

**HAYDEN LAKE RECREATIONAL WATER AND SEWER DISTRICT  
MINUTES OF REGULAR MEETING  
DECEMBER 28, 2011**

CALL TO ORDER

Chairman Sewell called the regular meeting to order at 5:00 p.m. Board members present were Dave Weinstein, Tom DePew, Todd Walker and Carole Stringer. District Superintendent, Dustin Jacobson, Larry Comer, Attorney Mike Schmidt and Ken Thompson were present as representatives of the Board. Administrator Lynn Hagman recorded the minutes of the meeting. Visitors present were Denise Quade, Richard Smith, Rose Smith, Sharon Stolebarger and Lindsey Simon from Lukins and Annis.

AGENDA

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

CAP FEES DUE THE DISTRICT

Mrs. Stolebarger addressed the Board on the de-consolidation of lots 124A and 125A. Mrs. Stolebarger explained that she and her husband purchased the lots at the time they were still consolidated. In 2006/07 they petitioned the county to de-consolidate them. In 2007 the Sewer District sent a letter to the Stolebarger's informing them of the cap fee now owing on the newly created lot. The District received no response to the letter. The amount for a cap fee in 2007 was \$9,000 and Mrs. Stolebarger explained that they thought they would have to pay the fee at the time they build on the lot.

Attorney Schmidt explained that the cost of an ER is now \$10,500 and reflects the amount to buy into the system. Attorney Schmidt explained that when the de-consolidation occurred, the new lot needed to purchase an ER at the current rate. This is the District policy. Attorney Schmidt explained that both lots in in noncompliance.

Mrs. Stolebarger requested the District accept the \$9,000 cap fee that was due when the lots were split. She suggested this would be paid in full by credit card or other means.

Board member Walker informed Mrs. Stolebarger how several people consolidated their lots at the time of the LID so they would only have to pay one assessment. As time went on, the cap fees have increased along with the cost at the plant. Chairman Sewell informed Mrs. Stolebarger that the Board will take her comments under advisement and will discuss this further at the next regular meeting.

MINUTES

**Board member DePew moved to approve the minutes of the December 14, 2011 meeting. Board member Walker seconded the motion. The motion carried.**

## DEQ FUNDING

Larry Comer discussed the letter of intent for the DEQ funding. Mr. Comer informed the Board that the letter is ready. The District has received support letters from City of Hayden Lake, Panhandle Health District, the County and the City of Hayden. Mr. Comer explained that there would be three phases over a nine year period. Mr. Comer discussed the allocation options for the District. The total share for the District will be approximately 14 million and the District will probably use an LID. Mr. Comer discussed the treatment facility upgrade costs and the non-capacity cost allocation options.

Ms. Quade explained that an LID cannot be phased like a revenue bond. Ms. Quade suggested the District do their entire portion up front in phase one and then work with the City of Hayden on phase two and three.

The District would ask for 5.28 million for the collection system and 8.88 million for the treatment plant for all phases. Board member Walker felt that it is important for the 8.88 million to be in the LID and the 5.28 million we could get from another source, possibly USDA rural development.

Ms. Quade stated the District could form the LID one time but open the assessments twice. An LID can have two or three parts to it and spread it out over the nine years.

Larry Comer discussed the options and the District portion of phase one for the plant upgrades would be 30%, about 3.18 million. Our capital improvement plan portion is 5.28 million. The proposed LID would be for 14 million, 8.88 million from DEQ for the plant upgrades and possibly 5.2 million from USDA for the CIP.

Board member Stringer felt that the 8.88 million is a must for the plant upgrades and maybe ask for one half the 5.2 million for the CIP from DEQ only. Board member Weinstein voiced his concern with the number being too large and DEQ possibly saying all or nothing. Board member Walker stated that he would be alright with asking for the 14 million. Ms. Quade stated that she would feel more comfortable with asking for the 8 to 10 million dollar range.

District Superintendent Dustin Jacobson questioned phasing the CIP and prioritizes for funding being asked for. Mr. Comer suggested a special HARSB meeting on January 4, 2012 to discuss this further with the HARSB Board.

**Board member Walker moved to submit 8.88 million for the plant upgrades and 1.5 million of the CAP for a total amount of 10.5 million from DEQ and authorizing Chairman Sewell to approve the final figures subject to the CIP amount. Board member Weinstein seconded the motion. The motion carried.**

Chairman Sewell will call a special HARSB meeting for Wednesday, January 4, 2012.

## FINANCAIL REPORT

Ken Thompson gave the financial report and discussed the invoices for payment. Board member Walker moved to approve the financial report and the invoices, seconded by Board member Weinstein. The motion carried. Mr. Thompson handed out the audit for 2009 for the Board's review. Approval will be placed on the next agenda.

## ATTORNEY

Attorney Mike Schmidt presented a copy of the existing joint powers agreement and changes Nancy Stricklin has proposed. Attorney Schmidt informed the Board that they will receive emailed copies that track the changes made by Mrs. Stricklin and by him. Attorney Schmidt discussed his changes with the Board briefly.

## HARSB REPORT

Board member Weinstein informed the Board that Mr. Ken Windram has been attending several meetings that have to do with the plant recently. At the HARSB meeting Mr. Windram spoke about the Woodland Water project and there is a study being done on sending the treated water out from the plant to a place where it will be used to irrigate. The study will include Post Falls, Rathdrum and HARSB.

HARSB has purchased 2 of the robots called BART. Board member Stringer questioned if HARSB could rent out the robot and if so, would HARSB personnel go with it. Board member Weinstein replied that if the robot is to be used for someone else's line's other than ours or Hayden's then a person from HARSB who knows how to run it would accompany it.

## EXECUTIVE SESSION

**At 6:35 p.m. Board member Stringer moved to recess to executive session per ID Code 67-2345 (1) (f), assisted living facilities litigation update. Board member DePew seconded the motion. 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.**

Present in executive session were Chairman Sewell, Board members Weinstein, DePew, Walker and Stringer, Attorney Mike Schmidt and Administrator Lynn Hagman.

At 7:35 p.m. the Board reconvened to regular session.

## ADJOURN

**With no further business before the Board, at 7:35 p.m. Board member Weinstein moved to adjourn, seconded by Board member Stringer. The motion carried.**

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Dave Weinstein, SECRETARY

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Lynn M. Hagman, ADMINISTRATOR

