

EAGLE SEWER DISTRICT

March 12, 2007

Regular Monthly Meeting

6:30 p.m.

Minutes

Roll Call

Chairman Michael Gifford called the meeting to order at 6:30 p.m. Board members present: Jim Brooks, Michael Gifford, Chuck Ferguson, and Erv Ballou. Ed Hendershot is absent. A quorum is present.

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

Staff present: Lynn Moser, General Manager; RJ Lake, Plant Superintendent, and Lynne Sedlacek, Office Manager.

Approval of Minutes

Ferguson moved, Brooks seconded, to approve the minutes of the February 12, 2007 Regular Meeting. The motion passed unanimously.

Public Hearings

Eagle Commons, LLC – Eagle Commons, LLC is requesting annexation of 51.60 acres located west of Linder Road and south of State Highway 44. The proposed use for the property is a 45-lot single-family residential subdivision. Gifford opened the public hearing. Russ Hepworth, The Land Group, represented the annexation request. The site will require a minimum of two feet of fill to accommodate the City of Eagle's flood plain development requirements. Additional fill will also be necessary to allow the site to gravity serve back to the ESD lines located east of the project.

There was no other testimony and Gifford closed the public hearing. After some discussion, Ferguson moved, Brooks seconded, to approve the annexation petition. The motion passes unanimously.

Reports

Eagle City Council/Scott Nordstrom – Nordstrom reported on the problems the City has been having with hunters along the Boise River. Rather than ask ESD for hunter access to the Boise River, the Eagle City Council will increase enforcement of “no hunting anywhere inside city limits.”

The Eagle planning staff has been working on a study and long-range plan for Eagle's North Foothills Planning Area. The sub-area committees are finalizing their proposals and a draft planning document should be ready in the next 60 days. The Council has requested Ada County wait on their foothills plan until Eagle's document is completed. The city hopes that Ada County and Eagle can work to mesh the two plans together.

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Wastewater Plant/RJ Lake – Lake reported the total plant flow for February 2007 was 38.79 million gallons, for an average of 1.39 million gallons per day. Operations staff has finished insulating and paneling between the rafters in the main shop. This should reduce heating and air conditioning costs.

There are some areas in the collection system that are lacking invert and rim elevation information. The District has recently purchased an auto-level tripod, transit, and measuring rods and Ben Kinney will be working with Phil Johnson of MWH to learn how to use the equipment. Kinney will be responsible for collecting the missing collection system data.

Unfinished Business

MWH Report on the Facility Plan Progress – Progress Report No. 13 was included in the Director's packets. Bratz summarized the report. NPDES permit: After the second meeting with EPA in Seattle, a follow up letter was sent to EPA that summarized ESD's position on the permit request. A subsequent email has been received from EPA that seems to indicate they are taking a position that is positive to ESD's goals. Public Information: Marc Johnson of the Gallatin Group, Bratz, Moser, and Sedlacek have met with the Ada County Commissioners, Boise Public Works staff and commission, and with the staff of Senators Crapo and Craig. A meeting with Representative Sali's office is scheduled for this Wednesday. So far all the meetings have been very positive. Bratz indicated that the delay in securing the NPDES permit would probably require a revised completion date in the contract between ESD and MWH.

Bratz also distributed an information sheet showing some recent bond issues that have been passed to fund wastewater treatment improvements in southern Idaho. The sheet listed the community, design flow of the plant, the project cost, and the impact the bonding had on customer rates. Most of the bonds had passed with 70% to 80% approval even though the customer rates at least doubled; and in the case of Burley, the rates

increased from \$3.56 per month to \$45.50 a month.

Progress of Negotiations with Stillwater Developer – Moser and Robertson are still negotiating with the development's representatives. Stillwater has proposed closing on the purchase of the ESD property 45 days after their proposed subdivision's *final* plat is approved by the City of Eagle. Robertson reported to the Board that he is more comfortable with a closing that is scheduled 30 days after the City of Eagle approves the subdivision's *preliminary* plat. After discussion, the Board agreed and asked Robertson to take the new proposal back to the Stillwater representatives.

Progress on ITD Property Transfer – *The Idaho Transportation Department owns approximately 11 acres located between the Eagle Alternate Route and the Boise River's north channel. The property is adjacent to the east boundary of the ESD plant property. The ground was secured by ITD as part of the Eagle Alternate Route construction and wetlands mitigation process. ITD would like ESD to take ownership of the property.*

The Idaho Transportation Department has received approval to dispose of the property from both the Federal Highway Administration and the Army Corps of Engineers. All conditions applicable to wetlands must be adhered to and the property must remain in public ownership. The existing survey is still on record, so no new survey will need to be done. ITD must declare the property surplus to their needs and have it appraised.

Brooks reported that the ESD has complied with everything that ITD has requested be done. He feels that the ITD legal department may be busy with legislative issues and we will need to wait for ITD to get back to us.

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Linder Trunk Sewer and Force Main Project – Landmark Engineering reported. Brown Construction has requested Change Order #3 for an extension of time. There have been construction delays caused by our recent wet weather. In addition, the original design for the pressure sewer line was changed from a 10-inch to a 14-inch pipe size. There has been some difficulty in getting the materials necessary to facilitate the increase in pipe size. Moser stated that he supports the change order request. Brooks moved, Ferguson seconded, to approve Change Order #3. Motion passes unanimously.

Miscellaneous – Moser reported that in conjunction with the ESD's Facility Plan meeting with the Ada County Commissioners, there was also discussion regarding the ownership, operation and maintenance, and depreciation funding for on-site wastewater treatment plants. Most of the planned communities proposed within Ada County are planning to use some sort of on-site technology for wastewater treatment and reuse.

In his report to the county commissioners, Moser made the point that in addition to the day-to-day operation of these plants, it is important that the jurisdiction approving the planned communities also ensures that a business plan is in place. Moser proposed that the on-site wastewater treatment plants be managed by one of the existing cities or sewer districts that are in near proximity to the planned communities. John Tensen, City Engineer for Boise, and Dean Smith with Brown and Caldwell Engineering, also attended the meeting and supported Moser's proposal.

New Business

Shadow Valley Planned Community/Kastera Homes – Kastera Homes has purchased the Shadow Valley Golf Course and is proposing to build a planned community called Shadow Valley Planned Recreation Community. They are also now in possession of 660 acres located on the north end of Eagle Road. They are proposing another planned community for this area called "Trailhead." Kastera is proposing to construct Membrane Bio-Reactor (MBR) waste treatment plants to serve their developments. The Eagle Sewer District has received a letter from Kastera Home's planning director, Wayne Forrey, requesting annexation into the District. The letter states that Kastera will build the MBR plant to the District's specifications and would then turn the facilities over to the Eagle Sewer District for operation and maintenance.

Moser asked Forrey to attend the Board meeting to discuss the proposal. Forrey reported that Kastera is proposing to build over 1300 homes on the two developments. Forrey stated that they feel strongly that Eagle Sewer District should own and manage these plants and that Kastera will build the plants to the ESD standards and will then dedicate ownership to the ESD. Forrey requested the Board either annex the Kastera property into the District boundaries or consider an out-of-District contract.

There was discussion regarding where the recycled water would be used, how the monthly rates and connection fees would be structured and who would control the construction process. Moser recommended that he and Evan meet with Kastera's attorney and the project managers to begin working through the process. Robertson stated that the analysis should also include whether the District should bring these areas in as a subdistrict rather than just a basic annexation. The Board agreed that staff and legal counsel should meet with the Kastera representatives as soon as possible. Nordstrom stated for the record that it is the City of Eagle's position that any planned community belongs under the purview of a local municipality.

Declaration of Surplus Property – Sedlacek has provided the Board with a list of surplus property—specifically two file cabinets. Brooks moved, Ferguson seconded, to declare the listed items as surplus.

Motion passes unanimously.

House Bill No. 153 - Moser had reported on the proposed bill at last month's meeting and the Board had directed Moser to draft a letter addressing the District's concern, and to follow up on the legislation. Included in the Directors' packets was Moser's memorandum explaining the legislative action taken on the bill. There was discussion regarding the possible benefits of forming an alliance group for water and/or sewer districts.

Miscellaneous – Gifford stated that it is important that the District concentrate on moving the NPDES permit forward. He suggested that since the Gallatin Group is helping with the Facility Plan, perhaps they could assist with the permit. Moser stated that Marc Johnson has been attending all the community meetings, and also the meetings with the staff members of Senator Craig and Senator Crapo. Bratz stated that in the meetings with DEQ and both senators' offices, that Johnson had stated that Eagle Sewer District may come back to ask for assistance if we run into delays with the NPDES permit.

There was no other miscellaneous business.

Ratification of Claims Paid Against the District

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

Adjournment

Ferguson moved, Ballou seconded, to adjourn the meeting. The motion passes unanimously. The Regular Meeting adjourned at 7:55 p.m.

Respectfully submitted:

Lynne Sedlacek