

**HAYDEN LAKE RECREATIONAL WATER AND SEWER DISTRICT
MINUTES OF REGULAR MEETING
NOVEMBER 30, 2009**

CALL TO ORDER

Chairman House called the regular meeting to order at 5:00 p.m. Board members present were Dave Weinstein, Tom DePew, Ken Sewell and George Anderl. Steve Cordes, Mike Schmidt, Ken Thompson and Dustin Jacobson were also present as representatives of the Board. District Administrator Lynn Hagman recorded the minutes of the meeting.

Mr. Bob Young was the only visitor present at the meeting.

AMENDED AGENDA

The agenda was amended and posted before the meeting to add a discussion of a meeting at the Iron Horse regarding wake boarding on Hayden Lake. Board member DePew moved to approve the amended agenda, seconded by Board member Anderl. The motion was carried.

Board member DePew then moved to approve the minutes of the November 12, 2009 regular meeting. Board member Sewell seconded the motion. The motion carried.

BOB YOUNG

Mr. Young addressed the Board to inform them of a mistake he felt had been that resulted in him being given the wrong diagram for the gravity to gravity raw system he was installing. Mr. Young stated that he had been given the diagram for an effluent system and that is what he installed. Board member DePew informed the Board that the front page of the permit states "gravity to gravity (raw)" and Mr. Young should have read this.

Mr. Young stated that he had to change out the pump and extra electrical work had to be done to bring the system into compliance. The total difference in cost is \$3,386.20. Mr. Young is requesting some reimbursement from the District on this. Board member Anderl felt that the District should pay the entire difference due to Mr. Young receiving the wrong packet. Board member DePew felt that Mr. Young should have read his permit and this would have given a red flag that the diagram packet did not match and therefore, the District should only pay one half of the \$3,386.20.

Attorney Mike Schmidt stated that if the contractor was in the industry then he may have caught the mistake. Contractors should be able to rely on District information given to them. Board member Weinstein questioned if these packets

were being re-done to prevent this mistake again. Dustin Jacobson replied that he and Larry Comer were working on new packets. Mr. Jacobson felt that the District is responsible for the difference. Board member Sewell felt the difference should be split. Board member Sewell made a motion for the District to pay \$1,675.00 to Mr. Young for the difference. Board member Weinstein questioned the cost of electrical and pump change out and recommended the Board pay \$1,900.00. Board member Sewell amended his motion to the \$1,900.00 and Board member Weinstein seconded the motion.

Board member Anderl disagreed with this and felt the District should pay all. Mr. Schmidt informed the Board that there should be a release of liability in exchange from the contractor to settle with that amount. Board member Sewell amended his motion again to include the release of liability from Mr. Young. Board member Weinstein seconded the amendment to the motion. A vote showed two for and two against this motion. Chairman House was the tie breaker with a vote of yes. The motion was carried and the District will reimburse Mr. Young \$1,900.00 when he signs the release of liability.

ACCOUNTANT REPORT

Ken Thompson reported on the financial condition of the District and reviewed the invoices for payment. Board member DePew moved to approve the financial report and the invoices for payment. Board member Weinstein seconded by motion. The motion carried.

Mr. Thompson discussed the LID #6 loan extension with the Board and informed them that the bank is asking for more information. The cash flow projection is done and the loan extension should be approved next week. At that time Mr. Thompson will start working on the long term financing.

Mr. Thompson then discussed the sewer rates and informed the Board that he and Larry Comer had met and reviewed the projections for the revenues and expenditures and recommended an \$11.00 per month increase in the sewer rates. Mr. Thompson suggested a newsletter be sent out regarding the rate increase in January with the increase to begin in March, 2010. Board member Anderl felt that the District should look at cutting costs in operations first. Board member Anderl felt that one meeting a month is sufficient and other expenditures by the District may not be warranted. Board member Anderl felt that the Board, at times, over step the boundaries given to the District by State law.

Chairman House strongly disagreed with Board member Anderl and stated that water quality is a part of the District's duties.

Mike Schmidt explained the duties of the District versus doing more without authorization to enforce. Board member Weinstein felt the newsletter should ask the rate payers if they want the Board to continue taking on water quality issues.

Board member Sewell agreed and Ken Thompson and Larry Comer will draft the newsletter for Board review.

ATTORNEY REPORT

Mr. Schmidt gave an update on the next Board election to take place in August, 2010. Those up for election need to pick up their petition to run in June. Lynn Hagman will have the petitions in the office.

Mr. Schmidt then informed the Board that the representatives on the HARSB Board do not need to be elected officials. The appointees from the District Board to the HARSB Board however, need clear direction from the District Board

Mr. Schmidt then spoke on the Spokane River clean up and stated that the Long Lake standards are different from the rest of Washington. The standards will hit three entities in Idaho. Mr. Schmidt stated that the State of Idaho decides how much phosphorus is put into the Spokane River. The document he has received and passed onto the Board is at the commenting stage. The arguments from Post Falls and HARSB Board are very good.

At 6:50 p.m. Board member Sewell dismissed himself from the meeting.

At 6:55 p.m. Board member Anderl moved to recess to executive session per ID Code 67-2345 (b) personnel. Board member DePew seconded the motion. A roll call vote showed; Board member Anderl, "aye", Board member Weinstein, "aye", Board member DePew, "aye". The motion carried.

Present in the executive session were Chairman House, Board members Sewell, Anderl, Weinstein and Attorney Mike Schmidt.

At 7:00 p.m. the Board reconvened to regular session.

Board member Weinstein to give the employees a \$250.00 Christmas bonus and to pay for their Christmas dinner. Board member Anderl seconded the motion. The motion was carried.

At 7:05 p.m. Board member Weinstein moved to adjourn, seconded by Board member DePew. The motion carried.

Kenneth Sewell, SECRETARY

Lynn M. Hagman, ADMINISTRATOR