

## Testimony from the HLWA to the Hayden Lake Sewer Board 2/10/2021

To The Board of Directors:

Thank you for the opportunity to speak today, and for the opportunity to continue our discussion about the name change and purpose made in 2017, to which we strongly disagree.

At our last meeting, we outlined our strong objections. After researching the documents which we received after 3 Public Records Requests, we ascertained that the quantitative basis used to justify the changes was in fact, incorrect. Your counsel, Michael Schmidt confirmed that, and clearly stated it on the record of the meeting. He went on to say that since the data was compiled and interpreted "to the best of their abilities," the board will not reverse the name change, and that we should pursue whatever remedies we feel appropriate.

Frankly we are surprised that legal counsel would speak for the board before the board had a chance to review the documents, to understand the issues of the case, and to debate their position going forward. In fact, we do not believe that the board had even seen these documents prior to our requesting that they be given to them on January 27.

In addition, the records we received did not show any sort of analysis of predominant change of land use, from agricultural/natural to densely residential. Contrary to Mr. Schmidt's statement in the written records that he "worked with the District engineer in order to confirm that the District no longer meets the requirements of Idaho code 42 - 3202A. Specifically it was determined that over 50% of the land within the District is no longer in a natural state or used for agricultural purposes." In fact, there was no proof that those calculations were actually done. This should have been calculated as part of any argument to change the charter from a recreational sewer district. We feel strongly that had the analysis been done, the results would have shown that the land IN THE DISTRICT is still predominantly agricultural/natural.

These "miscalculations" that counsel and the board relied on to make the name and purpose changes were based on the LID, rather than the boundaries of the district, a requirement which is explicitly stated in code. They have led to a series of decisions that have lasting and long term negative effects:

\*Hundreds of property owners that had previously elected sewer board members were disenfranchised because they were not registered to vote in Kootenai County. Those voters would have had and should in the future have a say in the election of a board that makes decisions regarding annexations, expansion, and service to parts of the district around the lake that do not have service. Currently this is "taxation without representation."

\*The name/charter change has led to a loss of focus on protection of the central natural resource, Hayden Lake, which was the purpose of the recreational district's formation in the first place. Protecting the lake from sewer discharge should still be a primary purpose of this district. Yet, there is evidence that in some parts of the lake, sewage is still finding its ways into these waters. The new focus of the district appears to be for annexation and expansion, rather than addressing the concerns that caused the recreational water and sewer district to be formed in the first place.

Last Fall, your counsel argued that the recreational district could not protect the lake any more than the district in this configuration can protect it. We disagree.

We would urge the board not to rush to judgment on this matter until you have the answers to some obvious questions:

If the District change was made based on false information, is the decree enforceable? Did the rush to procure this new status preclude an adequate hearing process and appropriate notification to the public of this momentous change?

Where are the records that reflect the data used to make the name/charter change; documents that this district is required by law to keep?

Was the method used to change the District status even legal? (Especially without a vote of the taxpayers?)

The Board should ask for a vacation of the previous decree, given that its basis was not correct.

Your attorney has already spent a lot of time on this matter, billings which we assume that we as taxpayers are paying. We feel that he is strongly vested in having the board support his position, in part in defense of pushing through a decree based on inaccurate information.

We have informed our membership and other interested parties of these proceedings. While we are all in the process of obtaining accurate information and evaluating a way to go forward, we hope that you will keep open minds and listen to and understand our concerns.

Thank you for your consideration.