Meeting Minutes
General Meeting of the Rocky Beach Water District
Aug 10, 2024

Present: Eric Verhaeghe, Tom O'Laughlin, Loreen Bailey, Deneice Hastings, John Chastek, Greg Mattison, Scott Simpson, Kim Rogstad, Mike Herzog, and 30 other members of the Water District

The meeting was called to order by Eric Verhaeghe at 9:05 am. Eric introduced himself as the new President and thanked Tom O'Laughlin for his years of service as Board President.

Mike Herzog gave a financial report that included the budget for the current fiscal year and the proposed budget for fiscal year 2024-25, both of which had been approved by the Board at its July meeting.

| Current Fiscal Year (August 1, 2023 - July 31, 2024) | |
|---|---|
| Total revenue | 41,250 |
| Checkbook carry-over | 9,045 |
| | |
| Assets | |
| CD (reserve) | 20,350 |
| | |
| Expenses | |
| Director fees | 4,500 |
| Idaho fees and Taxes | 560 |
| Maintenance | 14,303 |
| Utilities | 5,175 |
| Office supplies/misc | 385 |
| Insurance | 2,898 |
| Professional services and contracts | 4,384 |
| Total expenditures | 32,205 |

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| Proposed Fiscal year 2024-25 Budget | |
|---|---|
| Total budget revenues | 41,250 |
| Carry Over from 2023-24 | c 9,500 |
| Total budgeted expenditures | 28,400 |
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| Assets | |
| CD (reserve) | 20,350 |
| | |
| Expenses | |
| Director fees | 4,500 |
| Idaho fees and Taxes | 500 |
| Maintenance | 10,000 |
| Utilities | 5,500 |
| Office supplies/misc | 400 |
| Insurance | 3,080 |
| Professional services and contracts | 4,500 |
| Total expenditures | 28,400 |

Expenditures since then leave us with a current balance of $7,792.09 in our checking account, plus a CD of c. $20,350. The recent electrical issues cost us about $5,000, and we have made partial payment on that. Nevertheless, we hope to add another $10,000 CD to our reserves in the near future, once members have paid

their fees for the 2024-25 fiscal year. Invoices for that will be emailed shortly, along with the minutes from this meeting and the annual water quality report. A motion to approve the financial report passed unanimously.

Mike also reported that we have had a number of compliance Issues to resolve with the Idaho DEQ, since their last inspection. It has taken time and effort, help from Gem State and the Idaho DEQ, but we have now been declared in compliance, with no outstanding issues. At the same time, the rules have just been changed again, and we will have to certify by mid-October whether individual homes are connected to the system by copper pipes. It is unclear what happens if there are lead connections. We are waiting for a bid from Gem State to carry out this survey. If the bid is not reasonable, we will have to do it ourselves. Please be prepared for a request from Gem State or from us to provide the required information. If your home was built after 1986, you are considered to have met the requirement.

Scot Simpson reported on our ongoing issues with costs for repair of the generator hookup. Following our purchase and installation of a backup generator for the system in 2022, we had repeated failures that cost us more than $10,000. Neither Selkirk, from whom we bought the generator, nor North County Electric, whom we paid to install it, accepted any responsibility for the problems, despite our extensive efforts to hold them responsible. We don't meet the requirements for filing complaints with the Idaho Attorney General or the Idaho Better Business Bureau. A Small Claims Court effort would be limited to $5,000 and would require payment of a fee, someone to serve the claim, someone to argue in court, with no guarantee of success, since United Crown, the company that did the repairs, has refused to back up formally its admission to us that the electrical work was faulty. We have reluctantly come to a dead end with all our efforts. The generator as backup, however, is now working well.

Eric reported on Board considerations of our water supply issues and possible solutions to our limited capacity and then led a lengthy discussion of ideas from the membership. Meters would make for a fair solution to paying for usage, but they would be costly (cost of the meters, installation costs, paying someone to read the meters and to keep track of billing). It would also be unlikely to resolve our real problem, since it would not address the limited capacity of our system. Mark Kroetch provided history on the District's water usage up to 2014 and stated that Gem State should have those records up to the present. Knowing what our actual usage is and whether we are losing water due to the infrastructure problems of a system that was designed for 30 years of usage and is now closer to 50 is essential to addressing our problems. Idaho DEQ requires that information and we need to find out if Gem State is collecting it. The Board was directed to check with Gem State on usage data collection and use it to help determine solutions to our problems. A motion was passed that directs the Board to get usage data from Gem State and an estimate for the costs of carrying out pressure testing on each property. Tom O'Laughlin stated that if we were to have adequate water to combat a fire we would require a half a million gallon reservoir and the costs for that would likely be a million dollars or so. Paul Kienbaum reported that for the Liberty Lake water system leaks are the biggest problem. Users there pay $120 a month for water and are responsible for resolving leaks on individual properties. Several models of gathering information on individual home usage and leak prevention were offered. Mark Anderson will send the Board relevant information based on his experience. A motion was passed that requires the Board to create a sprinkler system usage schedule, at last for peak usage months. The Board will continue to explore options and ensuing costs for expanding our reservoir capacity.

Eric thanked members for attending, and the meeting was adjourned at 9:58 am.