Coolin Sewer District
Special Meeting Minutes
March 18, 2025

Purpose of meeting: To communicate with Keller Associates remotely via Zoom and discuss how to continue moving forward now that the District has a newly approved facility plan. The Zoom meeting was not recorded. See attached slide show shared by Keller Associates.

The Coolin Sewer District Board of Directors met on March 18, 2025, at The Inn at Priest Lake. Those present were Paul LaCasse, Jim Morse, and Jake Copeland. Not present, Josh Christensen. Also present were Chris Morris, Jordan Brooks, and Bill Papesh. Zoom attendees were Kyle Meschko, Zack Wallin, and Jim Mullen with Keller Associates. Community members who joined via Zoom were Dallas Gray and Scott McKay. A 509-area code number called in as well, but did not state a name. Jake called the meeting to order at 12:01pm.

UNFINISHED BUSINESS

Jake stated the updated capacity shows availability of 10% but wanted to clarify for the record that 10% does not even cover the capacity needed to serve remaining LID holders that are not active yet. Kyle said that is reflected in the formal documents.

Kyle wanted to confirm priorities to the District. Kyle listed top priorities that have been discussed are operations, providing safe, reliable treatment and disposal of wastewater, taking care of the existing system and needed improvements, and being conscious of cost and not over-improving beyond necessity. Jake agreed those items are top priority and added other areas of concern are the upcoming IDL Lease renewal that is expected to increase significantly and the possible weather station change. Jim asked Kyle what other Districts in this same situation are doing. Kyle said some Districts have avoided doing facility plans all together and are remaining at a standstill, which is really a ticking time bomb. Kyle also said many Districts large and small are at a standstill due to lack of funding.

Kyle said overall there are a lot of needs within the District and the goal of the meeting was to talk through possible funding options the District could take and how to keep the momentum moving forward. Kyle listed funding options. See attached slides for details.

After discussing funding options, Kyle gave some ideas on how the District could keep moving forward. He said their recommendation would be to pick even a few key items to focus on such as lease discussions with IDL or smaller improvements at the lift stations or having Keller work on preliminary

designs. Any way the District can keep moving forward and laying the groundwork for larger projects is a good place to start.

The Zoom call ended at 12:38pm.

After ending the call with the engineers, the Board discussed further what direction the District should go, and which projects to consider moving forward on.

Jim motioned to adjourn the meeting at 2:16pm. The motion was seconded by Paul and carried.

Submitted by,

Jordan Brooks
Clerk | Treasurer
Coolin Sewer District

Coolin Sewer District Improvements Next Steps

Keller Associates

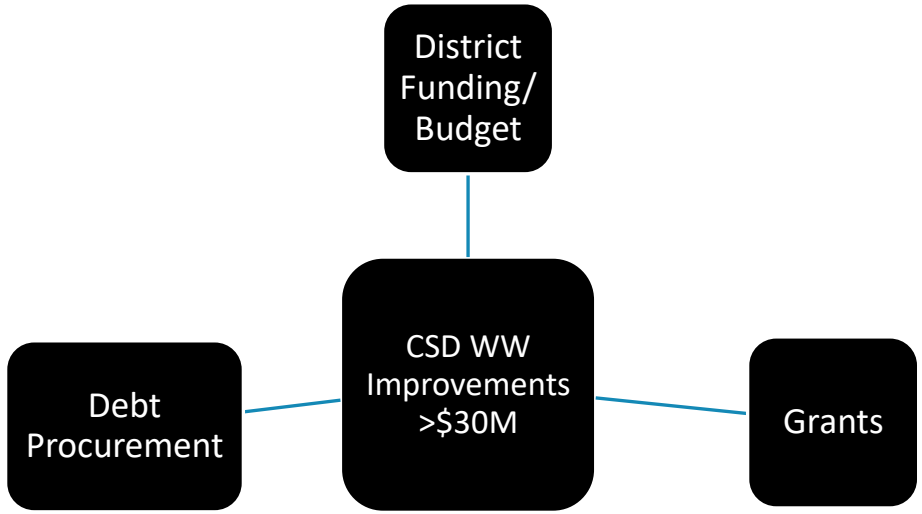
March 18, 2025

Goals of The Meeting

- Discuss the District's needs
- Review funding options
- Review debt procurement process
- Review Phasing/Implementation

Project Background

- District ongoing Moratorium
- Improvements needed cost beyond District's budgets – collection, treatment, and reuse
- Wastewater Facility Plan completed in 2024
- User Rate and Connection Fee Studies 2024
- District does not currently have authority to procure debt



What is Important for the District?

- Operations – providing safe and reliable collection, treatment, disposal of system wastewater
- Remove Moratorium?
- Taking care of existing system and needed improvements
- Planning for the Future

Key Funding Options

IDEQ	• Pros—functions as construction and permanent financing, doesn't have to be tax-exempt. Typically lower interest rates than general financing • Cons—can be difficult to secure, competitive, limited funding available, LOI's due in January
USDA-RD	• Pros—will put in grant funds if community qualifies, low rate amortized over 40 years • Cons—must seek construction financing, Buy America contracts required. Grants only offered to lower income communities-District did not qualify when RD asked
Idaho Bond Bank	• Pros - Typically, better credit ratings, more attractive interest rates, and lower underwriting costs than municipalities can obtain independently • Do not have a grant provision or principal forgiveness and interest rates typically are above 4% • Cons – timing and delays associated with issuance and issuance costs are high
Developer Funded	• Work with Develops to pay a portion of the project utilizing Impact fees or Reimbursement agreement to pay for improvements to cover a proportionate share.

For every $1,000,000 borrowed at 4% for 30 years, it equates to ~ $7.61 monthly user rate increase

Debt Procurement – Revenue Bond

- **Revenue Bonds**
  - Require majority vote (50%+1)
  - Utility Districts and Cities can issue Revenue Bonds per Idaho Code Section Code 50-1020 to acquire, construct, improve, enlarge, or repair waterworks plants and water supply, light and power plants, storm sewers and sanitary sewerage systems.
  - Amount of bond is set as a “not to exceed”.
- **Process**
  - 2 election dates, May and November
  - Election resolution/ordinance to be submitted to county clerk 60 (50 for 2025) days prior to election date
  - District and City funds can only be spent on informational campaign (not persuasive)

Debt Procurement – Judicial Confirmation

- **Ordinary and Necessary Exception**
  - Ordinary and Necessary Exception from Article VIII Section 3 judicial determination requirement for project to be “ordinary and necessary”
- **Requisite need created by:**
  - Projects required by law
  - Projects involving health and safety
  - Repair and Maintenance of Existing Facilities
- **Process**
  - File for a Judicial confirmation determination under Idaho Code 7-1301
  - Code requires a public hearing
  - Opposition can intervene
  - Judge ultimately rules typically following hearing

How to keep making progress?

- First step may be to develop a preliminary engineering report for a portion of the project or complete site survey
- Lift Station improvements – develop designs/work with a contractor to rectify some or all – may not require engineering
- WWTP 1.2 - ongoing

TABLE 9-1: 20-YEAR CAPITAL IMPROVEMENT PLAN

Coolin Sewer District			
Project ID#[1]	Project Name	Project Trigger	Total Estimated Cost (2023 Dollars)[2]
Priority 1 Improvements (2023-2025)			
WWTP 1.1	Coolin WWTP expansion	As funding is available	$21,991,000
LS 1.1	North Lift Station Improvements	As funding is available	$223,000
LS 1.2	South Lift Station Improvements	As funding is available	$577,000
WWTP 1.2	Compliance Activities	As funding is available	$88,000
		Total Priority 1 Improvements (rounded)	**$22,879,000**
Priority 2 Improvements (2025-2032)			
C 2.1	Upsize Pressure Mains (smaller than 3")	After Priority 1 Improvements, as needed	$6,443,000
WWTP 2.1	Land Application Expansion	Include with project 1.1 pending Reuse Permit Renewal Results	$6,177,000
		Total Priority 2 Improvements (rounded)	**$12,620,000**
Priority 3 Improvements (2032-2043)			
C 3.1	Upsize Bayview St. Pressure Main to Decrease Pipe Velocity	After Priority 2 Improvements, as needed	$1,658,000
3.2	Facility Planning Study Update	10 years after approval of current facility plan	$150,000

Phasing

- Focus on Winter Storage as this is the limiting capacity
  - Develop a PER for the two new lagoons or just one lagoon
  - Evaluate constructing 1 vs. 2 winter storage lagoons
  - Start negotiations/discussions on additional reuse area with IDL to better understand costs/feasibility

Coolin WWTP expansion	WWTP site
Project Identifier: **WWTP 1.1** Need for Project: Expands reuse site capacity Objective: Build two new winter storage lagoons, improve treatment, expand disposal system Considerations: Setbacks (200 ft lagoon setback, 100 ft private structure to land application setback, 500 ft residential water system to land application setback), capacity, crop type. IDL lease is still an unknown.	

General Line Item	Estimated Quantity	Unit	Unit Price	Item Cost (Rounded)	Total Cost (2023 Dollars)
Treatment Upgrades (1.1A)					
New Aeration system (diffusers, blowers, air piping) for lagoon	1	LS	$ 300,000	$ 300,000	
Lagoon Baffle	1	LS	$ 75,000	$ 75,000	
Redundant Chlorine (liquid) Disinfection injection and contact chamber	1	LS	$ 115,000	$ 115,000	
Sludge Removal	2,141	CY	$ 70	$ 150,000	
Site Work	1	LS	$ 35,000	$ 35,000	
Winter Storage Expansion (1.1B)					
Site Work	1	LS	$ 70,000	$ 70,000	
Dike Construction	94,222	CY	$ 13	$ 1,178,000	
Membrane Liner	109,100	SY	$ 7	$ 764,000	
Misc items-Moisture conditioning, membrane anchor, gas release, geotextile	1	LS	$ 1,064,976	$ 1,065,000	
Winter Storage Lagoons Liner	134,064	SF	$ 2	$ 269,000	
Clearing and grubbing	77,440	SY	$ 1.5	$ 117,000	
Disposal System Improvements (1.1C)					
Remove Brush from 15 acres of land (Existing)	15	Ac	$ 4,500	$ 68,000	
Remove brush from new disposal site	80	Ac	$ 4,500	$ 360,000	
Fencing around entire site	14,000	LF	$ 30	$ 420,000	
Effluent Flow Meters, Valve Vault	1	LS	$ 150,000	$ 150,000	
New Irrigation Pump station including two pumps, vault, and piping	1	LS	$ 725,000	$ 725,000	
Isolation Valve Replacements	10	EA	$ 4,000	$ 40,000	
Site Development (remove brush, grading)	80	Ac	$ 4,000	$ 320,000	
New forcemain - 6" C900 PVC	9,740	LF	$ 80	$ 780,000	
Sprinklers (every 200 ft)	139	EA	$ 1,000	$ 139,000	
1" Laterals	18,000	LF	$ 45	$ 810,000	
4-inch Dia Monitoring Wells (175 ft deep)	5	EA	$ 145,833	$ 730,000	
Electrical Improvements (1.1D)					
Electrical/Controls	1	LS	$ 373,000	$ 373,000	
Transformer replacement	1	LS	$ 100,000	$ 100,000	
Generator/ATS-two pump stations, blowers, monitoring/controls equipment, lights (200 kW)	1	LS	$ 100,000	$ 100,000	
				Construction Subtotal	*$ 9,253,000*

Phasing Continued

- During Winter Storage PER, coordinate on:
  - DEQ permit revisions
  - DEQ/RD funding
- PER will help to refine project costs to work with developers, funding agencies and overall.
- Portion of work self funded may reduce construction costs significantly.
- Begin clearing land for reuse site, install monitoring wells, weather station