

MINUTES OF THE BOARD OF DIRECTORS REGULAR MEETING

TUESDAY ~ MARCH 4, 2014 ~ 6:00 P.M.

FORT SMITH PUBLIC SCHOOLS SERVICE CENTER

The meeting was called to order by Mayor Sandy Sanders, presiding. Invocation was given by Reverend Kevin Johnson of Community Church at Chaffee Crossing, followed by the Pledge of Allegiance. On roll call the following members of the Board were present: Directors Andre' Good, Mike Lorenz, George Catsavis, Pam Weber, Kevin Settle and Philip H. Merry, Jr; absent – Director Keith Lau. The Mayor declared a quorum present.

The Mayor inquired if any Board member had any item of business to present that was not already on the agenda. There was none presented.

The minutes of the February 18, 2014 regular meeting were presented for approval. Good, seconded by Lorenz, moved approval of the minutes as written. The members present all voting aye, the Mayor declared the motion carried.

Item No. 1 was an ordinance ordering the owners of certain dilapidated and substandard structures to demolish same, authorizing the City Administrator to cause the demolition of such structures to occur, and for other purposes (*7808 South 24th Street and 2310 North 31st Street*)

Administrator Gosack briefed the Board on the item advising the structures have been determined to be unsafe and detrimental to the public welfare; therefore, he recommended approval of the item. Upon approval, the property owners will have approximately thirty (30) days to accomplish the demolition. If such is not accomplished, the City will initiate the bidding process to obtain a contractor to demolish the structures.

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Good, seconded by Weber, moved adoption of the ordinance. The motion included suspending the rule to allow the three (3) full readings of the ordinance to be by caption and for the readings to occur on the same date. The City Clerk read the ordinance for its readings and the members present all voting affirmatively the Mayor declared the motion carried. Catsavis, seconded by Lorenz, moved adoption of Section 5 the emergency clause. The members present all voting affirmatively, the Mayor declared the motion carried and the ordinance and emergency clause were adopted and given Ordinance No. 19-14.

The Consent Agenda (Item No. 2) was introduced for consideration, the items being as follows:

- A. Resolution authorizing the Mayor to enter into an agreement regarding construction and purchase of an eight field tournament quality sports complex at Chaffee Crossing from River Valley Sports Complex, an Arkansas non-profit corporation, incorporated by Lee Webb, and a lease agreement for operation of the River Valley Sports Complex, a sports complex, with River Valley Sports Complex, an Arkansas non-profit corporation, incorporated by Lee Webb (*\$1,600,000.00 / Parks Department / Budgeted – 1/8% Sales Tax Revenue*) ~ Merry / Weber placed on consent agenda at the February 25, 2014 study session ~
- B. Resolution authorizing the execution of a memorandum of understanding between the City of Fort Smith, Arkansas and the Arkansas State Police Internet Crimes Against Children Task Force concerning a sub-grant agreement
- C. Resolution approving automobile and property insurance coverage for the City's fleet and buildings for 2014 – 2015 ~ Settle / Catsavis placed on agenda at the February 25, 2014 study session ~
- D. Resolution authorizing acquisition of an easement in connection with the Lake Fort Smith 48-Inch Water Transmission Line (*\$27,600.00 / Utility Department / Budgeted - 2012 Sales and Use Tax Bonds*)

With regard to Item No. 2A Director Settle moved to remove this item from the consent agenda and for the item to be voted on separately. This being a proper motion

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and does not require a second, Item No. 2A was removed from the consent agenda for discussion and to be voted on separately.

With regard to Item No. 2A, Director Settle, conveyed the project plan submitted for approval is an incomplete project plan according to Exhibit D. He expressed his desire for the project to move forward however is in favor of approval of a partial payment of the first payout only to allow project to move forward as well as give project coordinators more time to complete the plan with inclusion of requirements in Exhibit D.

Director Merry, noted the Board has already committed to this project, and indicated he did not want the commitment to be delayed.

Director Catsavis inquired how much the partial payment of the first payout would be and if there would be tangible results from the first payout.

Lee Webb, project coordinator with the River Valley Sports Complex, an Arkansas non-profit corporation, advised the first payout is \$100,000 and such would allow the project to move forward as Director Settle indicated. He further advised there would be tangible results from the first payout as indicated in the agreement.

Director Weber inquired what implications approval of a partial payment would have on the project, if the project was specified when voters approved the tax and requested clarification regarding the presented agreement requiring performance milestones being met through the project before payout is released. She also requested verification that the City owns the estimated \$1.1 million piece of property, as it has already been deeded to the city.

Mr. Webb advised he would like to move forward with the item as originally presented however, has no issue with Director Settle's proposal because it still allows the project to move forward without any delay. He further expressed his desire for the

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board to feel comfortable with the project plan and confirmed the City is the owner of the property.

Administrator Gosack advised the .25 percent tax approved by voters was for fire and parks. There were a number of purposes identified, however the voters did not vote the projects specifically. He further confirmed the item as presented states certain performance milestones must be met throughout the project before funding is advanced.

Director Good recognized the Boards knowledge of certain risks with this venture regarding alleged under estimated cost compared to other like projects. However he feels that this project is not like other projects with consideration of the donation's that have made this project conceivable at said cost; and feels like the city should capitalize on this opportunity for the good of the city expressing his support of this measure. Furthermore, he inquired if Mr. Webb felt that more time on the plan specifics would be beneficial.

Mr. Webb advised additional time would allow them to provide the Board with more detailed data pertaining to Exhibit D however he does not foresee any changes to the scope of the project as presented.

Director Catsavis questioned, upon completion of the project, if a shortage is realized from the operation of the facility, what the plan would be to fund the shortage. He further conveyed the burden should not to fall on the city.

Mr. Webb advised a shortage is not foreseen, however if such was to occur he expressed the intent for himself and Mr. Files to ascertain the fund from other avenues rather than the burden falling on the city.

Director Good would like the Board to make a commitment that if a shortage is realized funds would not be reallocated from the Parks department budget to cover

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such and expressed the burden of the shortage would fall on the River Valley Sports Complex, an Arkansas non-profit corporation.

Director Merry reminded all while the commitment is there, the structure of the item includes performance milestones that must be met throughout the project, and expressed the importance of this facility to the improvement of quality of life and quality of place for the economy to thrive.

Mr. Webb noted his intent to provide the board with commitments included in Exhibit D regardless of how the Board votes on the measure.

Settle, moved to amend Item No. 2A as follows: regarding section 6 of the agreement, approve schedule a, and defer schedule "b" through "i" until a project plan explaining Exhibit D is put in place and approved by the Board at a special meeting held on May 13, 2014 preceding the regularly scheduled study session.

Administrator Gosack clarified that the amendment would approve the engineering and architectural portion of the project however no construction would be begin on the project until the Board approved the project financing plan, however this would not delay when construction is to begin.

With the motion remaining on the floor, seconded by Lorenz, the members present voted as follows: ayes – Good, Lorenz and Settle; nays – Weber and Merry; abstention – Catsavis. The Mayor declared the motion defeated.

Settle, seconded by Lorenz, moved to table consideration of the proposed resolution and call a special meeting on March 11, 2014. The members present voted as follows: ayes – Catsavis and Settle; nays – Good, Lorenz, Weber and Merry. The Mayor declared the motion defeated.

Weber, seconded by Merry, moved adoption of the resolution as presented. The members present voted as follows: ayes – Good, Lorenz, Weber and Merry; nays –

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Settle; abstention – Catsavis. The Mayor declared the motion carried and the resolution was adopted and given No. R-20-14.

The Consent Agenda Item's No. 2B through 2D were re-introduced for consideration.

Settle, seconded by Lorenz, moved adoption of consent agenda items 2B through 2D. The members present all voting affirmatively, the Mayor declared the motion carried and the resolutions were adopted and numbered R-21-14 through R-23-14 respectively.

Mayor Sanders opened the Officials Forum with the following comments offered:

➤ Mayor Sanders

- Re: 1. Reminded all that the monthly town hall meeting will take place immediately following adjournment of the meeting.
2. Invited all to attend a reception in honor of U.S. Ambassador Michael Moussa-Adamo of Gabonese Republic on March 13, 2014 from 5:30 p.m. to 7:00 p.m. at the Riverfront Pavilion 100 North B Street.

➤ Director Weber

Re: Moved, seconded by Catsavis, to place an amendment to Resolution No. R-13-14 regarding priorities for the 2015 session of the Arkansas General Assembly to include local bidder option for municipalities as discussed at the February 24, 2014 brainstorming meeting on the March 18, 2014 agenda.

➤ Director Settle

Re: Announced the University of Arkansas Fort Smith Lions men's basketball team will host the Heartland Conference Friday, March 7 and Saturday, March 8, 2014 at the UAFS Stubblefield Center; therefore, he encouraged all to attend.

➤ Administrator Gosack

Re: 1. Reminded all of the following events:

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- A. The dedication ceremony for Fire Station No. 11 at Chaffee Crossing is on Thursday, March 6, 2014. Tours will be available at 4:00 p.m. and the dedication ceremony begins at 5:00 p.m.
 - B. Ground breaking ceremony for the Aquatics Facility Friday, March 7, 2014 at 5:30 p.m. at Ben Geren Park Aquatics Facility site.
3. Announced The Spring 2014 Citizens Academy will begin on Monday, March 10, 2014, noting the success of this program this being the 15th class, in the 8 years since the programs conception.

There being no further business to come before the Board, Catsavis moved that the meeting adjourn. The motion was seconded by Merry, and the members all voting aye, the Mayor declared the motion carried and the meeting stood adjourned at 6:40 p.m.

APPROVED:



Mayor

ATTEST:



City Clerk