

MINUTES OF THE BOARD OF DIRECTORS REGULAR MEETING

TUESDAY ~ NOVEMBER 18, 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 Chaplain Shirley Harrod of ICU / Sparks Regional Medical Center, followed by the Pledge of Allegiance. On roll call the following members of the Board were present: Directors Keith Lau, Mike Lorenz, George Catsavis, Pam Weber, Kevin Settle and Philip H. Merry, Jr. Director Andre' Good arrived during Item No. 1. The Mayor declared a quorum present.

Mayor Sanders 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 November 4, 2014 regular meeting was presented for approval. Settle, seconded by Lorenz, moved approval of the minutes as written. The members present all voting aye, the Mayor declared the motion carried.

With regard to the time limit policy for persons wishing to address the Board, the Mayor communicated that five (5) minutes per side would be granted for controversial items with three (3) minutes for rebuttal per side, and two (2) minutes for comments only.

Item No. 1 consisted of the following presentations:

- ▶ Mr. Mike Bock, Director of the Sebastian County Girls Softball League, presented the Claudia Vaughn Award to the Mayor and Board of Directors. Such was in recognition of the City's efforts to construct the softball fields at Ben Geren Regional Park.
- ▶ The Mayor and Board recognized Director of Parks and Recreation Mike Alsup for his dedicated service to the City of Fort Smith Parks Department citing his many accomplishments during his tenure with the City. Mr. Alsup is relocating to Shelbyville, Tennessee to be closer to his family.

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Mayor Sanders announced this was the time and place set for a public hearing regarding certification of delinquent property cleanup liens to the Sebastian County Tax Collector. Notice of the public hearing has been duly published as required by law. Following the public hearing, an ordinance authorizing same will be presented for consideration (Item No. 2).

City Clerk Sherri Gard briefed the Board on the item advising the ordinance certifies such to the Sebastian County Tax Collector a total of \$161,441.25 in delinquent property cleanup liens associated with those properties abated or structures demolished by the City of Fort Smith. Each lien includes a 10% penalty. There are 424 delinquent liens included within the ordinance involving 163 property owners and 193 properties. In 2013, there were 430 delinquent liens totaling \$155,968.33 certified to the Sebastian County Tax Collector. Public hearings were held before the Property Owners Appeal Board on September 22 and 24, 2014 in the Bartlett Community Room with nine (9) property owners presenting appeals. The Property Owners Appeal Board also considered appeals at their October 13, 2014 meeting. In the event any lien has been paid in full, it was recommended that the motion for approval include a provision to allow the removal of said lien(s) from the ordinance prior to formal submission to the Sebastian County Tax Collector.

There being no individual present to address the Board, the Mayor closed the public hearing.

Good, seconded by Lorenz, 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 motion also provided for the removal of any liens paid in full prior to formal submission to the Sebastian County Tax Collector.

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The City Clerk read the ordinance for its readings and the members all voting affirmatively, the Mayor declared the motion carried and the ordinance was adopted and given Ordinance No. 62-14.

Item No. 3 was an ordinance amending Article III of Chapter 6 of the Fort Smith Municipal Code to adopt the 2014 Edition of the National Electrical Code, as adopted by the Arkansas Board of Electrical Examiners, and for other purposes.

Director of Development Wally Bailey briefed the Board on the item advising the Arkansas Board of Electrical Examiners recently completed the process of adopting 2014 National Electrical Code. Said process included compliance with the administrative procedures act. The process also included a discussion with many stakeholders including the Arkansas Homebuilders Association (AHBA). Following discussions with the AHBA and the legislative committee, the Arkansas Board of Electrical Examiners approved new regulations that require the 2014 National Electrical Code to be the standard for construction, installation, repair, and maintenance of electrical facilities and the performance of electrical work. The code was amended with the requirement that arc fault circuit interrupters in kitchens and laundry rooms are not required. The Electrical Code Board of Appeals reviewed the new regulations on October 29, 2014 whereby they agreed that several city electrical code amendments are now covered by the National Electrical Code or are no longer relevant. Some language was added in Section 6-153(4) for clarification. No new city amendments or code requirements are being added to the National Electrical Code.

Settle, seconded by Merry, 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

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and for the readings to occur on the same date. The City Clerk read the ordinance for its readings and the members all voting affirmatively, the Mayor declared the motion carried. Catsavis, seconded by Lorenz, moved adoption of Section 6 the emergency clause. The members all voting affirmatively, the Mayor declared the motion carried and the ordinance and emergency clause were adopted and given Ordinance No. 63-14.

Item No. 4 was an ordinance amending Article IV of Chapter 6 of the Fort Smith Municipal Code to adopt the 2014 Arkansas Energy Code for new building construction supplements and amendments, and for other purposes.

Mr. Bailey briefed the Board on the item advising the Arkansas Energy Office has completed a process of updating the existing Arkansas Energy Code. The updated code is known as the 2014 Arkansas Energy Code for New Building Construction Supplements and Amendments. The process of updating the Arkansas Energy Code has been going on for a couple of years. The process has included many construction and real estate organizations and individuals. The new Energy Code and its supplements and amendments are in adherence with the Administrative Procedures Act. A memorandum from the Arkansas Energy Office states the following about the new code:

It is important to note that many changes simplify code requirements around the state and are meant to make it easier for builders and code officials to understand what is necessary for code compliance. This includes a label that must be signed by builders that lists features in the home that demonstrates compliance, the compliance pathway chosen and will be signed by the builder to verify that the house is in compliance with the code. This label will be available by January 1, 2015.

Note that ONLY THE RESIDENTIAL STANDARD in the code was changed. It was updated from the 2003 International Energy Conservation Code (IECC) to the 2009 IECC. The commercial standard is also the 2009 IECC and is unchanged from the 2011 version of the Arkansas Energy Code.

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Any city or county which issues building permits for new building construction must adopt the Arkansas Energy Code by December 31, 2014.

Weber, seconded by Lorenz, 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 all voting affirmatively, the Mayor declared the motion carried. Settle, seconded by Lorenz, moved adoption of Section 4 the emergency clause. The members all voting affirmatively, the Mayor declared the motion carried and the ordinance and emergency clause were adopted and given Ordinance No. 64-14.

Item No. 5 was a resolution of intent of the Board of Directors of the City of Fort Smith, Arkansas regarding the issuance of bonds for the purpose of assisting in the financing of an industrial facility expansion to be located within the city (*Dixie Consumer Products, LLC*).

Deputy City Administrator Jeff Dingman briefed the Board on the item advising Dixie Consumer Products, LLC is expanding their facility at 4411 Midland Boulevard. The company proposes that the expansion will house a new printing press, plate presses, packaging and handling equipment, associated machinery and equipment, and infrastructure improvements at the site requiring expenditures estimated at not to exceed \$55,000,000. In addition to the significant physical expansion, the company will be adding 15 new jobs at approximately \$19/hour. The principal advantage of industrial revenue bonds is the reduction of property taxes. Upon completion of the process, the company and the city will enter into a Payment in Lieu of Taxes agreement whereby the company will pay an amount equal to 50% of the normal property taxes for a period of 15 years.

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Dixie Consumer Products, LLC will be solely responsible for the debt service payments on the bonds. The City has no obligation to make the bond payments. The proposed investment will support one of the board's top goals: economic development and job retention/creation.

Merry, seconded by Good, moved adoption of the resolution. The members all voting affirmatively, the Mayor declared the motion carried. Settle, seconded by Merry, moved adoption of Section 3 the emergency clause. The members all voting affirmatively, the Mayor declared the motion carried and the resolution and emergency clause were adopted and given Resolution No. R-156-14

Item No. 6 was an ordinance amending Section 2-26 of the Fort Smith Municipal Code setting the date, time and location for regular meetings of the Board of Directors for the year 2015 ~ *Settle/Merry placed on agenda at the November 10, 2014 study session* ~

Administrator Gosack briefed the Board on the item as discussed at the November 10, 2014 study session whereby the Board concurred to retain the first and third Tuesday of each month for all regular meetings in 2015. There are no holidays in 2015 that conflict with any scheduled regular meeting dates.

Catsavis, seconded by Lorenz, 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 all voting affirmatively, the Mayor declared the motion carried and the ordinance was adopted and given Ordinance No. 65-14.

The Consent Agenda (Item No. 4) was introduced for consideration, the items being as follows:

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- A. Ordinance declaring exceptional circumstance and authorizing continuation of agreement with ArcBest Technologies
- B. Resolution accepting completion of and authorize final payment for the removal of buildings and foundations associated with Jenny Lind Road and Ingersoll Avenue Widening, Project No. 07-01-A (\$2,210.88 / *Engineering Department / Budgeted - Sales Tax Program Fund*)
- C. Ordinance declaring an exceptional situation waiving the requirements of competitive bidding and authorizing payment to Goodwin & Goodwin, Inc. for the Division Street Emergency Sanitary Sewer Repair (\$72,038.05 / *Utility Department / Not Budgeted - 2014 Sales Tax and Use Tax Bonds*)
- D. Resolution authorizing Change Order No. 1 with Preload, Inc. for the Chaffee Crossing Water Supply Improvements - 2.5 MG Reservoir (\$7,425.00 / *Utility Department / Budgeted - 2012 Sales Tax and Use Tax Bonds*)
- E. Resolution accepting Change Order No. 1 with LJB Construction Inc. for the construction of the Ben Geren Softball Field Addition (\$5,857.00 / *Parks Department / Budgeted - 1/8% Sales and Use Tax*)
- F. Resolution accepting completion of and authorizing final payment to LJB Construction Inc. for the construction of the Ben Geren Softball Field Addition (\$11,268.00 / *Parks Department / Budgeted - 1/8% Sales and Use Tax*)
- G. Resolution approving and authorizing the Mayor to execute trade contracts for materials and services related to the construction of an aquatic facility at Ben Geren Regional Park (\$275,894.00 / *Parks Department / Budgeted - 2012 Sales Tax Bonds and Resolution No. R-186-13*)

Settle, seconded by Catsavis, moved adoption of all consent agenda items. The members all voting affirmatively the Mayor declared the motion carried and the ordinance and resolutions were adopted with the ordinances given Ordinance No. 66-14 through 67-14 respectively, and the resolutions given Resolution No. R-157-14 through R-161-14 respectively.

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

▶ Mayor Sanders

- Re: 1. Announced Saturday, November 29 is Small Business Saturday; therefore, he encouraged all to shop local at a small business!
2. Reminded all that the 74th Annual Fort Smith Christmas Parade is set for 1:00 p.m., Saturday, December 13 on Garrison Avenue.

▶ Director Merry

Re: Announced Christmas Honors is fast approaching and provided the following:

1. Wreath Workshop
Fort Smith Convention Center, Hall C
Friday, December 12, 9:00 a.m.
2. Distribution of Wreaths
Fort Smith National Cemetery
Saturday, December 13
10:15 a.m. Service Branch Salute (*Bell Tower*)
10:30 a.m. Family Distribution (*Reserved for families to lay wreaths*)
11:00 a.m. Nationwide Heroes Tribute Ceremony (*Pavilion*)

The public distribution of wreaths will follow the 11:00 a.m. ceremony

3. Wreath Pick-up and Storage
Fort Smith National Cemetery and Fort Smith Convention Center
Saturday, January 3, 2015, 8:30 a.m.

▶ Director Lorenz

Re: Announced the 20th Annual RiverFront Grand Prix is set for November 29 & 30 citing current registrants include riders from eight (8) states, as well as some international riders. He encouraged all to come to the event.

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▶ Director Settle

Re: Extended much congratulations to the following University of Arkansas Fort Smith (UAFS) sports teams for representing Fort Smith regarding the below noted accomplishments:

1. UAFS Womens Volleyball
Recently won the Heartland Conference Tournament with a five (5) set victory over St. Edwards University. They will play in the NCAA Division II national tournament on Thursday, November 20. The first game is set for 3:30 p.m. against Colorado School of Mines at Grand Junction, Colorado.
2. UAFS Mens Basketball
Recent trip to Utah where they played Division I teams, Utah State and Southern Utah. The team lost to Utah State by seven (7) points and beat Southern Utah by one (1) point.

The Board entered into executive session at approximately 6:26 p.m. and after reconvening, the Mayor announced the following appointment nominations:

ADVERTISING AND PROMOTION COMMISSION

Tom Caldarera (reappointment)
Calvin Remy (reappointment)
Terms expire December 31, 2018

Storm Nolan
(to fill the unexpired term of Henry Perez who resigned)
Term expires December 31, 2015

Sandi Snead
(to fill the unexpired term of Nora Bowman who resigned)
Term expires December 31, 2017

BUILDING BOARD OF ADJUSTMENT AND APPEALS

David Edwards (reappointment)
Evan Fleming (reappointment)
Terms expire November 30, 2018

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FIRE CODE BOARD OF APPEALS AND ADJUSTMENTS

Gene Nelson (reappointment)

Term expires October 31, 2018

Settle, seconded by Lau, moved acceptance of the above named nominations. The members all voting aye, the Mayor declared the motion carried.

Regarding the performance evaluation of the City Administrator (*Lau/Catsavis placed on agenda at the November 13, 2014 budget hearing*), no formal was action taken; however, Mayor Sanders announced the Board relayed performance recommendations to Administrator Gosack.

There being no further business to come before the Board, Settle moved that the meeting adjourn. The motion was seconded by Catsavis, and the members all voting aye, the Mayor declared the motion carried and the meeting stood adjourned at 7:55 p.m.

APPROVED:


MAYOR

ATTEST:


CITY CLERK