

REGULAR MEETING MINUTES OF THE BOARD OF DIRECTORS

Southside Water and Sewer District
P.O. Box D, Sandpoint, Idaho 83864
January 18, 2023

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

Others: Treasurer Julia MacDonald and Operators Brad White and Jason Barnhart were present.

Guests: Eric Albright, Tom Bangle, Stanley Kwake

Approval of the Agenda: Next, Chairman Howard requested an amendment to the agenda to reflect the current date with the proper year of 2023 instead of 2022. Then Mr. Haynes made a motion, seconded by Mr. Larson to approve the agenda as amended and it passed unanimously.

Members of the Public:

Stanley Kwake request for water extention: Mr. Kwake stated that he is building a house outside of the district boundaries on Lakeshore Drive past Springy Point and is willing to pay for a fire hydrant and water line to his home if the district would allow. He stated that he has a septic system and doesn't need sewer service. Mr. White commented that the distance is around 4000 feet of line and he estimated to put in a line would be around \$100,000 for materials. Mr. Kwake thanked the Board for the information and exited the meeting.

Tom Bangle: Tom stated that he is finalizing the testing on the telemetry system and asked if the tank road was maintained and accessible and Brad said that is was. Next, Tom informed the Board that he has had issues with radios that he installed at Schweitzer and that negative temperatures will leave the device permanently dead and because of this issue he would like to put Southside's into a ground vault to keep from freezing. He said it would add about \$1,000 to final bill. After discussion the Board gave the okay to proceed with installing a vault next to the water tank. Tom indicated that he will get going on the project next week.

Tom also stated that he was contacted by an engineer to bid on a lift station. The Chairman stated that there are no bid specs on it yet and that the District will contact him when the specs are available.

New Business – All Items are Action Items

Prioritize Grant Projects:

Next, the Board considered prioritizing the current projects and grant requests.

Chairman Howard stated that he spoke with a representative at USDA and they are supportive of a loan for the District for the additional land and can possibly finance 100% for 3.75% up to 40 years and after the lease/purchase agreement with the Linscott's is completed the District can pursue a loan to refinance with USDA. The Chairman stated that we will need judicial confirmation to take on the loan and the property tax revenue would help to cover the payment. Mr. Haynes was in agreement.

In light of the recent availability of funds from the State announced by Brad Little, Chairman Howard asked for input on project priorities. He discussed the stand by power for lift stations, which is in the WW facility plan, as a primary request for the available funds stating the challenges of the District when there is a power outage. Next, the Board discussed the new lagoon improvements, the need to replace or repair the water tank and an additional source well and which projects to prioritize for each funding option. Next, Mr. Babcock stated his priority would be a new well for fire capacity and backup power for lift stations to keep sewage out of the lake and he is in support of using USDA loan for the land app property. The Chairman stated that for the ARPA Grant funding the District is ready with plans in place for a new source well and fixing the tank issue and that these projects would solve public health and safety issues. Chairman Howard also stated that we will need to make sure of our responsibilities in taking the funds before we accept them.

Then Mr. Babcock expressed his support to use the Brad Little funds for backup power and to tack on the lagoon improvements if funds are available. The Chairman stated that we have the costs for the lagoon improvements and that the engineers did an assessment on the value of the fill on the Linscott property which will be used to reduce the cost of lagoon improvements. After discussion, all were in agreement with ARPA grant funds for the water projects, and the Brad Little Funds for standby power and lagoon improvements.

Next, Mr. Bopp asked about the Linscott lease sales agreement and stated that the agreement regarding water hookups with the Linscott's should specify the compliance with all requirements of the District and Mr. White suggested an easement to get electrical conduit in with the water line. The Board discussed if the property needs to be in the District to receive service and the Chairman agreed to talk with legal counsel about the ordinance for selling water to property that isn't in the District.

Next, Mr. Haynes made a motion to move ahead with a lease agreement to purchase the land from the Linscott's on a 20 year amortization at 7.2% interest with a ten year balloon payment option and it was seconded by Mr. Larson with all in favor.

SWSD Financial Management Policy:

Chairman Howard explained the request by DEQ for a financial management policy for the District when he had applied for funding. Next, Ms. MacDonald presented the draft policy. With a motion by Mr. Haynes to adopt the policy and a second from Mr. Babcock, the motion carried unanimously.

Capital Project Review

New Projects & Updates:

Ms. MacDonald informed that there had been some additional invoicing for the permit renewal which increased the projected cost and that there may be an additional project added for the Bacon I-5 Lift station pump replacement that will be allocated from the Sewer ADHOC bucket. The Board also authorized an additional \$1,000 for the Telemetry Project as discussed with Tom Bangle above.

New Building Permit Review: None presented

Old Business – All Items are Action Items

Snow Blowing Equipment Request:

Mr. Barnhart was happy with the testing of the snow blower for the lift station paths and feels it will be helpful to the workflow. He also offered a solution for ease of transport. After Board discussion, the Board instructed the operators to continue to borrow Mr. Larson's machine, as needed, for the remainder of this season and purchase a snow blower in the spring when there may be better pricing.

Sewer Line Repair:

No discussion

Additional Re-Use Land - Funding:

As discussed above

Consent Agenda

Mr. Haynes then made a motion, seconded by Mr. Larson to approve the attached Consent Items and the motion passed with Mr. Bopp voting no.

Minutes

Treasurer's Report

Engineers Report

Paid Invoices

Maintenance Report

Approval of Financials

Water Reclamation Report

Adjournment: A motion by Mr. Larson and second by Mr. Haynes was made to adjourn the regular meeting of the Board of Directors at 3:14PM. Motion carried unanimously.

Respectfully Submitted and Approved:

Julia MacDonald
Treasurer/Administrator

Jack Howard
Chairman of the Board