

**HAYDEN LAKE RECREATIONAL WATER AND SEWER DISTRICT
MINUTES OF REGULAR MEETING
JULY 27, 2016**

CALL TO ORDER

Chairwoman Stringer called the meeting to order at 4:00 p.m. Chairwoman Stringer gave the Oath of Office to newly appointed Bill Meany. Board members present at the meeting were Ed Burke, Ed Graves and Bill Meany. Superintendent Jacobson, Engineer Steve Cordes, Accountant Stephanie Sherman and Attorney Mike Schmidt were all present as representatives of the Board. Ken Windram from HARSB and Barb Neal were present as visitors. Administrator Lynn Hagman recorded the minutes of the meeting.

AGENDA/MINUTES

Board member Burke moved to approve the agenda, seconded by Board member Graves. The motion carried.

Board member Burke then moved to approve the minutes of July 13, 2016 as prepared. Board member Graves seconded the motion. The motion carried.

RELINQUISH OF ER

Barb Neal addressed the Board about an extra ER she has. Ms. Neal explained she had completed the covenant of consolidation in 2013. Attorney Schmidt explained the District policy regarding the relinquishment of an ER and recommended the Board agree to accept relinquishment due to Ms. Neal not being able to benefit from the extra ER.

Board member Burke moved to relinquish to the District one ER from Ms. Neal's property at 4686 E. Upper Hayden Lake Road. Board member Meany seconded the motion. The motion carried.

ATTORNEY

Attorney Schmidt informed the Board he no further discussion on the relinquishment of ER's. Chairwoman Stringer informed the Board she had started dialogue with Ken Windram at HARSB regarding the taking of the District's extra ER's.

Attorney Schmidt reviewed the amendment to the funding agreement with HARSB and informed the Board this amendment has already been adopted by HARSB. The amendment allows for paying small invoices related to the Blue Water Study up to \$50,000 without submitting the invoices to all parties for approval. Chairwoman explained the purpose of the amendment and it would be closely watched.

Board member Graves moved to adopt the amendment to the Funding Agreement. Board member Burke seconded the motion. The motion carried.

ENGINEER

Steve Cordes presented change order #3 and #4 for Thames Ct. and explained change order #3 was for the pavement patch that couldn't be done until now. Change order #4 is administrative.

Board member Graves moved to approve the change orders, seconded by Board member Burke. The motion carried.

ACCOUNTANT

Stephanie Sherman reviewed the financial report and invoices for payment. Ms. Sherman informed the Board the money received from the HARSB loan will go into the truck line item.

Ms. Sherman reviewed the tentative budget changes and scenarios for wages. Board member Graves requested more information on previous wages and employee evaluations.

Board member Burke moved to approve the tentative budget with the 10% increase and with the request of more wage information and the 3% tax increase for purposes of publication. Board member Graves seconded the motion. The motion carried.

Board member Graves moved to approve the financial report and the invoices for payment. Board member Meany seconded the motion. The motion carried.

Ms. Sherman discussed the 2015 audit and informed the Board it should be completed within 3 to 4 weeks. Ms. Sherman also informed the Board she was working long hours and to get the audit completed within the time the Board requested she would need to request the Board to hire a second person to help her during the audit time or replace her entirely. The Board expressed their desire to keep Ms. Sherman on and to extend the time for getting the audit completed from 4 weeks to 6 weeks. Chairwoman Stringer gave an August 31, 2016 deadline and Ms. Sherman felt this was a reasonable time frame.

SUPERINTENDENT REPORT

Superintendent Jacobson requested permission to meet with Steve Cordes and Attorney Schmidt regarding a subdivision policy. Board member Burke stated he has not seen the policy we have now. Mr. Jacobson replied we do not have a policy for subdivisions and he would like to have one done. Chairwoman Stringer suggested Mr. Jacobson do the research for the policy before meeting with the Engineer and Attorney.

Mr. Jacobson reported on Canterbury cove and informed the Board it was all done. The District did some small asphalt patches and the Canterbury HOA has requested the District to participate in doing an overlay. Mr. Jacobson felt the District did approximately 1/3 of the damage to the road and would cost approximately \$10,000.

Board member Graves moved to approve up to \$10,000 for the overlay at Canterbury Cove. Board member Burke seconded the motion. The motion carried.

Chairwoman Stringer asked Mr. Jacobson to share the information on the overlay and ask the HOA for a letter requesting the funds from the District. Attorney Schmidt informed the Board the HOA will get quotes and the District will then have an agreement with the HOA for the funds.

Next, Mr. Jacobson spoke about a back- up generator and informed the Board that HARSB has one. The Country Club lift station generator is also an extra one that could be converted to gas to use as the back-up generator but the District would then have to purchase a dump trailer to use it. The Board directed Mr. Jacobson to purchase the dump trailer and use the Country Club lift station generator as the back-up generator.

Next, Mr. Jacobson informed the Board he will start jetting lines on Upper Hayden Lake Rd. next month.

BOARD DISCUSSIONS/APPROVALS

The HARSB pay request was presented to the Board.

Board member Burke moved to approve the pay request, seconded by Board member Meany. The motion carried.

Next, the DEQ reimbursement request in the amount of \$4,644.59 was presented to the Board for approval.

Board member Burke moved to approve the DEQ reimbursement request, seconded by Board member Meany. The motion carried.

Administrator Hagman presented the delinquent O & M certification list to be certified to the County tax rolls.

Board member Burke moved to approve the certification list, seconded by Board member Graves. The motion carried.

The HARSB budget was reviewed and Chairwoman Stringer pointed out the changes.

Board member Burke moved to approve the HARSB budget for fiscal year 2016-2017. Board member Graves seconded the motion. The motion carried.

Chairwoman Stringer gave a HARSB report and informed the Board of the testing of the inflow and infiltration. Magnuson and McHugh will continue to be the HARSB auditing firm.

ADJOURN

With no further business before the Board, at 5:45 p.m. Chairwoman Stringer adjourned the meeting.

Carole Stringer, CHAIRWOMAN

Lynn Hagman, ADMINISTRATOR

