

MINUTES

BOARD OF DIRECTORS MEETING

NOVEMBER 18, 2008, AT 7:00 P.M.

The regular meeting of the Board of Directors was held on Tuesday, November 18, 2008, at 7:00 p.m., Board Chambers, City Hall, with Mayor Mike Bush presiding.

The invocation was given by Ms. Joyce Denton, 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, Rick Ramick, Tom Daniel, and Mike Bush, total 7.

2 Approval of Agenda

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

Upon discussion, Director Weatherford requested that Item No. 19 (Proposed Resolution No. R-08-248 Authorizing the Solicitation and Collection of Voluntary Contributions to the Sister City Program on the Municipal Utility Bill) be considered prior to Item No. 18 (Proposed Resolution No. R-08-242 Approving a Preliminary Subdivision to Develop Three Residential Lots on .8357 Acres at Sparling Point) under Unfinished Business.

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

3 Approval of Minutes of November 3, 2008 Board Meeting

A motion was made by Director Weatherford, duly seconded by Director Maruthur, that the minutes of the November 3, 2008 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 **Proposed Resolution No. R-08-258** Approving Certain Bid Awards - (a) Hydrated Lime - Utility Administration [annual supply contract awarded to Arkansas Lime Company]; and (b) Used Bucket Truck - Traffic Services [awarded to I-80 Equipment in the amount of \$39,300].

6 **Proposed Resolution No. R-08-259** Amending Resolution No. 6494, as Amended by Resolution No. 5570 (Approving Certain Revisions to Municipal Airport Property Management Policy), by Adopting a New Appendix "K" (Airport Property Rates).

7 **Proposed Resolution No. R-08-260** Accepting a Grant from the U. S. Department of Justice Pursuant to the Bureau of Justice Assistance, Bulletproof Vest Partnership Program.

8 **Proposed Resolution No. R-08-261** Adopting a Statement of Intent Regarding Preserve America Community Designation for the City of Hot Springs, Arkansas.

9 **Proposed Resolution No. R-08-262** Fixing a Time and Date for a Hearing on a Request to Vacate, Abandon and Close Portions of Tuggle and Euclid Streets in Fairdale Addition and Forrest Hill Addition, Garland County, Arkansas.

- 10 Proposed Resolution No. R-08-263** Extending an Agreement with First Transit, Inc. for the Operation and Management of Hot Springs Intracity Transit.
- 11 Proposed Resolution No. R-08-264** Extending a Contract with National Park Community College for Employee Development Training.
- 12 Proposed Resolution No. R-08-265** Extending a Contract with Healthscope Benefits/Cornerstone Benefits as Third-Party Administrator/Agent for the City of Hot Springs Self-Funded Employee Group Health Insurance Program.
- 13 Proposed Resolution No. R-08-266** Extending an Agreement with Family Medicine Clinic for Physical Exams for Uniformed Police and Fire Employees and Applicants of the City of Hot Springs, Arkansas.
- 14 Proposed Resolution No. R-08-267** Extending an Agreement with Choicepoint Services, Inc. for the Provision of Drug and Alcohol Testing Services.
- 15 Proposed Resolution No. R-08-268** Extending an Agreement with IMWell Health for Wellness and Disease Management Services.
- 16 Proposed Resolution No. R-08-269** Supporting Legislation to Fully and Fairly Fund Local Police and Firemen's Retirement Programs.
- 17 Proposed Resolution No. R-08-270** Appointing Members to the Green Initiatives Advisory Committee. **(Removed from the Consent Agenda for Separate Consideration)**

A motion was made by Director Jones, duly seconded by Director Weatherford, that the Consent Agenda be approved.

Upon discussion, City Manager Kent Myers advised it is recommended to remove Item No. 17 (Proposed Resolution No. R-08-270 Appointing Members to the Green Initiatives Advisory Committee) from the Consent Agenda and considered under

New Business. He noted there was a tie vote on the previous ballot; therefore, the Board will need to complete a new ballot.

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

UNFINISHED BUSINESS

19 Proposed Resolution No. R-08-248

A resolution entitled, "A RESOLUTION AUTHORIZING THE SOLICITATION AND COLLECTION OF VOLUNTARY CONTRIBUTIONS TO THE SISTER CITY PROGRAM ON THE MUNICIPAL UTILITY BILL," was taken from the agenda and read by title only. **(Tabled October 21, 2008)**

Director Weatherford said he believes the majority of the Board has decided it did not want to solicit the voluntary contributions to the Sister City Program on the municipal utility bill.

A motion was made by Director Smith, duly seconded by Director Weatherford, that the Board withdraw this item for consideration.

Upon discussion, Director Maruthur asked that it be on the record she was the only Board Member who was opposed to putting this on the utility bill from the beginning. Director Jones noted that she was also opposed from the beginning.

Mayor Bush then called for a vote on the motion to withdraw this resolution for consideration; and upon roll call, the following voted "aye": Directors Maruthur, Jones, Smith, Weatherford, Ramick, Daniel, and Bush, total 7; motion unanimously.

18 Proposed Resolution No. R-08-242

A resolution entitled, "A RESOLUTION APPROVING A PRELIMINARY SUBDIVISION TO DEVELOP THREE RESIDENTIAL LOTS ON .8357 ACRES AT SPARLING POINT," was taken from the agenda and read by title only. **(Tabled October 21, 2008)**

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

Upon discussion, Ms. Kathy Sellman, Planning and Development Director, explained the Beasley/Sparling Point preliminary plat was remanded to the Planning Commission by the Board on July 1, 2008, at an appeal hearing. She stated that was an appeal of Planning Commission's June 12, 2008 denial of the three-lot subdivision application. At the July 1, 2008 hearing, the appellant alleged there was new information available; and at that time, the Board's decision was to remand the project back to the Planning Commission for consideration of the new information. She advised the applicant subsequently requested to be heard on September 11 by the Planning Commission, and a new staff report was prepared in consideration of the information that was presented in June and thereafter. She said the September 11 staff report recommended denial, and the Planning Commission found there was, based on that new information, no information that would cause them to approve the project. The Planning Commission found that the appeal failed to demonstrate compliance with the Hot Springs Codes that apply, and it failed to demonstrate that the Planning Commission erred in its findings or in its action to deny the preliminary subdivision application. Therefore, the recommendation to the Board is to deny approving the Sparling Point preliminary subdivision, which would make three lots on a lot which is .83 acres because the application fails to demonstrate compliance regarding adequate road right-of-way, access easements, road frontage, and adequate vehicle turn-around at the terminus of the proposed Sparling Road extended.

At this time, Director Daniel said he needed to recuse himself from any discussion on this item and left the Board Chambers. Director Ramick stated he also needed to recuse himself from this item and left the Board Chambers.

Mr. Brian Reis, 135 Section Line Road, attorney representing Beasley Properties, Inc., said his client is asking for approval of three, single-family residences on lake lots that will have an average of 146 feet on the lake and an average lot size of 10,809 square feet. He pointed out those lot dimensions are just about double on average the minimum lot requirement in the City Code and particularly §16-4-44. He noted that lots on Lake Hamilton sell at substantially smaller lake frontage than 146 feet, and this particular neighborhood is a variety of lots of different sizes. He added there are large lots out there, and there also are many lots, including lots very close to them, that are in the area of 3/10 of an acre to 1/3 of an acre. He stated there was one residence located on this piece of property before his client purchased it and is proposing a change from one residence to three residences, which is a net of two; thereby, having

very little impact on traffic, municipal services, etc. He said his client was initially involved with a partner in this project, and they originally proposed five lots on this piece of property. He mentioned the neighbors were justifiably concerned and mobilized in opposition. One of them hired a lawyer, and Mr. Reis' client was defeated in trying to get that five-lot subdivision approved. However, his partner is now out of this project, and they have gone from five to three lots and been back before the Planning Commission. He stated the Planning Commission originally recommended approval of their three-lot subdivision with six conditions, which are listed in the resolution. He said they had reduced this from five lots to three lots and spoke with their newest neighbors at the end of the property. The two closest neighbors signed a petition in favor of it, which he presented at the Planning Commission and submitted the petition to the Board. He noted Ms. Sellman mentioned the reasons staff now wants to deny this, and all of those relate to Sparling Road. He pointed out that Sparling Road is a county road; and although it is presently maintained by the County and has been maintained by the County for a long time, it was never dedicated. At the end of it, where that undedicated county road ends, there is a recorded easement that gives access to his client's property. He also presented that easement at the Planning Commission and submitted a copy to the Board. He said that Ms. Sellman accurately points out that they cannot demonstrate this is a public road because there are no documents. He added this is a road that has existed according to a plat for decades and has been used, and prescriptive rights have been acquired in it. He pointed out in the petition signed by their nearest neighbors, they do not want his client or the City to change their county road. He advised that the person who principally spoke against them at the Planning Commission also does not want that county road to be changed. He asked that the Board approve the resolution on the table but remove Item No. 5 (Sparling Point is to be improved and widened with hot mix asphalt, at the expense of the developer/owner, to a minimum width of 20' of unobstructed width from this property to the nearest portion thereof which also contains 20' of unobstructed width).

Mr. Cal Arnold, 251 Sparling Road, said the residents of Sparling Road are not against any development but only development that will adversely affect their neighborhood and property. He stated that Sparling Road is a long-established neighborhood of single-family homes with one house per lot, without exception. He noted in the appeal, it states that the proposed lots are typical in size to those in the area, which is not an accurate statement. According to the Garland County Tax Assessor's Office, he said the average lot on Sparling Road is about 1.1 acres; and the proposed lots of this subdivision are about ¼ acre, which is 75 percent smaller than the size of the average lot in that area. He noted the appeal speaks about Constitutional rights and depriving citizens of their property rights, but they also enjoy equal protection

under the Constitution and have property rights in a neighborhood where homes have stood for 20 to 50 years to be protected when someone is coming in and going to make changes that will adversely affect the neighborhood and property values. He mentioned there is no opposition to a nice, single-family home in keeping with the surrounding neighborhood development, but this developer bought an existing single-family home, bulldozed the house and the trees, severely graded the lot, and carried over 30 dump truck loads of material off the site and started to overdevelop it. He pointed out there are plenty of technical grounds to deny this appeal, such as the center of the existing asphalt road is not now and has never been in the center of a 20-foot easement as stated in the platted survey dated September 20, 1948. He believed a survey would be required to determine the actual assessment before any decision can be made on the road. Then to place the road close to the actual easement would require cutting down trees, moving mailboxes, water meters, fences, driveway entrance columns. According to the fire chief of that area, if the subdivision is going to be approved, then the road is going to have to be widened. He mentioned this project has been before the Planning Commission four times in various forms, and Commission Chairman Gary Threadgill and at least two other commissioners have made multiple trips to look at the site, and four times they have voted unanimously not to approve this out of concern for the public interest, safety and welfare. He said they do not believe this subdivision fits in that neighborhood, and this proposal is unchanged from the last time it came before the Planning Commission. He added the Sparling Road residents understand what this project will do to their neighborhood, and 24 residents have signed a petition stating their opposition to it. He submitted copies of the petition to the Board, along with the Tax Assessor's lot size information. He asked that the Board help preserve the quiet character of their neighborhood and not override the Planning Commission's unanimous decision.

Director Maruthur commented there are 24 people who are unconditionally opposed and asked if it had to do with any specific individual or due to the integrity of the neighborhood, and Mr. Arnold replied that it is the integrity of the neighborhood. Director Maruthur asked if there is only one road that goes into this, and Mr. Arnold advised there is one way in and one way out coming off of Marion Anderson Road onto Morphew and then there are side feeder streets. Director Maruthur asked if they had a Bill of Assurance, and Mr. Arnold said they did not. Director Maruthur commented they have no protection except for the Board of Directors. She added this is under the Extraterritorial Jurisdiction, and the mission of that was to protect the integrity of the lake, the visibility, and all the crowding. She stressed that all the residents have is the Board, and the opposition to it is overwhelming; and she did not know if it is a legal

street. She noted that Mr. Arnold said that Sparling Road is a narrow road and is 13 to 17 feet wide.

Director Maruthur questioned if these homes are going to be two-story, and Mr. Arnold said they did not know. He added they are just going to be freestanding homes on three small lots. Director Maruthur commented they could be three-story homes, and Mr. Arnold said they could be whatever size would meet the Code.

Mayor Bush then called for a vote on the motion to approve the resolution; and upon roll call, the following voted "aye:" Director Weatherford. Voting "no": Directors Maruthur, Jones, Smith, and Bush, total 4. Directors Daniel and Ramick had recused themselves from this item; therefore, they did not cast a vote; and the motion failed. Whereupon the resolution was declared failed.

NEW BUSINESS

17 Proposed Resolution No. R-08-270

A resolution entitled, "A RESOLUTION APPOINTING MEMBERS TO THE GREEN INITIATIVES ADVISORY COMMITTEE," was taken from the agenda and read by title only.

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

Upon discussion, City Manager Kent Myers advised that the Board appointed a Green Initiatives Advisory Committee, which is a five-member committee that will help spearhead various green programs in the community. He said there are a number of organizations, school groups, and the Beautification Commission that are involved, and this committee will invite these members to report on their success stories with green programs. They will also look at other communities and what they are doing and bring those into Hot Springs for consideration by the Board. He advised there were six applicants, and there was a tie-vote on one of the positions. The Directors then cast their votes, and Mary Gray received the majority of the votes as the fifth member on the committee.

A motion was made by Director Smith, duly seconded by Director Jones, that the resolution be approved and include Mary Gray in the resolution as the fifth member; and upon voice vote, the motion unanimously carried. Whereupon the resolution was declared adopted.

20 Ambulance Franchise Award Recommendation (Appeal)

A motion was made by Director Smith, duly seconded by Director Jones, that the recommendation be considered.

Upon discussion, Mr. Jim Pollard, 1442 Greymont Avenue, Jackson, Mississippi 39202, with American Medical Response (AMR), introduced Mr. Keith Edmonds, head of the Arkansas operations currently based in Rogers, Arkansas; Mr. Daniel Haynes, based in Monroe, Louisiana; Ms. Jessica Broadus, responsible for all AMR sites in five states, based in Gulfport, Mississippi. and Ms. Laura Gutherie, representing the helicopter ambulance service (Air Evac Life Team). He said they have presented protest letters to the Board and respectfully ask that the Board rule that their protest is valid and then take steps to award the contract to AMR. He mentioned that the RFP states "the specifications listed are the minimum acceptable to the City." The proposal requirements in the RFP states "the contractor shall provide complete pricing information for all ambulance services proposed." He stated their competitor did not comply with that requirement, and the RFP allocated 60 points in that area. AMR contends that due to LifeNet's noncompliance with this requirement, they should have received 0 points in that area; and the correct scoring would rank AMR higher than their competitor. He stated that the AMR proposals surpasses the RFP minimums in many places. He said that over the last several months, AMR has heard concerns about job loss in the community, and some of the people with the current ambulance workforce might be anxious about the prospect of changing employers. He stated that AMR wants to put their minds at ease that if the City were to honor them with the contract, AMR will take very good care of these people who risk their own lives everyday to help others – the current ambulance workforce. He stressed that AMR believes in keeping local people in local jobs and hopes to bring a new business to Hot Springs with more professionals who would be focused on enhancing the EMS system, which would be through their relationship with Air Evac Life Team. He noted that AMR would meet the response time requirements, and there would be AMR leadership in the City continuously, always backed up by their district, divisional, and national management. Also, the City would see them visibly involved in a wide-range of civic causes. He stressed that AMR can be ready to be operational by January 1, 2009.

Regarding the bids, Director Maruthur asked if what was required was not met by the other bidder, and Mr. Pollard responded that was correct. Director Maruthur stressed that she has a problem with that. She said she was also called about a fly car of the competitor's proposal. Mr. Pollard explained that a fly car is a non-ambulance response vehicle staffed with a paramedic who carries the equipment carried in an ambulance except for a stretcher. The idea is to get someone trained to the scene as quickly as possible before the ambulance gets there. In the proposal, the competitor said they had three or four different schemes for placing fly cars in the county, outside the city limits jurisdiction in order to get some help to the scene before the ambulance arrives. He mentioned that their competitor said to place three fly cars in the county, they had a couple of different ways to finance it. One was to raise fees on county residents by 100 percent compared to what people would pay in the city; the other funding mechanism was to ask the County to fund about \$560,000 in subsidy in order to put three fly cars into the County. He commented that AMR offers that fly cars do not get an ambulance on the scene faster but do good in stabilizing some patients. However, when there is a patient dying from major trauma, under the "golden hour," which means that from the moment a major injury happens until that patient is under the care, the knife, or the multi-disciplinary surgical team in the most advanced trauma center they can get the patient to, they have about 60 minutes or that patient's odds of survival dramatically plummet. The same thing for a patient having a certain kind of heart attack who needs cardiac catheterization within a very narrow window. If the ambulance is not there and begins transport as quickly as possible, then those patients do not benefit from fly cars.

Director Maruthur asked if they had fly cars, and Mr. Pollard said they do not propose fly cars in their proposal because they feel they can take a careful analysis of the response time requirements into the County. They can look at the distribution of calls geographically and when they tend to happen by time. They analyze how many calls typically come in from various sectors of the County for every hour of every day. Based on that, they can then determine the best deployment of their ambulances.

Director Maruthur asked if they will have stations in the county, and Mr. Pollard advised that they will analyze the data; and if stations are called for and if they can be provided cost-efficiently, that would be the thing to do. He added they have a great track record of success with that kind of service. He clarified they did not commit the stations in their proposal but said they would carefully analyze the data and decide the best way to serve the County.

City Manager Kent Myers advised there will eventually be a contract before the Board in the next month or so to discuss service issues, but the appeal tonight is based upon two issues that have been raised by AMR, which are included in the Board packet.

He said the Board's role tonight is to decide whether those two points are valid and whether or not the Board wants to overrule the recommendations of the committee. He mentioned the two basic issues are that AMR alleges that LifeNet's proposal was nonresponsive in cost and pricing, and then if there was a conflict of interest. The Board's role is to decide whether those allegations are true to where it wants to override the recommendations of the committee or move forward with a contract with LifeNet.

City Attorney Brian Albright advised that any contract that might be awarded as a result of this RFP, would only be for services within the city limits. He explained that the discussion Mr. Pollard and Director Maruthur had about response time in the county and what stations they would have in the county are not part of this contract should one be awarded. Mr. Pollard said he understood that, but they do see them as a unit.

Mr. Q. Byrum Hurst, Jr. said he has been on the Lake Hamilton Volunteer Fire Department Board of Directors for over 20 years, and the issue of ambulance is important to the volunteer fire departments throughout the county. He stated the Lake Hamilton Volunteer Fire Department serves about 7,500 addresses and provides volunteer fire protection and service. They also provide a first-responders service, and the first responders are firefighters who have taken a course and are trained and spent their time on a voluntary basis to learn how to be competent in the area of responding to automobile accidents and all types of emergencies that occur within their district. He said their fire department has spent thousands of dollars on equipment to help these first responders. He stressed that he does not know anyone associated with AMR and does not know who the principals are on LifeNet. He pointed out that he did not care which ambulance service tonight gets the contract or does not get a contract. He said that the board of directors of the fire department told him they thought it was important for the Hot Springs Board of Directors to know that their firefighters and first responders are volunteers. One of the key things is that they be properly and promptly dispatched.

Over the last year and under the contract with LifeNet, they have been concerned because there has been a breakdown in their ability to be dispatched promptly. He mentioned that their first responders are often not dispatched to an important emergency scene until well after the ambulance is, and it is supposed to be concurrent. He said they have an obligation and duty to their members and to the 7,500 addresses that pay for their services. He commented it has been their belief, as a board of directors, that LifeNet has not done a good and competent job of dispatching those first responders.

Director Maruthur said she is concerned about response time and stated there is a certain amount of time to respond; and if an ambulance does not respond at that time, it is life-threatening or people can be ruined for life. She commented this is about who is going to save people's lives and is the City getting the best service for the people in the City and in the County.

Ms. Mary Harkness, 45 Megan Lane, Mt. Ida, Arkansas, said she is speaking on behalf of LifeNet and the employees. She stated she is a paramedic with LifeNet and has been serving in the Hot Springs area for 13 years. She mentioned when the hospitals could no longer subsidize the ambulance service, they sought out LifeNet, an Arkansas nonprofit corporation with an excellent reputation for progressive medical care. She pointed out that LifeNet did a good job bringing the two services together, continuing the excellent service and response times, and guaranteeing their wages. They also provided them with input into how the operation is run; and they invested significantly in new ambulances, new equipment, and their dispatch center. She said she would prefer not to change employers, benefit packages, and work schedules especially since at this time they have no guarantees on the benefits and schedules they may be offered. She stressed this is upsetting to their families and to the employees. She stated they believe LifeNet has done an excellent job of meeting all of those needs of the community for the last three years and sees no benefit from starting over with a new provider that may do a good job but is unknown and unproven to the citizens. She said they have been performing the services outlined in LifeNet's proposal for the last three years and fully support this proposal. She commented it is their opinion that the process used by the City to evaluate the two bidders was a fair decision and best decision that could be reached. She said that the employees encourage the Board to accept the recommendation of the City's scoring team and award LifeNet the contract currently being bid.

Director Maruthur said she was the person who started the committee when they were having the ambulance awards, and they formed a committee. She stated it was her idea to get the two hospitals, and she played a large role in some of the negotiations on that. At that time when it was decided an ambulance service be hired, she said they were taking a chance with that provider. She mentioned there were two hospitals that were responding and neither one thought that the other one was being fair, but the only thing that was important was the response to the citizens. She stated they did not know anything about LifeNet, and she has not met the person or persons who have the company. She said there seems to be some problems that she hears about, and she has not checked it out; but it is about response times. She stressed that

the RFP concerns her, and the other company is saying it would keep the employees who are here; and they want local employees. She emphasized it is not about either company but about what they have to offer and what the record is.

Director Smith stated the issue has been raised regarding the quality of the dispatch service by Mr. Hurst and asked if she could speak to that. Ms. Harkness replied that she serves as a field paramedic and the question could be better answered by management.

Ms. Autumn Carlisle, 115 Halteria, said that she is the fire chief for the 70 West Fire Department and also a county representative that was appointed to the EMS Advisory Board. As a member of the advisory board, she was able to extensively review both proposals and thanked Director Maruthur for her passion for the people who love Hot Springs and those who live in Garland County. She noted that those who serve in the County have to agree with whatever the City does on the ambulance service because the County is not allowed to hold a franchise agreement. She said her concern has been, in reviewing the proposals, when the fly car that was mentioned, the county citizens are strapped enough on the cost that would be incurred by such a system to provide service like that to these areas. She stated that was the only enhancement she saw in the proposals that was offered for the community; and in the competitor's proposal, there were numerous enhancements that were offered above and beyond. She pointed out they want to see what is best for the community, not just Garland County, but the City of Hot Springs.

Director Maruthur commented that the City is in Garland County, and this is about saving lives.

Mr. Dave Snavely, 2190 Higdon Ferry Road, general manager for LifeNet in Hot Springs and who works for the company full time, said when LifeNet came to Hot Springs, as far as the dispatch center, operation, policies and procedures, and the way it did the job, they are not changing it; and the same people are doing the same job. He commented in their examination of those processes, there were things that could be improved. Regarding dispatch, a call-taker would stay on line for an extended period of time getting all of the information they needed about the call beyond which they needed just to get an ambulance going en route; and at that time would then dispatch the ambulances and the first responders if it was in the County at the same time. He said they have made significant improvements to that by using technology, computer-aided dispatch, and examining what the people were doing and improving their training to the point now that the ambulance is dispatched faster than it used to be.

He mentioned one of the things that they did was invest money in hardware so they could dispatch both the ambulances and the fire departments at the exact same time. However, one of the challenges they face as they did that is some of the volunteer fire departments have decided they do not want to go to every ambulance call that occurs in their area. He explained the call would come in, and they would get the location and nature of the call and send the ambulance. Then they would have to stay on the line longer with the caller to find out if it was the type of call that particular fire department might want to go to before they could dispatch them. He pointed out that can create a delay at times when they sent the ambulance and then send the fire department along behind it. He said that he would take a little exception with what Mr. Pollard said earlier regarding the importance of any first responder, whether it be a fly car or a volunteer fire department person. He stated while the statement of what happens in trauma and the importance of the golden hour was explained correctly, trauma is not what they deal with mostly but mainly with medical calls in the City and County. However, trauma is a small part of that. He said what the first responders do in the County is very important to them and so important that they spend time in their training and anytime they bring a complaint, it is investigated and give a response. He stated if it is their fault, they admit to it and do the re-training necessary for the employee who made the mistake. He noted if they should be able to give the call to their ambulance and the Fire Department at the same time and let them sort out whether they want to go or not, that is something they have been pushing for recently and are starting to get some acceptance.

Director Ramick asked if they have a record of response time in the City versus the County, and Mr. Snavely said they did. He added ever since coming to Hot Springs and Garland County, on October 1, 2005, they reported every three months to the EMS Committee, which is comprised of city and county members. They have met that response time requirement 100 percent of the time, every month, every quarter; but it is not a question of response time because they have been excellent on medical care, which is very progressive and with a very involved physician who rides with the ambulances and has been changing their protocol on a regular basis. He said they have invested significantly in the community in terms of capital (almost \$1 million) and in the personnel; they have brought new ambulances to town; they own property in the community; and look forward to successful contract negotiations going forth for the next five years. He stated they have provided the information requested and believe that information was used to accurately compare both the quality of service they provide and the cost to do that. He requested that the Board honor the scoring committee's work and continue forward with negotiating a contract with LifeNet.

Director Ramick questioned the average response time in the County, and Mr. Snavelly advised they break that down by individual fire department service area, except for one that has so few number that they cannot really do an average, which can vary from 12, 15, 17, or 18 minutes, depending on which area. He added they do give that to the City every quarter.

Director Smith questioned the advisory committee that did the scoring for this process, and Mr. Snavelly advised there are two different groups. He added the advisory committee is comprised of physicians and others in the EMS system, and the scoring committee was City Manager Kent Myers, Deputy City Manager Lance Hudnell, Fire Chief Ed Davis, and Justice of the Peace Bud West. Director Smith asked if the advisory committee is involved with questions such as response times, and Mr. Snavelly replied that they are in every quarter and provide some oversight to that issue. Not only do they report the response times; but at the committee's request, any response time over 12 minutes within the City is examined case-by-case every quarter.

Director Smith asked if this committee has taken the step of advising them that they need to do a better job or need improvements in certain areas, and Mr. Snavelly said they have never been instructed that their performance has been unsatisfactory.

Director Smith questioned how complaints are handled about their service, if there are complaints; and Mr. Snavelly advised that at times a county official may receive them directly. They could hear from the County Judge; or if it is within the City, it would be from Fire Chief Ed Davis or City Manager Kent Myers. Primarily, most of them come to them directly; and they record them on a recorded line and make a record of them, and then do a statistical analysis to show which areas they are not doing as good, and present that information openly and share that each time.

Director Maruthur questioned where his present employees are from; and Mr. Snavelly replied that at the initial start-up, all of the employees came from St. Joseph's Mercy Health Center or National Park Medical Center. He added there were a few from out of town as they increased the numbers. Director Maruthur pointed out with another proposal being offered by another provider and the concerns that are being expressed, he did not bring response times for the Board; and Mr. Snavelly replied that he did not because he did not know those were going to be discussed tonight. Director Maruthur asked if he had any problem with the transition from the employees (NPMC and St. Joseph's); and Mr. Snavelly replied that the transition was very difficult, which they expected. However, due to the dedication of the people providing the service, the experience in doing the type of thing that they did bringing them together, it was

relatively smooth. Director Maruthur pointed out that the training of the responder is what is important, but a good responder can work under a good structured company; and the best is what is needed. She commented there was a question about what they did not put in their RFP and questioned where that is included.

City Attorney Brian Albright advised that neither of the proposals is part of the Board's packet due to the volume.

Director Maruthur commented that AMR is saying that LifeNet did not fully comply with what was required in the proposal and she is asking where it is located. Mr. Snavelly replied that their bid, as submitted, included the two primary components of any bill that is sent out (the biggest portion of the charges), included the base rate and the mileage. In many cases, that is all of the charges that become important because over 60 percent of every patient they transport, there is a medicaid or medicare patient who does not care about what they might charge for bandages, oxygen, etc. He said they felt including this massive list of every possible item that may be used would be confusing without proper explanation. He pointed out that AMR is correct that in their bid they did list every detail, but LifeNet did not initially. However, LifeNet looked at the major components. Subsequently, they were asked to give a list of those additional pieces, which they did; and included in the Board packet is an analysis of all that information in comparing the cost.

Mr. Gene Sparling, 111 Stillmeadow Lane, pointed out that Hot Springs is part of Garland County; and Garland County cannot make a contract with anyone on ambulances. He said he is not particularly pleased with some things that LifeNet is doing. He stated he has read the information that was put out by AMR; and if what was in there is true, then LifeNet did not comply. He stated he is aware that Fire Chief Ed Davis asked for additional information for the Board to evaluate after the close of the bid, which seems as if there is a problem with legality. Also, he noted that City Attorney Brian Albright concerns him when he says the Board does not consider the County on this, and all the Board considers is what is best for the City.

City Attorney Brian Albright replied that he did not make the statement that the Board needs to consider what is best for the City but said any contract that would be awarded by the Board would be for the city limits only. Mr. Sparling said that he misunderstood and apologized for that misunderstanding.

Fire Chief Ed Davis said he was in charge of writing the RFP for the City, and the City sent RFP's out to numerous ambulance services and had two that responded

(LifeNet and AMR). He mentioned the City did not get complete responses back on the things it asked for from either ambulance service, but the committee evaluated each ambulance service based on the information they sent, such as the base rates, the loaded miles, which LifeNet included in their proposal. However, they did not include individual charges for drugs, bandages, etc. He advised the committee requested a clarification from them, and they sent a list of their costs associated with drugs, bandages, etc., which was included in the criteria that the committee used to determine the cost. He commented what the committee did was based on who gave the lowest cost for each item (the lowest cost for loaded mile; the lowest cost for the trip; and the lowest cost for drugs, bandages, etc.). He advised it is common to ask for clarification from different bidders.

Director Smith stated in the AMR protest, their chief complaint is the 60 points; and Mr. Pollard advised they are not persuaded that the selection committee correctly scored the other sections as well. However, because of the subjectivity involved, AMR did not protest in those other sections of scoring. Also, he said LifeNet did not turn in all complete pricing as required in the RFP. He stressed the RFP says that the selection committee will evaluate the proposals solely on the content of the proposals.

Deputy City Manager Lance Hudnell reported that he assisted Fire Chief Ed Davis with regard to the scoring on the pricing. However, Mr. Pollard is incorrect in a couple of areas. He pointed out there is a provision in the RFP which does allow the City to seek additional information and is common to request clarification. With regard to the scoring, there was an initial committee meeting on September 4. At that time, they intended to score them if the committee desired to at that date. However, since there were only two proposals, the RFP allows for a process of assuming there may be ten proposals and then scoring them to narrow down for those to receive oral presentations, and then the committee re-scores. He pointed out additional information is received during the oral presentations. Since there were only two when the committee met on September 4, the committee determined there was no need to do the first round of scoring since there were two proposals and wanted to hear the oral presentations from both services. Therefore, the committee did not do a scoring on September 4. At that time, the committee went through the proposals; and one of the issues that came up was the cost proposals. LifeNet provided a "loaded" total, which did not have the breakdown. AMR did have a breakdown; however, it was a little difficult to determine what their price would be for a particular run. Fire Chief Ed Davis then requested from both providers a list of their items and their prices for four particular runs. The committee asked both of them to provide pricing on four particular scenarios so it could have an "apples to apples" comparison on price. The committee took those four

scenarios, which ended up in a lump sum, and was requested of both providers. The committee took the four scenarios, totaled them, and averaged them. In prior RFP's, it has been common practice to use a formula, which takes the total bid and spreads them based on the relationship to each other. For instance if one bidder is \$10 lower than the other, then if the subjective method is done, then one person on the rating committee might score the lower bidder with 100 points and score the other one with zero; and they are only \$10 apart, which is not fair. This formula is used that does them in relation to each other and is the reason why one got 15 points and one got 13 points because this fairly spreads those points between the two proposals. Therefore, that part was filled in for the committee based on both of their responses to the four scenarios and their itemized total cost for the average of their cost for those four scenarios. That is how the committee arrived with the cost. Also, in the Board packet there was an error, which Fire Chief Ed Davis realized. He explained because the committee intended to rate on September 4, the first internal worksheet was dated September 4; but the committee did not do a rating on September 4. When he sent that to the Fire Chief after they did their rating on September 2, they used that same internal work paper that had the date of September 4 on it. Fire Chief Ed Davis noticed that AMR did not get nearly as many points as it looked like they should have based on the fact that there was very little difference in the cost for each of them and brought that to his attention. They checked the Excel spreadsheet, and it had only taken the 13 times 3 instead of 13 times 4. Therefore, that was the difference; and the committee corrected that. He pointed out those are internal working papers based on the individual handwritten sheets and are put into an Excel sheet. He added there was an error in that formula, but that error was corrected and correctly shown on the sheet dated October 2. He pointed out if the Board wants to go through both proposals, it can find things in both proposals that are nonresponsive. The committee determined that both proposals were substantially responsive and decided to go on to oral presentations, and questions and answers after that; the committee met following that and discussed it. He said the fire chief from Highway 70 West Fire Department was present and made comments, but he did not recall any concerns being voiced at that time regarding the dispatch issue, or the committee would have considered it at that time.

Director Smith commended the committee for using the cost comparison.

City Manager Kent Myers stated in the Board's packet was the cost for four different services, and the scenario average was \$993 for a LifeNet call and \$1,137 for an AMR call. He said these were calls that the Fire Chief selected and is familiar with and happened on a regular basis. He noted these numbers were completed based upon responses from both firms; but the public needs to understand under the

proposals that have been submitted, the cost would be 10 to 15 percent higher under AMR's proposal versus LifeNet.

Director Daniel said that Director Maruthur was saying that in the RFP, she thought there was something incorrect and could not support it and wanted to know if what Deputy City Manager Lance Hudnell and the Fire Chief Ed Davis said answered her question. Director Maruthur responded that she has confidence in the Fire Chief and believes he is doing an excellent job and is glad he is on the committee. Director Daniel clarified that she had a question this was not "apples to apples." He added they gave an explanation as to why they took a second look at it and went into the oral presentation. He questioned if that answered her question there was an impropriety. Director Maruthur commented there is a member of the committee (City Manager Kent Myers) and she asked if he can describe the EMS Proposals cost comparison included in the Board packet, to which he replied that he could not. Director Maruthur said that is her problem.

Mr. Jim Pollard, 1442 Greymont Avenue, Jackson, Mississippi 39202, with AMR, pointed out that as Mr. Snavely had said, they did not present a "loaded" combined price. That was their base rate, and they gave their mileage. He stated they left out all of the numerous other charges that any patient, depending upon the condition, could be assessed and never received an opportunity to respond to four different scenarios pricing. He mentioned there are two places in the RFP where there might be additional information provided. Under Section 3 which states, "As part of the public negotiation process leading to the selection of a contractor, the City may request additions or modifications to any proposal." He commented that provision does not justify the committee's actions because the committee's acceptance of additional information was not done publicly and it was not part of negotiating because they were not asking LifeNet a question such as "can you lower your prices?" Instead the committee used the information not in LifeNet's original proposal to compare the two offers. He stated that it goes to state "it is the present intent of the City not to negotiate substantive portions of an applicant's proposal and to rely on the information submitted in these proposals in awarding a contract." He commented that obtaining and using information on fees missing from LifeNet's proposal involves substantive portions. He said it is similar to the sentence earlier in the RFP that states "each reviewer will evaluate the four sections of each proposal based on the proposal's content." He noted they are in second place, but the selection committee might argue that they had a right to accept information late that was not in LifeNet's proposal. In Section 6, he said it states "firms invited to make presentations will be reevaluated using the above criteria based on their oral presentation." He commented that the chief of the 70 West, Ms. Carlisle, is a member of the

Advisory Committee; and he is sure she would say that LifeNet's oral presentation did not include the highly detailed pricing information that was required but missing from their proposal which the selection committee accepted after proposals were submitted and then used to compare offers. He added that Chief Carlisle would further say LifeNet's Powerpoint hand-out used at their oral presentation did not include that highly detailed pricing information.

Director Ramick asked if Mr. Pollard agreed or disagreed with the cost comparison, and Mr. Pollard replied that the cost comparisons that are in there, they never had an opportunity to comment on the four scenarios. He said that a paramedic locally compared one of the scenarios, and the difference came out to \$21 more expensive for AMR. Director Ramick questioned if the paramedic was on the selection committee; and Mr. Pollard said he was not but was a practicing paramedic for the incumbent. Director Ramick asked if he had the ability to analyze these programs, and Mr. Pollard said that he did and observed there were several fees for a particular kind of patient (a ventricular tachycardia patient). He mentioned there were several fees that would ordinarily be charged by LifeNet for a patient with that condition, which were not represented in that scenario comparison. Therefore, the price was substantially more favorable comparison to AMR. He stressed that they never had the opportunity to comment on the four scenarios.

Mayor Bush asked if he called an ambulance to his house and AMR answers the call, would it cost him less under AMR's proposal than it would under LifeNet; and Mr. Pollard responded for all of the enhancements they are offering and enhancements that patients deserve, there would be a slightly higher cost.

Director Maruthur pointed out this is about life and death, and he did not have an opportunity to give four scenarios like LifeNet; and Mr. Pollard said that he never did.

Director Maruthur stated she has a problem with people being on a committee to assess something when they do not know what they are assessing. She mentioned the only member on the committee she feels really understands this is Fire Chief Ed Davis, and she has the utmost confidence in him. She pointed out there are people on this committee who do not know what that cost comparison represents, and they are arguing for one side over another on points; and she has a problem with that.

Fire Chief Ed Davis advised that he has a friend who previously worked for LifeNet Ambulance Service, Steve Henson, and now works for Saline Memorial Hospital. He said that he used Mr. Henson to review the information that was submitted by AMR and LifeNet and took that information and built four scenarios. He explained the scenarios were around common medical emergencies (trauma, patient

going into insulin shock, etc.). That information was put together in a manner that would normally be used to treat someone during the process of transport. He said the committee did not send the information back out to the two ambulance services for comment but took the information they submitted and put it together based on what they submitted. He stated it would have been wrong to send it back out for comment by those two services. He said to be able to do the full scenarios, the committee had to get more information from LifeNet, which they did.

Director Ramick said what he is saying is that the committee did not give this information to either of them, and this is something he compiled and neither AMR or LifeNet had this information. Mr. Pollard replied he was not informed of the four scenarios but LifeNet was not either. Fire Chief Ed Davis added that was correct, and he did everything he could to avoid contact with either service.

Director Weatherford said Fire Chief Ed Davis is contradicting what Deputy City Manager Lance Hudnell has stated. Deputy City Manager Lance Hudnell advised that was his misunderstanding, and he thought he requested it from the ambulance services and stands corrected. Director Weatherford said that he previously heard that it was sent back out, and Fire Chief Ed Davis reiterated that it did not go back out. Deputy City Manager Lance Hudnell said it was his misunderstanding and thought the committee had requested the four scenarios. He did not realize the Chief had compiled them based on the information that was submitted. Director Weatherford expressed concern there is someone from the hospital, Dr. Gene Shelby, who was doing part of the RFP process; and the hospitals have not been paid back by LifeNet completely. He added it makes it advantageous for someone sitting on this RFP committee from the hospital to not vote for a new provider. He also asked Mr. Snavely (LifeNet) how many ambulances he has on duty tonight, and Mr. Snavely replied there are five. Director Weatherford asked if he called two to City Hall, would there be two to respond; and Mr. Snavely said if they are not on another call, they would. Director Weatherford asked if he could tell him if they are on another call, and Mr. Snavely said that he could check it and let him know. Director Weatherford said he was wondering and mentioned when people drive around the city and always think there are ambulances everywhere and if they call them, the ambulance will be right there. However, that is not the case.

Mayor Bush said he disagreed and every time he has ever called, they have responded very promptly.

Director Weatherford said if two ambulances were called to City Hall, that means there would not be others any place else; and Mr. Snavely replied that is correct.

Director Weatherford said that bothers him because as a resident, he has always thought and people see places where LifeNet is parked everywhere; and then all of a sudden, it is not actually ambulances but just buildings. He noted there are not ambulances on service because Mr. Snavely says there are five on duty tonight, but there are actually only two that could come to City Hall.

Director Smith asked Fire Chief Ed David if the four-member committee did the best comprehensive job it could do on this selection process and if he stood behind it. Fire Chief Ed Davis said that he did; and as far as the RFP is concerned, he is the one who authored that; and the EMS Advisory Committee looked at it, as well as the four-member selection committee members.

City Manager Kent Myers advised that the committee was made up him, Fire Chief Ed Davis, Deputy City Manager Lance Hudnell, and Justice of the Peace Bud West, representing the County. He pointed out the committee spent a lot of time reviewing the proposals and spent four to five hours that night hearing the proposals and asking questions of the two proposers. He said in looking at the rankings of the committee, there is a lot of consistency even though they did their ranking independently. He stated the first ranking submitted was 353 points for LifeNet and 328 for AMR; the next one was 353 and 337. He said they followed a fair process and pointed out the reason he does not understand those calls is because he relies on the expertise of the Fire Chief, who set the point system up for the cost; and the committee members used those points in their ranking. He noted that was part of the process that was not subjective. He pointed out it was not important for him, Deputy City Manager Lance Hudnell, or Justice of the Peace Bud West to understand what a Code Blue call is. He also mentioned that as City Manager, he receives many calls regarding ambulance services; and during the first six months LifeNet operated in Hot Springs, there were many negative calls. He mentioned there was a transition process that occurred when the ambulances switched over to LifeNet that was not a very good period of time. During the last 2 to 2 ½ years, the calls that he has received praising the services have greatly exceeded the complaints. He advised there are quality controls built into the system, and the Board needs to realize that in the contract, it defines some response times that the provider has to meet, or there are penalties in the contract. Another quality standard that is built in is the EMS Advisory Board. He and Fire Chief Ed Davis attend a lot of those meetings, and they meet on a quarterly basis. The Board approved the committee in the past year by adding county representation on that committee, and the Fire Chief of the 70 West Fire Department is a member of that committee. He explained the role of that committee is to look at detailed response time reports provided by LifeNet; and if there are any concerns to make sure those are

addressed. Also, all of those meetings are open to the public. Regarding some of the complaints voiced tonight, he said this is the first he has heard them.

Director Maruthur said she wanted to go on the record that Mr. Snavely never contacted him, and she never heard from him or LifeNet. She pointed out that Fire Chief Ed Davis had said there were things that were very close, and she commended him on his RFP. She added the City has an ambulance company that has a good record and asked if he would be able to work with the other company. Fire Chief Ed Davis replied that the Hot Springs Fire Department will follow the directions of the Board and will do what it tells them to do.

Mr. Ray Edwards, 125 Breeze Hill, said he is a member of the Lake Hamilton Fire Department and is on the board of directors, is a range division chief, and has been a member for five years. Also, he is the first responder for the department. He stated there are multiple first responders, but he takes the majority of the calls. He said he read the proposals; and in regard to the dispatch times discussed, he personally has talked with Dave and Jason from LifeNet, who have been receptive. He said it may go for a week or two, and they will get the same tone-out times; but all of a sudden it falls off. He stated he is talking about three to four minutes. He mentioned when he gets out at 1 a.m., he is endangering himself since there are numerous deer and drunk drivers, but not only is he endangering himself but could be endangering anyone else while going on one of these calls. Regarding dispatch times, many time they run three to four minutes. He said that he is from Colorado, and they have AMR and believes they are based out of Colorado. He mentioned he has dealt with them for 45 years, and people from LifeNet will have a job. He stated AMR is large in Colorado, and they take care of their community. He stated he has offered any ambulance service that wants the opportunity to come and set up at their department, which is located on Highway 290. He said they have also offered to have the helicopter that they spoke about put at that location. He noted this helicopter will help the entire State and will put Hot Springs in the spotlight. He stressed that safety is the main concern. He added that he deals with government contracts every day and does bid processes, but cheap does not always mean the best. He said the issue is also honesty. He commented if they have someone available and their tone goes off, they will respond without a problem.

Director Maruthur mentioned that under former Mayor Helen Selig, she had an idea about disaster and emergency but had no form in which to meet. She began the Disaster and Emergency Committee. and it was so successful that it evolved into what is now known as the LEPC (Local Emergency Planning Committee). She stated the

County Judge is the head of it, and she is the co-chair. She said as soon as it got established and there were enough people that came when they did their tabletop exercise, she did not attend regularly because she is not an emergency responder. She stated she eventually went to some meetings just to keep up. She stressed this is about safety and wants to get the best for everyone and is the reason to have people who are familiar with the information.

Mr. Ted Burhenn, 318 Trapp Mountain, commented that Director Weatherford had mentioned the ethics question with some of the owners of the hospital being owed money by LifeNet. He said he believes it is a valid concern and may look like it was part of the decision-making. He mentioned AMR has 41 states behind them; and if there should be an emergency in Hot Springs, such as a tornado, AMR can pull from Oklahoma, Texas, or wherever else they are located. He pointed out the aftermath of a disaster such as a tornado will last for days or weeks so this is something that AMR can offer. He said if someone is on Amity Road and needs an ambulance, it will cost another \$400 for the fly car to come out. He mentioned there is a response problem and spoke of several incidents. He stated he is one of the directors for the 70 West Fire Department, and The LifeNet mentioned that some of the fire departments do not respond. He said that he knows the 70 West Fire Department does respond because he keeps the radio with him every night, and these people respond constantly. He added he believes the economic impact they will get from the helicopter service that is being proposed and the back-up they get from the 41 states is also valuable and should be considered. He suggested starting the evaluation process again.

Director Maruthur asked if the City Attorney can give the correct verbiage to honor his appeal, and City Attorney Brian Albright advised that the Board has four or more options. One would be to deny the appeal that has been lodged by AMR and proceed with negotiations with LifeNet toward a contract. Another alternative would be to grant the appeal and declare that LifeNet was nonresponsive in their bid process and begin negotiations with AMR. The third would be to scrap the whole deal and start from the very beginning. The fourth would be to review the panel's determination and perhaps the Board go through the entire presentation of each of the applicants. He mentioned there would be a lot more detail that would be involved in the presentations that was presented to the four-member panel. He said the Board as the supreme, legislative and executive body of the City can act in that capacity should it want to endure such a presentation.

Director Maruthur said she believes it needs to be scrapped and is only comfortable Fire Chief Ed Davis. In light of everything that has been brought out, she stated she was not aware of the helicopter, which is very important.

City Attorney Brian Albright advised that for purposes of clarity, it would be Alternative No. 3 which states "declare the selection process void and direct staff to seek new proposals from all interested firms, including AMR and LifeNet." Director Maruthur said that she would like to put that in the form of a motion but would like to add an amendment to that motion. She stated that the committee needs to be changed and wants Fire Chief Ed Davis to serve on it.

Director Ramick asked if Mr. Pollard is going to have a helicopter in Hot Springs 365 days a year, and Mr. Pollard advised they did not commit in their proposal to have a helicopter in Hot Springs. He mentioned that their ally, Air Evac Life Team, would take a very serious look at bringing a helicopter to Hot Springs. He said there are several in the state already, and they will be putting another in Camden in December.

City Attorney Brian Albright asked if Director Maruthur's motion is to scrap the entire proposals and start over with direction from the Board to be forthcoming; and Director Maruthur said that it was. Director Daniel then seconded the motion.

Director Smith asked if Director Maruthur is making a motion to approve alternative No. 3, and Director Maruthur said that she was. Director Smith said that she also made a comment about the review committee and wanted Fire Chief Ed Davis to serve on it. He asked if that was part of the motion or does she want to do away with the committee also. Director Maruthur said she wants to make sure Fire Chief Ed Davis is a part of the assessment committee.

Mayor Bush questioned why she wanted to change it since he was on the original committee, and Director Maruthur explained that City Manager Kent Myers could not answer her questions; and she has a problem with that and other things.

City Manager Kent Myers stated he has been dealing with EMS business for the last 27 years and set up a regional EMS system in east Texas and managed the contract. He pointed out he does not know the technical aspects of EMS but does know the management level. He added that the management and quality of service of LifeNet has been excellent. He commented if the Board wants to change the process, that is fine; but he has had a lot of experience in overseeing EMS systems; therefore, that is not a correct statement.

Director Maruthur mentioned she was disappointed that he has not absorbed what was going on.

Director Smith asked if it was part of her motion to change the committee, and Director Maruthur said that would have to be a separate amendment. Director Maruthur said that her motion is to approve Alternative No. 3 , which was seconded by Director Daniel. City Attorney Brian Albright advised there is a motion and second to declare the selection process void and direct the staff to seek new proposals from all interested firms, including AMR and LifeNet. He added should Director Maruthur and the rest of the Board want to give further instructions to staff on how to go through that process, that can come in the everyday business of the City.

Mayor Bush then called for a vote on the motion to approve Alternative No. 3 (declare the selection process void and direct staff to seek new proposals from all interested firms, including AMR and LifeNet); and upon roll call, the following voted "aye": Directors Weatherford, Daniel, and Maruthur, total 3. Voting "no": Directors Smith, Ramick, Jones, and Bush, total 4; motion failed.

City Attorney Brian Albright advised there are no motions to approve on the floor at this time.

Director Maruthur questioned another option, and City Attorney Brian Albright advised that the options listed in the Board Action Request Form are not the complete limitation of the Board's choices, but some of the options listed are (1) to deny the appeal and direct staff to proceed with negotiations with LifeNet; (2) grant the appeal and declare LifeNet to be nonresponsive and proceed with negotiations with AMR; (3) declare the process void. He said that he added an alternative that perhaps the Board sit as the panel between AMR and LifeNet and hear the complete proposals that the panel once heard.

A motion was made by Director Smith to deny the appeal and direct staff to proceed with negotiations with LifeNet. There being no second to the motion, the motion died for lack of a second.

A motion was made by Director Maruthur that the selection committee be changed except for Fire Chief Ed Davis. Mayor Bush asked who she would select, and Director Maruthur said it would be emergency responders or people who are related to the business and would like to get input from the people who seem to be

informed and care. She said that she cannot name them at the present time. Mayor Bush recommended that Director Maruthur serve on that committee.

Director Daniel said he totally disagrees with the motion and feels that the character of Deputy City Manager Lance Hudnell is unrepachable, and he has known Justice of the Peace Bud West for 40 years; and Fire Chief Ed Davis and City Manager Kent Myers are very experienced. He said he has a problem with changing the committee. He stated that he holds these people in high esteem and cannot think they purposely did something with malice intent.

Director Maruthur stressed that she did not think that.

Director Ramick said he believes the committee is fine.

There was no second to Director Maruthur's motion to change the selection committee with the exception of the Fire Chief.

Director Maruthur commented if this is denied and the City has LifeNet, she is going to ask for the response times and wants them to be given to the Board on one piece of paper for the Directors' district or neighborhood. She stressed that she wants a breakdown. She mentioned she does not like what she is hearing and is not comfortable with people who are not familiar with the medical emergencies.

A motion was made by Director Smith, duly seconded by Director Maruthur, that this be tabled for two weeks; and upon roll call, the following voted "aye": Directors Maruthur, Jones, Smith, Weatherford, Ramick, Daniel, and Bush, total 7; motion unanimously carried.

Director Ramick suggested that the Board be given some different options for the next meeting. Director Weatherford pointed out the Board was given three options tonight.

Mayor Bush pointed out this issue has been tabled and called for the next order of business.

21 Proposed Resolution No. R-08-271

A resolution entitled, "A RESOLUTION AUTHORIZING THE CITY TO PROCEED WITH PHASES 1 AND 2 OF THE CONTRACT WITH JACOBS ENGINEERING

(FORMERLY CARTER BURGESS) FOR THE HOT SPRINGS WATER SYSTEM EXPANSION PROJECT,” was taken from the agenda and read by title only.

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

Upon discussion, Mr. Steve Mallett, Public Works Project Director, stated on October 2007, the Board approved a multi-phased contract with Carter Burgess, who is now Jacobs Engineering. That includes four phases and that resolution only authorized Carter Burgess to proceed with Phase 1A, which was to evaluate the existing facilities, which has now been done. He said the reason more was not allowed to proceed at that time was because at that time a water source had not been identified. Since then, Entergy has come forth and given an option to consider. He pointed out that Phases 1B, 1C and 2 of the original agreement are now referred to as Phase 2. The City will look at a proposed location and preliminary design for new intake and water plant in the vicinity of Carpenter Dam Road since that is a deeper area of the lake where Entergy is comfortable with allowing the City to take additional water. Phase 2 will also include evaluation of water distribution system with regard to the proposed improvements and addressing all requirements listed in the agreement with Entergy, which also requires other requirements in exchange for utilizing some of their property. Based on recent experience with Carter Burgess and other firms in the nature of lump sum contract versus an hourly contract, the City asked them to provide an hourly contract so it could better monitor and control the costs. There are five basic design features that are a majority of the contract, but there are also 12 other ancillary contracts that are smaller items. Depending on how the contract goes, the City may reduce or totally forego and will have an amount attached to each of those tasks in case the City decides to forego those. The contract amount for this phase is \$3,293,390, which is for 17 separate tasks involved in the preliminary design. Once this is complete, Phase 3 is the final design; and Phase 4 would be any construction inspection the City would get from Jacobs Engineering.

Director Daniel stated this concerns the work with the contract that Entergy has sent forward as far as the additional water supply not coming from Lake Ouachita, and Mr. Mallett said that is correct; and they have agreed to allow the City to take water from a certain area of the lake where the water is deeper. However, at the present time, it is unknown what the bottom of the lake looks like in that area, and there may have to be a modification where the intake is. Also, it is unknown the exact location for a plant. He said the City still has to tie it on its existing distribution system so there are other issues that have to be worked out other than just building a plant. He commented

there are many ways it ties; and it is on the south side of the lake; but the City's existing facility is on the north side. He added the City is just moving forward with what Entergy has preliminarily agreed to, which is to consider locating facilities in that area.

Director Maruthur said the water expansion project costs basically \$3,293,390, and Mr. Mallett replied that is the preliminary design phase of this contract. Director Maruthur questioned if there is any way he can make a commitment to the \$3,293,390, or maybe see if he could make it lower by doing it hour-by-hour because he has said there is more control over the situation hour-by-hour. Mr. Mallett explained there are 17 different tasks, and one of them is to support the Entergy negotiations. If the City has a lump sum contract for \$3,293,390 and the contractor comes back and says they do not need any help supporting Entergy negotiations and would like to reduce that from the contract, the City is basically negotiating without any kind of basis to know what they had in the contract. He explained they have \$13,670, and they may come back and say they did not actually include anything in that so they are not going to deduct from the contract. If it is a lump sum contract when ten percent of the work is done, they bill for ten percent. When twenty percent is done, they bill for twenty percent. He stated the City will most likely pay 100 percent of that contract whether they did all the work that was originally included or not. He advised the City asked them to specifically detail out exactly how much it is paying for each task so if the City gets to one of these tasks and it is not needed, then the City does not pay that amount.

Director Maruthur said the City can hold them to either \$3,293,000 or less, and Mr. Mallett advised it is a "not to exceed" contract provided the City can build a plant on that location. He added if there is some kind of endangered species at the location and the City has to mitigate, then this contract basically goes away; and the City has to come back with something else. He advised the City would not get to the end of the contract and realize it could not build a plant at that location, but this is to find out whether it can do that or not.

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, Ramick, Daniel, and Bush, total 7; motion unanimously carried. Whereupon the resolution was declared adopted.

22 Proposed Resolution No. R-08-272

A resolution entitled, "A RESOLUTION ADOPTING THE HOT SPRINGS AREA TRANSPORTATION MASTER PLAN," was taken from the agenda and read by title only.

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

Upon discussion, Ms. Dianne Morrison, MPO Study Director, advised that the Transportation Master Plan began in late 2006 and is in coordination with the City of Hot Springs, Garland County, and Hot Springs Area Metropolitan Planning Organization. It studied and analyzed the current conditions in Hot Springs as far as intersections, roadways, and traffic and now proposes roadway design standards and combines the long-range transportation plan, the City's Master Plan, the City's Master Trails Plan, and the City's Comprehensive Plan. The whole intent was trying to combine all of these to make it easier when the planning proposals come to the City and County to make it easier to determine what should be involved in that roadway. This document has gone to the Technical Committee of the Hot Springs Area Metropolitan Planning Organization on October 28 and recommended it for approval by the Policy Board on October 30. It also went to the Planning Commission on November 13, and they recommended that the TMP (Transportation Master Plan) be adopted as an element of the 1997 through 2020 City of Hot Springs Comprehensive Plan, which would modify the existing Comprehensive Plan. She pointed out that this TMP can be amended in the future.

Director Maruthur stated that she and Mayor Bush sit on the Policy Board for the Metropolitan Planning Organization, and she has received calls from people who are not pleased with some of the decisions that TEC (Traffic Engineering Consultants) made. In the interim, she questioned the procedure for making incremental amendments to change some of the decisions that were made by TEC. Ms. Morrison advised that any amendments would be brought to the MPO Technical Committee first for their review. She added there were three public meetings for this prior to adoption by any particular board. Director Maruthur reported that a lady called her today who had attended the meeting and had a problem with one of the proposals regarding McLeod Street, and she made a statement to someone who told her this is only a conceptual meeting. She later found out the reason there was no input was because of what they were told. She said there were several other people who called her on this issue. Also, she has a couple of items she would like to see addressed again.

Ms. Morrison explained that the Technical Committee will review it and decide if it should be recommended to the Board for an amendment to the Transportation Master Plan. Director Maruthur questioned when that can be done, and Ms. Morrison advised there is no specific time because this is not mandated by the federal government, and there are no specific timetables.

Director Smith commented that the issue on McLeod Street referred to a setback issue of 60 feet versus 80 feet. Ms. Morrison replied that it is currently 70 feet, and this changes it to 80 feet. She added it is not just for that particular road and is for any urban minor arterial.

Director Daniel asked if that could come back to the Board, and Ms. Morrison said it could.

Mayor Bush said he has received phone calls on this matter, and they were all very positive.

In response to Director Maruthur, Ms. Morrison said the telephone number to the MPO office is 321-4804.

Mayor Bush then called for a vote on the motion to adopt; and upon roll call, the following voted "aye:" Directors Jones, Smith, Weatherford, Ramick, Daniel, and Bush, total 6. Voting "no": Director Maruthur; motion carried. Whereupon the resolution was declared adopted.

23 Proposed Resolution No. R-08-273

A resolution entitled, "A RESOLUTION ADOPTING A STATEMENT OF INTENT REGARDING THE APPLICATION OF SUSTAINABILITY PRINCIPLES TO THE CITY OF HOT SPRINGS, ARKANSAS," was taken from the agenda and read by title only.

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

Upon discussion, Ms. Kathy Sellman, Planning and Development Director, advised that the Board began a process of looking at how to be more energy efficient by contracting with Entergy and the City Smart Program to take a look at what the City's energy usage is and how the costs can be controlled. That was the first step in looking at energy efficiency citywide in all of the activities the City does on a daily basis, as well as its long-term programs. She explained the resolution before the Board expresses

four policy statements: (1) that the City is committed to meeting its current needs without compromising the ability of future generations to meet their needs; (2) the City will consider cumulative and long-term impacts of policy choices as it works to ensure a sustainable legacy; (3) the City is committed to implementing sustainable practices that address operation and maintenance; facility design; municipal services, and purchase of products and services; and (4) the City will assume a leadership role in creating, sponsoring, and promoting sustainability awareness within the community. She said in the last several months, the City has become more aware of the vulnerability it faces as an organization in paying for energy.

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, Ramick, Daniel, and Bush, total 7; motion unanimously carried. Whereupon the resolution was declared adopted.

24 Proposed Resolution No. R-08-274

A resolution entitled, "A RESOLUTION DECLARING OF CERTAIN REAL PROPERTY AS SURPLUS AND AUTHORIZING THE SALE THEREOF (236 WHITTINGTON)," was taken from the agenda and read by title only.

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

Upon discussion, City Manager Kent Myers said it is recommended that the Board declare the old MRI Building and the adjacent property at 236 Whittington as surplus property with a minimum bid price at \$52,500. He stated the City has recently been approached by representatives from Roanoke Missionary Baptist Church about the possibility of purchasing this property and developing it as a new church. The City has had ownership of this property for a number of years but has not utilized the property and has been a maintenance issue for the City. Therefore, staff is recommending to put this out for sale to the highest bidder.

Director Smith said he believes the City owes it to the taxpayers to put this on the open market and get the best possible value for it. He stressed that he has nothing against the church but is not comfortable with the price of \$52,500, which he thinks is too low.

Director Maruthur stated she made several phone calls and expressed concern with the way it is now zoned. She pointed out the City is considering declaring this surplus property and received a price expectancy, not an appraisal. She stressed the issue is not the price; but the way it is zoned, which is C-4. She commented if the City were to declare this surplus and receive bids on it, there could be a night club, bar, liquor store, carwash, tobacco store, or tattoo parlor in this area. She said this cannot happen in a neighborhood, and there are residents who have invested in beautiful historic buildings; also, the Arkansas School for Mathematics, Sciences and The Arts is located in this area. She emphasized this needs a rezoning before the property can be declared surplus. Also, there are people in the neighborhood who have put together a package, and they would like to be acknowledged also. She urged the Board to rezone the property before declaring it surplus.

Director Ramick expressed concern with \$.75 a square foot and said it should be at least \$5 a square foot.

Director Weatherford pointed out that is half of what has been normal for that area.

Director Maruthur commented that is not the issue, but Director Ramick replied that was his issue.

Director Maruthur pointed out it goes to the highest bidder, and there is a citizen who would like to speak to this item.

Director Weatherford asked if the City were to declare this surplus property and request bids for it and not set a price on it, could the City change the zoning on it so whoever were to get this piece of property would have to come back and have it rezoned.

City Attorney Brian Albright advised it would be easier for the City to do that while the City owned the property. He said it is his understanding the City can initiate a rezoning, which would be done at the Board level.

Ms. Kathy Sellman, Planning and Development Director, said that is correct; and the City has two rights to do that under this scenario because the City is the owner; and the Board has the opportunity to do that.

A motion was made by Director Smith, duly seconded by Director Ramick, to refer this to the Planning Commission and let them determine the zoning that is the highest and best use.

Upon discussion, Director Maruthur pointed out the rest of the area is zoned C-TR, and that would be conducive to the two people who are interested in this and would be under a conditional use, which would go to the Planning Commission. Therefore, C-TR would be the appropriate zoning for this area.

City Manager Kent Myers pointed out that the Board will have the final decision on this zoning, and there will be a recommendation from the Planning Commission. If they do not recommend C-TR, the Board can still do that by overriding the Planning Commission.

Mr. Elijah Harris, 316 Quail Creek Road, stated if this is sent back to the Planning Commission and is changed from C-4, the Board still would not have decided whether or not it is surplus property. He pointed out that the Directors may have a difference of opinion on the worth of the property, but the Board has not declared it surplus property.

City Attorney Brian Albright explained that the zoning sometimes has an effect on the appraised value of property. He pointed out if someone is going to give a certified appraisal of the property, they would want to know what the zoning is going to be for that property before they give an opinion on the value.

Mr. Harris said they have looked at the property; and across the street, there is another church that is C-4; up the street, there is another church, which is C-4; and two or three blocks up the street going up Park Avenue, it is C-4. As far as the neighborhood is concerned, basically based on the history of all the churches in the neighborhood, he said they are all C-4. He commented the church has no objections to the Board taking a look. He mentioned they have been in the neighborhood since 1868 and would not want something to be built that would be detrimental to the neighborhood. However, at least 75 percent of the people who attend Roanoke Missionary Baptist Church are of that neighborhood and have a great understanding of what goes on in the neighborhood; and they are interested in the property. He questioned if the City is going to declare it surplus, then they would be interested. If not, then they need to look at other options.

Director Daniel said there is a church across the street, which would that not fall into the category; and if there was any facility that had to do with alcoholic beverages,

he questioned if it would not affect them. Director Weatherford commented that state law says if they are 500 feet from the door, there cannot be any alcohol. Director Daniel said that would be less than 500 feet because it is across the street.

Mayor Bush then called for a vote on the motion to refer this back to the Planning Commission for rezoning; and upon roll call, the following voted "aye:" Directors Maruthur, Smith, Weatherford, Ramick, Daniel, and Bush, total 6. Voting "no:" Director Jones; motion carried. Whereupon the resolution was declared adopted.

25 Proposed Resolution No. R-08-275

A resolution entitled, "A RESOLUTION DECLARING OF CERTAIN REAL PROPERTY AS SURPLUS AND AUTHORIZING THE SALE THEREOF (FINANCIAL SERVICES BUILDING, 349 MALVERN AVENUE)," 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, City Manager Kent Myers advised that it is recommended the Board table action on this item. After the agenda was distributed to the Board, the City received correspondence from the Austin Hotel regarding some easement issues that impact the property. City Attorney Brian Albright will be talking with Mr. Austin's attorney; and until that issue is resolved, he would recommend that the Board table this item tonight.

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

26 Proposed Resolution No. R-08-276

A resolution entitled, "A RESOLUTION APPROVING A REVISED CITY OF HOT SPRINGS STRATEGIC PLAN FOR 2009," 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, City Manager Kent Myers advised that last year, the Board developed its strategic plan and did an excellent job in preparing the mission statement, vision statement and a number of strategic goals that the Board wanted the City to meet over the next 10 to 20 years. Staff has brought back a couple of updates to the Strategic Plan that incorporate some of the comments the Board recently made at the budget meeting in regard to emphasis on public safety services and sustainability issue, and then to establish a fair and consistent compensation plan for the City employees. With those changes, staff recommends approval. Immediately following this, the department heads prepared their individual strategic plans, and he will give the Board a copy of the entire document within the next several weeks.

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, Ramick, Daniel, and Bush, total 7; motion unanimously carried. Whereupon the resolution was declared adopted.

27 Proposed Ordinance No. O-08-78

An ordinance entitled, "AN ORDINANCE LEVYING A SUPPLEMENTAL ANNUAL ASSESSMENT FOR CENTRAL BUSINESS IMPROVEMENT DISTRICT NO. 2 OF THE CITY OF HOT SPRINGS, ARKANSAS, FOR 2009," 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 Jones, duly seconded by Director Smith, that the ordinance be passed as read.

Upon discussion, Director Daniel questioned if this is the same one they are paying every year, and Deputy City Manager Lance Hudnell advised this is commonly called the maintenance; but under the law, it is called the supplemental.

Director Maruthur questioned since she is part of this, if there is a problem with her voting on this ordinance; and City Attorney Brian Albright advised that if she would like to abstain, that would be fine but does not believe it will affect the vote.

Mayor Bush then called for a vote on the motion to adopt; and upon roll call, the following voted "aye": Directors Jones, Smith, Weatherford, Ramick, Daniel, and Bush, total 6. Abstaining: Director Maruthur; motion carried. Whereupon the ordinance was declared passed.

28 2009 Budget Presentation

A motion was made by Director Smith, duly seconded by Director Jones, to consider the 2009 budget presentation.

City Manager Kent Myers advised that the Board has the proposed 2009 budget, and the Board requested last week that it receive this document prior to the meeting. On Friday, the Board received a copy of a nine-page budget message with about 40 pages of attachments. He said he does not propose to go through this tonight. He mentioned there are some representatives from the Arkansas School for Mathematics, Sciences and The Arts present and suggested that the Board hear their comments. He would suggest that the Board then set the date for its budget work session and go through the budget message and other information in more detail.

Dr. Janet Hugo, 401 Lakeland Drive, stated she was surprised by a newspaper article showing \$20,000 to be reduced for major repairs on the facility to \$10,000. She said she was not aware there was a figure of \$20,000 in the beginning, and ASMSA had requested \$110,000 to complete the final phase of the energy study that was done in 2004. She stated two cooling towers are supposed to be constructed and have been waiting on those for several years. Also, there have been no city funds expended in this fiscal year on the school. In the summer of 2007, asbestos removal was done in the chapel ceiling; and she is awaiting a new roof and the replacement of that ceiling. She reported that bids did go out, and there was a problem with the process. She mentioned City Manager Kent Myers informed her today that the bids will be opened in December and that project should start in January. She said she did not understand with \$20,000 budget, how the City is going to be able to install a new roof and do whatever needs to be done in the ceiling. She pointed out this school has an economic impact on the City in the amount of \$9 million a year and believes the City has the responsibility in terms of the lease to take care of the major projects that it has. She said there are pipes leaking in the rooms, and they have had to remove students from rooms. She mentioned they have not billed the City for any of that even though the lease says anything over \$500 is to come to the City. She commented they need to complete the energy problem they have and have been trying to conquer the problem with mold for a number of years, as

well as proper ventilation and HVAC in those buildings. She reported they just completed a \$60,000 campus master plan, which includes new construction in the amount of \$89 million; but they do not have \$89 million. Without having those funds, she said they need to be able to maintain the buildings they have. She requested that the City consider not only completing this roof that continues to be a problem in terms of leaking and fixing the ceiling, but to also consider some of the other things that need to be done at the school. She reported a new roof was installed on the convent several years ago, and they are in the process of renovating that convent. The final figures will be around \$1.5 million but will not cost the City anything. She mentioned they continue to re-patch walls that continue to have leakage problems because of problems with the roof; and debris was left in the gutters, which they had to be cleaned because the City did not have the personnel to take care of that. She requested that the City consider taking care of the issues that are essential to their continued ability to live in those buildings.

Director Maruthur said she was there when the State representatives met. She pointed out the problem with the moisture control, and a bid went out to Pettit and Pettit on this issue. She said she spoke with Dr. Hugo today, and there have been no funds going to the School this year. She added that Dr. Hugo is asking for the money that was pledged to solve a problem which the City took very seriously, and the legislative representatives are very concerned about this. She said she would like to see the City do the right thing and honor the commitment that was made for the students and to the school.

Mayor Bush commented that all of the citizens of Hot Springs want to do the right thing, and the Board will do what it can do. However, it is not going to raise taxes to get them \$1.5 million. Dr. Hugo explained she is not asking for \$1.5 million. She said they are renovating the convent, and it is costing the school \$1.5 million to put that building in shape. Mayor Bush asked who was paying for it, and Dr. Hugo advised that it is in the ASMSA budget, not the University of Arkansas. She stated all she is requesting is for the completion of that final phase, which is \$110,000 for the cooling towers.

City Manager Kent Myers stated the project Dr. Hugo mentioned was the replacement of the roof at the convent, and the Board rejected the bids on that because the low bidder did not have the proper state contract. He added that contract is out for rebid, and the Board will be getting those bids within the next 30 days. He advised that Public Works Director Steve Mallett estimates around \$80,000 that will be invested to take care of that problem. He said if the City does not appropriate the money by the

end of the year, the plans are to carry that money over to 2009. With regard to the cooling towers, that is the final phase of the multi-year project. It is one of several projects that were cut of the budget as a result of balancing the budget; and when the Board gets into its budget meeting, it will have to make some difficult decisions on what to add and delete. He said that he had asked Mr. Mallet what would happen if the City waited until 2010 to replace the cooling towers, and he said he did not think it is absolutely critical based upon what he has seen. However, he would like the opportunity for the City to take a closer look, and he will schedule a visit to ASMSA and give a recommendation by the time the Board has its budget session.

Mr. Wes Burton, 312 Gold Mine Place, said if the City puts a bid out, it is supposed to have the money in the budget to cover that bid; Finance Director Dorethea Yates said that is correct. Mr. Burton questioned where the money went if the bids went out, and Ms. Yates advised that the City still has the money in the budget for that. Mr. Burton stated the school did not get any money last year, and there was supposed to be \$65,000 for the roof. He added the roof went out for bid, and it came back that the bid was no good. He added that \$30,000 went to clean up the chapel because he found asbestos in it and questioned what happened to the rest of the money. City Manager Kent Myers advised that it is still there. Mr. Burton questioned why the City had to pick up the money out of the 2009 budget if the money is still there in 2008.

City Manager Kent Myers explained they are talking about two different projects, pointing out the roof repair at the chapel is still in the budget; and the City is in the process of bidding that and will come to the Board next month. He said they have been discussing the cooling towers for the 2009 budget but is not in the proposed budget at the present time. However, the Board is just now starting to discuss the budget, and that could possibly be added back as the Board continues through the budget process. He commented if the Board does not approve the contract by the end of this year, Finance Director Dorethea Yates will bring back a list of reappropriations and that will be on the list for the Board to reappropriate.

Finance Director Dorethea Yates advised if the money is not spent this year, then it will carry over to next year and become part of their 2009 budget.

Mr. Burton asked if their budget this year is going to remain \$10,000, and Mayor Bush said that is unknown at this time.

City Manager Kent Myers suggested that the Board Work Session on the budget be held next Monday after the agenda meeting on November 24 since the chili cook-off is on Tuesday. There were no objections from the Board.

OTHER BUSINESS

29 Board of Directors Items

Director Weatherford reminded everyone that Tuesday, November 25, is the chili cook-off and will start cooking at noon and serving at 3 p.m. The cost is \$3 for "all you can eat." Also, the Christmas lights will be turned on downtown at 6 p.m.

At this time, Director Weatherford made a motion, duly seconded by Director Maruthur, to adjourn into executive session.

EXECUTIVE SESSION

The Board adjourned into executive session at 10 p.m.

RECONVENE TO OPEN SESSION

The Board reconvened into open session at 10:20 p.m.

Mayor Bush announced that City Manager Kent Myers had a statement to make.

City Manager Kent Myers stated that he was offering his resignation as City Manager of the City, effective December 31, 2008. He said he has appreciated the opportunity to work for the City.

Director Maruthur questioned the terms of this, and Mayor Bush advised that will be worked out.

30 ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 10:22 p.m., to meet again on Tuesday, December 2, 2008, at 7:00 p.m.

ATTEST: _____

APPROVED: _____

Lance Hudnell, City Clerk

Mike Bush,

Mayor