

## **OUTLET BAY SEWER DISTRICT**

### **BOARD MEETING MINUTES**

**January 18, 2024**

The Board of Directors of the Outlet Bay Sewer District met on Thursday, January 18, 2024, at the district office. Present were Chairman Tom Bell, Directors Justin Bradbury, Jeff Stockdale and Fred Simpson (via telephone). Also present were Fritz Broschet, Kari Davis, Jessica Loncosty, Pete Pecora, Brian Riley and Jake Hill. Absent was Kristy Pettit.

Chairman Bell called the meeting 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 December meeting was read and approved.

#### **NEW/OLD BUSINESS:**

##### **Hill's Resort Contract Addendum**

Jeff Stockdale presented the proposed Addendum to the board and guests. This Addendum encompassed all of Craig Hill's proposal presented to the board in the December board meeting, with the exception of modifying the annual restaurant/bar chair count to a seasonal count in summer and in winter for an average. This change will be made during our next budget cycle in September.

Jake Hill reviewed the proposed Addendum and rejected it on behalf of Hill's Resort based on the fact it is for the duration of the contract, and doesn't extend into the future beyond November 30, 2029. Jake wants the addendum to extend indefinitely. He said that in the December meeting they were told that they would be faced with paying a large amount of system development charges to remain connected once the contract expires. Jeff Stockdale clarified for Jake that the district, under the advice of counsel, can only negotiate through the end of this existing contract. He also clarified that the district has made no decisions on SDC charges after the contract has expired. This would be for the board in 2029 to consider and act upon. This board will not obligate a future board to a decision such as that.

After the board reviewed the Addendum, Jeff made a motion to approve the Hill's Resort contract addendum, seconded by Justin Bradbury. Motion unanimously passed.

Tom Bell asked Jake to come back to the board with a proposal of what he thinks a fair resolution would look like.

Jessica Loncosty told the board she would like to see more frequent, smaller rate increases rather than large jumps in the rates. The board explained to Jessica that there had been no price increase since 2016 and in accordance with the recommendations of our engineers in our Facilities Use Plan, page 50, Section 4.1, our system deficiencies are our operating and maintenance charges being less than our expenses for the past five years. In 2016 we raised the monthly fee from \$30 to \$40 and in 2023 we raised it from \$40 to \$50.

#### **MAINTENANCE REPORT:**

Fritz had Lift Station 5 go down on New Years. We lost a 10h pump. RC Worst assisted. Fritz and Jeff installed a new soft start yesterday and the pump is on order. The cost was \$12,000.

Fritz has completed repairs on two of the district's line breaks.

Annual report has been submitted to DEQ. Kevin is working on submitting a proposal to DEQ on procedures for our upcoming leak test.

Our new control panel on Lake Shore worked well in the recent power outages. It detected the brown-out, sent an alert to Fritz, and shut down.

#### **SECRETARY/TREASURER'S REPORT:**

Kari shared with the board a nice letter she received about Fritz and Tom going above and beyond for a customer. We also received a letter from Cliff Myers congratulating the District on our website!

Kari reviewed with the board what the budget impact of reducing Hill's Resort's ERU count from 109 to 72.5 looks like. With the three-year phase-in, this budget cycle (23-24) it's a loss in revenue to the district of \$7,517.40.

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

Kevin Koesel is working on the Preliminary Engineering Report for Eagle Subdivision.

Quarterly bills are coming in.

## **PUBLIC COMMENTS**

Pete Pecora said he wanted to tell the board they were doing a great job and he attended the meeting to see how the district is doing.

There being no further business to be brought before the meeting, it was adjourned at 4:45 p.m.

Respectfully Submitted,

Kari Davis  
District Secretary