



**MINUTES OF THE PROCEEDINGS OF THE CITY  
COUNCIL OF THE CITY OF STACY IN THE COUNTY OF  
CHISAGO AND THE STATE OF MINNESOTA PURSUANT  
TO DUE CALL AND NOTICE THEREOF**

**REGULAR MEETING  
DECEMBER 8, 2015, 7:00p.m.  
STACY CITY HALL**

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**Call to Order**

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The Stacy City Council met in regular session and was called to order by Mayor Utecht at 7:00p.m.

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**Roll Call**

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**Present:** Mark Utecht, Tony Olivolo, Jim Ness, Chuck Lucia, and Samantha Denney

**Absent:** None

**Others Present:** Anne Thom, Mark Statz, Ted Alliegro, Jack Kramer, Tanner Jones, and Ben Montzka

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**Additions to the Agenda**

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Additions to the agenda:

- Dennis Oberloh Contract
- Hennepin Technical Contract
- House Number Signs

Motion by Ness to approve the agenda as amended. Second by Olivolo. Denney, Lucia, Ness, Olivolo, and Utecht voted yes. Mayor Utecht declared the motion carried.

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**Public Comment**

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County Commissioner, Ben Montzka:

- The snowmobile use of Sunrise Trail will not be changed this year.
- County approved the tax levy with a zero percent increase. Chisago County is still in the upper handful of counties for higher property taxes; however, they are in the lower quarter regarding what they spend on each tax payer. Business growth in the county would help the property taxes even out with other counties.
- He brought Stacy's request to the board that the county should pay for the emergency radios; however he didn't find any support from the board. Mayor Utecht said this is something we don't intend on giving up on. The council said that it is important when discussing the radios they include the cities without police departments also.
- Legacy funds are available for arts, trails, and parks.

Motion by Ness to approve the consent agenda as presented. Second by Olivolo. Denney, Lucia, Ness, Olivolo, and Utecht voted yes. Mayor Utecht declared the motion carried.

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**Consent Agenda**

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**Staff Reports**

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**City Attorney**

**Ted Alliegro**

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**Hockey Association**

Attorney Alliegro will work with the North Branch Hockey Association to close on the property.



## **On-Sale Liquor License Premises**

Mr. Alliegro's memo states:

**Can the owner of an on-sale liquor license be required to obtain a special liquor license for special events if it wants to serve alcohol in it's parking lot?**

"On-Sale" is the sale of alcoholic beverages for consumption on the licensed premises only.

"Licensed premises" is the premises described in the approved license application, subject to the provisions of section 340A.410 subdivision 7", which in turn provides that:

"A licensing authority may issue a retail alcoholic beverage license only for a space that is compact and contiguous. A retail alcoholic beverage license is only effective for the licensed premises specified in the approved license application."

The issue in my opinion is whether the parking lot falls within the definition of "licensed premises". I don't believe it does.

First, the whole purpose of an "On-Sale" license is so that people aren't walking out the door with alcohol – it is consumed there.

Second, we aren't talking about a patio, a deck or a porch, which I assume would be included in the license application and/or considered part of the building itself.

Third, within the definition of "licensed premises" is the following provision:

"In the case of a restaurant, club, or exclusive liquor store licensed for on-sale of alcoholic beverages and located on a golf course, "licensed premises" means the entire golf course *except for areas where motor vehicles are regularly parked or operated.*" (emphasis added).

To me this suggests that the legislative intent is to not include parking lots within the definition of licensed premises. Therefore, parking lots would be "off premises."

Minnesota Statute 340A.404 Subd. 4 (b) provides that:

"The governing body of a municipality may authorize a holder of a retail on-sale intoxicating liquor license issued by the municipality to dispense intoxicating liquor off premise at a community festival held within the municipality. The authorization shall specify the area in which the intoxicating liquor must be dispensed and consumed, and shall not be issued unless the licensee demonstrates that it has liability insurance as prescribed by section 340A.409 to cover the event".

The foregoing would appear to give the Council discretion to authorize off premise liquor sales by an on sale holder for municipal community events only. This does not appear to be an additional license, but rather in the nature of a permit and, as mentioned, it is discretionary, which means the Council does not have to permit it or if it did, it could impose whatever conditions it deemed appropriate (in addition to the insurance requirement).

The council will require a permit to be completed by a holder of an intoxicating liquor permit to apply for a permit to serve or consume alcohol other than that identified on the liquor license application. The only events that will qualify for off-premise are community events such as Stacy Daze. No other events will be allowed outside of the premise if they include the service or consumption of alcohol. There will be no fee for the application. This also applies to the municipal operations as well. The clerk will develop an application form for the council's approval.

## **Lawsuit**

The city was served a lawsuit by a former bar employee. The League of Minnesota Cities is working on the claim. The council may need to hold a special meeting to address.

## **60 Day Rule in Processing Land Use Applications**

Member Ness attended the Beyond the Basics of Planning and Zoning class and asked Attorney Alliegro to research the 60 day rule; in particular the fact that the 60 days need to include any appeal the applicant may have.

Attorney Alliegro did research this and did determine that the 60 day rule must include the appeal if there is any. The city can ask for an extension of an additional 60 days to act upon the application.

**City Engineer**  
**Mark Statz**

**Engineer’s Report**

Mr. Statz gave a quick update on the following:

- Water Treatment Plant – preliminary comments received from the state; they are now working on the final design, which will also need to be approved by the state.
- City Hall – at the state for review.
- Dollar General and Kwik Trip – he hasn’t heard from either on his “punch list” of items to be completed.
- Infraseek – if anyone has questions or would like a feature added let him know.
- Sunrise Estates Mobile Home Park – he has discussed the expansion of the mobile home park with the park’s engineer. The wetland permit will define what they can and can’t do.

**Potential 2016 Street Project**

This item handled out of order by motion of Utecht. Second by Denney and carried.

Mr. Statz presented cost estimates for possible 2016 street improvement projects:

1. Genesis and Gable Ave (East of Forest Boulevard and North of Stacy Trail)
2. 311<sup>th</sup> and 312<sup>th</sup> (in the same areas as Genesis and Gable)
3. 311<sup>th</sup> Street (West of Forest Boulevard to Foster) Full reconstruction

**BASE BID - GENESIS AVE, GABLE AVE**

<b>TOTAL CONSTRUCTION COSTS</b>						<b>\$248,520.34</b>
CONSTRUCTION CONTINGENCY, ENGINEERING, LEGAL, ADMIN, FISCAL (25%)						\$62,130.08
<b>TOTAL PROJECT COSTS</b>						<b>\$310,650.42</b>

**ALT BID - 312TH ST, 311TH ST**

<b>TOTAL CONSTRUCTION COSTS</b>						<b>\$56,841.95</b>
CONSTRUCTION CONTINGENCY, ENGINEERING, LEGAL, ADMIN, FISCAL (25%)						\$14,210.49
<b>TOTAL PROJECT COSTS</b>						<b>\$71,052.44</b>

**ALT BID - 311TH ST, FOSTER AVE. TO FOREST BLVD.**

<b>TOTAL CONSTRUCTION COSTS</b>						<b>\$402,348.87</b>
CONSTRUCTION CONTINGENCY, ENGINEERING, LEGAL, ADMIN, FISCAL (25%)						\$100,587.22
<b>TOTAL PROJECT COSTS</b>						<b>\$502,936.09</b>

The council discussed the road project and then posed the question; if we’re going to do road project what are our priorities?



The Mayor asked the Maintenance Supervisor, Tanner Jones, what he thought was a priority out of the proposed improvements – he indicated that 311<sup>th</sup> Street is most in need of repair.

The council then discussed the use of 311<sup>th</sup> Street by truck traffic; should a weight limit be placed on the road?

Mayor Utecht said he would talk with Pretty Bird to see what they need in the way of truck traffic accessing their facility; the city does not want to place a burden on them in their ability to operate.

Next step: Mr. Statz said the city could do any or all the projects in 2016; we have plenty of time. In the interest of time it may be beneficial to have the survey done now on 311<sup>th</sup> Street. This will determine what the city's right of way is.

Motion by Utecht to authorize up to \$5,000 for survey work on 311<sup>th</sup> Street from Foster to Forest Boulevard. Second by Olivolo. Denney, Lucia, Ness, Olivolo, and Utecht voted yes. Mayor Utecht declared the motion carried.

The council discussed what may also need to occur on 311<sup>th</sup> Street in the way of obtaining additional right of way, and review assessing the project.

This item will be discussed again at the December 21, 2015, meeting.

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**City Clerk**  
**Sharon Payne**

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**Bill Stuffer**

The clerk stated that liquor operations will be placing advertisements into the utility bills; they have agreed upon a cost sharing for this.

**Liquor License Renewal –  
Rustic Inn**

Motion by Ness to approve the Rustic Inn liquor license renewal for 2016. Second by Olivolo. Denney, Lucia, Ness, Olivolo, and Utecht voted yes. Mayor Utecht declared the motion carried.

**Dog Licensing**

The clerk presented a cost breakdown for changing the way we issue dog licenses; it was determined that a city code update may need to occur. The change may occur but not in time for the renewal in May of 2016.

The council then discussed ways to remind property owners to license their animals; possibly working with vets offices.

Then a pet day in the park was discussed; we could have pet product vendors, vets, and animal rescue attend, as well as issue licenses. This item forwarded to the Park and Recreation Committee to research.

**Approve 2016 Levy**

Motion by Lucia to approve the 2016 levy in the amount of \$445,633. Second by Ness. Denney, Lucia, Ness, Olivolo, and Utecht voted yes. Mayor Utecht declared the motion carried.

**Employee Pay Increase –  
2016**

This item handled out of order by motion of Utecht. Second by Olivolo and carried.

**Maintenance Department:**

Mr. Jones was instructed to revise his proposal to include:

- What percentage of an increase he is proposing for the maintenance supervisor (he responded with 19.5 %).
- The city budgeted a 2% increase, where are the funds in the budget coming from to cover his proposed department increases. It can't be obtained from the removal of a one-time item (such as plow); this will be ongoing forward.
- The council said that he needs to be a lot closer to the 2% budgeted.
- The report is due next week so they have time to review for the meeting on the 21<sup>st</sup>.

Motion by Ness to table until 6:30pm, December 21, 2015. Second by Lucia. Denney, Lucia, Ness, Olivolo, and Utecht voted yes. Mayor Utecht declared the motion carried.

**Off Sale:**

The council did not have any questions on Mr. Hachey's proposal. If they do between now and the meeting on the 21<sup>st</sup> they should express those to Mr. Hachey.

**Clerk:**

The council did not have questions on Ms. Payne's proposal.

**Vacation Request**

Motion by Utecht to approve the vacation request for Ms. Payne as presented. Second by Lucia. Denney, Lucia, Ness, Olivolo, and Utecht voted yes. Mayor Utecht declared the motion carried.

**Reimbursement Resolution  
– Water Treatment Plant  
Project**

Motion by Ness to approve Resolution Number 2015-12-2, "Resolution Declaring the Official Intent of the City of Stacy to Reimburse Certain Expenditures from the Proceeds of Bonds to be Issued by the City." Second by Denney. Denney, Lucia, Ness, Olivolo, and Utecht voted yes. Mayor Utecht declared the motion carried.

**Springsted at January  
Meeting**

The clerk indicated that Springsted will be attending the January 2016 council meeting.

**Dennis Oberloh Contract  
and Hennepin Technical  
College Contract**

The Dennis Oberloh contract is for the 2015 Audit. The Hennepin Technical contact is for the Maintenance Department's monthly OSHA meetings.

Motion by Utecht to authorize the Mayor to sign both contracts. Second by Denney. Denney, Lucia, Ness, Olivolo, and Utecht voted yes. Mayor Utecht declared the motion carried.

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**Committees Commissions**

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**Chisago Lakes Joint Sewage  
Treatment Commission  
(CLJSTC)**

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Member Olivolo updated the council on the following:

- The commission had awarded pay increases to Mark Wolcott and Debbie Steele.
- They will be hearing another presentation on solar panels.
- The ammonia level is up to what the government wants.

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**Public Information  
Committee**

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The council approved the mailing of the December newsletter.

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**Planning Commission**

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Member Ness reported that the commission is working on several items which include: tiny houses, dog ordinance, sidewalks, and accessory buildings.

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**Old Business**

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**Perry Schneller – Invoice  
Payment Request**

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This item handled out of order by motion of Ness. Second by Utecht and carried.

Mr. Kramer was present to discuss the events surrounding the survey for Mr. Schneller's property.

When Mr. Schneller applied for the fence permit the property line was not in question; because a neighbor disputed the placement of the fence, then a survey needed to be done.

Mr. Schneller had told (previously, not at this meeting) the council he had the property surveyed prior to installing the fence (the city has no record of this). He then said the city required him to have it re-surveyed (the city received a copy of the report).

Mr. Kramer followed the city code regarding fencing.

Mayor Utecht summarized that when Mr. Schneller had the property surveyed the first time no official paperwork was prepared but the stakes were located; no survey submitted with the building permit. Once complaint received we asked for a copy of the survey.

The city's building permit form may need to be revised stating clearly that a survey may be required at the expense of the applicant. Also, consider update to code regarding the person questioning the placement of the fence; should they pay for the survey?

Mr. Kramer said the code gives the city discretion to waive a survey unless an issue arises. The council directed the city attorney to review the city code to determine if Mr. Kramer's interpretation is correct.

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**New Business**

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**Lions Club Liquor License  
Renewal for 2016**

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Motion by Ness to approve the 3.2 liquor license for the Stacy Lions Club contingent upon the city receiving the certificate of insurance for 2016. Second by Olivolo. Denney, Lucia, Ness, Olivolo, and Utecht voted yes. Mayor Utecht declared the motion carried.

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**House Numbers**

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This item handled out of order by motion of Utecht. Second by Olivolo and carried.

Mr. Jones was instructed to prepare an estimate for installation costs for address signs for every property in the city including the mobile home park.

This agenda visited again later in the meeting and the following discussed:

Member Ness understands the need for the signs in the township and certain areas of the city. However on all the city lots would be unsightly.

Mayor Utecht said that in his experience house numbers are difficult to see; and would like to see the signs from an emergency viewpoint. He does agree they may be unsightly.

Member Olivolo expressed concern regarding plowing and mowing.

Member Lucia said he wouldn't want a sign by his driveway.

Discussion regarding alternatives to the signs discussed: possibly changing the city code regulating the placement, color, and size of address signs.

Mayor Utecht will contact the fire chief to express the city's concerns.

Mr. Montzka said the county has spent a lot of money on GIS, is the fire department using it? Is there an issue with it?

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**Mayor/Council**

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**Beyond the Basics Class**

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Member Ness said the class was well worth the time and money spent.

The **60 day** rule was enlightening to him; he did not know that it had to include the appeal time.

The use of **interim use permits** rather than conditional use permits; an interim use permit can be set using time, use, ownership, etc. Where a conditional use permit stays with a property and can only be removed if the original permit is revised. The Planning Commission will be reviewing the city code as it relates to interim use permits.

**Comprehensive Plan review**; our review may be too often. The intent of the plan is for long range planning. The clerk was directed to review why we review it every two years.

**Use of personal email for city business**; you should not use personal email to conduct city business. The clerk was directed to set all Planning Commission and City Council members up with a city email address.

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**Recessed at 9:47p.m.**

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Mayor Utecht declared the meeting recessed at 9:47p.m. Until December 21, 2015, at 6:30p.m.

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Sharon MT Payne