

Minutes of the Regular Meeting of the City Council of the City of Lava Hot Springs, Idaho held on Thursday, May 13, 2010 at 5:30 p.m., Lava City Hall, 115 West Elm Street, Lava Hot Springs, Idaho.

Present:

Marshall N. Burgin, Mayor

Canda L. Dimick, City Clerk

Rita Anderson, Councilperson

Newton J. Lowe, Councilperson

Cathy Sher, Councilperson

Guests: Officer Monte Steele, Julie Neff (USDA), Mark Lowe, Vicki Lyon, Jeff Mansfield (Keller's Associates) and David Noel (Forsgren Associates).

Mayor Burgin called the meeting to order at 5:30 p.m.

A motion was made by Councilperson Sher and seconded by Councilperson Anderson to amend the agenda to add the Tree City USA award presentation and the Solar Project. All voted aye, unanimous.

Tree City USA Award

Tree City USA flag and 9 years designation as a Tree City USA was awarded to the city and photo taken.

Approval of Minutes

A motion was made by Councilperson Anderson and seconded by Councilperson Sher to approve the minutes of the April 2, 2010, Special Council meeting, the April 8, 2010, Regular Council meeting and the April 29, 2010, Special Council Meeting. All voted aye, unanimous.

Reviewing of Bills

The mayor stated that \$200 to the Franklin County Ambulance needed to be added. The city clerk explained that this would be paid for out of the Bannock County Ambulance District account that the city administers. The testing fee is for the 8 students that will be taking their practical test in Franklin County on Saturday.

Councilperson Sher questioned the bill for Idaho State Journal Publishing. The bill should read as River's Edge Resort LLC public hearing notice. Correction will be made.

A motion was made by Councilperson Anderson and seconded by Councilperson Sher to pay the bills with the addition of the Franklin County Ambulance bill. All voted aye, unanimous.

Lava Enforcement Monthly Report

Officer Monte Steele reported that he doesn't have anything new to report. Officer Steele presented a photo of Inkom's general speed limit signs. He stated that the signs are posted at each entrance instead of on each side street which could be a savings to the city.

Officer Steele reported that there has been some speeding and overnight RV campers on the streets experienced.

Councilperson Anderson questioned if there had been any response to the reward for vandalism. The mayor reported that it is still under investigation.

Officer Steele reported that the Lava Citation process is working well.

USDA Loan/Grant Application for Wastewater Improvements - Julie Neff, USDA Area Specialist

Julie Neff gave an update on the city's USDA Loan/Grant application. USDA is going to accept the May 6, 2010, nonconformance letter from DEQ which will put the city into the lower interest rate currently at 2.5%. She still needs the environment documents to submit by the end of June for this interest rate. She also needs a copy of the 2009 audit and the current 2010 financials. The costs of the project are lower than the original estimate costs. She recommended that we not submit until we have the updated cost estimates because the loan fund must be used before the grant funds are available.

Julie Neff questioned if the city wants to use the funds appropriated from the option tax for the project because it would reduce the amount of grant funds that the city is eligible for. The city may want to relook at the decision to use the option tax funds. She reported that right now the estimated equivalent sewer rate is \$37 which is much better than the original estimate. Her estimate on the cost total is \$8,368,000. She needs the EID complete and updated cost estimates from the engineers before the final application is submitted. She left forms for the formal application.

Chicken Soup Springs Feasibility Study – Brent “Husk” Crowther, Forsgren Associates

Dave Noel, Forsgren Associates, reported on the Chicken Soup Springs grant. The response was that the application was well done but recommended a feasibility study. In response, Forsgren Associates has applied for an EECEG grant. One of the specific items on the application was feasibility studies for alternative energy sources. However the funding agency decided not to fund any feasibility studies in Idaho.

Forsgren Associates have met with BYU Idaho and they have agreed to assign a graduate student to do a project in Lava. They will produce mapping, modeling, feasibility reviews, etc. Forsgren will work on the project and provide direction for the graduate student. The graduate student would do the project as a free service but would appreciate a donation to the college department. A common donation is \$1,000. The student could start next week.

The mayor stated that part of the focus is to recapture the source. Forsgren Associates will need to be involved so study is official. Councilperson Sher suggested contacting Klammoth Falls for information. Council supported the idea.

East Main Street Resurface Project

The mayor asked for a report on the status of the Main Street Resurfacing Project. Dave Noel stated that he has not worked on the project and does not have any information to report. The mayor said that the city would like to have the millings. Dave will inform Brandon of the city's interest.

Planning & Zoning

A) Review statement of facts, findings and decision denying Henry & Kathy Etcheverry's variance application to permit an accessory use on a vacant lot and motion authorizing mayor to sign.

The city clerk reported that the Statement of Facts, Findings and Decision for the accessory use on a vacant lot should be amended by striking the second sentence in Fact 8 on page 2, and also the date to order the removal changed to June 8, 2010.

A motion was made by Councilperson Lowe and seconded by Councilperson Anderson authorizing the mayor to sign the Statement of Facts, Findings and Decision as amended. All voted aye, unanimous.

B) Review statement of facts, findings and decision approving Michael J. Atkin's application for a required corner lot size variance and motion authorizing mayor to sign.

A motion was made by Councilperson Anderson and seconded by Councilperson Sher authorizing the mayor to sign the Statement of Facts, Findings and Decision for a lot size variance, application Michael Atkins. All voted aye, unanimous.

KOA Campground Joint Connection for Restroom/Laundry Facility

A motion was made by Councilperson Sher and seconded by Councilperson Lowe that the KOA Campground pays half the connection fee in accordance to Lava Hot Springs City Code 10-2-2-B. All voted aye, unanimous.

Temporary Easement Request – Milan Zabka

Milan Zabka asked permission to install a pipe above ground across the alley May through September. The council gave Mr. Zabka permission last year. Councilperson Anderson doesn't like to see the alley blocked. The Mayor feels Mr. Zabka can drag the hose across the alley when he needs to water the trees.

A motion was made by Councilperson Lowe to grant the easement. Considerable discussion followed. A temporary easement would not be required to pull a hose across the alley, water the trees and then pull the hose back.

Councilperson Lowe rescinded his motion.

A motion was made by Councilperson Lowe to deny Milan Zabka's easement request. The motion was seconded by Councilperson Anderson. All voted aye, unanimous.

Business License(s)/Non-Property Tax Permit(s)

A) Big Jim's Tree Service – James & Nicole Thiemann, Owners/Applicants

- B) Bitton Electrical LLC – Louis D. Bitton, Owner/Applicant**
- C) Doterra US, LLC – Non-property tax permit**
- D) Lava Java – Patti Madsen, Owner/Applicant**
- E) Layne’s Tube Shuttle Service – Layne Walker, Owner/Applicant**
- F) River’s Edge Resort, LLC – Darrel Trost, Shawn & Leslie Mulholland, Richard & Jan White, Members/Applicants**

The mayor read the list of Business Licenses(s)/Non-Property Tax Permit(s). Councilperson Sher questioned the non-property tax permit for Doterra US, LLC. The Mayor explained that this is a mail order company that is obligated to pay the local option tax. Councilperson Sher stated that Layne’s Tube Shuttle is a good idea. They will be doing a temporary vendor’s license.

The city clerk clarified that the River’s Edge Resort LLC business license is just for the current campground. The A-frame house is not included in the business license. The owners have applied for a zone change so that they can rent the home as a vacation rental but the application has not went to a public hearing yet.

A motion was made by Councilperson Anderson to approve the business licenses and non-property tax permits A – F as read with Layne’s Tube Shuttle contingent upon receipt of the temporary vendor’s license application. The motion was seconded by Councilperson Sher. All voted aye, unanimous.

Katherine Adam’s building permit for a change of use, residential to vacation rental – 178 West Main Street.

A motion was made by Councilperson Sher to approve Katherine Adam’s building permit for a change of use from residential to a vacation rental at 178 West Main Street contingent to building inspector’s final inspection and approval. All voted aye, unanimous.

Support letter for Bannock County Ambulance District EMS grant application for a third advanced life support (ALS) county ambulance.

A motion was made by Councilperson Sher and seconded by Councilperson Anderson to write a letter of support for the EMS grant applications. All voted aye, unanimous.

Grant Opportunities - 2% & 1% Local Option Tax Match – Council person Sher

Councilperson Sher reported that she had researched the idea of partnering with Pioneer Travel Council for advertizing. A three (3”) inch ad in the Boise Weekly magazine would be under two-thousand (\$2,000) dollars for two (2) publications per month. The Pioneer Travel Council also advertizes in other publications that would be possibilities. This is an opportunity for use of some of the 1% tourism promotion funds. Augmenting Pioneer Country Travel advertising would be a broader exposure for the dollar. This partnership would balance the advertizing efforts. Councilperson Sher will present the idea to the Chamber and report back to the council.

Alley Maintenance Question – Council person Sher

Councilperson Sher questioned maintenance plans for the alley behind Bill Sikkenga's. The Mayor reported that Councilperson Beeson and the city crew have talked with the property owner. The property owner is concerned because one of his neighbors slid off the alley in the winter. The only way to improve the alley would be to build retaining walls however the adjoining property owners would lose access from the alley to their property. The owner seems to be satisfied with the decision at this time.

Garbage can repairs - Discuss responsibilities.

The Mayor reported that several of the large garbage cans have been broken and the city is running out spares. He has talked to the garbage contractor about the problem. The large cans are on order and they are supposed to deliver eight of them when they arrive.

Maintenance obligations of the 90 gallon cans were discussed. The mayor feels that the city crew can handle doing some of the minor repairs. The contractor is responsible according to the contract. The contractor furnishes the parts. The council decided that it would be no problem for the city crew to continue to repair the 90 gallon cans.

Councilperson Sher questioned how often the garbage is picked up. She has noticed that there are problems with overflow. The city clerk stated that through the summer months the garbage will be picked up twice a week in the business district for those businesses that sign up for it from Memorial Day through Labor Day.

Meetings/Announcements

A) Association of Idaho Cities Conference – June 16-18, Idaho Falls

The cost will be \$280 per delegate if post marked before May 21, 2010, and \$305 if after. There would be hotel cost in addition to the registration fee. No one interested.

B) May 21 & 22, 2010 Community Clean Up Days

The roll-off garbage bins will be in town May 21 & 22, 2010. Councilperson Anderson reported that the LDS missionaries are willing to provide some community service. She has a contact number. Councilperson Anderson is going to check with the city crew and the Senior Center to see if any community service is needed. The missionaries also may be able to help transport debris to the roll-off bins. Councilperson Sher reported that they have also helped at the museum.

C) Miscellaneous - None

Projects

A) Idaho Department of Parks & Recreation recommendations for Buddy Campbell Memorial Park

A letter was received from the Idaho Department of Parks & Recreation on recommendations for the Buddy Campbell Memorial Park. The council received this letter in the fall. The letter made recommendations which need to be addressed by June 30, 2010. Councilperson Sher requested another copy of the

letter. She would like to contact the Idaho Department of Parks & Recreation regarding funding options that may be available.

Councilperson Anderson questioned if there is a way to light the tennis court so the people can use it in the evening, possibly putting them on a timer.

The council agreed that they would send a letter to the Idaho Department of Parks & Recreation that the city is working on the recommendations and have submitted applications for additional funds and the city intends to apply for a Department of Parks and Recreation grant also. The city crew will put up the handicap parking signs at the tennis court and the bleachers.

B) Camper Shell for Dog Transportation Kennel

The mayor reported that the camper shell the dog catcher had found was sold. They are still working on finding one that fits the truck. Vicky Lyon suggested having the animal control officer contact her husband; she thinks they may have one that the city could have.

C) Wastewater Improvement Project

1) NPDES Permit Application

Jeff Mansfield, Keller Associates reported that the city clerk and maintenance supervisor are working with Keller Associates on the NPDES permit application. The city needs to have Adobe Reader Acrobat program for the computer to insert some symbols. The application should be finished by Monday. Mr. Mansfield reported that the application has to be submitted by June 1, 2010 for an extension to be considered.

2) Environmental Impact Document

Keller Associates is helping SICOG with the EID documents. Keller's have completed the mapping and also reviewed a check list for the EID. This is the only thing that is holding up the start of construction for Phase I.

The city clerk reported that the archeology and wetlands reports came back with no impact. The city clerk has also been working on helping with these documents to try to speed the process up. Julie Neff (USDA) offered her assistance on getting the EID documents finalized.

3) Construction Contract/ Disadvantage Business Clause Change Order

Jeff Mansfield, Keller Associates, presented the completed contract. The Disadvantage Business Clause modification will be handled as a change order. Keller Associates is working on this.

4) Rate Study

The city clerk reported that Virgil with the Idaho Rural Water Association is willing to help complete a rate study. The city clerk has given him copies of the financials and utility rate schedule. The city clerk

said that there are some things with the inventory of the businesses that could be handled by city staff. Virgil is supposed to be back in Lava the first week of June.

The city clerk told Mr. Mansfield that they will need the Inflow Infiltration Study information for the rate study. She did talk to Virgil about metering the sewer on those who have alternative water sources. He told her that it is a possibility but it is expensive and he recommends using magnetic metering if considered.

5) Phase II and letter from Dempsey Topaz Canal Company

Mr. Mansfield gave a verbal update on the permits, design and right-of-ways for Phase II. They are working on a more accurate cost estimate. He reported that the design of Phase II is coming along well. Mr. Mansfield reported on a letter which was received from the Dempsey Topaz Canal Company. The canal company is requesting some changes which will be easy to address. A special meeting will be scheduled to review the letter with council.

D) Miscellaneous

Wind Project

Jeff Mansfield, Keller Associates presented a proposed wind power project for the land application site. The applications are due by end of business tomorrow. The cost estimate is \$260,000. They are requesting a grant of \$170,000 from Rocky Mountain Power from the Blue Sky program. He has indicated that the city would put in \$5,000 as match. There are Federal tax credits of \$75,000 and a \$17,000 State tax credit available. The city clerk questioned how the tax credits work because the city does pay taxes. Mr. Mansfield said that Blue Sky told him that the city can apply for the tax credits.

This is a 50 KW wind turbine. Wind has a quicker payback period than solar, he estimates 7 to 8 years for payback. The company that they are working with has agreed to do a wind study at the site free of charge. The wind study would be done before the grant was accepted. If the wind study shows that a wind turbine is not feasible at the site, the application shows a solar project as an alternative. The city clerk stated that wind power is a conditional use in the county so a conditional use permit would need to be applied for. The council gave the Mayor authority to sign the application. Mr. Mansfield will check into geothermal opportunities from Blue Sky.

Inflow/Infiltration

Councilperson Lowe questioned the Inflow/Infiltration Study. Mr. Mansfield commented on the findings. The study is not complete yet. When reviewing the video of the sewer lines they did not find much inflow/infiltration. They did see several services that are dumping an

extreme amount of water and hot water on the system. The City of McCammon is producing about 120 gallons per person per day of waste water. The City of Lava is producing about 240 gallons per person per day of waste water. Lava Hot Springs is a tourist town so it is hard to compare because of the businesses and the influx of visitors to Lava who use the system. The study will make recommendations to eliminate excess discharge.

Discussion – Items from the audience.

Councilperson Anderson presented a flow chart on the progress of the Comprehensive Plan. Everything in blue is what has been done. The committee is making good progress.

Adjournment

A motion was made by Councilperson Lowe and seconded by Councilperson Anderson to adjourn. All voted aye, unanimous. The meeting adjourned at 7:34 p.m.

Trish Avery, Transcriber

Marshall N. Burgin, Mayor

Canda L. Dimick, City Clerk (proof read)

Approved June 10, 2010