

MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
CITY OF SILOAM SPRINGS, BENTON COUNTY,
ARKANSAS, HELD NOVEMBER 17, 2009

The Board of Directors of the City of Siloam Springs, Arkansas, met in regular session at the City of Siloam Springs Administration Building, November 17, 2009.

The meeting was called to order by Mayor Allen.

Roll Call:

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

Mayor David Allen, City Administrator David Cameron, City Clerk Peggy Woody, City Attorney Jay Williams, Police Chief Joe Garrett – Present.

Opening prayer was led by Long.

Mayor Allen led the Pledge of Allegiance.

A copy of the November 03, 2009, minutes of the regular meeting had previously been given to each Director. A motion was made by Long and seconded by Wasson that the minutes of the November 03, 2009, meeting be approved. Mayor Allen called for a voice vote on the motion, and it was approved unanimously.

The next agenda item was the open hearing for citizens present. There being none, Mayor Allen continued with the agenda.

The next agenda item was Ordinance No. 09-25. A motion was made by Smiley and seconded by Fuller to place Ordinance No. 09-25, Prohibit Non-Emergency Use of Engine Brakes, on its third reading suspending the rules and reading title only.

Roll Call:

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

Wasson, Long – Nay.

Six Ayes. Two Nays. Motion Carried.

An ordinance entitled:

AN ORDINANCE PROHIBITING NON-EMERGENCY USE
OF ENGINE BRAKES WITHIN THE CITY; AMENDING
SEC. 94-261 (DEFINITIONS) AND CREATING SEC. 94-263
OF THE MUNICIPAL CODE.

was read for its third reading.

A motion was made by Nation and seconded by Fuller to adopt Ordinance No. 09-25, Prohibit Non-Emergency Use of Engine Brakes.

Roll Call:

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

Long, Wasson – Nay.

Six Ayes. Two Nays. Motion Carried.

The next agenda item was Ordinance No. 09-27. A motion was made by Nation and seconded by Wasson to place Ordinance No. 09-27, Rezone Development Permit R-2 to R-3 509 East Ashley/ Webber, on its second 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:

Board of Directors' Minutes
November 17, 2009

Page 2

AN ORDINANCE AMENDING SECTION 102-21 OF
THE SILOAM SPRINGS MUNICIPAL CODE (CITY
ZONING MAP); REZONING FROM R-2 TO R-3 THE
PROPERTY DESCRIBED AS 509 EAST ASHLEY STREET.

was read for its second reading.

The next agenda item was Ordinance No. 09-28. A motion was made by Smiley and seconded by Nation to place Ordinance No. 09-28, Prohibited Use Development Permit 701 Mimosa/Youmans, on its second reading suspending the rules and reading title only.

Roll Call:

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

No Nay.

Seven Ayes. No Nays. Motion Carried.

An ordinance entitled:

AN ORDINANCE AUTHORIZING A PROHIBITED
USE DEVELOPMENT PERMIT FOR PROPERTY
LOCATED AT 701 MIMOSA STREET

was read for its second reading.

The next agenda item was Ordinance No. 09-29. A motion was made by Smiley and seconded by Nation to place Ordinance No. 09-29, Amend Municipal Code Article II of Chapter 98 with Respect to Rates and Conditions of Electrical Service, on its first reading suspending the rules and reading title only. Cameron stated that GRDA is evaluating a rate increase to all of its customers effective January 1, 2010. The City has done several things to hold cost down. This increase will have an impact to our users of about \$15.00 per month. This is exactly what GRDA is passing on to us. This increase to our customers is not a margin increase to go out and buy new facilities or build a new building or do something different, this is simply to cover our cost to the electric bill. A motion was made by Fuller to amend the motion to extend the start date to March 01, 2010, but died for lack of a second. Cameron stated this would cost the City around \$300,000 for two months. Long asked what the City's reserves are at this time. Paul Calloway, Finance Director, stated our unrestricted reserves are \$4 million. Long asked what the reserves will be after the first of the year in January or February. Calloway stated with the proposed settlement of the lawsuit, the completion of 412 project, and insurance spikes, he projected the reserves to be \$1.5 million. Calloway stated the financial standard recommends to have at least 90 days cash requirements be kept in reserves, and for the City that would be roughly \$9 million cash reserves. Cameron stated that the 412 project was budgeted in 2009, and there is about \$800,000 the City will be paid back, plus the Municipal League will pay back on the lawsuit. Wallace and Mary Palmer, 424 Jones, spoke against the utility increase and asked why residents of Arkansas have to pay sales tax on utilities. Mayor Allen asked how the two different charges for KWH and customer charge came about. Art Farine, Electric Director, stated the surcharge and KWH charge was a strategic move on the City's part to divide those up to get some of the increase in the base to cover demand and our basic services. Farine stated the City has always charged tax on utilities. Calloway stated this is a state law.

Roll Call:

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

Fuller – Nay.

Six Ayes. No Nays. Motion Carried.

An ordinance entitled:

AN ORDINANCE AMENDING ARTICLE II OF CHAPTER 98
OF THE SILOAM SPRINGS CITY CODE BY AMENDING RATES AND
CHARGES, UPDATING DEPARTMENT SUPERVISOR'S TITLE, EXPANDING
HOURS FOR CERTAIN SERVICES, PROVIDING A DISCOUNT FOR DISABLED AND
SENIOR CITIZENS AND DECLARING AN EMERGENCY.

Board of Directors' Minutes
November 17, 2009

Page 3

was read for its first reading.

The next agenda item was Resolution No. 37-09. A motion was made by Smiley and seconded by Nation to adopt Resolution No. 37-09, Authorize Settlement Offer in Syroco Bankruptcy Case. Cameron stated this is from the Syroco bankruptcy that was taking place, and the City provided power to this industry. We received our payment before other vendors, and there is a state statute that allows them to call back for a portion of that money.

Roll Call:

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

No Nay.

Seven Ayes. No Nays. Motion Carried.

The next agenda item was appointments to the Public Education Facilities Board/JBU. A motion was made by Nation and seconded by Fuller to approve the appointment of Marilyn Jackson, 5 year term; Tim McCord, 4 year term; Mike Moss, 3 year term; David Glass, 2 year term; and Ron Mooney, 1 year term to the Public Education Facilities Board/JBU.

Roll Call:

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

No Nay.

Seven Ayes. No Nays. Motion Carried.

The next agenda item was the Administrator's Report:

Cameron stated there will be a street closing on November 30th on Mt. Olive between Hwy 412 and Kenwood and will be closed all day. This is to allow the contractor to patch the crossing and take the old water line out of service. Cameron thanked the contractor who has done a great job. Nation stated she had spoken with a member of the company and was told how easy the City was to work with. Cameron stated there is a permit for the 29th Annual Christmas Parade on December 5th at 5:30 p.m. for the Heritage League. The Census Bureau will be using our Boardroom November 25th at 10:00 a.m. for testing anyone who would be willing to help count residents for the upcoming census. They need help for various levels. Cameron thanked Jimmy Harris, Sandy Luetjen, Art Farine, Adam Roark and Paul Calloway for their work on this year's budget. It is much appreciated.

The next agenda item was the Open Hearing for Directors:

Turner noted the ordinances presented tonight will not change before the next meeting. He requested we save paper by not copying these again for the next packet unless there is a change.

David Cameron stated on behalf of the City he would like to send out his condolences to the family of Stacy Martin. She was a dispatcher who suddenly past away this week at the age of 41.

Smiley wished everyone a safe and happy holiday.

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:

(SEAL)

ATTEST:

David E. Allen, Mayor

Peggy Woody, City Clerk, MMC