

Minutes of the Special Meeting of the City Council of the City of Lava Hot Springs, held on Thursday, April 25, 2019 at 6:00 pm, Lava City Hall, 115 West Elm Street, Lava Hot Springs, Idaho.

Present: Jon Thomson, Council President
Rickey Frandsen, Councilperson
Lisa Guthrie, Councilperson
Brian Hinz, Councilperson
Gary Cooper, City Attorney
Canda Dimick, City Clerk

Excused: Mayor Davids

Guests: Fran Brady, Evelee Hill, Mr. & Mrs. Jeff Butler, Brett Casperson, Keanu C Lucio, Betty Katsilometes, Tom Katsilometes, George Katsilometes, Susan Thomas, Gerooge Shail, Ellie Shail, Justin Casperson, Kerby Pagnotto, Michele Wyatt, Jeff Barrett

Councilperson Thomson, president of council, announced the special meeting, welcomes everyone and called the meeting to order at 6:08 p.m.

Amend Agenda:

1. Jack Rabbit & Web Impact Contract
2. Rocky Mountain Power & Net Metering Agreement
3. Doug Potter title insurance
4. Kerby & Clinton Pagnotto revised building permit for 78 Main.

Councilperson Hinz made a motion to add agenda items, Jack Rabbit & Web Impact Contract number nine (#9), Rocky Mountain Power & Net Metering Agreement number ten (#10), Doug Potter title insurance number eleven (#11), Kerby & 78 Main building permit number twelve (#12). Councilperson Frandsen seconded the motion. All voted aye, unanimous.

Motion to open Public Hearing - The City Council of the City of Lava Hot Springs, Idaho has determined that it is in the public interest to sell a parcel less than one quarter acre in size owned by the City for \$15,000. This property

is located between Lots 1 – 10, Block 2, Hall City Plat and the property on which the Lava Hot Springs Inn is located. Council declares that the value to be received from this sale is what the City Council believes represents the reasonable value and that it is not necessary to establish the price by appraisal or other means - ACTION ITEM: Councilperson Hinz made a motion to open public hearing. Councilperson Guthrie seconded the motion. All voted aye, unanimous.

Council President Thomson reads off list.

1. George Shail – live at 340 W Elm – Totally for the sale, charging doesn't seem right to him, by adverse possession probably his but, if fifteen thousand dollars (\$15,000.00) is going to make it happen, he says make it happen - Support the sale.
2. Kerby Pagnotto – Support it.
3. Fran Brady – Support, thinks the city should do it.
4. Susan Thomas – Support the sale - fair price, fifteen (15).
5. Keanu C Lucio – Supports it however, he is going to agree with George Shail on fact that it's been over twenty years (20) and by adverse law it doesn't seem right. However, it seems like a fair price and I totally agree it should be done and over with.
6. Betty Katsilometes – Agrees, it needs to be over with. It's been going on too long.
7. George Katsilometes – Believe it or not he is in favor of it.
8. Tom Katsilometes – Announces President Thomson I would like to defer my speaking to end. President Thomson okay. Tom comments thank you.
9. Evelee Hill – She is defiantly in favor of it. She would have to say that being a neighbor of Georges for the last twenty years (20) has been really a positive thing. If they ran into a problem were we needed to have a pool available because maybe are river had flooded out their hot water he's been generous and let it go. He has a brilliant mind and cantankerous behavior sometime but, he listens. She would be very much in favor. He's been the smartest kid on the block. He started here the earliest, he started improving things before anybody else did and the other really smart thing he did. He started competing with the State hot pools for hot water and she hasn't done and is twenty years behind but, she is selling.

Meeting turned over to Tom Katsilometes. Tom addresses the council and audience. He introduced himself, he is Tom Katsilometes, and he represents George Katsilometes ligation against the City of Lava. He asked if we received any written comments prior to the start of tonight's meeting. City Clerk Canda

Dimick responds no written comments. Tom Katsilometes comments of course he is in support of the settlement agreement and the continuation of the effort to conclude that settlement agreement which now involves just having the Knife River contractor complete the work for installing the two inch (2) meter and the connection for Georges existing four inch (4) line which supplies the Inn. The only thing that they would ask is for more time. George and Tom attended the City council meeting on March 14th 2019 and it was their understanding based on the testimony of the engineers with Keller engineering that 1st Avenue East construction would be delayed until June and George is having a little bit of difficulty obtaining bids and contractors to come and do the work to put in the new two inch (2) service line running from his Inn out to where the meter is going to be so, that is going to take a little bit of time. Other than that he thinks all other details our mostly worked out and in fact he's got the bank check from George's financial institution for fifteen thousand dollars (\$15,000.00) along with a letter from the manger of that institution saying that the funds are guarantee. They are ready to close just need to have the connection made. Just for the information of the council they're asking for that the four inch (4) connection be made to the existing four inch (4) line. The original design called six inch (6) connection. The Keller design and he thinks that has been changed now to four inch (4). The need to have that remain in service and the new meter also installed off of that new connection and then the disconnection happen later on after they're able to connect onto the new meter connection with the two inch (2) service line so, they need the fire suppression line to maintain continues service and for the time being to be allowed to use the existing one inch (1) meter which, is located inside the hotel and subject to an agreement that was worked out years ago for the city of Lava to be able to come in and read that meter so, we don't think it's a problem. We just need a little more time to get the contractor to get the bids and make that last connection. Councilperson Frandsen asked how much time asking for. Tom responds he thinks they were discussing during both the settlement negotiations and some other times around August 31st, 2019 he thinks that should give them adequate time.

Councilperson Thomson thanks Tom Katsilometes and calls on Michel Wyatt.

1. Michele Wyatt comments that she didn't want to testify.

Council President Thomson asked if anyone else wants to make a statement for the record. No responds.

Motion to Close Public Hearing - ACTION ITEM: Councilperson Guthrie made a motion to close the public hearing. Councilperson Frandsen seconded the motion. All voted aye, unanimous.

Motion regarding the sale of a parcel of City property to George Katsilometes - ACTION ITEM: Council President Thomson recommended deferring until next meeting until dates can be worked out with Knife River, Keller's Engineering and George's engineers. Discussion on the plan and time line followed. Tom Katsilometes comments all items regarding the settlement agreement can be completed including the sale of the property. There is the existing four inch (4) line that the Keller plans call for a capping in Center Street. George has agreed to have that done on his property and Knife River has indicated to him that it would be better for them to do it on George's property the capping. For all intensely proposes the settle agreement involves the granting of the easement for the sewer line that is in the back of Lava Hot Springs Inn in exchange for also the quick claim by the City of Lava to what is known as the strip, that's what we are talking about the property here. Need to have the connection made to continue the service for the fire suppression line and then the only thing that would be left if for George to connect the two inch (2) service line for the culinary water. That can happen at any time after the meter is set and everything else the City needs to do would be done at that point. All they are asking for is the connection to the four inch (4) line with a provision for a connection with a meter to the new service to a two inch (2). Tom comment they submitted stamped drawing and asked council if he could circulate the copies he has. The drawing came from George's engineer, Mr. Luke Jolly from Harper-Leavitt Engineering. Council President Thomson comments no offense Tom but, we are not here tonight to study the proposal plan. Please submit that through Jolly to Keller and we'll get this thing down the road. All we are discussing tonight is sale and the legal means of which we have to go through the sale and I think we've reached the point now where we've fulfilled all the requirements for the legal notification, thereof, for a public hearing, thereof, and we're just headed towards closing at this point. Tom agrees and comments we've got a closing date of May 13, 2019. We provided the drawing which is their obligation under the settle agreement and there was a little bit of concern, I think. I don't know if it came from Keller Engineering or whom but, he said we are not necessary picking a physical location that has to be exactly as drawn. We're are simply having the existing four inch (4) line connected where it's at and the provision for a two inch (2) meter also connect and pressurized. That can be done by the City, that can be done prior to closing and then George's connection can come any time after that. We can do an addendum to the agreement to agree to

have it done the two inch (2) connection by August 31, 2019, that's really all we need to do. Council President Thomson comments he thinks we're proceeding forward down that path so, at this point we're just making sure the sale of property is clear and ready to go and as soon as we get the details worked out of how we are going to do the plumbing then Knife River can proceed. Right now the service is still going and it's not in the immediate plans to be shut off. Councilperson Hinz made a motion to table until council next meeting when we have all the information, May 9th, 2019. Councilperson Guthrie seconded the motion. All voted aye, unanimous.

Open sealed bids for Wastewater Land Application site farm lease and award lease - ACTION ITEM: Bids presented to council. Council President Thomson announces he received two (2) sealed bids.

Bids opened and announced:

Dan Dimick - five thousand six hundred and twenty five dollars (5,625.00) per year for next five (5) years beginning May 8, 2019 ends May 8, 2024.

Casperson Farms - seven thousand dollars (7,000.00) per year for next five (5) years beginning May 8, 2019 ends May 8, 2024.

Mr. Casperson was asked if he had any question. He responded no. Councilperson Thomson made a motion to accept seven thousand dollars (7,000.00) per year bid from Casperson Farms. Councilperson Hinz seconded the motion. All voted aye, unanimous. Brett Casperson understands the contract doesn't start until the May 8, 2019 but, is there any way to start before. City Clerk Canda Dimick comments the other contract is in place until the May 8th. Councilperson Frandsen comments agreement has to be made with current lessee. Gary Cooper, City Attorney, there is another contract in place until the 8th and if you work out a modification there should be something in writing signed by both parties allowing you to take over early. Brett agreed and asked if it has to be taken out this year unsure of the plan. Council President Thomson question can't answer that off hand, he can only go by what it says in the contract. Taken out you mean turned under and reseeded. Brett agreed, it's getting late in the season. Council President Thomson comments he is not sure would need to read over the terms particularly the portion of the DEQ requirements. Council President Thomson and Gary will review contract and let Brett know. Suggested working with current lessee.

Building Permit - Finish Residential Studio Apartment above detached garage – 482 West Main Street – Shane & Marci Kramer, Owens/Quinn Homes, Contractor – ACTION ITEM: Council President Thomson reports at the last council meeting the council reviewed a building permit from Shane and Marci Kramer and he had asked to have it tabled until he found out what their intentions

are, to finish off as a residential or a nightly rental. The building permit indicates a monthly residential rental. The permit went to the State inspector and he was concerned that they had adequate fire wall shield from the garage level on the ground floor to the apartment level upstairs due to the storing gas in the garbage. Apparently that has been passed. I stopped and looked at it the unit. It's pretty much finished upstairs from the original build it's all framed in, the wiring has been pulled and hook up, plumbing pulled and put in so, it's just a matter of insulation and sheetrock to finish. Council President Thomson made a motion to approve. Councilperson Hinz seconded the motion. All voted aye, unanimous.

POW & MIA Thunder Run Special Event Permit – May 27, 2019 – ACTION ITEM: Council President Thomson mentioned two (2) blocks of Main Street will need to be corridor off for the presentation. Jeff Butler presented certificate of insurance. Councilperson Hinz made a motion to approve. Councilperson Guthrie seconded the motion. All voted aye, unanimous. Jeff questions the cities plan for repairing Main Street. Council President Thomson replied asphalt planned for early May and Main Street is a priority. The discussion at the last construction meeting is to have Main Street and adjacent street completed by the end of May. Jeff's voiced his concerns with no asphalt and brand new asphalt, both can be unsafe for bikers. Jeff has recommended to everyone riding in the run to bring kick plate and be careful where they place their bike. Jeff is working with Bannock County to arrange police escort, maybe a car instead of a bike. Council President Thomson reported he *can not* be there due to other engagements but, he is working on having someone fill in for him. Council President Thomson will ask T Paul if he will represent the City.

Jack Rabbit & Web Impact Contract: Both agencies, Jack Rabbit & Web Impact, are working on the Chamber's website updates. Councilperson Frandsen made a motion to authorizing Mayor to sign. Councilperson Guthrie seconded the motion. All voted aye, unanimous.

Rocky Mountain Power Net Metering Agreement: Council President Thomson explained that T Paul Davids, Canda Dimick, Rocky Mountain Power representatives and himself meet a couple days ago at City Hall. There is a signed contract by former city administration signed on 08/07/13 agreeing to only generate 25 kilowatts (kw) which means the city is not in compliance with agreement. The city is over generating by around 75 kw. Thomson explained how the process works, FAR 23 liters which means a maximum allotment of 25 kw per meters. If Big Dog had put three quarters (3/4) of them at the other pond (lagoon site) we wouldn't be in this situation. Council President Thomson suggested

moving three quarters (3/4) of them over to the lagoon site the City can generate at full power. Once moved the City can sign contract for each meter and beginning generating at full power. Rocky Mountain is looking into letting us use all panels down the road but, if not approved then we are back to where we are now. This could take a couple of years before any decisions are made. Councilperson Hinz made a motion to proceed with bids. Councilperson Guthrie seconded the motion. All voted aye, unanimous.

Doug Potter title insurance: Council President Thomson reported that title insurance policy is back. Gary Cooper, City Attorney, explained the primary title report and what it shows is that the deed of trust with Advantage Plus federal credit union has a lean against the property and they need to get the parcel released. When advantage plus gets it released the City is ready to close.

Kerby & Clinton Pagnotto revised building permit for 78 Main: 78 Main Street Eatery widen seating area from ten feet (10) to twenty feet (20). Kerby explained plans to Council. Parking space per Kerby will be nine feet by twenty (9x20). They measured a few trucks and most trucks can park in the planned parking space. If they have a longer truck that needs to park they will advise them to park in the space behind there building which is thirty feet (30) long. Council asked about a sidewalk. Kerby responded there is *not* a sidewalk there now and no plans for a sidewalk. Fence total will be six feet, concrete barriers will be placed. City Clerk Canda Dimick explains there will be a driveway approach put in when curb and gutter is put in for that street. Kerby asked about the asphalt damage by the Blue Moon due to the water project. Council President Thomson replied it will be fixed if the damage was caused by the water project construction. Councilperson Frandsen made a motion to approve with recommendation to make parking spaces nine feet (9) wide. Councilperson Hinz seconded the motion. All voted aye, unanimous.

Gary Cooper, City Attorney, ask to go back to the Potter matter.

Council President Thomson comments Community Day is schedule for May 9th, next construction meeting is May 8th and he will caution contractor about kids being out and about cleaning up the city.

Council President Thomson comments May 18th is free trash day and he will need volunteers to man the roll-offs. The volunteer will need to make sure no hazardous waste is put in dumpsters or anything else that can't be put in your normal trash can. He will ask again next meeting.

Zoning Ordinance Draft – ACTION ITEM: Councilperson Hinz suggested waiting until the end of the draft review to see changes from P&Z (Planning and Zoning Commission) and continue reviewing current zoning ordinance draft to the end. When council has completed reviewing current draft then they can begin reviewing the draft with changes made from P&Z. City Clerk Canda Dimick will work with P&Z on the council recommendation and make the appropriate changes on the draft per P&Z and include the updated draft in the council package when council has completed their initial review of current draft. Council agreed.

Council will continue with the zoning ordinance draft reviewed at a prior meeting. At that meeting they ended with page eleven (11).

Gary Cooper, City Attorney, was dismissed.

Council started with definition facade and council agreed it looks fine.

Council wanted wording for clarification that a family with more than 4 non-related persons (boarding house rules) living in the home will be considered a boarding house.

Correct fence definition, add comma and delete or between privacy and decorative. Provide privacy, decorative screening, or form a barrier.

Fertilizer is a new definition. Council is good with definition.

Fill definition change deposition to depositing.

First story definition strike final and in parentheses behind grade put in “see grade or official grade definition”

Flood Hazard councilperson Hinz reviews previous note may want legal review.

Define floor area ratio to the foot print of all buildings floor area ratio. The foot print of all building to the lot area, is dividing the footprint area by the lot area.

Council agreed need to separate definition for outdoor seasonal floor areas and commercial floor areas.

The definition of frontage is confusing and was discussed. Definition is in current ordinance and was not changed. Note added to review again.

Council stopped with definition for frontage, lot.

Special meeting will be scheduled at the May 9th regular meeting. Councilperson Frandsen made a motion to stop tonight and schedule special meeting at a later date. Councilperson Guthrie seconded the motion. All voted aye, unanimous.

Adjourn: Councilperson Hinz made a motion to adjourn. Councilperson Guthrie seconded the motion. All voted aye, unanimous.

Meeting adjourned at 8:04 p.m.,

Amantha Sierra, Transcriber

Jon Thomson, Council President

Canda L. Dimick, City Clerk