Milaca Township
Special Meeting of Town Board
Meeting Minutes
Tuesday, July 23, 2019

Time: 7:00 PM

Board Members Present: Chairman Dan Hufstedler, supervisor Harold Bauer, supervisor Rob Droogsma, treasurer Tami James, and clerk Sadie Ash.

Also present at the meeting was Dave Fransen, equipment operator.

Dan Hufstedler called the meeting to order at 7:00 PM and the flag was pledged.

The special meeting agenda was approved as prepared with no changes noted. Dan Hufstedler made a motion to approve the agenda, Rob second. Motion carried unanimously.

The special meeting of the town board was scheduled for this evening to discuss the recently received proposal for purchase of a new dump truck, to discuss whether or not to move forward with the purchase of the new truck, and to review and discuss gravel hauling and gravel supply situation and determine how to move forward.

Dan began the conversation by providing an update on the search for a new truck. He and Dave Fransen went down to the cities about 2 weeks ago and found, what he would suggest, is a great truck for the township. He explained that the truck fits the budget, has low mileage (~83,000 miles), has a CAT motor, has a 300-horsepower motor, and was well taken care of by its previous owners (came from Chippewa County in WI). The cost of the truck is $29,000 and the seller is Nuss Truck and Equipment. It also has a belly scraper. Dan and Dave both agree that it would be a good purchase and trucks similar to it are very difficult to find. Another comparison that he was able to locate had ~290,000 miles on it – which makes it barely comparable. Rob D. inquired of the financial side of this purchase - inquiring, specifically about the Township’s current surplus. Surplus entering into 2019 was ~$130,000 and there have been no significant changes or unanticipated changes that have occurred from the budget to actual expenses. Dan made a motion to approve the purchase of this truck and Harold seconded it. Passed unanimously. Sadie to cut check tomorrow morning and provide to Dan, so that he and Dave can go get the truck (in Roseville, MN) tomorrow morning.

Second topic on the agenda was to review and discuss gravel hauling and gravel supply costs from proposal provided from Steve Hass (Hass Construction). The following information was summarized by Sadie A., clerk:

Combined gravel cost & hauling w/use of George Mastey: $8.25/yard
Combined gravel cost & hauling w/use of Steve Hass: $8.75/yard

Note: Steve’s price/yard includes gravel tax, of $0.23/yard, while George’s price/yard does/did not.

Therefore, overall cost differential is $0.27/yard and the township plans to purchase 8,500 cubic yards, therefore, anticipated price increase of ~$2,295.
Dan started the conversation by explaining that the Township has had a very difficult time taking ownership of gravel from George Mastey (it hasn’t yet even been crushed). During the earlier regular July board meeting, George’s contract was terminated by default and lack of performance.

Steve Hass was present at the meeting and explained that he plans to obtain the gravel from the area and will provide the township with the agreed upon quantities by the end of August. Dan noted that the board plans to have the gravel tested, randomly of course, to ensure gravel appropriately complies with required specs. Dan also underscored that the board would like to be able to ensure the delivered quantities – Steve noted that they can provide load tickets. Dan made a motion to accept Hass Construction’s proposal to provide and haul 8,500 cubic yards of gravel for the township at a price of $8.75/yard, and this price includes the associated gravel tax. Rob seconded this motion. Passed unanimously.

Dan Huftstedler made a motion to adjourn, second by Harold Bauer. Motion carried. Meeting was adjourned at 7:23pm.

Respectfully submitted by:
Sadie Ash, clerk

Approved:
Dan Huftstedler, chairman

SADIE E. ASH
Clerk, Mille Lacs Township, Mille Lacs Co., MN
Notary Officer (ex-officio notary public)