

**REGULAR MEETING OF CASS COUNTY BOARD OF COMMISSIONERS
JUNE 20, 2016**

1. MEETING CALLED TO ORDER

Chairwoman Mary Scherling called the meeting to order at 3:30 PM with all members present as follows: Ken Pawluk, Rick Steen, Chad M. Peterson and Mary Scherling. Arland H. Rasmussen was present via conference call.

2. PLEDGE OF ALLEGIANCE

Heather Worden led the Pledge of Allegiance.

3. MINUTES APPROVED

MOTION, passed

Mr. Steen moved and Mr. Peterson seconded that the minutes of the previous meeting be approved as written. Motion carried.

4. AGENDA, Order approved

MOTION, passed

Mr. Pawluk moved and Mr. Peterson seconded to approve the order of the agenda with the addition to the regular agenda of a revised air conditioning schedule for the Cass County Annex building. Motion carried.

5. CONSENT AGENDA APPROVED

MOTION, passed

Mr. Peterson moved and Mr. Steen seconded to approve the consent agenda as follows: On roll call vote, the motion carried unanimously.

- a. Amend Commission Policy Section 4.00, Advisory Boards, with 2016 appointments as follows:

Cass County Housing Authority (5-year term)
Flora West, 1430 Sheyenne Street, West Fargo

City Planning and Zoning from extra-territorial area (5-year term)
City of Fargo
Mary Scherling, 7508 Chrisan Way, Fargo

County Weed Control Board (4-year term)
Clayton Brennan, 2608 Ann Street, West Fargo
Christopher Murch, 15349 19th Street SE, Hunter

- b. Receive financial statement from the Auditor's Office for the month ended May 31, 2016.
- c. Approve a special event permit for RAWC, Inc. d/b/a Rookies Sports Bar and Grill to serve alcoholic beverages on August 20, 2016, during the hours of 5:30 PM to 11:30 PM for a wedding reception to be held at the Red River Valley Fairgrounds in West Fargo, North Dakota.
- d. Approve a raffle permit for Minn-Dak Chapter 26 IH Collectors Club to be held November 12, 2016, at Bonanzaville, U.S.A. in West Fargo, North Dakota.
- e. Grant a site authorization permit to conduct games of chance under license issued by the North Dakota Attorney General's Office for the period of August 25, 2016, through August 25, 2016, for the Mule Deer Foundation to be held at Bonanzaville, U.S.A. in West Fargo, North Dakota.
- f. Contract approval
- Dr. Naveed Haider, M.D.—professional services agreement to provide psychiatric services to inmates at the Cass County Jail;
 - Mosquito control agreement with the City of Reiles Acres.

6. WILD RICE RIVER ESTATES PAVING DISTRICT NO. 2016-1, Resolutions relating to creation of paving district adopted

At the last meeting, the commission delayed approval on a contract to pave roads within Wild Rice River Estates Subdivision in order to allow time to prepare resolutions to establish a special assessment district. Attorney John Shockley said Wild Rice River Estates is a small, rural subdivision that has petitioned to have its road paved. Michael Montplaisir, Cass County Auditor, said an updated petition was signed by owners of eight properties within the subdivision accepting the increased cost estimate for the project.

Mr. Shockley said for consideration today is a resolution to create the paving district and associated resolutions to move forward with the process. He said the resolutions are more of a formality since a lot of the initial work has already been done.

MOTION, passed

Mr. Pawluk moved and Mr. Peterson seconded to adopt Resolution #2016-10 Creating Wild Rice River Estates Paving District No. 2016-1; Resolution #2016-11 Relating to Written Petition by Owners of Majority of Area of Property within the District; Resolution #2016-12 Directing Engineer to Prepare Report; Resolution #2016-13 Approving Engineer's Report; Resolution #2016-14 Directing Engineer to Prepare Plans and Specifications; Resolution #2016-15 Approving Plans and Specifications for Improvements in Wild Rice River Estates Paving District No. 2016-1; and Resolution #2016-16 Directing County Auditor to Advertise for Bids. On roll call vote, the motion carried unanimously.

7. WILD RICE RIVER ESTATES PAVING DISTRICT NO. 2016-1, Contract approved with Northern Improvement Co.

Mr. Shockley said with the creation of the paving district for Wild Rice River Estates, the commission may proceed in approval of the contract to perform the work.

The low bid was received from Northern Improvement Co. in the amount of \$154,050.

MOTION, passed

Mr. Pawluk moved and Mr. Steen seconded to authorize the chair to sign a contract with Northern Improvement Co. for the 21st Street South road paving project in Wild Rice River Estates Subdivision. On roll call vote, the motion carried unanimously.

8. TAX EQUALIZATION BOARD, Reconvened for 2016 and adjourned

Chairwoman Scherling reconvened the 2016 Board of Tax Equalization. Frank Klein, County Tax Director, said he anticipates the net taxable valuation for Cass County to increase between 12% and 13% for a total valuation ranging from \$700 to \$755 million.

Mr. Klein said the City of Fargo Assessor's Office was in contact with William Gellner for property located at 5421 11th Street South and David Singleton for properties located at 1834-36 7th Avenue South and 1828-30 7th Avenue South regarding their valuation appeals. Both property owners indicated they do not intend to pursue their appeals to the County Board of Equalization.

Mr. Klein discussed two appeals in the City of West Fargo submitted by Sterling Management for Saddlebrook Apartments and Eagle Run Apartments. The first property is 2-30 plex apartments located at 525 1st Avenue East and 607 1st Avenue East. The value increased from \$1,521,000 in 2015 to \$2,076,600 for 2016. The West Fargo Assessor and Mr. Klein recommend the value remains the same.

Mr. Pawluk referred to comparable properties provided by the city and said it appears the values per unit vary greatly. Mr. Klein said the cost per square foot fits within the range of sales that occurred in West Fargo. Mr. Klein said the owner's representative only provided information based on the income cost approach and did not provide any comparable sales information.

MOTION, passed

Mr. Pawluk moved and Mr. Steen seconded that the current 2016 valuation be retained for Inreit Properties LLLP property located at 525 1st Avenue East and 607 1st Avenue East in West Fargo. If aggrieved, the taxpayer is encouraged to file for abatement and provide an independent appraisal on the property. Discussion: Mr. Peterson said the cost per unit seems remarkably low. Mr. Klein said he believes it is a reasonable assessment for the property. On roll call vote, the motion carried unanimously.

Mr. Klein said the second property in West Fargo is Eagle Run Apartments located at 3415 5th Street West. The value increased from \$6,842,000 in 2015 to \$9,441,700 for 2016. He said after reviewing sales of similar properties and income and expense information, the West Fargo City Assessor recommends the value be lowered to \$8,607,800.

MOTION, passed

Mr. Pawluk moved and Mr. Steen seconded to lower the 2016 valuation for Inreit Properties LLLP property located at 3415 5th Street West in West Fargo to \$8,607,800. If aggrieved, the taxpayer is encouraged to file for abatement and provide an independent appraisal on the property. Discussion: Mr. Peterson again questioned whether the cost per unit is low. Mr. Klein believes this is a reasonable assessment for the property. On roll call vote, the motion carried unanimously.

Mr. Klein recommends an 8% increase in residential and commercial valuations for Horace City, Amenia City, North River City, Wheatland Township and Everest Township. He reviewed sales and assessments throughout the county and believes the increases are warranted to equalize assessments. He said all jurisdictions were notified of his recommendation, and he did not receive any comments from those entities affected.

MOTION, passed

Mr. Pawluk moved and Mr. Steen seconded that the assessments in the following cities and townships be increased as listed below and as recommended by the Director of Tax Equalization: On roll call vote, the motion carried unanimously.

<u>Jurisdiction</u>	<u>Recommended Increase Land and Building</u>
Horace City	8% residential and commercial
Amenia City	8% residential and commercial
North River City	8% residential and commercial
Wheatland Township	8% residential and commercial
Everest Township	8% residential and commercial

Mr. Klein discussed an appeal from Timothy Timian on his residential assessment for a 10-acre rural property located at 1825 161st Avenue SE in Gunkel Township. The valuation increased from \$160,200 in 2015 to \$245,000 for 2016. He said the owner does not dispute the final valuation but has concerns with property tax administration and wanted his appeal on record in case he decides to make an appeal to the State Board of Equalization.

MOTION, passed

Mr. Peterson moved and Mr. Steen seconded that the current valuation of the Timian property located at 1825 161st Avenue SE in Gunkel Township be retained and as recommended by the Director of Tax Equalization. If aggrieved, the taxpayer is directed to appeal to the State Board of Equalization. On roll call vote, the motion carried unanimously.

Mr. Klein discussed an appeal from Carl and Polly Wendelbo for a 10-acre rural property located at 15959 23rd Street SE in Gunkel Township. The assessment increased from \$62,100 in 2015 to \$120,000 in 2016. He conducted an exterior inspection of the property and recommends upholding the assessment. He said the owner did not feel an interior inspection was necessary.

Carl Wendelbo was present. He said if a large increase on the valuation was needed, he suggested the value be gradually increased over a few years rather than in one year. He does not dispute the value placed on the property but the 93% increase being recommended in one year.

Mr. Peterson understands why the property owner is distressed over a large increase, but said the Wendelbos probably received a discount on their property taxes that neighboring properties paid for the last five years. He said their property most likely has been under-assessed for some time.

Mrs. Scherling asked if it is typical that properties such as these are not assessed correctly. Mr. Klein said this year his office developed property record cards and reviewed all assessments for Gunkel Township at the township's request.

MOTION, passed

Mr. Pawluk moved and Mr. Peterson seconded that the current valuation of the Wendelbo property located at 15959 23rd Street SE in Gunkel Township be retained and as recommended by the Director of Tax Equalization. The taxpayer may also ask for a further review at a later date. On roll call vote, the motion carried unanimously.

Mr. Klein said if there are no additional appeals, the County Board of Equalization may be adjourned.

MOTION, passed

Mr. Peterson moved and Mr. Steen seconded to adjourn the County Board of Tax Equalization for 2016. Motion carried.

Mrs. Scherling said this is the last Board of Equalization meeting for Mr. Klein, who is retiring in August. She thanked him for his service and the expertise he has provided to the county.

9. FLOOD CONTROL, State Water Commission reimbursement request for FM Diversion approved

During the last three legislative sessions, the state legislature approved a total of \$450 million to be spent on flood control costs. Mr. Montplaisir said for consideration today is the 28th request from the FM Diversion Authority, which covers eligible costs of local matching share requirements of House Bill 1020. The costs are for residential relocation assistance for homeowners displaced by in-town levee and OHB levee projects; commercial relocation assistance for Sidestreet Grille & Pub; Park East Apartments Demolition; Howard Johnson Hotel, former Shakey's Pizza and Fargo Public School building demolition; El Zagal Phase 2 levee construction; 2nd Street North pump station project; 4th Street pump station and gate well project; 2nd Street Floodwall South project; utility relocations for in-town levee projects; land purchased for home buyouts related to the OHB levee project; and easement purchases related to in-town levee projects.

MOTION, passed

Mr. Pawluk moved and Mr. Steen seconded to authorize the chair to sign reimbursement request #28 in the amount of \$2,209,200 to the State Water Commission to distribute funds to the FM Diversion according to the terms and conditions of House Bill 1020. On roll call vote, the motion carried unanimously.

10. FLOOD DIVERSION COMMITTEE APPOINTMENTS

At the last meeting the commission formally appointed board members and alternates to the Flood Diversion Board of Authority as a result of the new Joint Powers Agreement (JPA). The JPA also outlines Diversion committee memberships. Mrs. Scherling said Cass County needs to appoint members to the Finance Committee and Land Management Committee.

MOTION, passed

Mr. Pawluk moved and Mr. Steen seconded to appoint Michael Montplaisir, Darrell Vanyo, and Rick Steen to the Flood Diversion Finance Committee; and Mary Scherling, Arland Rasmussen, and Chad Peterson to the Flood Diversion Land Management Committee. On roll call vote, the motion carried unanimously.

11. CASS COUNTY ANNEX, Revised air conditioning schedule

Chip Ammerman, Social Services Director, said he has staff that periodically work on weekends. He has received three complaints from employees over the last two weeks about the warm temperature within the Annex building. Several years ago, the Commission made a decision to turn the air conditioning system off on weekends during the summer to save energy and provide a cost savings to the county.

Mr. Rasmussen said something needs to be done with the air conditioning system for staff that are willing to work on the weekends. He said some employees are working weekends to help alleviate the backlog.

Mr. Steen asked if certain staff could be regularly scheduled to work on weekends to help with the backlog. Mr. Ammerman said he would be hard pressed to require certain employees to work weekends.

Keith Berndt, County Administrator, said the air conditioning system may be programmed to run during certain hours of the day. Mrs. Scherling said the additional cost for this year is around \$8,000. Mr. Peterson suggested the cooling system be run on Saturday mornings to help moderate the temperature in the building.

MOTION, passed

Mr. Pawluk moved and Mr. Peterson seconded to authorize the cooling of the Cass County Annex building until noon on Saturdays to accommodate Social Service weekend staff work. Discussion: Mr. Pawluk applauds the employees that come in on weekends to work and said this item may be addressed again if this does not rectify the issue. On roll call vote, the motion carried unanimously.

12. VOUCHERS, Approved***MOTION, passed***

Mr. Pawluk moved and Mr. Steen seconded to approve Voucher No. 293,513 through Voucher No. 293,833. On roll call vote, the motion carried unanimously.

13. ELECTION UPDATE; DIVERSION P3 PRESENTATION; STATE ENGINEER RETIREMENT; SOCIAL SERVICES SPACES SOFTWARE WEBINAR; MEETING UPDATES, Committee reports

Mr. Pawluk chaired the Canvas Board meeting earlier today for Primary Election results and thanked Mr. Montplaisir and Election Coordinator DeAnn Buckhouse for their work. Mr. Montplaisir said several departments and outside agencies helped to ensure the election ran smoothly and included staff from the Auditor's Office, Information Technology, Buildings and Grounds, Fargo and West Fargo Cities and School Districts, and many poll workers.

Mr. Berndt attended and provided a presentation at an event last week in New York on Public Private Partnership (P3) construction contracts.

Mr. Berndt said North Dakota State Engineer Todd Sando is retiring, and he will attend an open house for him on Wednesday, June 22nd in Bismarck. He will also have an opportunity to meet the new state engineer.

Mr. Rasmussen said a webinar was held last week with the North Dakota Department of Human Services, State Information Technology Department and Deloit Company regarding SPACES, a software product designed to assist Social Services agencies. He said commissioners, Social Services staff and state legislators participated in the event.

Commissioners and staff reported on meetings and seminars they have attended or will be attending in the upcoming weeks.

14. CORRESPONDENCE, Received and filed

MOTION, passed

Mr. Peterson moved and Mr. Steen seconded to receive and file correspondence outlined by the secretary as follows: Motion carried.

- Letter from the North Dakota Department of Commerce regarding a public hearing to be held by the Building Code Advisory Committee on proposed amendments to the North Dakota Building Code;
- Information from the North Dakota Public Service Commission regarding an Order Adopting Administrative Law Judge Recommendation to Grant Request to Withdraw Consolidated Application submitted by Cenex Pipeline LLC for the Prosper Terminal Project in Raymond Township, Cass County (copy referred to the county engineer and county planner);
- Letter from SWCA Environmental Consultants requesting comments regarding a refined petroleum product storage and distribution terminal project in Mapleton Township proposed by Cenex Pipeline LLC (copy referred to the county engineer and county planner);
- Memo from Lake Agassiz Regional Council regarding the Community Development Block Grant Program for FY2016.

15. ADJOURNMENT

MOTION, passed

On motion by Mr. Peterson, seconded by Mr. Pawluk and all in favor, the meeting was adjourned at 4:48 PM.

ATTEST:

APPROVED:

Michael Montplaisir – Auditor
Cass County, North Dakota

Mary Scherling, Chairwoman
Cass County Board of Commissioners