

**North Kootenai Water District
Board Meeting Minutes
July 19, 2012**

A. Call to Order/Roll Call

Meeting called to order at 12:30 p.m. by President Crimmins.

Present: Tom Crimmins, Director/President
Alanna Brooks, Director/Secretary
Jim Omerso, Director/Treasurer
Jack Hern, Director

Staff Present: Mike Galante, District Manager
Karen Osterdock PE, District Engineer
Robin Potts, Accounts Specialist

Excused: Shirley Stoller, Director/Vice President
Brian Werst, District Attorney

Visitors: None

B. Consent Agenda

1. Minutes of 06/06/12 Special Board Meeting
2. Minutes of 06/21/12 Board Meeting
3. Minutes of 07/05/12 Board Meeting

The motion was made to accept the consent agenda for the Board meeting minutes of 06/06/12, 06/21/12 and 07/05/12.

Director Brooks – Motion, Director Omerso – Second.
Motion approved.

C. Oral Communications

None

D. Written Communications

The Board had received an e-mail from Debbie Wilson, Office Manager, for Walter Ogden. Mr. Ogden requested the District find a way for cash payments to be made in Hayden so he didn't have to drive to the new location on Meyer Rd.

After some discussion, the Board acknowledged that a Money Order could be obtained at Super One and placed in our return envelope and handed to the Customer Service Clerk at the Super One Service Desk. Seeing no other solutions, the Board felt the District's current efforts to help the Hayden residents with their payments are the best and most uniform procedures. President Crimmins will contact Mr. Ogden.

E. Treasury Report – Director Omerso

Treasurer Omerso reported that year to date office expenses are down while water revenue is up. A summary sheet of this report is available for review at the District office.

Mr. Galante also reported on increases in water usage this month compared to last year. He said we are online for ending the fiscal year within budget.

F. Employee Matters

None

G. District Attorney – Brian Werst

Excused

H. District Engineer – Necia Maiani, PE

1. Project Status Report

Avondale Project has been completed. Chilco West testing should be done this week. The Complete Project Status Update Memo dated July 18, 2012 is available for review at the District office.

Ms. Maiani also reported on a change that DEQ had made on the Principal Forgiveness on Loan DW 1203 (LID 4) for Chilco East. The Forgiveness has changed from \$46,474 to \$33,166. This will change the payment amount for LID #4 to increase by less than \$30 per year.

2. Revenue Bond Update

Remaining funds to date are \$28,333. A summary sheet is available for review at the District office.

3. Friar/Lakeview Contract

During installation of the main line on the Avondale Project, it was discovered that 6 homes were being served by a 1.5" water line. To correct this issue, the District needs to extend a new 4" main approximately 240'.

The motion was made to approve a contract for a 4" waterline replacement in the amount of \$11,919.80 and award said contract to S&L Underground.

Director Hern – Motion, Director Omerso – Second.
Motion approved.

I. District Manager – Mike Galante

1. Executive Session

The Board did not go into Executive Session.

2. Set Closing Public Hearing – LID #4

This was postponed pending an engineering report.

3. Meyer Road Project

Mr. Galante reported that \$605,405 had been spent to date on the Meyer Road property including the purchase of the building and lot. He also reported that the Single Line of Credit from Mountain West Bank would be paid over the next couple of months. The Board asked that it be paid in total now.

4. Cell Tower Leases

Unison payment was wired to our account. This amount paid down the Single Line of Credit with Mountain West Bank.

5. Hayden Haven/Gem Shores – Aspen Homes

Mr. Galante informed the Board that a home was being built at Gem Shores and we may not have the minimum pressure requirements set by DEQ. Discussion took place regarding the options for increasing the pressure.

6. 2012-13 Budget

Treasurer Omeroso and Mr. Galante have met and will meet again on the 2012-13 Budget. The final Budget will be emailed to the Board. Mr. Galante anticipates a Public Hearing for the Budget to be held on 09/06/12.

7. RAFN

Mr. Galante met with IDWR in Coeur d'Alene. Gary Spackman, Director of Idaho Rural Water Assn., joined the meeting through a conference call. Director Spackman informed Mr. Galante that since the District did not service a municipality, it could not apply for RAFN. Director Spackman is going to draft legislation to address and correct this.

J. Board Members

There was discussion involving issues with the waterline on Honeysuckle Avenue that currently serves Walgreens. If contractors cannot correct some compliance issues with the waterline, the water may be shut-off. President Crimmins asked Mr. Galante to make Walgreens' manager aware of the problems before the shut-off date of December 1, 2012.

K. Adjournment

Motion to adjourn.

Director Hern – Motion, Director Omeroso – Second.
Motion approved. Meeting adjourned at 2:12 p.m.

Alanna Brooks
Director, Secretary