



**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
AUGUST 13, 2014, 7:00p.m.
STACY CITY HALL**

Call to Order

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

Roll Call

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

Absent: None

Others Present: Anne Thom, Phil Gravel, Peter Grundhoefer, Tim Fryberg, Brad Schroeder, Cindy Vogel, Paul Vogel, Tony Olivolo, Michelle Kok, Brian Kalio, Jeff Brown, Al Sayouri, Audrey Drury, Deputy Derek ? and public not identified.

Additions to the Agenda

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- Al Sayouri
- Update Sidewalk by the Sports Grill
- Pay Raise Process
- Cars in City Hall Parking Lot
- New City Truck
- Parking Questions with the New Intersection, County Road 19 and County Road 30

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

Public Comment

Tim Friberg:

Mr. Friberg expressed several complaints regarding Royal Concrete:

- Dirt on 307th Street – who is responsible to clean it up; the dirt is from Royal Concrete's property.
- On Saturdays they have another contractor hauling in and out using 307th Street; which he said is not allowed. Is it posted?
- Employee traffic in and out of the property "peeling out."
- Buffer zone to the North, he reported that Mr. Kramer said that the trees do nothing for sound; the noise from the forklifts are waking him up.
- Dust on Forest Boulevard from the property.

Audrey Drury:

Ms. Drury owns the apartment complex behind city hall, she had her fire inspection done. She questioned why doesn't the same standard apply to rental homes? She would like to see this explored for safety of the tenants.

Brad Schroeder:



Mr. Schroeder is the assistant fire chief and he indicated that this type of inspection is at the discretion of each city. It is not required by law. He thinks it is a good idea prior to renting out property to assure that both egress windows and smoke detectors are in working order.

Michelle Kok:

Ms. Kok said that traffic is an issue in Foxtail Woods; they have over 70 children living in the development. There is no park or sidewalks in the development for the children to play or bike on. She spoke with the county sheriff today and he gave her literature on a removable type of speed bump. If they raise the money for the speed bumps will the city support their installation?

Mayor Utecht said that he doesn't see any objections if law enforcement, city engineer, and city maintenance do not oppose.

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

Consent Agenda

Staff Reports

City Attorney
Peter Grundhoefer

Frontage Avenue Access

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

Mr. Grundhoefer reported that he has no resolution at this point; he and the county engineer have not been able to meet.

Foxtail Woods Plat 5

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

The council approved the Conditional Use Permit (CUP) for a Planned Unit Development (PUD) conditional upon certain things being met, one of them being the bituminous emergency access road. Since then it has been discovered that the developer is not in control of the westerly lot.

The history of the access road in a nutshell is: that Foxtail Woods Plat 3 did call for the paved driveway; an amendment to the development agreement was signed but the road was not built by the developer. It appears the council signed off on the development and released the letter of credit, the developer went bankrupt.

What can be done about it? The city can require an easement and paved trail as required in the CUP. The property to the west will need to be obtained through consent, purchase or condemnation. The easement would be an exclusive easement for emergency access only; the landowner would own fee title.

Mayor Utecht questioned when the lot to the west was sold; did the developer have control over the lot during the Planning Commission process? It had been sold prior to the first discussion of the Planning Commission.

The council asked what Mr. Grundhoefer's recommendation is to proceed?

That the city approach the property owner who owns the west property to negotiate a price for the easement; stating again this would be a limited access easement.

The developer said he is willing to give the city easement for the road through Foxtail Woods Plat 5 and improve it to class 5.

Mayor Utecht said we basically have two choices:

1. Easement through Foxtail Woods Plat 5 to the western property improved to class 5 by the developer and once easement is granted by the west property owner – the city pave the access.
2. As a condition of the CUP the developer paves up to the western property and the city will pave the rest once the easement is obtained.

The city engineer recommends option 2. The developer said that option 2 is not feasible for them.

Motion by Utecht to amend the CUP for a PUD to have all the work done by the developer to the westerly property line with regards to the emergency access road. Second by Bruss. Utecht, Ness, Lucia, Bruss, and Carlson voted yes. Mayor Utecht declared the motion carried.

Motion by Ness to have the Mayor and City Attorney to work on getting the necessary easement extension. Second by Carlson. Ness, Carlson, Bruss, Lucia, and Utecht voted yes. Mayor Utecht declared the motion carried.

Employee Pay Increase

The council requested that Mr. Grundhoefer review two items:

1. Can the city adopt a merit-based pay increase plan

The city can adopt a merit-based system. The system can use the current pay matrix or a revised matrix. The increase can be based upon performance through a formal performance evaluation process, or for completion of a particular project or taking on additional duties

2. Can those employees who received an increase due to the minimum wage increase be exempted from pay increases given to other employees?

If a city-wide pay increase is granted, exempting employees who were recently given a wage increase in compliance with the new minimum wage law is not recommended.

Mr. Grundhoefer said that the merit-based increases would need to be objective and measurable.

Member Ness asked if a supervisor recommends an employee for an increase is that a closed or open meeting. Mr. Grundhoefer said that it could be both. To discuss the performance, and to take action.

This item will be discussed by the Personnel Committee.

**Fire Inspection Program –
Rental Houses**

The council would like Mr. Grundhoefer to review; it looks like the city is able to require inspection on rental properties. Mr. Grundhoefer said this is a fairly complicated procedure to establish. It would be appropriate for the Planning Commission to review.

Member Ness indicated this program will have significant start-up costs. Mr. Grundhoefer concurred.

This item was forwarded to the Planning Commission to research further. What the costs may be? Member Ness said this is at least a three to four month project for the Planning Commission.

City Engineer
Phil Gravel

**2014 Street Improvement
Project**

Mr. Gravel presented the bid results for street improvements to Frontage Avenue and 311th Street, Alternate 1 is parking on Frontage Avenue:

Contractor	Total Base Bid	Alternate 1	Total Bid + Alt 1
Dresel Contracting	\$128,330.20	\$27,148.90	\$155,479.10
North Valley	\$134,688.91	\$29,127.74	\$163,816.65
Knife River Corp.	\$152,897.50	\$23,865.00	\$176,762.50

The bids are higher than anticipated; if we wait to bid in the winter would we get lower bids? Possibly by 10%.

Motion by Ness to award the bid to Dresel Contracting for the base bid work of \$128,330.20 contingent on our Financial Advisor's review of the general fund. Second by Utecht.

Mayor Utecht asked if we can legally go back to the contractors and have them indicate what each road costs separately. Or would we have to rebid. Mr. Gravel said that Stantec could figure out the separate costs; and then the contractor could be approached to see if they would do X road for X amount. However, he noted the construction year is getting short.

Vote on the Motion: Ness, Utecht, Bruss, and Carlson voted yes. Lucia voted no. Mayor Utecht declare the motion carries 4-1.

Infraseek Training

The Infraseek program is up and ready for training. Who should be trained? At this point it was decided that the staff would be trained; future training needs for the council will be determined, if necessary.

**Wellhead Protection Plan –
Part 2**

Motion by Ness to have Stantec prepare the Wellhead Protection Plan Part 2 for a cost up to \$7,500 out of the water fund. Second by Carlson. Ness, Carlson, Lucia, Bruss, and Utecht voted yes. Mayor Utecht declared the motion carried.

**Stacy Sport Grill Curb
Issues**

Mr. Gravel has contacted Mr. Triplett at the County; he said that he is not happy with the sidewalk. They are working on ways to fix the problem; which then will be reviewed by the council.

Water Treatment Plant

Mr. Gravel said that the revised preliminary engineering report has been submitted to United States Department of Agriculture (USDA). The calendar year for funding is unknown at this time. Mr. Gravel stated the Minnesota Department of Health (MDH) is ok with the progress.

The pilot study tests showed that the radium can be treated below the acceptable levels.

Chlorine Levels

At the last council meeting there was a question regarding the chlorine levels in the water; they were ten times higher than necessary. Mr. Gravel said that the current levels are within the acceptable range. The episode occurred when the chemical supplier suggested increases to the chlorine to create higher levels at the end of the system.

Member Ness said that Mr. Jones should not be making adjustments based upon supplier's recommendations.

Bridge Removal (Frontage Avenue)

Mr. Gravel has spoken with the County Engineer regarding the bridge removal. He indicated that the county is requesting a cost estimate for the removal. Once that is known there is funding available to remove the bridge.

Motion by Ness to authorize Stantec to prepare an estimate for the Frontage Avenue bridge removal and provide that estimate to the County. Second by Carlson. Ness, Carlson, Bruss, Lucia, and Utecht voted yes. Mayor Utecht declared the motion carried.

City Hall Improvements for ADA Compliance

The grant from USDA will pay for \$50,000 of the \$120,000 to make city hall ADA compliant. That makes the city responsible for \$70,000; is USDA taking into account that this is a modest project or do they think we are doing more than we have to?

The city understands the requirement to be ADA compliant for the grant eligibility; would they be agreeable to funding more than the \$50,000 – the upgrades are required because of this project.

Mr. Gravel said that may be a possibility – once they commit to a project they work to maximize the grant.

Parking at County Road 30 and County Road 19

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

Member Ness indicated that when the county added the white lines on the side of the roads they lined in front of a business to the north of his property; that property owner is interpreting this as a no parking area – is that correct?

Mayor Utecht said that the city had accepted the project which included no parking in some areas.

Member Ness asked if the council had changed their minds now that the county has put the lines in.

Motion by Utecht to have Mr. Grundhoefer revise the parking ordinance to include the "fog lines" as no parking areas. Second by Carlson. Utecht,

Carlson, Bruss, and Lucia voted yes. Ness voted no. Mayor Utecht declared the motion carries 4-1.

City Clerk
Sharon Payne

Utility Report

The clerk was directed to find out how many gallons was attributed to PCI Roads; if they were invoiced and if they paid.

Set Truth-in-Taxation Date

The Truth-in-Taxation date was set for December 9, 2014, at 6:00p.m. The preliminary budget will be approved September 9, 2014, at 7:00p.m. and the final budget approved December 9, 2014, at 7:00p.m.

Candidate Forum

The clerk asked the council if they would be agreeable to have a “meet the candidate” event; they agreed.

Joint Powers Addendum

An amendment to the Joint Powers agreement occurred in August or September of 2012 – the question is if it was approved? After research it was found it was not. The revised Joint Powers Agreement will include that amendment.

Committees Commissions

Planning Commission

**Ordinance – Amending
Accessory Buildings**

Motion by Utecht to approve Ordinance Number 2014-8-2, “An Ordinance Amending Section 153.031 of the City Code Relating to Size and Design of Accessory Buildings in Residential Zoning Districts.” Second by Carlson. Utecht, Carlson, Lucia, Bruss, and Ness voted yes. Mayor Utecht declared the motion carried.

**Ordinance – Amending
Central Business District**

Motion by Utecht to approve Ordinance Number 2014-8-3, “An Ordinance Amending Chapter 153 of the City Code of the City of Stacy Amending Subsection 153.050(B)(3)(b) to Reduce the Central Business District Rear Yard Setback Abutting a Residential District from 30 Feet to 10 Feet;” once the setback is verified and corrected if necessary. Second by Ness. Utecht, Ness, Lucia, Bruss, and Carlson voted yes. Mayor Utecht declared the motion carried.

Old Business

**Employee Background
Checks**

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

**Employee Pay Increase
Process**

The council scheduled a Special Meeting for August 27, 2014, at 7:00p.m. To discuss the process with the manager’s. The attendance of management is mandatory.

Cars in City Hall Parking Lot

Member’s Lucia and Utecht met with the Sunrise Auto owner to discuss the settlement for land owned by Sunrise Auto; an offer has been made but not accepted. The cars can stay parked at city hall in the meantime.

New Business

Foxtail Woods – Speed Bumps

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

Several property owners from Foxtail Woods were present to express concern regarding traffic through their development. A possible solution may be the installation of temporary speed bumps.

The deputy indicated that these type of speed bumps have proved effective on Grand Avenue in Center City.

The property owner's asked if the city can help with the costs. No commitment of the council was made.

Mr. Jones will be directed to investigate costs for the speed bumps.

Fire Relief Association – Resolution Approving Off-Sight Gambling

Motion by Ness to approve Resolution Number 2014-8-1, "Resolution Approving the Stacy Lent Volunteer Fire Department Relief Association to Conduct Off-Site Lawful Gambling in the City of Stacy." Second by Carlson. Ness, Carlson, Utecht, Bruss, and Lucia voted yes. Mayor Utecht declared the motion carried.

Security Cameras – Tony Olivolo

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

Mr. Olivolo stated that the city has had an issue with recent break-ins. This makes it impossible for businesses to survive in Stacy. The installation of security cameras may help.

Mr. Al Sayouri, owner of the tobacco shop, indicated he has been broken into twice in a one week period. The response time by the sheriff's office was not acceptable. He thinks the installation of security cameras on the maintenance building, and the four way stop may help – this would show which direction the perpetrator went. Also, in the event of a crime the security tape could be viewed for license plate numbers. We need to do something now. Can the sheriff's office adjust their schedules to be here more at night? They can, however, they need to be here at differing times to meet the needs of the city.

Motion by Ness to have Mr. Jones check into what a surveillance system would cost to add cameras to the old fire department building (maintenance shop) and at the four way stop with a 24 hour recorder. Second by Bruss. Ness, Lucia, Bruss, Carlson, and Utecht voted yes. Mayor Utecht declared the motion carried.

Mayor/Council

City Truck

Member Ness asked the council if they had seen the new city truck. He said that he recently saw the truck which is marked in the back side window as City of Stacy – this is not acceptable.

Motion by Ness to get the truck properly labeled with the same letter size as the other city trucks on both sides by the end of the month. Second by Bruss. Ness, Bruss, Lucia, Carlson, and Utecht voted yes. Mayor Utecht declared the motion carried.

Royal Concrete

Mayor Utecht addressed the following concerns regarding Royal Concrete:

- Dirt on 307th Street from Royal Concrete: he will talk with Mr. Kramer, Mr. Jones, and email Royal Concrete that they are to clean-up.
- He will ask the building inspector if there is no truck entrance posted to the north – or is this something Royal Concrete chose to do.
- Regarding employees leaving the business noisily – he will contact Deputy Hoppe to address.
- Buffer zone trees – this is what the conditional use permit called for, at that time the city engineer indicated that they would provide a sound buffer.
- Mr. Kramer will be asked to look at the dead trees on the west side.
- The sound levels have been taken, it doesn't appear that further testing would indicate a violation. Mr. Friberg also stated that they would not fail the rule 7030.

Foxtail Woods – Children at Paly

Motion by ness to have Mr. Jones install two more children at play signs along 302nd Street. Second by Carlson. Ness, Carlson, Bruss, Lucia, and Utecht voted yes. Mayor Utecht declared the motion carried.

Adjourned at 10:02pm

Mayor Utecht declared the meeting adjourned at 10:02p.m.

Sharon MT Payne