

CLITHERALL TOWNSHIP
 MINUTES OF HEARING – DISCUSSION OF
 PROPOSED IMPROVEMENTS TO WESTWOOD DRIVE

July 17, 2008
 6:00 P.M.
 EAGLE LAKE CHURCH

The Hearing was called to order at 6:11 P.M. by Chairman Donald Davenport. Board members present: Don Davenport, Lyman Trutna, Polly Berg and Jan Eitzen. Dallas Grewe arrived at 6:23.

Davenport explained the process of this evening's discussions.

Jeff Stabnow opened bids.

Results:
 Central Specialties \$83,750
 Lakes Paving Strata \$93,150
 Mark Sand & Gravel \$79,000

Bids for Statesboro and Klar Jo were also opened and read.

Results for Klar Jo:

	Alternate One	Alternate Two
Central Specialties	\$173,905	\$179,165
Mark Sand & Gravel	\$163,000	\$333,990

Results for Statesboro:

	<u>C Twp</u>	<u>GTwp</u>	<u>Total</u>
	<i>Alternate One</i>		
Central Specialties	\$189,755	\$42,900	\$232,655
	<i>Alternate Two</i>		
	\$196,235	\$44,250	\$240,485
	 <u>C Twp</u>		
	<i>Alternate One</i>		
Mark Sand & Gravel	\$274,890	\$61,480	\$336,370
	<i>Alternate Two</i>		
	\$377,690	\$83,200	\$460,890

Share amount per share will be \$3948.33.

Charlene Schmidt questioned if the paving needed to be done this year.

Jerry Ulave responded that asphalt has gone up 50% this year and oil is difficult to get.

John Tamke historically oil prices will drop.

Jeff Stabnow confirmed all the extensions were correct as read.

Kendra Denker asked about the terms of the assessment. Davenport explained that they can be paid in full or have any portion go on the taxes for 10 years at 10%.

Mr. Ellingson questioned the township borrowing from the bank and suggested that the township add a smaller interest rate. He expects the township to act as the banker and lower the interest rate to make it acceptable. He feels the 10% is unreasonable.

Davenport responded to the reason for the interest rate. Historically, the township decided to pave through roads and the township reached it's state threshold for what it could borrow.

Trutna added that a great deal of costs are incurred that aren't recoverable and can be offset by the increased interest rate.

Denker doesn't feel that past decision by the board should affect her.

Berg gave figures that most property owners pay off the assessment amount rather than choose the financing option

Jim Denker asked about maintenance expenses after the road is paved.

Davenport responded that they don't have reliable figures to support whether maintaining paved roads or gravel roads is more cost effective.

Kathy Barris asked if residents would be charged for resurfacing.

Davenport responded that the board at the time would decide that.

Ellingson asked if the board would borrow money and add a small interest rate.

Davenport responded that the township would need to check on the outstanding amount to see how close the township is to the borrowing limit.

Davenport asked if they would vote on the township's portion tonight.

Nate Seeger responded that the board would vote after the improvements are made and they are ready to assess the project.

Dave Wallace was concerned about borrowing from the bank and stated he could not support it based on this concern. He has a petition that he has eighteen votes against the paving. He had obtained a bid for calcium chloride.

Davenport states that North Dakota has environmental issues with the product and is outlawing the product. He discussed the Base one product, as a chemical on the gravel, that has a higher concentration of clay.

Davenport asked for feedback about the interest in something other than paving.

A few expressed interest.

Charlene Schmidt stated that she feels that not everyone got asked about the petition and she feels the project is a waste of time and money.

Ellingson states he is for the project at a reasonable interest rate over 10 years.

Phyllis Ashe asked about her assessment. She states that part of her parcel was sold. Davenport will check into that parcel.

Seeger stated that the board has 6 months to make a decision on this project as a paving project, as originally presented. If the project changes to something other than paving, the process would need to start over with notices and hearings.

Stabnow stated the bids were good for 60 days.

Wallace states that his petition represents most of the residents as opposed to the paving.

Seeger states that this meeting can be recessed to another time, but would need to be posted and notifications mailed and published. He also spoke to the interest rate and stated the board would need to consider administrative costs and assessments that may be defaulted on. The board also runs risk that interest rates on their notes may increase if the note comes due and the rate increases.

Motion by Grewe to recess meeting to August 7, 2008 at 6:00 p.m. 2nd by Trutna. MC/U. Meeting recessed at 7:25.

Grewe made motion to adjourn the hearing. 2nd by Trutna. MC/U. Meeting adjourned at 8:49.

/s/ Jan Eitzen, Clerk