



**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
MAY 10, 2022, 7:00p.m.
30955 FOREST BOULEVARD, STACY MN 55079**

Call to Order

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

Attendance

Present: Mark Utecht, Mark Ness, Tim Sawatzky, Marie Lawrence, and Jennie Carlson (arrived late)

Absent: None

Others Present: Dan Boyum, James Mongé, Jim Ness, James Lindholm, John Evasku, Tammy Evasku, Nancy Hoffman, Aerica Benson, Jeff Glaser, Matt Thompson, Liz Vierling, and Dan Vierling

Additions to the Agenda

Additions to the Agenda:

1. Remove from the Agenda 2021 Street Project Change Order and Pay Request.
2. Complaint Letter Received Today

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

Public Comment

None

Consent Agenda

Motion by Ness to approve the consent agenda as amended. Second by Utecht. Members Sawatzky, Ness, Lawrence, and Utecht voted yes. Carlson was absent for the motion. Mayor Utecht declared the motion carried.

Staff Reports

City Attorney

James Mongé

**Stacy Ponds Business
Park – Lot Purchase**

Mr. James Lindholm, owner of Metalcrafters of Stacy Inc., is interested in purchasing the adjoining lot to his property; PID 19.00133.15. He is considering a substantial addition to his

current structure. He is offering to purchase the lot for a \$1.10 per square foot. The city attorney will review the letter of intent to purchase the land.

Mark Ness, as representative of the Stacy EDA, said that his understanding was that the city had a “handshake” agreement with Metalcrafters going back to when they purchased the original lot that they would have “first right of refusal” for the adjoining parcel. The city has received interest in the business park; Nancy Hoffman, Chisago County HRA/EDA reached out to Mr. Lindholm letting him know that interest in the business park lots has increased. This instigated this lot purchase.

The Stacy EDA overwhelmingly supports the purchase of the lot by Mr. Lindholm; and are willing to do what it takes to make it happen. They are a great business in Stacy. Mayor Utecht said that the council is willing to work with Mr. Lindholm also.

City Engineer

Dan Boyum

Monthly Report

Engineer Boyum’s report contained:

1. 2021 Street and Utility Improvements (307th Street and 311th Street – 193805157 and 193805158)

- We prepared comments on the contractor’s change order request. Another meeting will be needed on some of the items, especially the sanitary sewer claim for 307th.
- We processed a change order for the final fabric and rock quantities along 307th Street for the wet subgrade (Change Order No. 1). We also processed Payment Request No. 3 for the project. A separate memo is included in the council packet on these two items.
- We were contacted by one of the property owners on 311th Street related to items he was seeing after the winter and that he wanted to make sure we had on our list before the final lift of asphalt is placed. He has discussed some of the items with his neighbors also, and he indicated a neighbor will come to the May 10, 2022 council meeting to discuss. Some of the items are:
 - the surmountable curb and wanting it cut down lower at driveways
 - some water sitting on some different spots in yards and needing some more topsoil

- the catch basin casting that still needs replaced at one driveway
- gravel material on driveways that needs to match existing material

We thanked him for updating us on items he was seeing. We will meet with him to review the items he has identified and add items to the punchlist. Some of the items we review in the spring is if there is any cracked concrete that needs to be replaced, how the fall seeding is doing after germination this spring, identify if there is any settling occurring after the freeze/thaw cycle, and other restoration issues. There are a few concrete driveway patches that did not get completed last fall that will also need to get done. We have not received an updated schedule from the contractor, but road restrictions are now off, and we anticipate receiving one soon. We can discuss any update we get from the contractor at the meeting.

The council discussed last fall about addressing property owner concerns on the surmountable curb at driveways. We will review options with the contractor and his concrete subcontractor and then report back to the Council.

Mayor Utecht said that he would be disappointed if Dresel Contracting did not complete the 2021 Street project prior to them moving onto other projects. We put off until Spring, at their request the paving of 307th Street.

2. Stacy General (193804175)

- **Fence Setback** – Provided some feedback on fence setback at Stacy Lions Park.
- **Forterra Sewer and Water Service** – Forterra is working with a contractor to extend the water and sewer lines to the south of 307th Street to their buildings. They had questions on using the plan sheet from the 2021 Street and Utility Improvements with some edits discussed by their contractor in their permit submittal to the Department of Labor and Industry (DOLI). We understand the city's new building inspector can do those permit reviews, and that is a benefit for businesses due to delays with DOLI permits. We are reviewing the WAC and SAC connections as part of connecting to the city's system.

- **Parks Dedication** – The planning group worked on a memo related to park dedication.
- **Stacy Indoor and Outdoor Storage** – The city planner discussed with the building inspector.

**Dresel Contracting
Change Order and Pay
Request**

This item was removed from the agenda for action; Engineer Boyum explained: The contractor was calling and wanting to get paid, so Engineer Boyum asked his Team to prepare the change order and pay request. The contractor said he has more tickets to review; the change order and pay request will need to be amended. He will be meeting with Dresel Contracting next week.

**311th Street Project –
John Evasku**

John and Tammy Evasku, 5985 311th Street:

Mr. Evasku said that he went around to the neighbors to see if they were happy with the project; most were not, he indicated he had signatures of those property owners. He was encouraged to have them send their concerns to the city clerk in writing; providing a detail of the concern and how they want it rectified.

He said the big concern is the driveway transition to the road. The type of concrete curb used is typically used in new developments not in older developments. The project done on the other side of Forest Boulevard in 2018 did not have curb, why was this required? The mayor said to address the storm sewer issues expressed by the residents.

Mr. Evasku also expressed concern regarding landscaping, and the patch for the driveway was of a different material than what was there. Ms. Evasku said that several of her family members have trouble with the height of their vehicles accessing her residence.

Mr. Evasku said that he was not happy since the start of this project; it was kind of forced on them. Mayor Utecht responded that the residents overwhelmingly wanted this project. Member Sawatzky and Ness said the project was to address storm water run-off issues and the need for the new road.

Mr. Matt Thompson, 5965 311th Street:

Mr. Thompson also expressed concern regarding the driveway height, and black dirt to fill in yards. He provided pictures for the council to review; he also showed photos of the Evasku property.

Once the property owners provide, in writing, their detailed concerns and desired action; the council can discuss what action can be taken. The mayor stated we may not be able to do what everyone wants, but we can review.

Member Ness said he has an overall question regarding the 2021 street and utility project; what happened with these two projects. Other projects over his tenure on the council have gone smoothly without big issues. What went sideways? Member Sawatzky and Member Lawrence agreed with Member Ness' comment.

Maintenance Department

Trailer

What is the status of selling the old trailer through MNBid? The clerk indicated that the safety deposit box was checked and the title for the trailer was not found. Mr. Jones will be asked to contact MNBid to see what the process is without the title.

City Clerk/Finance Department

Vacation Request

Motion by Ness to approve the vacation request for the city clerk as presented. Second by Lawrence. Members Ness, Lawrence, Carlson, Sawatzky, and Utecht voted yes. Mayor Utecht declared the motion carried.

Lakes and Pines Agreement

Member Ness stated for the record that the agreement was unclear to its purpose and he didn't fully review so he would not be voting for its approval. Not that he is against it, rather he hadn't reviewed it fully.

Motion by Utecht to direct the Finance Director to set up and administer the Energy Assistance Program Agreement Between Water Vendor and Service Provider with Lakes and Pines. Second by Sawatzky. Members Utecht, Sawatzky, Lawrence, and Carlson voted yes. Member Ness voted no. Mayor Utecht declared the motion carried.

Annexation Error in the Chisago County Press

The article written by Denise Martin about the last joint meeting of township and the city regarding the annexation said that the "Items forwarded by the township citizen committee to be included were rejected." This is an error. They were not rejected but have not been considered yet.

Liquor Operations

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

Froogle Online Ordering

Motion by Utecht to ask Ms. Benson to address the council's concerns with the vendor:

- Place into the contract, that should the Sports Grill seize using Froogle that they are not responsible to pay for the remaining installments for the printer.
- See what they can do regarding the transaction fee, can this be listed monthly rather than per transaction on the bank statement; this would avoid the creating issues with the finance director.

If these issues can be worked out satisfactorily authorize the mayor to sign the contract. Second by Sawatzky. Members Utecht, Sawatzky, Carlson, Lawrence, and Ness voted yes. Mayor Utecht declared the motion carried.

Pay Increase – Aerica Benson

Member Ness said that he would not support an increase due to the recent financial report numbers (through March 31, 2022) for liquor operations; the bar lost \$42,708.86 and combined with the liquor store a loss of \$8,668.95. It would not be fiscally responsible to increase compensation when the financials show an overall loss.

Motion by Utecht to grant the pay increase for Aerica Benson as presented (\$31.25/hour, \$65,000/year). Second by Carlson.

Member Lawrence suggested the increase at \$30/hour. Ness would still not be in favor of that amount.

Motion by Utecht to amend his motion to increase the compensation for Aerica Benson to \$30.00/hour, \$62,400/year. Second by Carlson. Members Utecht, Carlson, and Lawrence voted yes. Member Sawatzky abstained. Member Ness voted no. Mayor Utecht declared the motion carried. 3-1.

Motion by Utecht to make the pay increase for Aerica Benson effective the next payroll period (beginning May 12, 2022). Second by Sawatzky. Members Utecht, Sawatzky, Carlson, and Lawrence voted yes. Member Ness voted no. Mayor Utecht declared the motion carried.

Roofing Bids

Three bids were received for the Stacy Sports Grill roof:

- PEI \$69,986.00
- Central Roofing \$78,947
- GMS – Ballasted Roof \$67,500; Fully Adhered Roof Replacement \$78,50

Jeff Glaser with GMS was present to discuss his proposal for the roof at the Sports Gril; he gave a detailed description of the work to be done and materials to be used. He also said he provides

the required two-year guarantee by the state with an additional three years, so five-years total.

The council decided that the fully adhered roof replacement option would be the best choice.

Motion by Utecht to have Ms. Benson reach out to PEI and Central Roofing to solicit bids for the fully adhered roof. In a week Ms. Benson and Mayor Utecht will meet; if none are under the bid submitted by Mr. Glaser then award the bid to him; if they are then he will call a special meeting. Second by Sawatzky. Members Utecht, Sawatzky, Ness, Lawrence, and Carlson voted yes. Mayor Utecht declared the motion carried.

Committee/Commissions

Public Information

Mayor Utecht will prepare the article for the June newsletter.

EDA

Member Ness reported that the EDA had met and are planning the business appreciation event, most likely to be held on June 22nd. An attorney from his employer will be presenting information on patent law.

Personnel Committee

Personnel Policy Changes

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

Motion by Utecht to accept the personnel policy changes with removing Stacy Sports Grill Shift Supervisor, and Stacy Wine and Spirits Shift Supervisor from the list of benefitted employees. Second by Sawatzky. Members Utecht, Sawatzky, Lawrence, Carlson, and Ness voted yes. Mayor Utecht declared the motion carried.

Pay Matrix Change

Motion by Sawatzky to table until the July 12, 2022, meeting. Second by Ness. Members Sawatzky, Ness, Carlson, Lawrence, and Utecht voted yes. Mayor Utecht declared the motion carried.

Job Description – City Clerk

Motion by Ness to approve the City Clerk job description as presented. Second by Carlson. Members Ness, Carlson, Lawrence, and Sawatzky voted yes. Mayor Utecht declared the motion carried.

Job Description – Finance Director	Motion by Ness to approve the Finance Director job description as presented. Second by Carlson. Members Ness, Carlson, Lawrence, and Sawatzky voted yes. Mayor Utecht declared the motion carried.
Employee Review Form – City Clerk	Motion by Ness to approve the employee review form for the City Clerk, as amended (change Adherence to Policy all items to rating of 3). Second by Lawrence. Members Ness, Lawrence, Carlson, Sawatzky, and Utecht voted yes. Mayor Utecht declared the motion carried.
Employee Review Form – Finance Director	Motion by Ness to approve the employee review form for the Finance Director, as amended (change Adherence to Policy all items to rating of 3). Second by Utecht. Members Ness, Utecht, Lawrence, Sawatzky, and Carlson voted yes. Mayor Utecht declared the motion carried.
Employee Review Form – Maintenance Supervisor	Motion by Utecht to approve the employee review form for the Maintenance Supervisor, as amended (change Adherence to Policy, Items 1-3 to rating of 3). Second by Ness. Utecht, Ness, Lawrence, Carlson, and Sawatzky voted yes. Mayor Utecht declared the motion carried.
Employee Review Form – Off Sale Manager	Motion by Ness to approve the employee review form for the Off-Sale Manager, as amended (change Adherence to Policy all items to rating of 3). Second by Utecht. Ness, Utecht, Carlson, Sawatzky, and Lawrence voted yes. Mayor Utecht declared the motion carried.
Job Hazard Analysis – Clerk’s Department	The job hazard analysis for the Clerk’s Department was accepted by the Council.
Work Location Safety Checklist – Clerk’s Department	The Work Location Safety Checklist for the Clerk’s Department was reviewed and accepted by the council.
Tabled Items	<p>The following items were tabled until the June 14, 2022, meeting by motion of Utecht. Second by Sawatzky and carried:</p> <ul style="list-style-type: none"> • Job Description - Bar and Grill Custodian • Job Description – Grill Cook • Job Description – Wait Staff • Job Description – Bartender • Job Description – Shift Supervisor

Planning Commission

Ordinance Approval

Motion by Utecht to approve all the ordinances on the agenda, items 6G1-6G14, as presented with summary publication. Second by Sawatzky. Members Utecht, Sawatzky, Lawrence, Carlson, and Ness voted yes. Mayor Utecht declared the motion carried. The following ordinances were approved:

1. Ordinance 2022-5-1, Amending §31.04, Planning Commission Powers and Duties.
2. Ordinance 2022-5-2, Amending §153.192, Information Requirement.
3. Ordinance 2022-5-3, Amending §52.56 and §150.03, Individual Sewage Standards.
4. Ordinance 2022-5-4 Amending §152.01, Comprehensive Plan.
5. Ordinance 2022-5-5 Amending §151.32 and §151.30. Data Requirements Preliminary Plat.
6. Ordinance 2022-5-6 Amending §151.31, Final Plat.
7. Ordinance 2022-5-7 Amending §153.188, Variances.
8. Ordinance 2022-5-8 Amending §153.189, Conditional Use Permit.
9. Ordinance 2022-5-9 Amending §153.193, Information Requirement.
10. Ordinance 2022-5-10 Amending §130.01 and §130.02, Firearms, and Curfew.
11. Ordinance 2022-5-11 Amending §112.03, §153.053, and §153.051, Light Industrial Permitted Uses, and General Business Permitted Uses.
12. Ordinance 2022-5-12 Amending §153.185, Zoning Administrator.
13. Ordinance 2022-5-13 Amending §153.191, Amendment of Zoning Ordinance.
14. Ordinance 2022-5-14 Amending Fee Schedule.

New Business

Access to Stacy Ponds Business Park Trail

This item briefly discussed it was decided that the city would not be developing a parking area for trail access. The patrons of the trail can follow the no parking regulations; and park in the areas that would fit within those parameters.

Mayor/Council

Complaint Received Today

The city received a complaint today about the impact the Kindness Rock Garden will have on the tree it is utilizing. The complaint states that the dirt around the tree is not good for the tree; and that a sign was nailed into the tree.

The council will have the maintenance department remove the sign from the tree and place it on a pole. The dirt around the tree should have no impact on the tree, because of the age of the tree.

Liquor Finances

Member Ness said that he will be keeping an eye on this. He does not like the theory that if they don't make money, they can still transfer funds to the city; the transfer should be based on the current year's profits. Not the utilization of reserve funds; the liquor operations not making money can have a great impact on the city's general fund.

Adjourned at 9:52p.m.

Mayor Utecht declared the meeting adjourned at 9:52p.m.

Sharon MT Payne, City Clerk