

OFFICIAL IBSD MINUTES

JUNE 21, 2017 IONA-BONNEVILLE SEWER DISTRICT (IBSD) MONTHLY BOARD MEETING

Board Members Present: Brady Belliston (Chairman); Robert Esplin; Stephanie Bird; Jeff Miner; Kurt Nelson

IBSD Staff: Marina Meier, Manager; Donna Bridges, Field Coordinator

Attorney: Tony Sasser, Sasser Law Office

Public: Robert Larson, Eagle Farms; Joes Davis, Eagle Farms; Chuck Veach, Eagle Farms; Kevin Harris, Forsgren & Associates (via teleconference)

Agenda Items:

1. Clover Canyon #2 Approval: Eagle Rock Engineering
2. Eagle Farms request for discharge increase
3. Mainline IBSD Representative Inspections discussion
4. City of IF changes to monthly service fees
5. IBSD Investment Policy – Updates
6. Bond Portfolio Liquidity
7. Office Banking Account
8. IBSD office expenditure approvals
9. ICRMP meeting scheduling
10. Approval of minutes: 05/24/2017
11. Payment of bills

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

Meeting called to order by Chairman Brady Belliston at: 7:02 p.m.

00:01:30 **CLOVER CANYON #2 APPROVAL: EAGLE ROCK ENGINEERING**

Ms. Bridges stated that Eagle Rock Engineering is requesting approval for the next division of Clover Canyon. This is a continuation of Clover Canyon and includes 20 additional lots. Mr. Harris, Forsgren & Associates, has reviewed and approved the plans. The subdivision is located near the corner of Crowley and Lincoln Roads.

MOTION: Mr. Esplin made a motion to approve Clover Canyon, Div. 2. **MOTION SECONDED:** Ms. Bird seconded. **MOTION PASSED:** 5-0 (Yay: Mr. Belliston, Mr. Esplin, Mr. Miner, Ms. Bird and Mr. Nelson)

00:04:35

Mr. Nelson asked if the plan was to fill in the corner with future subdivisions. Ms. Bridges stated she believes this will be the case.

00:05:15

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00:05:15 EAGLE FARMS REQUEST FOR DISCHARGE INCREASE

Bob Larson, Eagle Farms, was introduced to the Board. Ms. Bridges gave a history of Eagle Farms connections to IBSD. There are currently two connections; one for the office building and one for a 6-inch line for potato processing discharge. They have permission to discharge 10,000 gallons per day which is roughly 30 ERUs per month. They are using between 10 and 12 ERUs monthly. They are requesting permission to increase discharge to 30,000 gallons per day.

Currently Eagle Farms recycles as much of the process water as possible. They are introducing a new process that cannot use recycled water. The new product is washed and cut and packaged with seasoning.

Mr. Harris stated that his concern is that anything over 25,000 gallons per day is considered industrial and will have to be permitted through the City of Idaho Falls. He asked if Eagle Farms could limit their discharge to less than this amount. Mr. Larson stated that this would be fine. If their designation is changed to industrial it would require additional paperwork and monitoring.

Mr. Sasser will amend the discharge agreement based on the engineer's recommendation and agreement from Eagle Farms. This will be addressed again at the next monthly board meeting.

00:12:45

00:12:45 MAINLINE IBSD REPRESENTATIVE INSPECTIONS DISCUSSION

Mr. Esplin has had concerns with sewer mainline construction. He stated the project for Wheelhaus that required sewer main construction on Telford Rd. brought this to his attention. He wonders if there should be more scrutiny on mainline construction on major roads since he feels that it would have been better to spend extra money to have entire road replaced and not have a patched-up mess.

Mr. Harris stated that we are different in that we only own the pipe. The County owns the road and approves the road repair. Our concern should be proper installation with proper bedding and without dips. Mr. Esplin understands that we do not have jurisdiction over the road but if anything happens to the road due to sewer construction it may create a liability for the District. Mr. Harris stated the benefit of inspections is there are test results that would prove that the construction was done to standards if there are ever problems with the road.

Mr. Esplin expressed concerns that IBSD will be held liable for the road if there are issue in the future because of the sewer line construction. Ms. Bridges stated that in areas where there has been dips on the road, Bonneville County has taken ownership and corrected the problem.

00:23:40

00:23:40 CITY OF IF CHANGES TO MONTHLY SERVICE FEES

Mr. Sasser stated that the City of Idaho Falls has sent a letter stating that they are preparing a rate study which will likely result in an increase to fees. The proposed fee represents a 27% increase to what we are currently paying and is based on the formula in our contract. Ms. Bridges stated

that Mr. Frederickson stated that they were just notifying us of their rate study so we could have time to evaluate prior to meeting to discuss.

Mr. Sasser stated that any increase of the rate for patrons greater than 5% requires a public hearing. Right now the increase is just in the discussion phase. Mr. Harris stated that once we find out how this increase will affect us we can determine if a rate increase to IBSD patrons is needed and if so there are several options to roll it out. There could be a increase with a public hearing or smaller increases that are implemented incrementally. Mr. Esplin would like Mr. Harris to look at our rates and how the current rates would be impacted by an increase for processing by the City of Idaho Falls.

The current rate charged per ERU is \$28.00 and has been effect since January 2006. We will wait to hear from Idaho Falls to schedule a work meeting.

00:34:00

00:34:00

IBSD INVESTMENT POLICY – UPDATES

Mr. Esplin stated that Chad from Key Private Bank has made suggestions to tighten up the policy to increase quality of portfolio. Mr. Esplin's opinion is that the suggestions are good but more restrictive than what is required per statutes. His opinion is that the policy is fine as is and he would like high-quality individuals that can make decisions be used to manage the investments.

Mr. Esplin stated that he would like to have at least three companies that IBSD works with in managing investments. He is happy with individuals that are currently working with us but he would like to add another relationship. He would like to meet with Mr. Nelson and come up with options to present to the Board.

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00:45:15

BOND PORTFOLIO LIQUIDITY

Mr. Esplin stated there are bonds that IBSD is holding that do not follow the investment category and he has concerns about being able to sell them with increasing interest rates. He believes it is wise to retain liquidity even if there is a small loss.

MOTION: Mr. Esplin made a motion to improve the liquidity of the IBSD bond portfolio by selling the small interest bonds to consolidate. **MOTION SECONDED:** Mr. Nelson seconded.

MOTION PASSED: 5-0 (Yay: Mr. Belliston, Mr. Esplin, Mr. Miner, Ms. Bird and Mr. Nelson)

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There will be about a 1% loss but this is a small portion of IBSD investments. This will be given to Key Private Bank to be managed by Chad.

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00:52:15

OFFICE BANKING ACCOUNT

Mr. Sasser stated that in 2009 IBSD started using Bank of Commerce as the office account. At the time, it was opened Bank of Commerce required IBSD to sign a unincorporated non-profit association document with the State of Idaho. This created problems due to reclassifying IBSD as a non-governmental agency. He rescinded the classification but now Bank of Commerce is

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requiring it again to change names on the account. He is suggesting that an office account be opened with another banking institution.

Ms. Meier has checked with a few credit unions and they are all willing to take our business without signing association documents.

Since Mr. Porter and Ms. Wellman are on the account it may be that Mr. Porter will be asked to help close the Bank of Commerce account. Mr. Sasser suggested that Ms. Meier and two Board Members be added to the new account. As Treasurer, Mr. Esplin will be added along with Mr. Nelson.

MOTION: Mr. Esplin made a motion to open an account at East Idaho Credit Union for the office account and terminate the Bank of Commerce account. **MOTION SECONDED:** Mr. Miner seconded. **MOTION PASSED:** 5-0 (Yay: Mr. Belliston, Mr. Esplin, Mr. Miner, Ms. Bird and Mr. Nelson)

00:58:40

00:58:40

IBSD OFFICE EXPENDITURE APPROVALS

Mr. Esplin asked to readdress a motion made at the previous meeting regarding his approval of office expenditures over \$200.00. He would like that motion to be amended to read "the Treasurer" has to approve so that if he is no longer Treasurer then it will not be an issue.

MOTION: Mr. Esplin made a motion to amend the motion from the meeting on May 24, 2017 meeting that stated "Mr. Belliston made a motion to allow Ms. Meier a spending allowance of \$200.00 with anything larger requiring approval from Mr. Esplin" to say "approval from Treasurer." **MOTION SECONDED:** Ms. Bird seconded. **MOTION PASSED:** 5-0 (Yay: Mr. Belliston, Mr. Esplin, Mr. Miner, Ms. Bird and Mr. Nelson)

01:00:05

01:00:05

ICRMP MEETING SCHEDULING

Mr. Esplin had suggested that there be ICRMP training with new Board Members. Mr. Sasser has contacted them for suggested dates for training. As soon as he hears of suggested times he will notify Ms. Meier for scheduling. The training is for open meeting laws and transparency.

Mr. Esplin also suggested training for PERSI. The staff will look into options for upcoming training or webinars.

01:03:30

01:03:30

APPROVAL OF MINUTES: 05/24/2017

MOTION: Mr. Esplin made a motion to approve the minutes for May 24, 2017. **MOTION SECONDED:** Ms. Bird seconded. **MOTION PASSED:** 5-0 (Yay: Mr. Belliston, Mr. Esplin, Mr. Miner, Ms. Bird and Mr. Nelson)

01:03:55

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01:03:55 PAYMENT OF BILLS

MOTION: Mr. Esplin made a motion to approve payment of the bills. **MOTION SECONDED:** Ms. Bird seconded. **MOTION PASSED:** 5-0 (Yay: Mr. Belliston, Mr. Esplin, Mr. Miner, Ms. Bird and Mr. Nelson)

01:10:00

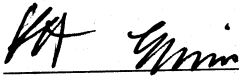
01:10:00 ADJOURNMENT

The meeting adjourned at 8:10 p.m.



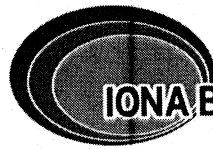
Brady Belliston, Chairman of the Board of Directors

7/19/17
Date



Robert Esplin, Secretary/Treasurer

7/19/17
Date



IONA BONNEVILLE SEWER DISTRICT

Monthly Expenses -June 21, 2017

Advantage Emp. Solutions	Payroll, Employee, Board	\$	7,268.57
AFLAC	Insurance	\$	-
Bank of Commerce	Replenish Office Account	\$	386.52
BK Professional Services	Lawn Services	\$	410.00
Blue Skies	Office Water	\$	20.00
Buff N Shine Building Maint.	Office Cleaning	\$	245.00
Cable One	Internet/Phone	\$	441.58
Caselle	Software Support	\$	598.67
Chase Paymentech	Merchant Processing Fees	\$	1,041.81
City of Ammon	Sewer Treatment	\$	3,744.00
City of Idaho Falls	Sewer Treatment	\$	66,495.84
City of Idaho Falls	Maintenance/Inspections	\$	-
Falls Water	Office Water	\$	48.07
Falls Water	Hydrant Meter - Sewer line maintenance	\$	-
First Call Jewel	AC Maintenance	\$	66.73
Forsgren	Engineering	\$	2,612.50
HealthSmart Benefit Solution	Insurance	\$	32.00
Intermountain Gas	Office Utility - Gas	\$	14.73
PC Plus	Computer Software/Support	\$	543.75
Papa Johns	Office Event	\$	61.45
Post Register	Legal Notices	\$	126.79
Public Retirement System	PERSI	\$	1,976.60
Rocky Mountain Power	Electrical, Lift Stations,Meters,Office	\$	739.02
Sasser Law Office	Legal Services	\$	1,410.50
The Hartwell Corp	Notary Services	\$	263.50
United Mailing Direct	Monthly Statements/Delinquent Letters	\$	3,047.97
Utility Billing - Refunds	Refunds to patrons	\$	224.00
Xpress Bill Pay	Online payments	\$	1,112.73
	Total	\$	92,932.33