

EAGLE SEWER DISTRICT

May 11, 2009

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: Ed Hendershot, Jim Gruber, Jim Brooks, Chuck Ferguson, and Erv Ballou. 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 13, 2009 Regular Meeting. The motion passes unanimously.

III. FY2008 Audit Report/Jo Bolen, Gibbons, Scott and Dean – Jo Bolen of Gibbons, Scott, and Dean presented the Fiscal Year 2008 Audit Report. There was discussion regarding the comments presented in the audit's management letter. The Board asked for clarification regarding the District's segregation of duties.

Sedlacek reported that the procedures manual is complete and a copy was sent to Bolen for review. Sedlacek wanted Bolen's review prior to presenting the manual to the Board for formal approval. Sedlacek will resend the procedures manual to Bolen for her review and then get the document on the June meeting agenda for Board approval.

Ferguson moved, Gruber seconded, to accept the Fiscal Year 2008 Audit report. The motion passes unanimously.

IV. Reports

A. Eagle City Council/Norm Semanko – Semanko stated the Eagle council is still concerned about the downturn in revenue and they are monitoring the incoming revenue as it pertains to the city's expenses. Semanko reported that a public open house was held for the regional park proposed on BLM ground in the northern foothills. The council is still reviewing the comments they received from the open house.

The Public Hearing for the city's proposed "no smoking" ordinance is still open. The ordinance has been remanded back to staff for more review. The council has asked staff to investigate: 1) possible negative economic impacts of such an ordinance. 2) why the proposed ordinance carries a misdemeanor penalty; and finally, 3) does Eagle really need to take the state lead on this matter?

Semanko also reported that the council has cut back to only two meetings per month and the precouncil meetings are now starting at 5:30 instead of 6:30 p.m.

B. ESD Board of Directors:

Ballou reported that he and Ferguson had taken another tour of the Palmer Lane liftstation. Ballou voiced concern regarding the project's storm water retainage pond.

Hendershot reported that he had also visited the Palmer project to inspect the stonework on the exterior of the facility. Moser and Lake do not feel the exterior stone is installed correctly.

Johnson will address these issues later in tonight's meeting.

C. Operations Report/RJ Lake – Lake reported the total plant flow for April 2009 was 45.81 million gallons, for an average of 1.53 million gallons per day. Lake reported that the flow numbers will probably increase next month. Seasonal irrigation brings up the ground water table, leaving more of the District's collection system susceptible to infiltration. Lake reported that the operations crew recently discovered a substantial leak while cleaning the Island Woods and River's End collection system. Lake reported the line cleaning crew is continually watching for groundwater infiltration, especially on Eagle Island.

Lake stated that while inspecting the main trunk line along the Boise River, several spots of infiltration were discovered. Repair of this line will be discussed later in tonight's meeting. Moser stated that even though approximately 80% of the District's collection system is completely encapsulated in ground water, ESD's mitigation of inflow and infiltration is much higher than most sewer entities and the District's infiltration rate is well within accepted industry standards.

Lake also reported that the spring start-up of the plant's irrigation pump and sprinkler system is complete and the berm landscape maintenance is underway.

V. Unfinished Business

A. Progress on Palmer Road Lift Station – Johnson reported on the project. The parking lot has been paved and only minor mechanical work and the landscaping is left to complete. Johnson addressed Ballou's concerns mentioned in the Directors' reports. Johnson explained that the retention basin has remained full due to the high groundwater table and Johnson feels this problem will continue to occur during the irrigation season. Johnson explained a basin system redesign that will allow the basin to drain out to a nearby drain ditch. This work will require a project change order.

There was discussion regarding the exterior stonework mentioned in Hendershot's director report. Johnson stated that representatives from the stone manufacturer have visited the project and it is their opinion that the stone was not installed correctly. Johnson stated that the general contractor has agreed to have all the stone taken down and reinstalled correctly at no cost to the Eagle Sewer District.

A. Progress on Palmer Road Lift Station (continued)

Contract Time Extension – Johnson reported that the contract completion date is June 1, 2009. The contractor has asked for a 120-day extension. Johnson feels the time extension is warranted and explained that the extension would not generate any additional cost by the contractor or engineer unless specific change orders are approved by the Board.

Ferguson moved, Ballou seconded, to extend the contractor's contract by 120 days. The motion passes unanimously.

B. Update on Wastewater Headworks Project – Johnson reported that the project's contract was signed and the notice to proceed was issued on May 4. Because the building permit from the City of Eagle isn't ready, the contractor may ask that the notice to proceed date be changed to the date they receive the City's approval on the building permit.

C. Miscellaneous – None

VI. New Business

A. HGACBuy/Interlocal Contract for Cooperative Purchasing – Moser reported that ESD's 2009 budget has money set aside for the purchase of a new Jet/Vac Truck. The HGAC Purchasing Program was established to help government agencies buy specialized equipment. This organization performs the competitive bidding in advance so that the government agencies can purchase products from vendors that participate in the program. In the District's case, every major manufacturer is represented and the District can match the necessary product requirements and still receive the benefits of competitive bidding. A memorandum from Moser explaining HGACBuy was included in the Director's packets.

Lake explained that by using the buying service, ESD can review all the trucks, the options available and the price that has already been set. Lake stated that going to each manufacturer and asking for specific options tends to drive up the price of the equipment.

As the District's legal counsel, Robertson has reviewed the HGACBuy contract and provided the Directors with a memorandum that explains the program and lists the pros and cons of using this service. After some discussion, Ballou moved, Ferguson seconded, to join the HGACBuy purchasing program. The motion passes unanimously.

B. MWH Engineering Services for Dry Creek Sewer Crossing – The District's main sewer trunk line located along the Boise River was recently inspected with the Closed Circuit Television (CCTV). Several infiltration leaks were discovered and have been repaired. However, two issues remain: the section of trunk line that crosses Dry Creek is not buried, but crosses through Dry Creek exposed; and significant hydrogen sulfide degradation has taken place on the internal crown of the concrete pipe. Moser asked MWH to prepare a contract for the engineering work needed to install approximately 200 feet of sewer main and several manholes.

Johnson presented the contract as Task Order No. 9 of MWH's Master Consulting Services Agreement. Task Order No. 9 provides the scope and cost for providing engineering services for the ESD Dry Creek Sewer Crossing project. The project is anticipated to take no more than six months from the Notice to Proceed, and the engineering costs have a not-to-exceed amount of \$52,678. Additional deliverables were listed in Attachment B, the Scope of Work.

Ferguson moved, Ballou seconded, to approve the engineering services contract. The motion passes unanimously.

C. Miscellaneous – Brooks presented a letter he received from Roy Montague regarding the Montague-Sauriol business building located at 1125 E. State Street. The building has been vacated due to a tenant's bankruptcy. Mr. Montague has requested that the Eagle Sewer District discontinue billing on the building while it is vacated. There was discussion regarding the District's policy on billing unoccupied property. With the Board's approval, Brooks gave the letter to Robertson and requested Robertson respond to Mr. Montague's letter and explain the District's policy.

VII. Ratification of Claims Paid Against the District

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

VIII. Adjournment

Ferguson moved, Hendershot seconded, to adjourn the meeting. The motion passes unanimously. The Regular Meeting adjourned at 7:35 p.m.

Respectfully submitted:

Lynne Sedlacek