



Regular Meeting and Reorganizational Meeting
Wednesday February 26, 2020 - 7:00PM

The Orrock Township Board met in regular session, on Wednesday February 26, 2020, at the Orrock Town Hall, 26401 – 180th St. NW, Big Lake, Minnesota.

In attendance were Chair Corrie Silverberg, Supervisors Bryan Adams, Paul Ellinger, Bob Hassett and Eric Peterson, Clerk Brenda Kimberly-Maas, Treasurer Gary Goldsmith. Also in attendance were Deputy Clerk Chris Weber, Mike Nielson and Kevin Kruger – Town engineering firm, Darryl Waletzko – Town Contractor, Commander Steve Doran and two audience members.

A quorum was present, the meeting was called to order by Chair Silverberg, at 7:00PM and the Pledge of Allegiance to the United States of America was recited.

Meeting Agenda Approval

Supervisor Ellinger requested the addition of discussion of recurring contracts under 14E. Treasurer Goldsmith requested the addition of Levy Discussion under Treasurer’s Business 3B and Supervisor Adams requested the addition of Planning and Zoning Liaison under 11H.

Motion/Second to accept the presented agenda with additions by: Adams/Ellinger. All present Supervisors approved. Motion prevailed, and the meeting proceeded in accordance with the agenda as revised.

Approval of Meeting Minutes

Motion/Second to approve the January Regular Minutes by: Ellinger/Adams. Supervisors Peterson and Silverberg abstained. Adams, Ellinger and Hassett approved. Motion Prevailed.

Motion/Second to approve the February 18, 2020 Emergency Meeting Minutes by: Silverberg/Hassett. Supervisors Ellinger and Peterson abstained. Adams, Hassett and Silverberg approved. Motion Prevailed.

Sheriff’s Report

Commander Steve Doran reported to the board 144 calls for the past 30 days, which was up from 115. However, it was discovered that there had been a reporting glitch in their system since September and their numbers for those months were coming in a little bit low. Of note were five medicals, one death investigation and three motor vehicle accidents.

Open Forum

Residents Jim and Juanita Johnson expressed concern about the snow plowing on 189th Street coming in off County Road 4 and noted that the road has had deep ice ruts the entire winter. Darryl Waletzko stated that the road is typically the first road plowed and Chair Silverberg acknowledged that the road had quite a few ruts. It was noted that this area is a shaded area and that ruts form because there is not a lot of traffic on this section of road. Chair Silverberg explained that as vehicles drive on the road, the road gets packed down and as vehicles carry salt and sand off County Road 4 onto 189th, ruts get created where the tires are hitting the pavement. Chair Silverberg stated that, later in the meeting, the board will be discussing a piece of equipment to help in the removal of ice. The homeowners expressed concern that the road has never been as bad as it has been this year. Supervisor Adams explained that freeze/thaw cycles are tough to

combat, and that the township has been out to scrape the road several times. Clerk Kimberly-Maas stated that this is one of the habitually troublesome roads due to the shade from the pine trees. It was also noted that once a road gets rutted, the township does not have the equipment to fully remove ruts.

Regular Business

2020 Recycle Day Participation Agreement

Clerk Kimberly-Maas presented the 2020 Recycle Day Participation Agreement for approval by the board. Motion/Second to approve the 2020 Recycle Day Participation Agreement by: Ellinger/Silverberg. All present supervisors approved. Motion carried.

Revised Quote for Town Hall Work

Supervisor Adams presented the revised quote from Ken Geroux Construction which included two additional options:

Install 1" x 6" collar ties to every other roof rafter	\$ 1,323.53
Install Gable Vents (if required)	\$ 529.29

The existing rafters are separating, and the recommendation is to install the collar ties for safety purposes.

Motion/ Second to approve the revised costs up to \$2,000 by Silverberg/Ellinger. All present supervisors approved. Motion Carried

Midco Expansion

Supervisor Adams stated that he had reached out to the township attorney to discuss how to handle the right-of-way for the Midco Internet/Cable installation in Orrock Township. Bryan recommended that the township modify an existing agreement with an estimated escrow amount. Mike Nielson stated that he had discussed the escrow with Supervisor Adams and felt that a \$10,000 escrow would be acceptable and would allow enough cash on hand should any issues (erosion, etc.) need to be remedied. Supervisor Adams felt that the township should investigate the company (Midco) and have the road committee discuss. Clerk Kimberly-Maas noted that Livonia Township's Right-of-Way permit is a minimum of \$25 and covers 2,500 lineal feet and is a penny a foot after that. Livonia Township is requiring a \$1,500 permit fee from Midco and is not requiring any additional fees. Brenda reported that Midco is currently in Livonia Township and that the township does not have any issues with Midco.

It was confirmed that Midco will be installing buried fiber optic cable. It was noted that these utility companies carry liability insurance for these installations. The Right of Way discussion will be assigned to Road Committee for further study.

Midco will be providing cable and the statute states that if a township has an existing franchise agreement in place with a provider, any additional companies requesting to provide cable will need to have a franchise agreement as well. The township does not have any active franchise agreements.

The board is of the opinion that there are two options for a franchise agreement with Midco. The first option would be to have township attorney Ruppe draft a resolution to forego a franchise agreement and the second option would be to adopt a resolution to forego the franchise agreement with the option to have a franchise agreement in the future.

Clerk Kimberly-Maas recommended that the board decide on a franchise agreement option and noted that a franchise agreement is state statute not a township policy. Chair Silverberg had asked what the benefit is of having a franchise agreement. It was stated that a franchise agreement gets money to the township, but the concern of Supervisor Hassett was that this franchise cost could be passed on to end users in Orrock Township. Clerk Kimberly-Maas noted that, in Big Lake, Charter's franchise amount is \$1,000 / month.

Motion/Second to draft a resolution for an option to have a franchise agreement at a later date by: Hassett/Silverberg. All present supervisors approved. Motion Carried.

Brenda will request the township attorney draft such resolution.

Minnesota Benefit Association Offer

Clerk Kimberly-Maas presented an offer from the Minnesota Benefits Association to participate in their Group Term Life Insurance Program and Group Disability Program. The township has until April 1st to decide on participation, which would require all supervisors to participate or none can enroll. The board chose to not participate in the insurance option.

Board of Audit

Treasurer Goldsmith explained that the Board is now sitting as auditors of the town's records of 2019. He noted that the Treasurer performs the bank reconciliation on a monthly basis and the Board reviews/audits all receipts, disbursements and the bank statements each month. Gary printed out a report of receipts within CTAS and Clerk Kimberly- Maas confirmed those receipts match the receipts in the Clerk's receipt book. There was one voided receipt that was missing in CTAS system. Brenda reviewed the ACH items and Gary clarified one ACH receipt. Gary had also received reports from the State and County of all payments made to the town from those agencies. He matched those payments against reports generated from the Town's accounting software, CTAS. Minnesota Management and Budget matched. Sherburne County was off \$259.44 which was traced to a deposit that the county had in their system as 2018 but was recorded and received in the township system in January 2019. Seated as the Board of Audit, from the registers, the board will choose three random receipts and disbursements to review individually, on the receipts register or disbursements register and on the bank statements.

The Board chose three (3) receipts for review:

103173 paid to the town by Minnesota DNR – payment in lieu of taxes - \$11,636.44

527324 paid to the town by Price Custom Homes - Escrow Payment - \$3,000.00

103188 paid to the town by Town of Big Lake – Engineering Reimbursement Fees - \$3,564.00

All three were verified to be accurate.

The Board chose three (3) disbursements for review:

10747 paid to Couri and Ruppe, LLC – legal fees - \$100.00

10762 paid to Nystrom Publishing – recycle day postcards – \$553.31

10911 paid to WSB – 168th and 233rd engineering - \$4,640.00

All three were verified to be accurate.

The clerk will record the items audited and keep the record on file.

Gary felt confident that, if the township were to be audited by the state for 2019, there would be no issues.

The board reviewed the 2019 receipts and disbursements registers and confirmed the 12/31/2019 cash balances.

Roads

2020 Road Projects – Bids

Mike Nielson reported that a memo was sent out in October for the 2020 road projects with a budget amount of \$553,500 and the anticipated schedule. He reported that the road bids did not get sent out for several reasons. One of the reasons was that the snow and ice on the edge of the roads slowed down the survey crews. He also stated that Sherburne County was not bidding their projects until February. He stated that Knife River was the low bidder on the county projects with a completion date of 7/31. He reported that WSB will request bids on projects with start date of 8/1 and a completion date of September. Mike also stated that the township costs should be within the budget amount that was established last October. The ads for requests for bid will be in Saturday's Elk River Star News. Bids will be opened on Monday, March 23rd. He also noted that next year they plan to go to electronic bidding.

Mike introduced Kevin Kruger, who will be assisting him.

Ice Breaker

Chair Corrie Silverberg presented information and a video on ice breakers. Ice breakers break up compacted snow and ice on the roadways. Ice breakers were originally designed for airport runway maintenance. The Alaska DOT was one of the first road authorities to purchase and use one. The State of Minnesota now has 20 ice breakers. The rolling motion of the breaker does not cause damage to the roads. He feels that it is something that the township should

have. The use of an ice breaker would solve 90% of the ice and ruts issues that the township experiences. The cost for the unit is \$35,000 for a truck mounted model and \$42,000 for a wheel-loaded model. The township currently spends \$3,000-\$5,000 per year on salt/sand. Supervisor Hassett asked Darryl Waletzko how many times the ice breaker would have been used this year. Darryl stated that it would have been used almost every time they were deployed for snow removal. Supervisor Ellinger recommended that the road committee, along with Darryl, gather information and research on the ice breaker. The board agreed that the road committee should discuss the feasibility of an ice breaker and if they determine that it is feasible, it should then go to the finance committee to discuss finance and purchase options. This item was deferred to the road committee.

Supervisor Updates / Committee Reports

No items for discussion.

Treasurer's Business

Claims Approval – Routine, Individual and Payroll

Claims and payroll were electronically sent to the Board for review and were available for public review during the meeting.

Routine Claims

Motion/Second to approve routine claims by: Silverberg/Hassett. In favor: Adams, Ellinger, Hassett, Peterson & Silverberg. Opposed: none. Abstained: None. Motion Prevailed.

Supplemental Claims

Treasurer Goldsmith presented a supplemental claim for PERA Payment in the amount of \$226.00.

Motion/Second to approve this supplemental claim by Ellinger/Adams. All present supervisors approved.

Motion Carried.

Payroll Claims - February 2020

Gary presented the Board with the payroll claims for the month of February.

Motion/Second to approve payroll claims by Ellinger/Peterson: All present supervisors approved. Motion

Carried.

Treasurer's Report

Town Funds balances as of January 31, 2020:

General Fund:	\$ 98,978.46	Road & Bridge:	\$824,395.33
Fire:	\$ 53,382.90	Capital Reserve:	\$195,373.68
State Parks:	(\$7,621.75)		

All escrows are unchanged

Motion/Second to accept the Treasurer's Report date ending 01/31/2020 by: Silverberg/Adams. Approved by: Adams, Ellinger, Hassett, Peterson and Silverberg. Opposed: None. Abstained: None. Motion carried.

Accounting Adjustments

Treasurer Goldsmith presented a memo for two accounting adjustments made within the CTAS system. This memo is attached to the end of the February 26, 2020 meeting minutes.

Motion/Second to approve the accounting adjustments: Adams/Hassett. All present supervisors approved. Motion Carried.

Cash Control Statement

Treasurer Goldsmith presented the Board with the Cash Control statement. Ending cash balance after reconciling the books with the bank statements: \$ 1,357,920.50. This amount included 4M fund balance information.

Motion/Second to accept the January Cash Control Statement: Peterson/Hassett. Approved by: Adams, Ellinger, Hassett, Peterson and Silverberg. Opposed: None. Abstained: None. Motion Carried.

Investment Update

Treasurer Goldsmith reported the township now has 3 CD's.

Budget Analysis and Discussion

Treasurer Goldsmith reported that the finance committee met on Monday, February 24. He presented the following budget worksheets.

General Fund – The proposed General Fund revenue budget is \$92,150, which includes bringing in \$3,750.00 in unexpended prior year balance. The proposed General Fund expenditure budget is \$92,150.00.

Fire Fund – Proposed revenue budget is \$130,000 and the proposed expenditure budget is \$130,000.

Road and Bridge – Proposed revenue budget is \$783,000 and the proposed expenditure budget is \$752,000.

This will allow excess revenue to carry over for use in future years. At this point the township is building a reserve to use in the future, based on WSB projections. The finance committee budgeted \$100,000 for snow plowing, \$481,000 for road projects and \$72,500 for engineering.

Motion/Second to adopt the proposed 2020 budget: Ellinger/Hassett. All present supervisors approved.

Motion Carried.

Levy Recommendation

Treasurer Goldsmith presented an Orrock Township Property Value and Tax Analysis for 2011-2021. The levies are actual amounts for years 2014-2020. He is proposing a levy of \$975,000, an increase of 4.7%, however the tax rate will be the lowest rate since 2017. If property values stayed the same, the property tax would go down – however the property values will likely increase.

Gary then presented an Orrock Township Levy Analysis by fund for years 2015-2020 along with the proposed amounts for 2021. He stated that the Road and Bridge proposed levy was based on a percentage increase and that the Fire Fund was increased due to Big Lake and Zimmerman fire departments' anticipated increased charges. Supervisor Ellinger noted that the Zimmerman Fire Department met as a finance committee on Monday night, but he had no confirmation on proposed fire rates. Clerk Kimberly-Maas noted that if the township does not have the estimated fire costs by the annual meeting – or if those costs increased considerably - the annual meeting could be recessed, and the levy could be approved later.

Motion/Second to approve the 2021 recommended levy amounts for presentation at the annual meeting by Silverberg/Hassett. All present supervisors approved. Motion Carried.

Reorganizational Meeting

Meeting Dates, Time and Place

Motion/Second by Hassett/Adams: All remaining 2020 Monthly Meetings will be held the third Wednesday each month. All Regular Monthly Meetings will be held at the Orrock Town Hall, 26401 180thSt. NW, Big Lake, MN 55309 and will commence at 7:00PM. All present supervisors approved. Motion Carried.

Ratify or Change Chair, Vice Chair and Committee Members

- Chair – Silverberg
 - Motion/Second by Ellinger/Adams to appoint Corrie Silverberg as Chair. All present supervisors approved. Motion Carried.
- Vice-Chair – Adams
 - Motion/Second by Silverberg/Peterson to appoint Bryan Adams as Vice-Chair. All present supervisors approved. Motion Carried.
- Representative to the Big Lake Fire Board (non-voting) – Silverberg primary/Hassett secondary

- Motion/Second by Ellinger/Adams to appoint Corrie Silverberg as the primary and Bob Hassett as the secondary representative to the Big Lake Fire Board. All present supervisors approved. Motion Carried.
- Representative to the Zimmerman Fire Board (non-voting) – Ellinger
 - Motion/Second by Silverberg/Hassett to appoint Supervisor Ellinger as the Representative to the Zimmerman Fire Board. All present supervisors approved. Motion Carried.
- Town Finance Committee – Clerk, Treasurer, Ellinger, Hassett
 - Motion/Second by Silverberg/Hassett to appoint the Clerk, Treasurer, Supervisors Ellinger and Hassett to the Town Finance Committee. All present supervisors approved. Motion Carried.
- Road Committee – Adams, Peterson & Mike Nielson (WSB)
 - Motion/Second by Silverberg/Ellinger to appoint Supervisors Adams and Peterson and Mike Nielson (WSB) to the Road Committee. All present supervisors approved. Motion Carried.
- Road Authority – Peterson
 - Motion/Second by Ellinger/Silverberg to appoint Supervisor Peterson as the Road Authority. All present supervisors approved. Motion Carried.
- Planning and zoning – Adams-Primary/Silverberg-Alternate
 - Motion/Second to appoint Supervisor Adams as Primary and Silverberg as Alternate to the Planning and Zoning committee by Silverberg/Peterson. All present supervisors approved. Motion Carried.
- Ordinance Committee – Silverberg/Hassett/Treasurer
 - Motion/Second by Adams/Silverberg to appoint Supervisors Silverberg and Hassett and the Treasurer to the Ordinance Committee. All present supervisors approved. Motion Carried.

Wages/Reimbursements

- Ratify mileage reimbursement at current Federal rate.*
 - * Federal mileage rate as of 1-1-2020 is 57.5¢ per mile for business miles driven.

Motion/Second by Ellinger/Silverberg to ratify the mileage reimbursement at the current federal rate. All present supervisors approved. Motion Carried.

- Compensation/Reimbursements
 - Meetings – current rate \$70
 - Supervisors – currently \$20/hour
 - Clerk & Treasurer – current rate \$30/hour
 - Election Judges – currently \$18 EJ and \$19 HJ – *mileage to retrieve & return election supplies/equipment paid at Federal rate – Clerk recommends no change
 - Other meetings/education opportunities (election training, MAT, Equalization, etc.) – includes lodging, mileage, hourly rate & meeting cost
 - Gopher Bounty – currently \$2.00/pr (County will reimburse us 75¢/pr.)
- Fee Schedule
 - Property Assessment Search: \$25 – Self-Addressed Stamped Envelope must also be supplied, if hard copy required
 - Driveway/Access Permit: \$250
 - Driveway Waiver: N/C
 - Driveway Escrow \$3,000
 - Overweight Permit: \$250
 - Overweight Permit Escrow: minimum \$5000
 - Vacation of ROW/Easement Escrow: \$750
 - Encroachment/License Agreement Escrow: \$750

- Platting Process Escrow: \$2000
- Right-of-Way Excavation Permit: \$100
- E911/Fire Sign: \$45
- E911/Fire Sign Post and Mounting Hardware: \$10

Motion/Second by Ellinger/Hassett to approve the Compensation/Reimbursement and Fee Schedules as presented.

Motion/Second to amend the motion and remove the Gopher Bounty county reimbursement by of \$.75 by Silverberg/Peterson. All present Supervisors approved. Motion Carried.

Resolutions Authorizing Contracts with Supervisors

The following resolutions authorize contract with interested township officers under M.S. 471.88, subd. 5

- RES 2020-01 Bryan Adams

Motion/Second to approve RES 2020-01 Bryan Adams by Ellinger/Hassett. Peterson, Silverberg, Ellinger and Hassett approved. Adams Abstained. Motion Carried.

- RES 2020-02 Paul Ellinger

Motion/Second to approve RES 2020-02 by Silverberg/Adams. Peterson, Silverberg, Adams and Hassett approved. Ellinger Abstained. Motion Carried.

- RES 2020-03 Bob Hassett

Motion/Second to approve RES 2020-03 by Peterson/Adams. Peterson, Silverberg, Adams and Ellinger approved. Hassett Abstained. Motion Carried.

- RES 2020-04 Eric Peterson

Motion/Second to approve RES 2020-04 by Hassett/Silverberg. Hassett, Silverberg, Adams and Ellinger approved. Peterson Abstained. Motion Carried.

- RES 2020-05 Corrie Silverberg

Motion/Second to approve REV 2020-05 by Peterson/Adams. Peterson, Ellinger, Adams and Hassett approved. Silverberg Abstained. Motion Carried.

Other Township Items – Ratify Current or Set New

- Official Posting Location – Outdoor Notice Board & Inside Entryway
- Official Publication - Elk River Star News
- Official Repository – Sherburne State Bank, Princeton, MN location
- Designation of Legal Counsel: According to area of specialty – Couri & Ruppe, PLLC.

Motion/Second to approve the Official Polling Location, Publication and Repository and the Designation of Legal Counsel by Hassett/Adams. All present Supervisors approved. Motion Carried.

- Review of Recurring Contracts

Supervisor Ellinger had read through the recurring contracts and felt that it is important that all board members are aware of any renewing/recurring contracts. He proposed the formation of a contracts committee to review the contracts.

Motion/Second to form an Agreements and Contracts Committee and appoint Supervisors Ellinger and Hassett and the Clerk to the committee by Silverberg/Hassett. All present Supervisors approved. Motion Carried.

Announcements

Clerk Kimberly-Maas announced:

- The Presidential Nominating Primary Election

- Public Accuracy Testing of Equipment is Thursday, February 27th at 8:30AM at the Sherburne County Government Center.
- The PNP Election is Tuesday, March 3rd. Polls open 7AM-8PM at the Town Hall.
- Annual Meeting
 - The Annual Meeting is Tuesday, March 10th, commencing at 7PM at the Town Hall.
- Annual Lions Fish Fry - date
- MAT Training Courses
 - Clerk Kimberly-Maas presented the information and dates for the 2020 Spring Training Courses.

Adjournment

Motion/Second to adjourn regular meeting by: Silverberg/Hassett. All present approved. Motion Passed, adjourning the Regular Monthly Meeting, on Wednesday February 26, 2020 at 9:32PM.

Respectfully Submitted,
Chris Weber
Town of Orrock, Deputy Clerk

Accepted this 18th day of March 2020 by the Orrock Township Board of Supervisors.

Corrie Silverberg, Chair

Attest: _____
Brenda Kimberly-Maas, Town Clerk



Date: February 20, 2020
To: Board of Supervisors
From: Gary Goldsmith
Treasurer
Re: Adjustments to CTAS accounting system

This memo is issued for the purpose of documenting certain changes to the Town's accounting records made by the Treasurer in February of 2020. When changes are made outside of the usual functionality of the accounting software (CTAS), they are to be documented and a record of the changes is to be made a part of the minutes of the Board so that a permanent record of the changes is created. In addition to this record, the Treasurer will maintain a log of such changes, which log will be retained with the Town's financial records.

A motion for Board approval of these changes is requested.

Change #1

Background:

In October of 2019 the clerk and treasurer were advised that Howard Homes, a developer, had two driveways ready for inspection and escrow refund. In anticipation of those approvals, the refund claims were placed on the claims list for approval, pending sign-off on the inspections. It turned out that the driveways were not complete and could not be completed in a reasonably short time. As a result, the claims for the escrow refunds could not be paid.

Change made: Two claims by Howard Homes for driveway escrow refunds made in October of 2019, have been unapproved and voided in the CTAS system. These are claims number 2522 and 2523. The checks that were anticipated in anticipation of these claims have been voided.

Change #2

Background:

The town's accounting system, CTAS, calculates federal and state payroll tax obligations, which are then set up as claims. When the taxes are actually paid, an IRS application, managed by Lewis Software, the town's filing vendor, makes the "same" calculations and uses its own calculations to make the payment. Occasionally there may be slight differences due to rounding.

For the Q4 federal tax payments, CTAS calculated the obligation in an amount that was one cent (\$0.01) less than the amount calculated by the filing application. As a result, the town's cash balance between CTAS and the bank was off by one cent.

Change made:

A disbursement was recorded in CTAS in January 2020 in the amount of one cent to account for the extra penny that the IRS application calculated as being due for the Q4 tax payment.

Requested motion:

That the accounting changes made by the treasurer, as documented in the treasurer's accounting change memo dated February 20, 2020, are approved. A copy of the accounting change memo is to be included in the minutes of the February 2020 meeting.