



**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**

**SPECIAL MEETING
AUGUST 28, 2012, 7:00p.m.
STACY CITY HALL**

Call to Order

The meeting was called to order by Mayor Utecht at 7:02pm.

Roll Call

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

Absent: Cindy Bruss

Others Present: Peter Grundhoefer, Doug Green, Anne Thom, and Jon Ehlert

Purpose of the Special Meeting

The purpose of the special meeting is to handle the following agenda items (will not necessarily be discussed in this order):

2013 Budget
City Finances – Springsted
Hockey Arena Project
Traffic Study Resolution
Foster Avenue Improvement Project – Award Bid
Sanitary Sewer Pay Request

Sanitary Sewer Pay Request

Motion by Ness to approve the pay request to Pipe Services Company for the sanitary sewer cleaning in the amount of \$6,575.90 Second by Lucia. Ness, Lucia, Carlson, and Utecht voted yes. Mayor Utecht declared the motion carried.

Foster Avenue Improvement Project – Award Bid

Motion by Ness to table this item until September 11, 2012. Second by Carlson. Ness, Carlson, Lucia, and Utecht voted yes. Mayor Utecht declared the motion carried.

Traffic Study Resolution

Motion by Ness to approve Resolution Number 2012-8-1, “Resolution Expressing Public Safety Concerns and Requesting a Traffic Study. “ Second by Carlson. Ness, Carlson, Lucia, and Utecht voted yes. Mayor Utecht declared the motion carried.

Hockey Arena Project

Mr. Green presented an analysis of the Stacy Ponds Business Park; what does the city need to ask for the land from the Hockey Association based on the debt owed for the business park.

Member Ness said that the city has already spent enough money on this project; over \$41,000; and doesn’t want to spend any



additional city funds.

Member Lucia said that the project is sitting in limbo and not doing any good just sitting there.

Member Carlson said that we need to get it going or let it die.

Motion by Ness to sell the land to the Hockey Association for \$1.20 per square foot. Motion fails for lack of a second.

Mayor Utecht asked why \$1.20? Member Ness said he felt that was appropriate based on the numbers in front of him.

Member Carlson stated that he is worried about going ahead with the project in any fashion; after years of working on this it is still not coming together. Hockey tournaments cannot be conducted unless the rink is covered – that may never happen. He also cited the arena projects that are financially in trouble. He does not want the city to be at any risk.

Mayor Utecht said that if we don't offer to sell them the land we are putting a road block in their way.

Motion by Utecht to offer to sell the land to the North Branch Hockey Association for \$1.09 per square foot at whatever square footage is agreed upon in the lot split; contingent upon all agreements and contingencies necessary are signed. Second by Ness. Utecht, Ness, Carlson, and Lucia voted yes. Mayor Utecht declared the motion carried.

The city owes money on the land and cannot sell it for less than that.

Mr. Grundhoefer said that typically a developer places money in escrow for the processing of their application. The Hockey Association has not signed the reimbursement resolution; which does not require an escrow deposit; if they sign it they would have to agree to an escrow deposit. Mayor Utecht said that he doesn't want to put any barriers in the association's way. Sometimes things get done because there's trust.

Motion by Ness that as a condition of the sale is for the Hockey Association to place a \$5,000 escrow with the city to cover all costs related to its development. Second by Carlson. Ness and Carlson voted yes. Lucia and Utecht voted no. Mayor Utecht declared the motion fails for lack of majority.

Member Ness stated that we have to treat them as we would any developer. Mayor Utecht said that he respectfully disagrees.

Budget

Mr. Green reviewed the options for paying the bond debt for the 2006B Bonds (Stacy Ponds Business Park). The issue is the lot sales did not happen as projected and the bond payments have to be made; they go up to \$105,000 next year.

After a lengthy discussion it was determined to make the following motion based on the information presented:

Motion by Utecht to direct Springsted to begin the process to restructure the 2006B Bonds. Second by Ness. Utecht, Ness, Lucia, and Carlson voted yes. Mayor Utecht declared the motion carried.

The council stated that they are very pleased with the documents Springsted has prepared; they have been a great tool in the decision making process.

Adjourned at 9:24pm

Motion by Ness to adjourn. Second by Carlson. Ness, Carlson, Utecht, and Lucia voted yes. Mayor Utecht declared the motion carried.

Sharon MT Payne