

REGULAR MEETING MINUTES OF THE BOARD OF DIRECTORS

Southside Water and Sewer District
P.O. Box D, Sandpoint, Idaho 83864
October 19, 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 and, Julia MacDonald were also present as was Operator Brad White and Engineer Kyle Meschko

Guests: Bruce Lines, Kent Lyons, Nic Kuhn and Troy Krumenacker and Corp of Engineers representatives Andrew Huddleston, Josh Stearns, Joseph Fitzgerald

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

Members of the Public:

Chairman Howard then presented on the District's operation, in response to the public on hand for the short term rental (STR) issue and the Springy Point issue. He discussed the reason for the fees for STRs due to the change in use and more occupants contribute to additional expenses and wear on the system. Considerations by gross proceeds were being considered for feasibility for the District. Mr. Lyons felt the expanded use sewer rates should be based on metered water usage and not on occupancy. Chairman explained that ½ the District has water provided by another entity and it's not a feasible option for the District to meter sewer usage. He noted the District is still considering workable alternatives. Then Nic Kuhn was interested in his pending water and sewer hookups for an ADU and asked if he can T off of the existing lines that run to his primary home instead of an additional line and meter for the ADU. Mr. Kuhn was directed to work with staff on the issue and variance to be filed with the county requiring a separate meter and lines if the property is ever split. Then the Chairman explained the increased fees for the campground at Springy Point was based on calculations of utilization of services. Then Mr. Fitzgerald from the Corp of Engineers presented the history of the Springy Point Campground and the history of the sewer rate increases with the last increase in 2011 at 7 ERU's. He noted the average visitation rates at 3.1 persons per site and the water consumption for the summer was 120,574 gallons and RV's have 46% of the rentals. Mr. Haynes stated that the Board will need data to assess and work through to make a decision. Mr. Fitzgerald acknowledged the problems with having a dump station and the Chairman explained that the lagoon type of system needs healthy bugs to break down solids and that the chemicals in RV's are known to kill the bugs that are needed. Mr. Fitzgerald explained that most of the chemicals sold now are less toxic and formaldehyde free. Mr. White commented on how destructive flushable wipes are to the system and that the campground contributes to the problem. Mr. Huddleston offered that they do have controls with visitation and maybe some signage in the bathrooms and at the dump station would help. Chairman directed the Corp to send data to the Southside office for the Board to re-consider the fee for utilization. Then Mr. Bopp verified with the Corp representatives that they were open 4 months of the year and there are 3 camp host sites with sewer service hookups and asked if the campground would be adversely affected if they didn't have a dump station and Mr. Stearns said they have

experienced people dumping on the ground if there isn't a dump station. Next Mr. Bopp asked if there are RV's that dump at the station other than the ones that are registered at the campground and it was explained that they monitor every vehicle that rents a site and there are rules that the RV's must be registered at the campground to dump but didn't rule it out due to limited staffing. Next Troy Krumenacker explained his progress with the plan to put cabins on his properties on the Fry Creek Peninsula and the boring permit to install services under Fry Creek and asked if the District would consider allowing the sewer line to run with the power line and Mr. Babcock stated it may not be allowed by code and the Chairman said the Board will need to see the engineering plans to make a decision.

New Business – All Items are Action Items

Audit Engagement – Hayden Ross: With a motion from Mr. Haynes and second by Mr. Larson, the Board unanimously approved to engage audit services with Hayden Ross for the 22, 23 and 24 fiscal years for an annual fee of \$7150.

Engineering T&M Amendment: Mr. Meschko requested additional funds for on-call engineering to consider additional projects and suggested that the current on-call be modified from 24,000 to 50,000 and to be used on an as needed basis for projects that are requested by the District including the GIS shape file for 811 and to wrap up the re-use permit. The emergency sewer project will also need additional budget to wrap up. The Chairman replied that they will need to look at the budget and directed staff to put the request on next month's agenda.

Reuse Permit – Silviculture Report: The Board considered the Silviculture Report bids for the re-use permit that were presented by Mr. Meschko. Inland Forest Management at \$3,700 and JD Forest Management at \$3,750. Chairman Howard asked if we can delay until the next fiscal year unless it's needed this year so that the trees have another year to grow. Mr. Meschko will find out when the report is needed and inform the Board of deadlines.

Billing Considerations: The Board considered requests for credits and approved recalculating the expanded use fee to the max occupancy that is stated in the listing instead of the county calculations and the Board authorized staff to credit accounts upon proof of changes with the County permit. Ms. MacDonald stated the County had changed a permit from 15 to 12 max occupancy and also withdrew 2 permits at 169 & 175 Lakeshore where the owners provided proof that the home at 175 had a long term renter in it all year. The Board directed staff to credit the home at 175 Lakeshore that had been a long term rental for prior charges and withdraw the expanded use charge. The other request for credit of prior charges at 169 Lakeshore was denied because the home was used as a STR during the months of July & August.

New Building Permit Review: One permit was presented for review and the Board directed staff to prepare the sewer approval for the Beach Bar at 127 Hubbard Lane and a conditional will-serve attachment due to the proximity to the sewer easement and for any future change of use.

Old Business – All Items are Action Items

PAS Contract Proposal: Ms. Mueller presented her contract for supportive accounting services on an as needed basis and not to exceed \$13,000 annually starting on December 1, 2022. The contract was unanimously approved with a motion from Mr. Larson and second by Mr. Haynes.

Sewer Line Repair: Mr. Meschko discussed preliminary engineering report was approved by DEQ and the Board considered Mr. Whites alternative option to use a gravity line to go around the street side of the home and meet up with current system. Mr. Meschko stated the current

approved option is a new packaged duplex lift station with a directional bore to the main line and will go out for approval next week for the emergency sewer funds from DEQ. Mr. Meschko also stated that engineering may need additional funds to complete the project engineering and bid solicitation. After discussion the Board opted to follow the current approved plan with a new lift station. Next the Chairman asked the engineer about a new easement for construction and a permanent easement for service for the new lift station and also added regards to vacating the current easement on the river side of the property. Next Mr. Bopp discussed the service going into the current manhole and if the manhole will need to be replaced as part of the project.

Financing 2nd phase of District: Chairman discussed the progress of the lease for the Linscott property and the requested support letter from DEQ had been received by PAC and the Bank. ARPA funds are available to consider for projects. Mr. Meschko will send a new Letter of Interest.

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.

**Treasurer's Report
Maintenance Report**

**Approval of Financials
Water Reclamation Report**

**Minutes
Engineer's Report**

Executive Session - **Idaho Code 74-206** (a) & (b) Consider personnel matters

The Board entered executive session at 4:06 pm, following a motion by Mr. Larson and second by Mr. Babcock. A roll call confirmed all were in agreement. Ms. MacDonald was requested to attend. The Board exited executive session at 4:12 pm.

Following executive session, Mr. Haynes made a motion to approve Ms. MacDonald's proposal for employment as a part time salaried employee with the compensation to also include Persi and accrued vacation and sick time and with a second by Mr. Larson the Board unanimously approved. Next a motion was presented by Mr. Babcock authorizing Ms. MacDonald as office manager to hire a part time non-benefitted assistant up to 32 hrs. a month and with a second by Mr. Haynes the Board unanimously approved.

Adjournment: A motion by Mr. Larson and second by Mr. Babcock was made to adjourn the regular meeting of the Board of Directors at 4:15: pm. Motion carried unanimously.

Respectfully Submitted and Approved:

Julia MacDonald
Secretary/Treasurers

Jack Howard
Chairman of the Board