

**OUTLET BAY SEWER DISTRICT**  
**BUDGET HEARING – SEPTEMBER 21, 2023**  
**MINUTES**

The Board of Directors of the Outlet Bay Sewer District held a public budget hearing on Thursday, September 21, 2023, at the District Office. Present were Chairman Tom Bell, Fred Simpson, Justin Bradbury, Jeff Stockdale and Kristy Pettit. Also present were Jake Hill, Fritz Broschet and Kari Davis.

Chairman Bell called the Public Budget Hearing to order at 4:00 p.m.

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

The Minutes of the 2022 Public Budget Hearing were read.

The Board presented the 2023-2024 proposed budget. Jeff Stockdale made a motion for formally adopt the 2023-2024 Budget. Justin Bradbury seconded the motion. Motion unanimously passed.

The Board reviewed Resolution 2023-001. This resolution is for increasing the monthly operating and maintenance fees to \$50. Jeff Stockdale made a motion to formally adopt Resolution No. 2023-001 effective October 1, 2023. Kristy Pettit seconded the motion. Motion unanimously passed.

The Board reviewed Resolution 2023-002. This resolution is to adopt Outlet Bay Sewer District Sewer Service Classifications. Jeff Stockdale made a motion to formally adopt Resolution No. 2023-001 effective October 1, 2023. Kristy Pettit seconded the motion. Motion unanimously passed.

There being no public comments or no further business to be brought before the Public Budget Hearing, it was adjourned at 4:15 p.m.

Respectfully Submitted,

Kari Davis  
District Clerk

**OUTLET BAY SEWER DISTRICT**  
**ANNUAL MEETING – SEPTEMBER 21, 2023**

**MINUTES**

The Board of Directors of the Outlet Bay Sewer District held the annual meeting on Thursday, September 21, 2023, at the District Office. Present were Chairman Tom Bell, Fred Simpson, Justin Bradbury, Jeff Stockdale and Kristy Pettit. Also present were Jake Hill, Fritz Broschet and Kari Davis.

Chairman Bell called the Annual Meeting to order at 4:15 p.m.

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

The Minutes of the 2022 Annual Meeting were read.

Chairman Bell introduced the board.

The Board presented the 2023-2024 approved budget and Resolutions 2023-001 and 2023-002.

Chairman Bell gave the year in review:

**NEW COMMERCIAL RATE STRUCTURE AND RATE INCREASE**

The board appointed a committee to review our sewer service classifications, commercial and residential rates. This committee gave their recommendations to the board and the board formally adopted new Sewer Service Classifications and increased the monthly operation and maintenance fees by \$10 per month. Commercial businesses affected by more than 50% were given a three-year phase in.

**NEW DEVELOPMENT**

The District has been working throughout the year on plans for upgrading our system to accommodate the Millie's Development and Eagle Subdivision projects. A Facilities Use Plan was completed in March and submitted to the DEQ for approval. We are in the second round of review, comments and resubmission and hope to have it through the DEQ approval process by the end of the year. A grant was obtained through DEQ to cover half of the cost of the FUP.

Based upon the findings and recommendations in the Wastewater Collection Capacity Review and Facilities Use Plan, the board identified what future upgrades will be required as we grow. To accommodate the Millies/Eagle Subdivision, two major upgrades must happen. We are near capacity on that portion of the mainline on Highway 57 between Lift Station 5 and Marvin Estates. The Lamb Creek siphon that is located just upstream of LS 5 requires a second 8" pipe installed, and a complete line replacement from this siphon location to the Lamb Creek crossing at Marvin Estates. The district also learned through the FUP that a complete 8" gravity sewer mainline replacement from the Tamrak to Millie's Restaurant must also be completed. The estimated cost of these projects is \$3,000,000. With that information, the district formally set the System Development Charge to \$20,000 per connection.

This charge affects only new development. Contracts with the developers are being negotiated to cover all costs of the upgrades. With the new upgrades, our capacity will greatly increase.

#### BUDGET

The district has seen increases in the costs of insurance, excavation, pipe, pumps, parts, fuel, chemicals, etc., over this past year. When working on the budget for next year, the board was able to make a balanced budget because of the increase in O&M fees. Our system is aging and more maintenance is required. We budgeted for a part-time employee in maintenance for the summer of 2024 to assist Fritz with the additional workload. The district is budgeting for the upcoming leak test required under our permit in the spring of 2024, along with future compliance for our permit renewal in four years.

#### MAINTENANCE

Over the winter we purchased new motors for four of our lagoon aerators. We will need to purchase four more in the future.

This spring we installed a new control panel for Phase I. Our old one was over forty years old.

#### INCREASED USAGE

The district has increased its total number of ER's serviced from 605 to 636. This increase is due to new connections into the system and an increase in commercial account usage.

#### DELINQUENT ACCOUNTS

In August the District turned over 36 delinquent accounts to the Bonner County Tax Collector totaling \$42,061.76, down considerably from past years.

There being no public comments or no further business to be brought before the Annual Meeting, it was adjourned at 4:30 p.m.

Respectfully Submitted,

Kari Davis  
District Clerk

**OUTLET BAY SEWER DISTRICT**  
**BOARD MEETING – SEPTEMBER 21, 2023**

**MINUTES**

The Board of Directors of the Outlet Bay Sewer District held the monthly board meeting on Thursday, September 21, 2023, at the District Office. Present were Chairman Tom Bell, Fred Simpson, Justin Bradbury, Jeff Stockdale and Kristy Pettit. Also present were Jake Hill, Craig Hill, Adam Kasner, Fritz Broschet and Kari Davis.

Chairman Bell called the meeting to order at 4:30 p.m.

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

The Minutes of the August board meeting was read and approved.

**MAINTENANCE REPORT:**

Fritz has been busy pumping the commercial businesses.

We are in the last month of irrigating. Because of our leak test next spring, we will be storing more effluent over the winter.

Fritz reported that the Coolin Sewer District provided our district with lab test results on its effluent. The phosphorus levels were within an acceptable range, however, the nitrogen levels were three times higher than acceptable because of no irrigation. Fritz discussed these results with Keven Koesel of Sewell & Associates, and he advised against accepting effluent from the Coolin Sewer District because of the nitrogen and other factors. He recommended speaking with the DEQ and the USFS before making any decisions on storing effluent over the winter for them.

AES is working on a computer problem that is affecting one of our aerators.

We will be repairing a broken line at the Priest Lake Public Library and in Shady Pines this fall.

Fritz has two tanks coming for installation at the PLGC soon.

**SECRETARY/TREASURER'S REPORT:**

Kari discussed with the board how they would like to receive information from the office. Jeff Stockdale made a motion that board has 24 hours to respond to office communications via email. No response after the 24 hours gives permission to proceed. Kristy Pettit seconded the motion. Motion unanimously passed.

The board reviewed the monthly bills. Fred Simpson made a motion to approve the monthly bills, seconded by Justin Bradbury. Motion passed.

Kari is making progress with the district's new website. The district will be able to offer our customers different payment options.

Jeff reported that he had met with a phone service provider, but wasn't happy with their costs. He will be looking into Vonage next.

Kari reviewed with the board the latest draft of the development agreement for the Millie's Development and Eagle Subdivision project. This new draft allows the district to reduce the SDC back down to \$20,000 each, instead of \$26,000, by charging the developer \$20,000 for all 150 ERU's instead of \$13,500 for 69 and \$26,000 for 81. Jeff made a motion to reduce the SDC charge down to \$20,000 and accept the proposed agreement as written. Motion was seconded by Fred. Motion unanimously passed. Kari will forward a draft of the new agreement to the developer for review.

#### NEW/OLD BUSINESS:

Adam Kasner updated the board on his progress with the mainline extension at the PLGC. He hired Kelly Mayes to do an exploration dig and they were able to locate the 6" line on Fairway Drive behind the Stutz residence with connection to the 1½ inch line.

Mr. Kasner also did a title search to verify an easement to identify power. Sewell & Associates will do a survey and preliminary drawing of the utilities. Kasner is trying to build a cost estimate for this project.

#### PUBLIC COMMENTS:

Craig Hill requested to be put on the November board meeting agenda to discuss the Hill's Resort billing.

There being no further business to be brought before the board, the meeting was adjourned at 5:05 p.m.

Respectfully Submitted,

Kari Davis  
District Clerk