

IBSD MEETING MINUTES – FEBRUARY 18, 2009

A regular monthly board meeting of the Board of Directors of the Iona Bonneville Sewer District, a political subdivision of the State of Idaho, was held at the District Office, 1555 E. Lincoln Road, Idaho Falls, Idaho on February 18, 2009 at 7:00 p.m.

Called to order by John Price at 7:02

Board Members Present:

John Price
Glen Clark
Mike Klingler
Jason Blundell
Susan Ring

Others Present:

Dan Hunting
Kevin Harris – Forsgren Associates
Bryan Austin
Adrian Beazer
Allen Beazer
Glen Clark
Cindy Wellman – Manager IBSD
Donna Bridges – Field Coordinator IBSD
Edie Richmond – Account Specialist IBSD

AGENDA ITEMS

1. Call for additional agenda items.

A discussion on what needs to be done in the area between us and Ammon and how we will move forward needs to occur along with a report on the mediation. This will be put on a future agenda.

2. Discussion: Vacant lots belonging to Mykalee Yeager with MY Construction, IBSD 9478, 9505,9539, - 970 Richland Dr., 1497 Preston Drive, 1467 Preston Drive. Refund of monthly sewer charges (\$197.34 x 3 and suspend billing for 6 months.
 - A. A policy on vacant lots should be established so we don't have to go through this every month.
 - B. Our present policy has been a grace period for 5 months. The issue is that people can't afford to build and are paying on vacant lots. This was never the intention of the present policy.
 - C. We need to find the previous resolution and add the disclaimer if no house is built after 5 months. We will defer billing for additional 6 months upon request.

- D. Once a motion is made it can come through Cindy and not have to go through us each time.

NO MOTION

- 3. Discussion: IBSD 8305, - 2185 N. Rockwood Drive, Suite 100, Tom Stott with Sleepy Hollow Properties would like to be charged one monthly billing for this property, rather than two.
 - A. Building is steel framed in Ammon Lincoln Industrial Park and wired for two units. Owner says it will never be divided.
 - B. If it is determined after inspection by management that it is one building then it should be billed as with a one unit charge.
- 4. Discussion: IBSD #2262 – 5293 E. Rockwood, Iona Historical Society would like to suspend billing and write off amount of \$113.00 on account. There is no water, no ceiling and it needs restoration.
 - A. Decision – After discussion: The Historical Society will make the line unusable by digging up the line and capping it or by pouring concrete down a cleanout. Glen will be doing inspection to verify this. When we verify that it has been disconnected we will discontinue billing. The owner will still be responsible for any fees up to the time of disconnect.
- 5. Discussion: Vacant lot belonging to Cheri Austin, IBSD #7826 – 480 Deon Lane, Refund of monthly sewer charges (\$84.00) and suspend billing for 6 months.
 - A. Per item #2 above.
- 6. Discussion: IBSD #585 – 1996 N. 37 E., Archie Wood would like the sewer disconnected (charges stopped) because the house is not habitable and there has not been water for years.
 - A. In order to not charge him a monthly fee, he must cap off and fill his line with concrete, and then have an IBSD engineer inspect that he has physically disconnected or removed the line. He will then need to sign an agreement that he will not reconnect without notifying the District and then paying for a new connection fee.
- 7. Discussion: IBSD #92 – 705 Lakewood Avenue, Carylne Bowerman would like a refund of her prepaid amount of \$201.51. She did not go through a title company, but sold her property on 04/09/08 with the credit on her account. She was denied through previous management the refund but would like the board to hear her request.
 - A. The problem is that if that money was there – the money has now transferred to the new owner. That money now does not belong to her. The credit transfers same thing as a line transfers with the property.
 - B. The new owner owes her a refund. That money went with the property and if the new owners didn't start making payments until now, then they owe her the money and they need to settle it between themselves.
- 8. Discussion: - Shawn Branson, with Branson Builders: 1) Requesting a refund on 3 spec homes, IBSD #7252 – 3341 Larson, #3393 Taggart and 55 Fall River, (We are working at correcting these addresses) and future spec homes. He would like the Board to consider a new policy to base sewer charges on spec homes with their Certificate of Occupancy (CO). He feels that our office could go to the county once per month to retrieve the CO's. 2) He would like us to consider paying the sewer connection on all homes at closing, perhaps by certifying a lien in the

amount of the sewer connection fee. 3) Additional request for the IBSD to pursue a membership with the Eastern Idaho Homebuilders Association and to restart the previous committee that was involved with this.

- A. The address problems are caused when the County gives them a different number after the permit is issued, causing a discrepancy. We need to work with the County so we can avoid that kind of thing and they can let us know when they change things.
 - B. If the policy changed, to have the builder bring in his CO when the residence is occupied, they would be getting building permits without a sewer connection permit. This would be a lot of trouble since the County is two years behind in issuing CO's. This would also cause a burden on the staff.
 - C. If the builders want us to do something they should make a proposal that will put the work on their shoulders. Another possibility is to start billing when water is turned on. We don't have a way to know if it is a spec home or if someone is living in it. The water company has the option of turning off service, we don't.
 - D. Putting liens on empty properties so builder has to clear lien to get property. This is where the 5 month grace period comes in. John asked that the office staff investigate what it takes to place liens on the property. Man-hours by the County need to be considered also.
 - E. Another suggestion is to pay sewer fees at closing, but again the builder will connect to system without a permit. Construction workers, Real Estate agents and potential buyers will be using the system without any fees being billed.
 - F. With the slowdown in the economy these issues will come up more, but the District is still getting back on its feet with all the changes.
9. Discussion: IBSD: 8550, 9538, 9569, 9594, and 9596 – Coppercreek Homes would like adjustment billing with a refund of \$4,076.00.
- A. Bryson Higley contracted two properties and bought permits, but before he closed, the Developer accidentally sold to somebody else. So two connection fees were paid for and not used.
 - B. He also bought permits for two other properties that were overcharged. The credits for the amounts over \$1,850.00 were applied to the two properties he never owned – per attached spreadsheet.
 - C. They need to come to the meeting in person. We will put this off and have him come to the next meeting.
10. Discussion: IBSD #5539 – Kylie Harris would like a refund of \$56.00 due to not stopping her direct pay for 2 months.
- A. Kylie moved and didn't stop direct pay. Whoever owns the property is responsible for payment. If the new owner pays for those months – we should refund.
 - B. Currently we are putting the new owners name's on account when received from the Title Company and trying to check Direct Pay status. We received two extra payments after she moved.
 - C. This is between her and the new owner. Each month that property pays \$28.00. If we weren't double paid, and she did not notify us, then we cannot issue credit. If there is a credit we can give it back.

11. Discussion: Country Corner Properties and Charges.

- A. There are 13 parcels they own – we have 6: carwash, chevron station, 2 vacant, Laundromat, and Country Corner store. We are looking at each property on an individual basis. There are three parcels with address numbers duplicated. Descriptions from owners and our system numbers need to be corrected.
- B. Laundromat – we want to do something with Falls Water metering. There is currently only one meter for both store and Laundromat. Estimated 100 to 200 thousand gallons per month. There would be a way to put another meter on.
- C. Storage Units – Two empty lots have storage units but no sewer. We have been billing them for an undetermined period of time. Credit payments to carwash. We are told that the storage has French Drains – just a hole in the ground with gravel so it can seep down. Two vacant lots still billing?: #676 -3514 1st Street, #1580 – 1st Street, #158- - #3480 1st Street (storage A) old cabin, and storage A – no structure.
- D. Carwash – Has meter, 2-inch line. Fee will be based on ERU's (Equivalent Residential Unit: Average usage per household). Billing turned off when it should have been turned on. Started in September when meter was turned off.
- E. Chevron Station – Has own water meter. Fee is based on ERU's
- F. They want a refund on the two lots that don't have sewers. There is also a question of how to bill the laundry and carwash. The fair way would be with the water usage for three months averaged. When we work out what he owes – we turn it on; credit him for the vacant lots
- G. With complicated situations – we strongly recommend that the persons involved come to the meeting in the future.

12. Discussion: Arrange for a camera study of Beeches Corner.

- A. We don't have any record of previous camera work.
- B. We are going to look again so Forsgren can view video of the Beeches Corner line. We propose that when it is videoed, to have Aaron there to save money if we don't need to go any further. If the video is not found, the second best option is to clean the pipe and then video it.
- C. Insufficient flow – once you clean it there is no way to say there was a stoppage or flow problems.
- D. We are splitting the cost with the Commissioners. Idaho Falls is busy but they have agreed to do one day and a cleaning. We could have IF video then make a determination if they (IF) need to come back. One trip videoing and cleaning - \$800.00.
- E. At some point something will need to be done. With a line this big, slip lining in the future is a possibility.
- F. Once a Facility Planning Study is done you can fill out the applications for funding. Ammon is going to do a wastewater study also. Forsgren wants to put the applications in place as soon as possible.
- G. Mike asked if there are some projects that we could look at for the stimulus. What about our maintenance plan? Ammon is an area that needs to be done and we've looked at doing the facility plan. We could come up with a solution to unravel that mess between Ammon and IBSD.

MOTION: Mike, Glen seconded, motion that we go ahead and approve and pursue having the City of IF, or the best entity possible, do the videoing of those lines to identify what we need to do to get the problem taken care of. I would accept that amendment and agree that the cost should be shared between IBSD and the County as agreed. John amended City of IF or best contractor in case IF is not able to do that. 4-0, John abstains

MOTION PASSED

13. Update: Sewer blockage at: 4575 Nature's Place
 - A. Homeowner had a blockage and questioned who was responsible. Cindy had City of Idaho Falls check it. The homeowner's plumber vacuumed line and a two-by-four from their line blew into our line. Photo shows it coming out of their service and into ours.
 - B. The homeowner is going to get it out of the line. If there is any damage to our line, he will take care of that. Cindy did a good job of handling that. Idaho Falls says it is not a good thing, but it doesn't present an immediate problem to IBSD. It is much more dangerous for homeowner than for us. This was supposed to be taken care of today. The City will make sure it is taken care of. The line is PVC – not concrete.
14. Election results – February 3, 2009 – Jason Blundell was elected to seat #1 and the patrons voted to divide the district into subdistrict and that Mike and Glen were re-elected for seats 2 and 3.
15. Discussion: Results of request for proposal from accountants.
 - A. Only one person has called – Mr. Denning will be coming in on Tuesday. Numerous people have been called – Cindy has log of calls. Farrell Steiner said he would be willing to do it as long as there is not a conflict of interest. Any board members are invited to come to this meeting.
16. Presentation: Jason Blundell to present cost analysis of building a new office for the IBSD.
 - A. We are considering a new building or buying a building rather than renting in the future. Jason has put together an analysis or Performa – for our information. Owning stuff rather than cash is a good thing.
 - B. Contractors are begging to help. Construction is very competitive right now. This is a good time.
 - C. Jason made building presentation to Board. Attachment included.
 - A. To orient – there are two questions to answer: 1. Do we lease? Or 2. Do we buy or build our own building? Please see analysis attached. No escalators were factored in.
 - B. Space requirements are 15,000 square feet. Building ratio requires 0.17 acres. It looks like we could buy a lot – ½ acre for \$50,000. To \$60,000.
 - C. Costs for site work, construction, legal fees, interior work, standard soft costs etc. are included. Construction cost: \$290,000. To construct – based on different numbers including what it would cost per building square foot – 200.00 per square foot. Site: This isn't an all inclusive cost.
 - D. We are paying heat and electricity for more space than we need. We could get the basement in the square footage cost. With the escalader figures in there it shows more advantageous for you to purchase.
 - E. Do you fund with reserves or bonding? John believes it would be advantageous for the District to build and use cash reserves rather than bonding. Statutes leave us flexibility for building and purchasing property. The part that is restricted is the part that comes from hookup fees. The excess on monthly service fees is not restricted. You can use it as you want.
 - F. Glen would like to get started on building and finding a suitable location. There is a vacant lot on 1st street and Crowley. Susan would like a location that is on the way to somewhere and convenient.

G. John would like to get all our ducks in a row; we need bids and drawings and concrete facts and to have a public hearing.

17. Review and payment of monthly bills.

- A. KV finished the dig and laying pipe from Centennial Ranch. We need to pay the KV Inc.
- B. We don't have what is needed to pay former Management and Engineers. They gave us a statement in October. We still haven't received itemized billing – hours.
- C. Caselle is the very first one that needs to be paid – put an x by it. We are waiting to get into our accounts payable.
- D. 2008 Conference for \$530.00 was a conference we sent Dorothy to last year.
- E. The \$152.70 for ML Phippen, under miscellaneous, is for printing for the election.
- F. Discussion was had about Susan Stucki and her refund from the District. Because Ms. Stucki has only paid for ½ of her tax bill it is not possible for IBSD to refund her the entire lien. Additionally, as a side note, IBSD has spoken with Bonneville County who has indicated that IBSD cannot remove tax liens once they have been billed on the taxes.
- G. The office account fund should be replenished.
- H. Format of monthly bill statements was discussed. The Board should decide on their required format so Cindy can prepare it that way.

MOTION: Glen, Jason second to reimburse Bank of Commerce office account for \$965.55.
4-0, John Abstains

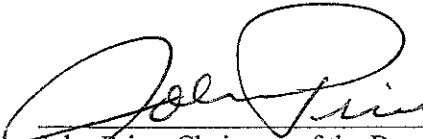
MOTION PASSED

MOTION: Glen, Jason seconded the motion to pay bills with the exception of the bills we're not paying until the requested documentation from each party is received. (McCarty Management, Mike Lund & Dave Benton) 4-0, John abstains

MOTION PASSED

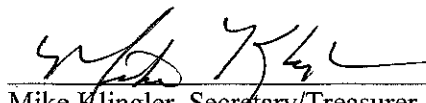
18. Adjournment

Meeting Adjourned at 10:00 p.m.



John Price, Chairman of the Board of Directors

5.20.2009
Date



Mike Klingler, Secretary/Treasurer

5-20-2009
Date

NOTICE IS GIVEN that the Board of Directors of the Iona Bonneville Sewer District shall hold a Monthly Board Meeting, Wednesday, February 18, 2009 at 7:00 pm at the office of the Iona Bonneville Sewer District located at 1555 E. Lincoln Road, Idaho Falls, ID.

Meeting Location:

Iona Bonneville Sewer District

1555 E. Lincoln Road
Idaho Falls, Idaho

February 18, 2009 Monthly Board Meeting AGENDA

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10. Discussion: IBSD 5539 – Kylie Harris would like a refund of \$56 due to not stopping her direct pay for 2 months.
11. Discussion: Country Corner properties and charges.
12. Discussion: Arrange for a camera study of Beaches Corner.
13. Update: Sewer blockage at 4575 Nature's Place
14. Election results – February 3, 2009
15. Discussion: Results of request for proposal from accountants.
16. Presentation: Jason Blundell to present cost analysis of building a new office for the IBSD.
17. Review and payment of monthly bills.
18. Adjournment

The next monthly meeting is March 18, 2009, 7:00 pm at the District Office.

Adjournment "In as much as there have been no other requests for additional items to be included for discussion and proper notice given, the meeting will then be adjourned. The next monthly meeting date is March 18, 2009.

Per Idaho Code for Open Meetings – all IBSD meetings of the board are Open to the Public. Executive Sessions are not open, however will be posted. Any persons wishing to place an item of discussion on the agenda are requested to submit such request to the IBSD Office no later than the Friday prior to the meeting. Unless the request is of an urgent matter, if received after the Friday prior deadline, it will be placed on the following month agenda.