

**HAYDEN LAKE RECREATIONAL WATER AND SEWER DISTRICT
MINUTES OF REGULAR MEETING
AUGUST 24, 2011**

CALL TO ORDER

Chairman Sewell called the meeting to order at 5:00 p.m. Present were Board members Weinstein, Walker, DePew and Stringer. Superintendent Jacobson, Ken Thompson, Larry Comer and Attorney Schmidt were present as representatives of the Board. Administrator Hagman recorded the minutes of the meeting.

AGENDA & MINUTES

Chairman Sewell requested the agenda be amended to add V.I. Capital/Pipe Dream and Kootenai County Focus Group and Community Development. The good faith reason for adding these items at this time is that Chairman Sewell was contacted today regarding these meetings.

Board member DePew moved to approve the agenda with the amendments, seconded by Board member Weinstein. The motion carried.

Board member DePew then moved to approve the minutes of July 27th, August 10th and August 17, 2011. Board member Walker seconded the motion. The motion carried.

At 5:10 p.m. Chairman Sewell re-opened the public hearing on the budget for FY 2011-2012. There were no citizens present for comment. Chairman Sewell questioned Mr. Thompson on the funds budgeted for wages and with Mr. Seward returning to his job soon, is there enough budgeted for him. Mr. Thompson replied that there is.

Board member Stringer suggested re-vamping the budget process next year and requested the Board have more input in the development of the budget. With no further comments, Chairman Sewell closed the public hearing at 5:15 p.m.

Chairman Sewell called the a motion to approve Ordinance 11-02, the annual appropriations ordinance for FY 2011-2012 by title only and to suspend the rule of reading on three separate occasions and to approve the first reading. **Board member Stringer made this motion, seconded by Board member Walker. A roll call vote showed; Board member Weinstein, "aye", Board member DePew, "aye", Board member Walker, "aye" and Board member Stringer, "aye". The motion carried unanimously.**

Administrator Lynn Hagman read Ordinance 11-02 by title. **Board member Stringer moved to adopt Ordinance 11-02 having passed its first reading by title only and be published in full. Board member DePew seconded the motion. A roll call vote was taken; Board member DePew, "aye", Board member Walker, "aye", Board member Stringer, "aye" and Board member Weinstein, "aye". The motion carried unanimously.**

FINANCIAL

Ken Thompson reviewed the financial report with the Board and pointed out the amount that had been certified to the County for the delinquent O & M and LID. LID 6 income was discussed and Mr. Thompson pointed out that the District has received more than budgeted.

Board member Stringer questioned the overage in legal fees. Attorney Schmidt explained. Mr. Thompson went on to review the invoices for payment. **Board member DePew moved to approve the financial and the invoices for payment. Board member Walker seconded the motion. The motion carried.**

ATTORNEY REPORT

Attorney Schmidt informed the Board that he and Nancy Stricklin had reviewed the legal services agreement and agreed on several things in it. Mrs. Stricklin is working on the new draft agreement to add the Districts concerns. Attorney Schmidt suggested someone involved in Regional Sewer Board matter and is a neutral party to review the agreement also. Chairman Sewell suggested Attorney Schmidt, John Cafferty, Nancy Stricklin and a friend of his who has knowledge of this type of agreement meet and discuss it.

Board member Weinstein questioned Attorney Schmidt on whether or not Mr. Cafferty would have someone to fill the role of legal counsel. Attorney Schmidt suggested a search be done for legal counsel who would be a neutral party to review the agreement. Administrator Hagman will forward a sample of a request for professional services to Ken Windram at the sewer plant.

ENGINEER REPORT

Larry Comer gave an update on the facilities plan and informed the Board that he had received data from the Sewer District staff. Mr. Comer went on to discuss the Sandy Cove lift station and informed the Board that it was built in 1986 and has recently had a failure. Superintendent Jacobson explained the failure and informed the Board that United Pump has placed a temporary fix to the problem. Mr. Jacobson explained that the Sandy Cove lift station is in need of major repairs.

Mr. Comer explained that this station is made of steel and could possibly be a pilot or a demonstration project for the other lift stations. Mr. Comer stated that a topographical survey would need to be done first and then the Board could discuss their options. Mr. Comer discussed three different options that the Board could look at when the survey is done. Board member DePew questioned how long the temporary fix will last. Mr. Jacobson replied that it could last 10 years; the leak is in the interior.

HARSB/HONEYSUCKLE BEACH PUMP OUT

Mr. Comer informed the Board that HARSB has a set fund that was at one time a fund to be used for fines and at this time there is approximately \$24,000 in the fund for use. A pump out station at Honeysuckle beach was discussed and Mr. Comer felt that some research should be done on this. The pump out station could possibly be hooked to the restrooms. Board member Weinstein and Mr. Jacobson were opposed to the pump out station. Board member DePew felt that Honeysuckle beach was a poor place to put it.

STRAHORN RD. OPTIONS

Mr. Comer informed the Board that the City Council did a walk through on Strahorn Rd. and is interested in doing improvements. Part of the facilities plan will help with the cost benefit to putting a sewer line down Strahorn Rd.

To keep the facilities plan moving forward, Mr. Comer would like to have a meeting and include Ken Windram from HARSB, a couple of District Board members, an Electrical Engineer and Mr.

Jacobson to discuss the lift stations and the SCADA system and technology. Board members Stringer and Weinstein volunteered to attend this meeting. The date was set for September 21st.

Mr. Jacobson discussed monthly reports from HARSB and the lack of them. Board member Stringer suggested a checklist for the HARSB staff to sign off on. This could be placed in the lift stations. Mr. Jacobson will work on a check list.

HARSB REPORT

Board member Weinstein reported that he had brought the District's budget concerns to the HARSB Board. The concerns submitted were re-painting of the clarifier, purchasing the camera and the SCADA system and where it will be charged from. Nancy Stricklin stated that it could not come from the depreciation fund. Mr. Windram is working on the clarifier issue to get the price down. It was suggested that a reserve fund be set up for the camera and purchase it in the next two years.

The Board voiced their concerns with the SCADA system and is not necessarily in favor of it. The HARSB tentative budget was approved for publication purposes. Board member Weinstein stated that the water rights issue may be resolved. Mr. Windram will be purchasing new air release valves at \$800.00 each.

HARSB BUDGET

In looking at the list from HARSB on radios to be placed at lift stations, Mr. Jacobson questioned which lift stations are listed for radios. Two of the lift stations have no use for a radio because they are not structured for a radio, the technology is not there. Mr. Jacobson felt that the District should be doing these upgrades. The Board discussed the re-painting of the clarifier and where this should be charged. Board member Weinstein felt that Mr. Windram would possibly pull back on the camera and the SCADA system will be taken out completely or at least scaled down dramatically.

V.I. CAPITAL

Chairman Sewell informed the Board of a meeting he had attended with V.I. Capital and asked Larry Comer to explain to the Board. Mr. Comer stated that this is a private investor group that would like to bring all wastewater up to the Palouse for irrigation. Mr. Comer stated that if the District could get out of the Spokane River this would be a good thing. The water would go to the tribes.

KOOTENAI COUNTY FOCUS GROUPS

Chairman Sewell reminded the Board of the first meeting he had attended with this group and stated that there will be a second meeting in two days and he would like to attend. Board member Stringer questioned if this would be compensated by the District and Chairman Sewell replied that it would. The Board approved the Chairman to attend.

EXECUTIVE SESSION

At 7:20 p.m. Board member Walker moved to recess to executive session per ID Code 67-2345 (1) (f), assisted living facility litigation. A roll call vote was taken; Board member Weinstein, “aye”, Board member DePew, “aye”, Board member Walker, “aye”, and Board member Stringer, “aye”. The motion carried.

Present in executive session were Chairman Sewell, all Board members, Attorney Mike Schmidt and Administrator Lynn Hagman.

At 7:30 p.m. the Board reconvened to regular session and Board member Weinstein moved to adjourn, seconded by Board member DePew. The motion carried.

Dave Weinstein, SECRETARY

Lynn M. Hagman, ADMINISTRATOR