

## MINUTES

### BOARD OF DIRECTORS MEETING

DECEMBER 17, 2007, AT 7:00 P.M.

The regular meeting of the Board of Directors was held on Monday, December 17, 2007, at 7:00 p.m., Board Chambers, City Hall, with Mayor Mike Bush presiding.

The invocation was given by Mr. Raymond Wright, and Pledge of Allegiance to the Flag was led by Mayor Bush.

Mayor Bush called the meeting to order at 7:00 p.m.

#### **1** Roll Call

Roll call was as follows: Present: Directors Peggy Maruthur, Elaine Jones, Steve Smith, Carroll Weatherford, Bill Edwards, Tom Daniel, and Mike Bush, total 7.

#### **2** Approval of Agenda

A motion was made by Director Daniel, duly seconded by Director Maruthur, that the agenda be approved.

Upon discussion, City Attorney Brian Albright pointed out that Item No. 9 on the Consent Agenda (Proposed Resolution No. R-07-293 Repealing Resolution No. 6434 Regarding Renaming a Portion of Carpenter Dam Road as Old Carpenter Dam Road) is a reconsideration of a street naming; and normally the Board has a policy of waiting 180 days before there is a reconsideration. However, approval of the agenda will count as the 2/3 vote to bring that back on the agenda, which was previously unanimous.

Mayor Bush then called for a vote on the motion to approve the agenda; and upon voice vote, the motion unanimously carried.

### **3 Approval of Minutes of December 4, 2007 Regular Board Meeting and Special Board Meeting of December 4, 2007 at 6:30 p.m.**

A motion was made by Director Jones, duly seconded by Director Daniel, that the minutes of the December 4, 2007 Regular Board Meeting and Special Board Meeting at 6:30 p.m. be approved.

Upon discussion, Director Maruthur said that she would like to amend the minutes of the Special Board Meeting, which reflected that she was absent and not voting. She stated she had contacted the City Attorney prior to the meeting; and immediately following the meeting, he indicated she would be on record as voting "yes," which she was in favor of the action taken at the special meeting.

Mayor Bush then called for a vote on the motion to approve the minutes of the Special Meeting for December 4, 2007, at 6:30 p.m., as amended, and the regular Board Meeting for December 4, 2007; and upon voice vote, the motion unanimously carried.

### **4 Recognition of Guests**

No guests were present for recognition.

Director Maruthur asked that Mayor Bush join her at the podium to sing a song entitled, "In the Bleak Midwinter."

### **CONSENT AGENDA**

The Consent Agenda consisted of the following:

**5 Public Safety Report** (December 5, 2007).

**6 Board of Directors Meeting Schedule** (January thru June 2008).

**7 Budget Transfers -Airport Grants.**

- 8 Proposed Resolution No. R-07-292** Accepting Certain Bid Awards (a) Forklift - Utilities [awarded to Hugg and Hall in the amount of \$21,730.89]; (b) Filters (Vehicle/Equipment - Fleet Service [annual supply contract awarded to Vehicle Maintenance Program, Quality Petroleum, and Fleet Pride]; (c) Petroleum Products - Fleet Service [annual supply contract awarded to Quality Petroleum and Wacaster Oil]; and (d) Asbestos Handling - Code [annual supply contract awarded to A.C.E.S., Inc.].
- 9 Proposed Resolution No. R-07-293** Repealing Resolution No. 6434 Regarding Renaming a Portion of Carpenter Dam Road as Old Carpenter Dam Road **(reconsideration)**.
- 10 Proposed Resolution No. R-07-294** Authorizing the Filing of an Application for a Growth Award and Tree City USA Recertification by the National Arbor Day Foundation.
- 11 Proposed Resolution No. R-07-295** Approving an Agreement with AVFUEL Corporation for the Provision of Aviation Fuels at the Hot Springs Municipal Airport.
- 12 Proposed Resolution No. R-07-296** Awarding a Contract to Rick McGinty Company to Relocate Certain Navigational Aid Equipment at the Airport.

A motion was made by Director Jones, duly seconded by Director Daniel, that the Consent Agenda be approved; and upon roll call, the following voted "aye": Directors Maruthur, Jones, Smith, Weatherford, Edwards, Daniel, and Bush, total 7; motion unanimously carried.

### **NEW BUSINESS**

- 13 Request from Ms. Barbara Anable Regarding Reduction in Hamburger Tax to One Percent (1%)**

Ms. Barbara Anable, 120 Sanson Place, pointed out that on November 30, she submitted papers stipulating that she would be addressing the food and drink tax

(hamburger tax). However, the printed agenda reads differently, and she is requesting to speak strictly on the "hamburger" tax.

City Manager Kent Myers stated that the legal term is the Advertising and Promotion Tax.

Ms. Anable commented that her request is a reduction in the tax paid on the food and drink served in the City often referred to as the "hamburger" tax. She stated with the passage of this tax in 1989, which has never had a reduction nor does it have a sunset clause, there has been great prosperity and growth in the City. She mentioned a reduction might be a way to thank the city and the county residents who have paid this tax for 18 years. She added since 1990, the County has grown by 25 percent; there are major restaurant chains, motels, the Embassy Suites, the Documentary Film Festival, Art Gallery, and the expansion of Oaklawn. Also, the Summit Arena has been completed; the opening of Garvan Woodland Gardens; and Magic Springs/ Crystal Falls. She stated Hot Springs is said to be the No. 1 tourist attraction in Arkansas receiving between 2-1/2 and 3 million persons each year. She pointed out the Board of Directors has the ability to reward the residents and share prosperity with them. She reported that the State budget permitted the removal of 80,000 persons from the State tax obligation during the 2007 Legislative Session; and at the same time, the food tax at the local markets was reduced. She noted that the financial obligations for the Summit Arena are paid off. She stated if there is a tax reduction, this requires a restructuring of the Advertising and Promotion Fund; but when starting from an annual income of \$7 million, this is referring to excesses, not necessities, and re-evaluating need versus want. She mentioned this is a familiar exercise for the low income, the fixed income, and the 20.7 percent of the population in the county that is over age 65. She added the advertising and promotion of the City is a shared effort, not only by the Advertising and Promotion Commission. She pointed out some of the partners in this advertising are the State, the National Park Service, the Tourism Council, the Chamber of Commerce, and the major advertising firm of CJRW of Little Rock, which has contracts with all of the major players in Hot Springs. She added that the chain restaurants, many of the motels and hotels, and individual business owners have their own website; and the City and County residents are also ambassadors for the City. She said with the continuous growth and prosperity, along with the 250 plus thriving restaurants in town, the City would soon make up in volume whatever reductions the citizens are given. She requested that the Board amend the ordinance, changing the tax rate for the "hamburger" portion of the tax from three percent to one percent at restaurants or refer this to the people to vote either for the adoption or rejection of a new ordinance.

Director Edwards questioned what she would suggest as a replacement, and Ms. Anable said she believes the volume in the restaurants will make up for it. She stated that in the last nine years, there has been a 25 percent increase in the tax revenue and 3-1/2 percent in the last year; and when Oaklawn expands, there will be more income.

Director Edwards pointed out that the City cannot continue to depend on Oaklawn.

Ms. Anable commented at the time this tax was proposed and sold to the people in Hot Springs, and they passed this tax, it was a tax that was said that 75 percent of it would be paid by the visitors, not by the citizens. She pointed out that the residents of the City and County carry the majority of that tax.

Mayor Bush said he disagreed.

Director Daniel questioned if the lodging and food tax can legally be separated. He asked how she thought the growth of Hot Springs came about, and Ms. Anable said it was from all of the things that are available for people to do here. Director Daniel questioned how people found out about these things, and Ms. Anable stated that outside of the "Big 3" that do their advertising with CJRW, most of them have their individual websites. Director Daniel pointed out that Magic Springs did not have the CJRW until this year, and they had a different ad agency. He said regardless of who the ad agency was, she is talking about the \$6 or \$7 million budget, of which out of that is about \$2 million in advertising for the City of Hot Springs. He said that Ms. Anable also mentioned the National Park Service contributing and advised that they do not have an advertising budget. He added the Advertising and Promotion Commission advertises for the National Park so those people are not going to be able to advertise. He pointed out if there are no pictures of the National Park and there is nothing saying there is a national park here, he does not believe anybody is going to show up at the National Park. However, another concern he has is by him being a small businessman, he depends upon foot traffic that is brought here through the use of the Convention Center, Magic Springs, Oaklawn Park, and other entities. He expressed concern if this were to happen, who would replace those people so that when he sells something, he is going to collect the tax that is going to go for the Fire and Police. He stressed there is a special tax for that.

Ms. Anable said she believes they would be more well received and receive Hot Springs better if they were not taxed. Director Daniel pointed out that other towns such as Dallas, Memphis, and Las Vegas have a tax on lodging and restaurants. He

noted that it was not many years ago that Las Vegas said they would not have a tax and do not need a tax, but now they have a state sales tax and a city tax. He added that did not have an Advertising and Promotion Commission that was spending much money and was not advertising . However, they are now collecting a tax.

Ms. Anable commented they have curtailed theirs as of December 7, 2007 and cut it \$100,000. Director Daniel pointed out that \$100,000 in the scheme of things would be like Hot Springs cutting it \$100. He said if the City is going to take away from being able to advertise and bring in special events and do all of these things that has brought the City to where it is, he cannot imagine anyone wanting to propose something like this.

Director Maruthur said the first order of business before going any farther is to find out if this can be separated.

City Attorney Brian Albright advised he believed it could be and is something that the City would want to look at in more detail. He said Ms. Anable has brought up an interesting point that can be debated from all angles; and if the Board wants him to research and give an opinion, he will do that.

Mayor Bush stated he did not want to do that at the present time.

Director Maruthur pointed out this is addressing the tax that everyone pays on prepared food that is served within the City limits, not in the County. She said the point has been brought up that the burden of this food tax is on the people who live in the City.

Mayor Bush said that he disagreed.

Director Maruthur stated she would like to see the City Attorney clarify if there are other cities that have separated this from the hotel tax and after that is researched, to see what could be feasible without hurting the operation of the Advertising and Promotion Commission.

Mayor Bush commented that anyone who comes to Hot Springs pays that tax.

Director Maruthur stated that it is passed on to the food establishments, and there is an impact there.

City Attorney Brian Albright pointed out there are two entirely separate issues (1) whether or not it is legal to do so; and (2) the impact it would have on the Advertising and Promotion Commission and the operations, which is beyond his expertise. He stated that is something the Board will have to discuss with the Advertising and Promotion Commission and make a determination.

Mr. Steve Arrison, 219 Leigh Circle, Executive Director of Advertising and Promotion Commission, stated there are about 2.8 to 3 million visitors who come to Hot Springs, and this proposal is ridiculous. He pointed out Hot Springs is the No. 1 tourism destination in the State; it has the best facilities in the State; and it has more investment in jobs and capital investment in tourism than anyone else. He stressed that this proposal puts everything at risk. He noted the Commission is booking conventions, trade shows, sporting events, and concerts years into the future; and when their clients and potential clients hear about this proposal, they are going to think they are "crazy." He said it will be more difficult for them to book events and is concerned that they will have events cancelled. He advised that they are close to finishing re-carpeting of the facility, making roof repairs, and replacing sound systems. He also expressed concern about the staff hearing about this proposal and wondering if this time next year, they will have a job. He reported they have had over \$100 million invested in this community because of tourism, and this proposal jeopardizes all of that investment. He commented that the City Attorney can review this, but he does not believe the two can be separated. He noted that Director Maruthur's district has quite a few tourism businesses and employees and cannot imagine that they would think the Board would endanger their future. He urged the Board to put this aside and continue the growth the City is seeing, not only in tourism, but in real estate.

City Manager Kent Myers noted that the Board will approve the 2008 Budget tonight, which is a \$91 million budget. He added over 50 percent of the General Fund Budget and a large percentage of Police and Fire Fund Budgets depend on sales tax. He pointed out that Hot Springs is one of the few cities in the country that does not have a city property tax and is heavily dependent on sales tax. He stated the important point to note is that a large percentage of that sales tax comes from visitors; and once the City starts eroding that sales tax base, it will affect police services, fire services, planning, and parks. From the city government standpoint, he advised the Board to be very cautious going down this road.

Mr. Arrison mentioned that Branson might have reduced its Advertising and Promotion Tax but instead they passed a one percent city general sales tax on all goods and services sold within the city of Branson.

Director Maruthur said that she takes exception with the fact that he refers to a tax on food, the consideration of it, as “crazy.” She pointed out that she can do without such items as a new purse; but with the price of gasoline, if she cannot afford to go somewhere to buy prepared food or to go out to eat once in a while, would she have to travel to the County. She emphasized that she is not saying she is for or against it, but Mr. Arrison stated he was surprised that she would even consider looking into it. She stressed this discussion is about food, and people cannot do without food.

Mr. Arrison pointed out that people can go to the grocery store and do not have to go to a restaurant. Director Maruthur commented there are many things in a grocery store that are considered prepared food now, and the people who can least afford to get the prepared food are those with low incomes and maybe they cannot go to a restaurant. She said she did not believe looking into a food tax is “crazy,” but it might not be feasible and maybe the Board should consider something else. She noted that she is personally not looking to hurt the Civic Center or the Convention Auditorium.

Mr. Arrison commented this proposal will hurt the entire tourism economy of Hot Springs. Director Maruthur said that she did not know, and first of all the Board needs to find out if it is legal.

Mayor Bush pointed out that Mr. Arrison works in that area and is advising that it will.

Director Maruthur said somebody brought this issue up, and she believes that it should be reviewed. She stated she is not suggesting that the Board do it but does not believe it is “crazy” for somebody to look into it.

Director Edwards asked what it would be replaced with, and Mayor Bush said that he cannot answer that and has not heard anyone say anything about replacement.

There being no further discussion, Mayor Bush called for the next order of business.

## **14 Proposed Resolution No. R-07-297**

A resolution entitled, “A RESOLUTION APPROVING AN APPLICATION FROM JUDY ROUSE, D.B.A. SELECT CHARTERS, INC., FOR A CHARTER AND SIGHTSEEING SERVICE OPERATING PERMIT,” was taken from the agenda and read by title only.

A motion was made by Director Edwards, duly seconded by Director Maruthur, that the resolution be adopted as read.

Upon discussion, Mr. David Rouse, 200 Rolling Trail, said that he is requesting approval for an application for charter and sightseeing operating permit.

Director Smith asked where he would be operating, and Mr. Rouse said that he has limited routes chosen at this time. He plans on doing business from the hotels, but he has not done any advertising at this time until he receives his permit.

Director Edwards questioned how long he has been in the sightseeing business, and Mr. Rouse stated that he, his wife, and son combined have been in the business approximately 3½ years, but he has been in transportation for sometime. He added it will be a small, family-operated business.

Mayor Bush then called for a vote on the motion to adopt; and upon roll call, the following voted “aye”: Directors Maruthur, Jones, Smith, Weatherford, Edwards, Daniel, and Bush, total 7; motion unanimously carried. Whereupon the resolution was declared adopted.

## **15 Proposed Resolution No. R-07-298**

A resolution entitled, “A RESOLUTION APPROVING AN APPLICATION LIST AS REQUESTED BY THE FEDERAL HOME LOAN BANK OF DALLAS SUBMITTED BY BANK OF THE OZARKS TO BE TAKEN OUT OF SEQUENCE FROM THE ORIGINAL CDBG APPLICANT LISTS,” was taken from the agenda and read by title only.

A motion was made by Director Smith, duly seconded by Director Jones, that the resolution be adopted as read.

Upon discussion, Ms. Kathy Sellman, Planning and Development Director, advised this is a request to approve a resolution that would create a qualified Affordable Housing Program (AHP) applicants list by taking applicants to the Community Development Block Grant, single-family, owner-occupied housing rehabilitation program out of the sequence in which they applied for approval for these funds. She stated the purpose of this unusual request is to extend the Federal Home Loan Bank’s Affordable

Housing Program to the City of Hot Springs for one year, and this is a program that in 2006 granted up to \$100,000 in matching funds that could be used \$5,000 at a time as match against individual Community Development Block Grant housing rehabilitation projects. She advised that the individual applicants in this particular program have to be very low income, which is a more stringent requirement than what HUD has for the Community Development Block Grant Rehab; and because of this, not all of the applicants meet the requirement. In addition to the very low-income requirement, applicants have to be either disabled or elderly. In the past year, the City has been successful in using this match money with only one of the housing rehabilitation recipients. She stated if the Board does not approve this resolution, Bank of the Ozarks, as administrator of this program, will rescind the opportunity to use this money by the City of Hot Springs, which will leave \$95,000 unspent by the City; and the residents of Hot Springs will not be able to benefit from this program. She reported that the Community Development Advisory Committee met last week in a special meeting; and on a vote of 3-2, recommended that the Board consider approving this resolution.

Director Maruthur asked how many people are on this committee, and Ms. Sellman advised there are seven. Director Maruthur pointed out there are people who have been waiting four years; and she understands how this process work, which is different than the other program that has been used. She noted this one requires being a senior and has a different threshold for the income, which is much lower. She commented that these people have to qualify; and then after that, the City goes to the next level, which would be assessing whether they qualify for the AHP (Affordable Housing Program). She said she has a problem with taking these out of sequence, pointing out there have been people on the list for four years. Director Maruthur questioned how many homes need to be done to keep this program and the money, and Ms. Sellman advised that the City needs to do 19 homes. Director Maruthur asked how many of the homes that have been waiting for four years meet the criteria, and Ms. Sellman advised that it is 12. Director Maruthur questioned if the City is going to do those 12 homes, and Ms. Sellman replied that the request before the Board tonight is do those 12 homes before doing the others because there is an opportunity to extend the funds that the City has by \$95,000 if it does that. She stated if the City does not, then the list will be taken in sequence; and the \$95,000 will go away.

Director Smith pointed out that either it is used or lose it, and Ms. Sellman replied that is correct. Director Smith added there is a time constraint, and that is a large basis for her request; and Ms. Sellman said that is the basis.

Director Maruthur stated when Mr. Nelson Self left (October 2006), there were 39 qualified applicants for CDBG funding. She questioned how many were assessed. Ms. Sellman replied that all of the applicants who were on the list that the City had at that time and who entered the list after that time have been assessed for their likely qualification for this particular program. Out of that number, there are 12. Of that number, approximately three or four were on the list at the time Mr. Self was here.

Mayor Bush questioned how many homes would be helped by what the Board is considering tonight, and Ms. Sellman advised there are 12 on the list that appear to qualify and that would be a minimum. If others come in during this upcoming year and the program is extended, it is possible that in addition, another seven would qualify.

Director Jones pointed out they do not have to be disabled or elderly and can be low-income, and Ms. Sellman replied that they must be very low income, which would be \$15,650 annual income for a household of one person. For two people, it would be \$20,100; for three people, it would be \$24,150.

City Manager Kent Myers added they have to meet low income and then they have to either be disabled or elderly.

Ms. Sellman pointed out that is where there is the difficulty because there are people who are very low income and people who are elderly and who are disabled. However, there are only 12 who meet two of the three, which is the requirement.

Director Maruthur stated that it was established at the agenda meeting that elderly is 55. She questioned if Ms. Sellman is telling her that of all the applicants between 39 and according to what she has heard, there was a new applicant that qualified for CDBG funding every week. She asked if that has changed. Ms. Sellman replied that it has not, but what has changed is that there has been a detailed qualification effort done to those names that have been on the list for a long period of time. She added approximately two dozen of those applicants have for a variety of reasons failed to qualify to actually participate in the program. She said there was a list formulated as people brought in a completed application, and the audit of the qualifying factors was not done until the time that the house came up on the list. Because of the Affordable Housing Program award to the City, the staff has taken a much closer look at those names that were on the list to see if they actually qualify or not. She noted many of the people on those lists for several years did not actually qualify for a program.

Director Maruthur said she called today and talked to Mr. Gerald Harman, CDBG Administrator, regarding the minutes of the CDAC meeting, which were not available in the Board packet or the list of the homes or the dates when they applied for funding in this program. She stated she would like to know what was in those minutes and is aware that two members dissented (Casey Jones and Charles Smith).

Director Jones asked if 12 people qualify right now, and Nos. 1, 2 and 3 who have been on the list for three years and qualify for the CDBG money will be overlooked; and the City will go to the 12 people. Ms. Sellman advised that the City will go to the 12 people first if the Board approves the resolution tonight.

Director Jones asked what happens to Nos. 1, 2 and 3, and Ms. Sellman advised that those names will come up as soon as the people who qualify for AHP are taken care of. She pointed out an important feature is that this will free up \$95,000 of Community Development Block Grant money because there are matching funds and do not have to spend that CDBG money. She mentioned there will probably be additional households benefitting from this.

Director Jones asked how much money is she going to spend per household, and Ms. Sellman advised that it will be capped at \$25,000, which is the current cap according to the policy. She stated \$20,000 would be Community Development Block Grant funds, and \$5,000 would come from the Affordable Housing Program as a match.

Director Maruthur questioned why Mr. Casey Jones, Chairman of CDAC, voted against this; and Mr. Jones, 133 Circle Drive, advised he had questioned how many houses need to be included to make viable and keep alive the affordable housing (1,2 or 3), and Mr. Harman said he was not for sure. Mr. Jones stated he wanted to keep alive the affordable housing project which adds an additional \$5,000, but he did not want to have 20 people come up next year and ask why they took 8, 9, or 10 people who have been presented an application three years after they did and then excluded them. He stated if they can take one or two of those houses and give a priority to the time being the earliest presented and still keep affordable housing alive and then take care of those people who have presented their application years before, that was what he was trying to do. He said he did not believe the City needs to take 8 or 12 potential homes and say it is going to put them in front of people who have been waiting around for four or five years; and that is why he voted against it.

Director Maruthur said according to Ms. Sellman, there are two different criteria. CDBG has a different criteria than the people who would qualify for the Affordable

Housing Program, and they have to either be disabled, 55 or older, or have an extremely low income, which is \$15,650. She questioned what Mr. Jones was suggesting.

Mr. Jones replied that the City receives \$400,000 a year in CDBG funds and \$100,000 for affordable housing. He stated it takes more to get into the Affordable housing. He questioned if they allow a \$100,000 project control a \$400,000 project or try to keep alive a \$100,000 project to pay the people for a \$400,000 project. He pointed out it is how many people does the City want to help or is just doing this to spend money. He commented to try to give everything into a \$100,000 project out of a \$400,000 project just does not make sense to him.

Director Maruthur said if there are not enough people in sequence as far as the applications to meet for the AHP, if is he suggesting sending the money back. Mr. Jones stated if the City can keep the affordable housing project alive with one or two applicants, then take the priorities out of those 12 that they were presented with and take the oldest.

Director Jones asked if he has found out how many homes need to be done in order to keep the housing program, and Mr. Gerald Harman advised the \$100,000 is based on what Mr. Self had done at \$50,000 a year. He said this is meant to be a two-year program, and he explained that the City does not have these funds. He added it is different from CDBG in that this money is only given to the City once the project that it applied for is approved by the Federal Home Loan Bank. In looking at \$5,000 a year, it was assumed by Mr. Nelson when this was set up that the City would do ten houses per year, which would be the \$50,000 per year and the \$100,000 over the two-year program.

Director Maruthur asked how many homes the City needs to do to keep this program, and Mr. Harman said when he talked to Marty North, it was as many as the City could get; but there is not a set number.

Director Smith pointed out there are only 12 qualified applicants, and Mr. Harman said that is correct. Director Smith added there is a limited pool of applicants with very little time left. Mr. Harman said even if the City did all 12, there is no way it could spend the rest of the money.

Mayor Bush then called for a vote on the motion to adopt; and upon roll call, the following voted "aye": Directors Smith, Weatherford, Edwards, Daniel, and Bush, total 5.

Voting “no”: Directors Maruthur and Jones, total 2; motion carried. Whereupon the resolution was declared adopted.

## **16** Proposed Ordinance No. O-07-105

An ordinance entitled, “AN ORDINANCE LEVYING A SUPPLEMENTAL ANNUAL ASSESSMENT FOR THE CENTRAL BUSINESS IMPROVEMENT DISTRICT NO. 2 OF THE CITY OF HOT SPRINGS FOR 2008,” was taken from the agenda for consideration.

A motion was made by Director Smith, duly seconded by Director Maruthur, that the rules be suspended and the ordinance be read for the first time by title only; and upon voice vote, the motion unanimously carried. The ordinance was then read for the first time by title only; and upon the question “Shall the ordinance be passed as read?” and upon motion of Director Smith, duly seconded by Director Jones, that the ordinance be passed as read; and upon roll call, the following voted “aye”: Directors Maruthur, Jones, Smith, Weatherford, Edwards, Daniel, and Bush, total 7; motion unanimously carried. Whereupon the ordinance was declared passed.

## **17** Proposed Ordinance No. O-07-106

An ordinance entitled, “AN ORDINANCE LEVYING A SUPPLEMENTAL ANNUAL ASSESSMENT FOR THE CENTRAL BUSINESS IMPROVEMENT DISTRICT NO. 3 OF THE CITY OF HOT SPRINGS FOR 2008,” was taken from the agenda for consideration.

A motion was made by Director Daniel, duly seconded by Director Edwards, that the rules be suspended and the ordinance be read for the first time by title only; and upon voice vote, the motion unanimously carried. The ordinance was then read for the first time by title only; and upon the question “Shall the ordinance be passed as read?” and upon motion of Director Smith, duly seconded by Director Edwards, that the ordinance be passed as read; and upon roll call, the following voted “aye”: Directors Maruthur, Jones, Smith, Weatherford, Edwards, Daniel, and Bush, total 7; motion unanimously carried. Whereupon the ordinance was declared passed.

## **18** Proposed Ordinance No. O-07-107

An ordinance entitled, "AN ORDINANCE ADJUSTING THE RE-ASSESSMENT OF THE VALUE OF THE BENEFITS TO BE RECEIVED BY THE OWNERS OF EACH OF THE SEVERAL LOTS, BLOCKS AND OTHER REAL PROPERTY WITHIN CENTRAL BUSINESS IMPROVEMENT DISTRICT NO. 3 OF THE CITY OF HOT SPRINGS, ARKANSAS; AND PROVIDING FOR THE COLLECTION OF THE BENEFITS IN ANNUAL INSTALLMENTS," was taken from the agenda for consideration.

A motion was made by Director Edwards, duly seconded by Director Jones, that the rules be suspended and the ordinance be read for the first time by title only; and upon voice vote, the motion unanimously carried. The ordinance was then read for the first time by title only; and upon the question "Shall the ordinance be passed as read?" and upon motion of Director Daniel, duly seconded by Director Edwards, that the ordinance be passed as read; and upon roll call, the following voted "aye": Directors Maruthur, Jones, Smith, Weatherford, Edwards, Daniel, and Bush, total 7; motion unanimously carried. Whereupon the ordinance was declared passed.

## **19 Proposed Ordinance No. O-07-108**

An ordinance entitled, "AN ORDINANCE AMENDING THE HOT SPRINGS SOLID WASTE ORDINANCE (ORDINANCE NO. 5400) BY REVISING THE SCHEDULE OF RATES AND CHARGES; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES," was taken from the agenda for consideration.

A motion was made by Director Weatherford, duly seconded by Director Maruthur, that the rules be suspended and the ordinance be read for the first time by title only; and upon voice vote, the motion unanimously carried. The ordinance was then read for the first time by title only; and upon the question "Shall the ordinance be passed as read?" and upon motion of Director Weatherford, duly seconded by Director Edwards, that the ordinance be passed as read.

Upon discussion, Sanitation Director Bill Burrough explained when the Solid Waste Ordinance was passed in 2005, the ordinance did not include a commercial rate increase for the 2008 and 2009 rate schedules. Since that time, fuel has risen, which has had a major effect on all of their other operating expenses and supplies. In order for the City to provide the same level of services in the coming years, it will need to pass a five percent increase on the commercial and roll-off hauls. He stated this will not be a five percent increase on any other rates during this ordinance, but it will be on commercial dumpsters and roll-off haul rates.

Director Edwards asked if the rates will increase \$1.00 per home regardless of the size of the container, and Mr. Burrough advised only if they use the 96-gallon container. He added when the City passed the 2005 rate schedule, it did not increase those 48-gallon cans, which most elderly citizens have, and those will remain the same. He noted the only increase will be on the 96-gallon containers, which is already in effect in the current ordinance.

Mr. Wayne Roberts, 515 Jerome, said he talked to Director Edwards tonight and his point was that there are many older people on a fixed income. He stated their increase this year was 2.3 percent from the federal government, and there are many people who do not make \$7.50 per hour. He stated if the City continues to raise this along with other things, he does not know how these people are going to make it. However, after explanation of the ordinance, that is not what he understood now. However, if it went the other way, he would be totally against it for them.

Mayor Bush then called for a vote on the motion to adopt; and upon roll call, the following voted "aye": Directors Maruthur, Jones, Smith, Weatherford, Edwards, Daniel, and Bush, total 7; motion unanimously carried. Whereupon the ordinance was declared passed. A motion was made by Director Daniel, duly seconded by Director Smith, that the emergency clause be passed; and upon roll call, the following voted "aye": Directors Jones, Smith, Weatherford, Edwards, Daniel, and Bush, total 6. Voting "no": Director Maruthur; motion carried. Whereupon the emergency clause was declared passed.

## **20 Proposed Ordinance No. O-07-109**

An ordinance entitled, "AN ORDINANCE AMENDING THE ZONING CODE OF THE CITY OF HOT SPRINGS, ARKANSAS, BY REZONING PROPERTY ON MALVERN AND GOLF LINKS FROM R-2, SUBURBAN RESIDENTIAL, TO R-3, LOW/MEDIUM DENSITY RESIDENTIAL, AND AMENDING THE 1997 COMPREHENSIVE PLAN FUTURE LAND USE MAP BY RECLASSIFYING CERTAIN REAL PROPERTY (ADJACENT TO MALVERN AVENUE AND GOLF LINKS)," was taken from the agenda for consideration.

A motion was made by Director Smith, duly seconded by Director Jones, that the rules be suspended and the ordinance be read for the first time by title only; and upon voice vote, the motion unanimously carried. The ordinance was then read for the first time by title only; and upon the question "Shall the ordinance be passed as read?" and

upon motion of Director Smith, duly seconded by Director Maruthur, that the ordinance be passed as read.

Upon discussion, Ms. Kathy Sellman, Planning and Development Director, advised that the applicant for this project is Mr. Jack McCray, representing Bank of the Ozarks, who he is seeking R-3, Residential Low Medium Density zoning for 43.78 acres on Malvern Avenue located north of its intersection with Golf Links and south of Country Club Drive. The land is zoned R-2 at this time, and the requested R-3 zoning will permit residential uses on smaller lots consistent with garden homes or other low maintenance resort and retirement high amenity golf course communities. The Planning Commission's recommendation on a vote of 6-0 is to approve the ordinance.

Mr. Jack McCray, 12615 Chenal Parkway, Little Rock, Arkansas, said that he is the developer and applicant and is present to answer any questions.

Mayor Bush asked how many homes is he referring to, and Mr. McRae said there will be around 130 residents in two phases.

Mayor Bush then called for a vote on the motion to adopt; and upon roll call, the following voted "aye": Directors Maruthur, Jones, Smith, Weatherford, Edwards, Daniel, and Bush, total 7; motion unanimously carried. Whereupon the ordinance was declared passed.

## **21 Proposed Ordinance No. O-07-110**

An ordinance entitled, "AN ORDINANCE ADOPTING A BUDGET FOR THE CITY OF HOT SPRINGS, ARKANSAS, FOR THE YEAR 2008; AND FOR OTHER PURPOSES," was taken from the agenda for consideration.

A motion was made by Director Daniel, duly seconded by Director Smith, that the rules be suspended and the ordinance be read for the first time by title only; and upon voice vote, the motion unanimously carried. The ordinance was then read for the first time by title only; and upon the question "Shall the ordinance be passed as read?" and upon motion of Director Daniel, duly seconded by Director Smith, that the ordinance be passed as read.

Upon discussion, Director Edwards questioned how \$50,000 is going to be taken out of street improvement; and City Manager Kent Myers explained that the City is increasing the street paving budget \$50,000 and took \$50,000 out of the Street Fund.

However, \$100,000 is budgeted in the Major Project Capital Fund; therefore, the net is an increase in the street paving for 2008 from \$450,000 to \$500,000.

City Manager Kent Myers advised that about 30 days ago, he presented a proposed budget to the Board and made a detailed presentation. Since that time, the Board has had two extended work sessions and identified 14 changes to the proposed budget that it wanted to include. Staff has also added a 15<sup>th</sup> change where the Board wanted to increase the amount of Board Reserve from \$25,000 to \$50,000, which has been added to the budget for adoption tonight. He stated the total budget is \$90,832,541, and the City will not be using as much Fund Balance as what it intended. As a result of the changes the Board has made over the last several weeks, this will actually decrease the use of Prior Year Funds by \$50,000.

He recognized Finance Director Dorethea Yates, Deputy City Manager Lance Hudnell, and Human Resources Director Minnie Lenox for their many hours in developing the budget.

Mr. Wayne Roberts, 515 Jerome, said he attended two budget work sessions; and on page 60 of the budget that was distributed to the Board, it shows a budget of expenses of \$87.5 million and revenues of \$86.8 million. He pointed out there has been talk many times about being a balanced budget, but it is still \$700,000 off. Also, yesterday the newspaper printed that the City is going to spend \$91 million as expense. He questioned if revenues increased by \$4.3 million; and if they did not, then the City does not have a balanced budget.

City Manager Kent Myers stressed that staff does not propose a budget to the Board unless it is balanced. He explained that it was balanced when it was proposed, and it is balanced tonight. He said the total expenses equal the total revenues, and the City will have to use Prior Year Funds in several of its accounts. Those are identified as General Fund, Parking Fund, Airport Fund, Sanitation Fund, and Wastewater Fund. He added the City does have excess revenues in Water Fund, Airport Grants Fund, and several others.

Mr. Roberts asked if page 60 of the budget has been amended in the book that was originally distributed, and City Manager Kent Myers replied that 14 changes were made, which added and deleted revenues to the budget. Mr. Roberts commended the Board for giving a pay increase to the employees but pointed out that four percent of \$100,000 is a lot more than four percent of \$30,000. He said the employees on the low end of the scale need to be raised because prices are increasing. He commended the

Board for adding more police officers and for allocating money to the Drug Task Force. He pointed out that 85 percent of their problems are in the City, not in the County and wished the City had given them more money.

Director Maruthur pointed out there are items that have been deleted from the budget and some items have been funded. She said she wanted to make it clear before voting tonight because she was told at 3:30 today one item she thought for sure had been taken out of the budget was in the budget. Regarding paramedics, she stated the incentive program takes 1½ to 2 years to become a paramedic, and they will be given a ten percent increase to their base pay, which brings them to another level. She asked if that was correct.

City Manager Kent Myers advised that the paramedic pay plan is included in the budget and does include a ten percent increase.

Director Maruthur commented that the EMT is a 40-hour course, and they are being increased from \$50 to \$100; but the request was for \$150. She stated there are 63 firefighters, but the City is going to fund them at \$100, and City Manager Kent Myers stated that is included in the budget scheduled for adoption tonight.

Director Maruthur said in regard to the paving program, \$50,000 was switched around and taken out of the General Fund and went to the Major Project Fund. City Manager Kent Myers advised that it was Fleet Fund, which is General Fund supported. Director Maruthur said that one of the problems she had was when the Board had its work session on the December 11. Deputy City Manager Lance Hudnell did an excellent job with the graphics; but there was no printout causing some confusion with several of the Directors. She pointed out there is a Major Projects Fund, which is the surplus from the Civic Center bonds that were paid off. She said in referencing major projects, this concerns the surplus from the Civic Center, and the General Fund is the General Fund so the City has switched the paving program from one to the other in an effort to balance the budget. She pointed out that the telephone system was deleted because the City could not afford it to balance the budget. Also, there was a decision not to fund the emergency storm warning system, and she understands that it is going to come from the new fee from the stormwater, and \$100,000 is going to be placed in there. City Manager Kent Myers explained that is where it was always proposed and was never proposed as a General Fund expense this year.

Director Maruthur commented she is not concerned where it comes from as long as it is funded. Regarding Board travel, she said the City has a Drug Task Force and

the request was for \$50,000 because no governmental funds could be used in a Drug Task Force to do some of the things they have to do to make purchases.

City Attorney Brian Albright explained that the money she is talking about coming from the City is local governmental money. He explained they cannot use taxpayers' money to make controlled buys, and those controlled buys have to be made with confiscated funds. He stated the money that the City allocated to DTF through its budget cannot be used for controlled buys either.

Director Maruthur said that she will re-phrase her statement by saying the City cannot use any taxpayers' funds to help the Drug Task Force, which is a critical service.

City Attorney Brian Albright commented that he is not saying that but is saying that the City cannot use it to make controlled buys. He stressed that he is not suggesting that the City cannot help the Drug Task Force.

Director Maruthur pointed out that the Landlord Association gave \$2,000, a private individual gave \$5,000, another private individual gave \$1,000, and then Oaklawn gave \$2,000, and the City's proposed contribution is \$30,000. However, the request was for \$50,000. She suggested that the City place a one-year moratorium on Board travel, which comes out to \$18,500, and that would be a total of \$48,500, which would be a major impact to the Drug Task Force. She said that she mentioned this at a work session and asked if there was any support.

Director Jones commented that she did not think the Directors should separate themselves from the Arkansas Municipal League.

Director Smith pointed out that in years past, no dollars were committed to the Drug Task Force; and this is the first year the City has appropriated money. He said the City went from zero to \$30,000, which matches the County's contribution.

Director Maruthur mentioned that most of the problems occur in the City and what the City did in the past is not an issue. She commented if the City did not fund something, does not mean it should not do it now.

There was no support for a moratorium on Board travel for one year.

Director Maruthur said another issue is that the City is going to spend \$75,000 out of the Utilities Fund for another water/wastewater study, and this has to do with

assessing whether the City needs to raise rates. She stated she wants the public to be aware that the City is looking at another rate study, which could result in an increase in rates. After that, there is a new fee for the stormwater. She mentioned the City was notified in November 2005 and is going into Phase I, which should be completed in May 2009. She commented there is a long time to begin this process, and the City is doing it now. Also, the City is looking at a new fee for sanitation, which is five percent for commercial; and as of January 1, 2008, there is \$1 for residential. Regarding the travel signal synchronization, she pointed out the City hired professional traffic consultants (TEC) out of Oklahoma, and they are wanting to synchronize all of the signals. However, that has been put on hold until the City has thoroughly examined the repairs and maintenance that are needed for its different municipal buildings. She stated that is another thing the citizens should be aware of because this is a public safety issue, and it is \$2,000. She added there will be five new police officers at midyear, and the City is going to fill a new position in Planning and Development for \$41,171. Also, there is a vacancy in Code Compliance, and she was very disturbed at the work session because there had been a major discussion about not filling this position, which is for \$35,000. She noted that City Manager Kent Myers had proposed that the City do a sidewalk and curb program, which she appreciated. However, today, she was told that it was in the budget, and she was under the impression at the work session that it had been taken out of the budget, which was in the amount of \$50,000. City Manager Kent Myers advised that it is still in the budget. He added that Deputy City Manager Lance Hudnell had recorded every change the Board recommended at that budget work session. Director Maruthur replied that she probably mis-heard it. She said would like to take \$20,000 from the sidewalks and apply it to the Drug Task Force since the Board is unwilling to cut travel for one year. Mayor Bush asked if there was any support; however, there was no support.

Director Maruthur said she spoke to Finance Director Dorethea Yates today and asked for an explanation of the following: The City has bills which are called expenses, and then there is the revenue. She stated that she understands what fixed bills are and projected expenses, which is why the City has reserves. She commented at the end of the work session, Finance Director Dorethea Yates told the Board that the City's reserves had dropped to \$3,898,552 because the City is spending more than it is taking in and revenues had not increased. She stressed this is something the Board needs to consider in the future. Also, there was a lengthy discussion about the firefighters' retirement fund; and according to the reserves, at the end of the calendar year of 2008, there will be zero in the reserves for the Police and Fire, which is not good. Regarding the expenses for 2007, she stated there are very specific funds and grants the City has to match, and other things that arise. She added that many of them are either things that

the Board voted on in midyear that were not budgeted for or things the Board had to do because they came up. She pointed out the City spent \$87,234,174 in the calendar year; and in 2008, the projected expenses, taking out the \$1.7 million, is \$21,248,384. She noted that the revenue has changed, and she would like an explanation of this because it does not seem to add up; but apparently somehow it does. She commented what she has on paper really does not add up, and it appears that the City is spending more than it is taking in. She added that the projected expense for 2008 is \$90 million, and the revenue is \$86 million.

Finance Director Dorethea Yates explained that the budget before the Board tonight has revenue projected at \$90,522,000; expense projected at \$90,832,000. Therefore, the City is spending in the year it is budgeting to spend \$310,467 more expense than it does have revenue.

Director Maruthur mentioned according to what she said, the revenue seems to be going down; and Ms. Yates advised that the revenue is not going down. She explained the revenue is just not going up at the same rate as expenditures are increasing. She pointed out that the numbers she is looking at include all of the utilities, and every fund they are talking about. She mentioned there has been a rate increase for utilities; the General Fund sales tax has had a positive growth rate in the last four years; and revenues continue to go up. However, they are just not going up at the same rate as expenses are.

Director Maruthur commented they are not meeting what the City's bills are, and Ms. Yates said that is correct. Director Maruthur said after the work session, she was going to plug in new numbers according to what the Board approved or deleted; and she just wanted to make sure that what she had was correct.

Finance Director Dorethea Yates said that her intent at the work session was to express her concern over the direction that reserves are going.

Director Maruthur commended Ms. Yates on her job and for the work that she and Human Resources Director Minnie Lenox did.

Director Edwards asked that the Board consider the Traffic Department. He said today they had the highest paid technicians putting up signs that had been knocked down. He had asked them if that was their regular job, and they replied that normally they would be inside. He stated he talked to Eugene Castleberry, and they definitely need two men to put up signs that have been knocked down.

City Manager Kent Myers stated that suggestion came up at the work session; and Mr. Steve Mallett, Public Works Director, had mentioned the City is in the process of hiring a new Traffic Services Superintendent. He said they are going to start the interviews after the first of the year, and there is one position vacant. He stated Mr. Mallett felt with the right individual in that position, the City would make a lot of deficiency improvements in that department to be able to provide more sign maintenance than what they are doing right now. He told the Board there could be some changes in the way that operation is handled and put more people on the street repairing signs. He pointed out that Eugene Castleberry will be freed up; and at the present time, he is doing a lot of the administrative tasks. When the new person is hired, he will be taking over the paperwork and some of the administrative tasks. He explained the City is looking at some efficiency improvements within that department that will increase the sign maintenance responsibilities.

Director Maruthur said before the budget work sessions ever started, she made a telephone call to City Manager Kent Myers and expressed the exact same concern. She stated she has been hearing that they are unable to do any type of maintenance at all, including removal of mud from signs where people cannot see the name of the street to general painting, which is a curb appeal issue for the tourists and people who are considering relocating to Hot Springs. She mentioned that she was told that they do need two individuals, but now she is hearing the City is going to get one new individual to run the department. She commented that she heard the same thing that Director Edwards heard and is going to continue to call in the signs that really need repairs. She stressed this is a public safety issue; and at the present time, her understanding is that they are overwhelmed and not able to address it. She questioned when this new person will be hired, and Ms. Minnie Lenox, Human Resources Director, advised that plans are to start interviewing the first week after the holidays in January and will take from six to eight weeks for an individual to be hired.

Director Maruthur commented that maybe at midyear, the City can fund a person. She pointed out that Public Works Director Steve Mallett expressed a need at the work session for somebody to be hired for this maintenance.

City Manager Kent Myers stated the result of this entire discussion is that sign maintenance will be a high priority; and staff understands from the Board's comments that it wants them to focus more on sign maintenance. Therefore, staff will give that a higher priority over the next several months. He added that the Board will probably see some results; and if not, it can be discussed again at midyear.

Director Daniel said he agreed on several points that Director Maruthur mentioned and does not think there is anyone on the Board who does not want to see the Drug Task Force be raised; but it all comes down to finances. He pointed out she mentioned the Board travel, and the time he and Director Jones went to Washington, DC, was when they were getting ready to cut out the CDBG. He pointed out he is aware that is important to Director Maruthur; and if they had not attended that meeting, CDBG would have been cut; and that is \$400,000 of which most of that money goes to Director Maruthur's and Director Jones' districts. He mentioned that is the one opportunity the Directors have to go to the representative's office and sit down one-on-one. He stressed that the City needs to have representation at those meetings. Regarding the Drug Task Force, he said the Board can look at it at midyear, and the City is giving them \$30,000 that they have not had before. He expressed concern with the idea of coming up with these things that the City did not fund and taking away public safety and the sidewalks. However, one of the first presentations under New Business was a negative issue about finding a way to take away money from the general sales tax, which is the ½ cent that goes to fund the Fire and Police and then the general sales tax received to operate the city. He commented that Mr. Wayne Roberts brought several things to the Board's attention, and they are all valid points. However, if the Board tries to find ways to cut money and if there is a shortfall somewhere along the line, the City is going to be in serious trouble so it has to find ways to get money. He mentioned somewhere along the line, there is going to have to be a sales tax increase or property tax or millage to offset money the City is going to be losing if that were to come about. He said that he believes the budget is a good budget, but it is not exactly perfect. These things that Director Maruthur brought up, while they are all well and good, if the money is not there, \$18,000 is not going to solve all of the things she came up with. He noted she gave a list of several hundred thousand dollars worth of issues. He suggested that the Board go with what it has and make it work; and at midyear, the Board can look and see what it did right and wrong and go from there.

Director Maruthur pointed out that the City has been collecting a lot of dollars and needs to use some common sense. She said that she hears about this all of the time and questioned why the Board is not prioritizing what is really needed in the City. She emphasized that she takes exception with the travel. Also, there is technology for the communications with fax machines and e-mails. She stated the City has higher level state and federal representatives that do have scheduled visits to Hot Springs. She reported she had lunch with Congressman Ross when he was in town, but then several Directors went to see him elsewhere. She noted that she is not saying there is anything wrong with the Arkansas Municipal League or the League of Cities, and she has no

problem with it. She said she is talking about what the City is bringing in and its spending. She mentioned the revenues are flat, and the spending goes up. She added that energy is going up, and many people cut back on travel, even local travel because of gasoline prices. She stated one of the things that Director Jones and she voted against was the way the benefits were applied for the employees' raises. She commented the bonus will not go toward the retirement, and some of the bonuses could be spent before the year ends. She said she had proposed a merit pay, plus a higher COLA; but Director Daniel is suggesting that she wants to cut back on things. She stressed that she is wanting to look at what the City does not need. She commented that she is going to get some more numbers and get a thorough breakdown from 2004 until now and very specific things that could be cut out, pointing out it is common sense.

Director Daniel pointed out that Ms. Yates has said this has been going on and the pattern has been there and has been here long before he came.

Director Maruthur said that he does not need to blame her for his vote. Director Daniel replied that he was not blaming her for his vote and asked what her vote was before; and Director Maruthur said that it is pretty consistent.

Director Edwards reported he receives questions from citizens about the criteria of the employees driving City vehicles home, and that is one issue the Board needs to review.

Mayor Bush then called for a vote on the motion to adopt; and upon roll call, the following voted "aye": Directors Maruthur, Jones, Smith, Weatherford, Edwards, Daniel, and Bush, total 7; motion unanimously carried. Whereupon the ordinance was declared passed.

## **OTHER BUSINESS**

### **22 Board of Directors Items**

Director Edwards reported that the Board was invited to the Policemen's Dinner, which was outstanding. He and Director Steve Smith attended and expressed appreciation to the Police Department for the invitation.

Director Jones reported that the Dr. Martin Luther King, Jr. Breakfast will be held on January 21, and the tickets are \$25.

Director Maruthur announced that several days ago there was an article in the newspaper, "Walk Through History" featuring Mr. Jerry Jones, Ms. Jean Wallace, and Mr. Pancho Rowe. This was concerning the Greenway, and there is now available a six-part video series on the American Indian and Pioneer History, narrated by late Historian Marcus Phillips. Individuals may call the Historical Society, 321-2159 and can purchase a DVD for \$10 or the entire series for \$50. The money goes to the archives in the Parks and Recreation Department to help defray project costs. She expressed appreciation to the Hot Springs Women of Prayer for their cards.

Mayor Bush announced that Director Maruthur will be the Assistant Mayor from January 1, 2008 through June 2008.

## **23 City Manager's Report**

City Manager Kent Myers gave the following report:

1. The Board adopted a Board Meeting Schedule as part of the Consent Agenda. The next regular Board Meeting will be on Monday, January 7. The agenda meeting will be held on Wednesday, January 2, since January 1 is a holiday. There are several months that have five Mondays; and when there is a fifth Monday, a work session is scheduled. One is scheduled for Monday, March 31 and Monday, June 30.

2. Positive comments have been received about several different employees and departments. There was a Letter to the Editor regarding Animal Services from Jennifer and Lewis Clement expressing appreciation to Dan Bugg, Andra Burns, Charmin Price, and the rest of the staff for their professional efforts in helping their neighborhood deal with a difficult situation with aggressive pitbulls. Positive comments have been received regarding an employee the City hired six months (Larry Merriman, Project Coordinator in the Utilities Department). Rave reviews have been received from developers, property owners, contractors, etc.; and the most recent came from Gilliam Electric that he was the best person to work with in the entire City. Positive notes have been received from Ms. Edith Small, thanking Sanitation Director Bill Burrough and John Williams in the Sanitation Department for helping with some sanitation issues. A positive comment was received from Mr. Ned Skoog regarding the downtown Christmas decorations and all of the downtown work, such as the new crosswalks and the streetscape. Today, he received a letter from the Arkansas Midland Railroad thanking the City for its assistance with the Santa Train. It identifies Mr. Bob Reddish and his staff at the Transportation

Depot who went out of their way to help them as they made the move back to their original home at the Transportation Depot.

## **24 ADJOURNMENT**

There being no further business to come before the Board, the meeting adjourned at 9:00 p.m., to meet again on Monday, January 7, 2008, at 7:00 p.m.

ATTEST: \_\_\_\_\_

APPROVED: \_\_\_\_\_

Lance Hudnell, City Clerk

Mike

Bush,

Mayor