

# Eastern Idaho Regional Sewer District

## September 19, 2023 Regular Board Meeting

**BOARD MEMBERS PRESENT:** Brian Powell (President), Craig Cutler (Vice President), Frank Lemmo, Craig Tibbitts (Secretary/Treasurer)

**OTHER PARTICIPANTS:** Scott Hall (NHPT Law), Alan Giesbrecht (J-U-B), Scott Barry (EIRSD), Justin Blickle (GSE), Jordan Johnson (City of Shelley), Sandy Gaydusek (City of Shelley), Mayor Stacey Pascoe (City of Shelley), Micah Austin (Ammon), Niel Humphreys (Eagle Rock Eng), Michael Porter (BCP Development/Flagship), Tiffany Olsen (Bingham County), Nicole Calderwood (City of Ammon, zoom), Cindy Donovan (City of Ammon, zoom), Jace Perry (Clearwater Financial), Travis Payne (zoom), Amanda Nunes (GSE, zoom), Cameron High (Rockwell Homes), (925) 453-1865 (zoom), Jerrilynn Angell (Bank of Commerce), Steve Bannon +3 others (Bank of Commerce), Janice Boggs (EIRSD)

**1. Call to order at 9:07 am**

**2. Consent Items**

a. Approval of minutes – Action Item

b. Review and approval of bills – Action Item

[Action Item] Craig Tibbitts motioned to approve minutes and bills, Frank Lemmo seconded, approved unanimously.

**3. Public hearing for annexation petitions:**

a. Petition #2023-11: Ammon Fields – Action Item

b. Petition #2023-12: Hidden Valley Div 3 – Action Item

c. Petition #2023-13: North Ammon Village - Action Item

No Comments received

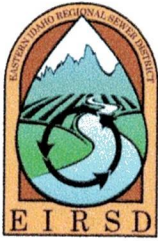
**4. Approval of annexation petitions:**

a. Petition #2023-11: Ammon Fields – Action Item

[Action Item] Craig Tibbitts motioned to approve Petition 2023-11 Ammon Fields for annexation, Frank Lemmo seconded, approved unanimously.

b. Petition #2023-12: Hidden Valley Div 3 – Action Item

[Action Item] Craig Tibbitts motioned to approve Petition 2023-12 Hidden Valley Div 3 for annexation, Frank Lemmo seconded, approved unanimously.



## Eastern Idaho Regional Sewer District

c. Petition #2023-13: North Ammon Village - Action Item

[Action Item] Craig Tibbitts motioned to approve Petition 2023-13 North Ammon Village for annexation, Frank Lemmo seconded, approved unanimously.

5. **Commitment to Serve request: Hidden Valley Division 3 - Action Item**

Niel Humphreys (Eagle Rock Engineering) looking for Commitment to Serve for 38 lots inside Hidden Valley Div 3. Brian Powell said they would need to come back to request a Will Serve letter after drawings are completed.

[Action Item] Craig Tibbitts motioned to approve Commitment to Serve, Frank Lemmo seconded, approved unanimously.

6. **Leachate Disposal Agreement with Bonneville County – Action Item**

Brian Powell stated he has been in discussion with DEQ. DEQ is requiring that there be an agreement between EIRSD and Bonneville County for EIRSD to continue received the County's leachate waste. Scott Hall has put together an agreement and Alan Giesbrecht has reviewed. Scott Barry stated that the volume is expected to reduce but will continue at the lower levels. Scott also stated that according to the lab testing results, the addition of leachate waste is not hurting the plant or its operation.

[Action Item] Craig Tibbitts motioned to approve the Leachate Disposal Agreement with Bonneville County, Craig Cutler seconded, approved unanimously.

7. **Service Agreement for Shelley & Ammon – Action Item**

Brian Powell stated that EIRSD is working on financial service agreement between Ammon and Shelley. There has never been an agreement previously. Jace Perry of Clearwater Financial (zoom) gave an overview of what and why we are doing this. Jace stated there are two aspects of the transition: 1) Transfer of the cities' debt to EIRSD; DEQ is willing to make this as easy as possible, possibly via an amendment to transfer the existing loans to EIRSD and avoid having to refinance. There was discussion regarding opportunities to change the amortization schedule on Ammon's loan to match Shelley's so that EIRSD will have a consistent payment schedule; DEQ is amenable to this. There was discussion about the benefit of completing this before the end of the fiscal year so the liabilities would be off the cities' books and on to EIRSD's which would also help with Bond Bank application. 2) The second aspect is to document that the cities will continue to collect fees for EIRSD and would continue the relationship as long as debt is outstanding and EIRSD provides sewer services going forward. Clearwater presented the agreements with both cities and indicated that DEQ is okay with the timeframe. Brian Powell stated that we want to keep the DEQ loans in place to take advantage of their interest rates which are lower than the going rates today.



## Eastern Idaho Regional Sewer District

Mayor Pascoe voiced some concerns over the public's perception of continual rate changes and paying for Ammon's bonds. Brian stated that Shelley's debt fee has not increased with EIRSD and will remain the same in the new service agreement. Jace stated that the new agreement will follow a collective approach across the whole system and maintain uniformity so all users pay the same fee for debt service. Brian stated that there is no action being taken today. EIRSD is working to be fair to everyone, and this is just for discussion.

[Action Item] Craig Tibbitts made a motion to table the Service Agreement for Shelley and Ammon, Craig Cutler seconded, approved unanimously.

### 8. Bank of Commerce – Discussion Item

Steve Bannon, Chief Financial Officer for Bank of Commerce, requested the opportunity to address EIRSD Board and discuss the ability that Bank of Commerce can offer for fund protection and interest opportunities. Craig Tibbitts stated that EIRSD funds will be used in the near future for the plant expansion. Steve stated there is an option to set up a sweep money market account that would earn five percent interest but not tie up funds for a set time period. Jerrilynn Angell provided further information on the sweep account. Steve stated that Bank of Commerce has been around 60 years and is a local community bank. They invest in businesses and are more conservative than other banks. Brian requested that Janice work with the Bank of Commerce to set up a sweep account.

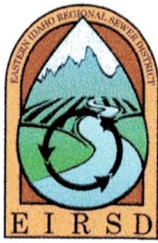
### 9. Update on fencing of irrigation pond – Discussion Item

Mayor Pascoe stated the fence work will begin any day. They are waiting for utility marking along the fence line. He spoke to the contractor and expects them to be onsite this week.

### 10. J-U-B Engineers – Alan Giesbrecht

#### a. Interactive Map – Discussion Item

Alan stated that J-U-B has worked on and updated the EIRSD website map. The previous map was a static map so any changes in county parcel information or district boundaries took time and effort to keep the EIRSD map updated. They have replaced the static map with an interactive map that links to live data through county and Tax Commission websites. The map offers multiple layers of information. Alan demoed the map. Green lines are pipelines. Cross-hatched are annexed areas that are waiting for Tax Commission approval. Micah Austin stated that he really appreciates the map and uses it all the time.



## Eastern Idaho Regional Sewer District

- b. Update on legal descriptions for EIRSD boundary and zone boundaries – Discussion Item

Alan stated that he is in frequent calls with the Idaho Tax Commission regarding the submitted annexations and is still pushing on the approval. Going forward the plan is to send in all annexations annually all at once.

### 11. J-U-B/GSE - Upgrades Project

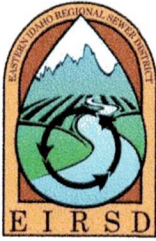
- a. Project update – Discussion Item  
The bid packages received were listed on the board's handout. GSE's proposed Amendment #2 includes the blower building and electrical.
- b. Approval of GSE Amendment #2 and Guaranteed Maximum Price (GMP) for Project 1– Action Item  
Justin Blicke from GSE reviewed the bid information noting that Amendment #1, Exhibit A, was previously accepted by Board.

They did not receive any bids for the blower building, although when they reached out to potential bidders, there were several interested initially. They have carved up the scope for the blower building and have received quotes resulting in multiple bids for portions. After receiving bids, GSE is proposing a price of \$660,000 for the blower building.

The biggest increase from GSE's original estimate for Project 1 was the electrical, but a significant amount of scope was shifted from Project 2 to Project 1. Cost and schedule increases have resulted from shortages of materials and long lead times on equipment delivery along with increased scope due to the need to address code compliance issues in the original plant. J-U-B said the electrical increases were needed to improve redundancy and resiliency as the single feed serving the whole plant will now be divided into three so that if one feed goes down, the whole plant will not be shut down.

GSE's proposed guaranteed maximum price for Project 1 is \$19,392,041.

[Action Item] Craig Tibbitts made a motion to accept Bid Amendment 2 with a subtotal of \$5,048,255 and the Project 1 guaranteed maximum price of \$19,392,041, Frank Lemmo seconded, approved unanimously.



## Eastern Idaho Regional Sewer District

### 12. Manager's Report – Discussion Item

Scott stated that the plant is doing super well. Flows have been high, but they found out why and fixed several minor leaks. There is a major leak that is adding 300,000 to 350,000 gallons a day of sub-water that is entering through a split seam in the pipe. The bid for repair is \$15,000 using polyethylene material and an extra wide band to seal the leak. Integrity Inspection Solution will do the repair. It is a 48" pipe which runs under the canal by Sandcreek Golf Course. On October 15<sup>th</sup>, canal flow stops. This leak will be repaired around the first week of October.

Alan reviewed updated flow and BOD loading charts along with the number of ERU's served.

### 13. Public Comment

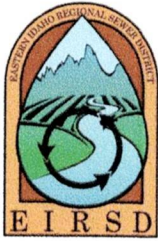
Ed Harrow, 635 E 1250 N Shelley, addressed the Board regarding excess lights, noise, and smells from the Riverbend Lift Station which are affecting his property. His house is ¼ mile from the plant and directly across the street from the lift station. These three issues keep getting worse. Ed offered several solutions and information he has gleaned from other sewer systems. Alan stated that they have designed an odor control system for the lift station in Project 2. Brian stated that he appreciated Ed's comments and that EIRSD wants to and will work towards viable solutions.

Mayor Pascoe voiced concerns of construction delays. Brian invited Mayor Pascoe to attend the construction meetings. Justin stated that there was a two week delay for the concrete work due to the location of the existing electrical bank. Brian stated that the project began two weeks early so even with the two week delay, we are on our expected schedule.

Mayor Pascoe discussed how the City of Shelley collects O&M fees upfront for new customers and thought everyone was doing the same thing. Brian stated that EIRSD collects at CO and leaves it up to the cities to collect O&M fees.

Cameron High, 4740 Jennie Creek Drive in Idaho Falls:

Cameron asked, whereas EIRSD originally approved prepaid ERUs being transferred to other locations except for Rocking R, is that still the case? Brian said yes and asked that Cameron let Scott know what was originally purchased and which ERUs are transferred, and EIRSD will add a column in their tracking system to notes the addresses. Cameron expressed concern that EIRSD will run out of capacity. Brian requested that they juggle the ERU certificates they currently have and then come request more when capacity has been increased.



## Eastern Idaho Regional Sewer District

### 14. Adjournment 11:35

[Action Item] Craig Tibbitts motioned to adjourn, Frank Lemmo seconded, approved unanimously.

Approved: \_\_\_\_\_

*Craig Tibbitts*

Attest: \_\_\_\_\_

*Frank Lemmo*