

**DOVER URBAN RENEWAL AGENCY
JOINT MEETING OF THE BOARD OF DIRECTORS AND CITY OF DOVER
May 9, 2018 5:00 PM, Dover City Hall, Dover, Idaho**

CALL TO ORDER AND ROLL CALL FOR URA MEETING

Chairman Paul Nowaske opened the meeting at 5:00 PM. A roll call confirmed that Jim Haynes, Bill Strand and Mike Mooney were also present. Staff present was John Austin. Guest was Ralph Sletager from Dover Bay Development.

OLD BUSINESS

Next, the Board considered the minutes of the March 14, 2018 meeting, which were unanimously approved following a motion by Mr. Haynes and second by Mr. Mooney.

Next, Mr. Austin presented the financial report, bank reconciliation and invoice approval list. After discussion, the reports were unanimously approved following a motion by Mr. Haynes and second by Mr. Mooney.

Next, the Board heard from Mr. Sletager concerning an update on the Dover Bay Development. Mr. Sletager stated there was vertical going in but there are issues on new plats, and that the original plans for DURA have changed. He stated there are 250 landowners in Dover Bay, and it is their money that's funding DURA. He stated the city has indicated there could be litigation on some issues, and indeed some of the HOAs are already seeking legal counsel. He also stated he didn't feel Mr. Strand should be on the DURA Board, according to statute, or otherwise recuse himself on issues involving DURA and the city. He said the city's recent actions have impacted the plats he has pending, and that could delay the funds to be generated within the ten plus years remaining in the URD. He said the engineering firm Ruen Yeager (whom former city engineer Rob Tate worked for) stated there was a problem with the sewer, and that held up the 3A, 3B and 4 plats. Mr. Sletager said there was no sewer problem. He also said the city has defunded DURA by removing the hookup fees, lowering the fees or otherwise no longer fully funding the Agency. The development agreement between the city and DBD allowed 600 ERUs if the sewer plant was built correctly. Chairman Nowaske asked about the sewer system in place before DBD, which Mr. Sletager stated was Rocky Point Sewer. He said the PUD was developed at that point with DBD and city in agreement. The city's loan to the city, he stated is based on hookup fees paid by DBD and can only be used for replacement and not expansion. He said DBD paid \$1.1 million to the city and part of it was misappropriated. That's because Phase 0 of the plan was for the sewer plant only, but also went for water treatment plant already in the city's capital budget for water.

Mr. Haynes then made a motion to adjourn the regular meeting, which was seconded by Mr. Stand at 5:29 pm.

CALL TO ORDER AND ROLL CALL FOR THE JOINT MEETING

The joint meeting with the city was convened at 5:30 PM, with Mayor Shaha joined by Council Members Kristy Evans and Diane Brockway.

NEW BUSINESS

1. Next, the parties discussed the Assessment Valuation in the URD, with Mayor Shaha asking for a graph of the tax increment received by DURA to date. Mr. Austin stated he would do so.
2. Next, Mr. Strand discussed the water system upgrade (attached), stating the water quality issues have been fixed, to DEQ's satisfaction. There also is now an O and M manual in place addressing what the system has today. Mayor Shaha stated she believes the city can move ahead with the first mini-phase of the water system upgrade plan. It is about \$75,000, on which the city and DURA should reach agreement on. Attorney Will Herrington will be asked to develop the agreement. Mr. Sletager asked if the city felt the water tank was oversized. Mr. Strand he is not on record as saying the water tank was oversized. Mr. Sletager stated if the city does not include the 12" water line, it impacts DBD's future plans. Mr. Strand stated the issue is with DEQ and it includes the 12" water line. DEQ has stated the original plan does not allow sufficient contact time to allow for chlorination, and so a new plan has to be approved. Mr. Strand noted fire flows are sufficient, according to the Selkirk Fire Department Chief. DEQ has approved the first phase the city is seeking payment from DURA for, and then the rest of the plan could move ahead once it is approved by DEQ. The City should know the costs of the full plan shortly, according to Mr. Strand.
3. The next joint meeting was scheduled for November 14, 2018.

BOARD/COUNCIL COMMENTS

4. Mr. Strand stated he serves at the request of the Mayor and Council, and he would be step down at their request. Mayor Shaha stated she likes the make up of the Board and would not like to see it change.

The joint meeting was adjourned at 6:05 pm, following a motion by Mr. Strand and second by Mr. Haynes.

RECONVENE THE REGULAR MEETING OF THE DOVER URA

The Board then reconvened the regular meeting at 6:05 pm, with all members in attendance. Ms. Evans was the guest. The Board asked Mr. Sletager to continue his update. He stated DBD has issues with the city and the DEQ plan awaiting approval, and it is impacting his ability to develop additional plats. Chairman Nowaske asked if the new IDAPA rules govern the new plat process. Mr. Sletager stated the water lines in 4A and 4B were put into place in 2008, and were approved by Mr. Tate. Mr. Sletager stated the city needs to stay with its original plans, like the development agreement and the URA urban renewal plan.

He said Panhandle Health has to accept the will serve letter originally prepared by Susan Weeks in 2008. Mr. Strand stated his involvement on the plats goes back several years, as he questioned if a 2" line is sufficient to provide water for up to 52 hookups. Mr. Sletager thought the 2" was sufficient because there is a separate irrigation line to that development. So, it remains that the city has to approve its previous will serve letter for the plats to proceed. Mr. Strand stated his involvement is now with the Essex Tank, and the improvements that are now in place. He stated he felt the city is working hard to get DEQ back on line with what the city is doing. He said DEQ is not pleased with the 'material changes' to the original plan, including the 2" line. Mr. Sletager stated DBD is working with DEQ on the hydrologic analysis and Sewell and Associates has stated the 2" line is sufficient. Including the city's previous engineer, Mr. Tate, that's 2 licensed engineers who have agreed that the 2" line is sufficient. He noted the previous IDAPA rules allowed the city's engineer to approve the system improvements. He said 23 re-plats have been approved by DEQ since 2010 and the city's signed off on all of them, and it appears the city's current engineer, JUB, is working against DBD when dealing with DEQ. Mr. Sletager said this includes another issue, that of the 'water purveyor', and that is impacting DBD's Parkside project. Chairman Nowaske asked if DURA could help the city and DBD to come to agreement and get DEQ signoff on the plats. It appeared at this point that it remains an issue between the city and DBD.

ADJOURNMENT

With no further business to come before the Board, the meeting adjourned at 7:04 pm, following a motion by Mr. Strand and second by Mr. Haynes.