

OFFICIAL IBSD MINUTES

OCTOBER 18, 2017 IONA-BONNEVILLE SEWER DISTRICT (IBSD) MONTHLY BOARD MEETING

Board Members Present: Brady Belliston (Chairman); Robert Esplin; Jeff Miner; Stephanie Bird; Kurt Nelson

IBSD Staff: Marina Meier, Manager; Donna Bridges, Field Coordinator

Attorney: Tony Sasser, Sasser Law Office

Public: Kevin Harris, Forsgren & Associates; Dave Noel, Forsgren & Associates; Jeff Freiberg, Freiburg Engineering; John Pymm, School District #93; Brett Stauffer, Kartchner Inc.

Agenda Items:

1. Update - Warm Spring Townhomes request for permits – Kartchner Homes
2. Update: School District #93 Highschool
3. IF Rate Increase
4. KeyBank Webinar Training
5. IBSD Bylaws – Section 2.4
6. Approval of minutes: 09/20/2017
7. Payment of bills

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

Meeting called to order by Chairman Brady Belliston at: 7:00 p.m.

00:00:00 **UPDATE - WARM SPRING TOWNHOMES REQUEST FOR PERMITS – KARTCHNER HOMES**

Mr. Brett Stauffer, Kartchner Homes, requested that the sewer lines proposed for Warm Spring Townhomes be authorized to be privately owned so that Kartchner can start getting permits prior to construction. Mr. Esplin stated that since the proposed lines are in landscaped areas there is not access for maintenance and would not be accepted for maintenance by City of Idaho Falls. It was recommended that the manholes also be placed so that positive drainage away from the manholes occurs. The Development Agreement should also require that independent cleaning of the lines be performed at least every five years. Mr. Sasser will amend the Development Agreement. There was a motion previously to approved the subdivision contingent on the engineer's review.

MOTION: Mr. Esplin made a motion to approve Kartchner's request to have sewer lines privately owned with positive drainage away from manholes. **MOTION SECONDED:** Mr. Miner seconded. **MOTION PASSED:** 5-0 (Yay: Mr. Belliston, Mr. Esplin, Mr. Miner, Ms. Bird and Mr. Nelson)



00:06:30

00:06:30 **UPDATE: SCHOOL DISTRICT #93 HIGHSCHOOL**

Mr. Pymm stated that School District #93 is concerned by Bonneville County's request to relocate the access to the Fairmont Lift Station due to the cost estimate in excess of \$37,000.00. The County is claiming the access was meant to be the utility easement between the houses west of the lift station. The current access is on the plans for the Fairmont Village development which was approved by the County in 2002.

The County is now saying the access is illegal and too close to the intersection. They have requested it be relocated to Crowley Road as part of the improvements to the intersection but are not willing to share the cost. Mr. Belliston stated that realistically the access is only used once a week at most so it seems wasteful to spend so much money to relocate it.

Mr. Belliston proposed setting up a meeting with the County to discuss the lift station access. He also asked what the feeling is about splitting the cost with the school if the County insists on relocating the access. It was suggested that the cost be split between the School District, IBSD and the County but a decision will not be made until after the meeting between all entities.

00:33:30

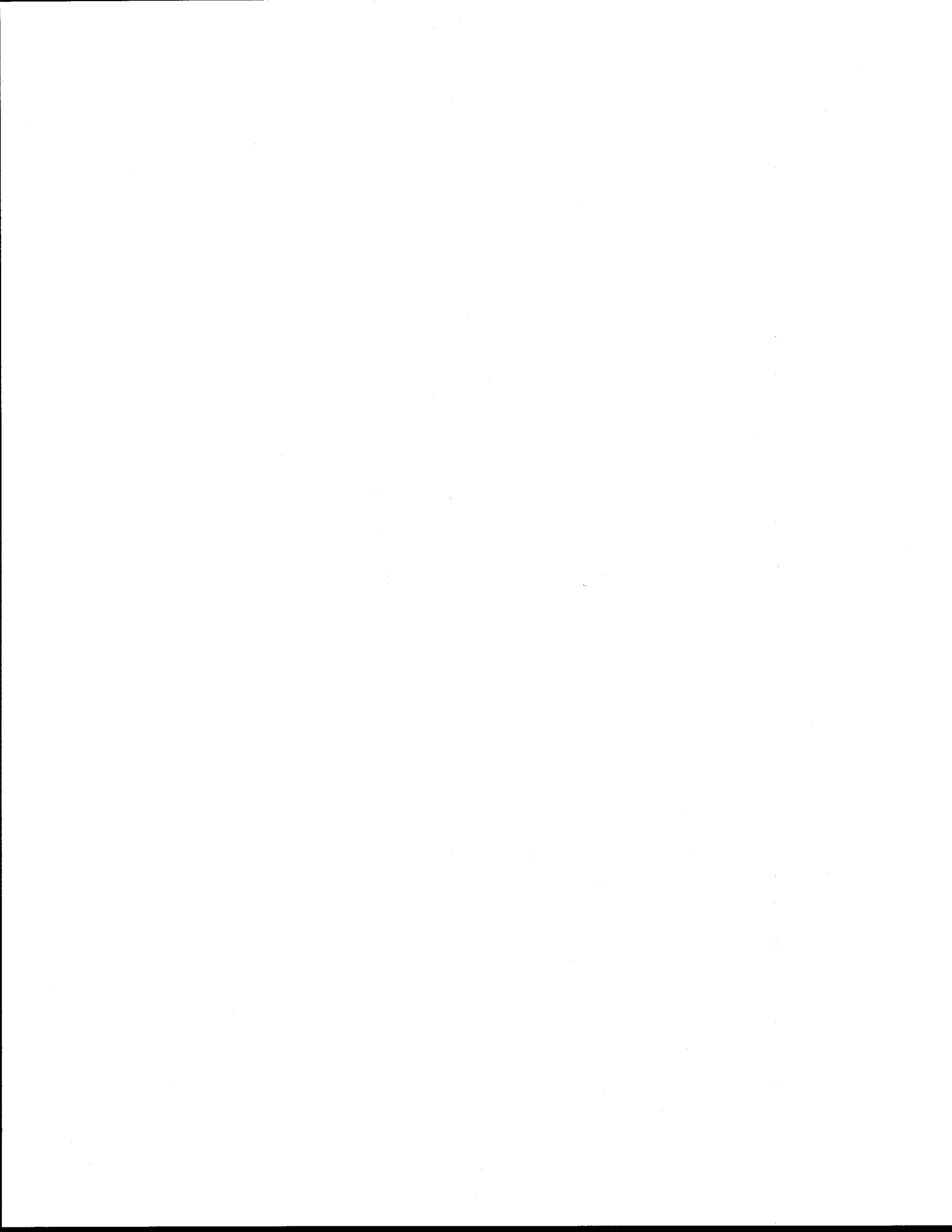
Mr. Pymm stated it is his understanding that IBSD will not approve the annexation of the land to the east of the new high school. The Board stated that IBSD is not against the annexation but does not want to use reserve acreage allowed from the City of Idaho Falls. It was proposed that the parcel be annexed but with the acreage for just the building footprint. Mr. Pymm stated that the use of the land has not yet been determined. It may be a Junior High and/or Elementary School. It is difficult to determine the exact legal when the plans have not been developed. The Board wants to cooperate on the annexation but does not want to give up any of the remaining 43 acres in reserve.

00:41:55

00:41:55 **IF RATE INCREASE**

Mr. Esplin has reviewed the information provided by the City of Idaho Falls with regards to the increased rate. He reviewed the budgeted collections and estimated waste flow minus deductions. Mr. Harris reviewed the flow and cost for the past year and 2016. From this information Mr. Harris determined the cost is \$9.65 per Equivalent Residential Unit (ERU). This is less than the cost of \$12.41 in 2012, when the Facility Planning Study was done. This is most likely due to the increase in the number of patrons and the reduction in flow per ERU. Based on these numbers the increase from the City of Idaho Falls affects our current rate by \$1.97 per patrons. This will increase to \$4.00 per patron in the next five years according to the City of Idaho Falls proposed rate increases.

Mr. Esplin says that the City was calculating the fees based on cost but it should be based on what they charge their customers. The contract states that the fee is based on what their customers pay, not on actual costs. Mr. Esplin believes we should stick to the contract so we are protected in the long run. If the costs increase then it could affect the rates significantly. He believes there is more protection in holding them to the contract even if it means paying more



OFFICIAL IBSD MINUTES

than the City is requesting. Mr. Sasser pointed out that the contract is for a 5-year period, with 4-years left, so this could be something that is reevaluated in the future.

01:02:00

Mr. Harris stated that even with the increase in the rate from the City the capital reserves funds will continue to increase. The Board has the choice of how much to raise rates to patrons. Mr. Belliston stated that it is the Board's responsibility to make prudent decision regarding maintaining the reserve funds but also being fair to patrons in what they are charged. Mr. Sasser recommended that a public hearing be held even if the rate increase is less than the amount that warrants a hearing.

The Board discussed how much per patron is being put in reserves and if a rate increase is warranted. Currently there is a \$10.00 plus per month per residence increase in reserves. It was suggested that as long as at least this amount is maintained then the rate does not need to be increased. Mr. Nelson suggested waiting a year and reevaluating the fee next year based on the new costs.

Mr. Belliston reminded the Board that there are major expenses coming in the coming year with the Lincoln Road improvements.

MOTION: Mr. Esplin made a motion to add to the agenda an item to discuss and decide about an IBSD rate increase. This will not include a public hearing. **MOTION SECONDED:** Mr. Nelson seconded. **MOTION PASSED:** Mr. Esplin requested Rollcall vote 5-0 (Yay: Mr. Belliston, Mr. Esplin, Mr. Miner, Ms. Bird and Mr. Nelson)

01:32:00

Mr. Esplin would like to decided how the rate that is paid to Idaho Falls is calculated. He would like to establish the process. He is proposing the process be budgeted collections minus deductions divided by estimated flow. His concern is the City will have unknown costs that are incurred that are passed down to IBSD. There is also the option of continuing as we are now and then redefine the contract at the end of the five years.

01:45:00

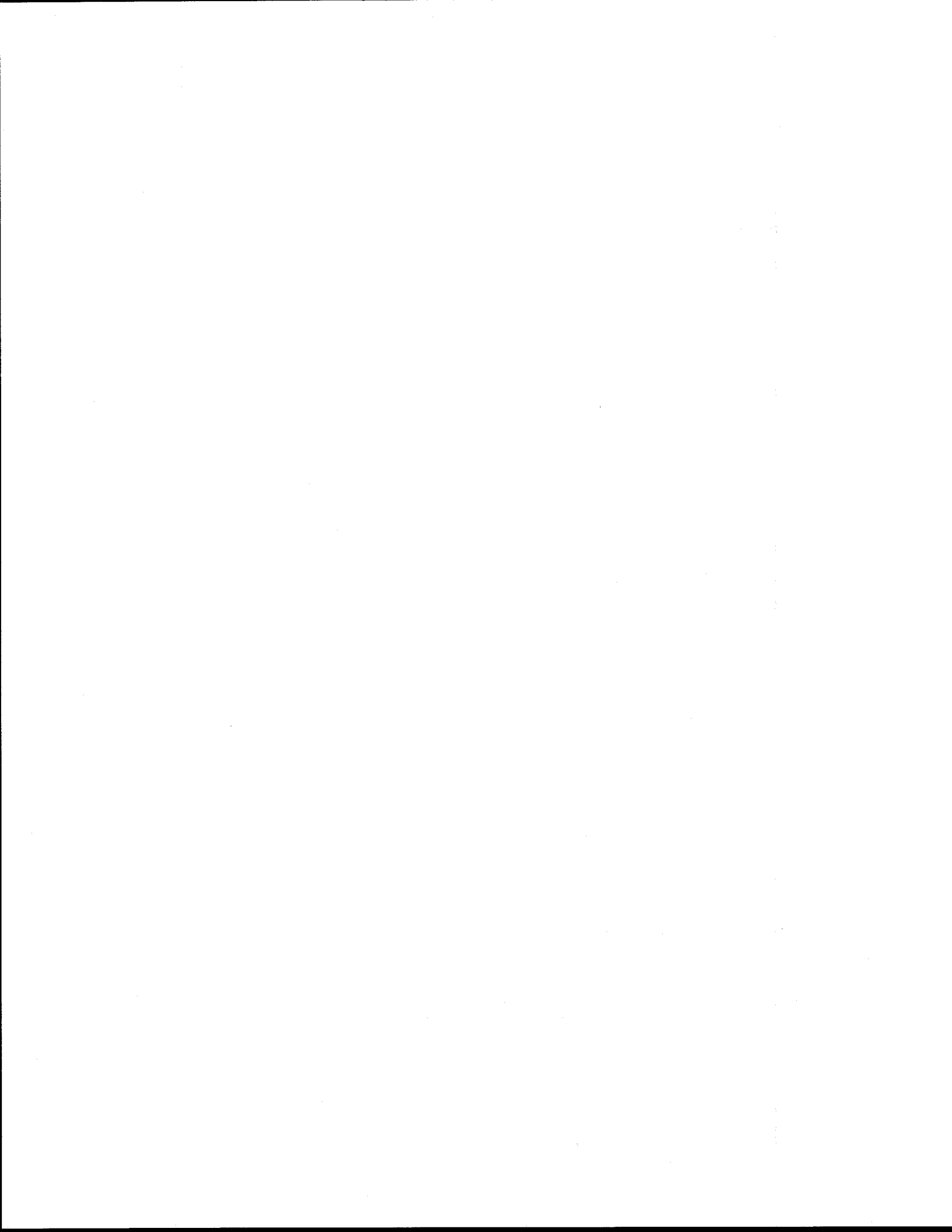
Mr. Esplin also suggested accepting the figure but asking Idaho Falls to calculated it based on cost in the future. There is also a do-nothing option which means accepting the rate as presented. It was requested to have this item on the agenda again for the following month so the Board could think about the discussion and make a decision on how to move forward.

01:54:00

01:54:00

KEYBANK WEBINAR TRAINING IBSD BYLAWS – SECTION 2.4

Mr. Esplin attended webinar training as part of being the Treasurer for IBSD. The policy in Section 2.4 states that if a Board Member attends a meeting to be compensated it must be approved by the Board. Ms. Meier suggested adding the exception of training to the policy manual. Mr. Belliston does not think this is a problem and that there has been transparency in the compensation Board Members receive.



OFFICIAL IBSD MINUTES

MOTION: Ms. Bird made a motion to compensate Mr. Esplin for his attendance of KeyBank Webinar training. **MOTION SECONDED:** Mr. Miner seconds. **MOTION PASSED:** 4-0 (Yay: Mr. Belliston, Mr. Miner, Ms. Bird and Mr. Nelson; Abstain: Mr. Esplin)
02:01:00

02:01:00 **APPROVAL OF MINUTES: 09/20/2017**

Mr. Esplin asked if the motion for the Eagle Farms connection fee should detail what it was based on. It was decided not to amend the motion. He also questioned if bylaw motions should be worded as they will be added to the Bylaws. Ms. Bridges stated that when she updates the policy manual she writes it up for the manual and brings it to the Board for approval then.

MOTION: Mr. Esplin made a motion to approve payment of the bills. **MOTION SECONDED:** Mr. Nelson seconded. **MOTION PASSED:** 5-0 (Yay: Mr. Belliston, Mr. Esplin, Mr. Miner, Ms. Bird and Mr. Nelson)
02:06:20

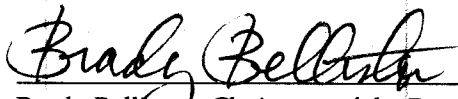
02:06:20 **PAYMENT OF BILLS**

Mr. Esplin noted that Yost has overcharged at his office so the billing and use should be reviewed.

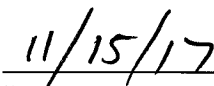
MOTION: Mr. Esplin made a motion to approve payment of the minutes. **MOTION SECONDED:** Mr. Minor seconded. **MOTION PASSED:** 5-0 (Yay: Mr. Belliston, Mr. Esplin, Mr. Miner, Ms. Bird and Mr. Nelson)
02:11:15

02:11:15 **ADJOURNMENT**

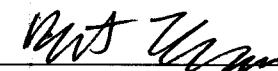
The meeting adjourned at 9:15 p.m.



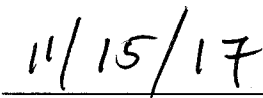
Brady Belliston, Chairman of the Board of Directors



Date



Robert Esplin, Secretary/Treasurer



Date

