

**Searcy City Council – Regular Session**  
**Tuesday, November 13, 2012 7:00 p.m.**  
**Minutes**

Mayor David Morris called to order the Regular Session of the Searcy City Council. Al Fowler gave the Invocation, with the pledge following, led by Steve Sterling. City Clerk Jerry Morris called the roll with the following Aldermen answering “present”: Logan Cothorn, Mary Ann Arnett, Jim Dixon, Steve Sterling, Dale English, Don Raney, Dale Brewer and Mark Derrick. Also present was City Attorney Buck Gibson.

The minutes of the regular October 9, 2012 meeting of the Council were presented for approval. A motion was made by Mr. Sterling and seconded by Mr. Cothorn to approve the minutes. The following voted to approve: Cothorn, Arnett, Dixon, Sterling, English, Raney, Brewer and Derrick.

Clerk/Treasurer Jerry Morris presented the Treasurer’s Report which lists the following balances as of 10-31-12: General Fund: \$1,079,977.82; Street Fund \$697,228.09; Capital Equipment Fund \$240,909.05; LOPFI Fund \$479,254.23; Parks & Recreation Capital Fund \$1,216.64; Act 833 Fund \$14,900.94; Airport Projects Fund \$12,677.65; Special Highway Tax Fund \$2,671,609.65. He also reported a total of \$5,389,587.78 year-to-date in City and County Sales Tax revenues received, which is up \$226,372.78 from the same time in 2011. The total of all funds (excluding special highway tax fund) is \$2,526,164.42. Mr. Raney made a motion, seconded by Mr. Cothorn, to approve the report. Motion carried with the following voting “yes”: Arnett, Dixon, Sterling, English, Raney, Brewer, Derrick and Cothorn.

Item (E) on the agenda was the report on expenditures to date on the Airport Terminal project and the need to transfer funds from the Capital Equipment Fund in the amount of \$125,000.00 to pay current invoices and anticipated invoices to be received before the 50% threshold is met in order to seek reimbursement for said expenditures. When the 50% threshold is met, a request for reimbursement will be submitted for approved 2012 grant money from the Arkansas Aeronautics Commission. A motion was made by Mr. Raney, seconded by Mr. Sterling, to approve the funding transfer for the Airport Terminal project. Motion carried with the following voting “yes”: Dixon, Sterling, English, Raney, Brewer, Derrick, Cothorn and Arnett.

Item (F) on the agenda was a change order to the Airport Terminal project in order to satisfy the Arkansas Department of Health regarding a dump station for the dump cart. City Engineer Mark Lane explained the additional cost to satisfy the request of the Arkansas Department of Health concerning this issue would be approximately \$3,500.00 to \$4,000.00. A motion was made by Mr. Cothorn and seconded by Mr. Dixon to approve the change order. Motion carried with the following voting “yes”: Sterling, English, Raney, Brewer, Derrick, Cothorn, Arnett and Dixon.

Item (G) on the agenda was for approval for the acquisition of a vehicle mounted thermal vision camera. The Searcy Police Department has received a JAG Special Purpose Mini-grant in the amount of \$4,200.00 to be used for this purpose. The total cost of this piece of equipment is \$4382.29, to be paid for with the grant allocation of \$4,200.00 and the remaining balance of \$182.29 to be paid out of currently appropriated funds in the Police Vehicle Equipment expenditure account (01 5-060-03-03). A motion was made by Mrs. Arnett and seconded by Mr. Brewer to approve the purchase and acquisition of the vehicle mounted thermal vision camera. Motion was carried with the following voting “yes”: English, Raney, Brewer, Derrick, Cothorn, Arnett, Dixon and Sterling.

Item (H) on the agenda was an invoice from the Arkansas Highway and Transportation Department requesting payment in the amount of \$5,362.88 for the acquisition of additional right-of-way costs incurred regarding the year 2008 Highway 16/Holmes Road traffic signal. City of Searcy Engineer Mark Lane explained that it is unknown at this time if this is the final expenditure the city will incur regarding acquisition of right-of-way for this project, due to pending condemnation litigation. Motion was made by Mr. Sterling and seconded by Mr. Dixon to approve payment of \$5,362.88 to the Arkansas Highway and Transportation Department. Motion carried with the following voting “yes”: Raney, Brewer, Derrick, Cothorn, Arnett, Dixon, Sterling and English. With the approval of payment, it was noted that the budget adjusting ordinance presented for this meeting would need to be amended to authorize the payment to the Arkansas Highway and Transportation Department in the amount of \$5,362.88.

Item (I) on the agenda was for the authorization of the signing of the Agreement between the City of Searcy and the Searcy Regional Economic Development Corporation (SREDC) for the year 2012 and authorization to pay the first one-half installment of \$20,000.00 to the SREDC. A motion was made by Mr. Cothorn and seconded by Mr. Sterling to authorize the signing of the agreement and the payment of \$20,000.00 to the SREDC. Motion carried with the following voting “yes”: Brewer, Derrick, Cothorn, Arnett, Dixon, Sterling, English, and Raney.

Item (J) on the agenda was a resolution regarding the transfer of property (obsolete lighting fixtures from the Sports Complex) to the White County Central School District. Explanation was made that any fixtures needed for possible city use have been held back in reserve from the transfer of property. Mr. Gibson read the resolution in full. Motion was made by Mr. Brewer and seconded by Mr. Dixon to pass the resolution to transfer the property to the White County Central School District. Motion was carried with the following voting “yes”: Derrick, Cothorn, Arnett, Dixon, Sterling, English, Raney, and Brewer. **Resolution 2012-27**

Item (K) on the agenda was for approval of a mutual aid agreement, as required by Arkansas state law, between the City of Searcy and the White County Central School District regarding the donation and transfer of the obsolete light fixtures from the City of Searcy to the White County Central School District. Motion was made by Mr. Sterling and seconded by Mr. Brewer to approve the mutual aid agreement between the City of

Searcy and the White County Central School District. Motion was carried with the following voting “yes”: Cothorn, Arnett, Dixon, Sterling, English, Raney, Brewer, and Derrick.

Item (L) on the agenda was the presentation of the Audit Report for the fiscal year ending June 30, 2012 for the Searcy Board of Public Utilities (Searcy Water Utilities) by Mr. Dan Dawson. A motion was made by Mr. Sterling and seconded by Mr. Derrick to approve the Audit Report as presented by Mr. Dawson. Motion carried with the following voting “yes”: Arnett, Dixon, Sterling, English, Raney, Brewer, Derrick and Cothorn.

Item (M) on the agenda was a budget adjusting ordinance for the 2012 City of Searcy budget. Motion was made by Mr. Raney and seconded by Mr. Brewer to suspend the rules and allow reading of the ordinance by title only. Motion was carried with the following voting “yes”: Dixon, Sterling, English, Raney, Brewer, Derrick, Cothorn and Arnett. Mr. Gibson read the ordinance by title only. A short recess was taken to amend the budget ordinance to include the appropriation and authorization of payment of \$5362.88 to the Arkansas Highway and Transportation Department in Item (H) above. The amended portion of the budget ordinance includes Section 1-7 and Section 2-6. Motion was made by Mr. Derrick and seconded by Mr. Raney to amend the budget ordinance. Motion carried with the following voting “yes”: Sterling, English, Raney, Brewer, Derrick, Cothorn, Arnett and Dixon. The amended budget adjusting ordinance ( addition of items Section 1-7 and Section 2-6) is as follows:

**Section 1.** The budget for the City of Searcy, Arkansas, is amended in the following manner:

1. Appropriate \$4,200.00 to 2012 JAG Special Purpose Grant revenue account (#01 4-000-99-49) and appropriate \$4,200.00 to JAG Special Purpose Grant expenditure account (#01 5-060-56-24), the check in the amount of \$4,200.00 has been received;
2. Authorize a transfer of \$125,000.00 from Capital Equipment Fund to Airport Projects Fund as a loan with reimbursement to the Capital Equipment upon receipt of 2012 grant money from Arkansas Aeronautics Commission : (#04 5-800-05-04 Transfer to Airport Projects Fund) to (#12 4-000-01-04 Transfer from Capital Equipment Fund);
3. Appropriate \$200.00 to Police Donations revenue account (#01 4-000-90-03) and \$200.00 to Donations Expensed expenditure account (#01 5-060-05-06): this comes from \$200.00 donation to Police Department from First Security Bank;
4. Appropriate \$590.25 to Airport Donations revenue account (#12 4-000-01-01), and appropriate \$472.20 (80%) to Airport Terminal grant expenditure account (#12 5-040-56-01), and \$118.05 (20%) to Sitework/Pavement grant expenditure account (#12 5-040-56-02), for September architect fees;

5. Appropriate \$57,155.17 to Airport Donations revenue account (#12 4-000-01-01), and appropriate \$51,792.07 to Airport Terminal grant expenditure account (#12 5-040-56-01), and \$5,363.10 to Sitework/Pavement grant expenditure account (#12 5-040-56-02), [for October 31 contractor's invoice];
6. Transfer \$2,985.00 from Fire Department Donations Expended expenditure account (#01 5-070-05-17) to Fire Department Tires expenditure account (5-070-03-05);
7. Appropriate \$5,362.88 from unappropriated reserves in the Street Fund (Fund #02) to Street Fund Signal HWY 16-Holmes Road expenditure account (#02 5-900-54-10);

**Section 2.** The Mayor and City Clerk are authorized to expend the following sums:

1. \$4,382.29 to Fleet Safety Equipment, Inc.;
2. \$590.25 to SCM Architects for September 30 invoice;
3. \$57,155.17 to James H. Cone, Inc., for October 31 invoice;
4. \$31,617.47 to Stephenson Oil Co. for fuel for all city departments (includes miscellaneous charges of \$212.22 for floor dry, \$11.45 for paint thinner buckets, and \$12.11 for diesel fuel additive);
5. \$20,000.00 to Searcy Regional Economic Development Corporation (SREDC) for the first one-half of 2012 appropriation from general fund.
6. \$5,362.88 to Arkansas State Highway and Transportation Department, for costs of additional right-of-way on year 2008 traffic signal project located at Highway 16 and Holmes Road.

A motion was made by Mr. Derrick and seconded by Mr. Dixon to approve the budget ordinance as amended. Motion was carried by the following voting "yes": English, Raney, Brewer, Derrick, Cothorn, Arnett, Dixon, and Sterling. Mr. Gibson then read the Emergency Clause of the ordinance. Motion was made by Mr. Sterling and seconded by Mrs. Arnett to adopt the emergency clause. Motion was carried with the following voting "yes": Raney, Brewer, Derrick, Cothorn, Arnett, Dixon, Sterling and English.

**Ordinance 2012-33**

Item (N) on the agenda was, as required by Arkansas state law, a presentation of a preliminary budget for 2013 for the City of Searcy. Mayor Morris informed the City Council of the progress being made in establishing the budget proposal for 2013.

The Mayor announced to the City Council an update regarding the public notification for the application process concerning the filling of the Searcy Police Chief position. This position will be open following the retirement of the current Chief of Police on December 31, 2012.

The Mayor gave an update regarding the financial position of the city's General Fund per the request of the City Council for the possibility of giving city employees a bonus before

December 25, 2012. Information was reported by Human Resources Director Jay Shock regarding Certificates of Deposit held for the city at First Community Bank in the amount of \$300,000.00. One of the Certificates of Deposit, in the amount of \$200,000.00, matures on December 4, 2012, making it available without penalty for use toward an employee bonus. Also discussed was the expectation of receipt of grant reimbursement money from Arkansas Parks and Tourism.

A motion was made by Mr. Raney and seconded by Mr. English for the City Council to go into executive session to discuss a personnel issue. Motion carried with the following voting “yes”: Cothorn, Arnett, Dixon, Sterling, English, Raney, Brewer, and Derrick.

A motion was made to come out of executive session by Mrs. Arnett and seconded by Mr. Cothorn. Motion carried with the following voting “yes”: Arnett, Dixon, Sterling, English, Raney, Brewer, Derrick, and Cothorn.

No action was taken during executive session.

A motion was made and seconded to adjourn.

Minutes Approved: December 11, 2012

/s/ David Morris  
MAYOR

ATTEST:

/s/ Jerry Morris  
CITY CLERK

Seal