

**CITY OF KUNA
SPECIAL CITY COUNCIL MEETING
MINUTES
JUNE 9, 2006**

KUNA CITY HALL COUNCIL CHAMBER, 763 W. AVALON

NOTE: These minutes are an unofficial record of this City Council meeting until reviewed; corrected if deemed appropriate and formally approved by the Kuna City Council at a subsequent Council meeting.

Mayor Dean Obray called the Special City Council Meeting for discussion of planning for a Kuna Railroad Overpass to order at 10:45 a.m.

Present: Mayor Dean Obray; Council Members Scott Dowdy, Trina Stroebel and Richard Cardoza; City Engineer Keven Shreeve; City Clerk Lynda Burgess. Councilwoman Stroebel was absent.

I. Welcome and Introductions

Sherry Huber, ACHD; Charles Trainor, Compass; Joe Hamer, Highway Technical Assistance; Charlie Clark, UPRR; Gary Phinster, UPRR; Diane Youanto; Katy Moeller, Idaho Statesman; Sam Johnston; Keith Dickerson, UPRR; Lavar Thornton; Dennis Vander Stelt; Salvia Bowman, ACHD; Katey Levihn, ACHD; John Steinbacher, Developer; Clay Carley, Developer; John Trumbell, UPRR and Terry Little, Transportation Manager, ACHD.

II. Historical Perspective and 1995 Kuna RR Crossing Study

Charlie Clark, UPRR, stated that during the last 10 years and particularly in the last two, he has received many phone calls from concerned citizens that UPRR's operations have tied up the community. Funding has been sought during the past 22 years through the Federal Appropriation Process, the State Legislature, ACHD and the City. He stated that he was amazed at the amount of development south of the tracks in Kuna which has escalated the number of complaints received by the railroad. UPRR has now reached a point where train operations cannot be scheduled to accommodate the needs of the drivers in Kuna. Trains are currently 7,200 feet long, they are heavier than ever before and are run 35 times a day through Kuna. Kuna and even Mountain Home have become staging areas for trains going into the Nampa yard. He indicated that UPRR's business projections show that train traffic is expected to increase by 300%.

III. Discuss four options presented for crossings

Clay Carley stated that his interest is as a potential developer for an area south of Kuna. The City is entering into the possibility of increasing the density south of the tracks dramatically. The question is are there alternatives that are viable to move the double tracks east or west out of Kuna and allow for trains to switch outside of Kuna and then pass through moving through Kuna? If a train delay in Kuna is 5 minutes, then a recreational center south of the City is viable, but if future delays will be 10-20 minutes, then the amenities for the community will not work.

Mr. Clark responded that UPRR already has a site out by the Owyhee's to move the tracks, which is about 2 miles from Kuna. An overpass would be cheaper than moving the tracks. Kuna would still have the same problem because when the trains come through they would still have to hover outside of Nampa so they would end up staging in outlying areas such as Kuna.

John Trumbell, Public Project Engineer for UPRR, reported that to move the tracks would cost about \$2,000,000 per mile to build tracks, which does not include grading or bridge building and would take 3 to 5 years. So to try to move the siting would be very expensive. This will not solve Kuna's problem since the train would still have to come through Kuna. Updated costs for an overpass at the King site is \$19,200,000.

Councilman Dowdy stated he did not think a bond for the overpass would work in Kuna because the only people that would vote for that bond would be the population south of the tracks and the majority of the population is north of the tracks. Residents won't vote to raise their taxes to put in an overpass so more developers can build south of the City and bring more people into the City.

Mayor Obray stated that bonding for an overpass is not an option at this time. Kuna's appraised value is \$344,000,000 at the present time and by State Statute, the City cannot bond for more than 2% of that amount, which values out at \$7,000,000; which the City is in the process of using already. That bond has not been approved yet, but the original concept was to include an overpass and a recreational district bond for \$15-\$20,000,000. In the process of getting the paperwork ready, the City found out about the 2% statute.

Terry Little, Traffic Manager for ACHD, stated that they had been looking at Kuna options in 1995 around Ten Mile and over to 3rd or 2nd Street. Kuna did not extend to Swan Falls back then. At that time, there was a \$6-\$8,000,000 estimate and they were using a \$1.80 per residential land figure and \$2.90 for commercial. The two favored routes for the overpass were 3rd and 2nd Street and tying to Avalon at that time. There was no urgency to put the overpass in at that date.

Ms. Sanders stated that the consensus from the residents is that the location for the crossing should be Swan Falls or Linder.

IV. Concept study for site selection (timing, cost, process)

Katey Levihn, ACHD, explained that the first step before the City searches for funds would be selecting the location, then preparation of a study that encompasses the most feasible and cost effective alignment, costs and preliminary design. When the alignment is identified, property owners need to be motivated to be reasonable or asked to gift the land for the alignment. If a landowner donates the land and gets a cash benefit that crossing will potentially make his land more valuable.

V. Project design timeline and process for inclusion in ACHD's Five Year Work Plan and Capital Improvements Plan (CIP)

Ms. Levihn stated that when the site for the overpass and design has been completed, it will still take ten years (this would be fast tracking) before a structure would be available using Federal dollars. The City would have to get through the environmental impact statements. Federal dollars add about 30% to the project. In qualifying for the money, the road has to be an arterial and meet certain projected volume requirements for the future.

Unknown Speaker: If the money were available next month, how long would it take before cars would be traveling over the overpass?

Consensus was three to five years, maybe.

Mr. Trumbell, UPRR, reported on a project in El Centro, California where they went from a meeting like this to cars passing over the crossing in 22 months. The crossing was financed with private money. One of the main items moving the project along was that there were civil engineers that knew how to get things done and how to build an overpass working on the project and that made a big difference.

VI. Financing options and strategy

Sherry Huber explained that other communities in the Valley have been financed by developers for large projects. Developers provided the money up front and then the city made arrangements with them that they would be paid back from the impact fees of their development.

Ms. Huber was asked if it was possible to extend Highway 69 south and use ITD money to accomplish an overpass?

Mr. Clark responded that ITD will be in the same position as ACHD which is looking at a fairly dire financial future. After about 2010, their ability to do new capital projects is going to go away. They face the same issue with galloping costs for maintenance, cost of doing business and flat revenues. The position nationally for Federal dollars is that Idaho is a beneficiary state and in the last five or six years, the State has received approximately \$.35 on the dollar. There are donor states that are not very happy about this and they are pushing all the time to get their own dollars back. The Federal Trust Fund is going to be bankrupt by 2010. In applying through the Federal Funding Program, agencies get bogged down with paperwork and it is at least a five-year project before construction can start. Highway 69 south could be included in the Garvey Funding Process, which would provide Federal Funds and requires legislative approval. The City could apply for a Department of Commerce and Labor Community Development Block Grant or some other economic benefit showing that the City would need this overpass. Regarding Congressional take downs, Congress would decide which projects are most important in Idaho instead of the citizens of Idaho. Sabrina Bowman's role is to look for opportunities for funding in different ways; she is the expert in this field.

Keven Shreeve clarified that it looks like Kuna will have to find funding sources on its own.

Mr. Clark explained that there are no more funds available at the State level. The State needs to expand the pool of dollars that are available. Avenues to increase revenues could be by

increasing impact fees, increasing vehicle registration, or indexing the gas tax so it is more sensitive to inflation. Approaching the legislature to increase fees has not been productive--the standard answer is invariably no. If Kuna is going to solve this problem, Kuna is going need an entrepreneurial solution. If the City got landowners involved that would support the overpass, it could trim a year or more off the construction time-line.

VII. Action items and assignments

Mayor Obray asked what steps should be next be taken by the City.

Mr. Clark responded that the first step is get an alignment set and making sure the City is behind it. Find the trade-offs the citizens would be willing to accept to make the overpass happen. Then proceed to a conceptual design and a cost estimate so the City knows where it is heading.

Turn-in site ideas and plans to Sabrina Bowman so she can work on funding alternatives for the overpass.

If ACHD does a full study with four alignments and public involvement, it would cost about \$300,000.

What do you need from the City to know that this is the accepted crossing route that the City has selected? The City will need public involvement and Council notification after public hearings to start the project process with ACHD.

There being no further business to conduct, the meeting was adjourned at 12:05 p.m.

Jeffery T. Lang, Council President

ATTEST:

Lynda Burgess, City Clerk

DATE APPROVED: August 1, 2006