



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
DECEMBER 11, 2018, 7:00p.m.
STACY CITY HALL**

Call to Order

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

Roll Call

Present: Jim Ness, Chuck Lucia, Mark Ness, Mark Utecht, and Tony Olivolo (left at 8:00pm)

Absent: None

Others Present: Amy Schutt, Dan Boyum, Rebecca LaMotte, Peggy Korlath, Paul Vogel, Cindy Vogel, Lynda Schmidt, and Dennis Thieling

Additions to the Agenda

Agenda Revisions:

- Add Emergency Plan Committee
- Add Stacy Sports Grill Status
- Remove Committee Assignments

Motion by J. Ness to approve the agenda as amended. Second by M. Ness. Members J. Ness, M. Ness, C. Lucia, M. Utecht, and T. Olivolo voted yes. Mayor M. Utecht declared the motion carried.

Public Comment

None

Consent Agenda

Motion by M. Ness to approve the consent agenda as presented; including the invoice for Pi Pizzeria in the amount of \$50.40 from last month's meeting. Second by C. Lucia. Members M. Ness, J. Ness, T. Olivolo, and M. Utecht, and C. Lucia. Mayor M. Utecht declared the motion carried.

Staff Reports

City Attorney

Amy Schutt

Open Meeting Law

Attorney Schutt provided information on the Open Meeting Law; there weren't any questions from the council.

Vogel Property

Member Ness gave an overview of what occurred; the Vogel's came to the Planning Commission to ask if they could keep both homes on the property. The commission reviewed the code and



said yes it was allowed in R2 (Multiple Family Residential). After that meeting the commission asked the city attorney to review the code to make sure that they did not miss something. The city attorney's opinion is that the two homes are not allowed. Below is an excerpt from her email:

I am skeptical that this plan meets the code. Off the top of my head, I'd point to 153.025 (G), which states you can only have one principle building per lot. 153.046 (C) lists permitted use as "two family residences". This should be read as "two-family residences" not "two family-residences". Also, with a lot of that size, I would guess that they are violating a number of setback and surface area requirements. All of these would require variances and code amendments to legally overcome, which should have been obtained prior to building the second house and would have been up to the Council to approve, not the planning commission.

The outcome of the other interpretation would mean that every lot in the R-2 and R-3 districts would be allowed to have two single-family homes on each lot, without any special council approval. I do not believe that is what the council envisioned when drafting the code. I have not heard of any other code which allows this.

Motion by Mayor M. Utecht we allow the property owner until June 30, 2019, to fully demolish and repair the site where the original house was and until October 1, 2019, to do the same with the original garage. Second by J. Ness. Members M. Ness, J. Ness, M. Ness, and C. Lucia voted yes. Member T. Olivolo voted no. Mayor Utecht declared the motion carried 4-1.

Emergency Plan Committee

The city attorney was directed to research if there is a statutory requirement regarding who the members of the Emergency Plan Committee are, and if so, can the city add additional members.

City Engineer
Dan Boyum

Anderson Property (5122 Fawn Lake Drive)

Mayor Utecht said that he was contacted by the son of the property owner who is having an appraisal of the property done; one of the important items in the appraisal is if city water and sewer are available to the property. Mayor Utecht would like Mr. Boyum to research this; the item will also be discussed below (City Water and Sewer Availability to the West side of the freeway).

Water Usage at the Treatment Plant (WTP)

Mr. Boyum reported that the water used at the WTP is as follows:

- The volume of water used during backwash = +/- 35,000 gallons per month.
- Of that amount, about 90% or 31,500 gallons is recycled.

- The remaining 3,500 gallons gets wasted to sewer.

Overflow Structure at the WTP

Mr. Boyum said that a question came up on this item at the November 13 Council Meeting. Here is some information on this structure:

- The overflow structure is for emergency use.
- It is not used as part of a design process operation.
- It is required by the MN Department of Health in conjunction with the Ten State Standards.
- It provides a path for water to flow from certain tanks or structures to the outside without causing damage or flooding within the plant.
- There are safeguards embedded within the WTP controls and automation that should prevent an overflow event from happening, however unintended conditions can occur while water is flowing into, or out of, a tank or basin such as valve obstruction or failure, air compression failure, and possible filter plugging and well keeps pumping.

If any of these type of situations (or similar) occur, the overflow piping will safely send the water flow to the outside by gravity. We are not aware of any use of the overflow structure following start-up.

WTP – Reimbursement for Handicap Parking Area

The engineer has provided information to Brett Repulske of USDA requesting reimbursement related to parking lot improvements for handicap accessibility.

Chisago County Engineering Meeting

Mr. Boyum met with the Chisago County Engineering Staff to discuss county improvements in Stacy; they include:

- **County Road 19 (I-35 to Forest Boulevard and possibly east city limits)** – *The County is planning a resurfacing project to this area in 2020 or 2021. If there is any City work that would need improvements (sanitary, water, intersections), that work could be incorporated into the County Project. The County would address storm water improvements. We will review with staff and bring back to the Council for discussion, but some items could be:*
 - *Finch Avenue concrete apron*
 - *Any improvements to existing sanitary sewer or water main*
 - *Past discussions on road extensions near Public Works Building*
 - *Other items identified by Staff or Council*
- **I-35 Intersection Bridge** – *MnDOT has limited funds for new improvements throughout the state. Currently there is no pedestrian access across the existing bridge. The City*

could consider future discussions with the MNDOT area manager related to pedestrian access across the bridge, especially with future growth on the west side of I-35.

The council said that the county and county commissioner are aware that the city wants to replace the bridge over I-35; this has been ongoing for several years.

Water Graph – Gallons Billed vs Gallons Pumped

Mayor Utecht asked what an acceptable percentage off is between what is pumped and what is billed. Mr. Boyum said he believed it was 10%; He will confirm this next month.

City Water and Sewer Service Availability West of the Freeway

Mr. Boyum was directed to research the current capacity of the system for expansion and what it would take to increase its capacity. The cost to do this was approved not to exceed \$2,000.

Forterra Water Connection

Forterra would like to connect into city water and sewer for their non-production water; Mr. Boyum presented a site plan indicating which buildings and possible connection site.

**City Clerk
Sharon Payne and Lynda Schmidt**

Stacy Do It Best Hardware

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

Ms. Schmidt presented information on what Stacy Do It Best Hardware owes the city for the water leak; the council told Ms. Schmidt to follow the process as precedence dictates.

Employee Pay Increase 2019

Motion by M. Ness to approve the pay increase for the Maintenance Supervisor effective January 1, 2019, at 3%. Second by J. Ness. Members M. Ness, J. Ness, and C. Lucia voted yes. Mayor M. Utecht voted no. Member T. Olivolo absent. Mayor M. Utecht declared the motion carried 3-1.

Motion by J. Ness to approve the pay increase for the City Clerk, Utility Billing Clerk, and Maintenance Worker 1 effective January 1, 2019, at 3%. Second by M. Ness. Members M. Ness, J. Ness, C. Lucia, and M. Utecht voted yes. Member T. Olivolo absent. Mayor M. Utecht declared the motion carried.

2019 Levy Approval

Motion by M. Ness to approve Resolution Number 2018-12-2, "Resolution Approving the Final City Levy for 2019;" as amended above. Second by J. Ness. Members. M. Ness, J. Ness, C. Lucia, and M. Utecht voted yes. Member T. Olivolo absent. Mayor M. Utecht declared the motion carried.

Resolution – Reserving Fire Equipment Funds

Motion by M. Ness to approve Resolution Number 2018-12-3, “Resolution Designating Reserves General Fund Fire Equipment.” Second by J. Ness. Members M. Ness, J. Ness, C. Lucia, and M. Utecht voted yes. Member T. Olivolo absent. Mayor M. Utecht declared the motion carried.

Resolution – Reserving Maintenance Vehicle Funds

Motion by M. Ness to approve Resolution Number 2018-12-4, “Resolution Designating Reserves General Fund Capital Equipment Truck (Replace F550).” Second by J. Ness. Members M. Ness, J. Ness, C. Lucia, and M. Utecht voted yes. Member T. Olivolo absent. Mayor M. Utecht declared the motion carried.

Oberloh Engagement Letter

Motion by M. Ness to approve the contract with Dennis Oberloh, Ltd to perform the 2018 audit for a cost of \$8,850. Second by M. Utecht. Members M. Ness, M. Utecht, C. Lucia, and J. Ness voted yes. Member T. Olivolo absent. Mayor M. Utecht declared the motion carried.

Resolution Calling Bonds

Motion by M. Ness to approve Resolution Number 2018-12-5, “Resolution Providing for the Prepayment and Redemption of the City’s Liquor Store Revenue Bonds, Series 2006A.” Second by J. Ness. Members M. Ness, J. Ness, C. Lucia, and M. Utecht voted yes. Member T. Olivolo absent. Mayor M. Utecht declared the motion carried.

Maintenance Department

Motion by M. Ness to approve the Maintenance Supervisor vacation as presented in his email dated December 6, 2018.

Liquor Operations

Bar Status

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

Motion by M. Ness to have the city attorney and city financial advisor research what steps or requirements are needed to close the bar and possibly default on the loan. Second by J. Ness. Members M. Ness, J. Ness, and M. Utecht voted yes. Member T. Olivolo, and C. Lucia voted no. Mayor M. Utecht declared the motion carried 3-2.

**Committees
Commissions**

Personnel Committee

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

Personnel Policy Changes:

The Committee met today and are not ready to recommend approval of the Drug and Alcohol Testing and Drug Free Workplace Policy.

Council Policies:

Member M. Ness asked if the Personnel Policy applied to the council? Attorney Schutt said it did not. He then said that he thought that the council should have some polices such as harassment, drug and alcohol use, and use of city equipment. Attorney Schutt will research if other cities have these types of policies for their council.

**Public Information
Committee**

Member M. Ness said the committee would like to post a council update on the city website quarterly; is this something the council would like to review prior to posting; yes, they would.

Park and Recreation

Mr. Thieling said the committee is researching the purchase of benches to place in the parks and along the walking trail in the business park; they asked at the EDA meeting if this is something the business owners would be interested in sponsoring. The price of the benches is \$400-\$1,300 each; dependent upon the choice. They will continue their research to include durability and resiliency to violence.

**Stacy Economic
Development Authority
(EDA)**

Mr. Thieling reported that the EDA has been working with Fox Valley Metrology on their expansion in Stacy. They will be purchasing another lot in the business park and are working with Nancy Hoffman (County EDA) on funding options.

Old Business

**Liquor License – Lions
Club**

This item handled out of order by motion of T. Olivolo. Second by M. Ness and carried.

Motion by J. Ness to approve the liquor license for the Stacy Lions Club for 2019 as presented. Second by M. Ness. Members J. Ness, M. Ness, T. Olivolo, C. Lucia, and M. Utecht voted yes. Mayor M. Utecht declared the motion carried.

New Business

**Hennepin Technical
College Contract**

Motion by J. Ness to approve the contract with Hennepin Technical College for OSHA Training in the amount of \$761.00. Second by M. Ness. Members J. Ness, M. Ness, C. Lucia, and M. Utecht voted yes. Member T. Olivolo absent. Mayor M. Utecht declared the motion carried.

Mayor/Council

Board of Review Training

Currently we have two members who are trained, however one member is leaving the council at the end of this year. All the council members are encouraged to take the training.

Hockey Arena

The council asked the clerk to contact the Hockey Association to check on the status of the project.

Complaint to the Council

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

Mr. Thieling submitted a formal complaint to the council that his email address was shared with a third-party site; the council apologized and said they are sorry that happened but unfortunately at this point they can't do anything about it.

This brings up the issue about using personal emails; the council directed that staff do not use third party sights to communicate with any staff or committee member without prior authorization of the city council.

Motion by M. Utecht to provide a city email address to any Park and Recreation Committee Member or EDA Member who wishes to have them. Second by J. Ness. Members M. Utecht, J. Ness, C. Lucia, and M. Ness voted yes. Member T. Olivolo absent. Mayor M. Utecht declared the motion carried.

Adjourn at 9:32p.m.

Mayor M. Utecht declared the meeting adjourned at 9:32p.m.

Sharon MT Payne