

Bruce M. Smith, ISB # 3425
Susan E. Buxton, ISB # 4041
MOORE SMITH BUXTON & TURCKE, CHARTERED
Attorneys at Law
950 West Bannock Street, Suite 520
Boise, Idaho 83702
Telephone: (208) 331-1800
Facsimile: (208) 331-1202
bms@msbtlaw.com

4/25/04
2007 MAY 14 AM 8:20
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.)
)
)
)
_____)**

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

DIRECT TESTIMONY OF NICHOL BAIRD SPENCER

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

2 **A.** My name is Nichoel Baird Spencer. I am a Planner III for the City and am
3 responsible for long range planning for the City.

4 **Q. Are you familiar with the location of the proposed Trailhead**
5 **development?**

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

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

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

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

14 **A.** Yes, they did, but subsequently withdrew their application.

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

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

19 **Q. Please describe the City's efforts to address Kastera's request for**
20 **annexation.**

21 **A.** The City has expended considerable effort and costs trying to facilitate
22 annexation for Kastera. The City has worked with various landowners on

1 Beacon Light Road and along Highway 55 to provide an annexation
2 pathway for Kastera. The City anticipates an annexation application this
3 summer that would establish a pathway.

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

7 **A.** Assuming no problems, it would likely take about six (6) months. Any
8 problems, including appeals, would extend the approval period.

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

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

15 **Q. What is the status of the annexation pathway for the Trailhead**
16 **Community?**

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

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

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

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

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

12 **A.** Using the City's approval process, this could be done in about four (4)
13 months.

14 **Q If it used the county process, how long would it take?**

15 **A.** About six (6) months.

16 **Q. Has Kastera conducted any public meetings with regard to**
17 **Trailhead?**

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

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

1 A. Yes. Ada County will require that review because part of the area is
2 within the City's area of impact.

3 **Q. Can Kastera develop a planned community through the county
4 process?**

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

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

8 A. No. The county does not care who serves, only that service is through a
9 municipal provider.

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

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

14 **Q. According to United Water's estimate, the cost of construction and
15 development for facilities would be about \$1.2 million, so the cost of
16 facilities for each lot would be \$11,111.00, if 108 houses are built or
17 \$18,182.00 if 66 homes were built, correct?**

18 A. Yes.

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Dated this 10 day of May, 2007.

Nichoel Baird Spencer
Nichoel Baird Spencer

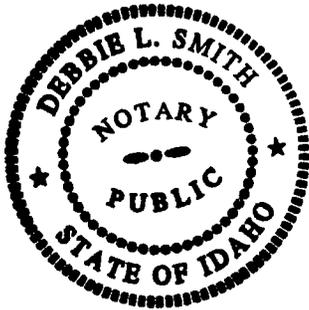
SUBSCRIBED AND SWORN to before me this 10th day of May, 2007.

Debbie A. Smith

Notary Public for IDAHO

Residing at Boise, ID 83709

My Commission Expires: 6/8/07



1
2 **CERTIFICATE OF SERVICE**
3
4

5 I hereby certify that on this 11 day of May, 2007 I served a true and correct copy of the
6 foregoing document via the method indicated below to:
7

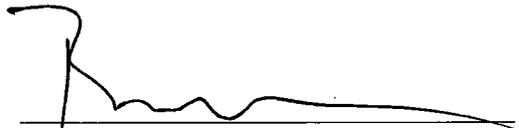
8
9 Dean J. Miller, Esq. U.S. Mail, Postage Prepaid
10 McDevitt & Miller LLP Hand Delivered
11 420 West Bannock Street Overnight Mail
12 PO Box 2564 Facsimile
13 Boise, ID 83701

14
15 Gregory P. Wyatt U.S. Mail, Postage Prepaid (Through
16 Counsel)
17 United Water Idaho, Inc. Hand Delivered
18 PO Box 190420 Overnight Mail
19 Boise, ID 83719 Facsimile
20

21 Tom C. Morris U.S. Mail, Postage Prepaid
22 Kastera LLC Hand Delivered
23 15711 Highway 55 Overnight Mail
24 Boise, ID 83714 Facsimile
25

26 Jean Jewell, Secretary U.S. Mail, Postage Prepaid
27 Idaho Public Utilities Commission Hand Delivered
28 472 West Washington Street Overnight Mail
29 PO Box 83720 Facsimile
30 Boise, ID 83720-0074
31

32 Scott Woodbury U.S. Mail, Postage Prepaid
33 Idaho Public Utilities Commission Hand Delivered
34 472 West Washington Street Overnight Mail
35 PO Box 83720 Facsimile
36 Boise, ID 83720-0074
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42 Bruce M. Smith
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