

LAKES HIGHWAY DISTRICT MINUTES

August 29, 2022

Page 1

The regular scheduled meeting of the Lakes Highway District Board of Commissioners was called to order by Chairman Twete at 5:30 p.m. on August 29, 2022 at the District Office, 11341 N. Ramsey Road, Hayden, Idaho 83835. Those in attendance were Commissioners Twete, Montgomery and Fountain, Director Shanley, District Clerk Flagg, Deputy Clerk Blaine and District Attorney Weeks. Cherlyn and Scott Johnson and Will and Barb Neal attended regarding public comment, Steve Howard, Rick Thompson and Stuart Wells attended regarding the validation of Viewer Report #30 and Donna Montgomery observed.

Chairman Twete called the meeting to order and led the Pledge of Allegiance.

Chairman Twete asked if any Board member has a conflict of interest with any item on the agenda? Commissioner Twete no Commissioner Montgomery no and Commissioner Fountain no. Has anyone had any oral or written communication with an applicant, or anyone opposing an application? Commissioner Twete no, Commissioner Montgomery no and Commissioner Fountain no. Has anyone visited a site that is on the agenda for a Board decision regarding an application related to the site? Commissioner Twete no, Commissioner Montgomery no and Commissioner Fountain stated she had driven Spirit Lake Road.

Item 3 – Commissioner Montgomery moved to approve the August 29, 2022 agenda as presented with Commissioner Fountain seconding the motion which carried unanimously.

Item 4 - Commissioner Montgomery moved to approve the August 1, 2022 regular minutes as presented with Commissioner Fountain seconding the motion which carried unanimously.

Item 5 - After reviewing the payments journal and financial worksheet, Commissioner Fountain moved to approve the payments journal with bills paid by check numbers 39594 through 39677 in the amount of \$362,451.03, the direct deposit dated July 5, 2022 in the amount of \$42,905.80 and the direct deposit dated July 20, 2022 in the amount of \$41,612.04 for a total of \$446,968.87. Commissioner Montgomery seconded the motion which carried unanimously.

Item 6 – Public Comment – Chairman Twete asked if there was any public comment. Will Neel asked about repairs on East Hayden Lake Road. Scott Johnson and Cherlyn Johnson addressed the Board regarding their approach on Rimrock Road.

Old Business

Item 7a – Reconvene the Public Hearing to consider the validation of Viewer Report #30, Athol to Squaw Bay Road.

Chairman Twete stated this is the time and place set to reconvene the public hearing on the validation of Viewer Report #30, Athol to Squaw Bay Road. At this time Chairman Twete addressed the audience regarding any public comment and asked for all public comment forms which had not yet been turned in to the Board to be turned in now as the public hearing convenes.

Director Shanley presented the staff report to the Board for review and discussed the information outlined in the report. He then asked Clerk Flagg if there was any oral or written public comment. Clerk Flagg stated that a representative from Stimson Lumber was in and said they would have no objection to the validation and or abandonment and vacation provided Stimson Lumber had an easement for access to their lands lying to the north.

Steve Howard addressed the Board outlining his request for validation.

At this time, Chairman Twete called for a five (5) minute recess to allow public comment forms to be completed and submitted to the Board.

Upon reconvening to regular session, District Attorney Weeks read the public comment forms which were in no particular order and the Board heard public testimony from Rick Thomson and Stuart Wells. At the end of the public comment, Attorney Weeks gave Mr. Thompson's comment sheet to Clerk Flagg to enter into public record as Exhibit A, Mr. Wells' comment sheet as Exhibit B and the Staff Report as Exhibit C.

Chairman Twete asked Mr. Howard if he had any rebuttal testimony. Mr. Howard had no rebuttal.

Chairman Twete closed the public hearing.

Following public testimony, the Board proceeded to deliberations and upon conclusion, the following motion was made.

Commissioner Fountain stated I find it in the public interest to validate Viewer Report #30 known as Athol to Squaw Bay Road, lying in Section 1, Township 53N, Range 3 West, Boise Meridian, Kootenai County, Idaho as a public right-of-way per Idaho Code §40-203 (1) (a). Motion also includes authorization for the Chairman or Vice Chairman to sign the Findings-of-Fact when presented contingent upon legal counsel's review. Commissioner Montgomery seconded the motion. Attorney Weeks wanted to clarify what to include in Findings-of-Facts, connectivity and land locking of parcels. Chairman Twete asked that the map dated 1959 be included as well.

Clerk Flagg then called roll as follows: Commissioner Twete aye, Commissioner Montgomery aye and Commissioner Fountain aye. Motion carried unanimously.

Current Business

Item 8a – Public Hearing – FY 2022-2023 Budget. Chairman Twete stated this was the time and place for the 2022-2023 budget hearing and declared the hearing open for any public comments.

Director Shanley stated the public hearing was advertised in accordance with Idaho Statutes and the District had not received written comments regarding the budget. Director Shanley then reviewed the proposed 2022-2023 budget with the Board and Resolution 2022-04 reserving the 2022-2023 foregone amount.

Chairman Twete asked for any further public comment. As there was no public comment, Chairman Twete declared the public hearing closed.

The Board proceeded to deliberations which outlined that the District was taking new construction funds only with a zero increase to property taxes. Discussion also included the possibility of the County withholding penalties and interest assessed on delinquent taxes from the advalorem payments due the taxing districts. Upon conclusion, the following motion was made.

Commissioner Montgomery moved to approve and adopt the amended projected final budget for FY 2021-2022 given the adjustment in revenue received by the District and changes in the FY 2021-2022 budget, approve and adopt the FY2022-2023 Lakes Highway District budget as presented, authorize the Chairman or Vice Chairman to sign the dollar certification and authorize District staff to submit the FY 2022-2023 budget to the Coeur d'Alene Press for advertisement. Commissioner Fountain seconded the motion which carried unanimously.

Deliberations followed regarding the foregone amount which the Board decided not to take this year. As there was no motion made to adopt the resolution regarding the foregone amount, the resolution dies on the floor.

Commissioner Montgomery moved to amend his prior motion to adopt the 2022-2023 budget to remove the foregone amount in the amount of \$114,879 from the Budget Certification. Commissioner Fountain seconded the motion as amended. Motion carried unanimously.

District Clerk Flagg then called the roll as follows: Commissioner Twete aye, Commissioner Montgomery aye and Commissioner Fountain aye. The motion carried.

Item 8b - Kootenai County Late Penalties & Interest. Director Shanley discussed with the Board an email the District received from the Kootenai County Treasurer regarding penalties and late fees being retained by the County. Director Shanley requested that staff be authorized to work with the Association and legal counsel to draft a response letter to the County. After deliberations, Commissioner Fountain moved to authorize District staff to work with the Association and legal counsel to draft a response to Steve Matheson's letter. Commissioner Montgomery seconded the motion. Director Shanley clarified that the District would share legal expenses with the other highway districts. All Commissioners agree and the motion carried unanimously.

Item 8c - Kootenai County Indebtedness Form. Director Shanley presented this form from the Kootenai County Auditor's Office to the Board for review. After deliberations, Commissioner Fountain moved to complete the Kootenai County Auditor information letter for Lakes Highway District as presented with the addition of emails. Commissioner Montgomery seconded the motion which carried unanimously.

Item 8d – Special Events Application – Hayden Lake Marathon. Director Shanley presented the Special Events Application for the Hayden Lake Marathon to be held on October 15, 2022 to the Board for review. After deliberations, Commissioner Montgomery moved to approve as presented with Commissioner Twete seconding the motion. Commissioner Fountain opposed. Motion carried.

Item 8e – Rob Roi Plat Review. Director Shanley presented this two (2) lot minor subdivision located north of Parks Road to the Board for review. After deliberations, Commissioner Montgomery move to authorized District staff to submit a letter of comment to the County outlining item numbers 1-3 of Director Shanley’s review. Commissioner Fountain seconded the motion which carried unanimously.

Item 8f – Buck N’Rail Plat Review. Director Shanley presented this four (4) lot minor subdivision located adjacent to Panhandle Road to the Board for review. After deliberations, Commissioner Fountain moved to accept and approve the dedications that shall be shown on the final plat and authorized District staff to submit a letter of comment to the County outlining item numbers 1-4 of Director Shanley’s review. Commissioner Montgomery seconded the motion which carried unanimously.

Item 8g – Lakeland Meadows 3rd Addn Plat Review. Director Shanley presented this four (4) lot minor subdivision located on Werre Road to the Board for review. After deliberations, Commissioner Fountain moved to authorized District staff to submit a letter of comment to the County outlining item numbers 1-4 of Director Shanley’s review. Commissioner Montgomery seconded the motion which carried unanimously.

Item 8h – Caterpillar 420 Backhoe Purchase. Director Shanley presented the Board with a quote from Western States Equipment for a Cat 420 Backhoe. After deliberations, Commissioner Montgomery moved to approve the sales agreement with Western States to purchase the Caterpillar 420 Backhoe in the amount of \$140,374.70. Commissioner Fountain seconded the motion which carried unanimously.

Item 8i – Set Public Hearing – Validation of Red Spire Road. Director Shanley presented a petition submitted to the District for validation of Red Spire Road located in Bayview. After deliberations, Commissioner Montgomery moved to set a public hearing for November 7, 2022 @ 5:45 p.m. or as soon thereafter as possible for the validation request for Red Spire Road in Bayview with Commissioner Fountain seconded the motion which carried unanimously.

Item 8j – Resolution 2022-04 Fox Hollow 1st Addition Road Acceptance. Director Shanley presented the request from 7 Lakes, LLC to accept the roads located in Fox Hollow 1st Addition into the District’s maintenance jurisdiction. After deliberations, Commissioner Montgomery moved to accept Vulpine, Winray and Fox Hole into Lakes Highway District public road system. Commissioner Fountain seconded the motion which carried unanimously. District Clerk Flagg clarified the resolution as Resolution2022-04. All Commissioners agreed.

Item 8k – Final Balancing Change Order – 2022 Construction Projects. Director Shanley presented the final balancing change order in the amount of \$30,562.73 which is an increase in the final bid price for the 2022 construction projects to the Board for review. After deliberations, Commissioner Montgomery moved to accept the increase of \$30,562.73 for Interstate Concrete and Asphalt. The motion also included authorization for the Chairman or Vice Chairman to sign the change order. Commissioner Fountain seconded the motion which carried unanimously.

Item 8l – Final Pay Request for Interstate Concrete & Asphalt – 2022 Projects. Director Shanley presented the final pay request from Interstate Concrete & Asphalt for the 2022 construction projects in the amount of \$1,036,881.89. After deliberations, Commissioner Fountain moved to approve the final pay request and authorize payment of \$1,036,881.89 to Interstate Concrete & Asphalt for the 2022 construction projects and authorized the Chairman or Vice Chairman to sign the pay request. Motion also included authorization for the release of retainage held in the amount of \$116,844.33 upon receipt of the State Tax Lien Release. Commissioner Montgomery seconded the motion which carried unanimously.

Item 9 – Executive Session. Commissioner Montgomery moved to enter into executive session at 6:53 p.m. under Idaho Code §74-206 (1) (c) (f) & (i). Commissioner Fountain seconded the motion. Clerk Flagg called the roll as follows: Commissioner Twete aye, Commissioner Montgomery aye and Commissioner Fountain aye. Motion carried unanimously.

Upon reconvening to regular session at 7:40 p.m., Commissioner Montgomery moved to direct staff to move forward with the items as discussed in executive session. Commissioner Fountain seconded the motion which carried unanimously.

At this time Commissioner Fountain discussed her concerns regarding expense reports. As this was commissioner comments, no motion was made.

There being no further business, Chairman Twete adjourned the meeting at 7:50

Respectfully Submitted:

Bonny A. Flagg

Bonny A. Flagg
District Clerk/Board Secretary

Approved:



Rodney A. Twete
Chairman