

OFFICIAL IBSD MINUTES

DECEMBER 16, 2009
IONA-BONNEVILLE SEWER DISTRICT (IBSD)
SPECIAL BOARD MEETING

Meeting called to order by Chairman John Price at: 7:00 p.m.

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

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

Attorney: Eileen McGovern, Echohawk Law

Public: Newell Goldsberg, Sundberg & Ass.; Allen Beazer, patron; Sally Price, patron; Ray Severe, Lincoln Employee Benefits; Sven Berg, Post Register; Husk Crowther, Forsgren; Aaron Swenson, Forsgren

Agenda Items:

1. Finalization of employee benefits: Ray Severe, Lincoln Employee Benefits
2. Discussion and award of bid for IBSD building.
3. DEQ Grant information
4. City of Ammon request for audit of treatment costs
5. IBSD 769 – Receipt of septic permit in lieu of connection to IBSD sewer lines
6. Policy to establish what month billing should commence for sewer service if Certificate of occupancy and/or water service is established prior to 6 month initial set-up.
7. Policy to clarify vacant lot accounts.
8. De-annexation – Riverbend Manor
9. Key Bank – Acceptance of Master agreement – Transfer of funds
10. State of the Sewer newsletter and City of Idaho Falls insert – January 2010 Invoices
11. Scheduling of monthly meetings for 2010
12. Policy: Holiday bonus / Performance Bonus / Raises – Employees
13. Payment of bills
14. Approval of minutes: 11/18/09, 12/04/09, 12/14/09
15. Adjournment

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

Chairman Price commented that due to confusion about decisions made at previous meetings Robert Rule's of Order followed.

00:00:35 **EMPLOYEE BENEFITS: LINCOLN EMPLOYEE BENEFITS**

Mr. Severe followed up previous decisions by the Board to allow \$500.00 per employee per month for benefits. He suggested the \$500.00 allowance be set up as a Health Reimbursement Plan.

He asked the Board to consider a Cafeteria/Flex plan to allow employees to pay out of pocket expenses for dependent care and medical expenses pre-tax. He suggested setting a limit on the

Flex spending account to limit liability to employer. The Flex spending is employee funded but the employer has to advance the funds. If the funds are not used, the employer can use the money in any way except refunding to employee. These plans are regulated by the IRS.

He also requested a committee be formed for the possibility of hearing grievances. The committee will be Cindy Wellman, Kelly Howell and Jason Blundell.

MOTION: Mr. Blundell made a motion to set a 30-day probationary period for newly hired employees before benefits are effective and limit Flex account to \$2,000.00. The committee will consist of Cindy, Kelly and Jason. **MOTION SECONDED:** Mr. Howell seconded. **MOTION PASSED:** (Yay: Mr. Klingler, Mr. Blundell, Mr. Howell, Mr. Clark; Chairman Price abstains)

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00:19:50

Mr. Severe readdressed the Board regarding the carryover of the HRA benefits. Typically employers allow the contributions to carry over up to a year.

MOTION AMENDED: Mr. Blundell amended the above motion to include that the benefit not accrue for longer than a year, that it maxes out at a year's worth of benefit, and also that it includes any medical related type expenses. **MOTION SECONDED:** Mr. Klingler seconded. **MOTION PASSED:** (Yay: Mr. Klingler, Mr. Blundell, Mr. Howell, Mr. Clark; Chairman Price abstains)

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00:17:50 **AWARD OF BID FOR IBSD BUILDING**

Bids for construction have been received by the Board.

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MOTION: Mr. Clark made a motion to award the bid for the new building to 3-D Construction; the beginning of construction should begin as soon as the weather permits. **MOTION SECONDED:** Mr. Klingler seconded. **MOTION PASSED:** (Yay: Mr. Klingler, Mr. Blundell, Mr. Howell, Mr. Clark; Chairman Price abstains)

Mr. Goldsberg recommended that one or more Board members sit down with the contractor to firm up what will be included in the contract.

00:29:55

00:29:55 **DEQ GRANT INFORMATION**

Aaron Swenson addressed the Board stating that the time to apply for Department of Environmental Quality (DEQ) grant funding is now. Environmental issues are a primary concern for DEQ. IBSD applied previously but did not make the cut for funding.

The funding will allow IBSD to perform a facility planning study to determine capacities and other information for the system lines. There are lines, particularly on First Street, that are at or near capacity despite previous engineering calculations.

MOTION: Mr. Klingler made a motion to apply for grant through DEQ and task Forsgren with submitting the application. **MOTION SECONDED:** Mr. Clark seconded. **MOTION PASSED:** (Yay: Mr. Klingler, Mr. Blundell, Mr. Howell, Mr. Clark; Chairman Price abstains)

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00:45:15 **AMMONS REQUEST FOR AUDIT**

The City of Ammon has made a request to the City of Idaho Falls for an audit. Husk Crowther presented information regarding previous rate studies and rate increases that resulted from the study. The City of Idaho Falls is preparing for a plant upgrade in order to meet EPA and DEQ treatment requirements.

The Board discussed briefly joining Ammon in requesting an audit but elected not to join the request.

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00:58:45 **ACCEPTANCE OF SEPTIC PERMIT IN LIEU OF CONNECTION**

A property has been identified in the District that does not have an account even though a line runs adjacent to the property. The Board has established a policy to not force connections unless there is a need. The owner is aware that she will be required to connect if her septic system fails.

01:00:05

01:00:05 **POLICY FOR BILLING PRIOR TO 6 MONTH BUILDER GRACE PERIOD**

Ms. Wellman requested clarification on the policy for new connections when construction is completed before the 6-month grace period given when permits are purchased. The grace period is a safety net.

MOTION: Mr. Clark made a motion to start billing the first full month after the sewer is usable and there is water in the house. **MOTION SECONDED:** Mr. Howell seconded. **MOTION PASSED:** (Yay: Mr. Howell, Mr. Clark, Chairman Price; Nay: Mr. Blundell, Mr. Klingler)

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01:13:50 **POLICY ON VACANT LOTS ACCOUNTS**

Properties have been discovered during the survey that are vacant; either a house has been torn down or it's vacant for unknown reasons. These accounts have continued to bill and filed as liens and contact from the owner on record has been unsuccessful. Ms. Bridges asked the Board to clarify how these accounts should be handled.

The Board stated that the policy should be that billing is discontinued with the connection remaining valid.

MOTION: Mr. Klingler made a motion that when a home has been torn down, billing will be disconnected and any liens filed shall be cleared but the account will remain open to maintain a record of the connection. **MOTION SECONDED:** Mr. Blundell seconded. **MOTION PASSED:** (Yay: Mr. Klingler, Mr. Blundell, Mr. Howell, Mr. Clark; Chairman Price abstains)

01:21:45

MOTION: Mr. Klingler made a motion to amend the agenda with items 8. De-annexation – Riverbend Manor and 9. Key Bank – Acceptance of Master agreement – Transfer of funds based on fact that information was not available at time of posting of the agenda and they are items that need to be addressed in this meeting. **MOTION SECONDED:** Mr. Clark seconded. **MOTION PASSED:** (Yay: Mr. Klingler, Mr. Blundell, Mr. Howell, Mr. Clark; Chairman Price abstains)

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01:23:10

RIVERBEND MANOR DEANNEXATION

The petition and fee for excluding River Bend Manor has been received. Mr. Klingler asked that the legal description be verified.

MOTION: Mr. Blundell made a motion that the Board has received the Petition, that it properly describes the land to be excluded and prays that those lands be excluded, and that the petition was accompanied by a deposit of money in the amount of \$800, which amount is sufficient to pay all costs of the exclusion proceedings. Therefore, I move to publish notice of the filing of the petition, which notice shall designate a hearing time and place and provide all interested persons to be heard regarding why the petition should not be granted contingent upon the legal description verification. **MOTION SECONDED:** Mr. Howell seconded. **MOTION PASSED:**

(Yay: Mr. Klingler, Mr. Blundell, Mr. Howell, Mr. Clark; Chairman Price abstains)

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KEY BANK MASTER AGREEMENT – FUNDS TRANSFER

Key Bank has provided a master agreement and requested that the office account be set up prior to year end so that rates can be guaranteed. Ms. McGovern has reviewed the agreement and recommends a couple changes in the document language before it is signed. She will follow up with the Key Bank counsel in getting the agreement amended.

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STATE OF THE SEWER NEWSLETTER AND CITY OF IDAHO FALLS INSERT – JANUARY 2010 INVOICES

Ms. Wellman stated that the City of Idaho Falls has provided a flyer to be inserted with January 2010 invoices. The flyer reminds patrons that grease can cause clogs and other sewer problems.

Chairman Clark offered to draft a State of the Sewer Newsletter with input from Board members. The Board will discuss and approve the final draft at a special meeting on January 5th.

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01:38:00

SCHEDULING OF MONTHLY MEETINGS FOR 2010

Mr. Klingler requested the monthly meeting be changed due to schedule conflicts. The Board discussed and agreed that the meetings for 2010 will be on the third Thursday of each month.

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01:40:15

EMPLOYEE POLICY: BONUSES AND RAISES

Ms. Wellman asked the Board to address employee policies regarding bonuses and evaluations.

Mr. Klingler stated that employee wages should be discussed in Executive Session and decided by the Board after the manager performs performance evaluations.

Chairman Price does not believe bonuses are appropriate given what the economy. Mr. Klingler questioned whether a government entity would be allowed to give gifts or bonuses. Ms. McGovern will look into the specifics of whether gifts or bonuses are allowed.

Ms. Wellman also asked if the office would be allowed to close a half-day early on Christmas Eve and New Year's Eve. The Board agreed that closing early these two days would be fine this year.

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PAYMENT OF BILLS

MOTION: Mr. Clark made a motion to pay the bills. **MOTION SECONDED:** Mr. Howell seconded. **MOTION PASSED:** (Yay: Mr. Klingler, Mr. Blundell, Mr. Howell, Mr. Clark; Chairman Price abstains)

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APPROVAL OF MINUTES: 11/18/2009, 12/04/2009, 12/14/2009

MOTION: Mr. Clark made a motion to approve the minutes for December 14th. **MOTION SECONDED:** Mr. Howell seconded. **MOTION PASSED:** (Yay: Mr. Klingler, Mr. Blundell, Mr. Howell, Mr. Clark; Chairman Price abstains)

MOTION: Mr. Clark made a motion to approve the minutes for December 4th. **MOTION SECONDED:** Mr. Klingler seconded. **MOTION PASSED:** (Yay: Mr. Klingler, Mr. Blundell, Mr. Howell, Mr. Clark; Chairman Price abstains)

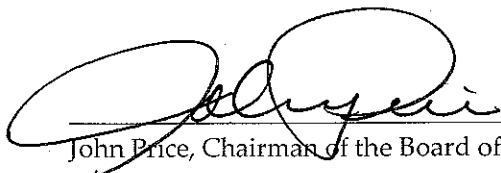
MOTION: Mr. Howell made a motion to approve the minutes for November 18th. **MOTION SECONDED:** Mr. Blundell seconded. **MOTION PASSED:** (Yay: Mr. Klingler, Mr. Blundell, Mr. Howell, Mr. Clark; Chairman Price abstains)

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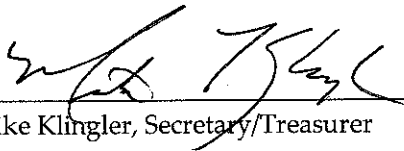
ADJOURNMENT

The meeting Adjourned at 9:55 p.m.



John Price, Chairman of the Board of Directors

1-27-2010
Date


Mike Klingler, Secretary/Treasurer

1-21-2010
Date