

POST FALLS HIGHWAY DISTRICT
AUGUST 2009 MINUTES

Regular Meeting – August 5, 2009, 5:59 pm, E. 5629 Seltice Way

Lynn Humphreys, Chairman, called the meeting to order at 6:00 P.M. Present were Commissioners Lynn Humphreys, Robert Miller; Road Supervisor Kelly Brownsberger, District Clerk Shirley Walson; and Engineer Darius Ruen. Stephanie Blalack (208-659-6559) from e² Engineering Services was present as a guest.

Conflict of Interest – Since only two commissioners were present, and one was a candidate, Shirley contacted the elections office to discuss conflict of interest for canvassing the votes. Deedie Beard, Supervisor of the Kootenai County Elections Department explained the County Commissioners do not declare a conflict of interest for this since two commissioners are always on running at one time. With this explanation, the Commissioners declared no conflict of interest with any agenda item.

Bob Miller moved to approve the July 2009 minutes and vouchers. Lynn Humphreys seconded. Motion carried.

PUBLIC HEARING

Surplus Vehicles

Chairman Humphreys opened the Public Hearing at 6:05 PM. No correspondence has been received regarding opposition to the vehicle surplus. No one in the audience was present to oppose the vehicle surplus. The Public Hearing was closed at 6:05 PM. The Board did not see any reason to keep these units in the fleet. Bob Miller made the motion to proceed to go to publication to request sealed bids for the dump trucks. Lynn Humphreys seconded. Motion carried unanimously. Bids will be opened at the September 2, 2009 board meeting. [8/5/09 REG MTG]

CURRENT BUSINESS

Spokane Street Vacation Request

Stephanie Blalack from e² planning & design, llc was present to discuss a request to petition to vacate a portion of Spokane Street. Their client, G&G Properties, purchased the former Hughes Greenhouse and is requesting vacation of a 15-foot by 109-foot section. Ms. Blalack provided some information as presented with discussion following in regards to the dimensions. Lynn asked Engineer Darius Ruen to research the actual dimensions. Fees were discussed; the District will notify Stephanie of fees that will become due. Bob Miller made the motion to set a vacation abandonment public hearing for the first board meeting in October (10-7-09). Lynn Humphreys seconded. Motion carried unanimously. [8/5/09 REG MTG]

Election Canvas

Staff canvassed the election results and Shirley presented the findings to the Board. No changes from either Cloverleaf Grange or Mullan Trail School. One vote was discounted from the Post Falls Highway District Office because it was not an official ballot, it was a copy enclosed with an official ballot in the absentee ballots. The certification by the judges was not correctly filled out for the number of votes in that absentees were added twice. The incorrect date on the official ballots was discussed. The Attorney General's office stated the election can be challenged for 30 days, Deedie Beard said it is actually 20 days from the date of canvassing the votes. With one vote removed from Louis Barton, the final outcome remains that Robert Miller is declared the winner. Final votes tally is:

Louis Barton – 90 votes

Tim Herzog – 35 votes

Robert Miller – 115 votes

Bruce Noble – 81 votes

Bob Miller moved to approve the results. Lynn Humphreys seconded. Motion carried unanimously. The Board proceeded to assign the Official Canvas of the August 4, 2009 election results. [8/5/09 REG MTG]

Mountain Acres

A Road Development Agreement and Notice of Lien were presented to the Board after acquiring Mort's signatures. Bob Miller moved to approve the road development agreement for Mountain Acres and it also contain a provision to contain a lien on the property until such time it is satisfied in the amount of \$7,000. Lynn Humphreys seconded. Motion carried unanimously. [8/5/09 REG MTG]

Beck Road Railroad Crossing

For the Board's review and signatures, Idaho Transportation Department sent three original documents for the Beck Road Railroad Crossing, Project number STP-2800 (133), Key number 09633. This project will relocate and reconstruct the Beck Road Crossing. The Road Supervisor and Engineer have reviewed the documents and found them standard and satisfactory. Darius mentioned a few items, all standard to the railroad agreements. He mentioned that during construction of the Prairie Avenue project, if a train blocks the intersection during construction hours, the railroad would not be liable for the holdup or delay of the project. Total estimated cost of this project less credits is \$381,547. Dirt work will be done by the District crew, contracted work will be done by guardrail, curb and gutter, and paving. A \$26,650 payment is required at the time the agreements are signed for the use of the railroad's right-of-way. Lynn confirmed payment should come from the Beck Road Account. Bob Miller made a motion to proceed to sign the agreements and send back to ITD and continue with this project. Lynn Humphreys seconded. Motion carried unanimously. [8/5/09 REG MTG]

Insurance Agent

Chairman Humphreys read the Agent of Agreement Authorization. Shirley talked with a representative from Copperleaf Consultants, Jake Richardson, who explained they can either begin acting as the District's agent immediately, or they can file the authorization and wait to begin acting as the District's agent when the Board approves which plan the District will decide on. The District is still looking at an October 1, 2009 change rather than waiting until the January 1st renewal date of Blue Cross. Bob Miller made the motion for Copperleaf Consultants provide health insurance and VEBA services for the District. Lynn Humphreys seconded. Motion carried unanimously. Clarification was provided that the District's preference for their agent representation at such time a new plan is chosen, and stay with Advanced Benefits until such time that Blue Cross is dropped. [8/5/09 REG MTG]

Insurance Plan

This item was tabled until such time that Commissioner Werner can participate in the discussion and decision. Terry has been very involved in these discussions and the remainder of the Board would like him present. The item will be placed on the August 19, 2009 agenda. [8/5/09 REG MTG]

2009-2010 Budget, Approval for Publication

The budget was previewed at Monday's workshop. Bob Miller made the motion to approve the 2009-2010 Budget for publication. Lynn Humphreys seconded. Motion carried unanimously. Kelly did explain one line item increase under guardrail. He had Ruen Yeager provide an estimate on the cost of guardrail for the Beck Road project. The cost would be \$54,400 versus \$71,000 for Jersey barrier. [8/5/09 REG MTG]

CORRESPONDENCE

Robert Titsch zone change – The Kootenai County Hearing Examiner will hold a public hearing, which will include this item on August 20, 2009. [8/5/09 REG MTG]

David Tysdal Conditional Use Permit – The Kootenai County Board of Commissioners will hold a public hearing that will include the item on August 13, 2009. [8/5/09 REG MTG]

Elijah House – The District sent a letter to Elijah House in regards to unmet requirements of the Road Developers Agreement. Unpaid fees in the amount of \$4,000 were requested paid by July 30. A letter dated July 16, 2009 was received from Elijah House with a follow up to their letter dated July 29. The District's records do not show the second \$4,000 payment of the \$8,000 due. Elijah House stated their recollection is that the payment was made and since the roadwork was done, "it is reasonable to assume

that payment was indeed made". Bob mentioned the agreement states the second \$4,000 payment must be paid prior to work. Lynn answered that it would not be the first time the District went on good faith and continued to do roadwork with the promise payment was forthcoming. The Board asked that a second letter be sent stating District records do not show the payment and the financial burden is still on Elijah House. [8/5/09 REG MTG]

Poe Asphalt Prices – A letter was received stating a drop in Poe's prices for hot asphalt. They are still higher than Knife River from whom the District has been purchasing hot asphalt. [8/5/09 REG MTG]

Fairmont Loop speed concern – A letter was received from Barbara Yeager stating her concerns about people speeding on Fairmont Loop. Lynn remarked we are not an enforcement agency. Shirley added that Ms. Yeager phoned the office asking for more speed limit signs and Shirley instructed her to send a letter with her request. A letter was received but no request was entered therein. Lynn asked Kelly to do an on-site review to ensure posted signs are still standing. [8/5/09 REG MTG]

American with Disabilities Act (ADA) Open House – Katie Powell, no representation stated, sent two advertisements for ADA Facilities Open Houses sponsored by ITD. The local one is already passed; a second open house will be in Sandpoint on August 6. [8/5/09 REG MTG]

Post Falls Chamber Thank you card – A card was received thanking the District for renewing our membership. [8/5/09 REG MTG]

ROAD SUPERVISOR

Steve and Lori Addition – During recent audits of the Road Developers Agreements, it was discovered there were unpaid fees for this development. Upon a letter sent to Steve and Lori Nelson, Mr. Nelson came into the office to ask if he could enter into another agreement with the District. The agreement is a 10-year agreement. Lynn requested it be sent to Nelsons for their signature. Kelly further explained an agreement is being prepared for Leatherwood for development fees but it is not yet ready. [8/5/09 REG MTG]

City of Hauser comment letters – The City recently sent three comment requests. Kelly stated there would be no impact created for the District on any of the three. Two, Chef in the Forest and the former Hauser Lake Resort, are bringing themselves into compliance as a commercial business. [8/5/09 REG MTG]

Crew – Finished chip seals and complete fog seals the following day. [8/5/09 REG MTG]

ENGINEER

Leatherwood – A site disturbance permit was given to Kelly and a corrected letter in regards to the number of lots was given to Shirley for the file. The previous letter stated two new lots and only one additional lot is being created, therefore the fee-in-lieu-of is only \$3,500. [8/5/09 REG MTG]

Hidden Falls – Darius would like to schedule an on-site meeting with Toby Sheldon, Kelly, himself, and any or all of the commissioners at the Hidden Falls subdivision. A new approach is being built for Lot 3 when it already has a paved driveway. A new driveway has been created that crosses Lot 3 into another lot. Darius is asking for direction from the Board for his review letter; he would like to request clarification as to the proposed approach changes. [8/5/09 REG MTG]

Tom Mort – Darius, Kelly, and the Kootenai County will meet with Tom the following day regarding the site disturbance permit for the common driveway that is crossing Schilling Loop and Spring Creek. [8/5/09 REG MTG]

Wild Ridge – Darius stated there is good progress on building the roadway. Interstate is doing the paving. [8/5/09 REG MTG]

Bremer LLC – The review letter is not yet complete but Darius plans it will be done the following day. [8/5/09 REG MTG]

Prairie Project, Engineering – Darius talked with Jerry Flatz from LHTAC regarding the engineering review process. Jerry stated ITD said it will not work but was vague about who gave him that direction. Randy Hirst from ITD is getting information on the selection process if it is required. *[8/5/09 REG MTG]*

Prairie and McGuire Roundabout – Lynn gave a short recap about the Don Horn appraisals, stating there is less than \$25,000 the District would have to spend at fair market value. He would like to send a letter to Mr. Horn to proceed. The District has secured funding for the project but the District needs to have the right-of-way. He also asked that Susan Weeks receive copies of the appraisals so she can have quick-take agreements ready in the event the District cannot obtain the parcels within the 30-day time period. Bob Miller made the motion that Mr. Horn proceed with the acquisitions of the parcels. Lynn Humphreys seconded. Motion carried unanimously. *[8/5/09 REG MTG]*

OFFICE

Freight zone change – Shirley presented a cover letter for Lynn's signature to accompany Ruen Yeager's comment letter for his zone change request. Darius' letter is the same letter as the two prior requests. *[8/5/09 REG MTG]*

KMPO Board Meeting location change – The August through December KMPO board meetings will be held at Post Falls City Council Chambers instead of ITD. *[8/5/09 REG MTG]*

Michelle Sandberg – Shirley read an e-mail from Michelle stating her apologies if she left the District hanging and she is still interested to provide support to the District in any way they can with our renewal process and implementation of a health plan. *[8/5/09 REG MTG]*

Advanced Benefits – Doug Jaworski came in the office last week. Shirley presented the Board with a document showing a savings of 6-month hypothetical claims. He knows the District has been looking at other options and is interested getting on an agenda to talk to the Board if we so desire. Lynn declined the offer on behalf of the Board. *[8/5/09 REG MTG]*

Anderson Brothers Letter of Engagement – The next agenda will have a request to sign a Letter of Engagement for the upcoming audit. Previously the Board asked to put out a request for quotes for auditing services. Time is now a factor. Lynn said the Board came to a consensus that we would stay Anderson Brothers one more year before making that decision to go out for quotes. *[8/5/09 REG MTG]*

Policy for Road Development Agreements – Previous discussion took place about Road Development Agreements policies so they are not missed as has happened in the past. Shirley asked if the Board would like to discuss this with Susan Weeks at her next meeting. *[8/5/09 REG MTG]*

Property Tax Payments – Shirley reminded the Board that new tax bills will be out in November and in order to pay the current tax bills, delinquent bills must also be paid. There are still some delinquent taxes and have been waiting for Susan to receive an opinion the County's attorney if they will be cancelled. It will be discussed with Susan at her next meeting. *[8/5/09 REG MTG]*

Health Fair date – The Health Fair has been confirmed for Wednesday, August 26 at 6:00 AM. *[8/5/09 REG MTG]*

T2 Training – At the July 13 Workshop, Kelly discussed with the Board about the T2 Center wishing to train Ed Mael as an instructor. Lynn requested it be brought to the July 15 Board Meeting for formal action, but it was not discussed. Bob Miller made the motion to approve Ed to attend training at the T2 Center in October. Lynn Humphreys seconded. Motion carried unanimously. *[8/5/09 REG MTG]*

COMMISSIONERS

Bob Miller expressed his thanks to everybody who helped get him back into office. Lynn stated he was glad Bob was on board. *[8/5/09 REG MTG]*

Lynn Humphreys stated he received a phone call in which a property owner wants to access Burlington Road to access his property. Lynn stated barriers had been placed in a location where the caller would like to access. Lynn asked if anyone remembered if restrictions had been placed on Burlington Road. Kelly provided his recollection of the situation. [8/5/09 REG MTG]

With no further business, Bob Miller made the motion to adjourn at 7:30 P.M. Lynn Humphreys seconded. Motion carried unanimously.

Regular Meeting – August 20, 2009, 6:00 pm, E. 5629 Seltice Way

Lynn Humphreys, Chairman, called the meeting to order at 6:00 P.M. Present were Commissioners Lynn Humphreys, Terry Werner, Robert Miller; Road Supervisor Kelly Brownsberger, District Clerk Shirley Walson; and District Engineer Darius Ruen. Guests included Terrance Gay, BNSF Railway; Ken Hubert, Burlington Road; Kory LaZelle, Burlington Road; Russ Frickey, Pison Court; and Paula Frickey, Montana.

Commissioners had no conflict of interest with any agenda item.

PUBLIC HEARING – 2009/2010 Budget

Chairman Humphreys opened the Public Hearing. No one in the audience was present to comment on the budget. No written comments were received regarding the budget. Terry Werner made the motion to approve the budget for October 1 2009 through September 30 2010 as printed and advertised. Bob Miller seconded. Motion carried unanimously. The public hearing was closed. [8/19/09]

CURRENT BUSINESS

Burlington Road Extension

The District received a request from a property owner to move barricades at the end of Burlington Road. The property owner, Russell Frickey, owns Lot 5 of Coyote Trails Estates and currently has paved access from Pison Court. Kelly stated the road does not have any base; pit run was added at the end of Burlington Road but base will be required to extend it to allow the additional access. Russ Frickey wants the barriers pushed back 50-feet to the west so he can access his property from Burlington Road in order to shorten his driveway to a location where he would like to build his house. This would shorten his access, which would otherwise be a 700-foot driveway if he uses the current Pison Court access. Discussion followed about the utility easements that run across the property, however, Russ Frickey stated his current approach is paved across the gas easement. Further dialogue was the how the Board wanted the developer of Coyote Estates to extend and build Burlington Road to District standards but he declined because his intended access was from Pison Court. Paula Frickey commented very briefly and asked if there is a plan to extend Burlington Road. Lynn stated at some time, yes, but there is no funding at this time or interest for public participation to extend the road, but there is potential. Kory LaZelle, who lives in Bailey's Acres, commented that at the time of development, Mr. Peck, the developer stated all access would be off of Hayden Avenue (which Pison Court intersects to Hayden). He stated how the barriers have been very helpful in deterring problems on Burlington Road as well as the additional traffic is not attractive to him. Bob Miller asked if Mr. LaZelle was opposed to moving the barriers with the response being yes, if it creates more traffic. Lynn stated the Board spent a lot of time on access when this was developed; they asked for participation and there was no interest. The owner has paved access and the Board is not interested in allowing more access to one 5-acre lot. If Mr. Frickey can get the neighbors to participate in improving Burlington Road, the Board would consider the request. Terry Werner moved to deny access to Parcel #5 in Coyote Estates from Burlington Road. Bob Miller seconded. Motion carried unanimously. [8/19/09]

Anderson Brothers Audit Engagement Letter

A previous decision was made to go out to RFP's for an auditing firm. Discussion followed about detail of the audit, comparisons to other audit reports, audit costs for other highway districts, and the transition of the audit year for the clerk. Terry Werner made the motion to sign the engagement letter with Anderson Brothers with the stipulation that after January 1, we go out to RFP's for selection of an auditor for next years audit. Bob Miller seconded. Motion carried unanimously. [8/19/09]

Insurance

The Board is ready to move forward with the insurance plan as discussed the last few weeks, however they do not want to make approve until there are hard quotes in front of them. The health surveys have been sent to Copperleaf in order to obtain those quotes. Discussion followed regarding the VEBA contribution. Lynn explained the \$1,250 Copperleaf showed was an assumption; \$1,500 was actually approved in the budget. Terry stated he felt the deductible is covered along with some spinal manipulations and vision and continued that due to recent economic situation, the \$1,250 was fair and it is covering the expenses. Bob Miller stated he felt the VEBA contribution should be \$1,250 and he wants to see hard numbers. Terry Werner made the motion to hard numbers from Copperleaf on Option 1 and those numbers be brought back to the Board for final approval. Bob Miller seconded. Motion carried. [8/19/09]

CORRESPONDENCE

Kootenai County Hearing Examiner – ZON08-0006- Robert Titsch zone change – No comment until development. CV-09-0186-Code interpretation – Not applicable to PFHD per KC Planning, 8/20/09. MSP09-0001, Cedar Creek Estates and MSP09-0003, Bella Ridge 1st Addition – response letters have previously been sent to the County. [8/19/09]

ITD Project Record Summary – Enclosures show \$6 million to spend on Prairie Avenue, Meyer to Huetter project. There are also cost shares on the Seltice Way Bridge and Huetter Rd projects. These are preliminary numbers and nothing due at this time. [8/19/09]

Magnuson, McHugh & Company Training – 3 Things Governmental Council/Board Members Should Know. This class is August 25, Shirley is already signed up and she suggests Bob take it. Shirley will make contact to see if there is still room available. [8/19/09]

ROAD SUPERVISOR

Burlington Fueling Facility – Kelly stated we received a mandatory compliance review for Burlington Northern, the purpose for the letter conditions of approve have been met, are being met, and are there any newer conditions are warranted. All of our conditions are met and everything is functioning property and he has no recommendations for any changes. A 2004 letter had been sent to the County stating all conditions are met and are still being met; he would like to make a recommendation that a letter be sent in response to this that everything is going fine. Terrance Gay from BNSF Railways and manager of the fueling station was in the audience. Terry Werner commented that the District worked long and hard to get the Greensferry crossing built and how appreciative the District is for that crossing. Lynn added the only calls he had received were a couple of years ago about delays at McGuire's crossing. Mr. Day gave a small rundown about the number of trains crossing at McGuire which were 90 per day in 2004; 30-40 per day two years ago; 18-19 trains per day currently, all reflecting the economic times. He extended an invitation to the public for tours at the facility at any time and explained that all crossings have what is called a 'dog house', the small silver building at each structure. A number is located on each building as to where a dispatcher can be reached in case of an emergency. Terry Werner made the motion for staff to prepare a letter in response for the County's request for the conditional use permit information and have the chairman sign. Bob Miller seconded. Motion carried unanimously. [8/19/09]

KMPO – A request to satisfy their Title IV requirements was received. It is voluntary information. [8/19/09]

Round-About services- Kelly, Darius, Janey from Ruen Yeager, and East Greenacres Irrigation at Prairie and McGuire regarding services that may be affected at the round-about. Two services may be affected. One, a domestic service on the northwest corner which East Greenacres said they would set back or raised up and bill the District for the service. The second on the southwest corner needs to be re-routed which RYA will design; the District will do the work. Earlier, they met with Dick Hawkinson on the

northeast corner regarding access for his truck. The roundabout will affect his ingress and egress from the existing approaches. One approach will be moved north on McGuire at the south end of his fence and his second approach will be built to handle the turning radius of his truck. Lynn added Don Horne contacted him from the owner mobile home on northwest corner stating there are five trees affected in the project, not four as stated in the appraisal. The owner was also concerned about the close distance between the project and his home. [8/19/09]

IACRS Meeting – Kelly stated he would be gone Monday and Tuesday of next week for an IACRS meeting and to meet with Stuart for the IAHD conference in November. [8/19/09]

ENGINEER

Hidden Falls 1st Addition – The comment request from the County has been previously brought before the Board. RYA has now made a site visit along and has prepared a comment letter for the County. Discussion followed with pictures provided by the Engineer. Have Lot 1 access off Foothills; the newly created Lot 2 and Lot 3 will have a different access. Terry recommended the Engineers letter be sent to the County. [8/19/09]

Spokane Street Vacation – Darius researched right-of-way regarding the request to vacate a 15-foot width of right-of-way along Spokane Street on the south side of the river at the old Hughes Greenhouse site. The owner was unaware of the additional 15-foot width of right-of-way, an additional width to common width of the right-of-way. The new owners do not own the entire length of the 15-foot width and can only request for a vacation of that section along their property. Terry suggested the District advertise the entire length rather than a portion. Darius suggested it may have use as a future swale and the Board agreed. However, due to the abandonment request, RYA will provide a legal for the entire section. Terry Werner made a motion to hold the abandonment hearing for Spokane Street on October 21. Bob Miller seconded. Motion carried unanimously. [8/19/09]

OFFICE

Profit and Loss Report, August 2009 Vouchers To Date, and July 2009 Treasurers Report – Shirley presented all of the previous to the Board. Terry Werner made the motion to approve the vouchers for August 2009 as presented. Bob Miller seconded. Motion carried unanimously. Terry Werner made the motion to approve the Treasurers Report for July 2009. Bob Miller seconded. Motion carried unanimously. [8/19/09]

Notice of Lien – Shirley requested the Chairman's signature on a Notice of Lien for Trails End with Earl Treend. The recordation of the agreement has taken place; this document makes it easier for the title companies to pick up the lien. According to Susan Weeks, the County is requiring these to now be recorded. [8/19/09]

The following items were placed on Wednesday's agenda after discussion at Monday's Workshop:
Everett Estates – Susan Weeks has not supplied a document for the Everett Estates lien. However, Terry asked staff to contact Garth Everett for a legal description since Susan will not be able to prepare the documents until she has that information. [8/19/09]

C-1162-07 Tysdal-a letter was presented to the Board. Terry Werner made the motion for the Chairman to sign the letter and forward it to Kootenai County. Bob Miller seconded. Motion carried unanimously. Kelly added that Stephanie Blalack from e² planning & design asked to be on the next agenda to discuss payments of the required \$3,500 for this project. [8/19/09]

Cougar Ridge Estates – US95 in conjunction with Worley. Susan or Magnuson was to send us something in the mail.

Election Rotation – Kelly and Shirley spoke with Susan Weeks some time ago about the new rotation for the Board's election. Sub-District 1 and Sub-District 2 are well defined by code, but Sub-District 3's 2011 election must either be a 2-year term or a 5-year term to make the rotation work as defined by code. Terry Werner made the motion that Sub-District 3 and the 2011 election be a 5-year term. Bob Miller

seconded. Motion carried unanimously. [8/19/09]

COMMISSIONERS

Terry Werner apologized for missing most of July due to other commitments.

With no further business, Terry Werner made the motion to adjourn the meeting at 7:40 PM. Bob Miller seconded. Motion carried unanimously.

SPECIAL MEETING: August 3, 2009– 1:00 P.M. Commissioners Lynn Humphreys, Bob Miller; Road Supervisor Kelly Brownsberger, District Clerk Shirley Walson, and Engineer Darius Ruen met for a District Workshop. Guests were Garth Everett and Danajo Cole, from Everett Estates.

Everett Estates – Garth Everett and his sister, Danajo Cole, were present to discuss the letter concerning monies due by the Road Development Agreement from their 1998 subdivision, Everett Estates. Among Mr. Everett's comments, he stated Herb Heisel stated he didn't think the District was going to make any improvements to Matheson Road and it was not high on Herb's list. Mr. Everett felt "it would stay in limbo" and he was surprised to receive a letter regarding funds due. Lynn Humphreys explained to the couple what the Road Development Agreement accomplishes, i.e., it places funding into a dedicated account that draws interest until such time the Highway District decides to do work on the road. Lynn told Mr. Everett it was not Herb's decision to make and the Board makes decisions on what transpires on the roads. Ms. Cole asked why this was not addressed several years ago and Lynn explained that either the County did not notify the District at the time a change was made in the property transfer or they, as the developers, did not honor the agreement. It was up to them to come forward and make the payment as described in the agreement; the splits were done. Ms. Cole understood the agreement was only necessary if improvements were made to the road. Lynn read the agreement to the developers. Ms. Cole stated this was a huge financial burden to her and Lynn continued with the agreement that \$6,000 was due at the beginning and it is very clear in the agreement that they signed. Mr. Everett asked if they can arrange to make payments and Lynn stated the Board will work with them and asked for them to bring forth a proposal to the next workshop. [8/3/09 WKSP]

Insurance Proposal – A five-member employee committee formed to study the insurance options and present a recommendation to the Board. Based on the Board's direction of benefits that are the same or better, Mike Monette and Shirley Walson presented the Board with the committee's recommendation. The Board would like to change to the HRA/VEBA option rather than the present buy-down. Shirley explained the proposed budget that is currently before the Board for this week's review in draft form, includes the proposed costs and a \$1,500 VEBA contribution for each employee. Lynn asked if the Insurance Fund could be used to fund the VEBA contributions and Shirley said the District's attorney, Susan Weeks, provided not only Idaho Code, but also the State Attorney General's opinion, that these funds cannot be used for a VEBA contribution. Discussion also included the one employee who does not receive health benefits from the District resulting in a loss of nearly \$8,000 yearly in compensation that other employees' receive. The proposal is a Regence/Blue Shield plan with a two million dollar lifetime maximum versus a one million dollar lifetime maximum with Blue Cross. Vision and spinal manipulations/chiropractor is proposed to be dropped. Out-of-pocket maximum is \$4,000 for an individual and \$8,000 with dependents. The overall cost to the District is slightly higher but comparable to the current Blue Cross plan with an anticipated 10% increase in January. HSA individual contributions cannot be made under this plan however that can be picked up at a later time. Shirley also explained savings from the buy-down that she used to show VEBA contributions that were placed in the proposed budget. Lynn would like to wait until Commissioner Werner is present to make a decision. [8/3/09 WKSP]

2009-2010 Budget Presentation – A budget packet was presented to the Commissioners for their review. This week's business meeting has this budget on the agenda for a motion to publish the budget for the public hearing, scheduled for August 19, 2009. Discussion followed with an explanation to the Board how the ad valorem tax maximum was calculated as well as the non-tax revenue amounts were proposed. Line items were reviewed in the expenditure side of the budget. No changes to the current proposal were requested. Lynn stated his appreciation in the explanation at how the revenue projections

were determined. [8/3/09 WKSP]

ENGINEER

Rodney Freligh Zone Change - Darius Ruen gave the Board a brief recap of Freligh Estates in regards to previous property divisions, a replat with insufficient acreage, and Freligh's requirement in order to further split his property. Darius has prepared a letter stating access specifications and requesting addition right-of-way. [8/3/09 WKSP]

Hidden Falls / Toby Sheldon – Mr. Sheldon wants to make lot adjustments as well as an increase in the lots with the addition of one additional lot. Darius requested to do a site visit with Kelly. He has concerns about the creek and access. This will be formally discussed at this week's business meeting. [8/3/09 WKSP]

Bremer LLC – This is the third review by the Board for this subdivision, once in 2004, again in 2008, and now. The developer is asking that the 3-lot subdivision be increased to four lots. Darius stated the access on Hayden is sufficient. [8/3/09 WKSP]

Prairie Avenue and LHTAC selection process – LHTAC has sent an answer regarding the Board's request to use Ruen Yeager as the engineering firm on the second phase of the Prairie Avenue project. LHTAC stated the District can use Ruen Yeager but will not be able to use the fees as a match. [8/3/09 WKSP]

ROAD SUPERVISOR

No items for discussion.

OFFICE

No items for discussion.

COMMISSIONERS

Lynn thanked staff for the presentation of the information for the budget and the latest insurance proposal.

The meeting adjourned at 4:06 P.M.

SPECIAL MEETING: August 17, 2009– 1:00 P.M. Commissioners Lynn Humphreys, Terry Werner, Bob Miller, Road Supervisor Kelly Brownsberger, and District Clerk Shirley Walson met for a District Workshop. Guests were Stephanie Blalack of e² planning & design; and Garth Everett Estates. Attorney Susan Weeks joined the meeting at 1:35 PM.

Everett Estates – Garth Everett brought forward a proposal after his visit two weeks ago. Discussion followed regarding guarantee of payment and an accelerated plan. Final payment plan agreed to is: \$3,975 by September 4, 2009; \$3,975 by March 4, 2010; and \$5,300 by September 4, 2010. Terry added he would like to check with our legal staff to ensure we are not agreeing to improperly carrying debt. Barring any complications as advised by our legal staff, the District will proceed to accept an agreement. Garth is to provide a legal description for the recorded document. [8/17/09]

Tysdal Conditional Use Permit – An updated comment request was resubmitted, the last comment letter was 2007. Kelly explained our last comment letter, which most items have been addressed however we did not ask for dust control or surfacing. We have been doing a mag treatment but this provides an opportunity to update the request. Kelly's recommendation to the Board is to ask for pavement ½ width the distance of their property or \$3,500 in-lieu-of-construction. Terry asked for staff to prepare a letter for Wednesday night's Board meeting for the Chairman's signature. [8/17/09]

Insurance – Kelly informed the Board the insurance proposal was discussed with the crew. They request the chiropractic and vision be dropped if they can get that amount contributed to their HRA/VEBA, or \$39.00 per month. Lynn asked what the VEBA contribution is proposed and Shirley stated \$1,500 is

shown in the budget at this time. The Commissioners asked for this item to be placed on Wednesday's agenda. [8/17/09]

ENGINEER

Absent

ROAD SUPERVISOR

Burlington Road – A homeowner has asked to move the barriers 50-feet to the east so he can access his Lot 5 of Coyote Trails Estates. He already has paved access into the lot and Kelly stated we are under no obligation to provide a second access. (Attorney Susan Weeks joined the meeting at 1:35 p.m.) Susan stated it is at the Board's discretion to add another approach. The Board asked for this item to be placed on Wednesday's agenda. [8/17/09]

OFFICE

Health Fair – Shirley reminded the Board of the Health Fair to be held Wednesday, August 26 beginning at 6:00 a.m.

LEGAL

Cougar Ridge Estates – A deed was received offering to give the District more right-of-way. Susan will provide the deed for Wednesday's meeting. It is up to the Board if they want to accept the additional right-of-way. [8/17/09]

Millview Lane – Susan has a draft complaint for Kelly's review to sign verifying the complaint for the District. If that has authorization has not already taken place, at Wednesday's meeting the Board can authorize him to verify the complaint. Eminent domain needs to be verified; Susan thinks the Board did a resolution. [8/17/09]

Riverview Drive Extension – Susan stated John Magneson has signed the extension. Susan will pick them up. [8/17/09]

Darius joined the meeting at 2:20 p.m.

Huetter Road – Karleen Meyer is sending Lynn a phone and address list of the trustees. [8/17/09]

Tax Notices – Shirley stated the new tax bills would be out soon and we still have some remaining delinquent bills that we are waiting to hear from the County attorney about the possibility of a cancellation. We cannot pay the current taxes if there are still delinquents due. Susan suggested we pay under protest. The payment can be applied as they see fit but we are on record of the protest. [8/17/09]

Filing Fees – Mr. Cafferty has responded to Susan stating the statute has been amended. He wanted her to read it and they will re-discuss. The statute does not exempt the state highway department from paying filing fees so that is why the recorder has insisted the highway districts pay recording fees. Susan had her assistant request from the legislative librarian a copy of the statute; she will have an answer next month to see if it was intended to cover the highway districts. [8/17/09]

Broom patent – There has been no change. [8/17/09]

Seltice Bridge –Based on I.C. 50-219, District would have to file a tort within 180 days of annexation to request returned funding for the bridge project. There is an exception for highway districts that is 180 days after completion of a project which cannot be met. [8/17/09]

Big Rock – John Cafferty reports to Susan he is still working on this although she was told it would be completed by August 1. [8/17/09]

Urban Renewal Fund Distribution – Susan still needs to get a list from us of accountants and Board Members. [8/17/09]

Nelson Loop Dam – No action from the other attorney. [8/17/09]

Insurance Fund – Susan's part is complete however Shirley reported that insurance payment have been deposited directly into the General Fund and not transferred to the Insurance fund account. Payments have been made out of General Fund but with the new fiscal year, Shirley will begin transferring the funds in and out of the Insurance Fund so it will properly track. [8/17/09]

Renting Employee's Equipment – Susan still has not received a written answer from the Attorney General's Office that would back up his verbal approval to rent an employee's equipment. [8/17/09]

Ordinances set by Highway Districts – East Side Highway District is proceeding with the test to pass an ordinance. They are pursuing a No Overnight Parking ordinance at Boothe's Park. [8/17/09]

Millview Lane – The complaint is ready to file. Magnuson has signed the extension agreement. [8/17/09]

Everett Estates Agreement – The Board has been in recent discussion with the developers of Everett Estates in which they would like to enter into an agreement to satisfy their debt to the District. Susan said it could be done with a promissory note secured by a Deed of Trust. At the Board's discretion, it can be attached to the existing lots if they still own any or, it can be attached to their upcoming subdivision. [8/17/09]

With no further business, the Workshop was dismissed at 2:17 p.m.

The Meeting adjourned at 2:17 p.m.

SPECIAL MEETING: August 5, 2009 – Utility Council, Sergeants, 12:00 PM. Attended by and Kelly Brownsberger.

SPECIAL MEETING: August 6, 2009 – OEM, Office of Emergency Management, 7:30 AM. Attended by Kelly Brownsberger.

SPECIAL MEETING: August 6, 2009 – KMPO, Post Falls City Council Chambers, 1:30 PM. Attended by Lynn Humphreys and Kelly Brownsberger.

SPECIAL MEETING: August 25, 2009 – KCATT, 8:00 AM, CdA Library.

APPROVED _____

ATTEST _____

DATE _____

Submitted by:
Shirley Walson, District Clerk