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2007 MAY -4 PM 3:48  
IDAHO PUBLIC  
UTILITIES COMMISSION

Attorney for City of Eagle, Idaho

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE APPLICATION OF ) CASE NO. UWI-W-06-04**  
**UNITED WATER IDAHO INC. TO AMEND AND)**  
**REVISE CERTIFICATE OF CONVENIENCE )**  
**AND NECESSITY NO. 143. )**  
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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION  
DIRECT TESTIMONY OF NICHOL BAIRD SPENCER

**1. Please state your name and identify your position with the City of Eagle.**

Response: My name is Nichoel Baird Spencer. I am a Planner III for the City and am responsible for long range planning for the City.

**2. Are you familiar with the location of the proposed Trailhead development?**

Response: Yes. Trailhead is located at the northern boundary of the City of Eagle. A portion of it, 140 acres, is located within the City's area of impact, and another part, 520 acres, is outside, but adjacent to, the area of impact.

**3. How did you become familiar with the Trailhead Community development?**

Response: The City has been meeting with owners and/or developers of the property for 2 ½ years about annexation. There have been numerous meetings and other contacts, so we are very familiar with the property.

**4. Has Kastera filed for annexation of the property into Eagle?**

Response: Yes, they did, but subsequently withdrew their application.

**5. Do you know if Kastera has filed an application for a subdivision with Ada County?**

Response: No. If it had been filed, the City would review the application from the county, but we have not received any notice or copy of an application.

**6. Please describe the City's efforts to address Kastera's request for annexation.**

Response: The City has expended considerable effort and costs trying to facilitate annexation for Kastera. The City has worked with various landowners on Beacon Light Road and along Highway 55 to provide an annexation pathway for Kastera. The City anticipates an annexation application this summer that would establish a pathway.

**7. Since Kastera has not applied yet to the county for approval of a subdivision, if they applied, how long would it take to complete the process?**

Response: Assuming no problems, it would likely take about six (6) months. Any problems, including appeals, would extend the approval period.

**8. Has Kastera ever provided any details of their plans for development to the City?**

Response: No. Kastera only filed an application for annexation and rezone. They have never provided any conceptual plans or plats. As far as I know, they have not actually figured out what or how the development will proceed or what it will consist of.

**9. What is the status of the annexation pathway for the Trailhead Community?**

Response: The City had previously identified an annexation pathway through an area known as Tripleridge and was working to complete the necessary steps. However, some of the identified landowners backed out, in part, because they could not get Kastera to explain or commit how the development was to be done. The landowners were concerned about traffic, densities, and other matters. Because they could not get clear explanations from Kastera, they decided not to complete their annexations.

However, the City has also worked out another annexation pathway along Highway 55 that would allow a pathway for the Trailhead Community. The City expects to get an application for this pathway this summer. This pathway has additional benefits to Kastera because it solves significant access problems for the Trailhead Community.

**10. Based on your experience, do you believe it is possible to complete an annexation pathway?**

Response: Yes, but it will require that Kastera make some basic decisions to decide what and how it intends to develop or if, in fact, it is going to develop.

**11. Assuming a best case scenario, how long would it take for Kastera to complete its development process using the City's process?**

Response: Using the City's approval process, this could be done in about four (4) months.

**12. If it used the county process, how long would it take?**

Response: About six (6) months.

**13. Has Kastera conducted any public meetings with regard to Trailhead?**

Response: Yes. They are required by law to conduct a neighborhood meeting prior to submittal of an application for annexation. The people who attended expressed concerns over the lack of details provided about the pending development.

**14. If Kastera files an application with Ada County, will the City review and comment on the application?**

Response: Yes. Ada County will require that review because part of the area is within the City's area of impact.

**15. Can Kastera develop a planned community through the county process?**

Response: No. A planned community requires at least 640 acres outside of an area of impact. Trailhead does not meet that requirement.

**16. Does the county require that Trailhead be served by United Water?**

Response: No. The county does not care who serves, only that service is through a municipal provider.

**17. If Kastera develops through the county process, how many homes can it build on the 660 acres?**

Response: A maximum of 108 under a non-farm cluster zone. Under current zoning, they would get one (1) lot per ten acres, or 66 lots.

**18. According to United Water's estimate, the cost of construction and development for facilities would be about \$1.2 million, so the cost of facilities for each lot would be \$11,111.00, if 108 houses are built or \$18,182.00 if 66 homes were built, correct?**

Response: Yes.

Dated this 3 day of May, 2007.

Nichoel Baird Spencer  
Nichoel Baird Spencer

SUBSCRIBED AND SWORN to before me this 3<sup>rd</sup> day of May, 2007.



Heather L. Hyde  
Notary Public for IDAHO  
Residing at Emmett  
My Commission Expires: 6/30/12

**CERTIFICATE OF SERVICE**

I hereby certify that on this 4th day of May, 2007 I served a true and correct copy of the foregoing document via the method indicated below to:

Dean J. Miller, Esq.  
McDevitt & Miller LLP  
420 West Bannock Street  
PO Box 2564  
Boise, ID 83701

- U.S. Mail, Postage Prepaid
- Hand Delivered
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Gregory P. Wyatt  
United Water Idaho, Inc.  
PO Box 190420  
Boise, ID 83719

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- Hand Delivered
- Overnight Mail
- Facsimile

Tom C. Morris  
Kastera LLC  
15711 Highway 55  
Boise, ID 83714

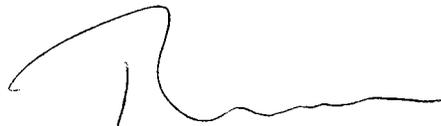
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Jean Jewell, Secretary  
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