

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 December 18, 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, District Attorney, Susan Weeks and District Treasurer Karen Howell. Mischelle Fulgham, Attorney, Doug Mayo, Scott McArthur of h2 Surveying and Drew Dittman of Lake City Engineering attended regarding the Findings of Fact for Clovis Road, Scott Jordan City of Dalton Gardens Councilman attended regarding Resolution 2017-09 and Donna Montgomery and Doug Wall 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 Fountain moved to approve the December 18, 2017 agenda, as presented with Commissioner Montgomery seconding the motion which carried unanimously.

Commissioner Fountain moved to approve the December 4, 2017 meeting minutes as presented with Commissioner Montgomery 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 34412 through 34473 in the amount of \$193,157.81 and the direct deposit dated December 5, 2017 in the amount of \$31,445.96 for a total of \$224,603.77. 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.

Chairman Twete moved to item 7a under Old Business. Discussion followed regarding the verbiage on the plats of Little Tree and Little Tree II in reference to the dedication of the ten (10) foot utility easement. Attorney Weeks lead the discussion with comments from Attorney Fulgham, Engineer Scott McArthur and the Board. After deliberations, Commissioner Fountain moved to disclaim the ten (10) foot utility easements due to defective dedication language on the original plats of Little Tree and Little Tree II with Commissioner Montgomery seconding the motion. Chairman Twete clarified that the ten (10) foot easements were on the east and west of Clovis Road. The motion carried unanimously.

Item 7b was the Findings of Fact and Decision on the Clovis Road Abandonment and Vacation. Director Shanley presented the Findings of Fact, Conclusions of Law and Decision on the Clovis Road Abandonment and Vacation request to the Board for review. Attorney Weeks clarified that the vacation and abandonment of Clovis Road was denied in the Boards previous decision and read the Conclusions of Law and Decision. After deliberations, Commissioner Montgomery moved to accept the Findings of Fact, Conclusions of Law and Decision with Commissioner Fountain seconding the motion which carried unanimously.

Item 8a under Current Business was the Cafeteria Plan. Director Shanley explained to the Board Magnuson McHugh was no longer going to administrate Cafeteria Plans and Magnuson McHugh will be transferring all plans to Peak 1. After deliberations, Commissioner Montgomery moved

to accept the Cafeteria Plan being taken over by Peak 1 with Commissioner Fountain seconding the motion. Clerk Flagg clarified the motion authorized the Chairman or Vice Chairman to sign the documents. Motion carried unanimously.

Item 8b was the 2017 Street and Road Report. Director Shanley presented the report to the Board for review. During deliberations, it was discussed creating an account for future railroad safety projects. Commissioner Fountain stated that it is important the Board look at this designation each year at budget time and see where we are at as far as setting the funds aside and if it keeps accumulating then maybe the Board needs to look at increasing transfers to cities or reduce the levy rate, so we don't keep taking tax payers dollars and building on a fund that isn't used. Commissioner Montgomery stated that the District can't fund these types of projects in a single year. Commissioner Fountain stated with the HB312 we are getting more money than what we originally thought we would, so we could possibly be funded more and more every year and could possibly do something different. Chairman Twete stated when the bigger projects come along, they are so expensive that without having money set aside and grants, we would not even be able to reach them. Commissioner Fountain agreed and stated it is something we should keep on our radar. Commissioner Fountain moved to approve the 2017 Road and Street Report and authorized the Board to sign the report. Commissioner Montgomery seconded the motion which carried unanimously.

Item 8c was the Future Railroad Safety Projects Fund. Director Shanley discussed with the Board creating an account designated specifically for future railroad safety projects as the District has seven (7) railroad crossings. After deliberations, Commissioner Fountain moved to create a future railroad safety project account and deposit the 1.9 million dollars designated monies into that account with Commissioner Montgomery seconding the motion which carried unanimously.

Item 8d was the 2018 Construction Projects. Director Shanley outlined the projects proposed for the upcoming construction season and requested authorization to place a Call for Bids. After deliberations, Commissioner Montgomery moved to authorize District staff to place a Call for Bids for the 2018 Construction Projects which includes a three (3) inch overlay on Chilco Road and Scarcello Road. Commissioner Fountain seconded the motion which carried unanimously.

Item 8e was Resolution 2017-09 for the transfer of personal property to the City of Dalton Gardens. Director Shanley reviewed with the Board previous discussions regarding the transfer of PU026 to the City of Dalton Gardens. After deliberations, Commissioner Montgomery moved to adopt Resolution 2017-09 for the transfer of personal property (PU26) to the City of Dalton Gardens and authorized the Board to sign the resolution and authorized the Chairman or Vice Chairman to sign the agreement. Commissioner Fountain seconded the motion which carried unanimously.

Item 8f was the Proposed CIP Plan for the years 2018-2023. Director Shanley reviewed the proposed projects for the upcoming five (5) years and after deliberations, Commissioner Montgomery moved to accept the proposed CIP List for 2018-2023 as presented with Commissioner Fountain seconding the motion which carried unanimously.

Item 8g was the 2017 Local Road Mileage Report. Director Shanley presented the changes for the year 2017 to the Board. After deliberations, Commissioner Fountain moved to approve the 2017 Local Road Mileage Report and authorized the Chairman or Vice Chairman to sign the maps and report. Commissioner Montgomery seconded the motion which carried unanimously.

Item 8h was the pay request from Big Sky Development for the Cape Horn Road Gabion Wall Slide Repair Project. Director Shanley reviewed the pay request with the Board in the amount of \$117,562.50 requesting authorization for payment and to release the retainage upon receipt of the Tax Lien Release from the State. After deliberations, Commissioner Fountain moved to approve the pay request of Big Sky Development in the amount of \$117,562.50, with authorization for the Chairman or Vice Chairman to sign the pay request. The motion also included authorization to release the retainage in the amount of \$6,187.50 upon receipt of the Tax Lien Release. Commissioner Montgomery seconded the motion which carried unanimously.

Item 8i was the 2018 meeting dates. Director Shanley presented the proposed meeting dates for the regular meetings to the Board for review and requested authorization to send the schedule to the Coeur d'Alene Press for advertisement. After deliberations, Commissioner Montgomery moved to accept the proposed meeting dates with the revisions as discussed. Commissioner Fountain seconded the motion. Which carried unanimously.

Item 8j was Hocking Estates. This is a proposed minor subdivision consisting of three (3) lots located at 13259 E. Twete Road. Director Shanley presented his review to the Board and after deliberations, Commissioner Fountain moved to authorize District staff to submit a letter of comment to the County outlining item numbers 1-3 of Director Shanley's review. The 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 8k was a zone change request located on the northwest corner of Garwood Road and Old Hwy 95. Director Shanley presented his comments to the Board and after deliberations, Commissioner Montgomery moved to authorize District staff to submit a letter of comment to the County with Director Shanley's review. Commissioner Fountain seconded the motion which carried unanimously.

Item 8l was the Old Hwy 95 UPRR Bridge Replacement Project Federal Aid grant application and resolution. Director Shanley discussed the condition of the UPRR bridge on Old Hwy 95 south of Athol and presented Resolution 2017-10 to the Board outlining the opportunity to submit a grant application to LHTAC for funding for a replacement project. After deliberations, Commissioner Montgomery moved to authorize District staff to submit the 2018 Federal Aid Bridge Grant Application for the Old Hwy 95 UPRR Bridge Replacement Project and authorized the Chairman or Vice Chairman to sign the application. Commissioner Fountain seconded the motion. Clerk Flagg clarified with Chairman Twete that the motion included authorization for the Chairman or Vice Chairman to sign Resolution 2017-10. The motion carried unanimously.

Item 9a was the 2017 Operations Update given by Director Shanley. Major contract road work in 2017 on Perimeter, Ohio Match, Caroline and N. Old Hwy 95 was completed at a cost of approximately \$2,018,000. Work was performed by Interstate Concrete and Asphalt and completed approximately \$26,000 under the bid price. Work included more than 23,000 tons of asphalt on over six (6) miles of road.

Other contract work in 2017 included slide repairs on Cape Horn Road. Work performed by Big Sky Construction included a gabion rock retaining wall at the cost of approximately \$123,000.

2017 road work also included 25-miles of chip sealing and 2.5 miles of double shot bituminous surface treatments (BST) to gravel roads. The Districts work this year reduced our gravel road miles to 13-miles, down from 33-miles in 2011 and 40-miles in 2006.

Based on current pavement assessments and 2017 completed road work, the District's Average Network Pavement Condition Index (PCI) is at 86/100, with over 90% of the roads considered in Good or Very Good Condition. This year's Pavement Condition Rating is in comparison to our PCI in 2011 that was of 66/100. Refer to the Districts 2017 State of Roads Report for additional information.

Total centerline road miles in 2017 is now 280-miles vs. 267-miles in 2011 and 255-miles in 2006. Road miles within the District are expected to grow with several large subdivisions as well as, District and State projects that will bring new road miles and bridges into the Districts network.

Other significant improvements for safety include the Ramsey/Union Pacific RR X-ing and Ramsey/BNSF Grade Separation Project. This in addition to guardrail improvements around the East Hayden Lake Road and systemic intersection improvements throughout the District, installing flashing stop sign beacons. Crossing Improvements at Ramsey UPRR are now operational and the District has started design for the Ramsey/BNSF Grade Separation Project. Safety Improvements on the East Hayden Lake Road and systemic intersection improvements are anticipated for 2018.

District staff is now in the design process of our 2018 scheduled road projects. 2018 projects include approximately \$2.4 million in contract work and \$0.5 million in chip sealing. The District with its own forces will also be providing Bituminous Surface Treatments to Nettleton Gulch, Sturgeon, Merriweather and Salee Creek Roads, as well as chip sealing approximately 25-miles.

The District is a 30% partner on the Government Way Reconstruction Project from Hanley to Prairie scheduled for the spring of 2018. Other partners on the road project include the City of Coeur d'Alene (50%) and the City of Hayden (20%). As part of the road project the City of Dalton Gardens will be installing sewer within portions of the Road Project. Apollo Contracting will be the contractor. Staff will be involved with construction meetings and management of the Districts 30% interest of the \$4.5 million construction project.

For the winter snow season, the District began preparing winter equipment in early October, starting with winterizing specialty equipment, installing de-icer systems, sanders and snow wings. The District was operationally ready for winter maintenance activities prior to the end of October and began minor de-icing work and snow plowing in November. The Districts equipment for this season consists of 8-plow trucks, 6-truck sanders, 5-medium duty de-icer trucks with plows and 3-graders. Each of our plow trucks are equipped with wings, which have successfully eliminated having to make a double pass on roads to provide a sufficient width travel way. With recent equipment acquisition, the Director indicated that he expects to offer in 2018 for the boards consideration to surplus, 3-dump trucks. The District has received interest from the Cities of Hayden Lake and Spirit Lake regarding acquisition of these dump trucks, while the City of Athol is considering their interest.

The District is experiencing a significant increase in permitting, subdivision platting and engineering reviews. This in addition to construction oversight of new subdivision roads and the associated building permits from new home construction. The District is also experiencing an increase in zone change requests, special notice permits, conditional use permits, variances, encroachments, commercial approaches, City annexation requests for comment and subdivision reviews (i.e. commercial development of the Kerr Gas Station on Prairie Ave, multiple storage facilities such as the one Old Hwy 95, marina development in Bayview, to major subdivisions on

Chilco, Diagonal, Ramsey and Lancaster Road, to several minor subdivisions throughout the District).

Twelve (12) major subdivisions have come through the District this year for preliminary review and comment and/or construction oversight, this in addition to over 20 minor subdivisions. In comparison to the subdivisions in 2017, in 2012 the District provided review, comment and oversight of 4-major and 9-minor subdivisions. Not including utility or encroachment permits, District Staff has received more than 370 building permit approach applications for comment and inspection in 2017. This is a 230% increase since we began tracking the number of approach permits submitted annually in 2013. In 2013 we received 160 permits.

In recognition for the increase in the workload, staffing levels to accomplish that work have remained constant or have even decreased with retirements of the former road supervisor, assistant road supervisor and with a significant reduction in outside consulting services. Contributing factors in our ability to do more with less, are well qualified personnel and efficiencies in managing the Districts work.

At this time, Chairman Twete asked for a motion to enter into executive session under Idaho Code §74-206 (1) (j). Commissioner Montgomery moved to enter into executive session at 6:59 p.m. under Idaho Code §74-206 (1) (j) to discuss an employee retirement agreement. Commissioner Fountain seconded the motion. District Clerk Flagg called the roll with the Commissioners voting as follows: Chairman Twete aye, Commissioner Montgomery aye and Commissioner Fountain aye.

Upon re-convening to regular session at 7:07 p.m., Commissioner Twete moved to approve the revised addendum to the retirement agreement as discussed in executive session. Commissioner Montgomery seconded the motion. Commissioner Fountain noted she will sign the agreement without waiver of her previous objection. Motion carried unanimously.

There being no further business, Commissioner Fountain moved to adjourn at 7:08 p.m. with Commissioner Montgomery seconding the motion which carried unanimously.

Respectfully Submitted:



Bonny A. Flagg
District Clerk, Board Secretary

Approved:



Rodney A. Twete
Chairman