

Minutes of Meeting
Hayden Area Regional Sewer Board (HARSB) Overview
February 11, 2015
10:00 a.m.

The Kootenai County Board of Commissioners: Chairman David Stewart, Commissioner Dan Green and Commissioner Marc Eberlein met to discuss the following agenda items. Also present were Hayden Area Regional Sewer Board System Administrator Ken Windram, Civil Deputy Prosecuting Attorney R. David Ferguson, and Deputy Clerk Meshell Missler.

A. Call to Order: Chairman David Stewart called the meeting to order at 10:06 a.m.

B. Introductions: There were no introductions made.

C. Changes to the Agenda: There were no changes to the agenda.

D. Old Business: There was no old business discussed.

E. New Business:

Commissioner Green gave the rest of the Commissioners a history of the Hayden Area Regional Sewer Board (HARSB). He explained the three voting partners in HARSB are the City of Hayden, the Hayden Lake Recreational Water and Sewer District, and Kootenai County. Commissioner Green said an agreement among the three partners was outdated, and that it needed to be finalized by a majority of the leadership of all three entities, because the partners own a wastewater treatment plant together. He continued that the expansion of that treatment plant was very expensive in total, although the several million dollars in expenses were largely falling on the City of Hayden and the Hayden Lake Recreational Water and Sewer District, as the County's use was confined to tenants at the Airport.

Commissioner Green said the prior Board of County Commissioners agreed to meter the Airport so that Airport tenant flow could be measured and capacity costs would be more fairly allocated.

Commissioner Green introduced HARSB's System Administrator Ken Windram. Mr. Windram gave an overview of the proposed Joint Powers Agreement that will be discussed at the February 19, 2015 meeting. Mr. Windram said at that meeting the HARSBs partners will have to discuss and agree upon new capacity use fees, and operations and maintenance cost distribution contained in this proposed agreement. Commissioner Green emphasized that attorneys for the other two partners were concerned that the City's and the District's bonding agreements might be undermined by a change in terms.

The Commissioners collectively agreed, however, that the matter was simply agreement on definitions.

Mr. Windram explained Equivalent Residence (ERs) are the current residential sewer connection capacity measurements. He said each wastewater connection pays a capacity use fee for its part of the total of the HARSB treatment capacity, so that each user pays for its treatment needs. The ER capacity use fee is based on 200 gallons per day.

HARSB proposal is to use a Wastewater Unit (WU) to replace equivalent residence (ERs). A Wastewater Unit equals 1,000 gallons per month. For non-residential connections it is proposed to be 3000 gallons, or three WUs.

Mr. Windram said the proposal would be explained one time, to leaders of all three entities at the upcoming meeting. Ideally, all three voting partner entities would agree to the operational plans of the HARSB facility, any expansion needs, and the HARSB billing. The key items for agreement include:

1. redefine ERs to WUs, and agree that one ER equates to six WUs, so the capacity impacting the wastewater treatment plant is proportionally paid based on actual flows
2. establish a minimum threshold of three WUs, especially relevant for Airport tenants
3. decide how to distribute the operations and maintenance costs among the three partner entities, by keeping the distribution on billable ERs, by distributing expense based on measured flows, or by distributing expense based on both measured flows and solid and/or organic loading

Commissioner Eberlein asked if schools pay the same for sewer fees as a business. Mr. Windram said no, all parties were billed based on ERs, and emphasized that an ER is a projection of use, not a measure of actual use. A new one-time ER connection fee is \$8,411. The entities, however, can and do, charge much more to its end users.

Commissioner Green noted the County has previously purchased 19 ERs for the Airport which are not being used. He also said another decision facing HARSB is to decide which option should be used for capacity calculations: calculate based on flow only, or calculate based on both flow and loading.

The Commissioners and Mr. Windram agreed that some of the pending items aren't important to the County, rather they are important only to the legal advisors and bond counsels used by the City of Hayden and by the Hayden Lake Recreational Water and Sewer District. There was some discussion of County strategy and compromise positions to help garner unanimous agreement among all three of the voting entities on February 19, 2015.

Chairman Stewart and Commissioner Eberlein thanked Commissioner Green and Mr. Windram for their overview and well-done background briefing on this complex matter.

- F. Public Comment:** This section is reserved for citizens wishing to address the Board regarding a County related issue. Idaho Law prohibits Board action on items brought under this section except in an emergency circumstance. Comments related to future public hearings should be held for that public hearing. There were no public comments.

Chairman Stewart adjourned the meeting at 11:00 a.m.

Respectfully submitted,

JIM BRANNON, CLERK

DAVID STEWART, CHAIRMAN

BY: _____
Meshell Missler, Deputy Clerk
