

**HAYDEN LAKE RECREATIONAL WATER AND SEWER DISTRICT
MINUTES OF REGULAR MEETING
DECEMBER 23, 2009**

CALL TO ORDER

Chairman House called the meeting to order at 4:00 p.m. Board members present were Ken Sewell, George Anderl, Dave Weinstein and Tom DePew. Larry Comer, Ken Thompson, Dustin Jacobson and Paul Harrington from Lukins and Annis were also present as representatives of the Board. Mike Galante was present, representing the North Kootenai Water Dist. District Administrator Lynn Hagman recorded the minutes of the meeting.

AGENDA

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

MINUTES

The minutes of December 9, 2009 were reviewed and **Board member Anderl moved to approve the minutes as written. Board member DePew seconded the motion. The motion carried.**

M. GALANTE – N.K.W.D.

Mr. Galante addressed the Board with a summary of N.K.W.D. projects for the year 2010. Mr. Galante informed the Board that Avondale area water lines will be replaced as well as a portion of the Pt. Hayden area. Mr. Galante stated that he is working with Lakes Highway District on these projects and wanted to inform the Sewer District in case there was sewer work that needed to be done in these areas as well.

Mr. Galante informed the Board that there is a memo of understanding between Lakes Highway Dist. and N.K.W.D. because the Highway Dist. wants to resurface all of the Avondale Loop. Mr. Galante stated that they will go out for bid around the first of March, 2010. Drainage and storm water will be addressed by Lakes Highway Dist.

Mr. Galante informed the Board that the Sewer Dist. can participate if there are any sewer projects in the area. Mr. Galante informed the Board that there are SRF funds available through DEQ.

Larry Comer informed the Board that he and Dustin had met on this issue and reviewed the Sewer District Capital Improvement Plan. Mr. Comer informed the Board that the generator at the Avondale lift station needs to be put in place.

Mr. Comer also stated that if there are any small problems on the gravity side, they should be fixed while the road is out. Mr. Jacobson voiced his opinion on the lines in that area. Mr. Jacobson informed the Board that HARSB is having a southern Idaho company come up to camera lines as well as clean and jet them. Larry Comer recommended checking the lines in Avondale for possible problems so the District can work with N.K.W.D. and L.H.D. to fix them.

ACCOUNTANT REPORT

Ken Thompson reviewed the financial status of the District as well as the list of invoices for payment. Mr. Thompson commented on how the spending has decreased considerably. **Board member DePew moved to approve the financial report and the invoices for payment. Board member Anderl seconded the motion. The motion carried.**

Mr. Thompson presented Ordinance 09-02, a Resolution for LID #6, extending the maturity of the District's LID #6 Bond Anticipation Warrant with Idaho Independent Bank. **Board member Sewell moved to adopt Ordinance 09-02, seconded by Board member DePew. A roll call vote showed: Board members Weinstein, "aye", DePew, "aye", Sewell, "aye" and Anderl, "aye". The motion carried.**

Board member DePew then moved to adopt Ordinance 09-02 under suspension of the rules requiring the reading of the ordinance on three separate occasions. Board member Anderl seconded the motion. A roll call vote showed: Board members DePew, "aye", Sewell, "aye", Anderl, "aye" and Weinstein, "aye". The motion carried.

Board member DePew then moved to adopt Ordinance 09-02 as presented, seconded by Board member Sewell. The motion Carried.

ATTORNEY REPORT

Mr. Harrington presented a memo on municipal borrowing and informed the Board that the Board cannot put the District in debt. The example of "ordinary and necessary" language was explained. A discussion of a possible loan from HARSB was discussed and Chairman House stated that there are obvious complications with this and they will not pursue this avenue.

ENGINEER REPORT

Larry Comer presented pay request #5 from S.I. Construction. Mr. Comer informed the Board that this pay request brings this project to 100% completion. and the District will hold the \$15,000 retainage until the punch list is complete, which should be within the next 10 days.

Board member Sewell moved to approve the pay request, seconded by Board member DePew. The motion carried.

Mr. Comer then presented change order #4 from S.I. Construction. This change order is balancing to the pay request #5. **Board member Anderl moved to approve the change order, seconded by Board member Sewell. The motion carried.**

Mr. Comer informed the Board that he would have a close out schedule for the meeting on January 13, 2010.

Dustin Jacobson reported on the English Pt. lift station and questioned the need and cost for the bioxide. If it is needed, the set up will be paid for through the LID #6 and the continuation of the bioxide product will then become an expense of the District.

Larry Comer presented a draft of the news letter. Board member DePew wanted to add a comment about flushing baby wipes and other products into the system that can do harm. Ken Thompson spoke on the sewer rate analysis and feels the increase will need to be \$11.00 now with another \$5.00 in a year.

Board member Sewell requested the percentage of the rate increase be deleted from the news letter and have only the dollar amount. Board member Weinstein questioned if the Board would need to have a special meeting for the public hearing. Larry Comer stated that he could do a run through at the meeting on February 10th and hold the public hearing at a special meeting on February 16th 6:00 p.m.

Chairman House discussed the new regulations for the Spokane River and informed the Board of emails and a teleconference he had with the attorneys involved. An article in the Spokesman Review by Ms. Pasqual on this issue was discussed. Board member Weinstein felt Chairman House should reveal all information he had on this issue and Chairman House informed the Board that he would be attending an informational meeting and would report the information he receives to the Board.

HARSB

Chairman House informed the Board that the Chairman at HARSB will change in January. Chairman House requested Ken Windram be placed on the agenda for the January 13th meeting.

EXECUTIVE SESSION

At 5:50 p.m. Board member Sewell moved to recess to executive session per ID Code 67-2345 (f) litigation matter.

Board member DePew seconded the motion. A roll call vote showed; Board members Weinstein, “aye”, DePew, “aye”, Sewell, “aye” and Anderl, “aye”. The motion carried.

At 6:05 p.m. the Board reconvened to regular session.

Board member DePew moved to direct Lynn Hagman to record the answer to the small claim. Board member Weinstein seconded the motion. The motion carried.

ADJOURN

With no further business before the Board, at 6:10 p.m. Board member DePew moved to adjourn, seconded by Board member Weinstein. The motion carried.

Kenneth Sewell, SECRETARY

Lynn M. Hagman, ADMINISTRATOR