

MINUTES OF THE REGULAR MEETING OF
THE CITY BOARD OF DIRECTORS OF THE
CITY OF SILOAM SPRINGS, BENTON COUNTY,
ARKANSAS, HELD JUNE 17, 2008

The Board of Directors of the City of Siloam Springs, Arkansas, met in regular session at the City of Siloam Springs Administration Building, June 17, 2008.

The meeting was called to order by Mayor Van Poucke.

Attendance Roll Call:

Wasson, Smiley, Fuller, Turner, Nation, Wiles, Long – Present.

Opening prayer was led by Turner.

Mayor Van Poucke led the Pledge of Allegiance.

A copy of the minutes of the June 03, 2008, regular meeting had previously been given to each director. A motion was made by Long and seconded by Smiley that the minutes of the June 03, 2008, meeting be approved. Mayor Van Poucke called for a voice vote on the motion, and it was approved unanimously.

The next agenda item was the open hearing for citizens present. Walter Miller, 1207 JoLynn, addressed the Board regarding drainage problems behind and around his house. Mayor Van Poucke continued with the agenda.

The next agenda item was Ordinance No. 08-07. A motion was made by Smiley and seconded by Nation to place Ordinance No. 08-07, Retirement Benefits for Mayor and City Clerk, on its third and final reading suspending the rules and reading title only. Cameron stated he has researched into what some other cities in our area have done. The only city that had a mayor retire was Springdale and the mayor and clerk received this benefit plus a spouse benefit that was passed on to the mayor's wife. That is the only record we could find. There is also one in West Memphis that they could all participate in the 457 deferred comp plan as well. It is pretty much standard that the deferred comp plan has been somewhat a question of the additional benefit. It is standard practice in the review that they get both. It's not considered technically a retirement plan and so the 457 deferred comp plan in addition to that benefit is not uncommon not just for that position but others as well. Very few make it the twenty years and so it is difficult to get a response, but Springdale is one of those that we did find that the spouse received the benefit. More importantly, we did find that the 457, though different agencies be it with the fire department, or different places in addition to their retirement plans like LOPFI different things of that nature, it is not uncommon for them to receive both. So there was that question of whether it was double-dipping and that's been the question all along is it is very typical and somewhat customary, I can't say it's state wide, it's just in the situations that we were looking at it is somewhat normal on a 457 deferred comp that they also receive another retirement of some sort. That's for uniformed and the clerk's position and others.

Roll Call:

Wasson, Smiley, Fuller, Nation, Wiles, Long – Aye.

Turner -- Nay.

Six Ayes. One Nay. Motion Carried.

An ordinance entitled:

AN ORDINANCE APPROVING RETIREMENT
BENEFITS FOR MAYOR AND CITY CLERK.

was read for its third and final reading.

A motion was made by Nation and seconded by Wiles to adopt Ordinance No. 08-07, Retirement Benefits for Mayor and City Clerk.

Roll Call:

Smiley, Fuller, Nation, Wiles, Long, Wasson – Aye.

Turner – Nay.

Six Ayes. One Nay. Motion Carried.

The next agenda item was Resolution No. 22-08. A motion was made by Smiley and seconded by Nation to approve Resolution No. 22-08, FAA and State Grant and Acceptance of Bid/Airport Apron. Frank McIllwaine, Garver Engineers, stated the out of pocket for the City if \$100.00. The rest is covered by FAA and State grants. Nation would like to be made aware of grants available for hangars.

Roll Call:

Fuller, Turner, Nation, Wiles, Long, Wasson, Smiley – Aye.

No Nay.

Seven Ayes. No Nays. Motion Carried.

The next agenda item was review of bids. A motion was made by Fuller and seconded by Long to approve the bid to J. Johnson Construction Company for the North Carl Street Reconstruction in the amount of \$1,528,774.79. The engineers estimate was \$1,926,000.00. Long thanked all involved in getting the street program going.

Roll Call:

Turner, Nation, Wiles, Long, Wasson, Smiley, Fuller – Aye.

No Nay.

Seven Ayes. No Nays. Motion Carried.

The next agenda item was approval of the purchase of land for downtown parking. A motion was made by Long and seconded by Smiley to approve the purchase of land for downtown parking in the amount of \$72,000. This property is located at the intersection of North Maxwell and East Central on the northeast side of the street. Fuller stated he felt this was too high priced. Ron Drake, Chairman of the Parking Committee, addressed the Board with a report on new businesses that are coming in the downtown area and the need for additional parking. With all the new development in the downtown, this makes this purchase even more needed. The parking committee was commissioned by the Board, and has been working on this for about 18 months. Smiley stated she felt the City needs this land to make this downtown area grow. Jay Williams, City Attorney, stated that there was an appraisal for this property at \$72,000. Cameron clarified impact fees, stating that they do not pay for police, fire or anything else right now. That fee is established to pay for the cost of recovering our electrical cost. Wiles stated he felt this is a beginning to solve the parking issue, but not the end.

Roll Call:

Nation, Wiles, Long, Wasson, Smiley – Aye.

Fuller, Turner – Nay.

Five Ayes. Two Nays. Motion Carried.

The next agenda item was the Administrator's Report:

Cameron stated the quotes for the privacy fencing along the new Dogwood Street have been received and the cost is \$8,125. Cameron had also received a quote for fencing around the Maintenance Dept. on Main Street. We have received an official letter from GRDA stating the PCA charge will be \$0.00584 per kwh for the second half of 2008. This compares to \$0.00446 per kwh for the first half of 2008. This is about \$1.50 for the average household user. This is a benefit of our GRDA contract. Other areas around the state have been significantly higher. That increase could be much higher with fuel prices. Today we completed the land transaction for the Hospital property. We have 61.28 acres and the sale price was \$1,960,960.00. We are looking at having a crew go out there and clean up the property. There will be a sign there stating this is the future site of the Hospital. About the drainage issue that Mr. Miller brought up, I appreciate all of our staff as this has been the wettest season ever since he has been here. They have been after every drainage issue, but I can speak to this problem. It is getting closer to that issue because that is in the Lyndale Estates area. I've seen it go over that retaining wall and the crew is fully aware. Until it dries out, we can't put a piece of equipment in it. It will make the matter worse. To everyone who has a drainage problem, please be patient. We are working on it.

The next agenda item was the Open Hearing for Directors:

Turner stressed to residents that with the rain we've had it makes us aware of drainage problems.

Nation addressed the problem that Mr. Miller brought up. There are ones who drive out there every time we have rain to watch. This is not going to be forgotten by staff. We are going to get it fixed. Citizens need to know that there was a lot of work done by the Mayor and Administrator to get the Hospital property for the price that we did. It is a lot of money, but it could have been a lot more. They did a lot to save our citizens money and still come up with a really good piece of property that we will be glad we have. She asked about the completion of Progress Ave. Cameron stated he has been told it will be August or September. This is not a funding issue that is holding this up. It's the weather. This is a State project.

There being no other business to come before this Board, a motion was made by Long and seconded by Nation that this meeting be adjourned. A voice vote was called for on the motion, and it was approved unanimously.

APPROVED:

M. L. Van Poucke, Jr., Mayor

(SEAL)

ATTEST:

Peggy Woody, City Clerk, MMC