

OFFICIAL IBSD MINUTES

JULY 17, 2013
IONA-BONNEVILLE SEWER DISTRICT (IBSD)
SPECIAL BOARD MEETING

Meeting called to order by Chairman Kelly Howell at: 7:00 p.m.

Board Members Present: Kelly Howell (Chairman); Mike Klingler; Jason Blundell; Glen Clark; Robert Esplin

IBSD Staff: Cindy Wellman, Manager; Donna Bridges, Field Coordinator

Attorney: Tony Sasser, Sasser Law Office

Public: James Southwick, patron; Dennis Kunerth, patron; Brenda Raden, patron; Jeff & Ruth Shriver, patron; Bruce Brooks, patron; John Sheppard, patron; George Suski, patron; Kevin Harris, Forsgren Associates; Brian Powell, City of Ammon Councilmember

Agenda Items:

1. Public Hearing: Options regarding Ammon separation
2. Adjournment

Meeting minutes: For additional information, please reference the meeting recording.

00:00:00 **PUBLIC HEARING: OPTIONS REGARDING AMMON SEPARATION**

Mr. Howell welcomed everyone to the meeting. The purpose of the meeting is to hold a public hearing regarding options for simplifying the entanglement of lines between IBSD and City of Ammon.

Mr. Blundell gave a brief history of the issues with the comingling of IBSD and City of Ammon. An interceptor line was installed so that IBSD could physically separate from the line Ammon continues to use on Ammon Road. There are still areas where IBSD flows into Ammon to which IBSD reimburses Ammon. The IBSD Board hired an engineering company, Schiess and Associates, to study the issue and provide options with costs. They initially provided three options. These options were tweaked and a fourth "do nothing" option was considered.

It was determined that there three possible options. The first one is to do nothing and continue to reimburse Ammon \$32.00 for the 254 patrons that flow into their system. This does not include administration and maintenance costs. The regular Ammon rate is \$45.00. The amount IBSD pays the City of Idaho for processing averages \$10.00-\$12.00 per patron. Because of the long term expense to the District this is not the best feasible option.

00:06:50

The other two options are what the Board is putting forth to the patrons for feedback. The second option would be to have patrons deannex or exclude themselves from the District. If the patrons were willing to do this IBSD would compensate them \$1,020.00 each home to do this.

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The other option is to install infrastructure to physically separate customers where possible at a cost of roughly \$500,000.00. Of the options considered, the deannexation and infrastructure are the two that make the most economic sense. The Board feels strongly that the patrons be informed about what is going on and be allowed to provide feedback. They would like to make a decision representing the patrons.

The proposed infrastructure would be a force main from the Wildwood lift station to just west of Windsor Drive along 17th Street. Currently the flow above 17th Street flows to the lift station then across the street into City of Ammon lines so the proposed infrastructure would divert this flow back into IBSD lines on 17th Street.

The flow south of 17th Street, on Ross Avenue and Wanda, flows south into Ammon lines. To divert the flow in this area would require a lift station and a force main to be installed. This would also offset the agreement with Ammon in where it is stated that changes made to infrastructure cannot increase or cause one entity to have higher costs.

Mr. Brooks asked why the two areas are being looked at together and not separately since one can easily be separated. He does not understand why someone in a different area can have a say on what happens in his neighborhood. Mr. Esplin explained that the four separate areas were considered together because of the feasibility. It does not make sense to spend funds to install infrastructure in one area while buying customers out in another area. This would also result in Ammon having to reimburse IBSD which goes against the agreement.

00:23:00

Mr. Howell opened up the Public Hearing for comments for attendees.

Bruce Brooks: He feels like the Board has overlooked the fact that they have grouped a bunch of people in. He prefers to stay with the District and hopes that the voting body agrees with him. He feels the letter was vague and did not have any information regarding the agreement with Ammon. He does not understand why this problem was not addressed two years ago. He has been paying IBSD all along and has a vested right in the system. He lives in Centennial Park on Miranda.

Jim Southwick: His home is on 17th Street flowing down Ross Avenue. He thinks the system should not be changed since lift stations are never good and are subject to fail. He also noted that when the fiber optic lines were installed they discovered lava rock so construction will be more difficult than he thinks is currently expected. He thinks gravity feed is the preferred method of flow so it saves a lot of hassle if everyone south of 17th Street stay with City of Ammon.

Dennis Kurerth: He would prefer to remain with the District at this point. He had questions regarding the petitioning of patrons to change the boundaries. He is concerned that not all patrons will want to annex into Ammon which would result in a smattering of patrons with boundary changes. Current requirements state that the homeowner must initiate the petition with a 60% of an area agreeing to the annexation so any potential boundary changes would be for the entire area.

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Mr. Klingler stated that there has not been a petition started or presented to any patrons. The only thing the Board has initiated at this point is sending the affected patrons a letter and survey explaining the situation and requesting feedback.

George Suski: He would also prefer to stay with the District since he believes it would be more beneficial.

Allen Beazer: Mr. Beazer believes it only makes sense to build the line. He continued that the more people that stay with the District the more beneficial as it relates to evening out and lowering costs. Even though the contract with the City of Idaho Falls is up for renewal he does not think that any potential increase will be that much.

Brenda Raden: Ms. Raden asked what the savings would be if the infrastructure were installed. She does not have a preference as to what options are being considered.

The amount that is currently reimbursed to Ammon for treatment would be reduced significantly by diverting the flow.

The discussion covered existing conditions and where the lines currently flow and how the proposed infrastructure installations would change and divert flow. If the infrastructure were installed it is not anticipated that monthly fees would need to be increased nor would a bond be required since IBSD has the funds on hand.

00:48:00

Ms. Bridges stated that of the surveys that have been received the yes responses for the proposed options have been 24 in favor of the buyout, 11 in favor of infrastructure installation and 10 for staying the same.

Mr. Howell asked if anyone was under the impression that their rate would only be \$32.00 if they became an Ammon patron. The public in attendance stated that the letter created more questions than were answered. It was suggested that another letter be sent that stated the rate for Ammon is \$45.00, which may have the result of changing people's minds who voted for the buyout.

The Board discussed holding another public hearing and decided it could be added to the agenda for the next monthly meeting in a week July 24, 2013.

01:04:20

01:04:20 **ADJOURNMENT**

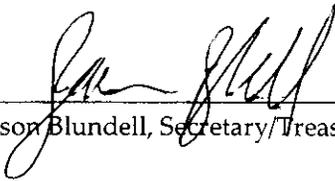
The meeting adjourned at 8:05 p.m.

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Kelly Howell, Chairman of the Board of Directors

8-28-2013
Date



Jason Blundell, Secretary/Treasurer

8/28/13
Date