



**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
JULY 8, 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, Mark Statz, Peter Grundhoefer, Jerry Schroeder, Andy Zuercher, Jim Kultala, Tony Olivolo, Sandy Olivolo, Tony Olivolo Jr., Lynda Schmidt, Doug Green, Patty Kettles, Ted Strauch, Paul Vogel, Cindy Vogel, Greg Oden, Wayne Borowick, Brian Kalio, and Jeff Brown

Additions to the Agenda

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Stacy Sports Grill Curbing

Stacy Sports Grill Manager's Request

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 Carlson. Ness, Carlson, Lucia, Bruss, and Utecht voted yes. Mayor Utecht declared the motion carried.

Staff Reports

City Attorney

Peter Grundhoefer

Frontage Avenue Gap

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

In reference to the "gap" between the land owned by the city (PID 19.00104.00) and Frontage Avenue; Mr. Grundhoefer communicated with the County Surveyor's Office, the right-of-way for CSAH 19 does not appear to be contiguous to the eastern line of the City parcel. The "gap" between the two is identified as Frontage Avenue. The County does not claim any ownership interest in the area marked as Frontage Avenue. ownership of Frontage Avenue will need to be determined.



The council had reviewed this matter at their October 2013 regular meeting with the discussion that the issue might be resolved as part of the Chisago County CSAH construction project. However, the county decided not to proceed with a right-of-way (ROW) plat for the CSAH 30 project.

Motion by Ness to authorize the title search and Quiet Title Action on the property; amend the motion to exclude the residential properties along Frontage Avenue; ending at parcel 19.00104.00. Second by Carlson. Motion and Second withdrawn.

Should this be a county expense? It also effects the other three parcels, it's worth approaching the County Attorney's office.

Motion by Utecht to direct the city attorney to convey the city's wishes that the county handle this and to stress the urgency as Frontage Avenue is going to be improved. Second by Carlson. Utecht, Carlson, Ness, Lucia, Bruss, and Utecht voted yes. Mayor Utecht declared the motion carried.

Sunrise Auto Lot Encroachment

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

Owner of Sunrise Auto, Greg Oden, was present.

The west boundary line of parcel 19.00111.00, Sunrise Auto, extends across into the Stacy Sports Grill Parking lot. It looks like this occurred in the 1950's when the state vacated the land at that time. Mr. Grundhoefer would propose that a boundary line adjustment through a Quit Claim Deed.

Motion by Ness to authorize council member's Lucia, and Utecht to work with Mr. Oden regarding the property. Second by Carlson. Ness, Carlson, Lucia, Bruss, and Utecht voted yes. Mayor Utecht declared the motion carried.

Dollar General Site Development Agreement

Motion by Ness to authorize the Mayor and City Clerk to sign the Developer's Agreement with Dollar General as amended. Second by Carlson. Ness, Carlson, Bruss, Lucia, and Utecht voted yes. Mayor Utecht declared the motion carried.

Minimum Wage Law

Member Ness asked if the city is bound by the new law. Mr. Grundhoefer will research.

City Engineer
Mark Statz

Consider Award of Crack Filling Project

Motion by Ness to award the road sealing bid to Seal Tech, Inc., for a cost not to exceed \$12,600. Second by Carlson. Ness, Carlson, and Utecht voted yes. Bruss, and Lucia voted no. Mayor Utecht declared the motion carried 3-2.

Updates:

- **Kwik Trip**
- **2014 Street Improvements**

Kwik Trip:

The water main is up and running, they upgraded the piping at their own expense. The curbing on the road to the lift station will be extended, at the mobile home park's expense.

- **Water System Pilot Plant**

2014 Street Improvements:

This item will be on the August agenda.

Pilot Plant:

We had the plant here longer than anticipated, without additional charge. Mr. Jones did great working on the plant. The test results should be for the next council meeting.

Foxtail Woods Plat 5

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

Brian Kalio, and Jeff Brown, engineer and developer of the project were present.

The council approved the Planned Unit Development (PUD) with the condition that an emergency access road be put in at the developer's expense. The developer, Mr. Brown said that he does not have control of the entire portion of the proposed access road into Foxtail Woods.

Member Carlson said he doesn't think the city ever gave up control over the property for emergency access.

Mr. Grundhoefer said that at the Planning Commission the developer had indicated they had access to the road all the way to Foxtail Woods from County Road 30. What happened to the access?

Member Ness reminded the council that this is a PUD; in approving a PUD there needs to be a benefit to the city – without this access what is the benefit to the city?

Member Carlson said that the city needs to get some benefit.

Mr. Brown said giving the access isn't an issue the issue is the cost of the construction of the road. Says he shouldn't have to pay for this.

Both Member's Carlson and Ness said what is the benefit to the city? What is the developer giving? Member Carlson said the emergency access would also be utilized as part of the City's trail system.

Mayor Utecht said he would like to see what should have been recorded before a decision can be made. He does not want to torpedo a good development but he doesn't want to give stuff away either.

The city attorney was directed to investigate the access; what should have happened.

Stacy Sports Grill Curb

When the County Road 19 project by the county was done the street dropped about 3 inches lower than the curb; when the curb for the parking lot was put in it sits above the sidewalk by about 4-5 inches. This is a safety, liability, and maintenance issue. Mr. Statz will contact the county.

Detailed Water Report from the Maintenance Department

Member Ness asked Mr. Statz why the city's chlorine levels were so high, above the limits recommended in the report. Mr. Statz will investigate.

Financial Advisor

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

Doug Green and Patty Kettles

Utility Rate Analysis:

Ms. Kettles presented an analysis of the water and sewer funds and presented new projected rate increases to 2022 she also compared these rates to the previously proposed increase, the new increases are lower than the projected previously:

Water:

2014 rate increases = 3% annually 2015-2022
2012 rate increases = 7.5% annually 2015-2022

Sewer:

2014 rate increases = 5% annually 2015-2017; 3% annually 2018-2022
2012 rate increases = 10% annually 2015-2017; 3% annually 2018-2022

Street Improvement Financing Options:

Mr. Green presented financing options for the street improvement work in the amount of \$100,000.

The cost of borrowing was discussed and the council concurred that the best way to finance the project is internally.

The clerk was directed to review the general fund to see if we can pay directly and then add to the general fund budget to repay at \$20,000 per year. This item would be shown on the budget as its own line item.

City Clerk

Sharon Payne

Utility Report

The clerk was directed to find out how many gallons was attributed to PCI Roads.

ACH Transfers to The Bank

Motion by Ness to approve Amy Hill or Sharon Payne to process ACH Payroll. Second by Carlson. Ness, Carlson, Lucia, Bruss, and Utecht voted yes. Mayor Utecht declared the motion carried.

**Resolution Approving
Primary Election Judges**

Motion by Utecht to approve Resolution Number 2014-7-1, "Resolution Appointing Election Judges for the August 12, 2014, Primary Election." Second by Carlson. Utecht, Carlson, Lucia, and Bruss voted yes. Ness abstained. Mayor Utecht declared the motion carried.

Committees Commissions

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

Member Lucia said that the commission is still reviewing the Viola proposal.

Personnel Committee

Minimum Wage Increase:

The new law may not impact Stacy, we may be under the threshold of the requirement.

Motion by Utecht to approve the wage increase as presented in the memo. Motion fails for lack of a second.

Background Check Recommendations:

Motion by Utecht to table until the next meeting. Second by Ness. Utecht, Ness, Lucia, Bruss, and Carlson voted yes. Mayor Utecht declared the motion carried.

Liquor Operations

The current managers are under the understanding that the previous council said they could not award merit increases.

Member Ness like in business the managers would present an overall dollar amount for increases for approval by the council; the managers would then distribute at their discretion.

Member Carlson said he thought something was in law regarding salaried employees.

Member Lucia clarified so you're saying a manager can give whoever they want an increase as long as it fits within the budget approved by the council. Would this also include their own raises? Yes it would. Member Lucia then said he is not in favor of this.

Motion by Ness to table until the August meeting. Second by Utecht. Ness, Utecht, Lucia, Bruss, and Carlson voted yes. Mayor Utecht declared the motion carried.

The clerk was directed to have the city attorney review the law.

Park and Recreation

The committee was directed to review if the Twins Field at Sunrise was it formally dedicated.

Old Business

Sound Readings

Mayor Utecht indicated that two batches of sound readings were taken at Royal Concrete. Last night Royal was operating with the doors open, the readings did not exceed L10 or L50 limits. He had one set of readings read over L10 but the noise was from the freeway not Royal Concrete.

We're at the point we say we've taken the readings and the readings we have indicate Royal is in compliance with Rule 7030. The clerk will send letters to property owners (who filed noise complaints) indicating such.

New Business

Jim Kultala – Property Clean-up

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

Building Inspector, Jack Kramer, indicated through his monthly report that he needs direction from council regarding Mr. Kultala's property. Mr. Kramer has been communicating with Mr. Kultala since 2009 to have the property cleaned up. Progress is sporadic.

Motion by Ness to inform Mr. Kramer to continue abatement process and have a ticket issued. Second by Bruss.

Mr. Kramer had given Mr. Kultala until July 1, 2014, Mr. Kultala thought he would be able to make that deadline. However, he was working part-time in Duluth and has some medical issues.

Member Ness said this is the story he's heard over the last 3 years, he's tired of the story – the issue goes back to 2009.

Member Lucia said he would like to give Mr. Kultala the benefit of doubt that he will have the property cleaned up by August 1st as Mr. Kultala said he could do. Member Lucia said clean up by August 1 and then issue citation if not done.

Mayor Utecht said that this is not the motion on the table at this time.

Member Bruss said we've given Mr. Kultala chances before and nothing is done, this is the end of it; the council's made deals with him in the past and he doesn't come through

Member Ness reminded the council that the ticket process takes some time and Mr. Kultala may clean up his property before the court date. He would like to not wait another month on a maybe; get the process started.

Members Ness, Lucia, Bruss, and Carlson voted yes. Mayor Utecht voted no. Mayor Utecht declared the motion carried.

Tony Olivolo – Mobile Home Park after Hours Contact

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

Mr. Olivolo said that the water in the mobile home park was off and there was no way to contact the mobile home park owner or anyone else. They should have an emergency contact 24/7; not a machine.

He also asked about the broken pipe, don't the workers have to be certified to work on the pipes?

What can the council do to help?

Member Carlson asked if Mr. Olivolo contacted the Department of Health; he had and they said its private property.

Motion by Ness to have the city attorney review if we can legally force them to have a 24/7 emergency response number and if the workers are required to be certified to work with water lines. Second by Carlson. Ness, Carlson, Bruss. Lucia, and Utecht voted yes. Mayor Utecht declared the motion carried.

Mayor Utecht will contact the park owner to see if anything can be done in the meantime.

County Comprehensive Parks and Trails Plan Update

This item forwarded to the Park and Recreation Committee.

Phone Services Charge

Will be discussed at the next meeting.

Chisago – Isanti Heartland Express

Member Carlson is interested in working on this committee and will contact them.

Initiative Foundation

This item forwarded to the EDA for review.

**Lions Club – Beer Garden
Lions Park**

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

Mr. Grundhoefer said that a written agreement needs to be signed between the Lions Club and a certificate of insurance naming the city as an additional insured.

This item discussed at length, the following points being made:

- How to keep alcohol in the consumption area
- Fencing
- Underage drinking
- Family event; what about families that don't want to have their children around alcohol
- Why does it have to be the entire park?
- Money was lost last year due to the smaller service and consumption area
- Families that want to drink and be with their kids
- State requirements last year, not city's
- Need to investigate what is allowed by law

Motion by Ness to approve the beer garden as presented with the orange construction fence being utilized as a barrier, as long as it's allowed by State law. Second by Lucia. Ness, Lucia, Bruss, Carlson, and Utecht voted yes. Mayor Utecht declared the motion carried.

Motion by Ness to approve a one day liquor license for the Stacy Lions Club for Stacy Daze contingent upon documentation, with premise approved above. Second by Utecht. Ness, Utecht, Lucia, Bruss, and Carlson voted yes. Mayor Utecht declared the motion carried.

Motion by Utecht to authorize the Mayor and Clerk to sign the agreement of premise use. Second by Ness. Utecht, Ness, Lucia, Bruss, and Carlson voted yes. Mayor Carlson declared the motion carried.

Mayor/Council

**Liquor Management Alcohol
at City Owned Bar when Off
Duty**

Ms. Dahle said that when she or the Assistant Manager are off duty they would like to be able to have a drink at the Sports Grill; current policy does not allow this.

Mayor Utecht suggested changing this to they can have alcoholic beverages but cannot exceed the legal limits.

Member Lucia said the only problem with managers is there not on the clock per se, if they are in the bar having a drink someone could assume they are working. This is a fine line.

This item forwarded to the Liquor Committee to research and report.

Adjourned at 10:12pm

Mayor Utecht declared the meeting adjourned at 10:12pm.

Sharon MT Payne