

DENMARK TOWN BOARD MEETING MINUTES  
September 5, 2019

**SUPERVISORS PRESENT:** Kathy Higgins, Ron Simon, Bob Rucker, John Strohfus, Shawn Racine

**ABSENT:** None

**STAFF PRESENT:** Attorney Gilchrist (Kennedy-Graven)

**CALL TO ORDER:** Meeting called to order @ 7:35 PM by Chair Higgins

**AGENDA APPROVAL:** **Motion B Rucker/2<sup>nd</sup> J Strohfus approval of Agenda as drafted.** Voting Yes- B Rucker, J Strohfus, R Simon, S Racine, K Higgins. Voting No- None. Abstaining- None. Motion Carried 5-0-0.

**CONSENT AGENDA APPROVAL:** K Higgins pulled Claims.

**Motion R Simon/2<sup>nd</sup> B Rucker approval of Consent Agenda items which include Board Minutes 08/05/2019, EFT payments- PERA 523478, MN Tax 0395683872, Federal Tax 12006446, payroll ending 09/01/2019, Financial Reports.** Voting Yes- R Simon, B Rucker, S Racine, J Strohfus, K Higgins. Voting No- None. Abstaining- None. Motion Carried 5-0-0.

**HEARING DECISIONS/ZONING ACTIONS:** None

	ANNUAL BUDGET	GOV'T AIDS	OTHER REVENUE	DEDICATED FUNDS	FROM SAVINGS	CERTIFY LEVY	% BUDGET CHANGE	% LEVY CHANGE
GENERAL	102,114	995	76,990			24,129		
SALARIES	89,745		6,500			83,245		
ROAD & BRIDGE	529,400		34,000		80,000	415,400		
FIRE	141,864		550			141,314		
DITCH & TRASH	19,300					19,300		
PARK & REC	50,000		8500	41,500		0		
<b>2020 TOTALS</b>	<b>942,423</b>	<b>995</b>	<b>126,540</b>	<b>41,500</b>	<b>80,000</b>	<b>683,388</b>	<b>24.9%</b>	<b>28.1%</b>

2020 Budget reflects a 24.9% increase from the 2019 Budget. Pay 2020 Proposed Property Tax Levy reflects a 28.1% increase from the 2019 Levy. The budget and levy increases are due to the 2020 road budget.

**2020 Budget Adoption:** **Motion R Simon/2<sup>nd</sup> S Racine to adopt the 2020 Budget, by fund, in the amount of \$932,423.00.** Voting Yes- R Simon, S Racine, J Strohfus, B Rucker. Voting No- None. Abstaining- None. Motion Carried 5-0-0.

**Pay 2020 Proposed Tax Levy Certification:** **Motion J Strohfus/2<sup>nd</sup> S Racine to certify the Pay 2020 Proposed Tax Levy in the amount of \$683,388.00, as approved by the electors.** Voting Yes- J Strohfus, S Racine, B Rucker, R Simon, K Higgins. Voting No- None. Abstaining- None. Motion Carried 5-0-0.

**Lemons Accessory Structure:** (PIN #11.027.20.32.0002 & 11.027.20.31.0001-42 acres)

Property owner Jim Lemons present.

Attorney- Owner is proposing to build an accessory structure and a home on the east parcel. Owner is proposing to construct the accessory structure prior to building the home. Denmark code requires that a principal structure be constructed prior to an accessory structure. Board could approve an agreement with the owner to ensure that the home would be built within a certain time after the building is constructed. Owner is also proposing a 6000 sq ft structure. Denmark code allows for a maximum of 5000 sq ft for a 20+ acre parcel, unless the structure is an Ag structure. After reviewing, Legal is of the opinion that the proposed structure does not meet the criteria for an Ag Structure. In reviewing the owner's proposed building site, the proposed structure location is closer to the public road (Quadrant) than the home, which would need Board approval for that location. Attorney noted that an accessory structure can only be used for personal items, not business/commercial use. The parcel is in the St

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Croix River District. Bluff line delineation- there are setbacks from the bluff line and any construction on the parcel will require a certificate of compliance from Washington County.

Jim Lemons- Owner's business is located at the old post office building (10000 sq ft) in Cottage Grove. Business activities will remain in Cottage Grove. Accessory structure will not be used for any business/commercial use. Now requesting to construct a 50x100 sq ft (5000 sq ft) non-ag building, not a 6000 sq ft building. Owners timeline would be to construct the driveway and footings for the accessory structure this year, and to have the structure shell put up in the winter.

Agreement Specifics- agreement that would ensure that the home would be built within a certain time following the accessory structure will include owner's responsibility to obtain all permits including a certificate of compliance from Washington County, no living space in structure, no commercial use of structure, structure to be used only for storage of personal property, date deadline for building the home, \$10,000.00 security for removal of structure, \$1,000.00 escrow for payment of professional fees.

**Motion B Rucker/2<sup>nd</sup> S Racine to allow location of the accessory structure, not to exceed 5000 sq ft, to be closer to the public road (Quadrant) than the home on parcel 11.027.20.31.0001. Authorization for Legal to draft agreement with the owner regarding construction of the accessory structure prior to the construction of the home, with inclusion of noted agreement specifics, with authorization for Chair and Clerk to execute. Voting Yes- B Rucker, S Racine, J Strohfus, R Simon, K Higgins. Voting No- None. Abstaining- None. Motion Carried 5-0-0.**

**Afton/Denmark Road Agreement:** J Strohfus- Denmark agreed to swap its section of 60<sup>th</sup> St S (Neal to Oakgreen) with Afton's section (Manning to Neal) providing that Afton bring their section up to Denmark's gravel road standards. At this time, this has not been done. Afton stated that they are prepared to move forward, pending that Denmark's section meets the Afton standards. Afton took soil borings of Denmark's current section and found that there are areas that have less than 6 inches of gravel base, so would not be a sufficient base for Afton to pave that section. Also, Afton is requesting that the Town excavate these areas to remove the organics and replace with class V. J Strohfus responded to the Afton administrator that the swap was at Afton's request and that Denmark's current section of road was in good standing for gravel if it were to continue as a gravel road. If improvements are needed for gravel road usage, Denmark would just add gravel to the existing base. Denmark would not excavate areas/add gravel to this section to bring the road base up to standards for paving. Board in agreement with John's stance on the issue and does not support Afton's request to remove organics and replace with Class V gravel. J Strohfus will follow up with Afton.

**Road Finance Options:** Board is requesting information regarding bonding and assessments.

Subordinate Service District- landowners (at least 51%) request a certain district be created for the purpose of specific service to be paid wholly or partially by those in the district.

Special Assessment- landowners (at least 35%) request, or Town Board can initiate. Process entails a feasibility report, notice of an improvement hearing (project need, scope), authorize project specs, bidding process followed by an assessment hearing and certification of assessment roll to the county. Special benefit test- a property can only be assessed up to the increase/benefit that the property will gain because of the improvement.

Attorney recommends that an assessment policy be in place.

Flat assessment- a flat assessment cannot exceed the benefit to the property nor can some parcels in the target area not be assessed, such as assessing only parcels in the area with homes on them.

Attorney will send samples of assessment policies to the Board. Board will review and provide the attorney with feedback. A roads finance workshop is scheduled for October 7, 2019 @ 6:00 PM.

**Animal Control Warden:** Town received notice from the Animal Control Warden Kathi Pelnar that she will be retiring 12/31/2019. The Town currently pays \$800.00 year for retainer and \$75.00 plus standard mileage for each animal pick up. K Higgins will contact other entities regarding possible references.

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**Pulled Claims:** Claim 11399 Tri-County Services. Discussion regarding tree trimming. Contractor submitted bill for \$11,477.50 for tree trimming. 2019 tree trim budget is \$3000.00. Also called into question how much above the budget are Board Members authorized to spend without Board approval. J Strohfus sent out an email notifying the Board that he authorized tree trimming on various roads in the Township. He noted that he thought that the budget was \$12,000.00. Town has had complaints regarding safety issues due to trees encroaching the roads and intersections.

**Motion B Rucker/2<sup>nd</sup> S Racine to authorize expenditures of up to \$16,477.00 for tree trimming in 2019.** Voting Yes- B Rucker, S Racine, J Strohfus, R Simon, K Higgins. Voting No-None. Abstaining- None. Motion Carried 5-0-0.

**Motion K Higgins/2<sup>nd</sup> J Strohfus approval of Claims #11390-11403.** Voting Yes- K Higgins, J Strohfus, B Rucker, R Simon, S Racine. Voting No- None. Abstaining- None. Motion Carried 5-0-0.

**Legal Reports:** Civil action on non-compliant business has been filed. Criminal prosecution is proceeding.

9:58 PM **Motion B Rucker/2<sup>nd</sup> R Simon to adjourn September 2019 Board Meeting.** Voting Yes- B Rucker, R Simon, S Racine, J Strohfus, K Higgins. Voting No- None. Abstaining- None. Motion Carried 5-0-0.

Becky Herman

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Denmark Township Clerk/Treasurer

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Denmark Township Chair