

CITY OF SHELLEY
INFORMATIONAL MEETING
MINUTES

AUGUST 31, 2004

PRESENT: Mayor Eric Christensen
Council Members: Lorin Croft, Chad Landon, Steve Cederberg, John Lent
City Clerk: Sandy Gaydusek
Public Works Dir: Rick Anderson
Police Chief: Alan Dial
Recreation Dir: Dawn Lloyd
City Attorney: Scott Hansen

This meeting was called to provide information to the public regarding the proposed sewer treatment facility bond issue. Mayor Christensen called the meeting to order at 7:00 p.m. and welcomed everyone in attendance. He briefly discussed the need for a new treatment facility and expressed that the city needs to be reactive to our current waste water treatment problems. Mayor Christensen turned the time over to Ted Hendricks from ECIPDA.

Mr. Hendricks said our current sewer treatment is a lagoon facility which is not able to meet new EPA requirements. He said many cities in our region are experiencing the same problems and referenced the City of St. Anthony. Mr. Hendricks said in the past a vast majority of projects have been paid by grants; however there is not as much funding currently to aid in these types of projects. He said this led cities to charge a lower rate for their sewer services to maintain and operate the department. Mr. Hendricks said now every city's infrastructure needs to be updated to meet current requirements. He said water, sewer and sanitation funds need to be run as a business that is solely supported by user revenue.

Mr. Hendricks discussed the idea of a regional waste water treatment facility. He said in 2000 five entities banded together to see if a regional facility was feasible. Mr. Hendricks said the project was determined to be very feasible and favorably looked upon by DEQ. He said the Shelley location was chosen due to the downhill flow. Mr. Hendricks said Shelley's lagoon is worn out and a new treatment facility needs to be constructed. He said tonight our alternatives are going to be discussed. Mr. Hendricks said the City of Shelley can stand alone and build their own plant, or they can build so other entities can eventually construct another phase of the plant for their use and it will become regional. He said the feasibility study recommends a regional plant because the more users, the better which lowers the cost to all of the users. Mr. Hendricks said Melaleuca will be constructing a line south down the New Sweden Highway that will access the main city lines. He said Melaleuca has funded the majority of this project, by appropriating 1.4 million towards the project. Mr. Hendricks said \$500,000 will be paid by a grant through the State, \$100,000 by Heber Andrus, and the city will be expending \$100,000 to upgrade the sewer lagoon in the interim of a new treatment facility. He said Melaleuca received the grant with the condition that they will provide 50 new jobs. Mr. Hendricks said the proposed

treatment plant will be built in several stages. He said each entity that utilizes the plant will be responsible to pay for the next stage of the plant.

Mr. Hendricks said the city will be holding a bond election this November to try and pass a bond in the amount of 6 million dollars for the construction of the treatment plant. He said Congressman Mike Simpson has been contacted and there may be congressional funds available in the amount of 3 million dollars if the city bond is passed. Mr. Hendricks said the city needs to show that they support a regional project before Congress will appropriate those funds. He said the total project will cost approximately \$9 to 10 million dollars if it goes regional. Mr. Hendricks said if the congressional funds are not received there is no way that the project can go regional and the city will need to construct a stand alone plant. He said either way the city will be looking at 6 million dollars to fund their needed plant. Mr. Hendricks said there are no other grants that the city is eligible for. He said the citizens of Shelley are looking at a rate increase of approximately \$15 per month making their monthly rate approximately \$35 per month to pay for the treatment plant.

Husk Crowler of Forsgren Engineering summarized what events have transpired regarding the proposed regional facility over the past four years. He presented a power point presentation which listed the five entities that became involved in this project as Shelley, Ammon, Bonneville County, Bingham County and the Iona Bonneville Sewer District. Mr. Crowler said since then Iona Bonneville Sewer District has chosen to withdraw from the Steering Committee. He discussed the different alternatives for a regional sewer plant. He said our lagoon is currently out of capacity. Mr. Crowler said our lagoon system was designed for less flow than it is currently putting out. He said a Joint Powers Agreement has been entered into by Shelley, Ammon, Bingham County and Bonneville County. Mr. Crowler said there are four projects planned for a regional facility. 1) Northern Interceptor – Melaleuca project/ will be constructed this fall. 2) Shelley waste water treatment plant – will be designed for the city and Melaleuca's flow. 3) Transmission line from Ammon as well as a portion of the treatment facility. 4) Firth and Basalt Transmission lines.

Mr. Crowler said the City Council does not want to subsidize outside users of the system. He said Melaleuca is paying their own way, and in fact may be subsidizing a portion of the city's upgrades. Mr. Crowler said over the past two or three years the city has had occasional discharge violations of their NPDES permit. He said this year new regulations came out from EPA, and the city will not be able to meet those requirements with their existing lagoon. He said the city has two options. 1) Do nothing, however they may be cited with large fines from EPA for non-compliance. 2) Replace the existing lagoon system with a wastewater treatment facility. Mr. Crowler said once the city demonstrates that we can get to the affordability target of \$35 per month we may receive some congressional funds. Mr. Crowler discussed how a treatment plant works.

Mr. Crowler said the city is faced with some important decisions. He said the city needs to build a new treatment facility. He said the council is concerned about doing the right thing and build a

plant that will last for twenty or thirty years. They have made the decision to go to a bond election and try and provide information to the public by holding informational meetings. Mr. Crowler said the proposed implementation for a new plant is 2005 and it should be on line by 2007.

Mr. Hendricks asked if there were any questions from those in attendance. There were some questions from the audience mainly concerning the funding, potential odor problems, and rates. Mr. Crowler said there may be a potential odor, however the main portions of the plant that may produce odors will be enclosed and the air will be scrubbed before it is released into the atmosphere. Mr. Hendricks said the City of Ammon and the Iona Bonneville Sewer District is currently utilizing the City of Idaho Falls sewer plant. He said Idaho Falls is looking at upgrading their plant also which will raise rates to those similar to our proposal.

Mayor Christensen thanked everyone for coming to the meeting. He said there will be other informational meetings held which will be advertised. Mayor Christensen said he looks forward to the citizens passing the bond.

Adjourned 9:20 p.m.

ATTEST Sandy Hayward APPROVE: Eric R. Christensen