

## CITY OF EUREKA SPRINGS COUNCIL MEETING MINUTES

July 1, 1999

The July 1<sup>st</sup>, 1999 meeting was called to order at 7 p.m. Mayor Beau Satori presided over the meeting, which was held in the court room of the Western District Courthouse.

PRESENT: Mayor Satori, and Alderpersons Jeffrey, Stoppel, Schrader, Freeland, and Sumpter. Alderwoman Taylor was absent. She came in for a short time during the meeting and left again.

ALSO PRESENT: Robert McVey, Kirby Murray, Diane Murphy, Lisa Liggett, David Reuter, Joe Hammond, Diane McClelland, Nikki Cherry, Roger Mullis, Vicki Thompson, Lewis Epley, Robert Jackson, Kelly Simon, Don Matt, Kim Dickers, Tom Laub, and Clerk Lee.

PLEDGE OF ALLEGIANCE: Ms. Dickers led in the Pledge of Allegiance.

APPROVAL OF THE AGENDA: Alderman Jeffrey suggested that items one and two of Unfinished Business be turned around, because item one would probably take some discussion. He then made the motion to approve the agenda as amended. Alderman Schrader seconded. All were in favor, 5/0/0.

### APPROVAL OF THE MINUTES:

Alderman Jeffrey made the motion to approve the minutes from the June 3<sup>rd</sup>, 1999, City Council meeting. Alderman Freeland seconded. Alderman Schrader mentioned a typo on page two, and then on page four, he clarified the subject of the committee on deer population management. He said he would give the clerk an amendment to change the minutes to reflect the situation in a better manner, (which he did after the meeting). Alderman Schrader made the motion to amend the minutes, which amendment was a clarification and Alderman Stoppel seconded. All were in favor, 5/0/0. The vote on approval of the minutes was 5/0/0.

Alderman Jeffrey then made the motion to approve the minutes of the June 8<sup>th</sup>, 1999, City Council Meeting. Alderman Schrader seconded. Alderman Schrader said he did not think the price of the signs was correct. Alderman Jeffrey made the motion that the clerk check the tape for the price of the signs to be clarified. Alderman Schrader seconded. All were in favor, 5/0/0. Alderman Sumpter made the motion to place under "Present", that Bill Freeland arrived later. Alderman Stoppel seconded. All were in favor, 5/0/0. The vote to approve the minutes as amended was 5/0/0.

### COMMISSION, COMMITTEE AND AUTHORITY REPORTS AND VACANCIES:

Mayor Satori nominated Carolyn Green to Position 6 of the Planning Commission, which expires January 1, 2001.

He nominated Jack Van Cauill for Position 3 of the CAPC, which is a four year term.

Mayor Satori named David Jeffrey, Kirby Murray, Roy Hebert, Barbara Harmory, David Meyer and Kipling Vandenberg to be on the Wastewater Task Force.

He named David Stoppel, Sally Riker, Earl Hyatt, James DeVito, and himself for the task force for the Blues Festival.

### DEPARTMENT HEAD COMMENTS:

Diane Murphy reported that the City had hired Linda Wishon to be the new Accounts Receivable Clerk. She said there was some re-organization to separate the Mayor's Office employees from the finance employees, which seems to be helpful. The water/sewer audit should be finalized and an exit conference scheduled by the middle of July. The State audit will take a little longer and should have something for us by the middle of August. Department Heads have had their mid-year conference. The wastewater rate increase was reflected on the bill and 90% of the difference amounts to just over \$19,000, which has been set up in a separate account. Budget revisions are almost ready. Current

CD rates are competitive with what we are getting now.

Bob McVey reported that August 1<sup>st</sup>, Dr. Lawrence will be leaving and will no longer be the City's Medical Director, and Dr. Kresse will be taking his place for the same amount of money. Washington Regional Medical Foundation pays for \$1500 of the \$3000 that Dr. Kresse will be paid. That money is a donation to the department from Washington Regional.

Two more firefighters have completed their firefighter #1 Certification and they are Brent Updegraf and Tim Collins. The certification is from Oklahoma State University which is nationally recognized, and then they apply to Arkansas and certified in Arkansas on a reciprocal agreement. He passed out packets for the budget meeting to the Mayor and the Council.

Libby Freeland reported that during the May Fine Arts Festival, Alexis Pittenger did chair massages in the Park to benefit the Auditorium's lighting, and she raised \$800. Everyone clapped in appreciation. Cajun Festival is coming up soon. They have a sponsor, Abita Beer. They would like to sell it in the Auditorium. The Auditorium gets 10% of the proceeds. They will have a non-profit organization selling the beer as a fund raiser for their organization, and she asked for permission from the Council to do it. Alderman Schrader said many people do not think the Auditorium is the proper place to sell beer, but he would vote for it. The Council voted to allow beer to be served in the Auditorium for Cajun Festival. Missoula Children's Theatre is putting on Cinderella. It is an impressive production. It will have 50 of our own cute little kids in it. The question was asked if the production could be taped and possibly televised at a later time. It may be allowed but the taping would be broadcast only once. It would be a good chance to teach people about taping and editing.

Nikki Salazar Cherry said that right now all that is going on is plans for the Fourth of July. There will be activities all day at Lake Leatherwood, and from 11 a.m. to 2 p.m. in Basin Park. K Tours is Shuttling people from the high school parking lot from 1 p.m. on and there will be signage to remind people to park and ride. Admission at the park is \$2.00 per person, and will cover the cost of the shuttle. A person in the audience said that there is always Eureka Taxi, if people need more transportation. The park will have two people for security and one person directing parking.

#### CITY ADMINISTRATIVE ASSISTANT'S REPORT:

Ms. Dickens introduced the new Building Inspector/Code Enforcement Officer to the City Council. His name is Roger Mullis and he lives in Carroll County. Mr. Mullis said he has been very busy and that is the way he likes it.

She reported on the \$50,000 matching grant that Parks and Recreation had received. There will be a workshop coming up for that grant.

The City has received a \$15,000 grant from the Arkansas Historic Preservation Program, and will be used for the sidewalk in front of the Courthouse. That will be put out for bids as soon as the City receives the check.

Ms. Dickens had a meeting with Judge Jackson on the 911 numbering and there are two companies to be considered. That project should be started within the next month, and she will introduce the Council to the representative when the company is chosen. Numbering shouldn't take more than two months.

She said the Council should set up a workshop for amending the 1999 budget. The time set was July 8, 1999 at 2 p.m.

Mayor Satori said that he has not received any feedback on the Van Buren/Kingshiway preference for a street name.

He said he has made an agreement with the County to pay them a flat \$23,000 per year, instead of splitting the money off of the lots around the Courthouse like the City has been doing.

#### UNFINISHED BUSINESS:

**Ordinance no. 1814, red zone at St. James Church, (second reading):**

Alderman Stoppel made the motion to suspend the rules and place Ordinance No. 1814 on its second reading by title only. Alderman Schrader seconded. All were in favor, 5/0/0. Ms. Dickens read the ordinance by title only.

Alderman Stoppel made the motion to approve and Alderman Sumpter seconded. All were in favor, 5/0/0.

Alderman Stoppel made the motion to further suspend the rules and place Ordinance No. 1814 on its third and final reading, by title only. Alderman Jeffrey seconded. All were in favor, 5/0/0.

Ms. Dickens read the ordinance by title only.

Alderman Stoppel made the motion to approve and Alderman Jeffrey seconded. All were in favor, 5/0/0.

**Ordinance No. 1813, providing for CAPC professional services contracts, (second reading):**

Alderman Schrader made the motion to suspend the rules and place Ordinance NO. 1813 on its second reading by title only. Alderman Freeland seconded the motion. All were in favor, 5/0/0.

Ms. Dickens read Ordinance No. 1813 by title only.

Alderman Freeland made the motion to approve. Alderman Schrader seconded.

Alderman Jeffrey said no plan has been presented. He has not seen a vote from the CAPC to ask the Council to pass this ordinance. This is a discussion of millions of dollars, and it is not good business not to have a plan to follow.

Alderman Schrader said the big money is paid to the media. It is not paid for the salaries of the freelance contractors. He also said that if this is to work, there needs to be a central director to oversee the contractors, and make sure everything the CAPC pays for is done properly.

Alderman Jeffrey said he would like to be able to vote for this but there is no plan in place.

Mayor Satori said that the last ad agency did not pay people after we had paid the ad agency. It would be better to have our own people so that we have more control.

Attorney Tom Laub said that the City is causing a hardship to those who have been doing a job, and haven't been paid because of this ordinance not being passed.

The point was made that everything that the CAPC does is done in a meeting with a vote. It is all public. There was a lot of discussion covering the same concerns.

Alderman Sumpter called the question. Alderman Stoppel seconded. The vote was 4/1/0, with Alderman Schrader voting no. The vote on the second reading was 4/1/0, with Alderman Jeffrey voting no.

Becky Taylor came in at 8:45 p.m.

Alderman Freeland made the motion to further suspend the rules and place Ordinance No. 1813 on its third and final reading by title only. Alderwoman Taylor seconded. The roll call vote was 5/1/0, with Alderman Jeffrey voting against.

Ms. Dickens read the ordinance by title only.

Alderman Schrader made the motion to approve. Alderman Freeland seconded.

Alderman Sumpter said he was supporting this ordinance because of the need. He did not approve of the way it was done. The idea is to set up the new system first before getting rid of the old one.

Alderman Schrader said he agreed, and that there will still have to be a functionary to coordinate everything.

Alderman Jeffrey said the way the ordinance is written, it still will not work. All of the information is not written under 4.32.04(d), and so it will not be included in the law and the municipal code.

Mr. Laub pointed out that if it had to be amended, it would have to go on its first reading again at the next meeting.

The vote on the ordinance was 6/0/0, failed.

Mr. Laub will re-write the ordinance, which then will be Ordinance 1813-A.

Alderman Freehand made the motion to amend Ordinance NO. 1813 starting with the words "that the areas to be contracted for" after the semicolon, duplicate that portion clear through to the end of the paragraph, strike "as above defined", replace with "as hereby defined", and add that this shall not restrict the authority of the Commission to contract other professional services as provided by State Law. Alderwoman Taylor seconded. The vote to amend was 6/0/0.

Alderman Schrader made the motion to place Ordinance No. 1813-A on its first reading and read it as it will be amended. The motion was seconded, and the vote was 6/0/0. Alderman Schrader read the whole ordinance with the amendments.

Alderwoman Taylor made the motion to approve. Alderman Schrader seconded. The roll call vote was 5/1/0, with Alderman Jeffrey voting no.

Alderwoman Taylor left again, as she was not feeling well.

Alderman Freehand made the motion to have a ten minute recess. Alderman Schrader seconded. All were in favor, 5/0/0. The meeting recessed at 9:05 p.m. and reconvened at 9:20 p.m.

#### NEW BUSINESS:

##### Turpentine Creek Shuttle. (Robert Jackson):

Mr. Jackson said that Turpentine Creek has had a bus donated to them, and would like to paint it like a tiger and shuttle interested visitors back and forth to Turpentine Creek. He mentioned that the Crescent Hotel, Gem of the Ozarks, and Victoria Inn had already given them letters of intent, and they were still working with the Chamber of Commerce and the Statue Road Inn. Those would be the five destinations that the bus would run to and back. The shuttle would be free. The Mayor asked if the bus would have to be licensed by the State. Mr. Jackson said it would be license, and the insurance company was researching requirements for insurance. At this time the Council took no action. There were many questions about the legality.

##### Amendment to the Lease for Hospital with Washington Regional. (Diane McClelland):

Ms. McClelland explained that Medicare cut backs were really causing problems for our hospital and hospitals all over the nation. What Washington Regional wants the City to do is amend the lease for a three year period, and pay the City \$1.00 annually for the next three years, to help offset the cutbacks. The information was given to the Council at the Council tables during the meeting.

Alderman Schrader said that it seemed rather strange to have something handed to him at the meeting, and be expected to act on it right away. Usually the Council has time to read material before they are asked to vote on it. There was a long discussion.

Lewis Epley said that the City has a 25 year lease with the hospital, and that after five years, Washington Regional has the option of withdrawing. He said that when they took over managing the hospital here they laid out a great deal of money for capital expenditures and debts then owed by the hospital. Also, Eureka Springs had gone through a lot to have and keep a hospital here.

Joe Hammand, the Hospital Administrator, said he was in at the beginning of this lease. Alderman Schrader asked how could the hospital misjudge their budget of that time to such a great extent. Mr. Hammond said that nobody could have for seen that such large Medicare cuts would happen down the road. He said that Washington Regional has invested 4.6 million dollars in capital expenditures and losses in this hospital. He said that other cities pay handsomely for a hospital. This city has been paid to have a hospital. They need some relief, and they feel it is fair for Eureka Springs to help them keep the hospital open.

Mr. Epley said that other hospitals are grappling with the same problem, who may not be as fortunate as we are. We have options. When Washington Regional came in to help this City, we were within two weeks of having to close the doors. They didn't just make a commitment to the City. We also made a commitment to them. This hospital cannot be all things to all people. We are providing basic health care for our citizens and the people who visit our City.

Alderman Sumpter made the motion to read Resolution No. 462. Alderman Stoppel seconded. Alderman Schrader said he saw no reason that it had to be done at that meeting. The vote was 4/1/0, with Alderman Schrader voting no.

Ms. Dickens read the resolution.

Alderman Stoppel made the motion to approve. Alderman Sumpter seconded. After more discussion, Alderman Jeffrey made the motion to postpone the vote until the next council meeting which will be held on Thursday, July 15<sup>th</sup>, 1999, and leaving the dates in the resolution intact. Alderman Freeland seconded. The vote was 3/2/0, with Alderman Sumpter and Stoppel voting no. Mayor Satori voted yes, so the vote was 4/2/0. Mr. Epley asked if Washington Regional would be held in breach of contract if they do not pay today. The answer from the Mayor and Council was no, they would not be.

**Resolution No. 457. Signatory Authority. (Wastewater Project):**

Alderman Stoppel made the motion to read Resolution No. 457. Alderman Sumpter seconded. All were in favor, 5/0/0.

Ms. Dickens read the resolution.

Alderman Stoppel made the motion to approve. Alderman Sumpter seconded. All were in favor, 5/0/0.

**Government and Community Service Package. (Kirby Murray):**

Mr. Murray had handed out packets to the Council and Mayor and Clerk. Ms. Dickens said that this is a rough out of what might or should be in the packet, and she and Mr. Murray and Vicki Thompson have been working on it. The packet was to be looked over and ideas are welcomed. This is a very rough draft of an idea. There was some discussion as to how it could be gotten to the people who need it. The final produce will be brought to the Council again before it goes out. The Council was very receptive to the idea and gave them the "go ahead".

**All Convertible Car Show, August 7<sup>th</sup>, 1999:**

Alderman Stoppel made the motion to approve the All Convertible Car Show for August 7<sup>th</sup>, 1999. Alderman Sumpter seconded. All were in favor, 5/0/0.

**CITY COUNCIL COMMENTS:**

Alderman Sumpter asked what is happening with the Planer Hill Sidewalk.

Ms. Dickens said there is a checklist of 104 items that has to be gone through to make sure everything is perfect. Also, since the State has plans to change the top of Planer Hill, the City wants to make sure a brand new sidewalk is not damaged by their roadwork.

Alderman Schrader read a letter by Carl and Enid Swarz thanking the Council for authorizing Public Works to put up speed bumps on their street. They said they are very effective. He had expected that the private sewer discussion would go on this agenda. He feels that things are not getting on the agenda that he feels are important. He also feels that the City must go out for bids on financial instruments.

Ms. Dickens took responsibility for what does and does not go on the agenda. In regard to the private sewer lines, Ms. Dickens said the Mr. Mullis is a brand new employee, and there were many things he had to do right away. The private sewer lines issue is a complicated one, and he has really only had time to touch base with Public Works on it.

Alderman Jeffrey said we really need a task force to offer guidelines to work on this project.

Mayor Satori said it wouldn't hurt to put the agenda on the website, so the Council can help to troubleshoot the agenda.

Clerk Lee pointed out that City Secretary, L. J. Smole, has been putting the agendas on the website as soon as they are given out. This past week the Administrative Department has been doing adjustments to the computer system, but usually the agenda is on there.

Alderman Jeffrey mentioned that George Christman has been interested in serving on the Hospital Commission.

Alderman Freeland reported that it had come to the Eureka Group's attention that there are grants available similar to what was made available to the Larc Study. The areas of interest are buried utilities, matching street lights, and some other ideas- perhaps five or six projects. They will put everything in a more cohesive report.

Mayor Satori said it was discussed to hire a project manager, because there is so much research that needs to be done before a project can even be started, and nobody really has the time to do it justice.

MAYOR'S COMMENTS:

The Fourth of July celebrations will be informative and fun, and he hoped everyone would turn out and enjoy.

Alderman Sumpter made the motion to adjourn. Alderman Stoppel seconded. All were in favor, 5/0/0. The meeting was adjourned at 10:55 p.m.

APPROVED:

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Beau Zar Satori, Mayor

ATTEST:

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Mary Ann Lee, City Clerk-Treasurer