

REGULAR MEETING MINUTES OF THE BOARD OF DIRECTORS

Southside Water and Sewer District
P.O. Box D, Sandpoint, Idaho 83864
September 21, 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 and Kass Larson were also present.

Others: Treasurers Stephanie Mueller, Julia MacDonald and John Austin were also present as was Operator Brad White.

Guests: Michael Erickson, Lynn Capparilli, Vince Capparilli, Jesse Hehn, Pam Rogers and Huck and Mozelle Huckabee.

Members of the Public:

Mr. Huckabee asked for water service to his property. After discussion of the specific needs at the property, Chairman Howard directed them to meet with staff on the issue.

Chairman Howard then presented a report on the District's operation, in response to the public on hand for the short term rental issue. He stated the reason for the increase for STRs, and that they are being subsidized by everyone else in the District because of the excess usage and wear on the system. The STR owners felt the sewer rates should be based on usage and not on occupancy. Mr. White noted the difference is that STR occupancy tends to be harder on the District because of what is flushed or put into the system affecting the pumps and treatment costs. Owner-occupied residences tend to take better care of the system. Mr. Hehn asked if there's any chance that the Board will consider other options than just charging per occupancy for STRs. Chairman Howard stated the Board is open to any changes that will assist the District in meeting its needs due to added expenses. Mr. Haynes suggested that if the STR operators have any suggestions for the Board to hear to contact the office to be put on the agenda.

Public Hearing – FY 2022-23: Chairman Howard opened the hearing at 3:29 pm, following a motion by Mr. Haynes and second by Mr. Larson. With no public present the meeting was closed at 3:30 pm, following a motion by Mr. Haynes and second by Mr. Larson. The Board then approved the budget, following a motion by Mr. Haynes and second by Mr. Larson.

Public Hearing – FY 2021-22 Amendment: Chairman Howard opened the hearing at 3:33 pm, following a motion by Mr. Haynes and second by Mr. Larson. With no public present the meeting was closed at 3:34 pm following a motion by Mr. Haynes and second by Mr. Larson. The Board then approved the amended budget, following a motion by Mr. Haynes and second by Mr. Larson.

New Business:

Employee Evaluation Review: Chairman Howard said he and Mr. Haynes met with staff and there were some items to discuss, including increasing Jason Barnhart's wage from \$21.46 (for Level I operator) to a market adjustment of \$28.00, which the Board approved, following a motion by Mr. Larson and second by Mr. Haynes. The motion passed unanimously. Mr. White said the transition to lead operator for Mr. Barnhart will begin in 2023, to plan for his retirement. Mr. Haynes then made a motion, seconded by Mr. Larson to raise Mr. White's wage to \$34.00 an hour. The motion passed, with Mr. Bopp abstaining.

Capital Items: The Board discussed two hydrant replacements with Mr. White at \$3500 to \$3,800 each. The District has around 32 hydrants. Mr. Bopp stated he will research the costs.

Murphy Water Line Install: Mr. Bopp said he'd look into some options and the Board said there was no hurry on the work.

41 South Condo Plumbing Hookup Requirements: Mr. White said the two condo buildings are only plumbed for one sewer line. Mr. Bopp said they should have separate hookups on both buildings to be in compliance with the State requirements. Mr. White also recommends two water meters for the condos. Chairman Howard directed staff to check with the State Inspector to ensure that they are in compliance and directed Mr. White to contact Mr. Harvey to relay the requirements. Mr. Haynes said the buildings could sell to four different owners so there should be separate services.

Crossflow Compliance Update: Ms. MacDonald stated there are 16 that are non-compliant. She said some are working on being compliant and she would communicate with staff on their progress. The Board directed staff to send a certified letter with the consequences if they remain non-compliant.

Old Business:

521 Lakeshore: The Board discussed the issue and the requirement to pay the hookup fee and three years back pay for having two houses served by one hookup.

Sewer Line Repair: Mr. White recommended to start at the street to make sure we can get across the street.

Financing 2nd Phase of District: The Board noted that funding from the hookup fee change, the STR issue and the levying of taxes has allowed for the additional funding of the District.

PAS Contract Renewal: Ms. Mueller presented the revised agreement, with the hourly rate increasing from \$45.00 to \$50.00 per hour to account for the increasing costs since 2016. Chairman Howard stated he'd like to move away from the blended rate and pay a straight fee schedule for each employee contracted. He stated he'd like to hire Ms. MacDonald as an employee and contract with PAS for other work that is done on a line item basis via an hourly rate. Ms. Mueller stated she would consider this change and get back to the Board on the issue.

Consent Agenda:

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

**Water Reclamation Report
Maintenance Report
Engineer's Report
Treasurer's Report
Invoices for Approval**

Executive Session:

**IC 74-206 (c) Deliberate regarding an acquisition of an interest in real property
IC 74-206 (a) & (b) to consider personnel matters**

The Board entered executive session at 5:11 pm, following a motion by Mr. Haynes and second by Mr. Larson. A roll call confirmed all were in agreement with Mr. Babcock not present. Ms. MacDonald was requested to attend.

The Board exited executive session at 5:28 pm following a motion by Mr. Haynes and second by Mr. Larson.

Following executive session Mr. Larson made a motion to engage Banner Bank and PAC on the lease agreement for the Linscott Property and with a second by Mr. Haynes the motion carried unanimously. No action was taken on personnel matters.

Adjournment: A motion by Mr. Haynes and second by Mr. Larson was made to adjourn the regular meeting of the Board of Directors at 5:29 pm. Motion carried unanimously.

Respectfully Submitted and Approved:

Stephanie Mueller, Julia MacDonald, John Austin
Secretary/Treasurers

Jack Howard
Chairman of the Board