

**OFFICIAL PROCEEDINGS OF THE  
BOARD OF COUNTY COMMISSIONERS  
MCKENZIE COUNTY, NORTH DAKOTA**

**October 6, 2009**

The Board of Commissioners of McKenzie County, North Dakota met at the Courthouse at Watford City, North Dakota on October 6, 2009. Present: Commissioners Anderson, Cayko, Chinn, Lawlar and Patten and Auditor Olson. Chairman Lawlar called the meeting to order at .

Treasurer Svihovec presented her report, including a short discussion on the gross production tax allocations.

JoLynn Pelton, representing a number of employees, asked about the courthouse being closed on November 27 and if a committee could plan a county Christmas party. Moved by Anderson and seconded by Cayko to close the courthouse on November 27. Voting aye: Patten, Anderson, Cayko, Lawlar; voting nay: Chinn; motion carried. December 4 at Outlaws was set for the Christmas party.

Moved by Cayko and seconded by Anderson to approve the minutes as written and the Treasurer's report and bills as presented. All voting aye, motion carried.

Moved by Cayko and seconded by Patten to rebid surplus road department property including a single axle truck, a bottom dump pup and some snow wings. All voting aye, motion carried.

Jerry Samuelson updated the Board on veterans matters.

Chief Deputy John Fulwider and Chief Dispatcher Tammy Evanson updated the Board on matters in the Sheriff's department. Betty Young Bird has been hired for dispatch. They are using some temporary help to fill in for staff on sick leave. There was also discussion of changing the yield sign off county route 10 unto state highway 23 to a stop sign.

Jaret Wirtz and Gene Veeder updated the Board on the water systems. Discussions continue on serving Watford City and System 1 with Missouri River water. System 2 could go to bids next month. The Water Resources District Board has discussed the need for more personnel to keep up with the operations. Commissioners would need to see a job description and a budget for the position.

Tim Nelson and Dale Naze met with the Board regarding county fair projects that put the Fair Board into a deficit. Moved by Chinn and seconded by Anderson to grant \$12,000 to the Fair Board. All voting aye, motion carried.

Naze asked if the Board wanted to continue receiving monthly reports for extension. It was agreed that copies of quarterly reports already being done would be sufficient.

County Recorder Ann Johnsrud reviewed a contract that she will be signing today with a company that provides an e-recording service.

Moved by Chinn and seconded by Cayko to set the following minimum sales prices for tax deed property: \$2,925 for Lot 15 Block 8 Original Townsite of Arnegard and \$80 for a portion of Lot 7 Block 7 Boles 2<sup>nd</sup> Addition to East Fairview and to set the hearing for 11:00 AM Central on November 3, 2009. All voting aye, motion carried.

Fuel bids were opened per notice with bids submitted by Rolfson Oil Company and Farmers Union Oil Company. Moved by Chinn and seconded by Cayko to accept the bid of Farmers Union Oil Company for all fuels at all locations. All voting aye, motion carried.

Harold Rolfsrud met with the Board to discuss a gravel stockpile.

County Engineer John Holter reviewed a number of road issues including requested signage, utility permits, the secondary roads program and vehicle replacements. He is to bring in a listing of vehicles with current mileage for the next meeting. Road Superintendent Mark Koeser reported on gravel locates and employee changes.

Gene Veeder, McKenzie County JDA Coordinator; Mark Sovig, JDA Board member and Brent Sanford, Watford City Council, were present while John Dunlap, Cascade Homes, made a presentation of the housing project being done in Watford City. They have a number of town houses nearly ready for occupancy and will soon start on the first twelve of 36 short term units. The City is working on some infrastructure changes and a five year tax grant.

State's Attorney Dennis Edward Johnson reported that traffic violations have really increased and recommended that another deputy be added. There was discussion of a previous action on a section line closure in Sioux Township. The closure will stand.

Moved by Patten and seconded by Anderson to execute an agreement with Mountrail County for social worker services. All voting aye, motion carried.

Moved by Patten and seconded by Anderson to grant \$168,000 to the Job Development Authority to assist with housing projects. All voting aye, motion carried.

Moved by Anderson and seconded by Cayko to contact Trane to develop bid documents for a heating, ventilation and air conditioning retrofit, including a geothermal option. All voting aye, motion carried.

Moved by Anderson and seconded by Cayko to pay 2009/2010 dues to the North Dakota Association of Oil & Gas Producing Counties. All voting aye, motion carried.

Moved by Anderson and seconded by Cayko to approve a raffle permit application from Relay for Life-Team Acronym. All voting aye, motion carried.

Moved by Patten and seconded by Cayko to approve the following resolution:

#### Credit Card Resolution for the McKenzie County Road & Bridge Department

It is resolved that:

1. First International Bank is a depository for funds of McKenzie County
2. This resolution is in effect until rescinded or modified in writing
3. This resolution is in regard to a Visa credit card account and has no effect on any other accounts or transactions between First International Bank and McKenzie County
4. The County hereby agrees to all the terms and conditions of the Visa credit card account
5. The Chairman of the Board of County Commissioners, as elected from year to year, shall be the authorized agent to make changes to the credit limitations on this account, close the account, or change the authorized signature
6. The name and signature of the current chairman appears below
7. The authorized signatures on this account shall be as listed on Form CA-1, attached
8. The authorized credit limit is \$5,000.00

All voting aye, motion carried.

Moved by Patten and seconded by Chinn to approve the traffic safety contract with North Dakota Department of Transportation. All voting aye, motion carried.

Moved by Cayko and seconded by Chinn to adopt the following policy:

GPT INFRASTRUCTURE FUND ALLOCATION POLICY

Effective July 1, 2009, under the distribution formula for the Gross Production Tax, a portion of the taxes received by McKenzie County must be deposited in an Infrastructure Fund for further allocations as follows:

- △ 45% to the County General Fund
- △ 35% is available for allocations to townships and schools
- △ 20% to cities, limited to \$750 per capital total from this fund and from the regular GPT distribution.

This policy will set forth the procedures for townships and schools to make application for a portion of this fund.

Applications must be received in the office of the McKenzie County Auditor by end of business on November 20 each year. Allocations will be made at the December commission meeting. The prescribed application forms are part of this policy. The policy and application forms will be available on the Auditor's web page under "County Finances".

Applications may be for projects completed in the current year or planned for the coming year. Eligible projects include, but are not limited to, infrastructure construction or maintenance to offset oil and gas development impact in townships and repair or replacement of school district vehicles necessitated by damage or deterioration attributable to travel on oil and gas development impacted roads.

Allocations will not be paid until the project is complete and the township or school submits copies of all related paid invoices. Entities will have one year from the date of allocation to claim the reimbursement. Monies allocated but not claimed by the date of the next allocation will become part of the monies available for allocation that year.

The method of allocation will be as follows:

The Board of Commissioners will prioritize applications on the basis of oil and gas development impact and fund the most urgent as funds are available.

All voting aye, motion carried.

Commissioners Anderson, Lawlar, and Chinn indicated they could attend the annual meeting of the North Dakota Association of Oil & Gas Producing Counties on October 29 at Four Bears.

Moved by Cayko and seconded by Patten to approve utility permit applications from Reservation Telephone Cooperative, McKenzie Electric Cooperative, Hess Corporation, Bear Paw Energy and Burlington Resources. All voting aye, motion carried.

The meeting adjourned at 5:10 PM until Tuesday, November 3, 2009, beginning at 9 AM CST.

Attest: \_\_\_\_\_  
Frances M. Olson, County Auditor

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Richard Lawlar, Chairman  
Board of County Commissioners