

MINUTES

BOARD OF DIRECTORS MEETING

FEBRUARY 20, 2007, AT 7:00 P.M.

The regular meeting of the Board of Directors was held on Tuesday, February 20, 2007, at 7:00 p.m., Board Chambers, City Hall, with Mayor Mike Bush presiding.

The invocation was given by Mr. Terry Holstine, 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 Edwards, duly seconded by Director Daniel, that the agenda be approved; and upon voice vote, the motion unanimously carried.

3 Approval of Minutes of February 5, 2007 Board Meeting

A motion was made by Director Edwards, duly seconded by Director Jones, that the minutes of the February 5, 2007 Board Meeting be approved; and upon voice vote, the motion unanimously carried.

4 Recognition of Guests

No guests were present for recognition.

CONSENT AGENDA

The Consent Agenda consisted of the following:

- 5 Public Safety Report** (February 7, 2007).
- 6 Proposed Resolution No. R-07-36** Approving Certain Bid Awards (a) Stator Rewind Services - Utilities [annual supply contract awarded to Lynn's Electric]; (b) Road/Street Boring Service - Utilities and Public Works [annual supply contract awarded to Coakley Company]; (c) Sale of Two Trucks - Sanitation [Jim Bill Disposal]; (d) Seals and Bearings - Utilities [annual supply contract awarded to Triplex and Applied Industrial Tech]; (e) 3/4 ton pickup - Utilities Lift Station [awarded to Landers Ford in the amount of \$16,192.70]; and (f) Two Ford Ranger Vehicles - Utility Administration [awarded to Landers Ford in the amount of \$23,507].
- 7 Proposed Resolution No. R-07-37** Awarding a Contract to Grimes Consulting Engineers, Inc. for Engineering Service for Various Projects at the Airport.
- 8 Proposed Resolution No. R-07-38** Approving Certain Street Names in Forest Lakes Garden Homes and Condos Subdivision (Forest Lakes Boulevard, Willowbend Circle, Hidden Fox Street, Old Hickory Street, Peach Blossom Street, Sand Pebble Street and White Willow Street).
- 9 Proposed Resolution No. R-07-39** Adopting a Revised 2007 Sanitation Fund Expense Budget.
- 10 Proposed Resolution No. R-07-40** Returning the Statue Previously Donated by Mr. Barry Emigh.
- 11 Proposed Resolution No. R-07-41** Approving Change Order No. 1 to the Contract with United Fence and Construction Company for Adams Street Complex Gate Replacement.

12 Proposed Resolution No. R-07-42 Appointing Gary Threadgill and Lauri Ames to the Planning Commission.

A motion was made by Director Daniel, duly seconded by Director Weatherford, 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.

UNFINISHED BUSINESS

13 Special Public Safety Report Regarding Loading and Unloading of Sightseeing Vehicles on Exchange Street

A motion was made by Director Smith, duly seconded by Director Edwards, to approve the Special Public Safety Report regarding loading and unloading of sightseeing vehicles on Exchange Street.

Upon discussion, Mr. Don Roberts, 418 Central, asked that the Board consider allowing him to load and unload on Exchange Street. He noted the White and Yellow Sightseeing Ducks used this area when they were in business, and he has done it for 16 years. He stated he will do most of the loading and unloading on Central Avenue, and the only time he unloads on Exchange is when it is busy; due to congestion, it takes him 30 minutes to get through the downtown area.

Ms. Terry Miller, 121 Exchange Street, pointed out this is where the Ducks now park on Exchange Street. She commented she is not against the ducks being able to load and unload downtown but would like for the guests at her bed and breakfast to have the same privilege. However, that cannot happen now with the ducks parked there because people cannot see her building; and she would like the same consideration as Mr. Roberts.

Director Edwards asked how long she has resided at that address, and Ms. Miller said it has been since May 2004.

Mr. David Seaman, 410 Central, said he is agreement with allowing the ducks to load and unload downtown; and from his experience, 30 or 40 people unloading at one time helps any business downtown.

Director Maruthur questioned why no cost estimates were calculated on Option No. 2, which was to cut into the sidewalk on the south side of Exchange. Deputy City Manager Lance Hudnell explained that he and Mr. Denny McPhate, Engineering Supervisor, measured; and it was not feasible to do that, pointing out without purchasing the parking lot, there was not enough room to cut out the sidewalk and still have sufficient sidewalk required by ADA to park the ducks and have a sidewalk unless they cut into the parking deck side.

Mayor Bush asked if there were any concerns regarding the five options, noting the request is to load and unload on Exchange Street.

Director Maruthur asked if Mr. Roberts was aware of the five options, and Mr. Roberts said that he was not. Director Maruthur then read the following options:

Option One. Grant request of Don Roberts for loading and unloading a currently designated space on Exchange. This is essentially no change from current conditions with the exception of the loading of passengers. No additional costs required.

Option Two. Relocate “duck” spaces just south of the parking deck crosswalk by reconfiguring the sidewalk. After investigation, this option is not feasible due to narrow width of street and sidewalk at this location. The possibility of moving the spaces a few feet south was also explored but, again, the street is too narrow to accommodate northbound traffic safely. No cost estimates were calculated since this option was not feasible.

Option Three. Make the current two-way section of Exchange Street from the parking deck south to Court Street one-way and utilize the current northbound lane for loading zones and sightseeing vehicle staging. This would require some street striping and sign installation, but the cost would be minimal. This option would inconvenience southbound vehicles leaving the parking deck, adjacent apartment building and bank parking lot.

Option Four. Purchase the private parking lot just south of the pedestrian way and convert to a sightseeing staging area and driveway from Central Avenue to the parking plaza. This would permit the removal of all sightseeing vehicle parking from both Central Avenue and Exchange Street. The cost would probably exceed \$200,000 for property acquisition and loading ramp and street construction if the current owner was willing to sell the property.

Option Five. Remove the sightseeing staging area on Exchange Street and require all operators to stage in private parking lots and/or at Transportation Plaza at no cost to the City.

Director Smith asked if there was a compromise that Ms. Miller and Mr. Roberts could work out sharing those spaces, and Ms. Miller said she did not have a problem with that except she continues to receive tickets if she parks there. She stated if she had some way of letting her guests stay there long enough to load and unload or if she needs to load and unload groceries, that would be fine. However, at this point, that is not allowed.

Director Smith asked if Mr. Roberts would be opposed to that, and Mr. Roberts said that he would not. However, he mentioned he is not the only one who uses those spaces, such as Outdoor Adventure Tours and any other sightseeing company. He suggested taking the space in front of them and making it a 30-minute loading zone as it is on the other end of the block, which would solve the problem for Ms. Miller and Mr. Seaman, or issue them a sightseeing permit and let them park there as necessary.

Mr. Seaman also suggested removing all of the parking meters off Exchange Street and designating it as loading zones and sightseeing to accommodate all of the businesses. Mayor Bush pointed out the City cannot do that without doing it for all of the businesses on Central Avenue. Mr. Seaman commented there is two-hour parking on Central Avenue; but on Exchange Street, there are parking meters. Mayor Bush said that he did not think it was feasible to remove the parking meters on Central Avenue.

City Manager Kent Myers suggested that the Board consider tabling action tonight and allow staff time to notify the other businesses along that area. He noted if the City is going to expand that to include adding loading zones in that area, it needs to notify all the businesses along that area before proceeding in that direction.

Mr. Seaman commented that he has a restaurant on Exchange Street also.

Director Maruthur pointed out the only problem with making them all loading zones would be if someone were to go to his restaurant, they would have to be in and out in 30 minutes. Mr. Seaman pointed out the parking deck is available in this area.

A motion was made by Director Maruthur, duly seconded by Director Smith, to make a loading zone north of where the sightseeing is located (the first space in front of

the iron gate). She stated that Ms. Miller could allow her customers to load and unload. Mr. Seaman commented it is his understanding that would be acceptable to everyone.

Mayor Bush then called for a vote on the motion; and upon roll call, the following voted "aye": Directors Maruthur and Smith, total 2. Voting "no": Directors Jones, Weatherford, Edwards, Daniel, and Bush, total 5; motion failed.

A motion was made by Director Smith to approve Option 1 of the Special Public Safety Report. There being no second, the motion died for lack of a second.

There being no further discussion on this item, Mayor Bush called for the next item of business.

Prior to consider of New Business items, Mayor Bush announced that a Memorandum regarding a proposal for real estate professional appraisal services concerning the appraisal of 115 Market Street (land only) had been received from Mr. Frank Manzer and will be added at the end of New Business.

There was a deviation from the agenda, and the next order of business was Item 19.

NEW BUSINESS

19 Proposed Resolution R-07-45

A resolution entitled, "A RESOLUTION AMENDING THE 1997 COMPREHENSIVE PLAN FUTURE LAND USE MAP BY RECLASSIFYING CERTAIN REAL PROPERTY AT 247 GOLF LINKS ROAD," was taken from the agenda and read by title only.

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

Upon discussion, Ms. Kathy Sellman, Planning and Development Director, explained this is to change from Residential Medium/High Density to Neighborhood Commercial; and the applicant seeks to operate a business at that location in an existing home, which is for a leather goods and saddle and bridle business. She advised that the Planning Commission recommends approval, but staff recommendation is for denial.

Director Maruthur commented that the applicant wants to open a shoe repair store, and the neighbors did not have a problem with it. She stated he also has a tack repair shop for Oaklawn, and Mr. Nolan Stockton is the owner.

Mayor Bush questioned why staff denied it, and Ms. Sellman advised that staff's recommendation to deny was based upon the existing character of the neighborhood being residential; although, it is adjacent to commercial, it is still a viable residential area.

Director Maruthur said she spoke to the applicant on the telephone; and he is going to live there, do the shoe repair, and continue his work for Oaklawn Park. She added there were not any neighbors in the area opposed to this.

Mayor Bush then called for a vote on the motion to adopt; and upon roll call, the following voted "aye": Directors Maruthur, Jones, Smith, and Edwards, total 4. Voting "no": Directors Weatherford, Daniel, and Bush, total 3; motion carried. Whereupon the resolution was declared adopted.

20 Proposed Ordinance No. O-07-24

An ordinance entitled, "AN ORDINANCE AMENDING THE ZONING CODE OF THE CITY OF HOT SPRINGS, ARKANSAS, BY REZONING 247 GOLF LINKS ROAD FROM R-4, RESIDENTIAL MEDIUM HIGH TO C-TR, COMMERCIAL TRANSITIONAL, was taken from the agenda for consideration.

A motion was made by Director Jones, 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 Edwards, duly seconded by Director Jones, that the ordinance be passed as read.

Upon discussion, Ms. Kathy Sellman, Planning and Development Director, stated the Planning Commission's recommendation after the February 8 hearing was for approval; and staff's recommendation was for denial.

Mayor Bush then called for a vote on the motion to adopt; and upon roll call, the following voted "aye": Directors Maruthur, Jones, Smith, and Edwards, total 4. Voting

“no”: Directors Weatherford, Daniel, and Bush, total 3; motion carried. Whereupon the ordinance was declared passed.

14 Proposed Resolution No. R-07-43

A resolution entitled, “A RESOLUTION ACCEPTING A STORMWATER DRAINAGE SYSTEM LOCATED AT 321 PENINSULA DRIVE FOR PERPETUAL MAINTENANCE, SUBJECT TO CERTAIN CONDITIONS” was taken from the agenda and read by title only.

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

Upon discussion, Mr. Steve Mallett, Public Works Director, explained this is a request from Ms. Sidney Dye for the City to approve providing labor and equipment for repairs to a drainage system at her residence at 321 Peninsula Drive. The City's estimate is \$18,440 in labor and materials, and the City would also agree to accept responsibility for maintenance of the drainage system. According to the resolution, the property owner agrees to provide materials for the drainage system repair in the amount of \$2,970 and a permanent drainage maintenance easement for the City to maintain it. He reported that Ms. Dye followed all of the ordinance as far as how she requested this work to be done. He stated this is a common drainage that serves more than just Ms. Dye's property and also serves the area around her. Staff has met on site with her, and several of the neighbors who have the same concerns that the drainage system is failing and is creating problems for her. He said there has been some development around her property that also goes through this that is not of her doing and creates a problem in her yard. Therefore, staff recommends repairing the drainage system provided Ms. Dye pays for the materials.

Ms. Sidney Dye, 231 Peninsula Drive, said she has always had water drain from each side of her residence and across the street; but the small drains that were installed when the house was built (1973) are not sufficient to carry the drain water since Bay Ridge turned theirs to drain on the south side instead of the north side. Also, many trees were cleared to accommodate all of the new residential homes; and the new homes being built in the area have placed a stress on her junction that drains the water from the left and right of her and across the road into her yard, as well as across the road from Bay Ridge into Mr. Fisher's pipe and into her junction to the lake. She said her pipe would not carry the amount of water that was running into the lake; therefore, it blew out her seawall in April. However, she did not know the seriousness of the damage

until the draw-down in November. Because there was no city maintenance and no culverts installed by the City to accommodate the drainage, she said it filled up her grinder pump, which has caused a serious problem in her yard and ran down her drive and into the lake. She requested that the City assist her with her problem.

Director Daniel reported he has made two trips to this location, and there needs to be some action taken by the City. He said he believes Ms. Dye is a victim of circumstance in City growth and urged the City to help her.

Director Smith asked if there is a chance there will be any more construction in this area, and Public Works Director Steve Mallett advised that the City has the stormwater program in effect at the present time, which keeps off-side drainage limited to what they were predevelopment. As far as additional water coming off the side, he said it will not be any worse than it is at the present time.

Director Smith said he wanted assurance if the City goes ahead and does this, it will be able to handle it if there is more development close by. Mr. Mallett replied that any development that goes in from this point will have detention to hold on-site storage to keep it from getting any worse than it is.

Director Daniel pointed out that the City allowed some homes to be built next door to Ms. Dye that caused their run-off to go onto her property.

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 Ordinance No. O-07-21

An ordinance entitled, "AN ORDINANCE ADOPTING A UNIFORM MUNICIPAL UTILITY BILLING PROCEDURE FOR CERTAIN UTILITY SERVICES PROVIDED BY THE CITY OF HOT SPRINGS; REPEALING CERTAIN ORDINANCES; AND FOR OTHER PURPOSES," was taken from the agenda for consideration.

A motion was made by Director Edwards, 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 Edwards, duly seconded by Director Jones, that the ordinance be passed as read.

Upon discussion, Finance Director Dorethea Yates explained the purpose of this ordinance is to rewrite the current ordinance regarding municipal utility billing. She stated there are a number of minor clean-ups and clarification changes in the ordinance, but the major rewrite portion relates to the initial utility customer deposit. She added the City is going to base the deposit on the credit history of its customers and waive the deposit for customers in good standing, which will reduce the City's risk of exposure to bad debts and also improve customer service at the same time. She said the current deposit for all three services (water, wastewater and sanitation) is \$50, which amounts to a one-month bill for those services. She stated most utilities now are two months' billing, and most often when a customer goes off the system, before the City can get them off for non-payment, they will actually owe the City for two months of services. Staff's recommendation is to increase the regular utility deposit from \$50 to \$100, which is a 100 percent increase. She pointed out the utility deposits are based on the size of the meter, and they increase with each meter size. Therefore, staff is recommending across-the-board to double the size of those deposits.

Director Maruthur clarified this not changing the format that is presently being used in the utility bill.

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.

16 Proposed Ordinance No. O-07-22

An ordinance entitled, "AN ORDINANCE AUTHORIZING THE ISSUANCE OF A LEASE/PURCHASE AGREEMENT WITH REGIONS BANK TO PROVIDE SHORT-TERM FINANCING UNDER AMENDMENT NO. 78 TO THE ARKANSAS CONSTITUTION FOR CERTAIN 2007 CAPITAL ACQUISITIONS; AND PRESCRIBING OTHER MATTERS PERTAINING THERETO," was taken from the agenda for consideration.

A motion was made by Director Jones, duly seconded by Director Daniel, 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 Edwards, duly seconded by Director Jones, that the ordinance be passed as read.

Upon discussion, Finance Director Dorethea Yates stated this ordinance authorizes the issuance of a lease/purchase agreement for short-term financing for the year 2007 based on the items the City agreed to purchase through lease financing in the budget. She noted the City will need a little over \$1.3 million worth of financing in 2007. She added the City went out for bids, and Regions Bank gave the best bid.

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.

17 Proposed Resolution No. R-07-44

A resolution entitled, "A RESOLUTION AMENDING THE 1997 COMPREHENSIVE PLAN FUTURE LAND USE MAP BY RECLASSIFYING CERTAIN REAL PROPERTY (1502 SPRING STREET)," was taken from the agenda and read by title only.

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

Upon discussion, Ms. Kathy Sellman, Planning and Development Director, stated this is a request by the applicant, Mr. Steve Fulenwider, to amend the future land use map designation from industrial to residential medium/high for 8.69 acres of undeveloped land known as 1502 Spring Street. She said the Comprehensive Plan designates the Spring Street area overall as future retail office development and affordable housing, providing proximity to labor for new businesses creating an activity known along Spring Street as the Comprehensive Plan envisioned. Staff recommendation is for approval of the petition to reclassify it to residential medium/high, and the Planning Commission's recommendation after the February 8 hearing was to recommend approval.

City Manager Kent Myers commended Mr. Fulenwider for his plans, pointing out that one of the City's goals this year is to create more affordable housing throughout the community. He noted Spring Street is an excellent site and is close to the bus line and labor force.

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.

18 Proposed Ordinance No. O-07-23

An ordinance entitled, "AN ORDINANCE AMENDING THE ZONING CODE OF THE CITY OF HOT SPRINGS, ARKANSAS, BY REZONING 1502 SPRING STREET FROM M - 1, LIGHT MANUFACTURING, TO R-4, RESIDENTIAL MEDIUM HIGH," was taken from the agenda for consideration.

A motion was made by Director Daniel, 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 Jones, duly seconded by Director Maruthur, that the ordinance be passed as read.

Upon discussion, Ms. Kathy Sellman, Planning and Development Director, stated this is a request from the applicant, Mr. Steve Fulenwider, to rezone from Light Manufacturing, M - 1, to R-4, Residential Medium/High and will provide affordable housing. She said the property will serve as a buffer between the adjacent industrial and commercial land and the nearby residential neighborhood by introducing dwelling density into this area. She stated the price per dwelling can be lowered to meet the City's goal to provide a variety of housing types for different income levels of the citizens of Hot Springs, while also allowing an increase in the amount of open space for the neighborhood. The Planning Commission and staff recommend approval.

City Attorney Brian Albright pointed out that the City had previously amended the Sexually Oriented Business Ordinance to allow that type of business to be operated within an M - 1 zone. He stated this is a change from M - 1 and has a very minimal impact on the percentage of the area that is available. Ms. Sellman stated that it affects that percentage by either 2 or 3/100 of a percent and keeps the City well in excess of six percent. She added the general guideline nationwide is around five percent.

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-07-25

An ordinance entitled, “AN ORDINANCE WAIVING THE REQUIREMENTS OF COMPETITIVE BIDDING FOR THE PURCHASE OF ADDITIONAL GPS UNITS FOR SANITATION FLEET VEHICLES FROM FLEET LOGISTICS; AND FOR OTHER PURPOSES,” was taken from the agenda for consideration.

A motion was made by Director Weatherford, 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 Weatherford, duly seconded by Director Daniel, that the ordinance be passed as read.

Upon discussion, Mr. Bill Burrough, Sanitation Director, stated this is the second phase of a three-phase project. The City is adding GPS units to the sanitation vehicles, thereby optimizing their routes for the best efficiencies and make sure they have the route database. He explained they are able to track their vehicles and collections so they can ensure that appropriate service levels are achieved. Also, should there be any issues of claims, they are able to go back and look at that specific timeframe and see if they had a truck in the area and what they were doing. He added this is additional equipment that will be mounted to each truck. He said as they retire their trucks, they are able to take this equipment and move it to another truck. Therefore, it is really a one-time cost for that particular vehicle.

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.

22 Proposed Ordinance No. O-07-26

An ordinance entitled, "AN ORDINANCE WAIVING THE REQUIREMENTS OF COMPETITIVE BIDDING FOR THE PURCHASE OF CERTAIN EQUIPMENT FOR THE HOT SPRINGS POLICE DEPARTMENT FROM VARIOUS VENDORS; AND FOR OTHER PURPOSES," was taken from the agenda for consideration.

A motion was made by Director Edwards, duly seconded by Director Weatherford, 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; 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.

23 Proposed Resolution No. R-07-46

A resolution entitled, "A RESOLUTION APPROVING THE 2007 ANNUAL PAVING PROGRAM," was taken from the agenda and read by title only.

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

Upon discussion, Mr. Steve Mallett, Public Works Director, advised this is the annual 2007 street paving program and also includes alternate streets. He stated the first order of listing of streets will be paved this year, probably starting in early summer. Also, there are six or seven streets listed at a cost of \$512,690 with the two biggest items on that list being Lakeside Road and Shady Grove Road; and there is also an alternate list. He said Director Maruthur gave a couple of suggestions, and staff replaced one of the streets in her district with another one and dropped the Eddy Street No. 2 down to the alternate list. He noted that Whittington Avenue was also added to the alternate list. He stated the amount is still \$512,690.

Mayor Bush asked if it includes the intersection of Lakeside Road and Malvern Avenue, and Mr. Mallett advised that it does not; but it is on the alternate list. He added it was \$12,000 or \$13,000 that the Board discussed spending at the end if there was any additional money.

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.

24 Proposal for Professional Real Estate Appraisal Services

A motion was made by Director Weatherford, duly seconded by Director Maruthur, to approve the proposal for Professional Real Estate Appraisal Services.

Upon discussion, City Manager Kent Myers advised this is an item that was sent to him today; and the City has recently been offered for purchase, by the City, the property at 115 Market Street, known as the DHS property, which is prime property for future City development. Staff suggests proceeding with getting an appraisal on the property. City Attorney Brian Albright has recently met with the property owner; and if it appears that financially the City can afford to purchase the property and develop on the property, staff will be bringing back an Option Agreement for the Board's consideration next month. When the Board is considering that Option Agreement, he said he believes it would be beneficial for the Board to have the appraised value so it will know the value of the property. He stated Mr. Frank Manzer is the City's contract appraiser, and he has proposed a fee of around \$5,000. He explained this is being presented to the Board tonight in the interest of time so Mr. Manzer can proceed on the appraisal, and it will be ready for the second Board Meeting in March. Also, this is a non-budgeted expense; therefore, the funding would have to come from Board Reserve. Currently, the Board Reserve Fund is around \$29,500; and this would reduce it to \$24,500.

Director Maruthur commented when the Board is discussing redevelopment, it would not be to rehabilitate a building; and City Manager Kent Myers replied currently the proposal is if the City acquired the property, the current property owner would demolish the building so it would be sold to the City as a vacant piece of land.

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

OTHER BUSINESS

25 Board of Directors Items

Director Jones said that she missed the meeting for the Assistant Superintendent Joyce Littleton-Craft and would like to make it known that Ms. Craft takes care of about 90 percent of the black students who attend the Hot Springs School District; and she is still supporting her.

Director Edwards stated that the garage sale signs are appearing on the telephone and power poles and suggested that the Police Chief instruct the patrol officers to remove them and talk to those individuals who are placing them on the poles.

26 City Manager's Report

City Manager Kent Myers gave the following report:

1. On the Consent Agenda, the Board reappointed Gary Threadgill and Lauri Ames to the Planning Commission.

2. There was a successful Operation Clean Sweep over the last two weeks in the neighborhood behind the US Bank near the intersection of Central and Grand. Mr. Bart Jones, Rehab Administrator; the Sanitation Department, Mr. Jason Lawrence, Court Administrator; and other departments have been involved in that effort. There were 30 CAPS collections during the clean-up event, collecting about 10.2 tons of garbage. The community service workers assisted two of the elderly residents with removal, and a total of 216 hours was spent by the alternative service workers. It is hoped the results will be long-term in nature, and the neighborhood develops more pride in the appearance. The City is currently in the third phase of Operation Clean Sweep in that neighborhood, which is enforcing the City ordinances. He asked how many citations have been issued in the last two days, and Mr. Bart Jones, Rehab Administrator, advised they went door-to-door in the neighborhood and dropped off information and notices on code violations. His department issued 43 notices the first week and returned this week to reinspect it after the clean-up and issued five citations Monday and seven citations Tuesday (today).

Director Maruthur said for many years she has been trying to encourage Code Compliance to become proactive. She stated she believes there will be numerous requests from the Directors and citizens because the Strategic Plan that was mailed out last summer had many comments about Code Compliance, clean-up, impact to the property value, and safety of the neighborhoods. She commended Mr. Jones in his efforts and said she hopes this is the beginning of becoming proactive.

Director Daniel advised that Monte Everhart, owner of American Tire and Wheel, and active in community services, was involved in a serious accident over the weekend and asked that he be kept in their prayers.

3. Yesterday, the City was delivered the final plans for the new shopping center at the County Fairgrounds; and currently, it is being called the Shops of Oaklawn. It has a total of 288,000 square feet of retail space, including some restaurant pads, six entrances into the shopping center, and major traffic improvements, including a new traffic signal. Those plans are now in the Planning Development offices, as well as the final traffic study that was completed by Ernie Peters. This is scheduled for consideration by the Development Review Committee today and will be going to the Planning Commission at their next meeting. Plans were also received for the new County Fair Ground development on Highway 270 East, and those plans will be going to the Planning Commission.

4. At the end of the year, the Board discussed the possibility of starting its District tours. He suggested scheduling the first tour of District 1 in March or April; and he will be working with Director Maruthur to schedule that tour.

Director Edwards suggested each District designate a location and invite all of the residents in that district to attend.

27 ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 8:00 p.m., to meet again on Monday, March 5, 2007, at 7:00 p.m.

ATTEST: _____

APPROVED: _____

Lance Hudnell, City Clerk

Mike Bush,

Mayor