Payette Lakes Recreational Water & Sewer District

Regular Meeting
July 15, 2026

Directors Present

Ellen Holm, Chairperson (telephone)
Bill Weida, Vice-Chair (absent)
Dallas Young (telephone)
Todd Fereday
Brian Renstrom

Advisors Present
Adam Christenson, Legal Advisor (telephone)
David Watkins, J-U-B Engineers
Maggi Lloyd, J-U-B Engineers

Staff Present
Tammie Richardson
Jeff Bateman

Also Present
Sierra Christie, Star News (telephone)

Todd Fereday called the meeting to order at 9:00 am, and Directors Brian Renstrom, Dallas Young, Ellen Holm, and Todd Fereday all answered roll call. Bill Weida was absent.

Approve Regular Meeting Minutes for June 17 2026

Dallas moved to approve the Regular Meeting Minutes for June 17, 2026, it was seconded by Brian and the motion carried.

Approve June 2026 Treasurer's Report

Ellen moved to approve the Treasurer's report for June 2026, it was seconded by Dallas and the motion carried.

Consider Approval to Award Bid for Spruce Street Sewer Replacement Project

Jeff informed the Board that we received one bid for the Spruce Street Replacement project and that he had Adam check their legal status to bid. The bid was a little over the JUB's estimate. Maggi stated that the engineer's estimate was $189,000 and that the bid from Toll Excavation & Septic, LLC was $194,402.11. David commented that JUB has not worked with them before and knows little about them. Jeff commented that he does not believe they've been around here much because he asked which way they came up, if they took 95 or 55, and they didn't know which road they were on. Todd asked about any projects that Toll has done. Jeff replied that he had looked at their website and found no pictures of any pipework. They had some grading work and a light pole they installed, but nothing showing they'd done any pipe work. David commented that, to be clear, this is not a performance-based contract; it is a low bid for a small project. Maggi added that it is one block and it's similar to Mission Street. They will have to coordinate with Granite, who is doing the Dawson Trails project.

Brian moved to award the bid for the Spruce Street Sewer Replacement Project to Toll Excavation & Septic, LLC, not to exceed $194,402.1, it was seconded by Ellen and the motion carried.

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Engineer's Report

Maggi updated the Board on the lift station 27 project. It is underway, with only the submittal review process left, and we have all their insurance and all those items dialed in. It will just stay in that same status until the fall, when they actually mobilize. She went over the blowers project. We received an updated proposal from Triple Point, the diffuser supplier. We are going to set up a meeting with Jeff, Ross, and Wyatt to go through that, then finalize the next steps for the project and keep it moving forward. Wooley is under the same design contract as Spruce Street, and now that Spruce is in the post-bidding phase, we will resume Wooley's design work.

Pond Liner Update

David went over the pond liner update, explaining that we have the draft cost estimate and schedule from IMCO and are reviewing them right now. There are some items for which there's still significant uncertainty about the consent judgment, so their price estimates are unclear. They definitely gave us what they felt was conservative and could meet all the requirements if nothing changes. It is a high amount of 8 million. We are working to reduce costs, such as solids removal and hauling. There's still an option to have them prepare a double-liner cost estimate, but at this price, it will probably be too much. We knew that liner costs were rising due to the war in Iran and other factors, and we knew that biosolids hauling was going to be a lot. We are going to do some sampling this month in July with IMCO when the pond is mostly empty. As soon as we're done pumping to irrigation, we'll get down there, collect a sample of the solids, and that will help quite a bit with the estimate for dewatering the solids as they come out. If enough of it is dense material, it's much easier to dewater than fluffy organic material. Next steps are the legal side; nothing can start until that part's done.

We can get a lot of dominoes in place, and that's what we're working on, but they can't start falling until the legal side's done. David updated the Board on the mobile treatment building. JUB has made progress by having the geotech and survey done. We have also spoken with the structural engineer and have a preliminary layout of the doors and other items; IMCO is working on the estimate. They have preliminary costs, but they might refine them. Jeff commented that we have changed the building too, and will get something to JUB in the next couple of weeks. Todd asked if it was a steel building. Jeff replied that yes, it is a steel building. David explained that the current plan is to keep it in the project unless the District decides to remove it later. What's in that higher cost estimate right now is a temporary structure with heating this winter. But that again depends on whether we have enough time to pull the trigger this winter or have to do it next spring. The time is running out for IMCO to mobilize enough equipment to get stuff done this year. Regardless of whether they do a temporary structure, we're going to finish the building's design so the District has it. It sounds like the District wants that building. Even if this project were done, you would still need more storage and that building. We might as well get the permitting process with the City done and the design done, and then whether you fund it through this project or outside it is moot.

Todd asked if we had a date to hear back on IMCO for everything else that needs to be signed to move forward. David replied: the only other big thing they can really prepare before the legal side's done is an early-phase package, which would include solids removal, maybe some liner patching, and potentially ordering the liner too. We can get that package done, which is like a big amendment to the current contract you have with them. But he doesn’t think the District would want to sign it until the legal side's done, because if something changes, you're going to have to change it anyway. But getting that document done and getting it through legal review

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for that amendment would be good to accomplish. JUB will have an independent cost estimate, which we provide for all CMGCs.
Brian asked if we could proceed with removing the solids without DEQ's permission; it seems like a normal maintenance item. David replied that there's a compliance item in the consent judgment for the biosolids management plan, and it must be submitted and approved 60 days before the removal of solids. There's a bunch of, when you say chicken and egg, there's a bunch of chickens and eggs in the consent judgment. Legally, you can perform work such as removing solids, but you risk not having all the compliance pieces in place, especially if you have to discharge while doing so. He definitely thinks, and thinks Adam would back him up on this, that you shouldn't be considering discharge until the legal side's done. Adam agreed, and until we know DEQ will view it that way, it's pretty risky. David commented that if there's a way to remove the solids without discharging, it's a potential option in the early works package. He thinks it's a little bit more expensive. IMCO described it as an expensive way to get the solids out that doesn't risk damaging the liner and can be done even with water in the pond. Essentially, you're putting a dredge out on the water. But the most reasonable way to get them out is to wait until the pond discharges. Because then you have access to all the solids and many more options for getting them out, but the problem is that you could tear the liner. If you're going to remove the liner right after removing the solids, it becomes a no-brainer. The pond should be empty at the end of July. Jeff commented that the farmers haven't needed as much water as we thought this year, so we're a little behind on emptying the pond.

Legal Report

Adam commented that he just had one thing, which is really just an add-on to what David just said. There was a July 7 deadline to respond to the complaint DEQ had filed, but, having received no response from DEQ before that, your special counsel, Kevin, was able to extend it until August 6. August 6 is now the new deadline, although that could shift as well. Since that extension happened, DEQ has re-engaged. The working group and your special counsel are still working through the terms of the content judgment and the compliance schedule. We want to get that all nailed down. David just talked about the importance of the chicken-and-egg issues here. We're working to do that. I don't have a date for you on when that's gonna happen. It has been, he would say, an exceedingly frustrating experience. But they are re-engaged for now, and hopefully we can move this thing forward and get that nailed down. We are trying. He hopes to have a more substantive update for the Board soon.

Proposed Fiscal Year 2027 Budget

Tammie presented the FY27 proposed budget for publication. She explained that she had adjusted some numbers because she had not seen the final numbers from the County. She put those numbers a little higher, since we can always go down but not up. She directed the Board to turn to page 2 of the revenue worksheet. This is where she put the new construction higher than she thinks we will receive. On page three, under office operations, she realized she did not have legal fees for bond counsel. After speaking with Adam, she added $60,000 for bond issuance costs. On page four, under plant equipment, we did get the final price for the Skidster, so she changed that to $99,900 from $80,000. She added a keg nozzle for $2,146 for collections. Page four: adding these things in, she did take some from the I&I budget. It is now at $725,000. There were no changes on page 5 for facilities & utilities from last month, and no changes on the next page for salaries either. She directed the Board to turn to the summary page. We are down from last year. Staff worked hard to dial in on the budget. She pointed out that the capital

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reserve fund is only $129,000, compared to $637,280 this year. We tried to keep things down since we don't know the cost of the pond liner project. This is the balanced budget, and if the Board wants to make any changes, we can make them. Brian noted that salary expenses went down even though we implemented a 4% COLA. Tammie replied that she had thoroughly reviewed each line item, audited our previous budget, and identified some savings, as you can see in the salary expenses. She did not make very many changes from what the Board saw in June. The Board discussed replacing the cleaner. We budgeted $150,000 for FY27, with the remaining funds in the FY28 budget due to the time required to find someone to build the cleaner. The Board approved the budget and did not want to add any additional funds to the I&I budget due to uncertainty about the pond liner cost.

Review Proposed FY27 Budget with Revenue Bond Funds and Grants

Tammie presented the revenue bond funds and grants. It is the same as last year since we have not spent any money due to the delay. The plan is to start pulling funds from the Aging Infrastructure grant this year. She reported having a phone call with Michael Keith at Zions Bank. He will bring the options to the Board, probably at the January board meeting. The District can go out to the Idaho Bond Bank and partner with the City of Burley, as they are on the same timeline. We could also look into refinancing the bond we have now and adding the new bond if we can get a good interest rate. The bond bank has an AAA credit rating. If we go out on our own, we might have to buy insurance like we did last time. After the decision is made, it will take about 3 months to get the money, which would put us on a timeline to replace the pond liner next year.

Approve Proposed FY27 Budget for Publication

Brian moved to approve the Proposed FY27 Budget for Publication for $6,669,758, including the Revenue Bond, IDEQ State Revolving Loan, IDEQ Legislative Grant, and the Aging Infrastructure Grant, it was seconded by Ellen and the motion carried.

Staff Report

1. Tammie reported that we sold 9 permits in June and have sold 4 so far in July. Mr. Hormeacha has not yet purchased his permits. She reminded the board that he will be purchasing 62 permits for 2-bedroom units and 48 for 1-bedroom units. The amount will be $1,516,240M. They already had 16 connections on that property.
2. Tammie informed the Board that she has been working on delinquent accounts that are more than three months overdue. We started with 65, and she is down to 19. They have until July 31, 2026, to pay unless the Valley County Treasurer extends the date.
3. Jeff reported that the E4 project has run into a few snags with the original design due to the city water line, so it's got to be relocated a bit to the north. The easement he was going to record but didn't, which he is glad he didn't, because it will change now. He knows they're planning on starting real soon, probably before we have an easement. That's up to them, unless Adam has something to say. He knows Mr. Heacock is willing to work with us now for that new easement, which you have to go to his house to get him to sign anything.
4. Jeff reported that he received the easement termination back from Thomas Goff for that line on Spring Mountain Boulevard, which the Board approved a few months ago. Jeff stated he signed the easement, which he didn't realize he wasn't supposed to sign. The Board is supposed to sign that easement, so he does not know if we have to start over.

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He does not believe so, but will leave that to Adam. Adam wanted to clarify it's an easement termination, not an easement.

5. Jeff reported that the Thula project is associated with the E4 project for Black Bear Condos. There's a line segment in there that crosses Deinhard, and they need to replace it. The manholes are about three weeks out for ordering, so that's taking some time.
6. Jeff reported that an on-site visit for the CIPP project on Lake Street was held with Lance Hess and Integrity Solutions to review the project. We are just going to bid on that project. He has not heard back from either of them on that yet, but will keep the Board in the loop.
7. Jeff went over the collapsed line by the bridge. Staff tried a few scenarios we wanted to test. They didn't work, so we reached out to Integrity Solutions, and we think we have a way to fix it without removing the manhole or digging up anything beyond the area we need to repair the sinkhole. We got the concrete pipe out, and the majority of the dirt. We're just waiting for some information from Integrity Solutions.
8. Jeff informed the Board that Clay Farrow has submitted his resignation, with his last day of work tomorrow, and that he will be on vacation next week. We have received one resume so far.

General Public Comment (Limited to 3 minutes per individual)
No Public Comment

Brian moved to adjourn the meeting, which was seconded by Dallas and the motion carried.

Submitted by: Tammie Richardson

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Ellen Holm, Chairperson

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