



**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  
MARCH 12, 2024, 7:00 p.m.  
33155 HEMMINGWAY AVENUE, STACY MN 55079**

**Call to Order**

The meeting was called to order by Mayor Utecht at 7:00 p.m.

**Attendance**

**Present:** Mark Utecht, Tim Sawatzky, Dennis Thieling, Marie Lawrence, and Jennie Carlson

**Absent:** None

**Others Present:** Dan Boyum, James Mongé, Troy Nelson, Tanya Smolke, Angie Comstock, Carolyn Cagle, Jeff Barrett, Rick Keller, Ben Montzka, Dick Stiers, Danielle Lennon, and Brad Simms of DSG, Brian Seekon, and one more resident.

**Additions to the Agenda**

Additions to the agenda:

- 06A3-County Communications System User Agreement
- 06D1-Meter Replacement Quotes
- 06D2-Street Sweeping Quotes
- 06E2-New TouchTunes Machine for Stacy Grill

Motion by Utecht to approve the agenda as amended. Second by Thieling. Members Sawatzky, Lawrence, Carlson, Thieling, and Utecht voted yes. Mayor Utecht declared the motion carried.

**Public Comment**

Montzka reported that \$100,000 of levy funds will be allocated for the first study to move forward with replacing the 35 & 19 over-change. The User Agreement for the Communications System will show an increase of \$70 in 2025 and \$90 in 2027 with the state. The county pays a large portion of the total cost. The county is looking at a bipartisan residential zoning bill surrounding affordable housing. The Chisago County HRA-EDA is allocating funds for this. The bill is looking to allow flexible zoning without jurisdiction. Sawatzky asked if there was county representation on the hill during city week last week but Montzka didn't know that the county was involved.

Cagle reported, as a member of the Parks Committee, that she has the Public Works Supervisor looking into fixing the slide at the park. Three bike racks are being installed around the city, with one going in at the Pickleball court. She is looking into trash receptacles and who is responsible for them along the bike path. She would also like to see a play area for small children at Lions Park. The Parks Committee will meet again on March 26<sup>th</sup>. She talked to the Hall Custodian and he

can clean and buff the kitchen floor for a total of \$600 in supplies and materials and this should be done before the upcoming benefits and weddings. Utecht reminded her this is a Maintenance decision so she will write up something for the Clerk's office to get to them. She had two painters come in for quotes as the last time the hall was painted was eight years ago. Barrett called Giese Carpet and the flooring was eight weeks out as of February 6<sup>th</sup>. Cagle would also like to look at ways to promote hall rentals. Discussion was had on the serving kitchen and that it was not fiscally reasonable to turn it into a full-service kitchen.

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**Consent Agenda**

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Motion by Utecht to approve the consent agenda as presented. Second by Sawatzky. Members Sawatzky, Lawrence, Thieling, Carlson, and Utecht voted yes. Mayor Utecht declared the motion carried.

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**Staff Reports**

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**City Attorney**  
**James Mongé**

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Mongé reported that he received two quotes for the water tower and both have specific terms to them. After the council chooses one, he will attach a Professional Service Agreement, and in the event of conflict, the agreement drafted for the city would control. Nelson explained the two contracts and the differences between the processes of each. He recommends awarding the contract to Midco, as they do a wet dive into the tower and it would not have to go offline. They will also provide a thumb drive of the interior and if there are major repairs needed, the tower will be taken offline for repairs and OSHA guidelines will be followed. Motion by Utecht to approve the Midco quote as presented and have the city attorney to draft the governing document for that. Second by Sawatzky. Members Sawatzky, Lawrence, Thieling, Carlson, and Utecht voted yes. Mayor Utecht declared the motion carried.

Mongé also reported on the quote to resurface the water tower from TMI, Inc. Nelson said he is working on a second one. The mayor stated that this is not required by state guidelines like the internal is. There was discussion on when two quotes are needed and Mongé explained that two are needed between \$75,000 and \$125,000. The mayor informed the council that the ARMER user Agreement will expire in 2024. There will be a major change to the system but the new SLFD radios purchased are compliant. Utecht will not vote in favor of this as it is a county system. Motion by Sawatzky to accept the proposed increase. Second by Utecht for discussion. Members Sawatzky and Carlson voted yes. Members Thieling, Utecht, and Lawrence voted no. The motion did not pass. Motion by Lawrence to reconsider. Second by Utecht. Members Sawatzky, Lawrence, Thieling, and Carlson voted yes. Mayor Utecht voted no. Motion by Lawrence to approve the Chisago County Communications System contract as presented. Second by Utecht. Members Sawatzky, Lawrence, Thieling, and Carlson voted yes. Mayor Utecht voted no. Mayor Utecht declared the motion carried.

Monthly Report

With the lead service industry, the city engineer would like to see concentration on homes built prior to 1985. Hydrant numbers and placements are being reviewed.



CITY OF STACY

MONTHLY ENGINEER'S REPORT

For the March 12, 2024 City Council Meeting

1. 2021 Street and Utility Improvements (307<sup>th</sup> Street and 311<sup>th</sup> Street – 193805157 and 193805158)

- We exchanged correspondence on quantities with the general contractor and their paving subcontractor. We agreed on quantities with the paving subcontractor. We agree on several quantities with the general contractor, but the outstanding items are highlighted below:

Item	Contractor Request	Recommendation
Dewatering on 311 <sup>th</sup> St. due to storm sewer moving to the north side.	½ of their \$25,625.75 rental costs = \$12,812.88	Dewatering is incidental in contract documents. Contractor would have had dewatering on either side of the road. North side avoided slower installation next to watermain. We recommend Option 1 – No payment. I have included an Option 2 that includes the contractor's requested amount of \$12,812.68 for discussions as it relates to project closeout.
Extra work on Temporary Mailboxes	\$6,478.50 - \$3,375.96 (Bid Items) = \$3,102.54 more	There were 6 mailboxes that were affected that would not have been anticipated (2 on Forest) or did not have a pay item associated (3 on Stacy Trail and 1 on Finch Ave.). So, \$1,295.70 with change order is recommended.
Additional remobilization for 6 driveway adjustments	\$55,380	\$892.50 for remobilization of paving subcontractor (change order). No remobilization for general contractor since \$55,380 is for multiple mobilizations throughout project, no documentation provided by general contractor, and general contractor had punchlist items to complete requiring mobilizations.

- We have prepared two options for a final payment request and change order based on discussions above and review of other quantities. We recommend Option 1 based on the comments above. We will forward the options to the general contractor for review and comment. We can update the council on feedback from the general contractor at the next meeting. We have included the two options for your reference.

2. Stacy General (193804175)

Miscellaneous Items

i. Miscellaneous Operations and Public Works Items

- Reviewed numbering on older sanitary sewer basemaps with staff. Sent televising information to Public Works staff from 311<sup>th</sup> Street.
- Lead Service Inventory – forwarded examples of resident correspondence related to taking their own pictures of water service lines at meter. Forwarded correspondence on next steps as well as a dated plat table. Water services placed after January 1, 1985 can be listed on the lead service inventory as "non-lead". The plat table (see attached) gives areas of town to concentrate on (areas older than January 1, 1985) in filling out the lead service inventory.

3. Discussed water tower antenna companies and contracts with Public Works and City Administration staff.
  4. Coordinated a meeting with Public Works staff to discuss street conditions.
- ii. **Indoor and Outdoor Storage Facility** – We have attached the memo on final steps for council review and discussion that contains the facility owner’s comments. The facility owner has agreed to complete the items listed in the memo when the frost comes out of the ground. The facility owner wants the city to confirm in writing that the items for the CUP are satisfied after items are completed.
  - iii. **Rinker Materials Sewer and Water Extension** – We updated the service extension drawing to address the Department of Labor and Industry (DOLI) permit. We contacted the fire chief and based on existing hydrants in the area, the chief wants to see a hydrant added to the service extension. We received the building official’s letter addressing DOLI questions of him and forwarded that letter to Rinker. Rinker provided comments on adjusting the manhole location on the sewer line to better work on their site and agreed to placing a hydrant. They want to work with the fire chief on a final location, and they would like to discuss hydrant options with the fire chief.
  - iv. **32022 Flora Avenue – Pure Pressure Diesel Repair IUP – Home Occupation** – The city planner reviewed this application and prepared a memo.
  - v. **Amigos Sign Questions** – The city planner reviewed these questions and provided guidance to the applicant on signage.
  - vi. **DNR Shoreland and Floodplain Ordinance and Combined Land Use Map** – Reviewed with staff on next steps and formatting on ordinances. Also discussed land use and zoning maps from consultants.
  - vii. **Stacy Hardware CUP Application** – The city planner has been responding to various questions from the applicant related to parking, landscaping, lighting, and exterior finishes.
  - viii. **30490 Fir Trail – Pole Barn Building Permit** – The city planner reviewed this permit application and gave feedback to staff on various items.
  - ix. **5563 Athens Trail – gas station parking expansion** – We provided comments on a contractor’s drawing not meeting the checklist requirements for an Interim Use Permit. We discussed there may be a previously submitted plans with the original gas station or the gravel expansion area that could be reused.
  - x. **General planning questions** – The city planner responded to general planning related questions on temporary storage, 8-foot fencing, and lot splits/minor subdivisions.

**2021 Street and Utility Improvements**

This item was handled out of order by motion of Utecht. Second by Lawrence and carried. Utecht asked the council if they want to pay the \$12,000 that Dressel claims the city owes. Boyum recommends all other expenses and said they compromised with the current bill. The company also felt the storm sewer was closer to water. They had a well driller come out and the depth info was not shared with the city. There was a five-foot height difference between the north and south side of the road which prompted the extra expenses. Utecht asked for Keller's opinion and Keller called this an incidental and said it should not be paid by the city. Sawatzky agreed and said the quote should have been updated. Boyum informed the council that drilling didn't start until the work was shifted to the north side. Motion by Utecht to approve Payment Request 8, Change Order 3, as shown in Option 1. Second by Sawatzky. Members Sawatzky, Lawrence, Thieling, and Carlson voted yes. Mayor Utecht voted no. Mayor Utecht declared the motion carried.

**Stacy Indoor/ Outdoor Storage Site**

Boyum will be meeting with the property owner of the storage site with slides put together to show headlights. The owners would like to install

fencing on the east side which will not block headlights from the second story of neighboring homes as the ordinance is not set up that way. Thieling proposed staggered trees to provide fencing. Boyum will look into this further and also check out the fixture again and possibly ask for it to be removed.

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**City Clerk/Finance  
Department**

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**Notice April Council  
Meeting will be Held on  
April 10th**

The mayor stated all meetings scheduled for April 9<sup>th</sup>, the date of the special election, will move to Wednesday. This includes Liquor Operations, Personnel Committee, and Council. He would like the Board of Canvassing to meet on April 16<sup>th</sup> at 6:00 p.m., but in the event of a recount, everything would shift.

**Benefitted Employees  
Personnel Policy Update**

Motion by Utecht to adopt the policy revision as presented. Second by Thieling. Members Utecht, Lawrence, Carlson, Sawatzky, and Thieling voted yes. Mayor Utecht declared the motion carried.

**Resolution 2024-3-1  
Appointing Additional  
Election Judges for the  
Special Election**

Motion by Utecht to adopt Resolution 2024-3-1 as presented. Second by Thieling. Members Utecht, Lawrence, Carlson, Sawatzky, and Thieling voted yes. Mayor Utecht declared the motion carried.

**Previously Adopted  
Minutes Amendment**

Motion by Utecht to amend minutes from the December 4<sup>th</sup> special meeting, as presented in the memo provided by staff. Second by Sawatzky. Members Utecht, Lawrence, Carlson, Sawatzky, and Thieling voted yes. Mayor Utecht declared the motion carried.

**Vacation Request-Michelle  
Hayes**

Motion by Utecht to approve vacation request. Second by Lawrence. Members Utecht, Lawrence, Carlson, Sawatzky, and Thieling voted yes. Mayor Utecht declared the motion carried.

**Request for Specific Motion  
for Gambling Permit**

Motion by Utecht to approve the gambling permit for the Northwest Area Jaycees for April 28, 2024 at the Lent Town Hall. Second by Sawatzky. Members Utecht, Lawrence, Carlson, Sawatzky, and Thieling voted yes. Mayor Utecht declared the motion carried.

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**Maintenance Department**

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**Meter Water Replacement  
Quotes**

This item was handled out of order by motion of Utecht. Second by Sawatzky and carried. There were several quotes from staff and they recommended DSG. Brad Simms was in person to answer questions. If there is an anomaly in a household or business, the city will get a notification to pass on to the owner. The system would also prompt a notification if the interior temperature is too low to prevent frozen pipes. The mayor would like to use ARPA dollars for this. Nelson reported there were nearly a dozen more no-reads than last month and that number seems to increase steadily. This system comes with

a six-month battery warning as well. Utecht explained that this company will do the in-home part of lead service. The city attorney confirmed the city is within their authority to approve this cost with consideration of the benefit to the city. The representative explained the three-part warranty. Simms explained the meter communicates eight times per day and the midnight reading reports the ambient temperature in the room and water temperature in the meter. Alarms are real-time and will sound for a burst, low battery, and more. Those can be emailed or text to city staff. Drive-by equipment is included to reprogram meters and to utilize as a backup option. There is an optional add-on of an acoustic sound wave to recognize leaks on the distribution side. Motion by Utecht to award the bid to DSG based on the presented quote. Second by Theiling. Members Utecht, Lawrence, Carlson, Sawatzky, and Thieling voted yes. Mayor Utecht declared the motion carried. Sawatzky noted there is a time constraint with lead and copper coming up in August.

### **Street Sweeping Quotes**

Nelson reported that the quote from Pearson's was cheaper by the hours. Trucks can be used at a contracted price and have the ability to dump into our trucks. His recommendation is for Pearson's to do it as they can keep all materials. The hourly rate was submitted as the original quote requested was for the old city boundaries. The plan is to do this in mid-April to prevent the sweeping after possibly needing to plow. Council agreed if the expense was higher than the limit, the supervisor could authorize.

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### **Liquor Operations**

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#### **Sports Grill General Manager Resignation**

Utecht explained the manager at the Stacy Grill has submitted a letter of resignation and would like to stay on as an employee. Motion by Utecht to accept the letter of resignation and allow the manager to stay on as an employee. Second by Thieling. The employee's new role will be a part-time bartender, effective April 11th. The mayor clarified that there are currently no assistant managers to do scheduling and payroll. He believes keeping this specific employee will help the business. Members Utecht, Lawrence, Carlson, Sawatzky, and Thieling voted yes. Mayor Utecht declared the motion carried.

#### **New TouchTunes at Stacy Grill**

Utecht believes this is not appropriate for the council to decide and should be brought to the bar staff.

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### **Committee/Commissions**

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#### **CLJSTC**

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Member Sawatzky provided a CLJSTC update. Their lawyer looked over the contract to see how to invest money. Utecht would like the Clerk's department to get a final draft and send it to the city attorney.

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#### **Personnel**

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Utecht provided an update.

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**Public Information**

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This committee has not met but has a meeting scheduled for Monday, May 18<sup>th</sup> to review the new city website.

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**Parks & Recreation**

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Noted in Public Comments.

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**History**

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This committee has not yet met.

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**EDA**

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This committee has not yet met.

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**Planning Commission**

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Member Sawatzky provided an update, reporting cannabis was tabled and the tobacco ordinance was approved as amended. The owner of Station 17 is looking to expand and will be coming in for an application. Kramer came in to discuss billboards.

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**Emergency Plan**

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The Mayor reported that the Fire Chief is working on a Hazard Mitigation Plan.

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**Lent Town Hall Rental Committee**

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This committee has not yet met.

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**Old Business**

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None.

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**New Business**

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**Ordinance 2024-3-1 Amending §30.07 Committees**

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Motion by Sawatzky to approve Ordinance 2024-3-1 Amending §30.07 Committees. Second by Carlson. Members Utecht, Lawrence, Carlson, Sawatzky, and Thieling voted yes. Mayor Utecht declared the motion carried.

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**Ordinance 2024-3-2 Amending §31.02 Composition**

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Motion by Utecht to approve Ordinance 2024-3-2 Amending §31.02 Composition Second by Lawrence. Members Utecht, Lawrence, Carlson, Sawatzky, and Thieling voted yes. Mayor Utecht declared the motion carried.

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**Ordinance 2024-3-3 Tobacco Adoption with Summary Publication**

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Motion by Utecht to approve Ordinance 2024-3-3 with summary publication. Second by Sawatzky. Members Utecht, Lawrence, Carlson, Sawatzky, and Thieling voted yes. Mayor Utecht declared the motion carried.

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**Tobacco License Application Approval for City Use**

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Motion by Utecht to approve the Tobacco License Application Approval for City Use. Second by Sawatzky. Members Utecht, Lawrence, Carlson, Sawatzky, and Thieling voted yes. Mayor Utecht declared the motion carried.

**Ordinance 2024-3-4  
Repealing Storm Water  
Drainage Utility**

Motion by Utecht to approve Ordinance 2024-3-4 Repealing Storm Water Drainage Utility. Second by Thieling. Members Utecht, Lawrence, Carlson, Sawatzky, and Thieling voted yes. Mayor Utecht declared the motion carried.

**Ordinance 2024-3-5  
Amending Fee Schedule  
with Summary Publication**

Motion by Sawatzky to approve Ordinance 2024-3-5 Amending Fee Schedule with Summary Publication. Second by Thieling. Members Utecht, Lawrence, Carlson, Sawatzky, and Thieling voted yes. Mayor Utecht declared the motion carried.

**Mayor/Council**

**Election Canvassing  
Proposed Date**

Motion by Sawatzky to approve Election Canvassing Proposed Date as proposed above. Second by Sawatzky. Members Utecht, Lawrence, Carlson, Sawatzky, and Thieling voted yes. Mayor Utecht declared the motion carried.

**Mayor Comments**

The mayor will be out of town for a few days and the city phone will be in Acting Mayor Thieling's possession. Utecht mentioned the City of Osseo is looking to open a Cannabis Dispensary and he would like for the future council to discuss this option for Stacy.

**Adjourned at 8:54 p.m.**

Mayor Utecht declared the meeting adjourned at 8:54 p.m.

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Tanya Smolke, City Clerk