

MINUTES OF THE REGULAR MEETING OF
THE CITY BOARD OF DIRECTORS OF THE
CITY OF SILOAM SPRINGS, BENTON COUNTY,
ARKANSAS, HELD SEPTEMBER 04, 2007

The Board of Directors of the City of Siloam Springs, Arkansas, met in regular session at the City of Siloam Springs Administration Building, September 04, 2007.

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 Fuller.

Mayor Van Poucke led the Pledge of Allegiance.

A copy of the minutes of the August 21, 2007, regular meeting had previously been given to each director. A motion was made by Long and seconded by Wiles that the minutes of the August 21, 2007, 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. Mike Kenney, 1005 Raintree, stated that the state is sending funds back through the General Improvement Funds. Siloam Springs will receive almost \$96,000. This is one-time money, and Benton County will be receiving about \$250,000. Margaret Kowalski, 6004 Overland, stated she is opposed to the proposed fee added to the utility bill for non-profit organizations.

The next agenda item was Ordinance No. 07-22. A motion was made by Smiley and seconded by Wasson to place Ordinance No. 07-22, Rezone Development Permit C-1A to C-2 960 South Mt. Olive/Roberts & Syler, on its third reading suspending the rules and reading title only.

Roll Call:

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

No Nay.

Seven Ayes. No Nays. Motion Carried.

An ordinance entitled:

AN ORDINANCE AMENDING SECTION 102-21 OF
THE SILOAM SPRINGS MUNICIPAL CODE (CITY
ZONING MAP); REZONING (FROM C-1A TO C-2)
THE PROPERTY DESCRIBED AS 960 SOUTH MT.
OLIVE STREET.

was read for its third reading.

A motion was made by Nation and seconded by Fuller to adopt Ordinance No. 07-22, Rezone Development Permit C-1A to C-2 960 South Mt. Olive/Roberts & Syler.

Roll Call:

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

No Nay.

Seven Ayes. No Nays. Motion Carried.

The next agenda item was Ordinance No. 07-24. A motion was made by Smiley and seconded by Nation to place Ordinance No. 07-24, Create 'East-Side Rural Water District', on its third reading suspending the rules and reading title only.

Roll Call:

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

No Nay.

Seven Ayes. No Nays. Motion Carried.

An ordinance entitled:

AN ORDINANCE CREATING THE 'EAST-SIDE RURAL
WATER DISTRICT;' PROVIDING BOUNDARIES;
PROVIDING RATES AND EXEMPTIONS; CREATING
DIVISION 5, SECTION 98-180 OF THE MUNICIPAL CODE;
FINDING AN EMERGENCY.

was read for its third reading.

A motion was made by Nation and seconded by Wasson to adopt Ordinance No. 07-24, Create "East-Side Rural Water District".

Roll Call:

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

No Nay.

Seven Ayes. No Nays. Motion Carried.

A motion was made by Fuller and seconded by Nation to adopt the emergency clause for Ordinance No. 07-24, Create "East-Side Rural Water District".

Roll Call:

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

No Nay.

Seven Ayes. No Nays. Motion Carried.

The next agenda item was Ordinance No. 07-25. A motion was made by Nation and seconded by Wiles to place Ordinance No. 07-25, Amend Municipal Code for Business License Fees, on its second and third readings suspending the rules and reading title only.

Roll Call:

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

No Nay.

Seven Ayes. No Nays. Motion Carried.

An ordinance entitled:

AN ORDINANCE REVISING BUSINESS LICENSE FEES;
AMENDING SECTION 22-39 OF THE MUNICIPAL CODE;
FINDING AN EMERGENCY.

was read for its second and third readings.

A motion was made by Smiley and seconded by Fuller to adopt Ordinance No. 07-25, Amend Municipal Code for Business License Fees.

Roll Call:

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

No Nay.

Seven Ayes. No Nays. Motion Carried.

A motion was made by Nation and seconded by Smiley to adopt the emergency clause for Ordinance No. 07-25, Amend Municipal Code for Business License Fees.

Roll Call:

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

No Nay.

Seven Ayes. No Nays. Motion Carried.

The next agenda item was Ordinance No. 07-26. A motion was made by Wasson and seconded by Turner to place Ordinance No. 07-26, Rezone Development Permit R-2 to R-3 1100 Block North Britt, on its first reading suspending the rules and reading title only. Loren Kelchner, owner, stated the reason for rezoning at this time was that he did have someone interested in purchasing the property. But now he needs to know how to go ahead with trying to sell the property. This way the zoning will be done and save a lot of time later on. Fuller noted that Helena Street is very narrow

with no sidewalks, and traffic is bad. There are no plans at this time for this street. Wiles also echoed Fuller's comments and has concerns about the traffic flow through here for traffic cutting off around Mt. Olive and Cheri Whitlock intersection. Long was concerned about the fact there are no plans at this time and not knowing what will happen if this is rezoned. Gary Ward, Realtor, addressed the Board with what has happened so far with this property. Wasson stated he would prefer to wait until the streets are capable of handling the kind of traffic that will be on them.

Roll Call:

No Ayes.

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

No Ayes. Seven Nays. Motion Failed.

The next agenda item was Ordinance No. 07-27. A motion was made by Smiley and seconded by Nation to place Ordinance No. 07-27, Prohibited Use Development Permit 710 East Main, on its first reading suspending the rules and reading title only.

Roll Call:

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

No Nay.

Seven Ayes. No Nays. Motion Carried.

An ordinance entitled:

AN ORDINANCE AUTHORIZING A PROHIBITED
USE DEVELOPMENT PERMIT FOR PROPERTY
LOCATED AT 710 EAST MAIN STREET.

was read for its first reading.

The next agenda item was Ordinance No. 07-28. A motion was made by Nation and seconded by Wiles to place Ordinance No. 07-28, Amend Municipal Code for Floodplain Regulations, on its first reading suspending the rules and reading title only. David Williams, Community Development Director, was requested to explain the policy and state laws as they pertain to this ordinance. This is to help with how and where people can build in flood areas if they meet certain requirements. Cameron noted there will be a second and third reading of this ordinance at the next meeting because of a deadline requirement.

Roll Call:

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

No Nay.

Seven Ayes. No Nays. Motion Carried.

An ordinance entitled:

AN ORDINANCE REVISING CITY FLOODPLAIN
REGULATIONS; ADOPTING CURRENT FLOOD
INSURANCE RATE MAP; AUTHORIZING ADOPTION OF
FLOODPLAIN MANAGEMENT RULES REQUIRED BY 44
CFR § 60.3; AMENDING § 42-31 OF THE MUNICIPAL CODE.

was read for its first reading.

The next agenda item was Ordinance No. 07-29. A motion was made by Smiley and seconded by Nation to place Ordinance No. 07-29, Street Closing/Hospital, on its first and final reading suspending the rules and reading title only.

Roll Call:

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

No Nay.

Seven Ayes. No Nays. Motion Carried.

An ordinance entitled:

AN ORDINANCE DIRECTING THAT EAST
JEFFERSON STREET, FROM SOUTH
BROADWAY TO SOUTH MAXWELL, SHALL
BE CLOSED DURING CERTAIN HOURS ON
OCTOBER 06, 2007

was read for its first and final reading.

A motion was made by Nation and seconded by Smiley to adopt Ordinance No. 07-29, Street Closing/Hospital.

Roll Call:

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

No Nay.

Seven Ayes. No Nays. Motion Carried.

The next agenda item was Resolution No. 48-07. A motion was made by Nation and seconded by Smiley to adopt Resolution No. 48-07, Special Use Permit 930 South Mt. Olive/Nazarali.

Roll Call:

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

No Nay.

Seven Ayes. No Nays. Motion Carried.

The next agenda item was Resolution No. 49-07. A motion was made by Smiley and seconded by Fuller to adopt Resolution No. 49-07, Final Plat Development Permit 400 Block Airport Road/Stonecrest 4, 5 and 6/Overland Development. David Williams, Community Development Director, stated it was his understanding that when someone purchases a home in this subdivision, they are informed there is an airport right next to them. Williams will check on this to confirm. Steve Hesse with Engineering Design Associates stated this information is in the covenants for Stonecrest. Cameron stated that certain things such as chain link fencing and metal storage buildings are not allowed by the covenants, but are there and the POA is not enforcing the covenants. Steve Hesse stated this is also on the plat for these phases. All of this is on the disclosure form from the realtor at the time of the purchase of each property. The POA was not established until February of this year. Stitt stated that the problem that was being eluded to is the mechanics of how you do it. We've done everything you can do, and the City is fully covered. I can't think of anything else you can do unless Director Nation has a notion.

Roll Call:

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

No Nay.

Seven Ayes. No Nays. Motion Carried.

The next agenda item was Resolution No. 50-07. A motion was made by Long and seconded by Fuller to adopt Resolution No. 50-07, Significant Development Permit 1645 Highway 412 West/Arvest Bank. Larry Grelle, Freeland-Kauffman & Fredeen, Inc., stated which trees will have to be removed.

Roll Call:

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

No Nay.

Seven Ayes. No Nays. Motion Carried.

The next agenda item was approval of water contract amendment with West Siloam Springs. Mayor Van Poucke stated this item was removed from the agenda.

The next agenda item was approval of change order #2 for Progress Avenue. A motion was made by Fuller and seconded by Turner to approve Change Order #2 for Progress Avenue/Street Department in the amount of \$149,793.87.

Roll Call:

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

No Nay.

Seven Ayes. No Nays. Motion Carried.

The next agenda item was the Administrator's Report:

Cameron gave an update on Progress Ave. The contractor hoped to have this done by the end of this year with weather permitting, but they have until May 2008 under the contract. The City-wide clean up is scheduled for the week of October 1 – 5. Please do not put items out too early. If you need help getting items to the curb, please call the code enforcement office at City Hall. Main Street Overlay project should start with the milling on September 20th. This will run from Country Club to just past the Allen's offices at the bridge. Please try to avoid Main Street during this time. Gates has asked the City about partnering in paving the ball field at Gates. The cost to the City is approximately \$6,140. This will not exceed \$6,500 for the City. Cameron extended his appreciation to Gates for allowing the City to use this ball field, and also for not asking the City to pay all of the cost of paving. The City will be hosting a ribbon cutting for the Hwy 43 project on Monday, September 17th at 10:00 a.m. Meet at the parking lot of Sager Creek Christian Church. A statement was issued today regarding the Hospital with an update of where we are. We are getting ready to enter negotiations with two prospective buyers. We look forward to meeting with them. We want to make sure this is in the best interest of the community for the long-term.

The next agenda item was the Open Hearing for Directors:

Mayor Van Poucke suggested the City contact the railroad company about the Main Street overlay project and request them to not block Jefferson Street.

Fuller asked if trees can be placed on Main Street while this project is being done.

Nation asked about the articles in the newspapers about the Wastewater Treatment Plant. Cameron clarified. This project is not in a stall. It is not in a delay. As I stated in the meeting in April it came down to simply we asked the citizens for 20 million dollars to build a new wastewater treatment facility. That is what we are building. I believe it stated the City could build this plant for 20 million dollars and they would pay for all the overruns, the offer was to pay for 20 million dollar facility. That was the same capacity as the one we have now. So basically if one of our industries wanted to expand, we'd have to ask the citizens for an additional sales tax to increase the capacity of our facility. So we'd met the unprecedented water quality number which we attempted to do. We actually achieved that number. It basically came down that we were 4 or 5 million dollars short of putting in the membranes. That is not what we basically said we have to meet the Oklahoma standard. If you recall, we passed the sales tax when we were in the middle of a pilot study. Our idea was to make sure we meet Oklahoma's number. With the pilot study we did. We're getting rid of all of the old trickling fixtures which create the fly problems the horrendous odor problems. It will have covers for the different areas. It will be an upgrade. As for the company that did not get the contract which is Zenon, I believe it was quoted did I ask for a 4 million dollar donation? We asked for 5, I believe the term we used in this Board room was "would be relentless". I will not apologize for asking anyone for 4 or 5 million dollars and am disappointed that it did state that we'd have blame. We did not get 5 million dollars. Our neighbors in the corridor did get 5 million. It tells me where the priority was. We'd met this unprecedented area. I'm not blaming anyone other than to say it just wasn't a priority as well. We got no federal funding, state. We did not get this donation. And so if we are going to meet an unprecedented number, I made it very clear that night in April that I did not believe it's the residents responsibility to go above and beyond at their expense. Now, the good news is that sales tax has generating even more money than what was originally anticipated. Therefore, the loan will be paid off much sooner than 20 years. I would say this to the community. We have a new facility that is under design right now by Garver Engineers. We paid them. They cut their price by 4 or 5 hundred thousand dollars. I felt that they stepped up to the plate. We did ask this contractor if you want to get your product, it's not even in northwest Arkansas. It's not even in the four-state area to my knowledge. I felt like it was the best marketing tool. If you want to sell your product, put it to the test and put it in our City and they call that reasonably bazaar. Rest assured that we ask for every penny we could. We turned over every stone. So to say that no one's even asked for such is an asinine request. I'm paid by the City of Siloam Springs and my job is to find that money. I cannot apologize for asking for 5 million dollar donation from our federal delegation or the Oklahoma delegation or anybody that would listen or a rock if it would pay us. But we're still building a brand new facility and it will help our growth rate. It will be a biological phosphorus removal, it will meet

everything that everybody is doing in the corridor. All we wanted to do is something that exceeded far and above and beyond that to be a model we also believe we would have federal assistance to that with us. I'm very confident in the facility that we got and if someone walks up and gives us 5 million dollars that I don't think it should come to a tax or an adjustment. If in 2012 or 2015 Oklahoma changes their standard again, we have to adjust. It's that simple. People did get money, we just didn't.

There being no other business to come before this Board, a motion was made by Long and seconded by Fuller 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