



Ketchum Urban Renewal Agency

P.O. Box 2315 | 480 East Ave. N. | Ketchum, ID 83340

August 15, 2022

Chair and Commissioners
Ketchum Urban Renewal Agency
Ketchum, Idaho

RECOMMENDATION TO APPROVE REIMBURSEMENT REQUEST CONSISTENT WITH GRANT PARTICIPATION AGREEMENT 50026

Introduction/History

In August 2019 the Board approved a Grant Participation Agreement with Andrew Castellano to fund a portion of the cost for undergrounding power lines within the alley west of Warm Springs Road between 7th Street and 8th Street. The work is now complete, and Andrew Castellano is requesting reimbursement.

Analysis

The KURA agreed to reimburse up to \$24,000 of the cost for the undergrounding work. The total cost of the undergrounding was \$97,102 (Attachment A). The city agreed to reimburse 25% of the costs which total \$24,275. The remaining \$48,827 of the project costs were funded by Andrew Castellano.

Financial Requirement/Impact

There are sufficient funds in the FY22 KURA budget to support this reimbursement.

Recommendation and Motion

Staff recommends the Board adopt the following motion:

“I move to approve reimbursement of \$24,000 to Andrew Castellano”

Attachments:

Documentation on Final Cost for Undergrounding
Grant Reimbursement Agreement 50026

July 11, 2022

Andrew Castellano
PO Box 1180
Ketchum, ID 83340

Subject: Overhead to Underground Power Relocation Project

Dear Andrew:

Thank you for working with Idaho Power Company to relocate existing overhead power to underground in the City of Ketchum right of way alley between 7th St E to 8th St E.

The original billed amount for reconstruction was \$110,419.00. Following reconciliation of the project and repairs made to pole removal areas the unused portion of money collected to be refunded is \$29,520.00. A check in this amount is being mailed to you via J Eshman Law, PO Box 4991, Ketchum, Idaho.

The final cost of this relocation project is \$80,899.00.

Best regards,

Cyndi Bradshaw

Idaho Power Company

PO Box 3909

Hailey, ID 83333

Special Construction Proposal

Date: 04/24/20

Billing Address:

Work Location:

Customer: Andrew Castellano760 N Washington AveAttention: Andrew CastellanoCounty BLAINEPO Box 1180KETCHUM, IDKetchum, ID 83340

This Special Construction Proposal ("Proposal") is governed by the terms and conditions set forth herein as well as any applicable state or federal tariffs and/or rates and services schedules on file with the applicable regulatory authorities. Description and/or specifications of work, along with the bill amount, of work to be performed by an operating affiliate of CenturyLink, Inc. ("CenturyLink") under this Proposal ("Work") is as follows:

This Aid To Construction job is required to relocate overhead copper facilities to underground in the alley behind 760 N Washington Ave in Ketchum, ID. The CenturyLink facility relocation will be worked as a joint trench project with Idaho Power. This quote is only valid for 30 days. No engineering or construction work can be started until all charges are paid.

Idaho Power Work Order No: 27549457

Advance Payment (required before work begins): \$9,799.19Total Charges: Nine Thousand Seven Hundred Ninety-Nine Dollars and 19/100

This Proposal may be withdrawn by CenturyLink if not accepted by the Customer within 30 days. Upon execution by both parties, this Proposal and the terms and conditions of any applicable tariffs and/or rates and services schedules on file with the applicable regulatory authorities shall constitute a binding agreement upon the parties. In no event will the terms and conditions of another document, including but not limited to a purchase order, be construed to in any way govern the Work or otherwise bind the parties to this Proposal. The parties acknowledge and agree that the terms and conditions set forth in this Proposal and the applicable tariffs and/or applicable rates and services schedules shall be the only controlling terms and conditions binding the parties for the Work and that commencement of Work by CenturyLink is conditioned upon agreement in writing to these terms.

For the Work performed hereunder, Customer will be responsible for the above charges only, unless (i) the above-stated amount is expressed as an estimate; (ii) otherwise stated above; or (iii) a change order is signed by both parties. All charges shall be paid prior to commencement of the Work ("Advance Payment") unless an alternative payment method is set forth above. All past due undisputed accounts will be assessed a late fee at 14% APR. Where applicable, and notwithstanding the foregoing, Customer shall also be responsible for foreign, federal, state and local taxes assessed in connection with the Work, including, without limitation, all use, sales, value added, surcharges, excise, franchises, commercial, gross receipts, license, privilege or other similar charges, whether charged to or against CenturyLink or Customer, but excluding any taxes based on CenturyLink's net income.

*Note If applicable, the Work proposed here is separate from any work that may be performed pursuant to any other order or agreement, including but not limited to a Pre-Service Request for cell site provisioning.

For **Governmental Customers only**, CenturyLink will submit an invoice of charges upon completion of the Work, payable within forty five (45) days of receipt. Past due undisputed amounts will be assessed a late fee of 14% APR or such lesser amount if required under applicable state and/or federal law.

CenturyLinkAuthorized Signature: Tenille SorensonName Printed/Typed: Tenille SorensonTitle: Network Implementation Engineer IIDate: 12/14/2020**Customer**Authorized Signature: Andrew CastellanoName Printed/Typed: Andrew Castellano

Title: _____

Date: 7/10/20

July 28, 2022

Re: Verification of Advance Payment N.728817
760 N Washington Ave
Blaine County, Ketchum, Idaho

To whom it may concern,

This letter will acknowledge that telephone relocation that occurred at 760 Washington Ave was completed with advance payment of \$9799.19 with no refunds.

If you have any questions, please call the undersigned at your earliest opportunity.

Sincerely,

Brad McNew
Program Manager
tele: 208-646-3599

GRANT PARTICIPATION AGREEMENT 50026

THIS GRANT PARTICIPATION AGREEMENT (“Agreement”) is entered into by and between the Urban Renewal Agency of the City of Ketchum, also known as the Ketchum Redevelopment Agency, an independent public body, corporate and politic, organized and existing under the laws of the State of Idaho and known as the urban renewal agency of the City of Ketchum, Idaho (“Agency”) and Andrew Castellano, an Individual (“Participant”). Agency and Participant may be collectively referred to as the “Parties” and individually referred to as a “Party.”

RECITALS

- A. Participant owns or controls certain real property located at 760 Washington Street, Ketchum, Idaho (the “Project Site”) which is more accurately depicted on attached **Exhibit A**. Participant seeks to redevelop the Project Site (the “Participant’s Project”) in compliance with the Plan as described below. The Participant’s Project includes commercial office space, a primary residence, guest apartment, and affordable housing unit.
- B. As part of the Participant’s Project, Participant intends to remediate certain Project Site conditions and redevelop the Project Site (the “Improvement Project”). The Improvement Project is more accurately depicted on attached **Exhibit B**.
- C. The Participant’s Project and the Improvement Project are located in the Ketchum Urban Renewal Plan (the “Plan”) area, which consists of the Ketchum Urban Renewal Plan approved by the City Council on November 15, 2006, and the Amended Ketchum Urban Renewal Plan approved by the City Council on November 15, 2010 (“Ketchum Urban Renewal District”). The Plan includes various measures to mitigate and remediate the Ketchum Urban Renewal District. The Agency has also adopted a Participation Policy concerning Agency participation in redevelopment projects.
- D. The Improvement Project consists of undergrounding of power and communication lines in the alley west of Warm Springs starting at 7th Street and ending between 8th and 9th Streets, that are consistent with the objectives of the Plan. The Improvement Project will contribute to enhancing and revitalizing the Ketchum Urban Renewal District.
- E. Participant has approached other persons and entities to participate in the Improvement Project.
- F. Agency deems it appropriate to assist the development of the Improvement Project to achieve the objectives set forth in the Plan.

AGREEMENTS

NOW, THEREFORE, in consideration of the above recitals, which are incorporated into this Agreement; the mutual covenants contained herein; and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. **Effective Date.** The effective date (“Effective Date”) of this Agreement shall be the date when this Agreement has been signed by the Participant and Agency (last date signed) and shall continue until: (1) the completion of all obligations of each Party; or (2) twelve (12) months from the Effective Date, whichever comes first. At Agency’s sole discretion an extension may be granted for a period not to exceed one year.
2. **Construction of the Improvement Project.** Participant agrees to construct the Improvement Project consistent with the following:
 - a. Enter into an agreement with Idaho Power to underground the power line as described on **Exhibit B** along with placing the Cox communications and CenturyLink data lines underground.
 - b. The Parties agree that the Improvement Project is depicted on **Exhibit B**, with cost estimates for eligible items described in the Schedule of Eligible Costs in **Exhibit C** (“Estimated Eligible Costs”). Any other public improvements that are constructed by the Participant as part of the Participant’s Project are not eligible for reimbursement pursuant to this Agreement. Additionally, Agency’s reimbursement obligation is limited to the amount set forth in Section 6 of this Agreement.
3. **Initial Construction Funding.** Participant, along with other Participants, shall pay for all of the costs of construction for the Improvement Project. Agency acknowledges that the Schedule of Costs attached as **Exhibit C** is an estimate by Participant’s contractor and that actual costs for the Improvement Project, as well as each line item of cost, may be more or less than is shown on **Exhibit C**. Agency’s payment obligations are specifically conditioned upon Participant obtaining binding written commitments by the City of Ketchum, other property owners in proximity of the Project Site, or others. In addition, Participant shall provide written agreements or work orders from Idaho Power and other communication and data providers.
4. **Notification of Completion; Inspection.** Upon completion of construction and approval by Idaho Power, Participant shall notify Agency in writing and request a final construction inspection and/ or a meeting with Agency to determine if the Improvement Project meets the requirements of this Agreement. Agency shall provide Participant with written confirmation that the Improvement Project has been completed in compliance with this Agreement.

5. Determining Actual Payment after Completion of Construction.

Participant shall provide appropriate documentation ("Cost Documentation") to Agency that Participant and others have expended funds for eligible costs in order to receive payment per the terms of this Agreement. Any Cost Documentation shall be submitted within thirty (30) days of Participant's notification to Agency that construction of the Improvement Project is complete and shall include:

- a. Schedule of values that includes line items for the Improvement Project improvements approved by Agency for reimbursement, so they are identifiable separate from other line items ("Schedule of Values").
- b. Invoices or other documents from Idaho Power and communication and data providers confirming the costs of the Improvement Project ("Invoices").
- c. Explanation of any significant deviation between the initial cost estimates in **Exhibit C** and the actual costs in the Cost Documentation as requested by Agency.
- d. Additional documentation or clarifications may be required and requested by Agency.

Agency shall have the right to review the Cost Documentation. In the event Participant fails to timely deliver the Cost Documentation, Agency may, in its discretion, elect to terminate its payment obligations under this Agreement by providing Participant with written notice of such default. Participant shall have thirty (30) days from such written notice to cure the default. In the event Participant fails to cure such a default, Agency's payment obligations under this Agreement may be terminated in Agency's sole discretion.

Within fifteen (15) calendar days of Agency's receipt of the Cost Documentation, Agency will notify Participant in writing of Agency's acceptance or rejection of the Cost Documentation and Agency's determination of the Actual Eligible Costs to be reimbursed. Agency shall, in its discretion, determine the Actual Eligible Costs following its review of the Cost Documentation and comparison of the amounts in the Cost Documentation to the amounts in **Exhibit C**. **In no event shall the total for the Actual Eligible Costs exceed the amount allowed by Section 6.**

If Participant disagrees with Agency's calculation of the Actual Eligible Costs, Participant must respond to Agency in writing within three (3) business days explaining why Participant believes Agency's calculation was in error and providing any evidence to support any such contentions Participant wants Agency to consider. Agency shall respond to Participant within three (3) business days with a revised amount for the Actual Eligible Costs or notifying Participant Agency will not revise the initial amount calculated. At that point, the determination of the Actual Eligible Costs will be final.

Agency's determination of the Actual Eligible Costs is within its sole discretion.

6. Agency's Reimbursement Payment Amount. In accordance with the Participation Program, Agency agrees to reimburse Participant as follows:

Actual Eligible Costs not to exceed \$24,000. Costs in excess of \$24,000 shall be borne by the Participant or others who have agreed to participate with the Participant.

7. Conditions Precedent to Agency's Payment Obligation. Agency agrees to reimburse Participant in the amount as determined in compliance with Sections 2.b., 5, and 6 no later than forty five (45) days after submission by Participant of a copy of a certificate of completion or equivalent from Idaho Power and the other communication/data providers, if applicable.

Participant's failure to comply with all Agreement provisions shall be a basis for termination of Agency's reimbursement obligation.

8. Subordination of Reimbursement Obligations. The Parties agree this Agreement does not provide Participant with a security interest in any Agency revenues for the Ketchum Urban Renewal District or any other urban renewal plan area, including but not limited to revenue from any "Revenue Allocation Area" (as defined in Title 50, Chapter 29 of the Idaho Code). Notwithstanding anything to the contrary in this Agreement, the obligation of Agency to make the payments as specified in this Agreement shall be subordinate to all Agency obligations that have committed or in the future commit available Agency revenues, including but not limited to revenue from any Revenue Allocation Area and may be subject to consent and approval by Agency lenders.

9. Default. Neither Party shall be deemed to be in default of this Agreement except upon the expiration of forty-five (45) days [ten (10) days in the event of failure to pay money] from receipt of written notice from the other Party specifying the particulars in which such Party has failed to perform its obligations under this Agreement unless such Party, prior to expiration of said 45-day period [ten (10) days in the event of failure to pay money], has rectified the particulars specified in said notice of default. In the event of a default, the nondefaulting Party may do the following:

- a. The nondefaulting Party may terminate this Agreement upon written notice to the defaulting Party and recover from the defaulting Party all direct damages incurred by the nondefaulting Party.
- b. The nondefaulting Party may seek specific performance of those elements of this Agreement which can be specifically performed, in addition, recover all damages incurred by the nondefaulting Party. The Parties declare it to be

their intent that elements of this Agreement requiring certain actions be taken for which there are not adequate legal remedies may be specifically enforced.

- c. The nondefaulting Party may perform or pay any obligation or encumbrance necessary to cure the default and offset the cost thereof from monies otherwise due the defaulting Party or recover said monies from the defaulting Party.
- d. The nondefaulting Party may pursue all other remedies available at law, it being the intent of the Parties that remedies be cumulative and liberally enforced so as to adequately and completely compensate the nondefaulting Party.
- e. In the event Participant defaults under this Agreement, Agency (the nondefaulting Party) shall have the right to suspend or terminate its payment under this Agreement, as more specifically defined in this Agreement, for so long as the default continues and if not cured, Agency's obligation for payment shall be deemed extinguished. In addition, if Agency funds shall have been paid, Participant shall reimburse Agency for any such funds Participant received.

10. Captions and Headings. The captions and headings in this Agreement are for reference only and shall not be deemed to define or limit the scope or intent of any of the terms, covenants, conditions, or agreements contained herein.

11. No Joint Venture or Partnership. Agency and Participant agree that nothing contained in this Agreement or in any document executed in connection with this Agreement shall be construed as making Agency and Participant a joint venture or partners.

12. Successors and Assignment. This Agreement is not assignable except that the Participant may assign Participant's rights or obligations under this Agreement to a third party only with the written approval of Agency, at Agency's sole discretion and cannot be reasonably denied.

13. Notices and Receipt. All notices given pursuant to this Agreement shall be in writing and shall be given by personal service, by United States mail, or by United States express mail or other established express delivery service (such as Federal Express), postage or delivery charge prepaid, return receipt requested, or by electronic mail (e-mail) addressed to the appropriate Party at the address set forth below:

If to Participant: Andrew Castellano
760 N. Washington Street
Ketchum, Idaho 83340
949-280-1111
andy@earthshinefoundation.org

If to Agency: Suzanne Frick, Executive Director
Ketchum Urban Renewal Agency
P.O. Box 2315
Ketchum, Idaho 83340
208-726-7803
sfrick@ketchumidaho.org

14. Applicable Law/Attorney Fees. This Agreement shall be construed and enforced in accordance with the laws of the State of Idaho. Should any legal action be brought by either Party because of breach of this Agreement or to enforce any provision of this Agreement, the prevailing Party shall be entitled to reasonable attorney fees, court costs, and such other costs as may be found by the court.

15. Entire Agreement. This Agreement constitutes the entire understanding and agreement of the Parties. Exhibits to this Agreement are as follows:

Exhibit A	Project Site Map
Exhibit B	Improvement Project Plan
Exhibit C	Schedule of Eligible Costs

16. Indemnification. Participant shall indemnify and hold Agency and its respective officers, agents, and employees harmless from and against all liabilities, obligations, damages, penalties, claims, costs, charges, and expenses, including reasonable architect and attorney fees (collectively referred to in this section as "Claim"), which may be imposed upon or incurred by or asserted against Agency or its respective officers, agents, and employees relating to the construction or design of the Improvement Project or otherwise arising out of Participant's actions or inactions. In the event an action or proceeding is brought against Agency or its respective officers, agents, and employees by reason of any such Claim, Participant, upon written notice from Agency shall, at Participant's expense, resist or defend such action or proceeding. Notwithstanding the foregoing, Participant shall have no obligation to indemnify, defend, or hold Agency and its respective officers, agents, and employees harmless from and against any matter to the extent it arises from the active negligence or willful act of Agency or its respective officers, agents, or employees.

17. Antidiscrimination During Construction. Participant, for itself and its successors and assigns, agrees that in the rehabilitation and/or construction of improvements on the Project Site provided for in this Agreement, the Participant will not discriminate against any employee or applicant for employment because of race, color,

religion, sex, sexual orientation, gender identity/expression, national origin or ancestry, marital status, age, or physical disability.

[Signatures appear on the following page.]

IN WITNESS WHEREOF, the Parties hereto have signed this Agreement the day and year below written to be effective the day and year above written.

Agency:

Agency: the urban renewal agency of the City of Ketchum, a public body, corporate and politic

SUDAN Stowell
Chair

Date AUG. 30 '19

PARTICIPANT:

AGC
Andrew Castellano

Date SEP 9, '19

Exhibits

- A: Project Site
- B: Improvement Project
- C: Schedule of Eligible Costs

EXHIBIT A
PROJECT SITE



**EXHIBIT B
IMPROVEMENT PROJECT**

Idaho Power will underground the power lines that run along the alley between Warm Springs Road and Washington Avenue from the north side of 7th Street to the first telephone pole after 9th Street. Idaho Power will place one new telephone pole on the north side of 7th Avenue to take the lines underground. The existing pole just north of the Cox Communications building will be used to come back above ground. Several poles will be removed between 7th and 8th Streets. One transformer will need to be placed on private property between 7th and 8th Streets.

In addition to the power lines, the Cox Communications and CenturyLink data lines will be placed underground at the same time.

**EXHIBIT C
SCHEDULES OF ELIGIBLE COSTS**

Idaho Power	\$105,546.00
Cox Communications	\$6,053.78
CenturyLink	\$8,956.34