

Minutes of the Special Meeting/Budget Hearing of the City Council of the City of Lava Hot Springs held on Thursday, September 3, 2009 at 5:30 p.m., Lava City Hall, 115 West Elm Street, Lava Hot Springs, Idaho

Present:

Marshall N. Burgin, Mayor
Michael Vice, Councilman
Newton J. Lowe, Councilman
Phillip Beeson, Councilman

Canda L. Dimick, City Clerk

Open, review and award bids for CCTV Inspection (Wastewater main camera/video/cleaning project).

<u>Contractor</u>	<u>BID</u>	<u>Bid Bond</u>	<u>Public Works License</u>
Coats	\$40,000	Yes	No
Val Kotter	\$ 9,844.25	Yes	No
Master Rooter	\$ 7,805.50	Yes	Yes

The council reviewed and discussed the difference in the bids.

A motion by Councilman Vice and seconded by Councilman Lowe to award the bid to Master Rooter. All voted aye, unanimous.

Authorize mayor to execute contract with CCTV inspection project contractor.

A motion by Council Beeson and seconded by Councilman Vice to authorize the mayor execute contract for the CCTV inspection to Master Rooter. All voted aye unanimous.

FY2010 Budget Hearing

The floor was opened for public input.

The city clerk mentioned that on the property taxes, she was concerned because last year the city gave the property tax relief which Deaton's (auditor) had recommended. So the actual collections last year was less then it will be this year. She is concerned that the citizens will question why the increase in taxes this year. She stated that the estimated total market value is up almost four million (4,000,000) from last year. If the actual property values come in at that rate, the tax levy percentage will remain the same.

Councilman Beeson asked what the city clerk had found out about employee insurance. The city clerk reported that the employees have put in applications with Blue Shield to compare with the Blue Cross plan that the city currently carries. The quote has not yet been received. The Blue Cross plan cost is included in the budget plan, but may change to Blue Shield if the cost is lower.

The mayor asked about the local option tax carry over. The city clerk reported that this amount is what the city has carried over for the sewer project.

The city clerk reported that we have not increased any service fees this year. She would recommend that the water deposit on rented homes be increased from a two (2) month service deposit to three (3) months service deposit. This will not affect the budget because the water deposit monies are not run through the budget account; there is a separate account for water deposits. There would need to be a hearing to increase the deposit.

The mayor asked if the city had ever received any money from the county prosecutor for citation within the city. The city clerk reported that the city had not received the money that they should be. We will need to follow up with prosecuting attorney. Councilman Beeson stated that he and the mayor had been in to talk with the sheriff and the prosecuting attorney and now nothing has happened. He suggested that we may need to meet with the county commissioners. It was discussed that the county seems to feel that they do not need to do anything for Lava, but the county is receiving a lot of tax revenue from Lava Hot Springs and the surrounding area.

The mayor and council commended the city clerk for she hard work to keep the budget balanced. The clerk reported that she had transferred the solar project funds from the sewer to the fire station budget account. She has not heard anything from the garbage contractor on rising his fees.

Councilman Lowe asked about the local option tax fund which jumped from \$172,000 to \$615,000. The clerk explained that the proposed amount and the budgeted amount show the cash carry over and the actual amount shows just that which was collected in this fiscal year.

The council discussed the \$152 left in the Firewise grant fund. It was suggested that Gene Fagnant, Fire Chief, spend the Firewise money so that this account can be closed out.

A motion by Councilman Lowe and seconded by Councilman Beeson to close budget hearing. All voted aye, unanimous.

Fire Station Solar Project Award - Mayor Burgin

The mayor reported that the original contractor that was awarded the solar project has not made any attempt to start the project. The engineers suggested that the city award the project to the next bidder so that we can get this project moving.

A motion was made by Councilman Beeson and seconded by Councilman Lowe to award Creative Energy the bid for the solar project at the fire station. All voted aye, unanimous.

September 17 plans with Army Corp Representatives - Mayor Burgin

The mayor explained to the council that on September 17, 2009 Mark Mendenhall and an officer from the Army Corp. of Engineers are coming to Lava to sign the

papers to award the city the \$1,050,000. Mr. Mendenhall would like to have a bit of P.R. A reporter from the Journal will be invited. We'll take them to lunch and do a tour of the swimming pool and hot baths. Possibly make arrangements for a wagon ride.

The city clerk reported that we need to resolve a few items in the contract that the city attorney had noticed may be a problem. She has discussed this with Mark Mendenhall and most of these concerns have been resolved. The one issue that the attorney was uncomfortable with is the clause that stated that the city will be responsible to pay damages. The Army Corp of Engineers said that this can not be changed. The council felt that where these funds are for the engineering of the sewer project, there is little to worry about in the line of damages. The council does not want to jeopardize these funds and will instruct the attorney to sign the certificate as is if necessary.

Charges for joint RV's connected to residential services - Councilman Beeson

Councilman Beeson stated that there are several places in town that have sewer connection and are hooking up RV's to them. At one of these places they have had someone living there all summer. This may not be anything to be concerned with. There is nothing in the ordinances to cover this use. The ordinance does cover RV's on vacant lots which are not allowed. It was discussed that this maybe a legitimate use if they are building or for occasional dumping into a sewer connection or cleanout. The city clerk stated that this may be a zoning issue. It was suggested that we may want to put a time limit on how long an RV can be at a residence for use other than storage of the vehicle. It was decided to have the Planning and Zoning Commission address this issue.

Award Copier Bid

The city clerk reported that she had called the low bidder which was Yost Office systems with the Lanier copier (state contract). Yost gave her two (2) references on the machine which were ISP and ISU. Both references are pleased with the machine. The mayor had instructed the city clerk to send a letter of intent. She received an order from Yost today.

A motion was made by Councilman Lowe and seconded by Councilman Vice to purchase the Lanier copier from Yost Office Systems. All voted aye, unanimous.

Bannock County All Hazard Mitigation Plan Endorsement and participation

The city clerk reported that she had talk with the county about the All Hazard Mitigation Plan. The county told her that there is nothing right now to obligate the city to participate, but if there were any major hazard situations that happened in the future this addresses the process to deal with the situations. Then Lava would become involved at that time. This is a county wide plan.

A motion was made by Councilman Vice and seconded by Councilman Lowe to participate in the Bannock County All Hazard Mitigation Plan Endorsement. All voted aye, unanimous.

Street Improvement:

The mayor announced that he was not able to catch up with Mickelson's Paving when they were in town to get a bid on paving the alley behind the Chuckwagon. Tony had Liddil Paving bid three (3) areas, with separate bids, a total cost of \$10,380. The alley bid would include preparing, paving and putting a dip or bump in the alley. The other two (2) areas are in front of 165 West Fife and 4th West Street at the intersection of Elm Street. The contractor is not able to do the work for three (3) weeks and could be next spring depending on the weather. Councilman Beeson asked if the two (2) patches could be done with cold mix. The mayor reported that there was very little cold mix left and it was old and set up. The city clerk reported that there are funds in this year's budget to cover these projects with still keeping the set aside funds for redoing Center Street. The council discussed putting these projects on next year's budget.

A motion was made by Councilman Beeson and seconded by Councilman Lowe to accept the bid to do 1st Alley South between 2nd East and 3rd East and the repair at Sikkenga's (165 West Fife). All voted aye, unanimous.

Golf Course:

The Mayor informed the council that the lessee of the golf course has contacted him and expressed interest in selling to the city. He said that he had talked to the engineer who said that the golf course is still on the table as a land application option. Putting the waste water on the golf course would require the treatment plant to go up from a Class C to a Class B which would require more filtration. The engineers are projecting a 1% population growth which would put the population up to 600 in the next 20 years from the current population of 490. As a growing community and a tourist community the city needs a golf course. The golf course has an 1880 water right out of Dempsey Creek, if the waste water is being used to irrigate the golf course, the surface water right could be traded for a well to provide the needed water to keep up with the city's growth. The engineers are projecting \$180,000 for operations and maintenance which may be able to be decreased if waste water was discharged to the golf course. The city would not want to run the golf course but would lease it out. The mayor would like to see a comparison cost between going to a land application site west of town and the golf course. Keller Associates are willing to prepare estimates. Additional services would be charged to prepare a golf course estimate. The mayor would like the council to think about this and will discuss it at a later meeting.

Adjournment

A motion was made by Councilman Beeson and seconded by Councilman Lowe to adjourn. All voted aye, unanimous.

The meeting adjourned at 6:32 p.m.

Patricia Avery, Transcriber

Marshall N. Burgin, Mayor

Canda L. Dimick, City Clerk (proof read)

Approved 10/8/09