



**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 13, 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

Absent: None

Others Present: Dan Boyum, Jim Ness, James Mongé, Aerica Benson, Rod Olson, Jess Eischens, Rick Kramer, Carolyn Cagle, Troy Nelson, Brian Seekon, Derek Mann, Dennis Thieling, John Peckman, Jeff Barrett, Steve Kveton, and other public not identified.

Additions to the Agenda

Additions to the agenda:

1. Renovations at the Stacy Sports Grill
2. Crosswalk – 311th Street and Stacy Trail

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

Public Comment

Rick Keller:

Mr. Keller said that his experience with MNSPECT over the years has not been positive; they are overworked and understaffed. He strongly supports moving to Chisago County for building inspection services.

Jeff Barrett:

Mr. Barrett said that the citizens of Lent have expressed concerns regarding potential increases in their property taxes. He asked how long is the city's infrastructure good for, when will the system need to be expanded? What contracts are in place? Is there any infrastructure project coming up?

Mayor Utecht stated that the water treatment plant is relatively new, it is designed for 20-30 years and may require some revamping at that time, but not a new plant. The water plant was roughly built 20% over what we needed. The city does not have any intention on expanding the system without developer

request. The water and sewer systems are enterprise funds that support themselves.

Member Ness said that as the representative for Stacy at the Chisago Lakes Joint Sewage Treatment Commission, Stacy pays about 9% of the costs; the plant is currently at 50% capacity.

Consent Agenda

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

Staff Reports

City Attorney
James Mongé

Annexation Agreement**Employees:**

Carolyn Cagle read into the record her question: "Will the current employees that we have at Lent Township be held to the standard of the current pay matrix set by the city of Stacy at their July meeting....or will our employees be guaranteed the wages they are receiving at this time. and...if it IS held to the Stacy matrix will that be negotiable after the first 90 days of employment under the new city."

Mayor Utecht said that it would be illegal for us to do anything outside of our pay matrix or personnel policy. Ms. Cagle said that the wages in Stacy are not livable wages for employees. Mayor Utecht said that if our pay matrix is outdated by job responsibility it can be adjusted.

Member Ness said that changes to our pay matrix should be done after the annexation; if the matrix would be changed now the city would be tied to this new matrix even if the annexation did not go through. Mayor Utecht said that to change our pay matrix upfront is premature. He fully expects that the new council will review the pay matrix and pay equity. Mayor Utecht said that he can guarantee that the newly merged city employees will have the current benefit package of the City of Stacy.

Troy Nelson said we keep going back to Lent and Stacy, think everyone on both boards agree that this is a great decision we are making in merging the two entities; it is a difficult on both sides. We need to quit the 30-year-old thinking; realize this will

move forward, with some bumps, and understand that this is good for the entire community.

Mayor Utecht said that he does not want to lose any current city employees or township employees; they are valuable to our community.

Council Composition:

Mayor Utecht questioned section six of the agreement:

6. Structure of Government. The City government immediately post-annexation and until it may be changed in accordance with Minnesota law at some date in the future, shall be made up of a city council of four council members. Two of them shall be elected from a ward made up of the prior Township territory and two of them shall be elected from a ward made from the boundaries of the City of Stacy prior to annexation. For the initial election after annexation, each ward shall have a term that expires the first business day of January the next odd-numbered year and a term that expires the first business day of January of the second odd-numbered year. No candidate for council member shall run for a particular term but the number of years in the term of each successful candidate shall be determined by the relative standing among the candidates for office, the longest terms going to the candidate in each ward who received the highest number of votes. Additionally, the council shall have an at-large mayor, elected for a two-year term by all residents of the newly combined City. If the election occurs in the last four months of the even-numbered year, no election shall be held in the city on the annual city election day that year, and the next following year shall be disregarded in fixing the expiration of terms of officers chosen under this subdivision in the initial election. After the initial election after annexation, the City Council may abolish the ward system by resolution.

Given that Stacy has two open council seats in the November 2022 election and no-one ran for the seats; should all five council seats in the newly created city be all at large?

Member Ness said absolutely not. Member Sawatzky concurred; stating that would mean some people would not be represented, “the big dog taking over the little dog.”

Rick Keller said that his opinion hasn’t changed that he feels that all the seats should be at large.

Jess Eischens asked an alternative may be one from Stacy, one from Lent, two at large, and Mayor at large. Mark Ness said he would not support this.

Carolyn Cagle said that the projects in each entity need to be addressed and supports the wording in the document as presented.

Police Protection:

Carolyn Cagle said the township currently does not have police representation; they come if 911 is called. Her understanding is that Stacy contracts 30 hours per week for policing hours; how is this going to impact the entire annexation area?

Mayor Utecht stated that the coverage will continue as always if 911 is called then the sheriff's office will come. The only difference now is that in the Township a misdemeanor does not need to be dealt with and it does in the city. the hours of service from the Chisago County Sherrif's office will need to be reviewed after the annexation is complete.

Annexation Agreement Status:

What is the status of the annexation agreement with North Branch and Chisago City?

Chisago City is basically settled; still working it out with North Branch. Whatever boundaries are established in these two agreements directly impacts the legal description to be included with our annexation agreement.

Stacy Motion on Annexation Resolution:

Motion by Utecht to approve Resolution Number 2022-9-7, "A Joint Resolution for Orderly Annexation," between the Township of Lent and the City of Stacy; contingent upon the boundaries determined in the agreements between Lent Township-North Branch, and Lent Township-Chisago City. Second by Mark Ness. Members Utecht, Ness, Lawrence, Carlson, and Sawatzky voted yes. Mayor Utecht declared the motion carried.

Member Ness voted for the motion but noted for the record he does not agree with:

5. Rights and Privileges. All parcels of land in the Orderly Annexation Area shall retain the rights and privileges currently enjoyed by those parcels, regardless of new ordinances, for the longer of the following:

a. 180 months from the date of the order of annexation contemplated hereby, or

- b. The date on which the primary use of the parcel shall change from its primary use as of the date of this Agreement.

Activities protected include, but are not limited to:

- a. Lawful outdoor burning; and
- b. Legal hunting, shooting, and trapping; and
- c. Legal use of all-terrain vehicles (ATVs) snowmobiles, and other off-road vehicles on private property; and
- d. Legal keeping of pets and livestock; and
- e. All other reasonable uses currently permitted under local and county ordinances, state and federal laws.

All of the foregoing must comply with state and federal laws and regulations, and nothing about this Agreement shall be interpreted as intending to excuse compliance with such laws and regulations.

**Purchase Agreement –
Metal Crafters**

Motion by Ness to approve the Vacant Land Purchase Agreement by and between the City of Stacy, and Metal Crafters of Stacy, Inc., as presented. Second by Member Sawatzky. Members Ness, Sawatzky, Lawrence, Carlson, and Utecht voted yes. Mayor Utecht declared the motion carried.

**Equipment Transport Inc.
– Land Purchase**

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

Motion by Utecht to accept the Letter of Intent to purchase lots 6-13 of block 1; PID's 19.00133.15, 19.00133.16, 19.00133.17, 19.00133.18, 19.00133.19, 19.00133.20, 19.00133.21, 19.00133.22, and 19.00133.23 in the Stacy Ponds Business Park in the amount of \$380,855.80, (\$1.15 per sq. foot); amending the brokerage fee to 3%. Authorizing the city attorney to move forward with drafting the purchase agreement. Second by Sawatzky. Members Utecht, Sawatzky, Lawrence, Carlson, and Ness voted yes. Mayor Utecht declared the motion carried.

**ACS Contract for Curb
Cutting**

Add Tom and Mary Stuen (5900 311th Street) to the work schedule contingent upon them signing the agreement.

Motion by Utecht to approve the estimate for the scope of work as submitted by ACS for the curb cutting work on 311th Street, striking item 27, as presented. Second by Ness. Members Utecht, Ness, Lawrence, Carlson, and Sawatzky voted yes. Mayor Utecht declared the motion carried.

**Building Permits –
Chisago County**

Motion by Utecht to notify MNSPECT in writing that we are terminating our contract giving our 90-day notice, this includes

building inspection and code enforcement services. Second by Sawatzky. Members Utecht, Sawatzky, Ness, Lawrence, and Carlson voted yes. Mayor Utecht declared the motion carried.

The council will discuss at a future date on who will conduct code enforcement services. The clerk will check with the county commissioner to see what our options may be. October 2022 agenda item.

City Engineer
Dan Boyum

Monthly Report

Engineer Boyum's memo included:

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

- The city received the final agreement from the property owners on August 23, 2022. Dresel updated us that the contractor who would be doing the saw cutting of the concrete curb prefers to work with the city directly. Working with the sawing contractor directly will save on the markup needed if Dresel coordinates them as a subcontractor. An agreement with the concrete sawing contractor is on the agenda for approval on the September 13, 2022 Council Meeting.
- Sanitary Sewer Claim Update – We met with Dresel representatives on August 23, 2022 to review the sanitary sewer claim. Based on review of their latest information and discussions at that meeting, we prepared three options that looked at:
 - An adjusted actual cost versus Payment Request cost for the sanitary sewer
 - a pipe progress analysis
 - a days of work analysis

Dresel has reviewed the three options and has asked us to look at some more information related to the pipe progress analysis.

Member Ness said that he would like to see an update on this item monthly.

- We are preparing an update to residents on the concrete adjustment and final project work.
- We contacted Xcel Gas related to the bush replacement question at 5900 311th Street.

2. Stacy General (193804175)

- **Water Treatment Plant Operator Position** – We prepared a memo and attended an August 10, 2022 council meeting to discuss certified operator options. We forwarded contact information on two local operators following the meeting.
- **Wheelhouse Commons** – We reviewed some letter of credit information and forwarded information to the City Attorney. We discussed the developer's agreement with the City Attorney and contacted the applicant on landscaping work proposed with the Phase 1 improvements that is needed for the developer's agreement.
- **Stacy Trail Mill and Overlay** – the county updated us that the schedule is for start milling Stacy Trail on September 21 and start paving on September 23.
- **Truck Terminal in Industrial Park** – We responded to some zoning related questions. We also forwarded record utility plans and plat information to the applicant and their representative.
- **Potential Lot Purchaser in Industrial Park** – We forwarded record plan information on utilities to an engineering firm working for a potential lot purchaser in the Industrial Park.
- **Potential Land Purchaser** – Property North of the Post Office – We sent existing utility information and some past information from a previous concept for the property north of the Post Office.
- **Stacy Outdoor/Indoor Storage** – We reviewed recent correspondence from staff. We are scheduling a site visit with the owner to look at CUP site related items.

Final Paving:

Member Sawatzky asked if Dresel has a timeline for completion of work after ACS completes the curb cuts? They haven't given us their schedule yet. The council wants this project done this fall.

311th Street Concern

This item handled out of order by motion of Utecht. Second by Sawatzky and carried. See above under City Attorney (ACS Contract for Curb Cutting).

**City Clerk/Finance
Department**

**Resolution – Approving
2023 Budget**

Motion by Utecht to approve Resolution Number 2022-9-3, "Resolution Approving the Preliminary City Levy for 2023," as presented. Second by Sawatzky. Members Utecht, Sawatzky, Ness, Lawrence, and Carlson voted yes. Mayor Utecht declared the motion carried.

Member Ness still disagrees with the budgeted wage increases.

**Resolution –
Redesignating Capital
Fire Equipment Funds**

Motion by Ness to approve Resolution Number 2022-9-4, "A Resolution Re-designating Reserves for Fire Equipment," as presented. Second by Utecht. Members Utecht, Sawatzky, Ness, Lawrence, and Carlson voted yes. Mayor Utecht declared the motion carried.

**Resolution – Street
Maintenance Funds**

Motion by Ness to approve Resolution Number 2022-9-5, "A Resolution Designating Street Maintenance Funds," as presented. Second by Lawrence. Members Utecht, Sawatzky, Ness, Lawrence, and Carlson voted yes. Mayor Utecht declared the motion carried.

**Resolution – Appointing
General Election Judges**

Motion by Ness to approve Resolution Number 2022-9-1, A Resolution Appointing General Election Judges," as presented. Second by Sawatzky. Members Utecht, Sawatzky, Ness, Lawrence, and Carlson voted yes. Mayor Utecht declared the motion carried.

**VISA Card – Allen
Anderson**

Motion by Utecht to obtain a VISA card for Allen Anderson the new maintenance supervisor, with a maximum limit of \$2,000. Second by Sawatzky. Members Utecht, Sawatzky, Ness, Lawrence, and Carlson voted yes. Mayor Utecht declared the motion carried.

**Resolution – Establishing
Polling Place**

Motion by Ness to approve Resolution Number 2022-9-2, Resolution "Establishing Polling Place in the City of Stacy," as

presented. Second by Sawatzky. Members Utecht, Sawatzky, Ness, Lawrence, and Carlson voted yes. Mayor Utecht declared the motion carried.

Liquor Operations

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

Bar Management Proposal

Motion by Ness to table agenda item 5D1 to the October Meeting in order to obtain in writing from the manager detailed explanation as to why the new positions are needed, what items are not currently being done by the manager, and how the bar finances can handle these costs. Second by Sawatzky. Members Ness, Sawatzky, Lawrence, and Carlson voted yes. Mayor Utecht voted no. Mayor Utecht declared the motion carried 4-1.

Renovations of Sports Grill

Member Ness read in the Personnel Committee minutes discussion considering a renovation of Stacy Sports Grill to accommodate a bigger kitchen. He is not in favor of this at all, at this point in 2022 the sports grill is down -\$95,017.12; they do not have the money and they still have a bond. Mayor Utecht said that the amount of food sales has gone up and he would be willing to review a business plan proposing this.

Maintenance Department

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

Allen Anderson

Mayor Utecht asked Mr. Anderson how it's going, does he have anything he needs from us? He said that it is going well and would like some information regarding Well 1, the city engineer will get this information to him.

Committee/Commissions

Personnel Committee

Job Description – Maintenance Worker I

Motion by Ness to table Item 6G until the October meeting. Second by Utecht. Members Utecht, Sawatzky, Ness, Lawrence, and Carlson voted yes. Mayor Utecht declared the motion carried.

Items Tabled:

- Job Description – Maintenance Worker I
- Job Description – Maintenance Worker II
- Pay Matrix

Old Business

**Rupp Mini-Storage
Lighting**

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

MNSPECT (Tracy Reimann) reported in his email dated August 24, 2022:

“The following is the Zoning Ordinance regarding outdoor lighting in a general business district:

153.051 GB General Business District

(K) Outdoor lighting.

(1) A lighting plan, showing how the site meets all lighting requirements must be submitted at the time of site plan submittal.

(a) No more than 0.5 foot candles of light where residential zoning abuts and no more than 1.0 foot candles of light where other zoning abuts shall be allowed at the property line, when measured at eye level and aimed at the light source.

(b) In parking areas and walkways, downward focused lighting shall be provided by cutoff type luminaires with no more than 10% of light output above the horizontal plane through the light source.

(3) *Height.* Light fixtures and freestanding luminaires shall not exceed 20 feet or extend above the roofline of the principal building, whichever is less.

(4) *Accent lighting.* Accent lighting used to highlight selected landscape or architectural features shall be permitted provided the light source is shielded to aim directly at the area of focus.

All the general lighting (SLIM57) mounted around the building is downward. The flood lights (X34-195LSF-U) on the end of the buildings are directed downward, have a shield (albeit very small), but are aimed at the area of focus. Thus, it appears to me based on the lighting plan and lighting report, that the lighting contractor is complying with the intent of the zoning code.”



However, Engineer Boyum visited the site and determined that the lighting is not in compliance with the city code:

“We saw the lighting report that the contractor had done and while it shows that the light levels are at 0.3 foot-candle (meeting the city standard) we can’t tell if the fixtures also meet the requirements for “cutoff type luminaires with no more than 10% of light output above the horizontal plane” and accent light lighting aimed “directly at the area of focus.

The code and conditions of approval require the fixtures to be “downcast” not at 75 degrees. The photos appear to show the fixtures tilted up slightly which is not acceptable. With adjustment or with larger shields the light source must be screened from direct view at the property line. If more light is needed at the gate that needs to be addressed in the design of the lighting and maybe an amendment to the CUP, not a relaxation of the code or conditions of approval.”

Engineer Boyum was directed to work with Eli Rupnow (Rupp Mini-Storage Developer) to correct the lighting issue. He will also work with him to address other site plan issues.

Adjacent property owners Dennis Thieling, and Thomas Germain, expressed their concern regarding the lighting and other site issues.

Centennial Celebration

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

New Business

**Ferrel Cats in Sunrise
Mobile Home Park**

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

Several tenants of the Sunrise Mobile Home Park expressed their concerns regarding the feral cats in the park. The cats carry diseases and fleas and are a public safety issue, what can be done?

The mobile home park property is private property; what we can do at the city level is limited. At this point there is no animal control in Chisago County, the citizens were encouraged to contact the county commissioner regarding this; also, to contact Chisago County’s Department of Public Health.

The clerk will issue a letter to the mobile home park owner requesting that he rectify the feral cats as a public health issue and in violation of the keeping of animals.

**Crosswalk County Road
19 and 311th Street**

Member Ness said that the flags installed on the lights are ineffective, and look ridiculous. Mayor Utecht met with Joe Triplett (County Engineer) and Ben Montzka (County Commissioner); he said that a “push button” light in this situation is not appropriate. Mr. Triplett said that the light in Harris should never have been allowed even though Harris paid for the light. The mayor felt that the county heard our concern and addressed it appropriately.

**All-Mac Lighting
Complaint**

Engineer Boyum will review lighting at AllMac, Inc.

Building Permit Costs

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

Steve Kveton expressed concern regarding the fees to be charged by MNSPECT for his garage; \$1,439.63-\$1,515.20. He checked with Chisago County and they would charge \$563.24.

Mayor/Council

None

Adjourned at 9:56p.m.

Mayor Utecht declared the meeting adjourned at 9:56p.m.

Sharon MT Payne, City Clerk