

# CITY OF EUREKA SPRINGS

CITY COUNCIL

## REGULAR MEETING

MONDAY

FEBRUARY 9, 2009

Mayor Dani Joy called the regular meeting of the Eureka Springs City Council to order at 6 p.m. Monday, Feb. 9, 2009, in the jury room on the second floor of the Western District Carroll County Courthouse.

**PRESENT:** Mayor Dani D. Joy, Aldermen Robert "Butch" Berry, Beverly Blankenship, Patrick Brammer, James DeVito, Joyce Zeller, City Attorney Tim Weaver, Finance Director Yvonne Kline, Mayor's Assistant Diane Wilkerson and City Clerk-Treasurer Mary Jean Sell CMC. Alderman Rob Wagner was absent.

### PLEDGE OF ALLEGIANCE TO THE FLAG:

Preston Fredrick, Gabe Heinzel, Marcello Gros, Justin Ermert, Nicholas Walker, Keaton Boardman and Nathan Wilkerson, members of Eureka Springs Boy Scout Troop, posted the colors and led the Pledge of Allegiance.

### APPROVAL OF THE AGENDA:

Mr. Brammer moved to approve the agenda. Mr. DeVito seconded.

Ms. Blankenship asked to add Ordinance 2097 temporarily waiving tree cut permit fees as New Business Item #2. Mr. Brammer seconded.

Mayor Joy added a discussion of the city employee handbook as New Business Item #3.

On the motion to approve the agenda as amended, all voted aye. Motion passed 5/0/0

### APPROVAL OF THE MINUTES: Jan. 12, 2009, Special meeting Jan. 30, 2009

**Jan. 12** – Mr. Berry moved to approve the minutes of the regular City Council meeting of Jan. 12, 2009. Ms. Blankenship seconded. All voted aye. Motion passed 5/0/0

**Jan. 30** - Mr. Berry moved to approve the minutes of the special City Council meeting of Jan. 30, 2009. Mr. Brammer seconded. All voted aye. Motion passed 5/0/0

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

Planning—Position 2 - expires 1/1/11 Position 7 – expires 1/1/11

HDC – Position 5 – expires 11/30/11

**Parks and Recreation** – Position 2 – expires 5/1/13 Mayor Joy nominated Ruth Hager for re-appointment.

CAPC –Position 3 – expires 6/30/11 Position 4 – expires 6/30/12

**Cemetery** – Positions 1, 2, 3 expire 2/15/12 Position 4 – expires 2/15/11 Mayor Joy nominated Ken Fugate for re-appointment to Position 3.

**Hospital** – Position 1 – expires 6/1/13 Mayor Joy nominated Anna Ahlman for re-appointment.

**PUBLIC COMMENTS:** None

City Council 2/09/09 1

### STATE OF THE CITY:

This is the time of year that I am required to give a State of the City address. I had one ready to go and then we were hit by the ice storm, so I threw that speech out and started over. Since the last meeting was canceled because of weather, I'm going to update you tonight.

In the original address, I had outlined some of the accomplishments that we as the city have made in the last year, and I'll touch on some of those in a moment.

But first I want to talk for a minute about this storm. We all knew that this was going to be a strong storm, but no one ever imagined that it would do the extent of damage that it did.

By Tuesday night, the town was without power and limbs were beginning to break. First thing Wednesday morning, I was picked up by the police chief and taken to the police station which became command center as we immediately declared an emergency for the city and began using the emergency protocol we had adopted last year.

That morning, I called the Governor's office to ask for help and was directed to ADEM, the Arkansas Department of Emergency Management.

We were immediately put on the aide list for help clearing debris. But before anyone from outside of the area responded, we were already well on our way to clearing the streets so that SWEPCO and Carroll Electric could get in to repair the electric service.

The police and fire departments were immediately dispatched to help citizens, especially the elderly when calls would come in. We transported close to 100 individuals to safety during this storm. The Transit Department building rapidly became our evacuation shelter and the entire downstairs was transformed into a holding area with cots, blankets and food.

In the mean time, public works was on the street. They were working around the clock trying to repair the damage. At times they were past the point of exhaustion, and yet didn't want to go home because they knew that their help was needed so that SWEPCO could get in.

The fire department was out on multiple calls, at times having to cut their way thru trees to get to people.

And the volunteers... These are a very special set of people that work not for pay, but because they want to give back to their city. They also were on the streets helping to remove debris.

I cannot say enough about the city employees that were on duty during this storm. They put themselves and their homes second to their dedication to this city.

And while I know that it was difficult for everyone, just remember that these guys were outside, at times risking their lives to make sure that you were safe.

I saw the best of humanity in this town, and the worst.

Neighbors took in neighbors, hotels gave discounted rates, even Hart's opened up when they were closed so that we could get food to put at the shelter. Friends came out to help others clear trees that had fallen in their yards. Individuals were collecting coffee to take to the workers from Tulsa on the streets.

But I also saw citizens unwilling to share wood so that their disabled neighbors could keep warm, and others wanting city crews to clear to their homes first, not even considering that we were trying to clear enough debris to get SWEPCO in so that everyone could get power.

But in the end, because we had the foresight to put an emergency plan into place, we as a city came away far better than other cities in the area. We even have others, including the county, who want to model their own emergency plan after ours.

What I take away from this experience is the knowledge that it is past time for this city to have a tree maintenance program

I am asking the tree committee which consists of Dr. Al Einert, Glenna

**City Council 2/09/09 2**

Booth, Bruce Levine, and Chris Fischer, all professionals in the field, to help identify the trees that will need assistance. Part of being a tree city is also being responsible for the maintenance, removal if needed, and replanting of our forest.

I want to personally thank Butch France with SWEPCO, Dean Fanning from Fanning Tree Service, Petrus Landscape from Tulsa, Dwayne Allen with our public works department, Lamont Ritchie from transit, Earl Hyatt from our police department, Bruce Levine from parks, Jim Williams from the CAPC and Jimmy Kelly from our fire department.

These people are a shining example of the true heroes that came to the forefront and lead our city employees in the efforts to rescue a city in need. The department heads were the ones running the command center under the direction of Chief Hyatt. They are the reason this city came away from this storm in much better shape than many others.

Thank you all.

Now for last year....

For all of us, 2008 was a complicated year in many ways. We have watched our nation battle with a declining economy, thousands of layoffs, homes being lost, and a national government that seemed to be grasping at straws just to hold things together.

And on top of that we've gone thru an election year.

All of these things affect our local economy in one way or another. We waited, holding our breath that our main industry, tourism, wouldn't crumble under the weight of national issues.

But I can proudly say that our sales tax revenue for 2008 shows an overall growth for the year – not a lot – only .5% over last year. But growth even in a small amount is better than the tremendous drops we have seen in other tourism dependent regions.

I am also proud to announce that because you have the best department heads around, we actually came away from last year with a surplus of \$144,798.00. Our General Fund Revenues totaled \$2,531,156; and our expenses totaled \$2,386,358.00. That left us with an increase in revenues of \$145k.

Our street fund revenues totaled \$586,494.00 and expenses totaled \$478,095.00 which gave us an increase in revenue of \$108,399.00

Transit revenues totaled \$804,157.00; expenses totaled \$787,699.00, an increase in revenue of \$16,458.00

This could only be achieved by the watchful eyes of our finance director, Yvonne Kline, and our extremely frugal department heads. They knew that it was going to be a year of concern and made sure to keep their expenses well within bounds even to the point of appropriating good such as toilet paper from other departments so that they wouldn't have to buy it themselves.

With the news of a stimulus package coming out of Washington, we quickly jumped into action to put together a \$300 million request to help with the infrastructure of Eureka Springs. While \$300 million dollars seems like an enormous number, it is actually what it would take to repair all of the water and sewer lines, roads, sidewalks, and many other projects that have been left unchecked for years.

The money, when it is released, will filter down thru the state and from there to programs to aid cities thru economic development as well as the highway department, health agencies, and schools. Our request went out immediately and will be closely monitored in the coming months.

We are a city of only 2,300, but we operate as a city of 10,000 – 30,000 at any given time with the presence of our guests. Our new city council will have many issues to address in the next year including financing for road repairs, water and sewer lines and more.

**City Council 2/09/09 3**

And for the first time in the 20 years that I have lived here, we are going to address the sidewalks. I assembled a sidewalk committee last year that has worked many hours to formulate options for sidewalk repair. While according to ordinance, the sidewalks are the responsibility of the property owner, we wanted to find the most cost effective method for residents to choose from to make their property safe.

This is an issue that has long been swept under the rug because of the political fallout and the unwillingness of our leaders to attack such a difficult problem. But it's time to take responsibility for our property. Every year dozens of people fall, some breaking limbs. It is irresponsible of us as a collective city to invite guests to our town, expect them to fund the economic engine that drives our economy, and not give them or our residents a safe environment in which to move around in.

This attitude of turning our heads because it might not be a popular topic has got to stop. I believe that we now have a strong city council that is willing to tackle this issue and work to make our city safe.

I have already given the council our five-year vision plan for infrastructure needs and improvements. We plan to start working on some of those items this year.

I also acknowledge the need to look beyond our primary economic base of tourism and reach for other cottage industries that could make Eureka their home and contribute to our overall economy.

As far back as I can remember we have had someone – or some entity – exploring how we should go about presenting ourselves to potential investors in a way that might attract businesses different from what we have. We have accumulated a wealth of data and reports and suggestions but for some reason we seem unable to get beyond that stage.

It's been frustrating to see this happening and it continues to be an impediment in trying to reduce the portion of our budget that we have to fund with sales taxes.

Consider this: In 2002, we collected general sales taxes from \$89,300,000 in sales – and in 2008, we collected sales taxes from \$87,000,000 in sales. And at no point since 2002 have we topped \$89,300,000 in sales. During this same period, the Consumer Price Index for our region of the country has gone up 18.65%. These numbers represent what each of you have had to contend with – and with what your government has had to contend with.

Throughout our community we have many parcels of land that are undeveloped or underdeveloped. These parcels can be home to light and green industries – they can be home to carefully planned-residential developments that respect the environment, the terrain and Eureka's character.

But for someone wanting to consider Eureka Springs as a place to locate it is often a frustrating ordeal to tap into the multiple sources of information and still come up short.

There is a new vitality present now – the languishing national economy plus the recognition that locally we have failed to meet the challenges have been an eye-opening experience for many. A grass-roots effort is at play right now – between representatives of the Chamber of Commerce and the City - to create an in-depth catalog of available parcels, both undeveloped and underdeveloped, that goes beyond a simple listing.

The first objective is to develop a tool that can be created and go live within a six-month period; and secondly, this tool must be easy to navigate so that a prospective investor can make a preliminary assessment on the viability of a particular parcel without having to spend excessive time tracking down such features as proximity to sewer and water services, zoning status and restrictions, potential charges for fees and licenses and relevance of Historic District regulations.

**City Council 2/09/09 4**

I am committed to economic development that is backed by action. I believe that it will take a commitment of some resources by this City to make this happen. Within the next week, I will be submitting a proposal to the Council to appropriate some funds to secure part-time help with the data input and information gathering activities that cannot be

completed by volunteer help alone.

If you (the Council) approve, we then will publish a request for proposals, with a short deadline, so that we can get this project up, running and in place by mid-summer.

I cannot emphasize enough that if we are truly interested in taking steps to expand our tax base, we – the city – must take the lead and we must express that commitment with more than words.

Through the efforts of the CAPC director Jim Williams, Karen Pryor has been moved into a sales manager position focusing on groups and small conventions thereby driving more traffic to the middle of the week, a time frame that we urgently needed to center our attention upon to help stimulate our tourism base.

They went to work immediately on this and are already seeing results with calls coming in for group tours later this year.

Through the foresight of our police chief, we realized the need for the city to install our own gas and diesel fuel tanks, thus saving the city thousands, especially in the wake of \$4 a gallon gas prices. We now buy our gasoline and diesel for all city vehicles at wholesale rates.

And with the recent ice storm and power outages, we saw gas stations either without power to pump, or without gasoline. If we had not installed our own tanks, the city would have been crippled and unable to respond in the storm crisis.

After acknowledging the problem of global warming and signing the Mayor's Climate Protection Agreement, joining with thousands of other mayors across our country, we quickly began to look for ways for the city to cut back on energy waste and implement them. As I'm sure everyone has seen, we realized that with our economic engine of tourism, we are responsible for not only our residents, but our guests as well. Armed with that knowledge, we looked at the largest waste factor associated with tourism....trash.

So we quickly began searching for recycling containers that would be made available all over the downtown area so that our tourist as well as our citizens could make use of them, thereby reducing the extremely large amount of waste that our city generates. I am proud to say that the program is working extremely well. So much so that since we acknowledged our responsibility in trying to end global warming, I received a letter and book from Mayor Bloomberg of New York City congratulating us on our efforts.

Our next step is to help you. I am empowering the HDC to look for areas that can be implemented that would fit within the historic guidelines to allow citizens to make their homes more energy efficient either in renovation, or new construction. I believe that with the condition of our earth and our collective neglect in the past, it is imperative to look to any avenue possible to help in the effort to stop global warming.

Yes, we are only a small town of 2,300 people, but we can have a large impact and set an enormous example for our state.

In the 2008 State of the City address, I encouraged everyone to get involved to help the city solve its problems and to work for the future. Many of you answered that call.

The Eureka Springs Downtown Network and the Community Development Partnership (CDP) installed 180 hanging flower baskets in the downtown area at the start of the summer which provide

#### **City Council 2/09/09 5**

color and enjoyment throughout the season. Not a day went by that someone on the street didn't comment on how Eureka looked better than it has in years. Special thanks go to Mark Mattmiller and Mel Shipley for getting up at 5 a.m. every morning to water the baskets.

There were three clean-up projects on North Main as part of the Great Arkansas Clean-Up.

Christmas was the focus of the Promotion Committee and it was beautiful this year. Several citizens and businesses decorated the large hanging wreaths that went up on utility poles. Merchants decorated their windows. The city provided lights to outline downtown and North Main buildings. All of those efforts made Eureka much more fun and festive this holiday season.

This is a season that has largely been overlooked in the past by locals and tourists alike. With the help of the CAPC and the Chamber, and the combined efforts of shop owners staying open to a later hour, I believe that we can turn this otherwise quiet time in Eureka into a bustling time of year. And special thanks goes to Carol Friezen for all of her hard work and dedication.

Last August, many of you answered the call to get involved by becoming candidates for the city council. We now have five Council members with previous experience in those positions, and very brave new one. I am looking forward to the ability of all six of the Council members to work together for the improvement of our city. And I have great confidence in each one of them.

We are at a very special time in the history of our town. We have the chance to bring the legislative and administrative branches of government together to work cohesively for the betterment of the community. I can't deny the difficulties of the past. But instead of focusing on the strife that we have been through, I feel that it is imperative to keep our vision on the future and make sure that we as elected officials work cooperatively to ensure that we meet our greatest potential.

But we can't do this alone. A day doesn't go by that someone doesn't come into city hall wanting the city to provide services that is out of the boundaries of what a city is allowed to do. This is where I look to you, the citizens.

John Kennedy said, "Ask not what your country can do for you, but what you can do for your country."

Those were very wise words that went down in history.

It's time to ask ourselves the same thing on a local level.

I know that it's a little unnerving to volunteer for a commission. I know that you worry about being humiliated on camera. I've even heard people say that it would affect their businesses if they got into politics. But folks, it won't ever change if you don't get involved. We still have commission seats open. What are you going to do for your city?

And for those of you that live outside of the city, but work here, have businesses here, depend on the financial viability of our city, I challenge you, too. Get involved in the Main Street Program. Volunteer to help water the baskets; two people can't do it alone. Help clean up trash on the side of the streets. We can't keep depending on the same people to do all of the work, all of the time. It burns them out.

The one main economy that we have to depend on is tourism. We all benefit from it in one way or another. Whether a shop owner, restaurateur, hotel or B&B owner, plumber, electrician, doctor, or even the sack boy at Hart's. Without tourism none of us would be here.

It's time to take that step and make sure that the life that we have here, the economy that helps us all, stays healthy and vibrant.

It's going to take us working harder, being smarter. We have got to stop the rival divisions that have plagued our city for years and make an effort to pull together as one unit.

Many tourism destinations in the country are feeling the economic pinch and are reporting drastically reduced numbers.

#### **City Council 2/09/09 6**

That means that they are going to fight harder for the tourist dollar. We have to do the same. While the CAPC is hard at work drawing the tourists in, we also have the responsibility to make sure that their visit here is an experience they will never forget.

We have to make sure that our guests see a Eureka that is helpful, pleasant, and eager to see them here spending their money.

They are here to escape from their own lives and worries. They not only don't want to hear shop or restaurant employees complaining about our issues, they don't care.

It is up to us, the restaurant, shop, and lodging owners to train our staff on how to address and help our guests. This is training and taking responsibility for our own employees. This is a problem that the Mayor's Tourism Advisory Council, a subcommittee of the Tourism Taskforce, has acknowledged and is working on an outline to help businesses in town.

These are just some of the ways that you can not only help your own businesses, but you can help your city as well.

It is time to acknowledge that it takes us all to make Eureka profitable.

It takes a willingness to get along.

It takes a commitment of a little bit of your time.

It takes an understanding that a handful of people cannot do all of the work by themselves.

And it takes the acknowledgement that we have to work together as a team to compete with the larger tourism destinations in the country. That means everyone in this town, not just the city officials.

Look around this table. Every one of these people are giving an enormous amount of their time. They don't do this because it fun. They do it to make sure that you, the citizens, are taken care of. And if you look closely, it's always the same people that heed the call.

As I did last year, again I challenge you, the citizens, to work towards the positive future that I believe we have been yearning for. The future we deserve. The future that Eureka Springs ought to have.

Now is the time.

Stand up and have the courage to give back to the place that we all call home and make her the best that she can possibly be.

Our and your financial future depends on it.

Our quality of life depends on it.

It's up to us.

#### **OLD BUSINESS:**

##### **1. Discussion of proposed ordinance to raise city water rates in line with Carroll**

##### **Boone increase.**

Ms. Blankenship moved to give the ordinance a number (2098) and to place Ordinance 2098 on its first reading.

Mr. Berry seconded. All voted aye. Motion passed 5/0/0

Ms. Sell read Ordinance 2098 aloud.

Mr. Brammer moved to approve Ordinance 2098 on its first reading. Ms. Zeller seconded. All voted aye. Motion passed 5/0/0

Mr. Brammer moved to suspend the rules and place Ordinance 2098 on its second reading by title only. Ms. Zeller seconded. By roll call, all voted aye. Motion passed 5/0/0

Ms. Sell read the title of Ordinance 2098 aloud.

Mr. Brammer moved to approve Ordinance 2098 on its second reading by title only. Ms. Zeller seconded. All voted aye. Motion passed 5/0/0

**City Council 2/09/09 7**

Mr. Brammer moved to suspend the rules and place Ordinance 2098 on its third reading by title only. Ms. Zeller seconded. By roll call, four voted aye. Ms. Blankenship voted nay. Motion passed 4/1/0

Ms. Sell read the title of Ordinance 2098 aloud.

Mr. Brammer moved to approve Ordinance 2098 on its third reading by title only. Ms. Zeller seconded.

Ms. Blankenship moved to postpone the vote on the third reading to the regular meeting of Monday, Feb. 23. Mr. Berry seconded. Four voted aye. Mr. Brammer voted nay. Motion passed 4/1/0

**2. Discussion of Ordinance 2094 Rezoning Valley View Mobile Home Park from R-2 to Mobile Home Park (MHP) (3rd reading)**

Ms. Blankenship moved to suspend the rules and place Ordinance 2094 on its third reading by title only. Mr. Berry seconded. By roll call, all voted aye. Motion passed 5/0/0

Ms. Sell read the title aloud.

Ms. Blankenship moved to approve Ordinance 2094 on its third reading by title only. Mr. Brammer seconded. All voted aye. Motion passed 5/0/0

**NEW BUSINESS:**

Mayor Joy introduced Rhys Williams as the new fire chief. Mr. Williams served as a volunteer firefighter from 1986-1989 and as a full-time member of the department from 1989-2003. He has been the assistant chief for the Holiday Island Fire Department since 2003.

**1. Discussion of 2008 budget clean up ordinance.**

Mr. Brammer moved to put Ordinance 2095 on its first reading. Mr. DeVito seconded.

By roll call, four voted aye. Ms. Blankenship voted no. Motion passed 4/1/0

Ms. Sell read Ordinance 2095 aloud.

Mr. Brammer moved to approve Ordinance 2095 on its first reading. Mr. DeVito seconded. Four voted aye. Ms. Blankenship voted no. Motion passed 4/1/0

**2. Discussion of Ordinance 2097, temporarily waiving tree cut permit fee.**

(Note: The trees of the City of Eureka Springs sustained major breakage and damage from an ice storm Jan. 26 and 27.)

Mr. Brammer moved to place Ordinance 2097 on its first reading. Ms. Blankenship seconded. All voted aye. Motion passed 5/0/0

Mayor Joy read Ordinance 2097 aloud.

Mr. Brammer moved to approve Ordinance 2097 on its first reading. Ms. Zeller seconded. All voted aye. Motion passed 5/0/0

Ms. Blankenship moved to change the word "resolved" in the text of the ordinance to "ordained," to suspend the rules and place Ordinance 2097 on its second reading by title only. Mr. Berry seconded. By roll call, all voted aye. Motion passed 5/0/0

Ms. Sell read the title of Ordinance 2097 aloud.

Mr. Brammer moved to approve the second reading of Ordinance 2097 as amended. Ms. Zeller seconded. All voted aye. Motion passed 5/0/0

Mr. Brammer moved to suspend the rules and place Ordinance 2097 on its third reading by title

**City Council 2/09/09 8**

only. Mr. DeVito seconded. By roll call, all voted aye. Motion passed 5/0/0

Ms. Sell read the title of Ordinance 2097 aloud.

Mr. Brammer moved to approve Ordinance 2097 on its third reading by title only. Mr. DeVito seconded. By roll call, all voted aye. Motion passed 5/0/0

Ms. Blankenship moved to suspend the rules and read the emergency clause. Mr. Brammer seconded. All voted aye. Motion passed 5/0/0

Ms. Sell read the emergency clause aloud.

**3. Discussion of the city's employee handbook.**

Mayor Joy said the issue of whether or not to pay city employees who were unable to work during the week of Jan. 27-30 because of power outages. The handbook does not address such specific instances.

Ms. Blankenship moved to open discussion. Mr. Brammer seconded. All voted aye. Motion passed 5/0/0

After brief discussion, Mr. Brammer moved to postpone any action on the issue until the regular meeting of Monday, Feb. 23. Ms. Zeller seconded. All voted aye. Motion passed 5/0/0

**ADJOURNMENT:**

Mr. Brammer moved to adjourn at 7:42 p.m. Mr. DeVito seconded. All voted aye. Motion passed 5/0/0

This is the signature page for the minutes of the regular Eureka Springs City Council meeting of Monday, Feb. 9, 2009.

APPROVED:

ATTEST:

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Mayor Dani D. Joy

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City Clerk-Treasurer Mary Jean Sell CMC