

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



City Council Meeting
Monday, May 6, 2019

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

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

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

City Administrator Mike Johnson presented to the Council details on a Public Hearing that took place on April 29, 2019 whereby the New Prague Economic Development Authority (EDA) approved a Resolution Approving the Sale of Land and Purchase and Development Agreement between the Authority and Braith Properties LLC. The City Council is now being asked for their approval. The property to be sold is Lot 1, Block 1 within the New Prague Business Park 11th Addition. The proposed lot is 2.59 acres in size and is proposed to be purchased for \$158,000. The purchaser of the property is Braith Properties LLC and the Manager is Howard D. Braith. Mr. Braith is the current owner of Braith Properties LLC at 6208 Le Sueur Avenue, New Prague. He plans on building a 4,992 square foot building that will be used as a Mechanical Repair Shop that will include auto cars and trucks. Construction is slated to begin this spring following a property closing on or about May 7, 2019. Mr. Howard Braith was present at the meeting and introduced his family. He shared that his current place of business is 5 miles out of town and is excited to be building on a "prime" lot in town where he can expand his business and eventually pass on to his son. This lot is located right off of MN State Hwy 21 and near several large businesses in the area.

After discussion it was moved by Ryan, seconded by Bass to approve *RESOLUTION #19-05-06-01 APPROVING CERTAIN ACTIONS BY THE NEW PRAGUE ECONOMIC DEVELOPMENT AUTHORITY*. All voted in favor. Motion carried. (5-0)

City Administrator Johnson explained that a couple months ago, the City Council discussed and considered the potential acquisition of a vacant parcel property at 101 Main Street W. Following deliberation by the City Council, the decision was made to not move forward with the purchase of this property which was recommended by the Downtown Advisory Task Force.

Subsequent to the City Council's consideration of this property acquisition, the City has received an offer from Dr. Mike & Kay Wilcox of New Prague for a donation of \$55,000 to the City to be used to purchase this vacant parcel of land. The intent of their donation would be for the City to use the parcel of land as an open space and/or as a public park in the downtown. The donation came with minimal conditions which are summarized as follows: 1. Property to be known as "Central Plaza", 2. Engage assistance to assist with the development of the Property, 3. Establish a Committee to recommend details of the future

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development of the Property, 4. Purchase and install a small plaque upon the Property memorializing the donation and the donors. Assuming the Council is willing to accept the donation and the conditions of the donation, the donors will issue a check to the City for \$55,000. Upon receipt of the funds, the City could then move forward to make a purchase offer to acquire the property at 101 Main Street W. owned by Mr. Gary Staber. City Staff had attached a Purchase Agreement and Addendum between the City and Mr. Staber for the purchase of this property for \$55,000. The terms of these two documents have been reviewed and preliminarily approved by Mr. Staber prior to the submittal of these documents to the Council. City Staff would expect that if the Council approves the Resolution Accepting the Donation, is in receipt of the Wilcox check for \$55,000, that the Purchase Agreement and Addendum would be executed by Mr. Staber. City Staff reviewed the outline of the terms of the Agreement.

Assuming the Council accepts the Donation Resolution and elects to purchase the property, there is funding set aside in the proposed 2020 Street & Utility Improvement Project for the potential development of this property as an open space and/or a public park (Central Plaza). The documents for this evening's meeting have all been received and approved by the City Attorney's Office for consideration by the Council.

After discussion, it was moved by Nickolay, seconded by Bass to approve *RESOLUTION #19-05-06-02 ACCEPTING DONATION* and to authorize entering into a Purchase Agreement/Addendum with Mr. Gary T. Staber for the property at 101 Main Street West. All voted in favor. Motion carried. (5-0)

Public Works Director Glen Sticha reviewed the bids received for the 2019 Street Seal Coating Project:

<u>Company:</u>	<u>Per Square Yard:</u>
Pearson Brothers, Inc., Hanover, MN	\$1.19/sq. yd.
Fahrner Asphalt Sealers, LLC, Eau Claire, WI	\$1.86/sq. yd.

Street seal coating consists of applying a hot emulsified asphalt product which is immediately covered by small granite aggregate. Seal coating is a preventative maintenance program that is designed to extend the life of the street. Staff recommended the Council approve the low bid from Pearson Brothers, Inc. Seal coating operations would be expected to start sometime after June 1, 2019.

After discussion, it was moved by Ryan and seconded by Seiler to approve the seal coating bid with Pearson Brothers, Inc. at a cost of \$1.19 per square yard and approve doing 99,002 square yards for \$117,812.38. All voted in favor of the motion. Motion carried. (5-0)

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Public Works Director Sticha shared statement of qualifications and fee estimates from Braun Intertec and American Engineering Services Inc. to perform the engineering observations and material testing services during site grading, utility installation and paving for the proposed 2019 Street Reconstruction Project.

Braun Intertec	\$28,133.00
American Engineering Testing	\$27,181.00 to \$45,705.00

Since materials testing is considered a professional service, it is not necessary for the City to obtain multiple proposals; however, staff does compare costs from time to time with the testing firms to assure that the budgets are reasonable. Being the testing is highly dependent on the schedule of the general contractor, it is very difficult for staff to make a true "apples to apples" comparison of the testing firm's total cost. As an example, one company may have a higher unit cost for performing a specific test, however their cost for the trip charge and the amount of time at the site may be less which offsets their higher unit cost.

While attempting to make the comparison, staff believes Braun Intertec is very competitive with their rates compared to AET (American Engineering Testing). The City has used Braun Intertec for a number of previous street reconstruction projects starting back in 2005 and were very satisfied with their performance. This expenditure will be a cost share with Scott County because of the work being done on County Road 37.

After discussion, it was moved by Nickolay, seconded by Bass to approve the proposal from Braun Intertec for engineering observation and testing services for the 2019 Street Reconstruction Project at an estimated budget cost of \$28,133.00. All voted in favor, motion carried. (5-0)

Planning/Community Development Director Ken Ondich presented to the Council the Planning Commission summaries on proposals from JJM Properties II, LLC at 1185 W. 280th Street that included: 1. A request for a Conditional Use Permit #C1-2019 to allow an existing motor vehicle sales and service facility to add on 6,260 sq. ft. of shop floor area and to expand the paved parking area. 2. Request for Variance #V1-2019 to allow a variance from the parking lot perimeter landscaping requirements as well as the parking lot interior landscaping requirements.

These items were reviewed by the Planning Commission at their February 27, 2019 meeting but staff had held the items for review until this Council meeting so that progress could be made on the annexation and extension of public utilities to the site. The 60 day review period was extended to now ending on June 8, 2019. It is expected that a new orderly annexation agreement for the property will be in front of the City Council for consideration at the May 20th meeting.

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Lot 1, Block 1, Belzer Addition is requesting a conditional use permit to allow an existing motor vehicle sales and service facility to add on 6,260 sq.ft. of shop floor area and to expand the paved parking area at 1185 W. 280th Street West in the B-2 Community Commercial Zoning District. The New Prague Planning Commission had completed a review of the application and made a report pertaining to #C1-2019. They held a public hearing on February 27, 2019 regarding the request, and following due consideration of presented testimony and information, voted unanimously (3-0) to forward the matter to the City Council with a recommendation for approval subject to the 8 findings and 13 conditions contained in staff report #C1-2019 and as amended at the Planning Commission Meeting.

After discussion, it was moved by Seiler, seconded by Ryan to approve *RESOLUTION #19-05-06-03 APPROVING CONDITIONAL USE PERMIT #C1-2019 TO ALLOW AN EXISTING MOTOR VEHICLE SALES AND SERVICE FACILITY TO ADD ON 6,260 SQ. FT. OF SHOP FLOOR AREA AND TO EXPAND THE PAVED PARKING AREA, AS PROPOSED BY JJM PROPERTIES II, LLC, APPLICANT.* All voted in favor, motion carried. (5-0)

Director Ondich also explained that Lot 1, Block 1 is also requesting a Variance #V1-2019 to allow a variance to the perimeter parking lot interior landscaping requirements specific to trees spaced at no more than 40' along the front of the lot along TH19 and also to vary from the side and rear lot line landscaping which normally requires trees at no more than 30' spacing, as well a variance from the 3% interior parking lot landscaping requirement.

The Planning Commission developed a recommendation to ultimately allow there to be no trees required along TH19 and to not require trees along the sides of the lot until in line with the building to the rear, along with a variance from the 3% interior landscaping requirement. The variances would be in exchange for 4 areas of low height planting areas along TH19.

The Planning Commission's unanimous (3-0) recommendation for approval followed the six findings and two conditions in the proposed resolution. After discussion, it was moved Nickolay, seconded by Bass to approve *RESOLUTION #19-05-06-04 APPROVING VARIANCE (#V1-2019) TO ALLOW A VARIANCE FROM THE PARKING LOT PERIMETER LANDSCAPING REQUIREMENTS AS WELL AS THE PARKING LOT INTERIOR LANDSCAPING REQUIRMENTS, AS PROPOSED BY JJM PROPERTIES II, LLC, APPLICANT.* All voted in favor, motion carried. (5-0)

Planning/Community Development Director Ondich provided an overview on a Lanesburgh Township Board meeting held on April 8, 2019 to discuss the impending annexation request for the Belzer Car Dealership Properties (Chrysler/Ford and Chevrolet locations). He explained the purpose of his visit was to open discussions on the need to update the existing Orderly Annexation Agreement between the City and Township (from 1978) that the Township has not formally recognized since 1997.

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At the April 8, 2019 Township Board meeting, they agreed to terminate the existing orderly annexation agreement and enter into a small scope orderly annexation agreement for the Belzer Properties with the City drafting the agreement for their review.

One of the key provisions of the orderly annexation agreement that the Township requested is in regards to a tax reimbursement from the City to the Township for a 5 year period (which is allowable per MN Statutes 414.036.) The previous agreement did not contain a tax reimbursement provision, but such a provision is now very common among Cities and Townships. The total reimbursement to the township would be \$22,520.70 until the phase out ends. The City's increased tax rate once annexed will cover the reimbursement. The drafted orderly annexation agreement is planned to be reviewed and voted on by the Lanesburgh Township Board at their meeting on May 13th. It would be expected to be considered by the City Council for a final vote at the May 20th Council meeting. Staff provided the Council with a draft agreement as information only at this time.

It was moved by Seiler, seconded by Nickolay to approve the following consent agenda items:

- A. April 1, 2019 Regular, April 15, 2019 Regular, April 15, 2019 Special, and April 29, 2019 Special Meeting Minutes
- B. Claims for Payment
- C. Approve Minnesota Lawful Gambling LG220 Application for Exempt Permit for Church of St. Wenceslaus Festival Event on August 11, 2019 including Bingo, Pull-Tabs and Raffles at 215 Main St. E.
- D. Approve Minnesota Lawful Gambling LG220 Application for Exempt Permit for Ladies of Ducks Unlimited Girls with Guns Chapter 329 Event on June 13, 2019, 2019 including Bingo and Raffles at Giesenbräu, 1306 1st St NE
- E. Premises Extension Request for 'Czech'ers Sports Bar for an Outdoor/Fundraising Event on June 22, 2019
- F. Quarterly Financial Report for Period Ending March 31, 2019
- G. Fire Department Community Partnership Grant Application to CenterPoint Energy
- H. Purchase of a 2019 Grapple Bucket
- I. Memorial Day Parade on May 27, 2019 - Request for Assistance and Road Closure for American Legion Post 45
- J. Approval of Wire Transfer Agreement with First Bank & Trust

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

Miscellaneous Items:

Jim Gareis - Good turnout for the NP Run last weekend, all ran smoothly with no issues.

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Glen Sticha - 1. Provided updates on the 2019 Street and Utility Improvement project. 2. New Prague Golf Course construction is complete. Did a walk through with the Contractor on April 28th, back within a couple days to do the minor touch ups (sanding/repainting).

Ken Ondich - referred to the last page of the packet regarding the 12th Annual SCALE Educational Workshop on May 22nd from 6-8 p.m. at the Spring Lake Township Hall, Prior Lake. Really good workshop if you've and encouraged to attend if you've never attended, also a good refresher. 2. Free document shredding for New Prague residents on May 11th from 9 a.m. to Noon in the south parking lot of the City Hall. Also shredding available of hard drives, cell phones and other select electronics for an additional charge.

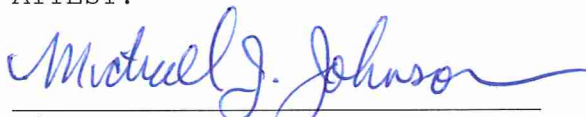
Mike Johnson - 1. Downtown Advisory Task Force has been working with the staff the last 18 months. Their final recommendations will be coming to the Council on May 20th with a proposed new look of the downtown for the 2020 Highway project. They will be providing a powerpoint presentation and recommendations for the Council's consideration. Boardmember Shawn Ryan asked if they could get this information as soon as the Staff receives the information so they have plenty of time to carefully review before the May 20th Council meeting.

Shawn Ryan - 1. Stack of pallets piled up in front of Shopko and is an eye sore, could someone contact the Manager to have these removed? Ondich indicated he is already in process with this and will be taken care of shortly. 2. Leftover items sitting along the curb from last week's city-wide clean up. What can be done to get residents to clean up the left overs not picked up last week? Ondich stated he put a reminder on Facebook. Will be doing a sweep with law enforcement crew shortly to those that aren't picking up their curbside items.

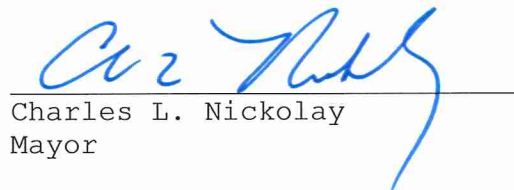
Bruce Wolf - 1. Labor Agreement status - City Administrator Johnson assured all was signed and completed. 2. Appreciated the Special City Council Meeting on April 29th getting all the new councilmembers up to date. 3. Commended City, Staff & EDA for all their hard work and time spent on making the vacant lot donation and Braith Auto business happen, great to see all these positive things happening in New Prague.

Following discussion, it was moved by Nickolay and seconded by Seiler to adjourn the meeting at approximately 7:28 p.m. All voted in favor of the motion. Motion passed. (5-0)

ATTEST:



Michael J. Johnson
City Administrator


Charles L. Nickolay
Mayor