

## **MINUTES**

### **BOARD OF DIRECTORS MEETING**

**TUESDAY, MAY 5, 2009, AT 7:00 P.M.**

The regular meeting of the Board of Directors was held on Tuesday, May 5, 2009, at 7:00 p.m., Board Chambers, City Hall, with Mayor Mike Bush presiding.

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

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

#### **1 Roll Call**

Roll call was as follows: Present: Directors Peggy Maruthur, Elaine Jones, Cynthia Keheley, Carroll Weatherford, Rick Ramick, Tom Daniel, and Mike Bush, total 7.

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

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

Upon discussion, Director Maruthur made a motion, duly seconded by Director Weatherford, to remove Item No. 8 (Proposed Resolution No. R-09-104 Declaring Certain Real Property as Surplus and Authorizing the Consideration of the Sale Thereof [236 Whittington]) from the agenda. She stated there are several organizations that are interested and part of it is environmental.

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 Recognition of Guests**

Director Weatherford introduced Ms. Karla Nardi, National Park Community College Hospitality Instructor, who stated this is the first time for college students (Lee

Brooks, Richard Davis, and Matthew Morrison) from the National Park Community College to be involved in the Sister City Program. She introduced Mr. Lee Brooks, who stated he experienced the cultures and traditions of Japan and was fortunate to represent National Park Community College and Hot Springs.

Ms. Nardi stated there were five culinary exchanges while they were in Hanamaki, and the chefs and the presentations were meticulously created. She said they were able to experience an outstanding array of delicacies and also able to cook some of the southern dishes on two occasions. She commented they were given the opportunity to experience Hanamaki hospitality and bring that spirit of customer service back to Hot Springs. She said she believes the City can only be enhanced by this union with Hanamaki because of the common denominators of hospitality, tourism and customer service. She mentioned National Park Community College can only be enhanced as well by the opportunity that it can give its students to experience another culture before their graduation. She encouraged people to travel to Hanamaki.

Police Chief Bobby Southard introduced recently employed officer Greg Burton who has had 2½ years' experience from Malvern Police Department and graduated from the academy in 2007 with an Associates Degree in Criminal Justice.

Officer Burton thanked the City for the opportunity to work for the Police Department and said he looked forward to serving the community.

#### **4 Board of Directors Announcements**

Director Daniel announced on Saturday, May 16, will be the fourth year of the Steuart Pennington Running of the Tubs. After completion of the race, a Chicken Cook-Off will be held at the Exchange Street Parking Plaza. Tickets are \$5, and proceeds go to the lighting of the Christmas lights.

Director Maruthur announced that E-Day will be held at the Transportation Plaza on Sunday, May 17 from 12 noon to 4 p.m. This will be about the earth, the environment, energy, efficiency and education. She said it is free and will provide individuals with tools they can use to improve their lives, reduce bills and enhance just about everything around them including the use of alternatives for removing ants, such as corn meal rather than pesticides. She attended the inaugural environmental Film Festival, which was held on April 24 and April 26. She said that she has asked for "Kilowatt Ours" to be provided for viewing by the Board. She added that it was very

informative, and she has coupons for products that will also enhance the lives of individuals. She expressed appreciation to all of the sponsors for the first environmental film festival, and the date will be announced for the showing of "Kilowatt Ours." She reported the Fire Department is offering a program of helping the residential residents who do not have house numbers, and this is an emergency response and adheres to Ordinance No. 4328. She stated each home should be identified with a house number so the Fire Department, Ambulance Service, and the Police Department can help them.

Their slogan is "Help Us Help You." She said that she would distribute these to the audience for free numbers for residential only, and citizens may call Nate at the Fire Department (321-6970) and expressed appreciation to the Fire Department.

Director Keheley advised that the grand opening of the Downtown Farmers' Market starts this Saturday from 6 a.m. to 11 a.m. Several bands will be playing; and there will be plenty of vegetables, fruits and flowers.

### **CONSENT AGENDA**

The Consent Agenda consisted of the following:

- 5 Public Safety Report** (April 21, 2009).
- 6 Proposed Resolution No. R-09-102** Approving Certain Bid Awards (a) Roll-Off Collection Vehicle - Sanitation [awarded to Tri-State Center in the amount of \$153,953]; (b) Front Load Collection Vehicle - Sanitation [awarded to Tri-State Truck Center in the amount of \$216,280]; (c) Transfer Trailer - Sanitation [awarded to Spector Manufacturing in the amount of \$59,350]; (d) Knuckleboom Collection Vehicle [awarded to Rivercity Hydraulics in the amount \$114,436]; and (e) Skid Steer Loader [awarded to Hugg & Hall Equipment in the amount of \$27,204.98].
- 7 Proposed Resolution No. R-09-103** Awarding a Contract to Penn Credit Corporation for Collection Services.
- 8 Proposed Resolution No. R-09-104** Declaring of Certain Real Property as Surplus and Authorizing the Consideration of the Sale Thereof (236 Whittington).  
**(Removed from the Agenda)**

- 9 Proposed Resolution No. R-09-105** Awarding a Contract to Cummins Mid-South for the Replacement of Three Bus Engines Using American Recovery and Reinvestment Act Funds.
- 10 Proposed Resolution No. R-09-106** Authorizing the Mayor to Execute a Lease Agreement Between the City of Hot Springs, Arkansas, and AAR Services, Inc., d.b.a. AAR Aircraft Services-Hot Springs, for Building #2, Suite D, at the Airport.
- 11 Proposed Resolution No. R-09-107** Authorizing the Filing of a Grant Application with the Arkansas State Highway and Transportation Department for a Bridge and Construction of the Valley Street Creekwalk, Phase III.
- 12 Proposed Resolution No. R-09-108** Authorizing the Mayor to Execute a Memorandum of Understanding with the United States Department of Agriculture, Ouachita Job Corps, to Participate in the Off-Center, Work-Based Learning Program.
- 13 Proposed Resolution No. R-09-109** Appointing Richard McGrew to the Hot Springs Planning Commission.
- 14 Proposed Resolution No. R-09-119** Appointing Brian Gehrki and David Campbell to the Hot Springs Board of Zoning Adjustment.

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

Upon discussion, Mr. Douglas Jones, 907 West St. Louis, was recognized speaking to Item No. 13 Proposed Resolution No. R-09-109 (Appointing Mr. Richard McGrew to the Planning Commission) and commended the Board, Mayor and City Manager for the atmosphere in which the Board has conducted itself during the last several meetings. He pointed out there has been a dramatic change, which he appreciates. He said he believes it is because of the desire of the Board to “fix” that which was obviously broken, and the decision to revisit the Code of Ethics was not only

wise but also was helpful and needful according to what he has read in The Sentinel-Record. Also, Mr. McGrew's being appointed to the Planning Commission was another good decision on the Board's behalf. He said he hopes that the changes are not short-term to appease the public outcry but is a genuine desire to reconnect with the community. He noted there is an epidemic of distrust in those who represent them, and the road to "fix" this problem is going to be long and hard; but he believes the Board is making the right steps in the right direction. He thanked the Board for moving in the direction to make some changes and for the way the meetings are being conducted.

Mayor Bush expressed appreciation to Mr. Jones for his comments and stated he thought the Board had done well the last few years.

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

## **NEW BUSINESS**

### **15 Proposed Ordinance No. O-09-15**

An ordinance entitled, "AN ORDINANCE TO AMEND THE CODE OF ORDINANCES OF THE CITY OF HOT SPRINGS, ARKANSAS, TO ESTABLISH AN "IDENTITY THEFT PREVENTION PROGRAM" IN COMPLIANCE WITH FEDERAL REGULATIONS; TO COMPLY WITH FEDERAL REGULATIONS RELATING TO RED FLAGS AND IDENTITY THEFT; TO PROVIDE FOR CODIFICATION; TO PROVIDE FOR SEVERABILITY; TO PROVIDE FOR AN ADOPTION DATE AND EFFECTIVE DATE; AND FOR OTHER PURPOSES ALLOWED BY LAW, " was taken from the agenda for consideration.

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

Upon discussion, City Attorney Brian Albright explained that in 2003, Congress passed the Fair and Accurate Credit Transactions Act of 2003. As part of that, it asked

the Federal Trade Commission to promulgate rules to be established; and in November 2007, they did so and gave cities such as Hot Springs, that provide water service, a deadline which has been extended from November 7 until May 1, and has now been continued until August 1. By federal law, the City is mandated to implement a policy that will help it identify individuals who attempt to engage in identity theft of its customers. He stated this ordinance is intended to comply with those federal regulations and establish a set of red flags or suspicious conduct that will prompt the City to notify the customer and/or in certain cases the prosecutor's office for identity theft issues. He added this was a model ordinance that was taken from the Arkansas Municipal League, which in turn received it from the National League of Cities.

Director Maruthur commented this is a two-pronged approach, pointing out the City is going to be protecting the records that it holds regarding the public's accounts and is to also assure that the people who are applying for a utility are those people they profess to be.

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

## **16 Proposed Ordinance No. O-09-16**

An ordinance entitled, "AN ORDINANCE WAIVING THE REQUIREMENTS OF COMPETITIVE BIDDING FOR THE PURCHASE OF A 29-FOOT, LOW-FLOOR HEAVY-DUTY TRANSIT BUS FROM GILLIG CORPORATION BY MEANS OF AN OPTION ASSIGNMENT FROM SAN MATEO COUNTY TRANSIT DISTRICT-SAMSTRANS; AND FOR OTHER PURPOSES," was taken from the agenda for consideration.

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

Upon discussion, Mr. Bob Reddish, Resident Advisor, advised that Intracity Transit wishes to procure two buses through a "piggyback" arrangement with San

Mateo, California Transit. He added that "piggybacking" is authorized and encouraged by the Federal Transit Authority. He said that San Mateo has made sure that everything is in compliance with FTA. He explained the advantage of "piggybacking" is it saves hours of work and probably about \$20,000 a bus for the City. He advised they put in an order for about 325 buses, but they did not need all of them; therefore, they are letting the City have two of them at a good discount. He mentioned this is to be purchased through the American Recovery and Reinvestment Act, which means that it is financed at 100 percent.

Director Kehel ey questioned the delivery of the buses, and Mr. Reddish advised they will be delivered to Hot Springs in 2 to 3 years. He added it normally takes 1 years, but they are about 3 years behind.

Director Maruthur commented that the City waived competitive bidding; but in reality, it did not, adding that in San Mateo, they went through the competitive bidding process and filtered it.

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

## **17** Proposed Ordinance No. 0-09-17

An ordinance entitled, "AN ORDINANCE WAIVING THE REQUIREMENTS OF COMPETITIVE BIDDING FOR THE PROCUREMENT OF CERTAIN ITEMS (TRAFFIC SIGNAL COORDINATION PROJECT PARTS); AND FOR OTHER PURPOSES," was taken from the agenda for consideration.

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

Upon discussion, Mr. Denny McPhate, Public Works Operations Director, stated these are parts being purchased for the Central

Avenue traffic coordination project. He explained the request is to waive competitive bidding since the existing traffic signal cabinets are equipped with Eagle software and controllers, and Temple is the Eagle distributor for the State of Arkansas. He added these parts are to upgrade the existing cabinets and communications network to communicate with the new Atra server and to coordinate the timing of all traffic signals along the Central Avenue corridor.

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

## **18 Proposed Ordinance No. 0-09-18**

An ordinance entitled, "AN ORDINANCE WAIVING THE REQUIREMENTS OF COMPETITIVE BIDDING FOR EMERGENCY PROCUREMENT OF LAMSON BLOWER FOR THE DAVIDSON DRIVE WASTEWATER FACILITY; CERTIFYING EMERGENCY ACTIONS BY THE CITY MANAGER; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES," was taken from the agenda for consideration.

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

Upon discussion, Mr. Steve Mallett, Deputy City Manager for Public Works and Utilities, advised that plans were to purchase a refurbished unit; however, it had already been sold; and the City had to return to the original bidders list. He stated when the City had a first unit fail and the second unit fails, it was not able to wait the eight weeks that was required for the new unit. He was able to get with all of the responsible bidders, and the lowest bidder he found not to be responsible and did not meet the qualifications for what the City needed; therefore, he went to the second bidder at a cost of \$24,250. He stated the City was able to negotiate a price with them for a

different oiler, which lubricates the unit; and that is what the eight-week delivery price was for. He added the City was able to negotiate with them a cheaper oiler and a manual oiler. He stated it gives a little more maintenance for his employees; but considering the consequences, the City decided to go with the manual oiler; and the actual price for this unit is going to be less than \$18,000. He noted that was through National Turbine, which was the second low bidder but was the lowest, qualified bidder and is going to offer a deduct for the different oilers. Therefore, the City can get it here possibly before the end of this week. He pointed out this is still an emergency purchase; and in effect, the City did actually waive competitive bidding because it did not go with the actual unit bid.

Director Maruthur asked if the City was dependent on this one blower and if there is one in reserve. Mr. Mallett replied that the City has three blowers. He added when the first one went out, the City moved forward with getting competitive bids because it had two that were still operating. When the second one failed, then it became an emergency situation. He stated the City looked at competitive bids, and it was an eight-week delivery. He said that is when the City considered the refurbished; but since then, the City has actually been able to combine the two parts and pieces from the old blowers and make one work. Therefore, the City is currently operating with two blowers; however, there is not a lot of faith in the one that they had to "band-aid" together.

Director Maruthur pointed out the City will have a new blower; therefore, the warranty is not an issue; and Mr. Mallett said that was correct. Director Maruthur questioned what happens if the other one should go out, and Mr. Mallett advised that the City will have the competitive bidding process again and get one in its place. Director Maruthur asked if there is chance the City can get another reconditioned one, and Mr. Mallett replied that staff will watch for a reconditioned one. He said staff had asked if they could wait for another reconditioned unit and was basically told that they do not come along very often. He added if the City happens to get one, staff told them to keep the City on their list because the third one is operating; but it will probably need to be replaced in fairly short order.

Director Maruthur asked that he explain the function of the blower, and Mr. Mallett explained that the wastewater treatment plant operates off a biological process in which bacteria consumes contaminants in the water; and the bacteria has to have oxygen. He explained the higher the oxygen content, the higher the bacteria count and the bacteriological process.

Director Ramick pointed out that is what keeps the water clean.

Director Maruthur stressed that it is mandatory, and Mr. Mallett said in order for the City to meet its numbers, it has to have the oxygen level.

Director Kehel ey questioned the life expectancy of these blowers and if it is unusual that they went out in this manner, and Mr. Mallett replied that it is unfortunate that it happened within a couple of weeks of each other because the life cycle is probably in the ten to fifteen-year timeframe as most wastewater equipment is. He said the City just had the misfortune of both of them going out at the same time.

City Manager Lance Hudnell pointed out that the City was already out for bid on this before they went out, and Mr. Mallett replied that is correct. He added when the first one failed, the City went out to bids; and when the second one failed, that is when it became an emergency.

Director Maruthur questioned the time on the warranty since the City is purchasing a new blower, and Mr. Mallett advised that it is a limited warranty. He said he believes the other one was a five-year warranty, but he can get that information for her. However, it is the same warranty as would be on a new unit but did not recall if that was a five or ten-year warranty based on the information that he has.

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

The emergency clause was then read and a motion was made by Director Maruthur, duly seconded by Director Jones, to adopt the emergency clause; and upon roll call, the following voted "aye": Directors Maruthur, Jones, Kehelley, Weatherford, Ramick, Daniel, and Bush, total 7; motion unanimously carried. Whereupon the emergency clause was declared passed.

## **19 Board Travel to Hanamaki, Japan, in September 2009**

A motion was made by Director Jones, duly seconded by Director Daniel, to approve Board Travel to Hanamaki, Japan, in September 2009.

Upon discussion, Ms. Terry Payne, Public Information Officer, stated this Board travel would be an expenditure from the Board travel budget in an amount not to exceed \$4,000 for transportation, lodging, meals and incidental costs according to the City's Travel Policy for Director Carroll Weatherford to travel to Hanamaki, Japan, in September 2009. She said May 15 is the deadline by which anyone wishing to travel to Hanamaki this fall must submit a \$500 nonrefundable deposit, and the Sister City Program Coordinator will lead a delegation from Hot Springs as several citizens have indicated that they will travel. She said the coordinator's travel has already been allocated in this year's Sister City Program budget, and Director Weatherford has stated an interest in going, along with Ms. Vicki Weatherford. She pointed out that spousal travel costs would be personally paid by the traveling official, and Director Weatherford plans to continue his meetings with tourism and economic development officials which began last fall. She stated the trip centers around the annual Hanamaki Festival, which occurs this year from September 12 to 14 and will also include a Choral Festival featuring a musician from Hot Springs. She said a cap of \$3,500 has been set for transportation costs, which may change slightly between now and the booking date due to airline fees; and meals and incidental costs are estimated at \$500, for a total travel cost being considered of no more than \$4,000.

Mr. Ken Carney, 111 Blueridge Place, commented that he is not

against the Sister City Program and is for it 100 percent but with private funding and sending the proper people to represent the City.

In regard to sending Director Weatherford, he said this is the fifth time that the money could be spent in Director Jones' area for impoverished people; and there could be 40 widows helped with \$100 a month on their bills. He stressed the economy does not warrant this. He pointed out that Director Weatherford could use frequent flier miles based on the number of trips he has made to Hanamaki. Director Weatherford responded that he does not have the frequent flier miles. Mr. Carney commented that the citizens need to be represented very well and need someone who reflects the citizens of Hot Springs and its character. He said Director Weatherford has shown the character not worthy to represent the citizens of Hot Springs. He mentioned an article that came out in The Arkansas Times where Director Weatherford called citizens of the City "mad dogs." Mr. Carney stated that he does not scream or holler at anybody.

He then read a direct quote from the article as follows: "I would work for the devil himself as long as he paid me on Friday, and the check was good." Mr. Carney said he cannot imagine the people of Hot Springs sending someone like Director Weatherford to Hanamaki, and the people of Hot Springs deserve someone who represents them with outstanding character. He urged the Board not to vote to send Director Weatherford to Hanamaki, Japan.

Mr. Bob Driggers, 3 Stonegate, said the Sister City Program is a good program and is good for cultural exchange; but Hot Springs has made it into a shameful exhibition of how to waste taxpayers' money by making it an annual vacation for one Director. He mentioned Director Weatherford has gone to Hanamaki every year for the last several years and twice in one year, plus recent taxpayers' funded trips to Reno, Nevada; Washington DC; New Orleans, Louisiana; and Disney World. He stated that Director Weatherford might want to consider this would be a good opportunity to recuse himself from voting. He added that Director Ramick may want to consider that in view of his connections.

Director Weatherford responded by stating that, all of the Directors should recuse themselves since they all know him.

Mr. Driggers commented that Hanamaki spends no tax money to

send people to Hot Springs. He then reported on other cities in Arkansas with regard to Sister City Programs. Little Rock, with a population of 183,000, has a Sister City Commission with a budget of over \$20,000; and that commission determines how to spend the money, including travel expenses. Two years ago, Little Rock had an employee dedicated as a Sister City Coordinator, but they no longer have a coordinator because of tight financial times. Fort Smith, with a population of a little over 80,000, has a program; but it is not very active. He said The Sentinel-Record editorial on the topic, dated May 22, 2008, quoted the Fort Smith deputy city manager as saying that no city funds are used to pay for travel to its Sister City in Italy. The article further stated it has been more than seven years since anyone has gone there. North Little Rock, with a population of over 60,000, has a budget of \$25,000; but they do not have a paid coordinator. They alternate every other year of sending or receiving delegations and some of that is paid by the city out of the \$25,000 budget. However, they try to get sponsors for the majority of it. They try to send some students, and they have actually sent a couple of aldermen over the years. Fayetteville, with a population of over 58,000, discontinued its Sister City Program. Jonesboro, with a population of 55,000, has no Sister City Program. The Finance Department in Pine Bluff reported they have no budget for the Sister City Program, and there are no public funds spent. They do not have a paid coordinator; however, they do have some students who travel both ways, and the city is supportive of the program. Springdale, with a population of 45,000, agreed in 2008 to pay dues for the membership; but they do not have a program. There is no Sister City Program in Rogers, with a population of over 38,000. Mr. Driggers pointed out that Hot Springs, a city of 35,750, budgeted over \$21,000 in 2006 and about \$33,000 in 2007. He added the Board's general travel fund, plus that, was another \$15,000. He stated the Finance Department told him today that the City has a little over \$26,000 budgeted for 2009, including \$13,500 contract labor for a coordinator, plus Board travel budget, which includes travel items other than Hanamaki, is \$18,000. Occasionally the City Manager, Deputy City Manager, Sanitation, Parks, etc. have also paid from their budgets for travel to Hanamaki. According to the Arkansas Municipal League, he said Arkansas has more than 500 municipalities; and it appears that Hot Springs, No. 9 in population, is the smallest of the 500 cities he could find in the State with a Sister City Program.

and spends more than any other city, including the two that actually spend any money, which is Little Rock and North Little Rock. He added the City of Hot Springs, with 35,750 residents, spends as much as the other two million people in the State combined on Sister City Programs. From an economic development standpoint, he said the City could be practical and adopt a Sister City that everyone could visit, noting that it works well for Texarkana, Arkansas, whose Sister City is Texarkana, Texas.

Mayor Bush pointed out that Mr. Driggers said he supported the Sister City Program, and Mr. Driggers replied that he did but does not support using taxpayers' money to pay for it. He suggested sending someone other than Director Weatherford even if he is considered the "unofficial Mayor" and also consider cutting the travel budget rather than continuously raising taxes and fees.

Mr. Chris Reimers, 111 Squaw Valley Trail, stated he has nothing against the Sister City Program; however, he believes there are creative ways to continue this program without using taxpayers' dollars. He noted the last time the Board sent someone somewhere, Director Maruthur was the only dissenting vote; and she had stated in these economic times, the Board should use the City funds and the taxpayers' funds wisely, to which he agreed. During the November elections, he mentioned that he walked the streets trying to endorse a Board candidate; and as he knocked on doors and talked to citizens, they almost unanimously had negative comments about the money that is spent on these trips. He said even though he is not a city resident, he feels that he represents a large number of people, many of whom said this is one of the programs they really would not support.

Director Maruthur commented what she had previously said was that in this economic environment, everyone is struggling to make it in this economic downturn. She pointed out she is speaking as a representative of the people of Hot Springs; and as a representative, she has heard over and over again that enough is enough. She asked Director Weatherford how much money has been spent on his travels since he has been in office, and Director Weatherford replied that he could not answer that; and she would have to check with Finance Director Dorethea Yates. Director Maruthur said she has a lot of confidence in the GCEDC (Garland County Economic

Development Corporation) and the Chamber of Commerce. She said she believes they do as much as organizations can do to bring economic development to the City, which is their charge; and it is the Board's charge to make policy. She commented that Director Weatherford has been to Hanamaki several times, and she does not know how many times it would take to get an idea to bring back to Hot Springs and to have that policy implemented here. She noted he could use the internet or make a telephone call. She emphasized that she supports the Sister City Program; and one of the founders of the Sister City Program was Dennis Smith, who now serves as the treasurer. She then read the following letter that was sent today: "Ladies and Gentlemen: I believe that this year it would not be prudent for the City to incur the expense of sending a Director to Hanamaki. Rather, I recommend that the Public Information Department produce a DVD commemorating the 20<sup>th</sup> anniversary of the Sister City Program and send it to Hanamaki with a delegation of private citizens traveling there in September. I also recommend that the City, in conjunction with the Hot Springs National Park Sister City Foundation and the Advertising and Promotion Commission, begin planning for a major exchange in 2014 to commemorate the 25<sup>th</sup> anniversary of the Sister City Program." Director Maruthur said since then, she received an e-mail from Public Information Officer Terry Payne correcting some of the dates. She stated this is the recommendation of the existing treasurer of the Hot Springs National Park Sister City Foundation.

Mayor Bush commented he did not receive a copy of the letter and asked that she make a copy for the Board Members. Director Maruthur noted the only one who was not listed on there was the Mayor. She commented there are organizations that address economic development, and also she spoke to Director Weatherford, who informed her that the person he is interested in meeting in Hanamaki has an office in Little Rock. Director Weatherford replied that Mr. Chikahiro has an office in Little Rock, and he will also be in Hot Springs next week for a meeting. Director Maruthur stressed that the City needs to save some money. She mentioned this is about a standard the Directors have to hold themselves up to for the citizens that they represent. She pointed out she did not think the citizens care where the Directors go as long as they pay for it; and during this economic environment, she thinks it is an affront to the people who are paying all of these utility bills and sales taxes to continue

to travel. She said she does not believe it is right.

Director Keheley said she believes in the Sister City Program and thinks it is a tremendous benefit to the City and is not opposed to the Sister City Program. She commended Public Information Officer Terry Payne and all of the staff for the work they have put into this every year. She commented it affords a wonderful opportunity as an educational tool and as a means of establishing relationships for both communities. She reported that she has heard first-hand positive statements from teachers, friends of hers, students, and citizens about their visits. However, she was not on the Board when the 2009 budget was adopted and did not get to participate in any debate that established the City's spending priorities. She said she has no foundation on how the program ranked in the priority of the 2009 budget, why it was approved, and other projects and programs were cut. She mentioned she has a responsibility as a City Director to evaluate carefully how the City's limited funding is best applied to the needs of the citizens. She pointed out that the reserves are down from projections, and the City is in the midst of a national recession. She added, in her mind, there is an uncertainty about the remaining eight months of the City budget this year. She noted there is the possibility of a midyear budget adjustment for departments. She said she has heard it stated that the pending trip is for the purpose of economic development and tourism and suggested that funds be obtained maybe through the Garland County Economic Development Corporation and the Advertising and Promotion Commission, which are the tourism and economic development agencies that the City already funds. She reported that she has received countless calls and statements of opposition to spending general revenue on international travel. She said until she has an opportunity to participate in the formulation of the budget and be a part of the debate, she is going to abstain tonight. She stressed it is not personal and is purely from a budgetary standpoint.

Director Jones said she thinks this year when the Board works on the budget, it needs to either decide if the City is going to continue this every year or if it is going to change the years. However, she believes that somebody has to represent Hot Springs. She noted when the Hanamaki delegation comes to Hot Springs, they bring 20 to 30 people; but Hot Springs goes there with 5 or 6 people.

She stated they spend money in the City, and they want to in return show Hot Springs the respect that the City has shown them. Therefore, she believes that somebody should go to Hanamaki. She stressed that she is not holding anything against Director Weatherford, but she thought the Mayor was going this year. However, he cannot go; and somebody needs to represent Hot Springs. She said the Board needs to decide if it is going to do it every year or every two years and keep sending somebody as long as the City is going to be in the program. If not, the City does not need the program.

Mayor Bush stated he believes the City needs to either be in or out, and he believes all the Board Members support the Sister City Foundation. He said that he, personally, thinks somebody needs to represent the Board in Hanamaki at least every two, three or four years.

Director Daniel said that he brought to the Board sometime ago and to the Sister City Program an opportunity to see if the City could solicit private funds by letting people donate money on their water bill, but they thought it was a ploy to do away with the Sister City Program. He commented that was never his intention because he has always been a believer in the program and what it stood for, however, it seems as though no one thought that was a good idea. He questioned if this is not going to be funded in the City's budget, then should the City be in the Sister City Program and should it not be done on a private basis. He pointed out why should the City be in the Sister City Program if it is not going to put any money out of its budget to do it. He said it does not make any difference who goes, but he will not be going and has not gone for the last four years. He stated he has always thought if the City is going to be in the program, it needed to send somebody, but he cannot judge who the person should be. He said if the Board does not want to be in the program, then a motion needs to be made tonight to change it.

Director Maruthur said it is her personal opinion and is not a matter of "are we in or out" but is a matter of can the City afford it. She stated Hanamaki is fully aware of the City's support of intercultural exchange; and the founder, who is now the treasurer of the program, recommends that the City not spend the money. She

stated she has faith in the government and the minds of the people in the Sister City in Hanamaki that they would understand the global economic situation. She pointed out it is almost a threat when saying "are we in or out of it." She said there is great delegation that is going to be going, and the City supports the program. She pointed out she believes Hanamaki understands, and she has faith in that. For that reason, she said she is not going to vote to spend the taxpayers' money to send a Director to represent the City again when she does not feel it is necessary.

Mayor Bush then called for a vote on the motion to approve the Board Travel to Hanamaki, Japan; and upon roll call, the following voted "aye": Directors Weatherford, Ramick, Jones, and Bush, total 4. Voting "no": Directors Daniel and Maruthur, total 2. Abstaining: Director Kehelley; motion carried.

#### OTHER BUSINESS

### **20** Board of Directors Items for Discussion

Director Weatherford asked that Mr. Mallett explain some of the stormwater regulations. Mr. Mallett stated if people wash their car in the City and the water runs down the sidewalk and into a drain, that is against EPA regulations. He suggested that individuals pull their car into the grass and wash it in the grass because if it is allowed to percolate into the grass before it enters the City's basin, then that is legal. He added if individuals wash a sidewalk or driveway and there is any trash, that is not allowed to go into the drainage system. He stated the City spends a large amount of money each year to make sure these contaminants do not reach all of the lakes. He advised that the City is looking at some traps that will help trap some of the trash before it gets there. Also, oils and greases are not allowed in the sanitary sewer or the storm sewer because it is also considered a contaminate. Mr. Mallett said individuals may come by his office or give him or Mr. Denny McPhate a call at 321-6861 or 321-6778, and they will be glad to review items listed in the newspaper.

Director Weatherford pointed out that means all the car washes for fund-raisers, such as those held by cheerleaders, are illegal.

Mr. Mallett added that the City had to monitor its practices in-house with respect to cleaning fire trucks and police cars and is spending money to create facilities that will allow that.

Director Weatherford stressed it is not the City that is doing that but is federal regulations.

Mr. Mallett advised that most of the commercial car washes are well aware of the regulations and meet all of the applicable federal guidelines.

Director Maruthur announced there is an environmentally friendly product called Essentials by Arm and Hammer, and she will have coupons to distribute at the Earth, Environmental, Energy, Efficiency, Education Day on May 17.

Mr. Mallett said that he will check it out, but according to the last check two weeks ago, there were no approved detergents that EPA recognizes as being safe. He added it does not mean they will not come out with some later.

Director Maruthur mentioned this is plant-based and biodegradable and is supposed to meet the greens standard. Mr. Mallett said that he will check into that.

Director Weatherford recognized Sanitation Director Bill Burrough, who reported that Trash Bash was held April 25 and 26; and out of 12 locations, they hauled 140 construction dumpsters, totaling around 327 tons. He stated it costs about \$40,000 for that event over the past couple of years and is funded by the Southwest Central Regional Solid Waste Management District. He expressed appreciation to his staff who volunteered to work those days, which were 13 or 14-hour days.

Director Weatherford stated he went to several of the sites and saw Mr. Burrough at several of those and received a lot of positive comments from the people who were there saying how much they appreciated what he had done and especially his staff.

Director Maruthur commented that on Dell and Park Avenue, the dumpster was overflowing, and she heard nothing but positive comments about the program.

Director Maruthur announced there is an account set up for the family of deceased firefighter Gene Yarbrough at Regions Bank. If residents want to sign up for the CodeRED Program, they may call Paula Brown at 321-6861. She said she would like to bring up an effort to begin a community garden at 236 Whittington, and there are many people who want to participate. She went to a sculpture unveiling and spoke to Director Weatherford, who is very supportive of the program, and thanked him for some of his suggestions.

Director Daniel asked that staff start reviewing the budget for the Sister City Program and consider stopping the funding for it and let it work with the GCEDC and the Chamber of Commerce to get it into private funding. Mayor Bush said the Board does that at the end of the year when it is discussing the budget. Director Daniel explained he was considering discussion on it during mid-year budget but will not take effect until the next year. Mayor Bush said the Board will discuss that at the next work session.

## **21**      City Manager's Report

City Manager Lance Hudnell gave the following report:

1. The Mayor has declared May as Flood Awareness Month, and there are federal and state laws governing that. The City's Flood Prevention Program is well underway, and Mr. Denny McPhate, Public Works Operations Director, is in charge of that.

2. Tuesday, May 12, at 10 a.m., on the Greenway, there will be a dedication of the Hollywood Park bird viewing station. There are a number of people who have participated in this as partners, including the Ross Foundation; the Hot Springs Civitan Club; Hot Springs Rotary; Summit School; Mountain Valley Water; First Step; Palmer's Gallery; Williams Brothers Feed Store; Friends of the Parks; and Hannah Barnett, Lakeside School Student, who designed the sign.

3. There are two letters of commendation for employees - Mr.

Stuart Smedley, coroner, sent a thank-you for Mr. Joe Neitzel, in the Parks and Recreation Department, regarding Operation Prom Night at Kimery Park. The National Park Community College and former Police Chief Martin White sent a letter commending City Attorney Brian Albright on his presentation to his class.

4. In the weekly Board packets, there is a sales tax report and also new financial reports. He asked that the Directors give their input with regard to the monthly financial reports. Regarding the wastewater financial report, the City has been granted a one-month extension on that due to the work of the auditors.

5. Ms. Bea Arline, Recreation Director, will be on KZNG in the morning with regard to the Parks and Recreation Programs. Also, Art in the Park is this weekend and is getting some national publicity.

6. On Friday, Director Kehaley and Director Maruthur will be entertaining some international visitors in the Board Chambers and helping them understand about city government.

7. With regard to the stimulus package, the City continues to receive new information everyday. The Police Department has received \$290,823 that they are currently applying for that will be used for a variety of things, including the radio system. Not as part of the stimulus program but as part of the Congressional set aside in the normal budget, they are now able to make application for the \$512,000 for the MDT Program. He expressed appreciation to the national Congressional delegation and urged the Directors, if they are in contact with the two Senators or Mr. Ross, to thank them for their efforts.

8. A bond closing was held today on the museum bonds.

9. On the Consent Agenda, Mr. Richard McGrew was appointed to the Planning Commission and Mr. Brian Gherki and Mr. David Campbell to the Board of Zoning Adjustment.

Director Maruthur commented that today is Cinco de Mayo. On the Consent Agenda, the City awarded a contract to Penn Credit Corporation for collection services; and they were among the top

25 in the country for their methodology. Also, a contract was awarded to Cummins Mid-South for the three bus engines, which are going to be energy efficient and will be covered in kilowatt hours. Also, on Item No. 11 (Proposed Resolution No. R-09-107 Authorizing the Filing of a Grant Application with the Arkansas State Highway and Transportation Department for a Bridge and Construction of the Valley Street Creekwalk, Phase III), that is an 80-20 match; and the City is looking forward to the construction of the bridge on the Greenway on Valley. She stated the Board approved a lease agreement at the Airport for \$7.50 a square foot with AAR Aircraft Services, but it is only a one-year contract.

Mayor Bush reported that Director Ramick left the meeting early due to his not feeling well.

## **22** ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 8:30 p.m., to meet again on Tuesday, May 19, 2009, at 7:00 p.m.

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

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

Lance Hudnell, City Clerk

Mike Bush, Mayor