

Searcy City Council – Regular Session
Tuesday, July 9, 2013 7:00 p.m.
Minutes

Mayor David Morris called to order the Regular Session of the Searcy City Council. Searcy Fire Department Battalion Chief Eddie Hollis gave the Invocation, with the pledge following, led by Searcy Parks and Recreation Director Brian Smith. 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 Mike Chalenburg. Also present was City Attorney Buck Gibson.

Mayor Morris asked the Council to entertain a motion to suspend the rules and amend the agenda to add items #12 (a resolution for the declaration of a nuisance property located at 1509 Lois Place), #13 (discussion/consideration for a one-time bonus for City of Searcy full-time and part-time employees), and #14 section 1-f (budget ordinance addition; the transfer of funds from the Airport Projects Fund [fund 12] to the Capital Equipment Fund [fund 04]). Motion was made by Mr. Raney, seconded by Mr. Cothorn, to suspend the rules and amend the agenda to include the added items (#12, #13, and #14 1-f). Motion carried with the following voting “yes”: Arnett, Dixon, Sterling, English, Raney, Brewer, Chalenburg, and Cothorn.

The minutes of the regular June 11, 2013 meeting of the Council were presented for approval. A motion was made by Mr. Cothorn and seconded by Mr. Sterling to approve the minutes. The following voted to approve: Dixon, Sterling, English, Raney, Brewer, Chalenburg, Cothorn, and Arnett.

Clerk/Treasurer Jerry Morris presented and read the Treasurer’s Report which lists the following balances as of 6-30-13: General Fund: \$1,269,329.97; Street Fund: \$966,995.59; Capital Equipment Fund: \$82,527.89; LOPFI Fund: \$103,634.56; Parks & Recreation Capital Fund: \$9,708.86; Act 833 Fund: \$11,347.88; Airport Projects Fund: \$301,451.58; Special Highway Tax Fund: \$6,973,331.07. He also reported a total of \$3,272,013.84 year-to-date in City and County Sales Tax revenues received, which is up \$15,153.80 from the same time in 2012. The total of all funds (excluding special highway tax fund) is \$2,744,996.33

Item (6) on the agenda was for the presentation and consideration of three (3) quotes obtained for a fuel management system for the City of Searcy. The three (3) quotes obtained were: 1) American Petroleum; \$13,698.13 2) Southern Company; \$14,891.63 and 3) TLP Enterprises; \$14,186.92. Discussion of this issue resulted in questions regarding future expenses as far as software maintenance/updates, technician availability, and the ability to meet specification requirements for this system, that are deliverable by each of the entities from which quotes were obtained. Due to the absence of City of Searcy Engineer Mark Lane at this meeting, who could possibly answer these questions, a motion was made by Mr. Sterling and seconded by Mr. Raney to table a decision on the

acquisition of a fuel management system until the next Council meeting, when more information could be given regarding the questions that were brought forth. Motion carried with the following voting “yes”: Sterling, English, Raney, Brewer, Chalenburg, Cothorn, Arnett, and Dixon.

Item (7) on the agenda was for the consideration of three (3) quotes/proposals obtained for the purchase of a Solar Shade Pavilion system for Berryhill Park and for the approval of funding specifics for said system. The three (3) quotes obtained were: 1) Kyle Recreation; \$13,956.14 2) Hahn Enterprises, Inc. \$15,329.50 and 3) Mid-South Recreation, Inc. \$16,356.24. All three (3) quotes meet specification requirements, with Kyle Recreation submitting the low quote/proposal, and also was the preferred selection as recommended by Searcy Parks and Recreation Director Brian Smith. Discussion included the method of funding for the purchase of the Solar Shade Pavilion system. It was recommended that the remaining funds (\$9,708.86 as of 6-30-2013, along with any interest that will be accrued before the invoice is received) in the Parks and Recreation Capital Fund (fund 10) be used for a portion of the purchase cost with the remaining portion coming from the appropriation of \$10,800.00 in the Capital Equipment Fund (fund 04) 2013 budget. The Parks and Recreation Capital Fund account, which is held at First Security Bank, will be closed upon payment of said portion of the purchase cost of the Solar Shade Pavilion system. Motion was made by Mr. Cothorn, seconded by Mr. English, to accept the quote/proposal submitted by Kyle Recreation for the purchase of a Solar Shade Pavilion system and approve the recommended method of funding for the cost of the purchase as discussed. Motion carried with the following voting “yes”: English, Raney, Brewer, Chalenburg, Cothorn, Arnett, Dixon, and Sterling.

Item (8) on the agenda was for the selection and approval of quotes that were received regarding the construction of a 40x50 foot E-Cycle building. Four (4) companies submitted quotes for the building, both with and without insulation. The quotes were as follows:

Without insulation:

- Heritage: \$17,445.72
- Advantage: \$15,624.00
- Steelbuilt: \$15,135.75
- SBI: \$11,273.15

With insulation:

- Heritage: \$19,458.39
- Advantage: \$17,879.72
- Steelbuilt: \$17,637.76
- SBI: \$13,020.00

A grant has been obtained through White River Planning and Development District from the Arkansas Department of Environmental Quality in the amount of \$23,000.00 for the building and \$10,000.00 for the sitework/slab for the building. This is a 100% reimbursable grant incurring no matching cost to the city. It was recommended by Searcy Sanitation Director Terry Rutherford to select the SBI quote with insulation as it will be less costly to insulate it during construction. The SBI quote does not include

overhead doors but does include walk-through doors. Overhead doors can be added at an expense of approximately \$1,000.00 each (2 overhead doors are required). With the addition of overhead doors, the SBI quote is still the least of the four (4) quotes. These quotes are for the delivery of the metal building components only and do not include the cost of erection. The erection cost will be approximately \$3.00 per square foot (\$6,000.00). With the addition of two (2) overhead doors and the cost of erection, the building will still come in under the grant amount of \$23,000.00 [$\$13,020.00 + \$2,000.00 + \$6,000.00 = \$21,020.00$]. It was also recommended to make the overhead doors electrically operated as this will result in more consistent opening and closing of the doors and thus less wear and tear (less maintenance) on the doors and also help mitigate possible workers compensation claims associated with the lifting/opening of the doors. Electrically operated doors would add approximately \$800.00 to the cost of each overhead door. A motion was made by Mr. Raney, seconded by Mr. Cothorn, to accept the quote submitted by SBI in the amount of \$13,020.00 for the building with insulation and with the addition of electrically operated overhead doors. Motion carried with the following voting "yes": Raney, Brewer, Chalenburg, Cothorn, Arnett, Dixon, Sterling, and English.

Item (9) on the agenda was for the selection/approval of bids/proposals for the demolition of the structure located at 1106 West Arch Avenue. Three (3) bids/proposals were submitted as follows:

- Jackson Dozer and Backhoe Service: \$6,500.00 – demolition and removal of all debris to ground level
- Johnny Brock Excavating and Landscaping, Inc.: \$8,400.00 – equipment, labor, and dumping fees to tear down and haul away
- Sid Langley: \$2,500.00 with the City of Searcy to furnish 40-yard dumpsters and be responsible for the cost of hauling away the debris – an estimated six (6) dumpsters will be needed at an estimated cost of \$561.49 per dumpster (total ~ \$3,368.94, 6 @ \$561.49). This would make the overall cost the amount of \$5,868.94.

During discussion it was pointed out that the Langley proposal includes an estimate of the number of dumpsters that will be required to haul away the debris and that if an extra dumpster is required, the cost would increase to \$6,430.43. It was also pointed out that the exact cost of disposal of each dumpster's contents is also an estimate in that the cost is dependent on the weight of the contents. The Langley bid also does not take into account the cost of using the city's equipment and the use of city employees to haul away the debris. After discussion, a motion was made by Mr. Raney and seconded by Mr. English to accept the bid/proposal from Jackson Dozer and Backhoe Service in the amount of \$6,500.00, in which all costs are known. Motion carried with the following voting "yes": Brewer, Chalenburg, Cothorn, Arnett, Dixon, Sterling, English, and Raney.

Item (10) on the agenda was for the authorization to draw on the appropriation in the Capital Equipment Fund (fund 04) in the amount of \$20,000.00 for Act 833 to cover the payments on the 2011 Typhoon Pumper Fire Truck. This is necessary due to not having received any disbursements of the Act 833 Fire Protection Funds for 2013. This draw on

the Capital Equipment Fund appropriation will allow for the \$8,801.11 monthly payments to be covered through September 2013. Motion was made by Mr. Cothorn, seconded by Mr. Sterling, to approve the draw upon the Capital Equipment Fund in the amount of \$20,000.00. Motion carried with the following voting “yes”: Chalenburg, Cothorn, Arnett, Dixon, Sterling, English, Raney, and Brewer.

Item (11) on the agenda was a resolution for authorization to submit application to the Arkansas Department of Parks and Tourism for grant funding assistance under their Outdoor Recreation Grant Program. Mr. Gibson read the resolution in full. A motion was made by Mr. Chalenburg and seconded by Mr. Dixon to approve the submission for application to the Arkansas Department of Parks and Tourism for grant funding assistance under their Outdoor Recreation Grant Program.. Motion carried with the following voting “yes”: Cothorn, Arnett, Dixon, Sterling, English, Raney, Brewer, and Chalenburg. **Resolution 2013-15**

Item (12) was a resolution for the declaration of a nuisance property located at 1509 Lois Place. Mr. Gibson read the resolution in full. Motion was made by Mr. Raney and seconded by Mr. Sterling to pass the resolution declaring property located at 1509 Lois Place a nuisance property. Motion carried with the following voting “yes”: Arnett, Dixon, Sterling, English, Raney, Brewer, Chalenburg, and Cothorn. **Resolution 2013-16**

Item (13) on the agenda was for discussion and consideration for a one-time bonus for full-time and part-time employees of the City of Searcy. Information and explanation for the costs of two (2) bonus plans were presented to the Council. The first plan was for a \$400.00/\$200.00 full-time/part-time employee bonus, with a total cost of \$107,606.38 (\$103,685.42 to general fund and \$3,920.96 to street fund). The second plan was for a \$200.00/\$100.00 full-time/part-time employee bonus, with a total cost of \$53,803.19 (\$51,842.71 to general fund and \$1,960.48 to street fund). City Clerk/Treasurer Jerry Morris informed the Council that even though the current cash flows for the City of Searcy are in decent shape and would probably support the first plan for a \$400.00/\$200.00 full-time/part-time bonus, there are certain items/obligations that are pending and must be mindful of. These items pending being: continued funding of the Act 833 fire truck payments due to the Act 833 Fire Protection Fund issue not being resolved, continued funding of the city’s LOPFI obligation since the city has not reached the point where the SITT insurance credits are credited, and the month of August 2013 is a three (3) pay period month. A recommendation was made to fund the second plan of a \$200.00/\$100.00 full-time/part-time bonus at this time and a possible second bonus later in the year around Thanksgiving and Christmas. After discussion a motion was made by Mr. Cothorn, seconded by Mr. English, to have an ordinance drafted to expend funds for a \$400.00/\$200.00 full-time/part-time employee bonus. A Special City Council meeting will be called with the date of the meeting used as the qualification date for receipt of the bonus. Motion carried with the following voting “yes”: Dixon, Sterling, English, Raney, Brewer, Chalenburg, Cothorn, and Arnett.

Item (14) on the agenda was a budget ordinance to:

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

- a. Appropriate \$2,100.00 to the General Fund 'Airport Donations' revenue account (01 4-000-90-13) and appropriate \$2,100.00 to the General Fund 'Airport Furniture' expenditure account (01 5-040-05-09) for receipt of donation from Wal-Mart toward airport furnishings;
- b. Appropriate \$136,000.00 to the Airport Projects Fund '2013 Short-Term Financing Loan' revenue account (12 4-000-01-05) and appropriate \$136,000.00 to the Airport Projects Fund '2013 Short-Term Loan Repayment' expenditure account (12 5-040-05-06);
- c. Appropriate up to \$9,730.00 to Parks and Recreation Capital Fund 'Solar Shade Pavilion System' expenditure account (10 5-286-02-11);
- d. Appropriate \$65,000.00 to General Fund expenditure account (01 5-190-05-14 'Transfer to LOPFI') and \$65,000.00 to the LOPFI Fund revenue account (05 4-000-80-02 'Transfer from General');
- e. Transfer \$65,000.00 from the General Fund (01 5-190-05-'Transfer to LOPFI') to the LOPFI Fund revenue account (05 4-000-80-02 'Transfer from General') for payment of July 2013 LOPFI obligation;
- f. Transfer up to \$164,500.00 from Fund 12 Airport Projects expenditure account 'Transfer to Capital Equipment Fund' (12 5-040-05-04) to Fund 04 Capital Equipment Fund 'Transfer from Airport Projects' (04 4-000-80-06). This amount will hold approximately \$1,000.00 in the Airport Projects Fund to be able to keep it open and active;

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

- a. \$136,000.00 to Mr. Reynie Rutledge for repayment of short-term financing loan pertaining to the construction costs of the new Searcy

Municipal Airport Terminal (paid from Airport Projects Fund 12 5-040-05-06 '2013 Short-Term Loan Repayment');

- b. \$49,795.25 to Stephenson Oil Company for gasoline and diesel fuel for all departments;

A motion was made by Mr. Raney, seconded by Mr. Sterling, to suspend the rules and allow reading of the ordinance by title only. Motion carried with the following voting "yes": Sterling, English, Raney, Brewer, Chalenburg, Cothorn, Arnett, and Dixon. Mr. Gibson read the ordinance by title only. A motion was then made by Mrs. Arnett, seconded by Mr. Sterling, to adopt the ordinance. The ordinance passed with the following voting "yes": English, Raney, Brewer, Chalenburg, Cothorn, Arnett, Dixon, and Sterling. Mr. Gibson then read the emergency clause of the ordinance. Motion was made by Mr. Chalenburg, seconded by Mrs. Arnett, to adopt the emergency clause, with the following voting "yes": Raney, Brewer, Chalenburg, Cothorn, Arnett, Dixon, Sterling, and English. **Ordinance 2013-21**

The Mayor announced as a reminder that public input/comments regarding a proposed home solicitation ordinance will be heard during the August 8, 2013 pre-council agenda meeting scheduled for 5:00 p.m.

A motion was made by Mr. Dixon to recess and for the Council to go into Executive Session for the purpose of discussion regarding a City Officer position. The motion was seconded by Mr. Sterling and carried with the following voting "yes": Brewer, Chalenburg, Cothorn, Arnett, Dixon, Sterling, English, and Raney.

Following the completion of Executive Session a motion was made by Mr. Raney, seconded by Mr. Brewer, to come out of Executive Session and return to Regular Session. Motion carried with the following voting "yes": Chalenburg, Cothorn, Arnett, Dixon, Sterling, English, Raney, and Brewer. Mayor Morris explained that the purpose of the Executive Session was to discuss a personnel issue regarding a City official. Mayor Morris then turned the floor over to Alderman Jim Dixon for further explanation. Mr. Dixon explained that he has tendered his resignation as Alderman, effective July 31, 2013, due to his acceptance of an employment position outside the state of Arkansas. A motion was then made by Mr. Raney, seconded by Mr. Cothorn, to accept the resignation of Mr. Jim Dixon as Alderman for the Searcy City Council Ward 1 Position 2. Motion carried with the following voting "yes": Cothorn, Arnett, Sterling, English, Raney, Brewer, and Chalenburg. Mr. Dixon abstained from voting.

Mayor Morris also explained that during the Executive Session guidelines and dates had been discussed as to the procedure for filling the upcoming vacancy for the position of Alderman Ward 1 Position 2. Immediate notice of the vacancy as well as instructions for

the acceptance of resume's, biographies, or letters of interest in the vacant position would be given to the pertinent media entities. A qualified applicant for this position shall be a qualified elector of the City of Searcy and also a resident of Ward 2. Submissions of these documents will be accepted at Searcy City Hall until the close of business on July 31, 2013 (4:30 p.m.). The position will be filled by appointment by the Searcy City Council.

A motion was made and seconded to adjourn.

Minutes Approved: August 13, 2013

/s/ David Morris
MAYOR

ATTEST:

/s/ Jerry Morris
CITY CLERK

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