

CITY OF EUREKA SPRINGS
COUNCIL MEETING
TUESDAY, MARCH 10, 1998

9:00 A. M.

AGENDA

CALL TO ORDER

ROLL CALL, ESTABLISHMENT OF QUORUM

PLEDGE OF ALLEGIANCE TO THE FLAG

APPROVAL OF THE AGENDA:

APPROVAL OF THE MINUTES: Regular meeting February 17, 1998

OLD BUSINESS:

1. Ordinance No. 1776, amending the noise ordinance, Chief Hyatt (for third reading)
2. Ordinance No. 1780, Amending Ordinance No. 1436 authorizing the City's membership in the Carroll County Solid Waste Authority. (Third reading).

NEW BUSINESS:

- 1, Resolution No. 446, amending Ordinance No. 1733 pertaining to the agreement by the council with the First Street Parking Lot.
2. Ordinance No. 1778, amending Chapter 4.16.05 pertaining to Occupation License procedure, Ms. Dickens. (first reading) Request to postpone to March 24, 1998.
3. Ordinance No. 1779, Providing a pay back plan for others to utilize a water or sewer line that was initially paid by a private person. Ms. Dickens. (first reading). Request to postpone to March 24, 1998.
4. Ordinance No. 1782 amending the sign ordinance to allow the display of banners.
5. Ordinance No. 1783 increase water/ waste water rates.
6. Council approval of the following 1998 chamber of Commerce events.
 1. March 14, St. Patricks Day Parade; 2. April 4, Victorian Classic Grand Prix 5 mile; 3. April 25, 9th annual Taste of Eureka, (with request for City Parking Lot; 4, May 15-17, May Sidewalk Arts & Crafts Show (request for the City parking lot from 5PM Friday thru Noon Sunday); 5. September 12, Artique Automobile Festival Parade; 6. November 15, Christmas Parade.

MAYORS COMMENTS:

ADMINISTRATIVE ASSISTANT'S REPORT:

DEPARTMENT HEADS COMMENTS:

COMMISSION, COMMITTEE, AND AUTHORITY REPORTS:

Vacancies:

Cemetery Commission: Position 3, expires 2-15-98

Solid Waste Advisory Committee, Residential Representative
Waste Hauler Representative

ANNOUNCEMENTS:

McClelland Engineering, Sewer, Sidewalks, Parks, Grant Work in Progress

Old Police Building—Renovation of some city offices

Mo-Ped Committee Report

ADJOURNMENT

**CITY OF EUREKA SPRINGS
CITY COUNCIL MEETING MINUTES
March 10, 1998**

367

+ ++++++ ++++++ ++++++ ++ ++++++ ++++++ + ++++++ ++++++ ++ +++ ++ +++ ++

The regularly scheduled meeting of the Eureka Springs City Council was brought to order on Tuesday, March 10th, 1998, at 9 a.m. It was held in the Council Room of the Western District Courthouse.

PRESENT:

Mayor Barbara A. O'Harris, and Alderpersons Jeffrey, Seratt, Zeller, Christman, Watson and Freeland.

ALSO PRESENT:

Alan Long, David Dempsey, Kim Dickens, David Beauchamp, Johnny Quinn, Kirby Murray, Earl Hyatt, Nikki Salazar, Robert White, Bill Wilson, Richard Smith, James Devito, Jay Miner, Don Matt, Don Young and Clerk Lee.

PLEDGE OF ALLEGIANCE:

Mr. Young led in the Pledge of Allegiance.

APPROVAL OF THE AGENDA:

The motion was made and seconded to approve the agenda as it stands. All were in favor, 6/0/0.

APPROVAL OF THE MINUTES:

The motion was made and seconded to approve the minutes of February 24, 1998. All were in favor, 6/0/0.

OLD BUSINESS:

1. Ordinance #1776, Amending the noise ordinance, Chief Hyatt, (third reading):
The motion was made and seconded to suspend the rules and place Ordinance #1776 on its third reading by title only. All were in favor, 6/0/0.
Mr. Young read the ordinance by title only.

The motion was made and seconded to approve the reading. With no discussion, the third reading was approved unanimously, 6/0/0.

The motion was made and seconded to read the emergency clause. All were in favor, 6/0/0.

Mr. Young read the emergency clause.

The motion was made and seconded to approve. All were in favor, 6/0/0.

2. Ordinance #1780, Amending Ordinance #1436, authorizing the City's Membership in the Carroll County solid waste authority, (third reading):

Alderman Seratt made the motion to suspend the rules and place Ordinance #1780 on its third and final reading by title only and Alderman Watson seconded. All were in favor, 6/0/0.

Mr. Young read the ordinance by title only.

The motion was made and seconded to approve. All were in favor, 6/0/0.

NEW BUSINESS:

1. Resolution #446, amending Ordinance #1733 pertaining to the agreement by the council with the First Street parking lot. The motion was made and seconded to read Resolution #446. All were in favor, 6/0/0.

Mr. Miner explained that a resolution is proper in this case, because it is only changing a small part of the conditions set down in the ordinance. The vote was 5/0/1, with Alderman Freeland abstaining.

CITY OF EUREKA SPRINGS CITY COUNCIL MEETING MINUTES March 10, 1998

368
(Original page upside down in Book Q)

2. Ordinance #1778, amending Chapter 4.16.05, pertaining to Occupation License procedure, Ms Dickens (first reading):

Alderman Seratt made the motion to place Ordinance #1778 on its first reading in its entirety and Alderman Jeffrey seconded. Unanimous vote:

6/0/0.

Mr. Young read the ordinance.

The motion was made and seconded to approve.

Alderman Jeffrey asked if the schedule should be read, and Mr. Miner said yes, so Alderman Jeffrey and Alderman Seratt read the schedules. Alderman Seratt made the motion to approve, and Alderman Watson seconded.

There was a long discussion. Alderman Freeland said that he felt that the City should be sure that people had the proper licensing and credentials before the City issued licenses. Mr. Miner explained that the City can charge for a business license, but that it is a revenue producing procedure and nothing more. The City does not say that the person has this license or that license. The business owners are buying a license to do business within the City limits. Alderman Freeland made the motion to postpone until the April 7th agenda meeting. Alderman Zeller seconded. The vote to postpone was 1/5/0, with

postpone until after a workshop.

The Mayor made the point that Mr. Quinn did not come with regards to the ordinance. He came to fill the Council in when they had a question. Mr. Quinn said that at the agenda meeting he pointed out that there is not time to wait for grant money if the City wants to meet the permit schedule. He said he had recommended that the City go ahead with a 100% loan. He suggested that the City talk to Dave Fenter, to get the information they need, Mr. Fenter is the administrator of the Revolving Loan Fund for Waste Water System Improvements for the Arkansas Department of Pollution Control and Ecology.

Mr. Quinn said that he had been coming to Council for a number of years and had worked with them step by step to get to this point. He wasn't shocked at their concerns. The concerns are valid. If the city knows these increases are coming, they need to start implementing them now. The City needs to start building reserve funds now so that they will be there when they are needed. Under a different administration he remembers that Council decided that the business owners should bear their fair share of the cost since it is the tourism industry that causes the plant to need more capacity. He said that McClelland Engineering will be happy to attend the workshop and bring facts and figures to help with the decision process. The City has to know what they are going to do when they close on the loan. The lender has to have something in writing saying this is what the City is ready to do.

Mr. Quinn said that Public Works has done the lion's share in taking care of the infiltration/inflow in the public sector. It is definitely a problem. The private sector has remained unaddressed to his knowledge. He was discussing the public service line linked to the sewer line from the houses' bathrooms or sinks. As for nitrate/nitrite problems, if the City considers no growth, then nothing would have to be done. If the City eventually wants to hook up all of the unsewered areas, that will be considered growth and the City will have a problem. The main problem is nitrate/nitrite, and they want the City to address the problem however it can to get it solved.

Mr. Fenter from the Arkansas Department of Pollution Control and Ecology represents a loan program with a 3 3/4 % current rate of interest and it is a fixed rate. He is the Revolving Loan Fund Marketing Supervisor, and Salesman. He said that they try to keep their rates at least 2% lower than what a city can get on the open market. The interest is locked in at the time the City signs the agreement. He sells a loan program for wastewater improvement, both to the collection system and the treatment plant. They give a city 20 years after the project is finished to repay the loan. Interest rates three years ago were 5%—last August they went to 4 1/4 % and in December 3 3/4%. He does not believe that the rates will go up in the next 6 months. Mr. Fenter said that the ordinance must be in place and in effect before the loan can close. He said that most finance institutions will expect 25% to 50% over the amount to be paid because of the risks involved. His organization does not do that.

Alderman Seratt made the motion to postpone a vote on Ordinance #1783 until the March 24th meeting. Alderman Watson seconded. All were in favor, 6/0/0.

Mr. Fenter said is not just a bank. They are also Pollution Control and Ecology. One of their priorities is the elimination of infiltration/inflow. Before they would give the City money for what we would want to do,

they would have to be assured that we would have someone come in and repair lines and find lines that need to be repaired, or the City would have to have the city crew come in and do it.

370

**CITY OF EUREKA SPRINGS
CITY COUNCIL MEETING MINUTES
March 10, 1998**

Alderman Zeller asked how much stress on the sewer plant would be relieved if the infiltration/inflow problem were taken care of. Mr. Quinn said he couldn't answer that but he said he believes that the City has done the biggest share of the public sector. He said that the City crews have smoke tested, and done a lot of things and spent a lot of money trying to solve this problem. He said a lot could be done if the private sector were required to do their share, and take care of their lines. He said he said there are probably one or two big sources of inflow some of these things can be worked out before a vote is taken.

Mr. Miner said that McClelland Engineering has offered to help the City come up with a schedule of rates. If they do help the City to do this, it would give the City a basis to start.

Alderman Fredland said he is getting calls of concern from residents about whether they are footing the bill for the business sector, and also if the anticipated growth is not overstated.

He said he wanted to postpone until after a workshop.

The Mayor made the point that Mr. Quinn did not come with regards to the ordinance. He came to fill the Council in when they had a question. Mr. Quinn said that at the agenda meeting he pointed out that there is not time to wait for grant money if the City wants to meet the permit schedule. He said he had recommended that the City go ahead with a 100% loan. He suggested that the City talk to Dave Fenter, to get the information they need. Mr. Fenter is the administrator of the Revolving Loan Fund for Waste Water System Improvements for the Arkansas Department of Pollution Control and Ecology.

Mr. Quinn said that he had been coming to Council for a number of years and had worked with them step by step to get to this point. He wasn't shocked at their concerns. The concerns are valid. If the city knows these increases are coming, they need to start implementing them now. The City needs to start building reserve funds now so that they will be there when they are needed. Under a different administration he remembers that Council decided that the business owners should bare their fair share of the cost since it is the tourism industry that causes the plant to need more capacity. He said that McClelland Engineering will be happy to attend the workshop and bring facts and figures to help with the decision process. The City has to know what they are going to do when they close on the loan. The lender has to have

something in writing saying this is what the City is ready to do.

Mr. Quinn said that Public Works has done the lion's share in taking care of the infiltration/inflow in the public sector. It is definitely a problem. The private sector has remained unaddressed to his knowledge. He was discussing the public service line linked to the sewer line from the houses' bathrooms or sinks.

As for nitrate/nitrite problems, if the City considers no growth, then nothing would have to be done. If the City eventually wants to hook up all of the unsewered areas, that will be considered growth and the City will have a problem. The main problem is nitrate/nitrite, and they want the City to address the problem however it can to get it solved.

Mr. Fenter from the Arkansas Department of Pollution Control and Ecology represents a loan program with a 3 3/4 % current rate of interest and it is a fixed rate. He is the Revolving Loan Fund Marketing Supervisor, and Salesman. He said that they try to keep their rates at least 2% lower than what a city can get on the open market. The interest is locked in at the time the City signs the agreement. He sells a loan program for wastewater improvement, both to the collection system and the treatment plant. They give a city 20 years after the project is finished to repay the loan. Interest rates three years ago were 5%—last August they went to

**CITY OF EUREKA SPRINGS
CITY COUNCIL MEETING MINUTES
March 10, 1998**

371

4 1/4 % and in December 3 3/4%. He does not believe that the rates will go up in the next 6 months. Mr. Fenter said that the ordinance must be in place and in effect before the loan can close. He said that most finance institutions will expect 25% to 50% over the amount to be paid because of the risks involved. His organization does not do that.

Alderman Seratt made the motion to postpone a vote on Ordinance #1783 until the March 24th meeting. Alderman Watson seconded. All were in favor, 6/0/0.

Mr. Fenter said that the organization is not just a bank. They are also Pollution Control and Ecology. One of their priorities is the elimination of infiltration/inflow. Before they would give the City money for what we would want to do, they would have to be assured that we would have someone come in and repair lines and find lines that need to be repaired, or the City would have to have the city crew come in and do it.

Alderman Zeller asked how much stress on the sewer plant would be relieved if the infiltration/inflow problem were taken care of.

Mr. Quinn said he couldn't answer that but he said he believes that the City has done the biggest share of the public sector. He said that the City crews have smoke tested, and done a lot of things and spent a lot of money trying to solve this problem. He said a lot could be done if the private sector were required to do their share, and take care of their lines. He said he said there are probably one or two big sources of inflow somewhere along Main St.

Alderman Jeffrey made the motion to go ahead and give Mr. Quinn the authority to go ahead and proceed with contacting RLF (Revolving Loan Fund), for purpose of securing a loan. Alderwoman seconded that motion. Alderman Jeffrey said the City has a year's lead time, while they are going ahead with work sessions, and applications, etc. The unanimous vote was 6/0/0.

6. The Council approval of the following Chamber events:
 March 14th, St. Patrick's Day Parade; April 4th, Victorian Classic Grand Prix 5 Mile; April 25, 9th Annual Taste of Eureka (with request for City parking lot); May 15-17, May Sidewalk Arts & Crafts Show (request for the City parking lot from 5pm through noon Sunday); September 12, Antique Automobile Festival Parade; and November 15, Christmas Parade.

Alderwoman Seratt made the motion to approve, and Alderman Christman seconded. All were in favor, 6/0/0.

MAYOR'S COMMENTS:

Mayor O'Harris said the boll order in effect was due to be released on the 6th, and here it was the 10th. She asked that as soon as that was lifted, it be put on the City's channel.

ADMINISTRATIVE ASSISTANT'S REPORT:

Mr. Young said that the February Sales and Use check reflected sales in December of 1997. The amount was \$85,319.12. \$389.66 more than we received at the same time last year. We have started off well.

MAYOR'S COMMENTS: Mayor O'Harris said the Fire Chief, Kurt Jordan, will be retiring as of April 30th, which will give some training time to a new chief. She called an executive session.

The session lasted from 10:35 a.m. to 10:50 a.m.

Alderman Serrat announced that they had discussed replacing the Fire Chief, but no action was taken. Mayor O'Harris presented to the Council an alternative method by running a public service department of Fire, Police, and Ambulance. It was just an idea for their information.

372 CITY OF EUREKA SPRINGS
 CITY COUNCIL MEETING MINUTES
 March 10, 1998

The Mayor proposed Suzanne Bullock Ryan for the Cemetery Commission position #3. The term expired February 15, 1998, so she would be filling a new term. Alderwoman Watson made the motion to approve, and Alderman Christman seconded. All were in favor, 6/0/0.

Alderman Freeland asked to set the date for the Wastewater Committee meeting. They set the date at Monday 23, 1998 at 6 p.m. Mr. Quinn said he would like some idea of what would be on the agenda. There was some discussion about what the Council

would like to learn from the meeting.

The motion was made and seconded to adjourn. All were in favor, 6/0/0. The meeting was adjourned at 11:05.

APPROVED:

Barbara A. O'Harris, Mayor

ATTEST:

Mary Ann Lee, City Clerk-Treasurer

**CITY OF EUREKA SPRINGS
COUNCIL MEETING
TUESDAY, MARCH 24, 1998**

9:00 A. M.

AGENDA

CALL TO ORDER

ROLL CALL, ESTABLISHMENT OF QUORUM

PLEDGE OF ALLEGIANCE TO THE FLAG

APPROVAL OF THE AGENDA:

APPROVAL OF THE MINUTES: Regular meeting March 10, 1998

OLD BUSINESS:

1. Ordinance No. 1778, amending Chapter 4.16.05 pertaining to Occupation License procedure, Ms. Dickens. (second reading).

NEW BUSINESS:

1. Ordinance No. 1779, Providing a pay back plan for others to utilize a water or sewer line that was initially paid by a private person, Ms. Dickens. (first reading).
2. Ordinance No. 1782 amending the sign ordinance to allow the display of banners. (first reading)
3. Ordinance No. 1783 increase water! waste water rates. (second reading)

MAYORS COMMENTS:

ADMINISTRATIVE ASSISTANT'S REPORT:

DEPARTMENT HEADS COMMENTS:

COMMISSION, COMMITTEE, AND AUTHORITY REPORTS:

Vacancies:

Solid Waste Advisory Committee, Residential Representative