



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
SEPTEMBER 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, Tony Olivolo, and Mark M. Utecht

Absent: None

Others Present: Amy Schutt, Jeremy Hauser, Dennis Thieling, Kristy Nelson, Rebecca LaMotte, Tim Lacasse, Chris Ross, Elizabeth Burns, Peggy Koralath, and Paul Authier

Additions to the Agenda

Additions to the agenda:

- Fire Hall Rent

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

Public Comment

Tim LaCasse:

Mr. LaCasse expressed his concerns regarding the Stacy Sports Grill; he said it used to be busy and now business has really decreased. The cash machine has been empty three times in the last month, the TV's are too small to watch a Vikings Game and you can't hear them. He has addressed his concerns with the Manager who has been rude and unfriendly to him. If you want customers you need to listen to them. He was requested to bring the glasses from his table up to the bar and play bus boy – which he sees as inappropriate. You need to have someone who wants to actually run the bar. Maybe lease the bar out and remove the tax burden off the community.

Chris Ross:

Ms. Ross mirrored the comments made by Mr. LaCasse and added that she has also approached the manager who “blew her off.” She said the manager is rarely around; isn't someone making her accountable? Isn't that the council's responsibility. The bar has not made money in years, why are they continuing to support this? Member M. Ness said that it had been discussed at the council level that he felt the bar should be shut down as it was losing way too much money; he did not get support from the council. However, no citizens had expressed their dissatisfaction. Ms. Ross said that if the council were interested in leasing or



selling the bar she may be interested. Member C. Lucia said this will be discussed.

Paul Authier:

Mr. Authier said that he has experience in accounting, loss control, and human resource. He is a small-town guy, and knows about the rumor mill, rumors are just rumors until some supporting data supports the talk of the town. He sees the city runs two businesses one is profitable and the other is not; like the council he is concerned how the tax dollars are spent. He hopes the citizens of Stacy would be comfortable to talk with the council about their concerns without fear of retaliation. He is not worried about himself but perhaps with someone associated with him may be penalized. Member T. Olivolo said that they need to come to the council or put their name on a complaint.

He sees that the council decided to put the liquor operations bookkeeper out for proposals and from what he understands the current bookkeeper has resigned. As communicated before you need written documentation and proper support for the auditor. Cash should always be handled by two employees; he is not sure this is the case with the city owned businesses. He hopes the change in accountants works out best for the city.

Consent Agenda

Member T. Olivolo had a question on two receipts from the Sports Grill:

1. A receipt for Mallards of Forest Lake with notation Assistant Manager Interviews in the amount of \$53.55.
2. An \$800 receipt to Gameday Media with notation Sponsorship at North Branch High School, Basketball full Page Ad.

After discussion there was no issue with the \$800 expense; however, Member T. Olivolo still had an issue with the Mallards receipt.

Motion by M. Ness to approve the consent agenda taking out invoice to Mallards of Forest Lake in the amount of \$53.55. Second by J. Ness. Members M. Ness, J. Ness, T. Olivolo, and M. Utecht voted yes. Member C. Lucia voted no. Mayor M. Utecht declared the motion carried 4-1.

Motion by M. Ness to approve the Mallards of Forest Lake invoice in the amount of \$53.55. Second by J. Ness. Member T. Olivolo questioned the invoice, we have four shift supervisors – what happens if she hires an assistant manager? Member C. Lucia said isn't it at the manager's discretion? Yes, it is within her discretion. Members M. Ness, J. Ness, C. Lucia, and M. Utecht voted yes. Member T. Olivolo voted no. Mayor M. Utecht declared the motion carried 4-1.

Staff Reports

City Attorney**Amy Schutt**

**Kultala Nuisance
Abatement**

Attorney Schutt said that the building inspector solicited ten quotes and received one response. She will contact him tomorrow to see if any others were received or expected. The Mayor can authorize the quote.

**Stacy Sports Grill Band
Issue**

The order from the court found in favor of the city.

**City Staff Running for City
Office**

Member J. Ness said he understands the city attorney's opinion is different than in the past. He would like to adjust the city's ordinance to prevent a city employee from running for city office if this is possible. He sees this possibly creating a hostile work environment. Attorney Schutt will need to research.

Motion by J. Ness to have the city attorney draft an ordinance preventing city staff from running for elected city office. Second by C. Lucia.

Mayor M. Utecht said that he does not like the circular management; however, does not think we should make the change now because of current circumstances. Have the new council handle it.

Vote: Members J. Ness, M. Ness, C. Lucia, and T. Olivolo voted yes. Mayor M. Utecht voted no. Mayor M. Utecht declared the motion carried 4-1.

City Engineer**Jeremy Hauser**

**Water Treatment Plant Pay
Request Number 21 and
Final**

The city council did not approve the pay request because of the following items:

- Reimbursement of electric used by the construction trailer
- Receipt of final documentation

A motion was made and withdrawn by Mayor M. Utecht to pay the request.

2018 Street Project

The contractor is continues to work on a "punch list" of items.

Pay Request Number 4:

Motion by J. Ness to approve Pay Request Number 4 in the amount of \$57,352.19 to Valley Paving Inc., for the 2018 Street

Improvement Project. Second by M. Ness. J. Ness, M. Ness, T. Olivolo, C. Lucia, and M. Utecht voted yes. Mayor Utecht declared the motion carried.

DNR Water Supply Plan

They continue work on the plan which is due October 15th.

Lift Station Controls

The installation should be complete at the end of this month.

**City Clerk
Sharon Payne**

Water Graph

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

The gallons pumped this month and last month are about 500,000 gallons more than billed. The council asked Mr. Hauser if something in the water plant can be causing this? He will research.

**Resolution 2018-9-1,
Approving Preliminary
Levy and Setting Truth-in-
Taxation Date**

Motion by M. Utecht to approve Resolution Number 2018-9-1, "Resolution Approving Preliminary City Levy for 2019;" as amended tonight. Second by J. Ness. Members M. Utecht, J. Ness, T. Olivolo, and C. Lucia voted yes. Member M. Ness voted no. Mayor M. Utecht declared the motion carried 4-1.

Mayor M. Utecht announced the Truth-in-Taxation date of December 11, 2018, at 6:30p.m.

**Resolution 2018-9-2,
Dedicating Excess Funds**

Motion by M. Ness to approve Resolution Number 2018-9-2, "Resolution Dedicating Excess Funds." Second by J. Ness. Members M. Ness, J. Ness, C. Lucia, T. Olivolo, and M. Utecht voted yes. Mayor M. Utecht declared the motion carried.

**Resolution 2018-9-3,
Approving Deferral of
Assessment 2018 Street
Project**

Motion by M. Ness to approve Resolution Number 2018-9-3, "Resolution Approving Deferral of Assessment – 2018 Street Improvement Project." Second by M. Utecht. J. Ness, M. Ness, T. Olivolo, C. Lucia, and M. Utecht voted yes. Mayor M. Utecht declared the motion carried.

Maintenance

**MN Department of Health
Reports**

No action necessary by the council.

Liquor Operations

**Resolution – Opposing
Sale of Liquor in Grocery
and Convenience Stores**

The council did not adopt the resolution. They want the city to control, not the state. The Mayor will contact our legislature to communicate this desire.

**Committees
Commissions**

Personnel Committee

The committee met today the main topic discussed is the city clerk's function in the human resources. The committee decided that the managers are responsible in returning paperwork to the city clerk's office without requiring city clerk follow-up. The clerk's office will check that the "check list" is complete but will not verify the backup.

**Public Information
Committee**

The council member's discussed at length what constituted an "ad" and how it can be a "slippery slope" in what is and what isn't allowed.

Motion by C. Lucia to remove all ads which includes: trunk-or-treat, booya, fire bash and candidate listing. Second by M. Utecht. Members C. Lucia, and T. Olivolo voted yes. Members J. Ness, M. Ness, and M. Utecht voted no. Mayor M. Utecht declared the motion failed 3-2.

Motion by J. Ness to take out the booya, trunk-or-treat, and fire bash from the newsletter. Second by M. Ness. Members J. Ness, M. Ness, C. Lucia, and M. Utecht voted yes. Member T. Olivolo voted no. Mayor M. Utecht declared the motion carried 4-1.

**Park and Recreation
Committee**

The committee went out to Meadows Park to see what an appropriate use of the park may be; they decided to send out a letter to the property owners in Richland Meadows to see what they would like.

They have made contact to see if a soccer league can play in Stacy.

EDA

Member T. Olivolo said that he and Dennis Thieling attended a county meeting and are seeing if we can get vets or senior housing here.

Planning Commission

**Ordinance 2018-9-4,
Amending Chapter 153
Pet Grooming**

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

Motion by J. Ness to approve Ordinance Number 2018-9-4, "An Ordinance Amending Chapter 153 of the City Code Regarding Pet Grooming." Second by T. Olivolo. J. Ness, M. Ness, T. Olivolo, C. Lucia, and M. Utecht voted yes. Mayor M. Utecht declared the motion carried.

**Ordinance 2018-9-5,
Amending Chapter 153
Expiration of Conditional
Use Permits**

Motion by M. Utecht to approve Ordinance Number 2018-9-5, "An Ordinance Amending Chapter 153 of the City Code Regarding Expiration of Conditional Use Permits. Second by M. Ness. J. Ness, M. Ness, T. Olivolo, C. Lucia, and M. Utecht voted yes. Mayor M. Utecht declared the motion carried.

Old Business

**Approve Sports Grill
Review Forms**

The review forms have not been received; the mayor will follow-up with the manager.

Fire Hall Rent

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

At the Joint Powers meeting they came to agreement that the city would pay \$7,500 per year for the fire hall; it is the township's building they are responsible for repairs and maintenance.

The formula for the \$7,500: the building is 10 years old, it cost about 1 million to build, the life is 50 years, Stacy's portion would have been about 30%. So approximately \$300,000 divide by 40 years = \$7,500.

Lent and Stacy are happy with the agreement.

The clerk was directed to have the city attorney draft a rental agreement and review the Joint Powers agreement to see if there is anything in the agreement that conflicts with the proposed rental agreement. Member J. Ness proposes annual payments on August 1 of each year. The term of the rental agreement is 40 years.

New Business

**Resolution Number 2018-
9-6, Approving Stacy Lent
Volunteer Fire
Department Relief
Association Off-Site
Lawful Gambling**

Motion by M. Utecht to approve Resolution Number 2018-9-6, "Resolution Approving the Stacy Lent Volunteer Fire Department Relief Association to Conduct Off-Site Lawful Gambling in the City of Stacy." Second by T. Olivolo. J. Ness, M. Ness, T. Olivolo, C. Lucia, and M. Utecht voted yes. Mayor M. Utecht declared the motion carried.

**Stacy Lions Club –
Request for One Day
Liquor License**

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

Motion by T. Olivolo to grant a one-day liquor license to the Stacy Lions Club for the Stacy Lent Firehouse Bash. Second by J. Ness. Members T. Olivolo, J. Ness, M. Utecht, and C. Lucia voted yes.

Member M. Ness voted no. Mayor M. Utecht declared the motion carried 4-1.

Mayor/Council

**Liquor Operations
Request for Proposals**

RFP Concern:

Member T. Olivolo said he thinks he made a big mistake voting to go out for proposals; he has since spoken with the off-sale manager and he had no issue with Ms. Hill's services. The accountant is doing what the auditor wants and following accounting rules, why should we change just because the on-sale manager has issues with Ms. Hill?

Mayor M. Utecht stated that at no time was a motion made to get rid of the current bookkeeper; the motion was to go out for proposals. Ms. Hill resigned with proper notice.

Member M. Ness said that it is not just the Profit and Loss report; it was issues with Ms. Hill not working with the manager's and answering their questions. Also, during a Liquor Committee meeting she was uncooperative. The relationship just wasn't working.

Interim Position:

Member J. Ness said he has concern regarding what will be done in the interim; when we have a new person and when Ms. Hill leaves. He asked the city clerk if she would fill in?

Ms. Payne said that she would do what she could but would not be able to do the reporting that Ms. Hill had provided.

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

Member J. Ness, and M. Ness stepped down due to potential conflict of interest.

The council decided that the same information that is completed on the Affidavit of Candidacy can be included on the city's website for any write-in candidate. Members T. Olivolo, and Mayor M. Utecht were in favor of the website listing. Member C. Lucia apposed.

Mayor M. Utecht declared the meeting adjourned at 9:33p.m.

**Write-In Candidate and
Use of City Website**

Adjourn at 9:33p.m.

Sharon MT Payne