

**CITY OF KUNA
SPECIAL CITY COUNCIL MEETING
MINUTES**

SEPTEMBER 26, 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 to order at 1:00 p.m.

Present: Mayor Dean Obray, Council President Jeff Lang, Council Members Scott Dowdy, and Richard Cardoza. Councilwoman Stroebel was absent.

Also present: City Attorney Randy Grove; City Clerk Lynda Burgess and Interim Planning & Zoning Director Diana Sanders; Clay Carley and John Steinbacher, Swan Falls Development LLC and Mark Moeser, Wilson, Harris & Co.

ANNOUNCEMENTS:

Mayor Obray announced that there will be a meeting to educate the public on Proposition 2 on September 27, 2006 at 7:00 p.m. at Boise State University in the Student Union Building. Key speakers will be Dr. Martin and Jerry Mason, Association of Idaho Cities. They will present facts on Proposition 2 (called Measure 37 in Oregon). Oregon is under civil suit for \$80,000,000 worth of takings because of Measure 37.

Boise Board of Control is having an open house at 11:30 a.m. for their new power plant at the end of S. McDermott Rd. They have invited everyone to attend.

Big Boys and Big Sisters wanted someone in Kuna to represent Kuna at Meridian Lanes on November 11, 2006 from 3:00-5:00 p.m. to raise funds for their organization. Kuna is to form a 5-member team at a cost of \$100 per person as a pledge. Council chose not to attend.

AGENDA:

1. APPROVE LETTER OF INTENT WITH SWAN FALLS DEVELOPMENT, LLC.

Mr. Carley reported on the benefits to be derived from the proposed development.

- Sustain the community - will bring in all age groups, lifestyle
- Signature community for the Treasure Valley
- Balanced development by having this development to the south of the City
- Significant tax increase for the City
- Increased economic opportunities
- Golf course and YMCA facility will bring employment
- Housing development south of tracks
- Leadership for the Treasure Valley in other communities
- Life long contribution to the community of Kuna

2. UPDATE ON PROPOSED RECREATIONAL AND SEWER FARM DEVELOPMENT.

Coordinate with ACHD, ITD, Ada County, UPRR, etc.
Work with LSA Associates, SWA Associates and Marriott golf.
Design by Robert Tent Jones

Path to Success – Letter of Intent

- General obligation bond passed
- Development contract executed
- Community outreach
- Planning initiated
 - a) RR overpass
 - b) Community layout
 - c) Phase I entitlement
 - d) Financing arranged
 - e) Construction begins

Results – YMCA

- Educational element
- 18 hole championship golf
- Playing fields
- Park
- Birds of Prey Center

3. DISCUSS 2005/06 BUDGET WITH AUDITOR.

Mayor Obray stated that he had asked Mr. Moeser to bring suggestions to Council on how the City can improve operations in the Treasury Department.

Mr. Moeser recommended the following improvements:

- New audit procedure – Management Discussion Analysis – editorial piece submitted as part of the financial statements—information beyond numbers.
- Coding of expenses accurately
- Biggest expense items, discrepancies related to capital expenditures, and discrepancy expenditures.
- Define contingency expense and what is a capital expense—check resolutions and minutes.
- Expenses were over budget—need policy—check resolutions and minutes. At what point does the City Council need to approve over-spending on a particular account % or \$ amount.
- Adopt resolution defining budget process.
- Contact AIC for budget standards in other cities.

Mayor Obray stated that there was a deficit in the Water fund of \$124,318.74 and requested permission from Council to take monies out of the following accounts to cover the deficit: Apply funds from Contingencies in the amount of \$100,614.00, transfer

various amounts from other accounts to cover the remaining \$10,000 from another account, \$1,158.31, and \$7,000 to make up the deficit so that the funds would balance.

Deficit in the Sewer fund in the following line items: salaries for sewer inspections \$5,037.26, \$33,969.46 of farm account expenditures, \$66,842.75 for engineering services, and a few other smaller expenses totaling \$114,760.91. Apply monies from Contingencies of \$67,500 and two other line items of \$55,020 and \$60,000. This would leave \$19,739 unencumbered in the Sewer fund.

Deficit in the Pressurized Irrigation fund in the following line items: Salaries for pressurized irrigation inspections \$5,000, utilities and gas in every department over-budget \$14,930.92. Apply monies from Contingencies of \$14,930.92.

No deficit in Parks.

Mayor Obray proposed, effective October 1, 2006 to improve internal controls by making all department heads responsible for their department budgets. When a department is approaching budget on a particular line item it will be the manager's responsibility to bring it to Council and staff's attention.

Moved by Jeff Lang, seconded by Councilman Dowdy to approve moving monies as outlined by the Mayor in the specific funds in the 2005-06 budget to compensate for the deficits in line item budgets. Motion carried 3-0-1 (Councilwoman Stroebel absent).

4. APPROVED ACCOUNTS PAYABLE IN THE AMOUNT OF \$50,000 FOR J & M SANITATION.

Moved by Councilman Lang, seconded by Councilman Dowdy to approve Accounts Payable dated September 26, 2006 in an amount not to exceed \$50,000 for J & M Sanitation.

5. DISCUSSED GENERAL OBLIGATION BOND BALLOT MEASURE.

City Attorney Grove requested a change in bond revenue indebtedness to \$2,572,465.42 for outstanding principle and interest.

- Proposed bond of \$7,000,000 to be repaid in 30 years/early repayment w/o penalty.
- Bond election to be held November 7, 2006.
- Special Council Meeting for canvass November 13, 2006 at 9:00 a.m.

DISPENSE WITH FULL READING AND 3 CONSECUTIVE READINGS –
ORDINANCE 2006-97, PROVIDING FOR A GENERAL OBLIGATION BOND
ELECTION ON NOVEMBER 7, 2006.

Mayor Obray read the Ordinance by title only.

Moved by Councilman Lang, seconded by Councilman Dowdy to dispense with full reading and 3 consecutive readings of Ordinance 2006-97. Motion carried 3-0-1. (Councilwoman Stroebel absent).

Moved by Council Lang, seconded by Councilman Dowdy to adopt Ordinance 2006-97, providing for a General Obligation Bond Election on November 7, 2006. Motion carried by the following Roll Call vote:

AYES: Lang, Dowdy, Cardoza
NOES: None
ABSENT: Stroebel

There being no further business to conduct, it was moved by Councilman Dowdy, seconded by Councilman Lang to adjourn the meeting at 3:00 p.m. Motion carried 3-0-1.

O. Dean Obray, Mayor

ATTEST:

Lynda Burgess, City Clerk

DATE APPROVED: OCTOBER 3, 2006