

**HAYDEN LAKE RECREATIONAL WATER AND SEWER DISTRICT  
MINUTES OF REGULAR MEETING  
APRIL 13, 2011**

CALL TO ORDER

Chairman Sewell called the regular meeting to order at 9:00 a.m. Board members present were Todd Walker, Dave Weinstein, Carole Stringer and Tom DePew. Administrator Lynn Hagman recorded the minutes of the meeting. Ken Windram was present as a visitor.

AGENDA AND MINUTES

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

**Following a review of the minutes of March 24, 2011 Board member Weinstein moved to approve the minutes, contingent upon a small amendment being made. Board member Stringer seconded the motion. The motion carried.**

KEN WINDRAM

Mr. Windram discussed the 719 ER's that are not being billed by the District. These ER's are on vacant lots and Mr. Windram feels that some people may not need this ER any longer. Mr. Windram suggested the Sewer District contact these people and offer to purchase their ER back for the price they paid for it. This would put more ER's in HARSB.

Board member Weinstein reminded Mr. Windram that the District may be looking at a future LID. These ER's would dilute the cost on this possible LID. This would be risky for the Board to do with depleting funds. Administrator Lynn Hagman reminded the Board that the District policy is that every lot have an ER attached to it. Board member Walker stated that he could see buying back ER's on consolidated lots that have no use for the ER any longer.

Board member Stringer questioned Mr. Windram as to where this idea came from. Mr. Windram stated that the District doesn't have everyone contributing to the HARSB costs. Administrator Hagman stated that if the Board were to change the District ER policy, this would mean that the Sewer District would be doing business just like the City of Hayden. ER's would be purchased at the time a building permit is issued. The Board was not in favor of this.

HARSB UPDATE

Board member Weinstein informed the Board that there had been two issues discussed at the HARSB meeting. One was land application and the other was purchasing more land. New modeling has been done by Dave Dilks and Paul Klatt from JUB Engineering for phosphorus and dissolved oxygen and biomass solids. This new model will be presented to the Washington State DEQ. This new model shows that it would help improve water quality.

FALLS AT HAYDEN RESPONSE

The Board discussed briefly the condition modification request by the Falls at Hayden and continued this matter to the next meeting.

## NEWS LETTER

The draft news -letter was discussed and Board members felt that the current letter did not have the latest amendments on it; therefore, this would also be continued to the next meeting. The date for the public hearing on the proposed rate increase was discussed and the Board felt that June 8, 2011 at 6:00 p.m. will give sufficient time to finalize the news-letter and publish notice in the paper.

## EXTRA MEETINGS

Chairman Sewell discussed the extra meetings that some Board member's attend such as the aquifer meeting and county meetings as needed and the HARSB meetings that he and Board member Weinstein attend. Board member Stringer thought that the policy was for individuals to use their own discretion on what meetings they should attend. Chairman Sewell explained the different meetings that were being attended previously and explained why he stopped attending the City of Hayden meetings. Board member Weinstein felt that the Chairman should be able to approve meetings that Board members want to attend.

Board member Stringer felt that there should be a report or minutes from the meetings that are attended. Board member Weinstein disagreed and felt no report is necessary. Board member DePew informed the Board that he had attended two extra meetings last quarter for CAMP (comprehensive aquifer management plan). Board member DePew discussed how these meetings benefit the Sewer District. Board member Stringer felt that if a third party, such as the Aquifer Board sends Board member DePew to a meeting, the Sewer District should not be charged for that.

Board member Weinstein felt that if the Board member is attending a meeting on behalf of the Sewer District, there should first be Board approval and a discussion at a prior District meeting if the Board member is expressing HLRWSD's stance on an issue. Board member Stringer stated that the Board member attending such meetings needs to clarify who they are representing.

Board member Walker informed the Board that he had attended a County Planning meeting regarding the 25' set back but did not charge the District for it. Board member Stringer insisted that if you go to a meeting and the District is paying for your attendance, then a report needs to be given on the meeting you attended. Board member Stringer felt that if a third party asks a Board member to attend a meeting, they should be able to attend, and then bring a report to the Board and the Board can make the decision if it is a paid meeting.

Administrator Lynn Hagman will draft a policy on meeting attendance.

## LATE COMER AGREEMENT

Chairman Sewell informed the Board that he had called Rick Gunther and expressed his disappointment that there was no presentation given at the meeting on March 23<sup>rd</sup>. A letter was received from Rimrock Sewer LLC with their recommendations for the late comer agreement.

Board member Stringer informed the Board that Attorney Mike Schmidt had responded via email to these recommendations. Board member Stringer read Attorney Schmidt's email to the Board. Attorney Schmidt's opinion was that he had no problem with the Board discounting the 1% administration fee if that is what they choose to do.

Board member Weinstein stated that late comer agreements are done and questioned if Attorney Schmidt's opinion was the right one. Board member Walker felt that discussing the discounting of the administration fee was alright but did not want a late comer agreement. Board member DePew agreed with Board member Walker as did Board member Stringer for all the reasons Attorney Schmidt stated in his response email.

Board member Weinstein stated he had mixed feelings and quoted the legal basis for late comer agreements in the state of Washington which was, if you provide excess capacity then there is a basis for a late comer agreement. Board member Weinstein reminded the Board that the consortium wanted to get the late comer agreement in place at the beginning of the LID when the market was good. Board member Weinstein stated that he is willing to discuss the late comer agreement to find out if it can be done and if it is fair.

Chairman Sewell informed the Board that he had a discussion with Larry Comer regarding the CAP fees and the amount the District retains. Chairman Sewell asked if the District could rebate a portion of the CAP fee to the consortium. Chairman Sewell understood Mr. Comer to say that this could be done. Board member DePew stated that the District paid for the over sizing of the pipe.

**Board member Walker made a motion that the Hayden Lake Recreational Water and Sewer does not at any time enter into a late comer agreement with Rimrock Sewer LLC. Board member Stringer seconded the motion. The motion carried three to one with Board member Weinstein being opposed, absent the Attorney and CPA advice that it is improper and/or illegal.**

**Board member Walker then moved to continue the discussion of the 1% administrative fee at a future meeting. Board member Weinstein seconded the motion. The motion carried.**

Board member Stringer felt that the Board's response to the consortium's letter should be given to them right away. A letter to Steve Meyer with the Board's decision was recommended and to encourage the consortium to attend the next Sewer District meeting on April 27, 2011. Board member Walker amended his motion to include the invitation to the next meeting. Board member Stringer seconded the amended motion. The motion was unanimously carried.

**At 11:05 a.m. Board member Stringer moved to adjourn, seconded by Board member Walker. The motion carried.**

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Dave Weinstein, SECRETARY

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Lynn M. Hagman, ADMINISTRATOR