

TOWN OF SILVER CREEK
REGULAR MEETING
June 18, 2013

The regular meeting of the Town Board of the Town of Silver Creek was held on Tuesday June 18, 2013 at the Town Hall. Present were Supervisors – Mike Hoops, Greg Hull, Larry Lampart; Clerk – Frederick R. Whitney; Treasurer – Bobbi Gilbert; Road Foreman – Rick Grupe; Town Attorney – Pete Morris.

Hoops called the meeting to order at 6:00 p.m.

ASPEN ROAD DISCUSSION:

In 1984, the Town of Silver Creek passed a “taking of roads” resolution, of which the Aspen Road was included. While a road order was never made, nor a legal description and survey filed, Silver Creek has maintained the Aspen Road for many years before and after this resolution. Additionally, in order to turn the heavy road equipment around at the southern end of the Aspen Road, the Town has been utilizing a “turn-around” area of which the affected property owners, Mr. Duane Ricard and Mr. Lyle Saur, have allowed.

After the 1984 resolution was passed, the Press Camp Road, the Town Road, Balsam Lane, Burlington Road and Aspen Road have had surveys created. Mr. Morris recommends that the Town officially recognize these roads by filing a resolution that identifies the original resolution, as well as these new surveys, at the County Recorder’s Office. To that end, Mr. Morris will create the proper resolution for Aspen Road, from which the Clerk can prepare additional resolutions for the other four roads, have all adopted by the Board and then recorded at the County Recorder’s office.

Regarding the larger turn-around area depicted on the May 21, 2013 Aspen Road survey, Mr. Morris recommends obtaining easements from both Mr. Ricard and Mr. Saur. These easements are to be filed at the County Recorder’s office along with the surveys and legal descriptions for all five roads.

During the turn-around easement discussion, the matter of forestry evaluation came up. Mr. Hull identified Jon Fogelberg as an individual willing to evaluate the value of the forest around the turn-around area, as well as the proposed cartway area. Will the petitioners and affected land owners be willing to utilize Mr. Fogelberg? It was decided to hold a special meeting in order to identify the methodology for evaluating damages regarding the cartway.

Hull made a motion, second by Hoops, to hold a special meeting on either July 9, 2013 at 7:00 p.m., or July 23, 2013 at 7:00 p.m. in order to discuss and determine the methodology for evaluating damages regarding the cartway. The Clerk was directed to email these dates to both the cartway petitioners and the affected landowners. The Clerk was directed to post the notice for the identified meeting. Carried unanimously.

CONSTITUENTS CONCERNS:

None

REVIEW MINUTES:

Motion by Hull, second Lampart to accept the 5/09/2013 AMENDED Board of Equalization minutes as presented. Carried unanimously.

Motion by Hull, second Lampart to accept the 5/21/2013 Regular minutes as presented. Carried unanimously.

Motion by Hoops, second Hull to accept the 06/04/2013 Castle Danger Subordinate Sewer District Quarterly minutes as corrected. Carried unanimously.

TREASURER’S REPORT:

TTOSC Lake Bank checking: \$199,519.03 and savings: \$389,199.76 for a total of \$588,718.79 – Less the outstanding item of \$146.95 and a \$.10 deposit correction by the Treasurer for a CTAS total of \$588,571.94.

Motion by Lampart, second Hoops to transfer \$40,000 from savings to checking as per the Treasurer’s request. Carried unanimously.

Motion by Hull, second Lampart to accept the May 2013 Treasurer Report as presented.

When the Clerk realized that the Town truck payment would be due before our next regular meeting, motion by Hoops, second Lampart to amend the transfer from savings to checking to be \$60,000, as oppose to \$40,000. Carried unanimously.

READING OF THE BILLS:

Current month’s bills were read. Motion by Hull, second Lampart authorizing payment of the bills and electronic funds. Carried unanimously.

CORRESPONDENCE:

Notification that Crow Creek mowing services was sold to North Harbor Services, LLC.

Forestry Department notification of forfeited land and proposed timber sale

~~A Thank You note from Nortrax~~

The Bond Transcript – packet – for the Excavator Purchase

LAKE COUNTY Land Use applications: Furnish, Tourila, Thomas, Jones, Lyons and Anderson

LAKE COUNTY Planning and Zoning: North Shore Beach, 2406 Hwy 61, 1860 Hwy 61

LAKE COUNTY ASSESSOR notification regarding training for Board of Equalization certification.

Minnesota Demographic Center – Silver Creek Population & Household Estimates as of April 1, 2012

ROAD & SAFETY:

Our cost to purchase road chloride has gone up to \$.81 per gallon. The Board authorized to continue a 10% upcharge when we run chloride across private roads/areas. More road barricades, translucent vests and hard hats are needed. An estimate of \$2,540.20 was presented. Hoops made a motion, second by Lampart, to approve a purchase not to exceed \$2,500. Carried unanimously.

The Holm “parking lot” on Clark Road was finished, but we are still working on the driveway. The Alger grade needs grading. A pump was replaced at the Gooseberry Falls State Park. Clark Road bridge has been painted/sealed. The County, who is to perform all bridge inspections, hasn’t given us a report in many years. The Clerk was directed to investigate who is responsible and to find out where we go from here. The spray truck still needs to be worked on; a price had been obtained, but Rick will move forward. The Clerk was instructed, with the foreman, to prepare an ad to sell the old excavator and place into the website, the Chronicle, North Shore Journal and in the Duluth Tribune; not needed to be legal.

OLD BUSINESS:

- Resolution No. 2013-7 – Insurance Coverage Deductible

The following resolution increasing our property and casualty deductible was approved.

RESOLUTION 2013-7
Silver Creek Township, Lake County, Minnesota

A RESOLUTION APPROVING AN INCREASED
PROPERTY & CASUALTY DEDUCTIBLE

WHEREAS, the town board has received information concerning the value of property owned by the town; and

WHEREAS, in order to reduce the amount it costs to insure that property, the town board has determined that it desires to increase the amount of the deductible on the insurance covering it.

NOW, THEREFORE, BE IT RESOLVED, that, subject to the provisions of the town's property and casualty insurance with the Minnesota Association of Townships Insurance Trust the town board approves changing the deductible on such property and casualty insurance to the following amount (check one):

_____ \$1,000

_____ **X** _____ \$2,500

The town clerk is hereby authorized to take any steps necessary to implement this change.

	<u>Yes</u>	<u>No</u>	<u>Other</u>
Supervisor _____ <u>Hoops</u>	_____	_____	_____
Supervisor _____ <u>Hull</u>	_____	_____	_____
Supervisor _____ <u>Lampart</u>	_____	_____	_____

Adopted this 18th day of June, 2013.

BY THE BOARD

Town Chair

Attest: _____

Town Clerk

Discussion continued regarding other coverage of vehicles and structures. What does the Township legally need regarding collision, comprehensive and liability coverage? The Board directed the Clerk to obtain further information. The Clerk agreed to email all Supervisors with his findings.

Hull made a motion, second by Lampart, authorizing the Clerk to continue his research and to perform the following:

1. Increase all deductibles to \$2,500 as permitted.
2. Add or subtract vehicles and trailers as necessary.
3. Check on lowering our comprehension coverage.
4. Drop all collision coverage on vehicles/trailers that are 5 years old and older, excluding the Sterling Truck.
5. Carry only liability on trailers.
6. Lower our general liability limits.

Carried unanimously.

Follow-up email to Board dated – 06-19-2013

Hello All:

I have spoken with our MATIT agent – Kristin McCullough, Director of Operations – and have some updated information and a listing of what I have done.

The first page of the insurance attachment –

- *Crime – Even though the description suggests otherwise, it does not cover any of us; not the Board, not the Treasurer, not the Clerk and not an employee. I have had this dropped from our policy.*
- *General Liability – This covers the Town from lawsuits brought against us. These limits are set by the State; can't change anything.*
- *Public Officials Liability – This covers the Board, Officers and Employees from lawsuits brought against us. This is also referred to as E & O (Errors & Omissions) coverage. These limits are set by the State; can't change anything.*
- *Automobile – This is for physical damage. (Liability limits are set – can't change). I have increased the deductible on the 2007 Sterling and 2012 Dodge Ram to \$2,500 and we have removed all coverage EXCEPT liability coverage on the rest of the vehicles/trailers.*
- *Inland Marine – This is where we need to consider dropping an item altogether, except liability, or at the very least, change the limit of coverage. The deductible cannot be increased! We can only lower/eliminate the premium by lowering the value or eliminating the item. Additionally, insurance will pay only up to its current value, so even if we have the grader at \$125,000 and it is only worth \$50,000, we will only get \$50,000 if it is totally destroyed somehow. Further, if the sewer pump is down in a hole, what are the chances of it being destroyed? Why cover a \$1,800 pump for \$10,000? Why cover it at all? Why cover a plow disk? Why cover the armor radio – will they all really burn up at once? What aren't we covering? Food for thought....*
- *Property – This is fairly self-explanatory. I have increased the deductible to \$2,500. How about the value limits – are they OK, too high, too low? I await your input.*

So now, MATIT will be sending me a new invoice and a coverage listing – I will let you all see this before our meeting. We will pay the premium at our July 21st meeting. Whenever we make the changes to values of Inland Marine items and “property – building” items, MATIT will refund/change the premium effective at the time we make the changes.

Again, I await your input.

*Sincerely,
Frederick R. Whitney, Clerk
Fax: 218.834.6315*

- Set Closed meeting date for Road Foreman replacement discussion. Hull made a motion, second by Lampart, to set July 9, 2013 at 7:00, or immediately following the Cross special meeting adjournment, for a closed meeting to discuss labor negotiations. Carried unanimously.
- The Highway 3 realignment survey and memorandum of agreement was discussed. The Clerk reported that the memorandum was rewritten per the Board’s direction and sent to the County Engineer.
- IRRRB Building teardown – The Clerk was directed to contact the newspaper regarding this funding availability.
- The financial support from the County regarding the Stewart River SSD is still in the works.
- MN Rural Water can provide support for our SRSSD project. The Clerk is to obtain a name and phone number.

NEW BUSINESS:

- CTAS – Upgrade BETA Site and fee. The Board directed the Clerk to complete the form and to have the \$300 fee ready for approval at our next meeting.

There being no further business, meeting adjourned at 9:20 p.m. upon motion by Hull, second Hoops. Carried unanimously. The next regular meeting of the Town Board will be held on Tuesday July 16, 2013 at 6:00 p.m. at the Town Hall.

Respectfully submitted,
Frederick R. Whitney, Clerk