

**North Kootenai Water District
Board Meeting Minutes
July 17, 2014**

A. Call to Order/Roll Call

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

Present: Tom Crimmins, Director/President
Shirley Stoller, Director/Vice President
Alanna Brooks, Director/Secretary
Curt Carney, Director

Staff Present: Mike Galante, District Manager
Brian Werst, District Attorney
Necia Maiani, PE, District Engineer
Steve Cordis, PE, District Engineer
Robin Potts, Customer Service Specialist II

Excused: Jack Hern, Director/Treasurer

Visitors: Steve Dennis

B. Consent Agenda

1. Minutes of 06/05/14 and 06/19/14 Board Meetings
2. Financial Reports for May and June

The motion was made to accept the June 5th Minutes.

Director Carney – motion. Director Stoller – second.
Motion approved.

The motion was made to accept the June 19th Minutes with a change that Shirley Stoller be shown as absent.

Director Brooks – motion. Director Carney – second.
Motion approved.

The motion was made to accept the May Financial Report.

Director Carney – motion. Director Stoller – second.
Motion approved.

The decision was made to postpone the acceptance of the June Financial Report until the next Board meeting.

C. Treasury Report

The Treasury Report's numbers were reflective through the end of May. This represents 75% of the fiscal year. Water revenue was up for the month but down YTD. Distribution repairs were down causing the variable expenses to drop.

D. Public Hearing – Daniels Properties

The Public Hearing was opened at 1:00 p.m. There was no one present and there had been no written communication. The Public Hearing closed at 1:01 p.m.

E. Employee Matters

None

F. Oral Communications

Steve Dennis, a customer building a home in Selkirk Meadows, requested relief from a high bill. During the building of his home, the excavator installed a water valve in the on position. At some point, someone turned on the water and the open valve ran undetected for an undetermined amount of time. This caused an \$832 water bill to Mr. Dennis. The Board felt this was the fault of the excavator and that Mr. Dennis needs to try to get compensation from them. There is no Board policy for water relief from a valve being left on.

G. Written Communications

None

H. District Attorney – Brian Werst

1. Executive Session

The motion was made to go into Executive Session under Idaho Code 67-2345(1)(f).

Director Stoller – motion. Director Carney – second.
Ayes – Directors Brooks, Stoller, Crimmins, and Carney
Nays – None.

The Board entered into Executive Session at 12:05 p.m. and came out at 1:36 p.m.

The motion was made to authorize litigation against O’Keefe Drilling for problems resulting from using air burst technology at Lancaster 1.

Director Stoller – motion. Director Carney – second.
Motion approved.

2. Resolution 2014-04 Order of Annexation Daniels Properties

The motion was made to accept Resolution 2014-04 Annexation of Daniels Properties.

Director Carney – motion. Director Brooks – second.
Motion approved.

I. District Engineer – Necia Maiani, P.E.

1. Project Status Report

Brad White is checking the maps on the GIS Mapping.

Plans for the Strahorn PRV were submitted to DEQ on July 3rd. Construction will begin following approval.

Mr. Galante is currently looking through the proposed future service areas for the RAFN.

2. Lancaster 5 - Change Order

The motion was made to accept Change Order #1 for drilling on Lancaster 5 in the amount of \$1200.

Director Stoller – motion. Director Carney – second.
Motion approved.

The motion was made to accept Change Order #2 for drilling on Lancaster 5 with the net amount being \$54,609.

Director Stoller – motion. Director Brooks – second.
Motion approved.

3. Lancaster 5 – Pay Request

The motion was made to accept Pay Request #2 in the amount of \$39,534.75, representing 35% of the contract amount for Lancaster #5, payable to Holt Drilling.

Director Stoller – motion. Director Carney – second.
Motion approved.

J. District Manager – Mike Galante

1. SEP Completion

This has been completed and approved. Suzanne Scheidt of IDEQ is having the consent order terminated. Mr. Galante and the Board acknowledged the work of all District employees that was above and beyond their job descriptions and normal work requirements in order for the SEP to be complete. Moreover, Mr. Galante and the Board acknowledged the compliments from IDEQ regarding the District's work to complete the IEP, which could only be achieved as a result of the work of the District employees.

A motion was made to pay each employee \$100 in connection with the SEP completion based on the above acknowledgements.

Director Carney – motion. Director Brooks – second.
Motion approved.

2. Ravenwood RV – QLPE Agreement

A QLPE Agreement between Lake City Engineering and Welch Comer Engineers has been sent to IDEQ. This serves as official notification for modification of the public water system.

3. ICRMP – Premium Review

Mr. Galante had previously met with Jerry Mason, an attorney working with ICRMP, regarding the District's premium. Due to two major claims being paid, increased property, and increased employees, the ICRMP premium could be going up.

Mr. Galante had drafted a letter to Mr. Mason showing reasons not to increase the premium significantly. The Board asked Mr. Galante to check on quotes from other insurance carriers.

4. TBI – Investment Pool

Mr. Galante discussed with the Board the possibility of investing in bonds with TBI to get a better rate than what we are currently getting.

5. Gozzer Ranch – Vacant Lot Charges and Depreciation Schedule

Mr. Galante gave different scenarios on how to change the rates at Gozzer to reduce charges for owners of empty lots. This will be discussed further at the Rates Workshop the Board will have on August 14th beginning at 12:30 p.m. The Workshop will be held at the District office.

K. Board Members

None

L. Adjournment

There being no further business, the motion was made to adjourn at 2:57 p.m.

Director Stoller – motion, Director Brooks – second.
Motion approved.

Alanna Brooks
Board Director/Secretary