

**HAYDEN LAKE RECREATIONAL WATER AND SEWER DISTRICT  
MINUTES OF REGULAR MEETING  
FEBRUARY 22, 2012**

CALL TO ORDER

Chairman Sewell called the meeting to order at 5:00 p.m. Board members present were Dave Weinstein, Tom DePew, Todd Walker and Carole Stringer. Larry Comer, Ken Thompson, and Attorney Mike Schmidt were also present as representatives of the Board. Administrator Lynn Hagman recorded the minutes of the meeting.

AGENDA & MINUTES

**Board member Stringer moved to approve the agenda for this meeting, seconded by Board member DePew. The motion carried.**

**Board member DePew then moved to approve the minutes of February 6, 2012. Board member Walker seconded the motion. The motion carried.**

FINANCIAL

Ken Thompson reviewed the financial report with the Board and pointed out that the amount being placed in the truck reserve fund was doubled to \$10,000. Administrator Hagman reported that Mr. McDonald has paid his CAP fee of \$10,500. Mr. Thompson then reviewed the invoices for approval. Board member DePew moved to approve the financial report and the invoices for payment. Board member Walker seconded the motion. The motion carried.

Ken Thompson then discussed his concerns with the limit on spending in LID7 before all outstanding issues have been resolved. Mr. Thompson presented a list of his concerns to the Board and asked how much money the Board wants to spend on LID7 before the LID has been approved.

Larry Comer presented a new time line for LID7 and reviewed it with the Board. The time line is for the Sewer District's implementing LID7 and the City of Hayden's revenue bond process. Mr. Comer informed the Board that the LID is expected to be formed in November, 2012. Mr. Thompson stated that the Sewer District will need a new Resolution for reimbursement of costs from Danielle Quade. Attorney Mike Schmidt suggested an agreement with the City of Hayden for cost reimbursement be done before the judicial validation take place.

Mr. Comer stated that the milestones are the public hearing for the City of Hayden and the public hearing for the Sewer District. The Board will ultimately make the final decision. If the Sewer District decides to go with the Idaho Bond Bank, there will be no EID document required and any other expenses incurred in advance of the LID would be legal and engineering.

Attorney Schmidt, in reviewing the time line, stated that he would like to see more of the work pushed to the other side of the line where we know Hayden has judicial validation. The cost reimbursement will be easier once they have validation. Larry Comer suggested maybe two agreements, one preliminary for whom will pay what and one after judicial validation is done.

Board member Walker suggested moving the preparation of the LID roll to late July. There should be no money spent on capital improvements before then and a preliminary agreement with the City of Hayden that addresses who will pay what costs and overruns.

Attorney Schmidt feels that cost estimates are better if they are higher and will cause less confusion. Attorney Schmidt informed the Board that he should have a meeting with Danielle Quade and Nancy Stricklin before any agreement is drafted.

Ken Thompson questioned the Board regarding notifying D.A. Davidson that the District will be using someone else on this project. Mr. Thompson feels that since the District used D.A. Davidson on the last LID that they should be notified. Board member Walker suggested Mr. Thompson notify D.A. Davidson. Mr. Thompson will be reporting at each meeting, how much has been spent on LID7.

## SUPERINTENDENT REPORT

In Dustin Jacobson's absence, Board member DePew gave a report on the septic information that had been previously emailed to the Board. Board member DePew explained that Panhandle Health District issues septic tank permits and does the inspections, however, there were no requirements about what went into the ground. The District has no requirements for the septic tanks that are required with effluent systems and we do not issue any permit for the septic tank. The question Mr. Jacobson has put to the Board is; do we want to leave the permit process with PHD or take it over ourselves to make sure we know what is being put in the ground. Board member DePew explained that once the septic tank is installed, PHD does not go back and inspect again.

Board member Weinstein questioned what the District is legally obligated to do. Attorney Schmidt stated that anything put into our system, we should be able to inspect. Board member DePew discussed some of the problems that we have with septic tanks already installed and can we go back to inspect them. Attorney Schmidt felt that the District could inspect anything with our own system.

Board directed Administrator Hagman and Superintendent Jacobson to work with PHD on the septic tank inspections.

## BOARD DISCUSSIONS

Board member Walker reported on the WA/ID River Conference that he and Board member DePew attended. Board member Walker felt that it was a very good conference and bringing back the Beavers were among many of the topics discussed. Board member DePew felt that most of the dialog was regarding Washington lakes and a system for controlling milfoil in the lakes.

Board member Weinstein reported on the Spokane River meeting he had attended. The speaker was very good and informative. The issues discussed were Idaho and Washington water issues.

## HARSB REPORT

Board member Weinstein reported on the HARSB meeting and informed the Board that HARSB met with DEQ regarding the preliminary certification and the draft permit coming out.

The anti-degradation rules have been formulated. The re-use farm will be working full time now and the Woodland Water project is still being discussed. The primacy issue was also discussed.

#### ATTORNEY

Attorney Schmidt informed the Board that Attorney Nancy Stricklin is in the process of reviewed the changes to the Joint Powers Agreement.

Attorney Schmidt then discussed a Resolution passed by HARSB in 2008 regarding an increment increase in CAP fees from the time the District purchased the last 200 ER's from HARSB. The increment would be the difference between what was paid for the 200 ER's and what the HARSB fee is now. This increment is to be paid at the time a hook up permit is taken out. This Resolution was agreed to by the Sewer District Board. Attorney Schmidt informed the Board that he will research this further and informed the Board that an Ordinance will need to be adopted to coincide with the HARSB resolution. The increment charges would start when the District purchases new ER's from HARSB. The charge would apply to the last 200 ER's purchased for LID6, excluding Forest Ridge Estates owned by John Beutler.

Board member Stringer questioned if now is the right time to continue with the Joint Powers Agreement since the Board has so many other things going on. Attorney Schmidt felt that the proposed LID7 should not slow down the Joint Powers Agreement update.

**At 7:20 p.m. Board member DePew moved to recess to executive session per ID Code 67-2345 (1) (f) pending litigation on assisted living facilities. Board member Stringer seconded the motion. A roll call vote showed; Board member Weinstein, "aye", Board member DePew, "aye", Board member Walker, "aye" and Board member Stringer, "aye". The motion carried.**

Those attending the executive session were Chairman Sewell, Board members Weinstein, DePew, Walker and Stringer, Attorney Schmidt and Administrator Hagman. Assisted Living facilities was the topic of discussion

At 8:07 p.m. the Board reconvened to regular session.

#### ADJOURN

**With no further business before the Board, at 8:10 p.m. Board member DePew moved to adjourn, seconded by Board member Weinstein. The motion carried.**

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Dave Weinstein, SECRETARY

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Lynn M. Hagman, ADMINISTRATOR