

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



City Council Meeting  
Monday, December 5, 2016

Mayor Nickolay called the meeting to order at 6:00 P.M. with the following members present: Nickolay, Bruzek, Jirik, Ryan, Tuma

Staff Present: Mike Johnson, Ken Ondich, Jim Gareis, Glen Sticha, Bruce Reimers, Patty Solheid and Mary Jo Hruby

City Attorney Scott Riggs was also present.

Mayor Nickolay amended the Agenda by moving Agenda Item #2 Consider Memorial Park Cabin - Restoration Funding Request from the New Prague Area Historical Society in front of Agenda Item #10.

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

Mayor Nickolay opened the Truth & Taxation Public Hearing on the City's Proposed 2017 City Budget at 6:03 p.m.

Resident at 211 Central Ave. N. had concerns and questions about her property taxes going up.

City Administrator Johnson offered to review her tax statements if she wants.

City Administrator, Mike Johnson provided a brief overview of the packet of information on the 2017 Proposed General Fund Budget, the Debt Service Budget and the City's Proposed 2017 Property Tax Levy. The proposed Property Tax Levy for 2017 is \$4,017,000, an increase of \$134,673 or 3.47% over 2016. The City's proposed property tax rate is expected to stay the same from 62.255% in 2016 to 62.255% in 2017. The 2017 Budget and Property Tax Levy adoption will be at the December 19, 2016 City Council meeting.

It was moved by Jirik and seconded by Ryan to close the Public Hearing at 6:25 P.M. All voted in favor of the motion. (5-0)

City Administrator Johnson and City Attorney Riggs reviewed the Emergency Interim Ordinance regarding the residency location of registered Level III predatory Offenders within the City. The City Attorneys believe that this initial action through the adoption of an "Emergency Interim Ordinance" is the most appropriate way to temporarily protect the public, while studying whether new or amended controls are necessary for the community. The "Emergency Interim Ordinance" has a 1,000 foot setback requirement in the Ordinance to restrict either permanent or temporary residence of the school, licensed child-care center, park, library, place of worship, dedicated vulnerable adult housing, or any other place where children are commonly known to regularly congregate. The "Emergency Interim Ordinance" is for a period of 120 days from the date of its adoption or until final adoption of an amendment to the City's Code regarding the residency location of predatory offenders, or upon its express repeal by the City Council, whichever occurs first.

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



City Council Meeting  
 Monday, December 5, 2016

It was moved by Ryan and seconded by Jirik to approve ORDINANCE #293 AN EMERGENCY INTERIM ORDINANCE REGARDING THE RESIDENCY LOCATION OF REGISTERED LEVEL III PREDATORY OFFENDERS WITHIN THE CITY; ESTABLISHING A MORATORIUM; AND DIRECTING THAT STUDIES OF REGULATIONS AND OFFICIAL CONTROLS BE CONDUCTED.

Upon roll call the following vote was recorded:

	<u>Ayes</u>	<u>Nays</u>
Nickolay	<u>x</u>	_____
Bruzek	<u>x</u>	_____
Jirik	<u>x</u>	_____
Ryan	<u>x</u>	_____
Tuma	<u>x</u>	_____

Motion carried. (5-0)

Mr. Riggs presented a "Draft Ordinance" Amending Title IX of the New Prague City Code by Creating a New Chapter 94 as to Registered Offender Residency Regulations. Concurrence of the Council is to move forward with the Ordinance and have the Introduction of the Ordinance and Public Hearing at the January 17<sup>th</sup> City Council meeting.

General Manager Reimers presented the City Council with an overview of the proposed 2017 Electric Budget. Mr. Reimers noted the overall management goal for the New Prague Utilities Electric Department is to provide safe, reliable and economic public electric service with a focus on customer needs, infrastructure enhancements, growth, and a responsible resource management. Mr. Reimers presented some key budget and operational challenges. The Commission has approved a 3% rate increase across all rate paying customers. The 3% increase includes a 2% increase to Southern Minnesota Municipal Agency and a 1% increase that is needed to fund future expansions within the City, distribution upgrades to replace aging infrastructure and to serve future growth, and continued planning and negotiations for acquiring service territory within the City limits of the City. The Commission recommends the City Council approve the electric and water budgets at their meeting on Monday, December 19<sup>th</sup>.

City Administrator Johnson gave an update on the Chart Inc. Business Subsidy issues. Mr. Johnson noted that City Staff still does not have a "final" resolution on the Chart Inc. Minnesota Investment Fund (MIF) issue with DEED. Mr. Johnson noted he received an email from the State so there is some movement.

Council Member Ryan suggested that if the information is received soon, have a special meeting before approving the budget on December 19<sup>th</sup>.

City Administrator Johnson presented an outline for a Stakeholder Advisory Committee proposal to involve community participation in the preliminary engineering design phase for the MNDOT Highway 19 Reconstruction Project. The committee would consist of between 10 to 15 members, is anticipated to meet approximately every other month throughout the project development process, and are asked to fulfill a

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



City Council Meeting  
Monday, December 5, 2016

two year commitment. The Council should attempt to have the names selected for appointment at the January 17, 2017 City Council meeting.

Council Member Tuma stated she would like to see a senior citizen and a high school student on the Advisory Committee for the MNDT Highway 19 Reconstruction Project.

Planning/Community Development Director Ondich reviewed the Memorial Park Cabin restoration funding request from the New Prague Area Historical Society. The cabin has been located in Memorial Park since it was moved there in 1956 with the donation to the City being made by the New Prague Centennial Committee. In 2016, the Park Board recommended that a company be hired to provide an assessment of the existing cabin to determine what work is needed to repair and restore the existing log cabin. The quotes for the repair and restoration work are as follows: Edmunds & Company Log Home Restorations, LLC (Washburn, WI) - \$31,450.00 and Artisan Restoration, LLC (Kasota, MN) - \$15,948.70 (plus \$1,800 for gutters). The New Prague Area Historical Society took the initiative to seek grant funding to help pay for the repair and restoration of the City's Log Cabin. They applied for and successfully received a \$10,000 grant from the Carl and Verna Schmidt Foundation to help pay for the repair and restoration of the cabin. With the low quotation of approximately \$17,800 (including gutters), the New Prague Area Historical Society is requesting that the City contribute \$6,000 to the project. They propose to fundraise the \$1,800 necessary for wood gutters.

It was moved by Nickolay and seconded by Bruzek to approve the transfer of \$6,000 from the Mayor and Council Contingency Fund to the New Prague Historical Society towards the restoration project. All voted in favor of the motion. (5-0)

Planning/Community Development Director Ondich informed the Council that the City is in need of additional space in the Parks Garage at City Hall. There is a City Hall Bar and four City Hall Ash Trays that have historic value that should be either sold or donated. Mr. Dvorak of the New Prague Area Historical Society stated that the Historical Society has an interest in accepting a donation of the bar so that it stays in New Prague. The bar is in need of restoration to make it usable again. Giesenbrau Bier Co. has expressed interest in the bar to be used in their proposed taproom and has the terms of an agreement worked out with the Historical Society to use the bar. Should their business ever close the bar will be returned to the Historical Society as the City does not want the bar back due to lack of storage space. The Historical Society believes the ash trays have a value of approximately \$200.00 and they also noted that they would request donation of the ash trays at a donation value of approximately \$800.00 total.

It was moved by Bruzek and seconded by Tuma to donate the four ash trays and old City Hall bar to the New Prague Area Historical Society. All voted in favor of the motion. (5-0)

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



City Council Meeting  
Monday, December 5, 2016

Resident Jerry Minar addressed the Council and stated he read the Ted Kopple book "Lights Out" that talks about the increasing risk of a cyberattack on our nation's power grid. Mr. Minar asked if the City of New Prague's power plant is at liberty to start up and save us.

General Manager Reimers replied that they are very aware of cyberattacks and have contingency plans along with SMMPA. Mr. Reimers stated the City of New Prague Power Plant is capable to supply power to the City of New Prague Utility customers and capable of serving outside the service area as well but the New Prague Utility customers come first.

Mr. Wade Brod from Golf Management Enterprises, LLC reviewed the 2017 Golf budget. The proposed 2017 budget is proposed at \$1,099,091, which is an increase of \$84,701 or 8.3% over the 2016 Budget of \$1,014,390. Mr. Brod stated the membership rates will be going up 2%, green fees and cart fees will see \$1.00 increase.

It was moved by Tuma and seconded by Ryan to approve the 2017 membership fees, green fees and cart rates. All voted in favor of the motion. (5-0)

Mayor Nickolay recommended that Mr. Brod meet with City Administrator Johnson and Finance Director Solheid to go over the 2017 Golf Budget in more detail. The Budget will be considered for approval on December 19, 2016.

City Administrator Johnson presented the Golf Course Consultant Agreement between City of New Prague and Golf Management Enterprises, LLC (GME). Mr. Brod, GME, Inc. reviewed the Golf Management - Improvement Concepts and the Goals. The Council had discussion on day to day customer service, management, leadership, and incentives.

After discussion, it was the consensus of the Council to extend the contract with GME for 30 days to the end of January 2017. Meanwhile the City Administrator will meet with Mr. Brod to review the Agreement. The Council Members are to contact Mr. Johnson in the next day or two if they have input for the Agreement.

Discussion was held on the 2017 City Council Meeting Schedule. The July 2017 City Council meeting falls on July 3<sup>rd</sup> which is the day before the 4<sup>th</sup> of July holiday. Consensus of the Council was to move the July meeting to Wednesday, July 5<sup>th</sup>.

Discussion was held on the need to fill vacancies on the City Charter Commission. City Attorney Riggs has indicated that the Council will need to generate a list of names to replace those member vacancies and terms that have technically expired as of December 31, 2015. The two year term appointments will now officially become four year terms and will expire December 31, 2019. The new names will need to be identified by the first meeting in January and then the City Attorney will submit the Council's nominees to the District Court Judge for appointment to the Charter Commission. Mayor Nickolay announced that

City Council Proceedings

824

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



City Council Meeting  
Monday, December 5, 2016

Council Member Bruzek will fill Pat Scripture's term as City Council member representative on the Charter Commission and that there are two positions open. Council Members should find names of people to fill these two positions with a goal of approving a list of names at either the December 19<sup>th</sup> or January 3<sup>rd</sup> City Council meeting.

It was moved by Nickolay and seconded by Ryan to approve the following consent Agenda items:

- A. Approve November 21, 2016 Meeting Minutes
- B. Approve Claims for Payment

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

Public Works Director Sticha reviewed with the Council the Minnesota Environmental Science Economic Review Board (MESERB) and the membership benefits. The MESERB is an organization of Greater Minnesota communities working together to ensure that wastewater treatment regulations are reasonable and based on sound science. MESERB works exclusively on regulatory and legal issues pertaining to wastewater treatment. This high level of specialization puts MESERB in a unique position to speak with authority about the impacts of environmental regulatory and legal actions on wastewater treatment facilities. Staff's recommendation is that the City of New Prague join MESERB to enlist the talent and resources of municipal wastewater officials, corporate consultants and legal analysts in a cooperative effort to improve Minnesota's water quality, while ensuring cost-effective and scientifically valid regulations.

City Attorney Riggs updated the Council on the Cedar Lake Matter. As of the 30<sup>th</sup> of last month the award and the daily interest was reduced down to a judgment so it means it is final and allows Cedar Lake to go ahead and fund it. Mr. Riggs informed the Council that a couple of folks that provided witness are requesting pay for their time and services. They provided information that the City needed to be successful in this matter. Minnesota Rule 45.03 allows this to occur. City Administrator Johnson will put together their requests for payment and bring back for approval at the next meeting.

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Charles L. Nickolay, Mayor

ATTEST:

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Michael J. Johnson  
City Administrator