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, 763 W. Avalon Street, Kuna, Idaho

City Council Meeting
AGENDA
Tuesday, February 2, 2016

7:00 P.M. REGULAR CITY COUNCIL

1. **Call to Order and Roll Call**

2. **Invocation:** Stan Johnson, Kuna Life Church

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

4. **Consent Agenda:**

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: Regular City Council Minutes, January 19, 2016

B. Accounts Payable Dated January 28, 2016 in the Amount of $180,129.12

C. Finding of Facts and Conclusions of Law:

D. Consideration to re-adopt Ordinance 2016-01 Idaho State Land Department Lands and Blevins Annexation

AN ORDINANCE ANNEXING CERTAIN REAL PROPERTY, TO WIT: PARCEL NUMBER S1427314800 AND PARCEL NUMBER S1427325560; SITUATED IN THE UNINCORPORATED AREA OF ADA COUNTY, IDAHO, AND CONTIGUOUS TO THE CORPORATE LIMITS OF THE CITY OF KUNA, TO THE CITY OF KUNA, IDAHO; ESTABLISHING THE ZONING CLASSIFICATION OF SAID REAL PROPERTY; DIRECTING THAT COPIES OF THIS ORDINANCE BE FILED AS PROVIDED BY LAW; AND PROVIDING AN EFFECTIVE DATE.

E. Consideration to re-adopt Ordinance 2016-02 Heimbuch Annexation

NOTICE: Copies of all agenda materials are available for public review in the Office of the City Clerk. Persons who have questions concerning any agenda item may call the City Clerk's Office at 922-5546. In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk at 922-5546 at least forty-eight (48) hours prior to the meeting to allow the City to make reasonable arrangements to ensure accessibility to this meeting.

AN ORDINANCE ANNEXING CERTAIN REAL PROPERTY, TO WIT: PARCEL NUMBER S1428111000; SITUATED IN THE UNINCORPORATED AREA OF ADA COUNTY, IDAHO, AND CONTIGUOUS TO THE CORPORATE LIMITS OF THE CITY OF KUNA, TO THE CITY OF KUNA, IDAHO; ESTABLISHING THE ZONING CLASSIFICATION OF SAID REAL PROPERTY; DIRECTING THAT COPIES OF THIS ORDINANCE BE FILED AS PROVIDED BY LAW; AND PROVIDING AN EFFECTIVE DATE.

F. Consideration to re-adopt Ordinance 2016-03 Falcon Crest, LLC Annexation

AN ORDINANCE ANNEXING CERTAIN REAL PROPERTY, TO WIT: PARCEL NUMBER S1422336000; SITUATED IN THE UNINCORPORATED AREA OF ADA COUNTY, IDAHO, AND CONTIGUOUS TO THE CORPORATE LIMITS OF THE CITY OF KUNA, TO THE CITY OF KUNA, IDAHO; ESTABLISHING THE ZONING CLASSIFICATION OF SAID REAL PROPERTY; DIRECTING THAT COPIES OF THIS ORDINANCE BE FILED AS PROVIDED BY LAW; AND PROVIDING AN EFFECTIVE DATE.

G. Consideration to re-adopt Ordinance 2016-04 Employee Background Check Amendment

AN ORDINANCE AMENDING KUNA CITY CODE 1-16-1, ET SEQ. TO SET FORTH THE PRACTICE AND PROCEDURE FOR OBTAINING, REVIEWING AND MAKING AN ADVERSE DECISION RELATED TO AN APPLICANT OR EMPLOYEE'S CRIMINAL HISTORY; PROVIDING FOR A SEVERANCE CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

H. Consideration to re-adopt Ordinance 2016-05 Repealing Kuna City Code 1-8-1

AN ORDINANCE OF THE KUNA CITY COUNCIL, KUNA, IDAHO REPEALING KUNA CITY CODE (KCC) 1-8-1 PURCHASING PROCEDURE; AND PROVIDING AN EFFECTIVE DATE.

5. Community Reports or Requests:

A. Kuna Crime Update –Chief Justin Dusseau, Kuna City Police

6. Public Hearings: (7:00 p.m. or as soon thereafter as matters may be heard.)

7. Business Items:

A. Consideration to Approve Case No. 16-01-LS (Lot Split) *Kuna Counseling Center Lot Split* - Troy Behunin, Senior Planner

Applicant seeks lot split approval for a qualifying parcel within the South Linder Estates Subdivision, totaling approximately 2.18 acres in size, in order to prepare the lot for near future commercial development on one of the proposed splits.

B. Consideration to Approve Case No. 16-01-FP (Final Plat) *Ardmore Subdivision* – Troy Behunin, Senior Planner

Applicant is requesting Final Plat approval for Ardmore Subdivision. The final Plat for the Ardmore Subdivision proposes 30 residential lots, two (2) common lots.

C. Wastewater Reuse Permit Committee meeting update and recommendations – Council Member Buban-Vonder Haar

D. Consideration of Photo Badges for Employees and Photos of Mayor and Council – City Clerk, Chris Engels

E. Consideration to Approve Resolution R09-2016 Agreement with Bureau of Reclamation for Crossing State Lateral with Pressure Irrigation Main – Gordon Law, City Engineer

RESOLUTION APPROVING AGREEMENT WITH BUREAU OF RECLAMATION ALLOWING CITY OF KUNA TO CROSS STATE LATERAL WHERE IT CROSSES W. HUBBARD ROAD WITH PRESSURE IRRIGATION MAIN AND AUTHORIZING THE MAYOR AND CLERK TO SIGN SAID AGREEMENT.

F. Consideration to Approve Resolution R08-2016 Authorizing City Engineer to Execute Agreements with Bureau of Reclamation – Richard Roats, City Attorney

A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF KUNA, IDAHO AUTHORIZING THE CITY ENGINEER TO EXECUTE, ON BEHALF OF THE CITY OF KUNA, IDAHO, ALL CONSENT TO USE AGREEMENTS WITH THE UNITED STATES DEPARTMENT OF INTERIOR BUREAU OF RECLAMATION (BOR) WITHOUT ADDITIONAL APPROVAL FROM THE CITY COUNCIL AFTER THE DATE OF PASSAGE OF THIS RESOLUTION; PROVIDING A PROCESS TO NOTIFY THE CITY COUNCIL OF EXECUTED AGREEMENTS; AND PROVIDING AN EFFECTIVE DATE.

G. Consideration to Approve Resolution R07-2016 ACHD ROW Addendum – Richard Roats, City Attorney

A RESOLUTION OF THE CITY OF KUNA, IDAHO AUTHORIZING THE CITY ENGINEER TO EXECUTE, ON BEHALF OF THE CITY OF KUNA, IDAHO, ALL ADDENDUMS TO THE MASTER LICENSE AGREEMENT FOR MUNICIPAL PRESSURE IRRIGATION SYSTEM WITHIN THE RIGHTS-OF-

WAY BETWEEN THE ADA COUNTY HIGHWAY DISTRICT AND THE CITY OF KUNA PERMITTING THE PLACEMENT OF THE CITY OF KUNA'S PRESSURIZED IRRIGATION SYSTEM CONSISTING OF PRESSURE IRRIGATION PIPING AND VALVING EQUIPMENT WITHIN THE ADA COUNTY HIGHWAY DISTRICT RIGHTS-OF-WAY WITHOUT ADDITIONAL APPROVAL FROM THE CITY COUNCIL AFTER THE DATE OF PASSAGE OF THIS RESOLUTION; PROVIDING A PROCESS TO NOTIFY THE CITY COUNCIL OF EXECUTED AGREEMENTS; AND PROVIDING AN EFFECTIVE DATE.

H. Consideration to Approve Resolution R10-2016 – City Treasurer, John Marsh

A RESOLUTION OF THE CITY OF KUNA, IDAHO ADOPTING THE INTERNAL REVENUE SERVICE CODE SECTION 125 PREMIUM ONLY PLAN DOCUMENT AND SUMMARY PLAN DESCRIPTION.

8. Ordinances:

9. Mayor/Council Discussion Items:

A. Discussion to change Council Meeting start time to 6:00 p.m. – Mayor Stear

10. Announcements:

11. Executive Session:

12. Adjournment:

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, 763 W. Avalon Street, Kuna, Idaho

City Council Meeting
Minutes
Tuesday, January 19, 2016

7:00 P.M. REGULAR CITY COUNCIL

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
Bob Bachman, Facilities Director
Bobby Withrow, Parks Director
Gordon Law, City Engineer
John Marsh, City Treasurer

2. **Invocation:** Karen Hernandez, United Methodist Church

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

4. **Consent Agenda:**
(Timestamp 00:02:35)

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: Regular City Council Minutes, January 5, 2016

B. Accounts Payable Dated January 14, 2016 in the Amount of $292,514.73

NOTICE: Copies of all agenda materials are available for public review in the Office of the City Clerk. Persons who have questions concerning any agenda item may call the City Clerk's Office at 922-5546. In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk at 922-5546 at least forty-eight (48) hours prior to the meeting to allow the City to make reasonable arrangements to ensure accessibility to this meeting.

C. Finding of Facts and Conclusions of Law:

Consideration to Approve 15-02-S, Journey's End Subdivision: Preliminary Plat to create a 145 lot residential subdivision containing 87 single family lots, 20 townhome lots, 25 multi-family (four-plex) lots and 13 common lots. Trevor Kesner, Planner II

D. Consideration to re-adopt Ordinance 2015-12, Idaho Power Franchise Agreement with summary publication – Richard Roats, City Attorney

Council Member Buban-Vonder Haar moved to approve the consent agenda. Seconded by Council President Jones with the following roll call vote:
Voting Aye: Council Members Cardoza, Jones, Buban-Vonder Haar and McPherson
Voting No: None
Absent: None
Motion carried 4-0.

5. Citizen's Reports or Requests:

6. Public Hearings: (7:00 p.m. or as soon thereafter as matters may be heard.) *(Timestamp 00:03:11)*

A. Consideration to approve submission of two grants to Idaho Department of Parks and Recreation – Chris Engels, City Clerk

City Clerk Chris Engels explained the two project applications are to complete the areas to the west of Bridge St.

Project #1 is located behind Indian Creek Elementary which is currently a dirt path. The project has both Law Enforcement and Fire Department support as well as the School District's willingness to deed the property to the city. Included is consideration for a survey of the property so that can occur. The city will be requesting $19,700 with a minimum match required of 20%. The city will be matching 42% in in-kind labor, equipment and maintenance.

Council Member Buban-Vonder Haar asked if the odds of receiving a grant are better if the match percentages are higher than the minimum required.

Ms. Engels replied; yes, absolutely.

Project #2 would be a rehabilitation of the area at the end of Avenue E to include trailhead parking, ADA accessible parking, landscaping and a connection to the existing greenbelt as well as a connection to the Avenue E sidewalk. The adjacent property owners are supportive of the project. The city will be requesting $42,000 with the city matching 42% in in-kind labor, equipment, landscaping and

maintenance. The city currently has an agreement with UPRR for the land and this project fits into the use allowed in the agreement.

Council Member Cardoza asked for clarification; the land behind the elementary school has not been donated yet, are we assured that the donation will occur?

Ms. Engels deferred to City Attorney Richard Roats who has been working with their attorney.

Mr. Roats responded he has been in communication with the School District's attorney for several months regarding a long term easement or a quit claim of the property. It was the determination of the School District several weeks ago, they would prefer to quit claim the property to the city. The survey would need to take place in a timely manner to facilitate the School Board's approval of the quit claim at their meeting the beginning of February.

Council Member Cardoza asked if a Resolution can be passed regarding property the city does not own.

Mr. Roats responded; yes

Council Member Cardoza asked if the School District does not follow through, would the allocated funds go back to the general fund.

Mr. Roats confirmed that was correct.

Council President Jones moved to approve the submission of two grant applications. Seconded by Council Member Buban-Vonder Haar with the following roll call vote:
Voting Aye: Council Members Cardoza, Jones, Buban-Vonder Haar and McPherson
Voting No: None
Absent: None

Council President Jones moved to allocate funds to perform a survey on the donated land from the Kuna School District for paving the greenbelt behind Indian Creek School. Seconded by Council Member Buban-Vonder Haar with the following roll call vote:
Voting Aye: Council Members Cardoza, Jones, Buban-Vonder Haar and McPherson
Voting No: None
Absent: None

Council Member Stear recognized and welcomed the scout troop in attendance.

7. Business Items:

A. Consideration to Approve 15-05-LLA – Lot line Adjustment for P&F Development – Trevor Kesner, Planner II
(Timestamp 00:13:15)

Applicant/Representative seeks approval to adjust the property line between lots 9 and 10, Mineral Springs #2; in order to establish a more appropriate building envelope for construction of a future residential structure on lot 10.

Planner II Trevor Kesner explained the details of the project. All conditions have been meet and he stood for questions.

Council President Jones moved to approve 15-05-LLA. Seconded by Council Member Buban-Vonder Haar motion carried 4-0.

B. Consideration to Approve Resolution R04-2016 Adopting Amendments to the City of Kuna Comprehensive Plan – Wendy Howell, P & Z Director
(Timestamp 00:14:51)

A RESOLUTION OF THE KUNA CITY COUNCIL KUNA, IDAHO ADOPTING AMENDMENTS TO ITS COMPREHENSIVE PLAN ENTITLED 2015 COMPREHENSIVE PLAN FOR THE CITY OF KUNA, IDAHO; AFFIRMING THAT THE PRESCRIBED NOTICE AND HEARING REQUIREMENTS WERE MET IN ACCORDANCE WITH TITLE 67, CHAPTER 65, IDAHO CODE; AND PROVIDING AN EFFECTIVE DATE.

P & Z Director Wendy Howell explained this was a formality to the adoption that was approved on August 18th.

Council Member Cardoza asked if the matter was previously adopted in August, what the purpose is tonight.

Ms. Howell explained a Resolution was required by state code.

Council Member Buban-Vonder Haar moved to approve R04-2016. Seconded by Council President Jones. Motion carried 4-0.

C. Consideration to Approve Resolution R05-2016 Naming the W. Greg Nelson Greenbelt – Richard Roats, City Attorney
(Timestamp 00:16:17)

A RESOLUTION OF THE CITY OF KUNA, IDAHO NAMING THE CITY OF KUNA, IDAHO GREENBELT THE "W. GREG NELSON GREENBELT" IN HONOR OF HIS YEARS OF PUBLIC SERVICE TO THE CITY OF KUNA, IDAHO, AND HIS COMMITMENT TO THE YOUTH IN THE COMMUNITY.

City Attorney Richard Roats stood for questions.

Council President Jones asked if there were funds that needed to be approved for signage.

Council Member Cardoza noted there was no money allocated.

Parks Director Bobby Withrow responded if the rock signage is to be done this year it will need to come from the contingency fund. He can obtain a cost quote as soon as possible if directed to do so.

Council President Jones moved to approve R05-2016. Seconded by Council Member Cardoza. Motion carried 4-0.

D. Consideration to Approve Resolution R06-2016 Adopting the Personnel Manual – Richard Roats, City Attorney
(Timestamp 00:17:58)

A RESOLUTION OF THE KUNA CITY COUNCIL, KUNA, IDAHO APPROVING AND ADOPTING THE CITY OF KUNA, IDAHO PERSONNEL MANUAL (VERSION JANUARY 2016); AND REPEALING ALL PREVIOUS PERSONNEL MANUALS AND/OR RELATED PERSONNEL POLICIES AND PROCEDURES; AUTHORIZING THE MAYOR TO EXECUTE THE MANUAL, AND THE CITY CLERK TO ATTEST TO THE SAME; AND PROVIDING AN EFFECTIVE DATE.

City Attorney Richard Roats explained there has been discussion about 18.1 and requests to remove it from the manual at this time and pass the personnel manual. 18.1 and 18.2 will continue to be worked on and will be brought before Council at a later date. He stood for questions.

Council President Jones moved to approve R06-2016 removing 18.1. Seconded by Council Member Buban-Vonder Haar. Motion carried 4-0.

8. Ordinances:

A. *First Reading* of Ordinance 2016-01 Idaho State Land Department Lands and Blevins Annexation – Troy Behunin, Senior Planner
(Timestamp 00:19:45)

Consideration to waive three readings
Consideration to approve ordinance
Consideration to approve a summary publication of the ordinance

AN ORDINANCE ANNEXING CERTAIN REAL PROPERTY, TO WIT: PARCEL NUMBER S1427314800 AND PARCEL NUMBER S1427325560;

SITUATED IN THE UNINCORPORATED AREA OF ADA COUNTY, IDAHO, AND CONTIGUOUS TO THE CORPORATE LIMITS OF THE CITY OF KUNA, TO THE CITY OF KUNA, IDAHO; ESTABLISHING THE ZONING CLASSIFICATION OF SAID REAL PROPERTY; DIRECTING THAT COPIES OF THIS ORDINANCE BE FILED AS PROVIDED BY LAW; AND PROVIDING AN EFFECTIVE DATE.

Mayor Stear asked if this can be passed by Motion. City Attorney Richard Roats responded yes.

Council Member Buban-Vonder Haar moved to waive three readings of Ordinance No. 2016-01. Seconded by Council President Jones.. Motion carried 4-0

Mayor Stear asked if this needs to be done by roll call or by Motion. City Attorney Richard Roats responded by Motion.

Council Member Buban-Vonder Haar moved to approve Ordinance No. 2016-01. Seconded by Council President Jones. Motion carried 4-0

Council Member Buban-Vonder Haar moved to approve a summary publication of Ordinance No. 2016-01. Seconded by Council President Jones. Motion carried 4-0

B. *First Reading* of Ordinance 2016-02 Heimbuch Annexation – Troy Behunin, Senior Planner
(Timestamp 00:21:56)

Consideration to waive three readings
Consideration to approve ordinance
Consideration to approve a summary publication of the ordinance

AN ORDINANCE ANNEXING CERTAIN REAL PROPERTY, TO WIT: PARCEL NUMBER S1428111000; SITUATED IN THE UNINCORPORATED AREA OF ADA COUNTY, IDAHO, AND CONTIGUOUS TO THE CORPORATE LIMITS OF THE CITY OF KUNA, TO THE CITY OF KUNA, IDAHO; ESTABLISHING THE ZONING CLASSIFICATION OF SAID REAL PROPERTY; DIRECTING THAT COPIES OF THIS ORDINANCE BE FILED AS PROVIDED BY LAW; AND PROVIDING AN EFFECTIVE DATE.

Council Member Cardoza asked if the properties were currently zoned agricultural in the County.

P & Z Director Wendy Jones said she thought they were.

Council Member Buban-Vonder Haar moved to waive three readings of Ordinance No. 2016-02. Seconded by Council President Jones. Motion carried 4-0

Council Member Buban-Vonder Haar moved to approve Ordinance No. 2016-02. Seconded by Council President Jones. Motion carried 4-0

Council Member Buban-Vonder Haar moved to approve a summary publication of Ordinance No. 2016-02. Seconded by Council President Jones. Motion carried 4-0

C. *First Reading* of Ordinance 2016-03 Falcon Crest, LLC Annexation – Troy Behunin, Senior Planner
(Timestamp 00:24:01)

Consideration to waive three readings
Consideration to approve ordinance
Consideration to approve a summary publication of the ordinance

AN ORDINANCE ANNEXING CERTAIN REAL PROPERTY, TO WIT: PARCEL NUMBER S1422336000; SITUATED IN THE UNINCORPORATED AREA OF ADA COUNTY, IDAHO, AND CONTIGUOUS TO THE CORPORATE LIMITS OF THE CITY OF KUNA, TO THE CITY OF KUNA, IDAHO; ESTABLISHING THE ZONING CLASSIFICATION OF SAID REAL PROPERTY; DIRECTING THAT COPIES OF THIS ORDINANCE BE FILED AS PROVIDED BY LAW; AND PROVIDING AN EFFECTIVE DATE.

Council President Jones asked if this included the golf course.

P & Z Director Wendy Howell said it would come in later.

City Engineer Gordon Law explained the location of the parcel.

Council President Jones thanked Mr. Law.

Council Member Cardoza asked Ms. Howell if the adjoining land was designated agricultural in the comp plan.

Ms. Howell wasn't sure; she thought it might be medium density. Their plan is to develop.

Council Member Cardoza asked City Attorney Roats if Council can pass an annexation that is designated agricultural if the city comp plan has a different designation.

Mr. Roats indicated he didn't know the zoning designation.

Ms. Howell said she would look it up.

Council moved to the next item.

Ms. Howell returned and explained the designation for this portion is agricultural.

Council Member Buban-Vonder Haar moved to waive three readings of Ordinance No. 2016-03. Seconded by Council President Jones. Motion carried 4-0

Council Member Buban-Vonder Haar moved to approve Ordinance No. 2016-03. Seconded by Council President Jones. Motion carried 4-0

Council Member Buban-Vonder Haar moved to approve a summary publication of Ordinance No. 2016-03. Seconded by Council President Jones. Motion carried 4-0

D. *First Reading* of Ordinance 2016-04 Employee Background Check Amendment – Richard Roats, City Attorney
(Timestamp 00:28:30)

Consideration to waive three readings
Consideration to approve ordinance
Consideration to approve a summary publication of the ordinance

AN ORDINANCE AMENDING KUNA CITY CODE 1-16-1, ET SEQ. TO SET FORTH THE PRACTICE AND PROCEDURE FOR OBTAINING, REVIEWING AND MAKING AN ADVERSE DECISION RELATED TO AN APPLICANT OR EMPLOYEE'S CRIMINAL HISTORY; PROVIDING FOR A SEVERANCE CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

City Attorney Richard Roats indicated there was a clean version and redline version of the ordinance for review and stood for questions.

Council President Jones asked what the city policy would be if someone applies that has a substantial history. Who would approve hiring?

Mr. Roats explained access to histories is limited. There would be a general discussion with the Supervisor or Director regarding any problems. A decision would be made at that time if a candidate should move forward.

Council President Jones said the Mayor has final approval for all new hires so that would be sufficient correct?

Mr. Roats confirmed that is correct.

Council Member Cardoza asked if section 6.12 should be more specific as to who is authorized to review the background checks.

City Clerk Chris Engels responded; in our agreement with ISP and BCI in order to do Federal background checks, we are required to provide a list of who is authorized to review them. That list only includes those persons that need to have

hands on those documents. There are only three people on that list, the City Treasurer, the City Attorney and the City Clerk.

Council Member Cardoza asked if those three positions should be named specifically due to privacy issues.

Mr. Roats said he could make that amendment.

Council President Jones feels it would be best to name the three authorized positions.

Mr. Roats said he will make that change.

Mayor Stear asked if Council was agreeable. Council agreed.

Council Member Buban-Vonder Haar moved to waive three readings of Ordinance No. 2016-04. Seconded by Council President Jones. Motion carried 4-0

Council Member Buban-Vonder Haar moved to approve Ordinance No. 2016-04 with changes noted. Seconded by Council President Jones. Motion carried 4-0

Council Member Buban-Vonder Haar moved to approve a summary publication of Ordinance No. 2016-04. Seconded by Council President Jones. Motion carried 4-0

E. *First Reading* of Ordinance 2016-05 Repealing Kuna City Code 1-8-1 – Richard Roats, City Attorney
(Timestamp 00:37:08)

Consideration to waive three readings
Consideration to approve ordinance
Consideration to approve a summary publication of the ordinance

AN ORDINANCE OF THE KUNA CITY COUNCIL, KUNA, IDAHO REPEALING KUNA CITY CODE (KCC) 1-8-1 PURCHASING PROCEDURE; AND PROVIDING AN EFFECTIVE DATE.

City Attorney Richard Roats explained the code was inconsistent with state law and stated it would be appropriate to follow state law.

Council Member Cardoza said in the budget process each line item is allotted a certain amount. If the funds have already been allocated, it should not need to be brought before Council.

Mr. Roats explained this was for bid items not budget items and would be consistent with state law.

Council Member Buban-Vonder Haar moved to waive three readings of Ordinance No. 2016-05. Seconded by Council President Jones. Motion carried 4-0

Council Member Buban-Vonder Haar moved to approve Ordinance No. 2016-05. Seconded by Council President Jones. Motion carried 4-0

Council Member Buban-Vonder Haar moved to approve a summary publication of Ordinance No. 2016-05. Seconded by Council President Jones. Motion carried 4-0

9. Mayor/Council Discussion Items:
(Timestamp 00:40:21)

Mayor Stear explained he will be meeting with Tim Gordon on the cost of this building and hopes to have a package ready for the next meeting on possible city hall options for Council review.

Park Impact fees have been calculated and will be presented to the Park Impact Fee Committee for review. He invited Council to attend but to notify City Clerk Chris Engels so she can post it if several council members will be in attendance.

January 29, 2016 will be the dedication with Idaho Air National Guard for the Nose Art to be dedicated to Kuna.

Mayor Stear invited anyone to stop by his office anytime.

Council President Jones asked if staff needed direction regarding vacation accruals now that the personnel manual has passed.

Mayor Stear responded there will be a Directors meeting to discuss options. If there is specific direction at this time, please mention it.

Council President Jones said he would like focus to be placed on the larger vacation accruals first. Attention should also be given to pay rates.

10. Announcements:

11. Executive Session:

12. Adjournment:

Mayor Stear adjourned the meeting at 7:45 p.m.

_____
Joe L. Stear, Mayor

ATTEST:

_____
Chris Engels, City Clerk

Minutes prepared by Dawn Stephens, Deputy City Clerk
Date Approved: CCM 02.02.2016

City of Kuna

Payment Approval Report - City Council Approval
Report dates: 1/15/2016-1/28/2016

Report Criteria:
Detail report.
Invoices with totals above $0.00 included.
Paid and unpaid invoices included.

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
2M COMPANY, INC.												
1461	2M COMPANY, INC.	4102322-000	3636	PVC PIPE FOR THE PARADE FLOAT, J.CRUMPTON, PARKS, DEC.'15	12/03/2015	28.08	.00	01-6265 TRAINING & SCH00LING	1004	12/15		
Total 4102322-000:						28.08	.00					
1461	2M COMPANY, INC.	4102326-000	3638	PVC PIPING FOR XMAS PARADE FLOAT, J CRUMPTON, PARKS DEC 15	12/04/2015	7.80	.00	01-6265 TRAINING & SCH00LING	1004	12/15		
Total 4102326-000:						7.80	.00					
Total 2M COMPANY, INC.:						35.88	.00					
ADA COUNTY ASSESSOR'S OFFICE												
207	ADA COUNTY ASSESSOR'S OFFICE	15486		4 QUARTERLY GIS DATA DOWNLOAD SUBSCRIPTION 2016, M BORZICK, JAN 16	01/11/2016	400.00	.00	20-6175 SMALL TOOLS	0	1/16		
Total 15486:						400.00	.00					
Total ADA COUNTY ASSESSOR'S OFFICE:						400.00	.00					
ADA COUNTY HIGHWAY DISTRICT (RENT)												
1037	ADA COUNTY HIGHWAY DISTRICT (RENT)	13588		ACHD SHOP RENT, JAN 16, PARKS	01/20/2016	148.50	.00	01-6211 RENT-BUILDINGS & LAND	1004	1/16		
1037	ADA COUNTY HIGHWAY DISTRICT (RENT)	13588		ACHD SHOP RENT, JAN 16, WATER	01/20/2016	126.00	.00	20-6211 RENT-BUILDINGS & LAND	0	1/16		
1037	ADA COUNTY HIGHWAY DISTRICT (RENT)	13588		ACHD SHOP RENT, JAN 16, SEWER	01/20/2016	121.50	.00	21-6211 RENT - BUILDINGS & LAND	0	1/16		
1037	ADA COUNTY HIGHWAY DISTRICT (RENT)	13588		ACHD SHOP RENT, JAN 16, PI	01/20/2016	54.00	.00	25-6211 RENT - BUILDINGS & LAND	0	1/16		

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
Total 13588:						450.00	.00					
Total ADA COUNTY HIGHWAY DISTRICT (RENT):						450.00	.00					
ARTCO (US, INC.)												
1435	ARTCO (US, INC.)	16195974	3775	BUSINESS CARDS FOR STEAR YOUTH COUNCIL, JAN 16, ADMIN	01/25/2016	36.00	.00	01-6165 OFFICE SUPPLIES	0	1/16		
1435	ARTCO (US, INC.)	16195974	3775	BUSINESS CARDS FOR STEAR YOUTH COUNCIL, JAN 16, WATER	01/25/2016	1.60	.00	20-6165 0FFICE SUPPLIES	0	1/16		
1435	ARTCO (US, INC.)	16195974	3775	BUSINESS CARDS FOR STEAR YOUTH COUNCIL, JAN 16, SEWER	01/25/2016	1.60	.00	21-6165 OFFICE SUPPLIES	0	1/16		
1435	ARTCO (US, INC.)	16195974	3775	BUSINESS CARDS FOR STEAR YOUTH COUNCIL, JAN 16, PI	01/25/2016	.80	.00	25-6165 OFFICE SUPPLIES	0	1/16		
Total 16195974:						40.00	.00					
1435	ARTCO (US, INC.)	1658029	3732	UPDATED BUSINESS CARDS, CORRECT CELL PHONE NUMBER FOR MAYOR JOE STEAR, JAN 16	01/15/2016	36.00	.00	01-6165 OFFICE SUPPLIES	0	1/16		
1435	ARTCO (US, INC.)	1658029	3732	UPDATED BUSINESS CARDS, CORRECT CELL PHONE NUMBER FOR MAYOR JOE STEAR, JAN 16	01/15/2016	1.60	.00	20-6165 0FFICE SUPPLIES	0	1/16		
1435	ARTCO (US, INC.)	1658029	3732	UPDATED BUSINESS CARDS CORRECT CELL PHONE NUMBER FOR MAYOR JOE STEAR, JAN 16	01/15/2016	1.60	.00	21-6165 OFFICE SUPPLIES	0	1/16		
1435	ARTCO (US, INC.)	1658029	3732	UPDATED BUSINESS CARDS, CORRECT CELL PHONE NUMBER FOR MAYOR JOE STEAR, JAN 16	01/15/2016	.80	.00	25-6165 OFFICE SUPPLIES	0	1/16		
1435	ARTCO (US, INC.)	1658029	3732	UPDATED BUSINESS CARDS, RICHARD CARDOZA COUNCIL MEMBER, JAN 16	01/15/2016	36.00	.00	01-6165 OFFICE SUPPLIES	0	1/16		

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1435	ARTCO (US, INC.)	1658029	3732	UPDATED BUSINESS CARDS, RICHARD CARDOZA COUNCIL MEMBER, JAN 16	01/15/2016	1.60	.00	20-6165 0FFICE SUPPLIES	0	1/16		
1435	ARTCO (US, INC.)	1658029	3732	UPDATED BUSINESS CARDS, RICHARD CARDOZA COUNCIL MEMBER, JAN 16	01/15/2016	1.60	.00	21-6165 OFFICE SUPPLIES	0	1/16		
1435	ARTCO (US, INC.)	1658029	3732	UPDATED BUSINESS CARDS, RICHARD CARDOZA COUNCIL MEMBER, JAN 16	01/15/2016	.80	.00	25-6165 OFFICE SUPPLIES	0	1/16		
1435	ARTCO (US, INC.)	1658029	3732	UPDATED BUSINESS CARDS, PAT JONES COUNCIL PRESIDENT, JAN 16	01/15/2016	36.00	.00	01-6165 OFFICE SUPPLIES	0	1/16		
1435	ARTCO (US, INC.)	1658029	3732	UPDATED BUSINESS CARDS, PAT JONES, COUNCIL PRESIDENT, JAN 16	01/15/2016	1.60	.00	20-6165 0FFICE SUPPLIES	0	1/16		
1435	ARTCO (US, INC.)	1658029	3732	UPDATED BUSINESS CARDS, RICHARD CARDOZA COUNCIL MEMBER, JAN 16	01/15/2016	1.60	.00	21-6165 OFFICE SUPPLIES	0	1/16		
1435	ARTCO (US, INC.)	1658029	3732	UPDATED BUSINESS CARDS, RICHARD CARDOZA COUNCIL MEMBER, JAN 16	01/15/2016	.80	.00	25-6165 OFFICE SUPPLIES	0	1/16		
Total 1658029:						120.00	.00					
Total ARTCO (US, INC.):						160.00	.00					
ASSOCIATION OF IDAHO CITIES												
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, MAYOR JOE STEAR, JAN.'16	01/22/2016	31.50	.00	01-6155 MEETINGS/COMMITTEES	0	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, MAYOR JOE STEAR, JAN.'16	01/22/2016	1.40	.00	20-6155 MEETINGS/COMMITTEES	0	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, MAYOR JOE STEAR, JAN.'16	01/22/2016	1.40	.00	21-6155 MEETINGS/COMMITTEES	0	1/16		

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, MAYOR JOE STEAR, JAN.'16	01/22/2016	.70	.00	25-6155 MEETING/COMMITTEES	0	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, COUNCIL MEMBER G MCPHERSON, JAN.'16	01/22/2016	31.50	.00	01-6155 MEETINGS/COMMITTEES	0	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, COUNCIL MEMBER G MCPHERSON, JAN.'16	01/22/2016	1.40	.00	20-6155 MEETINGS/COMMITTEES	0	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, COUNCIL MEMBER G MCPHERSON, JAN.'16	01/22/2016	1.40	.00	21-6155 MEETINGS/COMMITTEES	0	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, COUNCIL MEMBER G MCPHERSON, JAN.'16	01/22/2016	.70	.00	25-6155 MEETING/COMMITTEES	0	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, COUNCIL R CARDOZA, JAN.'16	01/22/2016	31.50	.00	01-6155 MEETINGS/COMMITTEES	0	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, COUNCIL R CARDOZA, JAN.'16	01/22/2016	1.40	.00	20-6155 MEETINGS/COMMITTEES	0	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, COUNCIL R CARDOZA, JAN.'16	01/22/2016	1.40	.00	21-6155 MEETINGS/COMMITTEES	0	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, COUNCIL R CARDOZA, JAN.'16	01/22/2016	.70	.00	25-6155 MEETING/COMMITTEES	0	1/16		

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, B WITHROW, JAN.'16	01/22/2016	35.00	.00	01-6155 MEETINGS/COMMITTEES	1004	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, W HOWELL, JAN.'16	01/22/2016	31.40	.00	01-6155 MEETINGS/COMMITTEES	1003	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, W HOWELL, JAN.'16	01/22/2016	1.54	.00	20-6155 MEETINGS/COMMITTEES	1003	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, W HOWELL, JAN.'16	01/22/2016	1.54	.00	21-6155 MEETINGS/COMMITTEES	1003	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, W HOWELL, JAN.'16	01/22/2016	.52	.00	25-6155 MEETING/COMMITTEES	1003	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, R ROATS, JAN.'16	01/22/2016	11.55	.00	01-6155 MEETINGS/COMMITTEES	0	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, R ROATS, JAN.'16	01/22/2016	9.45	.00	20-6155 MEETINGS/COMMITTEES	0	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, R ROATS, JAN.'16	01/22/2016	10.50	.00	21-6155 MEETINGS/COMMITTEES	0	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, R ROATS, JAN.'16	01/22/2016	3.50	.00	25-6155 MEETING/COMMITTEES	0	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, J MARSH, JAN.'16	01/22/2016	8.75	.00	01-6155 MEETINGS/COMMITTEES	0	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, J MARSH, JAN.'16	01/22/2016	11.55	.00	20-6155 MEETINGS/COMMITTEES	0	1/16		

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, J MARSH, JAN.'16	01/22/2016	11.55	.00	21-6155 MEETINGS/COMMITTEES	0	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, J MARSH, JAN.'16	01/22/2016	3.15	.00	25-6155 MEETING/COMMITTEES	0	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, B BACHMAN, JAN.'16	01/22/2016	8.75	.00	01-6155 MEETINGS/COMMITTEES	0	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, B BACHMAN, JAN.'16	01/22/2016	19.25	.00	01-6155 MEETINGS/COMMITTEES	1004	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, B BACHMAN, JAN.'16	01/22/2016	3.50	.00	01-6155 MEETINGS/COMMITTEES	1003	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, B BACHMAN, JAN.'16	01/22/2016	1.40	.00	20-6155 MEETINGS/COMMITTEES	1003	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, B BACHMAN, JAN.'16	01/22/2016	1.40	.00	21-6155 MEETINGS/COMMITTEES	0	1/16		
8	ASSOCIATION OF IDAHO CITIES	200001318	3771	CITY OFFICIALS' DAY AT THE CAPITOL AND LEGISLATIVE LUNCHEON, B BACHMAN, JAN.'16	01/22/2016	.70	.00	25-6155 MEETING/COMMITTEES	0	1/16		
Total 200001318:						280.00	.00					
Total ASSOCIATION OF IDAHO CITIES:						280.00	.00					
AUTOZONE, INC.												
1606	AUTOZONE, INC.	4126936533	3740	2 OIL FILTERS FOR TRUCK #24, B.GILLOGLY, PARKS, JAN.'16	01/08/2016	24.43	.00	01-6305 VEHICLE MAINTENANCE & REPAIRS	1004	1/16		

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
Total 4126936533:						24.43	.00					
Total AUTOZONE, INC.:						24.43	.00					
BOISE RIGGING SUPPLY												
246	BOISE RIGGING SUPPLY	B 013079	3745	SPRING CLIPS AND SHACKLES FOR ORCHARD AND HUBBARD LIFT STATIONS FOR SAFETY CHAINS ON PUMPS, T FLEMING, SEWER, JAN 16	01/11/2016	66.00	.00	21-6150 MAINT. & REPAIRS - SYSTEM	0	1/16		
Total B 013079:						66.00	.00					
Total BOISE RIGGING SUPPLY:						66.00	.00					
BUSY BEE SAND & GRAVEL												
10	BUSY BEE SAND & GRAVEL	500106		SAND FOR PROSPECTOR PI PROJECT, DEC 15	12/01/2015	22.12	.00	25-6020 CAPITAL IMPR0VEMENTS	1056	12/15		
Total 500106:						22.12	.00					
10	BUSY BEE SAND & GRAVEL	500126		SAND FOR PROSPECTOR PI PROJECT, DEC 15	12/02/2015	21.17	.00	25-6020 CAPITAL IMPR0VEMENTS	1056	12/15		
Total 500126:						21.17	.00					
10	BUSY BEE SAND & GRAVEL	500146		SAND FOR PROSPECTOR PI PROJECT, DEC 15	12/03/2015	42.80	.00	25-6020 CAPITAL IMPR0VEMENTS	1056	1/16		
Total 500146:						42.80	.00					
10	BUSY BEE SAND & GRAVEL	500152		SAND FOR PROSPECTOR PI PROJECT, DEC 15	12/03/2015	63.50	.00	25-6020 CAPITAL IMPR0VEMENTS	1056	1/16		
Total 500152:						63.50	.00					

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
10	BUSY BEE SAND & GRAVEL	500154		SAND FOR PROSPECTOR PI PROJECT, DEC 15	12/03/2015	53.80	.00	25-6020 CAPITAL IMPR0VEMENTS	1056	12/15		
Total 500154:						53.80	.00					
10	BUSY BEE SAND & GRAVEL	500269		SAND FOR PROSPECTOR PI PROJECT, DEC 15	12/07/2015	68.80	.00	25-6020 CAPITAL IMPR0VEMENTS	1056	12/15		
Total 500269:						68.80	.00					
10	BUSY BEE SAND & GRAVEL	500330		SAND FOR PROSPECTOR PI PROJECT, DEC 15	12/08/2015	24.65	.00	25-6020 CAPITAL IMPR0VEMENTS	1056	12/15		
Total 500330:						24.65	.00					
10	BUSY BEE SAND & GRAVEL	500340		SAND FOR PROSPECTOR PI PROJECT, DEC 15	12/08/2015	48.30	.00	25-6020 CAPITAL IMPR0VEMENTS	1056	12/15		
Total 500340:						48.30	.00					
10	BUSY BEE SAND & GRAVEL	500349		SAND FOR PROSPECTOR PI PROJECT, DEC 15	12/08/2015	52.50	.00	25-6020 CAPITAL IMPR0VEMENTS	1056	12/15		
Total 500349:						52.50	.00					
10	BUSY BEE SAND & GRAVEL	500391		SAND FOR PROSPECTOR PI PROJECT, DEC 15	12/09/2015	20.50	.00	25-6020 CAPITAL IMPR0VEMENTS	1056	12/15		
Total 500391:						20.50	.00					
10	BUSY BEE SAND & GRAVEL	500482		SAND FOR PROSPECTOR PI PROJECT, DEC 15	12/10/2015	17.10	.00	25-6020 CAPITAL IMPR0VEMENTS	1056	12/15		
Total 500482:						17.10	.00					

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
10	BUSY BEE SAND & GRAVEL	500502		SAND FOR PROSPECTOR PI PROJECT, DEC 15	12/11/2015	21.12	.00	25-6020 CAPITAL IMPR0VEMENTS	1056	12/15		
Total 500502:						21.12	.00					
10	BUSY BEE SAND & GRAVEL	500521		SAND FOR PROSPECTOR PI PROJECT, DEC 15	12/11/2015	22.33	.00	25-6020 CAPITAL IMPR0VEMENTS	1056	12/15		
Total 500521:						22.33	.00					
10	BUSY BEE SAND & GRAVEL	500522		SAND FOR PROSPECTOR PI PROJECT, DEC 15	12/11/2015	15.00	.00	25-6020 CAPITAL IMPR0VEMENTS	1056	12/15		
Total 500522:						15.00	.00					
10	BUSY BEE SAND & GRAVEL	500547		SAND FOR PROSPECTOR PI PROJECT, DEC 15	12/11/2015	56.70	.00	25-6020 CAPITAL IMPR0VEMENTS	1056	12/15		
Total 500547:						56.70	.00					
10	BUSY BEE SAND & GRAVEL	500548		SAND FOR PROSPECTOR PI PROJECT, DEC 15	01/21/2015	15.00	.00	25-6020 CAPITAL IMPR0VEMENTS	1056	12/15		
Total 500548:						15.00	.00					
10	BUSY BEE SAND & GRAVEL	500723		SAND FOR PROSPECTOR PI PROJECT, DEC 15	12/15/2015	50.70	.00	25-6020 CAPITAL IMPR0VEMENTS	1056	12/15		
Total 500723:						50.70	.00					
10	BUSY BEE SAND & GRAVEL	501628	3756	1 LOAD OF SAND FOR THE PROJECT, BLOWER AT THE LAGOONS, C.KNIGHT, SEWER, JAN.'16	01/15/2016	23.07	.00	21-6020 CAPITAL IMPR0VEMENTS	0	1/16		
Total 501628:						23.07	.00					

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
10	BUSY BEE SAND & GRAVEL	501637	3756	1 LOAD OF SAND FOR THE PROJECT, BLOWER AT THE LAGOONS, C.KNIGHT, SEWER, JAN.'16	01/15/2016	24.73	.00	21-6020 CAPITAL IMPR0VEMENTS	0	1/16		
Total 501637:						24.73	.00					
Total BUSY BEE SAND & GRAVEL:						663.89	.00					
CORWIN AUTO IDAHO LLC												
442	CORWIN AUTO IDAHO LLC	43169P		DIODE ASSEMBLY REPLACED ON CAR #71, JAN 16	01/21/2016	13.54	.00	01-6305 VEHICLE MAINTENANCE & REPAIRS	0	1/16		
Total 43169P:						13.54	.00					
Total CORWIN AUTO IDAHO LLC:						13.54	.00					
CUSTOM ELECTRIC, INC.												
147	CUSTOM ELECTRIC, INC.	7356	3694	SCADA RADIO REPAIRS, T.FLEMING, WATER, DEC.'15	12/29/2015	519.09	.00	20-6150 MAINT. & REPAIRS - SYSTEM	0	12/15		
147	CUSTOM ELECTRIC, INC.	7356	3694	SCADA RADIO REPAIRS, T.FLEMING, SEWER, DEC.'15	12/29/2015	519.09	.00	21-6150 MAINT. & REPAIRS - SYSTEM	0	12/15		
Total 7356:						1,038.18	.00					
Total CUSTOM ELECTRIC, INC.:						1,038.18	.00					
D & B SUPPLY												
75	D & B SUPPLY	001 87288 001	3673	TOOL BOX WITH COMPACT MATTE S LID FOR TRUCK #25, B.BACHMAN, WATER, DEC.'15	12/11/2015	343.58	.00	01-6175 SMALL TOOLS	0	12/15		
75	D & B SUPPLY	001 87288 001	3673	SNAP RING PLIERS, MECH KIT 142 PC WITH CASE, B GILLOGLY, DEC.'15	12/11/2015	74.74	.00	20-6175 SMALL TOOLS	1004	12/15		
75	D & B SUPPLY	001 87288 001	3673	SNAP RING PLIERS, MECH KIT 142 PC WITH CASE, B GILLOGLY, DEC.'15	12/11/2015	28.75	.00	01-6175 SMALL TOOLS	1000	12/15		

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
75	D & B SUPPLY	001 87288 001	3673	SNAP RING PLIERS, MECH KIT 142 PC WITH CASE, B GILLOGLY, DEC.'15	12/11/2015	4.60	.00	20-6175 SMALL TOOLS	0	12/15		
75	D & B SUPPLY	001 87288 001	3673	SNAP RING PLIERS, MECH KIT 142 PC WITH CASE, B GILLOGLY, DEC.'15	12/11/2015	4.60	.00	21-6175 SMALL TOOLS	0	12/15		
75	D & B SUPPLY	001 87288 001	3673	SNAP RING PLIERS, MECH KIT 142 PC WITH CASE, B GILLOGLY, DEC.'15	12/11/2015	2.29	.00	25-6175 SMALL TOOLS	0	12/15		
Total 001 87288 001:						458.56	.00					
Total D & B SUPPLY:						458.56	.00					
EDMARK GM SUPERSTORE												
357	EDMARK GM SUPERSTORE	1092202		EMISSIONS TEST ON CAR #70, JAN 16	01/08/2016	11.00	.00	01-6305 VEHICLE MAINTENANCE & REPAIRS	0	1/16		
Total 1092202:						11.00	.00					
Total EDMARK GM SUPERSTORE:						11.00	.00					
FERGUSON WATERWORKS #1701												
219	FERGUSON WATERWORKS #1701	0623774-1	3573	METER EXTENSION, C.DEYOUNG, WATER, NOV.'15	11/30/2015	390.97	.00	20-6150 MAINT. & REPAIRS - SYSTEM	0	11/15		
Total 0623774-1:						390.97	.00					
219	FERGUSON WATERWORKS #1701	0625174		METERS FOR STOCK, WATER, JAN 16	01/12/2016	2,052.32	.00	20-6020 CAPITAL IMPR0VEMENTS	0	1/16		
Total 0625174:						2,052.32	.00					
219	FERGUSON WATERWORKS #1701	3946919	3742	1 EA. BALL VALVE FOR THE BROKEN PIPE AT THE PLANT, T.DEYOUNG, SEWER, JAN.'16	01/08/2016	32.39	.00	21-6142 MAINT. & REPAIRS - EQUIPMENT	0	1/16		

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
Total 3946919:						32.39	.00					
Total FERGUSON WATERWORKS #1701:						2,475.68	.00					
FLUID CONNECTOR PRODUCTS, INC.												
1083	FLUID CONNECTOR PRODUCTS, INC.	6237694	3726	160 PSI GUAGE REPLACEMENT FOR FROZEN LINE ON FINE SCREEN, SEWER, M NAGEAU, JAN 16	01/05/2016	18.23	.00	21-6142 MAINT. & REPAIRS - EQUIPMENT	0	1/16		
Total 6237694:						18.23	.00					
1083	FLUID CONNECTOR PRODUCTS, INC.	6250493	3766	FITTINGS AND HOSE FOR LIFT TRUCK, #27, B.GILLOGLY, ADMIN, JAN.'16	01/20/2016	10.54	.00	01-6142 MAINT. & REPAIR - EQUIPMENT	1000	1/16		
1083	FLUID CONNECTOR PRODUCTS, INC.	6250493	3766	FITTINGS AND HOSE FOR LIFT TRUCK, #27, B.GILLOGLY, PARKS, JAN.'16	01/20/2016	27.41	.00	01-6142 MAINT. & REPAIR - EQUIPMENT	1004	1/16		
1083	FLUID CONNECTOR PRODUCTS, INC.	6250493	3766	FITTINGS AND HOSE FOR LIFT TRUCK, #27, B.GILLOGLY, WATER, JAN.'16	01/20/2016	1.69	.00	20-6142 MAINT. & REPAIRS- EQUIPMENT	0	1/16		
1083	FLUID CONNECTOR PRODUCTS, INC.	6250493	3766	FITTINGS AND HOSE FOR LIFT TRUCK, #27, B.GILLOGLY, SEWER, JAN.'16	01/20/2016	1.69	.00	21-6142 MAINT. & REPAIRS - EQUIPMENT	0	1/16		
1083	FLUID CONNECTOR PRODUCTS, INC.	6250493	3766	FITTINGS AND HOSE FOR LIFT TRUCK, #27, B.GILLOGLY, PI, JAN.'16	01/20/2016	.84	.00	25-6142 MAINT. & REPAIRS - EQUIPMENT	0	1/16		
Total 6250493:						42.17	.00					
Total FLUID CONNECTOR PRODUCTS, INC.:						60.40	.00					
HD SUPPLY WATERWORKS LTD												
63	HD SUPPLY WATERWORKS LTD	E972468	3737	6 EA. 1" EXPANSION CONNECTIONS FOR METERS, 12 EA. ADAPTERS FOR METERS, 2 EA. CORP STOP INJECTOR FOR DANSKIN SUB. METER STOCK WELL, J.COX, WATER, JAN.'16	01/08/2016	1,289.56	.00	20-6150 MAINT. & REPAIRS - SYSTEM	0	1/16		

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
Total E972468:						1,289.56	.00					
63	HD SUPPLY WATERWORKS LTD	F021749	3755	12 EA. 3/4" WATER METERS, R.JONES, JAN.'16 - WATER	01/18/2016	2,254.56	.00	20-6020 CAPITAL IMPR0VEMENTS	0	1/16		
Total F021749:						2,254.56	.00					
Total HD SUPPLY WATERWORKS LTD:						3,544.12	.00					
HOCOHAN HOLDINGS, INC.												
1619	HOCOHAN HOLDINGS, INC.	AR428852		MONTHLY COPIER LEASE, MX411ON, MXM503N, JAN 16, ADMIN	01/15/2016	98.98	.00	01-6142 MAINT. & REPAIR - EQUIPMENT	0	1/16		
1619	HOCOHAN HOLDINGS, INC.	AR428852		MONTHLY COPIER LEASE, MX411ON, MXM503N, JAN 16, P&Z	01/15/2016	35.35	.00	01-6142 MAINT. & REPAIR - EQUIPMENT	1003	1/16		
1619	HOCOHAN HOLDINGS, INC.	AR428852		MONTHLY COPIER LEASE, MX411ON, MXM503N, JAN 16, WATER	01/15/2016	91.91	.00	20-6142 MAINT. & REPAIRS- EQUIPMENT	0	1/16		
1619	HOCOHAN HOLDINGS, INC.	AR428852		MONTHLY COPIER LEASE, MX411ON, MXM503N, JAN 16, SEWER	01/15/2016	91.91	.00	21-6142 MAINT. & REPAIRS - EQUIPMENT	0	1/16		
1619	HOCOHAN HOLDINGS, INC.	AR428852		MONTHLY COPIER LEASE, MX411ON, MXM503N, JAN 16, PI	01/15/2016	35.35	.00	25-6142 MAINT. & REPAIRS - EQUIPMENT	0	1/16		
Total AR428852:						353.50	.00					
1619	HOCOHAN HOLDINGS, INC.	AR428853		MONTHLY COPIER CARE, B&W, MX411OMN, MXM503N, 12-01-15 TO 12-31-15, DEC 15, ADMIN	01/15/2016	12.14	.00	01-6142 MAINT. & REPAIR - EQUIPMENT	0	12/15		
1619	HOCOHAN HOLDINGS, INC.	AR428853		MONTHLY COPIER CARE, B&W, MX411OMN, MXM503N, 12-01-15 TO 12-31-15, DEC 15, P&Z	01/15/2016	4.35	.00	01-6142 MAINT. & REPAIR - EQUIPMENT	1003	12/15		
1619	HOCOHAN HOLDINGS, INC.	AR428853		MONTHLY COPIER CARE, B&W, MX411OMN, MXM503N,								

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
				12-01-15 TO 12-31-15, DEC 15, WATER	01/15/2016	11.30	.00	20-6142 MAINT. & REPAIRS-EQUIPMENT	0	12/15		
1619	HOCOHAN HOLDINGS, INC.	AR428853		MONTHLY COPIER CARE, B&W, MX411OMN, MXM503N, 12-01-15 TO 12-31-15, DEC 15, SEWER	01/15/2016	11.30	.00	21-6142 MAINT. & REPAIRS - EQUIPMENT	0	12/15		
1619	HOCOHAN HOLDINGS, INC.	AR428853		MONTHLY COPIER CARE, B&W, MX411OMN, MXM503N, 12-01-15 TO 12-31-15, DEC 15, PI	01/15/2016	4.35	.00	25-6142 MAINT. & REPAIRS - EQUIPMENT	0	12/15		
1619	HOCOHAN HOLDINGS, INC.	AR428853		MONTHLY COPIER CARE, COLOR, MX411OMN, MXM503N, 12-01-15 TO 12-31-15, DEC 15, ADMIN	01/15/2016	29.78	.00	01-6142 MAINT. & REPAIR - EQUIPMENT	0	12/15		
1619	HOCOHAN HOLDINGS, INC.	AR428853		MONTHLY COPIER CARE, COLOR, MX411OMN, MXM503N, 12-01-15 TO 12-31-15, DEC 15, P&Z	01/15/2016	10.64	.00	01-6142 MAINT. & REPAIR - EQUIPMENT	1003	12/15		
1619	HOCOHAN HOLDINGS, INC.	AR428853		MONTHLY COPIER CARE, COLOR, MX411OMN, MXM503N, 12-01-15 TO 12-31-15, DEC 15, WATER	01/15/2016	27.66	.00	20-6142 MAINT. & REPAIRS-EQUIPMENT	0	12/15		
1619	HOCOHAN HOLDINGS, INC.	AR428853		MONTHLY COPIER CARE, COLOR, MX411OMN, MXM503N, 12-01-15 TO 12-31-15, DEC 15, SEWER	01/15/2016	27.66	.00	21-6142 MAINT. & REPAIRS - EQUIPMENT	0	12/15		
1619	HOCOHAN HOLDINGS, INC.	AR428853		MONTHLY COPIER CARE, COLOR, MX411OMN, MXM503N, 12-01-15 TO 12-31-15, DEC 15, PI	01/15/2016	10.64	.00	25-6142 MAINT. & REPAIRS - EQUIPMENT	0	12/15		
Total AR428853:						149.82	.00					
Total HOCOHAN HOLDINGS, INC.:						503.32	.00					
IDAHO DEPARTMENT OF LABOR												
179	IDAHO DEPARTMENT OF LABOR	01252016		UNEMPLOYMENT CHARGES FORMER P&Z EMPLOYEE,Q4 2015, P&Z, JAN 16	01/25/2016	388.00	.00	01-6280 UNEMPL0YMENT EXPENSES	1003	1/16		

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
Total 01252016:						388.00	.00					
Total IDAHO DEPARTMENT OF LABOR:						388.00	.00					
IDAHO POWER CO												
38	IDAHO POWER CO	01262015I		ELECTRIC SERVICE FOR JANUARY 2016 - ADMIN	01/26/2015	419.08	.00	01-6290 UTILITIES	0	1/16		
38	IDAHO POWER CO	01262015I		ELECTRIC SERVICE FOR JANUARY 2016 - P & Z	01/26/2015	27.49	.00	01-6290 UTILITIES	1003	1/16		
38	IDAHO POWER CO	01262015I		ELECTRIC SERVICE FOR JANUARY 2016 - SENIOR CENTER	01/26/2015	285.88	.00	01-6290 UTILITIES	1001	1/16		
38	IDAHO POWER CO	01262015I		ELECTRIC SERVICE FOR JANUARY 2016 - STREET LIGHTS	01/26/2015	6,611.74	.00	01-6290 UTILITIES	1002	1/16		
38	IDAHO POWER CO	01262015I		ELECTRIC SERVICE FOR JANUARY 2016 - PARKS	01/26/2015	1,300.84	.00	01-6290 UTILITIES	1004	1/16		
38	IDAHO POWER CO	01262015I		ELECTRIC SERVICE FOR JANUARY 2016 - WATER	01/26/2015	7,027.20	.00	20-6290 UTILITIES EXPENSE	0	1/16		
38	IDAHO POWER CO	01262015I		ELECTRIC SERVICE FOR JANUARY 2016 - SEWER	01/26/2015	19,904.17	.00	21-6290 UTILITIES EXPENSE	0	1/16		
38	IDAHO POWER CO	01262015I		ELECTRIC SERVICE FOR JANUARY 2016 - FARM	01/26/2015	332.20	.00	21-6090 FARM EXPENDITURES	0	1/16		
38	IDAHO POWER CO	01262015I		ELECTRIC SERVICE FOR JANUARY 2016 - P.I	01/26/2015	1,015.56	.00	25-6290 UTILITIES EXPENSE	0	1/16		
Total 01262015I:						36,924.16	.00					
Total IDAHO POWER CO:						36,924.16	.00					
INTEGRINET SOLUTIONS, INC.												
1595	INTEGRINET SOLUTIONS, INC.	89162		2 HRS PRO ACTION SERVICE MAINTENANCE, SERVER PERFORMANCE AND STATUS MONITORING FOR BOTH SERVERS, FEB 16, ADMIN	01/15/2016	234.64	.00	01-6142 MAINT. & REPAIR - EQUIPMENT	0	1/16		

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
1595	INTEGRINET SOLUTIONS, INC.	89162		2 HRS PRO ACTION SERVICE MAINTENANCE, SERVER PERFORMANCE AND STATUS MONITORING FOR BOTH SERVERS, FEB 16, P&Z	01/15/2016	83.80	.00	01-6142 MAINT. & REPAIR - EQUIPMENT	1003	1/16		
1595	INTEGRINET SOLUTIONS, INC.	89162		2 HRS PRO ACTION SERVICE MAINTENANCE, SERVER PERFORMANCE AND STATUS MONITORING FOR BOTH SERVERS, FEB 16, WATER	01/15/2016	217.88	.00	20-6142 MAINT. & REPAIRS- EQUIPMENT	0	1/16		
1595	INTEGRINET SOLUTIONS, INC.	89162		2 HRS PRO ACTION SERVICE MAINTENANCE, SERVER PERFORMANCE AND STATUS MONITORING FOR BOTH SERVERS, FEB 16, SEWER	01/15/2016	217.88	.00	21-6142 MAINT. & REPAIRS - EQUIPMENT	0	1/16		
1595	INTEGRINET SOLUTIONS, INC.	89162		2 HRS PRO ACTION SERVICE MAINTENANCE, SERVER PERFORMANCE AND STATUS MONITORING FOR BOTH SERVERS, FEB 16, PI	01/15/2016	83.80	.00	25-6142 MAINT. & REPAIRS - EQUIPMENT	0	1/16		
Total 89162:						838.00	.00					
1595	INTEGRINET SOLUTIONS, INC.	89309		PRO ACTION MAINTENANCE, ADDITIONAL LABOR TO COMPLETE WORK, ADMIN, JAN 16	01/17/2016	12.32	.00	01-6142 MAINT. & REPAIR - EQUIPMENT	0	1/16		
1595	INTEGRINET SOLUTIONS, INC.	89309		PRO ACTION MAINTENANCE, ADDITIONAL LABOR TO COMPLETE WORK, P&Z, JAN 16	01/17/2016	4.40	.00	01-6142 MAINT. & REPAIR - EQUIPMENT	1003	1/16		
1595	INTEGRINET SOLUTIONS, INC.	89309		PRO ACTION MAINTENANCE, ADDITIONAL LABOR TO COMPLETE WORK, WATER, JAN 16	01/17/2016	11.44	.00	20-6142 MAINT. & REPAIRS- EQUIPMENT	0	1/16		
1595	INTEGRINET SOLUTIONS, INC.	89309		PRO ACTION MAINTENANCE, ADDITIONAL LABOR TO COMPLETE WORK, SEWER, JAN 16	01/17/2016	11.44	.00	21-6142 MAINT. & REPAIRS - EQUIPMENT	0	1/16		
1595	INTEGRINET SOLUTIONS, INC.	89309		PRO ACTION MAINTENANCE, ADDITIONAL LABOR TO COMPLETE WORK, PI, JAN 16	01/17/2016	4.40	.00	25-6142 MAINT. & REPAIRS - EQUIPMENT	0	1/16		

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
Total 89309:						44.00	.00					
Total INTEGRINET SOLUTIONS, INC.:						882.00	.00					
INTERMOUNTAIN GAS CO												
37	INTERMOUNTAIN GAS CO	482135196121		NATUAL GAS CONSUMPTION , SENIOR CTR, 12-11-15 TO 1-12-16, SENIOR CENTER, JAN 16	01/13/2016	560.36	.00	01-6290 UTILITIES	1001	1/16		
Total 48213519612115011216:						560.36	.00					
37	INTERMOUNTAIN GAS CO	482537058121		NATUAL GAS CONSUMPTION CITY HALL, 12-11-15 TO 1-12-16, JAN 16, ADMIN	01/14/2016	86.94	.00	01-6290 UTILITIES	0	1/16		
37	INTERMOUNTAIN GAS CO	482537058121		NATUAL GAS CONSUMPTION CITY HALL, 12-11-15 TO 1-12-16, JAN 16, P&Z	01/14/2016	31.07	.00	01-6290 UTILITIES	1003	1/16		
37	INTERMOUNTAIN GAS CO	482537058121		NATUAL GAS CONSUMPTION CITY HALL, 12-11-15 TO 1-12-16, JAN 16, WATER	01/14/2016	80.77	.00	20-6290 UTILITIES EXPENSE	0	1/16		
37	INTERMOUNTAIN GAS CO	482537058121		NATUAL GAS CONSUMPTION CITY HALL, 12-11-15 TO 1-12-16, JAN 16, SEWER	01/14/2016	80.77	.00	21-6290 UTILITIES EXPENSE	0	1/16		
37	INTERMOUNTAIN GAS CO	482537058121		NATUAL GAS CONSUMPTION CITY HALL, 12-11-15 TO 1-12-16, JAN 16, PI	01/14/2016	31.07	.00	25-6290 UTILITIES EXPENSE	0	1/16		
Total 48253705812111501121:						310.62	.00					
Total INTERMOUNTAIN GAS CO:						870.98	.00					
J & M SANITATION, INC.												
230	J & M SANITATION, INC.	01082016-011		SANITATION RECEIPT TRANSFER 01-08-16 TO 01-14-16, JAN 16	01/15/2016	46,150.53	46,150.53	26-7000 SOLID WASTE SERVICE FEES	0	1/16	01/15/2016	
230	J & M SANITATION, INC.	01082016-011		SANITATION RECEIPT TRANSFER LESS TRANSFER FEE, 01-08-16 TO 01-14-16,								

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
				JAN 16	01/15/2016	-4,559.67	-4,559.67	01-4170 FRANCHISE FEES	0	1/16	01/15/2016	
Total 01082016-01142016:						41,590.86	41,590.86					
230	J & M SANITATION, INC.	01152016-012		SANITATION RECEIPT TRANSFER 01-15-16 TO 01-21-16, JAN 16	01/21/2016	45,276.57	45,276.57	26-7000 SOLID WASTE SERVICE FEES	0	1/16	01/22/2016	
230	J & M SANITATION, INC.	01152016-012		SANITATION RECEIPT TRANSFER LESS FRANCHISE FEE, 01-15-16 TO 01-21-16, JAN 16	01/21/2016	-4,473.32	-4,473.32	01-4170 FRANCHISE FEES	0	1/16	01/22/2016	
Total 01152016-01212016:						40,803.25	40,803.25					
Total J & M SANITATION, INC.:						82,394.11	82,394.11					
J-U-B ENGINEERS, INC.												
1236	J-U-B ENGINEERS, INC.	0098643		PROFESSIONAL SERVICES 11-29-15 TO 12-31-15, BLOWER REPLACEMENT, AIR PIPING FILTERS, G LAW, JAN 16	01/13/2016	398.48	.00	21-6020 CAPITAL IMPR0VEMENTS	0	1/16		
Total 0098643:						398.48	.00					
1236	J-U-B ENGINEERS, INC.	0098767		DOWNTOWN REVITALIZATION PLAN PROJECT MANAGEMENT AND COLLABORATION, C.ENGELS, NOV.'15	01/19/2016	730.00	.00	03-6371 EXP. - CAPITAL MATRIX	0	11/15		
1236	J-U-B ENGINEERS, INC.	0098767		DOWNTOWN REVITALIZATION PLAN CAPITAL IMPROVEMENT PLAN, C.ENGELS, NOV.'15	01/19/2016	232.90	.00	03-6372 EXP-COMPASS CIM DOWNTOWN REVIT	0	11/15		
1236	J-U-B ENGINEERS, INC.	0098767		DOWNTOWN REVITALIZATION PLAN CAPITAL IMPROVEMENT PLAN, C.ENGELS, NOV.'15	01/19/2016	1,568.85	.00	03-6360 EXPEND.-BLUE CROSS HIGH FIVE	0	11/15		
Total 0098767:						2,531.75	.00					

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1236	J-U-B ENGINEERS, INC.	0098769		DOWNTOWN REVITALIZATION GRANT WRITING, APPLICATION PREP AND SUBMITTAL, C.ENGELS, DEC.'15	01/19/2016	2,500.00	.00	40-6020 CAPITAL IMPROVEMENTS	1010	12/15		
1236	J-U-B ENGINEERS, INC.	0098769		DOWNTOWN REVITALIZATION GRANT WRITING, APPLICATION PREP AND SUBMITTAL, C.ENGELS, DEC.'15	01/19/2016	2,500.00	.00	03-6360 EXPEND.-BLUE CROSS HIGH FIVE	0	1/16		
Total 0098769:						5,000.00	.00					
Total J-U-B ENGINEERS, INC.:						7,930.23	.00					
KELLER ASSOCIATES, INC.												
429	KELLER ASSOCIATES, INC.	0000003PI		PROFESSIONAL SERVICES 12-1-15 TO 12-31-15, 2016 PI PIPELINE PROJECT, JAN 16	01/14/2016	4,865.00	.00	25-6020 CAPITAL IMPR0VEMENTS	0	1/16		
Total 0000003PI:						4,865.00	.00					
429	KELLER ASSOCIATES, INC.	0000004 WELL		PROFESSIONAL SERVICES FOR PRELIMINARY ENGINEERING REPORT, WELL HOUSE #3 REMODEL, JAN 16	01/14/2016	9,246.25	.00	20-6020 CAPITAL IMPR0VEMENTS	1037	1/16		
Total 0000004 WELL#3:						9,246.25	.00					
Total KELLER ASSOCIATES, INC.:						14,111.25	.00					
KUNA CHAMBER OF COMMERCE												
314	KUNA CHAMBER OF COMMERCE	281		SUSTAINING MEMBERSHIP DUES, SEPT 2015 TO AUG 2016, JAN 16	12/18/2015	1,000.00	.00	01-6075 DUES & MEMBERSHIPS	0	1/16		
Total 281:						1,000.00	.00					
Total KUNA CHAMBER OF COMMERCE:						1,000.00	.00					

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
KUNA LUMBER												
499	KUNA LUMBER	A79282	3686	CONCRETE PIER PAD FOR THE PROSPECTOR IRRIGATION PROJECT, R.JONES,	12/16/2015	8.66	.00	25-6020 CAPITAL IMPR0VEMENTS	1056	12/15		
Total A79282:						8.66	.00					
499	KUNA LUMBER	A79687	3748	3 BAGS OF CONCRETE, COLLARED WATER VALVE AT 10 MILE, J.MORFIN, WATER, JAN.'16	01/12/2016	7.58	.00	20-6150 MAINT. & REPAIRS - SYSTEM	0	1/16		
Total A79687:						7.58	.00					
499	KUNA LUMBER	A79688	3749	PAINT FOR THE PARK BATHROOMS, J.CRUMPTON, PARKS, JAN.'16	01/12/2016	72.87	.00	01-6142 MAINT. & REPAIR - EQUIPMENT	1004	1/16		
Total A79688:						72.87	.00					
499	KUNA LUMBER	B84457	3753	1 PIECE OF 12FT 2X10, PARK TABLES, NEW TOPS, N PURKEY, PARKS, JAN 16	01/14/2016	11.69	.00	01-6150 MAINTENANCE & REPAIRS - SYSTEM	1004	1/16		
Total B84457:						11.69	.00					
499	KUNA LUMBER	B84612	3767	1 BOLT, TRUCK #27, TO REPAIR LIFT BUCKET, B GUILLOGLY, FACILITY, JAN 16	01/21/2016	1.85	.00	01-6142 MAINT. & REPAIR - EQUIPMENT	1004	1/16		
Total B84612:						1.85	.00					
Total KUNA LUMBER:						102.65	.00					
KUNA MACHINE LLC												
1775	KUNA MACHINE LLC	17		DOWNTOWN REVITALIZATION, DONOR BASED FOR GREENBELT UPRR, 7 PARK BENCHES AND 6 BIKE POSTS, JAN 16	01/07/2016	3,660.00	3,660.00	03-6370 EXP. - DOWNTOWN REVITALIZATION	0	1/16	01/21/2016	

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
1775	KUNA MACHINE LLC	17		DOWNTOWN REVITALIZATION, DONOR BASED FOR GREENBELT UPRR, 7 PARK BENCHES AND 6 BIKE POSTS, JAN 16	01/07/2016	1,040.00	1,040.00	03-6362 EXPENDITURE-UP-GREENBELT EXTEN	0	1/16	01/21/2016	
Total 17:						4,700.00	4,700.00					
Total KUNA MACHINE LLC:						4,700.00	4,700.00					
KUNA TRUE VALUE HARDWARE												
43	KUNA TRUE VALUE HARDWARE	147359	3754	1 EA. PAIR PLIERS, 1 EA. FLASHLIGHT, J.COULTER, JAN.'16 - BUILDING INSPECTION	01/14/2016	15.48	.00	01-6175 SMALL TOOLS	1005	1/16		
Total 147359:						15.48	.00					
43	KUNA TRUE VALUE HARDWARE	147517	3760	PLIERS REPLACEMENTS, TO REMOVE BOLTS FROM PICNIC TABLES, B WITHROW, PARKS, JAN 16	01/19/2016	8.99	.00	01-6175 SMALL TOOLS	1004	1/16		
43	KUNA TRUE VALUE HARDWARE	147517	3760	CEDAR TONE STAIN FOR PICNIC TABLES, B WITHROW, PARKS, JAN 16	01/19/2016	22.99	.00	01-6150 MAINTENANCE & REPAIRS - SYSTEM	1004	1/16		
43	KUNA TRUE VALUE HARDWARE	147517	3760	DENATURED ALCOHOL, WORKING ON BERNIE FISHER PARK BATHROOMS, RAGS, MOP HANDLE, MOP, PAINTERS TAPE, DROP CLOTH, MASKING TAPE, JAN 16	01/19/2016	71.05	.00	01-6142 MAINT. & REPAIR - EQUIPMENT	1004	1/16		
43	KUNA TRUE VALUE HARDWARE	147517	3760	PAINT RESPIRTOR, RESPIRATOR CARTRIDGES FOR PAINTING BATHROOMS AT BERNIE FISHER, JAN 16	01/19/2016	61.98	.00	01-6212 RENT-EQUIPMENT	1004	1/16		
Total 147517:						165.01	.00					

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
Total KUNA TRUE VALUE HARDWARE:						180.49	.00					
KUNA WELDING												
46	KUNA WELDING	2524		PI PROJECT, KABOTA DIFFER BUILD ANOTHER LONGER PIN FOR BACKHOE, PI, JAN 16	01/09/2016	13.17	.00	25-6020 CAPITAL IMPR0VEMENTS	1056	1/16		
Total 2524:						13.17	.00					
46	KUNA WELDING	2527		50 EA 6X.045X7/8 BORE TYPE 27 CUTTING WHEEL, WATER, JAN 16	01/13/2016	197.20	.00	20-6175 SMALL TOOLS	0	1/16		
46	KUNA WELDING	2527		50 EA 6X.045X7/8 BORE TYPE 27 CUTTING WHEEL, PI, JAN 16	01/13/2016	49.30	.00	25-6175 SMALL TOOLS	0	1/16		
Total 2527:						246.50	.00					
Total KUNA WELDING:						259.67	.00					
LYNCH OIL, INC.												
1670	LYNCH OIL, INC.	27270		85 GALS DYED DIESEL, NWTP, DEC 15	12/04/2015	143.00	.00	21-6300 FUEL	0	12/15		
Total 27270:						143.00	.00					
1670	LYNCH OIL, INC.	28170		1500 GALS DYED DIESEL, NWTP, JAN 16	01/07/2016	2,081.10	.00	21-6300 FUEL	0	1/16		
Total 28170:						2,081.10	.00					
Total LYNCH OIL, INC.:						2,224.10	.00					
MISCELLANEOUS VENDORS												
285	MISCELLANEOUS VENDORS	012016		REIMBURSE N PURKEY FOR PARKING FOR HORTICULTURE EXP, N PURKEY, PARKS, JAN 16	01/20/2016	34.00	.00	01-6265 TRAINING & SCH00LING	1004	1/16		

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
Total 012016:						34.00	.00					
Total MISCELLANEOUS VENDORS:						34.00	.00					
MORTENSEN ENTERPRISES INC												
1762	MORTENSEN ENTERPRISES INC	7384	3741	QUOTE TO FURNISH AND INSTALL FIBERGLASS INSULATION ON BROKEN PIPE IN YARD AT NWWTP, T SHAFER, JAN 16	01/19/2016	324.00	.00	21-6142 MAINT. & REPAIRS - EQUIPMENT	0	1/16		
Total 7384:						324.00	.00					
Total MORTENSEN ENTERPRISES INC:						324.00	.00					
PAIGE MECHANICAL GROUP, INC.												
1654	PAIGE MECHANICAL GROUP, INC.	11327		HVAC LABOR AND MATERIALS TO REPLACE LIMIT SWITCH ON ELECTRIC ROOM HEATER, M.NADEAU, SEWER, JAN.'16	01/22/2016	177.71	.00	21-6140 MAINT & REPAIR BUILDING	0	1/16		
Total 11327:						177.71	.00					
Total PAIGE MECHANICAL GROUP, INC.:						177.71	.00					
PARTS, INC.												
470	PARTS, INC.	102183	3769	HYDRAULIC OIL FOR TRUCK #27, FLOOR DRY FOR CLEANUP, FLEET MAINTENANCE , B GILLOGLY, JAN 16 - PARKS	01/21/2016	33.28	.00	01-6305 VEHICLE MAINTENANCE & REPAIRS	1004	1/16		
470	PARTS, INC.	102183	3769	HYDRAULIC OIL FOR TRUCK #27, FLOOR DRY FOR CLEANUP, FLEET MAINTENANCE , B GILLOGLY, JAN 16 - ADMIN	01/21/2016	12.80	.00	01-6305 VEHICLE MAINTENANCE & REPAIRS	0	1/16		
470	PARTS, INC.	102183	3769	HYDRAULIC OIL FOR TRUCK #27, FLOOR DRY FOR CLEANUP, FLEET MAINTENANCE , B GILLOGLY, JAN 16 - WATER	01/21/2016	2.05	.00	20-6305 VEHICLE MAINTENANCE & REPAIRS	0	1/16		

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
470	PARTS, INC.	102183	3769	HYDRAULIC OIL FOR TRUCK #27, FLOOR DRY FOR CLEANUP, FLEET MAINTENANCE , B GILLOGLY, JAN 16 - SEWER	01/21/2016	2.05	.00	21-6305 VEHICLE MAINTENANCE & REPAIRS	0	1/16		
470	PARTS, INC.	102183	3769	HYDRAULIC OIL FOR TRUCK #27, FLOOR DRY FOR CLEANUP, FLEET MAINTENANCE , B GILLOGLY, JAN 16 - P.I	01/21/2016	1.02	.00	25-6305 VEHICLE MAINTENANCE & REPAIR	0	1/16		
Total 102183:						51.20	.00					
470	PARTS, INC.	102205	3772	TAIL LIGHT FOR UTILITY TRAILER, PARKS, B.GILLOGLY, JAN.'16	01/21/2016	2.24	.00	01-6142 MAINT. & REPAIR - EQUIPMENT	1004	1/16		
470	PARTS, INC.	102205	3772	TAIL LIGHT FOR UTILITY TRAILER, WATER, B.GILLOGLY, JAN.'16	01/21/2016	2.96	.00	20-6142 MAINT. & REPAIRS- EQUIPMENT	0	1/16		
470	PARTS, INC.	102205	3772	TAIL LIGHT FOR UTILITY TRAILER, SEWER, B.GILLOGLY, JAN.'16	01/21/2016	2.96	.00	21-6142 MAINT. & REPAIRS - EQUIPMENT	0	1/16		
470	PARTS, INC.	102205	3772	TAIL LIGHT FOR UTILITY TRAILER, P.I, B.GILLOGLY, JAN.'16	01/21/2016	.83	.00	25-6142 MAINT. & REPAIRS - EQUIPMENT	0	1/16		
Total 102205:						8.99	.00					
Total PARTS, INC.:						60.19	.00					
PEAK ALARM COMPANY, INC												
1021	PEAK ALARM COMPANY, INC	715283		ALARM MONITOR FOR CEDAR WELL, SNOWHAWK WELL, SEPO PRAIRIE WELL, BUTLER WELL, EL CAJON WELL, & BEST BATH WELL, 2/1/16-2/29/16 - WATER	02/01/2016	197.62	.00	20-6140 MAINT. & REPAIR BUILDING	0	2/16		
1021	PEAK ALARM COMPANY, INC	715283		ALARM MONITOR FOR CEDAR WELL, SNOWHAWK WELL, SEPO PRAIRIE WELL, BUTLER WELL, EL CAJON WELL, &								

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
				BEST BATH WELL, 2/1/16-2/29/16 - P.I	02/01/2016	49.40	.00	25-6140 MAINT & REPAIR BUILDING	0	2/16		
Total 715283:						247.02	.00					
Total PEAK ALARM COMPANY, INC:						247.02	.00					
PETROLEUM STORAGE TANK FUND												
143	PETROLEUM STORAGE TANK FUND	22502		TANK FUND INSURANCE RENEWAL, 3/1/16-2/29/17 - WATER	01/27/2016	52.50	.00	20-6150 MAINT. & REPAIRS - SYSTEM	0	3/16		
143	PETROLEUM STORAGE TANK FUND	22502		TANK FUND INSURANCE RENEWAL, 3/1/16-2/29/17 - SEWER	01/27/2016	52.50	.00	21-6150 MAINT. & REPAIRS - SYSTEM	0	3/16		
143	PETROLEUM STORAGE TANK FUND	22502		TANK FUND INSURANCE RENEWAL, 3/1/16-2/29/17 - P.I	01/27/2016	20.00	.00	25-6150 MAINT. & REPAIRS - SYSTEM (PI)	0	3/16		
Total 22502:						125.00	.00					
Total PETROLEUM STORAGE TANK FUND:						125.00	.00					
QUANTUM SPATIAL, INC.												
1760	QUANTUM SPATIAL, INC.	26876-1		FLOOD PLAIN IMAGING, KUNA LIDAR PROJECT, M.BORZICK, OCT.'15	01/07/2016	10,000.00	.00	01-6045 C0NTINGENCY FUND	0	10/15		
Total 26876-1:						10,000.00	.00					
Total QUANTUM SPATIAL, INC.:						10,000.00	.00					
RENTAL CONNECTION												
893	RENTAL CONNECTION	38666		1 EA. CYLINDER REFILL FOR THE WELDER, ARGON, PARKS, DEC.'15	12/30/2015	7.75	.00	01-6142 MAINT. & REPAIR - EQUIPMENT	1004	12/15		
Total 38666:						7.75	.00					

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
893	RENTAL CONNECTION	38812		1 EA. CYLINDER REFILL FOR THE WELDER, ARGON, PARKS, DEC.'15	12/30/2015	7.75	.00	01-6142 MAINT. & REPAIR - EQUIPMENT	1004	12/15		
Total 38812:						7.75	.00					
Total RENTAL CONNECTION:						15.50	.00					
REXEL, INC.												
1613	REXEL, INC.	I400167	3692	10 LED RETRO FIT STREET LIGHTS, 10 LED PHOTO CELLS, B BACHMAN, STREETLIGHTS, DEC 15	12/17/2015	977.40	.00	40-6020 CAPITAL IMPROVEMENTS	1008	12/15		
1613	REXEL, INC.	I400167	3692	10 LED RETRO FIT STREET LIGHTS, 10 LED PHOTO CELLS, B BACHMAN, STREETLIGHTS, DEC 15	12/17/2015	2,199.94	.00	01-6150 MAINTENANCE & REPAIRS - SYSTEM	1002	12/15		
Total I400167:						3,177.34	.00					
Total REXEL, INC.:						3,177.34	.00					
STAPLES ADVANTAGE												
1292	STAPLES ADVANTAGE	3289379034	3735	4 PKGS 3X3" POST-IT NOTES, ADMIN, JAN.'16	01/09/2016	36.92	.00	01-6165 OFFICE SUPPLIES	0	1/16		
1292	STAPLES ADVANTAGE	3289379034	3735	1 EA. MOUSEPAD WITH WRIST REST, G.SMITH, JAN.'16	01/09/2016	2.81	.00	01-6165 OFFICE SUPPLIES	0	1/16		
1292	STAPLES ADVANTAGE	3289379034	3735	1 EA. MOUSEPAD WITH WRIST REST, G.SMITH, JAN.'16 - WATER	01/09/2016	3.71	.00	20-6165 0FFICE SUPPLIES	0	1/16		
1292	STAPLES ADVANTAGE	3289379034	3735	1 EA. MOUSEPAD WITH WRIST REST, G.SMITH, JAN.'16 - SEWER	01/09/2016	3.71	.00	21-6165 OFFICE SUPPLIES	0	1/16		
1292	STAPLES ADVANTAGE	3289379034	3735	1 EA. MOUSEPAD WITH WRIST REST, G.SMITH, JAN.'16 - P.I	01/09/2016	1.01	.00	25-6165 OFFICE SUPPLIES	0	1/16		
1292	STAPLES ADVANTAGE	3289379034	3735	1 SET COMPUTER SPEAKERS, K.JENSEN, JAN.'16	01/09/2016	4.00	.00	01-6165 OFFICE SUPPLIES	0	1/16		

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
1292	STAPLES ADVANTAGE	3289379034	3735	1 SET COMPUTER SPEAKERS, K.JENSEN, JAN.'16 - WATER	01/09/2016	5.28	.00	20-6165 0FFICE SUPPLIES	0	1/16		
1292	STAPLES ADVANTAGE	3289379034	3735	1 SET COMPUTER SPEAKERS, K.JENSEN, JAN.'16 - SEWER	01/09/2016	5.28	.00	21-6165 OFFICE SUPPLIES	0	1/16		
1292	STAPLES ADVANTAGE	3289379034	3735	1 SET COMPUTER SPEAKERS, K.JENSEN, JAN.'16 - P.I	01/09/2016	1.43	.00	25-6165 OFFICE SUPPLIES	0	1/16		
1292	STAPLES ADVANTAGE	3289379034	3735	2 EA. DESKPADS, NWWTP, D.CROSSLEY, JAN.'16 - WATER	01/09/2016	4.11	.00	20-6165 0FFICE SUPPLIES	0	1/16		
1292	STAPLES ADVANTAGE	3289379034	3735	2 EA. DESKPADS, NWWTP, D.CROSSLEY, JAN.'16 - SEWER	01/09/2016	4.11	.00	21-6165 OFFICE SUPPLIES	0	1/16		
1292	STAPLES ADVANTAGE	3289379034	3735	2 EA. DESKPADS, NWWTP, D.CROSSLEY, JAN.'16 - P.I	01/09/2016	1.56	.00	25-6165 OFFICE SUPPLIES	0	1/16		
Total 3289379034:						73.93	.00					
1292	STAPLES ADVANTAGE	3289379037	3735	1 DESK ORGANIZER/RACK, R.ROATS, JAN.'16 - ADMIN	01/09/2016	15.51	.00	01-6165 OFFICE SUPPLIES	0	1/16		
1292	STAPLES ADVANTAGE	3289379037	3735	1 DESK ORGANIZER/RACK, R.ROATS, JAN.'16 - WATER	01/09/2016	12.69	.00	20-6165 0FFICE SUPPLIES	0	1/16		
1292	STAPLES ADVANTAGE	3289379037	3735	1 DESK ORGANIZER/RACK, R.ROATS, JAN.'16 - SEWER	01/09/2016	14.10	.00	21-6165 OFFICE SUPPLIES	0	1/16		
1292	STAPLES ADVANTAGE	3289379037	3735	1 DESK ORGANIZER/RACK, R.ROATS, JAN.'16 - P.I	01/09/2016	4.70	.00	25-6165 OFFICE SUPPLIES	0	1/16		
Total 3289379037:						47.00	.00					
1292	STAPLES ADVANTAGE	3290051850		REFUNDABLE ITEM, CREDIT FOR INVOICE #3253705347, 8.5X11 COPY PAPER CASE, ADMIN, JAN.'16	01/16/2016	-39.60	.00	01-6165 OFFICE SUPPLIES	0	1/16		
Total 3290051850:						-39.60	.00					
1292	STAPLES ADVANTAGE	3290051853		REFUNDABLE ITEM, CREDIT FOR INVOICE #3253705347,								

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
				8.5X11 COPIER PAPER, JAN.'16	01/16/2016	-39.60	.00	01-6165 OFFICE SUPPLIES	0	1/16		
Total 3290051853:						-39.60	.00					
1292	STAPLES ADVANTAGE	3290051856	3752	1 BOX PLASTIC PAPER CLIPS, 1 BOX POST-IT FLAGS, 1 WEEKLY PLANNER, 1 DESKPAD, B WITHROW, PARKS, JAN 16	01/16/2016	30.42	.00	01-6165 OFFICE SUPPLIES	1004	1/16		
1292	STAPLES ADVANTAGE	3290051856	3752	36 PKG AA BATTERIES, ADMIN, JAN 16	01/16/2016	18.19	.00	01-6165 OFFICE SUPPLIES	0	1/16		
1292	STAPLES ADVANTAGE	3290051856	3752	DESKPLANNER, T BEHUNIN, P&Z, JAN 16	01/16/2016	11.43	.00	01-6165 OFFICE SUPPLIES	1003	1/16		
Total 3290051856:						60.04	.00					
1292	STAPLES ADVANTAGE	3290051859	3752	1 EA 2015/2016 POCKET CALENDAR, B WITHROW, PARKS, JAN 16	01/16/2016	11.59	.00	01-6165 OFFICE SUPPLIES	1004	1/16		
Total 3290051859:						11.59	.00					
Total STAPLES ADVANTAGE:						113.36	.00					
TREASURE VALLEY COFFEE												
992	TREASURE VALLEY COFFEE	2160:04340854	3757	1 CASE COFFEE, 4 CANISTERS CREAMER, 2 CANISTERS SUGAR, CITY HALL, JAN.'16	01/15/2016	66.80	.00	01-6165 OFFICE SUPPLIES	0	1/16		
Total 2160:04340854:						66.80	.00					
Total TREASURE VALLEY COFFEE:						66.80	.00					
WATER DEPOSIT REFUNDS #10												
1776	WATER DEPOSIT REFUNDS #10	160825.01		JEANNA WILFERT, 253 W CASE ST, WATER OVERPAYMENT	01/14/2016	31.38	.00	99-1075 Utility Cash Clearing	0	1/16		

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
Total 160825.01:						31.38	.00					
1776	WATER DEPOSIT REFUNDS #10	170805.02		TODD SCHISSEL, 622 S WHITEHORSE AVE, WATER OVERPAYMENT	01/15/2016	75.50	.00	99-1075 Utility Cash Clearing	0	1/16		
Total 170805.02:						75.50	.00					
1776	WATER DEPOSIT REFUNDS #10	171005.01		CBH, 776 S CUPRUM AVE, WATER OVERPAYMENT	01/15/2016	57.13	.00	99-1075 Utility Cash Clearing	0	1/16		
Total 171005.01:						57.13	.00					
1776	WATER DEPOSIT REFUNDS #10	173250.01		PLACERVILLE LAND, 464 S ROCKER AVE, WATER OVERPAYMENT	01/14/2016	55.50	.00	99-1075 Utility Cash Clearing	0	1/16		
Total 173250.01:						55.50	.00					
1776	WATER DEPOSIT REFUNDS #10	173255.01		PLACERVILLE LAND, 488 S ROCKER AVE, WATER OVERPAYMENT	01/14/2016	55.50	.00	99-1075 Utility Cash Clearing	0	1/16		
Total 173255.01:						55.50	.00					
1776	WATER DEPOSIT REFUNDS #10	173335.01		STETSON HOMES, 535 S RETORT PL, WATER OVERPAYMENT	01/21/2016	63.48	.00	99-1075 Utility Cash Clearing	0	1/16		
Total 173335.01:						63.48	.00					
1776	WATER DEPOSIT REFUNDS #10	173405.01		CBH, 923 S KALAHARI AVE, WATER OVERPAYMENT	01/22/2016	50.80	.00	99-1075 Utility Cash Clearing	0	1/16		
Total 173405.01:						50.80	.00					

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
1776	WATER DEPOSIT REFUNDS #10	173610.01		CBH, 1959 W SAHARA DR, WATER OVERPAYMENT	01/22/2016	100.14	.00	99-1075 Utility Cash Clearing	0	1/16		
Total 173610.01:						100.14	.00					
1776	WATER DEPOSIT REFUNDS #10	201805.03		OYUNA BURNELL, 379 E JAMESTOWNE CT, WATER OVERPAYMENT	01/22/2016	20.36	.00	99-1075 Utility Cash Clearing	0	1/16		
Total 201805.03:						20.36	.00					
1776	WATER DEPOSIT REFUNDS #10	210410.01		ASHELY N GREGORY, 457 E BLACK HAWK DR, WATER OVERPAYMENT	01/21/2016	22.15	.00	99-1075 Utility Cash Clearing	0	1/16		
Total 210410.01:						22.15	.00					
1776	WATER DEPOSIT REFUNDS #10	221625.02		DOMENICA M WILLIAMS, 860 S TOMEN AVE, WATER OVERPAYMENT	01/14/2016	22.56	.00	99-1075 Utility Cash Clearing	0	1/16		
Total 221625.02:						22.56	.00					
1776	WATER DEPOSIT REFUNDS #10	221755.03		CAROLYN RIVAS, 902 S WISTON PL, WATER OVERPAYMENT	01/21/2016	69.89	.00	99-1075 Utility Cash Clearing	0	1/16		
Total 221755.03:						69.89	.00					
1776	WATER DEPOSIT REFUNDS #10	278016.01		CBH, 8940 S PINOVA AVE, WATER OVERPAYMENT	01/22/2016	63.04	.00	99-1075 Utility Cash Clearing	0	1/16		
Total 278016.01:						63.04	.00					
1776	WATER DEPOSIT REFUNDS #10	278058.01		CBH, 8915 S PINOVA AVE, WATER OVERPAYMENT	01/22/2016	58.61	.00	99-1075 Utility Cash Clearing	0	1/16		

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
Total 278058.01:						58.61	.00					
1776	WATER DEPOSIT REFUNDS #10	290295.02		RUSSELL HUNEMILLER, 7897 S SADDLEBAG WAY, WATER OVERPAYMENT	01/15/2016	5.36	.00	99-1075 Utility Cash Clearing	0	1/16		
Total 290295.02:						5.36	.00					
1776	WATER DEPOSIT REFUNDS #10	30095.02		NICHOLES POINDEXTER, 1028 W OWYHEE ST, WATER OVERPAYMENT	01/15/2016	5.75	.00	99-1075 Utility Cash Clearing	0	1/16		
Total 30095.02:						5.75	.00					
1776	WATER DEPOSIT REFUNDS #10	310063.01		COLEMAN HOMES, 1276 W SELDOVIA DR, WATER OVERPAYMENT	01/22/2016	73.55	.00	99-1075 Utility Cash Clearing	0	1/16		
Total 310063.01:						73.55	.00					
1776	WATER DEPOSIT REFUNDS #10	80460.01		DOUG CROFT, 862 N STRIKE WAY, WATER OVERPAYMENT	01/22/2016	54.83	.00	99-1075 Utility Cash Clearing	0	1/16		
Total 80460.01:						54.83	.00					
1776	WATER DEPOSIT REFUNDS #10	91330.01		MARVIN G SMITH, 1018 N QUARTZITE AVE, WATER OVERPAYMENT	01/21/2016	99.14	.00	99-1075 Utility Cash Clearing	0	1/16		
Total 91330.01:						99.14	.00					
Total WATER DEPOSIT REFUNDS #10:						984.67	.00					
WESTERN BUILDING MAINTENANCE, INC.												
1499	WESTERN BUILDING MAINTENANCE, INC.	0088713-IN		MONTHLY JANITORIAL SERVICES FOR JANUARY - SENIOR CENTER	01/26/2016	330.33	.00	01-6025 JANITORIAL	1001	1/16		

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
Total 0088713-IN:						330.33	.00					
1499	WESTERN BUILDING MAINTENANCE, INC.	0088714-IN		MONTHLY JANITORIAL SERVICES FOR JANUARY - CITY HALL - ADMIN	01/26/2016	59.46	.00	01-6025 JANITORIAL	0	1/16		
1499	WESTERN BUILDING MAINTENANCE, INC.	0088714-IN		MONTHLY JANITORIAL SERVICES FOR JANUARY - CITY HALL - P & Z	01/26/2016	21.23	.00	01-6025 JANITORIAL	1003	1/16		
1499	WESTERN BUILDING MAINTENANCE, INC.	0088714-IN		MONTHLY JANITORIAL SERVICES FOR JANUARY - CITY HALL - WATER	01/26/2016	55.21	.00	20-6025 JANITORIAL	0	1/16		
1499	WESTERN BUILDING MAINTENANCE, INC.	0088714-IN		MONTHLY JANITORIAL SERVICES FOR JANUARY - CITY HALL - SEWER	01/26/2016	55.21	.00	21-6025 JANITORIAL	0	1/16		
1499	WESTERN BUILDING MAINTENANCE, INC.	0088714-IN		MONTHLY JANITORIAL SERVICES FOR JANUARY - CITY HALL - P.I.	01/26/2016	21.23	.00	25-6025 JANITORIAL	0	1/16		
Total 0088714-IN:						212.34	.00					
1499	WESTERN BUILDING MAINTENANCE, INC.	0088715-IN		MONTHLY JANITORIAL SERVICES FOR THE TREATMENT PLANT FOR JANUARY - WATER	01/26/2016	31.50	.00	20-6025 JANITORIAL	0	1/16		
1499	WESTERN BUILDING MAINTENANCE, INC.	0088715-IN		MONTHLY JANITORIAL SERVICES FOR THE TREATMENT PLANT FOR JANUARY - SEWER	01/26/2016	31.50	.00	21-6025 JANITORIAL	0	1/16		
1499	WESTERN BUILDING MAINTENANCE, INC.	0088715-IN		MONTHLY JANITORIAL SERVICES FOR THE TREATMENT PLANT FOR JANUARY - P.I	01/26/2016	12.00	.00	25-6025 JANITORIAL	0	1/16		
Total 0088715-IN:						75.00	.00					
Total WESTERN BUILDING MAINTENANCE, INC.:						617.67	.00					

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
WESTERN STATES EQUIPMENT CO.												
98	WESTERN STATES EQUIPMENT CO.	WO070101680	3758	GENERATOR INSPECTION AT CRIMSON LIFT STATION, T.FLEMING, SEWER, JAN.'16	01/15/2016	290.46	.00	21-6150 MAINT. & REPAIRS - SYSTEM	0	1/16		
Total WO070101680:						290.46	.00					
98	WESTERN STATES EQUIPMENT CO.	WO070101681	3758	GENERATOR INSPECTION/SERVICE AT DANSKIN LIFT STATION, T.FLEMING, SEWER, JAN.'16	01/15/2016	290.46	.00	21-6150 MAINT. & REPAIRS - SYSTEM	0	1/16		
Total WO070101681:						290.46	.00					
98	WESTERN STATES EQUIPMENT CO.	WO070101682	3758	GENERATOR INSPECTION/SERVICE AT DISCOVERY LIFT STATION, T.FLEMING, SEWER, JAN.'16	01/15/2016	290.46	.00	21-6150 MAINT. & REPAIRS - SYSTEM	0	1/16		
Total WO070101682:						290.46	.00					
98	WESTERN STATES EQUIPMENT CO.	WO070101689	3758	GENERATOR INSPECTION/SERVICE AT TEN MILE LIFT STATION, T.FLEMING, SEWER, JAN.'16	01/15/2016	290.46	.00	21-6150 MAINT. & REPAIRS - SYSTEM	0	1/16		
Total WO070101689:						290.46	.00					
98	WESTERN STATES EQUIPMENT CO.	WO070101707	3759	GENERATOR INSPECTION AT DANSKIN WELL, C.DEYOUNG, WATER, JAN.'16	01/19/2016	290.46	.00	20-6150 MAINT. & REPAIRS - SYSTEM	0	1/16		
Total WO070101707:						290.46	.00					
98	WESTERN STATES EQUIPMENT CO.	WO070101708	3759	GENERATOR INSPECTION AT CEDAR WELL, C.DEYOUNG, WATER, JAN.'16	01/19/2016	290.46	.00	20-6150 MAINT. & REPAIRS - SYSTEM	0	1/16		

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided
Total WO070101708:						290.46	.00					
98	WESTERN STATES EQUIPMENT CO.	WO070101709	3759	GENERATOR INSPECTION AT WELL #6, C.DEYOUNG, WATER, JAN.'16	01/19/2016	290.46	.00	20-6150 MAINT. & REPAIRS - SYSTEM	0	1/16		
Total WO070101709:						290.46	.00					
Total WESTERN STATES EQUIPMENT CO.:						2,033.22	.00					
Grand Totals:						180,129.12	87,094.11					

Dated: _____

Mayor: _____

City Council: _____

_____

_____

_____

_____

_____

City Treasurer: _____

Vendor #	Vendor Name	Invoice Number	PO #	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account and Title	GL Activity #	GL Period	Date Paid	Voided

Report Criteria:
Detail report.
Invoices with totals above $0.00 included.
Paid and unpaid invoices included.

(Space above reserved for recording)

ORDINANCE NO. 2016-01
CITY OF KUNA, IDAHO

AN ORDINANCE ANNEXING CERTAIN REAL PROPERTY, TO WIT: PARCEL NUMBER S1427314800 AND PARCEL NUMBER S1427325560; SITUATED IN THE UNINCORPORATED AREA OF ADA COUNTY, IDAHO, AND CONTIGUOUS TO THE CORPORATE LIMITS OF THE CITY OF KUNA, TO THE CITY OF KUNA, IDAHO; ESTABLISHING THE ZONING CLASSIFICATION OF SAID REAL PROPERTY; DIRECTING THAT COPIES OF THIS ORDINANCE BE FILED AS PROVIDED BY LAW; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Kuna, Idaho is a municipal corporation organized and operating under the laws of the State of Idaho and is authorized to annex to and incorporate within the boundaries of the City contiguous real property in the manner provided by Section 50-222, Idaho Code; and

WHEREAS, the owner of the parcel of real property situated in the unincorporated area of Ada County and as more particularly described in Section 2 of this ordinance, has requested, in writing, annexation of said real property to the City of Kuna; and

WHEREAS, the Planning and Zoning Commission of the City, pursuant to public notice as required by law, held a public hearing on July 28, 2015, as required by Section 67-6525, Idaho Code, made findings (approved by the Commission on August 11, 2015) where it was recommended to the Mayor and Council that the annexation and zoning request be approved with a zoning classification of Agricultural; and

WHEREAS, the Kuna City Council, pursuant to public notice as required by law, held a public hearing on November 4, 2015, on the proposed annexation and zoning for the real property described in Section 2 below, as required by Section 67-6525, Idaho Code, made findings (approved on December 1, 2015) where it determined that the requested annexation should be granted with a zoning classification of Agricultural; and

WHEREAS, the zoning classification of Agricultural is appropriate to meet the requirements of the Kuna City Code and should be granted.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF KUNA, IDAHO, as follows:

Section 1: The Kuna City Council hereby finds and declares that the real property described below is contiguous to the City, that said property can be reasonably assumed to be used for the orderly development of the City, and that the owners of said properties have requested, in writing, annexation thereof to the City.

Section 2: The real property, both situated in Ada County, Idaho, are adjacent and contiguous to the City, commonly known as Parcel Number **S1427314800** and Parcel Number **S1427325560**, and more particularly described in "Exhibit A" – Legal Description and "Exhibit B" – Location Map, attached hereto and incorporated herein by reference, is annexed to and incorporated in the incorporated territorial limits of the City of Kuna, Idaho.

Section 3: From and after the effective date of this Ordinance, all property and persons within the boundaries and territory described above shall be subject to all ordinances, resolutions, police regulations, taxation and other powers of the City of Kuna.

Section 4: The zoning land use classifications of the land described in Section 2 above is hereby established as Agricultural, as provided by the Zoning Ordinance of the City. The Zoning Map of the City is hereby amended to include the real property described in Section 2 above in the Agricultural, zoning land use classification.

Section 5: The City Clerk is hereby directed to file, within ten (10) days of passage and approval of this Ordinance, a certified copy of this Ordinance with the offices of the Auditor, Treasurer, and Assessor of Ada County, Idaho, and with the Idaho State Tax Commission, Boise, Idaho, as required by Section 50-223, Idaho Code, and to comply with the provisions of Section 63-215, Idaho Code, with regard to the preparation and filing of a map and legal description of the real property annexed by this Ordinance.

Section 6: This Ordinance shall take effect and be in force from and after its passage, approval, and publication as required by law. In lieu of publication of the entire ordinance, a summary thereof in compliance with Section 50-901A, Idaho Code, may be published.

DATED this 2nd day of February, 2016.

ATTEST: CITY OF KUNA, Ada County, Idaho

_____
Joe L. Stear, Mayor

_____
Chris Engels, City Clerk

EXHIBIT A

ANNEXATION DESCRIPTION FOR BLEVINS-STATE OF IDAHO PROPERTY

A parcel of land located in the SW 1/4 of Section 27, Township 2 North, Range 1 East, Boise Meridian, Ada County, Idaho being more particularly described as follows:

BEGINNING at a brass cap monument marking the W1/4 corner of said Section 27;

Thence along the East-West centerline of said Section 27 South 89°51'22" East, 2704.53 feet to the C1/4 corner of said Section 27;

Thence along said the North-South centerline of said Section 27 South 00°16'37" East, 2654.36 feet to an aluminum cap monument marking the S1/4 corner of said Section 27;

Thence along the South boundary line of said Section 27 North 89°27'49" West, 1371.95 feet to W1/16 corner of said Section 27;

Thence along the West boundary line of the E1/2 of the SW1/4 of said Section 27 North 00°08'51" East, 2323.02 feet;

Thence leaving said West boundary line North 89°51'22" West, 1354.66 feet to a point on the West boundary line of said Section 27;

Thence along said West boundary line North 00°34'29" East, 321.88 feet to the **POINT OF BEGINNING**. Containing 92.85 acres, more or less.

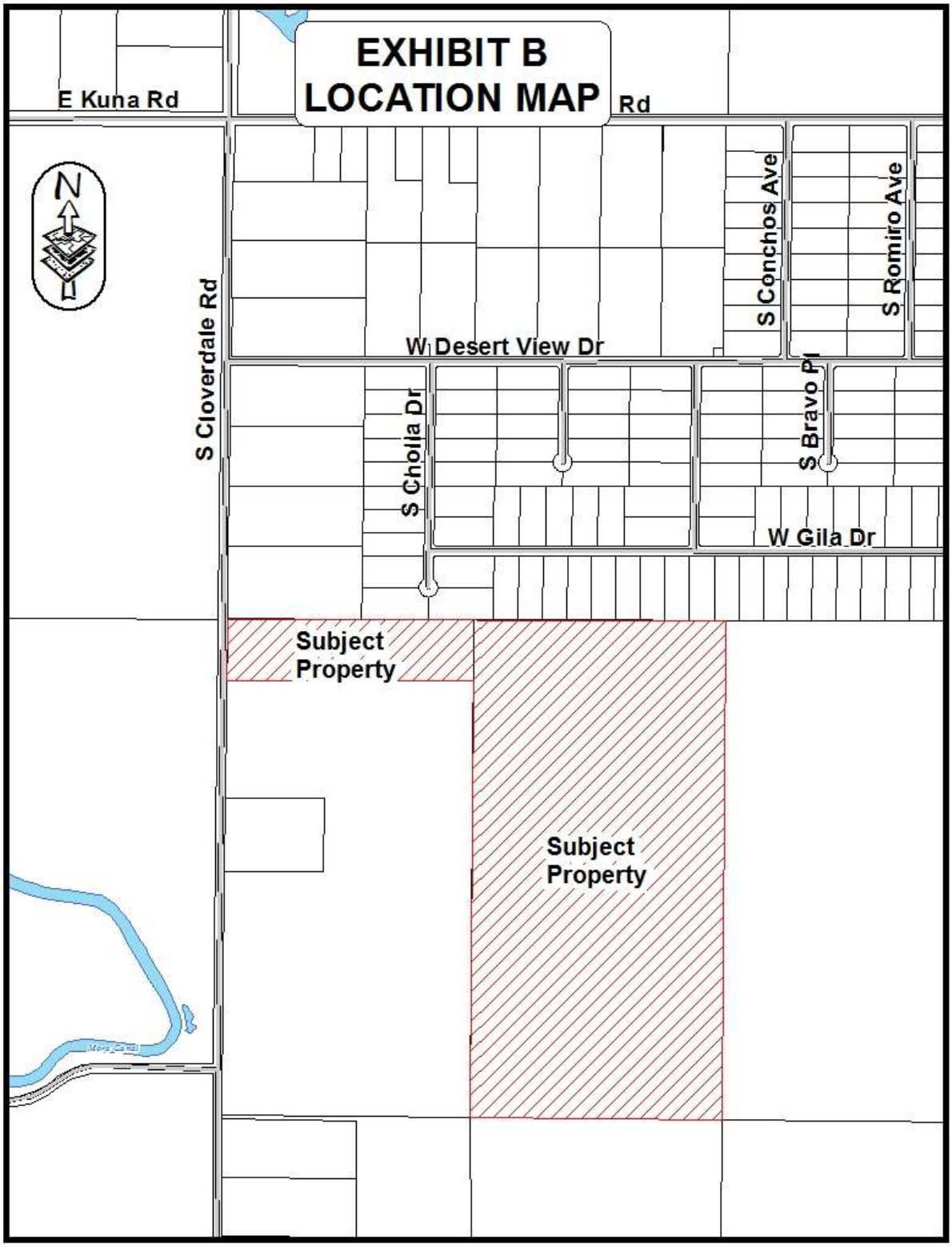


EXHIBIT B
LOCATION MAP
E Kuna Rd
Rd
N
S Cloverdale Rd
W Desert View Dr
S Conchos Ave
S Romero Ave
S Cholla Dr
S Bravo Pl
W Gila Dr
Subject Property
Subject Property

(Space above reserved for recording)

ORDINANCE NO. 2016-02
CITY OF KUNA, IDAHO

AN ORDINANCE ANNEXING CERTAIN REAL PROPERTY, TO WIT: PARCEL NUMBER S1428111000; SITUATED IN THE UNINCORPORATED AREA OF ADA COUNTY, IDAHO, AND CONTIGUOUS TO THE CORPORATE LIMITS OF THE CITY OF KUNA, TO THE CITY OF KUNA, IDAHO; ESTABLISHING THE ZONING CLASSIFICATION OF SAID REAL PROPERTY; DIRECTING THAT COPIES OF THIS ORDINANCE BE FILED AS PROVIDED BY LAW; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Kuna, Idaho is a municipal corporation organized and operating under the laws of the State of Idaho and is authorized to annex to and incorporate within the boundaries of the City contiguous real property in the manner provided by Section 50-222, Idaho Code; and

WHEREAS, the owner of the parcel of real property situated in the unincorporated area of Ada County and as more particularly described in Section 2 of this ordinance, has requested, in writing, annexation of said real property to the City of Kuna; and

WHEREAS, the Planning and Zoning Commission of the City, pursuant to public notice as required by law, held a public hearing on July 28, 2015, as required by Section 67-6525, Idaho Code, made findings (approved by the Commission on August 11, 2015) where it was recommended to the Mayor and Council that the annexation and zoning request be approved with a zoning classification of Agricultural; and

WHEREAS, the Kuna City Council, pursuant to public notice as required by law, held a public hearing on November 4, 2015, on the proposed annexation and zoning for the real property described in Section 2 below, as required by Section 67-6525, Idaho Code, made findings (approved on December 1, 2015) where it determined that the requested annexation should be granted with a zoning classification of Agricultural; and

WHEREAS, the zoning classification of Agricultural is appropriate to meet the requirements of the Kuna City Code and should be granted.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF KUNA, IDAHO, as follows:

Section 1: The Kuna City Council hereby finds and declares that the real property described below is contiguous to the City, that said property can be reasonably assumed to be used for the orderly development of the City, and that the owner of said property has requested, in writing, annexation thereof to the City.

Section 2: The real property, situated in Ada County, Idaho, is adjacent and contiguous to the City, commonly known as Parcel Number **S1428111000**, and more particularly described in "Exhibit A" – Legal Description and "Exhibit B" –Location Map, attached hereto and incorporated herein by reference, is annexed to and incorporated in the incorporated territorial limits of the City of Kuna, Idaho.

Section 3: From and after the effective date of this Ordinance, all property and persons within the boundaries and territory described above shall be subject to all ordinances, resolutions, police regulations, taxation and other powers of the City of Kuna.

Section 4: The zoning land use classifications of the land described in Section 2 above is hereby established as Agricultural, as provided by the Zoning Ordinance of the City. The Zoning Map of the City is hereby amended to include the real property described in Section 2 above in the Agricultural, zoning land use classification.

Section 5: The City Clerk is hereby directed to file, within ten (10) days of passage and approval of this Ordinance, a certified copy of this Ordinance with the offices of the Auditor, Treasurer, and Assessor of Ada County, Idaho, and with the Idaho State Tax Commission, Boise, Idaho, as required by Section 50-223, Idaho Code, and to comply with the provisions of Section 63-215, Idaho Code, with regard to the preparation and filing of a map and legal description of the real property annexed by this Ordinance.

Section 6: This Ordinance shall take effect and be in force from and after its passage, approval, and publication as required by law. In lieu of publication of the entire ordinance, a summary thereof in compliance with Section 50-901A, Idaho Code, may be published.

DATED this 2nd day of February 2016.

ATTEST: CITY OF KUNA, Ada County, Idaho

_____
Joe L. Stear, Mayor

_____
Chris Engels, City Clerk

EXHIBIT A

ANNEXATION DESCRIPTION FOR HEIMBUCH PROPERTY

A parcel of land located in the NE 1/4 of the NE 1/4 of Section 28, Township 2 North, Range 1 East, Boise Meridian, Ada County, Idaho being more particularly described as follows:

BEGINNING at a brass cap monument marking the NE of said Section 28;

Thence along the East boundary line of said Section 28 South 00°40'13" West, 2662.87 feet a 5/8" iron pin marking the E1/4 corner of said Section 28;

Thence along said the East-West centerline of said Section 28 North 89°38'03" West, 2641.38 feet to a ½" iron pin marking the C1/4 corner of said Section 28;

Thence along the North-South centerline of said Section 28 North 00°40'50" East, 1328.99 feet to a 5/8" iron pin marking the C-N1/16 corner of said Section 28;

Thence continuing along the North-South centerline of said Section 28 North 00°43'17" East, 1292.51 feet to a point on the northerly right-of-way line of W. Kuna Road;

Thence along said northerly right-of-way line North 80°04'27" East, 208.44 feet to a point on the North boundary line of said Section 28;

Thence along said North boundary line South 89°43'53" East, 2435.12 feet to the **POINT OF BEGINNING**. Containing 161.22 acres, more or less.

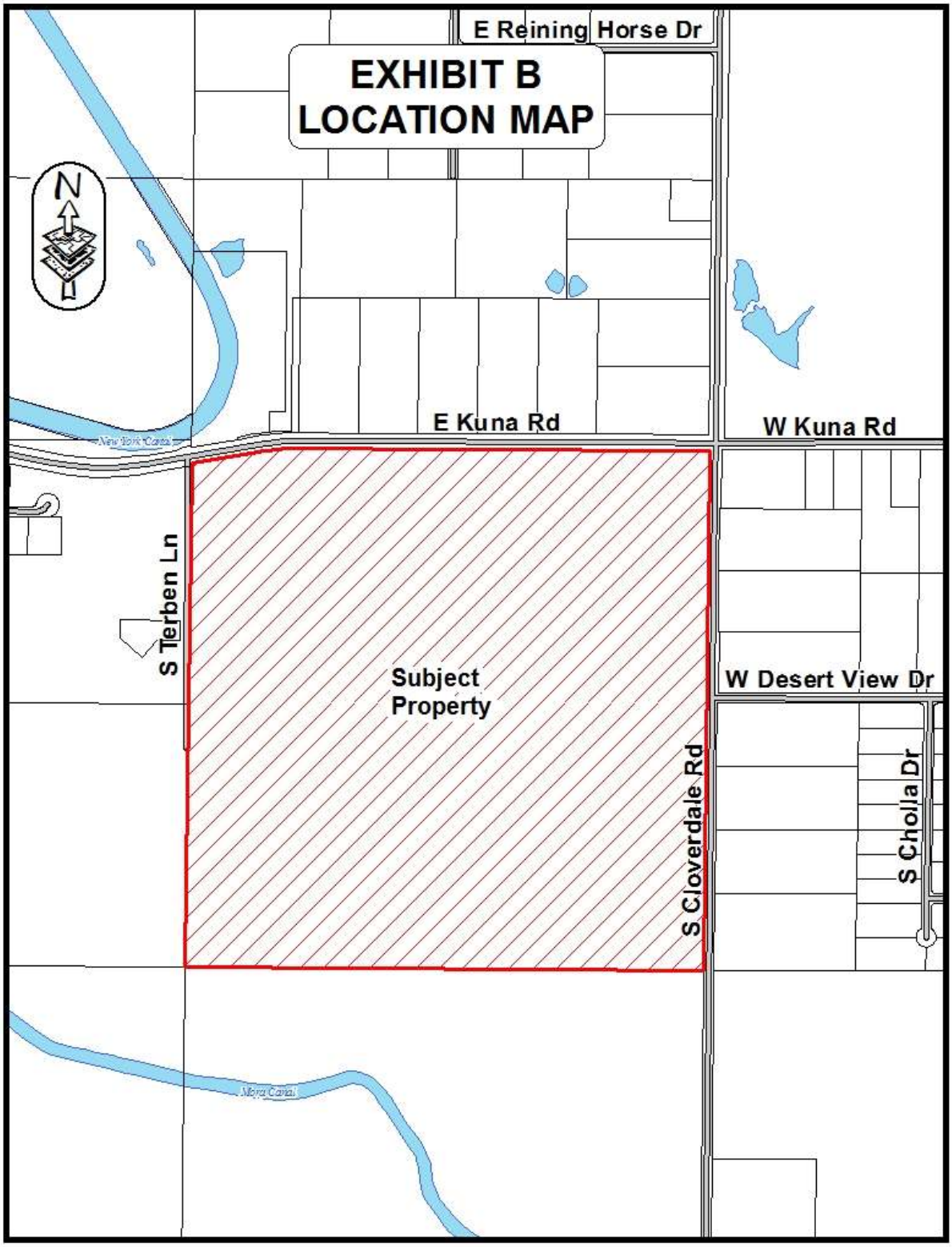


EXHIBIT B
LOCATION MAP
E Reining Horse Dr
N
E Kuna Rd
W Kuna Rd
New York Canal
S Tierben Ln
Subject
Property
W Desert View Dr
S Cloverdale Rd
S Cholla Dr
Moyra Canal

(Space above reserved for recording)

ORDINANCE NO. 2016-03
CITY OF KUNA, IDAHO

AN ORDINANCE ANNEXING CERTAIN REAL PROPERTY, TO WIT: PARCEL NUMBER S1422336000; SITUATED IN THE UNINCORPORATED AREA OF ADA COUNTY, IDAHO, AND CONTIGUOUS TO THE CORPORATE LIMITS OF THE CITY OF KUNA, TO THE CITY OF KUNA, IDAHO; ESTABLISHING THE ZONING CLASSIFICATION OF SAID REAL PROPERTY; DIRECTING THAT COPIES OF THIS ORDINANCE BE FILED AS PROVIDED BY LAW; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Kuna, Idaho is a municipal corporation organized and operating under the laws of the State of Idaho and is authorized to annex to and incorporate within the boundaries of the City contiguous real property in the manner provided by Section 50-222, Idaho Code; and

WHEREAS, the owner of the parcel of real property situated in the unincorporated area of Ada County and as more particularly described in Section 2 of this ordinance, has requested, in writing, annexation of said real property to the City of Kuna; and

WHEREAS, the Planning and Zoning Commission of the City, pursuant to public notice as required by law, held a public hearing on July 28, 2015, as required by Section 67-6525, Idaho Code, made findings (approved by the Commission on August 11, 2015) where it was recommended to the Mayor and Council that the annexation and zoning request be approved with a zoning classification of Agricultural; and

WHEREAS, the Kuna City Council, pursuant to public notice as required by law, held a public hearing on November 4, 2015, on the proposed annexation and zoning for the real property described in Section 2 below, as required by Section 67-6525, Idaho Code, made findings (approved on December 1, 2015) where it determined that the requested annexation should be granted with a zoning classification of Agricultural; and

WHEREAS, the zoning classification of Agricultural is appropriate to meet the requirements of the Kuna City Code and should be granted.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF KUNA, IDAHO, as follows:

Section 1: The Kuna City Council hereby finds and declares that the real property described below is contiguous to the City, that said property can be reasonably assumed to be used for the orderly development of the City, and that the owner of said property has requested, in writing, annexation thereof to the City.

Section 2: The real property, situated in Ada County, Idaho, is adjacent and contiguous to the City, commonly known as Parcel Number **S1422336000**, and more particularly described in "Exhibit A" – Legal Description and "Exhibit B" – Location Map, attached hereto and incorporated herein by reference, is annexed to and incorporated in the incorporated territorial limits of the City of Kuna, Idaho.

Section 3: From and after the effective date of this Ordinance, all property and persons within the boundaries and territory described above shall be subject to all ordinances, resolutions, police regulations, taxation and other powers of the City of Kuna.

Section 4: The zoning land use classifications of the land described in Section 2 above is hereby established as Agricultural, as provided by the Zoning Ordinance of the City. The Zoning Map of the City is hereby amended to include the real property described in Section 2 above in the Agricultural, zoning land use classification.

Section 5: The City Clerk is hereby directed to file, within ten (10) days of passage and approval of this Ordinance, a certified copy of this Ordinance with the offices of the Auditor, Treasurer, and Assessor of Ada County, Idaho, and with the Idaho State Tax Commission, Boise, Idaho, as required by Section 50-223, Idaho Code, and to comply with the provisions of Section 63-215, Idaho Code, with regard to the preparation and filing of a map and legal description of the real property annexed by this Ordinance.

Section 6: This Ordinance shall take effect and be in force from and after its passage, approval, and publication as required by law. In lieu of publication of the entire ordinance, a summary thereof in compliance with Section 50-901A, Idaho Code, may be published.

DATED this 2nd day of February 2016.

ATTEST: CITY OF KUNA Ada County, Idaho

_____
Joe L. Stear, Mayor

_____
Chris Engels, City Clerk

EXHIBIT A

ANNEXATION DESCRIPTION FOR
FALCON CREST LLC PROPERTY

A parcel of land located in the SW 1/4 of the SW 1/4 of Section 22, Township 2 North, Range 1 East, Boise Meridian, Ada County, Idaho being more particularly described as follows:

Beginning at a brass cap monument marking the SW of said Section 22;

Thence along the West boundary line of said Section 22 North 00°42'47" East, 1325.47 feet to the S1/16 corner of said Section 22;

Thence along said the North boundary line of the SW 1/4 of the SW 1/4 of said Section 22 South 89°43'42" East, 1320.04 feet to the SW1/16 corner of said Section 22;

Thence along the East boundary line of the SW 1/4 of the SW 1/4 of said Section 22 South 00°16'21" West, 1320.01 feet to the W1/16 corner of said Section 22;

Thence along said South boundary line of said Section 22 North 89°57'42" West, 1330.24 feet to the **REAL POINT OF BEGINNING**. Containing 40.24 acres, more or less.

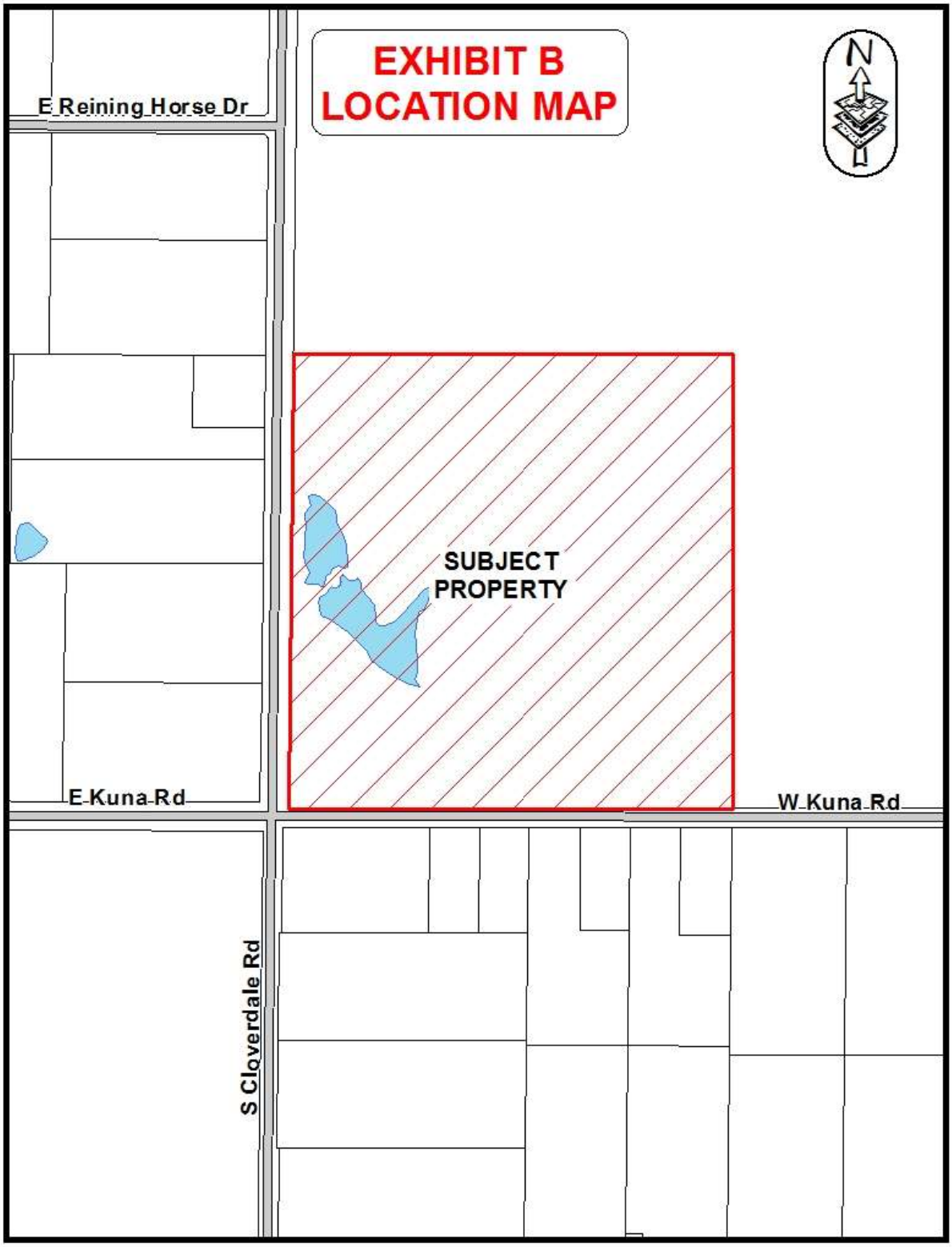


EXHIBIT B
LOCATION MAP
N
E Reining Horse Dr
SUBJECT
PROPERTY
E Kuna Rd
W Kuna Rd
S Cloverdale Rd

ORDINANCE NO. 2016-04

AN ORDINANCE AMENDING KUNA CITY CODE 1-16-1, ET SEQ. TO SET FORTH THE PRACTICE AND PROCEDURE FOR OBTAINING, REVIEWING AND MAKING AN ADVERSE DECISION RELATED TO AN APPLICANT OR EMPLOYEE'S CRIMINAL HISTORY; PROVIDING FOR A SEVERANCE CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Article XII, Section 2 of the Idaho Constitution and Idaho Code §50-302 allow municipal corporations to adopt regulations which are not contrary to the general laws; and

WHEREAS, Public Law 92-544 and Idaho Code, §67-3008 et seq. set forth the procedures for access to criminal record information by state, city and local agencies which require by statute, rule, or local or county ordinance, the fingerprinting of applicants or licensees; and

WHEREAS, in order for the City of Kuna to operate effectively, persons selected for employment, certain applicants, and certain other licensees, must have the highest degree of citizen and public trust and confidence; and

WHEREAS, all City employees represent the City to its citizens; many City employees have responsibilities to regulate and maintain public health and safety; and some City Employees have the ability and authority to bind the City contractually, have access to public funds and property, and possess access to privileged and proprietary information; and

WHEREAS, certain licensees of the City of Kuna as adopted by City of Kuna Ordinance, interact with the public in situations where public safety can be placed at risk and members of the public can be taken advantage of, such that it is necessary and appropriate that their criminal record history is reviewed; and

WHEREAS, the City Council finds that in order for the City to be in compliance with State and Federal laws, and it is in the best interests of the City of Kuna to create a new chapter in the City Code that allows the City to access criminal offender information for applicants for employment with the City, or certain applicants seeking a City License as established by separate ordinance.

BE IT ORDAINED by the Mayor and Council of the City of Kuna, Idaho as follows:

Section 1. Title 1, Chapter 16 shall be amended as follows:

CHAPTER 16

CRIMINAL HISTORY BACKGROUND CHECK POLICY

A. 1-16-1: CRIMINAL HISTORY BACKGROUND CHECKS FOR FINAL APPLICANTS FOR CITY EMPLOYMENT AND CERTAIN CITY ISSUED BUSINESS LICENSES CRIMINAL HISTORY BACKGROUND CHECK POLICY

1. The City of Kuna, Idaho will conduct criminal record background checks as part of its employee application process, licensing for certain types of businesses (as may be required in City Ordinance) and volunteer positions.

2. The criminal records background check includes searching for felony and/or misdemeanor convictions contained in state and/or national criminal databases pursuant to the Idaho Non-Criminal Justice Agency (NCJA) Access Agreement.

3. The City personnel with responsibility for reviewing reports in the decision-making process will be familiar with the educational materials made available by the Department of Criminal Justice Information Services (DCJIS).

4. Applicants or employees will be asked to complete a request form authorizing the City to conduct a criminal record search. The applicant or employee will be provided a copy of this Ordinance.

5. Where a criminal record check is part of a background check for employment, volunteer work, or licensing purposes, the following practices and procedures will generally be followed:

a. Applicants or employees will be asked to complete a request form authorizing the City to conduct a criminal record search. The applicant or employee will be provided a copy of this Ordinance.

b. The City personnel with responsibility for reviewing reports in the decision-making process will be familiar with the educational materials made available by the Department of Criminal Justice Information Services (DCJIS).

c. Unless otherwise provided by law, a criminal record will not automatically disqualify an applicant or employee. Rather, determinations of suitability based on criminal record checks will be made consistent with this policy and any applicable law or regulations.

d. If a criminal record is received, the authorized individual will closely compare the record provided with the information on the Disclosure and Authorization Form and any other identifying information provided by the applicant or employee, to ensure the record relates to the applicant or employee.

e. If the City is inclined to make an adverse decision based on the results of the criminal background check, the applicant or employee will be notified immediately. The applicant or employee will be provided an opportunity to review his/her criminal record, the City's background policy, and will be advised of the part(s) of the record that make the individual unsuitable for the position or license. The City will provide the applicant or employee with an opportunity to dispute the accuracy of the criminal record.

f. Applicants or employees challenging the accuracy of a criminal record shall be provided a copy of DCJIS' Information Concerning the Process in Correcting a Criminal Record. If the criminal record provided does not exactly match the identification information provided by the applicant or employee, the City will make a determination based on a comparison of the criminal record and documents provided by the applicant or employee.

g. If the City reasonably believes the record belongs to the applicant or employee and the record is accurate, then the City will determine if the applicant or employee is suitable for the position or license at issue. Unless otherwise provided by law, factors considered in determining suitability may include, but not be limited to the following:

(1) The facts or circumstances surrounding the offense or conduct;
(2) Seriousness and specific circumstances of the offense;
(3) The number of offenses for which the candidate was convicted;
(4) Age of the candidate at the time of the offense;
(5) Relevance of the crime to the position sought;
(6) The nature of the work to be performed;
(7) Time since the conviction;
(8) Whether the applicant has pending charges;
(9) Any relevant evidence of rehabilitation or lack thereof;
(10) Any other relevant information, including information submitted by the candidate or requested by the hiring authority.
(11) The City will notify the applicant or employee of the decision and the basis of the decision in a timely manner.

6. An applicant who has been offered conditional employment or an applicant for a City of Kuna license, as may be required by City Ordinance, shall submit to the Idaho State Police, the information, and fingerprints necessary to obtain the criminal history record of the applicant from the Idaho State police and the Federal Bureau of Investigation.

7. The City will pay the Idaho State Police for the costs associated with the submission of the fingerprints to obtain the criminal history record to the Idaho State Police.

8. The fingerprints of the applicant shall be taken by the Idaho State Police, and such fingerprints and all information required by this section shall be on the forms prescribed by the Idaho State Police.

9. The City Attorney, City Clerk, and/or City Treasurer are authorized to receive criminal history information from the Idaho State Police and from the Federal Bureau of Investigation for the purpose of evaluating the fitness of applicants for city employment or a city license.

10. As required by state and federal law, further dissemination or other use of the criminal history information is prohibited.

11. No records obtained pursuant to this Chapter shall be disseminated to a private entity or persons not authorized to receive the records as provided for herein.

12. After review by the authorized City employee(s), said records shall be stored in a secured and locked location, and for the period of time as required by Idaho Law

Section 2. This ordinance shall become effective after its adoption and publication as required by law.

DATED this 2nd day of February, 2016.

ATTEST: CITY OF KUNA, Ada County, Idaho

_____
Joe L. Stear, Mayor

_____
Chris Engels, City Clerk

ORDINANCE NO. 2016-05
CITY OF KUNA, IDAHO

AN ORDINANCE OF THE KUNA CITY COUNCIL, KUNA, IDAHO REPEALING KUNA CITY CODE (KCC) 1-8-1 PURCHASING PROCEDURE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, KCC 1-8-1 provides for the City shall submit all purchases of real and personal property in excess of five thousand dollars ($5,000.00) be opened to the submission of bids; and

WHEREAS, KCC 1-8-1 is inconsistent with Idaho Code §67-2806 ($25,000.00) and creates an onerous and expensive process for the City to comply with.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KUNA, ADA COUNTY, IDAHO, as follows:

Section 1: Section 1-8-1 of the Kuna City Code shall be repealed.

~~**1-8-1: PURCHASING PROCEDURE:**~~

~~No purchase of property, real or personal, shall be made by the City in excess of the amount of five thousand dollars ($5,000.00) without the Mayor and Council first having caused the proposed purchase to be opened to the submission of bids.~~

~~If the expenditure to be made in the purchase of property, real or personal, does not exceed the amount of five thousand dollars ($5,000.00) then the matter need not be opened to the submission of bids.~~

Section 2: This ordinance shall become effective after its adoption and publication as required by law.

ADOPTED this 2nd day of February, 2016.

ATTEST: CITY OF KUNA Ada County, Idaho

_____
Joe L. Stear, Mayor

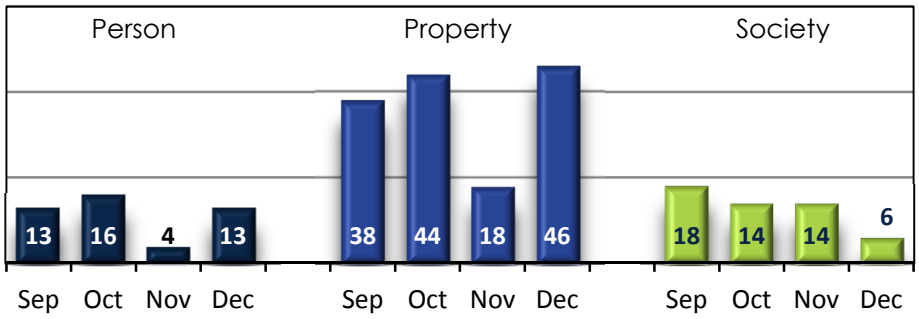
_____
Chris Engels, City Clerk

DECEMBER 2015 POLICE REPORT

(Released January 27, 2016)

Crime & Clearance	2012	2013	2014	2015 Total	2015 Dec	2015 % cleared
Total Crimes (#)	**558**	**477**	**522**	***548***	**42**	**51%**
Person	185	181	187	*158*	13	68%
Property	283	209	247	*242*	23	22%
Society	90	87	88	*148*	6	81%
Crime Rate (#/1000 population)	**35.7**	**29.9**	**32.5**	***31.6***		

Crimes by Month and Type



Police Activity	Monthly Average	Sep 2015	Oct 2015	Nov 2015	Dec 2015
Citizen calls for service (CFS)	**288**	258	314	212	**247**
Proactive policing contacts	**721**	721	773	869	**699**
Select call types:					
Code 3 CFS	**4**	7	2	1	**1**
Alarm	**10**	8	10	13	**15**
Crash response	**9**	4	9	8	**17**
School check	**151**	151	157	119	**36**
Traffic stop	**158**	215	223	264	**223**
Welfare check	**27**	24	26	13	**27**

Citizen calls for service *- Calls for help made by residents to ACSO dispatchers;* ***Proactive policing contacts*** *- Activity initiated by deputies;* ***Code 3 calls*** *- Calls requiring an immediate emergency response; monthly averages are based on 2012-2014*

Law enforcement agencies in Idaho report crime within their jurisdictions to the Idaho State Police under the National Incident-Based Reporting System which has standard definitions, rules and guidelines for reporting crimes in three categories:

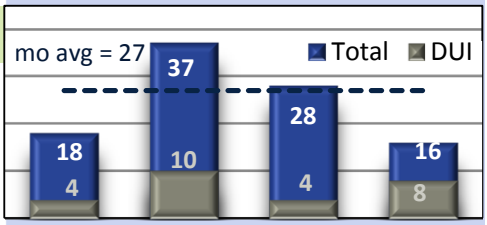
- **Person Crimes** = murder, manslaughter, rape/sodomy, assault, intimidation and kidnapping offenses
- **Property Crimes** = robbery, burglary, larceny/theft, arson, destruction of property, counterfeiting, fraud, embezzlement, blackmail and stolen property offenses
- **Society Crimes** = drugs/narcotics, gambling, pornography, prostitution and weapons law violations

The purpose of the program is to provide reliable statistics and inform the public about the nature of crime problems.

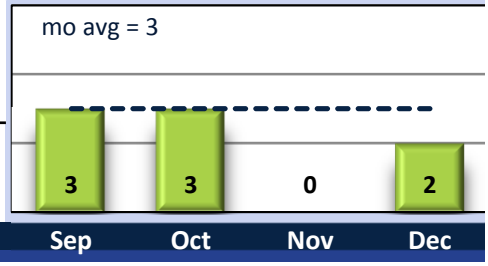
Crimes get cleared when we make an arrest on a case, which includes citations and court summonses under NIBRS. Some crimes are more difficult to solve than others, so clearance rates vary by crime type and can have significant lag times.

Code 3 CFS response time (min:sec)

No. of arrests



No. of mental hold cases



Kuna Crashes
September – December 2015

Severity	Sep	Oct	Nov	Dec	Total*
PD	4	6	6	11	27
PI	4	3	0	2	9
Grand Total	8	9	6	13	36

-There was a total of 36 crashes in Kuna for the time period of September - December 2015. 75% of the crashes were Property Damage.
-36% of crashes occurred in the month of December. This is expected due to weather being a contributing factor.
*** the total may change due to some crashes taking time to be completed.**

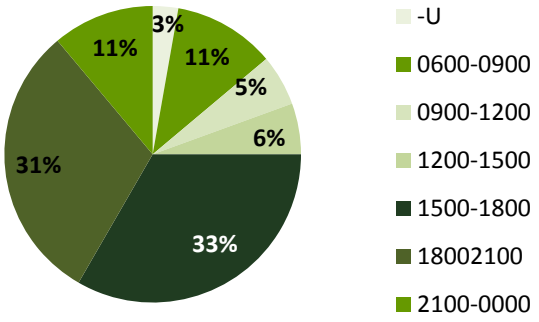
Kuna Crashes Top Contributing Circumstances
Inattention
Failed to Yield
Following Too Close
Speed Too Fast For Conditions
Failed to Obey Stop Sign
Failed to Obey Signal

***Out of the 36 crashes in Kuna 36% of them were due to Inattention.**

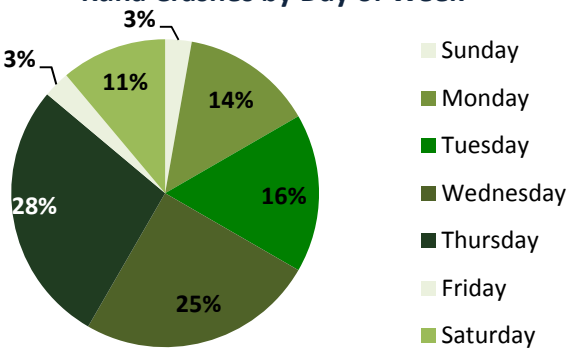
Top Intersections

Deer Flat Rd & Linder Rd
(5 PD's & 1 PI)
Linder & Trophy St
(2 PD's)
Ten Mile Rd & Deer Flat Rd
(2 PD's)
Avalon St & Kay Ave
(2 PD's)
Main St & Linder Ave
(2 PD's)

Kuna Crashes by Hour of Day

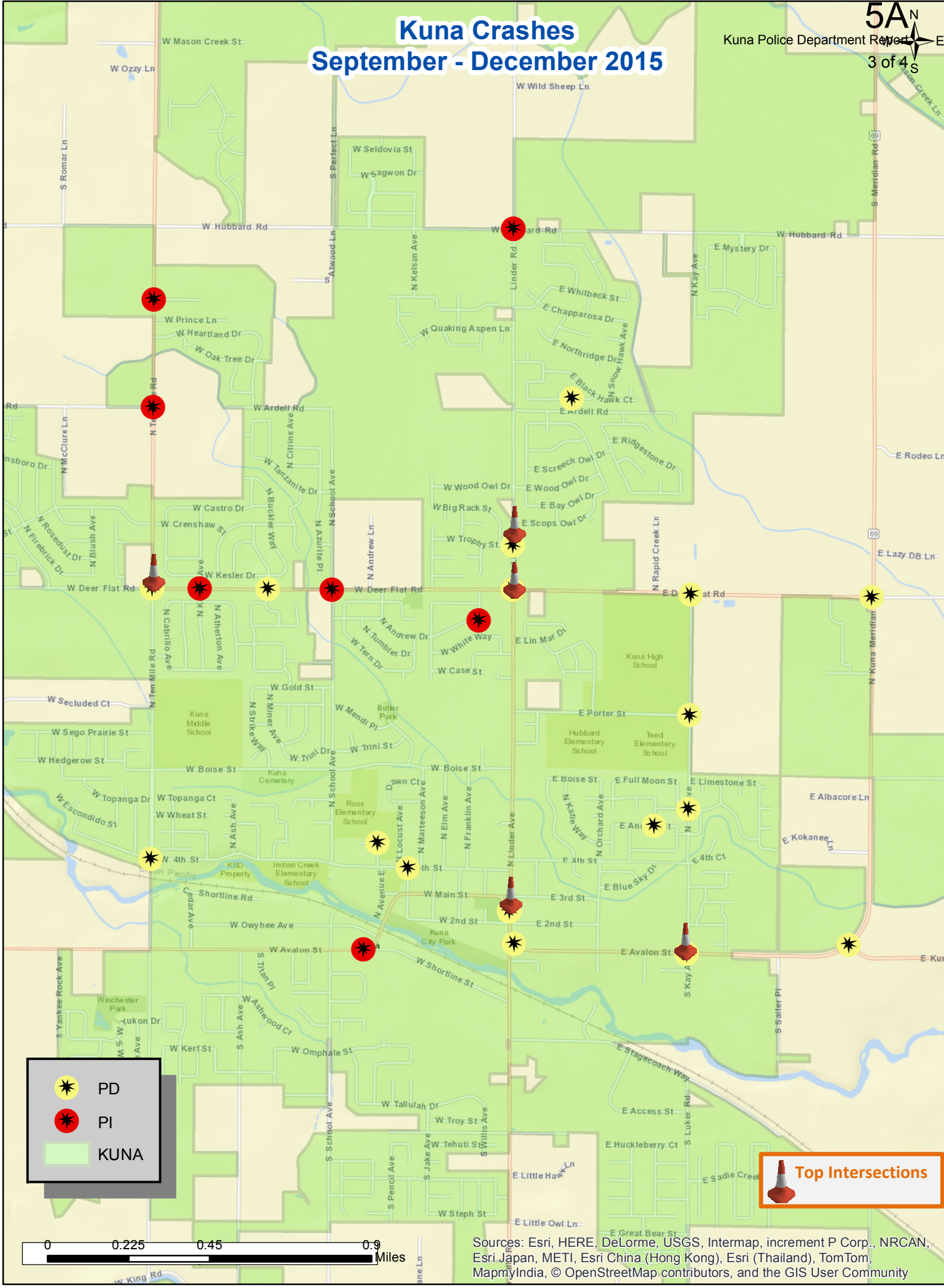


Kuna Crashes by Day of Week



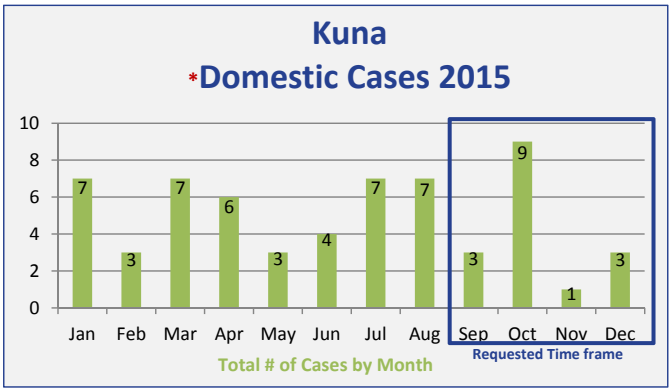
The above pie charts show the crashes that occurred in Kuna by Hour of Day and Day of week for the time period of September - December 2015. 33 % of crashes occurred during the hours of 1500-1800. The days of week with the most crashes were Wednesday (25%) and Thursday (28%).

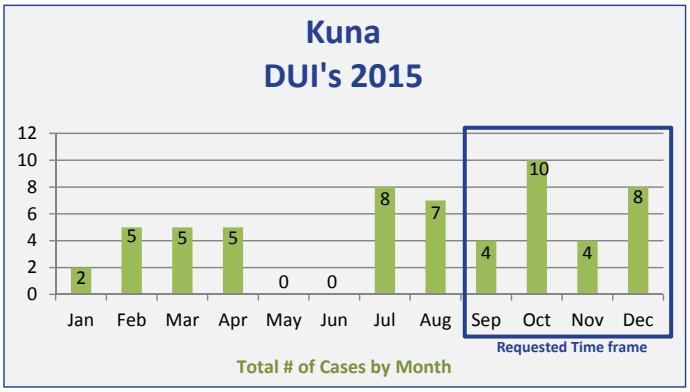
Kuna Crashes
September - December 2015



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri China (Hong Kong), Esri (Thailand), TomTom, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

Kuna DUI's & Domestic Cases 2015





*Includes Domestic Simple Battery, Domestic Verbal Intimidation, Domestic Violence

Domestic's By Type	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
DOMESTIC SIMPLE BATTERY	3	1	5	2	1	1	3	3	0	3	0	1	23
DOMESTIC VERBAL INTIMIDATION	0	0	0	0	0	1	0	0	0	1	0	1	3
DOMESTIC VIOLENCE CHILD PRESENT - MISDEM	4	2	2	4	2	2	4	4	3	5	1	1	34
Grand Total	7	3	7	6	3	4	7	7	3	9	1	3	60

There were a total of 60 Domestic cases in Kuna for the year 2015. 56% of the cases were Domestic Violence Child Present Misd.

DUI's By Type	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
DUI (SECOND OFFENSE WITHIN 10 YRS)	0	0	0	1	0	0	0	0	1	2	0	0	4
DUI- 2ND OFFENSE	0	0	1	0	0	0	1	2	0	0	0	0	4
DUI - FEL	0	1	0	0	0	0	0	2	0	0	0	0	3
DUI - MISD	1	4	4	4	0	0	5	3	0	7	2	6	36
DUI OVER .20%	1	0	0	0	0	0	2	0	3	0	2	2	10
DUI UNDERAGE,.02 BUT LESS THAN .10	0	0	0	0	0	0	0	0	0	1	0	0	1
Grand Total	2	5	5	5	0	0	8	7	4	10	4	8	58

There were a total of 58 DUI's in Kuna for the year 2015. 62% of those were DUI- Misd.

City of Kuna

P.O. Box 13
Kuna, ID 83634
Phone: (208) 922-5274
Fax: (208) 922-5989
Kunacity.Id.gov

Kuna City Council - Staff Report

To: **City Council**

Case Numbers: 16-01-LS (Lot Split)

Site Location: South East Corner of Deer Flat and Linder Roads
Kuna, Idaho 83634

Planner: Troy Behunin, Senior Planner

Meeting Date: February 2, 2016

Applicant: **JGT Architecture;** *Jerrod Wallgren*
121 12th Avenue So.
Nampa, ID 83634
208.342.5792
jwallgren@jgt-architecture.com

Owners of Record: **Kuna Counseling;** *Jim and Shelise Grigg*
1914 N. Summerwind Place
Kuna, ID, 83634
208.922.0499
griggj@byui.edu

Table of Contents:

A. Course Proceedings
B. Applicant Request
C. Vicinity Maps
D. History
E. General Project Facts
F. Staff Analysis
G. Applicable Standards
H. Proposed Decision by the Council

A. Course Proceedings:

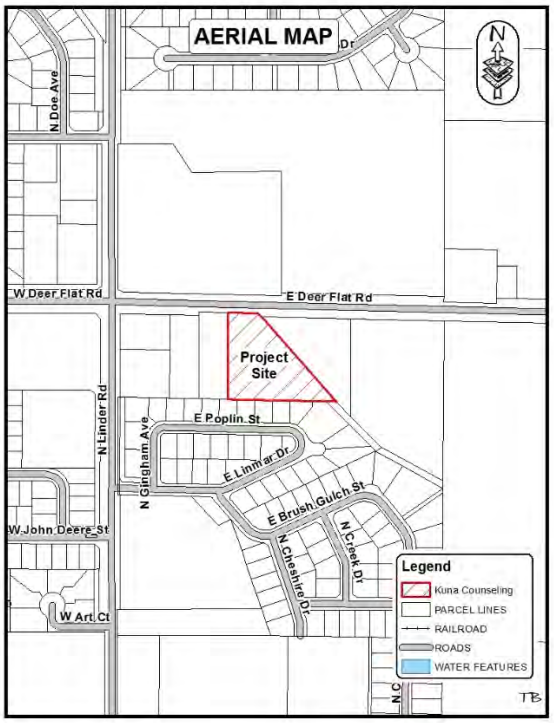
1. Lot Splits (LS) are designated in Kuna City Code (KCC) 1-14-3, as a public meeting, with the City Council as the decision making body. As a public meeting, these applications do not require public notice as set forth in Idaho Code, Chapter 65, Local Land Use Planning Act. The guidelines for decision making by the Council as outlined in KCC 1-14-3 have been adhered to.

    a. Notifications
        i. Agenda February 2, 2016

B. Applicants Request:

1. Applicant seeks lot split (LS) approval for a qualifying parcel within the South Linder Estates Subdivision, totaling approximately 2.18 acres in size, in order to prepare the lot for near future commercial development on one of the proposed splits.

C. Vicinity and Aerial Maps:



© COPYRIGHTED

D. History:

This large lot is within South Linder Estates subdivision and contains a residence and an out-building. It has historically been used as a residential unit, with a large yard. This property is already zoned C-1 (Neighborhood Commercial).

E. General Project Facts:

1. **Comprehensive Plan Designation:** The Comprehensive Plan (Comp Plan) Map indicates this site as Medium Residential Density (map designation). In accordance with KCC 5-3-2, this Lot split request is not consistent with the Comp Plan Map, however, this property is zoned C-1 Commercial, and staff supports this request.

2. **Surrounding Land Use:**

North	C-1	Neighborhood Commercial – Kuna City
South	R-8	High Density – Kuna City
East	C-1	Neighborhood Commercial – Kuna City
West	R1	Residential – Ada County

3. **Parcel Numbers:** APN: R8048220045. This is Lot 5, Block 1 inside the South Linder Estates Subdivision.

4. **Parcel Sizes and Current Zoning:**
   2.18 ac. (Approximately) currently zoned C-1 (Neighborhood Commercial).

5. **Services:**
   Sanitary Sewer– City of Kuna
   Potable Water – City of Kuna
   Irrigation District – Boise-Kuna Irrigation District
   Fire Protection – Kuna Fire District
   Police Protection – Kuna City Police (*Ada County Sheriff's office*)
   Sanitation Services – J&M Sanitation

6. **Existing Structures, Vegetation and Natural Features:** The property has a residence and an out-building on site.

7. **Transportation / Connectivity:** Ingress and egress will remain in the location it currently sits on Deer Flat Road- no new access point is requested or granted. Applicant will need to record a cross-access easement with Ada County for all properties involved with these applications to ensure proper access and avoid land-locked properties.

8. **Environmental Issues:** Staff is not aware of any environmental issues, health or safety conflicts. This site's topography is generally flat.

F. Staff Analysis:

This is Lot 5, Block 1, inside the South Linder Estates Subdivision and has been determined to be a qualifying original parcel, as defined by Kuna City Code. This site is designated as medium density residential on Comp Plan map, however, this parcel is zoned C-1 and given the location of this property and trends in the vicinity staff views these proposed actions to be consistent with the neighboring uses/zones.

The applicant wishes to split this 2.18 acre parcel into 3 separate parcels. The configuration for the proposed parcels is shown on Page LS-1.0; (Parcel 1= 27,706 square feet, parcel 2= 17,304 square feet and parcel 3 will be 47,807 square feet in size). The property is currently zoned C-1 (Neighborhood Commercial) and is approximately 2.18 acres in size. If approved, this split would create three new lots and set the stage for a new commercial business on parcel one (touching Deer Flat Road). Parcel one will need to record a cross access agreement for access to Deer Flat Road across all the other two properties which do not touch Deer Flat Road. The home will remain (on parcel two) and will continue to be lived in. Parcel three, in the back will have access through a recorded agreement, and may be developed commercially in the future, but there are no plans to do that at this point.

The commercial part of this project will require some public improvements as explained to the applicant. Those improvements include (but are not limited to), Deer Flat right-of-way dedication and road widening to Kuna and ACHD standards, new commercial is required to connect to central sewer, potable water, and pressure irrigation systems, sidewalk along Deer Flat, street light and parking lot lights and landscape buffers

along the frontage. Applicant shall also convey proper easements for all necessary utilities and access. Applicant shall also follow the recommendations of the City Engineer listed in his memo dated January 12, 2016.

Staff forwards a recommendation of approval for Case No. 16-01-LS, Kuna Counseling Center, to the City Council.

G. Applicable Standards:

1. City of Kuna Zoning Ordinance Title 5, Chapter 16; No. 230, 2011-14 and 2015-08.
2. City of Kuna Comprehensive Plan.
3. Idaho Code, Title 67, Chapter 65, Local Land Use Planning Act.
4. City of Kuna Zoning Ordinance Title 5, Chapter 16, Section 3. Ord. 2015-08.

H. Proposed Decisions by the Council:

Note: This proposed motion is for approval or denial of this request. However, if the Council wishes to approve or deny specific parts of the request as detailed in the report, those changes must be specified.

Based on the facts outlined in staff's report, the case file and any discussion at the public meeting with the Council of Kuna, Idaho, hereby (approves/denies) Case No. 16-01-LS, a Lot Split request by Kuna Counseling Center – Jim and Shelise Grigg; with the following conditions of approval:

1. Have the applicants or their representative engineer-surveyor record the following documents:
   a. Proposed Record of Survey (ROS).
   b. Execute and record the necessary deeds to accomplish the new parcel boundaries as approved.
   c. Provide copies of the **recorded** ROS and **recorded** new deeds, to the Planning and Zoning Department as evidence of compliance.
   d. Applicants and/or Owners shall complete the aforementioned conditions within one (1) year of the City Council's Order of Decision.
2. Any future development or improvements to any of these proposed parcels must follow all codes in place at the time of original lot split (LS) approval by the Kuna City Council.
3. The applicant shall adhere to all agency and staff recommendations.
4. Applicant must have an access agreement in place prior to recording the *lot split*, giving proper access to all affected parcels in sufficient widths approved by the City engineer and the Planning and Zoning Department.
   a. Applicant must show proof of recorded easement to staff prior to recording the *lot split*.
5. Applicant shall dedicate sufficient amounts of rights-of-way to the public along Deer Flat Road and widen the road along their frontage according to Kuna and ACHD standards.
6. Applicant shall provide sidewalk, curb and gutters along the Deer Flat Road in accordance with Kuna City Code.
7. Applicant shall connect into Kuna central services including sewer, potable water and pressure irrigation systems for the proposed new commercial project as shown on Page LS-1.0 and the record of survey in the report exhibits.
8. Applicant shall convey proper easements on the record of survey for all utilities in sufficient widths approved by the City engineer and the Planning and Zoning Department.
9. Applicant shall follow all Kuna Fire Department standards.
10. The applicant shall comply with all federal, state and local laws.

jgt architecture

December 14, 2015

City of Kuna Planning and Zoning
P.O. Box 13
Kuna, ID 83634

Re: Lot Split / Design Review 155 E. Deer Flat Road

Dear City Council / P & Z Commission:

Please find the attached application materials for a property located at 155 E. Deer Flat Road. I am writing on behalf of the owners of the property, Jim and Shelise Grigg. They are also owners of Kuna Counseling Center, and are proposing to build an office building for their practice on this site.

The property is zoned C-1 Commercial, but prior to that designation, it has always been a residential use with a house located in the southwestern part of the property. The house is currently operated as a rental property, and Mr. and Mrs. Grigg intend to continue that use, and have even discussed the possibility of using the house as their personal residence someday in the future.

Per ordinance section 5-16-3, Mr. and Mrs. Grigg are proposing to split this original lot (created in 1973) into 3 new parcels. The reasoning is twofold:

1) The proposed new counseling office only requires a portion of the existing property. Splitting the property into 3 parcels will allow the owners to develop only what is needed at this time in order to set the tone for commercial development on the site. Assuming the development is a success, at some point in the future, the owners will develop the balance of the property with a second commercial building.
2) The existing house is in very good condition and the owners would like the ability to continue to rent the home to tenants, or perhaps even occupy it themselves. According to city staff, it is not possible to continue the residential use with a commercial building on the same lot, therefore defining a parcel for the house will allow the continued beneficial use of the property as a residence. In the future, it is likely that the house could be renovated to function as a professional office building, or even be demolished to make room for new commercial development to compliment the other parcels.

It is clear by noting the commercial zoning designations of nearby properties that the development of Deer Flat as a commercial corridor is a priority to the city. With a mix of commercial, residential, churches and schools, this section of road is currently in transition away from a residential street, and we feel that this project will be a good catalyst to continue the trend of commercial development and will be a valuable asset to the city.

1212 12th avenue south . nampa . idaho 83651
phone: (208) 463-9295 . fax: (208) 463-9299
email: jgt@jgt-architecture.com

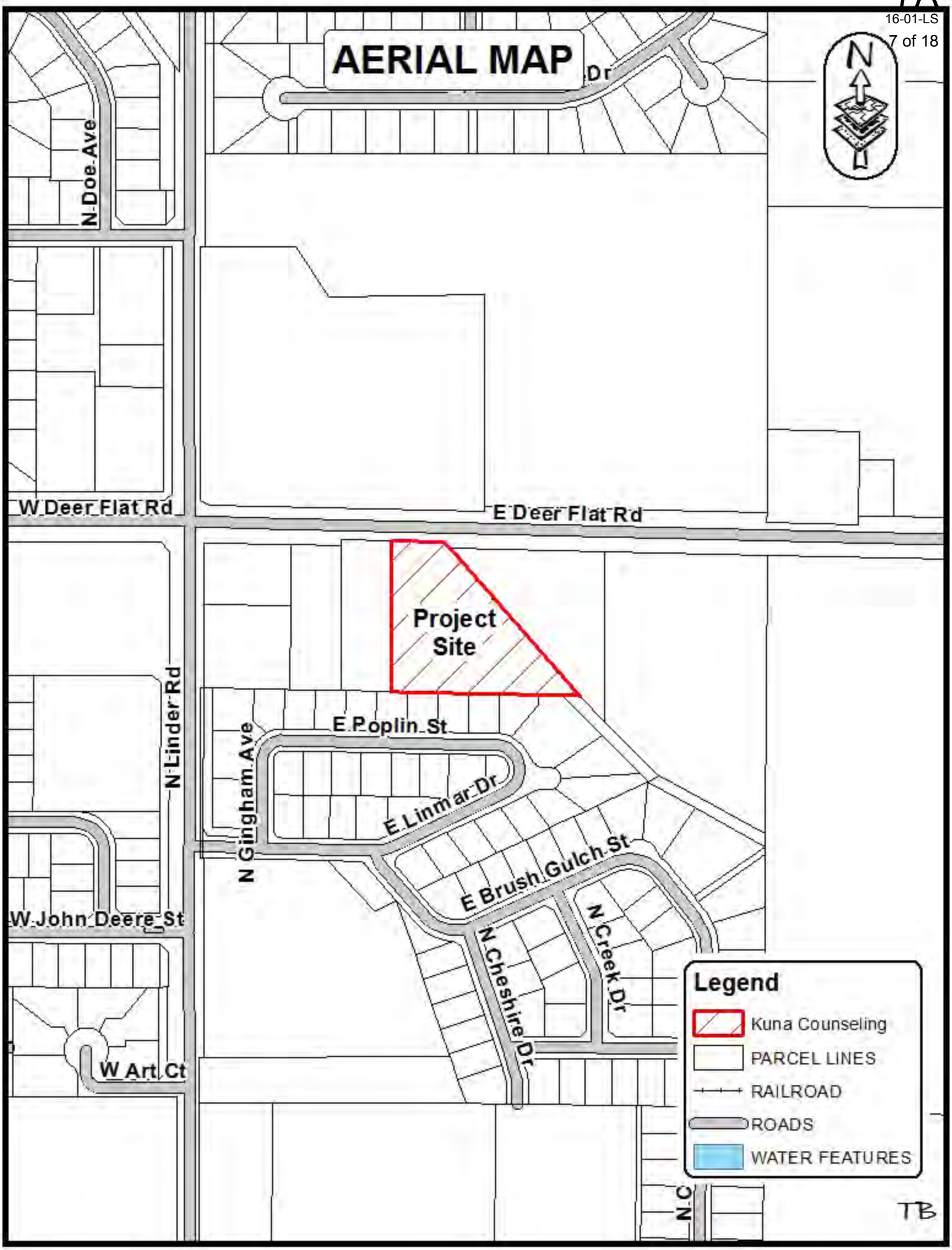
Regarding the proposed building, we feel that the architectural mass, character, materials and detailing comply with the requirements described in section 5-4-6. The proposed building takes a simple rectangular plan and uses corner elements to provide relief of the horizontal and vertical planes of the building. The design uses a mixture of "flat" roof building parapet walls and low sloped roof forms that emulate a "Prairie School" style of architecture as outlined in the Kuna Architecture and Site Design booklet. The proposed building will be composed of high quality durable materials with (3) different colors of stucco, and a face brick veneer accent, all in earth tone colors as encouraged by the ordinance. All mechanical units will be screened on the roof by the mansard style roof parapet.

Thank you for taking the time to review our proposal. We feel that the project will enhance and beautify the city and allow the owner to expand their practice to continue to provide a valuable service to the community. We greatly appreciate your consideration of this project, and welcome any questions you may have. I am available by phone (208) 463-9295, or by email (jwallgren@jgt-architecture.com) to address any questions or comments.

Sincerely,

Jerrod Wallgren
Project Architect

Cc: Jim and Shelise Grigg
File


AERIAL MAP
N
N Doe Ave
W Deer Flat Rd
E Deer Flat Rd
Project Site
N Linder Rd
E Poplin St
N Gingham Ave
E Linmar Dr
E Brush Gulch St
W John Deere St
N Cheshire Dr
N Creek Dr
W Art Ct
Legend
Kuna Counseling
PARCEL LINES
RAILROAD
ROADS
WATER FEATURES
TB

AERIAL MAP
N
E Deer Flat Rd
Project Site
E Poplin St
Legend
Kuna Counseling
PARCEL LINES
RAILROAD
ROADS
WATER FEATURES
TB

E Poplin St
E Linmar Dr
E Deer Flat Rd
© 2016 Google
Google earth

City of Kuna
Planning & Zoning
Department
P.O. Box 13
Kuna, Idaho 83634
208.922.5274
Fax: 208.922.5989
Website: www.kunacity.id.gov

Commission & Council Review Application

Note: Engineering fees shall be paid by the applicant if required.

*Please submit the appropriate checklist (s) with application

For Office Use Only	
File Number (s)	
Project name	
Date Received	
Date Accepted/ Complete	
Cross Reference Files	
Commission Hearing Date	
City Council Hearing Date	

Type of Review (check all that apply):

- ☐ Annexation
- ☐ Appeal
- ☐ Comprehensive Plan Amendment
- ☒ Design Review
- ☐ Development Agreement
- ☐ Final Planned Unit Development
- ☐ Final Plat
- ☐ Lot Line Adjustment
- ☒ Lot Split
- ☐ Planned Unit Development
- ☐ Preliminary Plat
- ☐ Rezone
- ☐ Special Use
- ☐ Temporary Business
- ☐ Vacation
- ☐ Variance

Contact/Applicant Information

Owners of Record: Jim and Shelise Grigg
Address: 1914 N. Summerwind Place
City, State, Zip: Kuna, ID 83634
Phone Number: 208.922.0499
E-Mail: griggj@byui.edu
Fax #:

Applicant (Developer): Jim and Shelise Grigg
Address: 1914 N. Summerwind Place
City, State, Zip: Kuna, ID 83634
Phone Number: 208.922.0499
E-Mail: griggj@byui.edu
Fax #:

Engineer/Representative: JGT Architecture
Address: 1212 12th Avenue South
City, State, Zip: Nampa, ID 83634
Phone Number: 208.463.9295
E-Mail: jwallgren@jgt-architecture.com
Fax #:

Subject Property Information

Site Address: 155 E. Deer Flat Rd.
Site Location (Cross Streets): Deer Flat and Linder
Parcel Number (s): R8048220045
Section, Township, Range:
Property size : 2.18 Acres
Current land use: Residential
Proposed land use: Office
Current zoning district: C-1
Proposed zoning district: C-1 (no change)

Project Description

Project / subdivision name: New Office Building for Kuna Counseling Center

General description of proposed project / request: New 5,000 square foot office building - requesting lot split as a part of the project.

Type of use proposed (check all that apply):

- [X] Residential Existing house to remain on one of the parcels to be split
- [ ] Commercial
- [X] Office proposed new office one one of the split parcels - future office building on remaining parcel
- [ ] Industrial
- [ ] Other

Amenities provided with this development (if applicable):

Residential Project Summary (if applicable)

Are there existing buildings? [X] Yes [ ] No

Please describe the existing buildings: One existing single family home

Any existing buildings to remain? [X] Yes [ ] No

Number of residential units: 1 Number of building lots: 1

Number of common and/or other lots:

Type of dwellings proposed:

- [X] Single-Family existing to remain
- [ ] Townhouses
- [ ] Duplexes
- [ ] Multi-Family
- [ ] Other

Minimum Square footage of structure (s):

Gross density (DU/acre-total property): Net density (DU/acre-excluding roads):

Percentage of open space provided: Acreage of open space:

Type of open space provided (i.e. landscaping, public, common, etc.):

Non-Residential Project Summary (if applicable)

Number of building lots: 2 Other lots: (1) existing parcel to remain residential use

Gross floor area square footage: 5,000 Existing (if applicable): 2,220 s.f. house to remain

Hours of operation (days & hours): M-F 8AM - 5PM Building height: 18'-0"

Total number of employees: 15 Max. number of employees at one time: 12

Number and ages of students/children: N/A Seating capacity: N/A

Fencing type, size & location (proposed or existing to remain): New 6 ft vinyl at west property line

Proposed Parking:

a. Handicapped spaces: 1 Dimensions: 9x20 w/ loading space
b. Total Parking spaces: 19 Dimensions: 9x20
c. Width of driveway aisle: 25'+

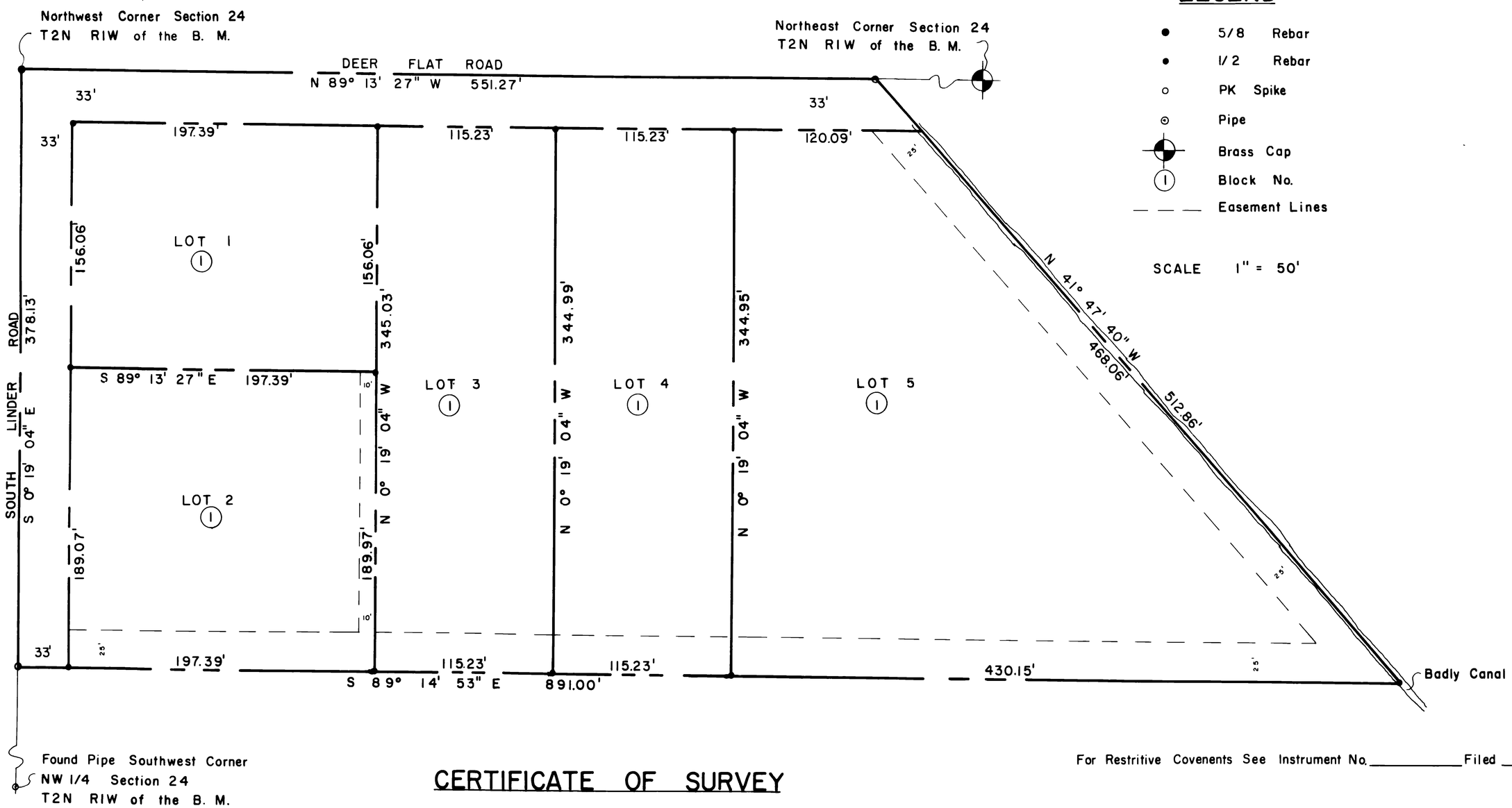
Proposed Lighting: (2) pole lights + building soffit can lighting

Proposed Landscaping (berms, buffers, entrances, parking areas, common areas, etc.): street landscape buffer and perimeter and internal parking landscape areas

Applicant's Signature: Date: 12-15-15

Book 30
Page 1832

PLAT OF SOUTH LINDER ESTATES



For Restritive Covenents See Instrument No._____ Filed _____ 1973.

CERTIFICATE OF SURVEY

I do hereby certify that I am a professional engineer, licensed by the State of Idaho, and that this plat has been prepared from a survey made on the ground under my supervision, and that this plat is an accurate representation of said survey.

Date Feb 15, 1973

L. Melvin Cope

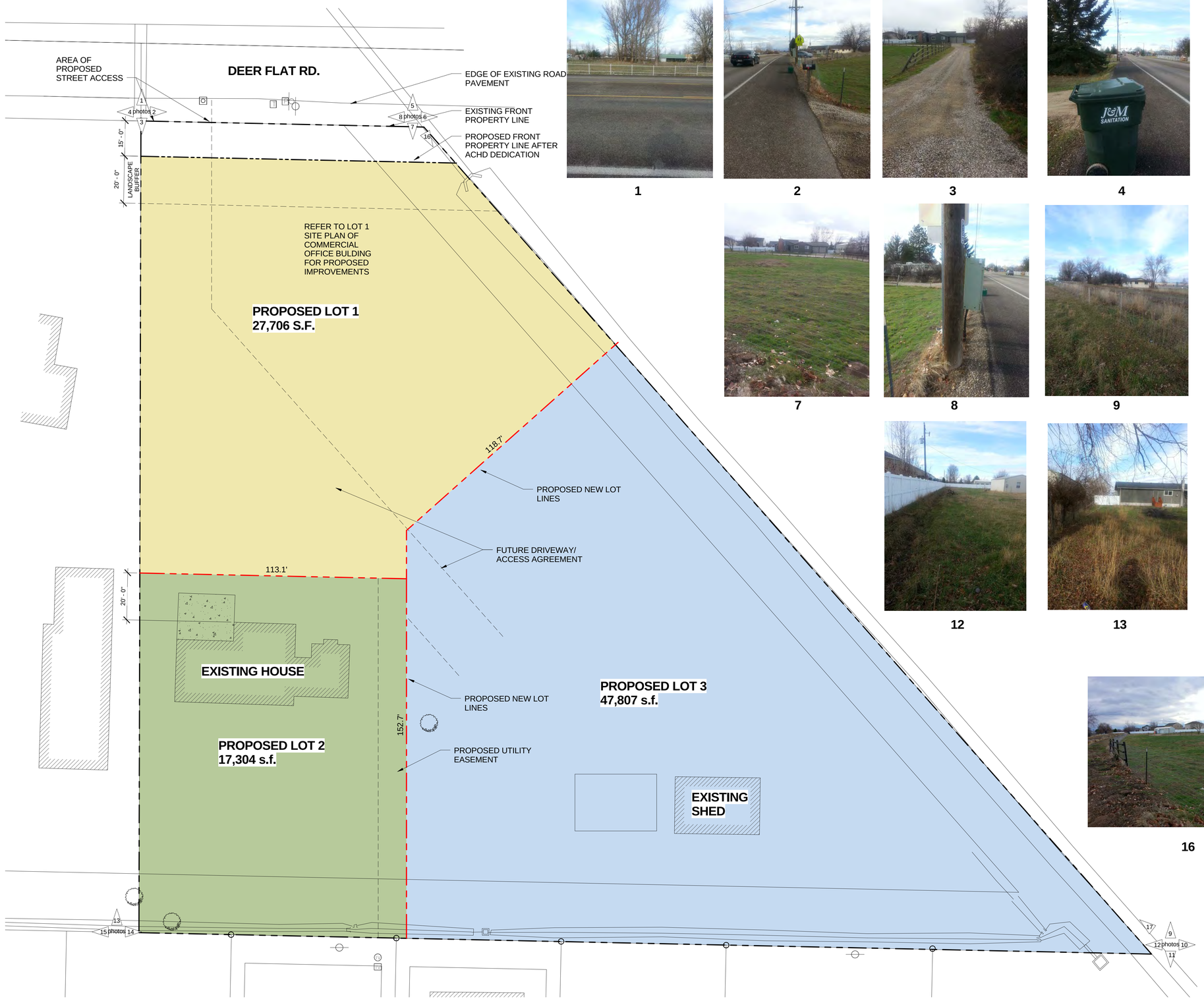
REGISTERED PROFESSIONAL ENGINEER 1630 STATE OF IDAHO L. MELVIN COPE

NOTE:

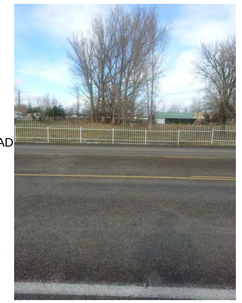
Sanitary requirements under Title 50, Chapter 13, IDAHO CODE must be complied with.

PLAT BOOK PAGE

Restriction #841039 3-30 73



1 **PROPOSED LOT SPLIT**
1" = 20'-0"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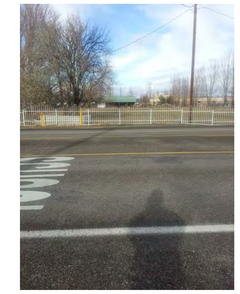
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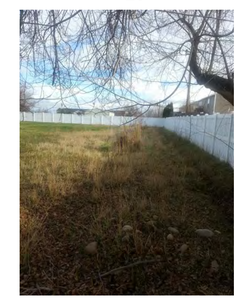
14

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16

17

REVISIONS:

jgt architecture
1212 12th avenue south , nampa, idaho 83651
phone: (208) 463-9295 fax: (208) 463-9299
email: jgt@jgt-architecture.com

STAMP
NOT FOR CONSTUCTION

NEW OFFICE BUILDING
FOR
KUNA COUNSELING CENTER
KUNA, IDAHO

DRAWN BY: JPW	DATE: 12/18/15
CHECKED: JPW	JOB NO.: 1555

Proposed Lot Split

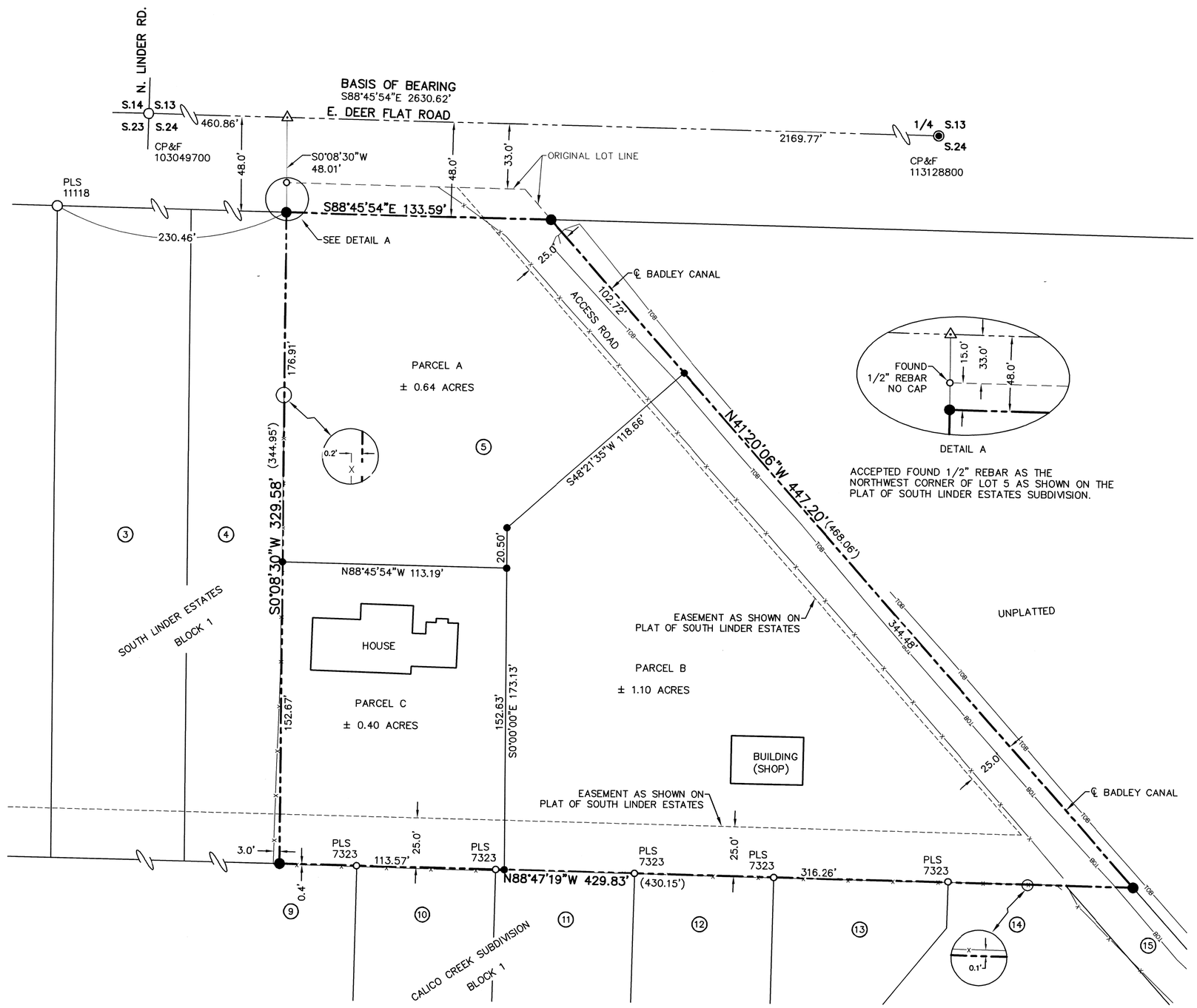
LS-1.0
SHEET
OF

RECORD OF SURVEY FOR

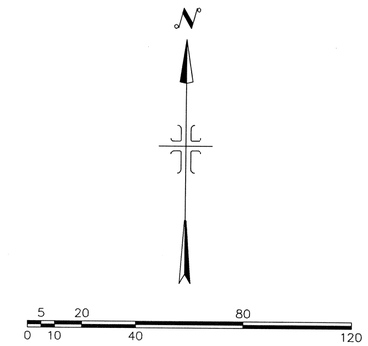
KUNA COUNSELING CENTER

LOT 5, BLOCK 1, OF SOUTH LINDER ESTATES SUBDIVISION
LOCATED IN THE NW 1/4 OF SECTION 24,
T.2N., R.1W., B.M., ADA COUNTY, IDAHO
2016

ROS NO._____



ACCEPTED FOUND 1/2" REBAR AS THE NORTHWEST CORNER OF LOT 5 AS SHOWN ON THE PLAT OF SOUTH LINDER ESTATES SUBDIVISION.



SCALE: 1" = 40'

LEGEND

○	FOUND 1/2" IRON PIN
○	FOUND 5/8" IRON PIN
◉	FOUND ALUMINUM CAP MONUMENT
•	SET 1/2 IRON PIN WITH CAP
●	SET 5/8" IRON PIN WITH CAP
△	CALCULATED POINT
(120')	RECORD DATA
— — —	PROPERTY BOUNDARY LINE
———	LOT LINE
— - — - —	SECTION LINE
- - - - -	EASEMENT LINE
—x—x—x—	FENCE
—TOB—TOB—	TOP OF BANK
(7)	LOT NO.

PROFESSIONAL LAND SURVEYOR
LICENSED
12461
STATE OF IDAHO
STEVEN T. HAUG

PRELIMINARY

INST. NO._____

FILED FOR RECORD AT THE REQUEST OF XXXXXXXXX. AT
_____MIN. PAST_____O'CLOCK____M. THIS_____DAY OF_____ 2016
CHRISTOPHER D. RICH, RECORDER

BY_____DEPUTY

FEE $_____

RECORDING INDEX NUMBER: 214-24-4-4-0-30-1832

REFERENCES:
1. ROS 10061

IDAHO SURVEY GROUP, P.C.
1450 E. WATERTOWER ST.
SUITE 130
MERIDIAN, IDAHO 83642
(208) 846-8570

G:\ISG Projects\Kuna Counseling Center BNDY-TOPO 15-215\dwg\KUNA COUNSELING CENTER ROS 15-215.dwg 1/11/2016 8:35:21 AM

CITY OF KUNA
P.O. BOX 13
KUNA, ID 83634
www.cityofkuna.com

GORDON N. LAW
CITY ENGINEER

Telephone (208) 287-1727; Fax (208) 287-1731
Email: glaw@cityofkuna.com

MEMORANDUM

TO: Director of Kuna Planning and Zoning

FROM: Gordon N. Law
Kuna City Engineer

RE: Kuna Counseling Center
Lot Split
16-01-LS

DATE: January 12, 2016

The City Engineer has reviewed the lot split request of the above applicant dated January 7, 2016. It is noted that this proposal will create two additional buildable commercial lots with the first parcel to become the Kuna Counseling Center, the second parcel undecided and the third parcel retained as a residence. Comments are provided to address proposed conditions to apply to the approval of the applicant's lot split request, any required design review and to the subsequent construction. It is to be assumed that all conditions are to be met at building permit issuance or preceding occupancy. Accordingly, the City Engineer provides the following comments:

1. **Sanitary Sewer System**

   a) The original parcel is not connected to the City sewer system. The new structures are subject to connection fees for peak occupant load as building permits are obtained. The existing residence is subject to connection fees at time of connection.
   b) The property lies within the Danskin Lift Station sewer shed which is served by the North Wastewater Treatment Plant. Specific recommendations of note are as follows:

      1) It is recommended this application be conditioned to require connection to the City sewer system for all sanitary sewer needs.
      2) The developer's representative has proposed that sewer service be obtained from E. Poplin Street through a side yard easement in Calico Creek Subdivision. This is acceptable to the City Engineer subject to cooperation of the property owner.
      3) For any connected load, it is recommended this application be conditioned to conform to the sewer master plan. In this instance, no frontage or trunk lines need to be constructed.

c) For assistance in locating existing facilities and understanding issues associated with connection, please contact the City Engineer at 287-1727.
d) The current sewer treatment connection fee is $4,326 and sewer interceptor fee is $829 per equivalent dwelling unit (Resolution R25-2008). The number of equivalent dwelling units will be determined at the time of building permit application.

2. Potable Water System

a) The original parcel is not connected to the City Water System. The new structures are subject to connection fees for peak occupant load as building permits are obtained. The existing residence is subject to connection fees at time of connection.
b) Water supply capacity is available for this site upon payment of appropriate fees. Specific recommendations of note are as follows:

   1) It is recommended this application be conditioned to require connection to the City water system for all potable water needs. A water main for that purpose is available in the frontage of Deer Flat Road.
   2) For any connected load, it is recommended this application be conditioned to conform to the water master plan. In this instance, no frontage or trunk lines need to be constructed.

c) Improvements necessary to provide adequate fire protection as required by Kuna Fire District will be required of the development.
d) The current water connection fee is $1,085 for supply per equivalent dwelling unit and $1,173 for trunk mains per equivalent dwelling unit. Fees for any new or additional meter and service are also applicable but are dependent on the size of the meter. The number of equivalent dwelling units will be determined at the time of building permit application.
e) For assistance in locating existing facilities and understanding issues associated with connection, please contact the City Engineer.
f) Please verify there is adequate separation between potable water service lines and all non-potable water lines (storm drains, sewer services, etc.).

3. Pressure Irrigation

a) The original parcel is not connected to the City Pressure Irrigation System. Pressure irrigation is available within a reasonable distance from the pressure irrigation main in the north boundary of Calico Creek Subdivision adjacent to the property. The new structures are subject to connection fees for peak occupant load as building permits are obtained. The existing residence is subject to connection fees at time of connection.
b) Relying on drinking water for irrigation purposes is contrary to City Code (6-4-2I) and the public interest and is not accounted for in the approved Water Master Plan. It is recommended this project be conditioned to require connection and annexation to the City Pressure Irrigation system at the time of development. It is recommended the applicant is required to connect the newly created building lots and the existing residence to the Municipal Irrigation System.
c) For any connected load, it is recommended this application be conditioned to conform to the pressure irrigation master plan. The master plan requires a 10” line on the property frontage of Deer Flat Road, and it is recommended providing this line in the frontage is a condition of the lot split and development.
d) The current Pressure Irrigation connection fee is $900 for supply and $620 for mains per each equivalent dwelling unit. The number of equivalent dwelling units will be determined at the time of building permit application based on landscaped area and operational setup, at which time

connection fees will be due and payable. The property is subject to connection fees for its connected load.

e) As a condition related to Items 3(a) and 3(b), approval of the development shall constitute an automatic petition for inclusion in the municipal irrigation system and agreement to the pooling of water rights for billing purposes.
f) For assistance in locating existing facilities and understanding issues associated with connection, please contact the City Engineer.

4. Grading, Gravity Irrigation Storm Drainage

a) Runoff from public right-of-way is regulated by ACHD. Plans are required to conform to ACHD standards.
b) Design of the storm water disposal system for the private property portion of the development, if applicable, is subject to the review of the City Engineer and any affected drainage entity. Exclusive of public right-of-way, any increase in quantity or rate of runoff or decrease in quality of runoff compared to historical conditions must be detained, treated and released at rates no greater than historical amounts. In the alternative, offsite disposal of storm water in excess of historical rates or conditions or disposal at locations different than provided historically, approval of the operating entity is required. The City of Kuna relies on the ACHD Stormwater Policy Manual to establish the requirements for design of the on-site private disposal system.
c) The city is now requiring with every new development, a documentation map that illustrates the surface and sub-surface water irrigation supply as well as drainage ways that exist in the proposed development. The map must include a layout and essential features of existing irrigation ditches, drainage ditches and pipelines within the proposed development. Open and piped facilities should be noted.
d) The map should include any proposed changes to the systems.

5. General

a) A plan approval letter will be required if this project affects any local irrigation districts.
b) The City reserves the right of prior approval to all agreements involving the applicant (or its successors) and the irrigation or drainage district related to the property of this application.
c) Verify that existing and proposed elevations match sufficiently at property boundaries to not impose a slope burden on adjacent properties.
d) State the vertical datum used for elevations on all plans.
e) Provide engineering certification on all final engineering drawings.

6. Public Works Inspection Fees

An inspection fee will be required for any **public** water, sewer and irrigation construction work associated with this development. The developer will still require a qualified responsible engineer to do sufficient inspection to justly certify to the City of Kuna the project was completed in accordance with approved plans and specifications and to provide accurate as-built drawings to the City. The developer's engineer and the City's inspector are permitted to coordinate inspections as much as possible. The current inspection fee is $1.00 per lineal foot of municipal sewer, water and pressure irrigation main and payment is due and payable prior to City's scheduling of a pre-construction conference. It is noted that plans for public facility construction are not prepared at this point and the exact length is unknown.

7. Right-of-Way

Sufficient full and half right-of-way on section and quarter lines for arterial and collector streets shall be provided and developed pursuant to City and ACHD standards. In this instance, the site fronts on one classified street (E. Deer Flat Road) and providing of deeded right-of-way to the extent of the frontage on these streets is recommended as a requirement.

a) It is recommended approaches onto local, section line and quarter line streets comply with ACHD approach policies and generally are as far as practical from the intersection.
b) The site lacks existing sidewalk, but providing sidewalks in the Deer Flat frontage is recommended as a condition of development.
c) The site lacks existing curb and gutter, but providing curb and gutter in the Deer Flat frontage, including drainage facilities, is recommended as a condition of development.
d) The application does not explain how access to public right-of-way for all of the new lots is to be provided. Acceptable access is a requirement, such as a recorded cross access easement or deeded right-of-way. In addition, the fire district and emergency services may require improvements to the surface and for turn-around.

8. As-Built Drawings

As-built drawings are required at the conclusion of any public facility construction project and are the responsibility of the developer's engineer. The city may help track changes, but will not be responsible for the finished product. As-built drawings will be required before occupancy is granted.

9. Property Description

a) A proposed Record of Survey has been provided by the applicant.

City of Kuna

City Council Staff Report

P.O. Box 13
Kuna, ID 83634
Phone: (208) 922-5274
Fax: (208) 922-5989
Kunacity.Id.gov

To: **Kuna City Council**

Case Number: **16-01-FP – Final Plat;** Ardmore Subdivision

Location: Near the South east Corner of Avalon Street and Ten Mile Road; Kuna, Idaho 83634

Planner: Troy Behunin, Senior Planner

Meeting Date: February 02, 2016

Applicant: B&A Engineers, **David Crawford**
5505 W. Franklin Rd.
Boise, ID, 83705
208.343.3381
dacrawford@baengineers.com

Representative: CBH, **Corey Barton Homes**
1977 E. Overland Road
Meridian, ID 83642
208.288.5561

A. General Project Facts, Staff Analysis:

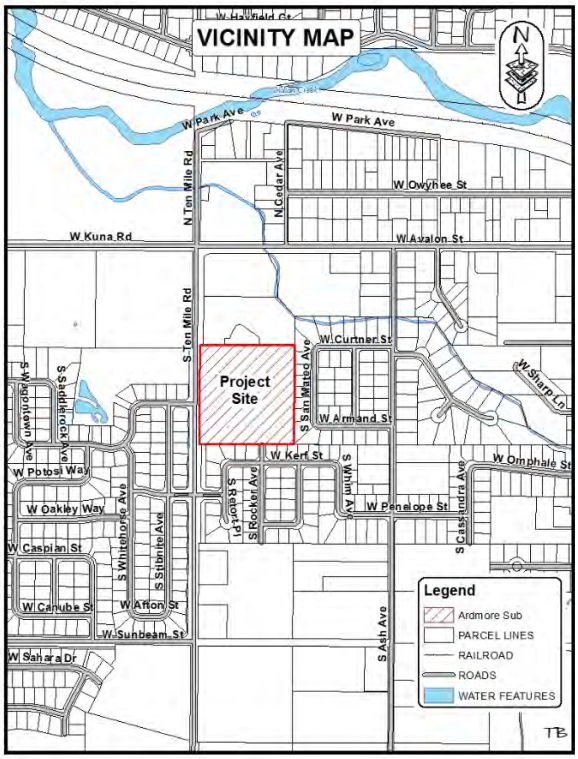
1. The applicant is requesting Final Plat approval for *Ardmore Subdivision*. The final plat for Ardmore Subdivision proposes 30 residential lots, two (2) common lots.

2. In accordance with KCC Title 6 Subdivision Regulations, this application seeks final plat approval for the Ardmore Subdivision. This proposed final plat is in substantial conformance with the approved preliminary plat.

B. Applicable Standards:

1. Kuna City Code Title 6 Subdivision Regulations.

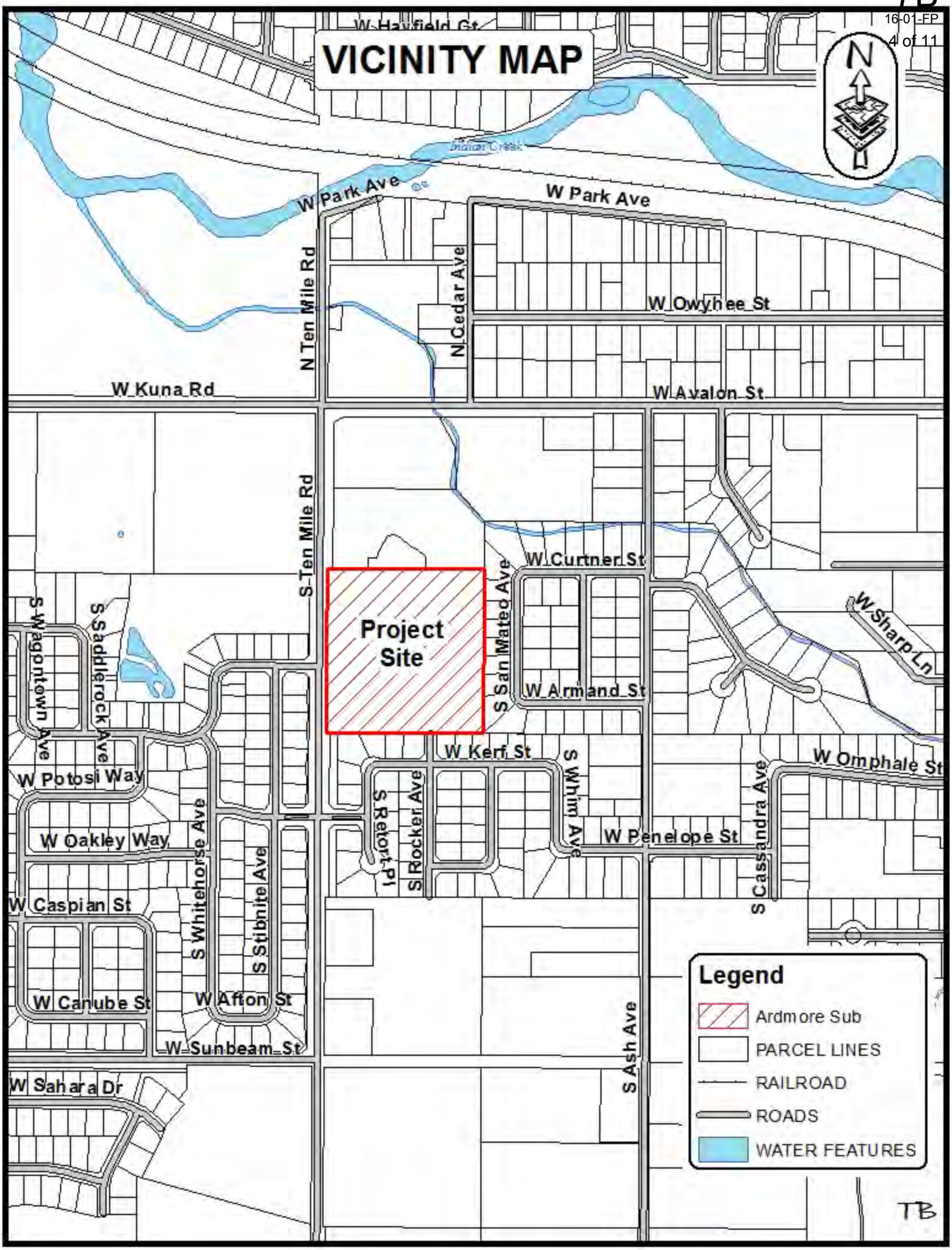
C. Site Location Maps:



©COPYRIGHTED

D. Staff Analysis:

1. After staffs review this proposed final plat appears to be in substantial conformance with the approved preliminary plat for the Ardmore Subdivision. Applicant shall secure all signatures on the final plat check-off list prior to requesting City engineer's signature on the final plat Mylar.
2. Staff notes a number of corrections needed to the final plat notes in order to come into compliance with Kuna standards.
   a. It is recommended that the applicant amend the notes to conform to Kuna's standard notes – Standard notes were sent to applicant.
   b. There are a few additional cosmetic changes to the plat, and were sent to the applicant.


VICINITY MAP
N
W Hayfield Ct
Indian Creek
W Park Ave
W Park Ave
N Ten Mile Rd
N Cedar Ave
W Owyhee St
W Kuna Rd
W Avalon St
S Ten Mile Rd
W Curtner St
Project Site
S San Mateo Ave
W Sharp Ln
W Armand St
S Wagontown Ave
S Saddlerock Ave
W Kerf St
W Omphale St
W Potosi Way
S Rocker Ave
S Rebort Pl
S Whim Ave
W Penelope St
S Cassandra Ave
W Oakley Way
S Whitehorse Ave
S Stibnite Ave
W Caspian St
W Canube St
W Afton St
W Sunbeam St
S Ash Ave
W Sahara Dr
Legend
Ardmore Sub
PARCEL LINES
RAILROAD
ROADS
WATER FEATURES
TB

AERIAL MAP
N
S Ten Mile Rd
W Yukon Dr
Project Site
S San Mateo Ave
S Stibnite Ave
W Placerville Dr
S Retort Ave
S Rocker Ave
Legend
Ardmore Sub
PARCEL LINES
RAILROAD
ROADS
WATER FEATURES
TB

Falcon Crest
Charter
Ardmore Subdivision
S Silbette Ave
S Ten Mile Rd
S Rocker Ave
W Kerf St
S San Mateo Ave
W Armand St
Hayward Ave
W Gurner St
© 2016 Google
Google earth

B & A Engineers, Inc.
Consulting Engineers & Surveyors
5505 W. Franklin Rd. Boise, Id. 83705
Phone. 208-343-3381 Facsimile 208-342-5792

Letter Of Transmittal

Date: December 29, 2015

RECEIVED
DEC 30 2015
CITY OF KUNA

To: **Troy Behunin**
City of Kuna
763 W. Avalon
Kuna, Id. 83634

From: **David Crawford**
B&A Engineers, Inc.

Re: Ardmore Subdivision – (Formerly Known as Kromann Subdivision)

Troy,

Please find attached the final plat application for Ardmore Subdivision.

As you are aware the name was required to be changed. The Ada County Surveyor has allowed the use of the name Ardmore Subdivision.

Please let us know what fees may be required for this application and we will get it over to you.

Based on the attached information contained within the conditions of approval we believe that the final plat is in substantial conformance with the approved preliminary plat.

All the construction for the required improvements has been completed in substantial conformance with the approved plans and specifications.

ACHD and Central District Health have all signed on the plat.

Should you have any questions please contact me at 343-3381 or by e-mail at dacrawford@baengineers.com

Sincerely,

David Crawford
B&A Engineers, Inc.

CC: Project File

RECEIVED
DEC 30 2015
CITY OF KUNA

City of Kuna
Planning & Zoning
Department
P.O. Box 13
Kuna, Idaho 83634
208.922.5274
Fax: 208.922.5989
Website: www.kunacity.id.gov

Commission & Council Review Application

Note: Engineering fees shall be paid by the applicant if required.

*Please submit the appropriate checklist (s) with application

For Office Use Only	
File Number (s)	16-01-FP
Project name	ARDMORE SUBDIVISION
Date Received	12.30.2015
Date Accepted/ Complete	1.15.2016
Cross Reference Files	
Commission Hearing Date	N/A.
City Council Hearing Date	FEB 2.2016

Type of Review (check all that apply):

- ☐ Annexation
- ☐ Appeal
- ☐ Comprehensive Plan Amendment
- ☐ Design Review
- ☐ Development Agreement
- ☐ Final Planned Unit Development
- ☒ Final Plat
- ☐ Lot Line Adjustment
- ☐ Lot Split
- ☐ Planned Unit Development
- ☐ Preliminary Plat
- ☐ Rezone
- ☐ Special Use
- ☐ Temporary Business
- ☐ Vacation
- ☐ Variance

Contact/Applicant Information

Owners of Record: Corey Barton Homes Address: 1977 E. Overland Rd. City, State, Zip: Meridian, ID 83642	Phone Number: (208) 288-5560 E-Mail: Fax #: (208) 288-5561
Applicant (Developer): David Crawford Address: 5505 W. Franklin Dr. City, State, Zip: Boise, ID 83705	Phone Number: (208) 343-3381 E-Mail: dacrawford@baengineers.com Fax #: (208) 342-5792
Engineer/Representative: B&A Engineers, Inc. Address: Same as Applicant City, State, Zip:	Phone Number: E-Mail: Fax #:

Subject Property Information

Site Address: 400 S. Ten Mile Rd.

Site Location (Cross Streets): S. Ten Mile Rd. & W. Avalon St.

Parcel Number (s): R5070252820

Section, Township, Range: Sec. 26, T2N, R1W

Property size : 9.64 Acres

Current land use: N/A — Proposed land use: N/A

Current zoning district: R-6 — Proposed zoning district: N/A

Project Description

Project / subdivision name: Ardmore Subdivision

General description of proposed project / request: Final plat for a residential subdivision.

Type of use proposed (check all that apply):

- ☒ Residential
- ☐ Commercial
- ☐ Office
- ☐ Industrial
- ☐ Other

Amenities provided with this development (if applicable):

Residential Project Summary (if applicable)

Are there existing buildings? ☐ Yes ☐ No

Please describe the existing buildings:

Any existing buildings to remain? ☐ Yes ☐ No

Number of residential units: Number of building lots:

Number of common and/or other lots:

Type of dwellings proposed:

- ☐ Single-Family
- ☐ Townhouses
- ☐ Duplexes
- ☐ Multi-Family
- ☐ Other

Minimum Square footage of structure (s):

Gross density (DU/acre-total property): Net density (DU/acre-excluding roads):

Percentage of open space provided: Acreage of open space:

Type of open space provided (i.e. landscaping, public, common, etc.):

Non-Residential Project Summary (if applicable)

Number of building lots: Other lots:

Gross floor area square footage: Existing (if applicable):

Hours of operation (days & hours): Building height:

Total number of employees: Max. number of employees at one time:

Number and ages of students/children: Seating capacity:

Fencing type, size & location (proposed or existing to remain):

Proposed Parking:

a. Handicapped spaces: Dimensions:
b. Total Parking spaces: Dimensions:
c. Width of driveway aisle:

Proposed Lighting:

Proposed Landscaping (berms, buffers, entrances, parking areas, common areas, etc.):

Applicant's Signature: Date: 12/29/15

David A. Crawford

From: Jerry Hastings <jhastings@adaweb.net>
Sent: Thursday, November 12, 2015 4:54 PM
To: David A. Crawford
Subject: RE: Subdivision name transferr to Kromann Sub.

RECEIVED
DEC 3 0 2015
CITY OF KUNA

November 12, 2015

David Crawford
Joe Canning
B & A Engineers, Inc.

RE: Subdivision Name Reservation: **"Ardmore Subdivision" NW 1/4 Sec 26, T2N, R1W, BM.**

Dear David and Joe,

At your request, I will reserve the name **"Ardmore Subdivision"** for your project. I can honor this reservation only as long as your project is in the approval process. Final approval can only take place when the final plat is recorded.

This reservation is available for the project as long as it is in the approval process unless the project is terminated by the client or the jurisdiction or the conditions of approval have not been met. In which case the name can be re-used by someone else.

Sincerely,

Ada County 2025
Collaborate. Innovate. Thrive
www.adacounty2025.com

Jerry L. Hastings, PLS 5359
County Surveyor
Ex Officio Recorder
Ada County Development Services
200 W. Front St., Boise, ID 83702
(208) 287-7912 *office*
(208) 287-7909 *fax*

From: David A. Crawford [mailto:dacrawford@baengineers.com]
Sent: Thursday, November 12, 2015 10:20 AM
To: Jerry Hastings
Subject: Subdivision name transferr to Kromann Sub.

Mr. Hastings:

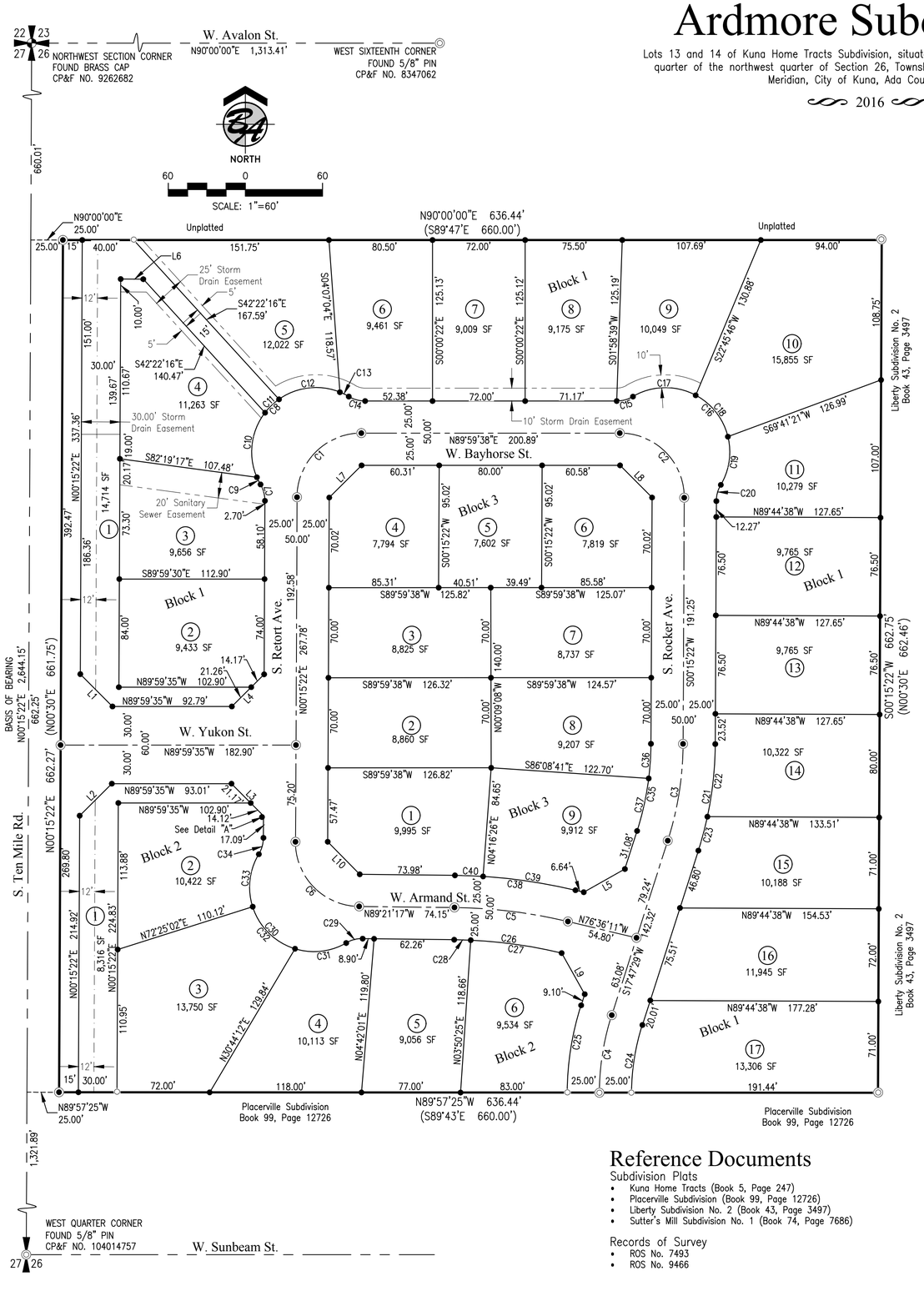
B&A Engineers, Inc. reserved the name ARDMORE SUBDIVISION for its use. We wish to request the name reservation be transferred to the Kromann Subdivision lands. Please confirm that this name may be used.

The property is located at:
400 S. Ten Mile Rd

Ardmore Subdivision

Lots 13 and 14 of Kuna Home Tracts Subdivision, situate in the west half of the northwest quarter of the northwest quarter of Section 26, Township 2 North, Range 1 West, Boise Meridian, City of Kuna, Ada County, Idaho.

2016



Curve Table

CURVE	DELTA	RADIUS	ARC	CHORD BEARING	CHORD DISTANCE
C1	89°44'24"	50.00'	78.31'	S45°07'30"W	70.55'
C2	90°15'44"	50.00'	78.77'	N44°52'37"W	70.87'
C3	17°32'04"	250.00'	76.51'	N9°01'25"E	76.21'
C4	17°32'06"	200.00'	61.21'	S9°01'25"W	60.97'
C5	12°45'06"	400.00'	89.02'	N82°58'44"W	88.84'
C6	89°36'38"	50.00'	78.20'	S44°32'58"E	70.47'
C7	30°35'16"	25.00'	13.35'	N15°02'16"W	13.19'
C8	150°54'47"	50.00'	131.70'	S45°07'30"W	96.80'
C9	7°10'21"	50.00'	6.26'	S26°44'43"E	6.26'
C10	60°45'39"	50.00'	53.02'	S7°13'17"W	50.57'
C11	17°15'33"	50.00'	15.06'	S46°13'52"W	15.00'
C12	56°54'20"	50.00'	49.66'	S83°18'48"W	47.64'
C13	8°48'56"	50.00'	7.69'	N63°49'34"W	7.69'
C14	30°35'16"	25.00'	13.35'	S74°42'44"E	13.19'
C15	30°20'38"	25.00'	13.24'	N74°49'19"E	13.09'
C16	150°57'00"	50.00'	131.73'	N44°52'30"W	96.80'
C17	58°20'55"	50.00'	50.92'	S88°49'27"W	48.75'
C18	48°06'13"	50.00'	41.98'	N37°56'59"W	40.76'
C19	44°29'53"	50.00'	38.83'	N8°21'04"E	37.86'
C20	30°20'38"	25.00'	13.24'	S15°25'41"W	13.09'
C21	17°32'04"	275.00'	84.16'	N9°01'25"E	83.83'
C22	11°51'06"	275.00'	56.88'	N6°10'56"E	56.78'
C23	5°40'58"	275.00'	27.28'	N14°56'58"E	27.26'
C24	17°32'06"	175.00'	53.56'	S9°01'25"W	53.35'
C25	17°33'31"	225.00'	68.95'	S9°00'42"W	68.68'
C26	12°53'11"	375.00'	84.34'	N82°54'42"W	84.16'
C27	10°55'05"	375.00'	71.46'	N81°55'39"W	71.35'
C28	1°58'05"	375.00'	12.88'	N88°22'14"W	12.88'
C29	30°38'47"	25.00'	13.37'	S75°19'19"W	13.21'
C30	150°54'12"	50.00'	131.69'	S44°32'58"E	96.79'
C31	47°11'44"	50.00'	41.19'	N83°35'48"E	40.03'
C32	55°13'50"	50.00'	48.20'	S45°11'25"E	46.35'
C33	48°28'38"	50.00'	42.30'	S6°39'49"W	41.05'
C34	30°38'46"	25.00'	13.37'	N15°34'45"E	13.21'
C35	17°32'04"	225.00'	68.86'	N9°01'25"E	68.59'
C36	6°52'28"	225.00'	27.00'	N3°41'37"E	26.98'
C37	10°39'36"	225.00'	41.86'	N12°27'39"E	41.80'
C38	12°45'06"	425.00'	94.59'	N82°58'44"W	94.39'
C39	9°47'48"	425.00'	72.67'	N81°30'05"W	72.58'
C40	2°57'18"	425.00'	21.92'	N87°52'38"W	21.92'

Line Table

Line	Bearing	Distance
L1	S44°52'06"E	35.44'
L2	N45°07'54"E	35.27'
L3	N44°52'06"W	35.29'
L4	N45°07'54"E	35.43'
L5	S60°35'39"W	36.69'
L6	N89°44'38"W	17.58'
L7	S45°07'30"W	35.45'
L8	S44°52'30"E	35.28'
L9	N29°20'21"W	36.63'
L10	N44°32'58"W	35.48'

Reference Documents

Subdivision Plats
- Kuna Home Tracts (Book 5, Page 247)
- Placerville Subdivision (Book 99, Page 12726)
- Liberty Subdivision No. 2 (Book 43, Page 3497)
- Sutter's Mill Subdivision No. 1 (Book 74, Page 7686)

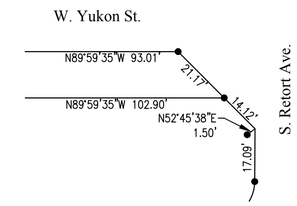
Records of Survey
- ROS No. 7493
- ROS No. 9466

Legend

- PROJECT / PROPERTY BOUNDARY
- LOT LINE
- SECTION LINE
- STREET CENTERLINE
- 12-FOOT WIDE ACHD SIDEWALK EASEMENT PER INST. NO. 107113010
- EASEMENT LINE, TYPE AND SIZE NOTED HEREON
- FOUND BRASS CAP
- FOUND 1/2" PIN
- FOUND 5/8" PIN
- SET 1/2"x24" IRON PIN WITH PLASTIC CAP LABELED "B&A LS 4116"
- SET 5/8"x30" IRON PIN WITH PLASTIC CAP LABELED "B&A LS 4116"
- (S89°43'E 660.00') BEARING & DISTANCE OF RECORD

Detail "A"

Not to Scale



Notes

1. Irrigation water will be provided by the City of Kuna in compliance with Idaho Code Section 31-3805(b). All lots within this subdivision will be entitled to irrigation rights through Boise-Kuna Irrigation District, and will be obligated for assessments from the City of Kuna.
2. Any resubdivision of this plat shall comply with the applicable regulations in effect at the time of the resubdivision.
3. Lots shall not be reduced in size without prior approval from the health authority.
4. No additional domestic water supplies shall be installed beyond the water system approved in the sanitary restriction release.
5. Direct lot or parcel access to S. Ten Mile Rd. is prohibited.
6. Lot 1, Block 1 and Lot 1, Block 2 are designated as common area lots to be owned and maintained by the Ardmore Subdivision Homeowners Association, Inc. This ownership and maintenance commitment may not be dissolved without the express consent of the City of Kuna. The Ardmore Subdivision Homeowners Association, Inc. is responsible for payment of irrigation assessments. In the event Ardmore Subdivision Homeowners Association, Inc. fails to pay assessments, each residential lot is responsible for a fractional share of the assessment.
7. Public utility, drainage, and irrigation easements are hereby dedicated as follows:
   - 10-feet wide along front and rear lot lines.
   - 5-feet wide along either side of side lots lines.
8. This development recognizes Idaho Code Section §22-4503, Right to Farm Act, which states: "No Agricultural operation, agricultural facility or expansion thereof shall be or become a nuisance, private or public, by any changed conditions in or about the surrounding non-agricultural activities after it has been in operation for more than one (1) year, when the operation, facility or expansion was not a nuisance at the time it began or was constructed. The provisions of this section shall not apply when a nuisance results from the improper or negligent operation of an agricultural operation, agricultural facility or expansion thereof.
9. Reference is made to a public health letter on file regarding additional restrictions.
10. Portions of Lots 1, 4, 5, 6, 7, 8, and 9, Block 1 are servient to and contain the ACHD Storm Drain Water Drainage System. These lots are encumbered by that certain Master Perpetual Storm Water Drainage Easement recorded on May 8, 2009 as Instrument Number 109053259, official records of Ada County, and incorporated herein by this reference as if set forth in full (the "Master Easement"). The Master Easement and the storm water drainage system are dedicated to ACHD pursuant to Section §40-2302 of Idaho Code. The Master Easement is for the operation and maintenance of the storm water drainage system
11. Maintenance of any irrigation, drainage pipe or ditch crossing a lot is the responsibility of the lot owner unless such responsibility is assumed by an irrigation/drainage district.
12. Building setbacks and dimensional standards in this subdivision shall be in compliance with the applicable zoning regulations of the City of Kuna and conditions of the staff report for Ardmore Subdivision.
13. Maintenance of any irrigation, drainage pipe or ditch crossing a lot is the responsibility of the lot owner unless such responsibility is assumed by an irrigation / drainage district.
14. Building setbacks and dimensional standards in this subdivision shall be in compliance with the applicable zoning regulations of the City of Kuna and Conditions of the staff report for Ardmore Subdivision.

REGISTERED LAND SURVEYOR 4116 STATE OF IDAHO JOSEPH D. CANNING

B&A Engineers, Inc.
Consulting Engineers, Surveyors & Planners
5505 W. Franklin Rd. Boise, Id. 83705
(208) 343-3381

CITY OF KUNA
P.O. BOX 13
KUNA, ID 83634
www.kunacity.id.gov

Telephone (208) 922-5546 **Email: CEngels@kunaID.gov**

MEMORANDUM

TO: Mayor Stear and Council

FROM: Chris Engels, City Clerk

RE: Photo options and quotes

DATE: January 20, 2016

Mayor and Council,

For your consideration are two options for photos. Employee badges and Mayor/Council photos.

Badges: Hill Photography (Jason Hill)

- Employee badges. There had been discussions about employee names on clothing or the possibility of badges. The city attempted to do badges several years ago but we were not set up with the proper equipment and not all employees have them. Costs for the badges would be covered by each department or from contingency.

$50 for group studio sessions. There may need to be several to get all employees photos taken. The sessions can be set up at Hill Studios and employees can stop in and get their photos done as scheduled or we can set up at City Hall with the same process.

$5 per badge at 37 employees. New employees to be added could become expensive because of the studio time for just one person instead of a group.

Total cost would be dependent on the number group sessions scheduled plus $185 for badges.

Elected official photos: Synchrinyze Photography (Ronnie Soldano)

- Mayor and Council Member formal portraits in frames. There are funds that have been budgeted for in the Clerk's budget.

$150 photo session (accommodate schedules individually and as a group)

Prints with digital rights:
5 - 8"x10" (Individual Mayor and Council photos)
1 - 11"x14" (Group photo of Mayor and Council)
$45

Frames for photos:
Matching wood frames with glass:
5 - 8"x10"
1 - 11"x14"
$95.00

Total cost: $290

CITY OF KUNA
P.O. BOX 13
KUNA, ID 83634
www.cityofkuna.com

GORDON N. LAW
CITY ENGINEER

Telephone (208) 287-1727; Fax (208) 287-1731
Email: glaw@cityofkuna.com

MEMORANDUM

TO: Mayor Nelson and Members of City Council

FROM: Gordon N. Law
Kuna City Engineer

RE: 2016 Pressure Irrigation Project
Bureau of Reclamation Crossing Agreement
West Hubbard Road and State Lateral

DATE: January 26, 2016

REQUEST: **Approve Resolution for BOR Agreement**

Attached hereto is a proposed crossing agreement and resolution, which resolution, if approved by Council, would authorize the signing of the agreement allowing the installation of pressure irrigation lines across the State Lateral as it crosses W. Hubbard Road. The agreement is with Bureau of Reclamation.

The City Engineer recommends approval of the attached resolution.

Attachment

RESOLUTION NO. R09-2016

RESOLUTION APPROVING AGREEMENT WITH BUREAU OF RECLAMATION ALLOWING CITY OF KUNA TO CROSS STATE LATERAL WHERE IT CROSSES W. HUBBARD ROAD WITH PRESSURE IRRIGATION MAIN AND AUTHORIZING THE MAYOR AND CLERK TO SIGN SAID AGREEMENT.

BE IT HEREBY RESOLVED by the Mayor and Council of the City of Kuna, Idaho, that the Mayor and Clerk of said city are hereby authorized to execute that certain Agreement titled "Consent to Use, Contract No. 6-07-11-L3633", by and between said city and Bureau of Reclamation, which Agreement is to establish conditions to allow said City to cross State Lateral where it crosses W. Hubbard Road with pressure irrigation main, and which Agreement is attached hereto, and made a part hereof, as if set forth in full.

PASSED BY THE COUNCIL of Kuna, Idaho this 2nd day of February, 2016.

APPROVED BY THE MAYOR of Kuna, Idaho this 2nd day of February, 2016.

_____
Joe L. Stear, Mayor

ATTEST:_____
Chris Engels, City Clerk

RETURN TO:
Bureau of Reclamation
Attn: MSF 6125
230 Collins Road
Boise, ID 83702

Contract No. 6-07-11-L3633

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
Arrowrock Division, Boise Project, Idaho

CONSENT TO USE

THIS CONSENT TO USE, hereinafter referred to as Consent, made this _____ day of _____, 2016, pursuant to the Act of Congress June 17, 1902 (32 Stat. 388; 43 U.S.C. §391), and acts amendatory thereof or supplementary thereto, collectively referred to as the Federal Reclamation Laws, specifically, Section 10 of the Reclamation Project Act of 1939 (53 Stat. 1196), between the **UNITED STATES OF AMERICA**, hereinafter called the **United States**, represented by the official executing this Consent, and the **CITY OF KUNA**, hereinafter referred to as **Consentee**.

WITNESSETH, THAT:

WHEREAS, in connection with the Arrowrock Division, Boise Project, Idaho, the United States, by and through the Bureau of Reclamation, Department of the Interior, hereinafter referred to as Reclamation, has, pursuant to Federal Reclamation Laws, constructed, operates, and maintains certain irrigation works hereinafter referred to as project facility; and

WHEREAS, said project facility, referred to as the State Lateral, is operated and maintained by the Boise Project Board of Control, hereinafter referred to as the Board, under a repayment contract with the United States; and

WHEREAS, the Consentee desires the consent of the United States to construct, install, operate and maintain a 10 inch pressure irrigation water pipeline, under and across said project waterway; and

WHEREAS, the proposed use has been reviewed and determined to be compatible with project purposes.

NOW, THEREFORE, in consideration of the mutual covenants and stipulations hereinafter stated, the parties hereto do mutually agree as follows:

1. CONSENT AND LEGAL

The United States does hereby consent to the Consentee, or its agents, subject to the terms and conditions of this Consent, the right to cross, construct, install, operate and maintain a 10 inch pressure irrigation water pipeline in an 18 inch PVC sleeve, under and across the State Lateral, along the south side of West Hubbard Road and west of South Cherry Apple Road in Kuna, Idaho, located in a portion of the

NW¼NW¼ of Section 14, Township 2 North, Range 1 West, Boise Meridian, in the manner and at the location shown on the attached Exhibits A and B, by this reference made a part hereof.

2. SUBJECT TO FEE OWNER APPROVAL

Unless the Consentee is the underlying fee owner, this Consent is subject to Consentee securing approval of the underlying fee owner to cross or use the identified portion of Reclamation's right of way. By executing this document the Consentee acknowledges this notice and assumes all liability, if any, in this regard.

3. FEES

The Consentee has provided an application to obtain this Consent in conformance with Title 43 of the Code of Federal Regulations, Part 429 and a payment of $100.00 for the application fee and $265.00 for administrative fees is hereby acknowledged.

4. TERM

The term of this Consent is to be perpetual from the date of this document, subject to the terms and conditions herein.

5. SPECIAL STIPULATIONS

Consentee agrees that the construction, installation, operation and maintenance (O&M) shall be conducted as follows:

a. The Consentee shall notify the Board at least seven (7) days prior to beginning construction work.

b. Consentee's structures shall be constructed, operated and maintained by the Consentee without cost to the United States or its assigns, and in such a manner as to cause no interference with the normal operation of project facilities. All construction, reconstruction and maintenance work performed by the Consentee upon the premises of the United States shall be undertaken only at times, according to plans, and in a manner satisfactory to the authorized official.

c. All backfill placed in the facility or its embankments shall be placed and compacted to the satisfaction of the authorized official. The facility and appurtenant structures shall be restored by the Consentee to a condition at least as good as before the work was accomplished.

d. All work must be performed during the non-irrigation season in which work commences (November 1 through March 15).

e. This document only authorizes the right to cross, construct, install, operate and maintain a 10 inch pressure irrigation pipeline, under and across the State Lateral, along the south side of West Hubbard Road and west of South Cherry Apple Road in Kuna, Idaho. In accordance with Idaho Code section 42-1102, et seq, additional encroachments onto the right of way by public or private roads, utilities, fences, gates, pipelines, structures, or other construction or placement of objects, need specific written permission from the United States or its successor or assign. Encroachments of any kind placed in such right of way

without express written permission shall be removed at the expense of the person or entity causing or permitting such encroachment upon the request of the owner of the right of way.

f. Any alteration in design of the facilities to be constructed, or any alteration, modification, or reconstruction of facilities, once the original work is accepted by Reclamation, its successors or assigns, must be approved in writing prior to commencing any work on facilities in the area subject to this Consent.

6. UNRESTRICTED ACCESS

The United States reserves the right of its officers, agents, employees at all times to have unrestricted access and ingress to, passage over, and egress from all of said lands, to make investigations of all kinds, dig test pits and drill test holes, to survey for and construct reclamation and irrigation works and other structures incident to Federal Reclamation Projects, or for any purpose whatsoever. Reclamation will make every reasonable effort to keep damages to a minimum.

7. HOLD HARMLESS

The Consentee agrees to indemnify the United States for, and hold the United States and all of its representatives harmless from, all damages resulting from suits, actions, or claims of any character brought on account of any injury to any person or property arising out of any act, omission, neglect, or misconduct in the manner or method of performing any construction, care, operation, maintenance, supervision, examination, inspection, or other activities of the Consentee.

8. PROTECTION OF UNITED STATES INTERESTS

The Consentee shall construct, operate, and maintain its structures in a good workmanlike manner, as determined by Reclamation, to ensure that the authorized uses are compatible with the Reclamation purposes for which the land rights were acquired, and to protect the interests of the United States. The Consentee shall insure compliance with all laws, regulations, and orders of the United States, and any other public authority affecting such works.

9. TERMINATION

This Consent, a use authorization, will terminate and all rights of the Consentee hereunder will cease, and the Consentee will quietly deliver to the United States possession of the premises in like condition as when taken, reasonable wear and damage by the elements excepted:

a. At the end of the term of this Consent.

b. Reclamation may, at any time and at no cost or liability to the United States, if Consentee fails to comply with any of the terms and conditions hereof, or upon mutual agreement of all parties.

c. The United States, acting through Reclamation, Department of the Interior, reserves rights to construct, operate, and maintain public works now or hereafter authorized by the Congress without liabilitly for termination of the use authorization or other damage to the Consentee's activities or facilities.

d. Reclamation may, at any time and at no cost or liability to the United States, terminate this Consent in the event of a natural disaster, a national emergency, a need arising from security requirements, or an immediate and overriding threat to public health and safety.

e. Reclamation may, at any time and at no cost or liability to the United States, terminate this Consent, for activities other than existing authorized private exclusive recreational or residential use as defined under 43 CFR § 429.2 if Reclamation determines that any of the following apply:

i. The use has become incompatible with authorized project purposes, project operations, safety, and security;

ii. A higher public use is identified through a public process described at 43 CFR § 429.32(a)(1); or

iii. Termination is necessary for operational needs of the project.

f. Reclamation may, at any time and at no cost or liability to the United States, terminate this Consent if Reclamation determines that the Consentee has failed to use the use authorization for its intended purpose. Further, failure to construct within the timeframe specified in the terms of the use authorization may constitute a presumption of abandonment of the requested use and cause termination of the use authorization.

g. Reclamation may, at any time and at no cost or liability to the United States, terminate this Consent if the Consentee fails to comply with all applicable Federal, State, and local laws, regulations, ordinances, or terms and conditions of any use authorization, or to obtain any required permits or authorizations.

10. NOTICES

a. Notices served under this Consent shall be in writing and may be delivered by personal delivery; via recognized delivery services such as United Parcel Services (UPS) or Federal Express (FedEx); or by deposit in the United States Mail, postage prepaid, as certified mail, return receipt requested, and addressed as follows:

UNITED STATES

Roland K. Springer, Area Manager
Bureau of Reclamation
230 Collins Road
Boise, ID 83702
(208) 383-2200

BOARD

Tim Page, Manager
Boise Project Board of Control
2465 Overland Road
Boise, ID 83705
(208) 344-1141

CONSENTEE

Gordon Law, P.E./City Engineer
City of Kuna
763 West Avalon Street
Kuna, ID 83634
(208) 287-1722

b. Any notice delivered by personal delivery shall be deemed received by the addressee upon actual delivery. Any notice delivered by certified mail or delivery service shall be deemed received by the addressed on the third business day after deposit. The addresses to which notices are to be delivered may be changed by giving notice of such change in accordance with this paragraph. This paragraph shall apply where

notice is required under this Consent, and no specific requirements are set forth. Where this Consent provides for a specific notice in a different manner, the more specific requirements shall prevail.

c. The parties hereby designate the Area Manager of the Snake River Area Office, Bureau of Reclamation; Tim Page, as Manager of the Boise Project Board of Control; and Gordon Law, City Engineer, as their respective authorized representative for this Consent. These individuals shall have authority to take any action allowed or required under this Consent, on behalf of their employer. The parties may change their designated representatives at any time by giving notice of such change in accordance with this Article.

11. INCREASED COSTS

If the construction, operation, or maintenance of any or all of such structures and facilities of the United States across, over, under, or upon said right of way should be made more expensive by reason of the existence of improvements or works of Consentee thereon, such additional expense is to be estimated by the Reclamation, whose estimate is to be final and binding upon the parties hereto. Consentee will make payment thereof to the United States or any of its successors or assigns within (30) days after demand is made upon Consentee for payment of any such sums. As an alternative to payment, Consentee, at its sole cost and expense and within the time limits established by the United States, may remove or adapt its facilities constructed and operated by it on said right of way to accommodate the aforementioned structures and facilities of the United States. Consentee shall bear any costs incurred by the United States occasioned by the failure of Consentee to remove or adapt its facilities within the time limits specified.

12. REMOVAL OF STRUCTURES

Upon expiration, termination, or revocation of the Consent, the Consentee shall remove all structures, equipment, or other improvements made by it from the premises at no cost to the United States. Upon failure to remove any such improvements within sixty (60) days of expiration, termination, or revocation, any remaining improvements shall, at the option of the United States, be removed or become the property of the United States. The Consentee shall pay all the expenses of the United States, or its assigns, related to removal of such improvements.

13. DISCOVERY OF CULTURAL RESOURCES

The Consentee shall immediately provide an oral notification to Reclamation of the discovery of any and all antiquities or other objects of archaeological, cultural, historic, or scientific interest. The Consentee shall follow up with a written report of their finding(s) to Reclamation within forty-eight (48) hours. Objects under consideration include, but are not limited to, historic or prehistoric ruins, human remains, funerary objects, and artifacts discovered as a result of activities under this authorization. The Consentee shall immediately cease the activity in the area of the discovery, make a reasonable effort to protect such discovery, and wait for written approval from Reclamation before resuming the activity. Protective and mitigative measures specified by Reclamation shall be the responsibility of the Consentee.

14. HAZARDOUS MATERIALS

a. The Consentee may not allow contamination or pollution of Federal lands, waters, or facilities, and for which the Consentee has the responsibility for care, operation, and maintenance by its employees or agents and shall take reasonable precautions to prevent such contamination or pollution by third parties. Substances causing contamination or pollution shall include, but are not limited to, hazardous materials,

thermal pollution, refuse, garbage, sewage effluent, industrial waste, petroleum products, mine tailings, mineral salts, misused pesticides, pesticide containers, or any other pollutants.

b. The Consentee shall comply with all applicable Federal, State, and local laws and regulations, and Reclamation policies and directives and standards, existing or hereafter enacted or promulgated, concerning any hazardous material that will be used, produced, transported, stored, or disposed of, on or, in Federal lands, waters, or facilities.

c. "Hazardous material" means any substance, pollutant, or contaminant listed as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. § 9601, et seq., and the regulations promulgated pursuant to that Act.

d. Upon discovery of any event which may or does result in contamination or pollution of Federal lands, waters, or facilities, the Consentee shall initiate any necessary emergency measures to protect health, safety, and the environment and shall report such discovery with full details of the actions taken to Reclamation. Reporting may be within a reasonable time period. A reasonable time period means: within twenty-four (24) hours of the time of discovery if it is an emergency, or by the first working day if it is a non-emergency. An emergency is any situation that requires immediate action to reduce or avoid endangering public health and safety or the environment.

e. Violation of any of the provisions of this Article, as determined by Reclamation, may constitute grounds for termination of this Consent. Such violations require immediate corrective action by the Consentee and shall make the Consentee liable for the cost of full and complete remediation and/or restoration of any Federal resources or facilities that are adversely affected as a result of the violation.

f. The Consentee agrees to include the provisions contained in paragraphs (a) through (e) of this Article in any subcontract or third-party contract it may enter into pursuant to this Consent.

g. Reclamation agrees to provide information necessary for the Consentee using reasonable diligence, to comply with the provisions of this Article.

15. THIRD PARTY RIGHTS

This Consent is granted subject to all rights previously acquired by third parties.

16. SEVERABILITY

Each provision of this Consent shall be interpreted in such a manner as to be valid under applicable law, but if any provision of this Consent shall be deemed or determined by competent authority to be invalid or prohibited hereunder, such provision shall be ineffective and void only to the extent of such invalidity or prohibition, but shall not be deemed ineffective or invalid as to the remainder of such provision or any other remaining provisions, or of this Consent as a whole.

17. BINDING

The provisions of this Consent shall apply to, and bind, the successors and assigns of the parties hereto, but no assignment or transfer of this Consent or any part or interest therein shall be valid until approved by Reclamation.

18. OFFICIALS NOT TO BENEFIT

No Member of Congress shall be admitted to any share or part of any contract or agreement made, entered into, or accepted by or on behalf of the United States, or to any benefit to arise thereupon.

IN WITNESS WHEREOF, the parties hereto have executed this Consent the day and year first above written.

CITY OF KUNA

By _____

Title _____

UNITED STATES OF AMERICA

By _____
Lorri J. Lee
Regional Director
Bureau of Reclamation
Pacific Northwest Region
1150 North Curtis Road, Ste. 100
Boise, ID 83702-4520

This Consent has been considered and is hereby approved by the **Boise Project Board of Control** this 15 day of January, 2016.

By Tim Page
Tim Page, Manager

ACKNOWLEDGEMENT

STATE OF IDAHO)
)ss
County of Ada)

On this 15 day of January, 2016, personally appeared before me, the undersigned notary, Tim Page, known to me to be the official of the **Boise Project Board of Control** who executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of said Board, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

(SEAL) Mary Sue Chase
NOTARY PUBLIC
STATE OF IDAHO

Mary Chase
Notary Public in and for the
State of Idaho
Residing at Boise, Idaho
My commission expires 7/30/2020

ACKNOWLEDGEMENT

STATE OF IDAHO)
)ss
County of Ada)

On this ____ day of_____, 2016, before me personally appeared _____, known to me to be the Mayor of the **City of Kuna,** that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the City of Kuna, for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

_____
Notary Public in and for the
State of Idaho
Residing at _____
My commission expires _____

ACKNOWLEDGEMENT

STATE OF IDAHO)
)ss
County of Ada)

On this _____ day of _____ , 2016, personally appeared before me _____, known to me to be the official of the **United States of America** that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of said United States for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

_____
Notary Public in and for the
State of Idaho
Residing at _____
My commission expires _____

Figure 1 - State Lateral Crossing Location
Kuna 2016 Pressure Irrigation Project

EXHIBIT A

Memo from the Office of the City Attorney

To: City Council
From: Richard T. Roats
Re: BOR Facilities Crossing Agreement

Each time the City extends or expands its utilities that cross into BOR facilities, the City must enter into an agreement entitled Consent to Use with the BOR. With the timing of budgeting, contracting, construction and the beginning of the irrigation season, the consequence is there is a time crunch to get the agreements signed so construction can begin and be completed before March 15. Therefore, in an effort to streamline the process, the attached resolution grants the city engineer the authority to execute the agreements, and then present the agreement to Council after the engineer's signature for informational purposes only and file a copy with the City Clerk.

RESOLUTION NO. R08-2016
CITY OF KUNA, IDAHO

A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF KUNA, IDAHO AUTHORIZING THE CITY ENGINEER TO EXECUTE, ON BEHALF OF THE CITY OF KUNA, IDAHO, ALL CONSENT TO USE AGREEMENTS WITH THE UNITED STATES DEPARTMENT OF INTERIOR BUREAU OF RECLAMATION (BOR) WITHOUT ADDITIONAL APPROVAL FROM THE CITY COUNCIL AFTER THE DATE OF PASSAGE OF THIS RESOLUTION; PROVIDING A PROCESS TO NOTIFY THE CITY COUNCIL OF EXECUTED AGREEMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Engineer is responsible for determining the best route for the expansion and extension of the City's pressurized irrigation system, sewer or water, including courses that cross BOR facilities (crossing locations); and

WHEREAS, the City Engineer negotiates with the BOR for crossing locations, and as part of the negotiations, the BOR has a standard Consent to Use agreement that with City must agree to before the construction can commence; a copy of which is attached hereto and made a part hereof as **Exhibit A**, and provided for as an example detailing the standard terms and conditions; and

WHEREAS, the terms of the Consent to Use agreement are standard and other than the design, location and pipe size, the terms are unmodified from the agreement as provided in **Exhibit A**; and

WHEREAS, after October 1 of each year, upon Council adopting the City's fiscal budget (which approves in part, expansion and extension projects for its pressurized irrigation, water and sewer systems) the City Engineer puts the improvement projects out for bid; due to this contracting process, including the publication of bid requirements, receipt of and exchange of necessary documents, time becomes of the essence as the projects must be completed by March 15 (date that irrigation water runs in the canals); and

WHEREAS, on occasion, with Council meeting on the first and third Tuesday, there may be a delay in obtaining approval of the Consent to Use agreements that may jeopardize the projects being completed on time; and

WHEREAS, granting the City Engineer authority to execute the Consent to Use agreements would result in greater efficiency in the negotiation process with the United States Department of Interior Bureau of Reclamation.

BE IT HEREBY RESOLVED by the Mayor and Council of the City of Kuna, Idaho, that the City Engineer is authorized to execute, on behalf of the City of Kuna, Idaho, all Consent to Use agreements with the United States Department of Interior Bureau of Reclamation without additional approval of the City Council from and after the date of passage of this resolution.

BE IT FURTHER RESOLVED by the Mayor and Council of the City of Kuna, Idaho that at the next scheduled City Council meeting, following the execution of a Consent to Use agreement, the City Engineer shall advise the City Council of the execution of the same, and provide a copy to the City Clerk.

BE IT FURTHER RESOLVED by the Mayor and Council for the City of Kuna, Idaho that this resolution shall become effective upon passage.

PASSED BY THE COUNCIL of Kuna, Idaho this 2nd day of February 2016.

APPROVED BY THE MAYOR of Kuna, Idaho this 2nd day of February 2016.

_____
Joe L. Stear, Mayor

ATTEST:

_____
Chris Engels, City Clerk

RETURN TO:
Bureau of Reclamation
Attn: MSF 6125
230 Collins Road
Boise, ID 83702

Contract No. 6-07-11-L3633

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
Arrowrock Division, Boise Project, Idaho

CONSENT TO USE

THIS CONSENT TO USE, hereinafter referred to as Consent, made this _____ day of _____, 2016, pursuant to the Act of Congress June 17, 1902 (32 Stat. 388; 43 U.S.C. §391), and acts amendatory thereof or supplementary thereto, collectively referred to as the Federal Reclamation Laws, specifically, Section 10 of the Reclamation Project Act of 1939 (53 Stat. 1196), between the **UNITED STATES OF AMERICA**, hereinafter called the **United States**, represented by the official executing this Consent, and the **CITY OF KUNA**, hereinafter referred to as **Consentee**.

WITNESSETH, THAT:

WHEREAS, in connection with the Arrowrock Division, Boise Project, Idaho, the United States, by and through the Bureau of Reclamation, Department of the Interior, hereinafter referred to as Reclamation, has, pursuant to Federal Reclamation Laws, constructed, operates, and maintains certain irrigation works hereinafter referred to as project facility; and

WHEREAS, said project facility, referred to as the State Lateral, is operated and maintained by the Boise Project Board of Control, hereinafter referred to as the Board, under a repayment contract with the United States; and

WHEREAS, the Consentee desires the consent of the United States to construct, install, operate and maintain a 10 inch pressure irrigation water pipeline, under and across said project waterway; and

WHEREAS, the proposed use has been reviewed and determined to be compatible with project purposes.

NOW, THEREFORE, in consideration of the mutual covenants and stipulations hereinafter stated, the parties hereto do mutually agree as follows:

1. CONSENT AND LEGAL

The United States does hereby consent to the Consentee, or its agents, subject to the terms and conditions of this Consent, the right to cross, construct, install, operate and maintain a 10 inch pressure irrigation water pipeline in an 18 inch PVC sleeve, under and across the State Lateral, along the south side of West Hubbard Road and west of South Cherry Apple Road in Kuna, Idaho, located in a portion of the

NW¼NW¼ of Section 14, Township 2 North, Range 1 West, Boise Meridian, in the manner and at the location shown on the attached Exhibits A and B, by this reference made a part hereof.

2. SUBJECT TO FEE OWNER APPROVAL

Unless the Consentee is the underlying fee owner, this Consent is subject to Consentee securing approval of the underlying fee owner to cross or use the identified portion of Reclamation's right of way. By executing this document the Consentee acknowledges this notice and assumes all liability, if any, in this regard.

3. FEES

The Consentee has provided an application to obtain this Consent in conformance with Title 43 of the Code of Federal Regulations, Part 429 and a payment of $100.00 for the application fee and $265.00 for administrative fees is hereby acknowledged.

4. TERM

The term of this Consent is to be perpetual from the date of this document, subject to the terms and conditions herein.

5. SPECIAL STIPULATIONS

Consentee agrees that the construction, installation, operation and maintenance (O&M) shall be conducted as follows:

a. The Consentee shall notify the Board at least seven (7) days prior to beginning construction work.

b. Consentee's structures shall be constructed, operated and maintained by the Consentee without cost to the United States or its assigns, and in such a manner as to cause no interference with the normal operation of project facilities. All construction, reconstruction and maintenance work performed by the Consentee upon the premises of the United States shall be undertaken only at times, according to plans, and in a manner satisfactory to the authorized official.

c. All backfill placed in the facility or its embankments shall be placed and compacted to the satisfaction of the authorized official. The facility and appurtenant structures shall be restored by the Consentee to a condition at least as good as before the work was accomplished.

d. All work must be performed during the non-irrigation season in which work commences (November 1 through March 15).

e. This document only authorizes the right to cross, construct, install, operate and maintain a 10 inch pressure irrigation pipeline, under and across the State Lateral, along the south side of West Hubbard Road and west of South Cherry Apple Road in Kuna, Idaho. In accordance with Idaho Code section 42-1102, et seq, additional encroachments onto the right of way by public or private roads, utilities, fences, gates, pipelines, structures, or other construction or placement of objects, need specific written permission from the United States or its successor or assign. Encroachments of any kind placed in such right of way

without express written permission shall be removed at the expense of the person or entity causing or permitting such encroachment upon the request of the owner of the right of way.

f. Any alteration in design of the facilities to be constructed, or any alteration, modification, or reconstruction of facilities, once the original work is accepted by Reclamation, its successors or assigns, must be approved in writing prior to commencing any work on facilities in the area subject to this Consent.

6. UNRESTRICTED ACCESS

The United States reserves the right of its officers, agents, employees at all times to have unrestricted access and ingress to, passage over, and egress from all of said lands, to make investigations of all kinds, dig test pits and drill test holes, to survey for and construct reclamation and irrigation works and other structures incident to Federal Reclamation Projects, or for any purpose whatsoever. Reclamation will make every reasonable effort to keep damages to a minimum.

7. HOLD HARMLESS

The Consentee agrees to indemnify the United States for, and hold the United States and all of its representatives harmless from, all damages resulting from suits, actions, or claims of any character brought on account of any injury to any person or property arising out of any act, omission, neglect, or misconduct in the manner or method of performing any construction, care, operation, maintenance, supervision, examination, inspection, or other activities of the Consentee.

8. PROTECTION OF UNITED STATES INTERESTS

The Consentee shall construct, operate, and maintain its structures in a good workmanlike manner, as determined by Reclamation, to ensure that the authorized uses are compatible with the Reclamation purposes for which the land rights were acquired, and to protect the interests of the United States. The Consentee shall insure compliance with all laws, regulations, and orders of the United States, and any other public authority affecting such works.

9. TERMINATION

This Consent, a use authorization, will terminate and all rights of the Consentee hereunder will cease, and the Consentee will quietly deliver to the United States possession of the premises in like condition as when taken, reasonable wear and damage by the elements excepted:

a. At the end of the term of this Consent.

b. Reclamation may, at any time and at no cost or liability to the United States, if Consentee fails to comply with any of the terms and conditions hereof, or upon mutual agreement of all parties.

c. The United States, acting through Reclamation, Department of the Interior, reserves rights to construct, operate, and maintain public works now or hereafter authorized by the Congress without liabilitly for termination of the use authorization or other damage to the Consentee's activities or facilities.

d. Reclamation may, at any time and at no cost or liability to the United States, terminate this Consent in the event of a natural disaster, a national emergency, a need arising from security requirements, or an immediate and overriding threat to public health and safety.

e. Reclamation may, at any time and at no cost or liability to the United States, terminate this Consent, for activities other than existing authorized private exclusive recreational or residential use as defined under 43 CFR § 429.2 if Reclamation determines that any of the following apply:

i. The use has become incompatible with authorized project purposes, project operations, safety, and security;

ii. A higher public use is identified through a public process described at 43 CFR § 429.32(a)(1); or

iii. Termination is necessary for operational needs of the project.

f. Reclamation may, at any time and at no cost or liability to the United States, terminate this Consent if Reclamation determines that the Consentee has failed to use the use authorization for its intended purpose. Further, failure to construct within the timeframe specified in the terms of the use authorization may constitute a presumption of abandonment of the requested use and cause termination of the use authorization.

g. Reclamation may, at any time and at no cost or liability to the United States, terminate this Consent if the Consentee fails to comply with all applicable Federal, State, and local laws, regulations, ordinances, or terms and conditions of any use authorization, or to obtain any required permits or authorizations.

10. NOTICES

a. Notices served under this Consent shall be in writing and may be delivered by personal delivery; via recognized delivery services such as United Parcel Services (UPS) or Federal Express (FedEx); or by deposit in the United States Mail, postage prepaid, as certified mail, return receipt requested, and addressed as follows:

UNITED STATES

Roland K. Springer, Area Manager
Bureau of Reclamation
230 Collins Road
Boise, ID 83702
(208) 383-2200

BOARD

Tim Page, Manager
Boise Project Board of Control
2465 Overland Road
Boise, ID 83705
(208) 344-1141

CONSENTEE

Gordon Law, P.E./City Engineer
City of Kuna
763 West Avalon Street
Kuna, ID 83634
(208) 287-1722

b. Any notice delivered by personal delivery shall be deemed received by the addressee upon actual delivery. Any notice delivered by certified mail or delivery service shall be deemed received by the addressed on the third business day after deposit. The addresses to which notices are to be delivered may be changed by giving notice of such change in accordance with this paragraph. This paragraph shall apply where

notice is required under this Consent, and no specific requirements are set forth. Where this Consent provides for a specific notice in a different manner, the more specific requirements shall prevail.

c. The parties hereby designate the Area Manager of the Snake River Area Office, Bureau of Reclamation; Tim Page, as Manager of the Boise Project Board of Control; and Gordon Law, City Engineer, as their respective authorized representative for this Consent. These individuals shall have authority to take any action allowed or required under this Consent, on behalf of their employer. The parties may change their designated representatives at any time by giving notice of such change in accordance with this Article.

11. INCREASED COSTS

If the construction, operation, or maintenance of any or all of such structures and facilities of the United States across, over, under, or upon said right of way should be made more expensive by reason of the existence of improvements or works of Consentee thereon, such additional expense is to be estimated by the Reclamation, whose estimate is to be final and binding upon the parties hereto. Consentee will make payment thereof to the United States or any of its successors or assigns within (30) days after demand is made upon Consentee for payment of any such sums. As an alternative to payment, Consentee, at its sole cost and expense and within the time limits established by the United States, may remove or adapt its facilities constructed and operated by it on said right of way to accommodate the aforementioned structures and facilities of the United States. Consentee shall bear any costs incurred by the United States occasioned by the failure of Consentee to remove or adapt its facilities within the time limits specified.

12. REMOVAL OF STRUCTURES

Upon expiration, termination, or revocation of the Consent, the Consentee shall remove all structures, equipment, or other improvements made by it from the premises at no cost to the United States. Upon failure to remove any such improvements within sixty (60) days of expiration, termination, or revocation, any remaining improvements shall, at the option of the United States, be removed or become the property of the United States. The Consentee shall pay all the expenses of the United States, or its assigns, related to removal of such improvements.

13. DISCOVERY OF CULTURAL RESOURCES

The Consentee shall immediately provide an oral notification to Reclamation of the discovery of any and all antiquities or other objects of archaeological, cultural, historic, or scientific interest. The Consentee shall follow up with a written report of their finding(s) to Reclamation within forty-eight (48) hours. Objects under consideration include, but are not limited to, historic or prehistoric ruins, human remains, funerary objects, and artifacts discovered as a result of activities under this authorization. The Consentee shall immediately cease the activity in the area of the discovery, make a reasonable effort to protect such discovery, and wait for written approval from Reclamation before resuming the activity. Protective and mitigative measures specified by Reclamation shall be the responsibility of the Consentee.

14. HAZARDOUS MATERIALS

a. The Consentee may not allow contamination or pollution of Federal lands, waters, or facilities, and for which the Consentee has the responsibility for care, operation, and maintenance by its employees or agents and shall take reasonable precautions to prevent such contamination or pollution by third parties. Substances causing contamination or pollution shall include, but are not limited to, hazardous materials,

thermal pollution, refuse, garbage, sewage effluent, industrial waste, petroleum products, mine tailings, mineral salts, misused pesticides, pesticide containers, or any other pollutants.

b. The Consentee shall comply with all applicable Federal, State, and local laws and regulations, and Reclamation policies and directives and standards, existing or hereafter enacted or promulgated, concerning any hazardous material that will be used, produced, transported, stored, or disposed of, on or, in Federal lands, waters, or facilities.

c. "Hazardous material" means any substance, pollutant, or contaminant listed as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. § 9601, et seq., and the regulations promulgated pursuant to that Act.

d. Upon discovery of any event which may or does result in contamination or pollution of Federal lands, waters, or facilities, the Consentee shall initiate any necessary emergency measures to protect health, safety, and the environment and shall report such discovery with full details of the actions taken to Reclamation. Reporting may be within a reasonable time period. A reasonable time period means: within twenty-four (24) hours of the time of discovery if it is an emergency, or by the first working day if it is a non-emergency. An emergency is any situation that requires immediate action to reduce or avoid endangering public health and safety or the environment.

e. Violation of any of the provisions of this Article, as determined by Reclamation, may constitute grounds for termination of this Consent. Such violations require immediate corrective action by the Consentee and shall make the Consentee liable for the cost of full and complete remediation and/or restoration of any Federal resources or facilities that are adversely affected as a result of the violation.

f. The Consentee agrees to include the provisions contained in paragraphs (a) through (e) of this Article in any subcontract or third-party contract it may enter into pursuant to this Consent.

g. Reclamation agrees to provide information necessary for the Consentee using reasonable diligence, to comply with the provisions of this Article.

15. THIRD PARTY RIGHTS

This Consent is granted subject to all rights previously acquired by third parties.

16. SEVERABILITY

Each provision of this Consent shall be interpreted in such a manner as to be valid under applicable law, but if any provision of this Consent shall be deemed or determined by competent authority to be invalid or prohibited hereunder, such provision shall be ineffective and void only to the extent of such invalidity or prohibition, but shall not be deemed ineffective or invalid as to the remainder of such provision or any other remaining provisions, or of this Consent as a whole.

17. BINDING

The provisions of this Consent shall apply to, and bind, the successors and assigns of the parties hereto, but no assignment or transfer of this Consent or any part or interest therein shall be valid until approved by Reclamation.

18. OFFICIALS NOT TO BENEFIT

No Member of Congress shall be admitted to any share or part of any contract or agreement made, entered into, or accepted by or on behalf of the United States, or to any benefit to arise thereupon.

IN WITNESS WHEREOF, the parties hereto have executed this Consent the day and year first above written.

CITY OF KUNA

By _____

Title _____

UNITED STATES OF AMERICA

By _____
Lorri J. Lee
Regional Director
Bureau of Reclamation
Pacific Northwest Region
1150 North Curtis Road, Ste. 100
Boise, ID 83702-4520

This Consent has been considered and is hereby approved by the **Boise Project Board of Control** this 15 day of January, 2016.

By Tim Page
Tim Page, Manager

ACKNOWLEDGEMENT

STATE OF IDAHO)
)ss
County of Ada)

On this 15 day of January, 2016, personally appeared before me, the undersigned notary, Tim Page, known to me to be the official of the **Boise Project Board of Control** who executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of said Board, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

(SEAL) Mary Sue Chase
NOTARY PUBLIC
STATE OF IDAHO

Mary Chase
Notary Public in and for the
State of Idaho
Residing at Boise, Idaho
My commission expires 7/30/2020

ACKNOWLEDGEMENT

STATE OF IDAHO)
)ss
County of Ada)

On this ____ day of _____, 2016, personally appeared before me _____, known to me to be the official of **Brighton Development, Inc.**, an Idaho corporation, that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of Brighton Development, Inc., an Idaho corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

_____
Notary Public in and for the
State of Idaho
Residing at _____
My commission expires _____

(SEAL)

ACKNOWLEDGEMENT

STATE OF IDAHO)
)ss
County of Ada)

On this _____ day of _____, 2016, personally appeared before me _____, to me known to be the official of the **United States of America** that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of said United States for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

_____
Notary Public in and for the
State of Idaho
Residing at _____
My commission expires _____

(SEAL)

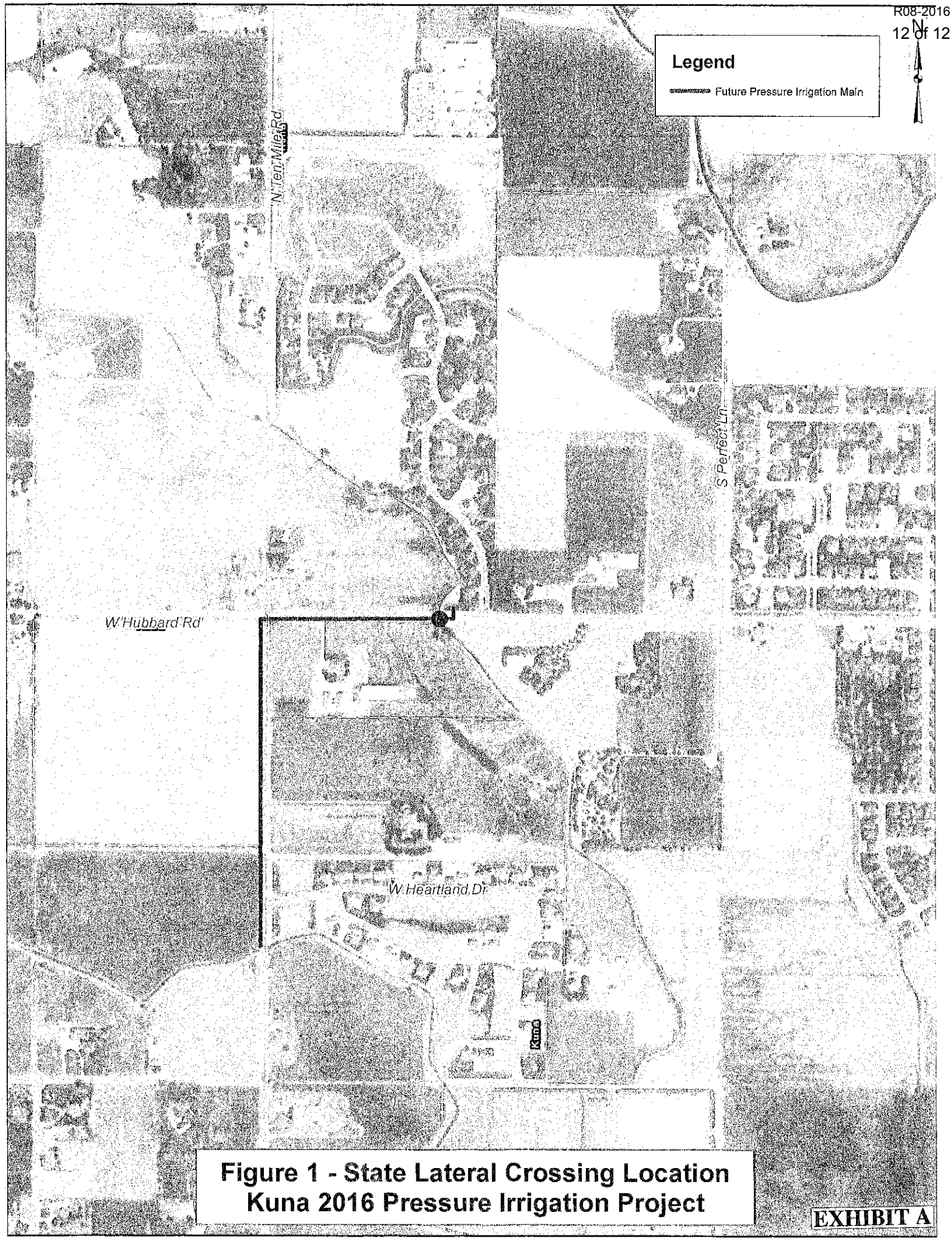


Figure 1 - State Lateral Crossing Location
Kuna 2016 Pressure Irrigation Project

EXHIBIT A

Memo from the Office of the City Attorney

To: City Council
From: Richard T. Roats
Re: ACHD Addendum agreements to location of Pressurized Irrigation System in ROW

Pursuant to the terms of the master agreement with ACHD, each new Pressurized Irrigation System installed in the ACHD right-of-way requires that the master agreement be amended by way of an addendum and approved by the City Council. When the first addendum was processed by resolution, Councilmember Richard Cardoza had inquired about the process. In an effort to streamline the process, the attached resolution grants the city engineer the authority to execute the addendum and then present the addendum to Council after the engineer's signature for informational purposes only and file a copy with the City Clerk.

RESOLUTION NO. R07-2016
CITY OF KUNA, IDAHO

A RESOLUTION OF THE CITY OF KUNA, IDAHO AUTHORIZING THE CITY ENGINEER TO EXECUTE, ON BEHALF OF THE CITY OF KUNA, IDAHO, ALL ADDENDUMS TO THE MASTER LICENSE AGREEMENT FOR MUNICIPAL PRESSURE IRRIGATION SYSTEM WITHIN THE RIGHTS-OF-WAY BETWEEN THE ADA COUNTY HIGHWAY DISTRICT AND THE CITY OF KUNA PERMITTING THE PLACEMENT OF THE CITY OF KUNA'S PRESSURIZED IRRIGATION SYSTEM CONSISTING OF PRESSURE IRRIGATION PIPING AND VALVING EQUIPMENT WITHIN THE ADA COUNTY HIGHWAY DISTRICT RIGHTS-OF-WAY WITHOUT ADDITIONAL APPROVAL FROM THE CITY COUNCIL AFTER THE DATE OF PASSAGE OF THIS RESOLUTION; PROVIDING A PROCESS TO NOTIFY THE CITY COUNCIL OF EXECUTED AGREEMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on June 3, 2014, the City Council for the City of Kuna, Idaho passed Resolution No. R36-2014, a copy of which is attached hereto and made a part hereof as **Exhibit A**, approving the MASTER LICENSE AGREEMENT FOR MUNICIPAL PRESSURE IRRIGATION SYSTEM WITHIN THE RIGHTS-OF-WAY BETWEEN THE ADA COUNTY HIGHWAY DISTRICT AND THE CITY OF KUNA (AGREEMENT), which permitted the placement of the City of Kuna's Pressurized Irrigation System consisting of pressure irrigation piping and valving equipment within the Ada County Highway District rights-of-way; and

WHEREAS the AGREEMENT provides that each subsequent location evidencing extensions to the Pressurized Irrigation System that are placed within the right-of-way shall be done by way of an Addendum to the AGREEMENT; and

WHEREAS, the City Engineer is responsible for determining the best route for the expansion and extension of the City's Pressurized Irrigation System including courses that are within the right-of-way controlled by the Ada County Highway District (ACHD) pursuant to the terms the AGREEMENT; and

WHEREAS, the Addendum amendments provide ACHD with the "as built" construction drawings showing the location of the Pressurized Irrigation System constructed in the right-of-way; and

WHEREAS, granting the City Engineer authority to execute the Addendum agreements would result in greater efficiency in the process.

BE IT HEREBY RESOLVED by the Mayor and Council of the City of Kuna, Idaho, that the City Engineer is authorized to execute, on behalf of the City of Kuna, Idaho, all Addendum agreements with the Ada County Highway District without additional approval of the City Council from and after the date of passage of this resolution.

BE IT FURTHER RESOLVED by the Mayor and Council of the City of Kuna, Idaho that at the next scheduled City Council meeting, following the execution of an Addendum agreement, the City Engineer shall advise the City Council of the execution of the same, and provide a copy to the City Clerk.

BE IT FURTHER RESOLVED by the Mayor and Council for the City of Kuna, Idaho that this resolution shall become effective upon passage.

PASSED BY THE COUNCIL of Kuna, Idaho this 2nd day of February 2016.

APPROVED BY THE MAYOR of Kuna, Idaho this 2nd day of February 2016.

_____
Joe L. Stear, Mayor

ATTEST:

_____
Chris Engels, City Clerk

RESOLUTION NO. R36-2014

A RESOLUTION OF THE CITY OF KUNA, IDAHO AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH THE ADA COUNTY HIGHWAY DISTRICT TO PERMIT THE PLACEMENT OF THE CITY OF KUNA'S PRESSURIZED IRRIGATION SYSTEM CONSISTING OF PRESSURE IRRIGATION PIPING AND VALVING EQUIPMENT WITHIN THE ADA COUNTY HIGHWAY DISTRICT RIGHT-OF-WAY.

BE IT HEREBY RESOLVED by the Mayor and Council of the City of Kuna, Idaho that the Mayor of the City is hereby authorized to execute an agreement with the Ada County Highway District to permit the placement of the City of Kuna's pressurized irrigation system consisting of pressure irrigation piping and valving equipment within the Ada County Highway District right-of-way, as negotiated by the city engineer and city attorney with the Ada County Highway District.

PASSED BY THE COUNCIL of Kuna, Idaho this 3rd day of June 2014.

APPROVED BY THE MAYOR of Kuna, Idaho this 3rd day of June 2014.

W. Greg Nelson, Mayor

ATTEST:

Brenda S. Bingham, City Clerk

CITY OF KUNA CORPORATE SEAL STATE OF IDAHO

(space above line reserved for recording)

MASTER INTERAGENCY LICENSE AGREEMENT FOR A MUNICIPAL PRESSURE IRRIGATION SYSTEM WITHIN THE PUBLIC RIGHTS-OF-WAY BETWEEN CITY OF KUNA, IDAHO AND THE ADA COUNTY HIGHWAY DISTRICT

THIS MASTER INTERAGENCY LICENSE AGREEMENT FOR A MUNICIPAL PRESSURE IRRIGATION SYSTEM WITHIN THE PUBLIC RIGHTS-OF-WAY, including all Addendums and documents incorporated herein by reference, hereinafter referred to as the "**Agreement**") is made and entered into as of the ____ day of June, 2014 (the "**Effective Date**"), between the **ADA COUNTY HIGHWAY DISTRICT,** a body politic and corporate of the State of Idaho ("**ACHD**" or **"Licensor"**) and with an address for purposes of notices at 3775 Adams Street, Garden City, ID 83714, and the **CITY OF KUNA, IDAHO,** an Idaho municipal corporation ("**City of Kuna**" or "**Licensee**") and with an address for purposes of notices at P.O. Box 13, Kuna, Idaho 83634.

RECITALS

WHEREAS, ACHD is a single county-wide highway district in and for Ada County, Idaho pursuant to Idaho Code, Chapter 14, Title 40, with the exclusive jurisdiction over the public Right-of-Way in Ada County; and

WHEREAS, the City of Kuna is a duly authorized municipal corporation formed pursuant to the laws of the state of Idaho, which has established a city irrigation system to supply and deliver irrigation water to its customers pursuant to Idaho Code Section 50-1801 et seq.; and

WHEREAS, Idaho Code Section 50-1809 grants the City of Kuna the power to construct, enlarge, diminish, alter, or change all irrigation ditches, aqueducts, pipelines, flumes, canals or laterals within its corporate limits that may be necessary to covey, control, distribute, apportion and regulate such irrigation water to its inhabitants; and

WHEREAS, the City of Kuna intends to construct, install, operate, maintain, and repair parallel to and within the Right-of-Way, its Municipal Pressure Irrigation System; and

WHEREAS, The Parties enter into this Agreement, subject to amendment by mutual agreement of the parties from time to time for the purpose of adding subject location evidencing extensions to the Pressure Irrigation System (each such amendment shall be referred to and incorporated herein as an "**Addendum**"), to use the Right-of-Way for the limited purpose to construct, install, operate, maintain, and repair the Pressure

Irrigation System using non-potable water for external landscaping to the residents of the City of Kuna with property connected to its Pressure Irrigation System; and

WHEREAS, the City of Kuna is willing to enter into this Agreement and covenant with ACHD to put specific guarantees in place in exchange for ACHD authorizing a License to the City of Kuna for the Pressure Irrigation System within the Right-of-Way.

AGREEMENT

NOW, THEREFORE, for and in consideration of foregoing Recitals, which are made a part of the Agreement, and not mere Recitals, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **Definitions.** Certain capitalized terms are defined in the body of this Agreement and/or in the Recitals above. The following terms, whether in the singular or in the plural, when used in this Agreement (including the Recitals) and initially capitalized, shall have the meaning specified below:

   1.1. **"Agreement"** shall have the meaning set forth above in the introductory paragraph.

   1.2. **"Authorizations"** shall mean all governmental or municipal approvals and authorizations; all rights-of-way; and all leases, licenses, consents, or other agreements necessary to construct, install, maintain, and repair a Pressure Irrigation System and to grant irrigation rights to third parties.

   1.3. **"Highway"** shall have the meaning set forth in Section 6 below.

   1.4. **"License"** shall mean authorization to use the specific Right-of-Way for the Term, subject to the terms and conditions of this Agreement.

   1.5. **"Licensee"** shall mean the City of Kuna and its successors and assigns who have an authorized License to use the Right-of-Way pursuant to this Agreement.

   1.6. **"Licensor"** shall mean ACHD with respect to granting a License to the City of Kuna for the placement of the Pressure Irrigation System within the Right-of-Way.

   1.7. **"Pressure Irrigation System"** shall mean the City of Kuna's pressure irrigation system, which includes the irrigation systems and facilities including the pipe, pump, gate, irrigation box, valving or other equipment, system, and device used to transport, receive, produce, or distribute via pressurized pipe irrigation water to the property owners within the Pressure Irrigation System for delivery purposes. For purposes of this Agreement, "Pressure Irrigation System" shall mean only that portion of the pressure irrigation system that lies within the Right-of-Way as described in Exhibit A attached hereto. Pursuant to the terms of this Agreement, the extensions of the Pressurized Irrigation System shall be referred to as an addendum commencing with "Addendum No. 1" and all future

Addendums shall be numbered and shall reference this Agreement and Ada County Recorder's Instrument Number. The City of Kuna shall upon compliance with Section 2 of this Agreement, prepare and execute each Addendum prior to ACHD's approval and execution. ACHD shall record any and all Addendums as provided herein. Any singular reference to "Pressure Irrigation System" shall apply to the plural use of such term and *vice versa.*

1.8. **"Right-of-Way"** means a public right-of-way, street, or alley under the jurisdiction of ACHD and includes a public right-of-way which was accepted on behalf of the public by deed of purchase, fee simple title, road book, authorized easement, by prescriptive easement, or by plat and shall include public easements granted to ACHD for sidewalk, drainage, slope, and other purposes. All references to "Right-of-Way" used in this Agreement to refer to the location of the Pressure Irrigation System within Right-of-Way shall be limited to Right-of-Way held by ACHD as a permanent easement, and not as fee simple property.

1.9. **"Term"** shall have the meaning set forth in Section 6 below.

2. **Licensee's Obligations.**

2.1. **Design and Construction.** Licensee shall, at Licensee's cost and expense, design, construct, operate and maintain the Pressure Irrigation System in accordance with good engineering practices and any applicable laws, rules and regulations, including but not limited to, the Idaho Standards for Public Works Construction.

2.1.1. Licensee shall provide a certification by a professional engineer licensed in the state of Idaho that each installation of the Pressure Irrigation System is constructed after the date of this agreement, and is in accordance with all applicable laws. The Pressure Irrigation System design and construction shall include record drawings, and copies of test results that verify trench compaction, and pressure tests per accepted industry standards for all Pressure Irrigation System facilities.

2.1.2. In approving such plans and specifications, ACHD assumes no responsibility for any deficiencies or inadequacies in the design or construction of the Pressure Irrigation System, and the responsibility therefore shall be and remain with Licensee.

2.1.3. Licensee shall install the Pressure Irrigation System within the Right-of-Way as authorized and permitted by ACHD.

2.1.4. Inspecting and testing shall be accomplished by ACHD or a third party designated by ACHD. All cost associated with the inspection shall be charged to the Licensee. All results shall be provided to ACHD promptly and prior to the operation of the Pressure Irrigation System.

2.1.5. Licensee shall diligently and continuously prosecute the construction, repair and maintenance of the Pressure Irrigation System.

3. **Access.**

   3.1. If permissions and Authorizations from other parties are necessary to obtain access to construct, operate and maintain the Pressure Irrigation System, it is the responsibility of Licensee to obtain such permissions and Authorizations.

   3.2. Unless otherwise specifically agreed, Licensee shall be responsible for all "one-call" (Digline) responses for the Pressure Irrigation System. All costs associated with Licensee's access to the Pressure Irrigation System will be borne by the Licensee.

   3.3. Licensee shall be responsible for the relocation of any existing utilities located on the Right-of-Way as may be required in connection with any construction or installation of the Pressure Irrigation System in the Right-of-Way.

4. **Permit.** If the proposed construction and installation of the Pressure Irrigation System, or any reconstruction, relocation or maintenance thereof requires Licensee to obtain a permit under ACHD rules and regulations, Licensee shall first obtain such permit from ACHD's Construction Services division before commencing such work, and pay the required fees and otherwise comply with the conditions set forth therein.

5. **Construction Warranty.** Licensee or its contractor shall provide ACHD warranty for the work and material associated with the construction of the Pressure Irrigation System. The initial minimum warranty period is one (1) year, which will commence upon ACHD's acceptance of the Pressure Irrigation System. ACHD and the City of Kuna agree that ACHD shall require a two (2) year minimum warranty on future extensions to the Pressurized Irrigation System.

6. **License, Revocable and Non-Exclusive.**

   6.1. **License.** Pursuant to ACHD rules and regulations, ACHD hereby grants to Licensee, upon satisfactory completion of construction and installation of the Pressure Irrigation System, a ***non-exclusive and revocable*** License during the Term to access and use the Right-of-Way in accordance with Idaho Code Section 18, Title 50. In accordance with the definition of "Right-of-Way" as set forth in Section 1 above, this grant of license is limited to Right-of-Way held by ACHD. The License is personal to the Licensee and may not be assigned, transferred, or conveyed for any purpose during the Term without the express prior written consent of ACHD.

   6.2. **License Fee.** Any ACHD license fees shall be waived in accordance with ACHD-CITY Interagency Governmental Agreement for Waiver of Costs and Fees and incorporated herein by reference. Licensee shall, however, reimburse ACHD for costs associated with the License granted herein, and shall pay ACHD's out-of-pocket administrative and engineering expenses for (i) construction permit and inspection fees for Licensee's work in ACHD's Right-of-Way, and (ii), the review and approval of design, construction, and operation and maintenance plans.

6.3. **Emergency Response Costs.** Licensee shall pay all emergency response costs assessed by ACHD to Licensee for responding to emergencies caused in whole or in part by Licensee's use of the public Right-of-Way, damages to ACHD or its roadway facilities caused by the Pressure Irrigation System. ACHD shall charge standard employee rates, plus benefits, and its per diem equipment rates.

6.4. **Term.** The term of this Agreement and License shall commence on the Effective Date and continue thereafter for a period of fifty (50) years ("**Term**").

6.5. **Future Ordinances**. Licensee agrees and acknowledges that ACHD may pass an ordinance or resolution that modifies the terms and conditions of the Agreement that imposes additional rules and regulations regarding the Pressure Irrigation System and other utilities in the Right-of-Way. Upon passage of such ordinance or resolution, Licensee may terminate the Agreement and the License granted hereunder upon ninety (90) days notice to ACHD.

Restrictions on Use. This Agreement and License is subject to the terms and conditions of the applicable law and other authorizations. The License is limited to the use of the Right-of-Way for the Pressure Irrigation System. The Pressure Irrigation System will remain the sole and exclusive property of Licensee, which will at all times be and remain the Licensee's personal property, except as otherwise provided in this Agreement.

6.5.1. Licensee may only use the Pressure Irrigation System for Licensee's own purposes during the Term and shall not sub-license any portion of the License.

6.5.2. Licensee shall not use its Pressure Irrigation System in a way that is not authorized or interferes with or adversely affects the use of the Right-of-Way.

6.6. **Non-Exclusive.** This Agreement does not extend to Licensee the right to use the Right-of-Way to the exclusion of ACHD for any use within its jurisdiction, authority and discretion or of others to the extent authorized by law to use Right-of-Way.

6.6.1. **Open Highway.** If the Right-of-Way has been accepted as an open public Highway (as used in this Agreement, the term "**Highway**" is as defined in Idaho Code § 40-109(5)), Licensee's authorized use is subject to the rights of the public to use the Right-of-Way for Highway purposes.

6.6.2. **Easement Holders.** This License is subject to and subordinate to the rights of holders of easements of record and the statutory rights of utilities to use the Right-of-Way.

6.6.3. **Future Third Party Licenses or Easements.** This Agreement it is not intended to, and shall not, preclude or impede the ability of ACHD to enter into grant easements or other license agreements in the future allowing third parties to also use the Right-of-Way, or the ability of ACHD to redesign, reconstruct, relocate, maintain and improve the Right-of-Way as it determines necessary, in its sole discretion.

6.6.4. **Relocation of Pressure Irrigation System.** If during the Term of this Agreement, ACHD requires, in its sole discretion, at any time, and from time to time, that the Highway on and/or adjacent to the Right-of-Way be widened and/or realigned, redesigned, improved and/or reconstructed, or otherwise modified, the Licensee hereby accepts responsibility for any and all costs for relocating, modifying or otherwise adapting the Pressure Irrigation System to such realignment and/or relocation and/or reconstruction if required by ACHD, which shall be accomplished by Licensee according to designs, plans and specifications Approved in advance by ACHD in writing; provided Licensee may elect to terminate this Agreement in lieu of complying with this responsibility. Any future relocation of the Pressure Irrigation System that lies within Right-of-Way, whether or not deemed necessary by ACHD, shall be moved at the sole expense of the Licensee and Licensee agrees to be bound and comply with ACHD rules and regulations regarding utility relocations and any subsequent amendments.

6.6.4.1. Licensee shall assume any and all financial responsibility for itself and ACHD relating to any future placement or relocation of the Pressure Irrigation System as well as any relocation of public utilities located within the public Right-of-Way that is necessitated by the placement or future relocation of the Pressure Irrigation System.

6.6.4.2. Licensee shall have access over, across and under the Right-of Way for the purposes of accomplishing any such future placement or relocation.

6.6.5. **Waiver and Estoppel Statement.** In consideration of ACHD's grant of the License, Licensee expressly covenants and agrees that the License granted herein is non-transferable, and merely a permissive use of the Right-of-Way pursuant to this Agreement. Licensee further acknowledges and agrees that it specifically assumes the risk that the License pursuant to this Agreement may be terminated before Licensee has realized the economic benefit of the cost of installing, constructing, repairing, or maintaining the Pressure Irrigation System, and Licensee hereby waives and estops itself from asserting any claim, including damages or reimbursement, that the License is in any way irrevocable because Licensee has expended funds on the Pressure Irrigation System and the Agreement has not been in effect for a period sufficient for Licensee to realize the economic benefit from such expenditures.

6.6.6. **Removal and Restoration.** Upon termination of this Agreement for breach, Licensee shall promptly remove the Pressure Irrigation System, however, ACHD and Licensee may agree in writing that some or all of such improvements are to remain in the Right-of-Way following termination. Licensee shall repair and restore all portions of ACHD's Right-of-Way and personal property, if any, that is damaged during such removal activities to its condition immediately prior to such removal and damage. Any portion of Licensee's Pressure Irrigation System remaining in the Right-of-Way ninety (90) days after the termination of this Agreement shall be deemed abandoned and ACHD shall have the right to remove and charge all costs to Licensee. Should Licensee fail or neglect to promptly remove the Pressure Irrigation

System and restore the Right-of-Way, ACHD may do so, and assess Licensee for the costs thereof.

7. **Repair and Maintenance of Licensed Pressure Irrigation System.** During the Term, Licensee shall operate and maintain the Pressure Irrigation System at Licensee's cost and expense in accordance with the provisions of this Agreement, applicable law and the approved Operation and Maintenance Manual.

7.1. **Routine Maintenance.** The Licensee shall cause the Pressure Irrigation System to be operated and maintained in good working order during the Term. Non-emergency work that is reasonably expected to result in interference or interruption of the Pressure Irrigation System must be coordinated between the parties, and performed in accordance with the approved Operation and Maintenance Manual.

7.1.1. Any repairs or maintenance, of the Pressure Irrigation System shall also be accomplished in accordance with designs, plans and specifications approved in advance and in writing by ACHD as required to satisfy applicable laws, its policies and good engineering practices at the sole expense of the Licensee.

7.1.2. In approving such plans and specifications, ACHD assumes no responsibility for any deficiencies or inadequacies in the design or construction of the Pressure Irrigation System, and the responsibility therefore shall be and remain with the Licensee. Licensee shall have access over, across and under the Right-of-Way for the purposes of accomplishing any such repair and maintenance pursuant to the permit to be obtained pursuant to Section 4 above.

7.2. **Emergency Repairs.** The Licensee shall perform all emergency repairs and maintenance to the Pressure Irrigation System. Any and all costs associated with such emergency repairs and maintenance performed upon the Pressure Irrigation System shall be Licensee's responsibility including any costs with repairing the Right-of-Way in accordance with ACHD rules and regulations.

7.2.1. Licensee shall provide adequate assurance that Licensee is diligently pursuing remedial action. If Licensee fails to initiate and diligently pursue repair, then ACHD may, but shall not be obligated to, effect repair or replacement to prevent any damage to the public Right-of-Way. Licensee shall reimburse ACHD for all reasonable costs and expenses so incurred within thirty (30) days after receipt of an invoice, which shall include backup documentation for all charges. Failure to reimburse said costs and expenses shall result in a termination of the License, as well as other legal remedies and awards available to ACHD as a result of such failure.

7.2.2. Licensee shall coordinate all maintenance and repair activities with ACHD. Licensee may hire contractors to perform their maintenance and repair obligations. All contractors performing such work shall be licensed and bonded to work in ACHD Right-of-Way and shall obtain all necessary permits from ACHD to perform such work.

7.3. **Damage to Right of Way.** If any portion of the Right-of-Way is damaged as a result of:

7.3.1. The performance by Licensee of the maintenance required or the failure or neglect to perform such maintenance; and/or

7.3.2. Licensee design, installation or use of the Pressure Irrigation System, regardless of cause; and/or

7.3.3. Failure of the Pressure Irrigation System and/or trenches relating thereto, regardless of cause,

then, the Licensee, at its sole cost and expense shall forthwith correct such deficiency and restore the Right-of Way to the same condition it was in prior thereto, and if Licensee or its successors and assigns shall fail or neglect to commence such correction and restoration within twenty-four (24) hours of notification thereof, ACHD may proceed to do so, in which event Licensee agrees to reimburse ACHD for the costs and expenses thereof, including, without limitation, reasonable compensation for the use of staff and equipment of ACHD.

Should an emergency exist related to the Pressure Irrigation System that threatens the stability or function of the Right-of-Way or property adjacent to the Right-of-Way or the safety of the public use thereof, ACHD shall first contact the City of Kuna to determine if it is responding to the emergency; and if the City of Kuna is not responding the emergency within fifteen (15) minutes, only then shall ACHD have the unconditional and unquestionable authority to immediately and indefinitely discontinue the operation of the Pressure Irrigation System (including, but not limited to shutting off water control valves and disconnecting power from the pumping system) as are necessary in ACHD's sole discretion to protect the Right-of-Way and/or adjacent property from instability, damage or malfunction and Licensee, shall indemnify, defend and hold ACHD harmless from any and all claims or actions for loss of any kind whatsoever arising from ACHD's exercise of such authority.

If, as authorized in this section, ACHD discontinues the operation of the Pressure Irrigation System, it shall be the responsibility of the Licensee, at its sole cost and expense to perform the necessary repairs to the Pressure Irrigation System and to make all necessary repairs to and otherwise restore, the Right-of-Way and/or property before ACHD will allow the Pressure Irrigation System to be placed back into service.

If the Licensee fails to immediately perform necessary emergency repairs to the Pressure Irrigation System and make all necessary repairs to and otherwise restore, the Right-of-Way and/or property adjacent the Right-of-Way, ACHD shall also have the right to make all necessary repairs to and otherwise restore, the Right-of-Way and/or adjacent property, on behalf of, and at the cost of Licensee, and in such case,

Licensee, agrees to reimburse ACHD the costs and expenses thereof, including, without limitation, the use of staff and equipment of ACHD.

8. **Representations Regarding Authorizations.** Licensee represents, warrants, and covenants as of the date hereof, and as of the date of each Addendum incorporated herein, that:

8.1. Licensee's execution, delivery, and consummation of this Agreement by the Licensee have been duly approved by the City of Kuna's city council in accordance with applicable law and any instruments governing Licensee. No approval or consent of any person, firm, or other entity is required to be obtained by the Licensee to permit it to consummate this Agreement.

8.2. Licensee's use of the Right-of-Way will be in accordance with all Federal, State, and local laws, rules, regulations, codes, statutes, and subject to all Authorizations; and

8.3. Licensee has obtained all Authorizations, approvals and consents necessary to use the Pressure Irrigation System in the Right-of-Way; and

8.4. Licensee has the full right and authority under the Authorizations to enter into this Agreement and perform its obligations hereunder, and the same will not violate the authorizations or approvals (with or without the giving of notice or the lapse of time or both) or require any consent, approval, filing or notice under or under any provision of any law, rule, regulation, court order, judgment, or decree applicable to the Licensor; and

8.5. Licensee will perform all work related to access and use of the Pressure Irrigation System in a professional and workmanlike manner in accordance with industry standards.

8.6. Licensee has the capacity to provide long term operations and maintenance and a positive means for assessment of Pressure Irrigation System costs.

8.7. Any work performed by Licensee in ACHD's Right-of-Way shall be in full compliance with ACHD's rules and regulations as it presently exists, or as it may be hereafter amended.

9. **Default and Termination.**

9.1. If Licensee defaults in the performance of any obligations incumbent upon it to perform hereunder, ACHD may terminate this Agreement and the rights extended to Licensee hereunder at any time, effective at the end of sixty (60)~~)~~ days following the date ACHD provided written notice of intent to terminate to Licensee which notice shall specify in detail, each and every alleged default(s). Licensee shall have such sixty (60) day period to correct and cure the specified defaults, and if so corrected and cured, to the satisfaction of ACHD, this Agreement shall not be terminated but shall continue in full force and effect. Notwithstanding the foregoing, emergency repairs must be cured within one (1)

day after receipt of such notice from ACHD, and shall not be subject to the sixty (60) day cure period outlined above.

9.2. Upon the failure the Licensee to timely cure any default, ACHD may (i) terminate the License and/or this Agreement; (ii) take such action as it determines, in its sole discretion, to be necessary to correct the default; and/or (iii) pursue any legal remedies it may have under applicable law or principles of equity relating to such breach.

9.3. If ACHD defaults in the performance of its obligations under the terms and provisions of this Agreement in the time and manner required herein, Licensee shall only be entitled to non-monetary damages remedies, such as specific performance, declaratory relief, and injunctive relief.

10. **Indemnification and Limitation of Liability.**

10.1. ACHD SHALL NOT BE LIABLE TO LICENSEE OR ANY THIRD PARTY FOR REIMBURSEMENT OR ANY INDIRECT, SPECIAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES (INCLUDING BUT NOT LIMITED TO, ANY DAMAGES ARISING OUT OF ANY CLAIM FROM ANY CUSTOMER FOR LOSS OF SERVICES) ARISING UNDER THIS AGREEMENT OR FROM ANY BREACH OF THIS AGREEMENT.

10.2. Licensee (and each party comprising Licensee, jointly and severally) shall indemnify, defend, and hold harmless ACHD and its elected and appointed officials, employees, agents, and contractors from and against any and all claims or actions for loss, liability, cost, injury, death, damages, mechanics and other liens, arising out Licensee's (and Licensee's owners', employees', contractors', agents', and Licensee's successors' and assigns') construction, installation, design, use, operation, repair, maintenance, and removal, of the Pressure Irrigation System, or that otherwise results from the use, operation, maintenance, design, construction, installation, repair, and occupation of the Right-of-Way by Licensee or any of the foregoing parties, and including any attorney fees and costs that may be incurred by ACHD in defense of such claims or actions indemnified against by Licensee (it being specifically agreed that ACHD as the indemnitee may retain its own counsel in connection with any such action, and Licensee shall be solely responsible for any attorney fees and costs incurred by ACHD).

10.3. ACHD shall, subject to the limitations hereinafter set forth, indemnify, defend, and hold Licensee, and its partners, managers, shareholders, members, officers employees, agents, and contractors, harmless from and against any and all liabilities, losses, costs and expenses, including reasonable attorneys' fees, which are based upon or arise out of property damage or personal injury or death caused by ACHD's acts or omissions, and the acts or omissions of its employees, agents or contractors. Any such indemnification hereunder by the ACHD is subject to the limitations of the Idaho Tort Claims Act (currently codified at chapter 9, title 6, Idaho

Code). Such indemnification hereunder by the ACHD shall in no event cause the liability of the ACHD for any such negligent act to exceed the amount of loss, damages, or expenses of attorney fees attributable to such negligent act, and shall not apply to loss, damages, expenses, or attorney fees attributable to the negligence of Licensee.

10.4. When a party has actual knowledge of a claim falling within the other party's indemnification obligations, such party shall promptly so notify the other party and provide reasonable assistance and information appropriate to the defense of the claim(s). In no event shall the party against whom the claim is asserted have the right to pay, settle or compromise such claim without the prior written consent of the party who may be obligated for such indemnity. The parties agree that they will not unreasonably withhold their consent to any such payment, settlement or compromise. Nothing contained herein shall operate as a limitation on the right of any party to bring an action for damages, including consequential damages, against any third party (i.e., any person other than ACHD, Licensee, and their respective appointed or elected officials, officers, directors, agents, employees, contractors, and partners) based on any acts or omissions of such third party as such acts or omissions may affect Right-of-Way or the construction, operation, repair, or maintenance of the Pressure Irrigation System.

10.5. For any claims or actions arising out of failures or neglects occurring during the Term of this Agreement, Licensee's obligations pursuant to this Section 10 shall survive the termination of this Agreement.

11. **Compliance with Law, Waste and Nuisance Prohibited.** In connection with Licensee's use of the Right-of-Way, throughout the term of this Agreement, the Licensee covenants and agrees to: (i) comply and observe in all respects any and all, federal, state and local statutes, ordinances, policies, rules and regulations, including, without limitation, those relating to traffic and pedestrian safety, the Clean Water Act and/or to the presence, use, generation, release, discharge, storage or disposal in, on or under the Right-of-Way of any Hazardous Materials (defined as any substance or material defined or designated as hazardous or toxic waste, material or substance, or other similar term, by any federal, state or local environmental statute, regulation or occurrence presently in effect or that may be promulgated in the future); (ii) obtain any and all permits and approvals required by ACHD or any other unit of government; and (iii) commit no waste or allow any nuisance on the Right-of-Way. Licensee covenants and agrees to indemnify and hold ACHD harmless from and against any and all claims, demands, damages, liens, liabilities and expenses (including without limitation, reasonable attorneys' fees), arising directly or indirectly from or in any way connected with the breach of the foregoing covenant. These covenants shall survive the termination of this Agreement

12. **Insurance.**

12.1. Licensee, or its contractor, at its sole cost and expense shall maintain public liability and property damage insurance with a minimum liability limit of One

Million Dollars ($1,000,000) per occurrence or claim and Three Million Dollars ($3,000,000) in the aggregate insuring to such limits against all liability of Licensee arising out of and in connection with its use or occupancy of the Right-of-Way hereunder. During the Term, Licensee, or its contractor, shall maintain not less than the following insurance:

Type of Coverage	Amount of Coverage
Worker's Compensation Insurance	Statutory Amount
Employer's Liability Occupational Disease and Bodily Injury Insurance	$1 million each accident $1 million disease each employee $1 million disease-policy limit
Commercial General Liability Insurance, including premises-operations, products/completed operations, independent contractors, contractual (blanket), broad form property damage, with umbrella excess liability (collectively, "Comprehensive Coverage")	Combined single limit personal injury and property damage on an occurrence policy form with policy amounts of (i) not less than $1 million per occurrence (without a limitation on aggregate amount); or (ii) not less than $1 million per occurrence with an aggregate annual amount of not less than $3 million
Automobile Liability Insurance for owned, hired and non-owned autos	$1 million combined single limit bodily injury/property damage

12.2. The comprehensive general liability policies and umbrella excess liability policies of Licensee shall contain a provision naming ACHD as Additional Insureds.

12.3. Prior to commencement of any work pursuant to this Agreement or any subsequent Addendum, the Licensee must furnish to ACHD the applicable certificates of insurance identifying the certificate holder as Additional Insured as provided in Section 11.2, and stating that the insurer will endeavor to notify ACHD at least thirty (30) days prior to cancellation of, or any material change in, the coverage provided. On or before January 1st of each year during the Term, and upon the request of ACHD at any time, Licensee will provide ACHD with a

certificate of insurance indicating that the required insurance in the required amounts is in full force and effect.

12.4. The foregoing insurance requirements are not intended to and shall not in any manner limit or qualify the liabilities and obligations of the Licensee, or its contractor, under this Agreement.

13. **Acknowledgment**. Notwithstanding any other provision of this Agreement, Licensee acknowledges as follows (i) Nothing in this Agreement shall be construed to allow Licensee any waiver or relief from any of the processes, rules and regulations that the Licensee must follow in order to comply with ACHD rules, regulations or to obtain any future Addendums or other approvals; (ii) Nothing herein shall be construed to grant any legal entitlement or vest any right to the Licensee; (iii) Nothing in this Agreement shall be construed to create any monetary liability against ACHD; and (iv) Nothing in this Agreement shall be construed to provide any claim or benefit to a third party.

14. **Licensee Assumes Risk.** Licensee acknowledges that any and all risk associated with the Pressure Irrigation System lies solely with the Licensee and any other conditions presently known or unknown. Licensee assumes all risks and acknowledges that it is solely responsible for ensuring that the Pressure Irrigation System is designed, constructed, operated and maintained in accordance with any and all applicable laws, ordinances, regulations, and policies.

15. **Assignment.** Licensee cannot sell, assign or otherwise transfer this Agreement, the License granted by ACHD to Licensee hereunder, or any of its rights hereunder except with the prior written consent of ACHD, in its sole discretion. In the event of any assignment approved by ACHD, the assignee shall assume all obligations, warranties, covenants and agreements of Licensee herein contained.

16. **Successors and Assigns.** This Agreement may be assigned upon written consent of the parties and such consent shall not be unreasonably withheld. All provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their heirs, successors and assigns and shall survive any transfer or assignment by a party or their heirs, successors or assigns. This Agreement shall remain effective notwithstanding the expiration, cancellation, termination or completion of this Agreement as may be necessary for any party to enforce the terms and provisions of this Agreement.

17. **Facility Location.** ACHD reserves the right to designate the location of the Pressure Irrigation System and related facilities to minimize the number of cuts or openings in the public Right-of-Way for the purposes granted by this Agreement.

18. **Recordation and Term.** Upon execution, this Agreement and each subsequent Addendum shall be recorded by ACHD in the official Real Property Records of Ada County, Idaho. This Agreement shall be referenced in each preliminary and final plat for the development that is submitted for approval.

19. **No Title in Public Right-of-Way.** Licensee shall have no right, title or interest in or to the Right-of-Way other than a temporary right to locate the Pressure Irrigation System pursuant to this Agreement.

20. **No Costs to ACHD.** Any and all costs and expenses associated with any construction or installation of the Pressure Irrigation System in the Right-of-Way, or the repair, operation, and maintenance thereof, or the relocation of Pressure Irrigation System, shall be at the sole cost and expense of Licensee.

21. **Notice.**

    21.1 Any and all notices given by any of the parties hereto shall be in writing and deemed delivered when either: (i) delivered personally, or (ii) deposited in the United States Mail, certified, return receipt requested, postage prepaid; and, in any case, addressed to the other party at the address set forth in Section 1, or at such other mailing address as may be provided by written notice of such change given to the other in the same manner as above provided.

    21.2 Any party may change its notice address(es) by written notice to the other parties.

    21.3 Notice shall be effective on the date of the addressee's receipt or refusal, as the case may be.

22. **Dispute Resolution.** Except as otherwise specifically provided in or permitted by this Agreement, all disputes, differences of opinion or controversies arising in connection with this Agreement shall first be resolved through good faith negotiation to arrive at an agreeable resolution. If, after negotiating in good faith for a period of thirty (30) calendar days, or any agreed further period, the parties are unable to resolve the dispute, then the parties may seek resolution by exercising any rights or remedies available to any party at law or in equity. Notwithstanding the foregoing, this provision shall not apply to the extent ACHD seeks injunctive relief to enforce any of its rights or remedies set forth in this Agreement.

23. **Miscellaneous.**

    23.1 **Independent Party/Relationship.** The relationship between the parties shall not be that of partners, agents, or joint venturers for one another, and nothing contained in this Agreement shall be deemed to constitute a partnership or agency agreement between them for any purposes. The parties agree that nothing herein contained shall be construed to create a joint venture, partnership, or other similar relationship which might subject any party to liability for the debts and/or obligations of the others, except as otherwise expressly agreed in this Agreement.

23.2 **Applicable Law.** This Agreement shall be interpreted and enforced under the laws of the State of Idaho without regard to its conflicts of law provisions.

23.3 **Jurisdiction.** The state courts of the state of Idaho shall have exclusive jurisdiction of any suit, dispute, claim, demand, controversy, or cause of action that the parties may now have or at any time in the future claim to have based in whole or in part or arising from the negotiations, execution, interpretation, or enforcement of this Agreement. The parties submit to the in personam jurisdiction of the State, to venue in the state courts within the State, and consent to service of process being affected upon them by certified mail sent to the addresses set forth in this Agreement

23.4 **Superseding Effect**. With respect to all matters covered by this Agreement, this Agreement shall supersede previous proposals by the Licensee and previous actions of ACHD staff and the Commission, whether or not formalized into writing.

23.5 **Amending Effect.** If any provision of this Agreement is unenforceable, it shall be deemed stricken from this Agreement and shall have no effect on any other provision. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible. This Agreement shall, to the extent of any conflict with any ACHD conditions of approval, modify, amend and supplement the same.

23.6 **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of parties and their respective representatives, successors and assigns.

23.7 **Drafting.** All parties have been represented by counsel and no party shall be deemed to be the drafter of this document for purposes of interpreting an ambiguity against the drafter.

23.8 **No Third Party Beneficiaries.** This Agreement is not intended to create, nor shall it in any way be interpreted or construed to create, any third party beneficiary of this Agreement.

23.9 **No waiver.** No waiver shall be valid unless in writing and signed by the party against whom enforcement is sought. No waiver of any breach or obligation shall constitute a waiver of any subsequent breach or obligation.

23.10 **No liens**. Licensee shall allow no liens or encumbrances in any fashion to attach to or encumber the Pressure Irrigation System located within ACHD's Right-of-Way to any property, real or personal, owned by ACHD.

23.11 **Attorney Fees.** In the event of any controversy, claim, suit, proceeding or action being filed or instituted between the parties to enforce the terms and conditions of this Agreement, or arising from the breach of any provision hereof, the prevailing party will be entitled to receive from the other party all costs, damages and expenses, including reasonable attorneys' fees, including fees on appeal, incurred by the prevailing party. The prevailing party will be that party who was awarded judgment as a result of trial. In any suit, action or appeal therefrom to enforce or interpret this Agreement, the prevailing party shall be entitled to recover its costs incurred therein, including reasonable attorneys' fees.

23.12 **Headings.** The headings used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

23.13 **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but both of which together shall constitute one and the same instrument.

23.14 **Incorporation by Reference.** The Recitals, Exhibits and all subsequent Addendums to this Agreement are incorporated by reference into the body of this Agreement as if such Recitals, Exhibits and Addendums were set forth in their entirety in this Agreement.

23.15 **Time of the Essence.** Time shall be of the essence for all events and obligations to be performed under this Agreement.

23.16 **Debt Limitation.** Nothing in this Agreement shall be construed to be an indebtedness or liability in violation of Article VIII, Section 3 of the Idaho Constitution. If ACHD is precluded from committing to make certain future payments due hereunder, this Section will apply. In the event that despite the best efforts of ACHD, ACHD determines that funds for any amounts under due under this Agreement will not be available or cannot be obtained during any succeeding fiscal period, ACHD may terminate this Agreement prior to the commencement of such succeeding fiscal period by giving written notice to Licensee of such determination at least 60 days prior to the first day of such succeeding period for which an appropriation has not been made by ACHD

23.17 **Entire Agreement.** This Agreement, including all Exhibits referred to herein, sets forth the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior understandings and agreements, all prior or contemporaneous agreements, representations, statements, negotiations, and undertakings written or oral.

23.18 **Amendments.** This Agreement and any of the provisions hereof may not be amended, altered, or added to in any manner except by a written document signed by an authorized representative of each party.

23.19 **Authority.** The person executing this Agreement on behalf of ACHD represents and warrants due authorization to do so on behalf of ACHD, and that upon execution of this Agreement on behalf of ACHD, the same is binding upon, and shall inure to the benefit of, ACHD. Each person executing the Agreement on behalf of Licensee represents and warrants due authorization to do so on behalf of the applicable party comprising the Licensee, and that upon execution of this Agreement on behalf of Licensee, the same is binding upon, and shall inure to the benefit, of Licensee and each entity that comprises the Licensee.

Signature page follows.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective duly authorized representatives as of the day and year first above written. Notary acknowledgments follow this signature page.

ACHD:

ADA COUNTY HIGHWAY DISTRICT,
a body politic and corporate of the State of Idaho

By: John S. Franden

Its: President

CITY OF KUNA:

CITY OF KUNA, an Idaho municipal corporation

By: W. Greg Ralston

Its: Mayor

STATE OF IDAHO)
) ss.
County of Ada)

On this 4th day of June, 2014, before me, the undersigned notary public for said state, personally appeared John S. Franden, known or identified to me (or proven on the basis of satisfactory evidence) to be the President of the County of Ada, State of Idaho, and acknowledged to me that the **Ada County Highway District** executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

STACEY L. WORKMAN NOTARY PUBLIC STATE OF IDAHO

Notary Public
Residing at Boise, Idaho
Comm. Expires August 13, 2019

STATE OF IDAHO)
) ss.
County of Ada)

On this 16 day of June, 2014, before me, the undersigned notary public for said state, personally appeared W. Greg Nelson, known or identified to me (or proven on the basis of satisfactory evidence) to be the Mayor of the City of Kuna, State of Idaho, and acknowledged to me that the **City of Kuna, State of Idaho** executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

KIM RICE NOTARY PUBLIC STATE OF IDAHO

Notary Public
Residing at Meridian, Id
Comm. Expires 1/18/2017

EXHIBIT A

Depiction of Each Pressure Irrigation System

[See attached]

CITY OF KUNA
PO BOX 13 KUNA, ID 83643 * 763 AVALON * PH. 208.922.5546 * FAX 208.922.5989 * JMARSH@CITYOFKUNA.COM

TO: Mayor Stear and Members of City Council

FROM: John Marsh – Kuna City Treasurer

SUBJECT: RESOLUTION R10-2016

DATE: 1/29/2016

SUMMARY DISCUSSION

Resolution R10-2016 consists of approval for the adoption of the Internal Revenue Service code section 125 premium only plan document and summary plan description.

This is a formality that keeps the City in compliance with the latest requirements of the Affordable Care Act as it relates to payroll tax savings for both the employee and employer on the employee portion of certain employer-sponsored benefits.

In brief, when an employee chooses coverage for qualified employer-sponsored benefits which require employee premiums, the employee may choose a pre-tax payroll deduction for the premiums which can reduce payroll taxes for both the employee and employer.

As an example, if an employee pays premiums on certain qualified employer-sponsored employee benefits (i.e., premiums for health, dental, and vision insurance, HSA contributions, certain supplemental accident insurance policies such as certain policies provided by AFLAC, etc.) the employee can choose to have those premiums deducted from their paycheck on a pre-tax basis.

The employee payroll taxes which are avoided are federal and state withholding, OASDI (aka social security), and Medicare taxes. Thus, an employee can effectively save up to 55% in payroll taxes on the value of employee premiums paid out of gross compensation, depending on tax bracket.

As an added benefit, the employer may also avoid payroll taxes it would otherwise have to pay on the value of those employee premiums paid out of gross compensation. The employer can avoid its required matching of OASDI, and Medicare taxes, which is currently 7.65%.

STAFF RECOMMENDATION: Approval of R10-2016, which is to adopt the IRS code section 125 premium only plan and summary plan description as provided herein.

Thank You!

RESOLUTION NO. R10-2016
CITY OF KUNA, IDAHO

A RESOLUTION OF THE CITY OF KUNA, IDAHO ADOPTING THE INTERNAL REVENUE SERVICE CODE SECTION 125 PREMIUM ONLY PLAN DOCUMENT AND SUMMARY PLAN DESCRIPTION.

BE IT HEREBY RESOLVED by the Mayor and Council of the City of Kuna, Idaho as follows:

Section 1. The adoption of the Internal Revenue Service code section 125 premium only plan document and summary plan description ensures compliance with the latest Affordable Care Act requirements as it relates to payroll tax savings for both the employee and employer on the employee portion of certain employer-sponsored benefits.

PASSED BY THE COUNCIL of Kuna, Idaho this 2nd day of February, 2016.

APPROVED BY THE MAYOR of Kuna, Idaho this 2nd day of February, 2016.

_____
Joe L. Stear, Mayor

ATTEST:

_____
Chris Engels, City Clerk

CITY OF KUNA, IDAHO

SECTION 125

PREMIUM ONLY PLAN

Resolution To Adopt 1

Premium Only Plan Document 2

Employee's Summary Plan Description 3

Election Form 4

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SUMMARY OF PLAN SPONSOR RESPONSIBILITIES

As the Plan Sponsor/Administrator, you will have sole responsibility to comply with all plan administration, implementation, amendments, filing, reporting, disclosure and plan compliance requirements imposed by the plan, ERISA, the Internal Revenue Code or any other applicable law, specifically including, but not limited to:

- Reviewing the sample documents (plan, summary plan description, salary redirection agreements and nondiscrimination information) with legal counsel, executing the Plan Adoption Agreement before the first day of the plan year, and distributing the summary plan description to employees on or before their enrollment date.
- Ensuring that only common law employees participate in the plan [employees of companies described in IRC Section 414 (b), (c) or (m) and listed in the plan as participating affiliates may also participate] and ensuring that the terms of its plan document are enforced.
- Conducting initial and annual enrollments, and collecting signed Salary Redirection Agreements from employees prior to their effective date of participation. (In the absence of a valid change in status, currently eligible employees should be enrolled *prior to* the plan effective date.)
- Form 5500 Annual Returns have been suspended for Premium Only Plans. However, you may be required to file a Form *5500* Annual Return for the component benefit plans offered through the Premium Only Plan *(component benefit plans would be any self-funded or partially self-funded health plans sponsored by you through ERISA, Medical Flexible Spending Accounts (FSA) with more than 100 employees are still required to file a Form 5500).*
- Performing nondiscrimination testing required by the Internal Revenue Code (including, but not limited to: ensuring that a nondiscriminatory classification of employees is eligible for the plan, that contributions and benefits do not discriminate in favor of highly compensated employees, and that no more than *25%* of the total pre-tax benefits is received by officers and owners). Additional nondiscrimination testing may be required for the component benefits offered through the cafeteria plan (including insurance and flexible spending account benefits). You will be responsible to perform nondiscrimination testing. Nondiscrimination testing should be performed shortly after enrollment and again if there is a significant change in employee participation.
- Determining whether election changes are permissible in accordance with the provisions of the plan and Internal Revenue Code requirements.
- Ensuring that benefits offered under the plan qualify for inclusion in a Section 125 Premium Only Plan.
- Retaining documentation relating to plan operations that may be requested in an IRS or Department of Labor audit of plan operations - including, but not limited to: nondiscrimination testing information, executed copies of the plan, salary redirection agreements, plan amendments, resolutions adopting the plan, and Form 5500s - for seven years after the close of each plan year.
- Employers with 20 or more employees must provide COBRA continuation of the Health FSA benefits to those employees with a positive FSA Account balance on the date of the COBRA qualifying event.

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Section 125 and W-2 Reporting

Where do I report Section 125 Plan benefits on my employees' Form W-2s?

Dependent Care benefits are shown in box 10. Health Savings Account contributions are shown in box 12, code W. Contributions to a medical reimbursement account are not specifically shown. *Effective January 1, 2012, most employers are required to report the cost of employer-sponsored health coverage in box 12, code DD. Refer to IRS Notices 2010-69 and 2011-28, and to your tax professional for more details and proper reporting.*

The Federal and Social Security wages will be decreased by all pre-tax contributions. The State taxable income for most States will be the same as the Federal wage amount. The Local Wage box may not match the Federal amount. Many localities do not recognize these plans, so local tax (if any) might be on unreduced pay, before pre-tax deductions. If so, the Local box will show higher wages than the Federal/Social Security boxes.

Section 125 and State Income Tax

The states generally follow Section 125 federal law in their tax treatment of flex plan contributions. Some states, such as New Jersey, California, Alabama, and Pennsylvania, may not permit some or all pre-taxed salary reduction contributions to be exempt from state income tax. Check with your state Department of Revenue or taxing authority.

Section 125 and Local Income Tax

Some cities and municipalities impose their own income taxes on salary reduction contributions to flex plans. Please contact your accountant for specific flex plan salary reduction local taxation issues.

Section 125 and State Unemployment Tax

Currently, most states impose unemployment taxes on flex plan contributions. Please contact your accountant or tax specialist for information on whether your state unemployment taxes may be exempt on flex plan contributions.

Section 125 and Form 1099 Reporting Requirements

If you pay health care providers directly through a Medical Expense Reimbursement Plan you are required to file a Form 1099-MISC for each health care provider for whom payments exceed $600 per year. Thus, you may want to limit reimbursements to only plan participants.

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Company Owners and Section 125?

Question 1: When do owners or shareholders have to be excluded from a Section 125 plan?

Answer: In all cases except for:

1. ownership of shares in a C-Corporation, and
2. ownership of 2% or less in an S-Corporation.

Put another way the partners, members of an LLC, sole proprietors, or greater than 2% shareholders of an S corporation) cannot participate in a Premium Only Plan

Question 2: When can a company owner (whose spouse is also an employee) make use of pre-tax dollars in a Section 125 Plan? The owner holds 100% of the company ownership. Assume that discrimination is not an issue.

Answer: Code §125(d)(1)(a) states that all participants in a cafeteria plan must be employees. The proposed regulations at §1.125-1 define what is meant by "employee."

> The term "employees" includes present and former employees of the employer. All employees who are treated as employed by a single employer under subsections (b), (c), or (m) of section 414 are treated as employed by a single employer for purposes of section 125. The term "employees" does not, however, include self-employed individuals described in section 401(c) of the Code.

Further, it appears that persons who own more than 2 percent of the shares of an S corporation are not considered "employees." (An S corporation is a corporation that has elected to be treated as an "S" corporation for income tax purposes, pursuant to subchapter S of the normal income tax provisions in the Code.) See Code section 1372, which states that for purposes of the "fringe benefits" portions of the Code an S corporation is treated as a partnership and a more than 2 percent shareholder of the S corporation is treated as a partner of such partnership.

Remember to apply the "attribution" rules of Code section 318. The spouse of a 100% owner of an S corporation, or the spouse of an LLC (Limited Liability Company) owner, or a sole proprietorship, who is not employed by the company, would be considered to be the 100% owner as well. In this question, therefore, neither the company owner nor the owner's spouse could participate in the cafeteria plan.

If the corporation is a C corporation for federal income tax purposes, nothing prevents the 100% owner of the corporation's shares from participating. He or she could be an employee and therefore eligible for participation. The spouse of the 100% owner also would be eligible for participation even though attribution would apply to a C corporation owner's spouse.

A sole proprietor who employs his or her spouse (as a bona fide employee!) may not participate in a Section 125 plan, but the spouse may participate. This is because there are no shares to attribute in a sole proprietorship.

Incidentally, this method also applies to family health insurance coverage. The non-owning spouse could elect family coverage (covering, as a dependent, the spouse with 100% ownership of the company.) The health insurance premium would be completely deductible.

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SECTION 1

RESOLUTION TO ADOPT

PLACE THIS PAGE AFTER TAB 1

SECTION 1 SHOULD CONSIST OF

THE FOLLOWING RESOLUTION TO ADOPT

CITY OF KUNA, IDAHO

RESOLUTION

IRC SECTION 125 PREMIUM ONLY PLAN

WHEREAS, City of Kuna, Idaho has determined that it would be in the best interests of its Employees to adopt a "Section 125 Premium Only Plan" allowing for pre-taxed medical benefit coverage, so-called; be it known that a vote was taken, and all were in favor.

RESOLVED, that City of Kuna, Idaho adopt a so-called "Section 125 Premium Only Plan", all in accordance with the specifications annexed hereto; and, be it known that the "City of Kuna, Idaho Premium Only Plan" Document was executed January 1, 2016.

RESOLVED FURTHER, that the Company undertake all actions necessary to implement and administer said plan.

IN WITNESS WHEREOF, I have executed my name for the above named Company on January 1, 2016.

ATTEST:

_____ By: _____

Witness John Marsh

SECTION 2

SECTION 125 PLAN DOCUMENT

PLACE ALL PAGES OF THE PLAN DOCUMENT AFTER TAB 2

AUTHORIZED SIGNER SHOULD EXECUTE THE SIGNATURE PAGE AT THE END OF THE PLAN DOCUMENT

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CITY OF KUNA, IDAHO
PREMIUM ONLY PLAN

PURPOSE

The City of Kuna, Idaho Premium Only Plan ("Plan") is adopted by City of Kuna, Idaho effective January 1, 2016. The purpose of the Plan is to allow Employees of City of Kuna, Idaho and other Participating Employers, to choose between at least one permitted taxable benefit, such as cash compensation from existing income and at least one qualified benefit such as health care coverage under medical plan(s) sponsored by City of Kuna, Idaho (via salary reduction).

City of Kuna, Idaho intends that the Plan qualify as a "cafeteria plan" under section 125 of the Internal Revenue Code of 1986 ("Code") as amended, and that the Medical Insurance Benefits that an Employee elects to receive under the Plan be eligible for exclusion from the Employee's income for federal income tax purposes.

Although this Plan has been reduced to writing in order to comply with section 125 of the Code, the Plan shall also serve as an amendment to each of the health plans described in Schedule A affected by its provisions in order to permit the benefits of this Plan to be fully implemented.

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Section 1

DEFINITIONS

The words and phrases as used herein shall have the following meanings, unless a different meaning is plainly required by the context, and pronouns shall be interpreted so that the masculine pronoun shall include the feminine and the singular shall include the plural.

"Adoption Agreement" means the written agreement by which an Affiliated Company adopts this Plan.

"Affiliated Company" means:

A. any company which is a member of a controlled group of corporations with the Employer within the meaning of section 1563(a) of the Code, determined without regard to sections 1563(a) (4) and (e) (3) (C);

B. all organizations under common control with the Employer within the meaning of section 414 (c) of the Code:

C. all organizations which are included with the Employer in an affiliated service group within the meaning of section 414 (m) of the Code; or

D. any other entity required to be aggregated with the Employer pursuant to regulations under section 414 (o) of the Code.

"Beneficiary" means the person, persons or trust designated by written revocable designation filed with the Plan Administrator by the Participant to receive payments under this Plan, including the Participant and any dependents of a Participant.

"Cash" for purposes of section 125, cash means cash from current compensation (including salary reduction), payment for annual leave, sick leave, or other paid time off, severance pay, property, and certain after-tax employee contributions.

"Change in Status" has the meaning described in Section 4.3.

"COBRA" means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

"Code" means the Internal Revenue Code of 1986 as amended, and the same as may be amended from time to time.

"Dependent" has the meaning described in Section 2.8.

"Effective Date" means January 1, 2016.

"Eligible Employee" means any non-union Employee regularly scheduled to work 30 or more hours per week for a Participating Employer.

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"Employee" means an individual that the Employer classifies as a common-law employee, leased employee, or full time life insurance salesmen, and who is on the Employer's W-2 payroll, but does not include the following: (a) individuals classified by the Employer as a contract worker, independent contractor, temporary employee, or casual employee for the period during which such individual is so classified, whether or not any such individual is on the Employer's W-2 payroll; (b) any individual who performs services for the Employer but who is paid by a temporary or other employment or staffing agency for the period during which such individual is paid by such agency; (c) any employee covered under a collective bargaining agreement; (d) any self-employed individual; (e) any partner in a partnership; and (f) any more-than-2% shareholder in a Subchapter S corporation. The term "Employee" does include "former Employees" for the limited purpose of allowing continued eligibility for benefits under the Plan for the remainder of the Plan Year in which an Employee ceases to be employed by the Employer, but only to the extent specifically provided elsewhere under this Plan.

"Employer" means City of Kuna, Idaho and any other business organization which succeeds to its business and elects to continue this Plan.

"Enrollment Period" means the calendar month preceding the beginning of any Plan Year.

"Entry Date" means the first day of the month following month of hire as an Eligible Employee.

"ERISA" means the Employee Retirement Income Security Act of 1974, and the same as may be amended from time to time.

"FMLA" means the Family and Medical Leave Act of 1993, as amended.

"Health Savings Account" or **"HSA"** means a health savings account established under Code § 223. Such arrangements are individual trusts or custodial accounts, each separately established and maintained by an Employee with a qualified trustee/custodian.

"High Deductible Health Plan" means the high deductible health plan offered by the Employer that is intended to qualify as a high deductible health plan under Code § 223(c)(2), as described in materials provided separately by the employer. The High Deductible Health Plan may or may not be the sole Medical Insurance Plan eligible for pre-tax Salary Reduction funding hereunder.

"Highly Compensated Employee" means any Employee defined as such in section 414(q) of the Code.

"HIPAA" means the Health Insurance Portability and Accountability Act of 1996, as amended.

"HSA Benefits" has the meaning described in Section 7.1.

"HSA-Eligible Individual" means an individual who is eligible to contribute to an HSA under Code § 223 and who has elected qualifying High Deductible Health Plan coverage offered by the Employer and who has not elected any disqualifying non-High Deductible Health Plan coverage offered by the Employer.

"Key Employee" means any Employee defined as such in section 416(I) (l) of the Code.

"Medical Insurance Benefits" means a health care coverage option, available from time to time under the Plan, as set forth in Schedule A hereto.

"Participant" means any Eligible Employee who has met the conditions for participation set forth in Section 2.

"Participating Employer" means City of Kuna, Idaho and any Affiliated Company that adopts this Plan with the consent of the Employer. As of the Effective Date, the Employer is the only Participating Employer.

"Plan" means the City of Kuna, Idaho Premium Only Plan which is described herein and as amended from time to time, and which is intended to constitute a separate, written Plan for the exclusive benefit of Eligible Employees.

"Plan Number" or "PN" assigned by City of Kuna, Idaho is 501.

"Plan Sponsor" means City of Kuna, Idaho ("Employer").

"Plan Year" means the twelve-month period commencing each January 1 and ending on the subsequent December 31.

"Premium Payment Benefits" means the amount set aside for Medical Insurance Benefits under Section 3.2 and credited to the Participant's Premium Only Account.

"Premium Only Account" means the account established in each Participant's name as provided under Section 3.2 and which is used to record the allocation of Premium Payment Benefits for the expenditure of the Medical Insurance Benefits elected by a Participant.

"Premium Expense" means the expense identified with the Medical Insurance Benefits elected by a Participant in accordance with Section 3.2.

"Qualified Benefits" For purposes of section 125, Qualified Benefits means benefits excludible from an employee's gross income under a specific provision of the Code and must not defer compensation, except as specifically allowed in section 125(d)(2)(B), (C) or (D). Examples of qualified benefits include the following: group-term life insurance on the life of an employee (section 79); or employer-provided accident and health plans. A cafeteria plan may also offer long-term and

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short-term disability coverage as a qualified benefit (see section 106). See paragraph (q) in Sec. 1.125-1 for nonqualified benefits.

"QMCSO" means a qualified medical child support order, as defined in ERISA Section 609(a).

"Salary Reduction Agreement" means a voluntary agreement whereby an Employee agrees to reduce his compensation for the forthcoming Plan Year (or, if the agreement becomes effective after the beginning of the Plan Year, for the balance of the Plan Year) for purposes of obtaining the Medical Insurance Benefits offered by the Plan.

"Spouse" means an individual who is legally married to a Participant as determined under applicable state law (and who is treated as a spouse under the Code).

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Section 2

PARTICIPATION IN THE PLAN

2.1 Eligibility to Participate. Each Eligible Employee may elect to participate in the Plan if the Individual satisfies all of the following: (a) is an Employee of a Participating Employer; (b) is working 30 or more hours per week; and (c) has been employed by the Employer for one month. Eligibility shall also be subject to the additional requirements, if any, specified in the Medical Insurance Plan.

Self-employed individuals are not eligible to participate in the Plan. New proposed regulations make clear that:

- sole proprietors,
- partners,
- directors of corporations, and
- 2-percent shareholders of an S corporation

are not employees for purposes of this Plan. (C Corporation owners who are employees and a director of the Corporation are eligible to participate in the Plan in their capacity as an Employee).

2.2 Procedure for and Effect of Participation. An Eligible Employee may become a Participant in the Plan by executing a Salary Reduction Agreement under which the Employee agrees to reduce his Compensation for the forthcoming Plan Year (or, if such Salary Reduction Agreement becomes effective after the beginning of the Plan Year, for the balance of the Plan Year). The Salary Reduction Agreement shall be governed by Section 3 hereof. By becoming a Participant, each individual shall for all purposes be deemed conclusively to have consented to the provisions of the Plan and all amendments thereto.

An Eligible Employee's spouse or dependents can only receive benefits through the Plan if they are named on an eligible Employee's qualifying policy. Eligible Employee's spouse or dependents can not participate in the Plan independently.

2.3 Cessation of Participation. A Participant will cease to be a Participant as of the earliest of:

A. the date on which the Plan terminates;

B. the date on which he ceases (because of retirement, termination of employment, layoff, reduction of hours, or any other reason) to be an Eligible Employee. Notwithstanding the foregoing, for purposes of pre-taxing COBRA coverage certain Employees may continue eligibility for periods on the terms and subject to the restrictions described in Section 6.4;

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C. the first day of any Plan Year for which he has elected not to participate in the Plan;

D. the date on which he revokes his election and elects not to participate in Medical Insurance Benefits, on account of and consistent with a change in family status in accordance with Section 4.3; or

E. the date on which he fails to make a contribution in accordance with Section 3.5.

Termination of participation in this Plan will automatically revoke the Participant's elections. The Medical Insurance Benefits will terminate as of the date specified in the Medical Insurance Plan.

Notwithstanding the foregoing, a former Eligible Employee who is absent by reason of sickness, disability, or other authorized leave of absence may continue as a Participant for so long as such authorized absence continues in accordance with such rules and regulations as the Participating Employer may direct.

2.4 Recommencement of Participation. If a Participant terminates his or her employment for any reason, including (but not limited to) disability, retirement, layoff, or voluntary resignation, and then is rehired within 30 days or less after the date of a termination of employment, then the Employee will be reinstated with the same elections that such individual had before termination. If a former Participant is rehired more than 30 days following termination of employment and is otherwise eligible to participate in the Plan, then the individual may make new elections as a new hire as described in Section 3.2. Notwithstanding the above, an election to participate in the Premium Payment Module will be reinstated only to the extent that coverage under the Medical Insurance Plan (here, major medical insurance) is reinstated. If an Employee becomes ineligible for any reason (other than for termination of employment), including (but not limited to) a reduction of hours, and then becomes an Eligible Employee again, the Employee must complete the waiting period described in Section 2.1 before again becoming eligible to participate in the Plan.

2.5 FMLA Leaves of Absence. Notwithstanding any provision to the contrary in this Plan, if a Participant goes on a qualifying leave under the FMLA, then to the extent required by the FMLA, the Employer will continue to maintain the Participant's Medical Insurance Benefits on the same terms and conditions as if the Participant were still an active Employee. That is, if the Participant elects to continue his or her coverage while on leave, the Employer will continue to pay its share of the Contributions.

An Employer may require participants to continue all Medical Insurance Benefit coverage for Participants while they are on paid leave (provided that Participants on non-FMLA paid leave are

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required to continue coverage). If so, the Participant's share of the Contributions shall be paid by the method normally used during any paid leave (e.g., on a pre-tax Salary Reduction basis).

In the event of unpaid FMLA leave (or paid FMLA leave where coverage is not required to be continued), a Participant may elect to continue his or her Medical Insurance Benefits during the leave. If the Participant elects to continue coverage while on FMLA leave, then the Participant may pay his or her share of the Contributions in one of the following ways:

- with after-tax dollars, by sending monthly payments to the Employer by the due date established by the Employer;
- with pre-tax dollars, by having such amounts withheld from the Participant's ongoing Compensation (if any), including unused sick days and vacation days, or pre-paying all or a portion of the Contributions for the expected duration of the leave on a pre-tax Salary Reduction basis out of pre-leave Compensation. To pre-pay the Contributions, the Participant must make a special election to that effect prior to the date that such Compensation would normally be made available (pre-tax dollars may not be used to fund coverage during the next Plan Year); or
- under another arrangement agreed upon between the Participant and the Plan Administrator (e.g., the Plan Administrator may fund coverage during the leave and withhold "catch-up" amounts from the Participant's Compensation on a pre-tax or after-tax basis) upon the Participant's return.

If the Employer requires all Participants to continue Medical Insurance Benefits during an unpaid FMLA leave, then the Participant may elect to discontinue payment of the Participant's required Contributions until the Participant returns from leave. Upon returning from leave, the Participant will be required to repay the Contributions not paid by the Participant during the leave. Payment shall be withheld from the Participant's Compensation either on a pre-tax or after-tax basis, as agreed to by the Plan Administrator and the Participant.

If a Participant's Medical Insurance Benefits coverage ceases while on FMLA leave (e.g., for non-payment of required contributions), then the Participant is permitted to re-enter the Medical Insurance Benefits upon return from such leave on the same basis as when the Participant was participating in the Plan prior to the leave, or as otherwise required by the FMLA. In addition, the Plan may require Participants whose Medical Insurance Benefits coverage terminated during the leave to be reinstated in such coverage upon return from a period of unpaid leave, provided that Participants who return

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from a period of unpaid, non-FMLA leave are required to be reinstated in such coverage.

2.6 Non-FMLA Leaves of Absence. If a Participant goes on an unpaid leave of absence that does not affect eligibility, then the Participant will continue to participate and the Contributions due for the Participant will be paid by pre-payment before going on leave, by after-tax contributions while on leave, or with catch-up contributions after the leave ends, as may be determined by the Plan Administrator. If a Participant goes on an unpaid leave that affects eligibility, then the election change rules in Section 4.4(d) will apply.

2.7 Uniformed Service Under USERRA. A Participant who is absent from employment with the Employer on account of being in "uniformed service", as that term is defined by the Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA"), may elect to continue participation in the Plan. The coverage period shall extend for the lesser of 24 months or until the Participant fails to apply for reinstatement or to return to employment with the Employer. The Participant shall be responsible for making the required contributions during the period during which he or she is in "uniformed service". The manner in which such payments are made shall be determined by the Plan Administrator, in a manner similar to Section 2.5 (regarding the payment of contributions with respect to FMLA Leave). A Participant whose coverage under the group health insurance plan is terminated on account of his or her being in "uniformed service", and is later reinstated, shall not be subject to a new exclusion or waiting period requirement imposed by such group health plan and/or medical savings account, provided that such requirements would not have been imposed if coverage had not been terminated as a result of the "uniformed service".

2.8 Definition of Dependent. Any individual who is a tax dependent of the Participant as defined in Code § 152, with the following exceptions: (1) a dependent is defined as in Code § 152, determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof; and (2) a dependent means any child (as defined in Code § 152(f)(1)) of the Participant who as of the end of the taxable year has not attained age 27, and (3) a dependent means any child to whom IRS Rev. Proc. 2008-48 applies (regarding a child of divorced parents, etc., where one or both parents have custody of the child for more than half of the calendar year and where the parents together provide more than half of the child's support for the calendar year), is treated as a dependent of both parents.

The definition of "Dependent" has been revised under Section 152 of the Code by the Working Families Tax Relief Act of 2005 (WFTRA). An individual is considered to be a dependent if he or she is a qualifying child or qualifying relative of the taxpayer.

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The following qualifying criteria now apply to be a "dependent child":

1) The individual has a specific family type relationship to the taxpayer
2) The individual does not provide more than half of his or her own support
3) The individual has the same place of residence as the taxpayer for more than half of the year
4) The individual does not turn age 19 (24 if a full-time student)*, by the end of the Plan Year

In addition, the following qualifying criteria apply to be a "dependent relative":

1) The individual has a specific family type relationship to the taxpayer
2) The individual is not a qualifying child of any other taxpayer
3) The individual receives more than half of his or her support from the taxpayer
4) The individual's annual gross income is less than the Section 151 limit (this criteria does not apply to health plans)

In the case of an individual who is permanently and totally disabled (as defined in Code Section 22(e)(3)) at any time during such calendar year, the age requirement for a qualifying child does not apply.

No person shall be considered a Dependent of more than one Employee. If both an Employee and an Employee's spouse are employed by Employer dependent children may be covered by either spouse, but not by both.

***NOTE:** the Internal Revenue Service (the "IRS") **Notice 2010-38** (the "**Notice**") provides important guidance regarding the tax treatment of employer-provided health coverage to employees' adult children who have not attained age 27 as of the end of the employee's taxable year. Treasury regulations have been amended retroactively to March 30, 2010, to allow both the amounts paid by an employer for coverage for an employee's adult children and the amounts paid by (or reimbursed to) the employee for such coverage to be excluded from the employee's gross income, in the same manner as coverage that is provided to an employee's spouse or dependent defined under Section 152 of the Code. This coverage is provided to such adult child (as defined in Code § 152(f)(1)) regardless of whether the child satisfies the other requirements listed above. The **Notice** provides important guidance and further clarifications with regard to these issues.

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Section 3

BENEFITS AND METHODS OF FUNDING

3.1 Benefits Offered. When first eligible or during the Open Enrollment Period as described under Section 2.2, Participants will be given the opportunity to elect Premium Payment Benefits, as described in Section 6. See Schedule A for a complete description of available benefits and refer to specific insurance premium rate sheets for individual maximum elective contribution.

3.2 Premium Payment Benefits. Upon proper election by a Participant in accordance with Section 3.3 herein, there shall be credited to each Participant's Premium Only Account any Premium Payment Benefits that correspond to the Participant's Salary Reduction Agreement determined in accordance with Section 3.3 hereof. Such Premium Payment Benefits shall not exceed the Premium Expense of the Medical Insurance Benefits elected, set forth in Schedule A attached hereto, as it may be revised by the Employer from time to time. The Participant's Premium Payment Benefits shall be credited as and when such sum is redirected from the Participant's compensation pursuant to the Salary Reduction Agreement then in effect. The Premium Payment Benefits shall be used to pay all or part of the Premium Expense of the Medical Insurance Benefits that the Participant has designated pursuant to Section 3.3. The Premium Expense paid on behalf of any Participant shall be a charge to the balance of his Premium Only Account. It is specifically the Participant's responsibility regarding insurance premium reimbursement not to request anything that could violate the terms of their insurance policy.

3.3 Election of Benefits. An Employee who first becomes eligible to participate in the Plan mid-year may elect to commence participation in one or more Benefits after eligibility requirements have been satisfied, provided that an Election Form/Salary Reduction Agreement is submitted to the Plan Administrator before the date in which participation will commence.

Each Eligible Employee shall submit to the Employer, before the close of the Enrollment Period for each Plan Year, or when Employee first becomes eligible, a Salary Reduction Form identifying the Medical Insurance Benefits to be provided by the Employer to or on behalf of the Eligible Employee. An Employee who does not elect benefits when first eligible may not enroll until the next Open Enrollment Period, unless an event occurs that would justify a mid-year election change, as described under Section 4.4.

Each election under this Section 3.3 may be modified by the Employer to the extent required to enable the Plan, and payments hereunder, to satisfy the requirements of Section 125 of the Code. If

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an Eligible Employee separates from service with a Participating Employer during a period in which he is covered under Medical Insurance Benefits, the Employer may terminate the remaining portion of Medical Insurance Benefits coverage provided by the Plan. Any Participant or newly Eligible Employee who fails to execute an appropriate Salary Reduction Agreement during the Enrollment Period shall be deemed to have elected cash compensation (regular income) to the extent permissible.

3.4 Provision of Benefits. The Participating Employer shall provide the Medical Insurance Benefits the Participant has elected under the Plan. Eligibility for Premium Payment Benefits shall be subject to the additional requirements specified in the Medical Insurance Plan. The provisions of this Plan are not intended to override any exclusions, eligibility requirements, or waiting periods specified in the Medical Insurance Plan. It is specifically the Participant's responsibility regarding insurance premium reimbursement not to request anything that could violate the terms of their insurance policy.

3.5 Employer and Employee Contributions.

Employer Contributions. For Employees who elect Premium Payment Benefits, the Employer will contribute a portion of the Contributions (if applicable) as provided in the open enrollment materials furnished to Employees and/or on Election Form/Salary Reduction Agreement.

Employee Contributions. Employees who elect any of the Premium Payment Benefits, may pay for the cost of that coverage on a pre-tax Salary Reduction basis by completing an Election Form/Salary Reduction Agreement, or may pay with after-tax deductions.

If a Participant does not have sufficient Premium Payment Benefits to pay for the Medical Insurance Benefits elected, the Participating Employer is authorized to withhold the additional amounts from a Participant's pay on an after-tax basis to the extent required for said Medical Insurance Benefits.

Participants are required to increase or decrease their payments under the terms of the Plan and as required by the Plan Administrator, if there is an increase or decrease in the premium payments required by an independent, third party provider in order to maintain any Medical Insurance Benefits.

Notwithstanding the foregoing, Medical Insurance Benefits shall cease to be provided to a Participant if said Participant fails to make a contribution required under the terms of the Plan.

3.6 Nondiscrimination. Contributions and benefits under the Plan shall not discriminate in favor of Highly Compensated Employees; nor shall the aggregate cost of the Medical Insurance Benefits provided to Key Employees exceed 25% of the aggregate of such cost for the Medical Insurance Benefits provided to all Employees under the Plan. The Employer may limit or deny any

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Employee's Salary Reduction Agreement to the extent necessary to avoid any such discrimination.

3.7 Insurance Contracts. Any dividends or retroactive rates or other refunds which may become payable under any Medical Insurance Benefits due to actuarial error in rate calculation shall be the exclusive property of and shall be retained by a Participating Employer.

3.8 Using Salary Reductions to Make Contributions. Salary Reductions are applied by the Employer to pay for the Participant's share of the Contributions for the Premium Payment Benefits and for the purposes of this Plan and the Code, are considered to be Employer contributions. It is specifically the Participant's responsibility regarding insurance premium reimbursement not to request anything that could violate the terms of their insurance policy.

If, as of the date that any elected coverage under this Plan terminates, a Participant's year-to-date Salary Reductions exceed or are less than the Participant's required Contributions for the coverage, then the Employer will, as applicable, either return the excess to the Participant as additional taxable wages or recoup the due Salary Reduction amounts from any remaining Compensation.

For those Participants who elect to pay their share of the Contributions for any of the Medical Insurance Benefits with after-tax deductions, both the Employee and Employer portions of such Contributions will be paid outside of this Plan.

3.9 Funding the Plan. All of the amounts payable under this Plan shall be paid from the general assets of the Employer, but Premium Payment Benefits are paid as provided in the applicable insurance policy. Nothing herein will be construed to require the Employer or the Plan Administrator to maintain any fund or to segregate any amount for the benefit of any Participant, and no Participant or other person shall have any claim against, right to, or security or other interest in any fund, account, or asset of the Employer from which any payment under this Plan may be made. There is no trust or other fund from which Benefits are paid. While the Employer has complete responsibility for the payment of Benefits out of its general assets (except for Premium Payment Benefits paid as provided in the applicable insurance policy), it may hire an unrelated third-party paying agent to make Benefit payments on its behalf.

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Section 4

IRREVOCABILITY OF ELECTIONS AND EXCEPTIONS

4.1 Irrevocability of Elections. Except as described in this Article 4, a Participant's election under the Plan is irrevocable for the duration of the Period of Coverage to which it relates. In other words, unless an exception applies, the Participant may not change any elections for the duration of the Period of Coverage regarding:

- participation in this Plan;
- Salary Reduction amounts; or
- election of particular Benefit Package Options.

4.2 Procedure for Making New Elections if Exception to Irrevocability Applies.

(a) *Timeframe for Making New Election.* A Participant (or an Eligible Employee who, when first eligible under Section 2.1 or during the Open Enrollment Period under Section 2.2, declined to be a Participant) may make a new election within 30 days of the occurrence of an event described in Section 4.4, as applicable, but only if the election under the new Election Form/Salary Reduction Agreement is made on account of and is consistent with the event and if the election is made within any specified time period (e.g., for Sections 4.4(d) through 4.4(i), within 30 days after the events described in such Sections, or within 60 days for loss of Medicaid or CHIP coverage or notice of eligibility for a Premium Assistance Subsidy). Notwithstanding the foregoing, a Change in Status (e.g., a divorce or a dependent's losing student status) that results in a beneficiary becoming ineligible for coverage under the Medical Insurance Plan shall automatically result in a corresponding election change, whether or not requested by the Participant within the normal 30-day period.

(b) *Effective Date of New Election.* Elections made pursuant to this Section 4.2 shall be effective for the balance of the Period of Coverage following the change of election unless a subsequent event allows for a further election change. Except as provided in Section 4.4(e) for HIPAA special enrollment rights in the event of birth, adoption, or placement for adoption, all election changes shall be effective on a prospective basis only (i.e., election changes will become effective no earlier than the first day of the next calendar month following the date that the election change was filed, but, as determined by the Plan Administrator, election changes may become effective later to the extent that the coverage in the applicable Benefit Package Option commences later).

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4.3 Change in Status Defined. A Participant may make a new election upon the occurrence of certain events as described in Section 4.4, including a Change in Status, for the applicable Module. "Change in Status" means any of the events described below, as well as any other events included under subsequent changes to Code § 125 or regulations issued thereunder, which the Plan Administrator, in its sole discretion and on a uniform and consistent basis, determines are permitted under IRS regulations and under this Plan:

(a) *Legal Marital Status.* A change in a Participant's legal marital status, including marriage, death of a Spouse, divorce, legal separation, or annulment;

(b) *Number of Dependents.* Events that change a Participant's number of Dependents, including birth, death, adoption, and placement for adoption;

(c) *Employment Status.* Any of the following events that change the employment status of the Participant or his or her Spouse or Dependents: (1) a termination or commencement of employment; (2) a strike or lockout; (3) a commencement of or return from an unpaid leave of absence; (4) a change in worksite; and (5) if the eligibility conditions of this Plan or other employee benefits plan of the Participant or his or her Spouse or Dependents depend on the employment status of that individual and there is a change in that individual's status with the consequence that the individual becomes (or ceases to be) eligible under this Plan or other employee benefits plan, such as if a plan only applies to salaried employees and an employee switches from salaried to hourly-paid, union to non-union, or full-time to part-time (or vice versa), with the consequence that the employee ceases to be eligible for the Plan;

(d) *Dependent Eligibility Requirements.* An event that causes a Dependent to satisfy or cease to satisfy the Dependent eligibility requirements for a particular benefit, such as attaining a specified age, Student status, or any similar circumstance; and

(e) *Change in Residence.* A change in the place of residence of the Participant or his or her Spouse or Dependents.

4.4 Events Permitting Exceptions to Irrevocability Rule for All Benefits. A Participant may change an election as described below upon the occurrence of the stated events for the applicable Module of this Plan:

(a) *Open Enrollment Period* - A Participant may change an election during the Open Enrollment Period in accordance with Section 2.2.

(b) *Termination of Employment* - A Participant's election will terminate under the Plan upon

termination of employment in accordance with Sections 2.3 and 2.4, as applicable.

(c) *Leaves of Absence* - A Participant may change an election under the Plan upon FMLA leave in accordance with Section 2.5 and upon non-FMLA leave in accordance with Section 2.6.

(d) *Change in Status* - A Participant may change his or her actual or deemed election under the Plan upon the occurrence of a Change in Status (as defined in Section 4.3), but only if such election change is made on account of and corresponds with a Change in Status that affects eligibility for coverage under a plan of the Employer or a plan of the Spouse's or Dependent's employer (referred to as the general consistency requirement). A Change in Status that affects eligibility for coverage under a plan of the Employer or a plan of the Spouse's or Dependent's employer includes a Change in Status that results in an increase or decrease in the number of an Employee's family members (i.e., a Spouse and/or Dependents) who may benefit from the coverage.

The Plan Administrator, in its sole discretion and on a uniform and consistent basis, shall determine, based on prevailing IRS guidance, whether a requested change is on account of and corresponds with a Change in Status. Assuming that the general consistency requirement is satisfied, a requested election change must also satisfy the following specific consistency requirements in order for a Participant to be able to alter his or her election based on the specified Change in Status:

(1) *Loss of Spouse or Dependent Eligibility; Special COBRA Rules.* For a Change in Status involving a Participant's divorce, annulment or legal separation from a Spouse, the death of a Spouse or a Dependent, or a Dependent's ceasing to satisfy the eligibility requirements for coverage, a Participant may only elect to cancel accident or health insurance coverage for (a) the Spouse involved in the divorce, annulment, or legal separation; (b) the deceased Spouse or Dependent; or (c) the Dependent that ceased to satisfy the eligibility requirements. Canceling coverage for any other individual under these circumstances would fail to correspond with that Change in Status. Notwithstanding the foregoing, if the Participant or his or her Spouse or Dependent becomes eligible for COBRA (or similar health plan continuation coverage under state law) under the Employer's plan (and the Participant remains a Participant under this Plan in accordance with Section 2.2), then the Participant may increase his or her election to pay for such coverage (this rule does not apply to a Participant's Spouse who becomes eligible for COBRA or similar coverage as a

result of divorce, annulment, or legal separation).

IRS Notice 2010-38 states that the applicable Treasury regulations have been amended March 30, 2010, to include Change in Status events covering children under age 27 who do not otherwise qualify as dependent children, including becoming newly eligible for coverage or eligible for coverage beyond the date on which the child otherwise would have lost coverage.

(2) *Gain of Coverage Eligibility Under Another Employer's Plan.* For a Change in Status in which a Participant or his or her Spouse or Dependent gains eligibility for coverage under a cafeteria plan or qualified benefit plan of the employer of the Participant's Spouse or Dependent as a result of a change in marital status or a change in employment status, a Participant may elect to cease or decrease coverage for that individual only if coverage for that individual becomes effective or is increased under the Spouse's or Dependent's employer's plan. The Plan Administrator may rely on a Participant's certification that the Participant has obtained or will obtain coverage under the Spouse's or Dependent's employer's plan, unless the Plan Administrator has reason to believe that the Participant's certification is incorrect.

(e) *HIPAA Special Enrollment Rights* - If a Participant or his or her Spouse or Dependent is entitled to special enrollment rights under a group health plan, as required by HIPAA under Code § 9801(f), then a Participant may revoke a prior election for group health plan coverage and make a new election, provided that the election change corresponds with such HIPAA special enrollment right. As required by HIPAA, a special enrollment right will arise if:

- a Participant or his or her Spouse or Dependent declined to enroll in group health plan coverage because he or she had other coverage, and eligibility for such other coverage is subsequently lost due to legal separation, divorce, death, termination of employment, reduction in hours, or exhaustion of the maximum COBRA period, or the other coverage was non-COBRA coverage and employer contributions for such coverage were terminated; or
- a new Dependent is acquired as a result of marriage, birth, adoption, or placement for adoption. An election to add previously eligible Dependents as a result of the acquisition of a new Spouse or Dependent child shall be considered to be consistent with the special enrollment right. An election change on account of a HIPAA special enrollment attributable to the birth, adoption, or placement for adoption of a new Dependent child

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may, subject to the provisions of the underlying group health plan, be effective retroactively (up to 30 days).

- a Participant or their Dependent becomes eligible for a Premium Assistance Subsidy (60 day special enrollment period provided by CHIP Reauthorization Act effective April 1, 2009).
- a Participant or their Dependent loses Medicaid or CHIP coverage (60 day special enrollment period provided by CHIP Reauthorization Act effective April 1, 2009).

(f) *Certain Judgments, Decrees and Orders* - If a judgment, decree, or order (collectively, an "Order") resulting from a divorce, legal separation, annulment, or change in legal custody (including a QMCSO) requires accident or health coverage for a Participant's child (including a foster child who is a Dependent of the Participant), then a Participant may (1) change his or her election to provide coverage for the child (provided that the Order requires the Participant to provide coverage); or (2) change his or her election to revoke coverage for the child if the Order requires that another individual (including the Participant's Spouse or former Spouse) provide coverage under that individual's plan and such coverage is actually provided.

(g) *Medicare and Medicaid* - If a Participant or his or her Spouse or Dependent who is enrolled in a health or accident plan under this Plan becomes entitled to (i.e., becomes enrolled in) Medicare or Medicaid (other than coverage consisting solely of benefits under Section 1928 of the Social Security Act providing for pediatric vaccines), then the Participant may prospectively reduce or cancel the health or accident coverage of the person becoming entitled to Medicare or Medicaid, but coverage for the unaffected Participants may not be canceled or reduced. Furthermore, if a Participant or his or her Spouse or Dependent who has been entitled to Medicare or Medicaid loses eligibility for such coverage, then the Participant may prospectively elect to commence or increase the accident or health coverage of the individual who loses Medicare or Medicaid eligibility.

(h) *Change in Cost* - For purposes of this Section 4.4(h), "similar coverage" means coverage for the same category of benefits for the same individuals (e.g., family to family or single to single). For example, two plans that provide major medical coverage are considered to be similar coverage. For purposes of this definition, (1) a health FSA is not similar coverage with respect to an accident or health plan that is not a health FSA; (2) an HMO and a PPO are considered to be similar coverage; and (3) coverage by another employer, such as a Spouse's or

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Dependent's employer, may be treated as similar coverage if it otherwise meets the requirements of similar coverage.

(1) *Increase or Decrease for Insignificant Cost Changes.* Participants are required to increase their elective contributions (by increasing Salary Reductions) to reflect insignificant increases in their required contribution for their Benefit Package Option(s), and to decrease their elective contributions to reflect insignificant decreases in their required contribution. The Plan Administrator, in its sole discretion and on a uniform and consistent basis, will determine whether an increase or decrease is insignificant based upon all the surrounding facts and circumstances, including but not limited to the dollar amount or percentage of the cost change. The Plan Administrator, on a reasonable and consistent basis, will automatically effectuate this increase or decrease in affected employees' elective contributions on a prospective basis.

(2) *Significant Cost Increases.* If the Plan Administrator determines that the cost charged to an Employee of a Participant's Benefit Package Option(s) (such as the PPO for the Medical Insurance Plan) significantly increases during a Period of Coverage, then the Participant may (a) make a corresponding prospective increase in his or her elective contributions (by increasing Salary Reductions); (b) revoke his or her election for that coverage, and in lieu thereof, receive on a prospective basis coverage under another Benefit Package Option that provides similar coverage (such as an HMO); or (c) drop coverage prospectively if there is no other Benefit Package Option available that provides similar coverage. The Plan Administrator, in its sole discretion and on a uniform and consistent basis, will decide whether a cost increase is significant in accordance with prevailing IRS guidance.

(3) *Significant Cost Decreases.* If the Plan Administrator determines that the cost of any Benefit Package Option (such as the PPO for the Medical Insurance Plan) significantly decreases during a Period of Coverage, then the Plan Administrator may permit the following election changes: (a) Participants who are enrolled in a Benefit Package Option other than the Benefit Package Option that has decreased in cost may change their election on a prospective basis to elect the Benefit Package Option that has decreased in cost (such as the PPO for the Medical Insurance Plan); and (b) Employees who are otherwise eligible under Section 2.1 may elect the Benefit Package Option that has decreased in cost (such as the PPO) on a prospective basis, subject to the terms and limitations of the Benefit Package

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Option. The Plan Administrator, in its sole discretion and on a uniform and consistent basis, will decide whether a cost decrease is significant in accordance with prevailing IRS guidance.

(i) *Change in Coverage* - The definition of "similar coverage" under Section 4.4(h) applies also to this Section 4.4(i).

(1) *Significant Curtailment.* If coverage is "significantly curtailed" (as defined below), Participants may elect coverage under another Benefit Package Option that provides similar coverage. In addition, as set forth below, if the coverage curtailment results in a "Loss of Coverage" (as defined below), then Participants may drop coverage if no similar coverage is offered by the Employer. The Plan Administrator in its sole discretion, on a uniform and consistent basis, will decide, in accordance with prevailing IRS guidance, whether a curtailment is "significant," and whether a Loss of Coverage has occurred.

(a) *Significant Curtailment Without Loss of Coverage.* If the Plan Administrator determines that a Participant's coverage under a Benefit Package Option under this Plan (or the Participant's Spouse's or Dependent's coverage under his or her employer's plan) is significantly curtailed without a Loss of Coverage (for example, when there is a significant increase in the deductible, the co-pay, or the out-of-pocket cost-sharing limit under an accident or health plan, such as the PPO under the Medical Insurance Plan) during a Period of Coverage, the Participant may revoke his or her election for the affected coverage, and in lieu thereof, prospectively elect coverage under another Benefit Package Option that provides similar coverage (such as the HMO). Coverage under a plan is deemed to be "significantly curtailed" only if there is an overall reduction in coverage provided under the plan so as to constitute reduced coverage generally.

(b) *Significant Curtailment With a Loss of Coverag*e. If the Plan Administrator determines that a Participant's Benefit Package Option (such as the PPO under the Medical Insurance Plan) coverage under this Plan (or the Participant's Spouse's or Dependent's coverage under his or her employer's plan) is significantly curtailed, and if such curtailment results in a Loss of Coverage during a Period of Coverage, then the Participant may revoke his or her election for the affected coverage and may either prospectively elect coverage under another Benefit Package Option that provides similar

coverage (such as the HMO) or drop coverage if no other Benefit Package Option providing similar coverage is offered by the Employer.

(c) *Definition of Loss of Coverage.* For purposes of this Section 4.4(i)(1), a "Loss of Coverage" means a complete loss of coverage (including the elimination of a Benefit Package Option, an HMO ceasing to be available where the Participant or his or her Spouse or Dependent resides, or a Participant or his or her Spouse or Dependent losing all coverage under the Benefit Package Option by reason of an overall lifetime or annual limitation). In addition, the Plan Administrator, in its sole discretion, on a uniform and consistent basis, may treat the following as a Loss of Coverage:

- a substantial decrease in the medical care providers available under the Benefit Package Option (such as a major hospital ceasing to be a member of a preferred provider network or a substantial decrease in the number of physicians participating in the PPO for the Medical Insurance Plan or in an HMO);
- a reduction in benefits for a specific type of medical condition or treatment with respect to which the Participant or his or her Spouse or Dependent is currently in a course of treatment; or
- any other similar fundamental loss of coverage.

(2) *Addition or Significant Improvement of a Benefit Package Option.* If during a Period of Coverage the Plan adds a new Benefit Package Option or significantly improves an existing Benefit Package Option, the Plan Administrator may permit the following election changes: (a) Participants who are enrolled in a Benefit Package Option other than the newly added or significantly improved Benefit Package Option may change their elections on a prospective basis to elect the newly added or significantly improved Benefit Package Option; and (b) Employees who are otherwise eligible under Section 2.1 may elect the newly added or significantly improved Benefit Package Option on a prospective basis, subject to the terms and limitations of the Benefit Package Option. The Plan Administrator, in its sole discretion and on a uniform and consistent basis, will decide whether there has been an addition of, or a significant improvement in, a Benefit Package Option in accordance with prevailing IRS guidance.

(3) *Loss of Coverage Under Other Group Health Coverage.* A Participant may prospectively change his or her election to add group health coverage for the Participant or his or her

Spouse or Dependent, if such individual(s) loses coverage under any group health coverage sponsored by a governmental or educational institution, including (but not limited to) the following: a state children's health insurance program (SCHIP) under Title XXI of the Social Security Act; a medical care program of an Indian Tribal government (as defined in Code § 7701(a)(40)), the Indian Health Service, or a tribal organization; a state health benefits risk pool; or a foreign government group health plan, subject to the terms and limitations of the applicable Benefit Package Option(s). Beginning April 1, 2009, employees and dependents are permitted to enroll in the Employer's group health insurance plan within 60 days of the loss of Medicaid or CHIP coverage.

(4) *Change in Coverage Under Another Employer Plan.* A Participant may make a prospective election change that is on account of and corresponds with a change made under an employer plan (including a plan of the Employer or a plan of the Spouse's or Dependent's employer), so long as (a) the other cafeteria plan or qualified benefits plan permits its participants to make an election change that would be permitted under applicable IRS regulations; or (b) the Plan permits Participants to make an election for a Period of Coverage that is different from the plan year under the other cafeteria plan or qualified benefits plan. For example, if an election is made by the Participant's Spouse during his or her employer's open enrollment to drop coverage, the Participant may add coverage to replace the dropped coverage. The Plan Administrator, in its sole discretion and on a uniform and consistent basis, will decide whether a requested change is on account of and corresponds with a change made under the other employer plan, in accordance with prevailing IRS guidance.

A Participant entitled to change an election as described in this Section 4.4 must do so in accordance with the procedures described in Section 4.2.

4.5 Election Modifications For HSA Benefits May Be Changed Prospectively at Any Time

As set forth in Section 7.1, an election to make a Contribution to an HSA can be increased, decreased or revoked at any time on a prospective basis. Such election changes shall be effective no later than the first day of the next calendar month following the date that the election change was filed. No Benefit Package Option election changes can occur as a result of a change in HSA election except as otherwise described in this Section 4. A Participant entitled to change an election as described in this Section 4.5 must do so in accordance with the procedures described in Section 4.2.

4.6 Election Modifications Required by Plan Administrator. The Plan Administrator may, at any time, require any Participant or class of Participants to amend the amount of their Salary Reductions for a Period of Coverage if the Plan Administrator determines that such action is necessary or advisable in order to (a) satisfy any of the Code's nondiscrimination requirements applicable to this Plan or other cafeteria plan; (b) prevent any Employee or class of Employees from having to recognize more income for federal income tax purposes from the receipt of benefits hereunder than would otherwise be recognized; (c) maintain the qualified status of benefits received under this Plan; or (d) satisfy Code nondiscrimination requirements or other limitations applicable to the Employer's qualified plans. In the event that contributions need to be reduced for a class of Participants, the Plan Administrator will reduce the Salary Reduction amounts for each affected Participant, beginning with the Participant in the class who had elected the highest Salary Reduction amount and continuing with the Participant in the class who had elected the next-highest Salary Reduction amount, and so forth, until the defect is corrected.

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Section 5

PLAN ADMINISTRATOR

5.1 Plan Administrator. The administration of this Plan shall be under the supervision of the Plan Administrator. It is the principal duty of the Plan Administrator to see that this Plan is carried out, in accordance with its terms, for the exclusive benefit of persons entitled to participate in this Plan without discrimination.

5.2 Powers of the Plan Administrator. The Plan Administrator shall have such duties and powers as it considers necessary or appropriate to discharge its duties. It shall have the exclusive right to interpret the Plan and to decide all matters thereunder, and all determinations of the Plan Administrator with respect to any matter hereunder shall be conclusive and binding on all persons. Without limiting the generality of the foregoing, the Plan Administrator shall have the following discretionary authority:

(a) to construe and interpret this Plan, including all possible ambiguities, inconsistencies, and omissions in the Plan and related documents, and to decide all questions of fact, questions relating to eligibility and participation, and questions of benefits under this Plan;

(b) to prescribe procedures to be followed and the forms to be used by Employees and Participants to make elections pursuant to this Plan;

(c) to prepare and distribute information explaining this Plan and the benefits under this Plan in such manner as the Plan Administrator determines to be appropriate;

(d) to request and receive from all Employees and Participants such information as the Plan Administrator shall from time to time determine to be necessary for the proper administration of this Plan;

(e) to furnish each Employee and Participant with such reports with respect to the administration of this Plan as the Plan Administrator determines to be reasonable and appropriate, including appropriate statements setting forth the amounts by which a Participant's Compensation has been reduced in order to provide benefits under this Plan;

(f) to receive, review, and keep on file such reports and information regarding the benefits covered by this Plan as the Plan Administrator determines from time to time to be necessary and proper;

(g) to appoint and employ such individuals or entities to assist in the administration of this Plan as it determines to be necessary or advisable, including legal counsel and benefit

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consultants;

(h) to sign documents for the purposes of administering this Plan, or to designate an individual or individuals to sign documents for the purposes of administering this Plan;

(i) to secure independent medical or other advice and require such evidence as it deems necessary to decide any claim or appeal; and

(j) to maintain the books of accounts, records, and other data in the manner necessary for proper administration of this Plan and to meet any applicable disclosure and reporting requirements.

5.3 Reliance on Participant, Tables, etc. The Plan Administrator may rely upon the direction, information, or election of a Participant as being proper under the Plan and shall not be responsible for any act or failure to act because of a direction or lack of direction by a Participant. The Plan Administrator will also be entitled, to the extent permitted by law, to rely conclusively on all tables, valuations, certificates, opinions, and reports that are furnished by accountants, attorneys, or other experts employed or engaged by the Plan Administrator.

5.4 Provision for Third-Party Plan Service Providers. The Plan Administrator, subject to approval of the Employer, may employ the services of such persons as it may deem necessary or desirable in connection with the operation of the Plan. Unless otherwise provided in the service agreement, obligations under this Plan shall remain the obligation of the Employer.

5.5 Fiduciary Liability. To the extent permitted by law, the Plan Administrator shall not incur any liability for any acts or for failure to act except for their own willful misconduct or willful breach of this Plan.

5.6 Compensation of Plan Administrator. Unless otherwise determined by the Employer and permitted by law, any Plan Administrator that is also an Employee of the Employer shall serve without compensation for services rendered in such capacity, but all reasonable expenses incurred in the performance of their duties shall be paid by the Employer.

5.7 Bonding. The Plan Administrator shall be bonded to the extent required by ERISA.

5.8 Insurance Contracts. The Employer shall have the right (a) to enter into a contract with one or more insurance companies for the purposes of providing any benefits under the Plan; and (b) to replace any of such insurance companies or contracts. Any dividends, retroactive rate adjustments, or other refunds of any type that may become payable under any such insurance contract shall not be assets of the Plan but shall be the property of and be retained by the Employer, to the extent that such

amounts are less than aggregate Employer contributions toward such insurance.

5.9 Inability to Locate Payee. If the Plan Administrator is unable to make payment to any Participant or other person to whom a payment is due under the Plan because it cannot ascertain the identity or whereabouts of such Participant or other person after reasonable efforts have been made to identify or locate such person, then such payment and all subsequent payments otherwise due to such Participant or other person shall be forfeited following a reasonable time after the date any such payment first became due.

5.10 Effect of Mistake. In the event of a mistake as to the eligibility or participation of an Employee, the allocations made to the account of any Participant, or the amount of benefits paid or to be paid to a Participant or other person, the Plan Administrator shall, to the extent that it deems administratively possible and otherwise permissible under Code § 125 or the regulations issued thereunder, cause to be allocated or cause to be withheld or accelerated, or otherwise make adjustment of, such amounts as it will in its judgment accord to such Participant or other person the credits to the account or distributions to which he or she is properly entitled under the Plan. Such action by the Plan Administrator may include withholding of any amounts due to the Plan or the Employer from Compensation paid by the Employer.

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Section 6

PREMIUM ONLY PLAN MODULE

6.1 Benefits. The only Medical Insurance Benefits that are offered under the Premium Payment Module are benefits under the Medical Insurance Plan providing major medical benefits and other ancillary benefits outlined in Schedule A. Notwithstanding any other provision in this Plan, the Medical Insurance Benefits outlined in Schedule A are subject to the terms and conditions of the Medical Insurance Plans, and no changes can be made with respect to such Medical Insurance Benefits under this Plan (such as mid-year changes in election) if such changes are not permitted under the applicable Insurance Plan. An Eligible Employee can (a) elect benefits under the Premium Payment Module by electing to pay for his or her share of the Contributions for Medical Insurance Benefits on a pre-tax Salary Reduction basis (Premium Payment Benefits); or (b) elect no benefits under the Premium Payment Module and to pay for his or her share of the Contributions, if any, for Medical Insurance Benefits with after-tax deductions outside of this Plan. Unless an exception applies (as described in Section 4), such election is irrevocable for the duration of the Period of Coverage to which it relates. It is specifically the Participant's responsibility regarding insurance premium reimbursement not to request anything that could violate the terms of their insurance policy.

6.2 Contributions for Cost of Coverage. The annual Contribution for a Participant's Premium Payment Benefits is equal to the amount as set by the Employer, which may or may not be the same amount charged by the insurance carrier.

6.3 Medical Insurance Benefits Provided Under the Medical Insurance Plan. Medical Insurance Benefits will be provided by the Medical Insurance Plan(s), not this Plan. The types and amounts of Medical Insurance Benefits, the requirements for participating in the Medical Insurance Plan, and the other terms and conditions of coverage and benefits of the Medical Insurance Plans are set forth in the Medical Insurance Plans. All claims to receive benefits under the Medical Insurance Plans shall be subject to and governed by the terms and conditions of the Medical Insurance Plan(s) and the rules, regulations, policies, and procedures adopted in accordance therewith, as may be amended from time to time.

6.4 Medical Insurance Benefits and COBRA. Notwithstanding any provision to the contrary in this Plan, to the extent required by COBRA, a Participant and his or her Spouse and Dependents, as applicable, whose coverage terminates under the Medical Insurance Benefits because of a COBRA qualifying event (and who is a qualified beneficiary as defined under COBRA), shall be given the

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opportunity to continue on a self-pay basis the same coverage that he or she had under the Medical Insurance Plan the day before the qualifying event for the periods prescribed by COBRA. Such continuation coverage shall be subject to all conditions and limitations under COBRA. Contributions for COBRA coverage for Medical Insurance Benefits may be paid on a pre-tax basis for current Employees receiving taxable compensation (as may be permitted by the Plan Administrator on a uniform and consistent basis, but may not be prepaid from contributions in one Plan Year to provide coverage that extends into a subsequent Plan Year) where COBRA coverage arises either (a) because the Employee ceases to be eligible because of a reduction in hours; or (b) because the Employee's Dependent ceases to satisfy the eligibility requirements for coverage. For all other individuals (e.g., Employees who cease to be eligible because of retirement, termination of employment, or layoff), Contributions for COBRA coverage for Medical Insurance Benefits shall be paid on an after-tax basis (unless may be otherwise permitted by the Plan Administrator on a uniform and consistent basis, but may not be prepaid from contributions in one Plan Year to provide coverage that extends into a subsequent Plan Year).

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Section 7

HEALTH SAVINGS ACCOUNT (HSA) MODULE

7.1 HSA Benefits. An Eligible Employee can elect to participate in the HSA Module by electing to pay the Contributions on a pre-tax Salary Reduction basis to the Employee's HSA established and maintained outside the Plan by a trustee/custodian to which the Employer can forward contributions to be deposited (this funding feature constitutes the HSA Benefits offered under this Plan). As described in Section 4, such election can be increased, decreased or revoked prospectively at any time during the Plan Year, effective no later than the first day of the next calendar month following the date that the election change was filed.

HSA Benefits cannot be elected with Health FSA Benefits unless the Limited (Vision/ Dental/ Preventive Care) Health FSA Option is selected.

7.2 Contributions for Cost of Coverage for HSA; Maximum Limits. The annual Contribution for a Participant's HSA Benefits is equal to the annual benefit amount elected by the Participant (for example, if the maximum $6,650 annual benefit amount is elected, then the annual contribution amount is also $6,650). In no event shall the amount elected exceed the statutory maximum amount for HSA contributions applicable to the Participant's High Deductible Health Plan coverage option (i.e., single or family) for the calendar year in which the contribution is made. Effective January 1, 2016, the maximum HSA contribution amounts are $3,350 for single coverage and $6,750 for family coverage, indexed annually.

An additional catch-up Contribution ($1,000 each year) may be made for Participants who are age 55 or older. In addition, the maximum annual Contribution shall be reduced by any matching (or other) Employer Contribution made on the Participant's behalf other than pre-tax Salary Reductions made under the Plan.

7.3 Recording Contributions for HSA. As described in Section 7.5, the HSA is not an employer-sponsored employee benefit plan - it is an individual trust or custodial account separately established and maintained by a trustee/custodian outside the Plan. Consequently, the HSA trustee/custodian, not the Employer, will establish and maintain the HSA. The HSA trustee/custodian will be chosen by the Participant, not by the Employer. The Employer may, however, limit the number of HSA providers to whom it will forward contributions that the Employee makes via pre-tax Salary Reductions - such a list is not an endorsement of any particular HSA provider. The Plan Administrator will maintain records to keep track of HSA Contributions an Employee makes via pre-tax Salary Reductions, but it will not create a separate fund or otherwise segregate assets for this

purpose. The Employer has no authority or control over the funds deposited in a HSA.

7.4 Tax Treatment of HSA Contributions and Distributions. The tax treatment of the HSA (including contributions and distributions) is governed by Code § 223.

7.5 Trust/Custodial Agreement; HSA Not Intended to Be an ERISA Plan. HSA Benefits under this Plan consist solely of the ability to make Contributions to the HSA on a pre-tax Salary Reduction basis. Terms and conditions of coverage and benefits will be provided by and are set forth in the HSA, not this Plan. The terms and conditions of each Participant's HSA trust or custodial account are described in the HSA trust or custodial agreement provided by the applicable trustee/custodian to each electing Participant and are not a part of this Plan.

The HSA is not an employer-sponsored employee benefits plan. It is a savings account that is established and maintained by an HSA trustee/custodian outside this Plan to be used primarily for reimbursement of "qualified eligible medical expenses" as set forth in Code § 223(d)(2). The Employer has no authority or control over the funds deposited in a HSA. Even though this Plan may allow pre-tax Salary Reduction contributions to an HSA, the HSA is not intended to be an ERISA benefit plan sponsored or maintained by the Employer.

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Section 8

MISCELLANEOUS

8.1 Amendment and Termination. The Employer may amend or terminate this Plan at any time. The Employer may amend this Plan retroactively to enable the Plan to qualify as a cafeteria plan under section 125 of the Code. No amendment shall deprive any Participant or Beneficiary of any benefit to which he or she is entitled under this Plan with respect to contributions previously made; and no amendment shall provide for the use of funds or assets other than for the benefit of Employees and their Beneficiaries, except as may be specifically authorized by statute or regulation.

8.2 Effect of Plan on Employment. The Plan shall not be deemed to constitute a contract of employment between the Participating Employer and any Participant or to be consideration or an inducement for the employment of any Participant or Employee. Nothing contained in this Plan shall be deemed to give any Participant or Employee the right to be retained in the service of the Participating Employer or to interfere with the right of the Participating Employer to discharge any Participant or Employee at any time regardless of the effect which such discharge will have upon him or her as a Participant of this Plan.

8.3 Alienation of Benefits. No benefit under this Plan may be voluntarily or involuntarily assigned or alienated, except as provided pursuant to a Qualified Medical Child Support Order pursuant to Section 609 of ERISA and Section 7.4 hereof.

8.4 Facility of Payment. If the Employer deems any person incapable of receiving benefits to which he is entitled by reason of not having reached the age of majority, illness, infirmity, or other incapacity, it may direct that payment be made directly for the benefit of such person or to any person selected by a Participating Employer to disburse it, whose receipt shall be a complete acquittance therefore. Such payments shall, to the extent thereof, discharge all liability of the Participating Employer.

8.5 Proof of Claim. As a condition of receiving benefits under the Plan, any person may be required to submit whatever proof the Plan Administrator may require either directly to the Plan Administrator or to any person delegated by him/her.

8.6 Status of Benefits. The Employer believes that this Plan is in compliance with section 125 of the Code and that it provides certain benefits to Employees which are tax free pursuant to other provisions of the Code. This Plan has not been submitted to the Internal Revenue Service for approval and thus there can be and is no assurance that intended tax benefits will be available. Any

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Participant, by accepting benefits under this Plan, agrees to be liable for any tax that may be imposed with respect to those benefits, plus any interest as may be imposed.

8.7 Applicable Law. The Plan shall be construed and enforced according to the laws of the State of Idaho to the extent not preempted by any federal law.

8.8 Source of Benefits. The Participating Employer and any insurance company contracts purchased or held by a Participating Employer shall be the sole sources of benefits under the Plan. No Employee or Beneficiary shall have any right to, or interest in, any assets of the Participating Employer upon termination of employment or otherwise, except as provided from time to time under the Plan, and then only to the extent of the benefits payable under the Plan to such Employee or Beneficiary.

8.9 No Reversion to Employer. At no time shall any part of Plan assets be used for, or diverted to, purposes other than the exclusive benefit of Participants or their Beneficiaries, or for defraying reasonable expenses of administering the Plan.

8.10 Severability. If any provision of this Plan shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision, and this Plan shall be construed and enforced as if such provision had not been included.

8.11 Heirs and Assigns. This Plan shall be binding upon the heirs, executors, administrators, successors and assigns of all parties, including each Participant and Beneficiary.

8.12 Headings and Captions. The headings and captions set forth in the Plan are provided for convenience only, shall not be considered part of the Plan, and shall not be employed in construction of the Plan.

8.13 Information to be Furnished. Participants shall provide the Employer and/or Participating Employer with such information and shall complete and sign such forms and documents, as may reasonably be requested from time to time for the Purpose of administration of the Plan.

Executed January 1, 2016

CITY OF KUNA, IDAHO

By:_____ Witness: _____
John Marsh

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CITY OF KUNA, IDAHO

Schedule A

MEDICAL CARE COVERAGE OPTIONS UNDER THE PLAN*:

NAME OF COVERAGE

Health Insurance
HSA High Deductible Group Health Insurance
HSA Tax-Free Savings Account
Dental Insurance
Vision Insurance
Cancer Insurance
Intensive Care Insurance
Accident Insurance
Hospital Indemnity Insurance

*The Employee contributions necessary to obtain the coverage options set forth in this Schedule A above will be communicated by the Employer to Eligible Employees at the time of Enrollment and in Schedule B. The required Employee contribution amounts will be considered as the maximum elective Employee contributions necessary for participation in each Plan option above. It is specifically the Participant's responsibility regarding insurance premium reimbursement not to request anything that could violate the terms of their insurance policy.

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CITY OF KUNA, IDAHO

Schedule B

FORMULA FOR EMPLOYEE CONTRIBUTIONS UNDER THE PLAN

The following description of the Employee Contribution per Participant may be expressed as a percentage of monthly cost, or as a flat monthly dollar amount. If the formula for Employee contributions varies by class of Employees, the Employer Sponsor assumes full responsibility for its Employer contribution design.*

Name of Benefit Plans To Be Offered		Employee Only	Employee & Child(ren)	Employee & Spouse	Employee & Family
Health Insurance	ER	$/% 100%	$/% 50%	$/% 50%	$/% 50%
	EE	$/%	$/% 50%	$/% 50%	$/% 50%
HSA High Deductible Health Ins.	ER	$/% 100%	$/% 50%	$/% 50%	$/% 50%
	EE	$/%	$/% 50%	$/% 50%	$/% 50%
HSA Tax-Free Savings Account	ER	$/%	$/%	$/%	$/%
	EE	$/%	$/%	$/%	$/%
Dental Insurance	ER	$/% 100%	$/%	$/%	$/%
	EE	$/%	$/% 100%	$/% 100%	$/% 100%
Vision Insurance	ER	$/% 100%	$/%	$/%	$/%
	EE	$/%	$/% 100%	$/% 100%	$/% 100%
Cancer Insurance	ER	$/%	$/%	$/%	$/%
	EE	$/% 100%	$/%	$/%	$/%
Intensive Care Insurance	ER	$/%	$/%	$/%	$/%
	EE	$/% 100%	$/%	$/%	$/%
Accident Insurance	ER	$/%	$/%	$/%	$/%
	EE	$/% 100%	$/%	$/%	$/%
Hospital Indemnity Insurance	ER	$/%	$/%	$/%	$/%
	EE	$/% 100%	$/%	$/%	$/%
	ER	$/%	$/%	$/%	$/%
	EE	$/%	$/%	$/%	$/%
	ER	$/%	$/%	$/%	$/%
	EE	$/%	$/%	$/%	$/%
	ER	$/%	$/%	$/%	$/%
	EE	$/%	$/%	$/%	$/%
	ER	$/%	$/%	$/%	$/%
	EE	$/%	$/%	$/%	$/%

*An asterisk in the premium column means there are multiple rates based on age, sex, or other demographics. Please refer to specific insurance carrier premium rate sheets for individual maximum elective contribution.

In no event shall the existence of any Employer contributions for monthly premium costs, as indicated above, be construed to require the Employer to pay or otherwise be liable for any deductible, coinsurance, co-payment or other cost-sharing amounts related to the applicable medical care coverage option elected by the Participant.

ER = Employer Contribution
EE = Employee Contribution

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CITY OF KUNA, IDAHO

Schedule C

PARTICIPATING AFFILIATED EMPLOYERS

(Companies under common ownership)

The following organizations and entities shall be Participating Employers under the Plan:

Name of Participating Employer

None

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SECTION 3

SUMMARY PLAN DESCRIPTION (SPD)

PLACE ALL PAGES OF THE SUMMARY PLAN DESCRIPTION AFTER TAB 3

COMPLETE SCHEDULES A, B AND C AND DISTRIBUTE TO ALL EMPLOYEES

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CITY OF KUNA, IDAHO

PREMIUM ONLY PLAN

SUMMARY PLAN DESCRIPTION

Effective Date: January 1, 2016

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As used in this Summary Plan Description (SPD), "Your" means an active Employee as described under "Who is Eligible."

PLAN PURPOSE

The purpose of the City of Kuna, Idaho Premium Only Plan ("Plan") is to allow you to purchase coverage for health care with pretax dollars through a special type of spending account.

The advantage of this special spending account is that you pay no federal taxes on the contributions you make. This means a higher take-home pay for you than if you purchased health coverage with after-tax dollars.

The following pages explain how the Plan works.

WHO IS ELIGIBLE

If you are an employee regularly scheduled to work 30 or more hours per week for City of Kuna, Idaho ("Employer"), or any affiliate of the Employer which adopts the Plan ("Participating Employer"), then you are eligible to participate in the Plan.

Your spouse or dependent(s) can only receive benefits through the Plan if they are named on your qualifying policy. Your spouse or dependent(s) can not participate in the Plan independently.

Self-employed individuals are not eligible to participate in the Plan, however C Corporation owners who are also employees can participate.

WHEN YOU MAY PARTICIPATE

You are eligible to participate on the first day of the month following month of hire as an Eligible Employee.

HOW TO ENROLL

To enroll in the Plan, you must complete an election form; thereafter, in order to participate, you must re-enroll during the calendar month period preceding each Plan Year. If you are a newly Eligible Employee and fail to complete an election form then you will be deemed to have elected cash compensation to the extent permissible (this means you have agreed to accept your pay after taxes have been taken out to pay for qualifying benefits). If you are already a Plan participant and you fail to complete an election form for the upcoming Plan Year, only if your Employer permits an "evergreen election" will you be able to maintain the medical and dental benefit options, if any, that you elected for the prior year.

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For the purposes of this Plan, "Plan Year" means the twelve-month period commencing January 1 and ending on the subsequent December 31. Keep in mind that your choices are in effect for the entire Plan Year. Generally, you cannot change the elections you have made after the beginning of the Plan Year. However, there are certain limited situations when you can change your elections, see "Election Changes" in this Summary. If for any reason you become unable to make the required contributions for the Plan, your benefits will cease at that time. You will not be able to resume pretax payment of premiums until the new Plan Year.

ELECTION CHANGES

You usually cannot change your election to participate in the Salary Reduction Plan or vary the salary reduction amounts that you have selected during the Plan Year (known as the irrevocability rule). Of course, you can change your elections for benefits and salary reductions during the Open Enrollment Period, but that will apply only for the upcoming Plan Year. During the Plan Year, however, there are several important exceptions to the irrevocability rule, known as "Change in Election Events." Participants can change their elections under the Salary Reduction Plan during a Plan Year if an event occurs that is a Change in Election Event and certain other conditions are met, as described below. For details, see the various Change in Election Events headings below for the specific type of Changes in Election Event: Leaves of absence, including FMLA leave; Changes in Status; Certain Judgments, Decrees, and Orders; Medicare and Medicaid; Changes in Cost; and Changes in Coverage. In addition, the Plan Administrator can change certain elections on its own initiative. Note also that no changes can be made with respect to Medical Insurance Benefits if they are not permitted under the Medical Insurance Plan.

If any Change in Election Event occurs, you must inform the Plan Administrator and complete a new Election Form/Salary Reduction Agreement within 30 days after the occurrence. A special HIPAA enrollment period of no more than 60 days is provided as of April 1, 2009 for Employees and their Dependents for loss of Medicaid or CHIPRA coverage; or upon becoming eligible for a Premium Assistance Subsidy. If the change involves a loss of your Spouse's or Dependent's eligibility for Medical Insurance Benefits, then the change will be deemed effective as of the date that eligibility is lost due to the occurrence of the Change in Election Event, even if you do not request it within 30 days.

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1. Leaves of Absence. You may change an election under the Salary Reduction Plan upon FMLA and non-FMLA leave.

2. Change in Status. If one or more of the following Changes in Status occur, you may revoke your old election and make a new election, provided that both the revocation and new election are on account of and correspond with the Change in Status. Those occurrences that qualify as a Change in Status include the events described below, as well as any other events that the Plan Administrator, in its sole discretion and on a uniform and consistent basis, determines are permitted under IRS regulations:

- a change in your legal marital status (such as marriage, death of a Spouse, divorce, legal separation, or annulment). "Spouse" means the person who is legally married to you and is treated as a spouse under the Internal Revenue Code ("the Code");
- a change in the number of your Dependents (such as the birth of a child, adoption or placement for adoption of a Dependent, or death of a Dependent). "Dependent" means your tax dependent under the Code;
- any of the following events that change the employment status of you, your Spouse, or your Dependent and that affects benefits eligibility under a cafeteria plan (including this Salary Reduction Plan) or other employee benefit plan of you, your Spouse, or your Dependents. Such events include any of the following changes in employment status: termination or commencement of employment; a strike or lockout; a commencement of or return from an unpaid leave of absence; a change in worksite; switching from salaried to hourly-paid; union to non-union; or full-time to part-time (or vice versa); incurring a reduction or increase in hours of employment; or any other similar change that makes the individual become (or cease to be) eligible for a particular employee benefit;
- an event that causes your Dependent to satisfy or cease to satisfy an eligibility requirement for a particular benefit (such as attaining a specific age, ceasing to be a student, or a similar circumstance).
- a change in your, your Spouse's or your Dependent's place of residence.

3. Change in Status—Other Requirements. If you wish to change your election based on a Change in Status, you must establish that the revocation is on account of and corresponds with the Change in Status. The Plan Administrator, in its sole discretion and on a uniform and consistent basis, shall determine whether a requested change is on account of and corresponds with a Change in

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Status. As a general rule, a desired election change will be found to be consistent with a Change in Status event if the event affects coverage.

In addition, you must satisfy the following specific requirements in order to alter your election based on that Change in Status:

- *Loss of Spouse or Dependent Eligibility; Special COBRA Rules*. For accident and health benefits a special rule governs which type of election changes are consistent with the Change in Status. For a Change in Status involving your divorce, annulment, or legal separation from your Spouse, the death of your Spouse or your Dependent, or your Dependent's ceasing to satisfy the eligibility requirements for coverage*, you may elect only to cancel the accident or health benefits for the affected Spouse or Dependent. A change in election for any individual other than your Spouse involved in the divorce, annulment, or legal separation, your deceased Spouse or Dependent, or your Dependent that ceased to satisfy the eligibility requirements would fail to correspond with that Change in Status.

  However, if you, your Spouse, or your Dependent elects COBRA continuation coverage under the Employer's plan because you ceased to be eligible because of a reduction of hours or because your Dependent ceases to satisfy eligibility requirements for coverage, and if you remain a Participant under the terms of this Salary Reduction Plan, then you may in certain circumstances be able to increase your contributions to pay for such coverage.
- *Gain of Coverage Eligibility Under Another Employer's Plan*. For a Change in Status in which you, your Spouse, or your Dependent gains eligibility for coverage under another employer's cafeteria plan (or qualified benefit plan) as a result of a change in your marital status or a change in your, your Spouse's, or your Dependent's employment status, your election to cease or decrease coverage for that individual under the Salary Reduction Plan would correspond with that Change in Status only if coverage for that individual becomes effective or is increased under the other employer's plan.

*IRS Notice 2010-38 states that the applicable Treasury Regulations have been amended as of March 30, 2010, to include Change in Status events covering children under age 27 who do not otherwise qualify as dependent children, including becoming newly eligible for coverage or eligible for coverage beyond the date on which the child otherwise would have lost coverage.

4. Special Enrollment Rights. In certain circumstances, enrollment for Medical Insurance Benefits may occur outside the Open Enrollment Period, as explained in materials provided to you

separately describing the Medical Insurance Benefits. (The Employer's Special Enrollment Notice also contains important information about the special enrollment rights that you may have, a copy of which was previously furnished to you. Contact the Human Resources Manager if you need another copy.) When a special enrollment right explained in those separate documents applies to your Medical Insurance Benefits, you may change your election under the Salary Reduction Plan to correspond with the special enrollment right.

5. Certain Judgments, Decrees, and Orders. If a judgment, decree, or order from a divorce, separation, annulment or custody change requires your child (including a foster child who is your Dependent) to be covered under the Medical Insurance Benefits, you may change your election to provide coverage for the child. If the order requires that another individual (such as your former Spouse) cover the child, then you may change your election to revoke coverage for the child if such coverage is, in fact, provided for the child.

6. Medicare or Medicaid. If you, your Spouse, or your Dependent becomes entitled to (i.e., becomes enrolled in) Medicare or Medicaid, then you may reduce or cancel that person's accident or health coverage under the Medical Insurance Plan. Similarly, if you, your Spouse, or your Dependent who has been entitled to Medicare or Medicaid loses eligibility for such coverage, then you may elect to commence or increase that person's accident or health. Effective April 1, 2009 you are provided a 60 day special enrollment period by the CHIP Reauthorization Act for you or your Dependent's loss of health coverage under Medicaid or CHIP.

7. Eligibility for Premium Assistance Subsidy. Effective April 1, 2009 you are provided a 60 day special enrollment period by the CHIP Reauthorization Act if you become eligible for a Premium Assistance Subsidy.

8. Change in Cost. If the cost charged to you for your Medical Insurance Benefits significantly increases during the Plan Year, then you may choose to do any of the following: (a) make a corresponding increase in your contributions; (b) revoke your election and receive coverage under another benefits package option (if any) that provides similar coverage, or elect similar coverage under the plan of your Spouse's employer; or (c) drop your coverage, but only if no other benefits package option provides similar coverage.

For insignificant increases or decreases in the cost of benefits, however, the Plan Administrator will automatically adjust your election contributions to reflect the minor change in cost. The Plan Administrator generally will notify you of increases in the cost of Medical Insurance benefits.

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9. Change in Coverage. You may also change your election if one of the following events occurs:

- *Significant Curtailment of Coverage.* If your Medical Insurance Benefits coverage is significantly curtailed without a loss of coverage (for example, when there is an increase in the deductible under the Medical Insurance Benefits), then you may revoke your election for that coverage and elect coverage under another benefits package option that provides similar coverage. (Coverage under a plan is significantly curtailed only if there is an overall reduction of coverage under the plan generally—loss of one particular physician in a network does not constitute significant curtailment.) If your Medical Insurance Benefits coverage is significantly curtailed with a loss of coverage (for example, if you lose all coverage under the option by reason of an overall lifetime or annual limitation), then you may either revoke your election and elect coverage under another benefits package option that provides similar coverage, elect similar coverage under the plan of your Spouse's employer, or drop coverage but only if there is no option available under the plan that provides similar coverage. (The Plan Administrator generally will notify you of significant curtailments in Medical Insurance Benefits coverage)
- *Addition or Significant Improvement of Salary Reduction Plan Option.* If the Salary Reduction Plan adds a new option or significantly improves an existing option, then the Plan Administrator may permit Participants who are enrolled in an option other than the new or improved option to elect the new or improved option. Also, the Plan Administrator may permit eligible Employees to elect the new or improved option on a prospective basis, subject to limitations imposed by the applicable option.
- *Loss of Other Group Health Coverage.* You may change your election to add group health coverage for you, your Spouse, or your Dependent, if any of you loses coverage under any group health coverage sponsored by a governmental or educational institution (for example, a state children's health insurance program or certain Indian tribal programs).
- *Change in Election Under Another Employer Plan.* You may make an election change that is on account of and corresponds with a change made under another employer plan (including a plan of the Employer or a plan of your Spouse's or Dependent's employer), so long as (a) the other cafeteria plan or qualified benefits plan permits its participants to make an election change permitted under the IRS regulations; or (b) the Salary Reduction Plan permits you to

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make an election for a period of coverage (for example, the Plan Year) that is different from the period of coverage under the other cafeteria plan or qualified benefits plan.

For example, if an election to drop coverage is made by your Spouse during his or her employer's open enrollment, you may add coverage under the Salary Reduction Plan to replace the dropped coverage.

10. Modifications Required by the Plan Administrator. The Plan Administrator may modify your election(s) downward during the Plan Year if you are a key employee or highly compensated individual (as defined by the Code), if necessary to prevent the Salary Reduction Plan from becoming discriminatory within the meaning of the federal income tax law. Additionally, if a mistake is made as to your eligibility or participation, the allocations made to your account, or the amount of benefits to be paid to you or another person, then the Plan Administrator shall, to the extent that it deems administratively possible and otherwise permissible under the Code and other applicable law, allocate, withhold, accelerate, or otherwise adjust such amounts as will in its judgment accord the credits to the account or distributions to which you are or such other person is properly entitled under the Salary Reduction Plan. Such action by the Plan Administrator may include withholding of any amounts due from your compensation.

HEALTH SAVINGS ACCOUNT (HSA) MODULE

An Eligible Employee can elect to participate in the HSA Module by electing to pay the HSA Contributions on a pre-tax Salary Reduction basis to the HSA established and maintained outside the Plan by a trustee/custodian to which the Employer can forward contributions to be deposited (this funding feature constitutes the HSA Benefits offered under this Plan). Such election can be increased, decreased or revoked prospectively at any time during the Plan Year, effective no later than the first day of the next calendar month following the date that the election change was filed.

The annual Contribution for your HSA Benefits is equal to the annual benefit amount elected by you (for example, if the maximum $6,650 annual benefit amount is elected, then the annual contribution amount is also $6,650). In no event shall the amount elected exceed the statutory maximum amount for HSA contributions applicable to the Participant's High Deductible Health Plan coverage option (i.e., single or family) for the calendar year in which the contribution is made. Effective January 1, 2016, the maximum HSA contribution amounts are $3,350 for single coverage and $6,750 for family coverage, indexed annually.

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An additional catch-up Contribution ($1,000 each year) may be made for Employees who are age 55 or older. In addition, the maximum annual Contribution shall be reduced by any matching (or other) Employer Contribution made on the Participant's behalf other than pre-tax Salary Reductions made under the Plan.

The HSA is not an employer-sponsored employee benefit plan - it is an individual trust or custodial account separately established and maintained by a trustee/custodian outside the Plan. Consequently, the HSA trustee/custodian, not the Employer, will establish and maintain the HSA. The HSA trustee/custodian will be chosen by the Employee, not by the Employer. The Employer may, however, limit the number of HSA providers to whom it will forward contributions that the Employee makes via pre-tax Salary Reductions - such a list is not an endorsement of any particular HSA provider. The Plan Administrator will maintain records to keep track of HSA Contributions an Employee makes via pre-tax Salary Reductions, but it will not create a separate fund or otherwise segregate assets for this purpose. The Employer has no authority or control over the funds deposited in a HSA.

The tax treatment of the HSA (including contributions and distributions) is governed by Code § 223.

HSA Benefits under this Plan consist solely of the ability to make Contributions to the HSA on a pre-tax Salary Reduction basis. Terms and conditions of coverage and benefits will be provided by and are set forth in the HSA, not this Plan. The terms and conditions of each Participant's HSA trust or custodial account are described in the HSA trust or custodial agreement provided by the applicable trustee/custodian to each electing Participant and are not a part of this Plan.

The HSA is not an employer-sponsored employee benefits plan. It is a savings account that is established and maintained by an HSA trustee/custodian outside this Plan to be used primarily for reimbursement of "qualified eligible medical expenses" as set forth in Code § 223(d)(2). The Employer has no authority or control over the funds deposited in a HSA. Even though this Plan may allow pre-tax Salary Reduction contributions to an HSA, the HSA is not intended to be an ERISA benefit plan sponsored or maintained by the Employer.

An election to make a Contribution to your HSA can be increased, decreased or revoked at any time during the year on a prospective basis. Such election changes shall be effective no later than the first day of the next calendar month following the date that the election change was filed. No Benefit Package Option election changes can occur as a result of a change in HSA election. See your Plan

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Administrator for more details.

FMLA LEAVES OF ABSENCE *(Applicable to groups of 50+ employees)*

If you go on a qualifying leave under the Family and Medical Leave Act of 1993 (FMLA), then to the extent required by the FMLA your Employer will continue to maintain your Medical Insurance Benefits on the same terms and conditions as if you were still active (that is, your Employer will continue to pay its share of the contributions to the extent that you opt to continue coverage). Your Employer may require you to continue all Medical Insurance Benefits coverage while you are on paid leave (so long as Participants on non-FMLA paid leave are required to continue coverage). If so, you will pay your share of the contributions by the method normally used during any paid leave (for example, on a pre-tax salary-reduction basis). If you are going on unpaid FMLA leave (or paid FMLA leave where coverage is not required to be continued) and you opt to continue your Medical Insurance Benefits, then you may pay your share of the contributions in one of three ways: (a) with after-tax dollars while on leave; (b) with pretax dollars to the extent that you receive compensation during the leave, or by pre-paying all or a portion of your share of the contributions for the expected duration of the leave on a pre-tax salary reduction basis out of your pre-leave compensation, including unused sick days and vacation days (to pre-pay in advance, you must make a special election before such compensation normally would be available to you (but note that prepayments with pre-tax dollars may not be used to pay for coverage during the next Plan Year); or (c) by other arrangements agreed upon by you and the Plan Administrator (for example, the Plan Administrator may pay for coverage during the leave and withhold amounts from your compensation upon your return from leave).

If your Employer requires all Participants to continue Medical Insurance Benefits during the unpaid FMLA leave, then you may discontinue paying your share of the required contributions until you return from leave. Upon returning from leave, you must pay your share of any required contributions that you did not pay during the leave. Payment for your share will be withheld from your compensation either on a pre-tax or after-tax basis, depending on what you and the Plan Administrator agree to. If your Medical Insurance Benefits coverage ceases while you are on FMLA leave (e.g., for non-payment of required contributions), you will be permitted to re-enter such Benefits, as applicable, upon return from such leave on the same basis as when you were participating in the Plan before the leave or as otherwise required by the FMLA. You may be

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required to have coverage for such Benefits reinstated so long as coverage for Employees on non-FMLA leave is required to be reinstated upon return from leave. If that policy permits you to discontinue contributions while on leave, then upon returning from leave you will be required to repay the contributions not paid by you during leave. Payment will be withheld from your compensation either on a pre-tax or after-tax basis, as agreed to by the Plan Administrator and you or as the Plan Administrator otherwise deems appropriate.

NON-FMLA LEAVES OF ABSENCE

If you go on an unpaid leave of absence that does not affect eligibility, then you will continue to participate and the contribution due from you (if not otherwise paid by your regular salary reductions) will be paid by pre-payment before going on leave, with after-tax contributions while on leave, or with catch-up contributions after the leave ends, as determined by the Plan Administrator. If you go on an unpaid leave that does affect eligibility, then the Change in Status rules will apply.

ABOUT SOCIAL SECURITY TAXES

Social Security taxes are not deducted from the amount you pay in premiums on a pretax basis. This could result in a small reduction in the Social Security benefit you receive at retirement. This is because Social Security benefits are based on what you earned while you were working, up to the Taxable Wage Base (TWB). If your salary is above the TWB, your Social Security benefit is not likely to be affected. If you are below the TWB, the benefit would be reduced. The tax advantages you gain through this Plan may offset any possible reduction in Social Security benefits.

ABOUT INCOME TAXES

If you cover dependent children under medical plan(s) sponsored by City of Kuna, Idaho and your family's adjusted income is $41,646 or less, you may be eligible to receive the Supplemental Earned Income Credit for Health Insurance Premiums (based on the tax code as of January 1, 2008). However, the amount of your contributions for health coverage, which are paid on a pretax basis, would reduce the amount of this tax credit. You should, therefore, review whether it is more advantageous for you to take the full tax credit or to elect to have your medical and dental contributions paid on a pretax basis.

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FUTURE OF THE PREMIUM ONLY ACCOUNT

The Plan is based on the Employer's understanding of the current provisions of the Internal Revenue Code. The Employer reserves the right to amend or discontinue the Plan if regulations or changes in the tax law make it advisable to do so. If the Plan is amended or terminated, it will not affect any benefit to which you were entitled before the date of the amendment or termination. It is specifically the Participant's responsibility regarding insurance premium reimbursement not to request anything that could violate the terms of their insurance policy.

INSURANCE CONTRACTS

Any moneys refunded to the Employer or a participating Employer, due to actuarial error in the rate calculation, will be the property of and retained by the Employer or the Participating Employer. It is specifically the Participant's responsibility regarding insurance premium reimbursement not to request anything that could violate the terms of their insurance policy.

COBRA CONTINUATION COVERAGE

If you terminate employment, under Federal law, you, your spouse, and/or your covered dependents lose coverage under this Plan. You, your spouse, and/or your covered dependents may be entitled to continuation of health care coverage. The Administrator will inform you of these rights if you lose coverage for any reason other than divorce, legal separation or a covered dependent ceasing to be a dependent. Generally, if we (and any related companies) employed twenty (20) or more employees "on a typical business day" in the preceding calendar year, health plan continuation must be made available for a period not to exceed eighteen (18) months if a loss of benefits occurs because of your termination of employment or reduction of hours, or for a period not to exceed three (3) years for any of the other reasons given in (b) and (c) below. Under certain circumstances, persons who are disabled at the time of termination of employment or reduction in hours and/or within the first 60 days of COBRA coverage may be eligible for continuation of coverage for a total of 29 months (rather than 18). You should check with the Administrator for more details regarding this extended coverage. However, in certain circumstances, this continuation coverage may be terminated for reasons such as failure to pay continuation coverage cost, coverage under another employer's plan (whether as an employee or otherwise, provided the other employer's health plan does not contain any

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exclusion or limitation with respect to any pre-existing condition of the beneficiary unless the pre-existing condition limit does not apply to, or is satisfied by, the qualified beneficiary by reason of the group health plan portability, access and renewability requirements of the Health Insurance Portability and Accountability Act, ERISA or the Public Health Services Act), termination of our health plan, a "for cause" termination of coverage for reasons such as fraud, or you (or the person entitled to continued coverage) become enrolled in Medicare. However, if you become enrolled in Medicare, your covered dependents may still qualify for continuation coverage. The cost of continuation coverage must be paid by the individual choosing such coverage; however, the cost may not exceed 102% of the cost of the same coverage for a "similarly situated" employee or family member. When the continuation coverage for a disabled person is extended from 18 months to 29 months, the disabled person may be charged 150% (rather than 102%) of the cost of the coverage after expiration of the initial 18-month period.

(a) If you would otherwise lose your health plan coverage under this Plan because of a termination of employment or a reduction in hours, you may continue the health plan coverage provided under this Plan. However, this will not be a tax-deductible expense to you, absent unusual circumstances.

(b) Your spouse may choose continuation coverage for himself or herself if he or she loses group health coverage for any of the following reasons: (1) your death; (2) your divorce or legal separation; or (3) you become enrolled in Medicare.

(c) Your dependent children, including a child born to or placed for adoption with the Participant during the period of COBRA coverage, may choose continuation coverage for themselves if they lose group health coverage for any of the following reasons: (1) death of a parent; (2) your divorce or legal separation; (3) you become enrolled in Medicare; or (4) your dependent ceases to be a dependent child under the Plan.

It is your responsibility to notify the Plan Administrator of a divorce, legal separation or other change in marital status, change in a spouse's address, or a child losing dependent status under the plan, within sixty (60) days of the event. It is our responsibility to notify the Plan Administrator of your death, termination of employment or reduction in hours, the Employer's bankruptcy, or Medicare eligibility.

"*Medicare*" means the Health Insurance For the Aged and Disabled Act, Title XVIII of Public Law 89-97, Social Security, as amended.

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REVISED DEFINITION OF "DEPENDENT" BY WFTRA

An individual is considered a "Dependent" under Section 152 of the Code and the Working Families Tax Relief Act of 2005 if he or she is a qualifying child or qualifying relative of the taxpayer.

The following four criteria must be met to be a qualifying child:

1) The individual has a specific family type relationship to the taxpayer
2) The individual does not provide more than half of his or her own support
3) The individual has the same place of residence as the taxpayer for more than half of the year
4) The individual does not turn age 19 (24 if a full-time student)*, by the end of the Plan Year

In addition the following four criteria must be met to be a qualifying relative:

1) The individual has a specific family type relationship to the taxpayer
2) The individual is not a qualifying child of any other taxpayer
3) The individual receives more than half of his or her support from the taxpayer
4) The individual's annual gross income is less than the Section 151 limit (this criteria does not apply to health plans)

In the case of an individual who is permanently and totally disabled (as defined in Code Section 22(e)(3)) at any time during such calendar year, the age requirement for a qualifying child does not apply.

No person shall be considered a Dependent of more than one Employee. If both an Employee and an Employee's spouse are employed by Employer dependent children may be covered by either spouse, but not by both.

*NOTE: the Internal Revenue Service (the "IRS") Notice 2010-38 (the "Notice") provides important guidance regarding the tax treatment of employer-provided health coverage to employees' adult children who have not attained age 27 as of the end of the employee's taxable year. Treasury regulations have been amended as of March 30, 2010, to allow both the amounts paid by an employer for coverage for an employee's adult children and the amounts paid by (or reimbursed to) the employee for such coverage to be excluded from the employee's gross income, in the same manner as coverage that is provided to an employee's spouse or dependent defined under Section 152 of the Code. The Notice provides important guidance and further clarifications with regard to these issues.

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ERISA RIGHTS STATEMENT

The Employee Retirement Income Security Act of 1974 ("ERISA") was enacted to help assure that all employer-sponsored group Medical Insurance Benefits conform to standards set by Congress. An employee who is a Participant in the Plan is entitled to certain rights and protections under ERISA which provides that all Participants will be entitled to (1) examine, without charge, at the Plan Administrator's office and at other appropriate locations, all Plan documents and copies of documents filed with the U.S. Department of Labor, if any, such as detailed annual reports and Plan descriptions; (2) obtain copies of all Plan documents and other Plan information upon written request to the Plan Administrator, subject to a reasonable charge for the copies; and (3) receive a summary of the Plan's annual financial report, if any. The Plan Administrator is required by law to furnish each Participant with a copy of this Summary Annual Report (*generally only applicable to Health FSA plans and employer sponsored self-funded health and welfare benefit plans with more than 100 participants that are required to file a Form 5500 annual report)*. Plan records are kept on a Plan Year basis.

In addition to creating rights for plan participants, ERISA imposes duties upon those responsible for the operation of a plan who are called "fiduciaries" and who have a duty to operate the Plan prudently and in the interest of Participants and Beneficiaries. If a claim for a benefit under the Plan is denied in whole or in part, the claimant must receive a written explanation of the reason for the denial. The claimant has the right to have the claim reviewed and reconsidered.

Within 180 days of receipt of a notice denying a claim you or your duly authorized representative may request in writing a full and fair review of the claim by the Plan Administrator, or by an appeals committee appointed by the Employer for that purpose ("Committee"). The Plan Administrator may extend the 180-day period where the nature of the benefit involved or other attendant circumstances make such extension appropriate.

Under ERISA, there are steps an Employee covered under a plan can take to enforce the above rights. For instance, if the person requests materials and does not receive them within 30 days, the person may file suit in a federal court. In such a case, the court may require the company to provide the materials and pay the person up to $110 a day until the person receives the materials, unless the materials were not sent because of reasons beyond the company's control.

If a person has a claim for benefits which is denied or ignored, in whole or in part, the person may

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file suit in a state or federal court. If it should happen that plan fiduciaries misuse the Plan's money, or if an Employee covered under this Plan is discriminated against for asserting his or her rights, the person may seek assistance from the U.S. Department of Labor, or may file suit in a federal court. The court will decide who should pay court costs and legal fees. If the claimant loses, the court may order the claimant to pay these costs and fees, for example, if it finds the claim to be frivolous.

If an Employee covered under the Plan has any questions about the Plan, the Employee should contact the Manager of Personnel. If an Employee has any questions about this statement of the Employee's rights under ERISA, the Employee should contact the nearest Area office of the U.S. Labor-Management Services Administration, Department of Labor.

Special Note: This is a Summary Plan Description only. Your specific rights to benefits under the Plan are governed solely, and in every respect by your Employer's Premium Only Plan document, a copy of which is available from the company upon your request (see Statement of ERISA Rights). If there is any discrepancy between the description of the Plan as contained in this material and the official Plan document, the language of the Plan document shall govern.

ADMINISTRATIVE FACTS

Plan Sponsor and Administrator

The Plan is sponsored by City of Kuna, Idaho, 763 W. Avalon, Kuna, ID 83634. City of Kuna, Idaho also acts as Plan Administrator. The Plan Administrator manages the overall operations of the Plan and decides all questions that come to it on a fair and equitable basis for participants and their Beneficiaries. The Plan Administrator has appointed the person in charge of benefits of City of Kuna, Idaho located at City of Kuna, Idaho, 763 W. Avalon, Kuna, ID 83634, to be responsible for the day-to-day operation of the Plan.

Plan Identification Numbers

The Employer Identification Number ("EIN") assigned to Employer by the Internal Revenue Service ("IRS") is 82-6000217. The Plan Number ("PN") assigned to the Premium Only Plan by the Company is 501. You should refer to these numbers in any correspondence about the Plan.

Service of Legal Process

City of Kuna, Idaho has designated the Plan Administrator as its agent for service of legal process in connection with claims under the Plan. Such process may be served on the Company by directing the process to the Plan Administrator at the City of Kuna, Idaho address.

Classification and Funding

This Plan is classified as a Code section 125 welfare benefits plan by the Department of Labor and is funded by Employer and Employee contributions.

Not a Contract of Employment

No provision of the Plan is to be considered a contract of employment between you and the Employer. The Employer's rights with regard to disciplinary action and termination of any Employee, if necessary, are in no manner changed by any provision of the Plan.

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CITY OF KUNA, IDAHO

Schedule A

MEDICAL CARE COVERAGE OPTIONS UNDER THE PLAN*:

NAME OF COVERAGE

Health Insurance
HSA High Deductible Group Health Insurance
HSA Tax-Free Savings Account
Dental Insurance
Vision Insurance
Cancer Insurance
Intensive Care Insurance
Accident Insurance
Hospital Indemnity Insurance

*The Employee contributions necessary to obtain the coverage options set forth in this Schedule A above will be communicated by the Employer to Eligible Employees at the time of Enrollment and in Schedule B. The required Employee contribution amounts will be considered as the maximum elective Employee contributions necessary for participation in each Plan option above. It is specifically the Participant's responsibility regarding insurance premium reimbursement not to request anything that could violate the terms of their insurance policy.

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CITY OF KUNA, IDAHO

Schedule B

FORMULA FOR EMPLOYEE CONTRIBUTIONS UNDER THE PLAN

The following description of the Employee Contribution per Participant may be expressed as a percentage of monthly cost, or as a flat monthly dollar amount. If the formula for Employee contributions varies by class of Employees, the Employer Sponsor assumes full responsibility for its Employer contribution design.*

Name of Benefit Plans To Be Offered		Employee Only	Employee & Child(ren)	Employee & Spouse	Employee & Family
	ER	$/%	$/%	$/%	$/%
	EE	$/%	$/%	$/%	$/%
	ER	$/%	$/%	$/%	$/%
	EE	$/%	$/%	$/%	$/%
	ER	$/%	$/%	$/%	$/%
	EE	$/%	$/%	$/%	$/%
	ER	$/%	$/%	$/%	$/%
	EE	$/%	$/%	$/%	$/%
	ER	$/%	$/%	$/%	$/%
	EE	$/%	$/%	$/%	$/%
	ER	$/%	$/%	$/%	$/%
	EE	$/%	$/%	$/%	$/%
	ER	$/%	$/%	$/%	$/%
	EE	$/%	$/%	$/%	$/%
	ER	$/%	$/%	$/%	$/%
	EE	$/%	$/%	$/%	$/%
	ER	$/%	$/%	$/%	$/%
	EE	$/%	$/%	$/%	$/%
	ER	$/%	$/%	$/%	$/%
	EE	$/%	$/%	$/%	$/%
	ER	$/%	$/%	$/%	$/%
	EE	$/%	$/%	$/%	$/%
	ER	$/%	$/%	$/%	$/%
	EE	$/%	$/%	$/%	$/%
	ER	$/%	$/%	$/%	$/%
	EE	$/%	$/%	$/%	$/%

*An asterisk in the premium column means there are multiple rates based on age, sex, or other demographics. Please refer to specific insurance carrier premium rate sheets for individual maximum elective contribution.

In no event shall the existence of any Employer contributions for monthly premium costs, as indicated above, be construed to require the Employer to pay or otherwise be liable for any deductible, coinsurance, co-payment or other cost-sharing amounts related to the applicable medical care coverage option elected by the Participant.

ER = Employer Contribution
EE = Employee Contribution

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CITY OF KUNA, IDAHO

Schedule C

PARTICIPATING AFFILIATED EMPLOYERS

(Companies under common ownership)

The following organizations and entities shall be Participating Employers under the Plan:

Name of Participating Employer

None

SECTION 4

FORMS

PLACE ALL PAGES OF THE FORMS AFTER TAB 4

DISTRIBUTE TO ALL EMPLOYEES WITH THE SUMMARY PLAN DESCRIPTION

City of Kuna, Idaho
Premium Election Form

- ❑ Correction
- ❑ Change of personal information
- ❑ Change of Family Status
- ❑ Transfer
  Effective Date_____
- ❑ Termination
- ❑ Waive Participation _____ (initial)

Personal Information

Last Name	First Name	Middle Initial	Social Security Number	
Home Address	Street	City	State	Zip
Date of Birth: / /	Sex: ☐Male ☐Female	Marital Status: ☐Single ☐Married	Date of Hire: / /	

Benefit Elections (Circle coverage elected and enter appropriate amount on total cost per month line.)

(Employee Cost Per Month*)

Name of Benefit Plans To Be Offered	Employee Only	Employee & Child(ren)	Employee & Spouse	Employee & Family
_____	$_____	$_____	$_____	$_____
_____	$_____	$_____	$_____	$_____
_____	$_____	$_____	$_____	$_____
_____	$_____	$_____	$_____	$_____

* Amount after employer contribution is deducted

Total Cost Per Month $_____

Salary Reduction Agreement

I have read and understand the explanation I have received regarding my options under the City of Kuna, Idaho Premium Only Plan. I understand I have the right to have the company redirect my salary on a pretax basis during the plan year and apply this amount toward the purchase of the medical coverage I have designated above. I understand that my share of the cost of this coverage may be adjusted from time to time to reflect the change in rates charged by the carriers. I acknowledge that my election is irrevocable unless there is a change in my status. A change in status includes: marriage; divorce; death of a spouse or dependent; birth of a dependent; birth or adoption of a child; change in number of dependents; termination of employment or commencement of employment; a strike or lockout; commencement or return from an unpaid leave of absence; a change in worksite; or any change in employment status that affects eligibility; a change in residence for me, my spouse or children; or my dependent either satisfies or ceases to satisfy requirements for coverage due to change in age, student status, or any similar circumstances; or a change in my or my spouse's employment status.

It is specifically the Participant's responsibility regarding insurance premium reimbursement not to request anything that could violate the terms of their insurance policy. I understand that Exchange subsidized insurance premiums can only be deducted on a post-tax basis.

I hereby apply for the options listed above. If necessary, I authorize City of Kuna, Idaho to adjust my pay as required by my elections. I understand that the benefit options I have elected will remain in force from January 1 until December 31, unless my family status changes.

_____ _____
Employee Signature Date

_____ _____
Company Representative Date

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CITY OF KUNA, IDAHO
HEALTH SAVINGS ACCOUNT
ENROLLMENT ELECTION FORM

Applicant Name: _____

Email Address: _____

Contribution Information:

Employee Contributions:

- Annual Contributions: $_____
- Pay Period/Month Contribution: $_____
- Number of pay periods annually: _____

Total Annual Contributions: $_____
Total Pay period Contribution: $_____

Employer Contributions:

- Annual Contributions: $_____
- Pay Period/Month Contribution: $_____
- Number of pay periods annually: _____

Total Annual Contributions: $_____
Total Pay period Contribution: $_____

(**Note:** Effective January 1, 2016, the maximum HSA contribution amounts are $3,350 for single coverage and $6,750 for family coverage, indexed annually.)

Signatures: (Please read before signing)

I understand the eligibility requirements for the HSA which I am establishing, and I state that I do qualify to make deposits. I understand the terms and conditions which apply to this HSA, and I agree to be bound by those conditions.

I assume complete responsibility for: (1) Determining that I am eligible for the HSA each year I make contributions, (2) ensuring that all contributions I make are within the limits set forth by the tax laws, and (3) ensuring that all contributions from the HSA are for qualified medical expenses as defined by Section 213(d) of the tax code.

I authorize my employer to deduct my contributions each pay period and send them to:_____

_____for placement in my Health Savings Account.

I understand that I may close my HSA account with prior written notification. All remaining funds will be forwarded to me within 30 days of the written notification being received. I understand that any monies not rolled to a new HSA Plan, or spent on Qualified Medical Expenses will be subject to additional taxes and penalties through the IRS.

_____

HSA Holder Signature Date

_____

Employer Signature Date

Employer must sign if he/she is contributing to the employee HSA account

Administrator
City of Kuna, Idaho
763 W. Avalon
Kuna, ID 83634
Fax: (208) 922-5989

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CITY OF KUNA, IDAHO
PREMIUM ONLY PLAN
CHANGE AND REVOCATION FORM

(Please Print)

PERSONAL DATA **PLAN YEAR**_____ Soc. Sec. #_____

Name_____ Home Phone #_____

Address_____
(Street) (Apt. #) (City) (State) (Zip)

CHANGE OR REVOCATION OF SALARY REDUCTION AGREEMENT

Please indicate the change in your Salary Reduction Agreement in the area below. If there is a status change event, change in cost/coverage or other-type change (judgment decrees, etc.) that is permitted under the Internal Revenue Code and Regulations, and which justifies a change in your Salary Reduction Agreement, you may change or revoke your Salary Reduction Agreement. However, once you make the change indicated on this form, you may not reinstate or revise your Salary Reduction Agreement as of a date before the first day of the next Plan Year unless there is another status change event, change in cost/coverage or other-type allowable change (judgments, decrees, etc.). Please Note: In most circumstances, you must submit the Change and Revocation Form within **30 days** of qualifying event.

Premium-type Benefits

If you are changing from one level of coverage, from single to family coverage for example, mark "Revoke" for your current coverage (e.g. single) and mark "New Enrollment" for the new coverage (e.g. family).

If you are ending participation in the Plan, mark "Revoke".

Current Election	Revoke/ Suspend	New Enrollment	Effective Date
** Health Insurance **			
[ ] Employee Only	[ ]	[ ]	___/___/___
[ ] Employee Plus Dependents	[ ]	[ ]	___/___/___
** Dental **			
[ ] Employee Only	[ ]	[ ]	___/___/___
[ ] Employee Plus Dependents	[ ]	[ ]	___/___/___
** _____ **			
[ ] Employee Only	[ ]	[ ]	___/___/___
[ ] Employee Plus Dependents	[ ]	[ ]	___/___/___

Flexible Spending Arrangements

If you are reducing or increasing your salary reductions, please indicate the new amount PER PAY PERIOD under "New Enrollment". If you are ending participation in the Plan, mark "Revoke".

Current Election	Revoke/ *Suspend*	New Enrollment Salary Reduction	Effective Date
[ ] Medical Expense FSA	[ ]	_____.__	___/___/___

*Reason for Election Change – **please mark [X] the appropriate election change event(s) that justifies the change(s) or revocation(s) on this form and enter the date(s) of the event(s)***

1. Status Change Events

a. Change in Marital Status

[ ] Marriage on ___/___/___
[ ] Divorce on ___/___/___
[ ] Annulment on ___/___/___
[ ] Legal Separation on ___/___/___
[ ] Death of Spouse on ___/___/___

b. Change in Number of Tax Dependents

[ ] Birth on ___/___/___
[ ] Adoption on ___/___/___
[ ] Other – Gain Tax Dependent on ___/___/___
[ ] Death of Dependent on ___/___/___
[ ] Death of Spouse on ___/___/___

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Reason for Election Change *(continued)*

c. Change in Employment Status With Gain or Loss of Eligibility -

Change relates to: [ ] *Employee* [ ] *Spouse or Dependent*

[ ] Termination of Employment on ___/___/___ [ ] Full-time to Part-time on ___/___/___
[ ] Commencement of Employment on ___/___/___ [ ] Part-time to Full-time on ___/___/___
[ ] Commencement of Unpaid Leave on ___/___/___ [ ] Return from Unpaid Leave on ___/___/___
[ ] Other (hourly to salary, union to non union, change in worksite, etc.) on ___/___/___

Provide Details: _____

_____

d. Change in Dependent Eligibility Under an Employer's Plan

[ ] Lost Eligibility (age, student status, attainment of age 13 for Dependent Care FSA, COBRA event, etc.) on ___/___/___
[ ] Gain Eligibility (e.g., age, student status, etc.) on ___/___/___

e. Change of Residence Affecting Eligibility – Date of change ___/___/___

Change relates to: [ ] *Employee* [ ] *Spouse or Dependent*

2. Special Enrollment Rights – HIPAA *(applies to Premium benefits only)*

[ ] Loss of other group health plan coverage on ___/___/___
[ ] Acquired new spouse or dependent (marriage, birth, etc.) on ___/___/___
[ ] Eligible for Premium Assistance Subsidy on ___/___/___

3. Certain Judgments, Decrees and Orders *(applies to Premium and Health FSA benefits only)*

[ ] Court order requiring coverage for Dependent on ___/___/___

4. Medicare or Medicaid *(applies to Premium and Health FSA benefits only)*

[ ] Became eligible for Medicare or Medicaid on ___/___/___
[ ] Became ineligible for Medicare or Medicaid on ___/___/___

5. Change in Cost *(applies to Premium)*

[ ] Significant cost increase in coverage on ___/___/___
[ ] Significant cost decrease in coverage on ___/___/___

6. Change in Coverage *(applies to Premium)*

[ ] Change in dependent care provider on ___/___/___
[ ] Significant curtailment of coverage on ___/___/___
[ ] Addition or significant improvement of a plan option on ___/___/___
[ ] Loss of group health coverage under plan of a governmental or educational institution on ___/___/___
[ ] Change in coverage under an employer's plan on ___/___/___

Signature

I have examined this authorization to modify my Salary Reduction Agreement and to the best of my knowledge, it is true, correct and complete. I understand that the election change I have requested must be on account of and consistent with the status change or other election change event (s) I have checked above. I understand that the status and participation changes must comply with the Plan and that the Plan Administrator has the sole discretion in making this determination. I further understand that I may be required to provide documentation regarding the change(s) I have checked above.

_____ _____
Participant's Signature Date

Sec 132 and Sec 125 FSAs must indicate the LAST PAY DATE affected (may differ from actual Termination Date): _____/_____/_____

Denied by _____ on _____
Reason for Denial _____
Action to be taken _____

Plan Administrator: _____ _____
Agreed and accepted by the Employer's Representative Date

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SECTION 5

ADMINISTRATION GUIDE &

NON-DISCRIMINATION TESTING

PLACE ALL PAGES AFTER TAB 5

RETAIN TO REFERENCE NEW REGULATIONS AS NEEDED

Employee Benefits--Cafeteria Plans; Proposed Rule
REG-142695-05 – August 6, 2007

Department of the Treasury
Internal Revenue Service
26 CFR Part 1
REG-142695-05
Employee Benefits--Cafeteria Plans
AGENCY: Internal Revenue Service (IRS), Treasury.
ACTION: Withdrawal of prior notices of proposed rulemaking, notice of proposed rulemaking and notice of public hearing.

SUMMARY: This document contains new proposed regulations providing guidance on cafeteria plans. This document also withdraws the notices of proposed rulemaking relating to cafeteria plans under section 125 that were published on May 7, 1984, December 31, 1984, March 7, 1989, November 7, 1997 and March 23, 2000. In general, these proposed regulations would affect employers that sponsor a cafeteria plan, employees that participate in a cafeteria plan, and third party cafeteria plan administrators.

Explanation of Provisions

Overview

The new proposed regulations are organized as follows: general rules on qualified and nonqualified benefits in cafeteria plans (new proposed Sec. 1.125-1), general rules on elections (new proposed Sec. 1.125-2), general rules on flexible spending arrangements (new proposed Sec. 1.125-5), general rules on substantiation of expenses for qualified benefits (new proposed Sec. 1.125-6) and nondiscrimination rules (new proposed Sec. 1.125-7). The new proposed regulations, new Proposed Sec. Sec. 1.125-1, 1.125-2, 1.125-5, 1.125-6 and Sec. 1.125-7, consolidate and restate Proposed Sec. 1.125-1 (1984, 1997, 2000), Sec. 1.125-2 (1989, 1997, 2000) and Sec. 1.125-2T (1986). Unless otherwise indicated, references to "new proposed regulations" or "these proposed regulations" mean the proposed section 125 regulations being published in this document.

The new proposed regulations reflect changes in tax law since the prior regulations were proposed, including: the change in the definition of dependent (section 152) and the addition of the following as qualified benefits: adoption assistance (section 137), additional deferred compensation benefits described in section 125(d)(1)(B), (C) and (D), Health Savings Accounts (HSAs) (sections 223, 125(d)(2)(D) and 4980G), and qualified HSA distributions from health FSAs (section 106(e)). Other changes include the prohibition against long-term care insurance and long-term care services (section 125(f)) and the addition of the key employee concentration test in section 125(b)(2).

The prior proposed regulations, Sec. Sec. 1.125-1 and 1.125-2, provide the basic framework and requirements for cafeteria plans and elections under cafeteria plans. The prior proposed regulations also outlined the most significant rules for benefits under a health flexible spending arrangement (health FSA) offered by a cafeteria plan--the requirement that the maximum reimbursement be available at all times during the coverage period (the uniform coverage rule), the requirement of a 12-month period of coverage, the requirement that the health FSA only reimburse medical expenses, the requirement that all medical expenses be substantiated by a third party before reimbursement, the requirement that expenses be incurred during the period of coverage, and the prohibition against deferral of compensation (including the use-or-lose rule). The prior proposed regulations also provided guidelines for dependent care FSAs, and the application of section 125 to paid vacation days offered under a cafeteria plan. These remain substantially unchanged in the new proposed regulations, with certain clarifications. Finally, the prior proposed regulations included a number of Q & As addressing transitional issues relating to the enactment of section 125, as well as the application of the now-repealed section 89 (special nondiscrimination rules with respect to certain employee benefit plans). These provisions are omitted from the new proposed regulations.

I. New Proposed Sec. 1.125-1--Qualified and Nonqualified Benefits in Cafeteria Plans Section 125 Exclusive Noninclusion Rule

Section 125 provides that, except in the case of certain discriminatory benefits, no amount shall be included in the gross income of a participant in a cafeteria plan (as defined in section 125(d)) solely because, under the plan, the participant may choose among the benefits of the plan. The new proposed regulations clarify and amplify the general rule in the prior proposed regulations that section 125 is the exclusive means by which an employer can offer employees a choice between taxable and nontaxable benefits without the choice itself resulting in inclusion in gross income by the

employees. When employees may elect between taxable and nontaxable benefits, this election results in gross income to employees, unless a specific Internal Revenue Code (Code) section (such as section 125) intervenes to prevent gross income inclusion. Thus, except for an election made through a cafeteria plan that satisfies section 125 or another specific Code section (such as section 132(f)(4)), any opportunity to elect among taxable and nontaxable benefits results in inclusion of the taxable benefit regardless of what benefit is elected and when the election is made. This interpretation of section 125 is consistent with the legislative history of section 125. The legislative history begins with the interim ERISA rules for cafeteria plans:

Under * * * ERISA, an employer contribution made before January 1, 1977, to a cafeteria plan in existence on June 27, 1974, is required to be included in an employees' gross income only to the extent that the employee actually elects taxable benefits. In the case of a plan not in existence on June 27, 1974, the employer contribution is required to be included in an employee's gross income to the extent the employee could have elected taxable benefits. S. Rep. No. 1263, 95th Cong., 2d Sess. 74 (1978), reprinted in 1978 U.S.C.C.A.N. 6837; H. R. Rep. No. 1445, 95th Cong., 2d Sess. 63 (1978); H.R. Conf. Rep. No. 1800, 95th Cong., 2d Sess. 206 (1978).

The legislative history also provides:

Generally, employer contributions under a written cafeteria plan which permits employees to elect between taxable and nontaxable benefits are excluded from the gross income of an employee to the extent that nontaxable benefits are elected. S. Rep. No. 1263, 95th Cong., 2d Sess. 75 (1978), reprinted in 1978 U.S.C.C.A.N. 6838; H. R. Rep. No. 1445, 95th Cong., 2d Sess. 63 (1978). See also H.R. Conf. Rep. No. 1800, 95th Cong., 2d Sess. 206 (1978).

The legislative history to the 1984 amendments to section 125 continues:

The cafeteria plan rules of the Code provide that a participant in a nondiscriminatory cafeteria plan will not be treated as having received a taxable benefit offered under the plan solely because the participant has the opportunity, before the benefit becomes available, to choose among the taxable and nontaxable benefits under the plan. H.R. Conf. Rep. No. 861, 98th Cong., 2d Sess. 1173 (1984), reprinted in 1984 U.S.C.C.A.N. 1861. See also H.R. Conf. Rep. No. 736, 104th Cong., 2d Sess. 295, reprinted in 1996 U.S.C.C.A.N. 2108.

The new proposed regulations provide that unless a plan satisfies the requirements of section 125 and the regulations, the plan is not a cafeteria plan. Reasons that a plan would fail to satisfy the section 125 requirements include: Offering nonqualified benefits; not offering an election between at least one permitted taxable benefit and at least one qualified benefit; deferring compensation; failing to comply with the uniform coverage rule or use-or-lose rule; allowing employees to revoke elections or make new elections during a plan year, except as provided in Sec. 1.125-4; failing to comply with substantiation requirements; paying or reimbursing expenses incurred for qualified benefits before the effective date of the cafeteria plan or before a period of coverage; allocating experience gains (forfeitures) other than as expressly allowed in the new proposed regulations; and failing to comply with grace period rules.

Definition of a Cafeteria Plan

The new proposed regulations provide that a cafeteria plan is a separate written plan that complies with the requirements of section 125 and the regulations, that is maintained by an employer for employees and that is operated in compliance with the requirements of section 125 and the regulations. Participants in a cafeteria plan must be permitted to choose among at least one permitted taxable benefit (for example, cash, including salary reduction) and at least one qualified benefit. A plan offering only elections among nontaxable benefits is not a cafeteria plan. Also, a plan offering only elections among taxable benefits is not a cafeteria plan. See Rev. Rul. 2002-27, Situation 2 (2002-1 CB 925), see Sec. 601.601(d)(2)(ii)(b). Finally, a cafeteria plan must not provide for deferral of compensation, except as specifically permitted in section 125(d)(2)(B), (C), or (D).

Written Plan

Section 125(d)(1) requires that a cafeteria plan be in writing. The cafeteria plan must be operated in accordance with the written plan terms. The new proposed regulations require that the written plan specifically describe all benefits, set forth the rules for eligibility to participate and the procedure for making elections, provide that all elections are irrevocable (except to the extent that the plan includes the optional change in status rules in Sec. 1.125-4), and state how employer contributions may be made under the plan (for example, salary reduction or nonelective employer contributions), the maximum amount of elective contributions, and the plan year. If the plan includes a flexible spending arrangement (FSA), the written plan must include provisions complying with the uniform coverage rule and the use-or-lose rule. Because

section 125(d)(1)(A) states that a cafeteria plan is a written plan under which "all participants are employees", the new proposed regulations require that the written cafeteria plan specify that only employees may participate in the cafeteria plan. The new proposed regulations also require that all provisions of the written plan apply uniformly to all participants.

Individuals Who May Participate in a Cafeteria Plan
All participants in a cafeteria plan must be employees. See section 125(d)(1)(A). These proposed regulations provide that employees include common law employees, leased employees described in section 414(n), and full-time life insurance salesmen (as defined in section 7701(a)(20)). These proposed regulations further provide that former employees (including laid-off employees and retired employees) may participate in a plan, but a plan may not be maintained predominantly for former employees. See Rev. Rul. 82-196 (1982-2 CB 53); Rev. Rul. 85-121 (1985-2 CB 57), see Sec. 601.601(d)(2)(ii)(b). All employees who are treated as employed by a single employer under section 414(b), (c) or (m) are treated as employed by a single employer for purposes of section 125. See section 125(g)(4). A participant's spouse or dependents may receive benefits through a cafeteria plan although they cannot participate in the cafeteria plan. Self-employed individuals are not treated as employees for purposes of section 125. Accordingly, the new proposed regulations make clear that sole proprietors, partners, and directors of corporations are not employees and may not participate in a cafeteria plan. In addition, the new proposed regulations clarify that 2-percent shareholders of an S corporation are not employees for purposes of section 125. The new proposed regulations provide rules for dual status individuals and individuals moving between employee and non-employee status. A self-employed individual may, however, sponsor a cafeteria plan for his or her employees.

Election Between Taxable and Nontaxable Benefits
The new proposed regulations require that a cafeteria plan offer employees an election among only permitted taxable benefits (including cash) and qualified nontaxable benefits. See section 125(d)(1)(B). For purposes of section 125, cash means cash from current compensation (including salary reduction), payment for annual leave, sick leave, or other paid time off, severance pay, property, and certain after-tax employee contributions. Distributions from qualified retirement plans are not cash or taxable benefits for purposes of section 125. See Rev. Rul. 2003-62 (2003-1 CB 1034) (distributions to former employees from a qualified employees' trust, applied to pay health insurance premiums, are includible in former employees' gross income under section 402), see Sec. 601.601(d)(2)(ii)(b).

Qualified Benefits
In general, in order for a benefit to be a qualified benefit for purposes of section 125, the benefit must be excludible from employees' gross income under a specific provision of the Code and must not defer compensation, except as specifically allowed in section 125(d)(2)(B), (C) or (D). Examples of qualified benefits include the following: group-term life insurance on the life of an employee (section 79); employer-provided accident and health plans, including health flexible spending arrangements, and accidental death and dismemberment policies (sections 106 and 105(b)); a dependent care assistance program (section 129); an adoption assistance program (section 137); contributions to a section 401(k) plan; contributions to certain plans maintained by educational organizations, and contributions to HSAs. Section 125(f), (d)(2)(B), (C), (D). See Notice 97-9 (1997-2 CB 35) (adoption assistance), see Sec. 601.601(d)(2)(ii)(b); Notice 2004-2, Q & A-33 (2004-1 CB 269) (HSAs), see Sec. 601.601(d)(2)(ii)(b). A cafeteria plan may also offer long-term and short-term disability coverage as a qualified benefit (see section 106). However, see paragraph (q) in Sec. 1.125-1 for nonqualified benefits.

Group-Term Life Insurance
An employer may provide group-term life insurance through a combination of methods. Generally, under section 79(a), the cost of $50,000 or less of group-term life insurance on the life of an employee provided under a policy (or policies) carried directly or indirectly by an employer is excludible from the employee's gross income. (Special rules apply to key employees if the group-term life insurance plan does not satisfy the nondiscrimination rules in section 79(d)). However, if the group-term life insurance provided to an employee by an employer or employers exceeds $50,000 (taking into account all coverage provided both through a cafeteria plan and outside a cafeteria plan), the cost of coverage exceeding coverage of $50,000 is includible in the employee's gross income. For this purpose, the cost of group-term life insurance is shown in Sec. 1.79-3(d)(2), Table I (Table I). The Table I cost of the excess group-term life insurance (minus all after-tax contributions by the employee for group-term life insurance coverage) is includible in each covered employee's gross income. The new proposed regulations provide that the cost of group-term life insurance on the life of an employee, that either is less than or equal to the amount excludible from gross income under section 79(a) or provides coverage in excess of that amount, but not combined with any permanent benefit, is a qualified benefit that may be offered in a cafeteria plan. The new proposed regulations also provide that the entire amount of salary reduction and employer flex credits for group-term life insurance coverage on the life of an employee is excludible from an employee's gross income.

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The rule in the new proposed regulations differs from Notice 89-110 (1989-2 CB 447), see Sec. 601.601(d)(2)(ii)(b). Notice 89-110 provides that an employee includes in gross income the greater of the Table I cost of group-term life insurance coverage exceeding $50,000 or the employee's salary reduction and employer flex-credits for excess group term life insurance coverage. The new proposed regulations provide instead that the employee includes in gross income the Table I cost of the excess coverage (minus all after-tax contributions by the employee for group-term life insurance coverage) and that the entire amount of salary reduction and employer flex-credits for group-term life insurance coverage on the life of the employee is excludible from the employee's gross income. As noted in this preamble, taxpayers may rely on the new proposed regulations for guidance pending the issuance of final regulations.

Employer-Provided Accident and Health Plan
Coverage under an employer-provided accident and health plan that satisfies the requirements of section 105(b) may be provided as a qualified benefit through a cafeteria plan and is excludible from employees' gross income. Section 106; Sec. 1.106-1. The nondiscrimination rules under section 105(h) apply to self-insured medical reimbursement arrangements (including health FSAs).

The new proposed regulations specifically permit a cafeteria plan (but not a health FSA) to pay or reimburse substantiated individual accident and health insurance premiums. See Rev. Rul. 61-146 (1961-2 CB 25), see Sec. 601.601(d)(2)(ii)(b). In addition, a cafeteria plan may provide for payment of COBRA premiums for an employee. For employer-provided accident and health plans and medical reimbursement plans, the definition of dependents is the definition in section 105(b) as amended by the Working Families Tax Relief Act of 2004 (WFTRA), Public Law 108-311, section 207(9) (118 Stat. 1166) (that is, a dependent as defined in section 152, determined without regard to section 152(b)(1), (b)(2), or (d)(1)(B)). See Notice 2004-79 (2004-2 CB 898), see Sec. 601.601(d)(2)(ii)(b). For purposes of the exclusion from employees' gross income for accident and health plans and for medical reimbursement under sections 105(b) and 106, the spouse or dependent of a former employee (including a retired employee or a laid-off employee) or of a deceased employee is treated as a spouse or dependent. See Rev. Rul. 82-196 (1982-2 CB 53); Rev. Rul. 85-121 (1985-2 CB 57), see Sec. 601.601(d)(2)(ii)(b).

Dependent Care Assistance Programs and Adoption Assistance Programs
If the requirements of section 129 are satisfied, up to $5,000 of employer-provided assistance for amounts paid or incurred by employees for dependent care is excludible from employees' gross income. The new proposed regulations outline the general requirements for providing dependent care assistance programs and adoption assistance programs under section 137 through a cafeteria plan. See Notice 97-9, section II (1997-2 CB 35), see Sec. 01.601(d)(2)(ii)(b) Cafeteria Plan Year. The new proposed regulations require that a cafeteria plan year must be 12 consecutive months and must be set out in the written cafeteria plan. A short plan year (or a change in plan year resulting in a short plan year) is permitted only for a valid business purpose. A change in plan year resulting in a short plan year, for other than a valid business purpose, is disregarded. If a principal purpose of a change in plan year is to circumvent the rules of section 125, the change in plan year is ineffective.

No Deferral of Compensation
Qualified benefits must be current benefits. In general, a cafeteria plan may not offer benefits that defer compensation or operate to defer compensation. Section 125(d)(2)(A). In general, benefits may not be carried over to a later plan year or used in one plan year to purchase benefits to be provided in a later plan year. For example, life insurance with a cash value build-up or group-term life insurance with a permanent benefit (within the meaning of Sec. 1.79-0) defers the receipt of compensation and thus is not a qualified benefit.

The new proposed regulations clarify whether certain benefits and plan administration practices defer compensation. For example, the regulations permit an accident and health insurance policy to provide certain benefit features that apply for more than one plan year, such as reasonable lifetime limits on benefits, level premiums, premium waiver during disability, guaranteed renewability of coverage, coverage for specified accidental injury or specific diseases, and the payment of a fixed amount per day for hospitalization. But these insurance policies must not provide an investment fund or cash value to pay premiums, and no part of the premium may be held in a separate account for any beneficiary. The new proposed regulations also provide that the following benefits and practices do not defer compensation: a long-term disability policy paying benefits over more than one plan year; reasonable premium rebates or policy dividends; certain two-year lock-in vision and dental policies; certain advance payments for orthodontia; salary reduction contributions in the last month of a plan year used to pay accident and health insurance premiums for the first month of the following plan year; reimbursement of section 213(d) expenses for durable medical equipment; and allocation of experience gains (forfeitures) among participants.

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Paid Time Off
Under the prior proposed regulations, permitted taxable benefits included various forms of paid leave. Since the prior proposed regulations were issued, many employers have recharacterized and combined vacation days, sick leave and personal days into a single category of "paid time off." The new proposed regulations use the term "paid time off"' to refer to vacation days and other types of paid leave. The new proposed regulations contain the same ordering rule for elective and nonelective paid time off as set forth in Prop. Sec. 1.125-1, Q & A-7 (1984). A plan offering an election solely between paid time off and taxable benefits is not a cafeteria plan.

Grace Period
The new proposed regulations allow a written cafeteria plan to provide an optional grace period immediately following the end of each plan year, extending the period for incurring expenses for qualified benefits. A grace period may apply to one or more qualified benefits (for example, health FSA or dependent care assistance program) but in no event does it apply to paid time off or contributions to section 401(k) plans. Unused benefits or contributions for one qualified benefit may only be used to reimburse expenses incurred during the grace period for that same qualified benefit. The amount of unused benefits and contributions available during the grace period may be limited by the employer. A grace period may extend to the fifteenth day of the third month after the end of the plan year (but may be for a shorter period). Benefits or contributions not used as of the end of the grace period are forfeited under the use-or-lose rule. The grace period applies to all employees who are participants (including through COBRA), as of the last day of the plan year. Grace period rules must apply uniformly to all participants. The grace period rules in these proposed regulations are based on Notice 2005-42 (2005-1 CB 1204), modified in Notice 2007-22 (2007-10 IRB 670), see Sec. 601.601(d)(2)(ii)(b), amplified in Notice 2005-86 (2005-2 CB 1075), amplified in Notice 2007-22 (2007-10 IRB 670), see Sec. 601.601(d)(2)(ii)(b). For eligibility to contribute to a Health Savings Account (HSA) during a grace period, see Notice 2005-86 (2005-2 CB 1075), see Sec. 601.601(d)(2)(ii)(b). For Form W-2 reporting for unused dependent care assistance used for expenses incurred during a grace period, see Notice 2005-61 (2005-2 CB 607), see Sec. 601.601(d)(2)(ii)(b).

Contributions to Section 401(k) Plans Through a Cafeteria Plan
A cafeteria plan may include contributions to a section 401(k) plan. Section 125(d)(2)(B). The new proposed regulations clarify the interactions between section 125 and section 401(k). Contributions to a section 401(k) plan expressed as a percentage of compensation are permitted. Pursuant to Sec. 1.401(k)-1(a)(3)(ii), elective contributions to a section 401(k) plan may be made through automatic enrollment (that is, when the employee does not affirmatively elect cash, the employee's compensation is reduced by a fixed percentage, which is contributed to a section 401(k) plan).

Nonqualified Benefits
A cafeteria plan must not offer any of the following benefits: scholarships (section 117); employer-provided meals and lodging (section 119); educational assistance (section 127); fringe benefits (section 132); long-term care insurance. See section 125(f). Long-term care services are nonqualified benefits, H.R. Conf. Rep. No. 736, 104th Cong., 2d Sess. 29, reprinted in 1996 U.S.C.C.A.N. 2109. (An HSA funded through a cafeteria plan may, however, be used to pay premiums for long-term care insurance or for long-term care services.) The new proposed regulations clarify that contributions to Archer Medical Savings Accounts (sections 220, 106(b)), group term life insurance for an employee's spouse, child or dependent, and elective deferrals to section 403(b) plans are also nonqualified benefits. A plan offering any nonqualified benefit is not a cafeteria plan. A cafeteria plan may not offer a health FSA that provides for the carryover of unused benefits. See Notice 2002-45, Part I (2002-2 CB 93); Rev. Rul. 2002-41 (2002-2 CB 75), see Sec. 601.601(d)(2)(ii)(b).

After-Tax Employee Contributions
The new proposed regulations allow a cafeteria plan to offer after-tax employee contributions for qualified benefits or paid time off. A cafeteria plan may only offer the taxable benefits specifically permitted in the new proposed regulations. Nonqualified benefits may not be offered through a cafeteria plan, even if paid with after-tax employee contributions.

Employer Contributions Through Salary Reduction
Employees electing a qualified benefit through salary reduction are electing to forego salary and instead to receive a benefit which is excludible from gross income because it is provided by employer contributions. Section 125 provides that the employee is treated as receiving the qualified benefit from the employer in lieu of the taxable benefit. A cafeteria plan may also impose reasonable fees to administer the cafeteria plan which may be paid through salary reduction. A cafeteria plan is not required to allow employees to pay for any qualified benefit with after-tax employee contributions.

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II. New Prop. Sec. 1.125-2--Elections in Cafeteria Plans

Making, Revoking and Changing Elections

Generally, a cafeteria plan must require employees to elect annually between taxable benefits and qualified benefits. Elections must be made before the earlier of the first day of the period of coverage or when benefits are first currently available. The determination of whether a taxable benefit is currently available does not depend on whether it has been constructively received by the employee for purposes of section 451. Annual elections generally must be irrevocable and may not be changed during the plan year. However, Sec. 1.125-4 permits a cafeteria plan to provide for changes in elections based on certain changes in status. An employer that wishes to permit such changes in elections must incorporate the rules in Sec. 1.125-4 in its written cafeteria plan. These proposed regulations omit the rule in Q & A-6(b) in Prop. Sec. 1.125-2 (1989) (cessation of required contributions), because the change in status rules in Sec. 1.125-4 superseded this provision of the 1989 proposed regulations.

If HSA contributions are made through salary reduction under a cafeteria plan, employees may prospectively elect, revoke or change salary reduction elections for HSA contributions at any time during the plan year with respect to salary that has not become currently available at the time of the election.

A cafeteria plan is permitted to include an automatic election for new employees or current employees. Rev. Rul. 2002-27 (2002-1 CB 925), see Sec. 601.601(d)(2)(ii)(b). A new rule also permits a cafeteria plan to provide an optional election for new employees between cash and qualified benefits. New employees avoid gross income inclusion if they make an election within 30 days after the date of hire even if benefits provided pursuant to the election relate back to the date of hire. However, salary reduction amounts used to pay for such an election must be from compensation not yet currently available on the date of the election. Also, this special election rule for new employees does not apply to any employee who terminates employment and is rehired within 30 days after terminating employment (or who returns to employment following an unpaid leave of absence of less than 30 days).

New elections and revocations or changes in elections can be made electronically. The safe harbor for electronic elections in Sec. 1.401(a)-21 is available. Only an employee can make an election or revoke or change his or her election. An employee's spouse or dependent may not make an election under a cafeteria plan and may not revoke or change an employee's election.

III. New Prop. Sec. 1.125-5--Flexible Spending Arrangements

Overview

In general, a flexible spending arrangement (FSA) is a benefit designed to reimburse employees for expenses incurred for certain qualified benefits, up to a maximum amount not substantially in excess of the salary reduction and employer flex-credits allocated for the benefit. The maximum amount of reimbursement reasonably available must be less than five times the value of the coverage. Employer flex-credits are non-elective employer contributions that an employer makes available for every employee eligible to participate in the cafeteria plan, to be used at the employee's election only for one or more qualified benefits (but not as cash or other taxable benefits). The three types of FSAs are dependent care assistance, adoption assistance and medical care reimbursements (health FSA).

Uniform Coverage Rule

The new proposed regulations retain the rule that the maximum amount of reimbursement from a health FSA must be available at all times during the period of coverage (properly reduced as of any particular time for prior reimbursements). The uniform coverage rule does not apply to FSAs for dependent care assistance or adoption assistance.

Use-or-Lose Rule

An FSA must satisfy all the requirements of section 125, including the prohibition against deferring compensation. In general, as discussed under "no deferral of compensation", in order to satisfy this requirement of section 125, all benefits and contributions must be used by the end of the plan year (or grace period, if applicable), or are forfeited. The new proposed regulations continue the use-or-lose rule.

Period of Coverage

The required period of coverage for all FSAs continues to be twelve months, with an exception for short plan years that satisfy the conditions in the new proposed regulations. The period of coverage and the plan year need not be the same. The beginning and end of a period of coverage is clarified. The new proposed regulations also clarify that FSAs for

different qualified benefits need not have the same coverage period. See also "Grace period", discussed in this preamble. The new proposed regulations also continue to provide that expenses are incurred when services are provided. Expenses incurred before or after the period of coverage may not be reimbursed.

Health FSA
A health FSA may only reimburse certain substantiated section 213(d) medical care expenses incurred by the employee, or by the employee's spouse or dependents. A health FSA may be limited to a subset of permitted section 213(d) medical expenses (for example, a health FSA is permitted to exclude reimbursement of over-the-counter drugs described in Rev. Rul. 2003-102 (2003-2 CB 559), see Sec. 601.601(d)(2)(ii)(b)). Similarly, a health FSA may be an HSA compatible limited-purpose health FSA or post-deductible health FSA. Rev. Rul. 2004-45 (2004-1 CB 971), see Sec. 601.601(d)(2)(ii)(b), amplified, Notice 2005-86 (2005-2 CB 1075). A health FSA may not reimburse premiums for accident and health insurance or long-term care insurance. See section 125(f).

A health FSA must satisfy all requirements of section 105(b), Sec. Sec. 1.105-1 and 1.105-2. The section 105(h) nondiscrimination rules apply to health FSAs. All medical expenses must be substantiated before expenses are reimbursed. See Incurring and reimbursing expenses for qualified benefits, discussed in this preamble. The new proposed regulations also clarify when medical expenses are incurred.\1\ A cafeteria plan may limit enrollment in a health FSA to those employees who participate in the employer's accident and health plan.

\1\ See Rev. Rul. 2005-55 (2005-2 CB 284) and Rev. Rul. 2005-24 (2005-1 CB 892), see Sec. 601.601(d)(2)(ii)(b) (section 105(b) exclusion only applicable to reimbursements for medical expenses incurred by employee, or by the employee's spouse or dependents); Rev. Rul. 2002-3 (2002-1 CB 316) (purported reimbursements to employees of health insurance premiums not paid by employees and therefore impermissible); Rev. Rul. 2002-80 (2002-2 CB 925), see Sec. 601.601(d)(2)(ii)(b) (so-called advance reimbursements and purported loans are impermissible); Rev. Rul. 2003-43 (2003-1 CB 935), see Sec. 601.601(d)(2)(ii)(b); Notice 2006-69 (2006-31 IRB 107) (substantiation requirements for debit cards), amplified in Notice 2007-2 (2007-2 IRB 254), see Sec. 601.601(d)(2)(ii)(b).

Qualified HSA Distributions
Section 106(e), enacted in section 302 of the Health Opportunity Patient Empowerment Act of 2006, Public Law 109-432 (120 Stat. 2922 (2006)) allows "qualified HSA distributions" from health FSAs to HSAs. Section 106(e) applies to distributions between December 20, 2006 and December 31, 2011. The proposed regulations incorporate the rules on qualified HSA distributions set forth in Notice 2007-22 (2007-10 IRB 670). See Sec. 601.601(d)(2)(ii)(b).

The distribution must not be more than the lesser of the balance in the health FSA on September 21, 2006, or the date of the distribution. If you were not covered by a health FSA on September 21, 2006, you cannot elect to make a qualified HSA distribution from the health FSA. If you were covered by a health FSA with an employer on September 21, 2006, but change employers after that date, you cannot elect to make a qualified HSA distribution from your second employer's health FSA.

The following conditions must be met to make a qualified HSA distribution.
-The plan must have been amended to allow these distributions.
-You must elect to make the rollover.
-The year-end balance in the health FSA must be frozen.
-The funds must be transferred within 2½ months after the end of the health FSA's plan year and result in a zero balance in the health FSA.
-The distribution must be contributed directly to the HSA trustee by the employer.

Only one qualified HSA distribution is allowed for each health FSA. If you do not remain an eligible individual for HSA purposes during the testing period, the distribution is included in your income and is subject to a 10% additional tax. For more information, see Notice 2007-22, 2007-10 I.R.B. 670

Dependent Care Assistance After Termination
A new optional rule permits an employer to reimburse a terminated employee's qualified dependent care expenses incurred after termination through a dependent care FSA, if all section 129 requirements are otherwise satisfied.

Experience Gains
If an employee fails to use all contributions and benefits for a plan year before the end of the plan year (and the grace period, if applicable), those unused contributions and benefits are forfeited under the use-or-lose rule. Unused amounts are also known as experience gains. The new proposed regulations retain the forfeiture allocation rules in the 1989 proposed regulations, and clarify that the employer sponsoring the cafeteria plan may retain forfeitures, use forfeitures to defray expenses of administering the plan or allocate forfeitures among employees contributing through salary reduction on a reasonable and uniform basis.

FSA Administrative Rules
Salary reduction contributions may be made at whatever interval the employer selects, including ratably over the plan year based on the employer's payroll periods or in equal installments at other regular intervals (for example, quarterly installments). These rules must apply uniformly to all participants.

IV. New Prop. Sec. 1.125-6--Substantiation of Expenses for All Cafeteria Plans

Incurring and Reimbursing Expenses for Qualified Benefits
The new proposed regulations provide that only expenses for qualified benefits incurred after the later of the effective date or the adoption date of the cafeteria plan are permitted to be reimbursed under the cafeteria plan. Similarly, if a plan amendment adds a new qualified benefit, only expenses incurred after the later of the effective date or the adoption date are eligible for reimbursement.\2\ This rule applies to all qualified benefits. Similarly, a cafeteria plan may pay or reimburse only expenses for qualified benefits incurred during a participant's period of coverage.

\2\ See American Family Mut. Ins. Co. v. United States, 815 F. Supp. 1206 (W.D. Wis. 1992); Wollenberg v. United States, 75 F. Supp.2d 1032 (D. Neb. 1999); Rev. Rul. 2002-58 (2002-2 CB 541), see Sec. 601.601(d)(2)(ii)(b); Notice 97-9, section II (adoption assistance).

Substantiation and Reimbursement of Expenses for Qualified Benefits
The new proposed regulations provide, after an employee incurs an expense for a qualified benefit during the coverage period, the expense must first be substantiated before the expense may be paid or reimbursed. All expenses must be substantiated (substantiating only a limited number of total claims, or not substantiating claims below a certain dollar amount does not satisfy the requirements in the new proposed regulations). See Sec. 1.105-2; Rul. 2003-80; Rev. Rul. 2003-43 (2002-1 CB 935), see Sec. 601.601(d)(2)(ii)(b); Notice 2006-69 (2006-31 IRB 107), Notice 2007-2 (2007-2 IRB 254). FSAs for dependent care assistance and adoption assistance must follow the substantiation procedures applicable to health FSAs.

Debit Cards
The new proposed regulations incorporate previously issued guidance on substantiating, paying and reimbursing expenses for section 213(d) medical care incurred at a medical care provider when payment is made with a debit card. Rev. Rul. 2003-43 (2003-1 CB 935), amplified, Notice 2006-69 (2006-31 IRB 107), Notice 2007-2 (2007-2 IRB 254); Rev. Proc. 98-25 (1998-1 CB 689), see Sec. 601.601(d)(2)(ii)(b). Among the permissible substantiation methods are copayment matches, recurring expenses, and real-time substantiation. The new proposed regulations also allow point-of sale substantiation through matching inventory information with a list of section 213(d) medical expenses. The employer is responsible for ensuring that the inventory information approval system complies with the new regulations and with the recordkeeping requirements in section 6001. Rev. Rul. 2003-43 (2003-1 CB 935), amplified, Notice 2006-69 (2006-31 IRB 107), Notice 2007-2 (2007-2 IRB 254); Rev. Proc. 98-25 (1998-1 CB 689), see Sec. 601.601(d)(2)(ii)(b). The new proposed regulations also provide rules under which an FSA may pay or reimburse dependent care expenses using debit cards.

Pursuant to prior guidance (in Notice 2006-69 (2006-31 IRB 107), amplified, Notice 2007-2 (2007-2 IRB 254)), for plan years beginning after December 31, 2006, the recordkeeping requirements described in paragraph (f) in Sec. 1.125-6 apply (that is, responsibility of employers relying on the inventory information approval system for health FSA debit cards to ensure that the system complies with the new proposed recordkeeping requirements, including Rev. Proc. 98-25 (1998- 1 CB 689), Notice 2006-69 (2006-31 IRB 107), amplified, Notice 2007-2 (2007-2 IRB 254). For health FSA debit card transactions occurring on or before December 31, 2007, all supermarkets, grocery stores, discount stores and wholesale clubs that do not have a medical care merchant category code (as described in Rev. Rul. 2003-43 (2003-2 CB 935) are nevertheless deemed to be an "other medical provider"' as described in Rev. Rul. 2003-43. (For a list of

merchant category codes, see Rev. Proc. 2004-43 (2004-2 CB 124).) During this time period, mail-order vendors and web-based vendors that sell prescription drugs are also deemed to be an "other medical provider" as described in Rev. Rul. 2003- 43. After December 31, 2008, health FSA debit cards may not be used at stores with the Drug Stores and Pharmacies merchant category code unless (1) the store participates in the inventory information approval system described in Notice 2006-69, or (2) on a store location by store location basis, 90 percent of the store's gross receipts during the prior taxable year consisted of items which qualify as expenses for medical care under section 213(d). Notice 2006-69 (2006-31 IRB 107), amplified, Notice 2007-2 (2007-2 IRB 254).

V. New Prop. Sec. 1.125-7--Nondiscrimination Rules

Discriminatory benefits provided to highly compensated participants and individuals and key employees are included in these employees' gross income. See section 125(b), (c). The new proposed regulations reflect changes in tax law since Prop. Sec. 1.125-1, Q & A-9 through 13 and 19 were proposed in 1984, including the key employee concentration test, statutory nontaxable benefits (enacted in the Deficit Reduction Act of 1984 (DEFRA), Public Law 98-369, section 531(b), (98 Stat. 881(1984)), and the change in definition of dependent in WFTRA.

The new proposed regulations provide additional guidance on the cafeteria plan nondiscrimination rules, including definitions of key terms, guidance on the eligibility test and the contributions and benefits tests, descriptions of employees allowed to be excluded from testing and a safe harbor nondiscrimination test for premium-only-plans.

Specifically, the new proposed regulations define several key terms, including highly compensated individual or participant (consistent with the section 414(q) definition of highly compensated employee), officer, five percent shareholder, key employee and compensation. The new proposed regulations also provide guidance on the non-discrimination as to eligibility requirement by incorporating some of the rules under section 410(b) (specifically the rules under Sec. 1.410(b)-4(b) and (c) dealing with reasonable classification, the safe harbor percentage test and the unsafe harbor percentage component of the facts and circumstances test).

The new proposed regulations also provide additional guidance on the contributions and benefits test and, unlike the prior proposed regulations, the new proposed regulations provide an objective test to determine when the actual election of benefits is discriminatory. Specifically, the new proposed regulations provide that a cafeteria plan must give each similarly situated participant a uniform opportunity to elect qualified benefits, and that highly compensated participants must not actually disproportionately elect qualified benefits. Finally, the new rules provide guidance on the safe harbor for cafeteria plans providing health benefits and create a safe harbor for premium-only-plans that satisfy certain requirements.

The example in Prop. Sec. 1.125-1, Q & A-11 (1984) is deleted because it concerns a qualified legal services plan, which is no longer a qualified benefit.

Other Issues

These proposed regulations provide guidance under section 125 (26 U.S.C. 125). Other statutes may impose additional requirements (for example, the Employee Retirement Income Security Act of 1974 (ERISA) (29 U.S.C. 1000), the Health Insurance Portability and Accountability Act of 1996 (HIPAA), (sections 9801-9803); and the continuation coverage requirements under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) (section 4980B).

Proposed Effective Date

With the exceptions noted in the "Effect on other documents" section of this preamble and under the "Debit cards" section of the preamble, it is proposed that these regulations apply for plan years beginning on or after January 1, 2009. Taxpayers may rely on these regulations for guidance pending the issuance of final regulations. Prior published guidance on qualified benefits under sections 79, 105, 106, 129, 137 and 223 that is affected by these proposed regulations remains applicable through the effective date of the final regulations (except as modified in "Effect on other documents" section of this preamble).

Effect on Other Documents

Notice 89-110 (1989-2 CB 447), see Sec. 601.601(d)(2)(ii)(b), states that where group-term life insurance provided to an employee by an employer exceeds $50,000, the employee includes in gross income the greater of the cost of group-term life insurance shown in Sec. 1.79-3(d)(2), Table I (Table I) on the excess coverage or the employee's salary reduction and employer flex-credits for excess coverage. Notice 89-110 is modified, effective as of the date the proposed regulations are published in the Federal Register.

Published guidance under Sec. 105(b) states that if any person has the right to receive cash or any other taxable or nontaxable benefit under a health FSA other than the reimbursement of section 213(d) medical expenses of the employee, employee's spouse or employee's dependents, then all distributions made from the arrangement are included in the employee's gross income, even amounts paid to reimburse medical care. See Rev. Rul. 2006-36 (2006-36 IRB 353); Rev. Rul. 2005-24 (2005-1 CB 892); Rev. Rul. 2003-102 (2003-2 CB 559); Notice 2002-45 (2002-2 CB 93); Rev. Rul. 2002-41 (2002-2 CB 75); Rev. Rul. 69-141 (1969-1 CB 48). New section 106(e) provides that a health FSA will not fail to satisfy the requirements of sections 105 or 106 merely because the plan provides for a qualified HSA distribution. Amounts rolled into an HSA may be used for purposes other than reimbursing the section 213(d) medical expenses of the employee, spouse or dependents. Accordingly, Rev. Rul. 2006-36, Rev. Rul. 2005-24, Rev. Rul. 2003-102, Notice 2002-45, Rev. Rul. 2002-41, and Rev. Rul. 69-141 are modified with respect to qualified HSA distributions described in section 106(e). See Notice 2007-22 (2007-10 IRB 670), see Sec. 601.601(d)(2)(ii)(b).

Special Analyses

It has been determined that this notice of proposed rulemaking is not a significant regulatory action as defined in Executive Order 12866. Therefore, a regulatory assessment is not required. It also has been determined that section 553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) does not apply to this regulation. It is hereby certified that the collection of information in this regulation will not have a significant economic impact on a substantial number of small entities. This certification is based on the fact that the regulations will only minimally increase the burdens on small entities. The requirements under these regulations relating to maintaining a section 125 cafeteria plan are a minimal additional burden independent of the burdens encompassed under existing rules for underlying employee benefit plans, which exist whether or not the benefits are provided through a cafeteria plan. In addition, most small entities that will maintain cafeteria plans already use a third-party plan administrator to administer the cafeteria plan. The collection of information required in these regulations, which is required to comply with the existing substantiation requirements of sections 105, 106, 129 and 125, and the recordkeeping requirements of section 6001, will only minimally increase the third-party administrator's burden with respect to the cafeteria plan. Therefore, an analysis under the Regulatory Flexibility Act (5 U.S.C. chapter 6) is not required. Pursuant to section 7805(f) of the Internal Revenue Code, this proposed regulation has been submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small business. The rules of 26 CFR 601.601(a)(3) apply to the hearing. Persons who wish to present oral comments at the hearing

DOWNLOAD A COPY OF THE EXACT CODE AT www.CoreDocuments.com/forms.php

Simple Cafeteria Plan

After December 31, 2010, eligible employers meeting contribution requirements and eligibility and participation requirements can establish a simple cafeteria plan. Simple cafeteria plans are treated as meeting the nondiscrimination requirements of a cafeteria plan and certain benefits under a cafeteria plan.

Eligible Employer
You are an eligible employer if you employ an average of 100 or fewer employees during either of the two preceding years. If your business was not in existence throughout the preceding year, you are eligible if you reasonably expect to employ an average of 100 or fewer employees in the current year. If you establish a simple cafeteria plan in a year that you employ an average of 100 or fewer employees, you are considered an eligible employer for any subsequent year as long as you do not employ an average of 200 or more employees in a subsequent year.

Eligibility and Participation Requirements
These requirements are met if all employees who had at least 1,000 hours of service for the preceding plan year are eligible to participate and each employee eligible to participate in the plan may elect any benefit available under the plan. You may elect to exclude from the plan employees who:

1. Are under age 21 before the close of the plan year,
2. Have less than 1 year of service with you as of any day during the plan year,
3. Are covered under a collective bargaining agreement, or
4. Are nonresident aliens working outside the United States whose income did not come from a U.S. source.

Contribution Requirements
You must make a contribution to provide qualified benefits on behalf of each qualified employee in an amount equal to:

1. A uniform percentage (not less than 2%) of the employee's compensation for the plan year, or
2. An amount which is at least 6% of the employee's compensation for the plan year or twice the amount of the salary reduction contributions of each qualified employee, whichever is less.

If the contribution requirements are met using option (2) above, the rate of contribution to any salary reduction contribution of a highly compensated or key employee can not be greater than the rate of contribution to any other employee.

(Publication 15-B 2011)

-If you have less than 100 employees;
-If employees that work 1,000 hours or more per year are eligible;
-If any eligible employee may choose any benefit available under the plan;
-If employees that have been employed by you one year (or less) are eligible;
-If employees over 21 are not excluded; and
-If you contribute either

1. A uniform percentage (not less than 2%) of the employee's compensation for the plan year, **or**
2. An amount which is at least 6% of the employee's compensation for the plan year or twice the amount of the salary reduction contributions of each qualified employee, whichever is less. HCE salary reduction contribution cannot be greater than that of any other employee.

Then you have a **Simple Cafeteria Plan**! There is no need to perform Nondiscrimination testing.

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Nondiscrimination

The proposed rules, for the first time in more than twenty years, try to elaborate on the application of various non-discrimination rules to cafeteria plans. Cafeteria plans cannot favor highly compensated individuals (HCIs) as to eligibility, or favor highly compensated participants as to contributions and benefits (Treas. Reg. §1.125-7). In applying this eligibility test, certain individuals are allowed to be disregarded, including COBRA qualified beneficiaries. In other words, the test is run based on the active employee population.

The rules apply to cafeteria plans generally, and specifically to HSAs offered through a cafeteria plan and health FSAs.

Under the safe harbor provisions, plans that meet certain criteria fall within a safe harbor, that is, are deemed nondiscriminatory.

Definitions
Under the new proposed rules, an HCI means an individual who is:

1) an officer;
2) a 5-percent shareholder; or
3) highly compensated (Treas. Reg. §1.125-7(a)(3)(i)).

Spouses and dependents of HCIs also are HCIs (Treas. Reg. §1.125-7(a)(3)(ii)).

A highly compensated participant (HCP) means an HCI who is eligible to participate in a cafeteria plan (Treas. Reg. §1.125-7(a)(4)).

An "officer" for the nondiscrimination test means an individual or participant who for the preceding year was an officer. Status as an officer depends on the source of the individual's authority, the term of his or her election or appointment, and the nature and extent of duties. Generally, the term "officer" means an administrative executive who is in regular and continued service. The officer title without authority is not an "officer" for the rules' nondiscrimination purposes (Treas. Reg. §1.125-7(a)(7)).

A "key employee" is defined as under pension provisions (Code Section 416) as an employee who is an:

1) officer with compensation above a defined threshold (indexed) for the plan year as defined in the Section 415(b)(1)(A));
2) a 5-percent owner of the employer; or
3) a 1-percent owner having annual compensation from the employer of more than a threshold amount as defined in Section 416 (Treas. Reg. §1.125-7(a)(10)).

Eligibility test
Cafeteria plans cannot discriminate as to eligibility in favor of HCIs. The proposed cafeteria plan rules incorporate the pension plan safe-harbor percentage test for eligibility from Treas. Reg. §1.410. Under this test, a certain minimum percentage of nonhighly compensated individuals must be benefiting under the plan relative to a certain percentage of HCIs (Treas. Reg. §1.125-7(b)).

If enough rank-and-file employees benefit relative to the number of HCIs benefiting, the plan falls within what is called a safe harbor - or a zone of ratios automatically deemed not to discriminate (Treas. Reg. §1.125-7(b)).

If the ratio of rank-and-file employees benefiting in the cafeteria plan relative to the HCIs is too low, then the plan is deemed discriminatory. However, a plan that fails the ratios test may yet qualify under another part of the test referred to as the facts-and-circumstances test (Treas. Reg. §1.125-7(b)). For example, there may be a legitimate business reason for discriminatory eligibility, such as rank-and-file employees residing outside an HMO service area who thus do not qualify for plan coverage.

Contributions and benefits test
Under another test, a cafeteria plan cannot discriminate in favor of HCPs regarding contributions and benefits (Treas. Reg. §1.125-7(c)(1)). A plan must give each similarly situated participant a uniform chance to elect qualified benefits, and the HCPs must not in disproportionate numbers actually elect those benefits (Treas. Reg. §1.125-7(c)(2)).

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Under the benefits test, disproportionate election exists if the aggregate qualified benefits that HCPs elect, measured as a percentage of their aggregate compensation, exceeds the aggregate qualified benefits that nonhighly compensated participants elect, measured as a percentage of their aggregate compensation (Treas. Reg. §1.125-7(c)(2)).

> **Example.** Contel's cafeteria plan meets eligibility requirements. HCPs in the plan elect aggregate qualified benefits equaling 5 percent of aggregate compensation; nonhighly compensated participants elect aggregate qualified benefits equaling 10 percent of aggregate compensation. Contel's cafeteria plan passes the contributions and benefits test.

Key employees test

There also is a key employees test. If nontaxable benefits provided to key employees exceed 25 percent of the aggregate nontaxable benefit provided for all employees through the cafeteria plan, each key employee includes in gross income an amount equaling the maximum taxable benefits that he or she could have elected for the plan year (Treas. Reg. §1.125-7(d)(1)).

However, there is a safe harbor for POPs under which a POP passes the contributions and benefits test and the key employee test if it meets the safe harbor percentage test for eligibility described above (Treas. Reg. §1.125-7(f)(1)).

To illustrate the key employees test:

> **Example.** Employer Durango's cafeteria plan offers all employees an election between taxable benefits (such as cash) and qualified benefits (such as excludable health benefits) and meets the eligibility test. Durango has two key employees and four nonhighly compensated employees. Key employees each elect $2,000 of qualified benefits. Each nonhighly compensated employee also elects $2,000 of qualified benefits.

Key employees receive $4,000 of nontaxable benefits and nonhighly compensated employees receive $8,000 of non-taxable benefits, for a total of $12,000. Key employees receive 33 percent of nontaxable benefits. Because the plan provides more than 25 percent of aggregate nontaxable benefits to key employees, the plan fails the key employee concentration test (Treas. Reg. §1.125-7(d)(2)).

To illustrate the POP safe harbor:

> **Example.** Employer Fox's written POP offers one health plan and offers all employees the election to salary reduce the same amount or same percentage of the premium for self-only or family coverage. All key employees and all highly compensated employees elect salary reduction for the health plan, but only 20 percent of nonhighly compensated employees elect the health plan (Treas. Reg. §1.125-7(f)(2)(i)).

The POP satisfies the eligibility and contributions and benefits tests (Treas. Reg. §1.125-7(f)(2)(ii)).

Health plan safe harbor

In addition, there is a contributions and benefits test safe harbor for group health plans — but not dental or health FSAs. The safe harbor applies if the contribution on behalf of each participant equals 100 percent of the cost of health coverage of the majority of similarly situated HCPs, or at least equals 75 percent of the cost of health coverage of the similarly situated participant with the highest cost health coverage under the plan (Treas. Reg. §1.125-7(e)(1)).

Aggregation

Employers that sponsor more than one cafeteria plan have the option to aggregate plans for nondiscrimination testing purposes, which could provide flexibility particularly to employers in industries with high turnover or low participation rates, for example (Treas. Reg. §1.125-7(g)(2)).

Plans are required to do nondiscrimination testing annually. Tests must be done as of the last day of the plan year (Treas. Reg. §1.125-7(j)(1)).

> **Example**. Employer Hoopla has three employees and maintains a calendar year cafeteria plan. During 2009 Jay was an employee the entire year, Kay was an employee from May 1 through Aug. 31, 2009, and Lai was an employee from Jan. 1 to April 15, 2009.

Nondiscrimination testing must be done for the 2009 plan year and must be performed on Dec. 31, 2009, taking into account employees Jay, Kay and Lai's compensation in the preceding year (Treas. Reg. §1.125-7(j)(2)).

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Section 125 Plan Non-discrimination Testing Instructions and Forms

The discrimination rules described in the IRC Section 125 are applied to all benefits provided in a cafeteria plan in the aggregate.

The discrimination rules applicable to cafeteria plans are found in Section 125 of the Internal Revenue Code. Under these rules, a plan cannot discriminate in favor of highly compensated employees or participants for purposes of the Eligibility Test or discriminate in favor of highly compensated participants for purposes of the Contributions and Benefits Test. A plan also cannot discriminate in favor of key employees for purposes of the Key Employee Concentration Test. The required tests are as follows:

Eligibility Test: A plan cannot discriminate in favor of highly compensated employees (defined in #1 below) as to eligibility to participate.

Contributions and Benefits Test: A plan cannot discriminate in favor of highly compensated participants (defined in #1 below) as to contributions and benefits.

Concentration Test: Benefits to key employees (defined in #2 below) under the plan cannot exceed 25% of the aggregate benefits provided to all employees under the plan.

1. For purposes of the **Eligibility, Contributions and Benefits Tests**, who are "highly compensated employees"?

   A highly compensated employee is an employee who is:
   - An officer;
   - A shareholder owning more than 5% of the voting power or value of all classes of stock of the employer;
   - Highly compensated [*interpreted to mean a "highly compensated employee" as defined in Code section 414(q)]. For 2013, it includes any employee earning over $115,000 in 2012*; or
   - A spouse or dependent of one of the above.

2. For purpose of the **Concentration Test**, who is a "key employee"?

   A key employee is an employee who is:
   - An officer with annual compensation more than $165,000 (for 2012/2013), as indexed;
   - A more than 5% owner; or
   - A more than 1% owner with compensation over $150,000, not indexed.

What nondiscrimination rules apply to Premium Only Plans?
A Premium Only Plan that pays medical premiums on a pre-tax basis is governed by Section 106 of the Code, which does not provide any rules regarding nondiscrimination. Thus, the rules above under Item 1 will apply to Premium Only Plans for medical premiums. If all employees are eligible to have their salary reduced pre-tax to pay medical premiums, and the amount of premium does not vary (except for levels of coverage), the plan should pass the nondiscrimination tests. In addition, if a Premium Only Plan also involves the payment of group life insurance premiums, it will be subject to the nondiscrimination rules under Item 1 above.

Consequences of Test Failures

What happens if the plan discriminates in favor of either highly compensated employees or key employees?
If either the **Eligibility Test** or **Contribution and Benefits Test** fail, all highly compensated employees participating in the plan must claim the amount of benefit that they COULD have received from the plan as income on their taxes for that year. If the **Concentration Test** fails, all key employees participating in the plan must claim the amount of benefit that they COULD have received from the plan as income on their taxes for that year.
Some employees can be excluded when determining the top paid group. These include employees who:
1. Have not completed 6 months of service.
2. Normally work less than 17 ½ hours per week.

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3. Normally work not more than 6 months per year.

Compensation includes taxable compensation and salary reductions under cafeteria plans, 401(k) plans, and tax sheltered annuities. Stock owned by an employee's spouse, children, grandchildren, or parents is treated as owned by the employee. (See IRC Section 318)

Excluded Employees
Section 125 provides no specific authority to exclude a group of employees. However, plan administrators have routinely "borrowed" exclusions from other code sections and applied them to cafeteria plans in general. Check the plan document for details on excluded employees.

Eligibility Discrimination
A plan will not be treated as discriminatory as to eligibility, if the plan:

1. Benefits a group of employees who qualify under a classification established by the employer and found by the IRS not to be discriminatory in favor of highly compensated employees (see IRC Section 410(b)(20(A)(I)); and
2. Meets the requirements of (a) and (b) below:
   a. No employee is required to complete more than 3 years of employment with the employer or employers maintaining the plan as a condition of participating in the plan, and the employment requirement for each employee is the same.
   b. An employee who has satisfied the employment requirement of (a) above, and who is otherwise entitled to participate in the plan, commences participation no later than the first day of the first plan year beginning after the date the employment requirement was satisfied unless the employee was separated from service before the first day of that plan year.

Contributions and Benefits
A plan will not be discriminatory as to contributions and benefits if total benefits and nontaxable benefits do not discriminate in favor of highly compensated employees. Generally this determination will be made on the basis of facts and circumstances.

Section 125(c) provides a safe harbor. It provides that a cafeteria plan does not discriminate as to contributions and benefits if the qualified benefits and total benefits (or employer contributions allocable to qualified benefits and employer contributions for total benefits) do not discriminate in favor of highly compensated participants. The regulations under Reg. Section 1.125-1 Q & A 19 states that: "a plan must satisfy section 125(c) with respect to both benefit availability and benefit selection. Thus, a plan must give each participant an equal opportunity to select nontaxable benefits, and the actual selection of nontaxable benefits under the plan must not be discriminatory, i.e., highly compensated participants do not disproportionately select nontaxable benefits while other participants select taxable benefits."

The regulations merely provide that the utilization non disproportionately favor highly compensated participants. Unfortunately, there is no guidance as to what this means.

For example, suppose an employer allows salary redirections to a cafeteria plan to pay for dependent coverage for health insurance. All highly compensated eligible employees (100%) elect coverage. Does this satisfy IRC Section 125(c)? Presumably this plan disproportionately favors highly compensated participants.

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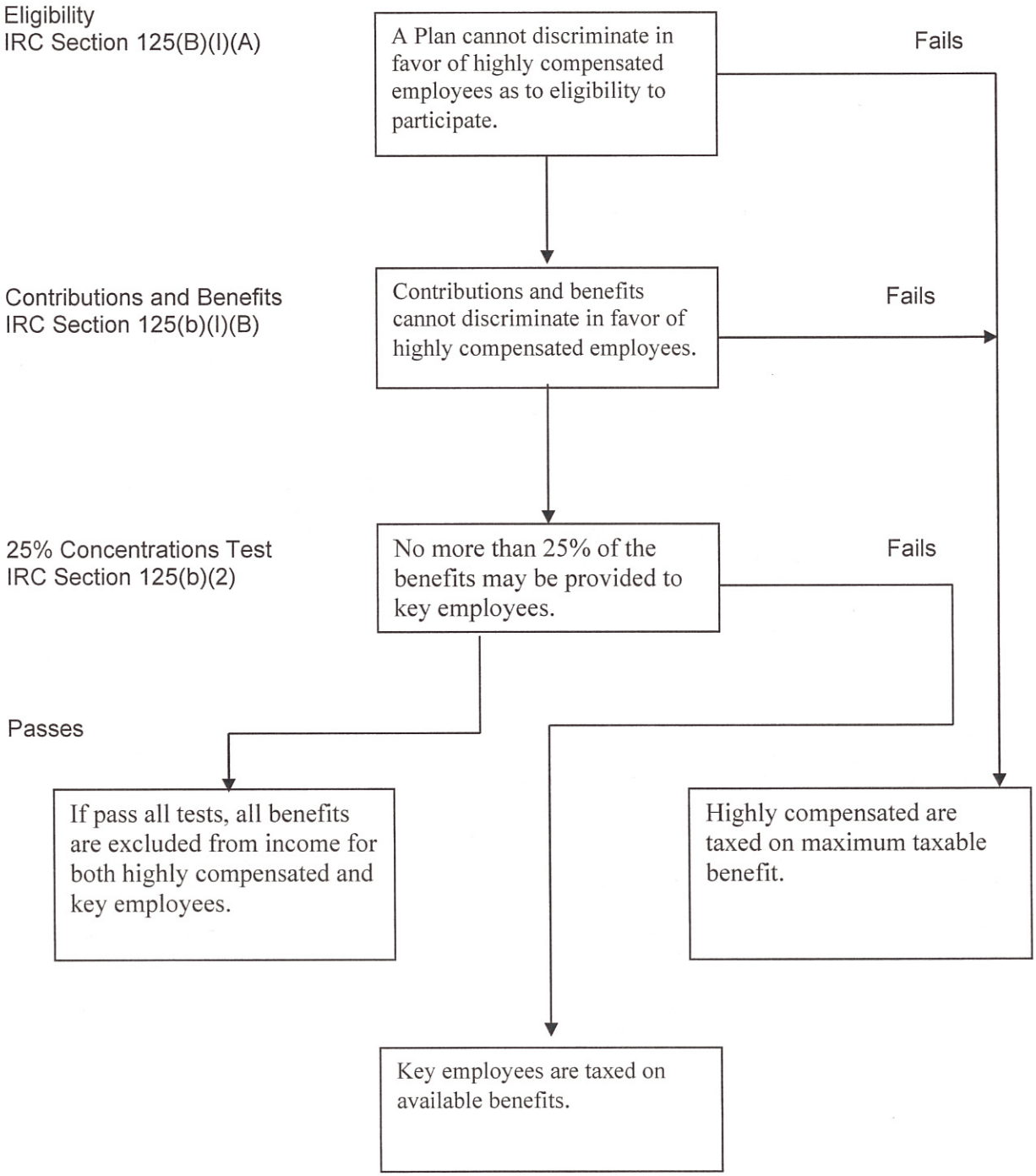

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Table I
Safe/Unsafe Harbor Table

Non-highly Compensated Employee Concentration Percentage	Safe Harbor Percentage	Unsafe Harbor Percentage
0-60%	50.00%	40.00%
61	49.25%	39.25%
62	48.50%	38.50%
63	47.75%	37.75%
64	47.00%	37.00%
65	46.25%	36.25%
66	45.50%	35.50%
67	44.75%	34.75%
68	44.00%	34.00%
69	43.25%	33.25%
70	42.50%	32.50%
71	41.75%	31.75%
72	41.00%	31.00%
73	40.25%	30.25%
74	39.50%	29.50%
75	38.75%	28.75%
76	38.00%	28.00%
77	37.25%	27.25%
78	36.50%	26.50%
79	35.75%	25.75%
80	35.00%	25.00%
81	34.25%	24.25%
82	33.50%	23.50%
83	32.75%	22.75%
84	32.00%	22.00%
85	31.25%	21.25%
86	30.50%	20.50%
87	29.75%	20.00%
88	29.00%	20.00%
89	28.25%	20.00%
90	27.50%	20.00%
91	26.75%	20.00%
92	26.00%	20.00%
93	25.25%	20.00%
94	24.50%	20.00%
95	23.75%	20.00%
96	23.00%	20.00%
97	22.25%	20.00%
98	21.50%	20.00%
99	20.75%	20.00%

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Eligibility Classification Test

(All Plans) Reg. Section 410(b)

_____
(Company Name)

Plan Year Ended _____

	Total Employees	Highly Compensated	Non-highly Compensated
1. Total employees	_____	_____	_____
2. Employees ineligible under the plan	_____	_____	_____
3. Total eligible employees (Subtract line 2 from line 1)	_____ (A)	_____	_____(B)
4. Total employees excluded from benefiting	_____	_____	_____
5. Total employees eligible to benefit (Subtract line 4 from line 3)	_____	_____	_____(C)
6. Concentration of non-highly compensated employees (Divide Non-highly compensated (B) by Total Employees (A))			_____%
7. Safe Harbor percentage			_____%
8. Unsafe Harbor percentage			_____%
9. Percentage of non-excluded, non-highly compensated employees eligible to benefit under the plan. (Divide Non-highly Compensated (C) by Non-highly Compensated (B))			_____%

Conclusion:

If line 9 is less than line 7, then it fails the Nondiscriminatory Classification Test.

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IRC Section 125 — Cafeteria Plan

Highly Compensated Employees (HCE) — IRC 125(e) (All Plans)

This Form Just Helps You Identify and Document HCEs

_____
(Company Name)

Plan Year Ended_____

This page simply helps you identify and list Highly Compensated Employees in your group.

List all employees who fit into one or more of the following categories. An employee may be classified as highly compensated on the basis of more than one category. When listing highly compensated employees, list each employee only once.

1. List all employees at any time during the **current plan year** with more than 5% ownership.

_____ _____

_____ _____

_____ _____

2. List all employees who, during the **current plan year**, were officers.

_____ _____

_____ _____

_____ _____

3. List all employees who are a spouse or dependent (within the meaning of IRC Section 152) of any individual listed in 1 or 2 above.

_____ _____

_____ _____

_____ _____

4. List all employees who are highly compensated within the meaning of IRC Section 414(q).

_____ _____

_____ _____

_____ _____

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IRC Section 125 — Cafeteria Plan

Key Employees — IRC 416(i)(1)(A) - (All Plans)
This Form Simply Helps You Identify and Document Key Employees

_____
(Company Name)

Plan Year Ended_____

This page simply helps you identify and list all the key employees in your group.

List all employees who, at any time during the current plan year or for any of the 4 preceding plan years, fit into one or more of the following 4 categories. An employee may be classified as a key employee on the basis of more than one category. When listing key employees, list each employee only once.

1. Any officer with annual compensation more than $165,000 (for 2012/2013), as indexed:

_____ _____
_____ _____
_____ _____
_____ _____

2. Employees with more than 5% ownership:

_____ _____
_____ _____
_____ _____
_____ _____

3. Employees with more than 1% ownership and annual compensation greater than $150,000:

_____ _____
_____ _____
_____ _____
_____ _____

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Concentration Test

IRC Section 125 — Cafeteria Plan

25% Concentration IRC 125(b)(2) (All Plans)

_____
(Company Name)

Plan Year Ended_____

Total nontaxable benefits paid to all participants who are key employees _____(A)

Total nontaxable benefits paid to all other participants _____

Total nontaxable benefits paid _____(B)

Percent of nontaxable benefits paid to participants who are key employees (A / B) _____(C)

Conclusion:

If (C) is greater than 25%, participants who are key employees will include in income any "nontaxable benefits" received for the plan year.

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