Minutes of the Special Meeting of the City Council of the City of Lava Hot Springs, Idaho held Thursday, January 30, 2014 at 5:30 p.m., Lava City Hall, 115 West Elm Street, Lava Hot Springs, Idaho.

Present: Marshall Burgin, Mayor
Tamara Davids, Councilperson
Newt Lowe, Councilperson
George Linford, Councilperson
Carl Brown, Councilperson
Canda Dimick, City Clerk

Guests: Marjorie-Ann Faucher and her daughters.

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

Fire & Ice Festival Schedule of Events – February 7, 8 & 9th, 2014

Marjorie-Ann Faucher presented the schedule of events and explained changes to City Council. They have fire performers coming up from Utah this year. She stated that they were going to ask to block off some streets for the performers but found out that it would be easier for them to stay in one place. They will be using the property where Lava Java is located instead. They will be including children in the running of the bulls by making an official starting place for them in front of the Chuckwagon. She stated that they partnered with Pepsi to create signs with the agenda on them for visitors. She questioned why the sign by Mike’s Market had been lowered. Mayor Burgin stated that he will check it out in the morning.

The City Clerk stated that they need to turn in a Certificate of Liability Insurance naming the city as an additional insured. A copy of the liquor license for the event is also needed.

Ms. Faucher stated that Destiny had applied for the liquor license and she will make sure that both items are turned into the City.

Councilperson Linford stated that there was a big article in the newspaper about Fire & Ice today.

Ms. Faucher stated that there will not be any lanterns this year because of concerns regarding environmental impact. They have a new logo this year and they changed the polar bear float to a costume contest to make it a little more friendly. Some people were getting too aggressive with the race down the river.

City Council commended Marjorie Ann for the good job that she had done organizing the event this year.

Consider written statement of facts, findings and decision in the matter of the subdivision application for Elm Street Nightly Rental Cottages, Steve Jones, Owner/Applicant.

Councilperson Linford announced that he was abstaining from this matter for the same reasons as before.
Mayor Burgin read the decision of the written statement of facts, findings, and decision.

**DECISION**

At the regular City Council meeting on January 9, 2014, the Mayor and Council reviewed and discussed the facts, findings and recommendation of the Lava Hot Springs Planning and Zoning Commission. A quorum was present and a motion was made, seconded and unanimously voted on supporting the Lava Hot Springs Planning & Zoning Commission’s recommendation. It is the decision of the Mayor and City Council of the City of Lava Hot Springs, Idaho, that Steve Jones’ Subdivision Application for Elm Street Nightly Rental Cottages to subdivide two (2) lots into six (6) individual lots for the purpose of building one (1) single family dwelling unit on each lot, to be used as a nightly rental cottage (vacation rental), is denied as recommended by the Lava Hot Springs Planning & Zoning Commission.

Councilperson Brown made a motion to approve the written statement of facts, findings and decision in the matter of the subdivision application for Elm Street Nightly Rental Cottages. Councilperson Davids seconded the motion. All voted aye, unanimous.

**Approve 2014 Southern Idaho Fire Fighter Academy registration and lodging fees.**

The City Clerk reported that registration is $64.00 per person plus lodging. She has had three volunteer firefighters turn in registration. There may be a couple more that turn it in late.

Councilperson Brown made a motion to authorize registration and lodging expenses for the 2014 Southern Idaho Fire Fighter Academy. Councilperson Linford seconded the motion. All voted aye, unanimous.

**Approve Whitaker Construction’s final pay application #15 and final change order #9.**

The City Clerk reported that final pay application #15 documents the final change order #9 that everyone shared. She stated that Keller Associates and SICOG are paying their share of the expense to the city and she has received both checks already.

Councilperson Brown made a motion to approve change order #9 and final pay application #15. Councilperson Lowe seconded the motion. All voted aye, unanimous.

**Discuss status of III-A.**

The City Clerk reported that III-A is the self-insured program that the city participates in for health insurance for Tony, Billy and Allison. The city pays 74% of the monthly premium for each employee. The City’s contract does not end until September 2015. Jerome, Shoshone and Rigby have already withdrawn because of cost increases. The letter that the City received from the City of Hailey stated that Jerome was supposed to pay about $59,000 to withdraw early. Jerome said

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proved in court that they could not pay the penalty so the judge ruled on behalf of Jerome but the case is being appealed. The City Clerk reported that there is concern that the rest of the membership will have to make up the loss of assets. Council discussed the matter and figured that it would cost Lava 17 months of premiums to withdraw. Councilperson Brown stated that there is a possibility that Jerome will end up having to pay the penalty. According to news releases, it appears that Jerome does have the money available.

The City Clerk stated that there is a conference call about the misinformation in the City of Hailey’s letter scheduled for Monday, February 3rd at 10:00 a.m. and that it would be beneficial if Lava participated. She stated that III-A attorneys are going to address how they feel the letter from Hailey has misrepresented things and will answer any questions that anyone has.

Councilperson Brown stated that there was a hearing on the 27th. He would like to know what that was about. He would like the City attorney’s opinion on this. The fund is not doing well and he thinks that the City would be better off if they got out of this agreement if they could get out of paying the fees. Mayor Burgin stated that if they dump the plan right now, the city would have to pay an estimated $34,000.00. Councilperson Brown is not so sure that is the case. The City Clerk stated that legal fees to withdraw would be an issue. Mayor Burgin stated that the city needs to find out more before any decision is made.

Councilperson Brown stated that he thinks the city should withdraw if the city attorney feels that the city will not have to pay the penalty fees. He explained how the remaining members will be expected to make up the balance if Jerome does not have to pay the fees.

The City Clerk will ask the city’s attorney if the rest of the members will have to make up the balance and how likely it is that Jerome’s case will be repealed.

**Adjournment**

Councilperson Lowe made a motion to adjourn. Councilperson Linford seconded the motion. All voted aye, unanimous. Meeting adjourned at 6:26 p.m.