Minutes of a Special Meeting/Budget Work Session of the City Council of the City of Lava Hot Springs, Idaho held Wednesday, July 20, 2011 at 5:30 p.m., Lava City Hall, 115 West Elm Street, Lava Hot Springs, Idaho.

Present: Marshall Burgin, Mayor
Rita Anderson, Councilperson
Phil Beeson, Councilperson
Newt Lowe, Councilperson

Guests: None

The mayor called the meeting to order at 5:30 p.m.

Amendment of the Agenda
A motion was made by Councilperson Anderson to amend the agenda to include Fern Byington’s sewer hook up request, the street sweeper disbursal, and the waste water land application boundary fence. The motion was seconded by Councilperson Beeson. All voted aye, unanimous.

Review and approve M.R&E., Inc., bill for garbage collection and landfill fees.
A motion was made by Councilperson Beeson to pay the M.R. &E. garbage collection bill for March & April, 2011 services. The motion was seconded by Councilperson Anderson. All voted aye, unanimous.

Playground Improvement Project Progress Report
Councilperson Sher reported on the playground improvement project. The Fibar has been installed. She thanked the mayor and the maintenance crew for their work on the playground.

Councilperson Sher reported that the four seat teeter totter will not work because of the clearance space requirement. The total cost to date on the project is $19,984.61, which leaves $2,015.39 in the grant budget. She reported that $170.00 is needed for more sod. Options for use of the balance of funds were discussed. She recommended purchasing three (3) handicap accessible picnic tables. She also reported that the sign for the inside of the pavilion will be delivered tomorrow.

A motion was made by Councilperson Beeson authorizing Councilperson Sher to finish paying out the grant expenditures for the playground park improvement and purchase the picnic tables. The motion was seconded by Councilperson Anderson. All voted aye, unanimous.

Public Restroom Closure Due to Vandalism – Buddy Campbell Memorial Park
The mayor reported that the park restroom sewer has been plugged by vandalism and needs extensive work to reopen. He suggested that signs be posted stating that the restrooms are closed indefinitely due to vandalism. The city has ordered portable toilets to be used until repairs can be made. The floor may need to be jack hammered out.

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mayor is going to talk to Ken Tillotson, former city maintenance supervisor, to see where the sewer line is located.

**Approve decision regarding Mike & Vickie Hansen’s application for a setback variance and authorize mayor to sign decision.**

A motion was made by Councilperson Beeson authorizing the mayor to sign the Statement of Facts, Findings and Decision for Mike & Vickie Hansen’s setback variance. The motion was seconded by Councilperson Sher. All voted aye, unanimous.

**Consider Blue Moon Bar’s catering permit for car show – July 23, 2011.**

A motion was made by Councilperson Anderson approving the Blue Moon Bar catering permit application for the car show, July 23, 2011. The motion was seconded by Councilperson Beeson. All voted aye, unanimous.

**Business License(s) & Non-Property Tax Permit(s)**

A) Whalan Rife – Construction
B) MWI Veterinary Supply Co. (Non-Property Tax Permit)

The mayor read the list of business license and non-property tax permit applications.

A motion was made by Councilperson Beeson approving the business license and non-property tax permits as read. The motion was seconded by Councilperson Sher. All voted aye, unanimous.

**Street Sweeper Offer**

The mayor reported he had received an offer of $3,000 for the Tennant street sweeper from Steve and Lisa Toly.

A motion was made by Councilperson Anderson to accept Steve and Lisa Toly’s offer of $3,000 for the Tennant street sweeper. The motion was seconded by Councilperson Beeson. All voted aye, unanimous.

**Fern Byington’s Sewer Hook Up Request**

The mayor reported that Fern Byington would like to connect to the city sewer. The council felt that this would not be a problem. The mayor will notify the owner that the city needs a letter of authorization to install the service line in the Idaho Transportation Department’s right-of-way, Gunnerson’s permission to hook into their system and an engineer’s certification that the system will accommodate the additional service.

**Waste Water Land Application Site Boundary Fence**

The mayor and city clerk reported that the old land application boundary fence weaves and is not on the surveyed property line. The Casperson’s have requested that the new fence to be placed on the property line.

A motion was made by Councilperson Sher to put the boundary fence on the property line. The motion was seconded by Councilperson Beeson. All voted aye, unanimous.
**Car for Founder’s Day Parade**

Councilperson Sher reported on arrangements for a car for the council to ride in for the Founder’s Day parade. She reported that Gayle Anderson, Blue Moon Bar, is working on finding a car from the car show that all of the council could ride in. She asked if using a car from the car show or one of the Blue Moon owner’s is a problem. The council was alright with this option. She will get something worked out for a car. The mayor reported that Councilperson Lowe is the Grand Marshall.

**FY2012 Budget Work Session**

The council discussed the auditor’s suggestion to transfer monies from another fund to the general fund to maintain a larger cash carry over. The city clerk stated that the city budgeted more property taxes in the general fund last year and she feels comfortable with the cash carry over balance. She will discuss this farther with the auditor.

The city clerk reported that the business franchise agreement with Independent Cable needs to be finalized. She reported that we have a franchise agreement with Intermountain Gas. It was questioned why there was not a franchise agreement with Rocky Mountain Power. The city clerk will check into the contract agreement with Rocky Mountain Power.

The City Clerk reported that the State Liquor apportionment projections are down. She does not think magistrate fines will change.

The city clerk reported that this is the year to make changes if mayor and council want to increase the mayor and council wages because it is election year. The city clerk stated that there is more time involved in the mayor and city council positions than they are being paid for. The council decided to wait and discuss the mayor, council and employees’ wages later.

The city clerk reported that when the state consolidated the county and city elections, the county is in charge of handling most of the election. The state is paying the counties to do the elections. She has lowered the election budget for this reason.

Property and vehicle insurance premiums are staying the same.

The telephone bill and utility bills are going to increase a little.

The city clerk requested approval to purchase a 4 drawer file cabinet for the office with the $500 left from the FY2011 budget. The office supplies budget for next year will be left the same.

Law enforcement budget was left the same.

The city clerk didn’t make any changes to the code enforcement budget. The mayor and council stated that they need to discuss what they want to do with code enforcement. The
The code enforcement budget was left the same. Vehicle maintenance was discussed, will leave at $500.

The city clerk reported that she had talked to the fire chief, who said that they are not planning on any changes. The city clerk did report that she is going to scale out the annual SCBA and compressor tests from the equipment expense and put it as its own line item to better track it. The overall fire department budget will remain the same.

Planning and Zoning fund will remain the same.

City Hall maintenance will remain the same. The gas odors from the restroom and from the shop when the equipment is run in the shop were discussed. It was decided that the ventilation needs to be check and corrected. The council felt the ventilation could be corrected with the budget remaining the same.

The city clerk reported that the Comprehensive Plan is close to being done. We may need to have a professional map done for the plan. She is working on a price for a professional map.

The city clerk reported that the city can increase the property tax levy by 3%. The city has not increased property taxes for years. The mayor questioned how much the city would gain by increasing property taxes. The city clerk suggested taking the forgone amount if needed first.

The city clerk reported that the state highway users will be going down a little. Contract snow removal will remain the same.

The city clerk plans to add in the $150,000 for the Center Street project to the Road Maintenance fund. The mayor stated that they would like to meet with Forsgren Associates before the budget is finalized to discuss the Center Street project. It was stated that there would be carry over from the 2011 budget, there would possibly be some crack sealing needed and will need to purchase some cold mix this fall. The maintenance crew has said that a thumb for the backhoe would be nice.

The city clerk reported that by law there is compliance deadline when all street signs have to be mounted on brake away posts. The city clerk reported that there is a LHTAC grant program that could possibly be applied for to fund replacing the sign posts. The city clerk will talk with Forsgren Associates about applying for the grant for next year.

The council discussed the sander and truck purchase budgets. The council decided that the sander budget was sufficient but need to add $5,000 in the truck budget from the local option tax fund.

The city clerk reported that the garbage collections will be a little less because of the reduction of the contracted rate.
Water Fund Capital Improvement budget $138,000, was discussed. It will be left the same. The city clerk reported that Councilperson Beeson had suggested putting a small hydro power plant on the overflow. This is something that the council may want to look into.

It was suggested that the Sewer rates remain the same until after Phase II of the Waste Water project is bid. There will need to be a budget amendment to take care of setting the new rate. The city clerk sees no other changes needed.

The city clerk reported that the business district is complaining that revenues are down but the local option tax reports are not showing that. She reported that the local option tax revenues are up a bit; she reviewed the totals by month with the council.

The council discussed the July 4th and 24th extra patrols. The council decided to put July 4th and 24th extra patrols on one line item with a budget of $3,000.

The city clerk reported that the janitor wages are on a separate line item from the public restroom maintenance budget to better track the expense.

Councilperson Beeson would like to line item the firework contribution out of the 2% Local Option fund. This way all the businesses contribute rather than just the lodging businesses. It was decided that the $3,000 for fireworks will be taken out of the 2% Local Option fund and $1,000 for the sign will be taken from the 1% Tourism Promotion fund. The city clerk also reported that there have been comments on the portable restrooms coming from the 1% Tourism Promotion Funds. The council decided that the portable restrooms and the extra garbage cans should come from the 2% Local Option fund so that everyone will contribute.

The city clerk reported that there has been a good portion spent out of the Sewer Improvement fund, so it will be less. The city committed when the USDA papers were signed to pay $378,000 towards the project. The city has also been told that the purchase of the land and easements, and the attorney fees that DEQ would not reimburse the city for are eligible for reimbursement from USDA.

Lawn Mower replacement budget was increased another $5,000.

The city clerk asked if the council would like to start budgeting for replacement the Main Street Decorative Lighting system, reasons 1) smaller base, 2) more economical system and 3) wiring for holiday decorations. There was discussion on the options for replacement of the decorative lighting and grant funding. The council decided to start a line item budget for replacement of the decorative lighting system with $5,000 from the 2% Local Option fund and to start looking for energy efficient grants.

Fire Station Training Center budget will remain the same.

Water Improvement fund will remain the same.
Park playground improvement project has been completed so fund will be zeroed out.

The council discussed upgrading the city fire truck. The city clerk reported that the other fire trucks are owned by the Lava Rural Fire District. The city clerk reported that the last time it was in for service the mechanic commented on how old it is. Councilperson Beeson commented that some of the trucks never get started and run so they are not ready to go when they are needed. It was suggested that periodically the trucks need to be started and drove around the loop. The council decided to start a fund for replacement of the city fire truck and to budget $2,500 this year.

Tourism Promotion fund appropriation will be changed. The city clerk is working on projections.

The council discussed the East Main Park Development/Main Street Bridge Replacement fund. The council discussed possibly taking a portion of this fund to add to the Center Street Resurfacing project. The council decided to wait until they talk to Forsgren Associates about the Center Street project before finalizing the budget.

Several miscellaneous grant funds were reviewed.

The city clerk reported that the city will have to get interim financing for the USDA funds for the waste water project because all the loan funds have to be spent out before USDA reimburses the city for the expense. There is a possibility that DEQ may fund the interim financing if not the city will have to seek a bank loan. The city has to spend the committed loan amount before the grant kicks in.

The wastewater improvement project engineering fees is down to $581,500 left. The city clerk reported that there are some funds left over from Phase I of the waste water project and that DEQ is receptive to consider using these funds for a wind mill. The council discussed the possibility of needing a wind study.

The city clerk stated that she thought that the council needs to start planning for the Centennial Celebration which will be in 2015. She reported that other cities have budgeted some and then done fund raisers to support their celebration. It was stated that fund raising needs to get started. The city clerk will talk with Mark Lowe, Lava Foundation director, and start forming a committee to plan the celebration. They will also approach the Lion’s Club to possibly kick off the fund raising effort.

**Announcement**

The city clerk announced the birthday party for former mayor, Ray Bailey and his wife, which will be held Saturday, July 23rd from 3 to 5 p.m. at Safe Haven.

**Adjournment**

A motion was made by Councilperson Sher to adjourn. The motion was seconded by Councilperson Lowe. All voted aye, unanimous.
Meeting adjourned at 6:59 p.m.

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Trish Avery, Transcriber          Marshall N. Burgin, Mayor

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Canda L. Dimick, City Clerk (proof read)

Approved August 11, 2011