

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

CALL TO ORDER

At 9:00 a.m. Chairman Sewell called the regular meeting of the Hayden Lake Recreational Water and Sewer District to order. Present were Board members Todd Walker, Carole Stringer, Dave Weinstein and Tom DePew. Also present as representatives of the Board were Larry Comer and Superintendent Dustin Jacobson. Administrator Lynn Hagman recorded the minutes of the meeting. Shirley Carter and Stephanie Oliver from HARSB were present as visitors.

AGENDA AND MINUTES

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

Board member DePew then moved to approve the minutes of June 22, 2011, seconded by Board member Walker. The motion carried.

HARSB BUDGET

Stephanie Oliver from HARSB reviewed the upcoming HARSB budget for FY 2011-2012 with the Board. Ms. Oliver stated that the bio-solids had been lowered and there is a large difference in the depreciation fund. The depreciation funding is less than 50% at this time.

Larry Comer questioned the repainting of the clarifier and how they came to this estimate. Mr. Comer also questioned why there wasn't a reserve account for replacing vehicles and equipment. These are items that should be saved for over a number of years rather than appearing in a budget as a new purchase.

Ms. Oliver will look into the joint powers agreement regarding reserve funds and the budgeting of them. Ms. Oliver also informed the Board that there is no carryover in the budget. At the end of the year, all excess funds are returned to the entities. Mr. Comer felt that the peeling paint on the clarifier needs to be addressed. Board member Stringer questioned how the estimate for the repainting was arrived at. Ms. Carter from HARSB stated that Ken Windram got one quote for this and used it in the budget.

Mr. Comer questioned the legal fees and asked if this was for the consultant from Boise. Ms. Carter felt that it was and stated that the legal fees shouldn't be as high as last year. Chairman Sewell questioned why the maintenance on the clarifier couldn't come from depreciation funds. Ms. Oliver replied that this is considered operations and maintenance and not replacement. With no further questions regarding the HARSB budget, Ms. Oliver and Ms. Carter left the meeting.

RESOLUTION 2011-01

Resolution 2011-01, a resolution for altering the operation and maintenance fees of the Hayden Lake Recreational Water and Sewer District, was read by Administrator Hagman. **Board member Stringer moved to approve the resolution, seconded by Board member DePew. A roll call vote was duly taken; Board member Weinstein, “no”, Board member DePew, “aye”, Board member Walker, “aye” and Board member Stringer, “aye”. The motion carried 3 to 1.**

CERTIFICATION TO TAX ROLLS

The list of delinquent LID and O & M payments was submitted to the Board. **Board member Stringer moved to direct the Administrator to send the certification list to the County. Board member Walker seconded the motion. The motion carried.** Board member Stringer questioned the Administrator if the District had late fees for the O & M. Administrator Hagman replied that there were no late fees on the O & M, only on the annual LID payments. Board member Stringer would like this issue placed on the next workshop agenda for further discussion.

ENGINEER

Larry Comer presented the Waste Water Master Plan to the Board. Mr. Comer reviewed the existing layout of the plant with the Board and informed them that the next step is to go to tertiary treatment for TP removal and reuse at 2.4 mgd. There would also be new headworks and BNR to 2.4 mgd. The facility layout would expand to 3.2 mgd and on to 4.8 mgd.

Board member Stringer questioned if JUB Engineers could modify the graph to show what is driven by growth versus what is driven by capital improvement. Mr. Comer recommended the Board watch cost allocation and timing on the facility plan. A permit needs to be in hand before approving costs. Mr. Comer questioned the public communication with Post Falls and Coeur d' Alene on this issue. At some point, the costs are going to need to be discussed with the public.

BOARD DISCUSSIONS

Options A and B of the facilities plan were discussed briefly. These options were the Emergency Plan and the depreciation/capacity analysis. The option of capacity is about growth and Superintendent Dustin Jacobson addressed this with a discussion on sewer service north of Lancaster. Board member Stringer felt that the Board needed to look at the growth for economy of scale regarding rates.

Larry Comer discussed current capacity and then the build out, with assuming one residence per acre for density and the remaining capacity. Mr. Comer also discussed the option of partnering with the City of Hayden Lake to put a line down Strahorn Rd. and Miles Ave. to add to the sewer users.

Superintendent Dustin Jacobson asked the Board for direction regarding what he should tell people who ask about annexing into the District. Previous direction was that the District was not annexing any property. Mr. Jacobson would like to know if that has changed. Chairman Sewell recommended Mr. Jacobson tell anyone who asks this question to come to the Board and discuss it. The Board was in favor of Chairman Sewell's recommendation.

MEETING ATTENDANCE POLICY

Board member DePew asked that the name of the Aquifer District be corrected in the meeting attendance policy and then explained the different Aquifer meetings that he attends. Board member Stringer felt that the policy was not specific enough regarding the Aquifer meetings. Chairman Sewell informed the Board that he had read the Aquifer minutes submitted by Board member DePew and felt that they had nothing to do with the Sewer District and there was no reference of the Sewer District in the minutes. Board member Walker stated that Board member DePew is not only the liaison for the Sewer District, but a Board member of the Aquifer Protection District and has a vote there, which does have something to do with this District. Board member DePew explained who it is that he represents on the Aquifer Board and stated that the representation is for the sewer system, not the body.

Board member Stringer asked for clarification on what dictates a regular meeting for the Aquifer Protection District. Board member DePew stated that the meetings are not regular. There may be no meetings in one month and there may be two meetings in another month. It was suggested by Board member Weinstein to add a sentence at the end of the paragraph to read, "all other meetings will be approved by the Board". Board member DePew suggested the paragraph read, "attends all meetings and will be compensated by the District."

Board member Weinstein then discussed what goes on at a HARSB meeting. Board member Stringer questioned Chairman Sewell if it was mandatory that the Chairman be one of the members to sit on the HARSB Board. The Joint Powers Agreement only states that two Board members will sit on the HARSB Board. Chairman Sewell recommended this issue be continued to the next meeting and the Administrator make the suggested changes for review.

CELL PHONE

Chairman Sewell informed the Board that he had used his personal cell phone for District business while on vacation and wanted to rectify this by some kind of reimbursement policy. Board member Stringer suggested Chairman Sewell take Board member DePew's cell phone when leaving town as to not have to use his own for District business.

Superintendent Dustin Jacobson inquired who would be on call for him if the cell phone was out of town with the Chairman. Mr. Jacobson explained how Board member DePew's cell phone is used. It is never turned off, Board member DePew is on call for Mr. Jacobson in case of an emergency. Board member DePew is who Mr. Jacobson goes for daily decisions that go over a certain dollar amount.

Board member Stringer then suggested the Administrator purchase two pre-paid cards for Board members to check out and use while out of town so they won't be using their minutes on their personal phone. The Board agreed.

MEETING DECORUM

Board member Stringer voiced her concern with the conduct of a member of the audience who was invited to the meeting as a professional resource. This person's language and demeanor was in question. Chairman Sewell informed the Board that he had already spoke to this person regarding this incident.

PAYMENT OF CAP FEES – HAYDEN VIEW MANOR

Administrator Lynn Hagman informed the Board that Mr. Klika had contacted her and was interested in making payments on the CAP fees that are owed the District. The Board gave Administrator Hagman the direction to contact Attorney Schmidt to draft the needed documents and Chairman Sewell will have the authority to approve them.

ADJOURN

With no further business before the Board, at 11:40 a.m. Board member DePew moved to adjourn, seconded by Board member Walker. The motion carried.

Dave Weinstein, SECRETARY

Lynn M. Hagman, ADMINISTRATOR