

**CITY OF EUREKA SPRINGS
COUNCIL MEETING MINUTES
JULY 1, 2002**

Mayor Satori called the July 1st, 2002, meeting to order at 7:15 p.m. The meeting was held in the Jury Room of the Western District Courthouse.

PRESENT: Mayor Satori, and Aldermen Simon, Sumpter and Dozier. Aldermen Harrison, Money and DeVito were absent.

ALSO PRESENT: Cindy Walker, Mary Jean Sell, Bruce Levine, Susan Lourne, Bill Ames, Kim Dickens, and Clerk Mary Ann Lee.

PLEDGE OF ALLEGIANCE:
Mayor Satori led in the Pledge of Allegiance.

APPROVAL OF THE AGENDA:
Mr. Sumpter made the motion to approve the agenda. Mr. Simon seconded. The vote was 3/0/0, and with the Mayor's vote it was 4/0/0.

APPROVAL OF THE MINUTES:
Mr. Sumpter made the motion to approve the minutes of May 20th, 2002. Mr. Simon seconded. Mr. Simon had not read the minutes and asked to postpone until the July 15th, 2002, meeting. There was no vote.

Mr. Sumpter made the motion to approve the minutes of June 17th, 2002. Mr. Dozier seconded. The amendments were noted. The vote was 3/0/0, and with the Mayor voting yes the vote was 4/0/0.

Mayor Satori said he had planned a State of the City Address, but he was just going to give a short report on where we stand.

The Fire Department has just completed and signed the contract with the Carroll County Western District Ambulance Board for \$137,000 annually. The City will provide Ambulance Service to the Western District. The City recently purchased the three ambulances we were using.

The City recently accepted the bid for new construction of a storage unit at the Police Department.

Assistant Fire Chief, Jimmy Kelley is also the City Fire Marshall. He has been working closely with the health inspector and the building inspector, upgrading fire codes and inspections to insure the safety of our citizens.

Next fall the Fire Department will be conducting EMT training at the Police Department. Last winter we had two months of First Responder training and graduated 15 citizens from our Western District. Contact the Fire Department for more information.

The Fire Department is building an equipment building on Rock House Road, similar to the building built last year on Buck Mountain. We can be proud of our Fire Department because of the expertise and the education of our personnel.

After Washington Regional left, we took control of the Eureka Springs Hospital on August 1st, 2002. Since that time, we have shown a profit every month. We have also purchased \$750,000 worth of diagnostic equipment. The Mayor listed the types of equipment that was purchased. The only concern is our liability insurance. We have been paying about \$28,000 annually, and the company we've been using has lost their ability to insure us. So far, it seems our insurance cost has more than doubled, costing \$75,000 to \$100,000. It is still being researched.

The company Real Sources is progressing. At this time they are negotiating with Washington Regional for the property we gave them out by the Clinic.

This City will have a great celebration on the 4th of July. The Mayor encouraged the community to attend the all day festivities. On June 1st, 2002, they christened 15 miles of maintained hiking and biking trails. Our trails are highly praised.

The stabilization of Lake Leatherwood Dam will begin in mid-July. By the end of the year, we will have invested almost a million dollars at Leatherwood since 1998.

In 2001, The City faced almost every set back we could imagine. Snow and ice storms hurt us in December and January. In February, the Convention Center burned down, which had a surprising impact on the City's economy. In the spring the country was in a recession. The economy was lack-luster through the summer. Then we had September 11th, 2001. With all of that, the City still ended the year up from the year before. Granted it was not up much but it was still up!

This year for the first four months, tax collections are up 10% over last year.

The first five months for the CAPC show them up 8% in collections. From the mid 90's to 1998, we averaged 110 building permits annually, for new construction, residential and business. In 1999, 198 permits were purchased. Last year, 240 permits were sold. This revenues for permits are up 15%.

The Mayor spoke of prime properties in the City being sold and the new owners upgrading them.

The Convention Center is finished and open.

The Auditorium is being improved. The ceiling in the main theatre is being plastered. Steel I beams have been put under the floors in several areas. They started in the four corners in the basement and began to improve the building. The exterior has been re-done with a \$93,000 grant. The sidewalk has been replaced. They are removing false ceilings and replastering. The Mayor believes the restoration and repainting will be completed this year. In the last four years until the end of 2002, we will have spent about \$200,000 on improvements.

The Mayor reminded the community that the federal appropriation requests for 2003 are for \$13.2 million. The primary focus is on the parking and the auditorium, and includes burying utility lines and stabilizing the hill between First Street and Armstrong. Mayor Satori received a letter from Senator Blanch Lincoln stating that the budget for next year will be worked on this summer, and may be finished earlier in the year because of the elections. He is hoping to know by September what amounts of funds we will receive and when we will receive them.

Mayor Satori spoke of his removal of the three CAPC commissions when he took office in 1998. He said he did it because he felt they would not support his efforts to bring changes to the CAPC. Later, a court re-instated two members. The third member's term was up. Since that time he has found Jon Loudemilk to be a great asset to the commission and one of his most reliable commissioners. Because of his outstanding performance, he asked the Council to re-appoint Mr. Loudemilk to the commission.

The Mayor reminded the community that two of the City's four banks are doing multimillion-dollar expansion, which he felt is a good sign. He reported that the Planer Hill sidewalk is moving right along.

As a footnote, he informed the community of the passing of Jane Girkin, who passed away on June 30th, 2002. Ms. Girkin had been a business owner for many years on Spring St.

COMMISSION, COMMITTEE, AND AUTHORITY REPORTS AND VACANCIES:

Mr. Sumpter made the motion to approve Jon Loudemilk for re-appointment to the CAPC. There was no second, because the remaining members felt the whole Council should be there to vote.

ADMINISTRATIVE ASSISTANT'S REPORT:

Ms. Dickens said that Bill Harrod of the State Highway Department wrote a letter to inform the City that they have done a survey of the intersection of Main Street and Spring Street. They will either remove the stop sign on Main, and move it to Main and Spring, or they will make the entire intersection a three-way stop. Mayor Satori commented that they should put a stop sign at the High School, to make a three-way stop. Many people stop there anyway.

Mr. Simon asked that we put that idea on the agenda for the next Council meeting, and ask for input from the community.

Ms. Dickens reported that Mr. Gladden emptied his pay box, and the City is now officially taking over that parking lot. It will be cleaned up and the pay box painted.

She asked that the Council set a budget workshop. It was set for Monday, July 8th, 2002, at 1 p.m.

UNFINISHED BUSINESS:

Discussion regarding Ordinance No. 1891, an ordinance for the levy of a one half of one percent sales and use tax to be used for Parks and Recreation. (2nd reading)

Mr. Sumpter made the motion to suspend the rules and place Ordinance No. 1891 on its second reading by title only. Mr. Simon seconded. By roll call the vote was 3/0/0; with Mayor voting yes, 4/0/0.

Ms. Dickens read the ordinance by title only.

Mr. Sumpter made the motion to approve. Mr. Simon seconded. The vote was 3/0/0, with the Mayor voting yes, 4/0/0.

Discussion regarding Ordinance No. 1892, an ordinance calling for a Special Election, (November 5th, 2002) to levy a city-wide one half of one percent sales and use tax for the operation maintenance and capital improvements of parks and

recreation. (2nd Reading):

Mr. Sumpter made the motion to suspend the rules and place Ordinance No. 1892 on its second reading by title only. Mr. Simon seconded. By roll call, the vote was 3/0/0, with the Mayor voting yes, 4/0/0.

Ms. Dickens read the ordinance by title only.

Mr. Sumpter made the motion to approve. Mr. Simon seconded. The vote was 3/0/0, with the Mayor voting yes, 4/0/0.

Susan Lourne, Director of Parks and Recreation, gave a report on the facts and figures of what the Parks Commission has done for the last four years. The bottom line is that in the last four years, the tax generated \$800,000 and \$650,000 was spent on maintenance and operations. Each time we build something new, it has to be operated and maintained. Bruce Levine spoke also. He invited the community to come out and look around at what has been done.

NEW BUSINESS:

None.

CITY COUNCIL COMMENTS:

Mr. Dozier wanted to clarify that he will vote for Jon Loudermilk as will Mr. Simon. They want there to be a larger slate of officers there for the vote. Mr. Simon said that if anyone wants to look at a quarterly report on the Parks and Recreation Commission, they should come to City Hall and ask for it.

MAYOR'S COMMENTS:

Mayor Satori again announced the festivities at Lake Leatherwood. He said the fireworks will begin at dusk, or sunset.

The motion was made and seconded to adjourn. All were in favor, 4/0/0.

This is the signature page for the July 1st, 2002 City Council Minutes.

APPROVED:

Mayor Beau Z. Satori

ATTEST:

Mary Ann Lee, City Clerk-Treasurer