period of time from April 1, 2019 to September 30, 2019. In Summary, the data collected was noted as not shedding any new light on whether or not to implement an ordinance, but that staff believes there is a need to implement an ordinance to take the onus off rental tenants and to proactively ensure that units are safe and the stock of units remain of good quality.

Two landlords present at the meeting included Joe Lambrecht and Craig Sindelar. Neither were in favor of setting up a Rental Dwelling License Ordinance. After extensive discussion with Council, it was decided to set up a Task Force Committee to discuss this topic further before moving forward on any decision. Staff will prepare a recommendation for the Council to consider.

It was moved by Ryan, seconded by Bass to approve the following consent agenda items:

- A. October 7, 2019 City Council Regular Meeting Minutes
- B. Claims for Payment
- C. Quarterly Financial Report for Period Ending September 30, 2019
- D. Approve LG220 MN Lawful Gambling Application for Exempt Permit to Conduct Pull-Tabs for a St. Patrick Athletic Association Event on January 31, 2020 at the Knights of Columbus Hall, 411 4th Avenue SW.

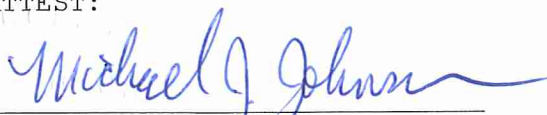
All voted in favor, motion carried. (5-0)

Miscellaneous Items:

Chuck Nickolay - 1. What is the status of the Facilities Survey (an annual objective for the Council)? Update on a structural issue on the outside of the City Hall? Ken Ondich recommended addressing these issues with City Administrator Mike Johnson.

It was moved by Nickolay and seconded by Ryan to adjourn the meeting at approximately 8:18 p.m. All voted in favor of the motion. Motion passed. (5-0)

ATTEST:



Michael J. Johnson
City Administrator



Charles L. Nickolay
Mayor