

**HAYDEN LAKE RECREATIONAL WATER AND SEWER DISTRICT
MINUTES OF REGULAR MEETING
SEPTEMBER 25, 2013**

CALL TO ORDER

In the absence of Chairman Walker, Board member Burke called the meeting to order at 4:00 p.m. Board members present were Ed Short, Ed Graves and Carole Stringer. Attorney Schmidt, Superintendent Jacobson, Engineer Ashley Williams, Ken Thompson and Stephanie Sherman were present as representatives of the Board. Administrator Hagman recorded the minutes of the meeting.

AGENDA/MINUTES

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

Following review of the minutes of the September 11, 2013 meeting, Attorney Schmidt submitted his edits to the Administrator. **Board member Graves moved to approve the minutes as edited. Board member Stringer seconded the motion. The motion carried.**

ACCOUNTANT

Ken Thompson reviewed the financial report and the invoices for payment with the Board. Superintendent Jacobson informed the Board that his truck needs a new transmission and questioned where the funds would come from in the budget. Mr. Thompson explained that it would come from truck repairs. **Board member Stringer moved to approve the financial report and the invoices for payment. Board member Short seconded the motion. The motion carried.**

Mr. Thompson presented an outline of issues for inclusion in the RFP (request for proposal) and explained that the District's existing auditor cannot do the LID audit and at the same time the auditor would like the District to find a new auditor for the annual audit as well. Mr. Thompson discussed the contracting with a CPA to prepare the financial statements for the audit. The cost for this would be approximately \$2,500; however it may also reduce the annual audit cost to have accurate financial reports. Mr. Thompson asked that this issue be placed on the agenda for the meeting on October 23, 2013.

ENGINEER

Ashley Williams informed the Board that the bids for the Canterbury Cove project were opened today. Terra Underground was the lowest bid at \$48,794.50. Three quotes were requested and only two were received, Big Sky and Terra Underground. Ms. Williams explained that the easements were not included in the bid packet so there will need to be a change orders for the easement items. Board member Graves questioned the process for rejecting all bids and re-doing the request and will there be a charge to the District if this is done. Board member Graves suggested getting a pricing from both contractors as an addendum for the fence.

Superintendent Jacobson suggested the District pay for the temporary fence, bushes and trees out of the O & M fund to save money and have the contractor place them.
Board member Graves moved to approve the bid and design from Terra Underground, contingent upon DEQ approval and the granting of the easements, to also authorize Chairman Walker to sign the Letter Contract and Notice to Proceed.

Board member Stringer seconded the motion. The motion carried. Ms. Williams informed the Board that if we hit rock than this will be a change order in cost.

Ms. Williams informed the Board that the EID (environmental information document) documents will need to be amended for the Country Club project. Ms. Williams would like to do these documents before putting together a design contract due to different permits needed. Ms. Williams will bring back the documents to the Board for review.

Ms. Williams discussed eligible cost regarding LID 7A. Ms. Williams reviewed these costs with Ken Thompson and Administrator Hagman earlier regarding Board time and staff wages. The staff wages can be reimbursed but this entails detailed documentation. Anything associated in the field also can be reimbursed but with detailed documentation. Things that require detailed documentation could be looked at towards the end of the LID when we know how much money we have left. Board member Stringer felt that moving forward we should keep track of the LID 7A staff time and other outside costs that may occur in the field.

ATTORNEY

Attorney Schmidt discussed the three easements that are needed for the Canterbury Cove project. Mr. Schmutz has signed the easement and this one has been recorded. Attorney Schmidt reviewed Mr. Anhood's agreement which was previously approved and Dustin will work on getting Mr. Anhood's signature. Attorney Schmidt reviewed the terms of Ms. Dickenson's easement and agreement. **Board member Graves moved to approve the Ms. Dickenson's easement and agreement and to authorize Chairman Walker to sign. Board member Short seconded the motion. The motion carried.**

Attorney Schmidt discussed the 3-way lot split between Martinez Trust, DePasquale and Stackow. Attorney Schmidt recommended a letter be sent to the three property owners with a proposal that if all sign a consolidation covenant they would each receive 1/3 of the ER less \$300.00 each for the covenant and recording of it. The District will do an immediate refund but will not pay anything unless all three sign and return the consolidation covenant. **Board member Stringer moved to direct Administrator Hagman send the letter with attached consolidation covenant. Board member Graves seconded the motion. The motion carried.**

Attorney Schmidt informed the Board that there are title issues being worked on with the Johnson and Wise issue.

Mr. Doty has been sent a consolidation letter and consolidation covenant form and there has been no response yet.

Mr. George Anderl previously had raised questions about the number of ER's he had. Following further research it was found that the ER count was correct. Attorney Schmidt reviewed the research documents and recommended a letter be sent to Mr. Anderl explaining the ER count and request Mr. Anderl to consolidate the parcels to be able to get on the refund list for the extra ER.

Mr. Ackerman needs to send the District evidence that his ex-wife is no longer part owner of the parcel. Ms. Mann has completed her documentation for consolidation.

Attorney Schmidt then reviewed consolidations that are now complete. The guest house policy and the approach to adopting and drafting policies in general will be continued to the next meeting.

EXECUTIVE SESSION

At 5:15 p.m. Board member Stringer moved to recess to executive session per ID Code 67-2345 (1) (f) possible litigation. Board member Grave seconded the motion. A roll call vote was taken; Board member Short, “aye”, Board member Burke, “aye”, Board member Graves, “aye” and Board member Stringer, “aye”. The motion was unanimously carried.

Present in executive session were Board members Short, Burke, Graves, Stringer, Attorney Schmidt and Administrator Hagman.

At 5:45 p.m. the Board reconvened to regular session.

BOARD DISCUSSION

The request for payment in the amount of \$127,387.00 from HARSB for LID 7A was presented to the Board for approval. **Board member Short moved to approve the request, seconded by Board member Graves. The motion carried.** Attorney Schmidt reviewed how the payments are processed.

Board member Stringer informed the Board that the written HARSB report will be forwarded to them via email. Board member Stringer discussed a land purchase/exchange between HARSB and the City of Hayden. The purchase is part of the upgrades at the plant and was already approved by the Board, however the process is being amended and Board member Stringer wanted to make the District Board aware of this. HARSB may do a land swap instead of a purchase if appropriate land is found. Board member Stringer requested the Board to authorize the pending agreement between the City and HARSB. **Board member Stringer moved to endorse the land swap between the City and HARSB in lieu of payment to the City of Hayden for property, HARSB may purchase another parcel and give it to the City. Board member Graves seconded the motion. The motion carried.**

Board member Burke discussed the Administrator's wages and the informed the Board that he had discussed this with Chairman Walker. The Administrator has, over the last 4 months, put in disproportionate hours for the District and Chairman Walker felt the City should be reimbursed for the extra time. Administrator Hagman figured the amount to be approximately \$2,000. **Board member Stringer moved to make a one-time payment to the City of Hayden Lake for extra wages in the amount of \$2,000. Board member Graves seconded the motion. The motion carried.**

The service agreement between the City of Hayden Lake and the District was discussed and the previous edits the Board agreed to. Attorney Schmidt will edit the agreement and return it to the City Attorney.

ADJOURN

With no further business before the Board, at 6:05 p.m. Board member Graves moved to adjourn, seconded by Board member Stringer. The motion carried.

Todd Walker, CHAIRMAN

Lynn Hagman, ADMINISTRATOR

