Official Proceedings of the Stutsman County Commission Special Meeting – August 2, 2022

At 1:30 p.m., Chairman Klose called the special meeting of the Stutsman County Commission to order. Joan Morris, Steven Cichos, Ramone Gumke and Mark Klose answered the roll call. Dennis Ova was absent.

At 1:31 p.m. Dennis Ova joined the meeting via telephone.

Klose requested to add the $800,000 box culvert to the park ARPA funds request. The County will receive a total of $4,021,509 in ARPA funds. Of that $310,101 has already been allocated or spent. The total amount of unapproved requests including the bid for the sheriff's building is $4,158,190.86, including the box culvert. The box culvert will be replaced with ARPA funds.

Jessica Alonge, Auditor/COO, discussed the importance for the LEC Maintenance requests, to replace the two-roof top air conditioning units and the air handling system. The total request is for $600,000. Two representatives from TRANE attended the meeting to answer questions on the project. They can no longer get parts for the air handlers that are currently in use at the LEC. The life expectancy for the outdoor units is about 30 years and for the indoor units is about 15 years. The units will be replaced with ARPA funds.

After discussion, the requested items for the Weed Board will be removed from the ARPA fund list. The two cabin purchases from the Park Board request in the amount of $104,000 were also removed.

Andrew Kirking, Emergency Manager, added a request for new radios for volunteer first responders. After some discussion, the City fire fighters were removed since the city got their own ARPA funding. Chad Kaiser, Sheriff, discussed the grant through the state, which would cover $1,500 per radio for the kind of radio that Kirking was requesting. The radio request was changed from $184,204.80 to $12,000 and Kirking will look into the exact number of radios needed.

Morris brought up two items the road department has in their capital budget for 2023; a tandem dump truck in the amount of $55,000 and skid steer in the amount of $50,000. She would like to add these to the ARPA funding request if possible as it is a large increase for one year. If these items were added to the ARPA request the dollar amount over the funds that will be given to Stutsman County would be $194,923. Gumke stated that he is not looking to add more, as they are trying to reduce costs to get within budget with the current wish list. Morris requested they be added as a hopeful item as they may have room depending on what is done with the sheriff's building.

Cichos discussed paving the walking path from the marina to the playground. That land is leased by Farmers Union, but they have given assurance to Karl Bergh, Park Superintendent, that they would be willing to turn the property back over to Stutsman County. The total quote to pave the trail was $155,000.

Mark Attleson, LEC Maintenance Supervisor stated that the kitchen floor project for LEC maintenance was put in as a $40,000 request, but the quote came in at just under $10,000. Chad Jackson, Jail Administrator, did not foresee any additional costs for food during the week when the kitchen would be closed. He will need to speak with the state to get a variance on the number of hot meals required per day are served since the kitchen will be closed for a maintenance project. The project request was reduced from $40,000 to $10,000.

Klose asked Bergh if he or the former Road Superintendent had ever reviewed grant possibilities for the box culvert at the dam. The only way to receive a grant for the culvert is to have it as part of a bigger project, such as a campground on the island. Jim Wentland, Road Superintendent, will look into the option of grants again. Morris stated that Garrison Diversion would cover ¼ of the cost and there is a grant opportunity through the North Dakota Heritage Fund if funds are used for recreation. Bergh will look into those grants. Wentland and Bergh agreed to go through the options available through the Road Department to see if they can find something that would work for that project.

Gumke suggests taking the $69,000 already saved in the capital plan for the rooftop units and air handlers and apply to that project, there would be a surplus of $10,000 if all ARPA requests were approved, regardless of what was decided on the sheriff's building and whether or not grant funds were received for the box culvert.

Alonge stated that department heads are wanting to include anything that was not approved to be paid out of the ARPA funds into their capital budgets for the upcoming year. Excess ARPA funds must be sent back if not used.

A motion to tentatively approve the ARPA funding requests; with the exception of the sheriff's building, was made my Gumke, seconded by Cichos. Motion carried.

The next item of discussion was sheriff's building discussion and/or bid approval. Kaiser and Klose met with the realtor regarding the Ringdahl Ambulance building. The offer was made by the County for a purchase price of $815,000. The seller's counteroffer was $835,000 but they want to lease back the whole main floor, the mezzanine and half of the garage. Kaiser spoke with a realtor and the going rate for renting office space is $12 per square foot and for a heated garage is $5 square foot, which comes out to $8,407.58 per month. Ringdahl offered to lease the building for only $4,583.33 per month for up to 2 years. After the first year the lease would be month to month, and they offered to increase the rent to $6,200 per month. They would pay the utilities and give a two month notice of departure. Morris questioned if there would be enough room left for the items that Sheriff Kaiser needs to put into the building. Sheriff Kaiser states he could get the items in the garage, but it will be tight.

Kaiser stated that the bid for the new building expires in a couple of days. It is currently in the ARPA fund wish list at $1.3 million, with a $60,000 contingency. Once the groundwork is done, he does not feel there will be issues and does not feel that the $60,000 contingency money will be needed. It is a basic building so he does not foresee any change orders, and there is a firewall in the plan that can come out, and the septic should come in less than what it is budgeted in the plan.

At 2:20 p.m. Commissioner Ova left the meeting.

Gumke stated it does not make sense to buy a used building that will have maintenance issues in the future and the space not being what is required. Gumke stated he has a conflict and is abstaining from the vote. Cichos stated that in ten years it will not be their problem because there will be new commissioners.

Cichos made a motion to decline the counteroffer and renegotiate with Ringdahl for a triple net lease option at a rate to be determined by the sheriff, seconded by Morris. Roll call vote: Morris, Cichos, and Klose voted aye. Gumke abstained from voting. Motion carried.

Josh Smaage, IT Director, stated that from an IT standpoint, since a portion of the building would be used as a backup emergency center, the Ringdahl building is not a good location, because in the case of natural disaster such as a tornado, it is located too close to the courthouse, so if one building were to be destroyed there would be a good chance that the other building would as well.

The next item on the agenda is the preliminary budget discussion. The preliminary budget must be approved by August 10th, and the final budget by October 10th. The final budget cannot be higher in dollars than the approved preliminary budget. Alonge stated that the budget hearing must be held after September 7th and before October 10th. Estimated tax notices must go out by August 31st. One of the changes to the budget was the Workers Compensation premium. The final calculation for the Human Service Zone was received. Indirect costs are not changing but the formula payment did change. The general fund levy was reduced for the 2021 budget using CARES money in the amount $425,869. The proposed mill levy is a 1.68 mill increase over last year. The emergency fund cannot have more than 10 mills in the fund balance and was maxed out in 2018. Emergency fund money was used during the 2019 and 2020 disasters and was replenished in 2021 using general fund reserves in the amount of $725,000. There are two grade raises in progress, so it is expected to have some money come out of the emergency fund yet this year. There are also three road projects that would qualify for emergency funding for this year so a proposal of 4 mills for the emergency fund levy was worked into the budget. The road department levy was proposed at 10 mills which is the max that can be levied for and it has been that way for a few years. The County is expecting to receive some money for Prairie Dog funding in the 1st quarter of 2023. The estimate is 3.4 million and can only be used for road and bridge infrastructure and maintenance.

Klose questioned whether they could use the $2.1 million in ARPA funding that was received in February to match funds. Alonge stated it cannot be used to match, but that Prairie Dog funds can. House Bill 1505 money is ARPA road and bridge money. It can be used for regular maintenance on roads such as gravelling. Klose also questioned if the money could be used for gas or gravel. Alonge said they cannot be used for that due to reporting issues because it cannot be used to support the road department fund it has to be used for specific projects. Cichos question is HB1505 is the same as prairie dog funding. Alonge said they are not the same. He then questioned how much was in the HB1505 to which Alonge replied $2.1 million.

Alonge stated that health insurance costs are currently figured into the budget at a 4.5% increase. The NDPHIT trust board has another meeting planned for this week.

Salary increases are included with an 8.6% COLA increase and 2% step increase for eligible employees. Any employee that is currently at a step 15 would be considered maxed out on steps and would not be eligible for that 2%. Interest revenues are at a 0 across the board. The County is currently gaining interest on their funds, but the biggest change is on an investment account, and the change in value has decreased this year. Alonge, Davis and Maureen McGilvery, Recorder/Treasurer have a meeting with the Wells Fargo

Investment Team and will try to meet with Bank Forward as well to try to maximize the interest revenue possibilities.

Morris questioned whether enough there was enough money in the emergency fund to handle the FEMA projects. Alonge stated there was for the ongoing projects, but for the three projects from the 2022 disaster there is not. The starting balance in the emergency fund for 2022 was $1.2 million. The ten-mill total is $1.361 million with the current valuation.

Cichos said that if the requests went through as presented there would be a 7.59 mill increase needed.

Alonge talked to the North Dakota State Library and the allocation to the library would need to be $206,600 in order for them to be eligible for state aid because the average starts over every three years.

Morris asked what a 1% increase in salaries would be. Davis did not have that information off the top of her head and will get that information to the commissioners prior to the next preliminary budget meeting. She also stated that the Corrections department wishes to go from five part time employee to two full time and two part- time employees as they are having a hard time hiring people.

Morris stated that there is an increase of about $75,000 in the State's Attorneys salaries from one budget to another. Davis stated that the vacant States Attorney II position was added into the budget within the hiring range in case they are able to fill the position in 2023. The requested grade increases for the Sheriff and States Attorney are also included.

The Weed Department approves their own salaries, and they included large salary increases that were not budgeted for in the County as the Weed Board approves their own wages. The County certifies in but has no say in the increases.

There is also a third position added for the IT department for IT GIS.

A special meeting was scheduled for Friday, August 5th at 10:00 a.m. to continue preliminary budget discussions.

Gumke made a motion to adjourn the special meeting, seconded by Morris. Motion carried.

At 3:02 p.m., the Special Stutsman County Commission meeting adjourned.

ATTEST:

Jessica Alonge	Mark T. Klose
Auditor/COO	Commission Chairman