

Meridian City Council Work Session

September 16, 2025.

A Meeting of the Meridian City Council was called to order at 4:30 p.m. Tuesday, September 16, 2025, by Council Vice-President Strader.

Members Present: Luke Cavener, Liz Strader, John Overton, Anne Little Roberts and Brian Whitlock.

Members Absent: Robert Simison and Doug Taylor.

Other Present: Chris Johnson, Bill Nary, Garrett White, Caleb Hood, Jenny Fields and Todd Lavoie.

ROLL-CALL ATTENDANCE

☒ Liz Strader	☒ Brian Whitlock
☒ Anne Little Roberts	☒ John Overton
☐ Doug Taylor	☒ Luke Cavener
☐ Mayor Robert E. Simison	

Strader: I call the Meridian City Council work session to order. Today is Tuesday, September 16th, 2025, at 4:30 p.m. We will begin this work session meeting with roll call attendance. Mr. Clerk.

ADOPTION OF AGENDA

Strader: Okay. Thank you. And next up we have adoption of the agenda.

Overton: Council Vice-President, there are no changes to the agenda this evening. I move that we approve the agenda as published.

Strader: Thank you, Councilman Overton. Do we have a second?

Little Roberts: Second.

Strader: Okay. Fantastic. We have a motion and a second to adopt the agenda as published. All in favor signify by saying aye. Opposed nay? The ayes have it and the agenda is adopted.

MOTION CARRIED: FIVE AYES. ONE ABSENT.

CONSENT AGENDA [Action Item]

- 1. Approve Minutes of the September 2, 2025 City Council Work Session**

- 2. Approve Minutes of the September 2, 2025 City Council Regular Meeting**
- 3. Pine 43 West Sanitary Sewer and Water Main Easement (ESMT-2025-0109)**
- 4. Tresidio Design Center Water Main Easement (ESMT-2025-0108)**
- 5. Pine 43 West Water Main Easement (ESMT-2025-0110)**
- 6. Firenze Plaza McDonalds Water Main Easement (ESMT-2025-0112)**
- 7. Modified Final Plat (Little Creek MFP-2024-0002) to amend the boundary of the subdivision along Locust Grove Rd. due to the requirement of additional right-of-way by ACHD, by J-U-B Engineers, located at the southeast corner of N. Locust Grove Rd. and E. Wilson Ln.**
- 8. Final Plat for Pollard North (FP-2025-0019) by Brighton Corporation, generally located 1/4 mile west of N. Black Cat Rd. and north of W. Chinden Blvd.**
- 9. Findings of Fact, Conclusions of Law for Ten Mile Flex (H-2025-0027) by Jeff Hatch, located at 4255 N. Ten Mile Rd.**
- 10. Development Agreement (Idaho Power McDermott Substation H-2025-0008) Between City of Meridian and Idaho Power Company for Property Located at the Southwest Corner of McMillan Rd. and N. Owyhee Storm Ave.**
- 11. Approval of Agreement for Supplies to Polydyne, Inc. for Polymer FY-2025-2026 for the Not-To-Exceed Price Per Pound of \$1.38 and resulting Purchase Order in the amount of \$303,600**
- 12. Amended Emergency Management Joint Powers Agreement Between City of Meridian and Ada County, Ada County Highway District, City of Boise, City of Eagle, City of Garden City, City of Kuna, and City of Star**
- 13. Addendum No. 23 to Agreement for City Prosecutor/Criminal Legal Services Between the City of Meridian and the City of Boise**

Strader: Next up we have the Consent Agenda.

Overton: Council Vice-President?

Strader: Councilman Overton.

Overton: Move that we approve the Consent Agenda. For the Council Vice-President to sign and the Clerk to attest.

Whitlock: Second.

Strader: Okay. Fantastic. We have a motion and a second to approve the Consent Agenda. All those in favor signify by saying aye. Opposed nay? Okay. You ayes have it and the Consent Agenda is approved.

MOTION CARRIED: FIVE AYES. ONE ABSENT

ITEMS MOVED FROM THE CONSENT AGENDA [Action Item]

Strader: We do not have any items moved from the Consent Agenda.

DEPARTMENT / COMMISSION REPORTS [Action Item]

14. Lakeview Golf Course Fees Discussion

Strader: So, we will go ahead and start into our Department/Commission Reports. First up Item 13 is the Lakeview Golf Course fees discussion and we will recognize Garrett White.

White: Council Woman Strader -- Council Woman Strader and Council thanks for having me tonight. I'm here to talk to you about proposed golf fees for next year. The golf course is looking beautiful out there. So, I got to give Ryan, who is in the audience right now, him and Kevin some kudos out there. I had the opportunity to drive the golf course with him a couple weeks ago and it was awesome. This looks so good -- so good out there. But tonight really what I'm looking for from you is really just any discussion or feedback if there is any and/or head nods or thumbs up type of thing. Once we discuss these the kind of the game plan is to post these and, then, come back in a few weeks for a public hearing. So, this is really just the beginning of the process and just kind of getting that discussion going with you guys. This year the methodology behind the adjustments were basically based on inflationary trends and competitive pricing. The target was about four percent increase across the board through all of our fees. Some of the bullet points that we have on there was really just to kind of -- for simplicity, route them to the nearest whole dollar after tax. If they come up to repay with cash we are not dealing with coins and stuff like that at the counter. And the private cart trail fees gets an increase. Different methodology on that. The break-even point is about 41 for the unlimited single person golfer that go out there. So, we kind of made that same methodology and same mathematical equation to come up with that fee this year as well. Annual passes up four percent through that as well and, then, just kind of did the basic senior and military discount out there. So, that's what we wanted to go through and kind of get your guys' feedback on -- we did look at doing this as comparables to

the Treasure Valley and different golf courses around and this -- the increase puts us at really right at the average of everything else. So, we are not the most expensive not, the least expensive, but right in the middle. So, with that feedback I will stand for questions.

Strader: Okay. Thank you, Garrett. Council, are there any questions?

Overton: Council Vice-President?

Strader: Yes, Councilman Overton.

Overton: Garrett -- and to both of you, I want to give you a huge kudos once again. I had the opportunity to help with the setup of one of the golf tournaments this summer a couple of months ago and in so doing that got to drive early in the morning every hole in the golf course and, you know, you can go to the clubhouse, you can go to the driving range and you can see how beautiful the golf course looks, but when you get to see all 18 holes and how it looks the same all the way throughout, it's impressive that we have done such a great job and the course looks so good and I know the history of our city and when we ask for money we have always been extremely conservative and -- and fiscally -- we don't ask for much. We try to ask for just enough money to make it continue to work and I look at these fee increases that you are requesting and I know that we are just trying to keep up with our costs and provide to the public what they expect out of us and do it in the most fiscally responsible manner and I appreciate you bringing forward these fees. We need to. We need to continue to work towards cost recovery. But I appreciate the way that you bring these forward for us. Thank you.

White: Thank you. Appreciate that.

Strader: Okay. Thank you, Councilman Overton.

Cavener: Council Vice-President Strader?

Strader: Council President Cavener, go ahead.

Cavener: Thank you. Garrett, just -- I want to make sure that I heard this at the parks tour the other night. The -- the golf course -- not taking into account, obviously, the significant capital infrastructure investment, but the golf course continues to operate now in the black when you don't factor in the cost of the -- kind of the large scale capital improvements; is that correct?

White: Correct.

Cavener: Okay. Again, to echo Council Member Overton's comments, to -- to operate a great facility, to have it looking great, running great, operating great is really a testament to our whole parks team. So, thanks for reinforcing that point and -- and thanks for a job well done.

White: Thank you for the comments and thanks for going on the tour. It was fun. And, again, Ryan get -- and Kevin get all the kudos. Those -- those guys do just a great job and his staff -- staff out there is always pleasant and awesome, so --

Strader: Council Woman Little Roberts.

Little Roberts: Thank you Vice-President. Garrett, Ryan, can't say enough about what a great job and how wonderful the golf course looks. It's -- it's been a long road I know for you guys from, you know, when we started with the change in the water -- actually started to get the golf course back, so that Meridian was in control of our own property. And so it's been quite the journey. But well done. Very very well done. And so, of course, I agree with the -- the fees going up. We do need to do our best to recoup the costs. So, thank you.

White: Thank you.

Whitlock: Madam Vice-President Strader?

Strader: Councilman Whitlock, yes, go ahead.

Whitlock: Garrett, like Council President Cavener, I appreciated the tour last week and the opportunity to be out on the site. It was -- it's beautiful. The statistics of how much grass seed you have laid this past year, it's -- it's paying off. It -- the -- the grass has sprouted. It's green. It's beautiful. But for me probably the best image last week was looking at all the high school kids out there. We had a golf team from one of the high schools that literally they were touching the grass, getting in touch with the grass, no shoes, walking out on the putting green and, you know, I thought about that later that night and I thought, you know, here is kids in our community that are in touch with a wholesome sport and a wholesome activity and we are providing that opportunity and it was really an incredible image. They are learning a lifelong sport and -- and developing a love for that right here in our -- in our community. So, that image stayed with me that night and throughout the week and I just want to commend you for having an amenity like that in our community that our youth and some of us older people can enjoy.

White: Yeah. Thank you. And, then, again, that's Ryan Roberts. He -- he promotes our youth program so well. I mean he does such a good job at it. Him and his crew out there they are just very welcoming and approachable and the kids love it. So, thank you for those comments.

Strader: Okay. Thank you. I will just add appreciate all that you are doing on the golf course, especially to try to make it as self-sustaining as possible. I think that's important. I understand we don't like fees going up, but it's kind of the cost of doing business and part of our cost recovery model. Do you feel like you have the right feedback from us, Garrett? Do you want to see some thumbs up from people that the fees are tracking generally?

White: I feel like I have gotten great feedback. So, what -- I think my plan would be to post these and, then, come back in a few weeks for public hearing and at that point we can discuss more stuff that we need to be, so --

Strader: Fantastic. Thank you so much.

White: Thank you guys. Appreciate it.

15. Ada County Highway District Impact Fee Presentation and Discussion

Strader: Okay. All right. Great. Next up is Item 14, the Ada County Highway District Impact Fee presentation and discussion, which will be led by Caleb Hood and Justin Lucas.

Hood: Council Vice-President Strader, I actually don't have too much of an intro as Justin comes forward, but I did want to take a minute before he explains their process for developing their impact fees and the capital improvements plan and just thank him first for being here today, but also last Tuesday for hanging out with us for a few hours. And, then, I also wanted to call to your attention -- we do have the Transportation Commission Chair Walter Steed also in the audience, who is the city's representative on ACHD's CICAC, so Capital Improvement Citizen Advisory Committee. So, Mr. Steed was -- I told him this was happening, he was generous enough to give us his time. So, he has got the perspective and has sort of been part of the process at ACHD that Justin is going to tell you more about as I get his presentation up.

Strader: Okay. Thank you so much.

Lucas: Well, I will go ahead and get started. For the record my name is Justin Lucas. I'm the chief of operations and infrastructure at the Ada County Highway District. It's really a pleasure to be with you here today to discuss ACHD's capital improvements plan and our impact fee program. There is a lot of history in this program and this plan has been under development for over a year now and so it's something we do every four years and we will do it four years from now. As we continue to grow as a region this plan allows us to, essentially, charge developers to pay for the costs of widening roads that are associated with growth. Essentially that's -- that's what it does. I know the city has impact fee programs associated with other services and it's not uncommon for regions or cities or counties to have a transportation impact fee. So, this is, you know, work session. Meant to be conversational. If you have any questions as I go please feel free to just interrupt me and I will do my best to answer the questions. No reason to wait until the end. Hopefully this can -- I'm here to take -- listen to feedback and, then, if the city chooses to take any formal action or provide formal feedback I'm sure your staff will work with you on that. Let's see here. There we go. So, as I mentioned, this is -- this was a pretty big process for us. We are working with a consulting firm, Kittelson and Associates, who is navigating through this with us. They are a transportation consulting firm that specializes in regional transportation analysis,

including model analysis, growth projections and projecting traffic into the future to determine what needs we have into the future. It's kind of a crystal ball sometimes, but we use demographics that come from COMPASS, our regional transportation agency. ACHD does not develop its own demographic set. That is all run through COMPASS, which all of our communities participate in, including the City of Meridian. So, we did a best practice review. We went through some significant project development analysis. Most recently we developed project cost analysis and we are right now in the -- in the kind of final phases of our -- of our draft and I wanted to highlight two main things today as part of this draft that are changes I would say from -- from previous drafts of our -- of our capital improvements plan. The first one is a service area. As we develop a plan under state code, which governs the process for this, ACHD has to identify a service area for the fees that we collect. Since 2012 ACHD has had a single service area. So, fees collected through the development process anywhere in the county could be spent at the direction of the ACHD Commission anywhere in the county. The single service area is supported by the data which essentially shows that over 90 percent of trips within Ada county stay within Ada county. As part of this analysis the ACHD Commission, including feedback from the Capital Investment Citizens Advisory Committee, asked us to look at different service area options, which we did and there were a few different ones. We looked at three primary. One was the single service area to continue with that model. The other was what I'm showing to you on the screen today, which happens to be -- the current draft is being based on this at the commission's direction. The third one was an overlay zone that kind of primarily captured a portion of -- kind of the downtown -- greater downtown Boise area. The thing about service areas is they have to be developed based on sound engineering and transportation principles. You can't just draw the lines how you want. That's not how it works under Idaho Code. You have to be able to show why the service areas are -- are distinct based on the travel patterns and characteristics of the -- of the -- of the service area. So, this -- this service area in front of you today has a west and an east. It's essentially a two service area model. So, fees collected in the west are spent on projects in the west. Fees collected in the east are spent on projects in the east. Now, when you do this, though, you can have different impact fees in -- in the different services areas and that is a result of the two service area model is essentially higher impact fees in the western service area and lower impact fees in the eastern service area. The reason behind that is the number of projects in those two areas. There are a lot more projects in the western service area than there are in the eastern service area. So, once again, the impact fee calculation is essentially a math problem developed based on travel characteristics and project cost. The higher -- the more amount of projects -- the more projects you want to get done, the higher the fee essentially which is why there is a discrepancy there. So, I will pause there, see if you have any questions about service areas. This -- the -- the Commission essentially gave us direction to move forward with the two service areas for the draft. They have not made their final decision. I'm presenting this today to allow for the city to understand that we are making a change and to certainly take any questions you may have and encourage you to reach out to the commission formally if you have any concerns with this this paradigm.

Strader: Okay.

Whitlock: Madam Vice-President?

Strader: Yes, Councilman Whitlock.

Whitlock: Just a quick question. What is the difference between the two? You probably have that in your slide.

Lucas: Here we go.

Whitlock: Okay.

Lucas: Let's -- let's jump right into it. You can see we have total project cost, total impact fee eligible cost. Those are the two top line items there. Not all aspects of a project by state law are impact fee eligible. So, that's why there is those two separate -- two separate rows there. But you can see for -- this is just using a representative sample of the impact fees. So, a single family home is a relatively easy one to understand. For one single family home in the western service area the resultant impact fee would be 8,929 dollars. In the eastern service area it's 5,348 dollars. I can anticipate a question of what is it today. It's a little under 4,000 dollars today, which -- for a single service area. So, there is no change. So, it's a relatively substantial increase that we are proposing. There is some reasons behind that, which I can go into. Also the office and shopping center you can see the differences there, which are also increases about the same scale of magnitude as the single family home.

Overton: Madam Vice-President?

Strader: Councilman Overton.

Overton: Justin, I understand the reason for the split this year, but it would sure be nice -- and I realized you are not looking for our approval, this is just a discussion with us, but it would sure be nice to not just see the west and the east service areas, but actually to see what this would look like if it was still all one area and what those fees would look like across the entire Ada county.

Lucas: Madam President, Councilman Overton, we can provide that information to staff and I can look back at Megan. We have the -- the calculations. I'm going to give you a close estimate today. Don't -- don't quote me on it, but, essentially, if you take kind of the average of the two, it -- it turns -- it's -- it's in that like 7,000 dollar range if for a single family home if we go to -- if we continue with the single service area. So, you are kind of splitting the difference and that's based on just taking all the project costs and allocating them across the -- across one single service area. So, it's still -- what I would consider a significant increase, but it -- it's not -- there is no discrepancy if you have just the one service area.

Strader: Okay.

Cavener: Madam Vice-President?

Strader: Yes, Council President Cavener.

Cavener: Justin, in your opening comments you remarked that the Commission made a shift in -- I think you said 2012. What was the basis for the Commission making the shift in -- in 2012?

Lucas: Councilman Cavener, you know, thanks for that question. Going back to 2012, I -- I believe at that time -- before then the Commission had -- we had four service areas within our county pre-2012. At that time based on the engineering data and the analysis that we performed we realized that the single service area was supported by the data. It also, when you have a single service area, provides more flexibility to do larger projects when you don't constrain it by service area, because you can imagine -- let's say there is a large project in the eastern service area, which is collecting a lower fee and the development isn't maybe moving as rapidly as anticipated, you could find yourself in a position where you have a desire to do a project, but do not have the revenue to do that project when you have a service area model with multiple service areas and that happened to the -- happened to ACHD under the multiple service area scenario before. I'm not saying that will happen again. I'm just saying that was one of the -- probably primary reasons for the single service area was flexibility to allow the Commission, who directs the funds -- to direct those funds anywhere in the county where they had the most benefit based on the budgetary and needs of the transportation system. The other reason at that time was -- I think it's safe to say feedback from the development community that it was confusing to the developers across Ada county why they were paying one fee in one area and another fee in a different area. That's -- that was feedback the commission received. I think at that time they were sensitive to that feedback and used that as part of their decision making process to go to the single service area. Regardless of that, the service areas have to be justified by sound engineering and planning principles and the single service area still we believe meets that criteria, along with this two service area model. We think we can get there based on our work with the consultant. Does that answer your question, councilman?

Cavener: Yeah. Madam Vice-President. It -- it certainly does, Justin, although I -- when I hear your explanation I feel like some of the problems that the commission looked to solve 13 years ago, it's kind of being re-invited back in. Lack of consistency. Dollars landing in one place. Maybe projects not following. So, I just -- I guess I'm just trying to understand kind of what changed and why -- kind of going back to a model that you used to do is -- is the right decision today when you spent so much time and analysis 12 years ago to -- to essentially make a -- make a switch.

Lucas: Council President, Councilman Cavener, I think it's a fair question. I think that's the type of feedback that would be valuable for our commissioners to hear. Staff -- you

know, we -- we respond to, you know, our commissioners and try to provide them with options and, then, they ultimately provide us with direction. I think staff, with the consultant, provided three viable service area scenarios to the commissioners. We did our best to show the pros and cons. I think if there was one theme that has come out through the conversations, it's a sense of fairness that has been communicated -- communicated by some citizens and some jurisdictions to our commissioners, feeling that it's not fair for fees to be collected in one place to be spent far away from that place. That's probably the primary driver for the multiple service area scenario conversation that we have had going through this. Ultimately service areas is a -- it's a policy decision and that's why we are here sharing that. Early on in the process, so you are aware, this would change and someone doing a development in southeast Boise would have a different fee than someone doing a development in northwest Meridian.

Cavener: Madam Vice-President, just maybe one more question and, then, I will -- I will yield the rest of my time.

Strader: Go ahead.

Cavener: Justin, can you talk a little bit about the -- the mechanism or the basis to determine these fees; right? When I see in the west service area close to 9,000 dollars for a single family unit, you know, three times that is essentially what you are charging for commercial retail and I'm just trying to understand the methodology that you use to establish what the -- the fee amount is. It -- it appears to me that it's heavily lopsided on homeowners and there may be a basis for that although, I think of some of our retail places that are large drivers of traffic, you would -- you would think that there was maybe a more proportional share of those impact fees. So, if you could walk me through the basis and methodology that the district used to determine these.

Lucas: Yeah. Thank you, Councilman Cavener, Council President. So, it's -- it's essentially, a function of trip generation that is the primary driver when it comes to the different land use types of the fee. I do want to clarify that the shopping center fee is per one thousand square feet. So, if a Costco comes in it's not paying 18,000 dollars as its impact fee in the city of Meridian, it would be the square footage of that Costco per one thousand of those square feet times the 18,000 dollars. So, that's just a clarifying point. With a single family home it's -- it's essentially -- no matter what size the home is it's a single family home and it pays one -- one fee. So, I do want to make that distinction that -- for example, we have received fees on the commercial side in the millions of dollars this year from large developments, like Micron, where they are doing massive square footage. It's a huge employment generator and St. Luke's is another example downtown and other large developments, they pay -- they can pay very substantial fees just straight dollar amounts. So, that would be my first caveat there. And, then, the other thing is -- I was mentioning is -- is that the fees are just based on trip generation. So, every land use type -- and I did include this in your packet -- there is a whole laundry list of different land use types and we use that -- that -- that laundry list, essentially using trip generation from the Highway Capacity Manual, which is a nationally recognized and created engineering tool, that helps us know in general on

average this is how many trips a daycare generates. This is how many trips a fast casual restaurant generates. This is how many trips this generates. And as you can imagine we have to have a sense of kind of fairness where one restaurant comes in and we just don't say, well, you are this type of restaurant and because you serve this type of food you are going to get this fee. It doesn't work like that. It's based on these national standards. So, that's kind of my response to that. The other major factors that drive the fee are the -- the projects overall that we need to do to accommodate all this growth in our county projected over the next 20 years and that's probably the -- the largest driver. Getting into why the fees have changed so much, we haven't done a substantial review of our cost estimates within our CIP since before COVID and all of us I think can recognize that inflation since, you know, 2019, 2020, has been a -- not only an issue locally, but an issue nationally and when we did this comprehensive review this -- with this update, the project costs for both construction and right of way acquisition were substantial and that is probably -- if there was one variable that is driving this fee it's the cost of constructing the projects. Does that help answer your question, councilman?

Cavener: Thank you, Justin. I appreciate it.

Strader: Okay. Thank you. I would like to ask if -- if our Transportation Commission Chair Steed would like to come and say a few words if he had any input. We definitely value the opinion of our Transportation Commission and commissioners and I think would love to hear what the interaction has been and if you have any thoughts about what all this would mean.

Steed: Thank you, Madam Council Woman. The Transportation Commission has not discussed this at this point. As was said, it went through the CICAC. It came down four to three for a single. One small community represented in the CICAC wanted a single for the reason that Justin's already explained, the fairness of my money, your money. The others -- a couple of them felt that they had not been on the CICAC long enough to fully understand it. I'm not sure being on a long time will help anybody fully understand it. A personal comment. When I was on the city council in Moscow for ten years I was firmly against these fees, because we had maybe one ten house subdivision a year and my feeling was that these would slow even that little bit down. Here I'm not sure this fee increase will slow anything down. So, it's -- it's -- there is that element as well.

Strader: Thank you so much. That was very helpful. Does anyone have any questions for Commissioner Steed? Okay. I don't either. Thank you.

Steed: Thank you, ma'am.

Strader: Appreciate your input. Justin, I had a question for you. What would this mean for the five year work plan if it were to become effective?

Lucas: Thank you, Council President, Members of the Council. So, with a higher fee, if all other things being equal, which means the rate of development stays the same,

because if -- if development slows down it doesn't matter how high the fee is, we don't collect the fees if there is no houses being built. So, assuming things remain the same, ACHD would see a pretty substantial increase in its impact fee collections annually. Impact fees by law have to be spent on capital improvements that are identified in our capital improvements plan, which are, essentially, arterial roadway widening projects and intersection projects. So, following that logic, if we have more fee collections and those fees are able to be spread out to support more projects, ACHD is -- by law essentially has to spend those fees on more projects. So, I think one logical conclusion of this in my long winded way of saying this is, you know, the idea is that more fees would lead to more construction of major arterial projects to support the growth in our county.

Strader: Okay. Thanks. That -- that makes sense. That is logical. But I -- I think it would be helpful if we had maybe a sense of your timeline and kind of what your process looks like and, then, just a minor correction in the City Council Vice-President. Council President Cavener has the illustrious title of being our council president. I'm just filling in since he is remote tonight.

Lucas: Thank you for that --

Strader: Thank you.

Overton: Council Vice-President?

Strader: Yes. Go ahead.

Overton: Justin, are these fees based on -- I mean we just submitted our letter on a five year work plan. Do I understand that these fees that we are looking at now that you are adopting are based on a -- more of a 20 year plan?

Lucas: Yeah. Council Vice-President, Councilman Overton, absolutely. The -- the five year plan is a -- is connected to our capital improvements plan as an implementation tool related to the capital improvements plan, but the capital improvements plan is a -- is a stand-alone document that has a 20 year kind of vision included in it and what it does is it does not outline all projects that ACHD is going to work on, it outlines the arterial projects, the regional essential projects and the intersect -- major intersection projects that are eligible for impact fees and that is defined by state law. We -- we are not able to collect impact fees, for example, to retrofit a sidewalk into a neighborhood that doesn't have sidewalks today. That's not an impact fee eligible expense that we are able to collect fees on or expend fees on. These fees essentially by state law have to be spent on the clear nexus of growth and, essentially, transportation impacts on the arterial network. So, roadway widening and intersection widening. So, it's not a comprehensive 20 year plan, but when it comes to the expensive projects it's got them all in there and some of them are extremely expensive. In the -- we are -- we are approaching a period -- and like it's hard for me to say this in my career, never thought I would, but we are looking at projects, due to increased costs, that are over 20 million

dollars. Some of our projects -- these are large projects, but they may be over a hundred million dollars. For example, the widening of Linder Road between Chinden and Highway, 44, there is multiple, bridges multiple river crossings, it's an extremely environmentally sensitive project. A project like that based on our most current estimates is about a hundred million dollars and if we are -- if you do the math and we are collecting let's say on a -- in a great year, which this year's probably the largest collections we have ever had, is 30 million dollars in impact fees. It's going to take us a while with all the needs to build a project like that if we are collecting -- even if we are collecting 30 million a year, which is a very high year for us, the highest we have ever had. So, the needs are substantial. You can see the needs are in the billions of dollars of projects that are identified as needed within 20 years.

Overton: Council Vice-President.

Strader: Yes.

Overton: Quick -- quick follow up, Justin. I guess one of the things that you can probably explain to me is -- is when we look at this 20 year capital improvement, you are basing the fees off what you guys think you are looking at for 20 years and in my understanding early on -- and I'm not trying to put you on the spot -- is that Black Cat Road does not exist on that 20 year plan. If we are looking at a five year plan, do we really get to make effective changes on the five year plan as it comes in front of us if you have already identified all these on the 20 year plan coming forward? I mean could we really make effective change if we see the needs of our city coming forward or when you do this based on your 20 year plan are you kind of telling us this is the roadway and this is where we are going and thank you for your input?

Lucas: Council Vice-President, Councilman Overton, you know, I -- I appreciate that question. I think it's a good one. I would put it this way. By designating these projects in our 20 year plan we are essentially saying this is what the -- this is what our transportation model and our needs analysis shows us that we need within 20 years. The five year plan, essentially, is the tool that we use to prioritize those 20 year needs. So, I would say that the city has a -- especially -- especially moving forward under our current director's leadership, has a -- a clear ability to identify priorities and its ACHD's intention to work on those priorities. Now, I can't say we are going to get it all done, you know, next year, but, for example, if the city has a priority of one or two or three, that project -- it's our intention should be moving forward within our five year plan. That's -- that's -- I think there is always going to be some caveats and some qualifiers to a statement like that, but what I can tell you is that is the intention that we have. For example, I think if you looked at your top three priorities on your most current list, those should and would be moving forward in our plan. Now, are there other important projects where there may be some congestion that fall outside of that top three or four or five priorities? Sure, there are. Much like there are in most communities across the United States and our intention is as we knockout those top priorities and those start to ramp up the list that we would focus -- focus in those areas. That's -- that's -- that's what we are trying to do. I think the Linder Road overpass is probably a -- a good

example of that, a very expensive project where I do not want to in any way diminish the city's contributions to that project, which I think helped move it forward. State contributions to that project through the award of a grant, which helped move it forward. So, I think high priority projects tend to have energy behind them and tend to move forward. If the city is -- I would say this: If the city is consistently asking for it. And that hasn't always been the case with all of our community partners. If the number one priority is changing every year and you kind of get these fits and starts, that certainly has an impact on the project process.

Hood: Madam Vice-President?

Strader: Yes.

Hood: Justin, can I rephrase maybe what Council -- Councilman Overton asked. A little bit different. We will use Black Cat or -- or even McMillan. That's been talked about, too. If the CIP has it as a three lane roadway, but the city's looking forward to potentially be five what are the impacts of your CIP identifying it as -- as one thing -- same -- same roadway section, but different cross-section, how does that play into your answer that you just gave about our priorities?

Lucas: I -- I think it's a -- it's a really good question and this goes into some of the weeds of the CIP. As I said, the CIP is based on transportation modeling and it's based on demographic data and it's based on trip projections into the future and there are times when the trip projections on a certain corridor do not reach the threshold of the ultimate vision that a city or even ACHD may have for that corridor. I think in this specific CIP Black Cat Road is a really good example, where in previous CIPs that road has triggered a need for five lane widening. In this CIP through the analysis it didn't trigger that need and, remember, this isn't ACHD behind the scenes, you know, secretly hoping Black Cat doesn't go to five lanes. It doesn't work like that. It's, essentially, a county wide model and a trip generation that just says it's either -- it's either tripping the threshold or it's not based on this 20 year projection. Black Cat's interesting -- and it was likely significantly impacted by the inclusion and the construction of Highway 16. We anticipate Highway 16 will have some impacts on traffic along parallel corridors within let's say two or three miles of that corridor. Even Ten Mile Road is likely to see some impact from Highway 16. Ten Mile is so busy that even if you drive it every day you may not notice, because it still will likely be congested, especially at the peak hour. But people traveling to Emmett, Gem county and other areas -- Caldwell and other areas in the northwestern part of -- of our Treasure Valley, they will be using Highway 16 where they may be using Ten Mile today and it's not a small amount of people that -- that make those trips. So, I -- I use that as an example to say -- to say, yes, that does happen. Does that impact ACHD's emphasis on a corridor? I would say that's probably fair. And if the city really were to prioritize Black Cat Road as its number one priority under these circumstances, I think it would be good to have a conversation about why the city's, you know, so excited about Black Cat, but let's say we were going to go do a project on Black Cat and it showed three lanes in our CIP, we would likely build it at five lanes, because our master street map, our long term vision, shows it as a five lane road

and the reason we would do that is because we know that even long term this is just 20 years -- beyond 20 years I think there is a general -- there has been a general agreement that these section line arterials, you know, should be five lanes within the city of Meridian. That has been brought forward by Meridian and it's been accepted by the ACHD commission. So, what would happen in that situation is the impact fees collected would only be able to pay for the segment of Black Cat up to three lanes and, then, it would have to be nonimpact fees that were to cover the difference. That's essentially how it happens behind the scenes. That has happened on -- on a few occasions through ACHD's previous projects. Not all that often, but it has happened on occasion. So, that's kind of how it -- how it works. The CIP in and of itself is not a -- it's primarily a tool to lay out the needs over 20 years as defined by the model and in compliance with state law, so that we can collect impact fees. It is not a master vision of what every single road is going to be in its ultimate configuration. If -- if that -- if that helps or makes sense.

Strader: Okay. And, then, I had asked a question previously just about timing, process. You are looking for input from us I guess on anything specifically it would be good to know. But, yeah, if you want to walk us through those items.

Lucas: Yeah. Absolutely. Let me see here if I have got a next steps. So, where we are right now is we are in the draft development stage. We will be bringing the draft to our commissioners with this similar information. They have gotten a lot of updates, obviously -- later this month in September. So, once we have that we are actually going to publish a formal draft for formal review by the public and our partners. We wanted to offer these presentations so you had kind of a preview of what's coming, so you weren't caught off guard by anything. That's our intention. So, I would say during that -- over the September and October time frame, if the city wanted to weigh in on some of those bigger issues, I think that would be the ideal time to do that. I think city input on the service areas is very important for our -- our commissioners to hear one way or the other. On the two service area idea I think it's very important and I think if there is any concern by the city related to the -- the increase in fee, it's also fair. There is ways to -- the way you decrease the fee, you just remove projects from the plan. That's, essentially, the way to decrease the fee is you say we understand they are needed, but we are just saying we are not going to build them, which brings the fee down and so I think the plan is aggressive. There is a lot of projects in there, but that's kind of the -- the framework that we are in right now. So, I would say those are probably the two primary areas where feedback from the city would be most impactful and, then, if there is any other questions related to projects, I think we are glad to take any and all feedback related to that.

Strader: Okay. Thank you. I think that's helpful. I'm -- I'm sure that we -- we might have some comments once we have a chance to dig into the -- the service areas especially. I think there is a fair amount of analysis that actually we should put into that. I just had one more question and, then, I will check with my fellow council what other questions they might have to round us out, but is it accurate to say that the impact fees overall for our area are approximately doubling? Is that -- is that about right?

Lucas: I -- I think it's -- it may be even a little more than that, but, yeah, that's -- that's -- it's more than -- more than double is -- is an accurate -- accurate assessment. It's a -- it's a pretty significant change. As I -- I tried to lay out some of the reasons for that, today, but -- but, yes, it is a -- it is a significant change.

Strader: Okay. it sounds like a pretty big deal. With that I will just check, does anyone have any final questions or comments? Okay. All right. Thank you so much. We will be in touch.

Lucas: Thanks you. Thanks.

16. Fiscal Year 2026 Citywide Fee Update

Strader: Okay. Thank you. With that we will head into Item 15 the fiscal year 2026 citywide fee update and recognize Jenny Fields.

Fields: Good evening, Members of the Council. I think my fellow teammate is pulling up our presentation. So, as they are doing that I'm going to maybe kick us off. We are going to continue the fee theme tonight by updating you guys on our fiscal year 2026 fee update for the citywide. Can I navigate? Thank you. Okay. Agenda tonight. So, the purpose of our today's presentation is that we are going to provide an overview of what we have done so far with our citywide fee update process and, then, we are going to explain some cost recovery methodologies that we use and, then, highlight what our goal is with our annual fee update and, then, there are several departments that have fee adjustment proposals that ranges across multiple departments that you are going to see. Then we will round it up with our next steps. So, tonight we are looking for feedback. In your packet and in your handout is the full list that includes multiple departments that we have handed out of our entire fee list for tonight. So, our fee development process -- so, Finance have worked with each department to determine the full cost recovery amount for each user fee. So, we started with the cost analysis for each service. This is done by identifying what factors or costs components are used that impact each fee. We -- they -- there are such things like staff time, how much staff time does it require to process each of these fees. We also consider material costs and, then, there is also some of them -- like city clerk's department have other agency costs associated with that fee that impacts the amount that goes into that fee. The results have been prepared and have been sent to Mayor for review and feedback. Mayor has provided department service feedback and that gets us to where we are currently at today. We have consolidated the entire list and is requesting Council review and feedback tonight. So, let's dig into our cost recovery methodology. Based on our policy here is the list of our different cost recovery levels. So, full costs recovery means that the fee is set to recover a hundred percent of the cost that is providing that service. So, we apply this method whenever appropriate. So, we come up with the full cost first and, then, determine, hey, do we adjust it to have a lower percentage of cost recovery? This is to ensure that the user, since these are user fees, not the general taxpayer pays for the service that primarily benefits the individual, so, as Council you guys have the option to elect or to apply a different cost recovery based on either public benefit, it's

totally up to you, but what we present is a full cost -- what it costs the city to process that particular fee. So, on your list there are several departments that you will see. On the far right you will see that the cost recovery method is indicated for each fee. Okay. So, why are we doing this and what is the goal of all this; right? So, many of these user fees have never been formally calculated, so they remain outdated. There are some departments that you will see that they have not adjusted their fees for over a decade. So, our goal is to perform this annual fee analysis every year. This will allow us to keep pace, like you have heard inflation driven increases, such as our personnel costs, our material costs, so I understand that the -- the list in front of you have giant or large percentage increases. That is because it hasn't been updated for between eight to ten years between these four departments. I'm going to go through each of these departments and give you some more detail. So, it's going to follow the list that you have in front of you starting with city clerks. So, tonight there are four departments that have fee adjustment proposals for your consideration. City clerks has a total of 34 fees. The last time that the clerk's department have updated their fee is in a 2017 resolution. Some of the cost factors that we used to calculate these fees are -- majority of it is staff time and, then, there are some pass-through agency fees, such as from the state or the federal government. The next department that you will see on the list is the fire department. The fire department's last update was back in 2019. They have a total of 17 fees. The primary cost factor that drives these fees is personnel time, staff time, personnel costs I mean. Police. Police has a handful -- has the least amount of fees. They have a total of 11 fees. Last time that the police department updated their fee schedule is back in 2017. So, eight years ago. They include cost calculations of staff time, so personnel costs, as well as material costs in their fees. The biggest part of the list that you see tonight is from our planning department. Planning department has a total of 57 fees. This department haven't seen a fee update for over a decade. The cost factors primarily driven by personnel costs or staff time associated with those each costs. There are 29 fees that have a greater -- five percent increase to them. Okay. So, I know this is a lot of data that's in front of you, you probably need some time to chew over, but our next step is we collect your guys' feedback tonight, maybe make some adjustments and, then, our next step is to put it out on the paper and do a -- a comment period via public hearing before we adopt. So, this is just the beginning of our discussion process and, then, these fees we are not looking to be effective until 2026.

Strader: Okay. Thank you so much, Jenny --

Fields: Yeah.

Strader: -- for providing this information. Council, over to you for comments and questions.

Overton: Madam Vice-President?

Strader: Councilman Overton.

Overton: You know, I -- without having the background story, any person that looks at these fees is going to think what are we doing? I mean some of these -- hundred, two hundred, three hundred percent increase. I think we are kind of guilty as a city that we didn't stay on top of these fees and do them every two years to keep them current, so that when we did a fee increase it would be a much more reasonable, but there is a cost associated with doing the study I'm sure to figure out what your increase is going to be. I know from my previous time working with the city that every time we do these cost recoveries and we do these fee increases we are still trying to be as fiscally conservative as we can be. We are not trying to gouge the public. But I think we really need to tell the story and putting fee increases with these numbers behind them we need to tell that story crystal clear so people understand just how long it's been since we have done one and what's happened since that point in time. I'm supportive. I think we need to do it. I think we needed to do it a long time ago and it wouldn't have been numbers as high as we see today.

Strader: Thank you, Councilman Overton.

Cavener: Council Vice-President?

Strader: Yes, please, go ahead Council President Cavener.

Cavener: Thank you, Council Vice-President Strader. Jenny, I kind of maybe want to pick up where Council Member Overton left off with maybe my first question, which is we have been told for years that finances and the departments are working in conjunction to bring fee updates on an annual basis. So, help me understand where the disconnect is occurring that we are going ten, 12 years in some departments before these fees are getting updated? Just being very frank, this feels like a complete failure on the city's part. When I look at a fee that is going up 2,930 percent is because we haven't touched this in 12 years when we as Council have been told we are going to be bringing these on an annual basis. So, I will start there and -- and maybe ask why -- why we haven't been doing this when you -- when the Council has been told this is the plan.

Fields: Councilman -- Council Woman Strader.

Strader: Go ahead.

Fields: Councilman President Cavener, the delay came down to -- to be frank, time and resources. This sat in -- in our back burner while we tackle some urgent needs. It is by no means an oversight, it's just the -- the lack of time and resources that we had.

Cavener: Okay. I -- I guess I -- I would like to get some larger understanding. It doesn't have to be right now --

Fields: Okay.

Cavener: -- as to what those time and resources that are -- that are getting in the way of doing this, because it's one thing that we are not, it's another thing when you tell the Council that you are going to be doing these things and there isn't any communication to us that we aren't. I have real struggles that we are going to introduce a fee that goes up 3,000 percent, because the city has failed to communicate appropriately. So, that's some initial feedback. Second question is about cost recovery. So, when I look at the -- the Excel sheet that you have presented to us, if it says in that final column a hundred percent, am I safe to assume that that means that as presented that is a hundred percent of the fee recovery?

Fields: Correct.

Cavener: Okay. So, when I look at, then, the clerk's office, a 34 percent fee recovery for a large scale special event, why are we only choosing to recover 34 percent of that?

Fields: That's a -- a great question. Could you pull up the calculations? We have --

Strader: Just a moment, Council President Cavener. They are going to pull up a different presentation I think so we can all look at the spreadsheet that they provided earlier.

Fields: All the way to the right. So, go to the right where it says minimum cost.

Cavener: It looks like it's line maybe 30. Thirty-one. Thirty.

Fields: So, the full costs -- I believe the full cost was 700 dollars. So, it was decided -- go ahead. The feedback that we received from Mayor was we are to elect to have a lower cost recovery, because the full cost was substantially larger than the previous fee for a TUP. Large scale events.

Strader: So, it sounds like there was a decision -- at least at when this went to the Mayor, you are saying that the -- the Mayor's direction was to try to recover a lower percentage of the cost recovery model on these particular TUP items; is that accurate? Now we have got Director Lavoie, Council President Cavener, just FYI.

Lavoie: Yes, Council, you are correct with that last statement though. We presented this to the Mayor. The Mayor reviews this. And we did a regional study on what the fees would be for like to like TUP large scale and our full cost recover is much larger than the regional average. So, it was decided to stay within the regional average and promote a -- I think it's 250 dollar -- yeah -- 250 dollar fee increase, rather than our full cost. We felt that the tolerance level for that 250 fee would be more acceptable than a four -- the 700 dollar fee that we fully calculated. So, that we could be still markedly attractive to the regional customers.

Cavener: A couple follow-ups if I may.

Strader: Please go ahead.

Cavener: So, two-part question, then, Mr. Lavoie. Is this 34.9 percent consistent with our cost recovery model and, two, is our fees so high -- or our costs so high because of our costs -- I guess are the costs that the City of Meridian bears to process this type of a TUP the same level of cost that other municipalities are bearing? I guess, essentially, I'm asking are other municipalities subsidizing the cost of this fee and -- and we are choosing to follow suit?

Lavoie: Mr. -- or Members of the Council, I will start with the second question first. We do not know the methodologies or -- methodologies or if any other agency in the valley does a full cost analysis on any of their fees. We can only compare our fees to the other fees. We did not do a complete analysis of how they conduct or how they calculate any of their fees. So, I -- I apologize, I don't know the answer to that second question that you have. The methodology of 33 percent -- again, it does fall within one of our five categories that we did provide to you. Again, we have the option to recover whatever percentage Council and/or Mayor wishes to select. We calculate as a practice on our side of the fence one hundred percent recovery so you are informed of what it costs to run our business. You and the Mayor can discuss and select a recovery percentage following our guidelines that we have in policy. So, yes, I would say this does fall within policy. It is a recommendation to you for this particular line item itself.

Cavener: But following the plan -- sorry, Council Vice-President Strader, if I may.

Strader: Yes.

Cavener: Following the plan, though, it should be at a hundred percent. We have just made a subjective decision to lower it to remain competitive.

Lavoie: I would agree with that last statement, yes.

Cavener: Okay. And, then, just maybe one additional follow up then. In fire, daycare inspections, 50 percent, any background and history as to why we are not recovering the full cost on this one?

Fields: Can you pull up the -- the calculation.

Strader: Maybe while we are pulling that up I will just preview my -- my question is going to be what's the net fiscal impact for each of these departments if these fees were to be approved eventually? So, that's just to preview a question.

Fields: Okay. Get back to you on that one.

Strader: Sure. Go ahead.

Fields: It is an Idaho Code that we can only recoup 25 dollars.

Cavener: Okay. So, this one is not a case of it being subjective, it is we are -- the cost to operate this service exceeds what we are able to charge based on Idaho State Code.

Fields: Correct.

Cavener: Got it. That makes sense. Thank you. I think that concludes my questions.

Strader: Okay.

Fields: And Madam Vice-President Strader.

Strader: Please.

Fields: To answer your question about net fiscal impact, I don't have the answer tonight, but we can calculate and get back to you on that.

Strader: Okay. Yeah. That -- that would be fantastic. You know, one thing that I think all of us have been noticing with the pressure around our operating costs and certainly we have seen a decrease in some construction activities, especially in the multi-family space, and so I think it -- it's an opportunity for us and a challenge to Council President Cavener's point that we haven't updated these fees in so long, I'm worried it's going to come as a big shock to people, but it does seem like it will help sort of support more through cycle resourcing of that function within the city. So, I think understanding the fiscal impact from these fees for each department would help us to see the big picture and, then, I -- I strongly suspect that we will have follow-up questions on the individual fees as well. It looks like this will be, obviously, a full public process. What would the next steps be for us, Jenny?

Fields: So, the next steps is I -- I collect your guys' input, do some adjustments based on your guys' select -- you know, your guidance and, then, we draft a resolution. So, this is anytime we have fees that are increasing from a certain percentage -- I believe five percent, we have to do a formal public hearing. So, we publish in the paper for two weeks, invite the public in for comment period and, then, do a full blown public hearing prior to adoption.

Strader: Okay. And at least for initial feedback or questions about any individual fees or even just broad categories of fees, what kind of timing would you like from us on that in terms of Council getting back to you? Like two weeks? What -- what works with your schedule you are anticipating?

Fields: I think two weeks is fair. I will leave it up to you guys. There is no urgency to -- I mean there is, because we haven't updated these fees for so long, but our goal is to get these effective fiscal year '26. So, there is a process where we have two weeks in the paper. So, there -- we are still a few weeks before adoption. So, if we can get -- collect all your guys' inputs, maybe a week or two, that would be super helpful. And, please,

direct them to -- to me or Ricardo and we will facilitate and get the subject matter experts if we can't answer them.

Strader: Okay. So, for fellow Council Members, if -- if everyone can try to provide any follow-up questions or feedback about the fees by September 30th to Jenny and the Finance Department that would be super. Are there any other questions or comments from Council Members on this item? Okay. It looks like that's what we have got. Thank you so much.

EXECUTIVE SESSION [Action Item]

17. Executive session per Idaho Code 74-206(1)(d): To consider records that are exempt from disclosure as provided in chapter 1, title 74, Idaho Code.

Strader: Okay. With that that brings us to our Executive Session action item. Do I have a motion?

Overton: Council Vice-President.

Strader: Councilman Overton.

Overton: I move that we move into Executive Session per Idaho Code 74-206(1)(d).

Little Roberts: Second.

Strader: Okay. I have a motion and a second to go into Executive Session. All those in favor -- actually, I believe this is a vote. Let's go ahead and we will do a roll call vote on that.

Roll Call: Cavener, yea; Strader, yea; Overton, yea; Little Roberts, yea; Taylor, absent; Whitlock, yea.

Strader: Okay. All ayes and the motion carries. We will now go into Executive Session.

MOTION CARRIED: FIVE AYES. ONE ABSENT.

EXECUTIVE SESSION: (5:35 p.m. to 5:59 p.m.)

Overton: Madam Vice-President.

Strader: Yes. We are going to need to come out of our Executive Session. Councilman Overton.

Overton: I move that we come out of Executive Session.

Little Roberts: Second.

Strader: Okay. We have a motion and a second to come out of Executive Session. All those in favor signify by saying aye. Opposed? Okay. The ayes have it and we are out of Executive session.

MOTION CARRIED: FIVE AYES. ONE ABSENT.

Strader: Do I have a motion to adjourn the work session?

Overton: Madam Vice-President.

Strader: Yes, Councilman Overton.

Overton: Move that we adjourn our workshop.

Little Roberts: Second.

Strader: Okay. I have a motion and a second to adjourn the workshop. All in favor signify by saying aye. Opposed? And we are adjourned.

MOTION CARRIED: FIVE AYES. ONE ABSENT.

MEETING ADJOURNED AT 6:00 P.M.

(AUDIO RECORDING ON FILE OF THESE PROCEEDINGS)

_____ VICE-PRESIDENT LIZ STRADER	_____ DATE APPROVED
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ATTEST:

CHRIS JOHNSON - CITY CLERK