

5:15 -- review of finances

**CITY OF EUREKA SPRINGS
COUNCIL MEETING
Monday, February 26, 2018 6 p.m.**

AGENDA

CALL TO ORDER

ROLL CALL, ESTABLISH QUORUM

PLEDGE OF ALLEGIANCE

APPROVAL OF THE AGENDA

APPROVAL OF THE MINUTES: February 12, 2018

COMMISSION, COMMITTEE, AUTHORITY REPORTS AND EXPIRED TERMS:

Planning – Pos. 4 – vacant – expires 7/1/18. **Application from Beverly Abbey**

CAPC – Pos. 3 – vacant -- expires 6/30/19. **Application from Greg Moon**

Hospital – Pos. 7 – vacant – expires 9/7/20

Parks

HDC

Cemetery – Pos. 4 – vacant – expires 2/15/20

PUBLIC COMMENTS -- 3 minutes for each citizen:

UNFINISHED BUSINESS:

NEW BUSINESS:

1. Resolution for new Hospital property – Mayor Berry
2. Ordinance to add Planning recommendations to Code/City Attorney's opinion of proposed B&B owner requirement – **March 12** -- Mr. Mitchell and Ms. Adamson
3. Ordinance for paying down bond payments – Mr. Mitchell and Mr. Thomas
4. Ordinance regarding diversion of grant funds – Ms. Kendrick and Ms. Greene
5. City Attorney's opinion on posting notices/issuing fines for Code violations – Mayor Berry
6. Proposed workshop date for review of possible meeting sites -- Mr. Thomas and Ms. Schneider
7. Approval of bid for the Flint St. drainage project – Mayor Berry

AGENDA SETTING

CITY COUNCIL COMMENTS

MAYOR'S COMMENTS

ADJOURNMENT

**CITY OF EUREKA SPRINGS
CITY COUNCIL
REGULAR MEETING**

MONDAY

FEBRUARY 26, 2018

Mayor Robert "Butch" Berry called the regular meeting of the Eureka Springs City Council to order at 6 p.m. Monday, February 26, 2018, in the Auditorium lobby at 36 S. Main St.

PRESENT: Mayor Berry, Council members Melissa Greene, Terry McClung, Kristi Kendrick, David Mitchell, Mickey Schneider, Bob Thomas, City Attorney Tim Weaver and City Clerk Treasurer Ann Armstrong

PLEDGE OF ALLEGIANCE:

Mayor Berry led the Pledge of Allegiance.

APPROVAL OF THE AGENDA:

Ms. Greene moved to approve. Ms. Schneider seconded. Mayor Berry added approval of the bid for the Flint St. drainage project. Mr. Mitchell deleted New Business 6. There was no second. Mayor Berry called for a vote on the agenda as amended.

Motion carried 5/1/0 with Mr. Thomas voting "No."

APPROVAL OF THE MINUTES: February 12, 2018

Ms. Schneider moved to approve. Mr. Mitchell seconded.

Motion carried 5/1/0 with Ms. Kendrick voting "No."

COMMISSION, COMMITTEE, AUTHORITY REPORTS AND EXPIRED TERMS:

Planning – An application from Beverly Abbey for Position 4 was submitted for a vote at the next Council meeting.

CAPC – Ms. Greene moved to approve Greg Moon for the CAPC. Ms. Schneider seconded.
Motion carried 6/0/0.

Hospital – No report. One seat remains vacant.

HDC – No report.

Cemetery – No report. One seat is vacant.

PUBLIC COMMENTS:

Chris Fischer shared his concerns with the ongoing downhill trails construction at Lake Leatherwood. Referencing the Master Plan and Leatherwood Master Trail Plan, he noted lack of public forums and notification procedures, and requested Council review of Parks' authority to enter into the contract.

Faith Shah provided a letter from Glenda Moore who'd requested in 2017 an opportunity to participate in Trails development. Ms. Shah spoke about the project being rushed through because of the trail builder's agenda and objected to the absence of Eureka Springs workers being employed in the project.

UNFINISHED BUSINESS: none

NEW BUSINESS:

1. Resolution for new Hospital property

Mr. Mitchell moved to discuss. Ms. Greene seconded. Following Mr. Weaver's confirmation that the property would ultimately be owned by the City and discussion about the asking price and terrain, Mr. Mitchell moved to assign the ordinance a number and read it. Ms. Greene seconded.

Motion carried 5/1/0 with Mr. McClung voting "No."

Ms. Armstrong read **ORDINANCE NO. 2262 AN ORDINANCE PROVIDING FOR THE PURCHASE OF CERTAIN CITY PROPERTY LOCATED AT 28 KINGSHIGHWAY**. Mr. Mitchell moved to approve Ordinance No. 2262 on the first reading. Ms. Greene seconded.

Mr. McClung suggested it might be in the interest of the City and Hospital Commission to have the architects do a feasibility study of purchasing the rest of the property including the Log Cabin property at the corner.

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Mr. Mitchell moved to suspend the rules and read Ordinance No. 2262 by title only for the second reading. Ms. Schneider seconded. A roll call vote followed.

Motion carried 4/2/0 with Mr. McClung and Ms. Kendrick voting "No." Ms. Armstrong read the Ordinance title.

Ms. Schneider moved to approve Ordinance No. 2262 on the second reading. Mr. Mitchell seconded. Motion carried 5/1/0 with Mr. McClung voting "No."

Mr. Mitchell moved to suspend the rules and read Ordinance No. 2262 by title only for the third reading. Ms. Schneider seconded. A roll call vote followed.

Motion carried 4/2/0 with Ms. Kendrick and Mr. McClung voting "No." Mr. Armstrong read the Ordinance title.

Mr. Mitchell moved to approve Ordinance No. 2262 on the third reading. Ms. Schneider seconded. A roll call vote followed.

Motion carried 4/2/0 with Mr. McClung and Ms. Kendrick voting "No."

Ms. Schneider moved to invoke the emergency clause due to the timing and nature of the sale. Mr. Mitchell seconded.

Following an explanation of Commissioners' concerns regarding the scheduled closing date, and the change from a resolution to an ordinance, Ms. Schneider called the question. Ms. Greene seconded.

Motion carried 6/0/0. A roll call vote on the emergency clause followed.

Motion carried 6/0/0. Ms. Armstrong read the emergency clause.

2. Ordinance to add Planning recommendations to Code/City Attorney's opinion of proposed B&B owner requirement – postponed until March 12

3. Ordinance for paying down bond payments

Mr. Mitchell moved to discuss. Ms. Greene seconded. Mr. Weaver noted an amortization schedule was not included because it would include income projections from (Infrastructure and Improvement fees) for five or six years.

Ms. Kendrick moved to amend to the proposed ordinance by deleting the words "additional funds from other sources within the Water and Sewer Department, including from." There being no second, the motion failed.

Following discussion of having an amortization plan, Finance Director Lonnie Clark agreed a prepared chart could be attached. He said some of I and I funds would be available for infrastructure and improvement and confirmed the goal of having the two bonds paid off in five years.

Mr. Thomas said he thought Section 3 should be Section 2, and Section 2 should become Section 3, and Ms. Kendrick's change should be considered. Interpreting this as a motion, Mayor Berry asked for a second. Ms. Kendrick seconded.

Following Mr. Weaver's response, Mr. McClung moved to take a five minute break. Ms. Greene seconded.

Motion carried 6/0/0.

When the meeting resumed, Mayor Berry asked that the last motion and second be withdrawn, and the issue itself be deferred until the next meeting.

Mr. Thomas withdrew the motion and Ms. Kendrick withdrew the second. Ms. Schneider moved to defer and Mr. Mitchell seconded.

Motion carried 6/0/0.

4. Ordinance regarding diversion of grant funds

Ms. Greene moved to discuss. Ms. Kendrick seconded.

Ms. Kendrick moved to amend the ordinance to delete the words "before said entity proceeds with any action involving said funds," saying she would like City Council to be advised immediately upon a grant becoming impossible, or if somebody wants to divert it. Ms. Kendrick said she'd like to add after the word "purpose," "or if the Commission, Board or Sub-entity does not use the grant for the intended purpose or purposes within four months."

Mayor Berry referenced the upcoming agenda item on Flint St. which, he said, has been in (process) for four years.

Ms. Kendrick then amended with the same language. Ms. Greene said she'd second, for discussion. Discussion followed regarding the various ways grants come through, timelines, and restrictions on

use of grant funds.

At Ms. Kendrick's request, Ms. Greene withdrew the second. Ms. Kendrick then amended to delete "before said entity proceeds with any action involving said funds." Ms. Greene seconded. Mr. Weaver opined that deleting those words defeats part of what some of Council is arguing.

Mr. Mitchell called the question. Ms. Greene seconded. A roll call vote followed.

Motion carried 6/0/0.

A roll call vote on the proposed amendment followed.

Motion failed 1/5/0 with Mr. McClung, Mr. Thomas, Ms. Greene, Ms. Schneider and Mr. Mitchell voting "No."

Mr. McClung moved to amend by removing language in Section 1 after the word "approval." Ms. Kendrick seconded. Mr. Weaver again expressed his objection to removing the language. Following discussion, a roll call vote was taken.

Motion failed 3/3/0 with Mr. Mitchell, Mr. Thomas and Ms. Schneider voting "No."

Mr. Mitchell moved to assign the ordinance a number and place it on the first reading. Ms. Schneider seconded.

Motion carried 6/0/0. Ms. Armstrong read **ORDINANCE NO. 2264 AN ORDINANCE CLARIFYING THE USE OF FUNDS RECEIVED FOR GRANTS APPROVED BY OR APPLIED FOR UNDER CITY COUNCIL AUTHORITY.**

Mr. McClung moved to approve the first reading. Ms. Schneider seconded.

Motion carried 6/0/0.

5. City Attorney's opinion on posting notices/issuing fines for Code violations

Mr. Mitchell moved to discuss. Ms. Schneider seconded. Mr. Weaver said he saw no problem with posting notices, but they would probably be torn down. There is a problem, however, with serving papers to out-of-state owners. He noted a monetary lien against property is not a criminal fine.

Ms. Kendrick suggested assessing a lien on the property for their not getting a business license or for not paying CAPC taxes.

Mr. Weaver agreed there could be small liens but they would not have criminal penalties. The fines in Code are below misdemeanors but still go to criminal court. He agreed that an ordinance could be written imposing a fine for removing a notice.

Mayor Berry asked that his office be notified of businesses operating illegally.

6. Proposed workshop date for review of possible meeting sites

Mayor Berry noted the workshop is scheduled for March 12 at 4:30.

7. Approval of the bid for the Flint St. drainage project

A grant was received for storm drainage repair next to the Grand Central Hotel. Mayor Berry noted a bid came in \$217,950. Because the grant for \$220,000 was to include engineering fees, he asked for Council to approve awarding the bid contingent upon money available for the project. He spoke about additional funds that may be available through Northwest Economic Development to cover the approximately \$15,000 - \$20,000 shortfall.

Mr. McClung moved to proceed. Ms. Schneider seconded.

Motion carried 6/0/0.

AGENDA SETTING:

Ms. Kendrick added discussion of the use of the Lake Leatherwood Park sales tax for uses that appear to be inconsistent with the Master Plan. Ms. Greene seconded.

Mr. Mitchell added City meetings location. Ms. Schneider seconded.

CITY COUNCIL COMMENTS:

Mr. Thomas said removing an agenda item should be left up to the people who have added it to the agenda.

Ms. Schneider agreed with Mr. Thomas.

Ms. Greene noted that (seconding for discussion) doesn't mean anything against Parks -- only that it needs to be brought up.

MAYOR'S COMMENTS:

Mayor Berry read a list of upcoming events.

ADJOURNMENT:

Mr. McClung moved to adjourn. Ms. Kendrick seconded.
Motion carried 6/0/0. The meeting ended at 7:50 p.m.

ATTEST:



City Clerk Treasurer Ann Armstrong

APPROVED:



Mayor Robert "Butch" Berry

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