

OFFICIAL IBSD MINUTES

JANUARY 25, 2012 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; Robert Esplin

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

Attorney: Tony Sasser, Sasser Law Office

Public: Peter Becker, TVI Investments (via teleconference); Kevin Murray, Keller Williams; Paul Scoresby, Schiess & Associates; Kevin Harris, Forsgren & Associates; Les Grigg, Merrill Lynch; Mark Andrews, Command Properties

Agenda Items:

1. Safekeeping account discussion: Jason Blundell
2. Extension of private 4" line through public right-of-way to property: Bryson Higley, Fall Creek Homes
3. Discussion regarding possible Annexation: Kevin Murray, Keller Williams Realty
4. Discussion regarding signature on development drawings for Spacious Acres: Blake Jolley, Harper Leavitt
5. Landmark connection options: Dale Thompson, Keller Williams Realty
6. Discussion regarding Panorama Hills sewer lines and Lift Station: Schiess & Associates
7. Ammon separation update and options
8. Aerial Photography – Request for participation from Idaho Falls
9. Sewer line locates on main lines update
10. Review of connection fees charged by other utility entities, Donna Bridges
11. Discussion: Viewing of agenda items on projector during meetings
12. Building/Office update: Security, Window tinting, Additional scanners for Laserfiche, Screen for projector
13. Approval of minutes: 12/21/2011
14. 2011 Investment Update: Jason Blundell
15. Renewal of Bank of Idaho CD
16. Payment of bills
17. Adjournment

Meeting minutes: For additional information, please reference the meeting recording. The Board table recording was missing the first part of the meeting so the Side Table recording was used to prepare the minutes as noted.

00:00:00 Side 1

Ms. Wellman asked to add an agenda item to the meeting to discuss Aerial Photography at the request of Idaho Falls. This was an item that was thought to have been on the agenda but was noticed missing after publication.

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MOTION: Mr. Esplin made a motion to add Item No. 8 Aerial Photography to the agenda.

MOTION SECONDED: Mr. Klingler seconded. **MOTION PASSED:** 5-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Clark, Mr. Esplin, and Chairman Howell)

00:00:40 Side 1

00:00:40 Side 1 **SAFEKEEPING ACCOUNT DISCUSSION: JASON BLUNDELL**

Mr. Blundell introduced Peter Becker with TVI Investments who joined the meeting via teleconference. Mr. Becker has proposed that IBSD utilize third party safekeeping accounts to allow competition for investments. This practice is recommended by the Government Finance Office as a Best Practice method. His company is a specialist in government entity investments and this is a practice he recommends and the majority of his clients use. Any bond or investment that is purchased is delivered to the safekeeping account. The only cost is a \$20.00 per bond fee one time fee and a \$2.00 fee each month per bond.

Mr. Blundell believes this will allow competition and allows for reports that show return on investments. The bond will be purchased and held to maturity the same as with Key Investments. He would like to open the account and reevaluate in a few months.

Mr. Esplin believes the safekeeping account is a good idea for the purchases of new bonds but transferring existing bonds does not make sense due to the additional fees. Mr. Becker said the goal should be to consolidate the investments so there are not several accounts spread out with multiple statements.

00:21:40 Side 1

MOTION: Mr. Blundell made a motion to move forward with opening a Key Safekeeping account with the idea that funds can be moved into the account at a later date. **MOTION SECONDED:** Mr. Esplin seconded. **MOTION PASSED:** 5-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Clark, Mr. Esplin, and Chairman Howell)

00:24:00 Side 1

MOTION: Mr. Blundell made a motion to discuss Agenda Item 14 to continue the discussion of finances. **MOTION SECONDED:** Mr. Esplin seconded. **MOTION PASSED:** 5-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Clark, Mr. Esplin, and Chairman Howell)

00:24:50 Side 1

00:10:20 **EXTENSION OF PRIVATE 4" LINE THROUGH PUBLIC RIGHT-OF-WAY TO PROPERTY: BRYSON HIGLEY, FALL CREEK HOMES**

Ms. Bridges reported that a new construction home has been proposed that will use a right of way area for the installation of a private sewer lateral. This has been approved by the City of Iona which is going to deed a portion of the right of way to the homeowner.

00:13:20

00:13:20 **DISCUSSION REGARDING POSSIBLE ANNEXATION: KEVIN MURRAY, KELLER WILLIAMS REALTY**

Mr. Kevin Murray approached the Board in regards to annexing a piece of property located about a half mile north of Beach's Corner R.V. Dump. This is outside the approved service area so would require City of Idaho Falls approval. The parcel is owned by four different investors who want to know if this is an option. The nearest line is located south of the intersection of Yellowstone Road and Ammon Road.

Mr. Esplin stated that assuming the City of Idaho Falls accepts it and the developer is willing to pay for the extension and as long as the infrastructure supports the proposed flow there is not a reason to not provide sewer service. Mr. Harris stated that based on the model he is developing as part of the Facility Planning Study there is capacity in the line.

Ms. Bridges will provide a petition for Mr. Murray to be completed and submitted to Idaho Falls for approval. If approved by the City the petition will come back to the Board for official approval.

00:25:15

00:25:15

**DISCUSSION REGARDING SIGNATURE ON DEVELOPMENT
DRAWINGS FOR SPACIOUS ACRES: BLAKE JOLLEY, HARPER LEAVITT**

Ms. Bridges has been asked who will sign a set of drawings for the proposed development known as Spacious Acres. Bonneville County has a new requirement that development drawings be signed by all entities involved so IBSD will have a signature line. The signature would be an acknowledgment that the plans have been reviewed and approved for service.

Mr. Klingler proposed that whoever is the IBSD Engineer should review and sign for the District. Mr. Howell inquired who would pay for the expense of the review; a plat checking fee could be reinstated. Mr. Scoresby suggested that it would be in the best interest of the District to have an engineer, someone who is familiar with the master plan and system, review the plans with the District's interest in mind.

Mr. Esplin suggested having an engineering firm contracted to review these and future plans up to a certain dollar amount so that it is feasible to the engineering company. The Board discussed various methods of having plans reviewed and who will perform the review. For this set of plans it was requested that Mr. Harris review the plans. Ms. Bridges will put together a procedure for plan checking and the Board will address what developers are charged at a future meeting.

MOTION: Mr. Esplin made a motion to waive the fee for the Spacious Acre plan review since an established fee is not in place and Mr. Harris with Forsgren will review the plans per City of Idaho Falls specifications. **MOTION SECONDED:** Mr. Clark seconded. **MOTION PASSED:** 5-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Clark, Mr. Esplin, Chairman Howell)

00:44:35

00:44:35

**LANDMARK CONNECTION OPTIONS: DALE THOMPSON, KELLER
WILLIAMS REALTY**

This item is tabled until Mr. Thompson can attend the meeting.

00:45:25

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00:45:25 **DISCUSSION REGARDING PANORAMA HILLS SEWER LINES AND LIFT STATION: SCHIESS & ASSOCIATES**

The staff has been contacted by lot owners in Panorama Hills who are concerned about the fact that sewer permits cannot be issued in this area until the lines are approved. The City of Idaho Falls has inspected the lines but the report has not been received yet but it is understood that several items need to be cleaned and repaired before ownership can be considered.

The Board discussed the issue and it was stated that there is nothing new with this issue. The Board had previously decided that there is too much liability with accepting the lines in the condition they are in now. Mr. Scoresby suggested separating the subdivision so that approval of the lower section could be approved. This is also the section that has existing connections.

Ms. Wellman noted that there is also a liability of serving patrons on an unapproved line. The Board discussed and decided to table this issue until more information is provided. Without knowing the full extent of what needs to be done before the lines can be accepted it is hard to determine the cost. The Board asked Ms. Wellman to find out if the City of Idaho Falls will accept a portion of the subdivision and how much it will cost.

01:10:25

01:27:10 **AMMON SEPARATION UPDATE AND OPTIONS**

Mr. Esplin stated he has reviewed the Separation Agreements and the System Separation Options Report prepared by Forsgren and would like to meet with Lance Bates at the City of Ammon to see what makes the most sense for the long term agreement. He believes that complete separation will take years so a long term agreement at this point is necessary.

The separation agreement has been prepared but needs a few minor changes as suggested by Mr. Sasser.

Mr. Clark would like to pursue the option of a complete separation of the system from Ammon. Mr. Esplin is pursuing find out more information as to what needs to be done for this.

There are areas that were below the meter since the flow does not go through the metering station on Ammon Road. With the installation of the IBSD Midway Eagle interceptor line this flow is still processed by the City of Idaho so the metering station on Sunnyside will now be used to measure IBSD flow.

Ms. Wellman stated the punch list for the interceptor line is being taken care of, the manhole lids will be replaced as specified and the grout to be used for the manholes has been accepted. Schiess & Associates has depleted the budgeted amount and is asking if the Board would like them to continue to attend meetings on behalf of IBSD. The Board concurred this is not necessary.

01:42:05

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01:42:05 **AERIAL PHOTOGRAPHY – REQUEST FOR PARTICIPATION FROM
IDAHO FALLS**

Ms. Wellman presented information regarding the upcoming aerial photography project that the City of Idaho Falls has proposed. IBSD has not participated previously and there would be approximately seventy-six (76) quarter sections. The Board discussed the value of having this done. The images can be overlaid in GIS software and the visual images will be helpful.

MOTION: Mr. Blundell made a motion to participate in the aerial photography project being organized by City of Idaho Falls since it will help get a better visual of the District. **MOTION SECONDED:** Mr. Esplin seconded. **MOTION PASSED:** 5-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Clark, Mr. Esplin, Chairman Howell)

01:47:35

01:47:35 **SEWER LINE LOCATES ON MAIN LINES UPDATE**

Mr. Sasser found a statute that states IBSD is required to have the sewer mains located. This issue arose previously when Intermountain Gas requested a located in an area where test holes were being drilled. This would just be for the main lines, not the privately owned lateral lines. Ms. Wellman will get quotes from locating service companies.

01:58:25

01:10:25 **REVIEW OF CONNECTION FEES CHARGED BY OTHER UTILITY
ENTITIES, DONNA BRIDGES**

Ms. Bridges prepared a spreadsheet with connection fees charged by other surrounding entities for the Boards information. Mr. Esplin stated that IBSD charges for some situations are lower and for other scenarios the fees are higher. He thought it was interesting to review the numbers and see where IBSD is at with respect to what others are charging. The Board does not want to make any changes or decisions until the Facility Planning study is done.

Mr. Blundell clarified that the City of Idaho Falls only charges one connection fee per building and then additional fixtures fees as the build out is done. He also noted that other entities have other sources of funding such as general funds or taxes.

01:27:10

01:58:25 **DISCUSSION: VIEWING OF AGENDA ITEMS ON PROJECTOR DURING
MEETINGS**

Mr. Blundell stated he had had a patron approach him about having access to the documents that are being reviewed by the Board during the meetings. If images were projected it would be easier to follow and understand what is being discussed. He thinks it would be a good idea to have something projected onto a screen. The patron also suggested providing a summary of the bills to be paid attached to the minutes as a record.

The Board and Ms. Wellman discussed how this can be offered and the format as well as whether this should be published on the website. She can print reports and black out sensitive

information. Mr. Blundell believes the financial information should be publicly accessed, especially the report detailing revenue and expenses.

02:14:55

02:14:55 **BUILDING/OFFICE UPDATE: SECURITY, WINDOW TINTING,
ADDITIONAL SCANNERS FOR LASERFICHE, SCREEN FOR PROJECTOR**

There has been an issue with glare in the reception area from the glass doors in the office. The Board authorized Ms. Wellman to go ahead and have the glass tinted.

Mr. Wellman reported that United Micro Data had provided additional training for the staff. At this time there are two scanners that are designed for Laserfiche. She is proposing that an additional scanner be purchased since there is so much to be scanned. The Board granted permission to get a scanner to be used for document storage.

Mr. Esplin knows of a contractor who will provide a pull down screen for the cost of installing it. Mr. Blundell proposed authorizing Ms. Wellman the ability to purchase a screen for a maximum cost of \$1,500.00

02:30:05

02:30:05 **APPROVAL OF MINUTES: 12/21/2011**

MOTION: Mr. Esplin made a motion to approve the meeting minutes for December 21, 2011.

MOTION SECONDED: Mr. Klingler seconded. **MOTION PASSED:** 3-0 (Yay: Mr. Klingler, Mr. Esplin, Chairman Howell; Abstain: Mr. Blundell and Mr. Clark since they were not in attendance)

02:31:00

00:24:50 Side 1 **2011 INVESTMENT UPDATE: JASON BLUNDELL**

Les Grigg with Merrill Lynch reviewed the investment performance report with the Board. The Board discussed the returns and investments in place.

00:31:30 Side 1

00:08:00

Mr. Blundell stated that he believes it's important that the investments be varied with both short and long term investments and he believes this has been done.

00:10:20

02:31:00 **RENEWAL OF BANK OF IDAHO CD**

Mr. Blundell proposed moving the Certificate of Deposit that is maturing at Bank of Idaho to the investment accounts, to be split between Key Investments and Merrill Lynch. There is also almost \$15,000.00 that was recently returned to IBSD by the Attorney General's office that was being held as evidence as part of the investigation. He would like to close out the Bank of Idaho account and move into the existing investment accounts.

02:38:00


02:38:00 **PAYMENT OF BILLS**

Ms. Wellman stated that she has not included the City of Ammon payment since there are adjustments to the number of patrons who are included in the reimbursement. She is asking for permission to have a check signed by a Board member when these figure are known and then approved at the next meeting.

MOTION: Mr. Blundell made a motion to approve payment of the bills. **MOTION**
SECONDED: Mr. Klingler seconded. **MOTION PASSED:** 5-0 (Yay: Mr. Klingler, Mr. Blundell,
Mr. Clark, Mr. Esplin, and Chairman Howell)
02:42:35

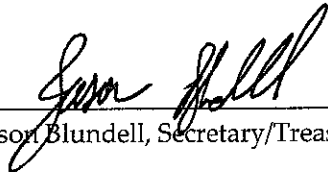
02:42:35 **ADJOURNMENT**

The meeting Adjourned at 09:50 p.m.



Kelly Howell, Chairman of the Board of Directors

3-29-2012
Date



Jason Blundell, Secretary/Treasurer

3/30/2012
Date