

OFFICIAL IBSD MINUTES

JUNE 19, 2012
IONA-BONNEVILLE SEWER DISTRICT (IBSD)
MONTHLY BOARD MEETING

Meeting called to order by Chairman Kelly Howell at: 12:30 p.m.

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

IBSD Staff: Cindy Wellman, Manager; Donna Bridges, Field Coordinator; Bonny Harding, Administrative Assistant; Jann Perry, Administrative Assistant

Attorney: Tony Sasser, Sasser Law Office

Public: Philip Bisgaard, Key Bank; Jeff Hart, Key Bank; Marvin Fielding, Schiess & Associates; Dallin Mortimer, Comfort Construction

Agenda Items:

1. Key Investment Management Services
2. Caribou Meadows lift station infiltration
3. PERSI Presentation: Lisa Mabe (1:00 p.m.)
4. Request to privatize sewer line: Dallin Mortimer
5. Judicial outcome: Prior IBSD management
6. Adjournment

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

Mr. Howell stated that there was an item to be added to the agenda.

Ms. Wellman asked to add a request to privatize a sewer line by Dallin Mortimer to the agenda. This request was just received today and since he will need a certificate of occupancy soon he is asking to address the Board today.

MOTION: Mr. Klingler made a motion to add "Request to privatize sewer line: Dallin Mortimer" to the agenda. **MOTION SECONDED:** Mr. Esplin seconded. **MOTION PASSED:** 4-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Esplin, and Chairman Howell)
00:01:35

00:01:35 **KEY INVESTMENT MANAGEMENT SERVICE**

Mr. Blundell stated that the Board had decided to utilize the services of Key Bank and Merrill Lynch over a year ago to manage bank and investment accounts for IBSD. Merrill Lynch is no longer able to provide the same service but Les Grigg, the Merrill Lynch advisor, has offered to stay on in an advisory role.

Philip Bisgaard, Key Bank, is offering a different product which Mr. Blundell believes will take some of the fiduciary responsibility away from him. Mr. Bisgaard stated that his product is a

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little different. He would manage the assets on a day to day basis. It is more actively managed with less risk. It also offers a good mix of investments for diversity.

The Board discussed the service and the proposed fees associated with this service. With this service the frequency of the trading does not matter, it is a base fee for the year based on the assets. Mr. Bisgaard stated that this service works well in the three-five year time period.

Mr. Blundell stated this will free up his time and take some of the responsibility away from him. He thinks this will be good for long term investments with the Safe Keeping account used for shorter term bonds.

00:26:50

00:26:50 CARIBOU MEADOWS LIFT STATION INFILTRATION

Ms. Wellman stated that the City has notified IBSD that there is infiltration at the Caribou Meadows Lift Station. It was discovered due to high flow readings for the lift station.

Mr. Klingler noted that the billing from the City of Idaho Falls has increased \$20,000.00 from the previous month stating this might be related to infiltration. Ms. Wellman stated the discrepancy may be due to a different metering station being utilized.

Mr. Esplin stated there is infiltration issues noted in the Facility Planning Study draft. The study suggests setting aside a maintenance fund as part of a maintenance plan. The study also suggests having a contractor that specializes in these types of repairs on call for maintenance and repair issues. He is not positive that an engineer will be required for this issue.

The Board discussed other issues in the district involving infiltration and manhole conditions. Mr. Esplin suggested having Kevin Harris, Forsgren & Associates, work on this with Ms. Bridges since he is familiar with the problem areas noted in his report. Mr. Esplin would like Ms. Bridges to talk with Mr. Harris and get bids for the lift station infiltration and other problem areas to be reviewed by the Board at the next meeting.

00:43:30

00:43:30 PERSI PRESENTATION: LISA MABE (1:00 PM)

Lisa Mabe presented a PowerPoint presentation detailing the PERSI retirement program for the staff and Board Members who are currently participating. The presentation noted the criteria to participate, how much is required to contribute, how and when participants can retire and what can be expected as a benefit at retirement.

01:21:30

01:21:30 REQUEST TO PRIVATIZE SEWER LINE: DALLIN MORTIMER

Dallin Mortimer, Comfort Construction, is requesting that the Board allow him to keep the 100-foot sewer extension he just installed to remain private. There will not be any other connections to the line. He is making this request since the City will not accept this line for maintenance since there is a dip in the line.

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The tenants and owners of the retail center are under a covenant agreement. The Development Agreement would have to be amended to include the fact that IBSD would not maintain this line.

The City has not accepted the main north of this area and are concerned about accessing the line for maintenance since they cannot back up to the manholes. The area is not currently developed but will likely be a landscaped area. The Board discussed keeping this area private and the concerns with this, mainly determining responsibility with multiple owners.

MOTION: Mr. Blundell made a motion to allow the extension installed by Mr. Mortimer as part of the Ammon Park Div. 4 development to remain private. **MOTION SECONDED:** Mr. Klingler seconded. **MOTION PASSED:** 4-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Esplin, and Chairman Howell)

Mr. Sasser requested that Mr. Mortimer have his attorney make the amendments to the covenants and contact him.

01:42:00

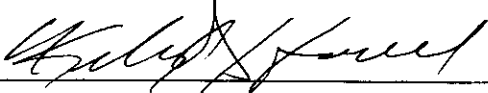
01:42:00 **JUDICIAL OUTCOME: PRIOR IBSD MANAGEMENT**

Mr. Klingler wanted to note for the record the result of the sentencing for the former manager, Dorothy McCarty. She was sentenced to five years supervised probation, a \$1,000.00 fine, restitution and she will not be allowed to handle money as part of her employment.

01:44:20

01:44:20 **ADJOURNMENT**

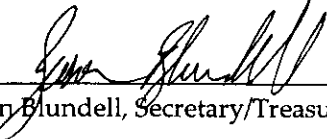
The meeting adjourned at approximately 2:15 p.m.



Kelly Howell, Chairman of the Board of Directors

6-29-2012

Date



Jason Blundell, Secretary/Treasurer

6/30/12

Date