

## **MINUTES**

### **BOARD OF DIRECTORS MEETING**

**JANUARY 5, 2010, AT 7:00 P.M.**

The regular meeting of the Board of Directors was held on Tuesday, January 5, 2010, at 7:00 p.m., Board Chambers, City Hall, with Mayor Mike Bush presiding.

The invocation was given by Mr. Les Warren, 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 Elaine Jones, Cynthia Keheley, Pat McCabe, Rick Ramick, Tom Daniel, and Mike Bush, total 6. Absent: Director Peggy Maruthur.

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

A motion was made by Director Daniel, duly seconded by Director Keheley, that the agenda be approved; and upon voice vote, the motion unanimously carried.

#### **3 Approval of Minutes of December 15, 2009 Board Meeting**

A motion was made by Director Ramick, duly seconded by Director Jones, that the minutes of the December 15, 2009 Board Meeting be approved; and upon voice vote, the motion unanimously carried.

#### **4 Recognition of Guests**

Director Daniel expressed appreciation to the Parks employees for removing the Christmas decorations downtown during the inclement weather and also to the employees in the Water Department who were repairing leaks and Street Department employees for patching large pot holes on Summer Street and the Albert Pike area during the rain before Christmas Eve and on Monday. He also gave recognition to

Corporal McCrary Means and the Police Department, who did an excellent job in getting the information out regarding the tragedy on Main Street.

## **5 Board of Directors Announcements**

There were no announcements from the Directors.

## **6 Consider Acknowledgment of Financial Statement Notices for November 2009**

Mayor Bush announced that the Financial Statements for November 2009 are on file in the Finance Department for review by the Board and the public.

### **CONSENT AGENDA**

The Consent Agenda consisted of the following:

## **7 Public Safety Report** (December 15, 2009).

## **8 Proposed Resolution No. R-10-1** Approving Certain Bid Awards (a) Compost Grinding - Utility Administration [annual supply contract awarded to GWG Wood Group].

## **9 Proposed Resolution No. R-10-2** Awarding a Contract to Grimes Consulting Engineers, Inc. for Engineering Services for Various Projects

## **10 Proposed Resolution No. R-10-3** Awarding Change Order No. 1 to the Contract with Engineers, Inc. for 2008 Water Line Improvements Project.

## **11 Proposed Resolution No. R-10-4** Approving Change Order No. 1 to the Contract with Goff Water Audits and Engineering for Meter Testing Services.

## **12 Proposed Resolution No. R-10-5** Accepting Certain Water and Wastewater Projects into the Hot Springs Municipal Water and Wastewater System.

**13 Proposed Resolution No. R-10-6** Authorizing a Contract for Services with the Garland County Economic Development Corporation (GCEDC) for Retirement Relocation Program (\$12,500).

**14 Proposed Resolution No. R-10-7** Authorizing a Contract for Services with the Garland County Economic Development Corporation (GCEDC) for Economic and Business Development (\$2,500).

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

Upon discussion, Mr. George Pritchett, 125 Carl Drive, was recognized speaking against Item No. 13 (Proposed Resolution No. R-10-6 Authorizing a Contract for Services with the Garland County Economic Development Corporation [GCEDC] for Retirement Relocation Program [\$12,500]). He stated this is a good program; however, he expressed concern with the contract language, which states that the Corporation recognizes that the funding provided for herein is contingent upon the appropriation of public funds by the City. He noted it says the City is going to pay this money out no later than June 20, 2010. He questioned under what conditions would the City not pay these funds.

City Manager Lance Hudnell explained that the money was included the 2010 budget, and it was appropriated.

Mr. Pritchett asked if the Board will review this and not appropriate the money if the budget numbers at the end of March or April are below the expected revenue and if the Board will continue to fund it or adjust the numbers. City Manager Lance Hudnell responded that would be to the discretion of the Board looking at the entire budget. Mr. Pritchett asked if the Board will revisit this before it is funded.

Mayor Bush commented if the City does not have any money, the Board will not do much of anything and will have to review this.

Mr. Pritchett asked if this will come back in the form of an ordinance before it is funded, and City Manager Lance Hudnell advised that it is funded in the 2010 budget. Mr. Pritchett mentioned that the public needs to know if the City is going to pay this out,

and Mayor Bush advised that it will be in the newspaper. Mr. Pritchett asked if it will be an announcement afterward or if it will be discussed at the meeting before.

City Attorney Brian Albright explained that the budget has been pursuant to ordinance; and if there is a change in the budget, then that has to be amended by an ordinance. He stated if there are any items amending the budget, it has to come back to the Board as an amendment to that ordinance. Therefore, it would subject to public notice just as any other item of business before the Board.

Mr. Pritchett questioned if the revenues should be lower than expected if the Board intends to fund it at this number regardless. Mayor Bush replied not regardless.

Mr. Pritchett reiterated this is a very good program; however, it is a nonessential service. He said if the City finds itself in the position that it has to begin reducing essential services, which might be public safety, services to the public, additional furloughs, or lay-offs, he believes the Board should revisit this and not fund it if additional cuts need to be made.

Mayor Bush announced that Mr. Pritchett signed up to speak to Item No. 14 (Proposed Resolution No. R-10-7 Authorizing a Contract for Services with the Garland County Economic Development Corporation [GCEDC] for Economic and Business Development [\$2,500]).

Mr. Pritchett said he is expressing the same concerns; and in this particular resolution, the City is funding the money in March before it is known what the 2010 revenues will be. He mentioned he has the same concern that the Board is funding and distributing money for a nonessential service when it is unknown if funds are going to be available to meet all of the City's needs for essential services, public safety and other services the City provides.

Director Daniel pointed out the Board budgeted everything in this budget in good faith that things will work out. He commented if the City does not have the money, then there is no money and hopes Mr. Pritchett has a little more confidence in the Board's ability to say it is going to fund this but cut ten police cars. Mr. Pritchett said he appreciated his comments, but he wants the public to know that the Board needs to look at this in the same manner it looks at those ten police cars if it comes to that. Director Daniel advised it is funded in the budget; but if something comes up and there is no money, it will be looked at and will not be funded.

Director McCabe commented the Board went through four or five days working on the budget. He stated when the Board approved the budget, the Directors knew they were going to be revisiting this budget; if not, then solely for the purpose of ensuring where the City is at or where it intends to be. He noted the Board may then have to make adjustments depending on what the revenue stream is. He stated Mr. Pritchett is correct, and the Directors received an e-mail from Finance Director Dorethea Yates that indicated the October revenues were down about \$40,000 or \$50,000 from the same period last year. He commented that he is going to be watchful and knows the rest of the Board will be also. He noted that his goal is to be ahead of the curve, and the Board is going to be on top of it.

Mayor Bush then called for a vote on the motion to approve the Consent Agenda; and upon roll call, the following voted "aye": Directors Jones, Keheley, McCabe, Ramick, Daniel, and Bush, total 6. Absent and not voting: Director Maruthur; motion unanimously carried.

### **NEW BUSINESS**

## **15 Proposed Ordinance No. O-10-1**

An ordinance entitled, "AN ORDINANCE AMENDING THE SUBDIVISION CODE OF THE CITY OF HOT SPRINGS, ARKANSAS (ORDINANCE NO. 5715), FOR RECORDED BUT UNAPPROVED LAND DIVISIONS FILED FOR RECORD BEFORE JANUARY 1, 2006; AND FOR OTHER PURPOSES," was taken from the agenda for consideration.

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

Upon discussion, Ms. Kathy Sellman, Planning and Development Director, stated this ordinance does not establish new regulations and does not change procedures but retroactively addresses lot divisions that have occurred prior to January 1, 2006. She said this is a Planning Commission policy and was established only at the policy level at mid-year in 2006, with the expectation that this would eventually be codified. Staff recommendation is for approval, and the Planning Commission held a duly advertised

public hearing on December 10, 2009. She advised that no one spoke in opposition, and the Planning Commission has accepted the staff findings and unanimously recommends that the Board approve the ordinance. She stated this is intended to clarify the rules for those lots of record that have been of record for more than four years.

City Attorney Brian Albright pointed out that Ms. Sellman used the term “retroactively”; and he received a call from Director Maruthur stating she would not be able to attend the meeting tonight and wanted to voice her objection to the ordinance because of the retroactive term that has been used. He advised that this in no way imposes a retroactive regulation on property but actually does the opposite. He added it opens up the window for those divisions that took place prior to 2006. He explained that he did not want there to be confusion regarding the use of the term “retroactive” and stated the City is not imposing regulations but opening up the window for them.

Mayor Bush then called for a vote on the motion to adopt; and upon roll call, the following voted “aye”: Directors Jones, Keheley, McCabe, Ramick, Daniel, and Bush, total 6. Absent and not voting: Director Maruthur motion unanimously carried. Whereupon the ordinance was declared passed.

## **16 Proposed Ordinance No. O-10-2**

An ordinance entitled, “AN ORDINANCE AMENDING THE ZONING CODE OF THE CITY OF HOT SPRINGS, ARKANSAS (ORDINANCE NO. 5158), AS AMENDED, BY ESTABLISHING AN OVERLAY ZONING DISTRICT FOR THE PURPOSE OF ESTABLISHING DESIGN GUIDELINES FOR LANDS WITHIN THE CITY LIMITS ALONG HIGDON FERRY ROAD,” was taken from the agenda for consideration.

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

Upon discussion, Ms. Kathy Sellman, Planning and Development Director, explained that the Planning Commission is the applicant on this item; and this is a request to amend the Zoning Code to establish design guidelines for lands located within the City limits along Higdon Ferry Road and that would be within 300 feet of a line

at the center of the right-of-way of Higdon Ferry Road. She noted this is not by legal description of parcels but is by legal description of a strip that is 300 feet in each direction from the centerline. She added that according to the Intent Statement, the purpose of this is to protect and enhance the visual appearance and character, promote traffic safety, and maintain harmony with adjacent residential and nonresidential development along Higdon Ferry Road. She pointed out there are a number of sub-purpose statements for land use patterns that are compatible with present and future traffic capacity on Higdon Ferry Road, to create a visually pleasing atmosphere along a major corridor of the City, to promote a positive image of the City to visitors and residents alike, to minimize the number of curb cuts along designated roads, which in this case would be Higdon Ferry Road, so that roadways in the area will function at an efficient level of service, to establish land uses that will facilitate transition of areas from least to more intense land uses along Higdon Ferry Road without the undesired effects of small lot strip development, and to set standards for landscaping, signs, design and parking lot lighting in keeping with the intent of the district. She said what this does in its proposal is to keep the existing zone designations, and there is no change to the zoning designations. She advised that the ordinance application excludes existing platted, single-family residential lots, and this will address those properties that are undeveloped and wish to develop or which are developed and wish to redevelop. She said staff recommendation is for approval, and the Planning Commission is empowered to initiate changes to the Zoning Ordinance, subject specifically to Section 16-2-11(b)(3)

She pointed out the existing Comprehensive Plan establishes a policy direction for enhanced landscape and site design for Higdon Ferry Road commercial development, and this Plan is now 15 years old. She noted the requirements of the Code for this amendment have been met, and there has been a question about whether individual notice is made to property owners. She stated it was not. The Code specifically says that this change in zoning classifications initiated by the Planning Commission shall be considered a comprehensive change, and no individual notifications shall be made. She pointed out that was interpreted as meaning do not do it because of the "shall." She said she knows there is interest in doing additional notice, and she is willing to do so if that is the Board's wish. She mentioned there has been a map downstairs for sometime indicating the changes and has been available on the City's website since early November. Also, the text of the amendment has been on the website since early November and has been advertised as a part of the Planning Commission agenda.

Director McCabe questioned the 300 feet from the center of Higdon Ferry Road, that only pertains to the properties that border Higdon and pointed out for instance on Emory Street, the 300 feet would be to the third house on Emory. He asked if they are impacted by this from a standpoint of future development, and Ms. Sellman advised

that in regard to future development, because it is not possible to know whether those lots would be aggregated for development as part of a bigger whole, those properties are at this time within that boundary. Director McCabe asked if they would get a notice if the Board decides to do that, and Ms. Sellman replied that they would.

Director Keheley expressed appreciation to Ms. Kathy Sellman, Planning and Development Director, and the Planning Commission on their hard work on this ordinance. She said it was her understanding there were two public hearings on the topic before the Planning Commission, and no one responded. She commented the public hearing was held pursuant to a public notice of the agenda in the local newspaper; and while this was a legal notice, she feels the Board should require that an actual notice be given to the property owners who may be affected by the overlay on Higdon Ferry Road. She pointed out she was not opposed to the overlay concept, but there is no right as important to people as their property rights. She stressed that it is fundamental that the citizens be made fully aware of any pending actions. She then made a motion, duly seconded by Director Ramick, to remand the ordinance back to the Planning Commission for one more public hearing with instructions to staff to mail a letter of notice to all property owners on record and the subject area of Higdon Ferry Road with the mailing address that is listed within the Assessor's Office and that it be sent by regular mail as opposed to any restricted delivery.

Upon discussion of the motion, Director Daniel questioned who will the letters be sent to since they will not be sent to the property owners who live outside the City. Director Keheley responded that it will be to those on record. Director Daniel asked why it would go to them because when they come inside the City, they will know that anyway. He said that is the reason there was no turnout for the public hearings because they know they are in the County.

Director McCabe commented the City is going to send letters out to property owners who actually own property solely on Higdon Ferry Road and within 300 feet of Higdon Ferry Road.

Director Daniel said he has no problem doing that.

Director Keheley said the Board wants to be sure everyone is aware of what it is doing, and it is better at the front end than later on and then they state they did not hear about it or did not read it in the newspaper.

Director McCabe stated he believes it is great to have transparency and openness. He said he believes what Ms. Sellman is referring to is if Higdon Ferry Road never developed at all in relation to what exists today for 100 years, it could stay that way for 100 years without running into conflict of any regulation, ordinance, or activity that the City is involved in with this overlay. He mentioned he wants the public to understand that for those who reside there and have their place of business, this is not going to touch it but is for new development. He mentioned she has done good job in explaining that, and it is a point he does not want citizens to miss. He stressed that property rights are very important to people.

Mayor Bush then called for a vote on the amendment to remand the ordinance to the Planning Commission to conduct another public hearing and that letters of notice be sent by regular mail to all property owners on record and the subject area of Higdon Ferry Road with the mailing address listed in the Tax Assessor's Office; and upon roll call, the following voted "aye": Directors Jones, Keheley, McCabe, Ramick, Daniel, and Bush, total 6. Absent and not voting: Director Maruthur; motion unanimously carried.

City Manager Lance Hudnell advised the ordinance will come back to the Board at such time as the Planning Commission completes the directive as cited in the motion.

## **17 Proposed Ordinance No. O-10-3**

An ordinance entitled, "AN ORDINANCE AMENDING THE ZONING CODE OF THE CITY OF HOT SPRINGS, ARKANSAS (ORDINANCE NO. 5158, AS AMENDED), BY EXTENDING THE MANUFACTURED HOME OVERLAY DISTRICT TO TWO SUBJECT LOTS IN THE MCKOWNS SUBDIVISION, LOT 4, LOT 1 AND LOT 2 OF THE 200 BLOCK OF BORDER IN THE R-4 ZONE DISTRICT," was taken from the agenda for consideration.

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

Upon discussion, Ms. Kathy Sellman, Planning and Development Director, advised that the applicant is Mr. Dennis Batts, representing property owners Terry and Diann Batts; and they are seeking to extend the adjacent Manufactured Home Overlay Zone District to two separate vacant lots under their ownership. They are located on the north side of Butterfield Street between Rosewall Street and South Border Street and are zoned R-4, Medium/High Density Residential, which will not change. This consists of approximately 1/3 acre, and the existing Manufactured Home Overlay Zone District is the largest one in the City. This district permits the placement of individual manufactured homes without affecting the basic zoning district (the R-4 zone district) and does not require any additional hearings before placement of that unit. Should this zoning change be approved, the manufactured housing becomes an allowed use subject to the setback requirements of the R-4 zone district and to any other applicable rules and regulations in place at this time. Staff recommendation was for approval because the Code requirements have been met. She stated the area meets all of the criteria for the Manufactured Home Overlay, and it is in an area where multiple manufactured homes have been approved. She stated an expansion of this overlay assists the City in its efforts to make more areas available for affordable housing. The Planning Commission advertised this hearing on December 10, and no one spoke in opposition. The Planning Commission recommends that the Board adopt the ordinance.

Mr. Kenneth Batts, 204 South Border, stated that he needed this extension of the zoning to place a manufactured home next to his father's.

Mayor Bush then called for a vote on the motion to adopt; and upon roll call, the following voted "aye": Directors Jones, Keheley, McCabe, Ramick, Daniel, and Bush, total 6. Absent and not voting: Director Maruthur; motion unanimously carried. Whereupon the ordinance was declared passed.

## **18 Proposed Ordinance No. O-10-4**

An ordinance entitled, "AN ORDINANCE AMENDING THE ZONING CODE OF THE CITY OF HOT SPRINGS, ARKANSAS (ORDINANCE NO. 5158, AS AMENDED), FOR THE INSTALLATION OF A SIGN IN A COMMERCIAL PLANNED DEVELOPMENT DISTRICT (PD) AT 170 TEMPERANCE HILL, CITY OF HOT SPRINGS, ARKANSAS," was taken from the agenda for consideration.

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

Upon discussion, Ms. Kathy Sellman, Planning and Development Director, stated the applicant is Mr. David Reagler, who is requesting approval to install a sign on an existing pole at Security Storage, which is located in a Commercial Planned Development District. She advised because this is a Commercial PD Zone, approval of signs is required. She stated they have a proposal to replace an element of their sign with a digital message sign. She said there will also be an 8' x 20' sign that will remain at a lower place on the pole, which meets the requirements of the Code. She commented staff recommendation to the Planning Commission was to approve this request that seeks to add signage on an additional freestanding sign structure only. She mentioned the resulting square feet is between 183 and 184 square feet and complies with the allowed area of sign surface per the Code 16-5-21(c). Also, the height complies with the Code. She stated the request does not create any noncompliant issues with the Code, and the Planning Commission advertised and conducted a public hearing on December 10. She said no one was present speaking in opposition, and it is recommended that the Board adopt the ordinance.

Mayor Bush then called for a vote on the motion to adopt; and upon roll call, the following voted "aye": Directors Jones, Keheley, McCabe, Ramick, Daniel, and Bush, total 6. Absent and not voting: Director Maruthur; motion unanimously carried. Whereupon the ordinance was declared passed.

## **19** **Proposed Ordinance No. O-10-5**

An ordinance entitled, "AN ORDINANCE PROVIDING ACCESS TO HEALTH CARE BENEFITS FOR RETIRED MUNICIPAL EMPLOYEES; AND FOR OTHER PURPOSES," was taken from the agenda for consideration.

A motion was made by Director Ramick, duly seconded by Director McCabe, 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, City Attorney Brian Albright explained that the State law in 1995 provided that retired employees or officials as long as they are of the age of 55 or over and have completed 20 years of service to the municipality, are eligible to continue on the health policy of the City provided they pay the employee and the employer parts. He stated that Act 1279 of 2009 requires that the City establish the criteria by which someone would be eligible. He said the City could expand the scope of eligibility, or it could just maintain the standard set by the statute. He added the proposed ordinance would adopt the standard that is set by the statute, which would be the minimum (must be 55 and have 20 years of service).

Mayor Bush then called for a vote on the motion to adopt; and upon roll call, the following voted “aye”: Directors Jones, Keheley, McCabe, Ramick, Daniel, and Bush, total 6. Absent and not voting: Director Maruthur; motion unanimously carried. Whereupon the ordinance was declared passed.

## **20 Proposed Ordinance No. O-10-6**

An ordinance entitled, “AN ORDINANCE WAIVING THE REQUIREMENTS OF COMPETITIVE BIDDING FOR THE PURCHASE OF STOP LOSS INSURANCE FOR EMPLOYEE WELLNESS FUND; AND FOR OTHER PURPOSES,” was taken from the agenda for consideration.

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

Upon discussion, City Manager Lance Hudnell explained this is the bid for the City’s reinsurance (reinsurance for the City’s self-funded health insurance program). He said waiving competitive bidding is necessary because the City’s designated agent goes out into the marketplace on the City’s behalf and negotiates and seeks quotes from various providers of reinsurance. However, the City does not get formal, sealed

bids. He added while she does get bids, it is not done in the normal manner because of the nature of the insurance. Therefore, it is being considered as a waiving competitive bidding.

Director McCabe said he understood there were about five companies that were contacted, and only one submitted a bid. City Manager Lance Hudnell responded that the City's agent had a couple that were submitted, and this was the one that was the most competitive.

Director McCabe commented that the City is self-insured and is responsible for the first \$75,000. City Manager Lance Hudnell advised that because of the health of the fund, it was increased to \$85,000 with this bid. Director McCabe pointed out with the increase, the premium was reduced. He added when that happens, the savings received will compensate for any increase in claims that the City might have. City Manager Lance Hudnell added that the agent quoted it both ways (at the \$75,000 level and the \$85,000 level), and there was a savings by going with \$85,000. He commented it would take four catastrophic claims before it would go the other way, and the City's history has been two or three.

Mayor Bush then called for a vote on the motion to adopt; and upon roll call, the following voted "aye": Directors Jones, Keheley, McCabe, Ramick, Daniel, and Bush, total 6. Absent and not voting: Director Maruthur; motion unanimously carried. Whereupon the ordinance was declared passed.

## **21 Proposed Ordinance No. O-10-7**

An ordinance entitled, "AN ORDINANCE AUTHORIZING A CONTRACT FOR SERVICES WITH GARLAND COUNTY ECONOMIC DEVELOPMENT CORPORATION; WAIVING COMPETITIVE BIDDING; AND FOR OTHER PURPOSES RELATED THERETO," was taken from the agenda for consideration.

A motion was made by Director Keheley, 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 Keheley, that the ordinance be passed as read.

Upon discussion, Mr. George Pritchett, 125 Carl Drive, said he believes this is a good program and was disappointed when it was fully funded when cities in the State and adjoining states are cutting this. However, he respects the Board's decision. He expressed concern that the City is going to fund part of this money March 1 and April 10 and urged the Board to delay any funding until June 30 for the reasons he previously stated. He stated the Board needs to be looking at revenues and then fund this. If the revenues are not there, he said the City should make appropriate cuts like it will have to as far as other programs. He noted that his comments in general apply to the next item on the agenda (Contract for Services for the Boys and Girls Club). He said he did not know if the City can do anything different with it because they could not run their program. In regard to the resolution he addressed earlier regarding economic development, he said the Hot Springs Board of Realtors, which numbers about 450, chose to not fund the relocation program in 2010, determining its cost exceeds the benefits. He commented if revenues are below expectations, additional budget cuts will have to be implemented, and personnel reductions and/or additional furloughs will be necessary. He added if additional reductions or furloughs are necessary, public safety may be threatened, and city services are likely to be reduced. He stressed these economic development programs are nonessential, and the Board should treat them as nonessential. He noted that outside agency programs are very good programs, but he does not know if the City can afford them in 2010.

Mr. Dave Byerly, president of the GCEDC, 413 Pauline Street, said he agrees with Mr. Pritchett that this is an important program; and GCEDC is proud to provide these services for the community. He mentioned that he did not necessarily agree with his characterization of the Board of Realtors decision, and they did choose not to fund the 2010 retirement relocation program. However, he is not sure they are for the reasons that Mr. Pritchett quoted. He said according to the ordinance being considered, GCEDC is engaged with the City in a contractual service to provide economic development services. He said most of the contract is providing information to prospective businesses, trying to help existing businesses grow, trying to help improve the workforce, and attract new businesses to the community, which will create new jobs and better payroll. He stressed this is a very important program.

Mayor Bush then called for a vote on the motion to adopt; and upon roll call, the following voted "aye": Directors Jones, Keheley, McCabe, Ramick, Daniel, and Bush, total 6. Absent and not voting: Director Maruthur; motion unanimously carried. Whereupon the ordinance was declared passed.

City Manager Lance Hudnell advised that in the past Mr. Byerly has made a report to the Board at the 2<sup>nd</sup> meeting in January, but he will be out of town at that time. Therefore, his annual report will be on February 2.

## **22 Proposed Ordinance No. O-10-8**

An ordinance entitled, "AN ORDINANCE AUTHORIZING A CONTRACT FOR SERVICES WITH THE HOT SPRINGS BOYS AND GIRLS CLUB; WAIVING THE REQUIREMENTS OF COMPETITIVE BIDDING; AND FOR OTHER PURPOSES," was taken from the agenda for consideration.

A motion was made by Director Daniel, 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 Daniel, duly seconded by Director Ramick, that the ordinance be passed as read; and upon roll call, the following voted "aye": Directors Jones, Keheley, McCabe, Ramick, Daniel, and Bush, total 6. Absent and not voting: Director Maruthur; motion unanimously carried. Whereupon the ordinance was declared passed.

### **OTHER BUSINESS**

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

Director Jones expressed appreciation to Ms. Myrtle Batty, who loaned her Escalade for Directors Jones, McCabe, Keheley and Ramick to ride in during the Christmas Parade.

## **24 City Manager's Report**

City Manager Lance Hudnell gave the following report:

1. City Hall will be closed on Monday, January 18, in observance of Dr. Martin Luther King, Jr. Holiday. Sanitation and recycling normally scheduled will occur one day later. However, Intracity Transit will operate on that day.
2. There will be a tea tomorrow from 3:30 to 4:30 p.m. at the Chamber for a Hanamaki delegation. The department heads will be in a department head meeting; but any Board Members who can attend would be appreciated.
3. The District Census office is currently hiring, and there is information on the City's website should anyone have any interest in applying.
4. A work session needs to be held between the Board and the Planning Commission and was scheduled after the agenda meeting on January 26.
5. The Directors received enrollment cards for the AD&D program through the Arkansas Municipal League and need to return those to Human Resources Department.
6. The City has a table at the MLK Breakfast for Saturday, January 16, at 8 a.m.; and he has the tickets.
7. The Boys and Girls Club Board sent a letter to the Board thanking the Directors for funding their program and approving the Contract for Services tonight.
8. Arkansas Midland Railroad expressed appreciation to the City for sponsorship of the Santa Train, and the City appreciates them doing that as well.
9. A thank-you was received from Mr. Linder commending Mr. Bob Lathrop, Urban Forester, and his crew with regard to removing a hazardous stump in one of the neighborhoods.
10. Retired Police Chief Martin White sent a letter to the Board commending City Attorney Brian Albright for his presentation at a Criminology class.
11. He expressed appreciation to the Hot Springs Kennel Club, the Invisible Fence Company of Arkansas, and the Hot Springs Pet Therapy, who donated several masks for pets to be used by the Fire Department and several fire departments in the

area. Many times when firemen go in, the regular human mask does not fit animals very well so they have devised masks for animals.

## **25** ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 7:50 p.m., to meet again on Tuesday, January 19, 2010, at 7:00 p.m.

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

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

Lance Hudnell, City Clerk

Mike Bush,

Mayor