

REGULAR MEETING MINUTES OF THE BOARD OF DIRECTORS

Southside Water and Sewer District
P.O. Box D, Sandpoint, Idaho 83864
August 17, 2022

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 Jim Haynes, Doug Bopp, Brett Babcock and Kass Larson were also present.

Others: Treasurers Stephanie Mueller, Julia MacDonald and John Austin and Engineer Kyle Meschko were also present as were Operator Brad White and Jason Barnhart.

New Business:

Public Response to Rate Changes: Chairman Howard provided his presentation on discussion of the rate changes, including the issues he's hearing on the operation of the District.

Springy Point Campground ERU Calculation: Chairman Howard stated there were potentially 40,000 visitors so the impact on the sewer system is substantial, amounting to many more ERUs than they're being assessed. The \$479 per month should increase to \$1,700 per month based on the additional ERUs impacting the system. Mr. White and Mr. Bopp stated it is not good management to have a pump station at campgrounds, because of the treated waste. Mr. Meschko stated the usage could be metered, and they could be assessed a fee based on that.

Preliminary Budget Adoption and Setting of Public Hearing: Ms. MacDonald discussed the changes to the budget, including creating a Capital Fund separated from the Water and Sewer Funds. The Board then discussed the amount of the capital items to fund. Mr. Haynes then made a motion, seconded by Mr. Larson to adopt the preliminary operating budget with a 5% increase and ERU adjustment at the Springy Point Campground. The motion passed unanimously. Mr. Bopp then made a motion, seconded by Mr. Haynes to adopt the preliminary capital budget of \$261,159 for sewer and \$48,490 for water and set the public hearing for September 21, 2022.

Practical Accounting Solutions (PAS) Contract Extension and Renewal: Ms. Mueller stated there was a need for an increase in the contract, based on an analysis of the costs to provide the services. Chairman Howard asked about the timing of the request and she said she's just completed the analysis. She said the other option is to cap the number of hours to the amount of the contract. The contract calls for 20 hours per week for Ms. MacDonald, who stated she estimates her time to break down the nine items she spends her time on. Mr. Larson made a motion, seconded by Mr. Babcock to table the Renewal until an executive session at the September meeting. Motion passed unanimously. Mr. Babcock made a motion to increase the current PAS contract through the fiscal year, not to exceed \$10,000. The motion was seconded by Mr. Haynes and it passed unanimously.

Request for AIC Partial Reimbursement: Ms. MacDonald attended the training and PAS is requesting a reimbursement of half the costs, \$526.88. Chairman Howard stated he wasn't aware of the training and subsequent expenditure. Ms. Mueller stated she didn't realize this the first time the Board knew of the training, and this request. Mr. Bopp made a motion to reimburse the expenditure. It was seconded by Mr. Larson. The motion passed 2-1, with Mr. Bopp and Mr. Larson voting aye and Mr. Haynes voted nay. Mr. Babcock abstained from the vote.

Mudslide Emergency Repair: Mr. Meschko discussed the issue of a Preliminary Engineering Report required by the Department of Environmental Quality (DEQ). This would delay the project for many months. Mr. Haynes recommended a motion to approve Option #3 for a lift station. Mr. White recommended Option #1, funded from a \$200,000 emergency appropriation from the State, to move the line and support it on the hillside. Mr. Haynes made a motion, seconded by Mr. Bopp to ratify an amendment to the engineering contract with Keller Engineers. It passed unanimously. Mr. Babcock made a motion to accept the \$200,000 from DEQ. It was seconded by Mr. Larson and passed unanimously. The Board then authorized staff to gather additional information for a special call meeting.

Reuse Permit Submittal: The Board authorized continuing the submittal on the permit to DEQ.

Water Reservoir Mitigation Funding: Chairman Howard submitted the project to the State for a new reservoir, to reduce the effects of wildfire, severe storm and flood. Mr. Bopp made a motion to approve the submittal and it was seconded by Mr. Haynes. The motion passed unanimously.

Financing 2nd Phase of District: Chairman Howard stated he'd heard from Wally Jacobson at the Panhandle Area Council to fund the Linscott property lease/purchase. The rest of the \$5 million to \$7 million in funding can come from a Local Improvement District on vacant lots in the District that would benefit from the expansion. Mr. Meschko said there will additional funding sources and recommended another ARPA request this fall. Mr. Haynes and Mr. Larson will investigate the issue further.

521 Lakeshore Discovery: Ms. MacDonald noted there's two houses on separate lots but no hookup fee has been paid on one of the houses. Mr. Haynes stated the District can go back three years on the account. After discussion, the Board directed staff to collect the current hookup fee and go back 3 years on the O and M costs.

Open Meeting Law Review: The issue was tabled until the next meeting.

New Building Permit Review: The Board reviewed two permits as informational items.

Old Business:

Ordinance updates and additions for Non-Conforming Use: The issue was tabled to the next meeting.

Protocol for Disposal of Windfall: The issue was tabled until the next meeting.

Consent Agenda:

Mr. Haynes then made a motion, seconded by Mr. Larson to approve the attached Consent Items and the motion passed.

Treasurer's Report
Maintenance Report
Approval of Financials
Engineer's Report
Water Reclamation Report

Adjournment: A motion by Mr. Bopp and second by Mr. Babcock was made to adjourn the regular meeting of the Board of Directors at 4:50 pm. Motion carried unanimously.

Respectfully Submitted and Approved:

Stephanie Mueller, Julia MacDonald, John Austin
Secretary/Treasurers

Jack Howard
Chairman of the Board