

**RESOLUTION NO. 25-04-07-07**

**CITY OF NEW PRAGUE  
COUNTIES OF SCOTT AND LE SUEUR  
STATE OF MINNESOTA**

**RESOLUTION AUTHORIZING THE ISSUANCE OF BONDS,  
ACKNOWLEDGEMENT OF BIDS AND APPROVING AUTHORIZATION  
PROCESS IN CONNECTION WITH THE PLANNING AND  
CONSTRUCTION OF THE ELECTRICAL GENERATING PLANT/THE  
POWER SUPPLY SYSTEM FOR A NEW PRAGUE UTILITIES  
COMMISSION PROJECT**

***WHEREAS***, the City Council (the “Council”) of the City of New Prague (the "City") has previously established the New Prague Utilities Commission (the "Commission") which administers certain utility activities in the City; and

***WHEREAS***, the Commission plans to utilize property for the purpose of constructing and operating an expanded and new electric generation facility and to acquire and construct one or more reciprocating engine generating units thereon; and

***WHEREAS***, on December 30, 2024, the Commission approved by motion the construction and operation of an expanded and new electric generation facility and to acquire and construct one or more reciprocating engine generating units thereon (the “Project”). The minutes of the Commission action are attached hereto and incorporated herein as Exhibit A; and

***WHEREAS***, the Commission respectfully requests that the City acknowledge and approve the Commission’s actions on December 30, 2024; and

***WHEREAS***, including but not limited to, City Charter Sections 7.12 and 11.01, the City Council must authorize any financing and the issuance of any debt or bond obligations on behalf of the Commission; and

***WHEREAS***, the City Council and Commission both acknowledge that the issuance of bonds for the Project will be necessary at some time in the near future for the Project; and

***WHEREAS***, the City Council acknowledges, authorizes and will participate in the issuance of such bonds on the behalf of the Commission for the Project; and

***WHEREAS***, the Commission, in performing the advertising, bidding, contracting, acquisition, construction and financing activities related to the Project, shall comply with all applicable federal and state statutes (including but not limited to Minnesota Statutes, Sections 471.345 and 453.59) and regulations and New Prague City Charter or City Code (including but not limited to City Charter Section 6.04) requirements relative to the advertising, bidding, contracting, construction, acquisition and purchase of materials, equipment, supplies,

professional services and financing; and

**WHEREAS**, some purchases and acquisitions of materials, equipment, supplies, and professional services contemplated by the Commission for the Project will be sourced or acquired from single source suppliers or are unique and cannot be readily bid; and

**WHEREAS**, the City Council finds that the Commission's construction schedule for the Project makes it necessary to acquire certain materials, equipment and supplies immediately; and

**WHEREAS**, the City Council finds that it is reasonably necessary, proper, convenient, for a public purpose, and in the interest of the general welfare that the City participate in and the Commission to undertake and complete the Project; and

**WHEREAS**, the City Council finds that the funding arrangements and proposed construction schedule for the Project make it necessary and desirable for the City to participate in and acknowledge the activities of the Commission for the Project and the financing contemplated for the Project; and

**WHEREAS**, the Commission and the City have the legal authority to conduct all activities related to the Project, including financing the Project, along with the institutional, managerial, and financial capability to ensure adequate administration of the Project; and

**WHEREAS**, the City Council deems it in the best interest of the community to approve and authorizes the Project by the Commission and the assistance provided thereto by the City; and

**WHEREAS**, by adopting this Resolution, the City hereby authorizes the City's participation with the Commission in the transactions and actions for the Project contemplated by this Resolution.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NEW PRAGUE, MINNESOTA, AS FOLLOWS:**

1. The recitals set forth in this Resolution are incorporated into and made a part of this Resolution.
2. The Commission has determined that the Project is necessary, cost-effective, and feasible.
3. The Project is hereby acknowledged by and ordered as proposed by the City Council.
4. All construction contracts and activities for the Project shall be made consistent with federal, state, City Charter and City Code requirements.
5. Pursuant to Minnesota Statutes, Section 462.356, the City Council finds that the Project has no relationship to the comprehensive municipal plan.

6. The Project has been documented in the Commission's 2025 Capital Improvement Plan.

7. DGR Engineering is hereby designated by the Commission as the engineer for the Project. The engineer shall prepare all plans and specifications for the Project.

8. The City Council and the Commission declares their official intent to reimburse themselves for the costs of the Project from the proceeds of a tax-exempt bond.

9. The transaction, actions, Project and future bond issuance, as herein referenced and contemplated, are approved.

10. The Mayor and City Administrator of the City are hereby authorized and directed to execute all appropriate documents to facilitate the transactions and activities referenced herein and contemplated herein for the Project, with all such actions to be in accordance with the terms and conditions set forth in this Resolution.

11. The Mayor and City Administrator, staff and consultants are hereby authorized and directed to take any and all additional steps and actions necessary or convenient, including cooperation with the Chair and the General Manager of the Commission, in order to accomplish the intent of this Resolution.

Adopted this 7th day of April, 2025.

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Duane Jirik, Mayor

ATTEST:

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Joshua Tetzlaff, City Administrator

**EXHIBIT A**

**NEW PRAGUE UTILITIES COMMISSION MINUTES FOR DECEMBER 30, 2024**

**[Minutes begin on the following page]**



# UTILITIES COMMISSION MEETING MINUTES

## City of New Prague

Monday, December 30, 2024 at 3:30 PM

Power Plant - 300 East Main St

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### 1. CALL TO ORDER

The meeting was called to order by Commission President Dan Bishop on Monday, December 30<sup>th</sup>, 2024, at 3:30 p.m.

Commissioners Present: Dan Bishop, Bruce Wolf, Paul Busch

Commissioners Absent Tom Ewert and Chuck Nickolay

Staff Present: GM Bruce Reimers and OES Ken Zweber

### 2. APPROVAL OF AGENDA

Motion made by Commissioner Busch, seconded by Commissioner Wolf, to approve the agenda as presented.

Motion carried (3-0)

### 3. APPROVAL OF MINUTES

a. November 25, 2024, Utilities Meeting Minutes

Motion made by Commissioner Busch, seconded by Commissioner Wolf, to approve the November minutes as presented.

Motion carried (3-0)

### 4. UTILITY AND SMMPA BILLS

a. Approval of accounts payable in the amount of **\$118,240.38** and the SMMPA billing of **\$524,731.77**.

Motion made by Commissioner Bishop, seconded by Commissioner Busch, to approve the accounts payable as presented.

Motion carried (3-0)

### 5. FINANCIAL REPORTS

a. Investment Report

b. Financial Report

c. Water and Kilowatt Hours Sales

Motion made by Commissioner Wolf, seconded by Commissioner Busch, to approve the financial reports as Presented.

Motion carried (3-0)

### 6. LEAGUE OF MINNESOTA CITIES INSURANCE TRUST LIABILITY COVERAGE

a. Waiver Form

Motion made by Commissioner Bishop, seconded by Commissioner Wolf, to not waive the monetary limits on municipal tort liability established by Minnesota Statute 466.04

Motion carried (3-0)

**7. APPROVAL OF 2024 PROPOSED WRITE-OFFS**

**a. 2024 Write-Offs**

GM Reimers reviewed the 2024 bad debt write-offs with the Commission for the electric and water departments.

Motion was made by Commissioner Bishop, seconded by Commissioner Busch, to approve the write-offs as presented.

Motion carried (3-0)

**8. APPROVAL OF BID TO PROVIDE GENERATING EQUIPMENT**

**a. Approval Documents**

GM Reimers reviewed contract and financial analysis information with the commission on the proposed addition of a 11.3-megawatt power plant. Gm Reimers also shared working group information that had taken place with Commissioners Bruce Wolf, Chuck Nickolay, NPUC staff and Ehlers Municipal advisors on 12-19-2024. Following the working group session staff and Commissioners agreed that General Manager Reimers should proceed with preparing agenda documents for the Commission to consider entering into contract with Ziegler Cat Power Systems to provide Diesel Generation and support equipment in the amount of \$9,841,243 that will be payable when equipment is delivered currently estimated in Q2 of 2027. Motion made by Commissioner Busch, seconded by Commissioner Bishop, to award the contract to Zigler Power Systems.

Motion carried (3-0)

**9. ENGINEERING SERVICES AMENDMENT #2 FOR WEST SIDE ENERGY STATION**

**a. Approval Documents**

GM Reimers reviewed task order amendment between DGR engineering and the NPUC to provide regulatory, design, bidding construction and post-construction engineering services for the generation project.

Motion made by Commissioner Bishop, seconded by Commissioner Busch, to approve the task order agreement amendment.

Motion carried (3-0)

**10. RESOLUTIONS**

**a. #24-12-30-01 Declaring Official Intent of City of NP to Reimburse Certain Expenditures**

GM Reimers reviewed resolution #24-12-30-01 declaring the official intent of the city of New Prague and the New Prague Utilities Commission to reimburse certain expenditures from the proceeds of tax-exempt bonds or other obligations for the future West Side Energy Station generation projects.

Motion made by Commissioner Wolf, seconded by Commissioner Busch, to approve resolution #24-12-30-01.

Motion carried (3-0)

**11. SMMPA BOARD OF DIRECTORS MEETING**

**a. November 13, 2024**

**b. December 11, 2024 (Bruce)**

GM Reimers informed the Commission on the following:

SMMPA staff informed the board on long-term financial forecasts and turbine procurement contract and permitting schedules

**12. GENERAL MANAGER'S REPORT**

GM Reimers informed the Commission on the following:

The Water department welcomed Phil Tisdell as the new water department field staff employee

Staff has been working with contractors on the replacement of on the booster pumps at filter plant #2

The Electric department has finished converting all of the customers in the NE section of town from overhead services to the new underground system and all of the 2400 volt distribution system has been deenergized.

**13. OTHER BUSINESS**

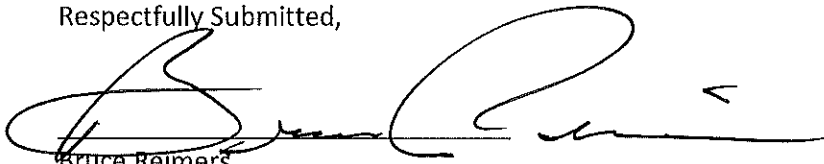
None

**14. ADJOURNMENT**

Motion made by Commissioner Busch, seconded by Commissioner Bishop, to adjourn the meeting at 4:42 p.m.

Motion carried (3-0)

Respectfully Submitted,

A large, stylized handwritten signature in black ink, likely belonging to Bruce Reimers, is written over a horizontal line.

Bruce Reimers  
General Manager