

REGULAR MEETING AND EXECUTIVE SESSION MINUTES

Southside Water and Sewer District
P.O. Box D, Sandpoint, Idaho 83864
December 15, 2021

Call to Order and roll call: Chairman Jack Howard opened the meeting at the District Maintenance Shop at 2:00 pm and a roll call confirmed that Kass Larson, Jim Haynes, Brett Babcock and Doug Bopp were also present.

Others: Treasurers Julia MacDonald and John Austin, Operator Brad White and Engineer Kyle Meschko. Guests were Scott Bortz, Chris Neu, Mark Linscott, Matt Linscott, Dave Larson and Brent Sleep. Susan Weeks and Joe Huston joined the meeting at 2:15 pm.

Approval of the Agenda:

Next, Mr. Larson made a motion, seconded by Mr. Haynes to approve the agenda and it passed unanimously.

Public Comments:

Next, the Board heard from the Linscott's on the timeline for acquiring their property for reclaimed water storage. Chairman Howard stated the District needs to finance the property and there are several options, including leasing the property with an option to buy, or for a revenue bond voted on by members or a Local Improvement District (LID). He said the lease option is the simplest method. Mr. Austin noted a lease option with a third party would work as long as the District has the revenue to cover the lease. Then the Board can proceed with the project with approval from the Department of Environmental Quality on the water facility plan.

New Business:

Emergency Moratorium Hearing: The Board heard from Mr. Meschko and Ms. Weeks on the issues on why the water moratorium is pending, in this instance the District inability to serve residents if the largest water source is offline. She said the Board could pass an ordinance on the reasons for the moratorium and publish a notice to the public as to the reasons for it. She said there are temporary moratoriums and permanent moratoriums, typically defined based on the funding issues for providing capacity. She also recommended having a discussion with the Department of Environmental Quality about any exemptions to a moratorium. Mr. Sleep asked if a developer can provide a water source and get a break on their water bill and she said that could be negotiated via a Participation Agreement. She said she'd provide sample moratorium ordinances. A question arose based on sewer capacity and Chairman Howard said there are 60 hookups available for sewer. Another question was on the ability to buy back outstanding hookups and Ms. Weeks said that is a possibility.

WSM Contract: The Board discussed that Jason Barnhart had passed his tests for backup sewer operations so the WSM contract can be terminated. Mr. Haynes made a motion, seconded by Mr. Larson to terminate the WSM contract.

Sick Leave Use for paternity leave: The Board discussed the issue with Mr. Barnhart and pending fatherhood. Mr. Bopp made a motion, seconded by Mr. Larson to approve the change to the policy to include maternity/paternity in the sick leave use.

Property Discussion (Linscott): The purchase price of \$750,000 could be amortized via a lease option, per Mr. Austin. The payment would be around \$10/month per user.

IDEQ Letter of Interest: Mr. Meschko discussed having a letter for funding, which was approved via a motion by Mr. Larson and second by Mr. Larson.

LID Process Discussion: The Board discussed the process and better viability for the water system than the sewer system and to discuss this as another option for funding.

Construction Improvement Agreement Adoption: The Board discussed the agreement and issues that Mr. Larson has addressed. The Board tabled the issue until the next meeting.

Ratify – Water Rate Study Engagement: The Board approved the agreement with Keller Engineers for \$8,500, which was approved following a motion by Mr. Larson and second by Mr. Haynes.

Old Business:

Glenn Harvey – ERU Determination: The Board discussed a small change but the parties are in agreement on the determination.

Wrangler Road Public Right of Way: Ms. Weeks stated she's researched the issue with Bonner County and the road does not exist as a public road. She will get a letter to the parties on the issue.

Jochum Sewer Relocation: The Board heard from Mr. Sleep and will work with Mr. Meschko on the issue.

Consent Agenda: Mr. Larson made a motion, seconded by Mr. Babcock to approve the attached Consent Items and the motion passed unanimously:

**Treasurer's Report
Maintenance Report**

**Approval of Financials
Water Reclamation Report**

Minutes

Executive Session:

The Board entered executive session under IC 74-206(1)(f) at 4:05 pm, following a motion by Mr. Haynes and second by Mr. Bopp. A roll call confirmed all were in agreement. All staff were requested to attend.

The Board exited executive session at 5:10 pm following a motion by Mr. Haynes and second by Mr. Larson, and took no action.

Adjournment: A motion by Mr. Bopp and second by Mr. Larson was made to adjourn the regular meeting of the Board of Directors at 5:10 pm. Motion carried unanimously.

Respectfully Submitted and Approved:

Julia MacDonald, John Austin
Secretary/Treasurers

Jack Howard
Chairman of the Board