

# **Credit River Township Meeting Minutes November 6, 2008**

## **Call to Order**

Chairman Leroy Schommer called the meeting to order with the Pledge of Allegiance at 6:00 pm.

## **Members Present:**

Chairman Leroy Schommer, Vice Chairman Bruce Nilsen, Supervisor Brent Lawrence, Supervisor Al Aspengren

## **Others Present:**

Township Clerk Jerry Maas, Township Treasurer Holly Batton, Township Engineer Shane Nelson, Township Attorney Bob Ruppe

## **Old Business**

### **1) Review On-Site Marketing Escrow Account**

Chairman Schommer and Supervisor Nilsen reviewed the account prior to the meeting and noted one item that related to a ½ hour discussion on September 15<sup>th</sup> between Clerk Maas and Chairman Schommer with Attorney Ruppe that they felt should be credited to the On-Site Account.

Supervisor Nilsen noted several charges from mid-September with Attorney Ruppe that were in question.

Attorney Ruppe noted that there were several issues that had arisen between the County and the Township relative to the Cress View issue and exactly what the options open to the Township and the County as regards enforcing the Developer's Agreement. He noted that there was basically a stalemate.

Another one related to the conference between Peter Coyle, the Casey Family Trust attorney on September 12<sup>th</sup>. Attorney Ruppe noted to the best of his recollection, that this discussion resulted when the Board asked him to call Mr. Coyle was to attempt to seek a resolution.

Supervisor Nilsen noted that there were four specific charges that he felt ought to be credited. He felt that the County was asking the Township to assist in a settlement and since we were trying to seek a solution to the problem, that the developer should stand the cost of these discussions.

As far as the County is concerned, Mr. Kowalski felt that little has been done to provide an answer to the proposal that On Site presented. Supervisor Nilsen noted that the Township has been unable to get the County to sit down to work this out together.

Attorney Justin Weinberg, representing On-Site Marketing, feels his client should not be penalized because County and Township can't get along. Attorney Ruppe disputed, noting that this was noted related to not getting along, but rather a perception that the Township had a better relationship with the Casey Family and that they might be more successful in arriving at a solution.

Mr. Kowalski feels that the County does not have the right to ask the Township to try to resolve this issue and bill On Site for these charges, perhaps the County should be billed for these charges.

Mr. Weinberg stated that they had been asked to expedite a proposal in a short period of time in July and no one has communicated as to the status of that proposal whether it had been rejected or not.

Attorney Weinberg noted that the firm of Fredrickson and Byron has a conflict of interest that had not been disclosed to date because they have represented On Site Marketing for quite some time. He feels it would be inappropriate for Fredrickson and Byron to represent the Township in seeking a resolution since they also represent On Site Marketing.

Supervisor Nilsen noted that the Township had asked Frederickson and Byron to insure that no conflict existed before we contracted with them to do work for the Township. He feels that they are now aware of the problem.

Attorney Weinberg pointed out that seems to be the problem in that these charges are being incurred because no one has approached On Site to discuss alternatives. He noted that when Mr. Sobota, Community Development Director, appeared before this Board in September, he indicated at that time that a decision had not been made on the On Site proposal to build the road entirely on the Cress View project.

Attorney Ruppe noted that the County was not in agreement to the proposal as presented immediately after it was presented, but would be open to a discussion with the Township to seek alternative solutions. The Township has not rejected the proposal since it appears that the County has already taken a position on this.

Attorney Weinberg noted that this is the basic problem. All of these charges continue to accrue because no decision has been communicated.

Supervisor Nilsen noted that in his opinion the County has been using the Township to "float ideas" for example in asking Supervisor Aspengren to discuss the donation of the land with the Casey Family Trust.

Supervisor Nilsen indicated that he is recommending that these charges discussed earlier be credited. Attorney Weinberg noted that there are additional charges that have been occurred in the last two months that On Site has brought to the attention of the Board but have not been addressed.

Mr. Kowalski noted that On Site has tried to fulfill the agreement to the best of their ability in terms of negotiating with the Casey Family to arrive at a satisfactory solution. When Dan Casey rejected the offer of \$200,000 offer and asked for \$400,000, he respectively suggested that he felt this was excessive and suggested that the solution would be to let the land go through the County condemnation process. In the meantime, the County has decided that conditions have changed and they no longer feel that construction of this road would be a good idea at this time. He noted that the Developer's Agreement does not specify the course of action after that.

Supervisor Schommer noted that recognizing that, a meeting was arranged in July in an effort to arrive at a solution, but that appears to have been a waste of time. Mr. Sobota seemed to indicate that the County had a position and that they weren't open to considering the Township's position and that has been their attitude since.

Attorney Weinberg mentioned that it was his understanding that the County is proposing to emend the Developer's Agreement and that the Township was opposed to this.

Supervisor Schommer noted that there has never been an amendment to a Developer's Agreement.

Mr. Kowalski reiterated that he has done everything the Developer's Agreement has required and in the absence of a definition of what to do next, he is asking where do we go from here.

In summary, Supervisor Nilsen indicated that while he is not happy having to transfer these funds to the Township General Fund, he none-the-less feels it is unavoidable. He noted that as a result of our meeting in June, the decision was to hold off putting the project in default pending a future meeting in July with all parties to look for a solution.

Supervisor Nilsen indicated that there exists quite a discrepancy as to the design standards for the road as to whether it would be to County or Township standards, He noted that he had called the County Highway department seeking to find out what was taking place and was told by Mr. Jensen that as far as he knew, nothing was taking place as respects the design of this road, yet two days later, Mr. Nilsen attended a meeting at the Highway Department and the designs were presented.

Supervisor Kraft noted that we seemed to have departed from the original intent of this agenda item, which was to consider the charges to the escrow account. He noted that he had reviewed the Developer's Agreement and that if the road had been constructed as originally agreed, we would not have had to go through this process. He feels that these charges have been incurred because of the development and that he is very opposed to the taxpayers having to incur these expenses.

Supervisor Kraft also noted his disappointment that the escrow balance is in a negative position.

Mr. Kowalski noted that he had been instructed to notify the Township when he had a dispute and clear them up before sending in escrow amounts. He feels that the lack of response by the Township has caused this negative position to arise and that he is at this meeting in an attempt to reconcile the differences.

Supervisor Nilsen noted that some of this is a learning experience and that the Board will be taking an approach that in the future they hope to do business differently.

Mr. Kowalski asked in deference to the time, would it be possible to meet with a couple of supervisors to review the total charges. He suggested that he meet with Board Members Nilsen and Schommer on the 17<sup>th</sup> to work on resolving the account issues. They would determine a satisfactory time and place between now and then.

Supervisor Schommer noted that the Board is not trying to force On Site into any course of action, because they have the ability to take that step.

Resident Carolyn Schulte noted that it has been stated that no developer's agreement has been amended yet.

Why was Cecil Anderson told that he couldn't have two accesses to his property when he developed and this second access has not been closed as required by the Developer's Agreement? It appears that an amendment has been allowed, but not in writing.

And as respects the Blichfeldt Development adjacent to her property, she started asking 8 months ago for an explanation for the failure to complete that project. She noted that when On Site developed the Blichfeldt property next to her, and they decided not to complete their project, the Board told them not to bother and yet when On Site developed the Cress property next to the Casey property, the board has chosen to spend thousands of dollars of taxpayer money get On Site to pay Mr. Casey for a road to nowhere. She asked if any of the Board members have had the opportunity to review the Board minutes or the Developer's Agreement for the Blichfeldt development?

Supervisor Aspengren indicated that he had and that he agreed with Mrs. Schulte on her statements.

Mrs. Schulte again inquired as to why the taxpayers and On Site paying so much money to the Casey's because he gets special treatment because he was on the Town Board. She added that she would like to know how much money we have spent on this issue.

Chairman Schommer asked Treasurer Batton to summarize the total charges the Township has incurred to date on this issue.

She closed by expressing the thought that it is inaccurate to say that no developer's agreements have been amended. It is her understanding that at least these two mentioned earlier have been amended, just not officially.

Engineer Shane Nelson noted that On Site has requested that a portion of the project be formally accepted and he asked that this be delayed until after the scheduled meeting next week on the project.

## **2) Snow Plowing Contracts**

Attorney Ruppe presented proposed final contracts for each of the contractors, Art Johnson Trucking and Gallagher's.

Supervisor Kraft asked if we should be inserting language related to "normal wear and tear" on equipment on the statement on page 3, the second paragraph.

Attorney Ruppe indicated that he would look at this suggestion.

Supervisor Kraft also noted that we should add a late fee should the Township fail to pay in a timely manner. Attorney Ruppe noted that he was OK with this as long as it's capped at a reasonable amount.

Resident Dale Swanson, Birch Road, asked about what happened when the plow damaged large portions of Whitewood Road last year and what would happen in the future now that the road has been rebuilt?

Supervisor Nilsen indicated that the Township would prefer that residents notify the Township when cleanups are necessary and not attempt to clean them up themselves.

The Board decided that a late fee of \$100 would be appropriate.

Supervisor Aspengren asked if language related to road damage ought to be inserted into the agreement?

Chairman Schommer noted that the plow operators generally repair their minor damage and suggested leaving contract as written

Supervisor Lawrence made a motion to approve the Snow Plowing Contracts, contingent on Attorney review. Supervisor Kraft offered a second, all in favor, motion carried 5 – 0.

## **3) Policy on Deferring Assessments**

Attorney Ruppe noted that at the last meeting he was asked to review the statutory rights the Board has and presented the following information. He noted in order to qualify, a person must be over 65 or retired by a disability (SSDI). There is also a provision for military people

Should the Board choose to adopt a policy, it would be necessary to establish general rules and guidelines and these must be followed for future assessments.

Attorney Ruppe noted this deferment could only extend for a period of 30 years. They extinguish and are payable on death or sale by owner or lose it's homestead status and that no hardship would be caused by requiring payment.

Attorney Ruppe presented a proposed Resolution along with proposed rules and guidelines. He further noted that the Board would have to set a policy on collecting interest only, length of deferments, extensions, etc.

Supervisor Aspengren asked if we allowed deferments on the France Ave. project and it was determined that we did not.

Attorney Ruppe noted that Townships don't typically provide for deferments due to limited resources.

Attorney Ruppe noted that we would have to provide the County Auditor with a copy of this policy

Supervisor Aspengren asked about change of status in the property owner's status after the initial adoption of the assessment. Attorney Ruppe was uncertain of the options should this occur, although his instinct would say that this is a one time process, determined at the time of the original hearing.

Supervisor Lawrence asked about notice of death? Attorney Ruppe was not sure, noting that tracking every property owner would be difficult.

Attorney Ruppe noted that this could not be adopted on an individual basis that it had to be a policy applied across the board.

Supervisor Lawrence noted that the policy requires each applicant to renew on an annual basis.

Resident Beverly Parrish expressed an interest in a deferment and what the minimum income level might be?

Supervisor Nilsen noted that we would need to control these deferments or in fact it could seriously impact the revenue stream. Supervisor Aspengren agreed and noted that he would feel more comfortable if he knew what the low-income level would be.

Supervisor Nilsen made a motion that we would provide for deferment at 100 % disability (SSDI) on homesteaded property and an income level determined by Department of Housing Section 8 with interest only as set by the Board and that it would extend for no more than ten years.

In that there were too many open issues, Supervisor Nilsen withdrew his motion, noting that we need to arrive at a better solution as respects people 65 years older and what would be done to set an income level that would work.

Attorney Ruppe was asked to modify the proposal considering what was discussed this evening.

The Board tabled this until the Whitewood Assessment Hearing on November 19<sup>th</sup> and asked Clerk Maas to post in the form of a notice as an added item for discussion.

Supervisor Lawrence and Supervisor Aspengren were asked to investigate neighboring community policies.

#### **4) Discuss County Road 75 Turnback Proposal**

Scott County Engineer Greg Ilka noted that they met with the Board in September to review the agreement for future maintenance of County Road 75. This subject has been discussed since 1996.

Mr. Ilka noted that the current County budget concerns dictate that this issue be addressed at this time and that our current contract expires on December 31, 2008.

The County would like to revoke the current County Road designation and agree that they would issue what would amount to a two-year warranty. If there were issues with the steel culverts, they would like to discuss before this current contract expires.

A second provision would be to increase the 2008 payment by \$5000 and offer a cash payment of \$46,600.

Chairman Schommer noted that it was his understanding that if we refuse to accept the road back, the County would agree to perform the maintenance for the next two years and then give it back to the Township with no payment considerations. He further noted that the County would in all probability be unable to provide the same level of service as the Township would.

Chairman Schommer asked about a possible review of the concrete culverts?

Mr. Ilka indicated that he might propose that the language be changes to refer to culverts only and see if that would be agreeable to his management.

Supervisor Nilsen asked about the status of the north end that is actually located in the City of Savage. Mr. Ilka noted that the same negotiations are currently being undertaken with Savage.

Attorney Ruppe noted there are statutory requirement for turnback of roads such as holding the proper hearings, etc. He is suggesting that we consider adopting this agreement subject to attorney review.

Mr. Ilka noted that this agreement is the same as they have used with all of the Townships for the past 12 years.

Attorney Ruppe indicated that the Township could choose to waive certain provisions of the statute if they desire, but he felt that procedure should be followed.

Supervisor Aspengren made a motion to adopt this Memorandum of Understanding with the changes incorporated from Attorney Ruppe's original agreement that were recommend by the Assistant County Attorney and removing the references to the steel culverts as discussed. Supervisor Nilsen offered a second, all in favor, motion carried 5 – 0.

#### **5) Building Permits – Policy and Rates**

Clerk Jerry Maas noted that at the last meeting a question arose as to the need to continue to review deck permits by the Township engineer or should we direct the applicants straight on to the County with no requirement to start at the Township.

And furthermore, if we are to continue to review, should we consider a charge to include engineering review?

Supervisor Lawrence suggested that we put a procedure on the website and asked Engineer Nelson to draft a short procedure.

Supervisor Aspengren made a motion to set the fee for Deck Permits at \$25. Supervisor Lawrence offered a second, all in favor, motion passed 5 – 0.

#### **6) Report on Meeting with City of Lakeville on Fire Protection**

Supervisor Lawrence noted that he and Treasurer Batton met with Lakeville officials to determine their level of interest in providing some or all of the Fire Protection for Credit River. The current contract is with the Prior Lake Fire Department for the entire Township.

The first and foremost concern Lakeville Fire Chief Scott Nelson was that we maintain the excellent relationship with the City of Prior Lake.

It was noted that the longer range plans of Lakeville were to build a station near the intersection of County Road 70 (Scott County Road 8) and 35W. However, this is basically on hold pending the return of building activity in that area.

If they were to provide services to the SE portion of Credit River before a new station came online, those would come from the fire station near the City Hall on Holyoke Ave. and it was noted that the response time would probably be equivalent to current response that Prior Lake provides.

As far as working with us, they indicated that this could be of interest and of course from the standpoint of existing mutual aid agreements, they already technically serve Credit River.

They were interested in discussing a possible sub-station within the Credit River limits and were looking forward to the completion of our Fiscal Impact Study that might shed some light on how this might work. It was pointed out that in order for this concept to work, it would be necessary to find firefighters within the Township.

In the meantime, they will develop a proposal to serve the SE portion of the Township and determine if that work can be financially viable.

Supervisor Kraft asked if including the SE quarter of Credit River, would that be enough to justify the new station at County Road 70 and 35W? Supervisor Lawrence indicated that this might work.

In the meantime, we need to sign the agreement with the City of Prior Lake for 2009.

Treasurer Batton noted that during a recent meeting with Spring Lake it was mentioned that they are looking for Credit River to participate in a joint study on the feasibility of sharing our own fire station.

Supervisor Aspengren indicated that he did not recall that discussion and would not be in agreement with the need to enter into a joint consulting agreement. He noted that he did not see a need for this at this time.

Supervisor Lawrence pointed out that we need to take into consideration that if we were to move some areas away from the Prior Lake fire department, it could have an adverse effect on their ability to provide good service.

He also mentioned that in the course of their recent discussions with Savage, that they also had expressed an interest in reviewing our needs.

Supervisor Aspengren asked about our plans to meet with the City of Prior Lake relative to establishing a Fire Committee. Supervisor Lawrence and Supervisor Aspengren agreed to follow up on this.

Resident Dick Haugen asked how the emergency medical services fit into these discussions. Chairman Schommer noted that these services were separate from the Fire Services.

#### **7) Update on Discussions with City of Savage**

Supervisor Nilsen noted that he and Supervisor Lawrence they met with Mayor Williams and Councilwoman Kelly along with Savage staff to review plans that Prior Lake Aggregates are currently preparing to mine gravel from that portion of their property currently located within the limits of Credit River Township. In that Credit River Township does not have the necessary Planning and Zoning authority, Prior Lake Aggregates has petitioned the City of Savage to annex that portion of the Township into the City.

Supervisor Nilsen noted that they proposed that the City of Savage consider a Contract for Services agreement with Credit River to provide the Township with the needed Planning and Zoning services.

Savage officials expressed the point that In order for Savage to consider entering into this type of an arrangement, they would need some assurances that we have a good plan in place for the future.

Supervisor Lawrence noted that he had previously circulated a copy of a FAX from Mr. Gerald Duffy, attorney for PL Aggregates indicating that acknowledged that we are in the process of negotiating a Joint Powers Agreement (JPA) and that pending the outcome of this effort, they will agree to delay their efforts to proceed with annexation at this time.

Barry Stock, Savage City Administrator indicated that it would be his understanding that our Township Attorney would draft a JPA with a goal of getting this signed sometime in January.

Supervisor Aspengren asked if the question Mr. Stock raised that was discussed at the last meeting as to whether we had the legal authority to proceed to assign Planning/ Zoning authority to a city. It was stated that all of the attorneys involved agree that this is legal.

Supervisor Lawrence made a motion to direct Attorney Ruppe to draft a Joint Powers Agreement with the City of Savage to enter into a Contract for Planning and Zoning services for the PL Aggregates property. Supervisor Aspengren offered a second, all in favor, motion carried 5 – 0.

#### **8) Discuss County Response to County Road Issues**

Clerk Jerry Maas presented copies of a letter he received from Scott County Public Works Director, Lezlie Vermillion. This was in response to inquiries we had made regarding the plowing of the trails along 185<sup>th</sup> Street.

It was noted that the County does not provide for the ongoing maintenance of these trails and leave this up to the individual local jurisdictions (cities and towns) to provide for these services if desired.

Chairman Schommer indicated that he would discuss this with Ms. Vermillion.

Ms. Vermillion also noted that they would look into the high volume traffic situation that exists at the corner of County Road 44 and Texas Ave in the morning and afternoon coincident with the school opening and dismissal times.

Clerk Maas also presented an email response he had received relative to the striping of the passing lane on County Road 8 in the vicinity of the Stonebridge Development. Supervisor Kraft will discuss this response with the residents of Stonebridge.

### **Engineers Report**

#### **1) Project Status on Whitewood / Birch Road Construction**

Engineer Nelson noted that the road is now paved. There is considerable clean up and mailbox installation work to be done.

Chairman Schommer asked that they be notified that they need more personnel in order to get this work done.

Resident Beverly Parrish noted that the driveways are a real problem and need to be completed.

Engineer Nelson was asked to send a letter asking for a revised schedule for completion of the driveways and reminding them that the contract calls for liquidated damages.

## **2) Pay Estimate on Whitewood Ave. / Birch Road Project**

Engineer Nelson noted that the contractor is entitled to progress payments based on the work completed and that the remedy for failure to perform is liquidated damages.

A number of residents felt that the liquidated damages amount of \$600 is too low.

There was a lengthy discussion that expressed concerns that the contractor was not putting forth a suitable effort to complete the project on time.

The Board decided to table discussion of this pay estimate until the meeting on November 19<sup>th</sup>.

## **3) Project Status on Huntington Way Road Construction**

Chairman Schommer noted that the Board was at the site the previous evening and that the rock is scheduled to be applied on Friday, the 7<sup>th</sup>. It is hoped that the weather will allow application of the bituminous within the next week.

It was noted that it was necessary to apply 3 inches of class 5 limestone for winter that is going to cost an additional \$20,000 which will offset the expected savings by not applying ????

## **4) Scottsview Acres – Request for Extension**

Attorney Justin Weinberg noted that it's late in the year to do any work and is asking for extension until 8/31/09.

Supervisor Nilsen asked if the developer planned on providing a new Letter of Credit and was told by Attorney Weinberg that they would submit a new LOC according to the same terms as the existing LOC.

Attorney Ruppe was asked to contact the bank to follow up on this.

Supervisor Nilsen made a motion to accept the request for extension by Bakken Development to 8/31/08 with a condition that new Letter of Credit be received by 11/30/09 and that the developer submit an escrow deposit of \$1000 and that the \$1000 balance be maintained. Supervisor Kraft offered a second, all in favor, motion carried 5 – 0.

## **Minutes of Previous Meeting**

Chairman Schommer asked Clerk Maas to summarize the minutes of the October 20<sup>th</sup> meeting and upon completion asked if there were any corrections?

Supervisor Lawrence noted a change on page 4 with and asked that Mr. Gonyea's ownership of the property on Huntington Ave. be noted rather.

Supervisor Nilsen asked if we could clarify the issue with regard to Mark Licke on Whitewood Ave.

Supervisor Kraft noted that while he wasn't present at the meeting, he did have an opportunity to listen to the tape and asked that the discussion that took place regarding the email addresses at the end of the meeting be added to the minutes.

Clerk Jerry Maas noted that he has had the same email address for 10 years and it is somewhat unwieldy to require that he change. He offered that it's the equivalent of changing phone numbers. He indicated that he would make a note in the minutes asking that the residents use the Township email addresses shown on the website.

Supervisor Lawrence made a motion to approve the minutes. Supervisor Aspengren offered a second, all in favor, motion carried 5 – 0.

Chairman Schommer asked resident Chris Kostik if he knew of the names of the garbage providers on Whitewood Ave. He noted that as far as he knew they were Evergreen, Waste Management, Buckingham and possibly Allied. The Board asked Clerk Maas to send a letter to them noting the 5-ton load limit.

## **Minutes of Judicial Road Assessment Hearing on October 1, 2008**

Clerk Jerry Maas presented the minutes from the October 1, 2008 Assessment Hearing for Judicial road and asked that the Board approve these.

Chairman Schommer noted that on page 3 it is stated twice that it is a “policy” that the Township contributes 25% and asked that it be changed to “guideline”.

Supervisor Kraft noted that on page 2, to combine the paragraphs with reference to Officer O’Neill.

Supervisor Brent Lawrence made a motion to approve the minutes with the noted changes, Supervisor Aspengren offered a second, all in favor, motion carried 5 – 0.

## **Sheriff’s Report**

A Scott County Deputy delivered the monthly report and noted that there were 129 calls for the month of October, an amount considered normal for this month. The only noted increase is in the number of Motor Vehicle / Deer accidents, also considered normal for this time of year.

Resident Dick Haugen asked about multiple alarms per residence and noted that the Township should intervene if the security system is faulty.

The Deputy noted that in certain situations this has occurred.

Chairman Schommer noted that we do have an ordinance in place that requires that residences be charged in cases of multiple alarms.

## **Resident Open Forum**

Chairman Leroy Schommer called for anyone who would like to bring something to the attention of the Board that is not on the agenda to come forward at this time. He further requested that anyone wishing to comment step to the podium to state his or her thoughts.

### **1) Township Newsletter**

Resident Cathy Haugh representing the Citizen’s Advisory Group noted that the group is in the process of developing a Township sponsored newsletter.

They plan to have the first one available by December 15<sup>th</sup> and hope to announce the Photo Contest winners.

Supervisor Lawrence noted that we need to arrive at a decision as to whether we would want to mail this, email it or put the information on the website. He indicated that the Township is still in the process of collecting email addresses and wasn’t sure of the latest count. He applauded the CAG for their efforts.

Chairman Schommer suggested that perhaps the first issues could be mailed and then emailed after that.

Mrs. Haugh asked if the Board would consider financing two general mailings, one to announce the newsletter and another special election newsletter. The Board indicated that they would take this under advisement.

Treasurer Batton suggested that we send out the agenda to all those currently on the email list. The Board thought this was a good idea.

Supervisor Lawrence noted that the Webmaster would control the email list and that the Board would determine the content of the newsletter.

## **2) Assignment of Territory Developer's Agreement**

Attorney Ruppe noted that the Laurent Development has asked permission to assign responsibility for the Developer's Agreement for the Territory to SA Group. He has reviewed this request with the County and so far they seem OK with this. He will email a copy of this request to everyone on Monday, November 10<sup>th</sup>.

Basically this will transfer all of the responsibility for Territory 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> Additions to the SA Group in addition to 95% of Territory 1<sup>st</sup> Addition.

Supervisor Kraft inquired about the Letter of Credit's following the transfer. Attorney Ruppe indicated that this would be a requirement and he is also asking that the original LOC for \$95,000 for Territory 1 be included as a part of the assignment.

Engineer Shane Nelson stated that he had sent an email to Territory personnel requesting an update on the project schedule for the replacement of the CSTS mound. Supervisor Nilsen noted that he felt that some of the delay was because of approvals required from the MPCA.

Developer Ted Kowalski noted that it was his view that there are additional responsibilities and liabilities beyond those stated in a Developer's Agreement and cautioned the Board to consider how these might be covered.

## **3) Whitewood Project Concerns**

Resident Dale Swanson submitted a letter that he is presenting as an appeal of the assessment and also with questions on the Whitewood-Birch project. He asked that the calculation of the interest does not appear to be correct. Attorney Ruppe will look at it. He is also asking how we arrived at the 6.5% interest rate.

Attorney Ruppe noted that the Township has been advised by the bond counsel as to what rate should be charged and we are relying on this advice. It was noted that there is a small spread required to insure that the Township is able to make the payments on the bond.

Mr. Swanson is also asking about the Ordinance that partial payments are not allowed.

Attorney Ruppe noted that the language of the notice was following statute and that the Board had not adopted a partial payment policy.

Mr. Swanson pointed out that he is presenting five questions regarding the project and one of these is related to the assessment amount being the same for all properties and yet it seems that some properties are benefiting beyond that of others, for example the property owners who had previously paid \$1800 to fix the cul-de-sac on Birch Road.

He is also questioning that there are no charge contemplated for certain un-buildable lots, while there are buildable lots that are not being assessed.

Chairman Schommer was uncertain as to the details but assured Mr. Swanson that the Board would take a look at these.

Mr. Swanson also asked for a copy of the updated costs incurred so far noting that he would not benefit from the \$63,000 drainage corrections being made on Whitewood Ave.

Engineer Nelson noted it can get very complicated in attempting to arrive at a satisfactory distribution of the benefits when they design these overall road improvements.

### **3) Status of Driveways**

Whitewood Ave resident Beverly Parrish submitted photos of her driveway is 6 inches lower than the road and is wondering why this has happened. She is also asking that every effort be made to get this fixed as soon as possible.

Chairman Schommer noted that we will review this difference in height.

### **4) Wetland Application**

Jason Allen, resident of 210<sup>th</sup> street, asked about getting a wetland application signed.

Chairman Schommer asked that he take this up after the meeting.

## **Clerk's Report**

### **1) Election Report**

Clerk Jerry Maas reported that we had 3017 voters for the November 4<sup>th</sup> election and that we registered an additional 375 persons to bring the total registered voter count to over 3600.

Chairman Schommer asked about what he had heard to be mix-ups in the school ballots. Clerk Maas noted that that to his knowledge that happened in 2 or 3 instances and corrected.

Supervisor Kraft noted that it appeared that the election went pretty smooth but suggested that in the future that we make provisions to allow parking on the Township property that is grassed rather than park up the roadway on Meadowview Blvd.

## **Treasurer's Report**

### **1) Town Hall Value for Insurance Purposes**

Treasurer Batton reported that Mary Kraft has reviewed our insurance costs and indicated that she would be unable to compete. Treasurer Batton therefore is recommending that we keep our coverage with MAT with the understanding that we increase the stated value and also the amount of the deductible.

It was proposed that the Board would formally sign this at the next meeting.

### **2) Banyon Software Proposal**

Treasurer Batton noted that she had previously done some research on possible solutions to satisfy our needs from a budgeting standpoint.

Supervisor Lawrence indicated that he doesn't want to spend the money, none the less he recognizes the need the Township has to improve it's financial reporting system and is recommending that we purchase this software with a view of getting it operational by the beginning of the new year.

Supervisor Lawrence made a motion to accept the proposal for to purchase the Banyon Fund Accounting Software at a cost of \$4,365. Supervisor Nilsen offered a second, all in favor, motion carried 5 – 0.

### **3) Auditor for 2008**

Treasurer Batton expressed she was disturbed with how the auditing firm of Eide Bailly Mankato handled the missed State report filing deadline of June 30<sup>th</sup>, 2008 for 2007 township financials. The firm requested an extension of one month initially and at the end of July, requested yet another extension of one month. The state's auditor office refused to extend the deadline an additional 30 days but allowed until August 15<sup>th</sup>, giving Eide Bailly Mankato an additional two weeks to the already existing extension of four weeks. This second deadline was also missed by six days and not disclosed until Treasurer Batton inquired if our report had been filed.

Another issue was the cash reporting form was not filed on our behalf as it had been by the Bloomington office of Eide Bailly. After the state auditor's office called to inquire about the missing report, Eide Bailly Mankato said they'd prepare the report for an additional \$500. Treasurer Batton refused to go to the board with that additional expense when it had always been included in previous Eide Bailly Bloomington audits. Eide Bailly Mankato did prepare and file the report at no additional expense.

Treasurer Batton reported a good working relationship with the auditors but felt the township's business was not valued by the reviewing partners at Eide Bailly Mankato. It is important to note that when the Bloomington office of Eide Bailly was performing the township's audit, the draft report was typically available by our March annual meeting. The Bloomington office of Eide Bailly dropped the township as a client after the 2006 audit because they no longer wished to do township audits but suggested their Mankato office would be able to perform this function for us.

After researching other accounting firms that perform municipal audits, Treasurer Batton recommended accepting the proposal received by Abdo, Eick & Meyer. The proposal for the 2008 audit was slightly less expensive and provides more value for the money, notably a presentation to the board, post audit, to explain the audit and answer questions. This service was not included in the Eide Bailly Mankato audit. Another selling point for Abdo, Eick & Meyer is their familiarity with Banyon Accounting Software which would enable the township to set up the new software right the first time. Abdo, Eick & Meyers performs audits for the cities of Prior Lake and Belle Plaine, as well as Louisville Township.

Supervisor Kraft made a motion to appoint Abdo, Eick & Meyers as our auditing firm for the 2008 Audit. Supervisor Aspengren offered a second, all in favor, motion carried 5 – 0.

### **4) Capital Improvement Plan (CIP) for 2009**

Treasurer Batton, noting that we have unfinished work regarding the budget that needs to be presented at the 12/1 Levy hearing, is asking for final recommendations for next year.

Engineer Nelson indicated that he is comfortable with the plan and cost projections presented at this time.

Chairman Schommer felt that it would be impossible to complete the projects suggested for 2009. It is his opinion that several of these roads still have some life in them. He felt that Fern Drive and Birch Lane would be top priority.

Supervisor Kraft mentioned that we don't want to keep putting these off and be faced with an accumulating problem.

Clerk Jerry Maas noted that the overall financial condition of the economy is pretty bleak for next year and that this is new information since we originally prepared this plan. He felt this ought to be taken into account.

Chairman Schommer indicated that Pheasant Run could be added to that group.

Chairman Schommer also noted that Lynn Drive be added.

Engineer Nelson suggested that we focus on 2009 and then re-evaluate the total road inventory in the spring and update the CIP at that time.

Supervisor Aspengren suggested that we consider budgeting for Fern Drive, Birch Lane, Verna Lane and Pheasant Run.

Treasurer Batton noted that we are not spending General Fund monies as we expected and might consider reducing that amount in favor of the Road and Bridge Fund.

Chairman Schommer also asked Engineer Nelson to schedule Casey Parkway for crack filling during 2009.

#### **5) Town Hall Cleaning Service**

Treasurer Batton stated that she felt that continuing the expense of the cleaning service was no longer justified and is recommending that we terminate the service.

The Board agreed and the service will be cancelled.

#### **6) Fiscal Impact Study**

Treasurer Batton reminded the Board that Ehlers and Associates would like to meet on November 19<sup>th</sup> at 3:00 pm at the Town Hall.

#### **7) Transfer Funds**

Treasurer Batton submitted a request to transfer \$207,000 from savings to the Checking account.

Supervisor Kraft made a motion to accept this request. Supervisor Nilsen offered a second, all in favor, motion carried 5 – 0.

### **New Business**

#### **1) Discuss 3-Way Developer's Agreements.**

Supervisor Nilsen asked if the Board felt we should continue to participate in three-way developer agreements with the County.

Attorney Ruppe noted that traditionally three-way developer's agreements have been the case and that this has advantages and disadvantage. Currently, we seem to be experiencing situations where the County is not living up to it's terms of these agreements, such as not recording them and not doing sub-ordination and required title work. He has also recently found out that the County Attorney has not been reviewing these agreements from a legal perspective. He is of the opinion that other Townships are experiencing the same problems and that they are considering options available to them.

Attorney Ruppe noted that it would be possible to take this change policy and require two-way agreements between the Township and the developer by adopting a relatively simple sub-division ordinance that would allow for the Township to require a Developer's Agreement.

Another possibly would be a Road Acceptance Agreement. Under this situation, the County could enter into a separate agreement with land developers.

#### **2) Discuss Township Planning and Zoning**

Attorney Ruppe also noted that the Township could arrange for their own Planning and Zoning capability and in fact enter into partnerships with neighboring Townships to get this accomplished jointly.

Supervisor Nilsen indicated that the Stonebridge project is example of failure to complete amenities that were required under the County portion of their agreement and that they have allowed Letter of Credits to expire that would have insured that these be completed to standard.

Attorney Ruppe recommended that the Board continue to explore these options.

Attorney Weinberg asked if we are suggesting that we would be taking on responsibility for our own Planning and Zoning. Attorney Ruppe noted that we are not making this inference, but rather would only establish another layer of Planning and Zoning that would be more restrictive as far as Credit River concerns would be. Responsibilities for environmental issues would have to be contracted with the County

Chairman Schommer expressed the view that if we pursue this option, there would be more enforcement capability.

Attorney Weinberg cautioned that there are more requirements for the Township to meet and they need to insure that they have the ability to enforce.

Supervisor Aspengren asked Attorney Weinberg for his views on this proposal who noted that it complicates a developer's task because there is another layer of approvals that must be acquired.

Supervisor Nilsen suggested another solution might be to identify the Townships portion of the Agreement separate from that of the County. Attorney Ruppe noted that this was also possible.

### **3) Public Notices – Next Meeting**

The board asked Clerk Maas to post the following Public Notices

- a) Items to be discussed on November 19<sup>th</sup> prior to the Whitewood Assessment Hearing
- b) Huntington Way Assessment Hearing is cancelled

Also, Attorney Ruppe was asked to contact the parties involved in the Hampshire Ave. issue and notify them that the meeting on the 17<sup>th</sup> is being cancelled.

### **4) Huntington Assessment Hearing**

Treasurer Batton asked about the possibility of still scheduling the Huntington Way Assessment Hearing in order to get the amounts to the County and be able to prepare the bond schedule for 2009 noting that we are running the risk of incurring \$20,000 in interest charges.

Supervisor Nilsen noted that the Board met at the site last Friday and everyone agreed to let the project sit for the winter. The contractor was not present at that meeting. When the contractor found out that this was being proposed, he suggested that we still try to get the pavement down. The Board once again met yesterday with the contractor at the site and agreed to try to get the pavement down.

The Board requested that Treasurer Batton inquire of the Auditor what would the latest date possible for submitting the final assessment amounts to the County. We'll tentative plan on publishing on Tuesday November 18<sup>th</sup> for the 22<sup>nd</sup> newspaper specifying a planned Assessment Hearing on December 9, 2008.

### **5) Road Specification**

Supervisor Nilsen Bruce motion to change the Township Standard Specification to require Limestone Class 5 as a replacement for MnDot Class 5 on all Township and Development projects and reconstruction projects. Road repairs would be at the Township's discretion. Supervisor Aspengren offered a second, all in favor, motion carried 5 – 0.

## Review and Pay Bills

The Town Board paid the following claims:

11/6/2008	4668	Bohnsack & Hennen Excav.	Creekside Circle Repair	\$	718.08
11/6/2008	4669	Richard Wensmann	Access Refund	\$	600.00
11/6/2008	4670	Xcel Energy	St Francis Street Light	\$	12.32
11/6/2008	4671	CenterPoint Energy	Town Hall Gas	\$	16.81
11/6/2008	4672	MVEC	Electrical Service	\$	507.64
11/6/2008	4673	Metro Sales	Ricoh Quarterly Service Charge	\$	96.00
11/6/2008	4674	MATIT	Insurance for Copier	\$	25.00
11/6/2008	4675	Art Johnson Trucking	October Gravel Road Maint	\$	2,223.00
11/6/2008	4676	Prior Lake Blacktop	Casey Parkway Repair	\$	29,223.00
11/6/2008	4677	Mike's Septic	Septic Pumping	\$	795.00
11/6/2008	4678	Scott County Treasurer	Seal Coating	\$	88,793.91
11/6/2008	4679	Hakanson Anderson	Sept Engineering	\$	44,538.83
11/6/2008	4680	Scott Soil & Water Cons	Sept Inspections	\$	2,908.00
11/6/2008	4681	Enviro-Care Services	Oct Hall Cleaning	\$	61.77
11/6/2008	4682	Couri MacArthur & Ruppe	Sept/Oct Legal Services	\$	8,006.25
11/6/2008	4683	Lennar Corporation	Access Refunds (4)	\$	3,600.00
11/6/2008	4684	A Maas Construction	Access Refund	\$	900.00
11/6/2008	4685	Geckler & Associates	Access Refunds (3)	\$	2,700.00
11/6/2008	4686	MATIT	Conference Registration	\$	285.00
11/6/2008	4687	Quiring Excavating	Pay Estimate for Whitewood	\$	242,827.53
11/6/2008	4688	Geckler & Associates	NPDES Refunds	\$	7,250.00
11/6/2008	4689	Lennar Corp	NPDES Refunds (3)	\$	5,160.00
11/6/2008	4690	Windwood Homes	NPDES Refund (2)	\$	3,080.00
11/6/2008	4691	Void		\$	-
11/6/2008	4692	Void		\$	-
11/6/2008	4693	Safety Signs	Street Sign	\$	385.00
11/6/2008	4694	Jacques Whitford EcoCheck	Sept CSTS Ops	\$	3,640.72
11/6/2008	4695	Private Underground	Utility Locates	\$	192.50
11/6/2008	4696	One Call Concepts	General Locate Services	\$	31.90
11/6/2008	4697	Northwest Associated Consult	October Plan/Zone	\$	19.60
11/6/2008	4698	GE Capital	Copier Lease	\$	149.11
11/6/2008	4699	Tom Kraft	Expense Reimbursement	\$	73.92
11/6/2008	4700	Brent Lawrence	Void	\$	-
11/6/2008	4701	Holly Batton	Void	\$	-
11/6/2008	4702	Jerry Maas	Void	\$	-
11/6/2008	4703	Al Aspengren	Void	\$	-
11/6/2008	4704	Brent Lawrence	Expense Reimbursement	\$	29.84
11/6/2008	4705	Holly Batton	Expense Reimbursement	\$	202.95
11/6/2008	4706	Jerry Maas	Expense Reimbursement	\$	110.80
11/6/2008	4707	Al Aspengren	Expense Reimbursement	\$	33.35
11/6/2008	4708	CLB Builders	NPDES Refund	\$	1,380.00
11/6/2008	4709	Scott County Treasurer	Recording fee	\$	46.00

11/6/2008	4710	Al Aspengren	Services as Supervisor	\$	1,033.73
11/6/2008	4711	Holly Batton	Services as Treasurer	\$	2,573.64
11/6/2008	4712	Tom Kraft	Services as Supervisor	\$	1,103.58
11/6/2008	4713	Brent Lawrence	Services as Supervisor	\$	937.35
11/6/2008	4714	Jerald Maas	Services as Clerk	\$	3,154.22
11/6/2008	4715	Bruce Nilsen	Services as Supervisor	\$	1,103.58
11/6/2008	4716	Leroy Schommer	Services as Supervisor	\$	1,842.38

**Adjourn**

There being no further business before the Town Board, Supervisor Nilsen made a motion to adjourn, Supervisor Lawrence offered a second, all in favor, motion carried 5 - 0. The meeting adjourned at 11:41 pm.

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Submitted By: (s/) Jerald R. Maas  
Township Clerk  
Credit River Township

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Approved By: (s/) Leroy Schommer  
Chairman Board of Supervisors  
Credit River Township