

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 October 2, 2017, 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 and District Attorney Susan Weeks. Donna Montgomery, Maureen Stark and Pam Adams observed.

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

Chairman Twete asked if any Board member had a conflict of interest with any item on the agenda. Commissioners Twete, Montgomery and Fountain indicated no conflicts of interest.

Commissioner Montgomery moved to approve the agenda for the October 2, 2017 regular meeting with Commissioner Fountain seconding the motion which carried unanimously.

Commissioner Montgomery moved to approve the September 18, 2017 meeting minutes as presented with Commissioner Fountain seconding the motion which carried unanimously.

After reviewing the Payments Journal and Financial Worksheet, Commissioner Fountain moved to approve the payments journal with bills paid by check numbers 34186 through 34208 in the amount of \$39,494.26 and the direct deposit dated September 20, 2017 in the amount of \$23,454.76 for a total of \$62,949.02. Commissioner Montgomery seconded the motion which carried unanimously.

Chairman Twete asked if there was any public comment related to an item that was not on the agenda. As there was none, Chairman Twete moved to the first item under Old Business.

Item 7a was the correction of the July 3, 2017 meeting minutes to correct Item 8c. Director Shanley presented the corrected minutes to the Board for review adding that Attorney Weeks assisted the District with the corrections. After deliberations, Commissioner Montgomery moved to approve the corrected minutes of July 3, 2017 as presented with Commissioner Fountain seconding the motion which carried unanimously.

Item 7b is the appointment of District Secretary/ Treasurer. Director Shanley explained as there was no roll call during the July 3, 2017 board meeting for the appointment of District Secretary/Treasurer, the Board would need to ask for nominations for this position. Chairman Twete asked for clarification that staff could hold the positions of District Secretary/Treasurer and that the Chairman should not hold either of these positions. Attorney Weeks confirmed this and further clarified that these positions are an appointment not an elected position. Chairman Twete stated he was not aware of this and it was brought to his attention and that is why it has been brought back on the agenda for correction. After deliberations, Commissioner Montgomery moved to appoint Bonny Flagg as Secretary and Karen Howell as Treasurer for the Board with Chairman Twete seconding the motion which carried unanimously.

Under New Business, item 8a was to Trail of Terror Special Events Application. Director Shanley presented the application to the Board for review. After deliberations, Commissioner Fountain moved to approve the Special Events application for the Trail of Terror to be held on October 28, 2017 (contingent upon receipt of the current certificate of liability insurance) and authorized the Chairman or Vice Chairman to sign the application. Commissioner Montgomery seconded the motion which carried unanimously.

Item 8b was Variance Request VAR17-0003 located on E. Hayden Lake Road. Director Shanley reviewed the request for both a front yard and rear yard setback with the Board. After deliberations, Commissioner Montgomery moved to authorize District staff to submit a letter to the County outlining the District's comments, with Commissioner Fountain seconding the motion which carried unanimously.

Item 8c was North Ramsey Trails minor subdivision which is a two (2) lot proposed minor subdivision located at 27771 N. Ramsey Road. Director Shanley presented his review to the Board for review and after deliberations, Commissioner Fountain moved to authorize District staff to submit a letter of comment to the County outlining items 1 and 2 of Director Shanley's review. Motion also included authorization for the Chairman or Vice Chairman to sign the Mylars when presented. Commissioner Montgomery seconded the motion which carried unanimously.

Item 8d was the balancing contract change order from Interstate Concrete & Asphalt for the 2017 construction projects in the amount of \$(26,102.78) which is a decrease in the final contract price. Director Shanley stated this change order balances the final project quantities. After deliberations Commissioner Fountain moved to approve the balancing contract change order from Interstate Concrete & Asphalt in the amount of (\$26,102.78) and authorized the Chairman or Vice Chairman to sign the change order. Commissioner Montgomery seconded the motion which carried unanimously.

Item 8e was the final Pay Request #4 submitted by Interstate Concrete & Asphalt in the amount of \$109,204.53 for the 2017 construction projects. Director Shanley reviewed the pay request with the Board and requested authorization for payment and to release all retainage upon District approval and receipt of the tax lien release from Boise. After deliberations, Commissioner Fountain moved to approve the final pay request submitted by Interstate Concrete & Asphalt in the amount of \$109,204.53 for the 2017 construction projects and authorized the Chairman or Vice Chairman to sign the request. Motion also included authorization to release all retainage which totals \$16,524.96 upon District approval and signature and receipt of the tax lien release from Boise. Commissioner Montgomery seconded the motion which carried unanimously.

Item 8f was to consider the purchase of road salt for the winter maintenance season. Director Shanley discussed information received from Compass Minerals for bulk de-icing salt at a cost of \$83.98 per ton based on an estimated 200 ton, with the contract stating the District must purchase 70% of the estimated 200 tons on our first acquisition which would be stored at the Belmont Shop. After deliberations, Commissioner Montgomery moved to authorize District staff to accept the bid from Compass Minerals for \$83.98 per ton based on 200 tons with the contract stating the District will accept 70% of the estimated 200 tons in the first delivery. Commissioner Fountain seconded the motion which carried unanimously.

Item 8g was discussion regarding the Local Rural Highway Investment Program Grant. The Director indicated that the program, which is geared towards funding work not otherwise fundable by local jurisdictions offers up to \$100,000 for construction projects, \$200,000 State wide for Federal-aid reimbursement, \$30,000 to \$50,000 for Transportation Plans and \$30,000 for sign projects. The Director indicated of interest is an update to our Transportation Plan, but funding is only available to update these plans every 10-years. The Director also indicated he was working with LHTAC to move a current grant for the 2018 Bunco Road to the 2019 or 2020 construction year. This, due to the on-going right-of-way acquisition process and current bidding environment which may prohibit a 2018 construction year. There is a workshop the

Director plans to attend on October 25th to attain any addition insight on these programs to make our District more competitive. The application deadline is November 20th. The Director will bring this item back to the Board.

Item 8h was discussion regarding the Local Highway Safety Improvement Program. The Director discussed the program background which is geared towards eliminating Fatal and Serious Injury (Type A) crashes. Local jurisdictions with at least one Serious Injury (Type A) or Fatal crash within the last five years are eligible to apply for funding to address those accident types. The Director indicated that our District has been very successful attaining program funds that have addressed a variety of these type accidents and that the District has come a long way since completing its Transportation Master plan, addressing those identified safety concerns. The Director indicated that the District may want to consider expanding its winter and summer construction work zone driving safety television campaign, through this grant program. The Director proposed the Board consider a \$30,000 grant for television advertising of rural roadway driving, pedestrian and bicycle safety. As this was an informational item only, no motion was made.

Item 8i was discussion regarding the Surplus Eliminator Grant Programs established by House Bill 312. There's \$11.0 million available to the locals, state wide and grant opportunities provide funding for Children Pedestrian Safety and Local Strategic Initiatives. Both programs are fast paced and must be shovel ready within 90-days of grant award, anticipated for April of 2018. Awarded projects must be complete by the fall of 2018. Grant applications are due December 21st. The Local Strategic Initiatives Program is for regionally significant projects that address safety and mobility. Regarding the Children Pedestrian Safety Funds, the Director indicated that there's been recent interest in the expansion of the bicycle path on Ramsey accessing the Garwood School and felt that project would be competitive in the Children Pedestrian Safety Program. The Director indicated that the Local Strategic Initiatives Program is very competitive, with one guaranteed project in each ITD District, the five northern counties make up our District. As this was an informational item only, no motion was made.

Item 8j, was Resolution 2017-04. Director Shanley discussed surplusizing Grader 10 and Truck 17 as the District is replacing Grader 10 and replacing Truck 17 with Truck 21 as these two pieces of equipment are no longer useful in the maintenance operations of the District. After deliberations, Commissioner Fountain moved to adopt Resolution 2017-04 declaring the listed equipment as surplus with the public hearing being November 6, 2017 at 5:45 p.m. or as soon thereafter as possible. Commissioner Montgomery seconded the motion which carried unanimously.

Item 8k was Resolution 2017-06 the No Parking Resolution. Director Shanley discussed with the Board the issues that arise during the winter maintenance months due to narrow roadways and the plowing hazards caused by vehicular parking in the rights-of-way and proposed a seasonal parking restriction from November 1st to March 1st on certain roads within the District. After deliberations, Commissioner Montgomery moved to adopt Resolution 2017-06 the No Parking Resolution. The motion included modifying the last portion of the resolution to state "three (3) days' notice" with Commissioner Fountain seconding the motion which carried unanimously.

Item 8l was discussion regarding the District's VEBA benefit. Commissioner Fountain stated she wanted to bring this back as she felt the Board needed more discussion on it. It has to do with our VEBA account. The VEBA account is a Voluntary Employee Benefit Association Account or a tax free medical account. The District currently is putting in \$400 per month per employee. Previous to that, it was \$100 a month per employee. When the decision was made to make it

\$400 per month, I had asked that we talk about it during the budget process. Then when I tried to talk about it during the budget process I wasn't allowed to. That monthly amount that goes into the VEBA should be reflected in the employees benefit package. We just went through and gave wage increases. I think we gave pretty substantial increases, so I would like to lower that VEBA account down to \$125 a month which would cover the employee's portion of their deductible. This has bothered me because I ran for office and said I would be fiscally responsible with the taxpayer dollars. \$400 a month costs the District \$115,200 a year. At \$125 per month, which I think is fair, would cost the District \$36,000 a year.

Chairman Twete stated that personally he is not in favor of going backward on this item. With the current benefit package, we have we are having a hard time getting people even interested in working for us and that helps out with giving the employees an amount of money they can actually get an insurance program for their families or a least a good dent in it. He stated his personal feeling is that the benefit needs to be left where it is at.

Commissioner Fountain stated she will repeat back again that she had suggested they look at the benefit package and look into possibilities of other options that aren't going to cost the taxpayer \$115,000 a year. She stated it could be less and that she believes our wages are competitive. The \$100 per month has been in effect for quite a few years and it was just raised after the recent election. Commissioner Fountain explained she feels it is in the taxpayer's best interest and who she is here to represent and indicated she has a real hard time with it because she has to take it too and fights with taking that money from the taxpayer.

Commissioner Montgomery stated that when the \$400 was voted in, it was to take care of the deductible and the fact that there isn't benefits for the employee's family, this helps to offset that. Commissioner Montgomery said he is in favor of leaving it at \$400 because it benefits the families. It doesn't benefit the individual so much as it does in being able to benefit their family. He thinks that is a definite plus in getting quality people to work at the District due to the fact that when the District was looking for new employees, we had some that came in and were ready to go to work and decided "no" they weren't going to come because we didn't have the benefits they could get elsewhere. Therefore, Commissioner Montgomery stated he was in favor of leaving it at \$400.

Commissioner Fountain stated she appreciated that and has researched ITD's beginning wages and their step ups and that Lakes are quite substantially higher than theirs. Most of the public entities, if they have insurance, the employee pays a portion of that and can get their families on and pay another portion of that. Commissioner Fountain stated she feels that is where we should look so there is not so much burden on the taxpayer.

Commissioner Montgomery replied that if the District could get an insurance policy to take care of that, it would be great but doesn't see any of those in the future. Whereby, Chairman Twete stated it would cost a lot more money.

Commissioner Fountain stated that the District could try by looking. Commissioner Montgomery stated that it wouldn't hurt to look, but in the meantime, feels that the District needs to stay where we are at. He also stated that he would like to see a better policy that would pay more.

Chairman Twete asked Commissioner Montgomery if that was a motion and Commissioner Montgomery moved to continue with the VEBA account at \$400 per month until something better comes along. Chairman Twete asked for a second and hearing none, he seconded the

motion. Chairman Twete voted aye, Commissioner Montgomery voted aye and Commissioner Fountain voted nay and stated she would like to see it at \$125.

At this time, Commissioner Montgomery moved to adjourn to executive session at 6:21 p.m. under Idaho Code §74-206 (1) (c) to discuss Bunco Road right-of-way acquisition and Idaho Code §74-206 (b) to discuss employee wages. Commissioner Fountain seconded the motion. District Clerk Flagg now called the roll with the Commissioners voting as follows: Commissioner Twete aye, Commissioner Montgomery aye and Commissioner Fountain aye. With all Commissioners voting aye, the motion carried unanimously.

Upon reconvening to regular session at 6:47p.m., regarding the Bunco Road right-of-way, Commissioner Montgomery moved to proceed with right-of-way acquisition as proposed with fence relocation by the District. Commissioner Fountain seconded the motion which carried unanimously.

In regard to employee wages, it was a discussion item only, therefore no motion was made.

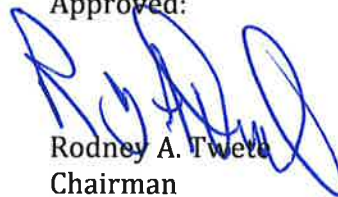
There being no further business, Commissioner Montgomery moved to adjourn at 6:48 p.m. with Commissioner Fountain seconding the motion which carried unanimously.

Respectfully Submitted:

Bonny A. Flagg

Bonny Flagg
District Clerk/Board Secretary

Approved:



Rodney A. Twete
Chairman