

# OFFICIAL IBSD MINUTES

MAY 22, 2013

## IONA-BONNEVILLE SEWER DISTRICT (IBSD) MONTHLY BOARD MEETING

Meeting called to order by Chairman Kelly Howell at: 7:00 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

**Attorney:** Tony Sasser, Sasser Law Office

**Public:** Paul Scoresby, Schiess & Associates, and daughter; Alan Beazer, patron; Greg Hansen, Rockwell Development

### Agenda Items:

1. Public Hearing: Annexation, Green Valley Estates Subdivision
2. Ammon separation: Discussion
3. IBSD Board election results
4. Approval of minutes: 04/18/2013, 04/24/2013
5. Payment of bills
6. Executive Session: Idaho Code: 67-2345 (b, c)
7. Adjournment

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

### 00:00:20 PUBLIC HEARING: ANNEXATION, GREEN VALLEY ESTATES SUBDIVISION

Ms. Bridges stated that Rockwell Development has started a new subdivision within the District southwest of Iona Road and Crowley Road known as Green Valley Estates. A small portion of this area has not been officially annexed so she suggested to the developer that they petition for annexation as soon as possible to make sure there are not any problems or delays when they further the development.

Mr. Howell opened the public hearing for comments from the public. The public hearing and notice of this annexation has been published in the newspaper two consecutive weeks as required. Mr. Hansen, Rockwell Development, stated that all plans have been approved by Bonneville County. Green Valley Estates Division 1, which is south of the proposed annexation, has started construction. This annexation does not require approval by the City of Idaho Falls although it is procedure to notify the City of additions to service area.

Mr. Hansen stated in total there will be approximately 250 homes in this area. The City of Iona would like to eventually annex this area into the City but it is not contiguous property at this time.

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With no other comments from the public Mr. Howell closed the public hearing.

**MOTION:** Mr. Esplin moved to accept Rockwell Developments petition for annexation for the portion of land to be known as Green Valley Estates. **MOTION SECONDED:** Mr. Blundell seconded. **MOTION PASSED:** 4-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Esplin, and Chairman Howell)

00:09:00

00:09:00

## AMMON SEPARATION: DISCUSSION

Mr. Blundell had a meeting with Dana Kirkham, City of Ammon Council Member and Mr. Lance Bates, Ammon Engineer to discuss a possible separation of lines between IBSD and Ammon. Mr. Scoresby, Schiess & Associates, also attended the meeting on behalf of IBSD. The general feeling was that Ammon is willing to work with IBSD and is not opposed to accepting patrons however there is resistance to contributing money to fund the costs. At the meeting Ms. Kirkham told them that she will put this item on the agenda for their next Council meeting.

From the meeting Mr. Blundell and Mr. Scoresby stated they still feel like there are personal feelings from past issues impacting the decision that might be made. Ammon does not want to contribute to any upfront costs and have concerns regarding the condition of the infrastructure, primarily the lift station. Mr. Blundell stated that he feels that IBSD needs to show the entire Ammon City Council the benefit of sharing costs. This is a long term solution to the problem of comingling and there are financial benefits to both entities.

Mr. Klingler stated that the only goal the Board has is to find the best option for patrons and the District for lines that flow into Ammon. There are other IBSD lines within Ammon that will remain unchanged. IBSD will always have customers in Ammon but it would be better to have separation so that IBSD is not flowing to different treatment plants.

Mr. Blundell stated he thinks the next step is to get confirmation from the Ammon City Council as to their position regarding the options suggested in IBSD's engineering study. A public hearing to find out how the patrons feel about the options would also be good. The Board discussed pursuing both options at the same time but are hesitant to spend money for engineering cost for designing a new force main that may not be needed.

Mr. Scoresby stated that Ms. Kirkham made it very clear she would not support Ammon paying for any separation option. As far as Ammon taking the lift station that is on the table and a negotiable item. The Board has expressed, and he agrees, that if money is going to be spent then it should be to reimburse the patrons to exclude themselves from IBSD service area. He believes the Board should pursue this option with a public relations campaign, at a minimal cost, to see if the patrons will accept this option. If the patrons are against it IBSD can still pursue the option of installing infrastructure.

The Board discussed the options and costs and Ammon's apparent unwillingness to participate despite financial benefit to the City. Mr. Scoresby stated again that if they will take the lift station as is, with the idea that Ammon will be responsible for possible upgrades then it could still be a viable option despite the breakeven point being close to thirty years. Mr. Esplin stated he is not

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willing to support an option with a thirty year breakeven point, he would prefer ten years especially since the breakeven point could be extended with additional rate increase.

Mr. Scoresby stated that, according to Ms. Kirkham, Ammon also has concerns about capacity at the treatment plant since it is nearing maximum capacity. The Board discussed trying to keep as many customers as possible so as to decrease the deficit currently reimbursed to Ammon as well as the possible difficulty of getting patrons to petition for deannexation due to Ammon's higher sewer rate.

00:50:00

Mr. Beazer, when asked for his option, stated that it is not possible to have complete separation since it should have never been constructed this way. He believes it is a better option to keep customers because they continue to pay IBSD after the breakeven period. Mr. Klingler and Mr. Howell stated they prefer the option of installing infrastructure to separate customers where possible and reducing the deficit paid to Ammon for treatment. Mr. Esplin stated there are more advantages to this option. Mr. Blundell disagreed stating that he prefers putting money in the patrons' pocket. He believes this kind of decision still requires a public hearing and support. The patrons need to have a say and be part of the decision.

Ms. Wellman reminded the Board that the City of Idaho Falls will need to approve acceptance of the ninety-three Ammon customers that will be diverted with the construction of a new force main. The Board would also like to hear from Ammon after their City Council meeting as to their opinion.

The Board discussed the installation of the force main and the fact there is not pavement in the proposed construction area which might accelerate construction. The schedule would probably be dictated by the railroad since it would involve a crossing. By agreement IBSD would need to give Ammon six months notice of this change.

**MOTION MADE AND TABLED:** Mr. Klingler made a motion to proceed with the option to install a force main to redirect flow for the customers north of 17<sup>th</sup> Street in Centennial Ranch. **MOTION SECONDED:** Mr. Howell seconded. **MOTION PASSED:** 2-1 (Yay: Mr. Klingler, Chairman Howell; Nay: Mr. Blundell; Abstain: Mr. Esplin)

01:20:50

Mr. Sasser stated this is a quorum and the motion passes. Mr. Esplin asked for time to think about this and to postpone the vote until the end of the meeting.

01:22:00

00:00:10 Tape 2

Mr. Klingler stated his motion still stands and Mr. Howell confirmed his second also stands.

Mr. Esplin asked if the Board was trying to take the easy way out by not asking the patrons. Mr. Klingler stated his reason for wanting this option is for economic reasons, the breakeven payback period is less and the revenue from retaining customers will continue. Mr. Howell stated when he was running for the Board he was approached by patrons who pledged to vote for him if he agreed to not give them to Ammon. He campaigned on this issue and was firm on not supporting any decision to exclude existing patrons.

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Mr. Blundell stated that ideally he would like patron input but he does agree that this option makes sense financially. Mr. Howell stated that the patrons have had a say by electing the Board Members to act on behalf of the District. Mr. Sasser stated that the explanation as to why the District has made this decision is an easy one in that the numbers make sense. Mr. Esplin stated that he feels more comfortable with this decision after the additional discussion.

**MOTION:** Mr. Klingler made a motion to proceed with the option to install a force main to redirect flow for the customers north of 17<sup>th</sup> Street in Centennial Ranch. **MOTION SECONDED:** Mr. Howell seconded. **MOTION PASSED:** 4-0 (Yay: Mr. Klingler, Chairman Howell, Mr. Blundell and Mr. Esplin)

00:07:50 Tape 2

The Board discussed who to hire for the engineering work and agreed on hiring Forsgren. The Board directed Mr. Sasser to officially inform and give notification to the City of Ammon per agreement.

00:16:50 Tape 2

## 01:22:00 IBSD BOARD ELECTION RESULTS

Ms. Wellman stated that there was an election held on May 21, 2013. There were two seats up for election; Mr. Esplin and Mr. Howell were up for election but were unopposed so they are considered reelected. Mr. Esplin and Mr. Howell both took the oath of office for the Iona Bonneville Sewer District and accepted their position on the Board of Directors for another term.

The Board also considered reassigning positions and decided not to make any changes. Mr. Howell will remain Chairman and Mr. Blundell will remain Secretary/Treasurer.

01:26:40

## 01:26:40 APPROVAL OF MINUTES: 04/18/2013, 04/24/2013

**MOTION:** Mr. Blundell made a motion to approve the minutes for April 18, 2013 and April 24, 2013 as submitted. **MOTION SECONDED:** Mr. Esplin seconded. **MOTION PASSED:** 4-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Esplin, and Chairman Howell)

01:27:00

## 01:27:00 PAYMENT OF BILLS

Ms. Wellman asked to defer this item since she does not have bills to present. The Board granted permission to Mr. Blundell to approve the bills after she prepares them for payment.

**MOTION:** Mr. Esplin made a motion to allow Mr. Blundell authorization to pay the bills if there are no objections from any Board Member within 48-hours after the bills are distributed to the Board Members. **MOTION SECONDED:** Mr. Klingler seconded. **MOTION PASSED:** 4-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Esplin, and Chairman Howell)

01:29:45

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01:29:45 EXECUTIVE SESSION: IDAHO CODE: 67-2345 (B,C)

Mr. Sasser stated the Executive Session was called to discuss personnel issues.

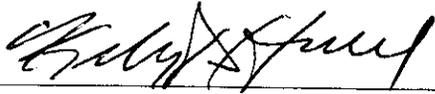
**MOTION:** Mr. Blundell made a motion to move into Executive Session per Idaho Code 67-2345 (b, c) to discuss personnel matters. **MOTION SECONDED:** Mr. Klingler seconded. **MOTION PASSED:** 4-0 roll call vote. (Yay: Mr. Klingler, Mr. Blundell, Mr. Esplin, and Chairman Howell)  
01:31:00

00:00:00 Tape 2

The Board returned from Executive Session at 9:15 p.m.

00:16:50 Tape 2 **ADJOURNMENT**

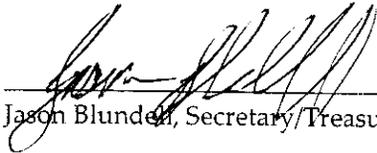
The meeting adjourned at approximately 9:30 p.m.



Kelly Howell, Chairman of the Board of Directors

6-26-2013

Date

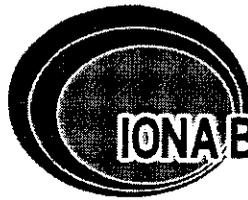


Jason Blunden, Secretary/Treasurer

6/26/13

Date

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## BONNEVILLE SEWER DISTRICT

### Monthly Expenses - May 22, 2013

AFLAC	Insurance	\$	216.45
Bank of Commerce	Replenish Office Account	\$	1,283.57
Best Buy	Office Supplies	\$	190.79
Big Sky Enterprises	Audit/Accounting	\$	162.50
BK Professional Services	Building Maintenance	\$	381.06
Blue Skies Product Distributing	Bottled Water for Office	\$	15.00
Buff N Shine Building Maint.	Office Cleaning	\$	165.00
Caselle	Software Support	\$	598.67
CDW	Computer Software	\$	352.19
Century Link	Telecommunications	\$	317.77
Chase/Paymentech	Merchant Fees	\$	257.85
City of Ammon	Sewage Treatment	\$	8,128.00
City of Idaho Falls	Sewage Treatment/Maintenance	\$	48,082.80
Cóstco	Office Supplies and Postage	\$	147.20
Donna Bridges	Legal Recording-Bonneville Co - Reimburse	\$	43.00
Falls Water	Office Utility - Water	\$	17.75
Forsgren Associates	Plan Review - Green Valley	\$	217.50
Harbor Freight	Office Supplies	\$	21.72
Healthsmart Benefit Solutions	Insurance	\$	32.00
Intermountain Gas	Office Utility - Gas	\$	23.60
Landon Excavating	Sewer Maintenance - Manhole	\$	600.00
Lincoln Employee Benefits	Employee/Board Wages	\$	11,738.79
Localendar.com	Subscription - 1 yr Online Calendar	\$	29.95
Post Register	Subscription - 1 yr Newspaper	\$	180.00
Rocky Mountain Power	Utility - Lifts, Meters, Office	\$	574.83
Sam's Club	Office Supplies	\$	9.97
Sasser Law Office	Legal	\$	4,301.00
Schiess and Associates	Engineering	\$	1,542.50
State Insurance Fund	State Insurance Fund	\$	154.00
Town and Country	Office Supplies - Flag	\$	79.00
United Mailing Direct	Monthly Statements	\$	1,687.74
Utility Billing Refunds	Patron Refunds	\$	167.50
Xpress Bill Pay	Online Banking	\$	926.36
		\$	82,646.06