

CITY OF SHELLEY
WORK MEETING
MINUTES

FEBRUARY 2, 2010

PRESENT: Mayor Eric Christensen
Council Members: John Lent, Charlotte Fredrickson, Earl Beattie, and Kurt Russell
Public Wks Dir: Rick Anderson
Public Wks Foreman: Chuck Lloyd
City Clerk: Sandy Gaydusek

This meeting was opened at 5:45 p.m. to review the construction of the wastewater treatment plant and its operation.

Husk said he wanted to update the new members of the council on how the wastewater treatment facility evolved. He said there were many funding sources that contributed to the Northern Interceptor, the treatment plant and the construction of the Eastern Interceptor.

Husk discussed ERU's (Equivalent Residential User) and how they were established. He said not only is flow factored into it, but also the strength of the wastewater being treated. Husk said that is why schools have a higher ERU calculation. He said most of the wastewater is from bathroom services, not showers, laundry water, etc. Husk said if the schools are not being charged for their share, then the residents subsidize it.

Husk discussed the tap fees. He said if you take the number of ERU's and the total project cost, \$4000 per ERU is being paid through the bond. Husk said at the present all new taps are paying \$2600. He said each entity should be assessing the same tap fee, which will be turned over to EIRWA. Husk said if the entities need a portion of the tap fee for their collection system, they should charge a higher fee of which a portion will go to them.

Husk discussed Ammon's participation in the operation and maintenance of the treatment plant. He said the City of Ammon is still paying the City of Idaho Falls for wastewater treatment because the Eastern Interceptor has not been built yet. Husk said it will be another twelve to eighteen months before the transmission line is completed. He said the City of Ammon is hesitating about paying EIRWA for O&M when they are not flowing to the regional treatment facility. Husk said there are several options to help resolve this matter. He said Ammon understands they must help pay for the operation of the plant, however they are willing to pay whatever is in arrears each month instead of the entire O&M fee. Husk said it may be feasible to have Shelley supply a part time employee at the plant to save personnel costs until Ammon is flowing to the plant. He said with a grade four operator, if Shelley could provide an employee for two or three hours each day it would help save from hiring an additional full time employee. Husk said they could also contract with a Grade 4 operator instead of adding them to the payroll, and just hire one full time operator to save costs. Ted said DEQ may be willing to postpone repayment of the bond also; however the city would be required to pay the accrued interest.

Sandy asked if the entire principal amount being saved would need to go to the regional plant. Ted said no, just a portion would go towards the O&M at the plant, and the city could even use the remaining portion to pay towards the repayment of the bond.

This matter will be placed on the agenda for the next regular council meeting.

Adjourned: 7:45 p.m.

ATTEST: Sandy Daydua APPROVE: Eric R. Christensen