

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

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City Council Meeting
Monday, November 20, 2017

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

Staff Present: Chief Gareis, Mike Johnson, Ken Ondich, Glen Sticha, and Barb Ulschmid.

City Administrator Johnson asked the Council to amend the agenda and include agenda item #5.5, the 3 proposed bank change documents with the First Bank and Trust, Brookings, SD (as part of the merger with the State Bank of New Prague).

It was moved by Mayor Nickolay, seconded by Bruzek to approve the Agenda Amendment. All voted in favor of the motion. (5-0)

Planning/Community Development Director Ondich asked the Council to consider the Second and Final Readings of Ordinance No. 301 and adopt the Ordinance Amending Section 708 of the Zoning Code relating to Fencing.

The Ordinance deletions and additions were reviewed in detail at the November 6th Council meeting and posted per the 10 day notice requirement on November 7, 2017.

Following discussion, motion made by Ryan, seconded by Jirik to approve the Second and Final Reading of Ordinance No.301. All voted in favor. Motion carried. (5-0)

Public Works Director Glen Sticha presented the details involved in the development of an Agreement for Telecommunication Services with BEVCOMM for the installation of fiber optics to 4 WWTF Lift Stations.

Staff has been exploring the different possibilities of connecting all 9 lift stations to the Wastewater Treatment Plants Supervisory Control and Data Acquisition system (SCADA)- all part of the 2017 Capital Improvement plan. However, in looking at the radio, cell phone and fiber optics system options, BEVCOMM has fiber near 4 lift stations and Staff believes fiber optics is the most reliable connective system. Staff has negotiated a 3 year agreement with BEVCOMM which has been reviewed by City Attorney, Scott Riggs. The agreement includes having the fiber installed to 4 stations for a one-time fee of \$9,100.00. These 4 stations would have monthly internet service at a cost of \$49.95/station, yearly \$599.40/station. As

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part of this pricing, BEVCOMM would require a 3 year contract which staff feels is a good option instead of spending the money up front for the City to run a fiber system just for the lift stations. If and when a City fiber line would be run near any of the 4 stations and the 3 year agreement is met, the City could opt out of the BEVCOMM service and hook up to the City Network.

After discussion, it was moved by Ryan, seconded by Bruzek to approve the Agreement for services with BEVCOMM for Fiber Optics Installation and Operation to the 4 WWTF Lift Stations. All voted in favor. Motion carried. (5-0)

Public Works Director Sticha presented the City Council with details pertaining to information received from the Minnesota Environmental Science and Economic Review Board (MESERB) concerning the Minnesota Pollution Control Agency's (MPCA) proposed environmental changes to the Wild Rice Sulfate Water Quality standard.

The City of New Prague's wastewater facility is within 60 miles of a proposed wild rice water body which means the WWTP could face sulfate limits in future permits. MESERB feels the new rule is important to look at, but believes it is not yet ready for adoption and is currently looking for input from those entities within 60 miles of a proposed wild rice water body.

The science is so new that the MPCA is using overly conservative assumptions which leads to a costly standard that is more restrictive than necessary in the protection of wild rice. A treatment system involving reverse osmosis and/or lime softening is estimated to cost about \$10-75 million to install a treatment system, plus annual operating costs.

Mr. Sticha asked the Council for the approval to send a letter to the Office of Administration stating the City of New Prague's concerns/input involving the overly conservative assumptions and incomplete analysis, resulting in a standard that is more restrictive than necessary. Given the significant financial costs of complying with these rules, it is unreasonable to adopt a rule that goes beyond what is necessary to protect wild rice.

If approved, Mayor Nickolay would sign a letter drafted by MESERB and email it to the Office of Administrative Hearings before the deadline of Wednesday, November 22, 2017.

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After discussion, it was moved by Nickolay and seconded by Bass to approve sending the attached letter to the Office of Administrative Hearings. All voted in favor of the motion. Motion carried. (5-0)

Planning/Community Development Director Ondich addressed the Council on a proposed new City Policy for Impaired Child at Play Zone Signage. Mr. Ondich stated that on a couple of occasions over the past 8 years, staff had inquiries from the public about installing signs for impaired children to protect them from vehicles traveling on roads near their homes (ie: blind, deaf, etc.)

A sign was installed back in 2009 and recently staff had an inquiry about a sign, but no formal request. Staff has revisited the topic and had discussions with the City Attorney's office to draft a policy that would accommodate requests for impaired child at play zones signage.

Mr. Ondich asked for approval of a draft policy that would provide an application and agreement document. The application and agreement specifically requests a physician's statement of the impairment and notes that the cost of the sign and its installation is the responsibility of the applicant, along with an annual recertification. Staff estimated the cost of the sign and it's installation to be around \$150 total.

After discussion, it was moved by Ryan, seconded by Jirik to approve the Policy with minor changes for the new Impaired Child at Play Zone signage. All voted in favor of the motion. Motion carried. (5-0)

City Administrator, Mike Johnson provided a brief overview of the packet of information on the 2018 City Budget and Proposal for the 2018 Payable Property Tax Levy. The "preliminary" Property Tax Levy for 2018 was \$4,166,210, an increase of \$169,210 or 4.23% over the 2017 levy of \$3,977,000. City Staff was able to reduce that "preliminary" property tax levy from \$4,166,210 down to \$4,089,000 on October 9, 2017, which was a reduction of \$77,210. That left the revised "preliminary" property tax levy at \$4,089,000, or up \$92,000 or 2.3%.

Mr. Johnson shared additional information on the history of the City's Annual Property Tax Levy, the annual changes, and the estimated impacts to property owners. The Council had discussion on possible budget changes and on the proposed levy and impacts.

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It was the consensus of the Council to leave the proposed 2018 General Fund Budget as is and the proposed 2018 Payable Property Tax Levy as revised for the Public Hearing on December 4, 2017 at 6:00 p.m. No additional action was taken at this time.

Mayor Nickolay indicated that it was time to address the Amended Agenda Item #5.5 which were the Bank Change Documents with the First Bank & Trust (merger with State Bank of New Prague).

Mr. Johnson indicated that these documents were received late last week from the new bank, had been reviewed by the City Attorney's Office and were now being recommended for approval because the changeover begins December 1, 2017. The documents included:

1. Securities Custodial Agreement
2. ACH Agreement
3. Security Procedure Waiver

After a brief review and discussion, it was moved by Jirik and seconded by Ryan to approve all three of the documents with the First Bank & Trust. All voted in favor of the motion. Motion carried. (5-0)

It was moved by Mayor Nickolay, seconded by Bruzek to approve the following consent agenda items with the conditions as recommended by the City Administrator on Item C, noted below:

- A. November 6, 2017 Regular Meeting and November 9, 2017 Special City Council Meeting Minutes
- B. Claims for Payment dated 11/20/17 in the amount of \$214,409.35.
- C. Approve the New Prague Historical Society application and permit for a 1-4 day temporary On-Sale Liquor License for December 8-9, 2017 at 210-212 Main Street W. with conditions:
 1. The liquor license covers the time periods stated in the letter from 12:00 p.m. to 8:00 p.m. Friday, December 8th and 9:00 a.m. to 4:00 p.m. Saturday, December 9th.
 2. No beer taste testings are to occur during this event.
 3. The Building Official needs to approve the area shaded in yellow on the application prior to any use of the floor space for the event.

All voted in favor of the motion. Motion passed. (5-0)

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Public Works General Manager Sticha reported that the back stop poles are in at the baseball field. The next step is to start forming up the knee wall, if weather continues to cooperate. Footings for the light poles are in. City Administrator Johnson mentioned that the City met with the City Attorney's Office and Project Engineer and went over what needs to happen before and after the November 17, 2017 completion date to keep the project moving along.

Planning/Community Director Ondich informed the Council that the City issued a Demo Permit for Econofoods today. There is no construction starting date for Kwik Trip, but they are still planning on building on this site in 2018.


City Administrator Johnson informed the Council that regarding the Affordable Senior Housing Project, Mr. Mark Applebaum is supposed to close on their loans on November 21st and expect to see construction equipment on the site after Thanksgiving. Project will be starting soon. Condolences and sympathies to Patty Solheid, Finance Director on the passing of her husband Ken Solheid.

Council Member Jirik inquired about Noise Ordinances for trains. Mr. Ondich said the Railroad is exempt from a noise ordinance Federal Law.

Mayor Nickolay reminded Councilmembers to get their evaluations turned in on City Administrator Mike Johnson by December 15th. He would propose to go over the evaluations at the last council meeting in December.

It was moved by Nickolay and seconded by Ryan to adjourn the meeting at 7:10 p.m. All voted in favor of the motion. Motion passed. (5-0)

ATTEST:



Charles L. Nickolay
Mayor



Michael J. Johnson
City Administrator