

NOVEMBER 18, 2009
IONA-BONNEVILLE SEWER DISTRICT (IBSD)
REGULAR 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

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

Attorney: Eileen McGovern & Tony Sasser, Echohawk Law

Public: Sabino Vallalobos, patron; Robert Switter, patron; Debra Switter, patron; Allen Beazer, patron; Brenda Klingler, patron; Leslie Griggs, Merrill Lynch; Sally Price, patron; Mark Andrews, Ammon Park Development

Agenda Items:

1. Sabino Villalobos: IBSD 6257-6260: Discussion regarding billing for unused sewer on 4-plex.
2. Lincoln Employee Benefits, Ray Severe: Employee Benefits
3. Ammon Park – Dean Mortimer or Mark Andrews – Status of development
4. Vanessa Davidson: IBSD 590, Refund of incorrect lien
5. Ridgeview Subdivision: Status of lines and discussion about the current land and future development.
6. Status of District survey
7. District residential rates, Consideration of discounts for pre-payment and/or senior discount
8. Status Update: New IBSD Building
 - A. Rocky Mountain Power Contract
 - B. RFQ – Status of RFQ for builders based on recent meeting.
 - C. Review of building plan.
9. IBSD Banking – Status of RFP for banking based on recent proposals.
10. Dex: Yellow and white page listings
11. Business Phone Specialists: Maintenance contract approval
12. RFP: Accountant for annual financial audit
13. EchoHawk Law Office
 - A. By-laws
 - B. Employment Manual
 - C. Public records requests
14. Executive Session, Idaho Code 67-2345, (f) Pending Litigation
15. Payment of bills
16. Approval of Minutes: 03/26/09, 04/29/09, 06/17/09, 06/22/09, 10/21/09, 10/28/09, 10/29/09,
17. Adjournment

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

00:00:30 **SABINO VILLALOBOS: BILLING FOR UNUSED SEWER ON RENTALS**

Sabino Villalobos addressed the Board regarding sewer billings for vacant rental properties. He has the ability to disconnect other utilities such as water and electricity but not the sewer unless he pays the disconnect/reconnect fee. He feels it is unfair to pay for a service he is not using.

Mr. Klingler explained IBSD is different than other utility companies in that the service cannot be shut off. We can verify with water companies that the water has been shut off and continues to remain off but that costs money and takes staff time. Part of the monthly fee is for maintenance and upkeep of the system so whether it is being used or not it is available to be used.

Chairman Price stated that the Board has allowed for temporary disconnects with a fee. Taxes are not assessed for sewer service with the District so expenses are covered by user fees. The sewer is not metered so there is not a good way to determine usage.

Mr. Villalobos also questioned the fee compared to what the cost of water. Mr. Klingler stated that the cost of the infrastructure that transmits the sewage is much more expensive than that used to pump water from the ground. IBSD has worked hard to keep rates low comparable to surrounding areas.

The Board invited Mr. Villalobos and any patron with a better idea on how to handle temporary disconnects to present it to the Board for consideration. The request to discontinue billing in vacant properties was denied.

00:14:45

00:14:45 **LINCOLN EMPLOYEE BENEFITS**

Mr. Ray Severe with Lincoln Employee Benefits was not available to attend the meeting.

Mr. Wellman asked if the \$500.00 per employee medical benefit could be used for purposes other than medical such as dental or vision. The Board stated the resolution was for the benefit to not exceed \$500 per employee and dental and vision coverage could be included.

There are additional benefits such as flex spending and cafeteria plans which benefit the employee but at no additional cost to the employer. There is no extra cost in administering these plans. Ms. McGovern confirmed this would be covered by the original resolution.

00:19:55

00:23:55 **AMMON PARK – STATUS OF DEVELOPMENT**

Mark Andrews, representing the developer's of Ammon Park, presented a drawing of the proposed development. The existing development has been done piece by piece so the Board had requested the developer present a more comprehensive plan in order to get a developer's agreement in place.

Mr. Andrews is going to check with his engineer for additional details for the development.

00:31:45

00:20:05 **REFUND OF INCORRECT LIEN**

The staff has discovered a lien that was incorrectly filed against Vanessa Davidson's property. The issue arose when a four-plex was assumed to exist on her corner lot. The staff has research this and verified the lien as being paid.

The Board has made a motion to approve refunds that are owed.

00:23:55

00:31:45 **RIDGEVIEW SUBDIVISION STATUS AND FUTURE DEVELOPMENT**

Robert Suittor's property is the subject of a new annexation petition. The west half of his property was annexed in 2007 and now a potential buyer of the east half would like to have IBSD provide sewer service.

The existing lines on Dixie Street and First Street and the Fairmont lift station may be undersized for additional flow. An engineering evaluation to determine capacities will need to be done before IBSD can agree to service this area. The developer will provide information on the estimated ERU's to IBSD for the purpose of determining if the system can support the proposed development. When this is determined IBSD will make the decision of whether to proceed with the annexation.

00:48:45

00:48:45 **STATUS OF DISTRICT SURVEY**

Donna Bridges reported that the physical portion of the survey is completed and the data entry portion continues. So far fifteen properties have been identified as being within the District but without accounts. These property owners have been notified and account setup is in progress.

00:49:30

00:49:30 **CONSIDERATION OF PRE-PAYMENT AND/OR SENIOR DISCOUNTS**

Many patrons have requested a discount on fees for prepaying for a year in advance. Ms. Wellman stated this could be a good idea to encourage patrons to pay ahead saving time and mailing expenses however until the rate study is done, it may be the current rate is not appropriate.

The Board discussed the benefits of offering a prepayment discount but decided to table this issue until more information is known regarding current rates.

00:56:40

00:56:40 **STATUS UPDATE: NEW IBSD BUILDING**

Mr. Blundell stated he has received finalized plans so the decision as to whether to send it out to bid needs to be made.

MOTION: Mr. Clark made a motion to send the building plans out to the qualified builders for bids as soon as possible. **MOTION SECONDED:** Mr. Howell seconded. **MOTION PASSED:** (Yay: Mr. Klingler, Mr. Blundell, Mr. Howell, Mr. Clark; Chairman Price abstains)

Ms. McGovern stated that technically a public works contractor is not required but it is wise to only use public works contractors. All the contractors who applied were approved as qualified. Mr. Blundell will coordinate with the architect to get the bid package out with bid submittals due on December 4, 2009.

Ms. Wellman is preparing the contract with Rocky Mountain Power for power for the new building

01:14:25

01:14:25 **STATUS OF RFP FOR IBSD BANKING**

The Board discussed where the investment funds and operations banking should be deposited.

MOTION: Mr. Klingler made a motion to split the investment funds 50/50 between Merrill Lynch/Bank of American and Key Bank and daily operation funds will be deposited with Key Bank. **MOTION SECONDED:** Mr. Howell seconded. **MOTION PASSED:** (Yay: Mr. Klingler, Mr. Blundell, Mr. Howell, Mr. Clark; Chairman Price abstains)

01:27:15

01:27:15 **DEX: YELLOW AND WHITE PAGE LISTINGS**

Ms. Wellman asked whether the yellow page listing in DEX should be renewed at \$250.00 per month. After discussion, the Board concurred that a yellow page listing is not necessary and IBSD's listing will only remain in the white page section with the new address.

01:31:40

01:31:40 **BUSINESS PHONE SPECIALISTS: MAINTENANCE CONTRACT APPROVAL**

Business Phone Specialist has offered an extended maintenance contract. The Board agreed to not extend the maintenance agreement.

01:34:35

01:34:35 **RFP: ACCOUNTANT FOR ANNUAL FINANCIAL AUDIT**

Ms. Wellman asked to move forward on hiring an account for the annual audit. A request for proposal is not required. The Board asked her to get recommendations for accounting services.

01:36:15

01:36:15 **ECHOHAWK LAW OFFICE**

Mr. Sasser stated there have been a number of public record requests that require research by Echohawk. Generally public record request are handled by the IBSD Manager unless there is a question on whether a record can be released.

Mr. Sasser recommended to the Board that an employee handbook be created.

Ms. McGovern would like to continue revising the Bylaws. The Board would like her to continue this task making sure all codes and statutes are followed.

02:05:10

02:19:15 **EXECUTIVE SESSION, IDAHO CODE 67-2345, (F) PENDING LITIGATION**

MOTION: Mr. Klingler made a motion to move to Executive Session pursuant to Idaho Code 67-2345 (f). **MOTION SECONDED:** Mr. Clark seconded. **MOTION PASSED:** (Yay: Mr. Klingler, Mr. Blundell, Mr. Howell, Mr. Clark; Chairman Price abstains)

02:20:05

TAPE 2 - 00:00:00

MOTION: Mr. Clark made a motion to return from Executive Session. **MOTION SECONDED:** Mr. Blundell seconded. **MOTION PASSED:** (Yay: Mr. Klingler, Mr. Blundell, Mr. Howell, Mr. Clark; Chairman Price abstains)

MOTION: Mr. Blundell made a motion that the Board follows the advice of counsel. **MOTION SECONDED:** Mr. Klingler seconded. **MOTION PASSED:** (Yay: Mr. Klingler, Mr. Blundell, Mr. Howell, Mr. Clark; Chairman Price abstains)

TAPE 2 - 00:00:40

02:05:10 **PAYMENT OF BILLS**

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

MOTION: Mr. Clark made a motion to transfer \$300,000 to working account. **MOTION SECONDED:** Mr. Klingler seconded. **MOTION PASSED:** (Yay: Mr. Klingler, Mr. Blundell, Mr. Howell, Mr. Clark; Chairman Price abstains)

02:17:10

02:17:10 **APPROVAL OF MINUTES: 03/26/09, 04/29/09, 06/17/09, 06/22/09, 10/21/09, 10/28/09, 10/29/09**

MOTION: Mr. Blundell made a motion to accept and approve the meeting minutes for 03/26/09, 04/29/09, 06/17/09, 06/22/09, 10/21/09, 10/28/09, and 10/29/09. **MOTION SECONDED:** Mr. Howell seconded. **MOTION PASSED:** (Yay: Mr. Klingler, Mr. Blundell, Mr. Howell, Mr. Clark; Chairman Price abstains)

02:19:10

TAPE 2 - 00:00:40 **ADJOURNMENT**

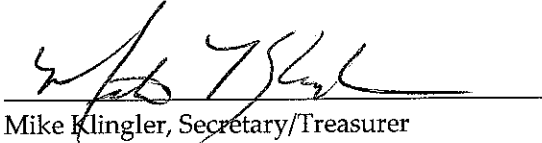
The meeting Adjourned at 9:56 p.m.

TAPE 2 - 00:00:58



John Price, Chairman of the Board of Directors

12/22/09
Date



Mike Klingler, Secretary/Treasurer

12/22/09
Date