

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

**JANUARY 12, 2007**

**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.**

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Mayor Dean Obray called the City Council Special Meeting for discussion of the Latecomers Agreement for the Danskin Lift Station to order at 3:45 p.m.

**Present:** Mayor Dean Obray; Council Members Jeff Lang; Scott Dowdy; Richard Cardoza; City Attorney Randy Grove; Planning Director Diana Sanders; City Clerk Lynda Burgess and Jim Keller and Justin Walker of Keller & Associates. Councilwoman Trina Stroebel was absent.

Justin Walker reported that, earlier this year, an agreement was made with a developer to construct a regional lift station for reimbursement of construction costs via a Latecomer Agreement. The project is essentially constructed and the lift station is expected to become operational around January 17<sup>th</sup>. The developer submitted a spreadsheet for costs incurred and reimbursement is being requested. The costs have been reviewed with Planning and Zoning and the developer's representative, Steve Snead. He referred to the "Danskin Offsite Sewer-W/JRW Revisions" attached hereto as Exhibit A and described the costs within the "Eligible" column – the areas in blue are costs that need to be discussed for eligibility as they were assumptions made by the previous City Engineer. The costs in green are not reimbursable, in Mr. Walker's opinion and the costs in white are eligible. He pointed out that of the 5,640 connections, 1,050 connections are existing homes that have already paid connection fees leaving 4,590 connections that will ultimately receive service. The final cost to be negotiated would be split evenly between those connections and assessed to the properties at the building permit stage as a latecomer cost to all connections. The money would then be set aside and put into an account and then reimbursed to the original builder of the project. He understood that the current latecomer policy includes a 10-year sunset clause.

Mayor Obray pointed out that Keller's proposal for the Latecomer's Reimbursement Policy suggests a sunset clause of 8 years. The City would continue to collect the Latecomer's fees even though they would not be reimbursed to the developer.

Jim Jewett, 1560 Carol St., Meridian, JLJ Enterprises – stated that he was not asking for reimbursement from the City but rather a Latecomer's Agreement so future builders would reimburse JLJ. Asking for a water over-size and over-depth agreement and for a two-stage sewer agreement – one for the lift station and force main and one for the over sizing. Mr. Jewett agreed that several agreements had been made with the former City Engineer that were not documented.

Steve Snead, 1560 Carol St, Meridian, JLJ Enterprises – reported that the power had been supplied to the lift station and that additional testing was to take place today. The City Engineer and city staff are scheduled to meet on January 17<sup>th</sup> to start pumping for final testing with the station to be online by the end of the week.

Regarding the eligible costs and setting an interest rate for payment of the Latecomer's Fees, Jim Keller stated that the formula used for some of his other clients involves taking the maximum eligible costs over the 10-year period, divide the interest rate by 2 for an average over that period of time and just set the fee. Set the interest rate at 8%, take that percentage times the value of the eligible costs, multiply that by 10, divide it by 2 to achieve an average interest cost over that period of 10 years.

Mayor Obray explained that he calculated the amount as follows: deduct \$10,652 from Item A - Design Engineering; \$1,227.06 from M9 – Lift Station, Cold Weather Protection and \$86,830.10 from K – Water – Domestic making the total \$1,256,237.24. He then added a clerical fee of 5% and based on that value, that amount is \$62,811.86 which brings the total to \$1,319,049.10.

Mr. Jewett clarified that the reimbursement agreement would not include the 5% clerical fee; it would be set per EDU at that point. The City will set a reimbursement per lot plus a service fee of 5%.

Following discussion regarding calculation of the fees, it was moved by Councilman Dowdy, seconded by Council President Lang to adopt the Latecomers Fee Agreement for the Danskin Lift Station Sewer Shed in the amount of \$381 per EDU to reimburse JJJ Enterprises (see revised Latecomers Agreement, Exhibit B, attached). Motion carried 3-0-1 (Councilwoman Stroebel absent).

Mr. Jewett indicated that he would be presenting a gift deed to the City for the land that the lift station is located on.

**ADJOURNMENT:** There being no further business to conduct, it was moved by Council President Lang, seconded by Councilman Dowdy to adjourn the meeting at 5:08 p.m. Motion carried unanimously.

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O. Dean Obray, Mayor

ATTEST:

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Lynda Burgess, City Clerk

DATE APPROVED: FEBRUARY 6, 2007