CITY OF EUREKA SPRINGS
CITY COUNCIL
REGULAR MEETING MONDAY NOVEMBER 9, 2015

Mayor Robert "Butch" Berry called the regular meeting of the Eureka Springs City Council to order at 6 p.m. Monday, November 9, 2015 in the jury room in the Western District Carroll County Courthouse.

PRESENT: Mayor Berry, Aldermen David Mitchell, Joyce Zeller, Bob Thomas, Terry McClung, Mickey Schneider, James DeVito, City Attorney Tim Weaver, and City Clerk Treasurer Ann Armstrong

PLEDGE OF ALLEGIANCE TO THE FLAG:

Mayor Berry led the Pledge.

APPROVAL OF THE AGENDA:

Mr. DeVito moved to approve. Mr. McClung seconded. Mr. Weaver said the ordinance for water rates was not ready. It was agreed to have discussion. Mayor Berry added a resolution for parking meters during December. He called for a vote on the amended agenda.

Motion carried 6/0/0.

APPROVAL OF THE MINUTES: October 26, 2015

Mr. Mitchell moved to approve. Mr. DeVito seconded.

Motion carried 6/0/0.

COMMISSION, COMMITTEE, AUTHORITY REPORTS AND EXPIRED TERMS:

Planning – No report

CAPC – No report

Hospital – No report

Parks – Mayor Berry noted an open position on this Commission and one on the Cemetery Commission. He asked willing citizens to come in and fill out an application.

HDC – No report

Cemetery – No report

PUBLIC COMMENTS:

Bob Ballinger spoke for Ray Dotson. He said there's pending litigation on the animal drawn franchise route listed on the Council agenda. Mr. Ballinger noted an application from Mr. Dotson was not submitted on time but he hoped Council would add it to the agenda.

UNFINISHED BUSINESS:

1. **Ordinance raising water rates**

Mr. DeVito moved to discuss. Mr. McClung seconded. Mayor Berry confirmed the rates for water are based on consumption and not on whether the account is residential or commercial. Discussion followed regarding potential impact and benefit of raising rates 25 cents per thousand gallons and 50 cents per thousand gallons.

Mr. McClung moved to have the ordinance written for a 50 cents per thousand gallons rate increase. Mr. Mitchell seconded. Discussion followed regarding the bond debt, waste water rates as an issue separate from water rates, and impact of increased rates. A voice vote on the motion followed.

Motion carried 6/0/0.

NEW BUSINESS:

1. **Animal-drawn franchise application**

Mr. Mitchell moved to discuss. Ms. Schneider seconded. Karen Garriott said she's been doing commercial horse drawn carriages since 1984 and in Arkansas since 2007. She answered questions about safety features of the carriages, her intended days of operation, and where the horses would be kept. Profit margin would determine whether to invest in property here.

Mr. DeVito moved to accept the application from Karen Garriott for an animal-drawn franchise on the Main St. route. Mr. Mitchell seconded.

Mr. Weaver confirmed there is pending litigation. Discussion followed regarding potential consequences of approving the application. Ms. Schneider called the question. A roll call vote followed.

Motion failed 2/4/0 with Ms. Zeller, Mr. DeVito, Mr. Thomas and Mr. McClung voting "No."

Discussion continued regarding Ray Dotson's previous incomplete application, the completed application on the table, and possible consequences for not granting a franchise for that completed application. Further discussion included the possibility of jeopardy for both Ms. Garriott and the City, and how the Court might interpret Code. Mr. DeVito withdrew his motion. Following an explanation about how the litigation might be resolved and about appeals in Circuit Court, Mr. DeVito moved to table the motion until a verdict is received from the Judge. Mr. McClung seconded. A roll call vote followed.

Motion carried 6/0/0.

2. **Monthly budget update**

Mr. DeVito moved to discuss. Mr. McClung seconded. Mayor Berry noted Transit is doing well. The Fire Department has had some equipment issues but they are relatively close to being within budget, as are the Police. In Public Works, the Water Department is about 14% over in revenues and 29% over in expenditures. Waste Water is slightly over in projected revenues (5%) and over in expenses by 14%. Mayor Berry indicated he did not anticipate being in a deficit at year's end but less will be available for City reserves than was projected.

Ms. Zeller touched briefly on the possibility of a referendum to redirect funds to Public Works. It was confirmed the 2016 budget will come to the table in December.

3. **Ordinance to update Code re: initiative petitions**

Mr. DeVito made a motion to assign the ordinance a number and place it on the first reading. Mr. McClung seconded. Ms. Armstrong noted Code did not align with State law regarding the timeframe for filing initiative petitions and the ordinance would correct that.

Motion carried 6/0/0. Ms. Armstrong read **ORDINANCE NO. 2223 AN ORDINANCE AMENDING EUREKA SPRINGS MUNICIPAL CODE CHAPTER 1.37 INITIATIVE PETITIONS.**

Mr. DeVito moved to approve Ordinance No. 2233 on its first reading. Mr. McClung seconded. A voice vote followed.

Motion carried 6/0/0. Mr. DeVito moved to suspend the rules and place Ordinance No. 2233 on its second reading by title only. Mr. McClung seconded. A roll call vote followed.

Motion carried 6/0/0. Ms. Armstrong read the Ordinance title. Mr. DeVito moved to approve Ordinance No. 2233 on its second reading. Mr. McClung seconded. A voice vote followed.

Motion carried 6/0/0. Mr. DeVito moved to suspend the rules and place Ordinance No. 2233 on its third reading by title only. Mr. McClung seconded. A roll call vote followed.

Motion carried 5/1/0 with Ms. Schneider voting "No." Ms. Armstrong read the Ordinance title. Mr. DeVito moved to approve Ordinance No. 2233 on its third reading. A roll call vote followed.

Motion carried 6/0/0.

4. **3rd quarter financials**

Mr. DeVito moved to discuss. Mr. McClung seconded. Ms. Armstrong provided the required 3rd quarter bank balances, disbursements, receipts, payroll and debt service list.

5. **Discussion of sewer rates**

Mr. Mitchell moved to discuss. Mr. DeVito seconded. Mayor Berry said about $1500 a month is spent on testing at the treatment plant. Results are available four to seven days later. Also, purchasing treatment chemicals in bulk could save an incredible amount of money. Two tanks, a 15 x 20 ft. building and lab could cost up to $150 - 200,000. A rate increase would go to a vote of the people.

Discussion followed regarding addressing infrastructure, the small-space design of the waste water treatment plant and areas of town without sewer lines. Further discussion included infiltration of ground water during rains and the City's release from the Department of Environmental Quality consent order. A 1% sales tax was discussed, possibly for merchandise only.

Mayor Berry spoke about hiring McClelland Engineering to review the treatment plant. He noted Dwayne Allen's success in repairing the $60,000 pump that failed.

6. **Set date for food truck workshop**

Ms. Schneider moved to discuss. Ms. Zeller seconded. It was agreed to meet in the Auditorium on November 16 at 4:00 p.m.

7. **Ordinance for financing new tram – postponed until November 23**
8. **Resolution amending Transit budget – postponed until November 23**
9. **Resolution for December parking**

Mr. McClung moved to discuss. Ms. Zeller seconded. Mr. DeVito moved to assign the resolution a number and read it for passage. Mr. McClung seconded. A roll call vote followed.

Motion carried 6/0/0. Ms. Armstrong read **RESOLUTION NO. 671 A RESOLUTION REMOVING THE REQUIREMENT OF PAYING THE PARKING METERS ON SPRING STREET AND MAIN STREET AND ESTABLISHING FREE TWO-HOUR PARKING FROM DECEMBER 1 THROUGH DECEMBER 31, 2015.**

AGENDA SETTING: no items were added

CITY COUNCIL COMMENTS:

Ms. Zeller requested emails from people who have ideas about food trucks.

Ms. Schneider congratulated Angler's Grill for winning the Bragging Rights award for the best hamburgers, part of the Veterans Day celebration.

Mr. McClung noted Voices of the Silent City raised about $11,000 for the Historical Museum.

MAYOR'S COMMENTS:

Mayor Berry read a list of upcoming events.

ADJOURNMENT:

Mr. DeVito moved to adjourn. Mr. McClung seconded.

Motion carried 6/0/0. The meeting adjourned at 7:50 p.m.

APPROVED:

Mayor Robert "Butch" Berry

ATTEST:

Ann Armstrong

Clerk Treasurer Ann Armstrong

CITY OF EUREKA SPRINGS
COUNCIL MEETING
Monday, November 9, 2015 6 p.m.
AGENDA

CALL TO ORDER
ROLL CALL, ESTABLISH QUORUM
PLEDGE OF ALLEGIANCE TO THE FLAG
APPROVAL OF THE AGENDA
APPROVAL OF THE MINUTES: October 26, 2015

COMMISSION, COMMITTEE, AUTHORITY REPORTS AND EXPIRED TERMS:

Planning
CAPC
Hospital
Parks – Pos. 6 – vacant -- expires 5/1/19
HDC
Cemetery – Pos. 2 – vacant – expired 2/15/15

PUBLIC COMMENTS:

UNFINISHED BUSINESS:

1. Ordinance raising water rates – Mr. DeVito and Mr. McClung

NEW BUSINESS:

1. Animal-drawn franchise application – Ms. Zeller and Mr. Mitchell
2. Monthly budget update – Mayor Berry
3. Ordinance to update Code re: initiative petitions – Arkansas State Constitution Article 5
4. 3rd quarter financials – A.C.A. 14-43-506
5. Discussion of sewer rates – Mr. Mitchell and Mr. DeVito
6. Set date for food truck workshop – Mr. Thomas and Mr. Mitchell
7. Ordinance for financing new tram – **postponed until November 23** -- Mayor Berry
8. Resolution amending Transit budget – **postponed until November 23** -- Mayor Berry
9. Resolution for December parking – Mayor Berry

AGENDA SETTING
CITY COUNCIL COMMENTS
MAYOR'S COMMENTS
ADJOURNMENT