Minutes of the Regular Meeting of the City Council of the City of Lava Hot Springs, Idaho held Thursday, September 8, 2011 at 5:30 p.m., Lava City Hall, 115 West Elm Street, Lava Hot Springs, Idaho.

Present: Marshall Burgin, Mayor
Canda Dimick, City Clerk
Rita Anderson, Councilperson
Phil Beeson, Councilperson
Newt Lowe, Councilperson
Cathy Sher, Councilperson

Guests: Mike Vice and Bannock County Officer Taysom

The meeting was called to order at 5:30 p.m. by Mayor Burgin.

Approval of Minutes
A motion was made by Councilperson Lowe to approve the minutes of the August 11, 2011 Regular Council meeting, the August 16, 2011 Special Council meeting and Budget Work Session, and the August 30, 2011 Budget Hearing as written. The motion was seconded by Councilperson Sher. All voted aye, unanimous.

Reviewing of Bills
The mayor reported that the M.R. & E. Inc. June bill in the amount of $7,813.74 the Kilroy, LLC bill in the amount of $68,488.20 for Phase I wastewater improvements needed to be added to the list of bills to be paid. Councilperson Beeson questioned the LN Curtis bill for fire department equipment. The city has spent $3,500 for equipment in the last two months. The city clerk explained that a set of turn out gear is about $3,000 and that a new volunteer had joined the department.

A motion was made by Councilperson Anderson to transfer $30,000 from the Local Option fund to the general fund per the auditor’s advice. The motion was seconded by Councilperson Beeson. All voted aye, unanimous.

A motion was made by Councilperson Beeson to pay the bills as stated including the $30,000 transfer. The motion was seconded by Councilperson Sher. All voted aye, unanimous.

Law Enforcement Monthly Report
Law Enforcement not present.

Adoption of Ordinance 2011-1 Annual Appropriation Ordinance for FY2012
The mayor read Ordinance 2011-1 as follows:

ORDINANCE NO. 2011-1

AN ORDINANCE ENTITLED THE ANNUAL APPROPRIATION ORDINANCE FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2011, APPROPRIATING THE
SUM OF $12,425,819.00 TO DEFRAY THE EXPENSES AND LIABILITIES OF THE CITY OF LAVA HOT SPRINGS FOR SAID FISCAL YEAR, AUTHORIZING A LEVY OF A SUFFICIENT TAX UPON THE TAXABLE PROPERTY AND SPECIFYING THE OBJECTS AND PURPOSES FOR WHICH SAID APPROPRIATION IS MADE.

BE IT ORDAINED by the Mayor and City Council of the City of Lava Hot Springs, Bannock County, Idaho.

SECTION 1: That the sum of $12,425,819.00, and the same is appropriated to defray the necessary expenses and liabilities of the City of Lava Hot Springs, Bannock County, Idaho for the fiscal year beginning October 1, 2011.

SECTION 2: The object and purposes for which such appropriation is made, and the amount of each object and purpose is as follows:

ESTIMATED EXPENDITURES

GENERAL FUND

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Administration</td>
<td>$109,836.00</td>
</tr>
<tr>
<td>Law Enforcement/Animal Control</td>
<td>83,438.00</td>
</tr>
<tr>
<td>Fire Department</td>
<td>32,190.00</td>
</tr>
<tr>
<td>General Maintenance</td>
<td>11,505.00</td>
</tr>
<tr>
<td>Planning &amp; Zoning</td>
<td>5,750.00</td>
</tr>
<tr>
<td>City Hall Maintenance</td>
<td>1,000.00</td>
</tr>
<tr>
<td>Comprehensive Plan</td>
<td>816.00</td>
</tr>
<tr>
<td><strong>Total General Fund</strong></td>
<td><strong>$244,535.00</strong></td>
</tr>
</tbody>
</table>

GARBAGE FUND                     108,000.00
STREET FUND                     284,412.00
WATER FUND                  316,600.00
SEWER FUND                  557,000.00
LOCAL OPTION TAX FUND            655,000.00
FIRE DEPARTMENT CAPITAL IMPROVEMENT | 6,250.00 |
L HILL LIGHTS                  1,186.00
BLM GRANT                      43,998.00
BANNOCK COUNTY AMBULANCE FUND   24,300.00
SEWER IMPROVEMENT FUND          10,184,538.00
**TOTAL PROPOSED EXPENDITURES** | **$12,425,819.00**

SECTION 3: That a general tax levy on all taxable property within the City of Lava Hot Springs, Idaho be levied in an amount allowed by law for the general purposes for said City, for the fiscal year beginning October 1, 2011.

SECTION 4: All ordinances and parts of ordinances in conflict with this ordinance are hereby repealed.
SECTION 5: This ordinance shall take effect and be in full force upon its passage, approval and publication in one issue of the Idaho State Journal, a newspaper of general circulation in the City of Lava Hot Springs, and the official newspaper of said City.

PASSED under the suspension of the rules upon which a roll call vote was taken and duly enacted an Ordinance of the City of Lava Hot Springs, Bannock County, Idaho at a convened meeting of the City of Lava Hot Springs City Council held on the 8th day of September, 2011.

A motion was made by Councilperson Sher to adopt Ordinance 2011-1. The motion was seconded by Councilperson Lowe. Lowe- aye, Sher- aye, Anderson- aye, Beeson- aye, unanimous.

Business License(s) & Non-Property Tax Permit(s)
A) Legalzoom.com, Inc. - Tax Permit
B) Sentinel of the Rockies Consultation Service – Tax Permit
C) Snake River Basin Business Association, Inc. – Richard Thompson, Director/Applicant

The mayor read the list of business license and non-property tax permit applications. It was clarified that Snake River Basin Business Association, Inc. is associated with the Bannock Shoshone Tribe.

A motion was made by Councilperson Beeson to approve the business licenses and non-property tax permits as read. The motion was seconded by Councilperson Anderson. All voted aye, unanimous.

Portneuf Soil & Water Conservation District – Letter of Support for Pebble Creek Project
A motion was made by Councilperson Sher to give the Portneuf Soil and Water Conservation District a letter of support for the Pebble Creek Project. The motion was seconded by Councilperson Anderson. All voted aye, unanimous.

Meetings/Announcements
A) Candidate filing deadline for November, 2011 Election – September 9, 2011 @ 5 p.m.

The mayor announced that the deadline for candidate filing is Friday, September 9, 2011, tomorrow.

B) LHTAC Workshop 2011 – October 19, 2011, Pocatello, Idaho

The mayor stated that a representative from the city should go to this workshop. The council will decide at the next meeting who will attend.

C) First Annual Service Day – September 10, 2011, 7 a.m., Lava Community Center

Mike Vice reported that Michael Waite has lined up several projects which include: clean-up river and around town, some projects at Safe Haven, work on youth gardens, yard work in several yards (Phil Craig, Ray Bailey, Jackie Lodder, and Debbie DePaola), etc.
Law Enforcement Report
Officer Taysom reported that the summer was decent, no major problems. Labor Day there were lots of visitors but no major problems. Councilperson Sher questioned what the biggest problem was. It was stated that it is the minority of the people that cause the problems and most problem happen at 2:00 p.m. when the bars close. The county implemented a few different tactics for the July 4th weekend this year which seemed to help. It was suggested that the officers work on speeders.

D) 2011 ICCTFOA Institute – September 21 – 23, 2011 Garden City, Idaho
The city clerk reported that she is on ambulance call and will not be attending.

E) Rocky Mountain Power Open Houses – September 26, 27 & 28th
The mayor announced that Rocky Mountain Power will be having open houses on September 26, 27, & 28 at various locations. Specific locations and times are available at City Hall if anyone is interested in attending.

F) ICRMP Risk Management Discount Program
ICRMP is offering a 5% premium discount for policy holders who participate in their risk management program. The premium savings and cost to send participants to the training were compared. Participating in the program was taken under consideration.

G) PRIMA Risk Manager and Personnel Management Training – October 19, 2011, Pocatello, Idaho
No one committed to attend. If the city participates in the discount program, this would be an opportunity for training.

H) Lava Planning & Zoning Commission Position Vacancy
The city clerk reported that Planning & Zoning Commissioner Nick Nelson is moving out of town which will leave a vacancy on the commission. Only one commission member can represent the impact area. Dave Sanders is currently holding that position. Potential candidates were discussed.

I) Fall Community Clean Up Days – October 21 & 22nd
The roll-off bins will be in town October 21 & 22 for community clean up. There was hazardous waste dumped in the containers last spring. The county is going to post some hazardous waste informational signs on the bins. Notices will be sent in the October water bills.

J) Miscellaneous
None

Projects
A) Wastewater Improvement Project
1) Phase I Fencing/Boundary Line Agreements
The city clerk reported that the fencing agreement with the L.D.S. Church has been signed and sent to reps. Casperson’s still have not signed the fencing agreement. They have concerns with the mainline that the city
purchased with the property and abandoned in place. They claim that the mainline serviced a parcel of property that they lease from Syl Keevan north of Maughan Road. The Bannock County assessor’s office records show that the line runs to city property North of Maughan Road. A survey is being done to clarify property lines.

2) Phase I Seeding
Council discussed the benefits of removing the land application site seeding from Kilroy’s contract. If the seeding was removed, Kilroy would not have to extend their bond through the winter which would be an additional cost to the project. The city could also offer the site to the Phase II contractor for sludge disposal if DEQ approved which would save project costs. The city’s engineers are making contacts with DEQ to see if they support removing the seeding from the contract and will follow up with Kilroy to make sure they have no heartache with the proposal.

3) Phase I Gravel over pipeline.
Placing gravel over the buried canal pipeline was discussed. The city is going to keep the area over the pipeline sterilized. If it is decided that gravel is needed at a later date the city will address the issue.

4) Phase I Final Change Orders & Substantial Completion
A motion was made by Councilperson Beeson to approve work change directives 2, 3 & 4 as stated. The motion was seconded by Councilperson Sher. All voted aye, unanimous.

5) Phase I Site Record of Survey (North side)
The city clerk reported that the survey was not complete but they had done quite a bit of it when they were in the field. They are going to try to do it out of the office. If they cannot do it, they will revisit the site. The city clerk explained that the property on the north side of Maughan Road has been fenced different than the county plat map shows. The city is trying to establish the deeded boundary lines and may need to deal with some quit claim deeds to straighten things out.

6) Prescriptive Access through LDS Church Property
The city clerk reported that the access road that goes up the west side of the land application site is not a recorded access. The access road crosses city property and proceeds onto LDS Church property. The city is working with the LDS Church reps to document the prescriptive access. A cooperative access agreement with the church will be drafted and executed.
7) Windmill Project
The city clerk reported that she is still working with Keller’s on the documentation for DEQ’s consideration. No funding commitment has been made.

8) Phase II Bid Opening – September 13th
The mayor invited the council to attend the Phase II bid opening September 13, 2011 at City Hall.

9) Phase II Interim Financing
The mayor reported that three (3) banks have expressed interest in providing the interim financing for Phase II. The city clerk explained that the amount that the city has to have interim financing for is $3.4 million according to the USDA grant/loan conditions. The engineers have stated that Phase II could take up to two years to complete. The city clerk has talked to the banks about setting up the loan so that the city can draw it as needed so that the city does not have to pay interest on the full amount for the two years.

B) Wastewater Rate Study Progress
No action was taken on the rate study. The council still wants to wait to make any decisions until the bid for Phase II is awarded.

C) City/Swanson Sidewalk Construction Agreement – Project Under Construction
The mayor reported that the contractor is working on the Swanson’s sidewalk. Councilperson Beeson stated that in the discussions he was involved with, the curb and gutter was never brought up. The mayor stated that the original discussion did not involve curb and gutter so Swansons’ thought they could just do the sidewalk; however the city specs requires that curb and gutter be installed on all new sidewalks.

The city clerk read the contract which stated that “Swanson’s shall construct said sidewalk in accordance with city specifications and standards; city sidewalk to be 3 feet wide and 90 feet long.” The mayor explained that the reason that Swansons’ are going to 5 feet is so that the water meter can be in the sidewalk and they have agreed to pay for the additional 2 feet. The mayor stated that the city should pay for the three feet of sidewalk as agreed too and he feels that the city should pay for the curb and gutter also. The council agreed to pay the bill for the curb and gutter concrete. The bill for the curb and gutter is for 4 yards of concrete. The mayor questioned if the curb and gutter required 4 yards. The mayor will talk with the contractor about the amount of concrete that was used.

D) Center Street Resurfacing Project – Storm Drains
The mayor reported that Forsgren Engineers said that they can design 2, 4 or 6 storm drain catch basins into the Center Street resurfacing project. He stated that
the budget that was appropriated should be enough to cover 6 storm drains, two at each intersection. If costs exceed budget the number will be scaled back to 4.

E) Public Restroom Maintenance & Schedule Seasonal Closure
The council discussed the needed repairs on the restrooms at the Buddy Campbell Park. The council agreed that the repairs need to be taken care of this fall. The mayor reported that the line was videoed and that there is a large obstruction in the line. The floor has to be cut out and the pipe removed and replaced. It was decided to leave the restrooms locked and use the portable units for the rest of this season. The East Main restrooms will be kept open through September then only weekends through October.

F) Drinking Water Protection Plan Committee
The city clerk reported that she had talked to Mark Lowe and he has agreed to schedule a meeting in October or November. The Planning and Zoning Commission has appointed a member to serve on the committee. The city council needs to appoint a representative, either the mayor or a councilperson. Also, Tony Hobson will serve on the committee. Councilperson Anderson suggested that Councilperson Beeson serve as the council representative. Councilperson Beeson would like to wait until Mark gets the committee going in October and then decide.

G) Miscellaneous
None

Discussion – Items from the audience.
No discussion.

Adjournment
A motion was made by Councilperson Lowe to adjourn. The motion was seconded by Councilperson Sher. All voted aye, unanimous. The meeting adjourned at 6:55 p.m.

____________________________________
Trish Avery, Transcriber

____________________________________
Marshall N. Burgin, Mayor

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Canda L. Dimick, City Clerk (proof read)

Approved October 13, 2011