

**HAYDEN LAKE RECREATIONAL WATER AND SEWER DISTRICT
MINUTES OF REGULAR MEETING
JULY 28, 2010**

CALL TO ORDER

Chairman House called the meeting to order at 4:00 p.m. Board members present were Dave Weinstein, Tom DePew, Ken Sewell and George Anderl. Mike Schmidt, Larry Comer, John Austin, and Dustin Jacobson were also present as representatives of the Board. Lynn Hagman recorded the minutes of the meeting.

Visitors present were Sandy Young, Darryl Harr, Ken Windram and Carole Stringer.

AGENDA

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

MINUTES

The minutes of June 23rd and July 8th were reviewed by the Board. Board member Sewell questioned the special meeting for the Avondale generator bids when Chairman House already had the Board's approval to sign the contract. Dustin Jacobson explained that the approval was contingent upon not going over the estimate that was given. The bid went over and therefore needed the Board approval again.

Mike Schmidt amended the minutes of June 23, 2010 by adding language to the citizen issues paragraph regarding John White and to the attorney report. **With that Board member DePew moved to approve the minutes of June 23rd and July 8th with amendments. Board member Sewell seconded the motion. The motion carried.**

SANDY YOUNG

Mrs. Young, representing Nielson Ventures LLC and Henry's Pt. Resort addressed the Board. Mrs. Young first discussed Nielson Ventures LLC and informed the Board that this is a 50 acre parcel owned by Nielson Ventures LLC and they are requesting the ability to build 50 homes in the future on this property. They now have a conservation easement near the water with a 100' buffer zone. The Nielson family members will be the only ones who will have the authority to build on this property.

Chairman House stated that the District has no approval authority. The District only looks at how the County enforces the storm water and erosion control ordinance. Board member Anderl felt that the Hayden Lake Storm water Association should be looking at this and also felt that the ground on this property is too steep for much building.

Mrs. Young stated that the property is heavily timbered and the 100' buffer will help with runoff. Board member DePew stated that the Panhandle Health District may approve the septic system but they never go back to check and see it is working properly. Chairman House felt that this may need some technical review from the District. Dustin Jacobson informed the Board that the County does not want input unless sewer is involved.

Mrs. Young informed the Board that she is representing Hemlock Hills, Mr. Cheeley is the owner. There are 34 lots and she is requesting 37 connections for this property. Preliminary plans were given to the Board for review. Mrs. Young stated that they are applying for two accesses to the property. Logging roads discussed and how they may appear to be major subdivision roads rather than a logging road.

Larry Comer suggested he and Dustin review the preliminary plat for sewer. Mike Paul will also meet with Dustin and Larry on this. Chairman House suggested to Mrs. Young that a logging engineer look at this project.

ACCOUNTANT REPORT

John Austin reviewed the financial report and the list of invoices for payment with the Board. **Board member Anderl moved to approve the financial report and the invoices for payment. Board member Sewell seconded the motion. The motion carried.**

Mr. Austin then reminded the Board that the public hearing on the budget will be held on August 25th. Mr. Austin went on to review the preliminary budget with the Board. Larry Comer suggested adding a line item in the general fund for HARSB legal expenses or to change plant operations to include HARSB legal and add \$60,000 to that line item. Mr. Austin informed the Board that a \$5.00 increase in O & M fees is already included in the budget. Board member Weinstein reminded the Board that the O & M was going to be reviewed again in February, 2011. **Board member Weinstein moved to approve the preliminary budget for 2010 – 2011. Board member Sewell seconded the motion. The motion carried.**

Chairman House briefly discussed the legal fees to date for HARSB legal expenses on the lawsuit. Board member Anderl stated that if we have to meet the new regulations at the plant then we should stop land applying and sell the property to upgrade the plant.

Chairman House signed the contract for the Avondale Loop generator with prior approval from the Board.

ENGINEER REPORT

Larry Comer gave a status report on the Avondale Loop generator project. Board member Anderl questioned if the electrical and engineering were included in the bid. Larry Comer replied that they were. Mr. Comer stated that North Kootenai Water District is there now and H2O Well Service will be moving in soon.

EXECUTIVE SESSION

At 5:35 p.m. Board member Weinstein moved to recess to executive session per ID Code 67-2345 (f). Board member Sewell seconded the motion. A roll call vote was taken: Board member Weinstein, “aye”, Board member DePew, “aye”, Board member Sewell, “aye” and Board ;member Anderl, “aye”. The motion carried.

Present in executive session were Chairman House and all Board members, Attorney Mike Schmidt and Lynn Hagman. Topic was pending litigation.

At 6:45 p.m. the Board reconvened to regular session. Board member Weinstein commended Mike Schmidt for his performance on the District’s legal issues.

ADJOURN

With no further business before the Board, at 6:50 p.m. Board member Anderl moved to adjourn, seconded by Board member Weinstein. The motion carried.

Kenneth Sewell, SECRETARY

Lynn M. Hagman, ADMINISTRATOR