

OFFICIAL IBSD MINUTES

APRIL 27, 2011

IONA-BONNEVILLE SEWER DISTRICT (IBSD) MONTHLY 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: Tony Sasser, Sasser Law Office

Public: Kevin Harris, Forsgren; Keith Morse, patron; Marla Vik; Peter Vik; Eric Wellman; Sam Wellman; James Randall, Island Park Committee; Martha Karling, Island Park Committee; Dena Burns, Island Park Committee; Dan Hunting, patron; Jeff Freiberg, Keller Associates; Paul Scoresby, Schiess & Associates; Brad Pickering, Sunkiss Auto Body; Allen Beazer, patron; Marsha Beazer, patron; Robert Esplin, patron; Les Grigg, Merrill Lynch;

Agenda Items:

1. Summit Park Subdivision – Sewer permit costs: Greg Hansen, Rockwell Development
2. Petition for Annexation, Dick Clayton for Catherine Linderman
3. Sewer service for Sunkiss Autobody: Brad Pickering
4. Discussion with representatives from proposed Island Park Sewer District
5. Property purchase
6. Ammon separation update
7. Iona bike path update
8. Ammon Park, Division 4: Development agreement
9. Discussion regarding access to City of Idaho Falls maps
10. Investment safeguards: John Price
11. Newsletter with May 2011 statements
12. IBSD election information – 05/17/2011
13. Building update: Repair of door, repair of landscape and building security
14. Certified past due amounts: Minimum amount certified and past due notices
15. Schedule meeting for action items
16. Approval of minutes: 03/15/2011, 3/21/2011 and 03/23/2011
17. Payment of bills, financial status and audit update
18. Executive Session: Idaho Code 67-2345 (f)
19. Adjournment

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

00:00:00 **SUMMIT PARK SUBDIVISION – SEWER PERMIT COSTS: GREG HANSEN,
ROCKWELL DEVELOPMENT**

Item tabled since Mr. Hansen was unable to attend meeting.

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00:00:55 **PETITION FOR ANNEXATION, DICK CLAYTON FOR CATHERINE LINDERMAN**

Ms. Bridges stated that Mr. Clayton could not attend the meeting but at the previous meeting the Board had asked him to show that the area he is requesting be annexed could be gravity feed and not require a lift station. Mr. Harris presented his finding showing the area could be served by a gravity feed sewer line.

Mr. Clark stated it bothered him the Board was changing the boundaries for one person and not others. He believes this just enhances the value of the property.

Mr. Blundell reminded the Board that a motion had been made and approved unanimously to accept the petition for annexation as long as he could prove that the area could be gravity feed. The next step is to submit the petition to the City of Idaho Falls for approval.

00:06:40

00:06:40 **SEWER SERVICE FOR SUNKISS AUTOBODY: BRAD PICKERING**

Mr. Brad Pickering with Sunkiss Auto Body asked the Board for a letter of denial of service for Bonneville County. His property is located northwest of the intersection of Hitt and Lincoln Roads which is outside the District service area.

MOTION: Mr. Klingler made a motion to deny service to Sunkiss Auto Body based on the fact that IBSD does not have a sewer line in this area. **MOTION SECONDED:** Mr. Howell seconded. **MOTION PASSED:** 4-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Howell, Mr. Clark; Chairman Price abstains)

00:08:45

00:08:45 **DISCUSSION WITH REPRESENTATIVES FROM PROPOSED ISLAND PARK SEWER DISTRICT**

Mr. James Randall stated he is part of a patron committee studying the sewer in Island Park. The system is administered by the Fremont County Public Works. His group is investigating the possibility of forming a District and running the system themselves. In interviewing engineering firms in the area he was told that IBSD is one of the strongest sewer districts in southeast Idaho. He is attending the meeting to observe the Board and see how things are done.

Mr. Price stated the Board would be glad to help however they could and gave Ms. Wellman permission to speak with the members if they have questions.

00:11:25

00:11:25 **PROPERTY PURCHASE**

Mr. Sasser disclosed that IBSD has purchased the lot adjacent to the building property. The Board thinks this is a good investment and allows room to expand in the future.

Mr. Price stated this was done in Executive Session as allowed by law to protect the pricing.

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Mr. Klingler stated that when the property for the building was purchased it was hoped that there would be room for a shop for possible future use but as things turned out after the required drainage structures were installed it limited the size of the lot. With the price of property being down it ended up being a good time to purchase the property.

Mr. Sasser stated that the price of the original building lot went up when it was disclosed publicly that IBSD was the purchaser. In order to avoid a price increase on the additional lot, negotiations were done without the buyer being disclosed. Mr. Blundell noted that the lot was cheaper than the price for the building lot.

00:14:50

00:14:50 **AMMON SEPARATION UPDATE**

Mr. Price stated he has spoken with Ammon Mayor Fuhriman regarding setting up work meetings to discuss the details of how the separation can be handled. He believes there is a way to handle the separation with minimal expense.

Mr. Klingler provided background to this issue. The City of Ammon and IBSD have shared a trunk line and engineering firm for many years and lines had been intermingled. Now that Ammon has decided to join the Regional project and IBSD has chosen to remain with Idaho Falls for treatment, it is necessary to deal with these areas.

Mr. Sasser stated that the plans for the new interceptor line are going out to bid soon according to Lance Bates, Ammon City Engineer. The Board is obligated to pay the IBSD portion as soon as the contract is awarded. Ms. Wellman stated she has already spoken with Ammon on how they would like the funds transferred.

00:19:35

00:19:35 **IONA BIKE PATH UPDATE**

Ms. Bridges reported to the Board that the Iona Bike Path has begun construction. The manholes were photographed prior to construction and the contractor understands the manholes are to be cleaned after construction. The City of Idaho Falls is aware of the construction and plans to flush the lines as a precaution after the construction is completed. The project is anticipated to take thirty days.

00:20:25

00:20:25 **AMMON PARK, DIVISION 4: DEVELOPMENT AGREEMENT**

The developer for Ammon Park, Division 4 had been issued a conditional Will Serve letter with the condition that a Development Agreement be signed. They are ready to move forward with the project so the staff and Mr. Sasser have put together an agreement to be approved by the Board.

Mr. Price believes this agreement is okay to use for now but would like an engineering review for future agreements.

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MOTION: Mr. Howell made a motion to approve the Development Agreement for Command Properties, LLC. and present to them for signature. **MOTION SECONDED:** Mr. Clark seconded. **MOTION PASSED:** 4-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Howell, Mr. Clark; Chairman Price abstains)

00:26:45

00:26:45 **DISCUSSION REGARDING ACCESS TO CITY OF IDAHO FALLS MAPS**

Ms. Wellman stated that in conversations with the City of Idaho Falls it was mentioned that it may be possible to take a laptop down to the City and upload map information. She asked Mr. Price if he would like to get approval from the City of Idaho Falls to allow this and it was agreed this would be good information to access.

00:28:40

00:28:40 **INVESTMENT SAFEGUARDS: JOHN PRICE**

Mr. Price stated that the safeguards of IBSD investments have been a concern of his. He has spoken with Mr. Blundell and he believes that the investments are secure and safe.

Ms. Wellman stated that when Mr. Steiner completes the audit he will also review and note any improvements that can be made to the investment safeguards. Mr. Blundell stated that it is not possible to have any one person withdraw or make changes to the accounts without approval. He believes the fiduciary responsibilities are being met as well as obtaining a small return on funds.

Mr. Klingler stated he feels really good about where the District is at today; the District is healthy and operating in the black. The Board has been conservative and fiscally responsible. He believes the building of the office was a good decision as well as the study being performed on the system.

00:38:00

00:38:00 **NEWSLETTER WITH MAY 2011 STATEMENTS**

Ms. Wellman asked the Board if they would like to publish something regarding the upcoming election. Ammon had recently published information but it excluded one of the seats that are up for election.

There are two seats open with four people running for the positions. Mr. Price stated it is good to encourage people to vote. Mr. Howell suggested including in the newsletter the fact that people should vote at their regular polling place and not at the IBSD office as in the past.

A sample ballot has been posted on the IBSD website. The election is May 17, 2011 for Seat 1 and Seat 4. Bonneville County should be contacted for additional information regarding polling locations.

00:42:50

00:42:50 **IBSD ELECTION INFORMATION – 05/17/2011**

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See agenda item above.

00:42:50 **BUILDING UPDATE: REPAIR OF DOOR, REPAIR OF LANDSCAPE AND BUILDING SECURITY**

The back door has been damaged due to the wind. Ms. Wellman stated there are two choices; the first door is to fix the damage and second is to fix the door so the damage does not happen again. Decker Construction has offered to repair the door or another option would be to reverse the door to prevent the wind from catching the door. Ms. Wellman was directed to get different estimates for the Board to make a decision at a later meeting.

Ms. Wellman has received a couple estimates to repair the damage to the landscaping that resulted from the snowplow sinking into the grass before the ground was frozen. She will continue to get estimates.

Mr. Klingler stated that when the building was built conduit was put in place for a security system. He would like to get some bids and see what the options are for security.

00:50:50

00:50:50 **CERTIFIED PAST DUE AMOUNTS: MINIMUM AMOUNT CERTIFIED AND PAST DUE NOTICES**

Ms. Bridges stated that the staff has begun thinking about the upcoming certification to be done in late July. She stated that the staff would like to send delinquent notices in May giving patrons extra time to get payment in to avoid certification. She asked the Board what the minimum amount should be for certification.

Mr. Price suggested the amount to be certified should be at least the monthly amount of \$28.00 or higher. Patrons with low delinquent balance will also be phoned by staff.

00:55:50

00:55:50 **SCHEDULE MEETING FOR ACTION ITEMS**

A list of items requiring action has been prepared for the Board to review. There is a meeting scheduled on May 4, 2011 at 4:00 p.m. for PERSI. The Board discussed and decided to add the action items work meeting for the same afternoon.

00:58:00

00:58:00 **APPROVAL OF MINUTES: 03/15/2011, 3/21/2011 AND 03/23/2011**

MOTION: Mr. Blundell made a motion to approve the minutes for March 15, 2011, March 21, 2011 and March 23, 2011. **MOTION SECONDED:** Mr. Howell seconded. **MOTION PASSED:** 4-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Howell, Mr. Clark; Chairman Price abstains)

00:59:15

00:59:15 **PAYMENT OF BILLS, FINANCIAL STATUS AND AUDIT UPDATE**

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The Board reviewed and discussed the bills presented for payment. The bills normally run approximately \$80,000 - \$100,000 per month with the largest portion going to the City of Idaho Falls for processing.

Mr. Blundell stated that currently IBSD assets are sitting between three groups; cash on hand equaling \$1.7 million, \$10.1 million in various investments accounts and \$252,000 in receivables. He works with the manager so that he can know where the finances are at any given time. He stated before the separation with the previous management the accounting was done in two different systems which did not allow for easy reconciliation. Ms. Wellman has been working over the past two years to get everything moved to one accounting system which allows for more accountability.

Now that there are solid figures available a budget for the District can be established as well as a review of current rates. All financial documents are public and available to patrons upon request.

MOTION: Mr. Blundell made a motion to approve the bills as presented. **MOTION SECONDED:** Mr. Clark seconded. **MOTION PASSED:** 4-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Howell, Mr. Clark; Chairman Price abstains)
01:07:25

01:07:25 **EXECUTIVE SESSION: IDAHO CODE 67-2345 (F)**

MOTION: Mr. Blundell made a motion to move into executive session per Idaho State Code 67-2345 (f). **MOTION SECONDED:** Mr. Clark seconded. **MOTION PASSED:** 4-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Howell, Mr. Clark; Chairman Price abstains)
01:08:10

Tape 2 00:00:00

MOTION: Mr. Klingler made a motion to move out of executive session. **MOTION SECONDED:** Mr. Clark seconded. **MOTION PASSED:** 4-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Howell, Mr. Clark; Chairman Price abstains)

Tape 2 00:00:30

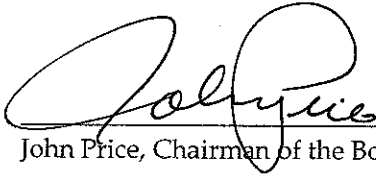
MOTION: Mr. Howell made a motion to follow legal counsel's advice. **MOTION SECONDED:** Mr. Clark seconded. **MOTION PASSED:** 4-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Howell, Mr. Clark; Chairman Price abstains)

Tape 2 00:01:15

Tape 2 00:01:15 **ADJOURNMENT**

The meeting adjourned at 8:30 p.m.

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John Price, Chairman of the Board of Directors

6.6.2011
Date


Jason Blundell, Secretary/Treasurer

06/07/11
Date