

**IONA-BONNEVILLE SEWER DISTRICT
MINUTES OF DIRECTORS
September 10, 2008
7:00 p.m.**

A regular meeting of the Board of Directors of the Iona-Bonneville Sewer District ("District"), a political subdivision of the State of Idaho, was held at the District Office, 550 Linden Drive, Idaho Falls, Bonneville County, Idaho, on September 10, 2008, at 7:00 p.m. Notice of Public Hearing of the meeting with the agenda thereon was posted. The office manager certified that such notice had been posted as required.

CALL TO ORDER

The meeting was called to order at 7:05 p.m. by Scott Criddle, Chairman of the Board.

ROLL CALL

The following were present:

DIRECTORS:

John Price
Scott Criddle
Susan Ring
Mike Klingler
Glen Clark

ALSO PRESENT:

David Benton, Engineer
John M. Ohman, Esq., Legal Counsel
(Note: Dorothy McCarty, Manager and Mike Lund, Engineer, had been excused to attend a Waste Treatment Seminar in Portland)

PUBLIC ATTENDEES:

Dan Gubler
Adrian Beazer
Dennis McArthur
Linda McArthur
Chris Klingler
Woody Myler
(Illegible signature)

Kim Lewis
Marvin Robison
Allen Beazer
Tom Louk
Cherese McLean, Esq./Echohawk Law Office
Sven Berg
Michael Armstrong
Brenda Klingler
Michelle Neelson
Ray Hobbs
Cynthia Branther
Kevin Harris
Kirby Mikesell
M. R. Mikesell
Michael Wheeler, Esq.
Mary Criddle
Marvin Clark
(Illegible signature)
Justin Klingler
Michelle Klingler
Elison Proctor
M. J. McNamara

GENERAL DISCUSSION

At the opening of the meeting Mr. Klingler commented that items omitted from the Agenda which had been requested and which were to be discussed were:

Real Estate Report;
Public Documents; and
Idaho Statutes and Open Meeting Laws.

PRIOR MINUTES

Upon review of the Minutes from August 13, 2008, as presented, Susan Ring moved for the inclusion of a statement, under "MEETING DATE", that legal counsel had recommended the meeting not occur in the absence of Dorothy McCarty, Manager, and Mike Lund, Engineer. John Price seconded that Motion. Thus, the Minutes for August 13, 2008 were approved, as amended.

LOCATION OF FUTURE MEETINGS

Noting the difficulty in accommodating the numbers in attendance because of space

limitations at Benton Engineering, the Board discussed other meeting places, to include Iona City Building, Tiebreaker School and Hillcrest High School. Glen Clark moved that future meetings be held at the Iona City Building, unless otherwise decided in advance by the Board. Mike Klingler seconded the Motion and it was approved upon voice vote of three (3) "ayes" and one (1) "nay".

SECRETARY REPORT

Susan Ring, Secretary to the Board, reported on, and made comments regarding:

- Open Meeting Law;
- Conduct and conflicts of Directors;
- DEQ regulations;
- Idaho laws pertaining to sewer districts;
- Comments received from community.

Ms. Ring recommended that the Board attend an educational seminar regarding communication, and perhaps a mediation session.

MANAGER'S REPORT

Ms. Ring (in Ms. McCarty's absence) called to the Board's attention the inclusion within the Agenda of the written report from Ms. McCarty, and urged the Board's consideration thereof.

PAYMENT OF BILLS

Upon Motion by Susan Ring to pay the bills, seconded by John Price, discussion was had, with specific concern expressed by Glen Clark over management fees. Upon voice vote, the bills were approved by a 2 to 1 vote with Mr. Clark abstaining. (As a precautionary matter, to avoid any suggestion that the vote failed because of only two affirmative votes, the Chairman cast his conditional vote, in the affirmative.)

ENGINEER'S REPORT

Mr. Mike Lund's Engineer's Report was read, verbatim, into the record by Ms. Susan Ring. (See Report in Agenda)

COUNTRY CORNER CAR WASH

Mr. Glen Clark moved that the intended hook-up charges to Country Corner be waived, and that Mr. Mark Mikesell, as applicant, be allowed immediate access to and use of IBSD's lines. Mr. John Price seconded the Motion. Lengthy discussion was had over Mr. Lund's

concerns (as contained within his report). Mr. David Benton echoed the concerns expressed by Mr. Lund.

Legal counsel cautioned against accepting the line over the objection of the engineer and without confirmation from DEQ and the City of Idaho Falls that compliance with all laws and regulations was had and that the hook-up was acceptable.

Mr. Glen Clark read into the record a letter from Automate supporting the application. Michael Wheeler, Esq. spoke in favor of the Motion, and provided oral assurances that EPA acceptance and City of Idaho Falls approval were given, though not in writing. Mr. Glen Clark then substituted as his Motion that IBSD not charge Mr. Mikesell any connection fees. John Price seconded the Motion and upon roll call vote, as follows, the Motion failed:

Susan Ring, Mike Klingler and Scott Criddle - Nay
John Price and Glen Clark - Aye

SPECIAL COUNSEL REPORT

Cherese McLean, Esq., Echohawk Law Offices, Pocatello, Idaho, introduced herself and confirmed that her offices are willing to provide legal services to IBSD, as requested, and under terms to be agreed upon from time to time. The firm's hourly rate is \$185.00, with one-half that sum to be charged for travel. Mr. John Price moved that the Board approve Echohawk Law Offices as legal counsel to IBSD. Susan Ring asked for clarification that the Motion relates only to Ashwood Acres. Following discussion, the Motion, as presented by Mr. Price, was that Echohawk Law Offices be designated as independent counsel, to perform services at the request of the Board and under such terms as are agreed upon from time to time. Upon roll call vote the Motion passed as follows:

John Price, Glen Clark, Mike Klingler - Aye
Susan Ring - Nay

VOTING ZONES

Ms. Cynthia Branter addressed the Board regarding fair representation of the District's patrons, and suggested that the District be broken into five (5) divisions of approximately equal population, with each District to be represented by a Board Member. (i.e. Five (5) Districts of approximately equal population, with a Board Member from each District.) The Board Members were receptive to the suggestion, and determined that further investigation would be had to designate the regions and then discuss the implementation of the plan.

PATRONS' COMMENTS

Mr. Mike Armstrong cited the Board to Title 42 Chapter 32 setting forth the duties and

responsibilities of the Board, and asked that all be mindful regarding those duties.

Mr. Adrian Beazer cited the Board to §9-347 I. C. relating to public records, with emphasis to designating a records custodian and a physical location for public records to be kept.

REAL ESTATE REPORT

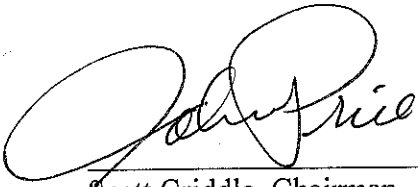
Mr. John Price reported that he has been investigating options to relocate the IBSD office. His information to date is that leasing a space will cost approximately \$1.00 per square foot, and that constructing a building may be cost prohibitive.

LEGAL

Mr. Ohman reported on the status of pending IBSD's legal actions with the City of Ammon and with Bonneville County.

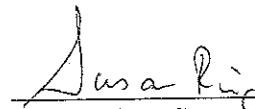
The meeting adjourned at 9:52 p.m.

Dated this ____ day of September, 2008.



Scott Criddle, Chairman

John Price



Susan Ring, Secretary