

OFFICIAL IBSD MINUTES

JULY 29, 2010
IONA-BONNEVILLE SEWER DISTRICT (IBSD)
SPECIAL BOARD MEETING

Meeting called to order by Chairman John Price at: 4:30 p.m.

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

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

Attorney: Tony Sasser, Sasser Law

Public: Robert Esplin, patron; Chick Heilesen, patron; Adrian Beazer, patron; Brad Pickering,
patron

Agenda Items:

1. Chick Heilesen – Discussion regarding connection to sewer – Panorama Hills
2. Certification of 2010 Tax Liens
3. Reschedule of work meeting with City of Ammon – IBSD/Ammon Separation
4. Adjournment

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

00:07:30 **CHICK HEILESEN – DISCUSSION REGARDING CONNECTION TO SEWER –
PANORAMA HILLS**

Chick Heilesen requested a letter stating he has been denied sewer service for this property south of Panorama Hills so that he can apply for a septic permit from the Public Health District. There is a sewer system on Panorama Hills but it is not functional or accepted by IBSD. The Board concurred Mr. Heilesen's lot cannot be served and directed the staff to prepare a letter denying service.

00:12:30

00:00:00 **CERTIFICATION OF 2010 TAX LIENS**

Ms. Wellman presented the report for tax certifications to be sent to Bonneville County. The total going to property tax lien is \$174,924.23 including late fees and filing fees. There are a potential of 38 accounts that have file extensions that can be removed later as well as any properties cleared by title companies.

Ms. Wellman also commented she is pleased this amount is lower than previous years and that she is working on getting property owners noted in the software so that delinquent notes can eventually be sent to landlords. Mr. Price stated the additional cost of duplicate mailings could possibly be passed to landlords wishing for a second notice.

OFFICIAL IBSD MINUTES

MOTION: Mr. Blundell made a motion to proceed with filing liens on the properties as noted on the certified list. **MOTION SECONDED:** Mr. Howell seconded. **MOTION PASSED:** 3-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Howell; Chairman Price abstains)

00:07:30

00:12:30

RESCHEDULE OF WORK MEETING WITH CITY OF AMMON – IBSD/AMMON SEPARATION

A letter has been sent to the City of Ammon requesting a meeting to discuss separation of lines. There has not been a response so far.

Mr. Robert Esplin asked why a separation is required. Mr. Price stated that Ammon has joined the East Idaho Regional Wastewater Authority and IBSD is remaining a customer with the City of Idaho Falls. There are IBSD patrons that are flowing into Ammon's lines so there needs to be a way to get this flow into IBSD lines or swap customers.

Mr. Esplin would like the Board to leave the option open to join the Regional project. Mr. Klingler stated that the decision would have to be made now so that the interceptor line can be sized appropriately. Mr. Esplin stated he has been told the interceptor line will accommodate IBSD flow. The Board was not aware of this information. Mr. Esplin noted the City of Idaho Falls draft report is forecasting \$45-90 million in upgrades to the wastewater treatment plant and has concerns about future increases to IBSD. Mr. Price stated that the Idaho Falls Public Works Director has stated that the upgrade costs in the report are a preliminary estimate and will not be anywhere near this amount. Mr. Klingler stated that the City of Idaho Falls has also taken a portion of IBSD payments and set it aside to accommodate upgrades to the facility so they will not have to come up with a huge amount at one time.

Mr. Price noted that this has been going on since 2004, along with lawsuits and a lot of discussion, and the cost to leave the system "as is" is prohibitive. Mr. Klingler stated the patrons of the District spoke up in 2004 and were not interesting in joining the project. There was a feasibility study done at this time which did not include all the costs associated with the project; when all the costs were considered the proposed monthly sewer fee was significant and the patrons rose up and said "no way." IBSD chose not to become part of the binding agreement for the Regional Authority. The Board has continued to look at the options and the costs since that time and believes the decision not to join the project was the right way to go.

Mr. Esplin suggested getting a proposal from the Regional Board to become a customer. He believes a bid from the Regional Authority will be a good bargaining tool when negotiating with Idaho Falls. Mr. Price agreed this would not be a bad thing to do.

Mr. Blundell believes installing a new interceptor for IBSD allows for future options and flexibility. Mr. Price believes IBSD will continue to get fair treatment from Idaho Falls since IBSD is a good customer. He stated the bottom line is Ammon's monthly fee is \$42.00 and IBSD's is \$28.00 and he does not believe the Regional project will ever be more economical than Idaho Falls. Mr. Price stated that the City of Idaho Falls will not be required to make the same upgrades after Ammon leaves since the reduced flow lowers the treatment requirements.

OFFICIAL IBSD MINUTES

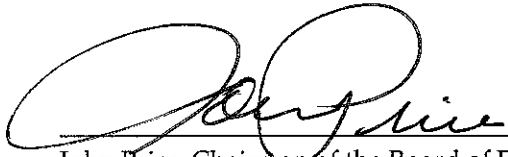
Mr. Esplin noted the upcoming \$0.20 rate increase. Mr. Klingler stated that Idaho Falls rates, per contractual agreement, are locked into a formula and IBSD will not be charged more than Idaho Falls customers. The rates are currently the lowest in the State. Mr. Esplin stated it is the Idaho Falls City Council who ultimately makes the decision regarding rates, not the public works staff.

Mr. Brad Pickering asked the Board if they were open to allowing more connections in Iona and other areas in Bonneville County. Mr. Price stated with Ammon leaving additional capacity will open up more possibilities for connection so this is something the Board is open to considering. Mr. Pickering has investors looking to connect in the area east of Hitt Road and Lincoln Road. This area would require annexation with permission from the City of Idaho Falls.

00:43:40

00:43:40 **ADJOURNMENT**

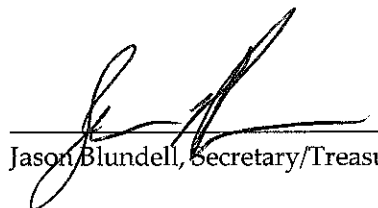
The meeting Adjourned at 5:15 p.m.



John Price, Chairman of the Board of Directors

8.19.10

Date



Jason Blundell, Secretary/Treasurer

8/19/10

Date