

# Meeting Minutes: Southside Water and Sewer District

## Regular Board Meeting

## Meeting Information

- **Date:** Wednesday, March 18, 2026
  - **Time:** 2:00 PM
  - **Location:** District Maintenance Shop – 1670 Lakeshore Drive, Sagle, ID 83860
  - **Meeting Chair:** Jack Howard
  - **Minutes Prepared By:** Julia MacDonald
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## 1. Call to Order

The meeting was called to order at **2:00 PM**

### Attendance

- **Board Members Present:** Greg Keibler, Kass Larson and Doug Bopp. Brett Babcock was present via remote access
- **Staff and Consultants Present:** Treasurer/Administrator, Julia MacDonald and Maintenance Supervisor, Jason Barnhart. Bailee Schnider from Hayden Ross presented the audit via remote access.

### Approval of Agenda (Action Item)

**Agenda Amendment:** Mr. Larson moved to approve the agenda and Mr. Keibler seconded the motion and all were in favor.

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## 2. Public Comment

### Attendance

- **No members of the public were present**
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### 3. New Business (Action Items)

**FY 2025 Audit Presentation: Hayden Ross:** Bailee Schnider from Hayden Ross presented a clean opinion on the financial statements for the final audit ending FY 2024-25. She added that there were no disagreements with management, internal controls are being followed, and they are happy with Board and Management. Ms. Schnider then reviewed the revenues and expenses for each fund, the restricted funds for capital and debt service, and the net position of the District. The auditor emphasized that while the unrestricted net position is healthy, any infrastructure issue could quickly erode this excess. She updated the Board regarding the recently adopted and upcoming GASB guidance.

**HB 583 Idaho STR Legislation:** The Board reviewed upcoming changes to Idaho legislation regarding Short-Term Rentals (STRs). If signed by Governor Little, these changes are slated for implementation on July 1, 2026. The Chairman noted that the bill's implementation will effectively eliminate the District's expanded use revenue specifically tied to STRs. Seasonal surges in rental occupancy continue to place significant demand on District infrastructure and resources. The resulting revenue shortfall will shift the financial burden of managing high seasonal usage from STR owners to the District's general patron base. The Board discussed alternatives to the current household rate structure with square footage as a possible alternative for assessing hookup fees.

**Renew Farmer Agreement:** The Board considered the Farmer Agreement for annual renewal and discussed the prior year crop yields. The previous year's harvest of two cuttings had significantly less yield due to drought conditions. A motion was made by Mr. Larson to approve signing and renewing the Farmer agreement. The motion was unanimously approved following a second from Mr. Bopp.

**Capital Project Review/Update:** The Board discussed the upcoming lagoon seepage test with IRWA, which is scheduled for late April to early May. The estimate for the test is around \$9,500 plus the engineering to compile the report for DEQ. The test is required every 10 years and is part of the permit renewal process for a 10-year permit. There was a discussion about obtaining an engineering estimate to compile numbers for DEQ.

The Chairman updated the Board on the silviculture report from Idaho Forest Management, which recommended re-planting trees in the 15-acre area. 900 trees were put on order with the Bonner Soil Conservation District and JD Forest Management was contacted to do the planting. JD quoted \$1.99 per tree for planting and suggested bud capping in the fall to prevent browsing for an additional 99 cents per tree. The objective of increasing tree count is to transition the area from being classified as a meadow to forest land, which aligns with the permit.

**Homeowner Guide:** The Board discussed updating the homeowner guide to include standardized spec sheets and drawings for sewer pump stations and water meter pits. They recognize the need for clearer specifications, and the inclusion of spec sheets and drawings is viewed as important for standardizing installations. They discussed obtaining an engineer-drafted drawing for the meter pit, with one existing drawing being discussed for potential use. Alternative suggestions were to coordinate with Consolidated Supply for existing templates. Mr. Bopp proposed separating water and sewer guidelines to simplify the manual for residents in

sewer-only areas like Fry Creek. Mr. Bopp will meet with Mr. Barnhart to resolve some of the issues.

**Building Permits:** Updates include approval of a single-family dwelling at 2885 Lakeshore, and a shop at 9 Buck Run.

## 4. Old Business (Action Items)

**Ordinance Amendments:** The Chairman noted that the attorney Susan Weeks suggested incorporating a sewer line inspection program into the ordinance to highlight potential issues to owners when a house changes hands, with the cost of inspection to be paid by the buyer and/or seller, not the District. Additionally, the attorney advised defining the District's own ADU ordinance instead of following Bonner County's changing definitions. The discussion included the need for consistent language in the ordinance regarding the District's right of entry and easements. The goal is to adopt language that allows maintenance staff to access and inspect easements when necessary to run the District, without requiring constant notification to property owners.

**Rates and Fees:** The Board reviewed tiered rate models and continued discussion of water rates and fees, with a focus on the water revenue needed to prevent deficits while not affecting 80% of customers. To achieve the revenue target, the proposal is to move to a 10K-tier rate system.

The proposed water rate change includes:

First Tier: Base rate \$39.20 (unchanged) for the first 10,000 gallons

Second Tier: 11K to 20K - \$2 per 1000 gallons

Third Tier: 21K to 30K - \$7 per 1000 gallons

Final Tier: 31K and up - \$12 per 1000 gallons

The proposed sewer rate includes a 5% across-the-Board increase.

A motion was proposed by Mr. Keibler to post notice for a public hearing for the proposed rate changes for both water and sewer. Seconded by Mr. Bopp, the motion carried unanimously.

**Well Facility Project:** The Board discussed the high cost of Keller's proposal of \$138,380 for engineering construction phase and inspection fees for the well-facility. The Chairman noted that the District could realize significant savings by engaging an alternative qualified engineer. Following a consultation with Steve Burns at DEQ regarding the proper procurement process, the Board approved a motion to publish a Request for Qualifications (RFQ) to identify a civil engineering firm with specific SRF project experience.

The pre-bid meeting for the facility project showed that the current engineer's specifications included costly and unnecessary requirements. The Board will proceed with qualified bidders to ensure a quality product, and they will implement changes to strike unnecessary requirements that inflate costs.

**ARPA Project:** The construction on the water tank is expected to resume in April as allowed by the load limits.

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## 5. Consent Agenda (Action Items)

**Motion:** Mr. Larson moved to approve the Consent Agenda and with a second from Mr. Babcock, the motion passed unanimously

### Items Approved via Consent:

1. **Meeting Records:** Previous minutes and financial statements
  2. **Funds Transfer:** Water Ad valorem Capital Reserves (O&M to State Pool LGIP)
  3. **Staff Reports:** Maintenance, Engineering, and Treasurer reports
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## 6. Executive Session

No executive session was held.

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## 7. Adjournment

The meeting was adjourned at **3:54**

**Next Meeting:** Wednesday, April 15, 2026, at 2:00 PM.

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### Certification of Minutes

These minutes were Approved/Amended by the Board on April 15, 2026.

**Minutes Submitted By:** \_\_\_\_\_

**Approved By:** \_\_\_\_\_ **Date:** \_\_\_\_\_