



Lava Hot Springs Foundation
Board of Directors
April 18, 2025
Meeting Minutes

The Board of Directors of the Lava Hot Springs Foundation of the State of Idaho met on Friday April 18, 2025, at the Lava Hot Springs Foundation's Administrative Board Room 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 Chair Jeff Hough, Vice Chair Ronald Johnson, Board Members Robert Geddes, and Cameron Salt. Executive Director Tyson Koester and Management Assistant Destiny Egley. Guests: Shane Tillotson, Sherril Tillotson, Mark Lowe, Birgitta Bright with Forrest Design Group, and Garret Goldade with CM Company including Justin Stecker, Spence Ward, Cathy Miller, Michael Kaul, Michael Schommer, Anna Sparrell, and Matt Vitrano via teleconference.

Welcome and Introductions

Chair Jeff Hough called the meeting to order and welcomed everyone in attendance.

Review and Motion on Minutes from January 24, 2025 – Action Item

The meeting minutes were emailed out to Board Members prior to the meeting. Ronald Johnson made the motion to approve the January 24, 2025, meeting minutes. Robert Geddes seconded the motion. Motion carried unanimously.

Discussion Item – CM Hot Pool Update

Garrett Goldade with CM Company gave an update on the construction project for the hottest hot pool. With the help of Tyson, they did water testing a few weeks ago for a couple of days. They worked on rerouting the water and drawing it down and were able to gain knowledge about the dewatering system. CM Company has another idea with the cistern; to have a diversion box for the water. A 36" perforated pipe below the water and allow it to gravity feed to the cistern to dewater the site. This would also allow dewatering in the future if needed. Discussion regarding the details of the project. This would get us a 2,500 gallon per minute flow rate. This would not change the temperature of the pools. This adds an additional cost to the project, Garrett will get the cost and update the budget if the Board wants to move forward with this idea. Spence mentioned, the dewatering trench is not only this project but for future purposes that the Foundation may need. There are a lot of unknowns but until the project

starts, we will learn more and may have more questions as the project progresses. Garrett went over the design and plans of the hot pool including the wall that will be done. Michael Schommer showed a 3D picture of what the hot pool will look like. There will be a 9' separation between the old wall and the new wall and it will be backfilled to give the old wall more support. The hottest pool will shift south just a little with the construction. We can terrace the wall also if we want a little break in the wall. Garrett will update the schedule and the budget and send it out. We may be adding a cold plunge that would be included in the project. They are looking to chill the water utilizing the mineral water but cooling it off. Possibly looking at dissipating the heat via a mechanical chiller or something similar. They are still looking into all the options and will report back with an update later.

Jeff Hough made the motion to move forward with the proposal as discussed today. Ron Johnson seconded the motion. The board had a discussion. Motion carried unanimously.

Discussion/Potential Action Item – Lava “Yard” MOU with Bannock County

Jeff Hough recused himself from this discussion. Tyson had emailed the Memorandum of Understanding (MOU) to the Board prior to the meeting and gave an update regarding the State property; corner of Highway 30 and the west side of Blaser Highway. Idaho Transportation Department will be tearing down the shed and clearing out the yard. This is Lava Foundations property which we will be using soon as the KOA expansion project will be starting. We will be moving the SEID High Country storage unit on the cement pad and the Bannock County Road materials will be moved from the current location to this property. We will have a trade contract with Bannock County so we can use some of the sand and gravel materials. Power will also be turned off. Once the MOU is agreed upon, they will get started on moving all the material. The County will keep up on the maintenance for snow removal etc. The Board had a discussion regarding the location and logistics of the site. Tyson mentioned he would love to see the corner cleaned up and put up a privacy barrier with a Welcome to Lava Hot Springs sign on the fence but will be down the road. Ron Johnson made the motion to approve the MOU with Bannock County. Robert Geddes seconded the motion. Cameron opposed the motion. Motion Carried.

Discussion/Potential Action Item – Lava Lockers Lease Amendment Proposal Shane Tillotson is asking the Board for the approval and update of the current Lava Lockers Lease which ends January of 2029. He would like to extend and add the following amenities: Retail for souvenirs, ice machines, pop machines, self-contained food vendor and virtual reality chairs.

He would like to expand his options for customers where the new parking lot will take some business away due to it providing closer parking for the river tubers. He plans to put the chairs and vending machines inside the existing unit and would like to have self-serve type options on the leased property. He would like to utilize his current space more than just the lockers. He is looking to extend his lease to December 2035 for 10 more years; Lava Lockers lease is currently a 10-year lease. The current cost is \$1600/year. The rate adjusts every 5 years. The Board would like to know more details or specifics of what he wants to add. Shane said he for sure wants to add VR chairs and the vending machines. The cost for the VR chairs will be about \$35,000 to add. He would need to hire a full-time employee to staff the VR chairs. Currently he is open from Memorial Day to Labor Day but would like it to be open year-round. He is willing

to provide trash cans if he has vending machines. Discussion regarding an additional mobile building for the food vending machines. Tyson has started figuring out the cost of square footage on our leases because they are so different. The CPI adjustment is reviewed every 5 years. The board had a discussion. Shane has a snow removal business so he would be able to help maintain the snow removal for his customers. Discussion on a trade or contract for the snow removal may be an option. Jeff Hough proposes to come together with an agreement and keep the current lease. Ronald mentioned the new parking lot and to consider liabilities also. Suggestions were made for Tyson and Shane to work together and come up with an agreement with the possibility of amending the current lease to add in the amenities. Jeff made the motion to approve this via email in the next 30 days, including the lease restriction to the 5 years adding trash receptacles and trash removal from his leased property. Ron seconded the motion. Motion carried unanimously.

Discussion/Potential Action Item - LHSF LOGO Update

Tyson updated the board that we have been working on the new Logo design with our Agency of Record Forrest Design Group (FDG) – Birgitta Bright. At the last Board meeting the suggestion was to hold a Logo contest. Birgitta presented information on reasons not to hold a logo contest. Most times we get amateurs to respond to a contest or AI may be involved. The prize should be fair market value for the actual cost of a logo. Factors that go into a logo design – Make sure the logo is relevant, recognizable, timeless, trendy, unique. We also want our logo to be our spokesperson for our brand. FDG does research on brand discovery with what direction we want to go. Birgitta handed out portfolios of the logo process that we originally started with and initial designs via a group voting process with the Lava Foundation staff. When you add the State of Idaho to the logo it is like a seal there are some important reasons for not adding the State of Idaho logo and it is not what we are really needing, wanting or looking for our brand as the Hot Pools and Swimming Pools. Birgitta explained the difference between the two facilities and reasons for the color scheme, she is open to suggestions for revisions. Tyson asked Birgitta to present today so we can give her guidance of the next steps. We would like to have new signs made but want to wait until we have a new logo. Our current logo is the sun and swimmer which was created back in 1999 or 2000. The hope is to have a logo that will last another 25 years. Jeff said he is willing to revoke the suggestion of a logo contest. The Board agreed it would complicate things. The board liked the orange and teal color scheme, taking off the “L” and make the splashes a little smaller. Jeff suggested we move forward with the script font adding suggested changes and leave it up to the employees to decide and move forward. The Board agreed.

Action Item - Thai Food Restaurant Lease Extension

Tyson mentioned the Riverwalk Thai Food Restaurant lease expires December 2025. They have asked for an additional 5 years extending their lease until December 2030. The Board had a discussion regarding the importance of the restaurant. Comment about the inconsistency of hours was made.

Ron made the motion to extend the lease for another 5 years and requested they do a little better job of maintaining the exterior. Robert seconded the motion. Motion carried unanimously.

Discussion Item - Update on KOA East Expansion

Tyson updated that the expansion lease amendment survey has gone through the AG's office. The AG office suggested to amend with the legal description at the end to match what they are currently leasing. It is one of the oldest leases, so they want the insurance requirements within the lease. The AG's office suggested some language be changed in the lease regarding the sewer extension project and all parties will sign and approve as they were all ok with the minor changes. They are getting ready to boar under the highway for the sewer line.

Refreshment Break

The meeting was called for a 10-minute refreshment break at 12:25pm and called back into session 12:35pm

Executive Session - 74-206 (1) (B) Employee Evaluation

Jeff Hough made the motion to go into Executive Session "to consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent, or public-school student. Robert seconded the motion.

Role Call:

Jeff Hough - Aye

Robert Geddes - Aye

Ron Johnson - Aye

Cameron Salt - Aye

The meeting went into Executive Session time 12:39pm

Jeff called the meeting back into regular session at 12:56pm. Robert seconded the motion. The meeting was called back into session.

Executive Director's annual evaluation.

Director Report

Tyson Koester welcomed Destiny Egley as the new Management Assistant. Marguerite Davids was hired as the Administrative Assistant. We have hired a new CSR1 and a couple of new fill-ins for the Hot Pools. We are hiring for the summer season. We only have one Grounds position to fill this year. The CECs were just sent out a week ago. We now have four pay scales in Idaho. Merit-based raises for this year have been set by the State of Idaho. Governor is setting the Director salaries this year, but we do not have details or guidance on that yet. Tyson is working with DHR to get it all processed. He will let the Board know when he receives directions from the State.

There are potholes on the main road at the turn around by the Thai Food restaurant and our maintenance shop on our property that needs to be fixed. The KOA will take responsibility for the six feet and the Foundation will be paying for the rest to get them fixed.

The status of Lava Hot Springs Condos - They are being sued, we were served because we are leasing the property to the condominiums, the AGs office is requesting we be removed from the litigation as it is the lessee's issue.

Financial Report

Fund balances as of April 15, 2025

41003 - 5,213,879.65

41004 - 5,234,515.12

TOTAL - 10,448,394.77

Tyson sent out the financial report to the board prior to the meeting. He reported that LUMA P-Card transactions are not closed in the statewide system. 16,000 transactions statewide are showing open and have not closed. The Foundations P-Card transactions are also still open from as far back as a year ago. We have been working on getting them closed out. Tyson reported the financial reports are getting closer to matching our internal reports and LUMA reports. 41003 operations are 5mill, 41004 5mil we are still over 10mil. We will have a couple of larger sums coming up with the parking lot near completion. The deadline is May 15th.

Discussion Item- Swimming Pool Season Start-up Update

Tyson reported that all the crew members are working hard to get the swimming pool ready. We will be painting the swimming pool first part of May. May 12th we will be filling the pool with water. We are adding two big cabanas over by the kiddie cove grass area. Kona Ice and Himalayan Flavor will be the two vendors at the swimming pool this season. We moved the AquaZip'n to a shallower part of the pool so we can control who is using it at the 200lb limit. Cabana rentals are already happening. Power for the cabanas will be added by next year for the 2026 season. A lot of repairs are underway and we should be ready for the preview weekend and school groups.

Schedule for the Next Meeting

Next quarterly meeting scheduled for August 22, 2025, at 10:00am

Site Visit - Parking Lot/Park tour and update

Board Members - Robert Geddes and Ron Johnson, Director Tyson Koester and Management Assistant Destiny Egley toured the new parking lot and playground area.

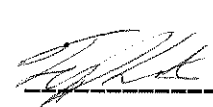
Adjourn

Meeting adjourned at 1:39pm



Board Chair Jeff Hough

Date



Executive Director Tyson Koester



Date

Minutes by Destiny Egley
Management Assistant

