

REGULAR MEETING MINUTES OF THE BOARD OF DIRECTORS

Southside Water and Sewer District

P.O. Box D, Sandpoint, Idaho 83864

February 21, 2024

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 Doug Bopp, Kass Larson, Brett Babcock and Greg Keibler were also present.

Others: Treasurer Julia MacDonald, Operator Jason Barnhart, Engineer Kyle Meschko, Auditor Tony Matson from Hayden Ross and Thomas Bangle from Amped Pump were present.

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

Members of the Public: Stephen Smith & Karen Hempstead – 189 & 173 Birch Banks

NEW BUSINESS – ALL ITEMS ARE ACTION ITEMS

Birch Banks ADU Request for Reconsideration:

Mr. Smith stated that he received the letter from the District and explained the issue with the ADU designation. He stated that they inherited the issue when they bought the home. He added that the building wasn't done properly but there is a bathroom, cooktop, sink, refrigerator, and dishwasher. He stated that the building cannot be used as an ADU due to the small size and difficult access, and they have never used it as a rental. He confirmed that there are one and a half lots on the parcel and the shop is on the half lot and the sewer line and water line are joined with the lines from the main dwelling on the other lot. Mr. Smith said that he agrees with the stipulation that if the shop lot is ever sold separately then there would be a separate service line, a monthly fee, and hookup fee but doesn't want to pay another monthly sewer fee for an ADU that wasn't built properly and is unused. After discussion, Chairman Howard suggested that Mr. Smith go to the County to investigate getting the ADU designation changed because the information recorded with the County is what the District uses for determinations.

FY2022-23 Audit Presentation – Hayden Ross:

Tony Matson from Hayden Ross presented the final audit for FY 22-23. He added that there were no disagreements with management, internal controls are being followed and they are happy with Board and Management. Mr. Matson then reviewed the revenues and expenses for each fund, the restricted funds for capital and debt service, and the net position of the District. He noted the grant income that the District is getting and informed the Board regarding federal grant dollar spending and that a single federal compliance audit is required if the entity spends over \$750,000 in a fiscal year. He stated that a written procurement policy is important and recommended reading the federal procurement policy. He noted the dollar amounts that require formal bids and informal bids and that the documentation process is important.

Bid Selection – ARPA Water System Improvement Phase 1:

Mr. Meschko explained that the sole bid from Amped Pump was more than expected and that Keller had reached out to three qualified well drillers and advertised in the paper and he will send an email regarding who he reached out to. The Board discussed the specific components of the bid and Mr. Bangle explained that when they do the well testing they need to build a containment and that is what drives the cost up for that component of the well bid. After

discussion of options, Mr. Meschko will reach out to Mr. Bangle to work on possible deductions for the bid and evaluate the suggestion from Mr. Barnhart to use the sewer line stub that goes to the land app lagoon to discharge some of the well testing water. Mr. Larson moved to accept the bid subject to cost review and possible cost adjustments and with a second from Mr. Babcock, all were in favor with Mr. Bopp voting no.

Vacate Old County Road Easement:

Chairman Howard explained the issue with the old county road easement on the well property boundary and that he had inquired about getting it vacated. He added the County is agreeable but there are costs for a survey and he will investigate alternatives.

1376 Lakeshore – Request for Annexation:

Next, Ms. Macdonald presented the petition for annexation from Sarah Lee at 1376 Lakeshore. She explained that the property Borders the District on 3 sides and the County currently has this property on the District tax rolls but the State Tax Commission doesn't. The State would need documentation that the property was annexed and the District doesn't have any records of the annexation. Ms. Lee would like to annex into the District and is interested in getting water and sewer service. After discussion of the issue, Mr. Bopp made motion, seconded by Mr. Babcock to approve the petition for annexation to go forward and the motion was unanimously approved. Staff was directed to submit the "notice of petition for inclusion" to the paper after legal review and to set the date for the public hearing as required for public notice for a monthly Board meeting.

Lillis Lots – Sewer Connection to Main Line:

After consideration of the request that was defined in the prior month meeting, the Board unanimously approved the Chairman to sign the easement vacate request with a motion from Mr. Larson and a second by Mr. Keibler. Mr. Bopp expressed the need for documentation of state inspections that were done on the sewer line and connection. He spoke with the State inspector and they will look into the issue. He noted that the original plan that the Board approved was to connect the sewer line to the main line and put in a new manhole and, because that wasn't done, he would like to see that corrected and would like to discuss the issue further.

Authorization for WSM to use Vehicles:

Ms. MacDonald stated that Water Systems Management may be operating District vehicles for certain tasks when working for the District and that ICRMP had informed her that they are covered by District insurance if the Board authorizes them to use. After discussion of the issue staff was instructed to research a vehicle use policy and present at the next meeting.

Reduced Payment Authorization for LID USDA Bond:

Ms. MacDonald stated that the scheduled auto payment for the USDA LID bond on April 1, 2024 for \$57,134 will exceed what the District will collect this year due to early payoffs and she needs Board authorization to request a reduced payment of \$50,000 to USDA. Mr. Babcock made motion, seconded by Mr. Larson to authorize the request and the Board unanimously approved.

June Board Meeting:

Ms. MacDonald explained that the Juneteenth federal holiday will fall on the regularly scheduled June Board meeting date and staff is requesting to observe the holiday on the Monday before the meeting and hold the meeting on the regularly scheduled day. With no objections, the Board approved the request.

Capital Project Review:

Ms. MacDonald stated that Mr. Hansen had requested the Green Acres project to be done before the family arrives in May and Mr. Barnhart confirmed that he had relayed the message to Amped Pump. Mr. Larson stated that he ordered the new dialers and he and Mr. Barnhart will attempt to install one at the fish hatchery.

New Building Permit Review:

None Presented

OLD BUSINESS – ALL ITEMS ARE ACTION ITEMS

ADU Discovery:

As discussed above.

Ordinance Review:

Mr. Larson updated the Board on the Ordinance review progress and distributed copies of the proposed updates and requested comments before the next Board meeting.

SCADA-Project Update:

Chairman Howard reported that Amped Pump is still having problems with radio transmitting and will have an update at the next Board meeting.

Well Site – 3 Phase Power:

Chairman Howard stated that he signed the contract with Avista for the transformer and line installation and as soon the roads are clear they will get started on installation.

ARPA Water System Improvement Review:

As discussed above in the new business “Bid Selection” item.

CONSENT AGENDA

Next, Mr. Larson made motion, seconded by Mr. Keibler, to approve the attached consent items and the motion was approved unanimously.

Minutes	Paid Invoices	Approval of Financials
Treasurer’s Report	Maintenance Report	Water Reclamation Report
Engineers Report		

Adjournment: A motion by Mr. Larson and a second by Mr. Babcock was made to adjourn the regular meeting of the Board of Directors at 3:49 pm and the motion was carried unanimously.

Respectfully Submitted and Approved:

Julia MacDonald
Treasurer/Administrator

Jack Howard
Chairman of the Board