

OUTLET BAY SEWER DISTRICT

MEETING MINUTES

November 16, 2023

The Board of Directors of the Outlet Bay Sewer District met on Thursday, November 16, 2023, at the district office. Present were Chairman Tom Bell, Directors Jeff Stockdale, Kristy Pettit, Justin Bradbury and Fred Simpson via phone. Also present were Attorney Greg Wilson, Fritz Broschet, Craig Hill, Jake Hill, Brian Reilly and Lee Lubig.

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

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

The minutes of the October meeting were read and approved.

EXECUTIVE SESSION

Chairman Bell excused the public and the board and counsel went into executive session.

The board came out of executive session.

NEW/OLD BUSINESS

HILL'S RESORT

Craig Hill addressed the board regarding the contract between Hill's Resort and the Outlet Bay Sewer District. Mr. Hill told the board he wants to work with the district to find an amicable solution the billing issues he has with the district. He stated his attorney disagrees with our counsel regarding increasing the ER count from 34 to 109, as it falls under our adopted commercial rate schedule. He stated that Hill's Resort is the district's largest customer and that it doesn't cost any more for the district to handle a million gallons than two. He believes that joining the district and paying hook-up fees of \$75,000 (2,600 x 34 ER's) and paying for the installation of the line from Hill's to our mainline benefited the district.

Jeff Stockdale explained to Mr. Hill that our system development charges will pay for the two required upgrades the district needs as soon as possible. The bulk of the upgrade projects are regulatorily driven, i.e., nitrogen reduction at the plant, lift station upgrades, etc. The district, through its Facilities Use Plan (which is in final stages of approval from the DEQ) identified the future upgrades the district must do, along with a price tag of over \$8,000,000. The immediate expansion project costs are being paid for solely by new developers. Our capacity is diminished on that stretch of line between Millie's Restaurant and the Tamrak Gas and Grocery because of lack of slope, which also must be addressed in the upgrade process. Our nitrogen levels are in

compliance with our permit right now, but with projected usage increases, nitrogen could be an issue in the future.

Mr. Hill feels that if Hill's Resort wasn't a part of our district, our billing would look a lot different.

The district does not have the capability to meter usage, other than what we use at Hill's Resort and so we rely on historical data over the last 20 years to calculate the usage. The metered data shows that Hill's Resort contributes around 20% inflow, but only pays approximately 5% of the operating and maintenance.

Lee Lubig said the system was designed for 800 users @ 125 gallons per day.

Fritz explained the new DEQ requirements that pumps can no longer be installed without DEQ approval.

Mr. Hill requested to meet with Jeff Stockdale to negotiate the number of ER's the district bills the resort. Justin Bradbury volunteered to meet with him also.

FACILITIES USE PLAN

The DEQ has rejected our Facilities Use Plan for a second time. This time the comments submitted by DEQ concerned nitrogen handling. Our engineering firm is working on answering these comments and resubmitting the FUP for approval again. It could be late spring before we hear back from DEQ.

EAGLE SUBDIVISION 4-PLEX

Kari met with Todd Burke and Mr. Burke is requesting the district reconsider signing off on the building location permit for the new 4-plex. The district previously provided a sign off with conditions, however, the county refuses to issue the permit with the conditions attached. Under a separate agreement the terms of connection to the 8-plex and 4-plex are agreed upon. Based on that agreement, the board feels comfortable with providing the sign off so the building can move forward.

MAINTENANCE REPORT

Fritz received his annual report back from DEQ for 2022. They had no comments or recommendations. The district is performing well and there were no issues.

Fritz has scheduled line repairs at the golf course scheduled for next Tuesday. Jared Horlacher will be doing the excavation work.

Fritz also has repairs scheduled for the library and Shady Pines.

The Gumaer subdivision is ready to proceed. The supplies are on site and Storro is installing the lines.

Fritz had a service call at Hill's Resort. He installed a new pump.

SECRETARY/TREASURER REPORT

The website is online now. We have received very positive feedback from the community. Our goal is to have payment processing available in the spring.

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

There being no further business to be brought before the meeting, it was adjourned at 6:05 p.m.

Respectfully Submitted,

Kari Davis
District Secretary