

Coolin Sewer District
Special Meeting Minutes
Annual Public Budget Hearing
August 23, 2024

The Coolin Sewer District Board of Directors met on August 23, 2024, at the Inn at Priest Lake. Those present were Paul LaCasse, Jim Morse, Josh Christensen, and Jake Copeland. Also present were Chris Morris, Jordan Brooks, District Attorney Thad O’Sullivan, and District Engineer’s Kyle Meschko and Zack Wallin. Jake called the meeting to order at 10:03am.

See attached documents for community sign in sheets and public comments submitted to the District.

INTRODUCTION

Jake started the meeting off with an introduction and clarification of what would be discussed at the public hearing. He said the intent of the hearing was not a question-and-answer situation, but the Board and Engineers would do their best to respond with an explanation if possible. He stated that the purpose of the meeting was to review the budget for the 2025 fiscal year, and to hear from the District Engineers and see their findings in the most recent rate study completed for the District. He said the Board of Directors are proposing a 5% increase in user fees for the next fiscal year.

KELLER ASSOCIATES RATE STUDY REPORT

Kyle Meschko with Keller Associates introduced himself and Zack Wallin and gave an overview of the District and what makes it unique. Kyle stated that maintenance improvements projects need to be budgeted for. Zack explained short- and long-lived assets and how those items factor into the budgeting process. Kyle stated that it’s not a matter of *if* the District experiences mechanical failures, it’s *when*. He also stated that being proactive with savings and replacing assets once they reach their life expectancy is a far greater approach vs waiting until an asset fails, leaving the District to be reactive and respond in an emergency way. Zack explained that the proposed user fees shown on the presentation boards were based on calculating short- and long-lived assets along with basic operational costs to the District for the year, and what rates should be set at to have reserves set aside when a replacement/update is needed. The Engineers recommendation to the District was increasing user fees to \$375/quarter per ER or \$125/month per ER. Zack reiterated that \$375/quarter is just a recommendation to keep up with inflation and to plan for future replacement/updates of equipment, pipe etc. and not what the Board was proposing in the preliminary budget. The Engineer’s rate study showed where the District should be to keep up with savings. The proposed 5% increase would barely

keep up with inflation for the next year. Jake gave an example from the asset list, stating the cost of just one pump at the lift station currently costs \$17,000.

PUBLIC COMMENT

Jake stated that each person would be allowed 3 minutes to speak and opened the floor to public comment at 10:31am.

Heather Meyer: Asked how many connections the District has and how much a pump costs at a house. Kyle responded that the District has 543 individual physical connections, but there are approximately 633 ERs billed to factor in commercial properties and some parcels with secondary units. The cost of a pump is roughly \$1500 at individual pump stations.

John Budig: Stated he doesn't think a 5% increase is enough.

(name – teal shirt 2nd row): Stated that communications need to be better, and the District should utilize a mass email list to get information out to the public. Jake responded that the District has a website, and it should be up to the public to check for information posted there. Jordan stated there is a feature on the website to sign up for News and Alerts.

Avellino Persello: Asked what all was done when the LID was formed in 2006. The response was the lagoon was relocated from McEwan Road to East River Road with new pipe and every customer at the time had a tank upgrade.

Alan Ameche: Asked if the District has been in contact with DEQ about funding options. Kyle responded that the District did apply for funding through the State, however, there has been a drastic reduction in available funds in the past year. Statewide, the amount available for funds is 18 million dollars.

Carol Nicholson: Asked if there was a possibility of another LID soon. Jake responded that the whole point is to avoid another LID.

Michael Bradley: Asked if the District could start streaming the meetings live and brought up selling LIDs. Jordan responded that a decent internet connection is an issue when streaming and the District doesn't have internet capabilities to do so. She also stated to manage a live stream, participate in the meeting, and keep notes for minutes simultaneously would be a challenge. Jake responded about selling LIDs, he stated it has been brought up and discussed before, however it was stopped quickly by some of the public.

Larry Weis: Stated he was in favor of raising rates as the system is too old. He also gave kudos to the Board for doing a great job.

Tim Mahoney: Asked if the District has a breakdown of lakeside homes vs secondary lots regarding assessing properties. Thad responded that the LID process is a statutory process, and the Board does not decide assessed values.

Tom Horton: Stated that water quality is the focus. He supports a higher increase, but maybe do it gradually and give lots of notice. He gave examples of paying for other utilities such as internet or phones and how much consumers pay for those services in comparison to sewer. His recommendation was to be bold and rip off the band-aid.

Lori Yob: Asked where the District was budget wise and stated that she would like to see a plan for the next few years. Jake responded that the District is currently anticipating being able to put a small amount into reserves at the end of the year.

Janet Langley: Stated that the District should consider conditional will serve letters. And that developers aren't bad; they are another source of income for the District. She started to talk about selling LIDs. Jake responded that we needed to stay on the topic of rates.

Dennis Ballo: His concern was that he doesn't have an outgoing flow meter at his house. Jake stated there is a cumulative flow meter at the lagoon. Kyle responded that individual flow meters are not typical in this industry.

Mike Budig: Stated that everyone should start attending sewer meetings regularly. He stated that the previous District Engineer claimed everything was fine and the District should consider a claim toward that firm's omissions and errors policy.

Cory Yost: Stated he agreed with Janet, the District can't stay in a moratorium forever.

Dawn Shuster: She stated based on the rate study that she feels the increase should be closer to 20%. She disagreed with assessing the values of properties. She also commented on VRBO properties and that those should be charged accordingly. Kyle responded about VRBO properties stating that it's quite a process to implement and monitor. He explained that when a property is listed on VRBO/Airbnb the property owner is supposed to get a permit through the county and the information we received from the county was minimal for properties that were permitted.

Pat Wagner: Asked for clarification on the DEQ loan. The response was that it's a separate item from user fees. The District collects annual payments from customers on the 20-year payment plan and those go directly to a separate account to pay the annual payment to DEQ. Jake stated that as the loan is nearing the end, the District does have to pay some of the interest out of the o/m fund since quite a few people have chosen to pay off the loan early and the last payment is in 2026.

John Shuster: Asked if a device to monitor flows at each house, with a quick install, could be created if that would be an option for tracking individual flows. Kyle responded again that individual flows for sewer are not typical and from a billing standpoint, having to invoice out individual fees creates quite a bit more work for 1 administrator. Also having a varying income makes budgeting challenging for the District.

Avellino Persello: Asked if there was a bathroom limit in the bylaws. Jake responded that there isn't, but there has been internal discussion about this for the future.

Craig Lee: Stated that there could be unintentional consequences regarding charging for flows to the local property owner when things are variable.

Mary Styles: Asked if vacant lots could hookup today. Jake responded yes, if there is a correlating LID with the property. She also asked why she is paying the same amount for her vacant lot that has a system on it as the people with houses. Jake stated the system is there and available for her to use.

Bill Papesh: Stated he was in favor of an increase in user fees and to update the current system. He gave thanks to the Board for all their hard work.

Debbie Straight: Asked what it will look like if the District needs to go higher than 5%. The response was that the District would have another hearing specific to increased rates.

Jake stated that the Board would discuss the next steps at the September 4th regular meeting. He also said that anyone who has a request to be on a meeting agenda needs to do so no less than 1 week prior to the regular meeting.

No further public comments were made, and the public hearing closed at 11:30.

A motion was made by Paul to adjourn the meeting at 11:31. The motion was seconded by Jim and carried.

Submitted by,

Jordan Brooks
Clerk | Treasurer
Coolin Sewer District

Budget
Hearing

Coolin Sewer District

Meeting Sign in Sheet

August 23, 2024

Print your first and last name below. Thank you!

1. Carol Nicholson 1
2. Janet Lavyly
3. David & Janet Solberg
4. Brenda Arthur
5. DAVE ARTHUR
6. AVELTINO PERSELLO
7. Michael N Bradley
8. CRAIG LEE
9. Tom Horton
10. ALAN AMECHE
11. Tim Mahony
12. Heather Meyer
13. David Patton
14. Kim White
15. Ron Huff
16. Desiree Bates
17. Todd Bates
18. LARRY WEIS
19. MARK KIRKOS
20. Karin & Debbie Short

Coolin Sewer District

Meeting Sign in Sheet

Print your first and last name below. Thank you!

1. BILL PAPES H
2. ERIC MEYER
3. MARY STEW
4. CORY YOST
5. Darra Papp
6. Pat Wagner
7. Tuller Cochran
8. Dennis Ballis
9. John Busby
10. Tom Budis
11. Kim SeMarie
12. Clint + Linda Rogel
13. Terry + Stuart Carlsson
14. MATT RIEDOLF
15. Stan Miller
16. JOHNDAWN AUSTON
17. Steve & Lorei Yoh
18. Scott Engle
19. MIKE BUDIG
20. DAVE + SUE Hendrikson

Sign In Sheet

Name:

Phone #

1. Teel Carlson
2. Stuart Carlson
3. Jason Reptush
4. Deb Strait
5. Debbie Hewett
6. Dan Hewett
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COOLIN SEWER DISTRICT PUBLIC COMMENT FORM

Date: 8/22/24

Name: David & Susan Scott

Address: [REDACTED]

Email/phone: [REDACTED]

COMMENTS:

Unfortunately, we are not able to attend the August 23, 2024 Public Budget hearing but respectfully submit the following comments:

IN OPPOSITION TO PROPOSED INCREASED USER FEE

Based on what we have been able to gather, the district has had a moratorium on residential hook-up since Oct 5, 2021 due to capacity concerns. During that time, what has the district done to explore sources of income other than user fees?

There was a notable increase in January 2022. Fortunately, for the district coffers and system capacity, a certain percentage of existing hook-ups are used only seasonal with a lower impact on capacity but still paying the full yearly rate.

The district budget has a line for Impact Fees. What income would that generate?

Does the district allow for transfer of title of existing LIDs?

Has the district taken advantage of a " conditional Will serve Letter " which could be made available for future development and put money into the sewer district budget?

Until all these options are explored and exploited, we will remain opposed to an increase in user fees.

Could the district please include the number of written comments submitted along with a summary of the comments in the minutes of this Public Hearing. Thank you.

Submit form to:
Coolin Sewer District
PO Box 86
Coolin, ID 83821
or coolinsewer@gmail.com



COOLIN SEWER DISTRICT PUBLIC COMMENT FORM

Date: 8/22/24

Name: Peggy Smith

Address: [REDACTED]

Email/phone: [REDACTED]

COMMENTS:

TO: COOLIN SEWER DISTRICT BOARD OF DIRECTORS,

RE: August 23, 2024 - Budget Hearing

WE ARE NOT FOR THE RATE RAISE!

- There are other options for revenue which have been explained to the District.
- Let owners with extra LIDS sell, which are already included in the original capacity report.
- Owners that have bought lots on the original capacity report that have been approved by all necessary departments and have their "will serve letters" let them build.
- Cancel the Moritorium. Time to get rid of it.
- Quit paying for different engineers for the same thing.
- Owners/builders will install septic systems or incinerators and the District will lose out.
- Money is to be had if the District listens to the public.
- People aren't informed until it's too late, due to prior month's meeting minutes approved until the following month's meeting. Technology is out there to email, text, even send a picture of written minutes to be approved by all board members almost immediately so we can be in the know ahead of time.

Submit form to:
Coolin Sewer District
PO Box 86
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or coolinsewer@gmail.com



COOLIN SEWER DISTRICT PUBLIC COMMENT FORM

Date: 8/28/24

Name: Michael Bradley

Address: 518 S. [REDACTED], Coolin, ID 83821

Email/phone: [REDACTED]

COMMENTS:

Board,

My suggestion regarding rate increase is 16% for years 2025-2029. This assumes a 5% increase to the proposed \$375 per year. A 5-year plan to "catch up" on funding seems reasonable but still has risk in the case of failures of equipment.

Regards,

Michael

Submit form to:
Coolin Sewer District
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or coolinsewer@gmail.com

Jordan Brooks

From: Lori Barrick <no-reply@ruralwaterimpact.com>
Sent: Wednesday, August 14, 2024 6:53 PM
To: Jordan Brooks
Subject: New Website Contact - Budget Hearing

You have received the following Customer Contact Submission Form from your website.

Date: Aug 14, 2024 6:52:43PM

Contact Name: Lori Barrick

Email: [REDACTED]

Phone: [REDACTED]

Account Number: D-37

Service Address: [REDACTED]

Department: Customer Support

Subject: Budget Hearing

Comments:

My concern with budget increases is how to access rates fairly and equitably. Many of us live in modest small cabins with 1-2 bathrooms. How is it fair to charge us same rate as these large homes that can accommodate large groups with multiple bathrooms. Many have multiple homes on one sewer charge. Why should we subsidize them? Fair way is a 2-tier billing system, one rate for 1-2 bathrooms and a rate for those that have built large homes.

Sent from coolinsewerdistrict.com

Sender's IP address 174.204.70.42



COOLIN SEWER DISTRICT
PUBLIC COMMENT FORM

Date: 23 Aug 24

Name: David Patton

Address: [REDACTED]

Email/phone: [REDACTED]

COMMENTS:

- 1) Why are sewer rates going up so dramatically over the last 5 years? Why no explanation?
- 2) How are the new hook ups paid for and what is the cost to a new customer?

Submit form to:
Coolin Sewer District
PO Box 86
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or coolinsewer@gmail.com

Dear Coolin Sewer District Board,

I am sorry I will be unable to attend the meeting set for Friday August 23 as I will be engaged in wedding activities for my nephew this weekend. I don't know whether or not you are accepting comments at this meeting, but thought it might be a good time to make a suggestion to the board. I know I have no right to do so, other than that as a property and business owner in Coolin as well as a someone who cares very much about Priest Lake and the people who live here, both full time and part-time.

For starters, as I have mentioned in person, I am grateful that all of you have taken on the duties and responsibilities of the Sewer Board. I have seen, personally, how difficult the job is as you try to accommodate neighbors, friends and customers while fixing a myriad of problems that have been handed down to you. You haven't backed down or shied away from the task. I admire you for that and thank you.

My suggestion as we move forward to fixing, up-grading or re-doing our sewer system is that we seek out ways to make it the best system on the lake without encouraging expansion to the system and growth to area. As I have mentioned in the meetings, all grants come with strings attached. Those strings usually involve greater capacity and more people with costs that would mostly be passed on to us. The standard comment is, "Well you get to enjoy your dream of being at the lake, how dare you try to limit the next guy." A wiser thought might be, "just because someone else didn't take the appropriate responsibility 35 years ago, doesn't mean we shouldn't do what is best for the lake now." The beneficiaries in this case being outside developers that are here for the allure of profits. I don't blame them, that is why you go into a business, but it doesn't have to be here where quality of life, and actual long-term health of Priest Lake would suffer as a result.

I think we should look into every conceivable option that does NOT include expansion. Expansion only helps a small group of people and it isn't the locals, or part-time locals, and it certainly doesn't help the "Gem of Idaho" remain so. The illusion that development will create more jobs and financial boons for locals, ignores the practical business fact that the bigger it gets, the more it invites bigger, out of town businesses to gobble up the growth and profits. We have a duty to preserve one of the truly special places in this country for future generations. I think we should seek input from some of the wiser financial people (clearly not me) in the district to learn how to do so. Significant resources are available amongst our community to hatch a plan that protects our lake, and the lake experience while providing the best sewer system possible. We could be the template for other rural communities to follow.

Thank you,

John Stockton



COOLIN SEWER DISTRICT
PUBLIC COMMENT FORM

Date: 8/23/24

Name: MATT RUDOLF

Address: [REDACTED] (Service address)

Email/phone: [REDACTED]

COMMENTS: Thank you Board for your service and the professionalism and seriousness with which you are handling these important issues. Keep up the good work! Kellen Engineering is on obvious improvement on the engineering side. Please make a copy of it's most recent Technical Report available on the website. As an engineer with 5 years of part experience in oil and gas field operations in Texas, I have had much experience with major process water systems in production and water flood injection field operations. All of this stated to let you know that your own user base has some experience that can help you wrestle with the best long term capital expenditure plan. The same experience applies to participation and leading for other utility and project finance LID bond offerings.

Thank you! Best Regards,

Matt Rudolf

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or coolinsewer@gmail.com