



Lewiston City Council
SPECIAL MEETING
Thursday, April 14, 2022 - 5:30 p.m.
Central Orchards Sewer District - 1522 Powers Avenue
Lewiston, ID 83501

I. CALL TO ORDER

Present: Mayor Johnson; Council President Liedkie; Councilor Forsmann; Councilor Schroeder; Councilor Tousley; City Clerk Ravencroft; Brian Ellison; Jerald Berger; Jerry Northrup; Judy Meredith; Vicki Lutes; Vernon Williams; Michelle Gruell; Tony Anegon; Jeremy Sarbacher

COSD Board Chair Berger and Mayor Johnson called the meeting of the COSD Board and the Lewiston City Council to order at 5:36 p.m.

II. ACTIVE AGENDA

A. INTERAGENCY AGREEMENT AND WARNER AVENUE TO LINDSEY CREEK WASTE WATER ACCESS IMPROVEMENTS

COSD Chair Berger reported that he, Michelle Gruell and Jeremy Sarbacher met with Mayor Johnson and staff recently to discuss the rates within the expired Interagency Agreement between the City and COSD. COSD presented a copy of a letter written to the City for FY'20, and Mr. Berger noted that it contained numbers that have since been changed by the City.

Mayor Johnson thanked the Board for the opportunity to come tonight. At the request of COSD, he said that he and the Council are here this evening to talk about COSD rates. He noted that he did receive a copy of the letter presented by COSD which demonstrated that things didn't line up with what the City is charging. This was primarily due to the fact that it did not contain all the information used in the first formula. Discussions came to a standstill as COSD indicated that they would not pay any more than what they feel they owe and there was disagreement over the numbers. Since those meetings, Mayor Johnson said that he has studied some of the old contracts and reports to determine what the concerns have been in the past. Tonight, the goal is to again talk about the rates and determine what COSD will pay for city sewer services. Mr. Johnson said he reviewed the entire system differently, ran some numbers and determined the amount of COSD accounts within the City. If charges to COSD were based on the number of accounts, then they would be paying more. Currently working without a contract, COSD has been discounting their payments to the City by 20 percent

and remitting the difference. The City will continue to bill for those back payments, but it is necessary to find a path in order to move forward.

With regard to where the trunk line leaves 15th Street and Warner and goes to Lindsey Creek, the City has done a great deal of work to upgrade the access road in order to perform maintenance. The City has the full intention of paying \$1.6 million to upgrade this area further in order to meet DEQ regulations and maintain the line. However, it has been pointed out that some of the COSD Board members do not believe this is necessary. Board Member Northrup said that line has been in place for almost 42 years and it has never plugged or caused any problems.

Mr. Johnson said that as he looks at the rates, he has determined that one option is to continue billing COSD the same rate other large users are being charged and COSD would continue to get further in arrears, or the City could get out of the business of maintaining the trunk lines. The numbers can continue to be argued, but that doesn't move either entity forward. It comes down to either COSD accepting the numbers and paying the amount billed, or not.

Board Member Northrup stated that the City is not supposed to overcharge COSD. In order to determine the actual payments to the City, it is important to know what is actually spent at the wastewater treatment plant and maintenance costs to the trunk line COSD ties into. Mr. Johnson replied that this exercise was done at a previous meeting. Mr. Northrup emphasized that COSD should be paying for only what they use and noted there should be no charges to them for the downtown system.

Continuing, Mayor Johnson stated that another option is to agree on a formula and staff will go back and include those figures into the contract. Mr. Northrup stated that there is no formula and again reiterated that the only charge to COSD should be their percentage of flow and maintenance costs for their lines and their charges at the Wastewater Treatment Plant.

Chair Berger stated that the Board's argument is with paying maintenance and billing on the downtown system. He said he is not complaining for paying for the processing plant, but the numbers provided by the City are skewed and seem to be over \$3 million more than the actual expenses to COSD.

Utility Systems Manager Ellison explained that FCS reviewed the City's costs, which included the wastewater plant, collections, maintenance of pipes, repairs, industrial pretreatment, etc. The \$1.4 million that has been mentioned this evening is the figure from the previous contract. By August of this year, the City will be right at \$40 million spent on capital at the Wastewater Treatment Plant. If the City were to charge by percentage, COSD would be paying a much larger amount.

Chair Berger said what he hears is that the City came up with a formula, but never shared that formula with the Board when the agreement was created. It was the city's idea to give COSD a 20 percent discount in order to remove the city's billing and

maintenance from the equation. He stated that the reason the contract was created in the first place was because the City no longer wanted to charge COSD based on the percentage of floor due to the large amount of paperwork.

Board Member Northrup said he doesn't understand the formula created by City staff. Board Member Lutes added that the lack of transparency from the City has been extremely frustrating in the past. Items requested from the previous City Manager would sometimes take months to receive. Attorney Anegon agreed, but said he hopes talks can continue to come to a solution.

Mayor Johnson indicated that he would be willing to look at the numbers again, but reiterated that staff has already met with COSD twice on this issue.

Chair Berger said that the Board doesn't object to paying its share, but does not want to pay the inflated costs.

Councilor Schroeder indicated that it could be that the reports COSD is requesting do not show the whole picture.

Mr. Berger stated that the rate COSD is paying is supposed to cover all of the increased costs for the wastewater bond, to include operation and maintenance. He noted that they currently pay the same cubic feet rate that residents do, with a 20 percent reduction. Attorney Anegon added that this 20 percent reduction was suggested by City staff and was not presented as an option by the COSD Board.

Councilor Forsmann questioned who pays for a broken pipe within the COSD District. Mr. Berger indicated that all COSD lines are maintained 100 percent by COSD employees, as well as all billing, replacement etc.

III. ADJOURNMENT

There being no further discussion, the City of Lewiston portion of the meeting ended at 6:37 p.m.