

## **MINUTES OF BOARD OF DIRECTORS REGULAR MEETING**

**TUESDAY ~ OCTOBER 19, 2010 ~ 6:00 P.M.**

### **FORT SMITH PUBLIC SCHOOLS SERVICE CENTER**

The meeting was called to order by Vice Mayor Gary Campbell, presiding in the absence of Mayor Ray Baker. Invocation was given by Chief of Police Kevin Lindsey, followed by the Pledge of Allegiance. On roll call the following members of the Board were present: Directors Steve Tyler, Andre Good, Don Hutchings, Bill Maddox, Gary Campbell, Kevin Settle, and Cole Goodman. A quorum was declared present.

Deputy Administrator Ray Gosack served as Acting City Administrator in the absence of Administrator Dennis Kelly who was attending the International City Managers Conference in San Jose, California.

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

The minutes of the October 5, 2010 regular meeting were presented for approval. Settle, seconded by Hutchings, moved approval of the minutes as written. The members present all voting aye, the Vice Mayor declared the motion carried.

With regard to the time limit policy for persons wishing to address the Board, Vice Mayor Campbell communicated that five (5) minutes per side would be extended on controversial items with three (3) minutes for rebuttal per side.

Item No. 1 was a resolution authorizing the City of Fort Smith's participation in First Lady Michelle Obama's "*LET'S MOVE!*" campaign to solve the problems of childhood obesity.

Acting Administrator Gosack briefed the members on the item noting that such was

requested at the October 5<sup>th</sup> regular meeting. The First Lady is calling on mayors and elected officials across the country to join her *Let's Move!* Campaign to solve the problem of childhood obesity within a generation. The application to participate in the campaign requires the designation of an elected official who's leading the effort; therefore, a blank has been left in the resolution for the board to name the official.

Director Maddox commented that the school system needs to be involved in this, as well as responsibility by the parents.

Director Tyler spoke in support of the resolution, and volunteered to be the city's designated official to lead the effort.

Director Good also spoke in support of the resolution and encouraged a cooperative effort with the school system.

Good, seconded by Tyler, moved adoption of the resolution and to designate Director Tyler as the city's elected official to lead the campaign effort. The members all voting affirmatively, the Vice Mayor declared the motion carried, and the resolution was adopted and numbered R-186-10.

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

- A. Resolution authorizing Change Order No. 1 to the contract for the construction of a parking lot at 115 North 2<sup>nd</sup> Street (\$6,195.00 decrease)
- B. Resolution accepting completion of and authorizing final payment for the construction of a parking lot at 115 North 2<sup>nd</sup> Street (\$115,230.00)
- C. Resolution to accept the bids and authorize a contract for the construction of Drainage Improvements, Phase I, Project No. 10-06-B (\$678,400.25)

- D. Resolution opposing proposed legislative changes which would affect the City of Fort Smith's ability to self-insure for workers' compensation coverage
- E. Resolution authorizing the extension of the lease agreement with Produce Row Development, LLC at an agreed amended rental
- F. Resolution authorizing partial payment to Crossland Heavy Contractors, Inc., for construction of the Lake Fort Smith Water Treatment Plant - Contract 3 (\$903,748.68)
- G. Resolution authorizing the Mayor to execute an amendment to the agreement with Burns & McDonnell Engineering, Inc., for the water and sewer rate and development impact fee study (\$25,000.00)
- H. Resolution authorizing the City Administrator to accept an offer made by property owner for the acquisition of real property interests for the Lake Fort Smith Water Supply Project (\$12,500.00)
- I. Resolution accepting the project as complete and authorizing final payment to Mid-America Environmental for the Lee Creek Water Treatment Plant Residuals Lagoon Cleaning (\$177,121.59)
- J. Resolution authorizing the Mayor to execute an agreement with Hawkins-Weir Engineers, Inc., for engineering services associated with the Highway 45 and Zero Water & Sewer Relocation (\$99,000.00)

There were brief questions regarding items C, G, and I, and Director Campbell requested separate discussion and vote on item D.

Regarding item C, Director Good advised that he had been contacted by the owner of one of the properties involved, and they expressed appreciation for the drainage project.

Regarding item G, Director Good questioned what conditions have changed to require a rate change. Utilities Director Steve Parke, Mr. Gosack, and Director of Finance Kara Bushkuhl all offered responses to the question.

Mr. Parke advised that it has been five or more years since a rate increase to keep pace with the rising costs associated with materials, utilities, and various operating expenses and such has reduced the budget.

As a follow up to Mr. Parke's comments, Mr. Gosack gave the examples of the current renovation and expansion of the Lake Fort Smith Water Treatment Plant. The improvements are being funded entirely with water/sewer revenue bonds supported by water rate adjustments. Also, all of the neighborhood water line work that has been done over the last several years has been financed in the same way. The situation now is that additional debt can not be issued without a rate adjustment. Existing revenue is pledge to pay bonds that have already been authorized and issued.

Mr. Bushkuhl reminded the board concerning the shortage in the bond debt service coverage, advising that revenue estimates for year end 2010 is 102% which is a serious bond covenant violation.

Regarding item I, Director Good inquired if lagoon number two will be addressed next year, and Mr. Parke responded that it will be.

Maddox, seconded by Tyler, moved approval of all consent agenda items with the exception of item D to be considered separately. The members voted affirmatively for all items with the exception of Director Settle voting "no" on items E, G, and I. The Vice Mayor declared the motion carried, and the resolutions were adopted and numbered R-187-10 thru R-189-10, and R-191-10 thru R-196-10 respectively.

Vice Mayor Campbell addressed item D, and suggested the resolution be tabled for 30 days so that factual information can be obtained and the board will have time to review. He noted that Administrator Kelly and HR Director Richard Jones have a meeting with

representatives of the Arkansas Municipal League (AML) in Little Rock on November 3, and voting on the resolution at this time would be premature.

There was considerable discussion regarding AML's support of the proposed legislation without any direct contact with City of Fort Smith officials.

Director Goodman stated that the City has a proven track record with its self-insured workers' compensation program, and expressed much displeasure with AML's involvement in the proposed legislation.

Director Tyler spoke in support of the suggestion to table the resolution for 30 days.

Director Maddox stated that the resolution can be rescinded if the issue is resolved at the November 3 meeting with AML. (Note: To rescind the resolution would require a motion and second by directors who originally voted in favor of the resolution)

Goodman, seconded by Settle, moved adoption of the resolution, and the members voted as follows: ayes - Good, Hutchings, Maddox, Settle, and Goodman; nays - Tyler and Campbell. The Vice Mayor declared the motion carried, and the resolution was adopted and numbered R-190-10.

Vice Mayor Campbell opened the Officials Forum with the following comments offered:

▶ Vice Mayor Campbell

October 28<sup>th</sup> marks the fifth anniversary of the Lake Fort Smith dedication ceremony. It was projected at the time that the lake capacity would serve the area until the year 2050; the capacity is now projected to last until the year 2060!

▶ Director Tyler

Proposed that the animal control issues scheduled for the December 14<sup>th</sup> study session be postponed until January in order to give new board members the opportunity to be involved in the discussion/formal consideration.

The Board concurred, and Acting Administrator Gosack noted that the items would be scheduled for the January 25, 2011 study session.

An executive session was held, and after reconvening, Vice Mayor Campbell announced the following appointment nominations:

**ADVERTISING & PROMOTION**

Director Don Hutchings  
Replacing Bill Maddox  
Indefinite Term

**BUILDING BOARD OF ADJUSTMENTS & APPEALS**

David Edwards ~ reappointment  
Term Expires November 30, 2014

**AUDIT COMMITTEE**

Appointments deferred to  
November 16 regular meeting

Goodman, seconded by Tyler, moved acceptance of the appointment nominations, and the members all voting aye, the Vice Mayor declared the motion carried.

With regard to the time limit policy for persons wishing to address the Board in Citizens Forum, Vice Mayor Campbell communicated that two (2) minutes will be allotted to each person wishing to speak.

Vice Mayor Campbell opened the Citizens Forum with the following individuals present to address the Board:

- John Hamel  
3301 Old Greenwood Road

He proceeded to address a campaign sign issue involving a city director candidate, whereby Vice Mayor Campbell advised Mr. Hamel that the Citizens Forum is not a political forum and requested that he refrain from further comment.

On a separate matter, Mr. Hamel extended appreciation to Director Goodman for his earlier comments regarding the City workers' compensation program.

- J.R. Vincent  
312 North 33 Street

1. Spoke regarding a problem with the water meter at his former residence on Courtland Street.

Mr. Gosack noted that Bill Hon, City Business Manager, was checking into the situation.

2. Presented a commemorative booklet for 2009 anniversary of the Ray Baker Senior Center and inquired if such was paid for by the City.

Mr. Gosack indicated he was not familiar with the item but would see what he could find out.

3. Questioned if Mr. Gosack continues to be paid by the City when he is away interviewing for other positions.

Vice Mayor Campbell responded that an answer will be provided to Mr. Vincent.

- David Harris  
2025 South V Street

Suggested an audit of convention center operations be performed in order to determine how much money is needed to operate the facility.

- Eric Arthur  
815 North B Street

Suggested that a business plan be developed for the City.

Director Goodman advised that he overlooked a matter to address during the Officials Forum and requested an opportunity to do so at this time. He noted previous discussion with Chief Lindsey regarding concerns for the lack of auto liability insurance by

residents in the community, and inquired if Chief Lindsey was prepared to present an ordinance at the October 26 Study Session for the Board's review. Chief Lindsey responded that he was prepared to do so, and Director Settle seconded the motion to place the item on the study session agenda.

There being no further business to come before the Board, Maddox moved that the meeting adjourn. The motion was seconded by Hutchings, and the members all voting aye, the Vice Mayor declared the motion carried, and the meeting stood adjourned.

**APPROVED:**

  
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VICE MAYOR

**ATTEST:**

  
\_\_\_\_\_  
CITY CLERK