

DENMARK TOWN BOARD MEETING MINUTES  
May 4, 2009

**SUPERVISORS PRESENT:** Steve Kramer, Kathy Higgins, Joe Moore and Gary Dixon

**SUPERVISORS ABSENT:** Jim Keller

**ALSO PRESENT:** Attorney Gilchrist, Planner Farrington and Engineer Geheren

**CALL TO ORDER:** Meeting called to order @ 7:00 PM by Chair Higgins

**AGENDA APPROVAL:** Higgins added HUD. **Motion Kramer/2<sup>nd</sup> Moore to approve agenda as amended.** All In Favor. Motion Carried 4-0.

**CONSENT AGENDA APPROVAL:** Kramer pulled Claims. Requested claims for approval to include additional claim for billing for flag purchased from Flags West, in the amount of \$89.33.

**Motion Moore/2<sup>nd</sup> Dixon to approve consent agenda as amended, which includes 04/06/2009 Board Meeting Minutes, 04/21/2009 Portfolio Workshop Minutes, claims # 9129-9146, addition of Flags West \$89.33(claim # 9146), PERA EFT 103374, payroll ending 05/01/2009 and financial reports.** All In Favor. Motion Carried 4-0.

Sheriff submitted citation report.

**HEARING DECISIONS/ZONING ACTIONS:** QSCA OF IOWA dba CRASHED TOYS, INC. CUP

Applicant is requesting a CUP for 12260 Margo Ave S. in the Commercial/Industrial District. Crashed Toys is an existing business in Stillwater and is looking to relocate in Denmark Township. Activities on the site would include storing, displaying, servicing and repairing snowmobiles, motorcycles, boats, trailers, ATV's, and RV's. The subject vehicles are owned by Insurance and repossession companies. Also handled are traded vehicles from City of Stillwater and vehicles for nonprofit organizations. The vehicles are marketed by Crashed Toys for internet auction sales. The average item handled is processed in about 45 days. Ninety percent of buyers purchase vehicles directly on the Crashed Toys internet site, although they do have the option of seeing items on the display lot.

Crashed Toys has a focus on keeping the quality of their product very high and specialized.

Smaller vehicles would be stored inside building (motorcycles and snowmobiles). Larger vehicles in outside areas. Front display area between building and highway 61 would be for up to 12 vehicles (depending on their sizes). No vehicles will encroach on the drainage easements. Applicant will have lock on back gate and fence around perimeter for protection of property.

Little repair and servicing is done to the vehicles. Minor vehicle detailing may be done for sale preparation.

Business would have limited amounts of hazard waste and will comply with local ordinances.

Business would have 6-10 employees. Building and Inventory are kept clean and organized.

Trees will be added to the existing tree line on the North side of the business by the car dealership. More plantings will be added around the building for enhancement.

Applicants will work with the Town Planner and Engineer to execute maintenance plan for the stormwater pond and area.

Applicants are requesting 2 signs for the property. A 200 sq ft sign on the façade of the building, facing highway 61 and a 100 sq ft sign near Margo Ave at the ingress/egress point for the property. Applicants not interested in closing the back access and will use it at a minimum.

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Public Comment: Ken Cordes-Expressed concerns regarding the appearance of damaged vehicles in the outdoor storage areas. Applicants stated that their business is handled first class to protect their customers and business image. Many of the damaged larger vehicles have no apparent damage. Managers on site make sure the business is up to the company's standard and damaged vehicles are not displayed with unpleasing aesthetics.

Concern of potential vehicle buyers test driving vehicles in the area. The business does not allow buyers to try out vehicles, as they are not owned by the business, rather only marketed by them.

Two Board Supervisors visited the existing business in Stillwater and found inventory to be clean and organized.

On occasion, Crashed Toys does get other equipment and automotive vehicles to market. Board consensus to add "other equipment" for other small vehicles to the list of vehicles acceptable and to limit specialty automotive vehicles to no more than 5 at any one time.

All previous CUP's for the property will be revoked.

Attorney reviewed draft Resolution 2009-04 CUP with the Board and applicants. Attorney will make revisions as directed.

**Motion Kramer/2<sup>nd</sup> Dixon to adopt Resolution 2009-04 approving a Conditional Use Permit for 12260 Margo Avenue South with certain conditions; Chair to sign. All In Favor. Motion Carried 4-0.**

Board review of draft Resolution 2009-04 revoking all prior CUP's for 12260 Margo Avenue South.

**Motion Dixon/2<sup>nd</sup> Kramer to adopt Resolution 2009-05 revoking all prior Conditional Use Permits issued to 12260 Margo Avenue South; Chair to sign. All In Favor. Motion Carried 4-0.**

Gravel/Haul quotes: Received quotes for gravel and hauling from the following:

Bryan Rock Products- 3/4"minus limerock \$6.75/ton- \$9.30/ton delivered.

Rumpca Excavating- 3/4"minus limerock \$5.25/ton- \$8.85/ton delivered.

**Motion Dixon/2<sup>nd</sup> Moore to approve Rumpca Excavating quote for 3/4" minus limerock purchased and delivered @ \$8.85/ton. All In Favor. Motion Carried 4-0.**

Insurance Review: Town has had an onsite review of the property. MATIT has provided the Town with options for coverage. Current insured limit for the Town Hall building is \$200,000. Replacement Cost has been estimated at \$288,264. Applying the replacement cost would increase the current annual premium from \$580 to \$836. Current deductible is \$250. Increasing the deductible to \$1000 would reduce the amount it costs to insure the property by 10%, increasing the deductible to \$2500 would reduce the cost by 15%. **Motion Kramer/2<sup>nd</sup> Dixon to approve obtaining replacement coverage for the Town Hall in the amount of \$288,264 and to increase the deductible to \$1000. All In Favor. Motion Carried 4-0.**

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**8:00 PM ROADS MAINTENANCE: BID OPENING**

Received 1 bid for summer/winter roads maintenance. Average annual combined hours for winter and summer road maintenance is 666. Herman Farms & Contracting submitted bid of \$98 per hour summer maintenance and \$98 per hour winter maintenance and enclosed \$2500 cashier's check.

Discussion regarding level of detail and directing when and where grading occurs. Board consensus that not all the gravel roads need grading each rain. Also, that contractor submit claims that would identify each road being graded, date of grading and the hours charged against each road, every time they are graded. Contractor Gordy Herman stated that he will direct his operator to detail future grading claims. Board also agreed that grading will only be done when and where the Roads Supervisor directs.

**Motion Dixon/2<sup>nd</sup> Moore to award bid from Herman Farms & Contracting, LLC for \$98 per hour for Summer and Winter maintenance, contingent upon execution of contract; Chair to sign. All In Favor. Motion Carried 4-0.**

Contractor questioned requirement of performance bond. Attorney stated that it may be required by statute, depending on the monetary value involved. Attorney will review to see if the Town is required to include performance/payment bond requirements in contract.

**Roads Discussion:** Engineer Geheren submitted 04/29/09 memo regarding 2009 road projects options.

- Shape/Pave one mile of Neal Avenue. Estimated project cost \$270,000.
- Reclaim/Overlay- Maycrest Ave (Hwy 61 to south end), estimated project cost \$88,000. Panama Ave S (110<sup>th</sup> St to south end), estimated project cost \$67,000.
- Routine Maintenance-Crack Sealing and sealcoating (120<sup>th</sup> to 122nd St, Mendel Ave Ct., Mendel Ave, 117<sup>th</sup> St and Osprey). Estimated project cost \$54,000.

Engineer recommends crack sealing roads in need, regardless of any other options the Board may choose. Given that projected shortfalls in revenues and projected increases in expenses will impact the Township reserves; and from a fiscally conservative and bad economic times perspective, Board consensus is to not spend reserved funds on Shape/Pave or Reclaim/Overlay and to just do routine maintenance on roads identified during the roads tour.

**Motion Dixon/2<sup>nd</sup> Kramer to do Routine Maintenance (seal crack and/or sealcoat) on identified roads. All In Favor. Motion Carried 4-0.**

2009 budget item for road repair is \$6,000 and can be used for patching.

**Parks Master Plan:** Planner Farrington submitted 04/21/09 memo outlining a scope of work and cost estimate to create a Park Master Plan which would address both the Town Hall Park and the O'Connor Family-Denmark Township Nature preserve property. Plan would include Illustrations, aerial views, lay out, uses, text summary and cost estimate for improvements. An initial meeting will be conducted to evaluate facilities for each site; concept plans would then be developed and brought before the Town Board. The Master Plan would be completed based on the concept plan review and then brought to the Town Board. O'Connor family will be involved in plan for nature preserve property. Cost estimate to create the plan is \$12,600. Board consensus that proposal is reasonable and that the Board needs to address park plans for the Town. **Motion Moore/2<sup>nd</sup> Kramer to accept scope of work and cost estimate as submitted by TKDA Planner Farrington to create a Park Master Plan. All In Favor.**

**Motion Carried 4-0.** Board majority would like to be involved. Planner will coordinate with clerk to set up initial meeting.

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**H.U.D.:** Washington County has sent a letter informing the Town that the County is eligible to receive Community Development Block Grant dollars. Eligibility and the dollar amounts received by the county are based on the population participating within the county. Inclusion by the Town would require a signed cooperation agreement with the County. Participation by the Town would mean Township residents would have the opportunity to participate in funded programs. Motion Moore/2<sup>nd</sup> Kramer to authorize Chair to contact County regarding contract, authorize Attorney to review contract, authorize Chair to sign contract opting to participate in the program, subject to Attorney review. All In Favor. Motion Carried 4-0.

**WMO Update:** Town submitted letter to BWSR in support of Denmark Township becoming a part of South Washington Watershed District upon dissolution of the LSCWMO. Final BWSR decision to be made 05/27/09.

**LEGAL UPDATES:**

**Murphy Minor Subdivision:** Development Agreement has been signed and sent in for Recording.

**Homestead Estates:** Attorney has sent letter to Homestead Estates Attorney regarding the issues of non-compliance.

**Mississippi River Critical Corridor Area:** Attorney updated Board on status of legislation. The proposed legislation in its current form, would subject residents in the Corridor Area to additional review and cost by the DNR. Town has received letters from Lilydale and Anoka protesting the proposed legislation by the DNR. Board consensus to formally make a statement regarding Denmark's objection to the proposed legislation. Motion Higgins/2<sup>nd</sup> Dixon to communicate with the State Senator, Legislator, authors of the proposed Critical Area legislation and Minnesota Association Of Townships, with regard to the Township concerns on the potential impact on Denmark Township residents; authorizing Attorney to draft letter. All In Favor. Motion Carried 4-0.

**St Croix Ridge:** Attorney has not heard from Jeff Riegel.

**Rase/Suburban/Snaza:** CUP is revoked, business ordered to stop and property to be cleaned up. Earlier order upheld; reversal on waiting period before reapplication of CUP. Waiting decision on motion for costs. Owner has requested the Town agree to a stay of the court's order stopping the business from operating and requiring the property to be cleaned up. Board consensus to deny the requested stay. Motion Moore/2<sup>nd</sup> Kramer to deny Rase/Suburban/Snaza request to stay the court's order revoking the CUP and requiring the property to be cleaned up. All In Favor. Motion Carried 4-0.

Board consensus that a 2 year waiting period was part of the stipulation agreed to by the owner.

Motion Moore/2<sup>nd</sup> Kramer that if there is an appeal of the Rase/Suburban/Snaza order that the Town enter a cross appeal on the issue of upholding the agreed upon waiting period of 2 years before they can reapply for a CUP for the property. All In Favor. Motion Carried 4-0.

Board consensus to authorize and proceed with enforcement action. Motion Kramer/2<sup>nd</sup> Dixon to authorize the Chair and Clerk to work with Town staff to take such actions, including contracting,

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as may be necessary to enforce the court's order regarding Rase/Suburban/Snaza and to remove the vehicles and other items from the property. All In Favor. Motion Carried 4-0.

Board consensus that if owner reapplies for a CUP, the application will require more than the usual amount of legal research given the unique history of non-compliance and the fact they are applying for a permit that was just revoked. Motion Dixon/2<sup>nd</sup> Higgins that the escrow required to be submitted by Rase/Suburban/Snaza if they reapply for a CUP, be set at \$3000. All In Favor. Motion Carried 4-0.

10:12 PM Motion Dixon/2<sup>nd</sup> Kramer to adjourn. All In Favor. Motion Carried 4-0.

Becky Herman  
Denmark Township Clerk/Treasurer

Addendums Resolution 2009-04 and Resolution 2009-05

DENMARK TOWNSHIP  
WASHINGTON COUNTY, MINNESOTA  
RESOLUTION NO. 2009-04

RESOLUTION APPROVING CONDITIONAL USE PERMIT FOR  
THE PROPERTY LOCATED AT 12260 MARGO AVENUE SOUTH

**WHEREAS**, QSCA Auto Auctions, dba Crashed Toys LLC (the "Applicant") submitted a conditional use permit ("CUP") application related to their proposal to operate a business that stores, displays, services, and repairs snowmobiles, motorcycles, boats, trailers, all terrain vehicles and recreational vehicles that are subsequently marketed for internet auction on the property located at 12260 Margo Avenue South, Hastings, Washington County, Minnesota and legally described in Exhibit A which is attached hereto and made part of this Resolution (the "Property");

**WHEREAS**, the Denmark Township Planning Commission held a public hearing on the requested CUP application, considered the Town Planner's memorandum dated April 14, 2009 concerning the CUP application, and on April 21, 2009 took action to recommend that the Town Board approve the requested application for the CUP with certain conditions;

**WHEREAS**, the Town Board hereby finds and determines the following:

- (1) The Property is currently zoned Commercial/Industrial (C/I);
- (2) The Town Board previously issued conditional use permits for the Property that are not needed to operate the Applicant's business. The Town Board determines it is desirable and in the public's best interests to revoke the prior CUPs in order to avoid the mixing of uses which may be incompatible with the surrounding properties;
- (3) Automotive dealerships, automotive vehicle repair, and outdoor storage are conditionally allowed in the Commercial/Industrial zone and require a conditional use permit;
- (4) The Applicant proposes to use the Property to operate a business that stores, displays, services, and repairs snowmobiles, motorcycles, boats, trailers, all terrain vehicles and recreational vehicles that are subsequently marketed for internet auction;

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- (5) The Applicant does not propose any new building construction or grading on the Property. The Applicant does propose to add landscaping, a fence, and to replace the existing signage;
- (6) The Property satisfies the minimum lot area standard for the proposed use;
- (7) The existing building on the Property meets the setback requirement;
- (8) The proposed use is serviced by an on-site wastewater treatment system, and the proposed use provides enough land area to provide for a back-up wastewater treatment system. This back-up area should be protected from compaction;
- (9) The proposed exterior storage on the Property is subject to Sections 1.4(2), 1.10, 2.29, and 2.8(D) of the Denmark Development Code, and the proposed use of the Property is inconsistent with Section 2.29;
- (10) The parking supply for the Property is subject to Section 1.9 of the Development Code, and the existing parking on the Property exceeds the minimum requirement; and
- (11) The signage for the Property is subject to Section 1.11 of the Town Development Code, and the proposed signage meets the zoning regulations.

**NOW, THEREFORE, BE IT RESOLVED**, that the Town Board of Denmark Township hereby approves the CUP in order to allow the Applicant to operate a business that stores, displays, services, and repairs snowmobiles, motorcycles, boats, trailers, all terrain vehicles, recreational vehicles, and up to five items of specialty equipment or non-standard autos that are subsequently marketed for internet auction as described herein on the Property, and the Applicant shall comply with all of the following conditions:

- 1. Outdoor storage and display of vehicles shall be allowed in the areas depicted on the diagram, Sales Lot Area, received by the Town on April 20, 2009. However, said outdoor storage and display shall be adjusted by the Applicant to maximize storage and to protect the on-site individual sewage treatment system. A maximum of twelve display vehicles are permitted in the Open Sales Lot Area located between the existing building and Highway 61.
- 2. Landscaping and fencing shall be installed and maintained in accordance with the Concept Landscaping Plan dated March 12, 2009. Fencing shall be installed and maintained on the drive island in order to protect the soils from compaction at the septic and back-up septic areas. The waste receptacle shall remain screened.
- 3. Storage and disposal of hazardous wastes shall comply with the Minnesota Pollution Control Agency and Washington County requirements. The business operator shall provide the Town with a copy of its hazardous waste generators license from the Washington County Department of Public Health and Environment.
- 4. The hours of operation shall be no more than Monday through Saturday from 7:00 a.m. until 7:00 p.m.
- 5. Loading and unloading activities shall not take place on the public roadway.
- 6. The Applicant shall clear vegetation currently existing within the stormwater pond located on the Property that may interfere with structural integrity or functioning of the pond and shall continue to keep the pond clear of such vegetation.
- 7. All conditional use permits previously issued by the Town for the Property are revoked. The Town Board intends to confirm the revocation of the previous conditional use permits by a separate resolution it will adopt and record in the office of the County Recorder to serve as notice the previous conditional use permits are no longer valid and may not be relied upon.

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8. All fees and escrow amounts must be paid to fully reimburse the Town for its costs to process and act on the application.
9. A failure by the Town to take action with respect to any violation of any condition, covenant or term of this CUP shall not be deemed to be a waiver of such condition, covenant, or term or any subsequent violation of the same or any other condition, covenant or term.
10. Any alteration of the Property or any plans, including but not limited to expansion of the use, shall not be permitted unless an amended CUP is issued by the Town Board;
11. The Applicant shall comply with all applicable federal, state and local laws, rules and ordinances, and obtain such other permits as may be required;
12. The Town may inspect the property at all reasonable times for purposes of ensuring compliance with the conditions of this CUP;
13. The Applicant shall correct all defects in the Property which violate any of these conditions immediately, but in no case more than thirty days of receipt of written notice from the Town;
14. The conditions of this CUP shall run with the Property and shall not in any way be affected by the subsequent sale, lease or other change from current ownership of the Property and all references to Applicant herein shall include all heirs and assigns; and
15. Pursuant to the Development Code, periodic review of this CUP is imposed as a condition of its grant. Adherence to the terms of this CUP may be reviewed annually at the Annual Town Meeting. If any complaints are received which require Town review, the Town Clerk shall notify the permit holder of the date of the review at least ten (10) days prior to the review hearing.

Adopted this 4<sup>th</sup> day of May, 2009.

**BY THE TOWN BOARD**

**EXHIBIT A**

Legal Description of the Property

Lot 2, Block 2, Specialized Acres, according to the plat thereof and on file with the Washington County Recorder.



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DENMARK TOWNSHIP  
WASHINGTON COUNTY, MINNESOTA  
RESOLUTION NO. 2009-05

RESOLUTION REVOKING ALL PRIOR CONDITIONAL  
USE PERMITS FOR 12260 MARGO AVENUE SOUTH

**WHEREAS**, over the years the Denmark Township Board has approved several conditional use permits ("Prior CUPs") for businesses operating on the property located at 12260 Margo Avenue South, Hastings, Washington County, Minnesota and legally described in Exhibit A which is attached hereto and made part of this Resolution (the "Property");

**WHEREAS**, on March 3, 2009, QSCA Auto Auctions, dba Crashed Toys LLC ("Crashed Toys") submitted a conditional use permit ("CUP") application for a business operation on the Property;

**WHEREAS**, the Denmark Town Board required as a condition of issuing the CUP that the Prior CUPs be revoked for the Property;

**WHEREAS**, Crashed Toys is amenable to the revocation of Prior CUPs on the Property; and

**WHEREAS**, this Resolution is intended to put future purchases of the Property on notice that as of May 4, 2009 the only conditional use permit that exists for the Property is the conditional use permit issued in response to the application from Crashed Toys.

**NOW, THEREFORE, BE IT RESOLVED**, by the Town Board of Denmark Township as follows:

1. All conditional use permits approved by the Town Board of Denmark Township prior to May 4, 2009 for the Property located at 12260 Margo Avenue South, Hastings, Washington County, Minnesota, and legally described in Exhibit A to this Resolution, are hereby revoked. Such Prior CUPs are no longer valid and may not be relied on.
2. The Town Clerk is hereby authorized and directed to record this Resolution against the Property in the office of the County Recorder.
3. The Town Board Chair, Town Board Members, and Town staff and consultants are hereby authorized and directed to take any and all additional steps and actions necessary or convenient in order to accomplish the intent of this Resolution.

Adopted this 4<sup>th</sup> day of May, 2009.

BY THE TOWN BOARD

EXHIBIT A

Legal Description of the Property

Lot 2, Block 2, Specialized Acres, according to the plat thereof and on file with the Washington County Recorder.