

TOWN OF SILVER CREEK  
REGULAR MEETING  
OCTOBER 10, 2017

The regular meeting of the Town Board of the Town of Silver Creek was held on Tuesday, October 10, 2017 in the Board Meeting Room. Present were Supervisors – Greg Hull, Mike Hoops, Denny Moen; Clerk – Alison Oftedahl; Treasurer – Jamie Pellman; and Town Operations and Facilities Manager – Conrad Swanson.

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

**CONSTITUENTS CONCERNS:**

NONE

**NORTHSHORE MINING LEACHATE:**

- Hoops reported that while the ponds are too full of rainwater to allow leachate pumping this fall, he would like to propose a rate of \$4.50 per thousand gallons to North Shore Mining. As Sewer Operator, Hoops has the support of the Board in negotiating rates and developing a plan.
- Hoops also reported that due to the heavy rain, he has obtained permission to extend the season of irrigation. Water will continue to be pumped out of the ponds until freezing temperatures prevent it.
- Hoops plans to add material to shore up some low spots in the trails used to access the irrigation area. Brush cutting is also needed and has not been done for 15 years.

**ROAD & SAFETY:**

- Swanson received the “No Parking” signs requested by Ericksons and Shaffers. Because the turnaround at Ericksons will be extended, the sign would likely need to be moved if it was installed now. The other one will be installed.
- The grader is running well, but needs 1 new tire in front. The tire in storage is the right tire mounted on the wrong wheel and will need to be professionally remounted.
- Swanson reported on potential chip seal surface for Press Camp Road. He spoke to Tom Wood of WSB, the vendor who did the chip seal for Lake County. He provided a rough estimate of \$81,000 for Press Camp Road and said it would need to be re-done in 5 years. Currently the township spends an approximate average of \$30,000 on road maintenance in 10 years, whereas the new surface is estimated to cost \$118,000 for the same period. Hull requested a letter be sent to the constituents with the cost. A petition should be used to determine the level of support. If a majority of the residents are in support of the investment, the project can move forward.
- Marc Carr has requested information on a driveway culvert at 2591 W. Castle Danger Road. A permit is required for the Township to install a new culvert. The driveway must be owned by Carr or there must be a legal easement. Swanson will do a site visit and communicate with Carr to determine next steps.

**REVIEW MINUTES:**

Motion made by Moen, second Hoops to accept the 09/19/2017 Regular Meeting minutes and the 10/03/2017 Committee of the Whole minutes with corrections as noted.

**TREASURER’S REPORT:**

TOSC checking: \$52,873.53 and TOSC savings: \$573,087.36 for a total of \$625,960.89. Outstanding Checks: \$2,767.12. CTAS balance: \$623,193.77.

- Motion by Hoops, second Moen to authorize transfer of \$50,000 from savings to checking. Motion carried unanimously.
- Motion by Hull, second Moen, to accept the September Treasurer Report as presented. Motion carried unanimously.

**READING OF THE BILLS:**

Current month’s bills were read: Claims 5438 – 5465 totaling \$29,087.86 and payrolls through 10/10/2017. Hoops abstained on disbursements #0929201709 and 1013201709. A motion was made by Hull, second by Hoops, authorizing payment of the bills as presented. Motion carried unanimously.

**CORRESPONDENCE:**

- Life Insurance for Swanson – approved payment of full year premium.
- Affidavit of Postings
- Peter Meidal email – Meidal is the Senior Loan Officer with Minnesota Public Facilities Authority and responded to an inquiry by the Clerk on extending the Townships PFA loan. He wrote that he is hesitant

to look at restructuring with only 2 years remaining and due to additional expenses that would result from the requirement to hire an external Financial Advisor.

#### **PAVILION STORAGE:**

- Moen reported that the process of loading items into the Pavilion for seasonal storage went very well. Turnout was good, but did not completely fill the available space.

#### **OLD BUSINESS:**

- **Chapel Repairs** – Ryan Williams began work on the chapel today.
- **East Castle Danger Road Turnaround** – There has been no word from Conrow on this. Conrow will be contacted in an attempt to expedite the new property description. The Township would like to complete the enlargement of the turnaround prior to a reported pending sale of this property.
- **Conflict of Interest Policy** – Motion by Hull, second Moen to accept the Conflict of Interest Policy below. Adopted by unanimous yeas vote of Supervisors Hull, Moen and Hoops.

### **TOWN OF SILVER CREEK CONFLICT OF INTEREST POLICY**

#### **1. Purpose**

The purpose of this policy is to help in effectively managing and eliminating any actual, potential or perceived conflicts of interest in order to protect the integrity of the Town of Silver Creek and manage risk.

#### **2. Objective**

The Town of Silver Creek aims to ensure that Town Supervisors remain free of conflict of interest, and comply with this policy, to guarantee effective management of conflicts of interest as representatives of the Town of Silver Creek.

#### **3. Scope**

This policy applies to the Supervisors of the Town Board of the Town of Silver Creek.

#### **4. Definition of conflicts of interests**

The Town of Silver Creek has determined that a conflict of interest will occur anytime a Supervisor also serves as an employee. When serving as both, an individual's personal interests can conflict with their responsibility to act in the best interests of the Township. A conflict of interest may be actual, potential or perceived and may be financial or non-financial.

These situations present the risk that a person will make a decision based on, or affected by, these influences, rather than in the best interests of the Township and must be avoided accordingly.

#### **5. Policy**

This policy has been developed because conflicts of interest have occurred in the past. It is the policy of the Town of Silver Creek as well as a responsibility of the Board, that ethical, legal, financial or other conflicts of interest be avoided.

The Town of Silver Creek will manage conflicts of interest by requiring Supervisors to:

- Avoid all conflicts of interest by not serving on the Board at the same time as being employed by the Town.
- Review this policy on an annual basis.
- Abstain from votes (other than acceptance of donations) involving personal interests including direct interests as well as those of family, friends, or organizations a person may have an interest in or be involved with.

- **Addendum Resolution to the Conflict of Interest Policy** – Motion by Hull, second Moen to adopt the Addendum Resolution below. Adopted after a roll-call vote of Hull: yea; Moen: yea; and Hoops: abstain.

**RESOLUTION # 2017-11**

**RESOLUTION REGARDING THE IMPLEMENTATION OF CONFLICT OF INTEREST POLICY**

WHEREAS: The Town of Silver Creek has adopted a Conflict of Interest policy which stipulates that those elected to the office of Supervisor are not to serve simultaneously as Town employees , and,

Whereas, in the implementation of this policy personnel changes have taken place on the Board of Supervisors as well as with employees, and,

Whereas, Mike Hoops is serving as both an employee as Sewer Operator, and as an elected Supervisor, and,

Whereas, Mike Hoops served as Sewer Operator before being elected as Supervisor, and,

Whereas, The Town of Silver Creek has advertised in the past for a qualified Sewer Operator holding a current Class C license from the MPCA and has received no other qualified applicants, and,

Whereas, in the course of re-structuring employee positions, one has been created which requires the obtaining of said license, and,

Whereas, the requirements for this license include a three-year apprenticeship under an operator who holds the proper license, and,

Whereas, Mike Hoops current term as Supervisor ends in approximately 18 months, and,

Whereas, Mike Hoops has served more than 5 terms as an elected Supervisor, and,

Whereas, longevity on the Board lends itself to continuity in management and,

Whereas, recent changes on the Board of Supervisors that resulted from the implementation of the Conflict of Interest policy, as well as decisions of other Supervisors not to seek re-election resulted in a Board with new members, and

Whereas, Mike Hoops has indicated he will not be seeking re-election, and,

Whereas, the Board of Supervisors recognizes that the best interests of constituents and residents served by the Castle Danger Subordinate Sewer District are met by allowing a transitional period in the complete implementation of the policy,

THEREFORE, BE IT RESOLVED that the Board of Supervisors will allow in this one and limited case, an exception to the policy, providing that:

- A) Mike Hoops agrees to leave the Board of Supervisors at the end of his current term in March of 2019, and
- B) He will not serve in the capacity of Chairman during the intervening period, and
- C) Assist the Facilities and Operations Manager to obtain his Class C Operator’s License in as timely a manner as possible.

Adopted this 10<sup>th</sup> day of October, 2017, by the Town Board of the Town of Silver Creek.

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|-----------|------------|------------|
| _____     | _____      | _____      |
| Greg Hull | Denny Moen | Mike Hoops |

ATTEST: \_\_\_\_\_

Alison Oftedahl, Clerk

- **Pest House Bid** – Motion by Moen, second Hull to accept the Veness bid. Motion carried unanimously. Deed work is the next step.

**NEW BUSINESS:**

- **Sentence to Serve** – Labor will be used to stake the cemetery once the transfer to Lake County is completed.
- **Clerk Transition** – Motion by Hoops, second Moen to accept with regret the resignation of Clerk Wendy Langanki. Motion carried unanimously. Motion by Hull, second Hoops to appoint Alison Oftedahl as Clerk at a rate of \$17.50 per hour to average 100 hours per month and be reviewed in 6 months. Motion carried unanimously.

- **Auditor Contract** – Motion by Hoops, second Moen to present a counter offer to the Auditor firm in the amounts of \$9,750 for the first year, \$10,000 for the second year, and \$10,250 for the third. Motion carried unanimously.
- **Fund Transfers**
  - Motion by Moen, second Hoops to transfer \$36,295.00 from the Capital Improvement Projects fund 401 to the General Debt Service fund 301. This transfer was recommended by the Auditors and corrects an issue in which Taconite Tax funds were received prior to the creation of the General Debt Service fund. Motion carried unanimously.
  - Initial motion by Hull was rescinded to transfer \$51,620.29 from the Stewart River fund 603 to the General fund 100 and close out the Stewart River fund per the Auditor. While there was agreement with closing the Stewart River Enterprise fund, the amount of the transfer request was more than the current fund balance. Because neither the previous Clerk, nor the Auditor were present at the meeting, the Board was unable to get a clear explanation of this amount. It was decided to have the new Clerk seek clarification for the next meeting.
  - Hull recessed the meeting at 7:49 p.m. for a short break.
  - Hull reconvened the meeting at 7:53 p.m.
  - Motion by Hull, second Moen to transfer all remaining funds, \$27,360.99, from the Building fund 226 to the Capital Improvement Projects fund 401 to zero out the fund. Motion carried unanimously. The Auditor recommended closing this account because the project has been completed and all vendors paid.
- **Septage** – Hoops has not heard from Kyle Larson.
- **Resolution for Donations** –
  - Motion by Hull, second Hoops, on Resolution 2017-7 to accept donation by First Baptist Church of 72 folding chairs. Adopted after a roll-call vote produced 3 Yea votes.
  - Motion by Hull, second Moen, on Resolution 2017-8 to accept donation of a filing cabinet, construction materials, use of tools and shop, and mileage by Mike Hoops. Adopted after a roll-call vote produced 3 Yea votes.
  - Motion by Hoops, second Hull on Resolution 2017-9 to accept donation of lumber, trash bins and use of tractor by Greg Hull. Adopted after a roll-call vote produced 3 Yea votes.
  - Motion by Hoops, second Hull on Resolution 2017-10 to accept donation of 2 smart phones for use by township employees by Denny Moen. Adopted after roll-call vote produced 3 Yea votes.
- **Credit Card** – Motion by Hoops, second Moen to approve issuance of a Township Credit Card to Alison Oftedahl. Motion carried unanimously.
- **Fence behind Town Hall and Pavilion** – Motion by Hoops, second Moen to have Sam Parker complete a site survey marking the line behind the Town Hall and Pavilion for use in building a fence. Motion carried unanimously.
- **Election Location** – Motion by Hoops, second Moen to change the election polling location from the Town Hall to the Board Meeting Room at 1924 Town Road and to send a mailing to voters on same. Motion carried unanimously.

**PENDING ISSUES:**

- **Lake Connections Phone and Internet** – Activation was scheduled for tomorrow.
- **Sewer Finances and PFA Loan Payment** – A working session or special meeting will be needed in the next couple months to develop a plan to address the expected shortfall. Remaining fund transfers must be keyed and the amount of the shortfall must be clarified prior to scheduling the work session.
- **Stewart River SSD** – Hull presented the idea of contacting foundations such as Cargill for possible funding of the proposed system. Hull plans to bring up the idea with the Commissioners.
- **Cemetery Kiosk** – The Clerk was directed to contact Silver Creek Sign Works for a status update on the project.

There being no further business, a motion was made by Hoops, second by Moen, to adjourn the meeting at 8:45 p.m. Motion carried unanimously. The next regular meeting of the Board will be held on Tuesday November 21, 2017 at 6:00 p.m. in the Board Meeting Room.

Respectfully submitted,  
Alison Oftedahl, Clerk