



EQUALIZATION BOARD OF CLEVELAND COUNTY

MINUTES

THURSDAY, JULY 23, 2020

This Special meeting was held in accordance with 25 O.S §306 (C) (Signed and enacted March 18, 2020). The meeting took place in the Board of County Commissioners Meeting Room and through teleconference. The public, who are observing social distancing dialed (346)248-7799: the meeting ID83483375229 or at 719849 for video. Public comment was made by calling ahead to (405)366-0200 to be added to the list.

<https://us02web.zoom.us/j/88220002476>

The scheduled **special** meeting of the Cleveland County Equalization Board was called to order this 23rd day of July 2020 at 10:00 a.m., in the conference room 200 of the Cleveland County Office Building by Chairman Larry Heikkila. Linda Atkins, Deputy County Clerk/Secretary, called roll and those present were:

Larry Heikkila, Chairman
Sid Porter, Vice-Chairman
Rick Atkins, Member
Linda Atkins, Secretary

Others Present were: Tammy Belinson, Assistant District Attorney Carol Dillingham, Douglas Warr, Jerry Wisdom, Russell Chronister, Jannis Allen, LaQuetta McGaha, and Tracy Gainey.

After the reading of the minutes of the Special Meeting of July 16, 2020, and there being no additions or corrections, Larry Heikkila moved to **approve** the minutes. Rick Atkins seconded the motion.

The vote was: Larry Heikkila, yes; Sid Porter, yes; Rick Atkins, yes.
Motion carried.

A. **Old Business Items:**

Assistant District Attorney Carol Dillingham stated that the Statutes provides that the Secretary of the County Equalization Board shall provide three dates and should the taxpayer make a selection and fails to appear without advance notice, the Board no longer is obligated to provide additional chances and is within the Statutes to dismiss this item if that is the Board's decision.

Chairman Heikkila moved that the following Letter of Protest filed by Greg L. Smith be **dismissed** due to his failure to appear both times without providing advance notification in each case.

Sid Porter seconded the motion.

1. Discussion, Consideration, and/or Action on the following Letter of Protest presented by Greg L. Smith, 9505 S Land Ave, Okla. City, OK 73159, concerning the following:

Protested Property Address: 9505 S Land Ave, OKC, OK 73159

Account #: 65794

Daytime phone: 405-535-6728

The vote was: Larry Heikkila, yes; Sid Porter, yes; Rick Atkins, yes.

Motion carried.

B. Items of Business:

1. Discussion, Consideration, and/or Action was taken on the following Letters of Protest:

Chairman Heikkila said that he is in receipt of an email from Mr. Bales requesting to withdraw all protest accounts and **moved** that these items be dismissed.

Rick Atkins seconded the motion.

a. Tim Bales/First Marc, 3908 N Peniel, Suite 450, Bethany, OK 73008,
Daytime Phone: 405-495-7391, Email Address: tbales@firstmarc.com.
Mr. Bales will represent the following taxpayers:

- 1) Owner's Name: 35 West Apartment LP, Protested Property
Address: 769 SW 19th Street, Moore, OK; Account Number:
R0171115;
- 2) Owner's Name: Graystone Properties, Address: 9101 S
Western Ave, OKC, OK 73159; Account Number: R0155810;
- 3) Owner's Name: Graystone Properties, Address: 9201 S
Western Ave, Oklahoma City, OK 73159; Account Number:
R0155811.

The vote was: Larry Heikkila, yes; Sid Porter, yes; Rick Atkins, yes.

Motion carried.

Chairman Heikkila explained to legal counsel that Mr. Jones requested through an email that they feel this account under appeal should be assessed by the county using the county schedules and not TASC. The tax agent referenced to be heard by affidavit.

Assistant District Attorney Carol Dillingham said that the Board may hear his protest since he has filed an affidavit with his packet of information.

b. Frederick Jones, Ryan, LLC, Tax Agent, % United Rentals North America, PO Box 24967, Nashville, TN 37202, Daytime Phone: 615-514-6414, Email Address: Frederick.jones@ryan.com.

- 1) Property protested: 13220 S Sunnyside Road, Oklahoma City, OK 73165, OCC2 10 2W 17 050 (Account #R0053805).

Jerry L. Wisdom, PPS, TASC (Total Assessment Solutions Corporation) said that the issue is the "economic life" of the equipment. He said on Mr. Jones' protest he states that their Rental M&E should not be combined with their machinery and equipment. They asked to reassess by separating these two asset classes. He explained the different life of machinery and equipment is at 20 years. He said the rental equipment is a 15-year life which is shorter for two reasons, is because they are always rebuilding the rental equipment they send out, or they will discard it or sell it before the end of that usage. On page 8, it says on the right side of the page that their opinion of depreciation is a 10-year life for shop tools, diagnostic, forklifts, etc. TASC has a life of 20 years because it is industrial equipment and it's not the common equipment that one buys at a lumber yard.

On-Page 9, they have the depreciation at 6 years. It is a list of rental tools. On-Page 10, they have a lot of tanks they take out on locations and those have a 30-year life.

On-Page 11 is the total rental tools at \$16.0 Million. Mr. Wisdom pointed out that on the United Rental Agreement it states that if something breaks the customer is billed to rebuild that to new. That is the reason for not having a capitalization cost. These items that go out are guaranteed to be like new. That is why life is the way it is. On-Page 14 – under 6: "The Lessee agrees to indemnify IronCreek against all loss or damage sustained by the equipment during the rental period (including theft of the same) and the extent of any such loss or damage shall be based upon new replacement cost for the same." Whenever they go out and break something a bill is sent for replacement cost. He went to the Annual Report for shareholders and under rental equipment for their company estimate of useful life for rental equipment is two to 20 years and the range of estimated useful lives for property and equipment is to 39 years. TASC evaluation on the last Page 19 one can see the machinery and equipment only adds up to approximately \$311,338. Machinery & Equipment is \$11,242,042, and TASC is recommending that the Board of Equalization affirm their value of \$11,911,254 based upon the type of asset it is. It is industrial energy equipment; therefore, it contains a longer life than what they are proposing.

Commercial Appraisers LaQuetta McGaha and Tracey Gainey of the County Assessor's Office confirmed that it is Oil & Gas Industrial Equipment and explained the difference why it cannot be evaluated based on the County schedule; and stated that United Rentals North America want their assets valued as retail assets and in fact, it is not. Pictures of the industrial energy equipment were submitted to the Board.

After a brief discussion, Larry Heikkila moved to **sustain the Current Fair Cash Value of \$11,911,254**, due to the evaluation being consistent with all Oilfield Property to use TASC's 20-year life span.

Rick Atkins seconded the motion.

The vote was: Larry Heikkila, yes; Sid Porter, yes; Rick Atkins, yes.

Motion carried.

C. **No Board Members** discussions regarding County Business at this time.

D. **No Public Comment** was made at this time.

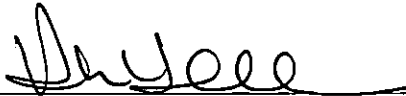
E. There being no further business to come before the Board, Rick Atkins moved, seconded by Sid Porter, to **adjourn** the meeting at 10:19 am.

The vote was: Larry Heikkila, yes; Sid Porter, yes; Rick Atkins, yes.

Motion carried.

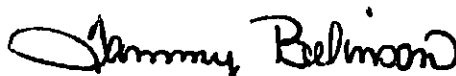
(Clerk's Note: Agenda was posted on Monday, July 20, 2020 @ 2:57P.M.)

**CLEVELAND COUNTY EQUALIZATION BOARD
CLEVELAND COUNTY, OKLAHOMA**



Larry Heikkila, Chairman

ATTEST:



Tammy Belinson, County Clerk and Secretary to the Board

Minutes Prepared by:


Deputy County Clerk