

OFFICIAL MINUTES
REGULAR MEETING
HAYDEN AREA REGIONAL SEWER BOARD
April 16, 2009

The regular meeting of the Hayden Area Regional Sewer Board was held on April 16, 2009, in the City of Hayden, Council Chambers at 8930 N. Government Way, Hayden, ID.

Present: Stefan Chatwin, Tom DePew, Gerry House, Ron McIntire

Absent: Richard Piazza

Also Present: Ken Windram, Hayden Area Regional Sewer Board-Project Manager; Stephanie Oliver, Hayden Area Regional Sewer Board-Secretary; Paul Klatt, J-U-B Engineering; Larry Comer, Welch Comer and Associates; Jeff Zaugg, City of Hayden

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

It was moved by Tom DePew, and seconded by Ron McIntire, to approve the agenda with the following changes: 15.a. Docuware. Motion Carried.

It was moved by Ron McIntire, and seconded by Tom DePew, to approve the minutes of the March 19, 2009 regular meeting. Motion carried.

It was moved by Tom DePew, and seconded by Ron McIntire, to approve the March Financial Reports (Construction and O & M). Motion Carried.

It was moved by Ron McIntire, and seconded by Tom DePew, to pay the bills including: Replacement bills for Computer Monitor \$ 214.00 (Alert Micro) and Heating Element \$246.60 Transfer from O & M to Replacement from February (NCL), Construction Bill for J-U-B Phase IIIC O&M/Record Drawings for \$13,011.45. Motion carried.

Stephanie Oliver presented the Board with the second half of the budget year O & M payment schedules, see enclosed spreadsheets.

Administrative Reports

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

The Meyer's are interested in farming our land, and hopefully a lease will be finalized by the end of April at \$55.00 per acre.

The paved Bio-pad on the facility has a series of french drains that do not drain back to the plant. John Tindall, DEQ said that the drains must drain back to the plant, and Ken will be working up a proposal for the Board by the May meeting.

Ken Windram gave Shirley Carter's operations report, which is attached hereto.

Ken Windram discussed the reason for the turbine pumps seal problems, and that

the staff are looking at ways to cover the pumps in the winter.

Board Members discussed and expressed concern regarding the sludge disposal proposal from North Kootenai Water District regarding gozzar ranch. The concerns ranged from costs associated with possibly taking the sludge vs. reimbursement, and the liability associated with accepting it.

Entity Reports

City of Hayden- Jeff Zaugg gave the update for the City. The city is currently working on the designs for H-1, Leisure Park, Hayden Elementary Generator Set, and Emerald Oak Generator Set and looking at sending out RFQ's in the future for these lift stations.

Hayden Lake Recreational Water and Sewer District- Gerry House indicated that the Falls at Hayden Lake issue is still being discussed, and that we will probably be hearing about it soon.

Kootenai County- no report

Facility Long Range Plan-Financial Plan

Paul Klatt updated the Board on the progress of the Long Range Facility Plan and that they are writing information to FCS to complete the Financial Implementation Plan. J-U-B is still centering on the TMDL.

Ken Windram gave the update for FCS and reminded everyone about the financial workshop set for April 30, 2009 at 2:00 p.m., City of Hayden, City Council Chambers.

SEP FUND

City of Hayden is still working on this.

OUTFALL LINE

Larry Comer updated the Board on the outfall line, see enclosed project status report.

NPDES PERMIT

Ken Windram informed the Board of the upcoming meetings; see enclosed minutes/letters/memos from this last month. The politicians from Idaho are feeling it is now time for them to start putting pressure on the EPA and DOE, and they will draft a letter to go out.

Stakeholder meeting

April 22, 2009

8:30 am, Post Fall Trmt.

Ken Windram is looking at getting a year 2027 flow projection for Brian Nickels, EPA based on the 2008 Flow Projections vs. current ER's(mgd's) that we have already sold. The city, district, J-U-B, and Kootenai County Airport are getting information to Ken regarding what the future population in our area could be like.

Idaho DEQ Wastewater Planning Grant/Loan Letter of Interest

Ken Windram updated the Board regarding the possible grant/loan money; see enclosed cover letter that was sent this last month with the questionnaire we needed to return.

IDWARN

Stephanie Oliver presented the updated IDWARN contract which was asked for by ICRMP, reviewed by Nancy Stricklin early last fall. It was moved by Tom DePew, and seconded by Ron McIntire to sign the updated IDWARN contract. Motion Carried.

H-2 Sewer Lift Station Replacement

Jeff Zaugg, City of Hayden Engineer, discussed the Final Construction Cost Estimates and whether HARSB intends to continue with its commitment to participate and its desired degree of participation, see enclosed letter. The Board had previously approved \$70,000 for the project (\$25,000 SCADA, \$45,000 Storage Tank). Board Discussion occurred regarding whether the Board would contribute more funds to this relocated H-2 lift station. Due to the requested design change upgrades of the H-2 station, the City must pay the difference between keeping a same station and just moving it versus the upgraded station. The Board decided to bring this back next month after talking with their respective boards and constituents.

Blue Cross of Idaho Voter Designation Form

It was moved by Ron McIntire, and seconded by Tom DePew, to give proxy vote to the Blue Cross of Idaho Board of Directors. Motion Carried. Stephanie Oliver gave the Board great news about the employee insurance premiums renewal which had a slight decrease for this coming year.

Docuware 5

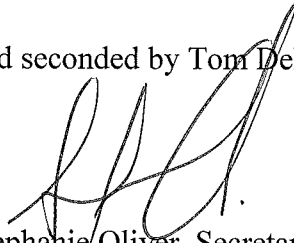
Ken Windram and Stephanie Oliver gave the Board information regarding a document management system called Docuware, see enclosed brochure. The cost for this program is in the range of \$10,000 to \$20,000. Please look through the information presented; more information and cost estimate will be presented next month.

Windram Contract Review & Approval

Gerry House and Stefan Chatwin presented the contract for Ken Windram, see enclosed contract. Nancy Stricklin did the legal review on the contract, and Ken Windram agreed with the minor changes and signed it.

Moved to adjourn meeting by Ron McIntire, and seconded by Tom DePew, at 4:15 p.m...
Motion carried.


Gerry House, Chairman


Stephanie Oliver, Secretary

OFFICIAL MINUTES
SPECIAL WORKSHOP MEETING #2-Financial Implementation Plan
HAYDEN AREA REGIONAL SEWER BOARD
April 30, 2009

The special workshop meeting of the Hayden Area Regional Sewer Board was held on April 30, 2009, in the City of Hayden Council Chambers at 8930 N. Government Way, Hayden, ID.

The meeting was called to order by Gerry House, Chairman at 2:00 p.m.

Present: Stefan Chatwin, Tom DePew, Gerry House, Ron McIntire

Absent: Richard Piazza

Also Present: Ken Windram, Hayden Area Regional Sewer Board-Project Manager;
Stephanie Oliver, Hayden Area Regional Sewer Board- Secretary;
Jeff Zaugg, City of Hayden Engineer; Lisa Keys, City of Hayden, Community
Development Director; Angie Sanchez, FCS Group; Ed Cebron, FCS group;
Sean Senescall, FCS Group; Paul Klatt, J-U-B Engineering

Angie Sanchez Virnoche, Ed Cebron, and Sean Senescall of FCS Group then started their financial implementation plan workshop. See enclosed handout of power point presentation. During the presentation, the Board asked questions regarding the material that FCS put forth.

Angie Sanchez Virnoche updated everyone on how FCS is looking at the capacity fee update and the current calculations for the resulting capacity fee per ER. They calculated that the cap fee should be \$6,163.00 versus our current capacity fee of \$5,158.00.

Sean Senescall then talked about the capacity audit, what it takes into consideration, and the weighted ER that comes out in the end. He then showed a couple of ways that the system could be brought back into balance in regards to the equity split. The capacity audit charts reflect the connected users for each entity.

Ed Cebron then talked about the two paths that FCS evaluated; they are the allocated capacity approach versus the open access approach for the existing capacity. He then showed the Board with both methods how they could rebalance the ER-Inequity.

Board discussion occurred on the value of the ER and what would need to occur to rebalance the equity of the system. Several options were mentioned on how to approach those who have not already hooked up to the system but currently have a purchased ER. (i.e. buy out current unconnected users at rate that they originally paid in, have them possibly pay a monthly fee to come up to the current rate or pay a small amount monthly to hold their capacity, or have them connect to the system within a certain amount of time and not pay a fee, or owe the difference between the current fees and the fees from when they hook up).