



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
FEBRUARY 12, 2013, 6:00p.m.
STACY CITY HALL**

Call to Order

The Stacy City Council met in regular session and was called to order by Mayor Utecht at 6:00p.m.

Roll Call

Present: Jim Ness, Mark Utecht, Cindy Bruss, Michael Carlson, and Charles Lucia

Absent: None

Others Present: Peter Grundhoefer, Chuck Schwartz, Brian Hachey, Don Lenhart, Rich Smith, Mark Ness, Joe Myer, and Anne Thom

USDA Rural Development and DEED Small Cities Community Development Program Funding Public Hearing 6:04-6:45pm

Mr. Schwartz presented the public hearing for the radium removal project:

The Minnesota Department of Health (MDH) issued a Notice of Violation (NOV) in 2011 indicating that the radium levels exceeded the National Primary Health Regulations. Radium is naturally occurring in the groundwater and can cause cancer. The city has until January 1, 2015, to bring the system into compliance.

Mr. Schwartz discussed the project planning area, and existing water facilities.

He presented information on water storage alternatives and water treatment site alternatives; the recommended water treatment site is the property south of city hall. The old water tower will be removed.

Water supply alternatives were explored and the recommendation is to install another well into the FIG.

The water treatment alternatives are blending, pressure filtration, or conventional gravity filtration.

The costs for pressure and gravity were discussed as blending is not an option:

20 Year Life Cycle Cost (LCC) Analysis

Item	Pressure	Gravity
Tower Removal	\$30,000	\$30,000
Well & Pump House #1 Rehabilitation	\$10,000	\$10,000
Submersible Well and Pitless Adapter	\$522,800	\$522,800
Water Treatment Plant	\$2,279,500	\$2,414,900
Total Capital Project Cost*	\$2,844,300	\$2,979,700
20 year LCC	\$2,426,861	\$2,367,257

LCC = Cap. Cost + Present Worth of O&M – Present Worth of Salvage Value

The recommended option is a Gravity Filtration Treatment Plant



2015 Operation and Maintenance Cost

Item	System	WTP	Total
Personnel Salaries & Benefits	\$52,100	\$23,000	\$75,100
Insurance	\$8,300	\$4,500	\$12,800
Supplies & Chemicals	\$15,800	\$17,000	\$32,800
Utilities	\$11,000	\$16,000	\$27,000
Services, Repairs, Training, & Misc.	\$16,900	\$4,500	\$21,400
Total	\$104,100	\$65,000	\$169,100
Long Term Maintenance Costs	\$24,000	\$7,500	\$31,500
Short Term Asset Reserves	\$2,500	\$10,100	\$12,600
Total	\$130,600	\$82,600	\$213,200

Information regarding how the plant will function was presented.

Est. Cost with Rural Development Loan

Item	Total
Total Capital Cost	\$2,979,700
Annual Capital Cost for Loan @ 2.75%	\$125,513
Existing Annual Bonding Costs (expires 2033)	\$46,257
Annual Operation and Maintenance	\$213,100
Total Annual Cost	\$384,980

Rural Development Affordability per HH

1.5% Median HH Income	\$630.39/year or \$52.39/month
Maximum RD Grant (45%)	\$1,340,865
Maximum DEED Grant	\$600,000

Rural Development will require that City Hall be handicap accessible.

The proposed project schedule was presented with the completion of the treatment plant construction of January 2015.

Mr. Schwartz solicited community input regarding community development and housing needs; the response was this is the most important project to address; no other housing or development needs were identified. Mr. Schwartz also gave a recap of the 2005 DEED grant for Housing Rehab and Mobile Home Park Lift Station Replacement – that project went well and accomplished the goals for the grant.

Hearing no other public comment the public hearing was closed at 6:45pm.

Additions to the Agenda

Additions to the Agenda:

- Family Pathways
- Brian Hachey
- County Commissioner Letter
- Local Board of Review
- Delete 9D from the Agenda
- Joe Myer

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

Public Comment

NONE

Consent Agenda

Motion by Ness to approve the consent agenda. Second by Utecht. Ness, Utecht, Lucia, Carlson, and Bruss voted yes. Mayor Utecht declared the motion carried.

Staff Reports

City Attorney – Peter Grundhoefer

30389 Fox Road Water Connection

The residential property located at 30389 Fox Road appears to have connected to a private well after the city turned off the city water. The Building Inspector has issued a notice to the owner of the property which is Central Bank. Central Bank will be conducting an inspection on February 14th, to determine if the property has connected to the well. City Staff will also meet the plumber (representative of the owner) on site.

The council also directed that a sheriff deputy be present; to witness what is found and be available if necessary to issue a citation. The council directed staff to follow through to the full extent of the law.

Mr. Schwartz posed the question if the property actually connected to city services? This is the original homestead on a redeveloped area. Because the curb-stop is there does not assure they are connected to services; the plumber will be able to determine this.

The city attorney was directed to review the development agreement to see if they were required to connect. The clerk will check if a building permit was issued for connection to city services.

30962 Fenway Ave, Suite 500 Tax Forfeiture Conveyance (Sacred Grounds)

The property owes about \$9,255 in special assessments; in Mr. Grundhoefer's communication with the county they indicated that the assessment is paid prior to any taxes in arrears.

Motion by Ness to approve the conveyance of property located at 30962 Fenway, Suite 500 by the bank to the county in lieu of forfeiture proceedings. Second by Carlson. Ness, Carlson, Lucia, Bruss, and Utecht voted yes. Mayor Utecht declared the motion carried.

Xcel Rate Increase Hearings

Informational in nature and no council action taken.

Water and Wastewater Contract Operator Liability Coverage

Mr. Grundhoefer is waiting for a response from the League of Minnesota Cities.

City Engineer

Pay Request Number 2, Foster Avenue Apron Repair

No action necessary tonight.

Preliminary Engineering report

Motion by Ness to adopt the preliminary engineering report for the Radium Removal Project. Second by Carlson. Ness, Carlson, Bruss, Lucia, and Utecht voted yes. Mayor Utecht declared the motion carried.

City Clerk

Sharon Payne

Proposed LGA Changes

Informational in nature; no council action necessary.

1% Pay Matrix for Approval

Motion by Ness to approve the 1% pay matrix. Second by Carlson. Ness, Carlson, Bruss, Lucia, and Utecht voted yes. Mayor Utecht declared the motion carried.

Fred Prior Seminars

The clerk will not enroll in the classes or move forward with Fred Prior Seminars; however, she was directed to explore other learning options.

**Peddlers, Solicitors,
Transient Merchants
Ordinance**

The Planning Commission will be holding a public hearing next week regulating peddlers, solicitors and transient merchants; this will include "farmer market" type activities. The clerk was directed to provide the ordinance to the council prior to the regular council packet as the ordinance is quite lengthy.

**Request for Map of Diseased
Trees in the Right-of-Way
(ROW)**

The city clerk received a request addressed to the Maintenance Department from Mr. Aslakson for a map indicating the location of diseased trees in the city; at this time we have no map. Refer this item to the new maintenance supervisor to respond to Mr. Aslakson.

Committees Commissions

CLJSTC

Member Lucia reported that the rate increase was approved at their December commission meeting; the rate will go up by .20 per 1,000 gallons to \$2.85/1,000 gallons.

The treatment plant will be doing some pond clean up; there are six years of build-up in the ponds. The clean-up is anticipated to begin in April.

The County 19 force main project will start in May; the commission cost is about \$100,000.

Personnel Committee

The committee is working on updates to the Personnel Policy.

History Committee

The committee has scheduled a Scan Event for April 2nd at 6:00pm. This will allow citizens to bring in pictures and have them scanned on the spot; it will also be a time to share their memories over coffee and cookies.

The committee recently purchased a series of books of history of the North Branch area that includes Stacy; the members will review and note important events in Stacy's history.

**Park & Recreation
Committee**

Member Bruss expressed frustration that Mr. Aslakson requested to bring the merry-go-round back to Stacy; not that he made the request but his letter stated that on behalf of the committee he was making the request. Member Bruss is Chair of the committee and stated that the letter from Mr. Aslakson was not direction for the committee but from Mr. Aslakson personally; the committee didn't approve this.

The city doesn't own the merry-go-round anymore; we don't have control over it. We are not going to ask for it back – our insurance company wanted us to get rid of it.

Member Bruss said that at every Park and Recreation Committee meeting the merry-go-round is brought up; this is frustrating. If it is brought up again she will let the committee know that the council considers this a “dead issue” and will not discuss any further; neither will the committee.

Member Bruss also asked if it was smart to have two people from the same family serve on the committee; the council indicated that each situation has to be addressed individually. If the members create a disruption in the ability of the committee to do its work then the council will decide if the member should be removed.

The egg hunt is scheduled for March 30th at noon; in the event of bad weather it will be held the following Saturday.

The committee members should be reminded that no one has the authority to issue letters on behalf of the committee without prior committee consent.

EDA

The annual business appreciation event is scheduled for April 10th at 7:00am.

Planning Commission

Motion by Ness to reappoint Dan Winberg to the Planning Commission. Second by Utecht. Ness, Utecht, Lucia, Carlson, and Bruss voted yes. Mayor Utecht declared the motion carried.

Old Business

Neinow Water Meter

Motion by Ness to finalize the averaging we did for the summer months, and close out the issue. Second by Carlson. Ness, Carlson, Lucia, Bruss, and Utecht voted yes. Mayor Utecht declared the motion carried.

To clarify – accept the adjustments that were made and the property owner is not liable for the inaccurate readings before.

Use of City Vehicles by Staff

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

Mayor Utecht asked the city attorney if there is anything preventing us from changing the policy on taking the city vehicles home by the maintenance department's on call employees? Mr. Grundhoefer stated no issue exists.

The prior policy allowed the Maintenance Department on call employees to take the city vehicle home; this is turned into both the employees taking the vehicle home all of the time.

Do we want to make changes to the policy before the new maintenance supervisor is hired; the council consensus was yes.

Motion by Ness to change the policy that the maintenance personnel no

longer take the city trucks home. Second by Carlson. Ness, Carlson, Lucia, Bruss, and Utecht voted yes. Mayor Utecht declared the motion carried.

**Ordinance – Compensation
for Planning Commission
Alternates**

Motion by Ness to approve Ordinance Number 2013-2-1, "An Ordinance Amending Chapter 31 of the City Code to Provide for Compensation for Meeting Attendance of Alternate Members of the Planning Commission, and Amending Chapter 34 of the City Code to Provide Meeting Pay Compensation." Second by Carlson. Ness, Carlson, Lucia, Bruss, and Utecht voted yes. Mayor Utecht declared the motion carried.

New Business

**Real World Impacts of
Stormwater on Municipal
Operations – Seminar**

No one will attend; other more pressing issues at this time.

**Discuss Pay Increase for
Maintenance Worker One**

Mayor Utecht stated that he has been working very closely with Mr. Jones since the release of Mr. Ehlert. In his opinion Mr. Jones is undercompensated. He wants to consider giving him an increase as an incentive to keep him in Stacy.

Pay equity was discussed; what increase could be given to Mr. Jones and stay within the requirements of pay equity; the position could be changed to a different grade – similar to the assistant manager grade. Mr. Jones does work in a capacity very similar to an assistant manager.

Member Bruss agrees with Mayor Utecht – she would like to make a motion for Mr. Jones to be the supervisor. We've done this before and it's worked out even though it didn't work out with Mr. Ehlert. Mr. Jones is devoted to the city and she believes he will stay awhile; she doesn't get that feeling from the current candidates.

Member Carlson said we've went down that road before. He would like to get the maintenance supervisor on board first and then decide what needs to be done with the position.

Mayor Utecht said he just wanted to rectify something that should have been handled for quite some time.

Motion by Utecht to table the item until the next meeting and ask the Personnel Committee to review options to consider addressing the situation. Second by Carlson. Utecht, Carlson, Bruss, Lucia, and Ness voted yes. Mayor Utecht declared the motion carried.

**Approve MRWA Conference
Attendance**

Motion by Ness to approve Mr. Jones attendance at the MRWA conference March 5-7, 2013, in St. Cloud and approve one night's lodging the night before his test. Second by Utecht. Ness, Utecht, Lucia, Carlson, and Bruss voted yes. Mayor Utecht declared the motion carried.

Family Pathways

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

Mr. Lenhart and Mr. Schmidt were present to notify the city that the Teen

Center is relocating to North Branch April 1st. They will be located closer to the schools and be able to serve more teens.

The council was saddened by the news; the teen center does a lot for the Stacy teens. Some of the teens served will no longer be able to visit the center. The use of Heartland Express was discussed however, it will most likely be cost prohibitive for most of the teens; Member Carlson stated that Heartland Express is supposed to give free rides when requested.

Joe Myer – Emergency Plan

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

Mr. Myer stated he visited with Scott Selman, Chisago County Emergency Management Director, who indicated he is currently preparing the county's plan for presentation to the state by March 31st. The city has two options: wait until that plan is complete and update with Stacy's information or start from scratch.

Mr. Myer was directed to begin preparation of Stacy's information to incorporate into the County's plan.

Brian Hachey – Lighting Proposal

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

Motion by Ness to authorize Mr. Hachey to spend up to \$6,200 for upgrading the cooler and overhead lights at the liquor store. Second by Bruss. Ness, Bruss, Lucia, Carlson, and Utecht voted yes. Mayor Utecht declared the motion carried.

Mayor/Council

Board of Review

The Stacy Board of Review meeting is scheduled for April 17, 2013, at 6:00pm.

County Commissioner – Traffic Study

The city received a letter from Ben Montzka regarding CSAH 30/SCAH 19 intersection. The intersection operates at a level of service of C or better and does not meet signal warrants and won't meet them until perhaps 2032. The highway engineer would like to collect data in the summer when Friday afternoon and Sunday afternoon traffic impacts the intersection.

Jim Ness – Snow Mobiles on City Sidewalks

Member Ness stated that when removing snow from his sidewalk he was almost hit on two different occasions by snow mobiles. He would like to ban snowmobiles on city streets.

It is not an option to ban snow mobiles from the city streets; however, enforcement of not on sidewalks may be an option. This item forwarded to the Planning Commission.

The EDA may also want to consider meeting with snow mobile clubs to bring business to Stacy.

Old BP Property – Michael

Member Carlson asked what the future of the BP property is. This is an

Carlson

increasing hazard. Access to the property was briefly discussed.

Adjourned at 9:30pm

Mayor Utecht declared the meeting adjourned at 9:30pm.

Sharon MT Payne