

2009 HOUSE POLITICAL SUBDIVISIONS

HB 1214

2009 HOUSE STANDING COMMITTEE MINUTES

Bill No. HB 1214

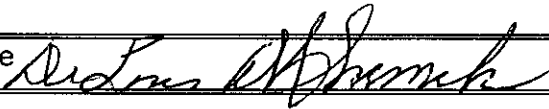
House Political Subdivisions Committee

☐ Check here for Conference Committee

Hearing Date: January 23, 2009

Recorder Job Number: 7633

Committee Clerk Signature



Minutes:

Chairman Wrangham opened the hearing on HB 1214.

Rep. Kingsbury: Introducing HB 1214 at the request of the Grafton Parks and Recreation.

This bill would make it possible for Grafton to purchase certain land in Walsh County, ND. The park is owned by the state and leased by the Grafton Parks and Recreation. It is a very beautiful campground. (See map #1).

Senator Miller: I am in support of this bill. There are a lot of activities that go on in the park during the summer. This purchase would give them more flexibility on how they would handle their own affairs next to the park.

Bill Dahl, Co Director of Grafton Parks and Recreation: (see testimony #2). We have a lot of activity at the park. We ended adding an additional 10 sites to our existing campground which enabled us to put in the larger recreational vehicles. I did research on this property and the Joint Exercise Agreement was signed by in 1992. Went into the history of the purchase of this land. Since then we have upgraded out electrical service. With the expansion of the larger campground we are looking at having more control over any further expansion in the campgrounds. If you look at the map of the parcels that were included here, Parcel #1 and Parcel #2. Parcel #1 if the original campground; Parcel #2 north of that area and that is an

additional parcel that we would have to develop. Parcel #2 is an additional parcel we would have to acquire. We have tried to find property adjoins the existing property and it is non productive now. We now keep it mowed now and it is a low area and can flood.

Rep. Nancy Johnson: Wanted to know where it was on the map.

Bill Dahl: Yes there is an old paint shop on this parcel #1 now. We would want to put a new shop. This area we now mow and it takes 2-5 hours to do each week depending on how much rain we got. We would really be downsizing some of the things we do. There is a maintenance shop and we mow around that area.

Rep. Kretschmar: On the map are you trying to purchase all the yellow?

Bill Dahl: Yes all the yellow. Instead of doing a 99 year lease we would like to purchase it.

Rep. Koppelman: who determined the appraised value?

Bill Dahl: Yes \$900/acre which is for 10.78 acres which amounts to \$9720. Course we would like to get that price lower. We have already developed the concrete where this building will be. We are looking at a flood plain property. It is zoned and is non productive. It is restrictive and property that is maintained with a mower.

Rep. Koppelman: You are negotiating a price for the purchase; do you have hopes of getting that price reduced?

Bill Dahl: We checked into developing this area and will continue to develop it. We are looking at putting up a fence and maybe another pavilion just for shade. So labor would be volunteer.

Rep. Koppelman: Where does the public school set?

Bill Dahl: It is part of the school program, but the main structure is to the south of it.

Rep. Conrad: Do you have plans for more property?

Rep. Headland: Do you have the funds available in reserve to pay for it or what is your method of payment?

Bill Dahl: We do. We have the money set aside to purchase this property in 09.

Rep. Headland: What I am getting at the money is available and you would not be increasing the taxes of your local residences.

Rep. Kilichowski: How did they come up with the value of \$900s.

Bill Dahl: I don't know. I did question them on that \$900.

Rep. Jerry Kelsh: On the fiscal note they have \$9,684 from the general fund. What is that for?

Bill Dahl: that is the actual appraised value of the campground itself. We have 39 sites and added water, sewer, showers and 10 more sites. I could not give you the whole .breakdown.

Rep. Jerry Kelsh: The fiscal note was prepared by the Department of Human Services. They are taking it out of general fund revenue.

Rep. Corey Mock: What restrictions were placed on the purchase by FEMA?

Bill Dahl: We cannot build a storage shed; we cannot put four walls with a roof over it. That is the primary restriction. We can put up a four posted roof so we can have a previllion.

Rep. Kilichowski: The infrastructure on the campground now; who put that in?

Bill Dahl: The original campground was completed by a grant from the Soil Conservation at no cost to the city. The add-on's were paid for the parks and recreation.

Chairman Wrangham: You mentioned FEMA won't let you put up a building.

Bill Dahl: We have certain things like around the water; when there is a flood our campground is under water also. So there are restrictions on what they will and will not insure anymore in case of floods. We have a list of things we pull before a flood. There are guidelines we have to follow.

Chairman Wrangham: Do those guidelines change whether you own the land or have a 99 lease on the land?

Bill Dahl: Not necessarily. The more money we put into that recreational facility is conditional to whether we own the property or not.

No opposition.

No Neutral.

Hearing closed.

2009 HOUSE STANDING COMMITTEE MINUTES

Bill No. HB 1214

House Political Subdivisions Committee

☐ Check here for Conference Committee

Hearing Date: January 29, 2009

Recorder Job Number: 8153

Committee Clerk Signature



Minutes:

Chairman Wrangham reopened the hearing on HB 1214.

Discussion:

Rep. Jerry Kelsh: On the transfer of land from the developmental center in Grafton to the park district. I called the city assessor and the builder was asking for \$900/acre. He assessed the land the same as commercial property as sold between one cents and two cents a square foot. Those two parcels were sold at two cents a square foot on the south side of Grafton; outside the flood plain. I made an amendment to drop that to one cents a square foot. That would bring it down to a maximum of \$450/acre since this land is in the flood plain and is really of no use for anything else.

Chairman Wrangham: Do we know if the seller has been approached?

Rep. Jerry Kelsh: Yes, I talked with Alec, the director, and he has no problem with it at all.

There can be no structure on it except four pole shelters.

Rep. Koppelman: You would be setting in statue the price of the land?

Rep. Jerry Kelsh: It would not exceed \$450/acre because in the fiscal note it was \$900/acre.

Chairman Wrangham: We won't act on this right now until we get the written fiscal note and amendment.

Hearing closed.

2009 HOUSE STANDING COMMITTEE MINUTES

Bill No. HB 1214

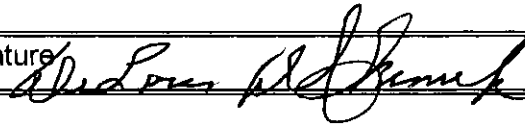
House Political Subdivisions Committee

☐ Check here for Conference Committee

Hearing Date: February 5, 2009

Recorder Job Number: 8747

Committee Clerk Signature



Minutes:

Chairman Wrangham opened the hearing on HB 1214.

Rep. Kilichowski: I don't know if an amendment is necessary. I talked to the assessor back home and they came up with the \$900/acre for commercial property because in the city of Grafton property is selling for 2 cents a square ft. But since this was in the flood plane the city said it was not worth that much. I had an amendment drawn up to put the amount in there, but if you look at the bill with the fiscal note so I think that it is covered for \$450.

Motion Made by Rep. Kilichowski for a Do Pass. Seconded By Rep. Conrad

Vote: 11 Yes 0 No 2 Absent Carrier: Rep. Kilichowski

Hearing closed.

FISCAL NOTE
Requested by Legislative Council
01/09/2009

Bill/Resolution No.: HB 1214

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			\$9,684			
Expenditures						
Appropriations						

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. Bill and fiscal impact summary: *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

HB 1214 authorizes the Department of Human Services to convey specific land in Walsh County, North Dakota to the Grafton Park Board.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The only impact of this bill is the revenue generated through the sale of the land as outlined in Sections 1 and 2.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The revenue is based on a fair market price of \$900 per acre. The amount of land being sold in section 1 is 5.19 acres and included in section 2 is 5.57 acres.

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

Name:	Brenda M. Weisz	Agency:	DHS
Phone Number:	328-2397	Date Prepared:	01/12/2009

Date: 2/5/09
Roll Call Vote #: 1

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1214

House Political Subdivisions Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken DO PASS DO NOT PASS AS AMENDED

Motion Made By Rep. Kilichowski Seconded By Rep. Conrad

Representatives	Yes	No	Representatives	Yes	No
Rep. Dwight Wrangham, Chairman	✓		Rep. Kari Conrad	✓	
Rep. Craig Headland, Vice Chairman	0		Rep. Jerry Kelsh	✓	
Rep. Patrick Hatlestad	✓		Rep. Robert Kilichowski	✓	
Rep. Nancy Johnson	✓		Rep. Corey Mock	✓	
Rep. Lawrence Klemin	✓		Rep. Steve Zaiser	0	
Rep. Kim Koppelman	✓				
Rep. William Kretschmar	✓				
Rep. Vonnie Pietsch	✓				

Total (Yes) 11 No 0

Absent 2

Carrier: Rep Kilichowski

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
February 5, 2009 12:57 p.m.

Module No: HR-23-1774
Carrier: Kilichowski
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1214: Political Subdivisions Committee (Rep. Wrangham, Chairman) recommends DO PASS (11 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). HB 1214 was placed on the Eleventh order on the calendar.

2009 SENATE POLITICAL SUBDIVISIONS

HB 1214

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1214

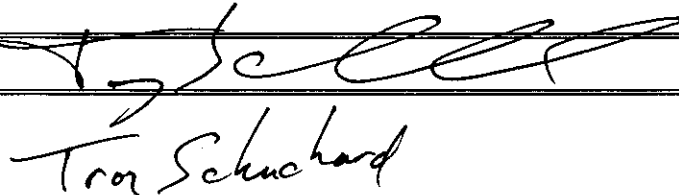
Senate political Subdivisions Committee

☐ Check here for Conference Committee

Hearing Date: February 26, 2009

Recorder Job Number: 9782

Committee Clerk Signature



Tom Schuchard

Minutes:

Chairman Andrist: opened the hearing on HB 1214, all members present.

Joyce Kingsbury: Representative District 16, introduced HB 1214. (See attachment #1)

Joe miller: Senator District 16, testified in support. I just came to say vote for the bill. Joyce explained everything; it is kind of useless land.

Alex Schweitzer: Director of the Development Center testified in support and just reiterated what was already testified to.

Senator Judy Lee: Made motion for a Do Pass on HB 1214.

Senator Olafson: Second

Chairman Andrist: Motion for a Do Pass 6-0, Senator Judy Lee will carry.

Date:
Roll Call Vote #:

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

Senate Political Subdivisions

Committee

☐ Check here for Conference Committee

HB 1214

Legislative Council Amendment Number

Action Taken

☒ Do pass

☐ Do not pass

☐ Amend

Motion Made By

J. Lee

Seconded By

O/afson

[illegible]

Total (Yes)

(Yes) 6

No

Absent

Floor Assignment

Atty. J. Lee

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
February 26, 2009 3:01 p.m.

Module No: SR-34-3681
Carrier: J. Lee
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

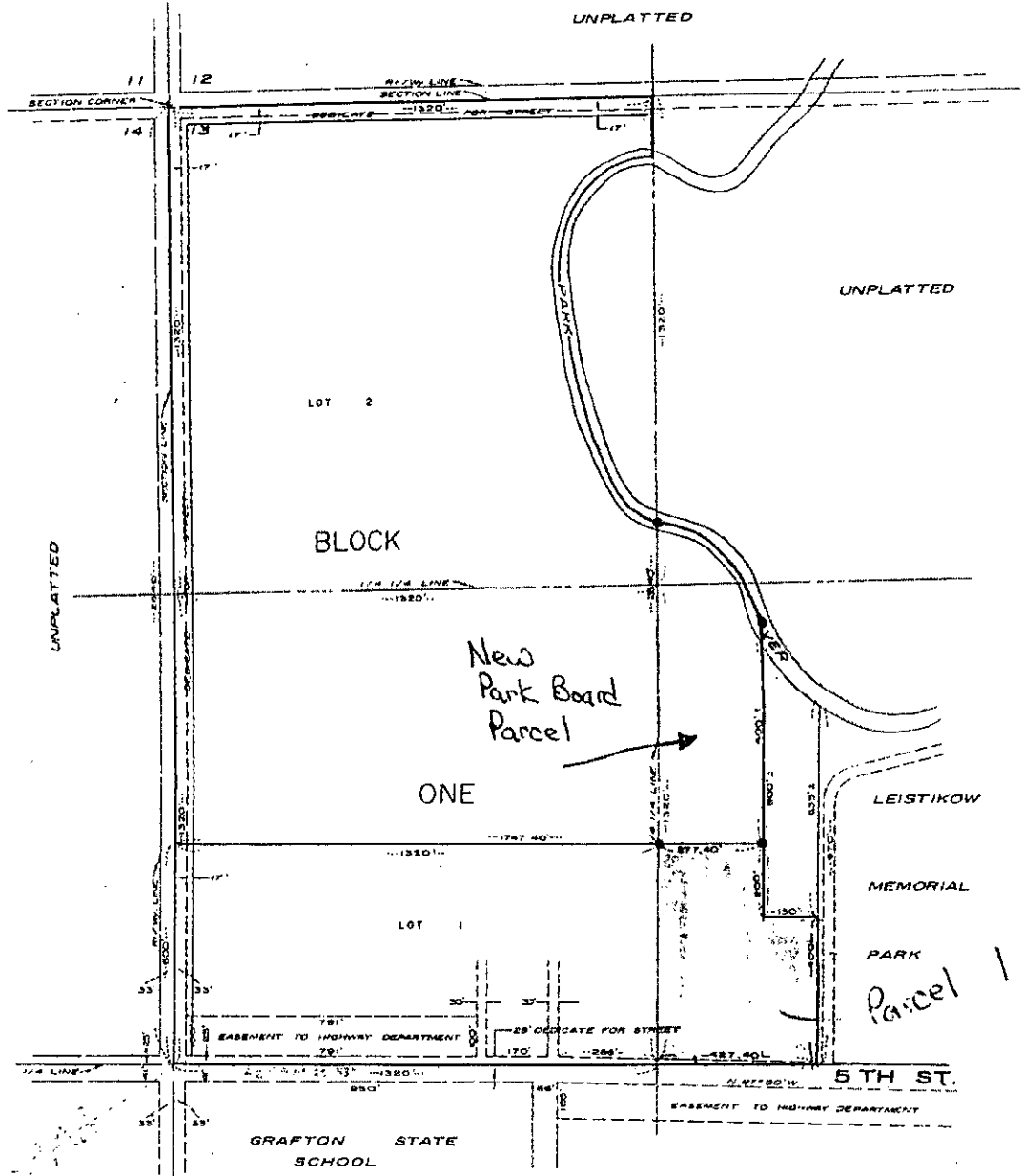
HB 1214: Political Subdivisions Committee (Sen. Andrist, Chairman) recommends DO PASS (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1214 was placed on the Fourteenth order on the calendar.

2009 TESTIMONY

HB 1214

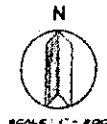
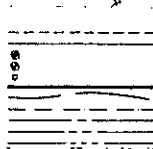
#1

60- Grafton - State School 2nd add.



LEGEND:

EXIST. LOT LINES
NEW LOT LINES
EXIST. CONC. MONUMENTS
PROP. CONC. MONUMENTS
IRON PINS
BOUNDARY LINE
CONTOURS
UTILITY EASEMENTS
SECTION LINE
1/4 SECTION LINE
1/4-1/4 SECTION LINE



#2

AGREEMENT FOR THE JOINT EXERCISE OF GOVERNMENTAL POWERS

I. INTRODUCTION

1.1 Chapter 54.40 of the North Dakota Century Code provides that two or more governmental units of the State of North Dakota may, upon approval of the respective governing bodies, enter into agreements with one another for joint and cooperative action in providing, acquiring, establishing, constructing, maintaining, and operating a public recreation system, which system may include structures, facilities, activities and programs.

1.2 The parties to this agreement have determined that such an intergovernmental approach should be undertaken concerning the development, maintenance and operation of a public recreation facility within the City of Grafton and located on the grounds of the Developmental Center of Grafton.

1.3 It is the intent of the parties to this agreement that this intergovernmental approach concerning a public recreation facility will utilize state-owned nonproductive real estate or facilities in a manner which will promote the Developmental Center to the public and will generally foster trade and tourism for the Grafton community at large.

II. PARTIES TO THE AGREEMENT

2.1 The parties to this agreement are the State of North Dakota by and through its Department of Human Services, whose post office address is State Capitol, Bismarck, ND 58505 and the Department of Parks and Recreation of the City of Grafton.

2.2 The Department of Human Services supervises and administers the Developmental Center at Grafton upon whose grounds this project will be undertaken. The state entity will hereafter be referred to as "Developmental Center". The Department of Parks and Recreation of the City of Grafton has formed a park district through which its administration of this project will be undertaken. The Grafton Department of Parks and Recreation will hereafter be referred to as "Park District".

III. AGREEMENT

3.1 Term. This agreement shall be in force for a twenty-five year period, beginning on July 1, 1992.

1
2
3 3.2 Premises. The property included in this agreement consists of the
4 following described real estate in Walsh County, to-wit:

5 A parcel of land approximately 5.19 acres, more or less,
6 located in Lot One (1), Block One (1), of the State School
7 Second Addition, Grafton, Walsh County, North Dakota,
8 described more particularly as follows:

9 Beginning at the Southeast corner of Lot One (1); thence
10 North along the Eastern line of Lot One (1), a distance of
11 400 feet, more or less, to a point; thence West a distance
12 of 150 feet, more or less, to a point; thence North a
13 distance of 200 feet, more or less, to a point being the
14 Northeast corner of Lot One (1); thence West a distance
15 of 277.40 feet; thence South a distance of 600 feet, more
16 or less, to a point of intersection with the South line of
17 Lot One (1), Block One (1); thence East 427.40 feet, more
18 or less, to the point of beginning. Above tract contains
19 5.19 acres, more or less.

parcel #
1

14 3.3 Use of Premises.

15 (a) The premises above-described are in a flood-plain restricted zoning
16 area and constitute non-productive property for the Developmental Center. The
17 Developmental Center therefore dedicates the described property to public outdoor
18 recreation use.

19 (b) The described premises shall be used by the parties during this
20 term for the creation and maintenance of a campground with services offered to the
21 general public, and for no other use or purpose during the twenty-five year term.

22 (c) The Developmental Center agrees that in the event of default by
23 the Park District or upon the expiration of this agreement, the above-described premises
24 will continue to be operated and maintained for public outdoor recreation purposes in
25 perpetuity. In the event of default by the Park District or expiration of this agreement,
26 the Developmental Center shall assume full compliance responsibility for the grant-
27 assisted area as mandated by the Land and Water Conservation Fund (L&WCF) Act.

25 3.4 Lease.

26 (a) This joint agreement is not a lease and shall not be construed as
27 such despite any similarity in terms or obligations assumed by the parties.

28 (b) The Park District shall assume full control and supervision of the
29 campground project in a manner similar to that of a lessee, including assumption of

1
2 liability for all activity on the premises, and shall be responsible for conducting and
3 managing the joint program entered into through this agreement. The Developmental
4 Center shall continue to have access to the property so long as it does not interfere in
5 the project of the joint agreement and the control necessary by the Park District to
6 carry out the project.

7 (c) The Park District shall pay an annual fee of Twenty and NO/100
8 Dollars (\$20.00) to the Developmental Center at the commencement of the initial year
9 of the term and each year thereafter. The Developmental Center will realize a net
10 economic gain through this project due to its receipt of fees paid by the Park District
11 together with the elimination of any maintenance costs that are now its responsibility.

12 (d) This joint agreement is to include only the Park District and the
13 Developmental Center and there shall be no "sub-leasing" or the passing on of control
14 to other entities during its term.

15 3.5 Improvements. At the beginning of this term the Park District will
16 immediately commence the construction necessary to develop or improve the property
17 to create the campground facilities which are the purpose of this joint agreement. At
18 the end of the term all improvements will inure to the benefit of the Developmental
19 Center.

20 3.6 Insurance and Liability.

21 (a) The Park District will contract for and carry liability insurance
22 appropriate to the operation of a campground business, the same to be written by a
23 reliable insurer for the liability interests of the Park District with an endorsement
24 naming the Developmental Center as an additional insured. The insurance shall insure
25 the parties to the extent of one million dollars for each injury to any person on the
26 premises.

27 (b) The Park District waives any right of subrogation or any right in
28 tort against the Developmental Center and will hold the Developmental Center
29 harmless from all liabilities and all claims of damages arising out of the joint use of the
30 premises.

31 3.7 Utilities and Maintenance.

32 (a) The Park District shall contract for all utility services required on
33 the premises in its name and shall be liable for payment for the services received. The
34 Developmental Center agrees to grant all necessary easements to utility service suppliers
35 to facilitate installation, maintenance, and the repair of utility services required in the
36 project.

(b) The Park District shall be responsible for all repairs and normal maintenance upon the premises, including any loss or destruction caused by the negligence of either party.

3.8 Program Management. The overall management of the purposes to be carried on through this joint agreement shall be provided by the Park District which shall be considered the operating or managing entity of this project. In addition to constructing improvements and fully maintaining the premises, the Park District will be responsible for the overall supervision of the campground, the taking and handling of all the campground fees and the handling of all funds associated with the project, and all other responsibilities, duties, and tasks associated with full management and control of the premises in every respect.

3.9 Applicable Law. The terms and conditions of this joint agreement are controlled and are entered into subject to the laws of the state of North Dakota. Further, no part or provision of this agreement shall be construed in any manner to limit or to abrogate the rights, powers, duties and functions of either participating agency, as granted to each agency by the laws of the state of North Dakota.

DATED this 30th day of July, 1992.

DEPARTMENT OF HUMAN SERVICES
OF THE STATE OF NORTH DAKOTA

BY: John A. Graham
Its: Executive Director

DEPARTMENT OF PARKS AND RECREATION
OF THE CITY OF GRAFTON, NORTH DAKOTA

BY: Lon G. Lessard
Its: President

In case the back
page didn't come
through here it
is again

#2

Chairman Andrist

Members of the Senate Political Subs Committee

I introduced HB 1214 at the request of Grafton Parks and Recreation.

HB 1214 would make possible a purchase of land parcels from the state through The Department of Human Services. The land is adjacent to the Developmental Center grounds and Lestikew Park.

Grafton has a beautiful park, enjoyed by many in both summer and winter. It has a great campground, which has been home to many Keystone Pipeline workers this past year, and has accomadated large groups throughout the summers.

This land is in the flood plain so nothing can be built there, but could be used for extended camp ground sites. The grounds are well kept by the park board, as these additional lands would be.

The Developmental Center has no use for this land and it would alleviate them of the maintenance.

Please consider this land purchase to enhance the use of Lestikew Park.

Thank you, Mr. Chairman

Rep. Joyce Kingbury