

Searcy City Council – Regular Session
Tuesday, February 11, 2020 6:00 p.m.
Minutes

A public hearing had been advertised to be held at 6:00 p.m. on February 11, 2020. The purpose for this public hearing was for the consideration of any public input in determining the amounts of liens to be certified to the White County Tax Collector against certain properties as a result of grass cutting expenses and the abatement of other nuisances that have been incurred by the City of Searcy. Mayor Kyle Osborne opened the public hearing. No person requested to speak. Mayor Osborne closed the public hearing.

A public hearing had also been advertised to be held on February 11, 2020. The purpose for this public hearing was for the consideration of any public input pertaining to the abandonment/vacating of a portion of East Market Avenue from Main Street to Locust Street. Mayor Kyle Osborne opened the public hearing. Six persons requested and were given the opportunity to speak before the Searcy City Council about the closure of a portion of East Market Avenue. Mayor Osborne asked if there were any others that wished to speak before the Council. Mayor Osborne closed the public hearing.

Mayor Kyle Osborne called to order the Regular Session of the Searcy City Council. Danny Whitley gave the Invocation, with the Pledge of Allegiance following, led by Chris Howell. City Clerk/Treasurer Jerry Morris called the roll with the following Council members answering “present”: Logan Cothorn, Mary Ann Arnett, Chris Howell, Rodger Cargile, Dale English, Don Raney, Dale Brewer and Mike Chalenburg. Also present was City Attorney Buck Gibson.

The minutes of the regular January 14, 2020 meeting of the Council were presented for approval. A motion was made by Mr. Cothorn and seconded by Mrs. Arnett to approve the minutes. The following voted to approve: Howell, Cargile, English, Raney, Brewer, Chalenburg, Cothorn, and Arnett.

Item (3) on the agenda was for a motion to suspend the rules and amend the agenda to add items: (8) item added to the Searcy Fixed Asset Schedule, (15) resolution for authorization to execute, perform certain agreement for downtown landscape maintenance, (17-1-e) budget ordinance appropriation for the receipt of Parks grant reimbursement, and (17-1-f) budget ordinance transfer of funds for changes in employee assignments from the Carmichael Community Center Department to the Parks and Recreation Department. A motion was made by Mr. Brewer and seconded by Mr. English to suspend the rules and amend the agenda to add the items. Motion carried with the following voting “yes”: Arnett, Howell, Cargile, English, Raney, Brewer, Chalenburg, and Cothorn.

Clerk/Treasurer Jerry Morris presented and read the Treasurer’s Report which lists the following balances as of 1-31-2020: General Fund: \$1,386,345.31; Street Fund \$1,781,608.53; Capital Equipment Fund \$17,819.96; LOPFI Fund \$171,671.79; Act 833

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Fund \$56,770.56; Airport Fund \$92,209.78. The total of all of the preceding funds is \$3,506,425.93. He also reported the following balances as of 1-31-2020: Special Highway Connector Route Tax Fund \$3,827,586.45; 2014 Eight Year Plan Fund \$7,993,802.07; Information Technology Projects Fund \$4,079.22; Special Projects Fund \$2,583.99; 0.25% Fire Protection Services County Sales Tax Fund \$305,092.65; Court Automation Fund \$32,835.74; Advertising and Tourism Promotion Fund \$517,319.40. He also reported a total of \$569,429.97 year-to-date in City and County Sales Tax revenues received, which is up \$39,911.76 from the same time in 2019.

Item (6) on the agenda was for discussion regarding the acquisition of land adjacent to Riverside Park. Mayor Osborne explained that this is the property regarding which an application for a Parks and Tourism Grant has been submitted and subsequently approved. Zach Foster of the Arkansas Department of Parks, Heritage, and Tourism noted that this is a 50/50 matching grant. He also stated that this project is unique in that the Arkansas Parks and Tourism Department can be involved from the beginning whereas most projects they are involved with are within existing parks. Mayor Osborne explained that the property is owned by the Searcy Regional Economic Development Corporation. It has been appraised for \$400,000 but the city can acquire it for \$300,000. Also the Searcy Advertising and Tourism Promotion Commission has committed \$50,000 towards the purchase. Motion was made by Mr. Howell, seconded by Mr. Cargile, to move forward with the acquisition of the property. Mr. Gibson noted that he would prepare the necessary resolution for approval of the transactional documents for the March 2020 Council meeting. Motion carried with the following voting "yes": Cargile, English, Raney, Brewer, Chalenburg, Cothorn, Arnett, and Howell.

At this point in the meeting, Mayor Osborne asked the Council if they would consider swapping items (16) and (7) on the agenda. He noted that there is a number of people present interested in the Ordinance for abandoning and vacating the interests of the City of Searcy in and to a portion of Market Avenue. A motion was made by Mr. Raney and seconded by Mr. Brewer to suspend the rules and amend the agenda to re-order items (16) and (7). Motion carried with the following voting "yes": English, Raney, Brewer, Chalenburg, Cothorn, Arnett, Howell, and Cargile.

Item (7) on the agenda was an ordinance for abandoning and vacating the interests of the City of Searcy in and to a portion of Market Avenue between Main Street and Locust Street. A motion was made by Mr. Raney, seconded by Mr. Brewer, to suspend the rules and allow reading of the ordinance by title only. Motion failed with the following voting "yes": Raney, Cothorn, Arnett, Howell, and Cargile and the following voting "no": Brewer, Chalenburg, and English. Mr. Gibson read the ordinance in its entirety for its first reading. Mr. Chalenburg and Mr. Brewer stated that they felt that there was some confusion among the Council regarding the sequence of actions. Mr. Gibson explained that with the failure of suspending the rules and allowing the reading of the ordinance by title only, the ordinance must be read in its entirety three times. Mr. Chalenburg asked if another vote could be taken. Mr. Gibson stated that a motion to suspend the rules and allow the reading of the ordinance by title only could be made and would have to pass with a 2/3 majority. A motion was then made by Mr. Cargile, seconded by Mr.

Chalenburg, to suspend the rules and reading the ordinance by title only. The motion passed with the following voting “yes”: Brewer, Chalenburg, Cothorn, Arnett, Howell, Cargile, English, and Raney. Mr. Gibson then read the ordinance by title only. A motion was then made by Mr. Cothorn and seconded by Mr. Howell to adopt the ordinance. Mayor Osborne asked if there was any discussion. Mr. Raney noted that he had concern about whether the Police Department can provide adequate protection to the area in question. Searcy Police Chief Steve Hernandez stated that there have not been any issues for the Police Department during the time that the portion of Market Avenue has been closed due to construction at the First United Methodist Church. Mr. Raney then directed the same inquiry regarding adequate fire protection to Searcy Fire Chief Brian Dunavan. Chief Dunavan noted that, for certain sections of the building, the fire department would still need access. Therefore, it would depend upon the configuration of the street closure. Mr. Raney noted that Section 3 of the proposed ordinance requires the provision of ‘access to structures that abut the Right of Way by firefighting vehicles’. The ordinance passed with the following voting “yes”: Cothorn, Arnett, Howell, Cargile, and Raney and the following voting “no”: Brewer, Chalenburg, and English. Motion was made by Mr. Raney, seconded by Mr. Cothorn, to adopt the emergency clause. Mr. Gibson explained that if the emergency clause is adopted, the ordinance would go into effect immediately and if it is not adopted, the ordinance would go into effect in thirty days. The emergency clause failed with the following voting “yes”: Howell, and the following voting “no”: Chalenburg, Cothorn, Arnett, Cargile, English, Raney, and Brewer. **Ordinance 2020-04**

Item (8) on the agenda was for the approval of the additions and deletions to the City of Searcy Fixed Asset Schedule for the calendar year 2019. A listing of the additions and deletions had been provided to the Council prior to the meeting in order to examine the items. Mayor Osborne asked if there were any questions regarding the listing. A motion was made by Mr. Raney and was seconded by Mr. Cothorn for the approval of the additions and deletions to the Searcy Fixed Asset Schedule for the calendar year 2019. Motion carried with the following voting “yes”: Cothorn, Arnett, Howell, Cargile, English, Raney, Brewer, and Chalenburg.

Item (9) was for approval regarding changes in the Parks and Recreation and Carmichael Community Center Departments employee assignments. Mayor Osborne explained that the changes involved moving two positions from the Carmichael Community Center Department to the Parks and Recreation Department. Mr. Brewer asked if these changes would leave the Carmichael Center short on employees. Parks and Recreation Director Mike Parsons said that it would not. A motion was made by Mr. English and seconded by Mr. Chalenburg to approve the changes to employee assignments from the Carmichael Community Center Department to the Parks and Recreation Department. Motion carried with the following voting “yes”: Arnett, Howell, Cargile, English, Raney, Brewer, Chalenburg, and Cothorn.

Item (10) on the agenda was for continued discussion regarding signage pertaining to panhandling. Mr. Gibson explained that private property owners can put up signage on their own property. The city can put signs along city-owned streets and poles but could not place signs on state highway right of way. Motion was made by Mr. Raney,

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seconded by Mr. Brewer, to authorize city administration to place signage pertaining to panhandling in appropriate and proper places. Motion carried with the following voting “yes”: Howell, Cargile, English, Raney, Brewer, Chalenburg, Cothorn, and Arnett.

Item (11) was for the approval of two change orders for the Fire Department Tower Truck on order. The change orders result in an increase of \$60,000 from the original purchase price for the truck. Motion was made by Mr. Raney, seconded by Mr. Brewer, to approve the change orders for the truck. Motion carried with the following voting “yes”: Cargile, English, Raney, Brewer, Chalenburg, Cothorn, Arnett, and Howell.

Item (12) was a resolution for authorization to enter into lease agreements for mowing equipment. The lease agreements for the mowing equipment with Kubota Leasing and Dacus Rental and Sales, Inc. This equipment will be for the use of the Parks and Recreation Department. Mr. Gibson read the resolution in full. A motion was made by Mr. Brewer and seconded by Mr. Cothorn to approve the resolution for authorization to enter into a lease agreement for mowing equipment. Motion carried with the following voting “yes”: English, Raney, Brewer, Chalenburg, Cothorn, Arnett, Howell, and Cargile.

Resolution 2020-06

Item (13) was a resolution for authorization to submit an application to the Arkansas Economic Development Commission for a Community Development Project for improvements to the John E. Lightle Senior Citizen Center. Mr. Gibson read the resolution in full. Motion was made by Mr. Chalenburg and seconded by Mrs. Arnett to pass the resolution. Motion carried with the following voting “yes”: Raney, Brewer, Chalenburg, Cothorn, Arnett, Howell, Cargile, and English. **Resolution 2020-07**

Item (14) was a resolution to approve the amounts of liens to be certified to the White County Tax Collector against certain properties as a result of grass cutting expenses and abatement of other nuisances. Mr. Gibson read the resolution in full. A motion was made by Mr. Cothorn and seconded by Mr. Brewer to approve the resolution. Motion carried with the following voting “yes”: Brewer, Chalenburg, Cothorn, Arnett, Howell, Cargile, English, and Raney. **Resolution 2020-08**

Item (15) was a resolution for the authorization to execute and perform a certain agreement for the maintenance of the downtown landscape improvements. Mr. Raney noted that he has had many people talk to him regarding the downtown landscaping improvements. He also stated that the resolution was not on the February 6, 2020 pre-council agenda and therefore the documentation was not available until this meeting. He stated that he would like to have more time to look at this agreement before acting on it. Motion was made by Mr. Raney and seconded by Mr. Cothorn to table the resolution until the March 2020 regular Council meeting. Motion carried to table the resolution with the following voting “yes”: Chalenburg, Cothorn, Arnett, Howell, Cargile, English, Raney, and Brewer.

Item (16) on the agenda was for the review and discussion of the calendar year 2018 Arkansas Legislative Audit Report for the City of Searcy. Mr. Raney noted that it

appeared to be a pretty clean audit report. He also noted that the unidentified funds in the District Court Clerk bank account. This is a similar finding issued in the previous six audit reports. He also noted that he had hoped that the Contexte court software would resolve this issue. Mr. Morris also noted that the former Mayor's retirement is also a continuing issue that is still in the courts for a declaratory judgement at the time of the audit report issuance. Mr. Gibson stated that he would have further information regarding this issue at the March 2020 Council meeting. Another finding was regarding the fraudulent checks that were drawn on the City of Searcy General Fund and Street Fund. Mr. Morris noted that the City of Searcy was not the only municipality in the state of Arkansas that had this happen. Numerous other cities were also affected. He further noted that the fraudulent checks were identified quickly and the Searcy Police Department as well as the fraud department of the financial institution involved were notified immediately. Affidavits were executed for the fraudulent amounts. It was also noted that the City of Searcy was not out any funds as the financial institution involved made the city whole. Mr. Morris also noted that his understanding is that this issue, due to being widespread across the state, had advanced to the federal level. Motion was made by Mr. Raney, seconded by Mr. Cothorn, to accept the annual audit report for calendar year 2018. Motion carried with the following voting "yes": Arnett, Howell, Cargile, English, Raney, Brewer, Chalenburg, and Cothorn.

Item (17) 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 \$100,000.00 from 2014 Eight Year Plan Fund unappropriated reserves to 'TRANSFER TO LOPFI FUND' expenditure account (#14 5-190-05-04) for payment of LOPFI retirement obligation;
- b. Appropriate \$6,290.49 from 2014 Eight Year Plan Fund unappropriated reserves to 'ROLLING MEADOWS/CLOVERDALE DRAINAGE' expenditure account (#14 5-130-05-02) for Rolling Meadows/Cloverdale Addition drainage improvement project engineering services;
- c. Appropriate \$67,350.49 from 2014 Eight Year Plan Fund unappropriated reserves to 'ROLLING MEADOWS/CLOVERDALE DRAINAGE' expenditure account (#14 5-130-05-02) for Rolling Meadows/Cloverdale Addition drainage improvement project construction services;
- d. Appropriate \$1,142,234.00 from 2014 Eight Year Plan Fund unappropriated reserves to 'TOWER TRUCK' expenditure account (#14 5-070-53-02) for the acquisition of new E-One tower truck for the Fire Department;
- e. Appropriate \$62,276.94 to the General Fund 'PARKS/TOURISM

GRANT' revenue account (#01 4-000-98-31) for the receipt of the reimbursement for the 2019 Riverside Park/Events Center Playground equipment grant (Grant #A-10779-19-WH);

- f. Transfer the following amounts from the Parks and Recreation Carmichael Community Center accounts to the Parks and Recreation Department accounts, for changes in employee assignments from Carmichael Center to Parks and Recreation Department:

Transfer from Carmichael Community Center

- #01 5-081-01-01 SALARIES - \$52,157.89
- #01 5-081-01-02 SS/MEDICARE MATCH - \$3,990.08
- #01 5-081-01-03 HEALTH BENEFIT - \$7,990.59
- #01 5-081-01-05 APERS RETIREMENT - \$14,654.88

TOTAL – \$78,793.44

Transfer to Parks and Recreation

- #01 5-080-01-01 SALARIES - \$52,157.89
- #01 5-080-01-02 SS/MEDICARE MATCH - \$3,990.08
- #01 5-080-01-03 HEALTH BENEFIT - \$7,990.59
- #01 5-080-01-05 APERS RETIREMENT - \$14,654.88

TOTAL – \$78,793.44

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

- a. \$18,032.62 to Stephenson Oil Company for fuel for all departments;
- b. \$108,217.06 to Regions Bank for payment on the loan for the construction of the Searcy Swim Center (#14 5-085-05-01);
- c. Transfer \$100,000.00 from the City of Searcy 2014 Eight Year Plan Fund to the City of Searcy LOPFI Fund for payment of LOPFI Retirement obligation (#14 5-190-05-04);
- d. \$6,290.49 to Morrison – Shipley Engineers Inc. for Rolling Meadows/Cloverdale Addition drainage improvement project engineering services (#14 5-130-05-02);

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- e. \$67,350.49 to Burkhalter Technologies, Inc. for construction services on the Rolling Meadows/Cloverdale drainage improvement project (#14 5-130-05-02);

A motion was made by Mr. Raney, seconded by Mr. Chalenburg, to suspend the rules and allow reading of the ordinance by title only. Motion carried with the following voting “yes”: Arnett, Howell, Cargile, English, Raney, Brewer, Chalenburg, and Cothorn. Mr. Gibson read the ordinance by title only. A motion was then made by Mr. Cothorn, seconded by Mrs. Arnett, to adopt the ordinance. The ordinance passed with the following voting “yes”: Howell, Cargile, English, Raney, Brewer, Chalenburg, Cothorn, and Arnett. Mr. Gibson then read the emergency clause of the ordinance. Motion was made by Mr. Chalenburg, seconded by Mr. Brewer, to adopt the emergency clause, with the following voting “yes”: Cargile, English, Raney, Brewer, Chalenburg, Cothorn, Arnett, and Howell. **Ordinance 2020-05**

The Mayor announced he would be giving the State of the City address following the adjournment of this meeting.

A motion was made and seconded to adjourn.

Minutes Approved: March 10, 2020

/s/ Kyle Osborne
MAYOR OF SEARCY

ATTEST:

/s/ Jerry Morris
CITY CLERK

Seal