

OFFICIAL MINUTES  
Regular MEETING  
HAYDEN AREA REGIONAL SEWER BOARD  
September 19, 2024

The Regular meeting of the Hayden Area Regional Sewer Board (HARSB) was held on September 19, 2024, in the Hayden Area Regional Sewer Board Administration Building at 10789 N. Atlas Road, Hayden, Idaho.

The meeting was called to order by Leslie Duncan, Chairman at 3:00 p.m...

Roll Call was then taken:

City of Hayden (City)- Matt Roetter- yes  
Hayden Lake Sewer District (HLSD or District)- Geoffrey Harvey- yes  
Kootenai County (County)- Commissioner Leslie Duncan- yes

### **Consent Calendar**

It was moved by Matt Roetter, and seconded by Geoffrey Harvey, to approve the Consent Calendar as stated: Approval of August 15, 2024, Regular Meeting Minutes; Approval of September 12, 2024, Special Meeting Minutes; Approval of August General & Construction Financial Reports; Approval of Bills General & Construction, Replacement, Approval of ICRMP Policy Changes and Payment 2024-2025 Policy Year.

Roll call vote taken:

City of Hayden- Matt Roetter- yes  
Hayden Lake Sewer District- Geoffrey Harvey- yes  
Kootenai County- Commissioner Leslie Duncan- yes

Motion Carried.

### **Administrative Reports**

Ken Windram gave his administrative report, which is attached hereto.

Ken discussed the Teff Grass planted on the North side of the East Pivot and that it is growing very well.

Chris Westerman, Idaho Department of Environmental Quality is hoping to get the final O & M manual review done by Friday.

Brock Morrow gave his chief operator report, which is attached hereto.

Brock discussed the Amiad issue with the algae-like material and the number of backwashes that are occurring.

### **Entity Reports**

City of Hayden – They are currently preparing to move forward with the developers on the H6 and Force main project.

Hayden Lake Sewer District (HLSD) – They passed their budget.

Kootenai County – Ken reported that we are sharing the bulldozer. He is working with Airport Manager Gaston on updating the original lease/purchase bulldozer agreement.

### **Esvelt Engineering Report- WRF Liquid Stream Processes Capacity**

Ken Windram and Allison Esvelt discussed the updated Esvelt engineering report, see attached information. Board discussion occurred regarding the report and analysis

It was moved by Matt Roetter, and seconded Geoffrey Harvey, to direct staff to move forward with design of the H3 lift station in response to the Esvelt Report of August 12, 2024 and to bring back at a future meeting a contract for professional services for H3 design.

Roll call vote taken:

City of Hayden- Matt Roetter- yes

Hayden Lake Sewer District- Geoffrey Harvey- yes

Kootenai County- Commissioner Leslie Duncan- yes

Motion Carried.

### **Update on City H6 Lift Station and Force main construction with Update, Discussion, Decision on HARSB 15” Replacement Line; Approval for City of Hayden Cooperative Agreement for Force main from Dakota/Ramsey to Facility; and Bill Payment Approval based upon Agreement Decision**

Lisa Ailport, City Administrator, has made progress with the three developers to move forward with the H6 Lift Station and Force main project. The project is being brought forward to the next City of Hayden Council in order move forward with the project bidding. Lisa Ailport discussed the Cooperative Agreement which would allow the City of Hayden all the funds needed in order to move forward with the project. She specified that this agreement would allow the City of Hayden a timely process for rate payers and also to meet their contract time requirements with the developers, cost savings to all rate payers, to use the current budgeted funds to proceed with the project. This would save rate payers by having one contractor, opening the road once and then repairing the road again after force mains were laid. Section 1.03 Project Costs subsection (c) the amount for HARSB needs to be updated from \$2,869,000 as the contract costs do not reflect Attachment A costs of \$2,958,000.

Ben Allen, HARSB attorney, did not see any issues with the cooperative agreement after verifying that we had properly budgeted the funds for the agreement.

Michael Schmidt, HLSD attorney, feels that this agreement is a conflict of interest for the City since they are on both sides of the contract. Ben Allen gave his opinion regarding whether all the entities could make motions or vote on this issue due to conflict of interest and the letters of dissolution given to the HLSD (180-day dissolution notice). Ben Allen discussed that this Entity operates as a Joint Powers Entity, meaning that it is anticipated any cooperation between any of its individual entities and the Board would require the entity itself to be represented by each of the individual members of the Joint Powers Entity; otherwise, it would mean that if HARSB was in a cooperative agreement with all the individual entities it could not even vote on the cooperative agreement if we take the view that being party to the contract is a conflict of interest. After discussion and questions, he then stated that he does not consider the City to have a conflict of interest on this agreement.

Ben Allen indicated that the HLSD's legal counsel's concerns have been noted.

The Hayden Lake Sewer District submitted into the recorded minutes a letter from the District which was read in full by Geoffrey Harvey, see enclosed letter.

Michael Schmidt asked pointed questions regarding whether communication occurred between staff, city and the county. Michael Schmidt still feels that this agreement is a conflict of interest.

The Hayden Lake Sewer District feels that there is no benefit to the District in the replacement of this force main.

Board discussion and meeting minutes were discussed regarding this project.

Ken Windram discussed the cooperative agreement and invoice with the City of Hayden, see enclosed information.

The HLSD feels that this agreement cannot be signed without bid documents, and that the invoice is not detailed enough.

Discussion occurred regarding the language in section 1.08 and the language with 1.03. Section 1.08, section (d) to be changed take out "currently", add after include "or will include upon successful bidder being identified:". Section 1.03, section (c) by changing the dollar amount to "\$2,958,000".

Danielle Quade, City Attorney, discussed the need for the agreement was so that the City could bid with confidence and pay for the project. She explained that she took the draft memorandum of understating from May 2024 meeting and the rest of the agreement was derived from other intergovernmental contacts (ITD, City of CDA, City of Dalton Gardens, etc.). Danielle discussed her opinion regarding the cooperative agreement and the implied conflict of interest.

Ken Windram discussed the possible implications if HARSB did not agree to this cooperative agreement. Leslie Duncan summarized the following: HARSB wins on liability, finances and time.

It was moved by Matt Roetter, and seconded Leslie Duncan, to approve the cooperative agreement with amendments: 1.03 C change from "\$2,869,000" to "\$2,958,000" and 1.08 D "Attachments to this agreement include or will include upon successful bidder to be identified:".

Roll call vote taken:

City of Hayden- Matt Roetter- yes  
Hayden Lake Sewer District- Geoffrey Harvey- no  
Kootenai County- Commissioner Leslie Duncan- yes

Motion Carried.

It was moved by Matt Roetter, and seconded Leslie Duncan, for payment of City of Hayden Invoice from approval of cooperative agreement.

Roll call vote taken:

City of Hayden- Matt Roetter- yes  
Hayden Lake Sewer District- Geoffrey Harvey- no  
Kootenai County- Commissioner Leslie Duncan- yes

Motion Carried.

## **Discussion on Dissolution of JPA- Update from HARSB and Entities**

Leslie Duncan indicated the City of Hayden has issued a letter of dissolution. The County has indicated that it also has a letter of dissolution to issue to the District. The City of Hayden City Council is supportive of dissolution. Discussion occurred regarding the subject of Dissolution by various Board members.

Board discussion occurred regarding various Dissolution issues of contention: Land, Enterprise Fund, staying with WWTP Facility, Rate Studies, and Point of Service Rate Study.

Ben Allen made a suggestion (opinion) to each of the entities: perhaps--

- (a) City could answer the District questions more thoroughly
- (b) District could perhaps complete a redline of the MOU
- (c) HARSB schedule a three-entity meeting in the dissolution process.

Leslie Duncan asked HARSB staff to set up meeting in about 6 weeks from now: 9 am to noon.

## **Update on IPDES Permit Appeal, NPDES Permit Amicus Filing**

Ben Allen discussed the IPDES Permit appeal and updated the Board on the Board on the currently discussions. Board asked for an update on costs for the next steps in the process.

## **Approval for O'Neil Consulting to assist with Idaho Department of Environmental Quality (IDEQ) Biosolids Management Plan for North Idaho**

Ken Windram discussed the biosolids management plan needs and enclosed contract. Dennis O'Neill would like to add a clause that if he needs to travel, those costs are paid.

It was moved by Matt Roetter, and seconded Geoffrey Harvey, to approve O'Neill Consulting Biosolids Management Plan assistance proposed contract subject to legal counsel approval.

Roll call vote taken:

- City of Hayden- Matt Roetter- yes
- Hayden Lake Sewer District- Geoffrey Harvey- yes
- Kootenai County- Commissioner Leslie Duncan- yes

Motion Carried.

## **Approval for staff to develop RFP for HARSB Engineers RE: Effluent Aquifer Disposal Evaluation.**

Ken Windram informed the Board regarding recent conversations he has had with IDEQ regarding effluent aquifer disposal, see enclosed letter. Board discussion occurred regarding this issue: EPA costs, Direct infusion costs, no laws or regulations to define what the State of Idaho would require. The Board has chosen not to pursue this currently.

## **Discussion and decision on 2023-2024 excess operation and maintenance funds: being returned to entities/go to replacement fund.**

Ken Windram and Stephanie Oliver discussed the status of the operation and maintenance fund.

It was moved by Matt Roetter, and seconded Geoffrey Harvey, that the excess operation and maintenance funds from 2023-2024 be returned to entities.

Roll call vote taken:

City of Hayden- Matt Roetter-yes

Hayden Lake Sewer District- Geoffrey Harvey- yes

Kootenai County- Commissioner Leslie Duncan- yes

Motion Carried.

Adjourned meeting at 4:42 p.m...



Leslie Duncan, Chairman



Stephanie Oliver, Secretary