

# OFFICIAL IBSD MINUTES

MAY 23, 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

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

**Public:** Marvin Fielding, Schiess & Associates; Les Grigg, Merrill Lynch; Jeff Freiberg, J. Freiberg Engineering; Eric Wellman; Peter Becker, TMI Investments (via teleconference)

### Agenda Items:

1. IBSD 2306 – Discussion regarding sewer connection
2. Proposed subdivision Bridgewater Div. 3 – Harper Leavitt
3. Bonneville Utility Coordinating Council (BUCC) – Jeff Freiberg, J Freiberg Engineering
4. Crow Creek Subdivision - Update
5. Maintenance agreement, Lanier LW326 Plan Copier/Scanner/Printer
6. Review of Ammon/IBSD lost customer agreement
7. Investment Update – Jason Blundell
8. Payment of bills
9. Approval of minutes: 4/25/2012, 5/8/2012
10. Scheduling of PERSI Meeting 6/19/2012
11. Adjournment

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

00:00:00      **IBSD 2306 – DISCUSSION REGARDING SEWER CONNECTION**

Deborah Williams, a patron, has come into the office several times stating the home she inherited from her father has never been connected. From videos of the line it has been determined that a lateral connection to her property does exist but the owner is stated it was never connected; they are still using a septic system. If it is determined that they are not connected then she would like a refund.

Mr. Clark stated that when the original system was put in owners were responsible to connect if they were within 200-feet of the line; owners had to hook up or pay anyway. Mr. Klingler stated there were cases where people were not connected because a connection point could not be located. Mr. Blundell stated that she is supposed to be connected even if she is not. The Board discussed whether connections are required per the State statutes.

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There should not be an additional connection fee since they were owners when the original system was put in and part of the Bond payments. The Board did not want to make a decision as to a refund or monetary compensation until it is determined whether they are connected for sure or not.

00:14:00

00:14:00           **PROPOSED SUBDIVISION BRIDGEWATER DIV. 3 – HARPER LEAVITT**

Ms. Wellman stated she has been contacted by the Engineers for Bridgewater Div. 3. They have approved plans as well as a Development Agreement approved by the previous management.

**MOTION:** Mr. Esplin made a motion to move forward with the Bridgewater Div. 3 as approved and allow staff to proceed to work with the engineer on the project. **MOTION SECONDED:** Mr. Blundell seconded. **MOTION PASSED:** 5-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Clark, Mr. Esplin, and Chairman Howell)

00:19:40

00:19:40           **BONNEVILLE UTILITY COORDINATING COUNCIL (BUCC) – JEFF FREIBERG, J FREIBERG ENGINEERING**

Jeff Freiberg, J. Freiberg Engineering, representing the Bonneville Utility Coordinating Council (BUCC) addressed the Board by reading the objectives of the BUCC. The organization was established by entities that perform underground utility work so everyone is aware of what is going on in the area. Members include contractors, engineering companies, utility agencies and basically any company doing underground work. The annual dues are \$25.00 per year with a short meeting each month that is not mandatory.

The organizations purpose is just to provide information. An email list will be used to distributed information between meetings.

**MOTION:** Mr. Blundell made a motion that IBSD join the BUCC. **MOTION SECONDED:** **MOTION PASSED:** 4-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Esplin, and Chairman Howell; Nay: Mr. Clark)

00:28:45

00:28:45           **CROW CREEK SUBDIVISION – UPDATE**

Marvin Fielding, Schiess & Associates, has reviewed the plans for Crow Creek Div. 2 as well as the lift station which will serve this area. The capacity for the lift station appears to be adequate for the additional development. The final set of plans is still in development but will be ready for signature soon.

**MOTION:** Mr. Esplin made a motion to allow Marvin Fielding to sign the plans on behalf of IBSD when he approves the plans. **MOTION SECONDED:** Mr. Blundell seconded. **MOTION PASSED:** 5-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Clark, Mr. Esplin, and Chairman Howell)

00:32:30

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00:32:30           **MAINTENANCE AGREEMENT, LANIER LW326 PLAN  
COPIER/SCANNER/PRINTER**

Mr. Klingler stated that when the purchase of the Lanier copier was discussed at a previous meeting the maintenance agreement was not approved. The maintenance covers any repairs, labor and material, and toner for up to \$0.10 per linear foot at \$240.00 per year. The only additional purchase would be paper for the machine.

**MOTION:** Mr. Klingler made a motion to approve the maintenance for the Lanier copier/scanner/printer at \$240.00 per year plus \$0.10 per linear foot over that amount. **MOTION SECONDED:** Mr. Esplin seconded. **MOTION PASSED:** 5-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Clark, Mr. Esplin, and Chairman Howell)  
00:35:15

00:35:15           **REVIEW OF AMMON/IBSD LOST CUSTOMER AGREEMENT**

Ms. Wellman has been asked by the City of Ammon to provide the number of patrons being served by the City so they can invoice IBSD for the treatment costs.

The agreement between Ammon and IBSD has been back and forth with many revisions. Ammon had sent the original agreement and was not happy that IBSD had redrafted the agreement. One of the changes that Ammon could not agree to was the netting out of customers since their auditor would not allow this. Mr. Blundell said that if this is the case then in the future if IBSD serves Ammon customers then IBSD should charge the same rate that is being charged to IBSD. He suggested that IBSD's rate may change in the future and if this occurs the higher of the two rates will be charged.

Mr. Klingler stated that he is wondering why this agreement is needed when there is a previous agreement from the courts that stated that Ammon will continue to serve IBSD customers. Mr. Howell stated he believes the reason to have an agreement is that Ammon can charge the current rate that is charged to their customers; the proposed agreement states Ammon will only charge the processing costs. There was a discussion regarding some of the wording in the agreement about ownership in the lift station.

Mr. Clark brought up the idea of buying out customers to leave IBSD and become Ammon customers. Another item that Ammon does not want in the contract is a date specifying the length of the contract. Mr. Howell would like to get an agreement in place before anything else is done to separate customers. The Board discussed the wording in the document and it was suggested that Mr. Sasser review the agreement with the City of Ammon.

**MOTION:** Mr. Blundell made a motion to authorize Mr. Sasser, Sasser Law Office, to make a list of items discussed to be taken to the City of Ammon and incorporated into the agreement. **MOTION SECONDED:** Mr. Esplin seconded. **MOTION PASSED:** 5-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Clark, Mr. Esplin, and Chairman Howell)  
01:03:30

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01:03:30           **INVESTMENT UPDATE – JASON BLUNDELL**

Mr. Blundell wanted to update the Board on where things stand with the investments. Mr. Becker, TVI Investments, joined the meeting via telephone. When the investments were originally set up it was split between Key Investments and Merrill Lynch. It was decided previously to open a Key Safe Keeping Account to allow competition for the purchase of bonds. The system requires someone who is familiar with the investments and currently the fiduciary responsibility lies with Mr. Blundell and the investment advisor which requires a good deal of time by Mr. Blundell.

Les Grigg with Merrill Lynch explained that due to regulatory questions Merrill Lynch has elected to aggregate the fund in a bank location, essentially eliminating the broker function for public entities. Mr. Grigg has agreed to stay on in an advisory role, without compensation, and continue to help manage investments. Everything will be moved to the Safekeeping account, with exception of Key Investments, by the end of the year.

**MOTION:** Mr. Clark made a motion to have Mr. Grigg serve as a consultant for the management of investments. **MOTION SECONDED:** Mr. Esplin seconded. **MOTION PASSED:** 5-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Clark, Mr. Esplin, and Chairman Howell)  
01:23:00

Mr. Blundell stated that he has had other banks ask about managing fund. He is asking the Board if this should be considered. The investments are diversified even though they are held in one account.

01:26:05

01:26:05           **PAYMENT OF BILLS**

The Board reviewed and discussed the bills presented in detail.

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

00:00:00

**APPROVAL OF MINUTES: 4/25/2012, 5/8/2012**

The minutes for May 8<sup>th</sup>, 2012 are not ready for approval.

**MOTION:** Mr. Clark made a motion to approve the minutes for April 25<sup>th</sup>, 2012. **MOTION SECONDED:** Mr. Esplin seconded. **MOTION PASSED:** 5-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Clark, Mr. Esplin, and Chairman Howell)

01:37:25

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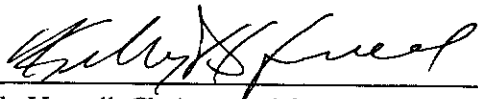
01:37:25      **SCHEDULING OF PERSI MEETING 6/19/2012**

Lisa Mabe with PERSI has offered to come back with a PowerPoint presentation on the place on June 19<sup>th</sup> at 1:00 p.m. Ms. Wellman will schedule the meeting and send out notification.

01:39:25

01:39:25      **ADJOURNMENT**

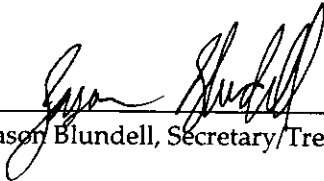
The meeting adjourned at approximately 8:45 p.m.



Kelly Howell, Chairman of the Board of Directors

6-29-2012

Date



Jason Blundell, Secretary/Treasurer

6/30/12

Date



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## IONA BONNEVILLE SEWER DISTRICT

### MAILING

3395 E. Leihm Lane  
Idaho Falls, Idaho  
83401

### OFFICE

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Idaho Falls, Idaho 83401  
(208) 524- 4545

### OTHER

Fax (208) 524- 4646  
Email - [ibsd@sewerdistrict.com](mailto:ibsd@sewerdistrict.com)  
Website - [www.sewerdistrict.com](http://www.sewerdistrict.com)

## Monthly Expenses

May 23, 2012

Amazon.com	Office Supplies	\$35.80
Aspen Engineering	Maps	\$77.50
Auto Trim Design	IBSD Office Window Tinting	\$466.50
Bank of Commerce	Replenish Office Account	\$1,047.74
Big Sky Enterprises	Accounting/Audit Prep	\$287.50
BK Professional Services	Building Maintenance	\$285.00
Blue Skies Product Distributing	Bottled Water for Office	\$20.00
Buff N Shine Building Maint.	Office Cleaning	\$165.00
Caselle, Inc.	Computer Maintenance	\$508.67
Century Link	Telecommunications	\$314.60
City of Idaho Falls	Sewage Treatment/Maintenance	\$47,351.13
Earth Point Corporation	Computer Township/Range	\$10.00
Falls Water	Office Utility – Water	\$15.84
Forsgren Associates, Inc.	Engineering – Facility Planning Study	\$10,000.00
Intermountain Gas Co.	Office Utility – Gas	\$4.23
Lincoln Employee Benefits	Employee/Board Wages	\$14,402.76
Rocky Mountain Power	Utility – Lifts, Meters and Office	\$484.55
Sam's Club	Office Supplies, Stamps	\$242.25
Sasser Law Office	Legal	\$2,546.50
Schiess and Associates	Engineering: Midway/Eagle, Eagle Farms	\$275.00
Spokeo.com	Online Records Search	\$14.85
State Insurance Fund	Workers Compensation	\$132.00
United Mailing Direct	Monthly Statements/Delinquent Notices	\$2,358.89
	Total:	\$81,046.31