

Bayview Water & Sewer District
20298 E Perimeter Rd., Bayview, ID 83803

SPECIAL MEETING MINUTES

June 15, 2026 – 6:00 PM

Call to Order and Roll Call: Madam Chairman Jeanna Hofmeister opened the meeting at 6:00 PM and a roll call confirmed Vice-Chair Mark Lewis and directors, Shon Luoma, Mark Thayer and Dan Tindall were also present.

Others Present: District treasurer Jessie Howard and District Clerk Logan Todhunter.

Guests Present: Members of the public.

Agenda Items

1. Public Hearing - Water Bond Fee Adjustment: Final Increase Required to Repay State Revolving Fund (SRF) Loan: Madam Chairman Hofmeister called the public hearing to order following a motion by Mr. Luoma and a second by Mr. Lewis. A roll call vote was taken with the following results: Hofmeister—aye; Lewis—aye; Luoma—aye; Thayer—aye; Tindall—aye. All were in favor, motion carried. Ms. Howard then presented an overview of the Water Improvement Project, beginning with the history of the water bond and the initial funding plan for the \$3.4 million State Revolving Fund (SRF) loan approved by the public. She reviewed the Board's efforts to secure grants totaling \$2,043,215 and explained how the District restructured its customer billing to reduce the amount of the final Water Bond fee required to repay the SRF loan following completion of the project. As a result of these efforts, the District reduced the projected monthly Water Bond fee from the original estimate of \$26.66 at the beginning of the project in 2020 to \$17.76 at the time of the public hearing. Ms. Howard noted that this amount will continue to decrease as additional customers connect to the District's system and share in the loan repayment.
2. Take Public Comment: The first public comment was from John Mackey, who thanked Ms. Howard for her prompt and courteous response to his concerns regarding high water pressure, which he had raised during public comment at the public hearing the previous fall. The next public comment came from Sheryl Puckett, who asked why the public hearing notice did not include the amount of the final Water Bond fee increase. The Board responded that the notice followed the District's standard public hearing format and directed the public to the District's website, as referenced in the notice, where detailed information, including the final proposed fee, had been published. The next public comment came from Carl Costello, who thanked the current Board, former Board members, and District staff for their dedication and hard work in successfully completing the Water Improvement Project. He noted that while some members of the public have criticized decisions made throughout the project, few have been willing to serve on the Board and make the difficult decisions necessary to move the community forward. He expressed his appreciation for everyone's efforts. Mr. Costello also asked whether multiple float homes served by a single water meter each paid a connection fee and whether float homes paid a reduced monthly user fee. Ms. Howard explained that District ordinance allows multiple connections to be served through a single purchased meter and a single connection fee, provided all facilities served are located on the same parcel. However, each dwelling or facility served is required to pay its own

monthly base fee and Water Bond fee. She explained that implementing this billing structure was one of the measures the District adopted to reduce the monthly Water Bond fee required to repay the State Revolving Fund (SRF) loan. As a result of these efforts, the projected monthly Water Bond fee was reduced from the original estimate of \$26.66 at the beginning of the project in 2020 to \$17.76 at the time of the current public hearing. The board closed the public hearing at 6:37 PM.

3. Public Hearing - Water Standby Fee: Vacant Lots with Meters (1/2 of the Standard Monthly Water Base Fee): Madam Chairman Hofmeister called the public hearing to order following a motion by Mr. Lewis and a second by Mr. Luoma. A roll call vote was taken with the following results: Hofmeister—aye; Lewis—aye; Luoma—aye; Thayer—aye; Tindall—aye. All were in favor; motion carried. Ms. Howard then presented an overview of the proposed Water Standby Fee for properties with installed water meters that remain vacant, have never incurred water usage, and have never been connected on the customer side of the meter. She explained that the proposed rate would be one-half of the standard monthly water base rate and, at this time, would not include a Water Bond fee. Ms. Howard explained that the proposed fee would help ensure that the costs of maintaining the District's water infrastructure are more equitably distributed among all properties that benefit from the availability of water service, even if water has not yet been used.
4. Take Public Comment: The first public comment came from Carl Costello, who stated that he supported the proposed Water Standby Fee and believed it was fair. He commented that if a property has immediate access to the water system through an installed meter, the property owner should contribute toward the cost of maintaining the system, even if the service is not currently or has never been actively used. The next question came from Susan Brune, who asked whether vacant properties with recreational vehicles (RVs) that periodically connect to the property's water service would qualify for the reduced Water Standby Fee. Ms. Howard explained that if the meter registers water usage, the property is considered an active water customer and is subject to the standard monthly water base fee and Water Bond fee. The next question came from John Mackey, who asked whether the District charges a capitalization fee when a customer requests new water service. Ms. Howard explained that the District currently charges a water capitalization fee of \$2,080 in addition to a \$5,000 connection fee. She further stated that under current District policy, customers are required to begin paying standard monthly service charges within 30 days of meter installation. The proposed Water Standby Fee is intended to address a limited number of legacy accounts where meters were installed in prior years but monthly billing was never initiated before the current Board and staff assumed responsibility for District operations. The final question came from Dave Hamilton, who explained that his sister owns a property with an active standpipe connected on the customer side of the meter but no building on the property. He asked whether the Water Standby Fee would apply to her property since she has been paying the standard monthly base rate. Ms. Howard explained that because the property has an active connection on the customer side of the meter, it is considered a connected service and is therefore subject to the standard monthly water base fee. She offered to place the matter on a future Board meeting agenda if Mr. Hamilton wished to have the Board further discuss or consider the situation. The public hearing was closed at 6:51 PM
5. (Action Item) Make Final Decision Regarding Item #3 - Water Bond Fee Adjustment: The final increase was approved following a motion from Mr. Luoma and seconded by Mr. Lewis. All were in favor, motion carried.
6. (Action Item) Make Final Decision Regarding Item #5 - Water Standby Fee: The proposed Water Standby Fee was approved following a motion by Mr. Lewis and a second by Mr. Tindall. Voting in favor were Madam Chairman Hofmeister, Mr. Lewis, Mr. Tindall, and Mr. Thayer. Mr. Luoma

voted against the motion, stating that he believed properties with installed water meters should be assessed the full monthly water base rate and Water Bond fee. With a majority of the Board voting in favor, the motion carried.

With no further business to discuss, the special meeting was adjourned at 6:59 PM following a motion from Mr. Luoma and seconded by Mr. Lewis. All were in favor, motion carried.

Respectfully Submitted and Approved:

Jessie Howard
Administrative/Treasurer

Jeanna Hofmeister
Chair of the Board