

# **Credit River Township Annual Meeting Minutes March 11, 2008**

## **Call to Order:**

Clerk Jerry Maas called the meeting to order at 8:30 pm

## **Call for nominations for Moderator:**

Clerk Jerry Maas called for nominations for moderator. Resident Carolyn Schulte nominated Tim Bendel. Resident Alden Starkey offered a second

Clerk Maas called for additional nominations.

Resident Alden Starkey made a motion to close the nominations, Resident Stacy Holland offered a second, motion carried by voice vote and the nominations were closed. Resident Tim Bendel was elected moderator by a unanimous voice vote.

## **Announce Agenda for the Meeting**

Moderator Tim Bendel read the proposed agenda for the meeting.

## **Minutes of the previous meeting:**

Clerk Jerry Maas read the minutes from last years meeting on March 13, 2007 and those from the continued September 4, 2007 meeting.

Moderator Bendel called for additions/corrections.

There being none, resident Chris Johnson made a motion to accept the minutes as read. Resident Mike Peterson offered a second, all in favor, motion carried by voice vote

## **Board of Audit Report**

Clerk Jerry Maas presented the Board of Audit Report.

## **Road Report**

Town Board Vice Chairman Leroy Schommer gave a report on the state of Township roads.

## **Financial Report**

Treasurer Holly Batton presented the financial report for the year ended 12/31/07.

Resident Tom Kraft asked about the cost of the Fire Contract. Treasurer Batton noted that the assessment from the City of Prior Lake increased.

After a brief discussion, and noting that the final figures are not due to Scott County until September 15, 2008. and upon recommendation of Township staff, resident Rob Casey made a motion to postpone further discussion of the actual levy amounts until the September 8, 2008 township meeting. Resident Doug Scheurenbrand offered a second, all in favor, motion passed by voice vote.

## **NPDES Report**

Township Engineer Jeff Elliott presented a report on the Townships efforts to comply with the National Pollution Discharge Elimination System (NPDES). He explained that we have received a permit to discharge stormwater into adjacent systems and that the Township must perform certain actions and report annually.

This permit will expire in 2011. It has 6 minimum control measures required.

The Township began to assemble a database in 2006 and has been "mapping" the Township storm water conveyance system along with wetlands, ponds and culverts.

Resident Tim Conroy asked about the pipe sizes. Resident Tom Kraft wondered about water levels. His concern is that wells might be going dry. Mr. Elliott noted that we are talking about managing surface water under the NPDES program.

He noted that we have completed our goal of mapping the stormwater conveyance system and are now going to work on inspecting and insuring that these are kept open and free of debris.

## Election Report

Moderator Tim Bendel presented the election results. They were as follows:

<b>Supervisor:</b> Dan Casey	387 votes	<b>Clerk:</b> Jerry Maas	801 votes
Brent Lawrence	575 votes	Write Ins	79 votes
No Vote	25 votes	No Vote	107 votes
Total	987 votes	Total	987 votes
<b>Option A:</b> Yes	748 votes	<b>Option B</b> Yes	235 votes'
No	229 votes	No	721 votes

**Option A passed      Option B Failed**

## Other Business / General Discussion / Resident Concerns

### 1) Official Depository for Town Funds

Moderator Tim Bendel noted that in the event anyone is uncomfortable with our current bank, (Anchor Bank) that this would be the time to make a recommendation for another bank.

Township Treasurer reported that we have had good results using Anchor Bank in Lakeville. After a short discussion, Treasurer Batton noted that we are not tied to Anchor bank. That she is continuing to explore other sources. Resident Watne Dodero asked about how the money is transferred. Batton explained. Dodero recommended to be cognizant of sweep accounts options to maximize earnings.

Resident Bryan Reichel Suggested that we explore this option with Anchor Bank and continue to work with them. Resident Alden Starkey offered a second.

The question passed by voice vote.

### 2) Official Legal Publishing Agent for Township Notices

Moderator Tim Bendel stated that we need to discuss the legal publishing agent for the Township. He noted that in the past we have officially designated the Prior Lake American as the primary publisher for Township announcement and postings with the Lakeville Life and Times serving as a secondary publisher.

Resident Rob Casey made a motion to continue using the Prior Lake American as the primary publishing agent for the Township with the Lakeville newspaper as the secondary Publisher. Resident Chris Johnson offered a second, all in favor, motion passed by voice vote.

### 2) Official Place for Posting Township Notices

Moderator Tim Bendel stated that we need to designate the official place for posting notices. He noted that we are currently using the posting board at the Town Hall.

Resident Leroy Schommer made a motion to designate the announcement board at the Town hall as the official posting board for the Township. Resident Jay Saterbak offered a second, all in favor, motion carried by voice vote.

### 3) Other Items

Resident Rob Casey asked about whether Clerk was under the control of the board and suggested that the clerk work out of the Town Hall.

Resident Carolyn Schulte asked where most Town clerks office. Ruppe noted that most clerks operate out of their house. He further noted that the Clerk is an elected position and it's not proper that he be directed as to where he must perform his duties. It's actually up to the Clerk to determine.

Resident David Beehler noted that the work of the Clerk seems exceptional and that where he chooses to maintain his office seems irrelevant.

Resident Mike Peterson made a motion to recognize that this is up to the Clerk and he should determine where he chooses to office. Resident Alden offered a second, motion passed by voice vote.

Resident Colleen Casey asked about position descriptions for the Clerk and Treasurer and how they are paid and whether set hours are required.

Treasurer Holly Batton noted that she asked to be paid hourly since the workload shifts. As in most Townships, the Clerk is paid a salary as has been the case historically in Credit River for many years. The Town Board determines the pay rates.

Resident Tom Kraft stated that in his opinion, the Board of Supervisors should direct the Clerk.

Resident Kathy Haugh noted that there appear to be serious issues between the Supervisors, the Treasurer and the Clerk.

Resident Leah Nemzek noted that in her opinion the duties of the Clerk are to the residents and that the Clerk needs to be available.

A resident raised an issue regarding handling of the Letters of Credit. Clerk Jerry Maas explained the Letters of Credit. Resident Dave Neville made a motion to recommend that the Board discuss the topic of Letters of Credit at the next Town meeting. Resident Leroy Schommer offered a second. Motion passed by voice vote.

Town Attorney Bob Ruppe outlined the duties of the Clerk and Treasurer as prescribed by state law.

- 4) Resident Alden Starkey asked where the Township is as regards the efforts to become a city. Supervisor Leroy Schommer indicated that we are planning on an open house in May.
- 5) Supervisor Bruce Nilsen noted he gets few phone calls and indicated that he would be glad to accept them.
- 6) Resident Chris Johnson noted that he sees to much infighting and would like to see this resolved. He also encouraged residents to participate in their local government and to attend town meetings.
- 7) Resident Holly Jorgenson asked about the implementation of Option A that was passed. Attorney Bob Ruppe noted the procedures that call for another election to take place within 60 days to elect two additional supervisors.
- 8) Motion to Set Time and Place for next years Annual Meeting

Resident Mike Peterson made a motion to have the 2009 Annual Meeting at the Legends Club on the 2<sup>nd</sup> Tuesday in March 2009. Resident Chris Kostik offered a second, all in favor, motion carried by voice vote.

### **Adjourn/Continue the Meeting**

There being no further business before the Town Board at this time, resident Chris Johnson made a motion to continue the meeting until the regularly scheduled monthly meeting on September 2, 2008. Resident Rob Casey offered a second, all in favor, motion carried by voice vote. The meeting was continued at 10:10 pm.

**Credit River Township  
Annual Meeting – Re Convene  
September 2, 2008  
7:00 pm**

Clerk Jerry Maas noted that resident Tim Bendel, had served as the moderator at the March meeting and that he has agreed to resume that position this evening. Clerk Maas asked if that was acceptable to everyone present and since there was no disagreement, Mr. Bendel assumed the position as moderator and called the meeting to order.

Moderator Bendel called upon Treasurer Batton to present her information related to the financial condition of the Township.

Treasurer Batton noted that we receive tax payments from the County in June and December of each year and as a result need to levy amounts designed to cash flow the Township sufficiently while awaiting these payments. As a result, the auditors recommend that we hold in reserve at least 50% of our annual expenditures at year- end. She noted that in the case of the General Fund, we are at that amount, while in the case of the Road and Bridge Fund, we are slightly above the necessary amount.

Treasurer Batton reviewed the township levy history and noted that we generally levy for three funds, the Fire fund, the General fund and the Road and Bridge fund. She also noted that we generally don't always receive the full amount levied due to tax delinquencies.

She further noted that it is necessary to levy a minimum amount in the case of the Road and Bridge fund in order to qualify for the state gas tax reimbursement.

The Fire Fund amount is set by what we need to pay to the City of Prior Lake for the annual contract and consequently is relatively fixed.

Treasurer Batton noted that in checking her personal property taxes, she found that they were comprised of 37% to county, 47% to school district and 10% to the Township.

Treasurer Batton is recommending setting the levy for the general fund at approximately the same amount as this year.

She noted that the minimum amount for the Road and Bridge would have to be \$423,000 in order to qualify for the Gas Tax, while the Fire Contract calls for approximately \$195,000.

Treasurer Batton expressed a concern is that the amount for the Road and Bridge Fund would not be sufficient to cover the cost of the current road projects authorized by the Board in 2008.

She noted that if the Township were to authorize an increase in the total levy to approximately \$1,250,000, each property owner could expect to see an increase in the Township portion of his taxes to be approximately 25%. This amount assumes that the Board will continue to contribute 30% towards the cost of the current projects.

If on the other hand, we were to pay the entire cost of the current road projects, the necessary increase would be approximately \$1,000,000 and the township taxes would essentially double.

Clerk Maas reminded the residents that it is not the Board's decision to set these tax rates. The process calls for the residents to make motions and vote on these amounts and to set the tax rates this evening.

Treasurer Batton noted that it is her understanding that a final number is not technically due until December 29<sup>th</sup> and she noted that she is not comfortable picking a number at this time.

Moderator Bendel suggested that since the Fire Fund and the General Fund are relatively straight forward, that we might consider these first and then return to a discussion of the Road and Bridge fund.

In view of the fact that the contract amount with the City of Prior Lake is \$195,931.00 and considering there might be some tax delinquencies, Clerk Maas suggested that we consider a Fire levy of \$200,000.

Resident Rob Casey made a motion to levy the Fire fund at \$200,000, Resident John Mesenbrink offered a second. Motion passed by voice vote.

Resident Jay Saterbak noted that the two additional Board members pose approximately a \$35,000 annual increase, and asked how will this be offset if the general fund is left at the same amount. In other words is a levy of \$425,000 enough to do provide the necessary funds to operate? Treasurer Batton noted that there are some additional funds potentially available from money set aside for incorporation and not necessarily spent.

Resident Greg Brown made a motion to set the General fund at \$425,000. Resident Chris Kostik offered a second, all in favor by voice vote.

Clerk Maas noted that we are proposing to bond for all of these projects and that it would not be the plan to pay for these projects with current taxes. It would also be possible to obtain a bridge loan to cover short-term cash flow needs.

John Mesenbrink noted that it is possible to borrow on a short-term basis from the General Fund to cover short-term needs, he is of the opinion that there doesn't appear to be an issue.

Treasurer Batton noted that we have the option of setting a preliminary levy rate tonight and then submitting a revised amount by December 29<sup>th</sup> as long as that number is not higher than the amount established this evening.

Attorney Ruppe cited two statutes that confirmed this to be the case and he recommended that we certify the highest number this evening and come back at a later date after further study and potentially submit a revised lesser amount.

Resident John Mesenbrink suggested that the next time we review these figures that a handout be provided in view of the difficulty seeing the numbers on the presentation. Treasurer Batton agreed

Resident John Mesenbrink made a motion to certify \$476,000 to the Road and Bridge Fund noting that this would lock in the established policy of contributing no more than 30% Township contribution to the assessed road projects.

It was noted that the possibility exists that some property owners may challenge the assessments and in fact the ultimate cost to the Township could be higher than 30% Attorney Ruppe noted that it has been his experience that challenging the assessments is not always successful and in the worst case the settlements are typically might be approximately \$1000.

Supervisor Lawrence commented that he disagreed with the appraisal on Judicial Road and that he also felt that the comparing this analysis with the Huntington Way project was valid. Consequently he felt that the Township could be potentially exposed to a \$300,000 liability.

Resident Jay Saterbak noting that our potential liability for the Huntington Way and White wood Ave projects is approximately \$700,000 and adding another \$350,000 for normal annual road maintenance would call for potentially a \$1 million dollar road and bridge levy.

Resident Bill Jennings noted that there were four residents from Huntington Way present this evening and they intend to challenge the assessments and he is confident they will prevail and that the Township ought to plan on covering the difference.

Attorney Ruppe noted that the Township does have the option of not doing the project at all. It was noted that while we have assigned contract for Whitewood, we have yet to commit to signing a contract for the Huntington Way project.

Resident John Mesenbrink noted that considering the lengthy court process that would in all probability extend beyond next years annual meeting at which time additional levy amounts could be considered, it would not be necessary to have to worry about this evening.

Clerk Maas noted that the intent here is to bond for the money and pay it over a 10-year period. It would not be necessary to pay cash for this improvement this year.

Resident Saterbak noted that this will become an issue again next year and additional debt may have to be incurred again and it would be his suggestion to avoid too much debt. Therefore it would be his suggestion that we consider an \$800,000 levy at this time and a total levy of \$1,425,000.

Resident Rob Casey made a motion to set the levy for the Road and Bridge Fund contingent on having another meeting at \$700,000.

Resident John Mesenbrink offered a second, motion passed by a voice vote

Resident Chris Kostik made a motion to continue the meeting to December 1<sup>st</sup>. Resident Bruce Nilsen offered a second, all in favor, motion passed by voice vote

Resident Rob Casey expressed frustration over the ongoing discussions about the current road projects. He noted that the Township has had a policy of paying up to 30 percent for as long as he can remember and sees no need to change this policy.

Resident Bill Jennings in voting against the last motion would rather have seen that the meeting be continued to the first meeting in November.

**Credit River Township  
Annual Meeting – Re Convene  
December 1, 2008  
7:00 pm**

With the consent of everyone in attendance, Chairman Schommer called upon Tim Bendel to assume the position of moderator.

Treasurer Holly Batton noted that she had prepared some handouts and she then outlined the purpose of the meeting this evening.

Mrs. Batton noted that we had previously submitted a preliminary levy in September at \$1.3 million after a review of the Capital Improvement Plan anticipating a 30% Township contribution over a five year period. She further noted that the Board has met since the last meeting in September and arrived at some alternatives to present to the residents this evening.

The first proposal would be to recommend a very minimal total levy of \$1,050,000.

Mrs. Batton noted that in 2008 we have spent considerable amounts on various road projects. In addition, the subject of incorporation is still before us.

Mrs. Batton pointed out that we now have a formal Capital Improvement Plan in place to both catch up and keep up the maintenance up on our township roads and suggested that additional funds would be required to implement this plan.

Mrs. Batton noted that she is also proposing that we consider as another alternative a total levy of \$1,200,000 that would allow us to build up a capital reserve. In addition we also have the option of leaving the levy at the current \$1,300,000.

After considerable discussion resident Carolyn Schulte made a motion that we set the levy amount at \$1,100,000. Resident Al Aspengren offered a second, Motion passed by a show of hands by a 16 – 6 margin.

Resident Greg Brown made a motion to close the Annual Meeting. Another resident offered a second, motion passed by voice vote.

Submitted By:

(s) \_\_\_\_\_  
Jerald R. Maas  
Township Clerk  
Credit River Township