

**OUTLET BAY SEWER DISTRICT
BOARD MEETING MINUTES
AUGUST 17, 2023**

The Board of Directors of the Outlet Bay Sewer District met on Thursday, August 17, 2023, at the District Office. Present were Chairman Tom Bell, Directors Kristy Pettit, Jeff Stockdale and Justin Bradbury. Also present were Adam Kasner (via telephone), Jake Hill, Craig Hill, Brian Riley, Fritz Broschet and Kari Davis. Absent was Director Fred Simpson.

Chairman Bell called the meeting to order at 4:00 p.m.

There being no additions or deletions to the Agenda, it was approved as written.

The minutes of the July board meeting and the August 1st special meeting were read and approved.

NEW/OLD BUSINESS:

Adam Kasner talked with the board about the 10 lots at the PLGC that have no mainline. Mr. Kasner is one of the property owners and is wanting to connect to our system. In order to do so, a mainline extension will be necessary. The board sent a letter to the 10 property owners to see if there was any interest but the district has received no response. Mr. Kasner has been talking with some of the lot owners and there are a couple interested. He spoke with Kevin Koesel of Sewell Engineering who explained to him what the necessary steps would be to get this mainline approved through DEQ.

Mr. Kasner wondered if it would be possible to run just a service line from his neighbor's house to his property instead of a mainline. Kelly Mayes is going to do some discovery digging to see what size line is there now. Fritz will continue to work with Mr. Kasner to get this line in.

MAINTENANCE REPORT:

Fritz received a call from Jim Morse from the Coolin Sewer District. Their irrigation pumps have been down since last November and the district has not irrigated all summer. They need to get their lagoons down and need to dispose of 5-6 million gallons of septage. Mr. Morse wanted to know if the OBSD could take part of this and at what price. When Fritz asked about their nitrogen testing, they had no idea what their numbers were as no samples have been taken all year for testing and they have no data from last year.

The board discussed this proposition. Our rate for septage receiving in 2012 was \$.20 per gallon. We stopped accepting it the same year. The first step would be a complete chemical analysis of what they have to see what their nitrogen levels are. We would also require them to get permission from the USFS to haul tankers on the road to the lagoon, and watering to keep the dust under control. There are concerns on how this would affect our leak test which must be performed in the spring.

The board feels like \$.30 a gallon would be a fair price, IF they meet all the other criteria. We would also need DEQ's approval to accept. We will make a determination after we receive the test results.

Fritz is working on getting a trash pump check valve for the pump at the lagoon.

The new control panel is having more issues. RC Worst couldn't provide immediate help so Fritz called the control panel manufacturer and he troubleshooted for us. The capacitor was malfunctioning. They sent a new one and it works great.

We have two new tanks installed at the new cabins on the Golf Course.

Hill's screens have been cleaned and Fritz pumped the lodge. Fritz thanked Brian for his assistance with the screens.

Fritz will be ordering more pumps and parts for winter.

Jeff asked Fritz about the resident in Outlet Bay Homeowner's Assoc. that wanted to build a new house close to our manhole. Fritz has told them we require 5 feet.

SECRETARY/TREASURER'S REPORT:

The board reviewed the monthly bills. Jeff made a motion to approve the bills, seconded by Justin. Motion passed.

Kari sent Todd Burke and Al Brende an updated Supplemental Agreement between Eagle Subdivision and OBSD for review. She has heard nothing back from them.

Kari reviewed with the board a five-year plan for our operations fund, depreciation fund, sludge removal fund, contingency fund and capacity expansion fund. The plan outlines the estimated costs of upcoming maintenance and compliance issues, and how much we need to be budgeting for each year to meet our upcoming needs.

EXECUTIVE SESSION:

The board went into executive session to discuss employee wages.

The board came out of executive session and Jeff made a motion to give both employees a 10% raise. Justin seconded the motion. Motion passed.

Kari reviewed the proposed 2023-2024 FY budget. The district is facing increases in many categories such as insurance, maintenance, future repairs, testing and compliance. We also are budgeting for summer maintenance help for 2024. We will see an increase in maintenance fees due to our rate increase. The budget will be formally adopted at next month's Budget Hearing.

OLD BUSINESS:

Craig Hill addressed the board regarding the bill he received for system development charges on his employee housing complex at the golf course. He feels it is not a fair assessment as this lot has already paid one LID and has never been hooked up. He was charged an additional 1.95 SDC based upon the usage of the complex, which has 13 bedrooms and will be used as employee housing. Under the district's sewer customer classifications this is a commercial building. He feels that this should be treated as any residential dwelling and be assessed one ERU. He proposed doing a study by metering the water to the complex to determine how much flow there will be. If he can prove to the district that it uses 250 gallons or less, then he would not pay the SDC charge. Craig had to go through the expense of a preliminary engineering report which is required by DEQ and he feels that he has already paid \$3600 to be told he would need a 2500-gallon tank, which Fritz had said from the beginning. Jeff explained to Craig that the SDC charges are used for capital asset projects only. Craig paid the SDC charges and told the board he wants those funds held in an escrow account for one year to give him time to complete his usage study.

Craig also addressed with the board that he feels the district counting of his outside seating at Hill's Resort is unfair. The outside seating is based upon weather and season. Kristy explained that the board had been looking at this issue for a long time and she had proposed .025 per seat instead of .05 for the outside seating, but it was voted down. Jeff explained that we try to be as fair as we can, and pointed out that we have the same situation on the residential side of our billing, i.e., people who use their homes or cabins two weeks out of the year but are charged year-round because we do not operate on capacity.

Craig asked the board to have district's legal counsel review these matters and give him a letter of opinion. He will plan on attending the November board meeting and we will address these issues at that time.

There being no further business to be brought before the meeting, it was adjourned at 6:20 pm.

Respectfully Submitted,

Kari Davis
District Secretary