

REGULAR MEETING MINUTES OF THE BOARD OF DIRECTORS

Southside Water and Sewer District
P.O. Box D, Sandpoint, Idaho 83864
March 15, 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 Jim Haynes, Doug Bopp, Brett Babcock and Kass Larson were also present.

Others: Treasurer Julia MacDonald, Operators Brad White and Jason Barnhart and Engineer Kyle Meschko were present

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

Members of the Public: None present

New Business – All Items are Action Items

Annual Renewal of Farmer Agreement:

Next, following a motion by Mr. Haynes and a second by Mr. Larson, the Board authorized the Chairman to sign the annual agreement with the farmer, Steve Barnhart, with no changes.

ARPA Agreement Review for Approval:

Next, Chairman Howard stated that he reviewed the ARPA Grant agreement with Susan Weeks, the attorney, and she approved signing the agreement, with clarification that there's no obligation to spend the full amount submitted. Mr. Meschko stated that he received direction from DEQ to go forward with the source development project and then proceed to other projects that were submitted as the District has the means to do so. Chairman Howard stated that DEQ will start releasing funds with the signed agreement. After discussion, and with a motion from Mr. Babcock and a second from Mr. Bopp, the Board unanimously authorized the Chairman to sign the ARPA grant contract on behalf of the District.

Approval of WW Facility Plan:

Next, Mr. Howard opened for comments on the current revision of the Facility Plan and Mr. Larson asked about the permit exceptions for the application area and Mr. Meschko stated the District has exceptions and the additional Linscott property would require evaluations for exceptions. Mr. Bopp said that he agrees with Mr. Barnhart's recent comments for revisions and that he reviewed the document and has additional comments to submit. Mr. Meschko said that they may need to amend and increase the engineering budget and would like to see all comments submitted together for completion. Mr. Larson asked if there would be any benefit to add the WW Treatment lagoon project to the plan. Chairman Howard stated that we lack details on the project at this time. Mr. Meschko suggested to submit the document to DEQ as currently revised for their comments. After discussion of removing a section of the document referring to a reserve of 25 ERU's, Mr. Haynes made a motion for the engineer to submit the document to DEQ with the removal of the 25 pocket ERU's and for the District to submit subsequent changes after DEQ review, and with a second by Mr. Larson the motion passed unanimously.

Capital Project Review FY 22-23

• SCADA Progress Review

Mr. White reported on the SCADA system install progress and stated that Tom Bangle says the system should be connected tomorrow with all antennae's up and should wrap up soon with a few more items to install.

New Building Permit Review: None Presented

Old Business – All Items are Action Items

Fuel & Propane Review:

Next, Chairman Howard stated that Avista has provided a contract to install the natural gas line for free and Mr. White stated that they will need a lean-to built and installed on the east side of the building to cover the meter. Mr. White estimated the lean-to extension to be around \$1,000, and with a motion from Mr. Haynes and second from Mr. Larson, the Board unanimously authorized signing the installation contract.

Operator Succession Plan:

Nothing was presented.

PFAS Cost Recovery Retainer:

Next, The Board considered the retainer that is supported by Rural Water Association for the PFAS recovery program, and after discussion of minimal potential risks for contamination in the District and with no current state regulatory requirements, the board determined that signing the retainer was not necessary for the District.

Sewer Line Repair:

Nothing to report

Additional Re-Use Land - Funding: USDA

Chairman Howard stated that he reviewed the new lease to purchase agreement drafted by the attorney this morning and it is ready to sign with the Linscott's. Next, he reiterated the requirements to obtain a USDA loan and presented an analysis for funding for the next 10 years with added support coming from additional hookups and operating revenue by increasing the treatment and storage capacity of the system. Mr. Meschko stated the District will need the facility plan and the reuse permit executed to proceed to judicial confirmation. The Chairman stated the direction is to sign the lease with the Linscott's, and then proceed with judicial confirmation to execute a loan with USDA to facilitate an early payoff of the land and add the improvements needed to increase the treatment capacity. The Chairman informed that there is no early payoff penalty and the payments to the Linscott's and subsequently USDA, would be funded by the ad valorem tax currently in place. Mr. Haynes requested Board review of the lease purchase contract before authorizing the Chairman to sign. After discussion, Chairman Howard will email the agreement for Board review/comments and, with Board approval, will proceed with signing and the Board Resolution will be ratified at 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 with Mr. Bopp voting no.

Minutes

Treasurer's Report

Engineers Report – none presented

Paid Invoices

Maintenance Report

Approval of Financials

Water Reclamation Report

Roll Call for executive session: Citing Idaho Code 74-206 (a) to consider personnel matters, & (c) Deliberate regarding an acquisition of an interest in real property.

The Board entered executive session with all Board members voting yes at 2:57pm.

Mr. Haynes moved to exit executive session at 3:40 pm and no action was taken.

Adjournment: A motion by Mr. Larson and second by Mr. Babcock was made to adjourn the regular meeting of the Board of Directors at 3:43 PM. Motion carried unanimously.

Respectfully Submitted and Approved:

Julia MacDonald
Treasurer/Administrator

Jack Howard
Chairman of the Board