

**CITY OF EUREKA SPRINGS  
COUNCIL MEETING  
TUESDAY, October 13, 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: September 22, 1998

OLD BUSINESS:

1. Approval of Ordinance No. 1782, an ordinance amending the sign ordinance to allow the display of banners. (Second reading)
2. Approval of Ordinance No. 1797, an ordinance amending the noise ordinance. (First reading)
3. Approval of Ordinance No. 1798, an ordinance amending Ordinance No. 1653, Section 12.40.10 the Eureka Springs Ambulance Service Fees. (Second reading)
4. Approval of Ordinance No. 1799, an ordinance amending paragraph 4 of Section 2 of Ordinance No. 1227 for the purpose of amending the definition of "gift and souvenir shops." (To postpone until Nov. 10, 1998)
5. Approval of the sale of a few vacant City lots to Jess and Betty Green. (To postpone until Nov. 10, 1998)

NEW BUSINESS:

1. Approval of Resolution No. 452, a resolution allowing the Community Electric Trolley Association permission to seek avenues of funding for the project.
2. Approval of Resolution No. 453, a resolution designating the City Administrative Assistant as the City's representative on the Carroll County Solid-Waste Authority.
3. Approval of Ordinance No. 1800, an ordinance authorizing the issuance of sales and use tax refunding bonds. (First Reading)
4. Approval of the 1998 Street Program.

MAYORS COMMENTS:

ADMINISTRATIVE ASSISTANT'S REPORT:

DEPARTMENT HEADS COMMENTS:

COMMISSION, COMMITTEE, AND AUTHORITY REPORTS:

Plan Commission - Position 6  
 ONGOING PROJECTS: McClelland Engineering, Sewer, Planer Hill Sidewalk, Parks, Grant  
 Work in Progress.

Ordinance No. 1770, an ordinance amending Chapter 9, Section  
 9.04.03 Sidewalks, of the Municipal Code of the City of Eureka  
 Springs, revising requirements for building and maintaining  
 sidewalks. (Awaiting letter from Historic Registry.) -  
 Investigative committee for the Planer Hill Parking Lot.

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**October 13th, 1998**

Mayor Barbara O'Harris called the regularly scheduled Eureka Springs City  
 Council meeting to order at 9:07 a.m. on October 13th, 1998, in the  
 Courtroom of the Western District Courthouse.

**PRESENT:**

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

**ALSO PRESENT:** Nikki Salazar, Robert McVey, Alan Long, David Baker, Kirby  
 Murray, Tom Calyen, Mary Ellen Sheard, Lyn Calyen, Shep Russell, Dennis  
 Hunt, Steve Miller, David Beauchamp, Don Matt, Kim Dickens, Jay Miner and  
 Clerk Lee.

**PLEDGE OF ALLEGIANCE:** Kim Dickens led in the Pledge of Allegiance.

**APPROVAL OF AGENDA:** The Mayor asked that the agenda be adjusted to meet the needs  
 that were to be addressed and the people who have come for special reasons. The motion  
 was made and seconded to adjust the agenda. All were in favor, 6/0/0.

**APPROVAL OF MINUTES:**

The motion was made and seconded to approve the minutes of September 22nd, 1998.  
 Alderman Jeffrey found two typos, which were: The amount of money to fix Lake  
 Leatherwood Dam, on page 5, is \$570,000, instead of \$540,000. Also on page five, the word  
 impeded should have been embedded.

The motion was made and seconded to amend the minutes. The vote was

6/0/0.

The vote to approve the minutes as amended was 6/0/0.

The Mayor announced that Thursday, October 15th, 1998, is Rotary Club of Eureka Springs Day. She read a proclamation to that effect, and then presented it to David Baker, a thirty year member. Other members who attended were Mary Ellen Sheard, an eleven year member, who also was the first lady president, Tom Galen, and Jay Miner. Mr. Baker thanked the community, and said that about \$5500 was raised to help with the food bank kitchen at Flint Street Fellowship.

Nikki Salazar, Director of Parks, was next on the program. She had a Park Angel Award to present. This is the Parks Commission's way of recognizing outstanding volunteers. They are usually chosen because they have gone above and beyond what could be required of them. She commended Mary Ellen Sheard for diligently watering Crescent Spring every single day, all summer, and presented her with the award. Ms. Sheard's work was much appreciated by all, as is the Parks Commission's.

Robert McVey, Fire Chief gave a short report on Fire Prevention Week. The theme for Fire Prevention Week was "the great escape". They went to all of the schools and gave demonstrations on fire safety and exit drill with two exits in the home. They had an open house at the fire station on Tuesday evening for Council Members and one on Saturday that was open to the public.

The Chief said that they are sending out flyers to solicit memberships from the rural areas for the Rural Fire Association. The memberships will be \$25 for a lot and \$50 for a structure. A person may receive an insurance discount if they have this membership. One membership is all that is needed even if the person owns more than one lot. They are sending out about 1600 flyers. The membership right now will cover until January 1, 2000. The geographical scope reaches the Kings River, and to the top of Leatherwood Hill. He said that next year at this time, a fire extinguisher service company will come that will service fire extinguishers for a nominal fee.

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The Mayor then asked Kirby Murray to give a report on the Leatherwood Dam.

There was a study done on the dam in 1980. There were four alternatives for rendering the downstream residents harmless in the report.

The least expensive of these is to drill the dam every 15 feet and pin it to the bedrock. In 1980 it would have cost approximately \$400,000. With inflation, the engineers figured the cost to be approximately \$570,000. Alderman Jeffrey said that the report said that if the dam were to give way, there would be twelve houses destroyed. If the dam were not to give way, there would still be

ten houses destroyed downstream. So the City would spend \$600,000 and it might protect two of the twelve houses. When there is talk of the dam giving way, that is referring to the most devastating flooding that can occur. That is 75% of the maximum possible flood, called a Noah's Ark Flood. If the lake was drained, and the floodgates opened, the homes would still be destroyed, under these circumstances.

Mr. Murray reported that there is a 45,000,000 gallon difference in the amount of water paid for by the City and the amount of water sold. It relates to a 20% water loss. Last year Public Works budgeted to test half of the system for leaks, and then the other half would be done next year. The City did not want to do this during the two years that the water looping plan was being accomplished, because it would not be an accurate report. According to the engineers, 15% water loss is about the best we can hope for in a system as old as ours. The city is going to try for 10%. The cost of a 15% water loss is \$16,875. That leaves \$5735, that is not an acceptable amount of loss. When it costs more to lose the water than it costs to find the problem, then it is time to hire a company to do so. A company will be here on November 2nd, to get started on half of the nine hundred connections and 30 miles of line in the City. They will start on the oldest part and move to the newer until it is done. \$8500 worth of detection services is as far as they will go this year, and then the City will get busy fixing the problems. The budget for next year will include the money to do the other half. Everybody that works for Public Works is constantly watching for places which might signal a water leak, especially meter readers who go out every month and also, citizens call in.

Ms. Dickens did an update. She has been with the City for six months as the interim administrator, and a year with the city as Planner. She wanted the Council to be informed of several projects that are in particular stages of development, and to stress that all of the projects are in concurrence with the vision plan.

1. The zoning street and historic district maps are complete. Updates on those will be ongoing as the City annexes or re-zones properties.
2. The first draft is completed on the user friendly zoning ordinance. Kim has been traveling to see the attorney to save the City the money she would charge us for traveling fees. The attorney will come to Eureka Springs when she finishes the final draft. She will meet with the Planning Commission and the City Council for input at that time.
3. The codification is one third complete. The first section of the codification takes about five months. That is the basic editorial work and research which will eliminate the conflicts and inconsistencies, not only within our own ordinances but with State law.
4. The Planer Hill sidewalk grant and fountain feature will be beginning in the next few months. That is one of the gateways to our Historic District.
5. The Parks and Recreation Commission has been working on its master plan. They have developed a nature trail at Lake Leatherwood Park, and the Beachum Trail is used both for walking and biking.
6. The City and Parking Authority have developed a serene park-like facility for parking on the perimeter of the Historic District, which is the

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North Main Street parking lot.

7. Hopefully, the City will be working on the up-grading of the waste-water system. The City, and the engineers have been working very hard on it.

8. The process is in motion to review other City ordinances that affect Planning and development. As each section is completed and approved, another section will go through the process.

9. There have been a number of complaints in the community regarding code enforcement. The City has begun a code enforcement program for the maintenance of properties. Several properties have been completed. Two are in court. As each problem is resolved, the City goes on to the next one. There has been ongoing discussion, and a new position of code enforcement may be formed in 1999. This will be discussed in the 1999 budget meetings.

10. The Historic District Commission is about to print their specifically designed guidelines for Eureka Springs. It will be a printed book. A professional photographer has gone through and taken pictures of the different styles of architecture in the City.

11. The new occupation license will be starting in a few weeks. A member of the Fire Department and our Building Inspector will be going to each commercial establishment. A new computer program has been designed for this that will print the documents. The 1999 inspections will be courtesy inspections. They will let everyone know what repairs need to be done. Unless the repairs are life safety issues, notification will be made by mail. Forms are printed and ready to go.

Mayor O'Harris said Ms. Dickens is still doing two jobs, and going to all the extra meetings. Her dedication is greatly appreciated.

Next on the agenda was Ordinance No. 1800, an ordinance authorizing the issuance of sales and use tax refunding bonds, (First reading):

The Mayor introduced Dennis Hunt. He is with Stevens, Inc. He manages the Northwest Arkansas office. He passed out information on the restructuring of the 1993 Sales and Use Tax bond issue, the purpose being to achieve a fairly significant savings to the City. The average interest rate in 1993 was 5.37%. The market has improved so much within the last 60 days, that the interest rate is 4.20%. This saves the City slightly over \$121,000. for the life of the issue. The net savings also takes into account the cost of re-financing. They continue to monitor the City's outstanding bond issues and if one comes up that could be beneficial, they will contact the City.

The question was asked if the City is "bonded out". Mr. Russell said the bonds are backed by our two cent sales tax. We have very good collections on the two bond issues that are outstanding. Mr. Russell said that more bonds could be issued and that the City is not prohibited by state law at this time. With voter approval, more could be issued. However, the 2 cent sales and use tax money would make the payment on the bonds, and that means

less money to run the City.

Mr. Russell said that Ordinance No. 1800 is basically supplementing the original ordinance allowing the bond issue in 1994. He mentioned that on page 11 in Section 7, he deleted the sentence, "such revenues pledged, etc.". On page twelve, Section 9, second paragraph the last two words in the section are "bond fund", and he added 1994. He said that pages 6 through 10 are the actual bond instrument which will be printed in instrument form, and they will not be read with the ordinance. Alderwoman Seratt made the motion to place Ordinance No. 1800 on its first reading. Alderman Jeffrey seconded. All were in favor, 6/0/0. Mr. Russell read the ordinance in its entirety.

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

It was mentioned that \$17,432. per year would be saved for the life of the bonds.

Alderwoman Seratt made the motion to suspend the rules and place Ordinance No. 1800 on its second reading by title only. Alderman Christman seconded. All were in favor, 6/0/0.

Mr. Russell read the ordinance by title only.

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

Alderwoman Seratt made the motion to further suspend the rules and Alderwoman Watson seconded. The unanimous vote was 6/0/0. Mr. Russell read the ordinance by title only.

Alderwoman Seratt made the motion to approve. Alderman Jeffrey seconded. The ordinance was unanimously passed on its third and final reading, 6/0/0.

### OLD BUSINESS:

1. Approval of Ordinance No. 1782, an ordinance amending the sign ordinance allowing the display of banners, (second reading):

The motion was made and seconded to suspend the rules and place Ordinance No. 1782 on its second reading. All were in favor, 6/0/0.

Ms. Dickens read the ordinance by title only.

The motion was made and seconded to approve. All were in favor, 6/9/0.

Alderwoman Seratt made the motion and Alderman Christman seconded to further

suspend the rules and place Ordinance No. 1782 on its third and final reading, by title only. All were in favor, 6/0/0.

Ms. Dickens read the ordinance by title only.

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

2. Approval of Ordinance No. 1797, an ordinance amending the noise ordinance, (first reading):

Alderwoman Seratt made the motion to place Ordinance No. 1797 on its first reading in its entirety. Alderwoman Watson seconded. All were in favor, 6/0/0.

Alderman Jeffrey said that Noise did not have to be in the heading—Ordinance No. 1797. He asked that it be changed so that the reading will be correct.

Ms. Dickens read Ordinance No. 1797 in its entirety. Alderwoman Seratt made the motion to approve. Alderwoman Watson seconded.

Alderman Jeffrey pointed out on page five, Section 7.26.12, it refers to 7.26.05, which deals with hours instead of measurements. It should be

7.26.03. Also, it was discussed that sound levels were not to exceed 10 decibels over the background sound level.

The Clerk mention that 7.26.04 should include City taxes and fees due. The Clerk also mentioned that the Clerk should not have the sole responsibility of issuing a noise permit.

Alderwoman Zeller said that it is spelled out in the ordinance that the only people who can get permits are people who have restaurant licenses and outdoor seating, and special events.

Alderwoman Seratt made the motion to approve as amended. Alderwoman Watson seconded. The unanimous vote was 6/0/0.

3. Approval of 1998 Street program: Mr. Murray presented his program.

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<u>Street</u>	<u>Estimated Cost</u>
Jackson	\$ 7,614
Berton	5,103
Recycling	19,733
Elk	9,056
City Shop	1,953
City Hall	1,535
Thunder Road	14,256
Grand & Hillside	1,465
	\$ 60,715
10% Contingency	<u>6,072</u>

\$ 66,787

Mr. Murray explained his program, and for the most part, the Council agreed. Alderman Jeffrey said that if Thunder Road was to be paved, the people in that subdivision should annex before the City does it. It was explained that the part of the road that would be paved is already in the City, but the alderman said that it would still be servicing mainly the people in the subdivision. Ms. Dickens said that half of the sub-division is in the City. Mr. Lyn Galyen said that when the land was bought, they believed that it was all outside the City. Then, after everything was done, they found that some of the property was inside the City limits. He said the road also services a church, and that the Hoe Down Music Show uses the road to exit their show at night. Alderman Jeffrey made the motion to approve the Street Program except for the Thunder Road project, and that the \$14,256. should be added into the contingency until they make a decision. Alderman Christman seconded. All were in favor, 6/0/0.

Alderman Jeffrey made the motion to accept the Water, Wastewater and Street Capitol Improvement Paving Project, with an estimated total of \$19,899. Alderman Christman seconded. All were in favor except Alderman Freeland, who voted no, 5/1/0.

4. Approval of Ordinance No. 1798, an ordinance amending Ordinance No. 1653, Section 12,40.10 the Eureka Springs Ambulance Service Fees, (second reading):

The motion was made and seconded to suspend the rules and place Ordinance No. 1798 on its second reading by title only. All were in favor, 6/0/0.

Ms. Dickens read the ordinance by title only.

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

The motion was made and seconded to further suspend the rules and place Ordinance No. 1798 on its third and final reading by title only. All were in favor, 6/0/0.

Ms. Dickens read the ordinance by title only.

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

5. Approval of Ordinance No. 1799, an ordinance amending paragraph 4 of Section 2 of Ordinance No.1227 for the purpose of amending the definition of "gift and souvenir shops"...(To postpone until Nov. 10th, 1998): The motion was made and seconded to postpone Ordinance No. 1799 until the November 10th Council Meeting. All were in favor, 6/0/0.

6. Approval of the sale of a few vacant City lots to Jess and Betty Green, Postpone until the November 10th, 1998 meeting.

The motion was made and seconded to postpone the matter until the November 10th, 1998 Council Meeting. All were in favor, 6/0/0.



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**NEW BUSINESS:**

1. Approval of Resolution No. 452, a resolution allowing the Community Electric Trolley Association permission to seek avenues of funding for the project.

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

2. Approval of Resolution 453, a resolution designating the City Administrative Assistant as the City's representative on the Carroll County Solid-Waste Authority.

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

Item three under new business was Ordinance No. 1800 and item four was approval of the street program. Both of these were taken care of earlier in the meeting.

**MAYORS COMMENTS:**

The Mayor said that the Corvette Club was very happy with everything. There were 561 cars, and 20 more were not registered. They expect 100 to 150 more next year.

Mayor O'Harris reported that the reason she was unable to be at the last agenda-setting meeting was because she was in Little Rock. Lewis Epley was awarded a prestigious award. He was voted Man of the Year by the Hospital Associations of Arkansas.

The Mayor also said the descendants of Jessie James and the Younger gang were at their convention in Fayetteville. Some of the group came to the Crescent Hotel. They love the town and would like to come back to Eureka Springs next year for their convention. They are considering a reenactment of some sort for next year.

**ADMINISTRATIVE ASSISTANT'S REPORT:**

Ms. Dickens said the City has a new billing service for Ambulance Fees, and that is Health Care Financial Services in Fayetteville.

We have received our July 1998 Sales & Use Tax. It was \$185,679.96. The largest July that the City has ever had. It was a 12.9% increase. That gives us 4.49% over and above.

The motion was made and seconded to adjourn. All were in favor, 6/0/0. The meeting was adjourned at 11:17 a.m.

APPROVED:

ATTEST: