

EAGLE SEWER DISTRICT

May 12, 2008

Regular Monthly Meeting

6:00 p.m.

Minutes

I. Roll Call

Chairman Jim Brooks called the meeting to order at 6:00 p.m. Board members present: Jim Gruber, Jim Brooks, Chuck Ferguson, and Erv Ballou. Ed Hendershot is absent. A quorum is present.

Consultants present: Phil Johnson, P.E., MWH; and Evan Robertson, legal counsel.

Staff present: Lynn Moser, General Manager; RJ Lake, Operations Manager; and Lynne Sedlacek, Business Manager.

II. Approval of Minutes

Ferguson moved, Ballou seconded, to approve the minutes of the April 14, 2008 Regular Meeting. The motion passes unanimously.

Brooks deviated from the Agenda and moved into Public Hearings:

IV. Public Hearings

A. Annexation Request for Lazy P Limited Partnership – Lazy P Limited Partnership is requesting annexation of 38.39 acres located on the northeast corner of Chinden Boulevard and Linder Road. The proposed use for the property is a commercial development.

Brooks opened the public hearing.

Jason Dunsmuir of the Land Group represented the project. Dunsmuir stated that the applicants have read the District's requirements and have no concerns. There was no other written or oral testimony and Brooks closed the public hearing. Ferguson moved, Gruber seconded, to approve the annexation petition. The motion passes unanimously.

B. Annexation Request for J&M Land, LLC - J&M Land, LLC is requesting a public hearing to consider the annexation petition for 367.42 acres located north of Beacon Light Road and east of Hartley Road. The proposed use for the property is a residential development. Sedlacek stated that this annexation request is larger in size than many of the District's more recent annexations and that two sewer lines will need to be extended to serve the entire development. Moser gave a brief explanation of how the property will be served.

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Brooks opened the public hearing. The project was represented by Mike Wilson, Stanley Consultants, 2264 S. Bonito Way, Suite 150, Meridian 83642. The project is under Ada County jurisdiction. The developer is proposing 937 residential units and is willing to extend the sewer lines needed to serve the project. It is the developer's intent to start work within two years of receiving Ada County approval and they expect a 10-to-15-year build out of the development.

John Bilderback of Stanley Consultants also addressed the Board. The service to the development will be split approximately in half, with a portion of the development being served by an extension of the sewer line on Linder and the other half being served by an extension of the sewer line on Palmer Lane.

There was no other written or oral testimony and Brooks closed the public hearing. Ferguson moved, Gruber seconded, to approve the annexation petition. The motion passes unanimously.

C. Reopen Fiscal Year 2008 Budget – The purpose of the budget amendment is to appropriate the \$6.5 million received from an Idaho Bond Bank loan. The Bond Bank loan was authorized through Judicial Validation. The net amount of the loan, minus the administrative fees, is \$6,495,712.59. The money will be used for the following authorized activities:

Emergency Lagoon Liner Repair	\$1,700,000.00
Emergency headworks Replacement	\$4,295,712.59
Effluent Pump Replacement	<u>\$ 500,000.00</u>
Total Emergency Repairs	\$6,495,712.59

Brooks opened the public hearing. There was no written or oral testimony and Brooks closed the public hearing.

Ferguson moved, Ballou seconded to accept the amended budget. The motion passes unanimously.

Brooks then moved the discussion back to Reports:

III. Reports

A. Eagle City Council/Norm Semanko – Semanko was unable to attend tonight's meeting.

B. ESD Board Directors:

*Ballou reported that he and Ferguson had accompanied Lake and finished a tour of all the District's facilities, including the Palmer Lane liftstation construction project.

*Ferguson – concurred with Ballou's report

*Gruber had nothing to report.

*Brooks stated that he had no new report.

C. Operations Report/RJ Lake – Lake reported that the total plant flow for April 2008 was 42,860,000 gallons with a daily average of 1.43 million gallons per day. Operations staff spent most of last month line cleaning and preparing for the lagoon leakage testing. The testing has been delayed until a pump part was received, but the testing should begin tomorrow.

Staff has been working on weed control around the plant and liftstation. The irrigation lateral has been cleaned and the berm sprinkler system is operational. Hillside Nursery will be responsible for the new plantings for most of this year. Lake is securing quotes for next year's maintenance.

The aerators that were being refurbished were vandalized and all the power lines and mooring wire was stolen. The theft was reported to the Ada County Sheriff's office. The Sheriff's office stated this type of theft has turned into a valley-wide problem. As part of their investigation, the Sheriff's office will be checking with local scrap dealers.

Moser stated that the District did not file a claim with our insurance. It was felt that the claim would be small compared to the possible increase in insurance premiums should the claim be filed. Lake has contacted Cascade Fence to get quotes on adding more security fence. Lake reported that a gate key has been given to the Sheriff's office and the deputies have indicated that they will watch for after-hours activity at the plant site.

Brooks then moved the Agenda to the Treatment Facility Operations Building Addition scheduled under New Business.

Mike Simmonds, of ZGA Architects, presented a floor plan and building elevations for the new addition. The addition will be on the east side of the existing building and it will extend north into the graveled yard. The project includes changing the gravel out to a paved yard. The addition adds two offices, a meeting room, a locker area and a unisex shower room. The addition will be constructed of concrete block to match the existing building. The design was approved by the City of Eagle at the staff level, and no Design Review hearing will be required.

The estimated cost of the addition is \$180,000. Moser reported that \$250,000 has been budgeted for the project. Ballou asked about future expansion. Moser reported that due to site constraints, this is probably the last expansion that can occur at the existing site. Lake feels this addition will cover the District's needs for several more years. After brief discussion, Gruber moved, Ballou seconded, to approve the preliminary plan and move forward in taking the project to bid. The motion passes unanimously.

V. Unfinished Business

A. Progress on Palmer Road Lift Station – Johnson reported the first concrete pour was last week. The contractor poured 175 cubic yards (18 truckloads) in one day. Johnson stated that he has been impressed with the contractor's work and they are currently ahead of their schedule. The pit's slope stability and the dewatering methods are sound. There has been less groundwater than anticipated. In approximately 15 days, the construction and backfilling should be far enough along that the pit level will be approximately 10 feet higher.

B. MWH Draft Facility Plan – A copy of the draft Facility Plan document was included in the Directors' meeting packets. Moser asked the Board to review the document and get comments back to him. He would like the final Facility Plan to be prepared in time for the Board's June 9 meeting. Brooks requested the Board members get their comments back to Moser in one week.

C. Tri Cedars Management Property Contract – It is the District's position that Tri Cedars Management Property is in default of the Real Estate Purchase and Development Agreement between the ESD and Tri Cedars Management Co., LLC. Robertson has sent correspondence to Tri Cedars affirming the District's position. Ed Priddy, a principal in Tri Cedars Management has sent the Board a letter that outlines a proposed modification of the Tri Cedars Contract with the Eagle Sewer District.

Robertson presented a memo and a draft agreement for the Board's review. After discussing some of the items proposed in the draft agreement, Brooks asked the Board to review the document and get their comments back to Moser by Friday, May 16. Robertson and Moser will complete the draft agreement and get the new agreement to Ed Priddy, the representative of Tri-Cedars Management.

Brooks cancelled the Executive Session scheduled for the end of tonight's meeting.

D. Miscellaneous – None

VI. New Business

A. Annexation Resolution Orders:

Upon approval of the following Resolution/Order of Annexation, the Board Chairman is authorized to execute and record the Order in the records of Ada County ten (10) days after the date signed, unless the Petitioner(s) formally notify the District, in writing, within said ten-day period, that the Petition is being withdrawn pursuant to Idaho Code 42-3218.

A.1. Resolution 08-07/4149 State Street - 4149 State Street, LLC is requesting annexation of approximately 2 acres located on the southwest corner of State Highway 44 and Old Valley Road. The proposed use is a commercial subdivision. The public hearing for this annexation request was held on April 14, 2008.

A.2. Resolution 08-08/Eagle Gateway - Eagle Gateway Development, LLC is requesting annexation of 14.13 acres located on the southeast corner of State Highway 44 and Riverside Drive. The proposed use is a commercial development. The public hearing for this annexation request was held on April 14, 2008.

A.3. Resolution 08-09Ada County Idaho – The Ada County Commission is requesting annexation of 84.91 acres. This is the Eagle/Ada County Sports complex. The purpose of the annexation is to secure central sewer service to the Sports Park. The public hearing for this annexation request was held on April 14, 2008.

Ferguson moved, Ballou seconded, to approve Resolutions 08-07, 08-08, and 08-09. The motion passes unanimously.

B. Treatment Facility Operations Building Addition - This item was discussed earlier in the meeting.

C. Dry Creek Ranch Planned Community – Robertson stated that the Dry Creek Ranch proposal for the Eagle Sewer District to own and manage the Dry Creek wastewater system is a new paradigm for the District.

Robertson presented his modifications to the Dry Creek Ranch Wastewater Service Agreement. Robertson stated his main concerns are regarding the subsidies that would be needed from Dry Creek Ranch to cover the initial operation and maintenance costs and the reimbursement fees that are proposed to be rebated back to the Dry Creek Ranch development company.

Dean Smith, the project engineer stated that the project will be in front of Ada County on May 22. Brooks suggested that staff and Robertson continue to work with Smith and the project owners and then bring the agreement back to the Board for final review.

D. Surplus Property – Sedlacek presented a list of property that is no longer working or that is surplus to the District's needs. Ferguson moved, Gruber seconded to authorize Sedlacek to dispose of the property. The motion passes unanimously.

E. 2008 Idaho Wastewater Reuse Conference – Moser reported that he and Sedlacek have been working on the Conference Committee and he invited the Directors to attend the two-day conference. Staff will submit the registration and fees for those wishing to attend.

F. Miscellaneous – None

VII. Ratification of Claims Paid Against the District

Ferguson moved, Ballou seconded, to ratify the claims paid against the District. The motion passes unanimously.

VIII. Executive Session

A. Pending Litigation – Tri Cedars Management – The Executive Session was cancelled.

IX. Adjournment

The Regular Meeting adjourned at 7:35 p.m.

Respectfully submitted:

Lynne Sedlacek