

HAYDEN LAKE RECREATIONAL WATER AND SEWER DISTRICT  
MINUTES OF PUBLIC HEARING  
NOVEMBER 28, 2012

Chairman Sewell opened the meeting at 6:00 p.m. with introductions of the Board and staff. Chairman Sewell informed the audience that Mr. Comer will give his presentation and then there will be a question and answer period before the public hearing opens.

Mr. Comer presented a power point presentation of the plant upgrades and the District collector system upgrades as well as the DEQ loan information and costs.

Mr. George questioned the lawsuit and is the District going forward with it or giving up. Attorney Schmidt explained the lawsuit and when it started and where it is now. Attorney Schmidt discussed the costs of the lawsuit and that HARSB has spent approximately \$400,000 so far on litigation. Attorney Schmidt explained that there are 23 law firms involved in this case.

Mr. George questioned what involvement have Senators or Legislatures had in this and are there grants available. Attorney Schmidt explained that U.S. Senators and Congressmen have been involved with the lawsuit. HARSB Plant Manager, Ken Windram explained that he has been in contact with the State and Federal governments and there are no grants available for this type of project.

Mr. George questioned if Post Falls was part of this District because they are growing at a high rate. Mr. Comer explained who is involved in the treatment plant and when someone comes into the system they have to buy in at the current rate. Mr. Comer explained the land application that the District does now.

Mr. Peter Cooper stated that he had lobbied for year around land application and suggested a greenhouse to redirect capitalization costs.

Mr. Paul Long asked what Post Falls, Coeur d' Alene and Rathdrum are doing to upgrade. Mr. Windram responded and explained what these cities were doing to upgrade their own plants. Their upgrades are funded differently than the Sewer District. Mr. Long questioned the 700 vacant lots and what happens in default. Mr. Comer explained the LID assessment is attached to the lot, not to the person. The 1% reserve will help the District in these situations.

Mr. Long questioned if the LID is confirmed by ordinance, and is there a cap on the amount, could the assessment end up being more than \$4,000. Mr. Comer explained that costs go up and down and inflation is considered. Mr. Long asked who is talking to the Senators and Congressmen. Mr. Windram stated that his office has contacted the State officials.

Mr. Jeff Harvey addressed the Board and stated that he had no problem with the upgrades to the collector system but does have questions regarding the plant upgrades. Is Spokane being held at this standard? Mr. Windram replied that Spokane is being held at the same standard.

Ms. Elaine Siegel informed the Board that she has a septic tank as well as being hooked to the system and doesn't know why. Mr. Comer explained that in Pt. Hayden it is an effluent system and a septic tank is needed.

Mr. John Masser also voiced his concern with having a septic tank and feels he is paying twice because he has to pay to have the tank pumped and then pay a sewer bill. Mr. Comer explained the developers built their system and when the original LID when through in 1987 they were assessed less. Mr. Masser questioned where the property tax monies go that are assessed. Mr. Comer stated that tax money goes for administration and general costs. Mr. Comer stated that the Board will take all comments under advisement.

Mr. Tim Garrett asked how long the Board has known about needing to upgrade and how much new piping will this include and is the painting that is being done part of this. Mr. Comer replied that GPS project is where the paint markings come from and the only new piping that will be done is on Strahorn Rd. and Miles Ave.

Mr. Dennis Kline addressed the Board regarding his septic tank and questioned why people who have a septic tank would be assessed the same as people who don't. Mr. Comer explained that the system was a pre-existing system and the District has re-invested in these neighborhoods. Mr. Kline asked that the District please consider the difference. Mr. Windram explained that there is more phosphorus in the effluent only systems.

Patricia questioned why the District had to have the last O&M increase when we own the plant. Mr. Comer explained that there are costs to get it there. Patricia asked if her street would be torn up and why can't we store water above the aquifer. Mr. Comer explained that her street would not be torn up. Attorney Danielle Quade explained that there are State regulations to protect the aquifer.

Mr. Ed Morse questioned the vacant lots and their valued assessments and the measurement of benefits to them. Attorney Quade explained the issue with the vacant lots and the benefits that they will receive. Mr. Morse questioned the 1% hold back and the bonding. Mr. Comer explained the code provision for bonding to get the loan and the 1% is for reserve.

Mr. Gene Anderson asked about the Washington levels. Mr. Windram explained the levels and discussed the oxygen level. Mr. Anderson questioned if the District has some grounds to continue the fight. Attorney Schmidt stated that Boise Attorneys did this litigation and if we continue we could loose and it could cost the District much more than it already has. Mr. Anderson asked if there are new fees for the new standards attached to this LID or to the monthly sewer fees and what is the County involvement. Mr. Comer explained the partnership in the plant. Mr. Anderson asked if inflation was in the estimate. Mr. Comer replied that the final assessment will be based on actual dollars when the construction is done. Mr. Anderson stated that the English Pt. lift station ended up costing two times as much and feels the contracts are open ended.

Mr. Dan Obrien questioned if the \$4,000 assessment would be a lien on the property. Attorney Quade explained that it would be and if the property sold it could be up to the lender if it would be carried over to a new owner.

Mr. Mike Murphy asked if the Board had ever had their minds changed on an LID. Mr. Charlie Brown commented that we would never beat the EPA regulations. Mr. Brown stated that he paid the same as everyone else on the original LID and he has a septic tank and feels he is subsidizing those who get full service.

Ms. Heather Viera voiced her concern with the \$4,000 assessment and that there is no cap on it to guarantee that it will not go up. Ms. Viera has concerns with the regulations from Washington

and being dependent on this. Attorney Quade explained that comments being heard and decisions have not been made. Larry Comer explained LID7b, which will include additional properties, but he was unsure of our exact number.

Mr. Raymond Stone also had a septic tank concern and asked why some properties are out of the LID. Mr. Comer explained the LID boundaries and the lots that have a zero assessment and why.

Mr. Matt Melton asked if he could bypass his septic tank. Mr. Comer stated that there may be alternatives that would need to be discussed at a later date.

Mr. Chet Walkowski stated that he was told that all property with sewer running by their property would be assessed. Mr. Comer explained that in 1976 some parcels were excluded.

Dee questioned if the water could be used on the golf courses. Ken Windram explained the costs to do this and that we will be looking into this further.

Mr. Rick Gunther discussed LID6 and stated that the bill for that construction had doubled by the time it was done. Mr. Gunther questioned how we would know the costs of LID7a. Mr. Comer explained that the cost numbers are estimates.

#### PUBLIC HEARING

At 8:32 p.m. Chairman Sewell opened the public hearing for receiving testimony on the proposed LID7a. Attorney Danielle Quade went through the agenda with the audience and explained that protests will be taken during the public hearing.

Ms. Dieon Masker voiced her protest to the LID and stated that she is on a fixed income.

Diane, St. James Ave. voiced her protest against the LID

Ms. Sue Baldwin questioned if there would be impact fees.

Mr. Dennis Kline voiced his protest to the LID.

Judy, 2596 E. Summit Dr. voiced her protest to the LID.

Mr. Joe Ward objected to this for the people who hadn't had a chance to review the information and asked the Board to extend the comment period.

Ms. Ann Wagstaff asked for more time to consider.

Mr. Peter Moore voiced his objection for the vacant lot cap fee on top of the \$4,000 assessment.

With no further testimony or protests, Chairman Sewell closed the public hearing at 8:52 p.m. Attorney Mike Schmidt read the names of all who submitted written testimony into the record.

At 9:00 p.m. Board member Weinstein moved to adjourn, seconded by Board member Walker. The motion carried.

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Dave Weinstein, SECRETARY

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Lynn Hagman, ADMINISTRATOR

