



**Lava Hot Springs Foundation's  
July 24, 2020  
Board of Director's  
Meeting Minutes**

The Board of Directors of the Lava Hot Springs Foundation of the State of Idaho met on Friday July 24, 2020 at the World Famous Hot Springs Administrative Office 430 E. Main Street in Lava Hot Springs Idaho.

**Mission Statement**

To ensure that the public has access to healthful, clean and inviting facilities for recreation and healing purposes.

**Present:** In attendance were Chair Lisa Wood, Vice Chair Jeff Hough, Board Members; Cameron Salt, and Ronald Johnson. Executive Director Devanee Morrison and Management Assistant Bridget Losee. Guest: George Katsilometes.

**Welcome and Introductions**

Vice Chair Jeff Hough called the meeting to order and welcomed all in attendance. Chair Lisa Wood joined the meeting and chaired the meeting.

**January 24, 2020 Minutes**

The January 24, 2020 meeting minutes were emailed to all board members for review; Ronald Johnson made a motion to approve the January 24, 2020 meeting minutes, Cameron Salt seconded the motion. The motion carried.

**Revisit current Strategic Plan.**

**Agency Summary**

The Lava Hot Springs Foundation operates and oversees the use of 178 acres of land that was deeded to the State of Idaho by the Federal Government in 1902. The Foundation is comprised of a world-famous hot pool's facility, Olympic size swimming pool and indoor aquatic center, and public parks and grounds. Tourism is one of the largest industries in the state of Idaho and the Foundation has become the economic driver of tourism in Southeast Idaho.

**Vision Statement**

To continue growth, development, and maintenance of the Foundation property and to enhance community and visitor experience by providing facilities and activities that align with and fulfill the mission statement of the Lava Hot Springs Foundation.

**Short Term Objectives**

- Pre-recorded messages to increase customer awareness of rules.
- Repair/Replace Portneuf Kiddie Cove water features and slide.
- Replace first aid and lifeguard training equipment.
- Replace maintenance equipment.
- Credit Card chip readers technology.
- Repair asphalt pathway hazards.

**Long Term Objectives**

- Parking-Garage at Hot Pools, expansion at Swimming pool.
  - Phase 1-Remove Tumbling Water Motel.
  - ITD-Relocate roadway into town for additional parking.
  - Construction of hot pool garage.
- Administration building at Swimming Pool, indoor attractions.

(FlowRiders, indoor slides, hot tubs)

- Additional staffing.
- Efficiency of patrons flowing into facilities.
- Increase winter attendance.
- Hot Pool expansion
  - Additional larger and smaller hot pools.
- Outdoor slides
  - Addition of another attraction at the swimming pool.
- Lodging
  - In order to aid the community's economy and encourage visitors to stay longer would benefit the City to have more lodging available.

The Board of Directors suggested moving forward with the parking structure in the FY22 budget and then start a conversation with ITD (Idaho Transportation Department) on the Olympic Swimming Complex additional parking and entrance road relocation.

### **Parking Structure**

Step 1-Demolish Tumbling Waters Motel.

Step 2-Install parking lot in the area where the Tumbling Waters Motel was located.  
Gravel area or asphalt?

The estimated cost of the 3 tier parking structure is 10 million dollars. We will have to get JFAC's approval for spending authority to spend Foundation's funds on the parking lot project. Then contact State Building Authority about funding-loan for additional funding of the parking structure. It was mentioned to contact the City of Lava Hot Springs to see if they would be interested in helping fund the parking lot structure and see if they would allow an abatement of the 2% local option tax on the parking garage. The parking garage will benefit the entire town.

### **FY 2022 Budget Development Discussion**

First draft of FY22 Budget is due in August 2020.

Our Maintenance and Operation's Supervisor will be retiring on September 30, 2020. The position will be posted on the Department of Human Resources website for applications. We will then conduct interviews first part of October. Jeff Hough and Cameron Salt will join Devanee Morrison and Bridget Losee to conduct the interviews.

Request 2 additional PCN'S-employee positions:

1. Maintenance Craftsman Senior
2. Hot Pools Manager

### **Suggested FY21 Budget Items:**

- P&L Prosound is putting together a quote for a new sound system and speakers. The sound system is for prerecorded messages for customer awareness of the rules of the facilities.
- PKC (Portneuf Kiddie Cove-SP) repairs, painting and new toys.
- First Aid certification and training equipment.
- Replace maintenance equipment:
  - o lawn mower
  - o skid steer- a good used skid steer would cost approximately \$20,000.00.
  - o backhoe bucket for Kubota

Devanee would like to meet with maintenance crew to get their input on what equipment they need.

- Credit Card chip readers: The hot pool cashiers are using the new credit card chip readers. The credit card chip readers still need to be installed at the Swimming Complex. We have had some issues with the chip readers the internet has been a big part of the issues.

Kody Tillotson (KOA) is talking with Clear Talk or Direct Communications to see if they will install underground fiberoptic internet in Lava Hot Springs. Devanee

asked Kody to let her know if fiberoptic internet can be installed in Lava. The Foundation would be interested in fiberoptic internet.

- Worldpay is our merchant services company and they are hard to get ahold of in an emergency. Our software works with WorldPay currently. We are looking into a new-different company.

The meeting was called into a recess at 10:50am and back in session at 11:00am.

### **Affidavit Request for Licensing of Water Right# 29-13672**

George Katsilometes is working with the Idaho Department of Water Resources in an effort to have his permit no.29-13672 licensed. The Idaho Department of Water Resources has requested that Mr. Katsilometes seek information related to the impact his operations may or may not have on the source of geothermal water used by both the recreational facilities operated by the Foundation and other entities in town.

George Katsilometes said that he has 30 years of being in business with a beneficial use license of the hot springs water without harming his neighbors. George's Attorney wrote up a document affidavit for water rights. He is asking the Foundation to sign the affidavit.

What would happen if the geothermal water flow ever changed? Who has first use of the geothermal water rights?

The Board of Director's agreed to contact the State of Idaho's Attorney General's Office to get consultation on legal advice in reference to the signing of this affidavit.

Jeff Hough made a motion to contact the Attorney General's Office for legal advice in reference to the Lava Hot Springs Inn's (George Kasilometes) geothermal water rights affidavit, Cameron Salt seconded the motion. The motion carried.

### **Director's Report**

**Tumbling Waters Motel Lease**-expires on October 1, 2020.

There was a Capital Improvement Trust Account created and maintained at Ireland Bank in Lava Hot Springs. The Lessee was required to deposit (5%) of gross receipts at the end of each calendar year. This account was created to fund improvements of the leased property. The balance in the account is approximately \$32,000.00. The balance of the account upon expiration of lease will be deposited into the Foundation's account.

### **Projects update:**

- Rock Wall: The Idaho Transportation Department (ITD) will be coming to the Hot Pools to meet with Executive Director Devanee Morrison next Monday (July 27<sup>th</sup>). ITD has approved-earmarked \$1,000,000.00 for this project.
- Restroom Building: The restroom project is scheduled to begin on September 8, 2020. The project bid was awarded to Construction Services Inc. The building will be constructed in the East-West park.
- The Tumbling Waters Motel is scheduled to be demolished in October 2020.
- Speed Slides Restoration: Safe Slide Restoration Company is scheduled to gelcoat the speed slides in September 2020.

### **Building Safety Inspection:**

1. Oxygen Cylinders are in a plastic container: Metal rack ordered.
2. River pathway repairs/tree roots: project to replace pathway asphalt areas.
3. Dead tree limbs: company hired for tree limb removal.
4. Shop-eye wash station doesn't work. Repaired.
5. Playground-soft surface under equipment for safety: order wood chips to be placed under playground equipment.
6. Hollowed out Tree-Top Notch Company hired to cut down.
7. Platforms, cement deck repairs: company is coming next Tuesday to submit a bid.

**Covid-19 Discussion:** The Board of Directors discussed the Covid-19 pandemic and its effect on the Foundation. The Foundation facilities were closed from March 20, 2020 to

June 13, 2020. The Covid-19 closure effected the revenue of the facilities approximately \$740,000.00.

The following is what is posted on the Lava Hot Springs Foundation's website:

**WE ARE OPEN - We will not be limiting occupancy. Besides our usual sanitation routines, we have put in place protocols for extra sanitation of common areas. We welcome the use of masks in common areas and on the lawns. We will not be allowing masks in the water. We ask that all patrons follow CDC health safety guidelines and respect others.**

### **READ OUR PLAN TO OPEN!**

We will be following the Governor's phased approach to opening the pools. We will begin with:

- A soft opening for lap swim and swimming lessons in phase 3 on June 1, 2020.
- Then a full opening of all facilities on June 13, 2020.

We are confident in our abilities to safely open with this approach.

The Center for Disease Control states, "there is no evidence that COVID-19 can be spread to people through the water in pools, hot tubs or spas, or water playgrounds. Proper operation, maintenance, and disinfection (e.g. with chlorine and bromine) of pools, hot tubs or spas, and water playgrounds should inactivate the virus that causes COVID-19."

With that in mind, we will be implementing new amenities to ensure the safety of our team and patrons. We will have sneeze guards, hand sanitizers available to customers. Also, our newly purchased EMV chip readers for no-touch contact when purchasing entry.

Besides our usual sanitation routines, we have put in place protocols for extra sanitation of common areas. We welcome the use of masks in common areas and on the lawns. We will not be allowing masks in the water.

You can [pre-purchase your passes online](#) or in-person when you arrive. The hot pools will now have single entry only on all days of the week. We are not implementing attendance limitations. We would like to remind everyone that we are not an essential business but are for recreation. It is every individual's opportunity to choose to attend our facilities.

Our mission statement is "to ensure the public has access to healthful, clean, and inviting facilities for recreation and healing purposes." Historically we have strived to fulfill this mission and intend to continue to do so in the future. We appreciate your patronage and are looking forward to an awesome summer season! [Read Idaho's 4-phase Reopening Plan.](#)

Employees were given the opportunity to work on maintenance-janitorial projects during the closure.

The following is a list of some of the projects that were completed at each facility during the Covid-19 pandemic closure;

#### **Olympic Swimming Complex**

- Cleaned and painted the cashier's office and laundry room
- Painted and repaired the PKC (Portneuf Kiddie Cove) toys. A contractor was hired to paint the ceiling.
- Painted walls in 25 yard pool.
- Painted Lifeguard room and lockers.
- Painted men's, women's and family dressing rooms, restrooms and showers.
- Cider brick wall by the Portneuf Kiddie Cove (partially completed)
- Worked on cider brick layered gardens by the speed slide.

#### **World Famous Hot Springs:**

- Power washed men's, women's and family dressing rooms and showers.
- Scrubbed and painted the walls in the Customer Service Area. Cleaned all the shelves and windows, light fixtures etc.
- Washed and painted walls-floor in the Gift shop.
- Painted Walls in Administrative offices and Board Room. Stained and varnished all the wood trim around doors and windows.
- Deep cleaned the bathrooms.

- Painted railings and light Poles around the Hot Pools and walkways.
- Handicapped parking sign painted.
- Gardens-planted flowers, shrubs and weeded the Hot Pools grounds and the Sunken Gardens.

We want to express our appreciation to the employee's that worked on the projects during the closure. The facilities look great!

**Financial Report**

Cash position as of June 30, 2020

Fund 0410-03	\$1,630,941.04	operating and personnel fund
Fund 0410-04	<u>\$3,069,159.43</u>	capital Savings Fund
Total	\$4,700,100.47	

**Operating Budget**

	Budget Amt	Monthly Exp	FYTD Exp	Remaining
February	\$740,700.00	\$60,193.87	\$532,012.97	\$211,004.83
March	\$740,700.00	\$32,899.58	\$564,912.55	\$178,148.35
April	\$740,700.00	\$23,363.92	\$588,276.47	\$155,433.83
May	\$740,700.00	\$48,194.27	\$636,470.74	\$106,702.56
June	\$740,700.00	\$26,153.42	\$662,624.16	\$80,650.33
<b>Capital Outlay</b>				
February	\$90,000.00	\$4,971.00	\$22,156.27	\$67,843.73
March	\$90,000.00	\$0.00	\$22,156.27	\$67,843.73
April	\$90,000.00	\$13,365.00	\$35,521.27	\$54,478.73
May	\$90,000.00	\$4,366.33	\$39,887.60	\$50,112.40
June	\$90,000.00	\$24,900.00	\$64,787.60	\$25,212.40

**Attendance Report**

The attendance at the Hot Springs and the Olympic Swimming Complex is down due to the Covid-19 closure.

**Revenue Vs Expenditure Report February-June 2020**

FY 2020	February	March	April	May	June	FY 2020
TOTAL REVENUE	\$ 231,093.12	\$ 136,128.86	\$ 8,830.78	\$ 9,400.21	\$ 226,312.92	\$ 2,615,252.25
TOTAL EXPENDITURES	\$ 119,713.84	\$ 123,305.83	\$ 403,307.01	\$ 151,863.02	\$ 149,033.41	\$ 2,340,846.60
Rev. Over Exp.	\$ 111,379.28	\$ 12,823.03	\$ (394,476.23)	\$ (142,462.81)	\$ 77,279.51	\$ 274,405.65

**Adjourn**

Ronald Johnson made a motion to adjourn the meeting, Cameron Salt seconded the motion. The meeting was adjourned at 12:23 pm.

Minutes by:

Bridget Losee-Management Assistant  
Lava Hot Springs Foundation