

Minutes of the Regular Meeting of the City Council of the City of Lava Hot Springs, Idaho held on Thursday, March 14, 2019 at 5:30 p.m., Lava City Hall, 115 West Elm Street, Lava Hot Springs, Idaho.

Present: T. Paul Davids III, Mayor
Rickey Frandsen, Councilperson
Lisa Guthrie, Councilperson
Brian Hinz, Councilperson
Jon Thomson, Councilperson
Gary Cooper, City Attorney
Dennis Callahan, Code Enforcement Officer
Canda Dimick, City Clerk - Partial
Amantha Sierra, Office Assistant

Excused:

Guests: Kelly Myers, Tamara Davids, Randy Benglan, Brett Casperson, Tom Katsilometes, George Katsilometes, Officer Taysom, Doug Potter, Brian Phinney, Mathew Hill

Amend Agenda: Mayor Davids announced agenda items to be amended. The review & approval of bills and legal fees with George Katsilometes & Tom Katsilometes need to adjust time to when they arrive to the meeting. Councilperson Hinz made a motion to amend agenda to move the review of bills with City Clerk Dimick and George Katsilometes & Tom Katsilometes legal bills after they arrive at the meeting. Councilperson Guthrie seconded the motion. All voted aye, unanimous.

Announce Agenda Deadline for April 11, 2019 meeting will be April 4, 2019: Mayor Davids welcome and thanks everyone for coming. He announces this is the City's regular scheduled council meeting. Mayor Davids announced agenda deadline for April 11, 2019 meeting will be April 4, 2019. The Pledge of Allegiance is led by Councilperson Thomson.

Approval of Minutes (February 14, 2019 & February 28, 2019) - ACTION ITEM: Councilperson Hinz made a motion to approve February 14, 2019 & February 28, 2019. Councilperson Guthrie seconded the motion. All voted aye, unanimous.

Law Enforcement/Code Enforcement:**A) Tree Trimming & Intersecting Traffic Vision Impairments - ACTION**

ITEM: Dennis Callahan, Code Enforcement Officer reported nothing new to report. Tony Hobson, City Maintenance will let Dennis know if there is anything that needs to be addressed. Mayor Davids questioned Dennis if Tony has reported to him any issues. Dennis replied no concerns. Mayor Davids comments then we need a motion to have Dennis continue to do what he is doing and Tony to recommends if there are any issues. Dennis comments not much action until this spring when the leaves are back. Then the City can tell if they are causing intersecting traffic vision impairments. Councilperson Guthrie made a motion for Dennis to continue with what he is doing and Tony to continue with advising Dennis of any violations. Councilperson Frandsen seconded the motion. All voted aye, unanimous.

B) Nightly Rental Violations Report: Dennis Callahan, Code Enforcement Officer reported nothing new to report. Dennis mentioned that he's heard through the grape vine that there is going to be a move to get more vacation rentals in residential areas. Dennis suggested reviewing with the City Attorney to outline the law and what action to take when homes come up for nightly rentals. Mayor Davids mentioned a couple weeks ago he talk with our representatives about the issue. Mayor voiced his concerns with Armstrong he told them what the City faces as a community with the Law and he doesn't think the State knows how this effects our businesses, schools and residents because there are no homes for people or City government to reside in. Armstrong took notes and will communicate but, nothing will come of it until next year. Citizens need to voice their opinions and call our State representatives, Randy Armstrong or Kevin Andrus. Councilperson Thomson believes the City zoning laws address commercial and residential zones and in the interim the City should get a legal opinion from the city attorney.

C)) Pocatello Animal Shelter Agreement - ACTION ITEM: Mayor Davids reviewed emails between Dennis Callahan, Code Enforcement Officer and the City of Pocatello animal shelter. The City of Pocatello animal shelter would like to charge the City of Lava Hot Spring for animal's brought to the shelter from Lava Hot Springs area. The City of Lava Hot Springs wants the City of Pocatello animal shelter only to charge if the City of Lava Hot Springs Code enforcement officer brings in an animal or a person authorized to bring an animal. An authorized person will have a letter from the City of Lava Hot Springs authorizing them to bring in the animal. That letter will authorize City of Pocatello animal shelter to bill the City of Lava Hot Springs. If they do not have the letter

authorizing them to drop of the animal the person dropping off the animal is responsible for the fees that the City of Pocatello animal shelter charges. Dennis is not sure if they accepted the change or not. The City of Pocatello animal shelter is working on the contract. Councilperson Hinz made a motion to wait and see what the new contract looks like from the Pocatello animal shelter. Councilperson Thomson seconded the motion. All voted aye, unanimous.

D) East Booth Street Parking Concerns Report: Dennis Callahan, Code Enforcement Officer reported he was going to write to all the people parking diagonally but after talking with Scott Pearhil at the Home Hotel it was decided by Tony that they're not going to pursue the diagonally parking with Scott. Dennis feels if they don't pursue it with him he is not going to pursue it with anyone else. Mayor Davids reported that Tony had concerns with the diagonally parking because the City still had the ground dug up on the side of the street where the diagonally parking is and he felt that the City needed to finish the work there then enforce diagonally parking there. Scott agreed with enforcing the ordinance once the area is fixed. Mayor Davids asked Dennis about East Booth. Dennis reported they are doing the parking the same way. Dennis doesn't think it's any more of hazard than Home Hotel. Council disagreed with Dennis. Mayor Davids thinks we need to enforce diagonally parking in all areas except 1st Street and Home Hotel. These two areas will be addressed later in the spring after the construction in that area is completed. Councilperson Hinz read minutes from last month and the motion made.

Mayor and Council in agreement with sending out courtesy notice explaining the ordinance and that the City has received complaints along with a copy of the ordinance to owners, tag vehicles and send notice out in water bill. Dennis was asked to keep track of efforts and if no action pass onto sheriff's Department. Dennis explained his process. He tags the car with a red notice and takes a picture of the vehicle license plate. Councilperson Thomson made a motion to put notice in next month's water bill, Dennis to monitor and tag cars, if no actions taken then turn over to Sheriff's department. Councilperson Frandsen seconded the motion. All voted aye, unanimous. Dennis was asked to talk with all owners that have diagonal parking on city streets. Diagonal parking is not permitted per City ordinance. City Clerk Dimick asked about plowing South 2nd East. Discussion followed. Dennis will talk with the owner to see if she would park in the off street parking spot if the City cleared the snow off South 2nd East Street. The street is currently not plowed because no one uses it. Dennis was asked to report to council on her response before February 28, 2019.

Mayor and Council agreed Dennis needs to continue with the motion made last month.

F) Monthly Law Enforcement/Code Enforcement Miscellaneous Reports:

Mayor and Council thanked Officer Taysom for the report, very nice. Officer Taysom reported that there department is transitioning to electronic ticketing for

citation and warnings. They are still working out all the IT issues. Officers will still write out a hand issued citation or warning and electronically ticket in the system in order to track activity better in Lava. The State transportation department is managing the system and they setup a Lava police department on their system. The hope is the system makes tracking records easier and more efficient. Officers in Lava write more warnings than issuing citation. Mayor Davids thanked Officer Taysom for helping with moving vehicles for snow removal this last winter. Officer Taysom reported Lava is about ninety five percent (95%) of county calls during summer time.

Miscellaneous: Councilperson Thomson mentioned an issue with the sidewalk where the new Fire Hydrant was placed on Main Street across the Street from Aura Soma. Mayor Davids asked Councilperson Thomson to add the issue to Tony work order clipboard.

Review & Approve Bills ACTION ITEM – Moved agenda item per amended agenda motion: City Clerk Dimick arrived at council meeting from court proceedings in Pocatello. City Clerk Dimick reviewed list of bills with Mayor and Council. Councilperson Thomson made a motion to approve minutes. Councilperson Hinz seconded the motion. All voted aye, unanimous.

Special Events Permit(s) - ALL ACTION ITEMS:

A) Annual Easter Egg Hunt Special Event Permit: City Clerk Dimick explained Lisa Toly asked the council to waive the permit application because they volunteered to do the Easter Egg hunt this year only. Mayor Davids comment he really appreciates them volunteering and taking it over for this years. He also mentioned maybe the City can help some with the cost but, Mayor doesn't think we should set a precedence of not allowing someone to fill out the permit. Council agreed with Mayor. Kelly Myers, Event Coordinator volunteered to help them fill out the permit. Mayor asked Kelly if she can help them and have the permit ready for the special council meeting in two (2) weeks. Kelly Myers answered yes. Councilperson Hinz made a motion to table the Special Event Permit application approval until the special council meeting on March 28th. 2019. Councilperson Guthrie seconded the motion. All voted aye, unanimous.

B) Wellness Festival Special Event Permit – Kelly Meyers, Event Coordinator: Kelly Myers, Event Coordinator reported on the Wellness festival. The main part of the festival will be held at the Community Building with a few breakout sections at some of the local businesses. Councilperson Hinz made a

motion to approve special event permit. Councilperson Guthrie seconded the motion. All voted aye, unanimous.

Business License(s)/Alcohol Beverage Licenses(s)/Coin-Op License(s) - ALL ACTION ITEMS:

A) Proposed Amendments to Title 3 Business License Regulations – Moved agenda item per amended agenda motion:

B) Mike's Market Tube Rentals: Mayor Davids reported the tube stand will be placed under the awning at the front of store and will not take any parking spaces. Councilperson Hinz made a motion to accept Mikes Market to rent tube under Moldenhauer Inc with the expectation of them not using any of their existing parking spots. Councilperson Guthrie seconded the motion. All voted aye, unanimous.

C) EZ Livin Inn – Dennis Ekstrom, Owner/Applicant: Councilperson Hinz made a motion to approve. Councilperson Guthrie seconded the motion. All voted aye, unanimous.

D) Hot Springs Village Association of Timeshare Unit Owners, Inc.: Councilperson Hinz made a motion to approve. Councilperson Guthrie seconded the motion. All voted aye, unanimous.

E) NPRTO West, LLC; DBA Progressive Leasing – Ryan Woodley, Owner/Applicant: Councilperson Frandsen made a motion to approve. Councilperson Thomson seconded the motion. All voted aye, unanimous.

F) Two Brothers Construction – Randy Johnson, Owner/Applicant: Councilperson Hinz made a motion to approve. Councilperson Guthrie seconded the motion. All voted aye, unanimous.

A) Proposed Amendments to Title 3 Business License Regulations – Moved agenda item per amended agenda motion: Gary Cooper arrived at council meeting from court proceedings in Pocatello. Gary Cooper, City Attorney reviewed changes with council. Gary explained that the recreational vehicle & short term vacation rentals have an inability to regulate due to some of the language in the ordinance. Gary revised the language and he believes the language is clear and addresses the City needs. Food Trucks and ice cream trucks mentioned. Gary believes they are covered. City Clerk Dimick asked about the insurance requirements and if anyone is grandfathered in. Gary explained

insurance is required per the ordinance and no one is grandfathered in. Councilperson Hinz made a motion to review and add to the special work section on March 28, 2019. Councilperson Guthrie seconded the motion. All voted aye, unanimous.

Legal Fees – George Katsilometes and Tom Katsilometes - Moved agenda item per amended agenda motion: George Katsilometes and Tom Katsilometes arrived at council meeting from court proceedings in Pocatello. Tom Katsilometes introduced himself and explained he represents George Katsilometes in regards to Lava Hot Springs Inn. Tom mentioned that council is probably aware that there is pending litigation and we wanted to let council know that there is an offer to settle the litigation it's been on the table for about a month, he thinks. Tom explained they're here if they want them to answer any question or if council would like to discuss that. They also brought a couple of letters dating back to July of last year. The first attempts by Tom, actually to try work something out with the City and he has the response letter coming from Mr. Cooper. He has five copies if council would like. Mayor Davids announced what the council has decided is to let Gary Cooper, City Attorney, speak for the council. Meeting turned over to City attorney. Gary explained he is familiar with what the offers are and that it's in litigation right now so, my recommendation is that there is no discussion of it in an open meeting like this. The City has an executive session on the agenda and anything to do with this litigation will be discussed at that time, then I will be authorized to discuss it with you at that time. Tom responded okay and we will be available when you are in executive session, we will be somewhere nearby. Mr. Cooper has my phone number and he can call and we will be glad to answer any question. Gary requested Tom to give him his phone number. Tom asked Mr. Mayor if he could pass out the letter to council he brought outlining the offer.

Building Permit(s):

A) Building Permit Report – Dennis Callahan, City Code Enforcement

Officer: Dennis Callahan, Code Enforcement Officer reviewed his report with council. Councilperson Hinz suggested sending a formal notification to De Los Reyes, reminding them of the date that was agreed to. Mayor Davids asked Dennis to go back on the minutes and verify the date agreed upon. Dennis responded he will put together a formal request. Mayor asked Dennis if the building inspector has ever approved the lower four (4) units for occupancy. Dennis responded no. Discussion followed. Mayor Davids explained they are advertising the units for rent online without a business license and an occupancy certificate and the guests are staying in the bottom units. Councilperson Thomson asked what action the City can take if someone is operation a business without a business license. Gary

Cooper, City Attorney, explained the City can get an injunction against them. He explained he has not studied the issue and he doesn't recall what the city has for enforcement but, they haven't got their business license which is separate and apart from the building permit. They're required to have a business license in order to conduct a business in the City and that is what they're doing is short term rentals. The city will need to send them a letter explaining they don't have a business license so, they need to cease and desist doing any of this activity until they have a business license. If they don't do that then Gary will seek an injunction to prevent them from doing it. Councilperson Thomson explained they have applied for a business license and council has not approved it because a CO (Certification of Occupancy) is required before a business license can be approved by council. Mayor and Council suggested that Dennis sends a letter to the De Los Reyes reviewing everything they have agreed to with the City including the deadline date and invite them to the Special Council meeting scheduled for March 28, 2019, to review all the issues with council. Mayor Davids mentioned that they are not paying any taxes on the business. Amantha Sierra, Office Assistance, explained they have submitted and paid for taxes but, she hasn't processed payment because they are not authorized to do business. Amantha also mentioned the old Pancake House is also operating a business without a license, CO (Certification of Occupancy) not received and hasn't paid taxes. She believes that the City should address both businesses at this time. Councilperson Hinz asked Amantha to make copies of De Los Reyes tax form and check for the special meeting on the March 28, 2019. Amantha responded that she will make copies for meeting. Mayor Davids asked Dennis to send letters to both businesses and invite them both to the special council meeting on March 28th. 2019. Dennis continued reviewing his report with council. State Inspector will be in tomorrow, Friday, to go over open permits with him.

Dennis announced this will probably be his last meeting.

Hobson/City Property Exchange Survey - ACTION ITEM: Mayor Davids understanding is they are still working on survey and will have it ready for special council meeting on March 28th. 2019. Mayor Davids would like to have it all together then invite Barry Hobson to the meeting. Councilperson Frandsen made a motion to table until next meeting. Councilperson Hinz seconded the motion. All voted aye, unanimous.

Wastewater Land Application Site Lease Terms - ACTION ITEM: Mayor Davids and council reviewed application. Changes in lease term discussed. Mayor suggested the person leasing should buy and plant the seed. The lease is for five

(5) years beginning May 8th, 2019 and ending May 8th, 2024 the lease is based on an annual cash lease bases to be paid before date annually. The highest bidder is granted wastewater land application site lease. Councilperson Hinz questioned first page under “Water” if the lessee should be responsible if damages occur due to their actions and under fences lessee has no obligation to fence unless fence is damage by lessee. Then under “Corp Harvest” the last sentence is obligation to furnish upon request it should be required to furnish to the City each year for record retention. Councilperson Thomson asked City Clerk Dimick if the property is eligible for Corp insurance. City Clerk Dimick responded yes. The city doesn’t but the lessee can. Councilperson Hinz questioned under “Seed” it says doesn’t germinate in the spring 2020. Is that the only date we want in the contract. Remove spring 2020 and change to as needed. Councilperson Frandsen mentioned they will spot seed if need be. The suggestion was made that the lessee should seed and spot seed if needed and the City will purchase the seed. Brett Casperson questioned the land is in Hay now so is it going into barley now. City Clerk Dimick it has to be a secondary corp and it’s ready to replant, it has to be replanted every five years (5). Mayor Davids suggested putting the types of crop that can be grown on the land in the agreement. Gary Cooper, City Attorney, commented the lease should reference a specific property description and where the regulation comes from plus a warning that the crop must be planted per regulations. Brett Casperson mentioned spot seeding doesn’t do any good with alfalfa the new seed won’t take because the old alfalfa crowds it out. The first year if you don’t get a good stand then you should go right back and redo it. Straight alfalfa is the best no cover crop does the best. Gary comments the agreement should be updated to include specific like warning this crop may only be used in conformance with this regulation and lessee indemnifies and holds harmless the city from any responsibility for compliance. Councilperson Thomson made a motion to table until special council meeting on March 28th. 2019. This will give the attorney time to update agreement as discussed. Councilperson Guthrie seconded the motion. All voted aye, unanimous. Mayor Davids comments the goal is to have this out to bid the first of April (1st).

Meetings/Announcements/Miscellaneous:

A) Special Meeting to review Zoning Ordinance Draft Scheduled for 3/28/19 at 6 pm: Mayor Davids reviewed special meeting time and date and announced he may be late for the meeting.

B) 2019 Arbor Day Grant Application – ACTION ITEM: Councilperson Guthrie made a motion to complete application and submit 2019 Arbor Day Grant

Application. Councilperson Thomson seconded the motion. All voted aye, unanimous.

C) Part Season Custodian - ACTION ITEM: Councilperson Guthrie made a motion to post job and review applications on July 11th, 2019. Councilperson Hinz seconded the motion. All voted aye, unanimous. Mayor Davids asked Amantha if her Granddaughter will be returning.

D) 2020 Idaho EMS Ambulance Grant Support Letter - ACTION ITEM: Mayor Davids reviewed the grant guide lines. Councilperson Hinz made a motion to have Mayor write a support letter for ambulance grant. Councilperson Thomson seconded the motion. All voted aye, unanimous.

E) OnlineMasters.com - ACTION ITEM: Mayor Davids read request. Councilperson Hinz is not in agreement with putting on web page or endorsing the business on City web page. Councilperson Thomson made a motion to thank them but no thank you. Councilperson Guthrie seconded the motion. All voted aye, unanimous. Councilperson Hinz mentioned unsubscribing to their emails.

F) Miscellaneous:

Projects:

A) Water Improvement Project: Mayor Davids announced that the meeting is ahead of time schedule and the City engineers are due for arrival at seven o'clock (7) so we will skip to category B and return to water improvement project section when they arrive. Engineers arrived, Brian Phinney and Mathew Hill.

B) Buddy Campbell Park Improvements:

1) Children Pedestrian Safety Program FY 2019 Grant Application: Mayor Davids announced the City *was not* awarded a grant and thank City Clerk Dimick for writing the grant.

2) Idaho Department of Parks & Recreation Land Conservation Grant Opportunity: City Clerk Dimick announced the City missed the grant application deadline. Canda checked in December and it hadn't been funded and in January they funded it but she missed it. Canda will try again on the next cycle.

C) ADA Curb Ramp Project Options – Aaron Swenson; Forsgren Associates - ACTION ITEM: Councilperson Hinz asked City Clerk Dimick to send email or follow up on email. Councilperson Frandsen table until further information from

Forsgren Associates. Councilperson Hinz seconded the motion. All voted aye, unanimous.

D) City Maintenance Shop Improvements - ACTION ITEM: City Clerk Dimick reported that they have received the material now need to schedule the work. Councilperson Guthrie made a motion to continue to hold sixty percent (60%) until maintenance shop improvement are completed. Councilperson Hinz seconded the motion. All voted aye, unanimous.

A) Water Improvement Project: Mayor Davids announced that the meeting is ahead of time schedule and the City engineers are due for arrival at seven o'clock (7) so we will skip to category B and return to water improvement project section when they arrive. Engineers arrived, Brian Phinney and Mathew Hill.

1) Knife River Agreement - ACTION ITEM: City Clerk Dimick reported revisions were made and sent to Knife River. Knife River said there was no issue and he would get it signed. Councilperson Guthrie made a motion for Mayor Davids to sign agreement once Knife River has signed and returned agreement to the City. Councilperson Frandsen seconded the motion. All voted aye, unanimous.

2) Keller Associates – Contract Amendment #1 Authorization to Use Management Reserve for Engineering Work During Winter Time Extension – ACTION ITEM: City Clerk Dimick explained the amendment one (1) is an error. Engineers reported on the authorization to use management reserve for engineering work during the winter extension not needed. Councilperson Thomson made a motion to withdraw authorizing the use of management reserve for engineering work during the winter extension. Councilperson Hinz seconded the motion. All voted aye, unanimous. Brian Phinney explained this was not an amendment number one (1). It was just a reserve authorization request to withdrawal, not needed. Amendment number one (1) was for the survey work done for moving the swimming pool meter and service line, twenty six hundred dollars (2,600.00).

3) Keller Associates – Contract Amendment #2 Legal Services - ACTION ITEM: Brian Phinney reported legal fees are on a time and material bases and rate is per the rate at time of original signed contract. This is amendment to the contract due to their attendance required for legal proceedings. Title code billing rates from contract reviewed. The range is based on title code. Brian Phinney explained Contract Amendment number two (2) is for approval of the amendment

on a time and material bases. They will submit invoice to council for review and approval of payment. Councilperson Hinz made a motion to approve. Councilperson Guthrie seconded the motion. All voted aye, unanimous. Councilperson Hinz made a motion to approve. Councilperson Thomson seconded the motion. All voted aye, unanimous.

4) Access and Option to Purchase Real Estate Agreement with Pauline Neeser - ACTION ITEM: Mayor Davids reported he called Pauline Neeser and explained to her he is waiting on the agreement. He will meet with her to identify two (2) sites and discuss agreement. Brian Phinney explained there are three (3) things we need to figure on. Number one (1) is to stay out of the flood plain and we are out of the flood plain with all three (3) locations. Number two (2) is access to power and all three (3) sites are about the same. Number three (3) is the closer to the creek we can be the better and all three (3) are about the same distance. We'll need three (3) phase power. North sites have access to three (3) phase power and for the well we need three (3) phase power. The South site has single phase power. Councilperson Hinz made a motion to have Mayor Davids talk to land owner Pauline Neeser concerning test well. Councilperson Thomson seconded the motion. All voted aye, unanimous.

5) Lava Mobile Estates Fire Hydrant - ACTION ITEM: Mathew Hill explained that Canda talked with him yesterday about the hydrant and he didn't have time to look at it. Mathew and council reviewed the map for the three hydrants that council made a motion on last month. Mathew explained the two (2) hydrants are in the project already. Mathew apologized for not having an updated map and will get the City one. Brian Phinney discussed the fire hydrant at Lava Mobile Estates. Engineers will need to run a model to evaluate impacts. Line to Lava Mobile Estates size has to be considered. Councilperson Hinz made a motion to have engineers update map as well as complete study on possibility of placing a hydrant at Lava Mobile Estates. Councilperson Thomson seconded the motion. All voted aye, unanimous.

Mayor Davids asked for an update from City Engineers on the status of the water project. Mathew Hill mentioned they had a construction meeting yesterday. The contractor started back up on Monday. They will be running three (3) pipe crews and in a week or two (2) they will have a grading crew that will be a forth (4th) crew they will have follow behind the pipe crews. The contractor has a schedule put together that shows they will be completed on time. The substantial completion date is May 19th, 2019 and final completion date is June 18th, 2019. Winter shut down extension change order two (2) is included in the dates.

Liquated damages were question. Penalties were discussed. Brian and Mathews explained there are two (2) different amounts for liquated damages and that substantial is typically more than final. They mentioned both amounts are in the contract under section 520. Contactor has a scheduled showing completion by final date. Contractor is working a Kozy Country Cabins this week, fish creek, then the crew will move down to East Main Street and the bridge crossing and include 1st West and Portneuf. Contractor will leave 1st East down to Katsilometes until the last. Then the other section in town will be done. Council questioned when the pool section would be done. Mathew reported that the swimming loop would be installed following E Main Street. The easements with State Foundation are complete. City Clerk Dimick verified that the easements got recorded today. Councilperson asked what can be done so the mud is not traveled through town. Mathew commented if there is traction pads coming onto the street have filled up with mud the engineers can contact them and have them clean it out and put some new rock down. Mathew mentioned that on 3rd East south side of the road last fall they found that there is a four (4) inch line there and on the plans it's identified as a two (2) inch service line. The question is does the City want to upgrade the old four (4) inch or replace with a six (6) inch line. Mathew estimate is fifty seven hundred dollars (5,700.00) if the City wants the four (4) inch line upgraded to a six (6) inch. The engineers need to know soon what the City wants to do. Mathew left cost estimates for council to review.

6) City/Potter Land Purchase Agreement Report: Doug Potter reported the appraisal is complete and the bill is less than the estimate cost. The bill for the appraisal is four hundred dollars (400.00). Bank has official permission to release property and would like to know if the City wants them to prepare the documents. The cost for the bank to prepare them is one hundred and fifty dollars (150.00). Gary Cooper, City Attorney, advised council to have bank prepare paperwork. Doug mentioned that some fill is needed to place culvert. The State has pits that they would be willing to help the city with the fill. The State is willing to dig up and dump if the City can do some backhoe work. Doug explained the price on the property for the 2nd appraisal is about twenty five percent more than the 1st appraisal. He is willing to stay with the contract price if the fill work can get done. Doug will keep original appraisal bill but, the City can make copies. Councilperson Thomson made a motion to accept fees, appraisal fee four hundred dollars (400.00), document preparation by the bank, one hundred and fifty dollars (150.00) and ask the State for the back fill and the City to make it accessible and level out with City equipment. Councilperson Hinz seconded the motion. All voted aye, unanimous.

E) Miscellaneous: None.

Discussion: Tom Katsilometes informed Mayor and Council they wanted to clarify that the letter they provided to council earlier in the meeting is different than the letter Co-Council, Marty Anderson, the other attorney representing George Katsilometes is a little bit different. Tom asked that the council review the letter from Marty Anderson carefully in relation to what they proposed a year ago. What is on the table is what's in the letter from Mr. Anderson.

Motion to adjourn into executive session as permitted by Idaho Code 67-2345 (1) (c) and (f) - ACTION ITEM: Councilperson Hinz made a motion to adjourn into executive session as permitted by Idaho Code 67-2345 (1) (c) and (f). Councilperson Thomson seconded the motion. All voted aye, unanimous. Roll call. Frandsen -Aye, Guthrie -Aye, Hinz-Aye, Thomson-Aye, unanimous.

Motion to reconvene - ACTION ITEM: Councilperson Thomson made a motion to reconvene. Councilperson Guthrie seconded the motion. All voted aye, unanimous. Roll call. Frandsen -Aye, Guthrie -Aye, Thomson-Aye, Hinz-Aye, unanimous.

Councilperson Hinz made a motion to authorize Keller's to start our engineering and put together a cost for PRV valve. Councilperson Thomson seconded the motion. All voted aye, unanimous.

Motion regarding pending litigation matters - ACTION ITEM: Councilperson Thomson made a motion to authorize attorney to investigate mediation prior to next trail date. Councilperson Guthrie seconded the motion. All voted aye, unanimous.

Motion regarding offer to purchase real property at 10240 East Maughan Road - ACTION ITEM: Councilperson Frandsen made a motion authorize attorney to offer on property by park by said amount that the State is going to recover from it plus one hundred dollars (100.00). Councilperson Guthrie seconded the motion. All voted aye, unanimous.

Motion to adjourn - ACTION ITEM: Councilperson Guthrie made a motion to adjourn. Councilperson Frandsen seconded the motion. All voted aye, unanimous.

Meeting adjourned at 8:45 p.m.

Amantha Sierra, Transcriber

T. Paul Davids III, Mayor

Canda L. Dimick, City Clerk