

## OFFICIALS

Joe Stear, Mayor  
Pat Jones, Council President  
Briana Buban-Vonder Haar, Council Member  
Richard Cardoza, Council Member  
Greg McPherson, Council Member



## CITY OF KUNA

Kuna City Hall Council Chamber, 751 W 4th Street, Kuna, Idaho

### City Council Meeting MINUTES Tuesday, October 4, 2016

Please note the new City Hall location: 751 W 4<sup>th</sup> Street, Kuna, Idaho

#### 6:00 P.M. REGULAR CITY COUNCIL

(Timestamp 00:06:16)

#### 1. Call to Order and Roll Call

##### COUNCIL MEMBERS PRESENT:

Mayor Joe Stear  
Council President Pat Jones  
Council Member Richard Cardoza  
Council Member Briana Buban-Vonder Haar  
Council Member Greg McPherson

##### CITY STAFF PRESENT:

Richard Roats, City Attorney  
Chris Engels, City Clerk  
Wendy Howell, P & Z Director  
Gordon Law, City Engineer  
John Marsh, City Treasurer  
Bob Bachman, Fleet/Facilities Director  
Bobby Withrow, Parks Director  
Ariana Welker, Deputy City Clerk

#### 2. Invocation: None

#### 3. Pledge of Allegiance: Mayor Stear

#### 4. Consent Agenda:

(Timestamp 00:07:04)

*All items listed under the Consent Agenda are considered to be routine and are acted on with one motion by the City Council. There will be no separate discussion on these items unless the Mayor, Council Member, or City Staff requests an item to be removed from the Consent Agenda for discussion. Items removed from the Consent Agenda will be placed on the Regular Agenda under Business or as instructed by the City Council.*

A. City Council Meeting Minutes:

1. Regular City Council Minutes, September 20, 2016

B. Accounts Payable: None

C. Final Plat

1. Consideration to approve 16-09-FP (Final Plat – Ensign Sub No. 1) - Applicant seeks final plat approval for Ensign Subdivision No. 1. If approved, this will create six (6) commercial lots, south of Ridley's Market.

D. Findings of Fact and Conclusions of Law

*(Timestamp 00:08:33)*

**Council President Jones moved to approve the consent agenda. Seconded by Council Member Buban-Vonder Haar. Motion carried 4-0.**

5. Community Reports or Requests:

6. Public Hearings: (6:00 p.m. or as soon thereafter as matters may be heard.

A. Public Hearing and consideration to approve 16-02-S (Subdivision) and 16-02-ZC (Rezone) – Trevor Kesner, Planner II

*(Timestamp 00:07:12)*

A-Team Land Consultants representing Don Young Land Company requests approval to subdivide the 22.88 acre site and rezone approximately 8.76 acres from the existing R-4 (Medium-Low Density Residential) to a C-1 (Neighborhood Commercial) zoning designation, and rezone the remaining approximately 14.04 acres from the existing R-4 (Medium-Low Density Residential) to an R-6 (Medium Density Residential), to create a 102 lot mixed use subdivision (Airenel Park). The site is located southeast of the intersection of South Orchard Avenue and East Avalon Street/Kuna Road and west of South Kay Avenue.

Mayor Stear explained this item needed to be table until the next Council Meeting because the advertisement for the Public Hearing listed the wrong address. It needs to be advertised again with the correct address before the hearing can be held.

**Council President Jones moved to table 16-02-S (Subdivision) and 16-02-ZC (Rezone) until October 18, 2016 Seconded by Council Member Buban-Vonder Haar. Motion carried 4-0.**

7. Business Items:

*(Timestamp 00:08:58)*

A. Consideration to approve Resolution No. R70-2016 Adopting Water Fees and Policies for 2017 – Gordon Law, City Engineer

A RESOLUTION AMENDING PORTIONS OF RESOLUTION R74-2015 THAT: SETS FORTH THE AUTHORITY FOR ADOPTING WATER CONNECTION FEES AND MONTHLY WATER SERVICE RATES; ESTABLISHES FEES FOR CONNECTING TO THE WATER SYSTEM; ESTABLISHES WATER USE FEES THAT ARE NOW AMENDED WITH WATER RATE CHANGES FOR ALL CUSTOMERS; PROVIDES FOR MISCELLANEOUS WATER CUSTOMER SERVICE POLICIES; SETS FORTH MINIMUM LINE SIZES; REPEALS FEES ESTABLISHED BY EARLIER RESOLUTIONS; AND SETS AN EFFECTIVE DATE.

City Engineer Gordon Law explained this is the annual adjustment for the utility fees for the city and it relates to the inflation rate at 1.5%. He stood for questions.

Council President Jones asked why there is a lesser charge during non-irrigation season.

Mr. Law asked if Council President Jones was referring to the amount beyond the 10,000 gallons; the excess water fees.

Council Member Buban-Vonder Haar clarified that Council President Jones was asking why the \$20.47 for the first 10,000 gallons would not be divided by 20 and let that be the rate for each next 1,000 gallons.

Mr. Law responded that this fee structure was established years ago. He can't explain all of it but, in regards to this question, there is a portion of the first \$20.47 fee that is a fixed cost for administration. That would need to be subtracted from the fee. The next rate was established three (3) or four (4) years ago. Kuna was given a beneficial rate of \$0.38 per gallon. It was decided that number should be adjusted over a period of time to match the regular rate.

Council President Jones said that answered his question. He then asked why the connection fee wasn't increased by the same amount.

Mr. Law responded that part of it has to do with the Local Improvement District. The City is judged by the sum total of those connections. Previously there has been some concern about raising the fees because of the competitive issues involved. In addition, when those fees were originally set, they were set in anticipation of what it was expected to cost. As he has evaluated those fees year to year, they have stayed very close to the demands that are coming in for oversizing costs. That is a good indicator that they do not need to be raised at this time. He would suggest looking at this question again in a year or two (2) in order to make sure the City is keeping up with its obligations on those reimbursement agreements during this intense time of development. He also made a note that most of the fees actually end up being returned to the developers who oversize.

Council President Jones asked if builders weren't building in Kuna because of connection fees.

Mr. Law said he hasn't seen that. Kuna is close to the top of the fees compared to other jurisdictions primarily because of the carryover from the local improvement district.

Council Member Cardoza asked what the cost of living increase was.

City Treasurer John Marsh said it was 1.5%.

**Council Member Buban-Vonder Haar moved to approve Resolution No. R70-2016. Seconded by Council Member McPherson. Motion carried 4-0.**

- B.** Consideration to approve Resolution No. R71-2016 Adopting Sewer Fees and Policies for 2017 – Gordon Law, City Engineer  
(Timestamp 00:17:31)

A RESOLUTION AMENDING CERTAIN SECTIONS OF RESOLUTION R75-2015 THAT: SETS FORTH THE AUTHORITY FOR ADOPTING SEWER FEES; ESTABLISHES FEES FOR CONNECTING TO SEWER SYSTEM; ESTABLISHES MONTHLY SEWER USE FEES THAT ARE NOW AMENDED WITH SEWER RATE CHANGES FOR ALL CUSTOMERS; SETS FORTH MINIMUM LINE SIZES; PROVIDES FOR A METHOD OF COMPUTING USER EQUIVALENT; REPEALS FEES ESTABLISHED BY EARLIER RESOLUTIONS; AND SETS AN EFFECTIVE DATE.

City Engineer Gordon Law explained the same rules were applied for the adjustment of these user fees and lack of adjustment to the connection fees as the previous item. The adjustment was 1.5%. He stood for questions.

**Council Member Buban-Vonder Haar moved to approve Resolution No. R71-2016. Seconded by Council Member McPherson. Motion carried 4-0.**

- C.** Consideration to approve Resolution No. R72-2016 Adopting 2017 Irrigation Assessment Resolution – Gordon Law, City Engineer  
(Timestamp 00:19:22)

A RESOLUTION OF THE COUNCIL OF THE CITY OF KUNA, IDAHO SETTING FORTH FEES, ASSESSMENTS AND POLICIES FOR THE KUNA MUNICIPAL IRRIGATION DISTRICT FOR SAID CITY; RECEIVING AND ACCEPTING THE ASSESSMENT BOOK FOR THE 2017 IRRIGATION SEASON; RECEIVING AND ACCEPTING THE ESTIMATE OF EXPENSES FOR THE 2017 IRRIGATION SEASON; SETTING THE TIME AND PLACE FOR THE MEETING OF THE BOARD OF CORRECTION FOR 2017 ASSESSMENTS; SETTING FEES FOR CONNECTING TO SAID IRRIGATION SYSTEM; SETTING UNIFORM METHOD OF ALLOCATING ASSESSMENTS

FOR THE 2017 IRRIGATION SEASON; ESTABLISHING BILLING POLICIES; SETTING CUSTOMER SERVICE CHARGES; SETTING SYSTEM POLICIES; REPEALING EXISTING FEES AND POLICIES AS PREVIOUSLY SET BY RESOLUTION, AND SETTING AN EFFECTIVE DATE.

City Engineer Gordon Law explained the process of setting irrigation fees are set by Idaho Code. He included the same memorandum as has been previously provided in years before. The fees are required to be set by the end of January 2017 but he has moved the date to November to match the underlying irrigation districts and to spread out the costs over more months. This is the fourth year it has been done this way and it has worked well. The expenses will be set and accounted for in the resolution. He stood for questions.

Mr. Law explained the electrical costs are the biggest change in the fee. It is the majority of the assessment difference between last year and this year. The proposed increase is from \$97.00 to \$99.50; a \$2.50 difference or approximately 2.5% increase. That is more than the 1.5% of the previous item and that is mostly due to the electrical cost.

Mr. Law moved on to setting the Board of Corrections date. He asked if March 7, 2017 at 5:30 would work for the Board of Correction.

Council agreed to the proposed date.

Mr. Law referred to an item that was a proposed addition to the resolution; the Capital Reimbursement Assessment. It is related to common lots in subdivisions. Everyone has been paying their fair share of connection fees associated with the irrigation system except for these common lots. This is a capture of that amount on an annual basis. A portion of their assessment is based on the fact that they haven't paid connection fees. He asked Council for their input.

Council President Jones asked the amount of time to recoup the costs.

Mr. Law responded that in the resolution it is interest only on the capital equivalent to the connection fees. It can be increased to reduce the amount of time from forever to something fixed. On an annual basis, this provides the least cost but that is what is in the language of the resolution at this time.

Council President Jones clarified that the City is allowing connections but the connections are unpaid.

Mr. Law answered that part of the reason for that is they don't pick up building permits for these lots and that is usually when the connection fees are charged.

Council President Jones asked if most of them are inside subdivisions.

Mr. Law said that is correct.

Council President Jones asked about the total projected dollar amount increase.

Mr. Law said the typical house increase is \$2.50. He does not have the total dollar amount written down.

Council President Jones asked why there is only a 1% increase on vacant lots instead of the 1.5%.

Mr. Law asked if Council President Jones would like it to be a little bit higher.

Council President Jones said he likes consistency. He thinks the common lots should be charged and the 1.5% should be applied to the vacant lots. He does not know why they are not paying as much as everyone else. It is their choice not to use that lot. He assumed they have a lesser fee because they are not using the pressurized irrigation but he did not see how that is different from someone who has to pay for irrigation even if they are not allowed to use it to irrigate a portion of their property.

Mr. Law asked City Treasurer John Marsh to calculate a 1.5% on \$14.50 and what the annual fee would then be for a vacant lot.

Mr. Marsh said it would be \$14.72 making it a \$0.22 increase.

Council and Mr. Law determined the 1% was a typo in the memo.

Council Member Cardoza asked about the difference in potable water costs from last year to this year; it has gone from \$16,000.00 to \$4,000.00. The cost is almost double last year for the same amount per million gallons.

Mr. Law explained the City has not been charging the cost for the water used. There is a \$0.50 rate for potable water used in the resolution now which matches up with the second number but not the first. He brought those numbers in line with the water fee resolution on the cost.

Council Member Cardoza asked if the 2.5% increase is factored in.

Mr. Law said it is partly. He pointed out that number has gone down because there was a million gallon reduction in potable water used for irrigation. Previously that number was not in line with the fee rate that had been established in the resolutions so he made sure it was in line this year. Kuna started out using 300 million gallons a year of potable water in the irrigation system. This year only 2 million was used.

Council Member Cardoza asked what the 50.8 million gallon figure was.

Mr. Law said that was what was figured in last year's assessment. It dropped to 4 million gallons which is double what was used for 2016.

Council Member Buban-Vonder Haar shared how she makes sense of the numbers.

Mr. Law recommended not looking at the crossed out numbers and only going by the underlined numbers. The underlined numbers are consistent. The crossed out numbers are not consistent with the charged rate. He explained how the numbers line up.

Council Member Buban-Vonder Haar verified that she understood how it works.

Council Member Cardoza asked if Mr. Law expected the power costs to go up approximately 25%.

Mr. Law says the trend shows the increase to be worse than that.

Council Member Cardoza asked how Mr. Law came up with the price of \$93,800.00 and \$20,200.00.

Mr. Law said he calls the irrigation district to get an estimate.

Council Member Cardoza asked about adjustments by Council.

Mr. Law said it did not happen last year or the previous year but, in the past; Council would come through and do an adjustment at Board of Correction time if they thought the assessment wasn't handled properly. The line item is to account for any adjustments that Council may want to make later on and is minimal.

Council Member Buban-Vonder Haar noted that the City Hall address listed in the resolution is incorrect.

Council Member Cardoza asked if there was a carryover from PI Funds.

Mr. Law said it is probably close to \$23,000.00 in carryover.

Council Member Cardoza asked if that was taken into consideration for a rate increase.

Mr. Law said maybe. He is obligated by state code to estimate and then spread out the cost. He can't foresee certain things such as the number of building permits. Last year approximately 200 building permits for new homes were projected but it ended up being in excess of 300 new homes but he can't project 300 going into the next year.

Council Member Cardoza asked if there was a contingency balance in the PI Fund.

Mr. Law said there is a contingency balance of \$150,000.00 but that is not included in the fee. He took it out of fund balance instead of charging each of the users based on a wavering number. He does not recommend charging for that.

Council Member Cardoza asked why an increase would be taken when there is so much in carryover. He estimated there is \$170,000.00 in carryover when the contingency is added in.

Mr. Law was uncertain where Council Member Cardoza was getting \$170,000.00. When he calculated unused moneys from last year to this year he came up with approximately \$20,000.00.

Council Member Cardoza said he was adding the carryover to the \$150,000.00 in contingency.

Mr. Marsh clarified that Mr. Law was talking about the carryover and Council Member Cardoza was talking about the Contingency Fund.

Mr. Law said the total contingency budgeted is to cover unexpected extreme expenditures which may or may not happen. They are taken out of the bank account instead of the annual assessments.

Council Member Buban-Vonder Haar clarified that the contingency money is not \$150,000.00 of irrigation fees that have already been levied and is being held just in case. It was pulled from the General Fund so it would be inappropriate to count that towards paying irrigation costs.

Council President Jones verified that there is a contingency fund for PI and a cash flow after expenditures and revenue that is projected to be \$900,000.00.

Mr. Law said that is the fund balance not cash flow and clarified that Council President Jones was not talking about excess revenue.

Council President Jones agreed. He then asked how many PI connections from the old part of town were given to Kuna at a reduced connection fee last year.

Mr. Law said about ten (10).

Council President Jones asked if everybody hooked up, how many could hook up.

Mr. Law said he does not know that number off the top of his head.

Council President Jones asked if an end to the program should be designated in order to encourage the use of that program.

Mr. Law said that is up to the Council and it can be ended this year if that is their decision.

Council President Jones said he would like to encourage people to use it but that can be discussed later since it has no bearing on his decision with this resolution.

**Council Member Buban-Vonder Haar moved to approve Resolution No. R72-2016. Seconded by Council Member McPherson. Motion carried 3-1. Council President Jones voted no.**

- D. Consideration to approve Resolution No. R73-2016 Accepting Easement from People Empowerment Services, LLC for Water and Pressure Irrigation Services – Gordon Law, City Engineer  
(Timestamp 00:48:08)

RESOLUTION APPROVING ACCEPTANCE OF A PERPETUAL EASEMENT ON PROPERTY OWNED BY PEOPLE EMPOWERMENT SERVICES, LLC FOR THE PURPOSE OF CONSTRUCTING AND MAINTAINING WATER AND PRESSURE IRRIGATION MAINS.

City Engineer Gordon Law explained that this is a book keeping item and pertains to a single development that is providing an easement to the City for the placement of a small amount of water main and a small amount of pressure irrigation main. He recommended accepting the easement and having it recorded. He stood for questions.

**Council Member Buban-Vonder Haar moved to approve Resolution No. R73-2016. Seconded by Council Member McPherson. Motion carried 4-0.**

- E. Consideration to approve Resolution No. R74-2016 Approving an Agreement with Keller Associates to Prepare Amendments to Pressure Irrigation Master Plan – Gordon Law, City Engineer

RESOLUTION AWARDED CONTRACT FOR CONSULTING SERVICES TO KELLER ASSOCIATES IN THE AMOUNT OF \$45,950.00 FOR PREPARATION OF AN AMENDED PRESSURE IRRIGATION MASTER PLAN; DIRECTING EXPENDITURE OF FUNDS FROM THE IRRIGATION FUND FOR SAID WORK; AND AUTHORIZING THE MAYOR, CITY CLERK AND CITY ENGINEER TO EXECUTE CONTRACT DOCUMENTS WITH SAID CONSULTANT.

City Engineer Gordon Law explained this item is a continuation of the Public Works' effort to support the expansion of the Area of City Impact. It is important that the City do planning for that proposed area. Master plans for the sewer and water systems have already been approved. This master plan is for the irrigation system. The biggest issue to be resolved by this master plan is how the City will deal with moving into areas that do not have an underlying irrigation district. In those

areas there is a second distribution system that is additional to the potable water. The reason for that is surface water rights are cheaper than pulling the water from deep in the ground. As Kuna moves into desert areas the question needs to be asked; does Kuna want a second distribution system in areas where there is not a company service water right to go with it. This master plan addresses that question and examines the different issues with having a separate distribution system or not. He stood for questions.

Council President Jones clarified that Mr. Law was using \$30,000.00 that was budgeted and contingency for the remaining \$15,950.00.

Mr. Law said yes, he estimated early in the budgeting process that he would need \$30,000.00 for this plan but when the final details came through he concluded he would need to spend more in order to get what the City needed.

Council President Jones said it needs to get done so he is fine with it.

Council Member Buban-Vonder Haar moved to approve Resolution R74-2016.

Council Member Cardoza asked if Keller Associates was doing all the water and sewer.

Mr. Law said they were not doing the sewer, but the water and PI go hand in hand so he felt it would be best that one plan be done in consideration of the other.

Council Member Cardoza asked if there was a cost break since Keller Associates was handling both plans in the same area.

Mr. Law thought there was a lesser cost to the irrigation.

**Council Member Buban-Vonder moved to approve Resolution No. R74-2016. Seconded by Council Member McPherson. Motion carried 4-0.**

**8. Ordinances:**

**9. Mayor/Council Discussion Items:**

Mayor Stear welcomed the boy scouts of Pack 813 and Troop 256 in the audience.

The boys introduced themselves.

Mayor Stear thank the scouts and the rest of the audience members for attending. He thanked city employees for their hard work to get the new City Hall moved into and ready to go.

Council President Jones said the Mayor's Table was a success and he congratulated City Clerk Chris Engels for the organization of that event and acknowledged those that helped.

Mayor Stear said it was an awesome event.

Council Member Cardoza thanked Facilities Director Bob Bachman for a job well done on City Hall.

Mayor Stear said Mr. Bachman has done a good job and, as soon as staff has figured out what configuration works best for the directors table in chambers, Mr. Bachman will build something to match the rest of chambers.

**10. Announcements:**

**11. Executive Session:**

**12. Adjournment: 6:48 pm**



Joe L. Stear, Mayor

ATTEST:



Chris Engels, City Clerk



*Minutes prepared by Ariana Welker, Customer Service Specialist  
Date Approved: CCM 10.18.2016*