

MINUTES

BOARD OF DIRECTORS MEETING

AUGUST 4, 2009, AT 7:00 P.M.

The regular meeting of the Board of Directors was held on Tuesday, August 4, 2009, at 7:00 p.m., Board Chambers, City Hall, with Mayor Mike Bush presiding.

The invocation was given by Ms. Paula Childs, 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 Maruthur, that the agenda be approved; and upon voice vote, the motion unanimously carried.

3 Approval of Minutes of July 21, 2009 Board Meeting

A motion was made by Director Ramick, duly seconded by Director Maruthur, that the minutes of the July 21, 2009 Board Meeting be approved; and upon voice vote, the motion unanimously carried.

4 Recognition of Guests

No guests were present for recognition.

5 Board of Directors Announcements

Director Keheley announced that District No. 3 will have a town hall meeting, Thursday, August 13, 6 p.m., at the Transportation Depot, in the Community Room; and all District No. 3 residents, business owners and other interested citizens are invited. She stated there will be special briefings on public safety, code enforcement, storm drainage, water/wastewater, streets, and sanitation.

Director Maruthur read a legal notice published in The Sentinel-Record, signed by Mr. Charles Tapp, chairman of the Garland County Election Commission, regarding a special election to be held on Tuesday, August 11, 2009, between the hours of 7:30 a.m. and 7:30 p.m., at the Oaklawn First Church of God, 2110 Seventh Street, for the purpose of the removal of City Director, District 4, City of Hot Springs. She said this is for Director Carroll Weatherford, and it will be FOR and AGAINST the removal.

Mayor Bush pointed out that the only people who can vote on that issue are residents of District 4.

CONSENT AGENDA

The Consent Agenda consisted of the following:

6 Public Safety Report (July 21, 2009).

7 Budget Transfer - Personnel Items.

8 Proposed Resolution No. R-09-187 Approving Certain Bid Awards (a) Computer Mount Consoles - Police Department [annual supply contract awarded to Fleet Safety Equipment, Inc.]; (b) Police Vehicle Equipment - Police Department [annual supply contract awarded to Fleet Safety Equipment]; and (c) Printers, Copiers and Fax Machines - Various Departments **[Reject Proposals and Use State Contract]**.

9 Proposed Resolution No. R-09-188 Authorizing Revisions to the 2008 Budget and 2009 Budget.

10 Proposed Resolution No. R-09-189 Accepting a Grant from the United States Department of Transportation and the Arkansas State Highway and Transportation Department for Public Transportation Grant Assistance Provided Under 49 USC §5303 – Metropolitan Planning Program (Fiscal Year 2010).

11 Proposed Resolution No. R-09-190 Authorizing the Mayor to Execute an Agreement Between the City and the Arkansas State Highway and Transportation Department (AHTD) for Relocation of Utility Lines (Highway 270 West Passing Lanes).

12 Proposed Resolution No. R-09-191 Appointing Deborah Jane Ugbade to the Historic District Commission.

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

NEW BUSINESS

13 Claim from Mr. Donald Leonhard, 324 West Mountain View Drive, Regarding Wastewater Charges Resulting from Leak from Meter to House

Mr. Steve Mallett, Deputy City Manager for Public Works and Utilities, reported that Mr. Leonhard is requesting additional adjustment for a water leak that started in December 2006 and rose from an average of 7,000 to 8,000 gallons a month to about 14,000 gallons. He stated for sometime, it was between 16,000 and 25,000 to 27,000; and Mr. Leonhard decided to secure the services of a plumber, which was in June or July, and identified the leak and repaired it. He said the following month, the consumption was 4,200 gallons; and in accordance with the City’s current policy, staff looked at his account and made the adjustment. He explained it allows the City to go back two months and adjust for the leak. However, Mr. Leonhard was not satisfied with the leak adjustment that was made, and staff advised him that anything over and above that was outside staff’s authority. Therefore, he would have to address the Board. He advised that Mr. Leonhard is requesting 12 additional months of wastewater credit from May 2008 to May 2009, in the amount of \$1,203.20. He explained the adjustment that was made July 13, 2009, was \$287, which was a combination of water and wastewater

adjustments for a two-month bill, which is in accordance with the City's policy. He mentioned in the past, the Board has addressed each one of these on a case-by-case basis; and anytime it gets out past a couple of months, there is usually some kind of extenuating circumstances.

Mr. Leonhard was not present to make a presentation.

Director Daniel asked if this leak was on his side of the meter, and Mr. Mallett replied that it was. Director Daniel questioned the first time the City was notified, and Mr. Mallett advised that the City actually changed the meter out in April 2007. He added it has basically stayed at that level for two or three years; and they continued to pay it. He pointed out it is about a \$100 average monthly bill that they have been paying for almost three years. He explained that once it stays fairly consistent, then the City's system does not flag it anymore because it is consistent with the previous month and only flags it if it is way out of range compared to what it was the month before, which is what happened at the very beginning.

Director Keheley questioned if the City has a system that can identify abrupt or abnormal consumption throughout the City; and Mr. Mallett advised that on meters, the City basically relies on the billing system. He advised that the staff puts the new meter reading in, and it compares with last month's reading. He said if it is way out of line with the previous readings, then it lets the City know and flags it to re-read the meter. Once staff re-reads the meter and confirms that is the actual reading and it has gone up that much, then the City notifies the customer that they have a high bill. He commented it is up to the customer to address that high bill.

City Manager Lance Hudnell noted there is an exception report that is also printed.

Director Keheley said the City's policy is rather restrictive and only allows two months for fees on water leakage. She pointed out none of this water from the customer's system entered the wastewater system, and the City was fully paid by Mr. Leonhard each month. Mr. Mallett stated that was correct. Director Keheley said she feels it would be fair to make an offer to compromise. She commented she talked with the Water Department today and would suggest a compromise of 50 percent because he paid for the water to go into the wastewater system. She pointed out that he had a repairman and did have the meter checked and replaced. She added he did go through some stages of trying to find out what was happening.

Director Daniel said the only problem he has is the time element, and he waited two or three years before taking any action. He stated it seems as if he were negligent on his part and was complacent to leave it like it was and then all of a sudden he said he wanted to fix it.

Director Maruthur pointed out that many people when they receive their bill just pay the bill; and then in the course of visiting with other people, they come to realize their bill is way out of line. She said she does not want to see somebody penalized who actually did pay their bill and do the right thing regardless of the time frame. She stated that most people assume their meter is correct, and the meter was replaced. Therefore, she believes Mr. Leonhard should be compensated.

In reply to City Manager Lance Hudnell, Mr. Mallett advised that the \$1,203.20 was a credit for the sewer portion for 12 months prior to the adjustment. City Manager Lance Hudnell pointed out that Mr. Leonhard's request is for a 12-month adjustment on the sewer part only.

Director Daniel stated Mr. Leonhard is asking for the amount of the wastewater, which he can understand. He said he thought Director Keheley was talking in terms of compromising for the amount of the bill, which would be water and wastewater. Director Keheley clarified that she was referring to wastewater only.

A motion was made by Director Keheley, duly seconded by Director Jones, that the Board of Directors offer a compromise of 50 percent payment for the wastewater charges (\$601.60) to Mr. Leonhard; and upon roll call, the following voted "aye": Directors Maruthur, Jones, Keheley, Weatherford, Ramick, Daniel, and Bush, total 7; motion unanimously carried.

14 Proposed Ordinance No. O-09-31

An ordinance entitled, "AN ORDINANCE AWARDING A CONTRACT TO CONARK BUILDERS AND WAIVING REQUIREMENTS OF COMPETITIVE BIDDING FOR HANGAR A-4 ROOF REPLACEMENT; 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 Weatherford, duly seconded by Director Maruthur, that the rules be suspended and the ordinance be read for the first time by title only; and upon voice vote, the motion unanimously carried. The ordinance was

then read for the first time by title only; and upon the question “Shall the ordinance be passed as read?” and upon motion of Director Daniel, duly seconded by Director Maruthur, that the ordinance be passed as read.

Upon discussion, Airport Director George Downie advised that the Airport suffered damage from significant wind; and Hangar A-4, Airborne Flying Service, lost 50 percent of the roof during a storm on July 23. He asked for this to be an emergency in order to get the roof replaced as soon as possible. He said he called at least four contractors to give estimates, and the lowest one was \$55,635 from Conark Builders, a division of Nabholz Construction. He advised they are going to replace the roof, and the correct way to do it is remove the entire roof structure all the way down to the purlins and replace it with insulation and a new R-panel roofing. He added this has been agreed upon by the insurance adjuster.

Director Ramick questioned the deductible, and Mr. Downie advised that it is \$5,000.

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. City Attorney Brian Albright then read the emergency clause; and upon motion of Director Daniel, duly seconded by Director Weatherford, that the emergency clause be passed; and upon roll call, the following voted “aye”: Directors Maruthur, Jones, Keheley, Weatherford, Ramick, Daniel, and Bush, total 7; motion unanimously carried. Whereupon the emergency clause was declared passed.

15 Proposed Ordinance No. O-09-32

An ordinance entitled, “AN ORDINANCE CREATING AN EXCLUSIVE FRANCHISE FOR THE PROVISION OF MEDICAL AMBULANCE SERVICES; AND FOR OTHER PURPOSES,” was taken from the agenda for consideration.

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

Upon discussion, Fire Chief Ed Davis stated that the recommendation is to award the ambulance franchise to LifeNet, Inc. He reported that through several different levels of evaluation, a conclusion was made through two different committees that LifeNet was the best contractor that applied for the franchise. He said they are asking the Board to award the franchise agreement to LifeNet based on the findings of those two committees.

Mayor Bush questioned the term of the franchise, and Fire Chief Davis advised that it goes to December 31, 2014.

Director Keheley questioned under Section 3.09, in the summary of charges at the end of the agreement, it states under emergency stand-by services, there is no charge; but in the same box, there is a stated charge of \$100. She asked that he explain the \$100 per hour. Fire Chief Ed Davis explained that should the Hot Springs Fire or Police Department call an ambulance to standby at a fire scene, there will be no charge. However, if a private industry says they need an ambulance to stand by at a factory for a certain time, there will be a standby charge that goes along with that.

City Attorney Brian Albright asked that he clarify that it also applies to school football games and events of that nature inside the city limits. Mr. David Baumgardner, executive director of LifeNet, stated that with school districts and some other nonprofit events, they offer a reduced rate; and it is actually 50 percent of that or around \$52.

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.

OTHER BUSINESS

16 Board of Directors Items for Discussion

Director Maruthur announced on Thursday, August 6, at 8 a.m., there will be the grand opening of Sam's Club. Also, she stated there is an account set up at Regions Bank for the family of deceased firefighter Gene Yarbrough. She stated if anyone would like to sign up for CodeRed, they may call Paula Brown at 321-6861.

Director Jones reported that the Pleasant Street Association held its monthly meeting on Saturday at Webb Center and had a special guest from the staff, Mr. Bob

Lathrop, the City's Urban Forester. She said if anyone in the City needs a walk through their neighborhood regarding pruning trees or anything in the right-of-way, they may contact him.

Director Keheley advised in reference to the Meadowbrook neighborhood on the Public Safety Report, the request was denied; and she would like for staff to revisit that issue and see if there is some way to give the residents some help. This item was then referred back to the Public Safety Committee.

Director Maruthur reported that she has a 15-foot cedar tree available for anyone who would be interested in removing it. She added the Urban Forester has checked it, and it is in good shape. She said it is free, and she may be contacted at 624-1965.

Director Weatherford stated in talking with many of the residents of District 4, he has discovered there are many who do not know what is going on next Tuesday. Therefore, he has the following statement to make: "As many of you who live in District 4 may or may not know, three residents from the County collected over 500 signatures to recall me for my position as Director of District 4. You, as voters, elected me in 2002, two to one over the incumbent and ran unopposed in 2006. I would hope the voters of District 4 go to the poll at Oaklawn Church of God, at the corner of Seventh and Emory, on August 11, or go to the Election Commission, at 501 Ouachita, and early vote. Since this may be my last meeting, I would like to take this opportunity to thank the many voters in District 4 that have supported me. Thank you."

Director Keheley announced that the Hot Springs National Park Rotary Club will have a collection for canned goods at the Farmers' Market on Saturday, from 8 a.m. to 11 a.m., to help eliminate hunger.

17 City Manager's Report

City Manager Lance Hudnell gave the following report:

1. On Tuesday, August 11, at 5:30 p.m., at the Hot Springs Civic and Convention Center, Rooms 201 and 202, there will be the first public meeting regarding the proposed water and wastewater rates. Staff will be meeting with the consultant during the day on August 11 and will hopefully be able to get the rates refined and be able to present them at the meeting. The ordinance will be introduced on August 18; and according to state law, the ordinance is only introduced and Board cannot take any

action. There will be a formal public hearing with regard to the rates on September 1 and then the actual adoption, by state law, cannot occur until September 15.

2. There is a public hearing in regard to the Transportation Long-Range Plan open house on Thursday, from 5 p.m. to 6:30 p.m., at the Transportation Depot. Ms. Dianne Morrison, MPO Study Director, is in charge of that as part of the Metropolitan Transportation Organization project to develop the long-range transportation plan.

3. Commercial operators are now allowed at the compost facility due to the Board's action at the last Board Meeting,

4. This Thursday and Friday, at noon, at the Transportation Depot, there will be an open house to meet the two finalists for City Engineer position. The first finalist is Mr. Morgan Barrett, who will be there on Thursday; and Mr. David Penn, who will be there on Friday.

Director Maruthur requested that he send an e-mail with all of these dates, and City Manager Lance Hudnell replied that his secretary, Margaret Parris, will have it on the Board calendar.

5. The City received COPS grant in the amount of \$321,522 that was applied for; and the \$180,000 Entergy grant was announced again. These are the same grants that the City applied for some months ago; and for some reason, there is a round of announcements coming out this week. The COPS grant application has been approved, but the \$180,000 application for Entergy grant has not necessarily been approved as of this date, but the funds have been set aside for the City.

6. A thank-you was received from a Ms. Moore commending Scott Crain, Parks Department employee, for the good job he does in keeping Entergy Park clean each day. Mr. Tom Krotky sent a note commending the Planning Department and all of the employees, including Rick Stauder, Jeff Griffin, Janell Beard, Robin Wise, and Kathy Sellman with regard to their professional attitude and treatment of him as a 40-year developer in all parts of the country. Dr. Atkinson thanked the Street Department and the Board for the funding the street paving in the Cedarwood area.

7. The consultants were in last week from the National Park Service looking at a potential transit system into the National Park. They were pleased with what they saw and will go back and begin to formulate an application that can be made for some

funding from the National Park. It may or may not result in funding, but the team was here and did the initial evaluation and were well pleased with what they saw.

8. There was a good meeting today with the Arkansas Department of Health, and staff continues to work through various issues and the water treatment plant. Staff will keep the Board posted as that process continues to move forward.

9. He will be coming back to the Board soon to discuss dates for a potential retreat for budget purposes. He would like to cover three things (1) forecast for 2010 and letting the Board be aware of what is being projected with regard to revenues and flat line expenses; (2) the department heads' wish list and priorities and large projects that the department heads may have; and (3) Board to establish its priorities before entering into the budget process. He is looking toward the end of September for dates. September has five Tuesdays, and it could work out that perhaps the Board might want to do it that fifth Tuesday.

10. Sam's Club opening will be on Thursday.

11. On the Consent Agenda, Deborah Ugbade was appointed to the Historic District Commission.

Director Maruthur announced there is a special meeting for the Park Avenue area Monday, August 17, at the Tower of Strength Ministries at 6 or 6:30 p.m. For people who live in the Park/Whittington area, it would be worthwhile if they are able to attend.

Mayor Bush questioned paving in the Lakeside and Malvern area and said there are many people in his area who are interested in not waiting until school starts to take care of that. Mr. Steve Mallett said that it has come down to property right-of-way acquisition, and the City has to get some property to be able to widen it and get the surveying done. He stated staff is trying to find time in-house to do that survey. He commented it looks as if the City is going to get that done anytime soon, it needs to get B&F Engineering or someone to do that small survey. He noted they will have to go to the north on Malvern to get some of that property and get some room for those people to get around. He stated it will have an impact on a couple of property owners, which is probably creating more of an issue. Mayor Bush said someone will talk to that person.

18 ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 7:35 p.m., to meet again on Tuesday, August 18, 2009, at 7:00 p.m.

ATTEST: _____

APPROVED: _____

Lance Hudnell, City Clerk

Mike Bush,

Mayor