

SPECIAL MEETING MINUTES OF THE BOARD OF DIRECTORS

Southside Water and Sewer District
P.O. Box D, Sandpoint, Idaho 83864
August 31, 2022

Call to Order and roll call: Chairman Jack Howard opened the meeting at the District Maintenance Shop at 4:55 pm and a roll call confirmed that Jim Haynes, Brett Babcock and Kass Larson were also present.

Others: Treasurers Stephanie Mueller and Julia MacDonald were also present as was Operator Brad White in person and Engineer Kyle Meschko by phone at 5:00 p.m.

New Business:

Discussion on property tax assessment: Board discussed whether \$60,000 in property tax assessment is a sufficient amount and tabled the item to later in the meeting to move to the old business mudslide item when receiving a call from the engineer.

Old Business:

Decide course of action on mudslide repair: Board is considering Option C for a prefab lift station with rider option for directional drilling under the hill to connect to the Hawkins lift station. Boring would be very close to the location of the present temporary pipe. The bored pipe is a special type of pipe made to deal with excessive settling and would be welded in place and it offers a fast installation. Any plan would need to be approved by Keller and Associates and DEQ. Mr. Meschko shared that a previously consulted contractor, Thorco, expressed reservations about the angle of the drilling for the pipe and that DEQ may be reluctant on directional boring for gravity sewer lines. He feels good that the contractor was actually on site for their bid whereas Thorco was not. The District should be drilling about four feet deeper than current location. Mr. Meschko also suggested legal counsel issue a liability waiver to the landowner.

Chairman Howard will contact the landowner to see if there is any pertinent construction history in the surrounding territory that could impact directional billing.

Mr. Larson made a motion for Option C with the intent to use the rider to attempt directional drilling upon DEQ approval, but if there are concerns then reverting to Option C as originally presented. Mr. Babcock seconded, and the motion carried unanimously.

New Business:

Decision on property tax assessment: Mr. Haynes discussed the figures used in the L-2 calculations and felt that an annual tax assessment of \$60,000 is low in comparison to Garfield Water District, Bottle Bay Water District, and the City of Dover. Basic math estimates of an impact of approximately \$175/year for the average property in the District. Mr. Babcock clarified that all properties will be assessed, not just those who are currently connected. Chairman Howard explained that all properties receive a benefit from the District correctly treating sewer, water quality, and also fire protection. Mr. Babcock is concerned that constituents who do not receive sewer service may not be happy to subsidize infrastructure if they feel no direct benefit from. The Board discussed a

potential Resolution to allocate the tax revenue between sewer and water on a basis to be determined.

Mr. Haynes moved to adopt a property tax assessment of \$125,000 for FY22-23, Mr. Larson, seconded the motion. Discussion on the total assessment ensued. Motion failed unanimously.

Mr. Larson moved to adopt a property tax assessment of \$125,000 and that tax proceeds get allocated to the sewer fund and water fund apportioned according to service categories between water and sewer. Mr. Haynes seconded the motion and it passed unanimously.

Old Business:

Adoption of the Preliminary Budget FY22-23, as modified: The Board directed staff to update the FY22-23 Budget to reflect the motion for the adoption of the \$125,000 annual property tax assessment that was just passed.

Mr. Haynes moved to publish the preliminary FY22-23 Budget for a Public Hearing of September 21, 2022, Mr. Larson seconded the motion and it passed unanimously.

New Business:

Set Public Hearing date to open FY21-22 Budget: Mr. Haynes moved to set the Public Hearing for opening the FY21-22 Budget for September 21, 2022 and for the notice to be published accordingly, then Mr. Babcock seconded the motion and it passed unanimously.

Executive Session: Idaho Code § 74-206 (a) Consider personnel matters
Chairman Howard moved to enter executive session at 6:05 pm with all Board members present in favor with Mr. Bopp not present. The board exited executive session at 6:09 pm.

Following Executive Session, Mr. Haynes made a motion to compensate Brad White for wages not provided by the State Insurance Fund while on temporary total disability for surgery due to the workplace injury on January 10, 2022. The motion was seconded by Mr. Larson and the motion passed unanimously.

Adjournment: A motion by Mr. Larson and second by Mr. Babock was made to adjourn the special meeting of the Board of Directors at 6:10 pm. Motion carried unanimously.

Respectfully Submitted and Approved:

Stephanie Mueller and Julia MacDonald
Secretary/Treasurers

Jack Howard
Chairman of the Board