

MINUTES OF THE BOARD OF DIRECTORS REGULAR MEETING

TUESDAY ~ APRIL 7, 2015 ~ 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 Music Pastor Dino Hutchings of Evangel Temple Church, followed by the Pledge of Allegiance. On roll call the following members of the Board were present: Directors Keith Lau, Andre' Good, Mike Lorenz, George Catsavis, Tracy Pennartz, Kevin Settle and Don Hutchings. 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 March 17, 2015 regular meeting was presented for approval. Settle, seconded by Hutchings, moved approval of the minutes as written. The members all voting aye, the Mayor declared the motion carried.

Item No. 1 was an ordinance to provide for rates for services of the sanitary sewer system and superseding ordinances in conflict herewith ~ *Tabled to the April 7, 2015 regular meeting at the March 17, 2015 regular meeting ~*

City Administrator Ray Gosack briefed the board on the item advising such is the sewer rate ordinance as introduced at the March 3, 2015 regular meeting, along with a resolution setting the matter for a public meeting on March 17, 2015. Following the March 17 public meeting, consideration of the rate ordinance was tabled to allow anticipated discussion at the March 19, 2015 special study session. At said special study session, the Board discussed adjusting the sewer fund reserve to a 20-percent (20%) level rather than the 33-percent (33%) level as originally presented. If the Board

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opts to consider the twenty-percent (20%) fund reserve, the ordinance must be amended to reflect such. The proposed ordinance also includes an effective date of May 1, 2015. In order to ensure the aforementioned effective date, the ordinance must be amended to include an emergency clause, which requires five (5) affirmative votes for passage. If the ordinance is not amended to include an emergency clause and/or if the emergency clause is not approved, the effective date of the proposed sewer rates cannot become effective until thirty (30) days after adoption of the ordinance.

The following individuals were present to address the Board:

- David Harris
Fort Smith

Re: Expressed gratitude for the Board's desire for citizens to not have to pay any more than absolutely necessary. He further noted the harsh fines associated with the consent decree if deadlines are not met; therefore, he expressed desire for the Board to keep such in mind.

- Noah Steffy
Fort Smith

Re: Spoke in opposition of the item alleging such places a burden on low-income citizens and "*cries foul*" alleging other funding sources should be sought.

Director Good expressed gratitude to Mr. Harris and Mr. Steffy for their input. He further affirmed the harsh consequences of not meeting deadlines required within the consent decree, as well as additional detrimental actions taken by the State of Arkansas. With regard to other funding sources, he affirmed that multiple funding sources were explored; however and unfortunately, the proposed has been determined to be the best option. Concern was expressed with the proposed number of employees required; however, he conceded he is not an expert on the matter and conveyed the importance and necessity of relying on the recommendations of experts and staff.

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Director Lorenz noted that providing water and sewer is a municipally supplied service that is inherently an expense citizens who utilize such are responsible for. The current members of the Board of Directors do not wish to make the same mistakes as its predecessors citing the rates must be increased to adequately coincide the service to the actual cost to provide such.

Director Settle expressed concern regarding the implementation of additional employees needed to facilitate the demands of the consent decree.

Director Pennartz noted the Utility Assistance Program / Project Concern's Federal Poverty Level (FPL) is at 165%. After six (6) months of implementation of the new sewer rate, she requested the FPL trend data be evaluated to determine if the percentage should be adjusted. She also expressed concern with the number of additional employees needed to meet the demands of the consent decree. Although consideration of the proposed rate increase is an unfortunate necessity, she clarified that such does not prohibit investigation of alternative funding options that may become available in the future.

Mayor Sanders reiterated that he and the Board are disheartened with the burden to pass the issue onto the residents; however, such is essential to improving the position the City is currently in and the City will be better off for such. He further noted that after the rate increase, the rates are still lower than surrounding comparable cities rates. The required funding is vital not only to comply with the consent decree and avoid unnecessary fines, but to also make necessary improvements to the sewer system that will improve and prevent future issues for the residents of Fort Smith.

Lorenz, seconded by Hutchings, moved to amend the ordinance adjusting the sewer fund reserve to 20-percent (20%), which reduces the originally proposed sewer rate. The members voted as follows: ayes – Lorenz, Catsavis, Pennartz, Settle and

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Hutchings; nays – Lau and Good. The Mayor declared the motion carried and the ordinance stood amended.

Lau, seconded by Good, moved to amend Section 3 of the ordinance to include an emergency clause. The members voted as follows: ayes – Lau, Good, Lorenz, Catsavis, Pennartz and Hutchings; nays – Settle. The Mayor declared the motion carried and Section 3 of the ordinance stood amended.

Lau, seconded by Lorenz, moved adoption of the ordinance as amended. 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 voted as follows: aye - Lau, Good, Lorenz, Catsavis, Pennartz and Hutchings; nays – Settle. The Mayor declared the motion carried. Lau, seconded by Good, moved adoption of Section 3 the emergency clause. The members voted as follows: ayes – Lau, Good, Lorenz, Catsavis and Hutchings; nays – Pennartz and Settle. The Mayor declared the motion carried and the ordinance and emergency clause were adopted and given Ordinance No. 23-15.

Item No. 2 was an ordinance amending charges for the Utility Assistance Program's residential sanitation services provided by the Department of Sanitation of the City of Fort Smith.

Administrator Gosack briefed the Board on the item advising such comes as a result of a review of the Utility Assistance Program by the Finance Department. Such review revealed that an amendment adopted in 2013 contained an error in the reduced rate established for participants in the Assistance Program for sanitation services. The error resulted in a thirteen percent (13%) discount rather than the intended nineteen (19%) discount for program participants. The proposed ordinance amends the reduced rate for residential sanitation services to \$10.46, an accurate reflection of the 19%

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discount of the standard rate as required in the Fort Smith Municipal Code Section 25-99.

Director Settle inquired how many citizens currently participate in the Utility Assistance Program and expressed desire to be able to lower rates for all citizens.

Deputy Director of Finance Jennifer Walker advised there are currently less than 100 program participants.

Hutchings, 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. 24-15.

Item No. 3 was an ordinance amending the 2009 Unified Development Ordinance of the City of Fort Smith (*dumpster screening*).

Administrator Gosack briefed the Board on the item advising the proposed amendment exempts multi-family developments from screening individual automated trash cans provided by the Fort Smith Sanitation Department. Such is not possible or reasonable to screen each can; however, all multi-family developments with dumpsters will still be required to provide screening around the dumpster. The Planning Commission held a public hearing on March 10, 2015 with no individual present to speak in opposition. The Planning Commission recommended the amendment for Board consideration with seven (7) in favor and zero (0) opposed.

Settle, seconded by Pennartz, 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

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the motion carried. Settle, seconded by Pennartz, moved adoption of Section 3 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. 25-15.

Item No. 4 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 (*2800 Neis, 922 North 11th Street and 5203 Poplar*).

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.

Regarding the structure at 5203 Poplar, Director Hutchings inquired why the demolition process has taken years to address.

Building Official Jimmie Deer advised the delay is a result of the property being sold multiple times. After each sale, staff has tried to work with each new owner and provide adequate time for the most current owner to bring the structure into compliance.

Director Lau inquired if the metal storage building on the back of the property is included in the proposed demolition whereby Mr. Deer confirmed the storage building is not included.

Good, seconded by Hutchings, 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

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the motion carried. Settle, seconded by Good, moved adoption of Section 5 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. 26-15.

The Consent Agenda (Item No. 5) was introduced for consideration, the items being as follows:

- A. Ordinance to abandon a sanitary sewer easement located in Wright Estates, Lot 1 an addition to the City of Fort Smith, Sebastian County, Arkansas (*2830 Country Club Avenue*)
- B. Resolution to accept the bid and authorize a contract for the Town Branch Drainage Improvements, Phase III, Project No. 11-06-B (*\$2,716,756.25 / Engineering Department/ Budgeted – Sales Tax Program*) ♦
- C. Resolution to accept the bid and authorize a contract for the construction of Traffic Signal Improvements, Project No. 14-09-A (*\$451,086.75 / Engineering Department / Budgeted – Sales Tax Program*) ♦
- D. Resolution authorizing an amendment to the engineering services agreement for the Geren Road Reconstruction, Project No. 15-02-A (*\$348,000.00 / Engineering Department / Budgeted – Sales Tax Program*) ♦
- E. Resolution accepting the bid for purchase of real property and authorizing the Mayor to execute a deed conveying real property interests (*8229 Cisterna Way*)
- F. Resolution authorizing the Mayor to execute Authorization No. 2 to the agreement with Brixey Engineering and Land Surveying, Inc. for engineering services for the Neighborhood Water System Improvements – Reduced Service Area (*\$77,400.00 / Utility Department / Budgeted – 2008 Revenue Bonds*) ♦
- G. Resolution accepting the bid of and authorizing the Mayor to execute a contract with Forsgren, Inc. for the Neighborhood Water System Improvements – Reduced Service Area (*\$954,734.18 / Utility Department / Budgeted – 2008 Revenue Bonds*) ♦
- H. Resolution accepting bid for the purchase of a rear loader (*\$229,057.92 / Department / Budgeted – Capital Outlay 6302-302*)

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Regarding Item No. 5B, Director Settle requested Director of Engineering Stan Snodgrass provided a brief explanation.

Mr. Snodgrass advised the project consists of drainage improvements to reduce the frequency of flooding that occurs in the downtown area and areas just north of downtown. The work includes improving the upstream outfall beginning at the South "G" Street/Towson intersection and extending west and south ultimately flowing into Mill Creek. This outfall is restricted which is contributing to the flooding in the downtown areas. The project also includes reconstruction of drainage inlets along the east side of Towson Avenue between South "A" and "D" Streets to allow those inlets to intercept more storm water runoff.

Settle, seconded by Good, 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 ordinance given Ordinance No. 27-15 and the resolutions numbered Resolution No. R-57-15 through R-63-15, respectively.

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

➤ Mayor Sanders

Re: Announced the monthly Town Hall meeting will be held immediately following adjournment and encouraged all who wish to participate to please sign up at the City Clerk's desk.

➤ Director Settle

Re: Advised season passes to Parrot Island Water Park are now available for purchase. The cost is \$59 dollars for

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single person and \$199 for a family of four (4). Such may be purchased at an office located inside the Ben Geren storm shelter.

➤ Administrator Gosack

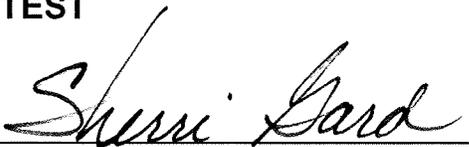
Re: Reminded all of the Ward 2 meeting scheduled for 6:00 p.m., Tuesday, April 14th at the Elm Grove Community Center, 1901 North Greenwood Avenue.

There being no further business to come before the Board, Lau moved that the meeting adjourn. The motion was seconded by Hutchings, and the members all voting aye, the Mayor declared the motion carried and the meeting stood adjourned at 6:43 p.m.

APPROVED


MAYOR

ATTEST


CITY CLERK