

**HAYDEN LAKE RECREATIONAL WATER AND SEWER DISTRICT  
MINUTES OF REGULAR MEETNIG  
AUGUST 25, 2010**

CALL TO ORDER

Chairman Sewell called the meeting of the Hayden Lake Recreational Water and Sewer District to order at 5:00 p.m. Board members present were Carole Stringer, Todd Walker, Dave Weinstein and Tom DePew. Larry Comer, Attorney Mike Schmidt, District Superintendent Dustin Jacobson and Ken Thompson were also present as representatives of the Board. District Administrator Lynn Hagman recorded the minutes of the meeting. Visitor present was Ken Windram from HARSB.

AGENDA

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

Board member Weinstein, serving as District Secretary, gave the oath of office to Board member elect Todd Walker.

MINUTES

The minutes of July 28<sup>th</sup> and August 11, 2010 were reviewed and amendments were previously made by Board member Stringer. **Board member Weinstein moved to approve the minutes of July 28<sup>th</sup> and August 11, 2010, seconded by Board member DePew. The motion carried.**

Board member Weinstein explained that the meeting with the County Commissioners that he had previously been directed by the Board to attend, was not necessary. The Sewer District's letter previously sent to the Planning and Zoning Commission regarding changes to the planning and zoning regulations is on file. The Planning and Zoning Commission took the suggested changes to the regulations back, therefore, to date, it has not yet arrived at the County Commissioner level.

PUBLIC HEARING

Chairman Sewell opened the public hearing on the budget for FY 2010-2011 at 5:10 p.m. There were no citizens present to give testimony on the budget. At 5:15 p.m. Chairman Sewell closed the public hearing on the budget.

Ken Thompson explained that there will be another \$10,000 transferred from Reserve/Capital to Plant Operations. Mr. Thompson reviewed the budget with the Board, informing the Board that the property tax levy is \$50,000 this year.

Board member Walker questioned the fee line item and what it was for. Mr. Thompson explained that these are permit fees. Board member Walker then questioned the legal, engineering and administration costs and asked why they have gone up and down from past years. Mr. Thompson explained that these costs are deducted partly from general fund and partly from O & M. Attorney Schmidt added that the legal fees may have been higher due to litigation costs the District has had in the past. Board member Walker questioned the study line item and Mr. Thompson explained that all other expenses are budgeted for first and if there are funds left over, they are placed in the study line item for possible studies the District may want to do.

Board member Walker then went on to O & M CAP fees. Board member Walker questioned is we were close to what has been budgeted for CAP fees this year. The cost of a CAP fee was explained. Labor and benefits were questioned and the fact that Chris Seward is gone for one year. Mr. Thompson budgeted for two people in case the District decided to hire someone during Chris's absence.

**With no further discussion on the budget, Board member DePew moved to adopt Ordinance 10-01 by title only. Board member Walker seconded the motion. A roll call vote showed; Board member DePew, "aye", Board member Walker, "aye", Board member Stringer, "aye" and Board member Weinstein, "aye". The motion carried.**

District Administrator Lynn Hagman read Ordinance 10-01 by Title.

**Board member Weinstein moved to suspend the rule requiring the reading of the ordinance on three separate occasions. Board member Walker seconded the motion. A roll call vote showed; Board member Walker, "aye", Board member Stringer, "aye", Board member Weinstein, "aye" and Board member DePew, "aye". The motion carried.**

**Board member Stringer moved to adopt Ordinance 10-01 as presented, seconded by Board member Walker. The motion carried.**

#### ACCOUNTANT REPORT

Ken Thompson reviewed the financial report and the invoices for payment with the Board. Larry Comer asked for clarification on the funds that are put aside for the LID6 bonds. Mr. Thompson explained that the length of the bonds is fifteen years and once they are paid, these funds become the District's money to do with as they see fit. Attorney Mike Schmidt explained that this money is set aside in case there is a problem, the District can pay the debt service.

Board member Weinstein questioned the FDIC at the bank and if it was still \$250,000. Mr. Thompson replied that it was and explained that he moves money into the State Treasurers Pool when the bank account gets too high.

**Board member Weinstein moved to approve the financial report and the invoices for payment. Board member DePew seconded the motion. The motion carried.**

## ENGINEER REPORT

Larry Comer gave the Board an update on the Avondale Loop generator. The generator is on site, the pad has been poured and the grading is complete. The electrical panel is set. Dustin Jacobson reported that he expecting more control parts to finish the panel and it should be complete by the end of the month.

Larry Comer then presented a pay request from H2O Well Service on the Avondale Loop generator project in the amount of \$7,355.19. Mr. Comer informed the Board that they are at 20% of the contract and recommended the Board approve the pay request. **Board member DePew moved to approve the pay request from H2O Well Service in the amount of \$7,355.19. Board member Weinstein seconded the motion. The motion carried.**

The electrical controls at the English Pt. lift station were discussed. Mr. Comer informed the Board that the lift station is not on line; however, the generator is working. Dustin Jacobson stated that he is waiting for the Falls at Hayden to get their work done.

The punch list for the Lancaster sewer cleanouts was discussed. There are outstanding problems on the list and the contractors should be done by the end of September.

Neilson Ventures LLC – Larry Comer asked the Board for direction on commenting to the County on this family development that was previously submitted by Sandy Young. The property is outside the sewer service area. Board member Weinstein felt that this is beyond the scope of the Sewer District and the District should not respond. The Board agreed and there will be no response to the County.

## SUPERINTENDENT REPORT

Dustin Jacobson informed the Board that he has made a punch list for the Falls at Hayden development. There are eight items that need to be fixed and the contractor is working on it. The lift station at this development is not on line yet. Larry Comer stated that the District has protocol on handing over the sewer system for the Falls at Hayden. There will be a takeover agreement with a warranty included. Attorney Mike Schmidt stated that fees for legal, engineering and administration need to be considered. The cost reimbursement agreement would be used in this case. Attorney Schmidt stated that no sewer permits should be issued until the takeover is complete.

Mr. Jacobson informed the Board that the Fox Hollow developers are requesting a will serve letter from the District. The District wrote a will serve letter in 2007 but the preliminary plat time frame ran out and the developer, Rick Gunther, has had to start the process over again. Mr. Gunther would like an update to the previous letter he received from the District in 2007. The Board approved Mr. Jacobson to update the letter.

## EMPLOYEE CONTRACT

The Board was previously given a list of changes in the contract made by Board member DePew, Dustin Jacobson and Administrator Lynn Hagman. Board member DePew explained the change in the contract regarding incidental vacation time. Incidental vacation time would be any time off without the two week notice. Attorney Schmidt will add the language for this change. Other changes made were to update vacation time accrued, sick leave, medical insurance amounts and dates. Board member Stringer had previously emailed a list of comments, questions and suggested changes to the Board.

Attorney Mike Schmidt stated that he was comfortable with the language in the contract. Attorney Schmidt explained that with respect to contracts; when you get more specific with the language it may be more cumbersome. Using such words as “reasonable notice” allows the Board to work with the employee.

Attorney Schmidt reviewed Board member Stinger’s edits with the Board and suggested the word overview be replaced with oversight. The next suggested change by Board member Stringer was verbal versus written reports by the Superintendent. The Board felt the verbal report was appropriate at the Board meetings. Dustin explained that he is in contact with Board member DePew on his daily activities and written reports are given on bigger issues.

The next concern on Board member Stringer’s list was the chain of command and being consistent with who the Superintendent should be reporting to. Attorney Schmidt explained that Board member DePew is over the employees and therefore, he would be the designated Board referred to in the contract. Board member informed Board member Stringer that at times, this is a hands on job and he has been happy with Dustin’s performance and doesn’t feel the Board needs term limits on the Board member in charge of the employees. Attorney Schmidt felt that administratively, the supervision in place for approving expenditure by the Superintendent is appropriate.

Board member Weinstein voiced his concern with the language “chain of command” and felt that the protocol for who Dustin reports to is working. Board member Weinstein is in favor of leaving the contract as is. Board member DePew agreed.

Attorney Schmidt asked for direction from the Board on working on a more specific clarification of who the Superintendent will be answering to and being consistent with this. Board members directed Attorney Schmidt to review the wording in the contract and use consistent language.

Board member Weinstein questioned the amount of sick leave that is allowed to accumulate. At this time the cut off for sick leave to be carried over to the next year is 480 hours. Board member Weinstein would like to have hours added to this since Dustin has already accumulated over 500.

**Board member Weinstein moved to raise the sick leave hours allowed to be carried over 700. Board member Stringer seconded the motion. The motion carried.**

Board Reports have been continued to the next meeting.

#### EXECUTIVE SESSION

**At 6:50 p.m. Board member Weinstein moved to recess to executive session per ID Code 67-2345 (f) and (b) for the discussion of legal and personnel issues. A roll call vote showed; Board member Walker, “aye”, Board member Stringer, “aye”, Board member Weinstein, “aye” and Board member DePew, “aye”. The motion carried.**

Present in executive session were Chairman Sewell, Board members DePew, Weinstein, Stringer and Walker, Attorney Mike Schmidt, Larry Comer, Superintendent Dustin Jacobson, Ken Windram from HARSB and Administrator Lynn Hagman.

An update from Mr. Windram on HARSB on legal matters, assisted living homes and personnel matters were discussed in executive session.

Mr. Windram excused himself following his update to the Board on HARSB legal matters. The Board went on with their discussion of the assisted living homes. Following the assisted living homes issues, Larry Comer, Dustin Jacobson and Lynn Hagman were excused from the personnel discussion and from the meeting.

At 8:13 p.m. the Board reconvened to regular session.

Board member Weinstein moved to approve a 3% salary increase for Dustin Jacobson, Laurie Robb and Lynn Hagman. Board member Walker seconded the motion. The motion carried.

#### ADJOURN

**At 8:19 p.m. Board member Weinstein 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

