

**PUBLIC HEARING &  
PUBLIC HEARING & REGULAR MEETING OF THE BOARD OF DIRECTORS  
Southside Water and Sewer District  
P.O. Box D, Sandpoint, Idaho 83864  
June 25, 2025**

**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 Kass Larson, Brett Babcock, Doug Bopp and Gregory Keiber were present.

**Others Present:** Treasurer Julia MacDonald and Operator Jason Barnhart. Dan Larson from 7B Engineering.

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

**Members of the Public:**

**NEW BUSINESS – ALL ITEMS ARE ACTION ITEMS**

**Public Hearing to Consider the Filing of a Petition for Judicial Confirmation:**

Mr. Larson made a motion, seconded by Mr. Keibler to open the public hearing to hear comments and testimony to show cause for denial or support for approval of the Petition. No public was in attendance and Ms. MacDonald stated that she had not received any written comments.

Next, Mr. Larson made a motion, seconded by Mr. Keibler to close the public hearing. Mr. Larson made a motion to adopt resolution 2025-01, authorizing the District to seek judicial confirmation to incur debt to finance the necessary improvements to the drinking water system as listed in the Judicial Petition. Mr. Bopp seconded the motion, and the Board voted unanimously to approve the Resolution.

**Water Reservoir Bidder Qualifications:**

Chairman Howard informed the Board that on June 18th, a pre-bid meeting took place, attended by three potential bidders who visited the physical location of the project. The purpose of this meeting was for the bidders to understand the project scope and have an opportunity to ask questions or express any concerns regarding the project's requirements for bidding purposes.

**Comstock Proposal - Approval Ratification:**

Due to time constraints and as authorized, Chairman Howard informed the Board that he had signed the Comstock proposal for the Geotechnical services for the Well Facility project of up to \$7,500 for design phase and construction phase services. The Geotechnical services are required to go forward with the Well Facility Building and must be approved by DEQ before going to bid for construction.

**Review Draft Preliminary 2025-2026 Budget:**

Chairman Howard explained the key financial report as a bearing on the proposed budget. He noted that the cash balance and operating expenses are in a good place. The one-time expenses to maintenance for the additional dialers made an impact on expenses but resolved gaps in lift station problem notifications, which benefits the District now and in the future. Ms. MacDonald presented the draft for the 25-26 Budget and the Board discussed the operating expenses, levy rates, utility rates, tiers and connection fees. Chairman Howard

wants to have a capital budget plan for the next fiscal year before the budget approval next month.

**Transfer Funds Request – Fry Creek LID to New State Pool Fund for 15 Acre Lease:**

Ms. MacDonald explained the purpose of the proposed funds transfer is to establish a dedicated investment fund to ensure adequate capital is available to meet the balloon payment of \$366,925 due in 2033 on the 15-acre lease. The initial request is to transfer \$20,000 from the Fry Creek LID account to a newly established fund in the State Investment Pool where the District will get a good return on the investment. As discussed at a previous meeting, the District will deposit to this fund on an annual or periodic basis until the District can retire the lease and take ownership of the property. The additional funding needed will be approximately \$29,000/yr. Mr. Babcock made a motion to establish an investment fund at the state pool to fund the balloon payment for the 15-acre lease lot and to transfer the Fry Creek LID funds to this account.

**Capital Project Review / Update:**

Two projects were added in the month of May. Vent Scrubbers were added at the Tyler Lift Station and the Buck Run Lift Station. These projects are complete at just under \$8,000/ea. Mr. Barnhart says the Scrubbers are installed and working well with no detectable odor and the media will need to be replaced every 3 to 5 years.

The Board discussed proposed projects for the next budget year with Mr. Barnhart to provide estimates for the next meeting. Proposed for sewer: Lagoon Aerators and Floats, Aerator VFD, Truck Hoist, Jones Plumbing/Hardware Rebuild, Blower Scrubber for Brisboys Lift Station, and Lid Replacement for the Comeback Bay Lift Stations. Mr. Bopp recommends getting the lids replaced before the road is improved by the County. Proposed for Water: Add SCADA to Hawkins Booster Station and add Power at the Reservoir.

The Board discussed the status of the pending projects with the Reuse Permit project still needing a silviculture report that can be completed when the trees are more established, and accounting was instructed to close out the 15 Acre land Acquisition costs project.

**Review of KGT & Lynx Waterworks fee schedules:**

The Board reviewed the fee schedules and commented that it was great to have partnerships with these two public works contractors for maintenance needs.

**New Building Permit Review:**

None presented

**OLD BUSINESS – ALL ITEMS ARE ACTION ITEMS**

**USDA Rural Development Project Review:**

Chairman Howard updated the Board with the slides to be presented to USDA for the funds request.

**ARPA Review:**

The Chairman informed the Board that the District will require a staging area during the construction phase of the tank project. He noted that he had approached Mr. McCracken to inquire about the possibility of using a portion of his land for this purpose. The Board discussed potential arrangements, including a permanent easement in exchange for a water service connection. Mr. Babcock suggested an alternative option involving a temporary rental agreement for the space. Mr. Bopp expressed support for the permanent easement, noting that it would provide a working area for the District, both during the current project and for future needs.

## CONSENT AGENDA

**Engineering Report:** Engineer Larson received questions for clarification from Steve Burns regarding the categories of the ARPA funding agreement and the Chairman will look into it.

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

**Minutes**

**Treasurer's Report**

**Paid Invoices**

**Maintenance Report**

**Approval of Financials**

**Engineering Report**

**Adjournment:** A motion by Mr. Babcock and a second by Mr. Larson was made to adjourn the regular meeting of the Board of Directors at 4:07 pm and the motion carried unanimously.

Respectfully Submitted and Approved:

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Julia MacDonald  
Treasurer/Administrator

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Jack Howard  
Chairman of the Board