

**2013 HOUSE POLITICAL SUBDIVISIONS**

**HB 1339**

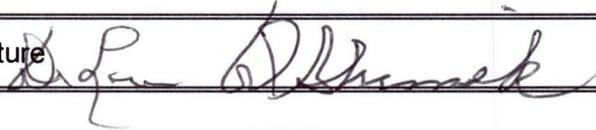
# 2013 HOUSE STANDING COMMITTEE MINUTES

## House Political Subdivisions Committee Prairie Room, State Capitol

HB 1339  
February 7, 2013  
Job # 18507

Conference Committee

Committee Clerk Signature



### Explanation or reason for introduction of bill/resolution:

Relating to compensation of recreational service district board members.

### Minutes:

Testimony #1

**Chairman N. Johnson:** Opened the hearing on HB 1339.

**Rep. Hunsakor:** Introduced the bill. (See testimony #1) 00:41 - 3:06 I have Les Turner, a board member from the Lake Metigoshe Recreational Service district and he will be able to answer any particular questions that you may have as to why the \$100 instead of the \$25.

**Rep. Kathy Hogan:** Where do these recreational districts get their funding?

**Rep. Hunsakor:** They get their funding locally.

**Les Turner, Lake Metigoshe board member:** Lake Metigoshe is about 1500 acres in size and the real property within ¼ mile of the shore line encompasses the boundaries of the district. That property is assessed as we deem necessary to conduct our services so that the monies come from just that property.

**Rep. Kathy Hogan:** So you are a taxing authority group?

**Les turner:** Yes, we are authorized to create special assessment districts etc.

**Rep. L. Meier:** Typically how many times do you meet and for what time length?

**Les Turner:** We meet once a month and they average 1 ½-2 hrs in length. In addition to that we have six standing committees that require a lot of work. We work closely with the local township, county and even the state of ND on zoning developmental issues or environmental issues also. It does require a considerable amount of time other than the meeting itself.

**Rep. Klemin:** This bill would allow for meeting of the board but it does not seem to allow for compensation for the meeting of the standing committees?

**Les Turner:** That is correct. The compensation is per meeting attended. We receive no other compensation or benefits. It now is the maximum of \$25/meeting.

**Rep. Klemin:** No expenses for travel? Do you have to travel anywhere?

**Les Turner:** For this meeting yes; but normally no. We are occurring some substantial out of pocket costs.

**Rep. Kathy Hogan:** I am curious about this new development. How big is your budget?

**Les Turner:** Our budget is about \$550,000. We have two full time and one part time employee. There are nine members of the board.

**Chairman N. Johnson:** Do you vote among your recreational district on your budget etc.

**Les Turner:** Yes that is correct.

Opposition: None

Neutral: None

Hearing closed.

**Do Pass Motion Made by Rep. Kathy Hogan: Seconded by Rep. Koppelman:**

**Vote: 14 Yes 0 No 1 Absent Carrier: Rep. J. Kelsh:**

Closed.

Les Turner,

## **FISCAL NOTE STATEMENT**

Senate Bill or Resolution No. HB 1339

This bill or resolution appears to affect revenues, expenditures, or fiscal liability of counties, cities, school districts, or townships. However, no state agency has primary responsibility for compiling and maintaining the information necessary for the proper preparation of a fiscal note regarding this bill or resolution. Pursuant to Joint Rule 502, this statement meets the fiscal note requirement.

Becky Keller  
Senior Fiscal Analyst

Date: 2-7-13  
 Roll Call Vote #: 1

2013 HOUSE STANDING COMMITTEE  
 ROLL CALL VOTES  
 BILL/RESOLUTION NO. 1339

House Political Subdivisions Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken:  Do Pass  Do Not Pass  Amended  Adopt Amendment

Rerefer to Appropriations  Reconsider

Motion Made By Rep. K. Hogan Seconded By Rep. K. Koppelman

Representatives	Yes	No	Representatives	Yes	No
Chairman Nancy Johnson	✓		Rep. Ben Hanson	✓	
Vice Chairman Patrick Hatlestad	✓		Rep. Kathy Hogan	✓	
Rep. Thomas Beadle	✓		Rep. Jerry Kelsh	✓	
Rep. Matthew Klein	✓		Rep. Naomi Muscha	✓	
Rep. Lawrence Klemin	✓				
Rep Kim Koppelman	✓				
Rep. William Kretschmar	✓				
Rep. Alex Looyen	✓				
Rep. Andrew Maragos	✓				
Rep. Lisa Meier	✓				
Rep. Nathan Toman	✓				

Total (Yes) 14 No 0

Absent 1

Floor Assignment Rep. Kelsh

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

**REPORT OF STANDING COMMITTEE**

**HB 1339: Political Subdivisions Committee (Rep. N. Johnson, Chairman) recommends DO PASS (14 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1339 was placed on the Eleventh order on the calendar.**

**2013 SENATE POLITICAL SUBDIVISIONS**

**HB 1339**

# 2013 SENATE STANDING COMMITTEE MINUTES

## Senate Political Subdivisions Committee Red River Room, State Capitol

HB 1339  
March 7, 2013  
19538

Conference Committee

Committee Clerk Signature



### Explanation or reason for introduction of bill/resolution:

Relating to compensation of recreational service district board members

### Minutes:

You may make reference to "attached testimony."

**Chairman Andrist** opened the hearing for HB 1339. All senators were present.

**Rep. Bob Hunsakor** District 25. Written testimony #1.

**Vice Chairman Ronald Sorvaag** They have to be from the county the residents of the county that are on these recreational service district members or can they be from anywhere or how does that work?

**Chairman Andrist** there are only two in existence right.

**Les Turner** Board member for the Lake Metigoshe recreation service district. The recreation service district owns and operates the wastewater collection or sewer system for Lake Metigoshe. We contract with a private firm for the garbage collection services. We presently serve 860 private units; several commercial establishments including two motels, two recreational vehicle campgrounds; two religious facilities, numerous eating establishments, smaller businesses, as well as the Lake Metigoshe State Park area. We have nine board members who are elected for a 3 year term. We meet once a month and our meetings average about an 90-120 minutes and in addition to that we have 6 standing committees, and a we work closely with the local township, the county, and even the state on a variety of infrastructure issues and related environmental concerns. As a matter of fact, right now I am in the process of working with a couple members from the State Health Department and we're trying to develop and implement a water quality monitoring program for the lake this summer. We have 2 full time employees, one part time employee, and our current budget is \$850,000 for this year. Our funding comes exclusively from assessments levied against the property within the district boundaries. That is within ¼ mile of the lake and more specifically to Senator Sorvaags question. All you have to do to be a member or vote is own property within the district. We have people from Florida, California, New York, that own property up there; and they are eligible to serve. In the past, a number of our board members have been from communities such as Minot, Lansford, Kenmare, Mohall, Rugby, Rock Lake, and we've even had a couple from Brandon, Manitoba. In the present

environment, travel and time we just feel the \$25 is just not quite up to it. Some of the committee work particularly at certain seasons the busy season can involve a lot of extra time, especially phone time. Sometimes we have to meet privately with individuals or engineering firms or things of this nature to try to resolve conflicts. This is an overview, are there any specific questions?

**Chairman Andrist** Les \$100 per day seems quite reasonable to me but you referenced your meetings normally don't last more than an hour or two. I am wondering if you have an explanation as to whether that's not excessive.

**Les Turner** replied as I was relating too, our committee work sometimes requires considerable time like phone time even office time at home and so forth. Often times too, various members of the board have to attend a township meeting, county commissioner meeting, things like this that take up the time. You know we're really not asking for a huge jump from \$25 to \$100 right away, this is to have a little flexibility as over the years workloads have increased or inflationary pressures come to bear that the board would have some leeway and doesn't have to turn around and come back to the legislature to ask for more money.

**Vice Chairman Ronald Sorvaag** As I am reading this, it would be only \$100 for your monthly board meeting? It wouldn't be for every committee meeting or is that how you're seeing it? Or are you saying that every time you do a committee meeting, you get \$100 for that meeting too?

**Les Turner** replied presently we receive the \$25 per meeting attended and that's all we receive. We receive no other compensation for any of the other impromptu meetings or off site work or anything. **Vice Chairman Ronald Sorvaag** So, if your subcommittee meets, you get \$25.00. **Les Turner** replied no, it is just the board meetings. **Vice Chairman Ronald Sorvaag** It is just the full official once a month board meeting is all that you're asking the \$100 compensation. **Les Turner** replied yes, just the board meetings.

**Senator John Grabinger** your group votes on what the amount you are going to get paid anyway and they are going to set-up when you have an annual meeting and decide these things right? How much is going to be paid, this is up to \$100? So the group is going to decide the 800+ voters are going to decide how much is going to be paid and at what time and so forth whether monthly or a meeting, correct? **Les Turner** replied well they will be informed but as I read the Century Code its compensation is determined by the board. But the board at the annual meeting which occurs in June, would obviously present this at and give the reasons why it would be an increase to whatever the board should decide. The members at the annual meeting wouldn't vote on it, the amount of compensation would be determined by the board itself as it is presently.

**Chairman Andrist** As I read the bill Les, and reference to Sr. Sorvaag's question, it doesn't permit you from being paid \$100 as many times as you want to meet. **Les** replied no. **Chairman Andrist** continued it is not limited to once a month. **Les Turner** replied it would be centered, around, the monthly meeting. **Chairman Andrist** anytime you get together? **Les Turner** replied no, just at the regular business meeting. Right now we get \$25 for each of the twelve meetings; you get \$25 for per meeting attended.

**Chairman Andrist** I don't think Les the bill actually says that. Am I missing something? **Les Turner** replied isn't it the only thing that changed in the way the Century Code? **Chairman Andrist** But I don't think it limited you to one meeting a month before. It doesn't appear to me it did.

**Senator Howard Anderson** It is limited to one meeting, but it does say for board meetings so that means they would have to call a board meeting whether it's a special meeting or whatever. If it was a board meeting then theoretically if there is 9 members, it takes five for a board meeting. **Chairman Andrist** I guess that is my take committee members they are going to be pretty judicious because they aren't so large that people aren't going to be watching what they are doing.

**Senator Howard Anderson** I was wondering if anybody knew where the Upsilon district was? **Chairman Andrist** Do you know Les? **Senator Howard Anderson** Where the other district that exists in the state is? **Les Turner** replied Lake Upsilon which is also in the Turtle Mountains and its over towards the Rolla area. It is on the Eastern portion of the Turtle Mountains.

**Senator Judy Lee** This is a big district. When you're talking about 800+ property owners and it's a beautiful area. I am confident the property owners who are there want to preserve the quality of life that's there and would be judiciously doing the work that is necessary to do that. If there an extra board meeting that has to take place in order to do something I guess I am not going to get bent out of shape about that. I am confident that the board members are going to be judicious about what they are doing and so, rather than looking at something inserting monthly, I would like to leave that language as it is personally so that they could decide what needs to be done. If they would have to have an additional board meeting for some reason, I think they ought to be compensated for doing the work. We get paid if we come for an interim committee meeting and there is travel time you mentioned for people who do live in North Dakota and would be coming in and we're not looking at a request for any kind of compensation for travel or meals or whatever. I can't see that we should complicate it I guess necessarily by adding any kind of monthly requirement.

**Chairman Andrist** Les out of curiosity, I suppose some of your board members are only there on weekends? **Les Turner** replied, a large number of them are during the summer time. Obviously, out of season basically from September through May, those who live in Minot or Mohall, to make a meeting they have to travel. It is different when you are up at your cabin.

**Chairman Andrist** Do you plan your meetings on a schedule so that they can plan accordingly? **Les Turner** replied yes, there has been basically since the inception where we made a 10 AM meeting the 2<sup>nd</sup> Saturday every month. All concerned citizens, business people they all know that, so it is published. I would like to thank the committee members, Mr. Chairman, Rep. Hunskor, thank you.

**Rep. Hunskor** added that he did visit with one of the subcommittee chairman is a lady and shes' in charge of the garbage and cleanup and she talked about having to go around the site and with 100 people there is 10 of them that leave a mess. They take pictures of the mess, contacting those people if there not there, try to get it cleaned up. Those types of

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things require hours that that truck on a regular basis especially during the summer months so there is a lot of work that goes into this in keeping that place as clean and fit for the traveling public.

Chairman Andrist Closed the hearing on HB 1339.

Senator Howard Anderson moved do pass on HB 1339.

Senator John Grabinger 2<sup>nd</sup>

Role Call Vote 6 Yea 0 no, 0 Absent

Carrier Senator Grabinger

## **FISCAL NOTE STATEMENT**

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Becky Keller  
Senior Fiscal Analyst



**REPORT OF STANDING COMMITTEE**

**HB 1339: Political Subdivisions Committee (Sen. Andrist, Chairman)** recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1339 was placed on the Fourteenth order on the calendar.

**2013 TESTIMONY**

**HB 1339**

Madam Chair and members of the Political Subdivisions Committee, my name is Bob Hunskor, Representative -- District 6 -- which includes Bottineau, Renville and McHenry counties.

Century Code 11-28.2-01 allows county commissioners to establish a recreational service district for the purpose of police protection, sewer and water, garbage removal services and public road construction and maintenance, in addition to that provided by the local governing body or agency to summer homes, cottages and other residences and establishments as may exist within such area, and provide for the improvement and control of the environmental quality of the recreational service district.

The Century Code also states: "The members of the board are entitled to receive compensation in an amount of no more than \$25 per meeting of the board, as determined by the board.

Century Code 58-06-02 allows township supervisors to receive up to \$60 a day for each day necessarily devoted to the work of a supervisor's office, not exceeding \$2,000 in a calendar year. In addition, annual compensation over two thousand dollars may be provided for reimbursement of expenses and for mileage necessarily traveled in the performance of a supervisor's duties.

Currently, there are two recreational service districts in North Dakota -- Lake Metigoshe and Lake Upsilon.

Due to the increased time involved in managing the Lake Metigoshe Recreational Service District, the board asked me to sponsor H.B. 1339, which would increase the compensation of a board member of a recreational service district to no more than \$100 per meeting, as determined by the board.

Madam Chairperson, this concludes my testimony and I would ask your committee to give H.B. 1339 a DO PASS.

Representative Hunskor

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*Bob Hunskor*