

City Council Proceedings

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

} City Council Meeting
Monday, November 7, 2022

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

Absent: Mayor Duane Jirik

Staff Present at Meeting: Josh Tetzlaff, Ken Ondich, Jim Gareis, Bruce Reimers, Matt Rynda, and Barb Ulschmid

Others On-Line: Chris Knutson, City Engineer and Chris Janson, MSA

Vice President Seiler asked if there were any additions/updates to the Council Agenda. There being none, motion by Wolf, seconded by Bass to approve the Agenda. All voted in favor. Motion carried (4-0).

Vice President Seiler asked if there were any comments on the Consent Agenda. Council Member Bass inquired if there were supply issues with the purchase of the Director's Vehicle, getting new or used? Public Works Director Matt Rynda explained it would be a new truck. Also, Council Member Wolf inquired about the sale of Fitness Center equipment and where the funds were going to? Director Ondich explained these items were purchased by the City and are included in the Joint Powers Agreement where the intent is to put that money back into the Fitness/Aquatic Center recreational equipment. Motion by Seiler, seconded by Ryan to approve the CONSENT AGENDA as follows:

- A. Regular City Council Meeting Minutes for October 17, 2022 and Special City Council Meeting Minutes for October 27, 2022
- B. Claims for Payment: **\$621,080.99** (November 7, 2022)
- C. Surplus City Property
- D. Purchase of a Director's Vehicle
- E. Appointment of Police Clerk-Typist Position

All voted in favor. Motion carried (4-0).

CITY ENGINEER PROJECT UPDATES: City Engineer Chris Knutson provided a brief update on each of the following SEH projects for the City of New Prague: Main Street (TH19) Improvements Project, 2022 Street and Utility Improvements (Columbus Ave), 2023 Street and Utility Improvements (Columbus Ave), and HSIP 10th Avenue SE-1st Street SE RRFB.

PUBLIC INVITED TO BE HEARD ON MATTERS NOT ON THE AGENDA - Tim and Carol Simon introduced themselves to the Council as the owners of CBDAnswers101.com. Wanted to familiarize themselves to the City and State's new ordinances and what that all entails. Have been in business since 2019 and have been in communications with Police Chief Gareis. Mr. Simon explained their business is about educating people on the medical benefits of CBD and THC. They are located outside of town and Police Chief Gareis explained if they sell CBD at or under the legal limit, their business is complying with the ordinances. City Administrator Tetzlaff suggested this topic could be talked about further within the Adoption of Ordinance #331 coming up later in the agenda.

INTRODUCTION OF ORDINANCE #333- Planning/Community Development Director Ken Ondich explained that at the September Planning Commission meeting discussions began regarding potentially allowing limited accessory retail

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sales in the I-1 Light Industrial Zoning District, based on inquiries received from a couple of existing businesses if they could have limited retail. Currently, the zoning district does not allow any retail sales in the I-1 Light Industrial District. Staff researched the matter and found many cities allow up to 30% of an industrial building to provide for accessory retail sales (i.e., sales of products they manufacture or store in their buildings). The Planning Commission further discussed limited sales to 30% of tenant spaces as well as putting an overall cap of retail sales areas at 5,000 sq. ft. regardless of the size of the building.

After discussion, motion by Ryan, seconded by Bass to *APPROVE THE INTRODUCTION OF ORDINANCE #333 AMENDING SECTION 611 OF THE ZONING ORDINANCE TITLED LIGHT INDUSTRIAL DISTRICT*. All voted in favor. Motion carried (4-0).

INTRODUCTION OF ORDINANCE #334 - Director Ondich explained that Tree City USA is a national program to promote and maintain the health of public trees in urban communities. Over 100 cities in MN have become a part of Tree City USA including Belle Plaine, Shakopee, Lonsdale, and Prior Lake. Some natural benefits associated with trees include reducing urban heat islands, buffering noise, increasing property values, and improving mental health. Additional advantages include city recognition and increased likelihood of receiving funding for certain grants. Director Ondich shared the three requirements needed to become a Tree City USA member. The annual deadline is December 31st. Also, talked about the information that must be included in The Public Tree Care.

After discussion, motion by Bass with the possibility of amending section 4A, seconded by Ryan to *APPROVE THE INTRODUCTION OF ORDINANCE #334 AMENDING CHAPTER 92.01 TITLED TREE DISEASES AND INFESTATIONS OF THE NEW PRAGUE CITY CODE*. All voted in favor. Motion carried (4-0).

ADOPTION OF ORDINANCE #331 - Amending Title XI of the New Prague City Code by Creating a New Chapter 121 as to Tetrahydrocannabinol Products. Director Ondich reviewed the process where at the August 1, 2022 City Council meeting, an emergency interim ordinance (moratorium) was approved for a one-year time period to further study the effect of the state's new law regarding THC products. During the discussion of the moratorium, the Council discussed support for a licensing ordinance that would limit licenses to be issued to locations that are commercially zoned and located within brick/mortar locations. City staff worked with the City Attorney's office to develop this THC licensing ordinance. The introduction of the proposed ordinance took place on September 19, 2022. The Planning Commission held a public hearing on the proposed ordinance on October 26, 2022 with no public comments received. Regarding the fees, the City Council previous discussed having a fee that would fall between that of a tobacco license and liquor license. Staff suggested a \$200 THC License Application/Investigation Fee (same amount as liquor licenses as the work is the same) and \$350 THC Annual License (Tobacco License is \$200 annually vs. \$3,000 for on-sale intoxicating). Tim and Carol Simon continued their presentation started within the Public Hearing portion of the meeting.

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After discussion, motion by Wolf, seconded by Bass to APPROVE THE ADOPTION OF ORDINANCE #331 AMENDING TITLE XI OF THE NEW PRAGUE CITY CODE BY CREATING A NEW CHAPTER 121 AS TO TETRAHYDROCANNABINOL PRODUCTS AND AMEND THE CITY'S OFFICIAL FEE SCHEDULE TO ADD A THC APPLICATION/INVESTIGATION FEE OF \$200 AND THE THC ANNUAL LICENSE FEE OF \$350. All voted in favor. Motion carried (4-0).

ADOPTION OF ORDINANCE #332 - Adding Chapter 95 Titled Regulations Pertaining to Large Assemblies of the New Prague City Code. Director Ondich shared that one of the items on the City Council's visioning list for 2022 completion is an "events permit" process for a more formalized approach to the City's review and permitting of larger gatherings within the City such as Dožínky, Czech Out New Prague, Half-Marathon, or concerts/community events held at city parks that exceed 250 attendees. It does exempt athletic fields, auditoriums, places of worship and family events at someone's home, which are areas that can commonly have events of that size and which can most times be reviewed under the City's zoning ordinance as a conditional use due to their permanent nature. The introduction of the proposed ordinance occurred on September 19, 2022 and Staff recommended that the fees be established as presented: Level A - New Event \$150, Level A - Repeat Event \$75, Level B - New/Repeat Event \$50, and Level C - New/Repeat Event \$30.

After discussion, motion by Bass, seconded by Ryan to APPROVE THE ADOPTION OF ORDINANCE #332 ADDING CHAPTER 95 TITLED REGULATIONS PERTAINING TO LARGE ASSEMBLIES OF THE NEW PRAGUE CITY CODE AND AMEND THE CITY'S OFFICIAL FEE SCHEDULE TO ADD FEES WITHIN LEVELS A-C. All voted in favor. Motion carried (4-0).

RESOLUTIONS: Amending the Official 2022 Fee Schedule. Utilities General Manager Bruce Reimers explained that over the past year, energy prices have increased significantly across the country. New Prague Utilities purchases power from the Southern Minnesota Municipal Power Agency (SMMPA). SMMPA obtains that power from a variety of resources, including renewable resources, traditional power plants, and the regional energy market. Since this spring, electricity prices have been unusually high in the regional energy market due to the high cost of natural gas, increased costs due to difficulties moving electricity from where it is generated to where it is used, and other supply-chain constraints affecting the economy. Throughout 2022, SMMPA and NPUC have been able to use cash reserves to keep energy prices stable. However, due to energy prices remaining high for a sustained period of time, SMMPA's reserves were drawn down to the point where it has become necessary for the Agency to increase its energy rates. In October, SMMPA Board of Directors voted to approve a rate increase that will be applied to Energy only. This rate increase has resulted in a 15.6% increase in Wholesale Energy Rates to all members.

After discussion, motion by Wolf and seconded by Ryan to approve RESOLUTION #22-11-07-01 - AMENDING THE OFFICIAL 2022 CITY FEE SCHEDULE TO INCLUDE THE NEW RETAIL RATE EQUIVALENT OF \$.0087 PER KWH, OR APPROXIMATELY 7.3% STARTING WITH THE NOVEMBER USAGE BILLED IN DECEMBER. All voted in favor. Motion carried (4-0).

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Director Ondich explained that back on January 18, 2022, the City Council accepted public improvements in 3 of 4 phases of the Eastland development (1a, 1b, and 2b). The last portion (2a) had not yet been accepted and as it needed a final lift of bituminous placed. The final work for area 2a has now been completed and Witt Development, Inc. and is seeking acceptance of the final phase of the public improvement for the Eastland Development. The warranty period for this last phase shall run for two years from the acceptance date of November 7, 2022.

Motion by Ryan, seconded by Seiler to approve RESOLUTION #22-11-07-02 - ACCEPTING PROJECT - EASTLAND PHASE 2A. All voted in favor. Motion carried (4-0).

GENERAL BUSINESS:

SELECT CONSULTANT FOR COMPREHENSIVE PLAN UPDATE - Director Ondich explained that in the Council's Visioning document for 2022, City Staff had been moving forward with preparations for the update of the City's Comprehensive Plan. The Council approved a total budget of \$75,000 for consulting services to update the Comprehensive Plan. A total of 5 proposals were received and the top three were interviewed the week of October 24th. It was the consensus of Staff to select MSA as the firm for the Comprehensive Plan update and would begin updating the plan in January 2023. Chris Janson with MSA was on-line to introduce himself and shared he has been a Planner with MSA for 16 years. Discussion took place on who would be part of the Steering Committee. After discussion, motion by Bass, seconded by Seiler to SELECT MSA AS THE CONSULTANT TO COMPLETE THE COMPREHENSIVE PLAN UPDATE AND APPROVE THE CONTRACT IN AN AMOUNT NOT TO EXCEED \$72,200. All voted in favor. Motion carried (4-0).

CITY COUNCIL ORIENTATION MANUAL - City Administrator Tetzlaff explained that when he was hired one of the tasks the Council wanted him to do was to develop a City Council Orientation manual to give new Councilmembers a better grasp on the things they should know. A first draft was presented and the Councilmembers provided input and discussed took place. Being this is a first draft, staff will continue to review/refine and bring back to Council.

RENEW ANIMAL CONTROL CONTRACT WITH MINNESOTA CRITTER GETTERS FOR JANUARY 2023 TO DECEMBER 2025 - Police Chief Jim Gareis explained that the animal control contract was renewed in 2019 and ends as of December 31, 2022. The City has maintained a contract with MN Critter Getters since 2007. The monthly contracted price would now be \$1,300 for the duration of the contract. There has not been an increase in the cost of the contract for the last 9 years. This renewed contract would include an additional \$100 per month for a total of \$1,300 per month. Items included within the Contract retainer were shared/listed. There are additional stipulations in the contract regarding care and facility elements maintained by the provider. Wolf asked how this money would be recouped within the Fee Schedule. After discussion, motion by Bass, seconded by Ryan to APPROVE AND RENEW THE ANIMAL CONTROL CONTRACT WITH MINNESOTA CRITTER GETTERS FOR JANUARY 2023 TO DECEMBER 2025 AT THE COST OF \$1,300 PER MONTH. All voted in favor. Motion carried (4-0).

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FUTURE POLICE CHIEF RECOMMENDATIONS - City Administrator Tetzlaff shared that Police Chief Jim Gareis has been the New Prague Police Chief for over eight years and announced his last day with the City of New Prague is December 31, 2022. With his pending retirement, it is time for the City to consider the next step and requested permission from City Council to post for the Police Chief internally. The Council and Staff discussed and agreed to post the position internally (beginning 11/8/22 and closing on 11/14/22 at noon but also post externally. Council expressed interest in partaking in the interviewing process with staff. Staff will coordinate the candidate interviews with Councilmembers.

JOINT POWERS AGREEMENT WITH SCOTT COUNTY - City Administrator Tetzlaff explained that per an email from Michael Thompson, Scott County Assessor, a proposed contract with Scott County for assessment services covering a five-year period from 2023 through 2027 was provided for review and approval. Increases to the proposed City's assessment costs were discussed. Overall, the proposed contract for the five years would increase by a total of \$6,900, or an average annual increase of 3.0%. City Staff provided a graph that showed the historical cost for assessing services with Scott County dated back to 2014. Le Sueur County has not charged the City for assessing services since 2008. Discussion occurred on how the assessment fee increases are decided. Council asked City Administrator Tetzlaff to reach out to Scott County Assessor Thompson to see if he could provide additional detail on the fee increases or present at an upcoming meeting. After discussion, motion by Seiler, seconded by Wolf to *APPROVE THE JOINT POWERS AGREEMENT WITH SCOTT COUNTY FOR ASSESSMENT SERVICES AT A COST OF \$44,400 FOR 2023, \$45,700 FOR 2024, \$47,100 FOR 2025, \$48,500 FOR 2026, AND \$50,000 FOR 2027*. All voted in favor. Motion carried (4-0).

IT SECURITY POLICY UPDATE - City Administrator Tetzlaff explained that the Risk Assessment that was done earlier this year, staff wanted to start working on policies to help guide the City in how it handles IT Security. In consultation with CTS, a couple different approaches could be taken. First, the City would begin working on a new IT User Handbook and start with two policies. First policy would be to name a single person as the IT Security Officer. This single person would be responsible for overseeing IT security and ensuring policies are up to date. The second policy would be to recommend putting in place a password management, multi-factor authentication policy. This policy would be in place to require users on the system to keep their information more secure. Both policies were included in the draft IT User Handbook for Council's review/approval. After discussion, Council and Staff agreed the IT Security Officer (being the City doesn't have an IT department), should appoint the role to a position and for now is recommending the City Administrator (a highly secured position) and include the department heads in the decision-making process. Agreed the Password Policy would be a good fit for someone in HR. After discussion, motion by Seiler, seconded by Wolf to *APPROVE THE DRAFT IT SECURITY USER HANDBOOK AND TWO POLICIES*. All voted in favor. Motion carried (4-0).

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MISCELLANEOUS:

1. Meeting Minutes - Informational only - Golf, Planning, and Utilities
2. Update on New Business, Chalk It Up LLC - Police Chief Gareis shared that he met with Denise York a couple weeks ago and also a follow up meeting last week. Ms. York will continue to work on items in order to receive a Certificate of Occupancy. City Staff will continue to assist to get Ms. York through the process of also setting up the building to become ADA acceptable.
3. Ondich - Reminder of the General Election tomorrow from 7 a.m to 8:00 p.m. at the Fitness and Aquatic Center. The Canvassing meeting is scheduled for Thursday, November 17th at 7:30 a.m. Will need at least three councilmembers to attend.

Motion by Bass, seconded by Ryan to adjourn at approximately 7:59 p.m. All voted in favor. Motion carried (4-0).

ATTEST:



Duane J. Jirik
Mayor



Joshua M. Tetzlaff
City Administrator