

Official Proceedings

February 5, 2008

8:00 am

Chairman Duane Wolf called the meeting of the Stark County Board of Commissioners to order. All members present.

Chairman Wolf introduced Ashley Martin as the new reporter for The Dickinson Press.

Chairman Wolf asked for any additions to the agenda. Comm. Nodland added Belfield Municipal Court. Chairman Wolf added Rural Fire Department. Deputy Auditor Kay Haag added DOT Agreement. Comm. Willer moved to approve the agenda with the additions. Comm. Zander seconded. All voted Aye and the motion carried.

Comm. Hoff moved to approve the minutes from the January 4, 2008, meeting as printed. Comm. Nodland seconded. All voted Aye and the motion carried.

Comm. Zander moved to approve the accounts payable and supplement as presented. Comm. Willer seconded. Roll call vote. All voted Aye and the motion carried.

General: Payroll: \$127,166.02; ND County Auditor's Assoc: \$75.00; St Alexius Medical Center: \$200.00; West Payment Center: \$486.26; Culligan Water: \$32.75; SBM Inc: \$1,159.54; Walmart: \$348.06; MaryAnn Anderson: \$45.00; Xerox Corporation: \$598.68; ESP Computers: \$99.50; Consolidated: \$894.30; B & M Security: \$16.50; Berger Electric: \$422.60; Bosch Lumber Company: \$4.99; Dickinson Supply: \$18.49; DJ's Amoco: \$135.51; Fix It Shop: \$13.98; Jerome Distributing: \$153.60; Newby's Ace Hardware: \$76.25; One Stop Rental: \$33.00; Quality Xterminators: \$120.00; RJ Distributing: \$81.00; Rudy's Lock & Key: \$10.10; City of Dickinson: \$7,334.31; MDU: \$4,677.56; West Plains Electric: \$253.00; NDPers: \$13,948.48; Job Service North Dakota: \$1.84; Kropp Law Office: \$277.50; Sandness Law Office: \$75.00; BP Amoco: \$2,552.30; Cenex Fleetcard: \$79.22; Farmers Union Oil of Bis/Man: \$1,723.97; Temp Right Service: \$134.00; Gary's Painting: \$150.00; Qwest Corporation: \$487.00; Alltel: \$843.47; Braun Distributing: \$362.00; Service Printers: \$601.05; NDACO: \$28.00; Vanguard Appraisals: \$18,480.00; Dickinson Parks & Rec: \$64.48; Comfort Inn: \$53.00; IPMA-HR: \$212.50; Mid-States Organized Crime Info: \$100.00; NDFOP Lodge #5: \$600.00; Dacotah Paper Co: \$259.63; ND Surplus Properties: \$8.00; ND State Radio Communications: \$525.00; Quality Quick Print: \$189.00; Superior Cleaners: \$23.00; Balco Uniforms Co: \$93.00; Quartermaster: \$50.95; Dickinson Tire: \$175.28; Farmers Union Oil of Richardton: \$391.67; Kohler Communications: \$35.00; O'Reilly Auto Parts: \$14.61; Terry Barnes Auto: \$250.00; T-Rex Conoco: \$294.15; Jay Kuntz: \$60.00; Brownells Inc: \$1,316.75; LEC Maintenance: \$7,593.69; Dennis E Wolf MD: \$1,525.00; American Bank Center; \$550.28; SRB Cellular: \$99.99; ND Emergency Management Assoc: \$50.00; Pizza Hut: \$62.37; Advanced Business Methods: \$558.22; Lamoure County: \$90.52; Belfield Ambulance: \$5,000.00; Dickinson Ambulance: \$10,000.00;

Richardton-Taylor Ambulance: \$5,000.00; SW District Health: \$528.75; Dickinson Airport: \$15,000.00;

County Road: Payroll: 163.92; Kadrmas, Lee & Jackson: \$21,554.80; Martin Construction: \$659.44; Ray B. Hauck: \$200.00; Keith Candee: \$2,136.00; MGM Rural Sanitation: \$184.80; City of Belfield: \$12.85; City of Dickinson: \$4.54; City of Richardton: \$54.90; Consolidated: \$21.95; MDU: \$1,876.51; Qwest: \$49.99; Southwest Water Authority: \$47.12; West Plains Electric: \$1,429.00; Alltel: \$88.98; MDU: \$450.57; Arc Aid Thrift Store: \$25.78; B & S Richardton: \$23.34; Belfield Automotive: \$52.16; Border States Electric: \$314.38; Carquest Auto Parts: \$168.80; Dakota Filter Supply: \$359.73; DF Lighting Company: \$279.80; Dickinson Supply: \$281.81; Don's Filters & Supply: \$11.70; Farmers Union Oil of Richardton: \$23.95; General Steel: \$136.26; Hedahls Headquarters: \$25.06; Kohler Communications: \$106.35; Napa Quality Auto Parts: \$44.67; Newby's Ace Hardware: \$187.38; Praxair: \$19.86; Pump Systems Inc: \$174.56; Rummel Auto Wrecking: \$493.34; Runnings Supply: \$32.24; Schmidt Repair Inc: \$408.51; Schaeffer's MFG: \$561.60; Southwest Grain: \$1,911.07; United Building Center: \$14.53; The UPS Store: \$29.67; US Bearings & Drives: \$201.87; Walmart: \$17.95; Beall Corporation: \$3,076.92; Diamond Truck Equipment: \$2,663.67; Dickinson Tire: \$298.72; George's Tire: \$12.00; Midwest Auto Glass: \$515.28; Performance Truck Center: \$33.63; Queen City Upholstery: \$71.90; Sax Motor Co: \$64.20; Wallwork Truck Center: \$791.23; Butler Machinery: \$4,218.05; Dakota Farm Equipment: \$20.40; Jay R's Auto Body: \$1,605.00; Miller Machine: \$174.92; Prairie Implement: \$115.40; Stone Mill Inc: \$193.52; Titan Machinery: \$40.72; GA Sadowsky & Son: \$3,224.74; West Dakota Oil: \$3,337.03; Daryl's Machining: \$60.00; JP Steel & Supply: \$1,024.59; ND Department of Transportation: \$1,917.62; SBM Inc: \$62.75; Steffan's Saw & Bike: \$225.35; Kennametal Inc: \$1,593.72; Powerplan-RDO: \$11,793.18; Johnston Fargo Culverts: \$22,763.94; Northern Improvement: \$2,568.48; Lyle Signs inc: \$433.90; Newman Traffic Signs: \$58.06; Dickinson Press: \$72.42; Holiday Inn: \$100.00; Todd Miller: \$9.16; Western Fire & Safety: \$1,080.00;

Highway Tax Distribution: Payroll: \$53,434.81; NDPers: \$11,613.42; Job Service North Dakota: \$1,300.00;

Special Road & Bridge: City of Belfield: \$404.63; City of Dickinson: \$18,840.18; City of Gladstone: \$80.71; City of Richardton: \$323.87; City of South heart: \$196.44; City of Taylor: \$73.27;

Social Welfare: Frank & Lucy Hurt: \$500.00; Lavonne Hutzenbiler: \$100.00; ND Dept of Human Services: \$1,482.71; Social Services: \$75,727.14; Payroll: \$151,235.85; NDPers: \$34,595.68;

County Poor: ND Dept of Human Services: \$28,863.19;

IT – Computer/Updates: Payroll: \$4,200.00; NDPers: \$1,354.75; American Bank Center: \$314.81; Darren Czapiewski: \$39.00; Alltel: \$21.79; Consolidated: \$198.04;

SBM Inc: \$434.82; Zones: \$1,146.10; Walmart: \$172.45; Information Technology Dept: \$1,206.90; Vanguard Appraisals: \$14,509.00; NDACO: \$440.00;

County Park: Kadrmas, Lee & Jackson; \$487.83; South Heart Golf Course: \$12,000.00;

Fair Board: Stark County Fair Board; \$18,962.18;

County Jail: SWMCCC: \$38,577.91;

Comp Health: Blue Cross Blue Shield: \$445.30; NDPers: \$16,244.58; Medicare Blue RX: \$118.70;

VSO Fund: Payroll: \$5,902.38;

Social Security: American Bank Center: \$23,875.47;

Advertising: Dickinson Press: \$290.39; SW Community Service & Restitution Program: \$6,500.00; Stark County Historical Society: \$5,000.00; Domestic Violence: \$4,000.00;

County Agent: Payroll: \$3,438.76; NDPers: \$240.32; NDSU Extension Service: \$43.74; CMRS-PB: \$500.00; Kurt Froelich: \$30.00; Sharon Kickertz-Gerbig: \$30.00; Consolidated: \$178.41; Bottom Line: \$39.00; SBM Inc: \$52.97; Sheila Steiner: \$142.65; Deb Theurer: \$100.00;

Weed Control: Payroll: \$4,216.68; NDPers: \$978.21; BW Fargo Doublewood Inn: \$165.00; Alltel: \$43.58; North American Weed Control: \$65.00; ND Weed Control: \$200.00; Runnings Supply: \$51.99; American Bank Center: \$114.74;

9-1-1: Payroll: \$5,696.65; NDPers: \$1,623.28; American Bank Center: \$398.89; City of Dickinson: \$6,215.42; Channing Bete Company: \$392.30; Brent Pringle: \$27.50; Lawrence County: \$70.00; Qwest: \$1,607.17; Consolidated: \$591.00; Reservation Telephone; \$80.00; NDACO: \$7,928.14; SBM Inc; \$94.67;

Adult Education: Consolidated: \$55.00; Elks 1137: \$90.00; Sharon Kickertz-Gerbig: \$147.12; Mulligan's Catering: \$544.00; NDSU Extension Service: \$152.00; Walmart: \$274.26;

Domestic Violence: State Treasurer: \$70.00;

Homeland Security Grant: NDACO: \$2,903.44; Supercircuits Inc: \$4,317.00; Albertsons: \$120.50; Mulligan's Catering: \$660.68; Pizza Hut: \$90.65; Professional Printing: \$1,500.00; SBM Inc: \$328.65;

LEC Financial Officer: Payroll: \$4,305.70; American Bank Center: \$320.77; NDPers: \$392.68;

SW Victim Witness Program: Payroll: \$3,034.75; SBM Inc: \$12.13; St Alexius Medical Center: \$100.00; City of Dickinson: \$.07; Consolidated: \$1.80; Alltel: \$99.62; American Bank Center: \$221.84; NDPers: \$531.44;

Domestic Violence Rape Crisis Center: Domestic Violence: \$795.06;

Preservation Fee: Cass County Treasurer: \$712.50;

State Reimbursement: Dave Wilkie: \$25.00;

Other Reimbursements: Terry Barnes Auto: \$135.00; Farmers Union Oil of Bis/Man: \$59.88; Consolidated: \$137.43;

Judgment Execution: Stark County Sheriff's Dept: \$226.13; Worldwide Asset: \$2,106.05; Kimberly Flohr: \$2,546.59;

911 Equipment: Great Plains Towers: \$14,765.50; VerizonWireless: \$34.95;

Bob Keogh, representing the Belfield City Council, inquired if the Board had made a decision regarding the contract moving Belfield Municipal Court cases to District Court. Comm. Nodland moved to accept the contract with the City of Belfield with 10% of fees to Stark County for use of building and 30% of fees to the City of Belfield. Comm. Hoff seconded. Roll call vote. All voted Aye and the motion carried

Sheriff Clarence Tuhy presented a NDDOT Grant Proposal for \$9,600.00 ICOPS Grant. Comm. Hoff moved to authorize the Chairman sign the NDDOT Grant Proposal. Comm. Zander seconded. All voted Aye and the motion carried.

Sheriff Clarence Tuhy announced the resignation of Deputy Jason Brower and introduced new Deputy Jason Rambousek, who has been with the Sheriff's office since January 1, 2008.

Tom Henning, States Attorney, presented a Detention Service Agreement with Mandan Youth Correction Center to house juveniles. The Mandan YCC charges from \$165 to \$185 per day. The Law Enforcement Center can only house youth for 72 hours and charges \$100 per day. No action taken on the agreement. Chairman Wolf directed Tom Henning, States Attorney; to check what would be required to extend the limit the Law Enforcement Center can house juveniles, and to check with his peers to find out what they are doing regarding housing juveniles.

The Dickinson Rural Fire Department's request for additional funds was discussed. It was the consensus of the Board to wait until budgets are worked on for 2009.

Bid opening was held for gravel crushing and equipment rentals. Bids for equipment rental were received from Hlebechuk Construction, OnSite Improvements, Schwartz Construction, Tooz Construction, Fisher Sand & Gravel, Martin Construction and Industrial Builders. Onsite Improvements and Tooz Construction did not provide a current license. Comm. Willer moved to approve equipment rental bids from Hlebechuk Construction, Schwartz Construction, Fisher Sand & Gravel, Martin Construction and Industrial Builders. Comm. Zander seconded. All voted Aye and the motion carried. Al Heiser was directed to contact Onsite Improvement and Tooz Construction for current licenses.

Gravel crushing bids were received from Fisher Sand & Gravel and Aggregate Construction. Comm. Nodland moved to accept Fisher Sand & Gravel's low bid for crushing and stockpiling gravel at \$2.04 and scoria and shale at \$2.24. Comm. Hoff seconded. Roll call vote. All voted Aye and the motion carried.

Al Heiser, Road Superintendent, presented a draft of joint powers agreement between the State, Stark County, and City of Dickinson for a shared salt shed. Comm. Zander moved to accept the joint powers agreement for the salt shed after Tom Henning, States Attorney, reviews the final draft. Comm. Willer seconded. All voted Aye and the motion carried.

Al Heiser reported on the speed data collected on Highway 10 from Dickinson to South Heart during the period of January 15 to January 17, 2008.

Comm. Hoff moved to authorize the Chairman sign the NDDOT Construction Engineering Services Agreement for County Federal Aid Project #BRO-0045(043). Comm. Zander seconded. All voted Aye and the motion carried.

Al Heiser and Sheriff Tuhy are completing a survey being done by the Association of Oil and Gas Producing Counties. Stark County does not have a lot of oil, but feeling the impact since most oil companies are based in Dickinson.

Gary Kostelecky, Emergency Management, reported he is working on a plan with Southwest District Health Unit and other agencies if there was an epidemic of pandemic flu.

Tim Kelly, Kadrmas Lee & Jackson, gave the engineers report and update on road projects.

Chairman Wolf and Comm. Hoff volunteered to attend the Oil and Gas Producing Counties meeting in Killdeer on February 12, 2008.

Comm. Nodland moved to authorize the Chairman sign the NDDOT Construction and Maintenance Agreement for Project #SC-4531(052) Stark County-Hettinger County Line North to CMC-4510 Thin Lift Overlay. Comm. Hoff seconded. All voted Aye and the motion carried.

Comm. Nodland recommended that the Sheriff from Stark County and Hettinger County be included in the meeting concerning the speed limit on Enchanted Highway.

The Board recessed for the Stark County Park Board meeting.

The Board reconvened.

Chairman Wolf informed the citizens in attendance with concerns about their tax reappraisals that they could have their spokesperson(s) speak.

Diane Brines, Tax Director, gave a brief overview of the process of the revaluation of Stark County. Following is her overview:

Chairman, members of the Board, and the Public

I will give you a brief overview of the process of the revaluation of Stark County.

A little over a year ago I approached you as a board in purchasing a software program for assessing property. The software I was considering was the same as the City of Dickinson and I felt we would be compatible to the City by using the same software. Myself and you as a board discussed the software, we also discussed implementing a website like the City.

I recommended that before we implemented a website we would need to do a complete reappraisal to equalize properties within the County. I explained that Century Code 57-02 states that valuations need to be at a 100% True and Full Value.

At this time Bob Kocer of Vanguard Appraisals discussed what the reappraisal purpose was. He explained that a revaluation is to equalize property assessments and that each person is then responsible for paying his or her fair share of the property tax burden. Periodic inspection and appraisals are necessary because all properties do not increase or decrease in value at the same rate. Some properties physically deteriorate faster than others, and in many instances similar buildings located in different areas of the county will differ greatly in value do to economic factors.

He then went into an explanation what the appraisers would do, that they would examine the inside and outside of each property to compile information that is used to estimate the value of each property, such as age, condition, type of construction, interior improvements and size. Vanguard would also study the local building costs and 4 years of sale information that our office would provide. They would also input all the information along with pictures and drawings of each property.

On November 7, 2006 the contract with Vanguard Appraisals and Stark County was signed under my recommendation. The contract was for a total 2092 parcels located in the county.

The goal in my department is to assess each property in a fair and equitable way so two properties of the same square footage and style will have similar values.

I want to thank you as a Board of County Commissioners and a Board of Equalization for providing our office with the means and assistance in completing a revaluation for Stark County to provide fair and equalized values on all properties.

I also invite you as property owners to visit my office with any questions you may have on your valuations. If Natalie or I cannot answer you we will try and find the answer for you.

Wes Schurke questioned what the cost was to have Vanguard Appraisals do the valuations. Diane Brines reported the contract with Vanguard Appraisals was for \$164,000.00 to do 2,092 parcels.

Gene Hoerner expressed the valuations in rural areas are at 100% of value, he feels there should be some allowance on the values.

Paul Wilhelm requested a somewhat proposed budget by the equalization meeting, so an idea can be had of what kind of increase to expect in actual dollars.

Justin Kruger reported his property valuations have tripled and he has a commercial grain cleaning operation right next to his property.

Comm. Nodland submitted for the record the following real estate assessment update:

REAL ESTATE ASSESSMENT UPDATE

1---Why did we do it?

A—Equalize values of residential and business properties in rural Stark County.

B—Many of the properties have not been updated for a number of years compared to other properties in the County.

C---This has created an unfair and unequal tax burden on some County residents. (Example): People who have built a new home, purchased a home, have remodeled their home, or have built a building on their property have either recorded their purchase or have had to get a building permit. This has given Diane (Tax Director) a notice to review and update their property value. There are other people who have owned their home for many years and have not done any improvements to their property. But, for some reason, have not obtained a building permit when they did an improvement or built a new building on their property. Thus, their property valuation has not been updated. This has been the main reason we did this updated assessment.

D---It is the fault of us County Commissioners that this was not done many years ago to be fair to everyone. We could have made this a gradual increase for some people instead of a large increase at one time. I personally feel we were “dodging the bullet” as it is not a popular thing to do, but it would have to be done sometime.

2---Why did we have Vanguard Appraisals, Inc. do this?

A---Diane would never have the time to do this total update (over 2000 parcels) and also do her normal work duties each day. This was too large of a task for a staff of two people to try to accomplish.

B---Hiring local appraisers would cause unfair accusations from the public. We would have been charged with using a friend or relative and charged with giving someone a favorable value because of friendship or personal relationship.

C---Vanguard Appraisals has the expertise and staff to come into a County and do this project. They also will give us an unbiased value as they do not know anyone in the County. Other Counties and Cities in ND have also used them. (Burleigh County, Dickinson, Valley City, Garrison, & Medora).

D---With the Vanguard contract, we have a computer program that will put all the parcels on the computer for all of the public to view. It will also allow Diane to not have over 2000 files in a file drawer. This will allow her to keep all parcels updated each year with the sales data she gets from the recorder's office as it will be easier to key in the information than to pull over 2000 files and log the information. (More efficient use of her time).

3---What is the next step?

A---Diane will evaluate and adjust the information provided by Vanguard. She will contact all the people who she has made changes in values and also all the people who have met with Vanguard who have protested their changes. This process may take 1-3 months depending on how many changes are needed and how many people have questions and concerns. (Please be patient and give Diane time to do this right for you!)

B---On June 3rd, she will present the updated valuations to the County Board of Equalization (County Commissioners) for our review. We will approve (adjust) the values according to the State Code which allows us a 5% variance from the sales data information we are given.

On that day, any person who is not satisfied with their appraisal values will have the right to meet with this Board to discuss the matter. If a person is not satisfied with the decision of this Board, they may appeal to the State Board of Equalization when they meet in August for their review. The State Board of Equalization has the authority to override the County Board of Equalization.

4---County Budget Process (Real Estate Taxes)

A---Stark County (which is 39% of rural Stark County real estate taxes) starts their budget process in July with each County Department assessing their needs for the next year. In August, they submit their budget request to the County Auditor. The County Auditor and two Commissioners meet with each Department Head and go over their budget request. Then the County Auditor compiles all the budgets into one County budget to present to the County Commissioners in September at a public meeting for the Commissioners and the citizens of the County to review and discuss. This is then approved and advertised to the public to review at the October County Commissioner meeting to discuss and approve for the next years final budget. (I encourage the citizens of the County to be at these meetings to voice their opinions on the County Budget--Very few people have done this in the past).

B---The Dickinson Public School Board (which is 57% of rural Stark County real estate taxes) work on their budget in June and July and submit their budget to the County Auditor. The same process is used for the other School Districts in Stark County---Belfield, South Heart, Richardton, & Taylor. (I encourage you to attend their budget hearings and voice your concerns).

C- The Rural Fire Departments (which is 3% of rural Stark County real estate taxes) do the same process as well as other small entities (Senior Citizens, SW Water, Library, Airport, Fair Board, and other smaller departments (which are 1% of rural Stark County real estate taxes).

D---Next, the County Tax Director and the County Auditor compute the dollar value of one mill based on the total assessed dollar value of real estate property in the County. Then, the County Auditor totals all the budgets submitted to her from the County, Schools, Fire Districts, etc. This total amount is compared to the dollar value of one mill which gives her the total number of mills to access to the property owners to meet the budgets approved for the next year.

5---Example of how the taxes could change in 2008 with the new assessments.

A---Lets assume the total valuation of the County increases 10% (apx. \$100,000,000) over 2007 (without any adjustments for new construction) and the total budgets increase by 3%. Then, total mills would be reduced by approximately 7% from the 2007 mills.

B---Under this example, if someone's property valuation stayed the same from 2007, their taxes would decrease approximately 7%.

C---Under the same example, if someone's property valuation increased 100% over 2007, their taxes would increase 93%.

D---This example is only approximately the numbers that will be used as there are different mills accessed by each School District, Fire District, and Cities in the County. I am estimating the formula the best I can to keep it simple for everyone to follow. It is

quite complicated. There are numerous mill levies that the County Auditor has to calculate. There are also some mill levies that cannot be changed without the vote of the people such as the 10 mill road levy.

6---Summary

I hope this helps the citizens of Stark County understand why we did the Real Estate Assessment update and also how the real estate taxes are computed by the different taxing entities of the County. It is not a simple process as some people seem to think it is. I feel it is all about being “FAIR & EQUAL” to everyone in the County. A number of people were not paying their fair share of real estate taxes and their neighbors were picking up their shortfall. THAT IS NOT FAIR TO ME—IS IT FAIR TO YOU? Our decision to do this was not popular, but it was fair. I personally feel I am not running a “popularity” contest. My duty as a County Commissioner is to make the right and fair decision for the general public and not worry about how “popular” I can be.

I personally ask any County citizen to contact myself or any other County Commissioner concerning this subject. Please, do not come to your own conclusions without getting the facts. Please, don’t let the emotional gossip of coffee shops, night clubs, or social groups influence your own thinking before you get the facts from the proper public officials. We are working for you—our interest is your well being. We are your neighbors. We also pay taxes and we don’t like higher taxes either! This is rural America—we should talk to each other—not behind each other’s back or behind a pen writing a letter to the editor!! Thank you for coming here today to discuss this issue with us and thank you for allowing me to respond to you!!

Comm. Nodland moved to adjourn. Comm Hoff seconded.

Kay Haag, Deputy Auditor

Duane A. Wolf, Chairman