

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



City Council Meeting  
Monday, September 19, 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, Patty Solheid and Mary Jo Hruby

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

Finance Director Solheid presented the awarding of the 2016A bonding for \$234,000 for the wastewater improvements and golf equipment and 2016B refunding of the 2006 Issue for \$198,400 for the construction and renovation of the Club House to the State Bank of New Prague.

It was moved by Tuma and seconded by Bruzek to approve RESOLUTION #16-09-19-01 RESOLUTION AWARDING THE SALE OF \$234,000 GENERAL OBLIGATION BONDS, SERIES 2016A; FIXING THEIR FORMS AND SPECIFICATIONS; DIRECTING THEIR EXECUTION AND DELIVERY AND PROVIDING FOR THEIR PAYMENT. All voted in favor of the motion. (5-0)

It was moved by Nickolay and seconded by Jirik to approve RESOLUTION #16-09-19-02 RESOLUTION AWARDING THE SALE OF \$198,400 GROSS REVENUE GOLF COURSE REFUNDING BONDS, SERIES 2016B, FIXING THEIR FORM AND SPECIFICATIONS; DIRECTING THEIR EXECUTION AND DELIVERY; AND PROVIDING FOR THEIR PAYMENT. All voted in favor of the motion. (5-0)

Finance Director Solheid reviewed with the Council the 2017 health insurance rates. The rates are expected to increase by 6% for 2017. Ms. Solheid pointed out that the City realized a 0% change in premium in 2014, and a 2.5% decrease in the years 2015 and 2016.

It was moved by Bruzek and seconded by Ryan to approve the health insurance rates for 2017. All voted in favor of the motion. (5-0)

City Administrator Johnson reviewed the Small Cities Development Program (SCDP) Outline for 2017. The proposed SCDP Project would propose to use \$475,978 in existing Minnesota Investment Fund monies and convert them to SCDP funds. Additionally, the City would make application to the State of Minnesota for \$321,662 additional SCDP grants funds, and along with potentially \$262,560 in residential/business matching funds, create a total SCDP Project amounting to \$1,060,200.

Chelsea Alger, Resource Development Officer from the SWMHP, reviewed the proposed project target area options. Ms. Alger informed the Council the proposed 2017 SCDP Project would attempt to provide rehabilitation assistance to about 20 owner occupied houses, 4 rental houses, 2 duplexes and 8 commercial buildings and grant administration of the program by the SWMHP. The timeline for developing the grant application requires the submittal of the Pre-Application to DEED by November 10, 2016, a final application due by February 23, 2017 and a DEED award decision in about May/June 2017.

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It was moved by Nickolay and seconded Jirik to approve the Small Cities Development Program Outline for 2017 and the proposed project target area options. All voted in favor of the motion. (5-0)

City Administrator Johnson reviewed the New Prague Business Park 11<sup>th</sup> Addition storm sewer bids. The bids included a base bid plus three alternates for the type of 15" and 18" pipe. The reinforced concrete pipe was the most cost effective over the PVC and HDPE pipes. Public Works and Engineering are recommending the award of the reinforced concrete pipe storm sewer alternate based on the bid results. It is recommended the City Council award the contract for the new Prague Business Park Storm Sewer Project to Heselton Construction, Inc. in the amount of \$73,287.15 for the Base Bid + Alternate No. 3.

It was moved by Ryan and seconded by Tuma to approve RESOLUTION #16-09-19-03 RESOLUTION ACCEPTING BIDS FOR NEW PRAGUE BUSINESS PARK 11<sup>TH</sup> ADDITION STORM SEWER IMPROVEMENT PROJECT. All voted in favor of the motion. (5-0)

Planning/Community Development Director Ondich reviewed the Developers Agreement with GTT Properties, LLC for public road construction prior to platting and dedication. GTT Properties, LLC (Marv Deutsch) recently purchased the outlot located directly south of Walgreens along Chalupsky Ave. SE. The lot is not yet platted as a lot/block and therefore is not yet eligible for a building permit. When the Walgreens lot was platted in 2008, it was noted that while the subject lot would be an outlot while it sits vacant, it would be required to plat right of way and install a portion of 1<sup>st</sup> Street SE before it could be built upon. In order to expedite construction of 1<sup>st</sup> Street SE, Mr. Deutsch is seeking approval to construct the roadway prior to the platting of the property. While Mr. Deutsch will be platting the property, he has the resources available to construct the roadway this fall. Waiting for the property to be platted would push the installation of the roadway out to the spring construction season. City Attorney Scott Riggs drafted a Developer's Agreement outlining a process by which the City would allow for construction of public improvements (in this case the small segment of 1<sup>st</sup> Street SE) with plans being approved by the City, with construction inspection being conducted by the City at the Developers expense and to not have the segment of public roadway actually opened for use or dedicated to the City until the plat is filed.

It was moved by Nickolay and seconded by Bruzek to approve the Developer's Agreement with GTT Properties, LLC (Developer Constructing Public Improvements Prior to Platting). All voted in favor of the motion. (5-0)

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

- A. Approve September 6, 2016 Meeting Minutes
- B. Approve Claims for Payment

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

City Council Proceedings

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Police Chief Gareis reported on the Dozinky weekend activity. The incidents were average as they have been in the past. From the Law Enforcements point of view it appeared it was a good celebration.

Mayor Nickolay thanked all the organizations that helped out with the Dozinky Weekend and asked Chief Gareis to pass on the thank you.

It was moved by Nickolay and seconded by Tuma to adjourn the meeting at 7:09 p.m. All voted in favor of the motion. (5-0)

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Charles L. Nickolay, Mayor

ATTEST:

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Michael J. Johnson  
City Administrator