

# MOORE SMITH BUXTON & TURCKE, CHARTERED

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\* Also admitted in New Mexico

May 31, 2006

Idaho Public Utilities Commission  
472 W. Washington Street  
Boise, ID 83720

Re: United Water Case No. UWI-W-06-04

Dear Commissioners:

In response to the Commission's request for comments pursuant to the Commission's Notice dated May 5, 2006, the City of Eagle's response dated May 10, 2006, regarding the expansion of UWI's area of service to include the Trailhead Community area is still correct (copy attached). The City of Eagle is capable of serving and is proceeding with plans to accommodate service to this development and annexation into the City based on representations by the developer.

The City recognizes that there appears to be some confusion over what the developer is contemplating. However, the City's last communication with the developer's representative led to agreement between the City and the developer to begin developing a Memorandum of Understanding and consideration of a path of annexation. The City is capable of serving the Trailhead community and can expand its service to other areas. Accordingly, the City remains committed to its agreement with the developer. City representatives have been unable to reach the developer to clarify this situation.

Until this matter is clarified, the City maintains its objection to UWI's expansion into this area which is to be served by the City of Eagle. The City is endeavoring to meet with the developer to determine what course of action the developer intends to pursue. This is particularly important if the developer intends to seek annexation. When the City's system of three (3) new wells is complete, they can serve the foothills north of the City between Highway 55 and north of Beacon Light Road. Given this situation, the City believes use of a

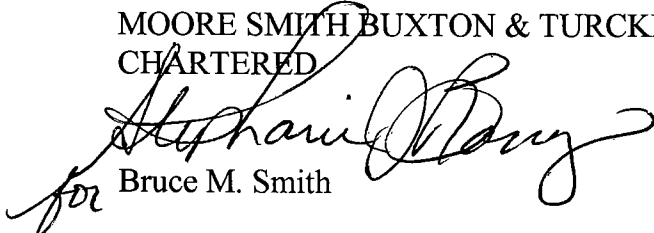
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MAY 31 11:12:06  
IDaho PUBLIC UTILITIES COMMISSION

Idaho Public Utilities Commission  
May 31, 2006  
Page 2

Modified Procedure is also not appropriate at this juncture.

Sincerely,

MOORE SMITH BUXTON & TURCKE,  
CHARTERED

*for*    
Bruce M. Smith

BMS:jj  
cc: client  
Joe Miller, Esq.

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May 10, 2006

Idaho Public Utilities Commission  
472 W. Washington Street  
Boise, ID 83720

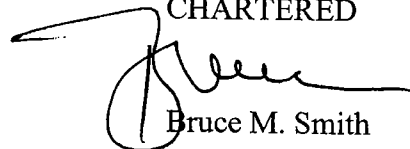
Re: Case No. UWI-W-06-04

Dear Commissioners:

On April 26, 2006, United Water Idaho Inc. filed an Application with the Idaho Public Utilities Commission (Commission) seeking to amend and revise its Certificate of Public Convenience and Necessity No. 143, as amended. The referenced Application seeks to add an area known as the Trailhead Community to UWI's service territory. UWI stated at paragraph VI. that "There are no known public entities, persons or corporations with whom the expansion is likely to compete." This is incorrect. The defined area of expansion includes an area and a development that will be served by the City of Eagle municipal system. The developer, Kastera Homes, has already contacted the City of Eagle regarding annexation into the City, and the City is taking steps to accommodate the developer's request. (See attached copy of letter from Kastera Homes.) Under existing City ordinances the development will be served by the City. Therefore, the City objects to extension of the UWI certificate to this area.

Sincerely,

MOORE SMITH BUXTON & TURCKE,  
CHARTERED



Bruce M. Smith

BMS:jj  
Enclosure  
cc: client  
Joe Miller, Esq.  
Scott Woodbury

COPY



RECEIVED & FILED  
 CITY OF EAGLE  
 APR 20 2006  
 File: \_\_\_\_\_  
 Route to: \_\_\_\_\_

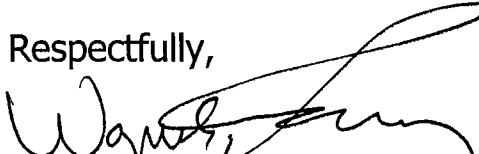
April 18, 2006

Honorable Mayor Nancy Merrill  
 and Eagle City Council Members  
 City of Eagle  
 660 E. Civic Lane  
 Eagle, Idaho 83616

Dear Mayor Merrill and Eagle City Council Members:

Kastera Homes has recently purchased 660 acres of land north of the City of Eagle near Willow Creek Road. We have also acquired an additional 278 acres along State Highway 55 north of Brookside Lane near the Shadow Valley Golf Course. Kastera Homes is considering annexation of these lands into the City of Eagle.

Is it possible that we could be invited to attend a work session with the City Council to discuss the possible annexation of our properties? Thank you for your assistance in evaluating future annexation of our land. Keep up your good work!

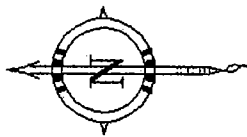
Respectfully,  
  
 Wayne S. Forrey, AICP  
 Director of Planning and Entitlements

Enclosed: Vicinity Map

Mayor/ City Council \_\_\_\_\_ ✓  
 City Clerk \_\_\_\_\_ ✓  
 P & Z Dept. \_\_\_\_\_ ✓-original  
 Bldg. Dept. \_\_\_\_\_  
 Attorney \_\_\_\_\_  
 Engineer \_\_\_\_\_

# KASTERA HOMES DEVELOPMENT SITES

FOOTHILL PROPERTY BETWEEN STATE HIGHWAY 55 AND STATE HIGHWAY 16



## CONCEPT PLAN LEGEND

— OLD PEARL ROAD



HILLSIDE SLOPES @ 25% OR GREATER

FLATER TERRAIN BELOW 25% SLOPE

BUCHANAN  
PROPERTY

OLSEN  
PROPERTY

SHADOW VALLEY  
GOLF COURSE

