

NORTH LAKE RECREATIONAL SEWER & WATER DISTRICT

MINUTES

Regular Monthly Board Meeting

Friday

July 12, 2024

10:00 AM REGULAR BOARD MEETING

1. Call to Order at 10:04am
2. Roll Call- The following directors were present: Kurt Holtan, Mike Lane, Dave Parrish, Chris Renfro and John Sommerwerck

Also present were Cheryl Beach, Office Manager; Travis Pryor, Operations Manager (via telephone); and Amanda Vawter, Recording Secretary.

Bill Nichols was present for discussion and questions from the board.

Items 5 & 6 were moved ahead of the discussion session and executive session.

3. Approval of minutes of preceding meetings
 - a. June 14, 2024 **ACTION ITEM:** Chris Renfro motions to accept the minutes as written and John Sommerwerck seconds. All in favor
4. Treasurer's Report
 - a. June 30, 2024 **ACTION ITEM:** John Sommerwerck motions to approve the report as presented and Mike Lane seconds. All in favor.
 - b. Discuss/Approve Resolution 24-1 to increase Connection & Annexation fees as approved in May 10, 2024 meeting **ACTION ITEM:** Kurt Holtan motions to table a fee increase until a fee study has been done with Keller Associates. Dave Parrish seconds. All in favor.
5. Discussion with Bill Nichols – District Attorney:
 - a. Setting of rates and fees were discussed at length. There is an Enterprise Fund which gives governments the right to set fees and assessments. This is part of the Idaho Revenue Bond Act. A government entity is allowed to set fees but they have to be calculated in a way to cover costs. If the fee isn't calculated correctly, it is an impermissible tax. Do not set fees or rates without first having a study. What other entities charge has no bearing on what the District charges.
 - b. Resolutions: They are used as a means of having a written record of decisions, formally memorializing actions. Policies are adopted as resolutions.
6. Executive Session – Request/motion by Board to go into Executive Session per Idaho Code Section #74-206 (1)(f) To communicate with legal counsel for the public agency to discuss the legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated. **ACTION ITEM:** Dave Parrish motions to enter executive session citing the above code. Kurt Holtan seconds. A Roll Call Vote was taken. Kurt Holtan-Yes, Mike Lane-Yes, Dave Parrish-Yes, John Sommerwerck-Yes, Chris Renfro-Yes. All in Favor. Entered Executive session at 11:08am
 - a. Discuss/Approval of action resulting from Executive Session per Idaho Code Section #74-206 (1)(f) To communicate with legal counsel for the public agency to discuss the

legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated. **ACTION ITEM:** John Sommerwerck motioned to come out of executive session at 11:28am. Dave Parrish seconds. A Roll Call Vote was taken. Kurt Holtan-Yes, Mike Lane-Yes, Dave Parrish-Yes, John Sommerwerck-Yes, Chris Renfro-Yes. All in Favor. There was no action taken during executive session.

b. Bill Nichols left following the executive session

7. Engineer Report: Jason King of Keller Associates joined the meeting via Teams at 11:30am

a. Present Bids for Lagoon 1 & 2 Biosolids Removal Project- Discuss/Approve award for Contract **ACTION ITEM:** There were two bids that were considered out of the four that were submitted. Two of the companies that submitted bids did not have licensing to work in Idaho. The companies that were looked at were Barnes Companies, Inc and Desert View Construction, Inc. The bid from Barnes Companies Inc came in \$585,481 lower than the other bid. Both bids included lagoons 1 & 2 separately and the totals were the difference referenced above.

After awarding the bid it should take 7-10 days for insurance and bonds. From then it should be 90 days to finish the project. If the project is not completed in 90 days there is a fine of \$500/day. For the first 45 days there will be a smell from the sludge being removed. The office will help neighbors to understand.

Chris Renfro moves to accept the bid from Barnes Companies Inc for sludge removal from both lagoons for \$844,422 and authorizes Keller Assoc. to move forward with the project. Kurt Holtan seconds. A Roll Call Vote was taken. Kurt Holtan-Yes, Mike Lane-Yes, Dave Parrish-Yes, John Sommerwerck-Yes, Chris Renfro-Yes. All in Favor.

b. Jason was asked about a fee study for sewer and water connection fees. He stated it would possibly between \$25,000-\$35,000. Amanda will send him a list of all of the District's current fees.

c. Jason left the meeting following this discussion.

8. Operations Manager's Report:

a. General Operations Update: The generator for the Fir Grove water system was installed Wednesday. The Hess project is moving forward. They met with DEQ and Keller Assoc.

9. Old Business

a. Emergency Stand-by and Response "On-Call" Policy **ACTION ITEM:** There were some grammatical errors that need corrected. Dave Parrish motions to approve the on-call and call in policy with the corrections made. John Sommerwerck seconds. All in Favor.

b. Mike Lane left at 12:07pm. Travis Pryor left at the end of the discussion for the on-call policy.

10. New Business

a. Discuss/Approve rate for wage increases for FY2025 **ACTION ITEM:** omitted

b. Discuss/Approve tax revenue percentage for FY2025 **ACTION ITEM:** omitted

c. Discuss/Approve Draft Budget for Publication **ACTION ITEM:** Kurt Holtan motions to accept the presented draft budget with Cheryl's modifications. John Sommerwerck Seconds. All in Favor.

11. Adjournment **ACTION ITEM**

a. Motion by Board to adjourn: Chris Renfro motions to adjourn the meeting. Kurt Holtan seconds. All in favor. Meeting adjourned at 12:27pm.