



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
JUNE 11, 2019, 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: Chuck Lucia, Mark Utecht, Tony Olivolo, and Mark Ness

Absent: None

Others Present: Amy Schutt, Dennis Oberloh, Dan Boyum, Jim Ness, Dennis Thieling, Steve Kveton, Tim Sawatzky, Clarence Genz, Kristi Nelson, Dallas Nestvold, Stephanie Blommer, Paul Authier, Matt Silver, Mark Nelson, and Jim Kultala

Council Letters of Interest, Oath of Office

The city received letters of interest from: Tim Sawatzky, Steven Kveton, Dennis Thieling, Clarence Genz, and Jim Clay.

The council spoke briefly with all applicants except Jim Clay who was not present at the meeting.

Motion by Ness to appoint Steve Kveton to the City Council for the vacant term. Second by Lucia. Member Ness voted yes. Members Lucia, Utecht, and Olivolo voted no. Mayor Utecht declared the motion fails 3-1.

Motion by Utecht to appoint Dennis Thieling to the City Council. Second by Olivolo. Members Utecht, Olivolo, and Lucia voted yes. Member Ness voted no. Mayor Utecht declared the motion carried 3-1.

The clerk administered the Oath of Office to Dennis Thieling and he took his seat at the council table.

Additions to the Agenda

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1. Fox Valley Metrology Contract for Private Development
2. ARMER Agreement
3. Metro Tent Rental Contract
4. Revived Iron Site Plan Review and Approval
5. League of MN Cities Conference
6. Committee Appointments

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

**Public Hearing on
Proposed Assessment
7:18p.m.-7:20p.m.**

Notice of Hearing on Proposed Assessment

TO WHOM IT MAY CONCERN:

Notice is hereby given that the council will meet at 7:00 p.m., or as soon as thereafter may be heard, on June 11, 2019 at Stacy City Hall, 30955 Forest Boulevard to consider, and possibly adopt, the proposed assessment for the cost of abating the zoning violation, which consisted of the removal or elimination of public health and safety hazards from private property. The property address is 30427 Forest Boulevard, Property Identification Number 19.00130.97; Owned by James and Michelle Kultala. Adoption by the council of the proposed assessment against the property may occur at the hearing.

The amount to be specially assessed against the parcel of land is \$21,932 Such assessment is proposed to be payable in equal annual installments extending over a period of 10 years, the first of the installments to be payable on or before the first Monday in January 2020, and will bear interest at the rate of six (6) percent per annum from the date of the adoption of the assessment resolution. To the first installment shall be added interest on the entire assessment from the date of the assessment resolution until December 31, 2020. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

You may at any time prior to certification of the assessment to the county auditor, pay the entire assessment on such property, with interest accrued to the date of payment, to the City of Stacy. No interest shall be charged if the entire assessment is paid within 30 days from the adoption of this assessment. You may at any time thereafter, pay to the City of Stacy the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the assessment before the date given above the rate of interest that will apply is six (6) percent per year. The right to partially prepay the assessment is not available.

The proposed assessment is on file for public inspection at the city clerk's office. The total amount of the proposed assessment is \$21,932. Written or oral objections will be considered at the meeting. No appeal to district court may be taken as to the amount of an assessment unless a written objection signed by the affected property owner is filed with the municipal clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The council may upon such notice consider any objection to the amount of a proposed individual assessment at an adjourned meeting upon such further notice to the affected property owners as it deems advisable.

Under Minn. Stat. §§ 435.193 to 435.195, the council may, in its discretion, defer the payment of this special assessment for any homestead property owned by a person 65 years of age or older, one retired by virtue of a permanent and total disability, or a member of the National Guard or other reserves ordered to active military service for whom it would be a hardship to make the payments. When deferment of the special assessment has been granted and is terminated for any reason provided in that law, all amounts accumulated plus applicable interest become due. Any assessed property owner meeting the requirements of this law may, within 30 days of the confirmation of the assessment, apply to the city clerk for the prescribed form for such deferral of payment of this special assessment on his/her property.

An owner may appeal an assessment to district court pursuant to Minn. Stat. § 429.081 by serving notice of the appeal upon the mayor or clerk of the city within 30 days after the adoption of the assessment and filing such notice with the district court within ten days after service upon the mayor or clerk.

None

Public Comment

Consent Agenda

Motion by Ness to approve the consent agenda as presented. Second by Olivolo. Members Ness, Olivolo, Lucia, Thieling and Utecht voted yes. Mayor Utecht declared the motion carried.

Staff Reports

City Auditor
Dennis Oberloh

City Attorney
Amy Schutt

**Resolution Ordering
Assessment to Property**

Motion by Ness to approve the audit as presented. Second by Olivolo. Members Ness, Olivolo, Lucia, Thieling, and Utecht voted yes. Mayor Utecht declared the motion carried.

Motion by Utecht to authorize the Mayor to sign Resolution Number 2019-6-1, "Resolution Ordering Assessment to Property." Second by Ness. Members Utecht, Ness, Olivolo, and Thieling voted yes. Member Lucia voted no. Mayor Utecht declared the motion carried 4-1.

Mr. Kultala objected and asked the council to wait until next month to approve the Resolution. Attorney Schutt recommended the council move forward with passing the resolution.

Revived Iron

- **Quit Claim Deed**
- **Purchase Agreement**
- **Site Plan**

Quit Claim Deed:

Motion by Ness to approve the two deeds allowing for lot line readjustment of Lots 2 and 3, Block 2, Stacy Ponds Business Park 1st Addition. Second by Olivolo. Members Ness, Olivolo, Thieling, Lucia, and Utecht voted yes. Mayor Utecht declared the motion carried.

Purchase Agreement:

Motion by Ness to approve the Vacant Land Purchase Agreement between Nestvold Properties, LLC, and the City of Stacy for property listed on Exhibit A. Second by Utecht. Ness, Utecht, Lucia, Olivolo, and Thieling voted yes. Mayor Utecht declared the motion carried.

Site Plan:

Mr. Boyum discussed the site plan submittal and asked for direction on the following two items:

1. Building Design:

In reviewing a layout of the building, there is approximately 18% of brick covering the south side of the building, 25% of brick covering the west side of the building, and 21% covering the east side of the building. Because the building is a corner parcel, it has three sides facing Forest Boulevard (west side) and Stacy Ponds Drive (south and east sides).

The amount of metal on these three sides thus ranges from 79% to 82% and exceeds the 20% guideline for front walls. However, the code allows the City to consider other types of

construction materials. We recommend the City confirm if they will accept the exterior finishes being presented in this application.

2. Sewer and Water Service:

Extension of the sewer and water service to the new parcel should be done at this time. Also, a drainage and utility easement should be placed around those services. We recommend the costs associated with those items be discussed with the applicant at this time.

Mr. Boyum' s recommendation:

The following findings and conditions should be included in an approving motion:

1. The proposed site plan review meets all applicable conditions, criteria, and restrictions stated in the City of Stacy Zoning Ordinance, contingent on Council review of exterior wall finishes.
2. The applicant shall complete the following items:
 - a. The Applicant shall address all engineering comments.
 - b. The Applicant shall provide the City with revised site plans.
 - c. The Applicant will apply for and receive a building permit for proposed improvements.
 - d. The Applicant shall pay for fees associated with the building permit.

Motion by Utecht accept the site plan as presented (engineers recommendations) with the following amendments to accept conceptual rendering of building and materials as presented, require utility easement starting stubs at the SE area of the lot straight North to the next lot to the North and agree to split costs of extending stubs to the north 50/50 between the city and the purchaser. Second by Ness. Members Utecht, Ness, Lucia, Olivolo, and Thieling voted yes. Mayor Utecht declared the motion carried.

Fox Valley Metrology

- **Contract for Private Development**
- **Tax Abatement and Development Agreement**

Motion by Ness to approve both the Contract for Private Development, and the Tax Abatement and Development Agreement between the City of Stacy and Tollroge Properties, LLC; as amended. Second by Olivolo. Members Ness, Olivolo, Lucia, Thieling, and Utecht voted yes. Mayor Utecht declared the motion carried.

Legal Services Agreement

Motion by Ness to approve the Legal Services Agreement as presented. Second by Thieling. Members Ness, Thieling, Lucia,

Olivolo, and Utecht voted yes. Mayor Utecht declared the motion carried.

ARMER Agreement

The city received a letter from the Chisago County Attorney regarding the ARMER Communication System User Agreement. Mayor Utecht read the second bullet item from the letter; "Without significant up-front investment and cost/risk sharing amongst current all program participants, the County is steadfast in not further considering fundamental changes to the Program's governance model or annual Budget/User Fee structure." Mayor Utecht said that he had an issue with the statement; it is basically saying this is how it's going to be. He then reported that the representative group from area communities had met last week to discuss the agreement and will be providing comments to the county.

Metro Tent Rental Contract

Motion by Utecht to authorize the Mayor to sign the contract on behalf to the city. Second by Ness. Utecht, Ness, Lucia, Olivolo, and Thieling voted yes. Mayor Utecht declared the motion carried.

City Engineer
Dan Boyum

Engineer's Report

The council discussed the format of the City Engineer's report; it was decided that he would only include items that had been added/changed since the last report. If a prior item has an update the history of that item will be included; items with no change will not be included in the report.

Mr. Boyum went over his engineering report and addressed questions from the council.

City Clerk
Sharon Payne

Exterior Improvements City Hall

The new sign for city hall is now ready for installation; prior to installation the council should consider updates to the exterior of the building. In particular the front of the building this year and budget other items for the future.

Motion by Ness to approve the quote for \$1,600 from Precision Home Services, LLC, to include cleaning the cedar siding on front of City Hall and refinish cedar siding with semi-transparent cedar tone stain (2 coats). Second by Thieling. Ness, Thieling, Lucia, Olivolo, and Utecht voted yes. Mayor Utecht declared the motion carried.

Maintenance

**Compensation
Maintenance Supervisor**

Motion by Utecht to table this item until Mayor/Council business. Second by Olivolo. Utecht, Olivolo, Thieling, Lucia, and Ness voted yes. Mayor Utecht declared the motion carried.

**Committees
Commissions**

**Chisago Lakes Joint
Sewage Treatment
Commission**

Mark Nelson

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

Plant Superintendent, Mark Nelson was present to discuss the capital improvement plan.

Mr. Nelson said that the small projects were taken out of future bond obligations; so as to not pay interest on these smaller/priority projects. Because of this and the fund being short already an increase in the long-term capital improvement fund needs to occur. Stacy's increase will go from \$7,564 per year to \$12,375 per year. It is anticipated that a bond issue will occur in 2022.

Personnel Committee

**Personnel Policy
Changes**

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

Motion by Ness to table the policy until the council can hold a work session. Second by Olivolo. Ness, Olivolo, Lucia, Thieling, and Utecht voted yes. Mayor Utecht declared the motion carried.

Work Session scheduled for June 25, 2019.

**Park & Recreation
Committee**

Member Thieling and Olivolo reported:

- There is a trip hazard in Lions park, the concrete slabs are higher than the ground level; the ground level needs to be brought up to the level of the concrete slab.
- The Boy scouts have been contacted to see if they are interested in cleaning the grills in Lions Park.
- Work on the picnic tables is being researched to bring them into ADA compliance.

EDA

The city was contacted by Nancy Hoffman regarding a developer interested in purchasing two acres of land for low income housing; to include 30-40 units. The height restriction may be an issue; is this something that can be changed? The height restriction cannot be changed due to fire protection services.

**Emergency Plan
Committee**

Motion by Utecht to appoint Jim Ness Emergency Management Director. Second by Olivolo. Members Utecht, Olivolo, Lucia, and Thieling voted yes. Member Ness abstained. Mayor Utecht declared the motion carried 4-0.

Member Ness said that he had a concern appointing one citizen; we could have the scenario again where no-one was interested. His proposal would be that this position fall under the Acting Mayor roll. The city will see if they can appoint two directors; a primary and a secondary.

Old Business

Pay Matrix Review

Motion by Utecht to table until the July 9, 2019, meeting. Second by Ness. Utecht, Ness, Thieling, Lucia, and Olivolo voted yes. Mayor Utecht declared the motion carried.

New Business

**Stacy Lions Club – Stacy
Daze Liquor License**

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

Kristi Nelson, President of the Lions Club was present to discuss the liquor license for Stacy Daze.

Mayor Utecht cautioned that the Lions Club are responsible for securing the alcohol consumption area. Member Ness said again this year that he does not agree with the entire Lions Park being the consumption area.

Motion by Olivolo to approve the liquor license for Stacy Daze for the Stacy Lions Club as presented. Second by Lucia. Members Olivolo, Lucia, Thieling, and Utecht voted yes. Member Ness voted not. Mayor Utecht declared the motion carried 4-1.

**Resolution – Stacy Lions
Club Raffle for Ribfest**

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

Motion by Ness to approve Resolution Number 2019-6-2, "Resolution Approving the Stacy Lions Club to Conduct Off-Site Lawful Gambling in the City of Stacy." Second by Utecht. Members Ness, Utecht, Olivolo, Thieling and Lucia voted yes. Mayor Utecht declared the motion carried.

Rustic Inn – Stacy Daze

The application from the Rustic Inn for a temporary amendment of the licensed liquor premises (City Code §112.25 (C)) was deemed incomplete because a site plan was not included.

Emergency Plan Approval

Motion by Utecht to approve the Emergency Plan as presented. Second by Ness. Utecht, Ness, Olivolo, Thieling, and Lucia voted yes. Mayor Utecht declared the motion carried.

Mayor/Council

League Training Date Update – July 23

The training will be rescheduled.

Employee Reviews

The employee reviews are scheduled for July 23, 2019, beginning at 7p.m. Allow 30 minutes for each employee.

Member Lucia – Moving

Member Lucia said this may be his last meeting as he will be moving out of Stacy in the next 30-60 days; Mayor Utecht said that he appreciated Member Lucia’s service to the City and that he enjoyed working with him.

Member Lucia will submit a letter of resignation once he knows when he will be moving.

League Annual Conference

Motion by Utecht approve Dennis Thieling to attend the League of Minnesota Cities Conference being held June 26-28, 2019; the city will cover mileage, registration and lodging. Second by Lucia. Utecht, Lucia, Ness, Olivolo, and Thieling voted yes. Mayor Utecht declared the motion carried.

Committee Appointments

The city cannot have a quorum of the council on a committee. Member Lucia volunteered to be removed from the Park and Recreation Committee and the Stacy EDA.

Compensation for the Maintenance Supervisor

The compensation for the Maintenance Supervisor was scheduled for July 23, 2019, after the employee reviews a Special Meeting will be held.

Planning Commission Appointment

Steven Kveton expressed interest in being appointed the Planning Commission.

Member Ness made a motion to appoint Steven Kveton to the Planning Commission. Second by Utecht. Ness, Utecht, Thieling, Lucia, and Olivolo voted yes. Mayor Utecht declared the motion carried.

Adjourn at 9:53p.m.

Mayor M. Utecht declared the meeting adjourned at 9:53p.m.

Sharon MT Payne

