

OFFICIAL IBSD MINUTES

JUNE 17, 2010

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 absent)

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

Attorney: Tony Sasser, Sasser Law Office

Public: Craig Daniels, Bonneville County Parks & Recreation; Michael Armstrong, patron; Allen Beazer, patron; Brenda Klingler, patron; Kevin Harris, Forsgren Engineering

Agenda Items:

PUBLIC HEARING

1. Discussion and possible decision regarding annexation petition for Landmark Center, Division No. 1

MONTHLY MEETING

1. Beach's Corner – Grant to increase line size: Craig Daniels, Parks and Recreation, Bonneville County
2. Facility Planning Study-Follow-up discussion
3. Bankruptcy Resolution
4. Building Update, Open House, Engineering, Punch List, Landscaping, Garbage, Blinds, Mailbox, Chairs
5. Legal Counsel – Discussion, Expectations, Fees
6. Payment of Bills
7. Approval of Minutes: 05/20/2010, 06/01/2010
8. Adjournment

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

Chairman Price welcomed everyone to the first meeting in the new IBSD building. He also complimented Jason Blundell and Mike Klingler for their time and work during the construction process. There is an open house scheduled from 12:00 p.m. - 4:00 p.m. on June 24, 2010.

00:02:15

PUBLIC HEARING –

ANNEXATION PETITION FOR LANDMARK CENTER, DIVISION NO. 1

The Chairman opened the public hearing requesting comments from patrons. No one in attendance had any comments or objections to the petition for annexation.

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MOTION: Mr. Klingler made a motion to annex Landmark Center, Division No. 1 and agree to service this area. **MOTION SECONDED:** Mr. Blundell seconded. **MOTION PASSED:** 3-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Clark; Chairman Price abstains)
00:04:30

00:04:30 **BEACH'S CORNER – GRANT TO INCREASE LINE SIZE: CRAIG DANIELS, PARKS AND RECREATION, BONNEVILLE COUNTY**

Craig Daniels with Bonneville County Parks & Recreation informed the Board a grant has been received for improvements to Beach's Corner. This improvements will include landscaping and upsizing the 4-inch lateral line to an 8-inch line. All construction codes and standards will be followed including correcting the drop inlet currently inside the head manhole on Ammon Road.

Mr. Daniels stated they have found if an area is well maintained the users tend to take better care of it. It is possible that this will become a fee area. Mr. Price stated that IBSD doesn't charge Bonneville County as a community service but if a fee is charge then the Board will want to review this policy.

00:14:50

00:14:50 **FACILITY PLANNING STUDY-FOLLOW-UP DISCUSSION**

Mr. Clark stated he believes there has been a rush on getting the Facility Planning Study done. He believes the Board has been lead down a road to believe it needs to be done when there is other issues in the District that need to be resolved such as proposed new schools, Eagle Farms potential connection and the separation from Ammon. He doesn't want the patrons to think the Board is going on a spending spree. He also stated the Board had made the decision to continue using the same engineering firm despite affirming two years ago that the same firm would not be used exclusively.

Mr. Klingler responded that the reasons Mr. Clark stated for not having a Facility Planning Study are the reasons for having the study done. There are people who want to connect and it is unknown if the District has the capacity to accept additional flow. Commitments have already been made to developers so it is important to find out what the capacities are, whether the fees being charged are in line and the condition of the lines. Chairman Price agreed with Mr. Klingler stating we need to know what we have.

Mr. Blundell stated the Board has discussed and agreed that the Facility Planning Study needs to be done and there have been a couple attempts to get DEQ funding for the study. He believes with the connection requests it cannot be put off indefinitely in hopes of getting funding.

Mr. Clark believes this issue was "snuck in" since he couldn't stay for the meeting where the Facility Planning Study was discussed and a motion made to proceed using Forsgren Engineering.

Mr. Klingler stated that if the study is not performed there could be liability if property is damaged due to sewer issues. Mr. Sasser agreed, having the study done is a form of risk management.

00:25:45

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Kevin Harris with Forsgren Engineering has prepared a scope of work for the Facility Planning Study. He asked the Board to review it and let him know how and when to proceed. The Board will review the scope and schedule a work meeting to discuss the scope at a later date.

02:03:00

00:25:45

BANKRUPTCY RESOLUTION

Chairman Price presented the resolution to deal with bankruptcies as reviewed and prepared by legal. The policy states that when bankruptcy is filed a reinstatement fee equal to the discharge amount can be billed. This will ensure the District doesn't lose money.

MOTION: Mr. Blundell made a motion to accept the bankruptcy resolution titled IBSD Resolution 2010 - ? (Number to be assigned later)

WHEREAS, the Iona-Bonneville Sewer District (IBSD) has the authority, pursuant to Idaho Code 42-3212, to fix and collect water and sewer rates, tolls or charges;

WHEREAS, from time to time, certain IBSD patrons file for bankruptcy, causing those amounts to be discharged in bankruptcy;

WHEREAS, the Board has determined it is in the best interest of IBSD to provide a process for recouping losses through bankruptcy discharge by imposing reinstatement fees;

THEREFORE IT BE RESOLVED THE IONA-BONNEVILLE SEWER DISTRICT BOARD, shall impose reinstatement fees equal in value to the amount of a discharge in bankruptcy, such that for any particular property that has been the subject of a bankruptcy proceeding, the reinstatement fee charged to initiate service for that property will be equal to the amount of the IBSD debt discharged in bankruptcy;

BE IT FURTHER RESOLVED, the Board approves the use of the online PACER database to track the status of bankruptcy matters relevant to IBSD matters, and approves payment of any charges and/or fees associated with the use of that database. Authority for the foregoing shall be found under I.C. 42-3212(i).

MOTION SECONDED: Mr. Klingler seconded. **MOTION PASSED:** 3-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Clark; Chairman Price abstains)

The PACER database is a federal government website where all bankruptcy information is listed. The fee is a nominal per printed page charge.

00:34:25

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00:34:25

BUILDING UPDATE, OPEN HOUSE, ENGINEERING, PUNCH LIST, LANDSCAPING, GARBAGE, BLINDS, MAILBOX, CHAIRS

The Open House is scheduled for July 24th from 12:00 to 4:00. The newsletter has been sent to all the patrons with the monthly invoices. The Board discussed going to 6:00 p.m. to accommodate patrons that work. Mr. Clark is concerned about having enough food for everyone who attends.

There have been subsequent bills for engineering work that are unclear who is responsible for payment. Mr. Blundell has spoken to the builder who is going to work it out. He will bring this issue back to the Board if it isn't resolved.

Ms. Wellman stated the staff has been making a punch list of items to be corrected but a number of items have also been corrected. Areas for touch up paint will need to be marked with tape.

There have been three bids for landscaping, all within \$500.00 of each other. Chairman Price suggested contacting BYU-I to see if there are students who will do landscaping work. The Board discussed the advantage of sod versus hydro-seeding. Mr. Blundell gave a brief synopsis of each landscape bidder and the Board discussed the advantages of each company. The lawn maintenance will be considered at a later date.

MOTION: Mr. Blundell made a motion to approve up to \$20,000 to do landscaping with B & K Landscaping and have B & K Landscaping compensate Seasons West for the landscape design used for the bid. The landscaping will include sod. **MOTION SECONDED:** Mr. Clark seconded. **MOTION PASSED:** 3-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Clark; Chairman Price abstains)

01:09:45

The blinds have been installed but a few sets for the Board room were ordered with the wrong length. The manufacturer is going to restring at the installers expense.

The mailbox is designed but not manufactured yet. Mr. Price hopes to have it completed soon.

The Board discussed the need for chairs in the office. The existing chairs will go downstairs and Ms. Wellman will look into getting new chairs for Board Members and staff.

Mr. Klingler presented change orders for the building that include a lock for a door and flag pole installation.

MOTION: Mr. Clark made a motion to pay the (change order) bills. **MOTION SECONDED:** Mr. Klingler seconded. **MOTION PASSED:** 3-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Clark; Chairman Price abstains)

01:30:10

01:30:10

LEGAL COUNSEL – DISCUSSION, EXPECTATIONS, FEES

Mr. Sasser presented a fee statement to the Board as requested. His fee is per hour plus expenses. He offered to bill travel time at half the hourly rate in order to attend meetings.

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Ms. Wellman has a couple items for legal review and consultation; the employee manual requires legal review and the 218 Modification has been approved which involves PERSI.

01:37:00

01:37:00 PAYMENT OF BILLS

Ms. Wellman continues getting General Ledger set up and running. The accountant will be coming in and she is waiting for information from Caselle. She is also working on getting the pre-Audit together.

3-D Decker has submitted a final bill.

MOTION: Mr. Blundell made a motion to pay the bills excluding change orders and \$2,000.00 to be held until all work is completed by 3-D Decker for construction of the building. **MOTION SECONDED:** Mr. Klingler seconded. **MOTION PASSED:** 3-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Clark; Chairman Price abstains)

01:57:00

01:57:00 APPROVAL OF MINUTES: 05/20/2010, 06/01/2010

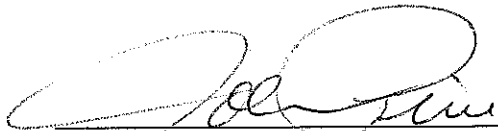
Mr. Blundell wanted to make sure a requested change was made to the 5/20/2010 minutes. All changes were made and are underlined.

MOTION: Mr. Clark made a motion to approve the minutes. **MOTION SECONDED:** Mr. Blundell seconded. **MOTION PASSED:** 3-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Clark; Chairman Price abstains)

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02:03:00 ADJOURNMENT

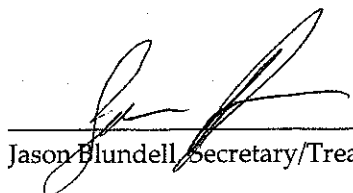
The meeting Adjourned at 9:03 p.m.



John Price, Chairman of the Board of Directors

7-15-10

Date



Jason Blundell, Secretary/Treasurer

7/15/10

Date