

REGULAR CALLED MEETING BOARD OF DIRECTORS

Boardroom

March 19, 2019

5:30 p.m.

AGENDA

1. Call to Order Mayor James Calhoun
2. Invocation
3. Approval of Board Minutes from March 5, 2019 – Mayor Calhoun
4. Request to Speak on Condemnations – Henry Wilson
5. Condemnation Process – Gary Brinkley
6. Condemnation of 320 N. Clark Update– Gary Brinkley
7. Gum Springs Memorandum of Intent – Gary Brinkley
8. City Manager's Report – Gary Brinkley
9. Routine Business – Mayor Calhoun
10. Adjournment – Mayor Calhoun

**REGULAR CALLED MEETING
BOARD OF DIRECTORS**

Boardroom

March 5, 2019

5:30 P.M.

MEMBERS:

Taylor Chaney, *Ward 1 Director*
Chris Porter, *Ward 2 Director*
Scott Byrd, *Ward 3 Director, Assistant Mayor*
Joann Nelson, *Ward 4 Director (Absent)*
Jason Jones, *Ward 5 Director*
Roland Gosey, *Ward 6, At Large Director*
James Calhoun, *Ward 7, Mayor*

OTHERS:

Gary Brinkley, *City Manager*
Jessica Davis, *City Clerk*
Tammy Beeler, *City Treasurer*

CALL TO ORDER

Mayor Calhoun called the meeting to order at 5:30 p.m.

INVOCATION

Director Gosey.

APPROVAL OF BOARD MINUTES FROM FEBRUARY 19, 2019

A motion was made by Assistant Mayor Byrd, seconded by Director Gosey to approve the minutes from the February 19, 2019 regular called meeting of the Board of Directors. **The motion passed on a roll call vote and the vote was as follows:**

Taylor Chaney	“Aye”	Roland Gosey	‘Aye”
Chris Porter	“Aye”	Jason Jones	“Aye”
Joann Nelson	Absent	Mayor Calhoun	“Aye”
Scott Byrd	“Aye”		

APPROVAL OF WORK ORDER FOR ENGINEERING SERVICES ON DRAINAGE PROJECT ON TWIN RIVERS

Mr. Brinkley requested the Board review and approve the agreement with McClellan Engineering for the Engineering Design Services associated with the replacement of the collapsed storm drain lines on Twin Rivers Drive. The contract amount was for \$38,000.00 for the design and survey. Mr. Brinkley also requested the Board to approve him to execute the agreement.

A motion was made by Director Porter, seconded by Director Jones to approve the agreement with McClellan in the amount of \$38,000.00 and for the City Manager to execute the agreement. **The motion passed on a roll call vote and the vote was as follows:**

Taylor Chaney	“Aye”	Roland Gosey	‘Aye”
Chris Porter	“Aye”	Jason Jones	“Aye”
Joann Nelson	Absent	Mayor Calhoun	“Aye”

Scott Byrd

“Aye”

EXECUTIVE SESSION TO DISCUSS PERSONNEL

A motion was made by Director Chaney, seconded by Assistant Mayor Byrd to enter executive session to discuss the performance of City Manager Gary Brinkley. **The motion passed on a roll call vote and the vote was as follows:**

Taylor Chaney	“Aye”	Roland Gosey	“Aye”
Chris Porter	“Aye”	Jason Jones	“Aye”
Joann Nelson	Absent	Mayor Calhoun	“Aye”
Scott Byrd	“Aye”		

The Board entered executive session at 5:36 pm.

The Board returned from executive session and the Mayor called the meeting back to order at 6:41 pm. There was no action taken.

CITY MANAGER’S REPORT

March 5, 2019

- State audit of our safety program and inspection of our facilities by Ms. Rosemary Coleman went very well. My compliments to the staff for their participation and documenting their training. Based on staff’s dedication to cleanliness and training participation, we received a letter and we are being removed from the Rule 32 program. This will have a financial impact on our workers compensation rate by lowering our multipliers. Again, my thanks to the staff for this successful conclusion.
- I attended the Planning & Board of Adjustments met on Feb. 21st. Variance for Jeremy Hughes Shelter Insurance sign relocating on Pine was approved.
- Congratulations to Chief Arnold and the Arkadelphia Fire Dept. for winning the Community Service award at the Chamber Banquet last Thursday night.
- The curb and gutter have been poured and the sidewalk should be going in this week for the project on High School Road.
- Reminder, the DeSoto Bluff Park is closed for remodeling. The contractor has gotten the pad site cleared and weather permitting, will be pouring the footings for the building by this weekend.
- We presented Mayor Ivory of Gum Springs with the proposed Memorandum of Intent for his review and comment. We anticipate presenting the document to the Water Utility Committee on March 13th and the Board on March 19th. With your approval we get the document signed and then a copy to Arkansas Natural Resource Commission so we

can begin the process of financialize scope of work and numbers. With these inputs we will be able to finalize consolidation documents and move forward with the consolidation execution and celebration. This process will take six to ten months to accomplish.

- I spoke to the Young at Heart group at First Baptist Church on the 26th. They were a great group and we were able to address some of their concerns following the meeting.
- The MLK Park Visioning Committee met on March 4th to discuss the final design. The renderings are breath taking. Our next meeting is on April 16th to discuss funding options.

Dates to Remember:

- March 14th at 10:00 will be the ground-breaking ceremony for the Fairfield Inn & Suites on Red Hill Road. Please mark this on your calendar and plan to attend.
- I will be with the Clark County Delegation in Little Rock tomorrow through Thursday.
- March 8th from 11:30-1:00 pm is the non-uniformed employee's appreciation luncheon at the Rec Center. The Sanitation, Water & Sewer, Streets & Grounds teams will be honored at this event. Last year was the first year and it was so well received, we are repeating it. Our thanks to Dr. Sandifer and the Sunshine Rotary Club for sponsoring the event.

ROUTINE BUSINESS

Taylor Chaney, Ward 1 – He commented on the MLK Visioning Committee Meeting. He said it went very well and he is looking forward to what it will bring and getting down to business on the funding for it. He also asked the City Manager about a Sanitation Dept. issue that was posted on Facebook. The City Manager is looking into it.

Chris Porter, Ward 2 – Nothing.

Joann Nelson, Ward 4 – Absent.

Jason Jones, Ward 5 – Nothing.

Roland Gosey, Ward 6 Director at Large – He asked for an update concerning the condemnation working list from Officer Free. He asked how far it has come along and when a copy of that list is to be expected. He also asked about the property on Austin St. regarding whether or not a lien was placed on it. The City Manager is looking into the process required for liens and will have that at a later date but concerning that particular property, he does not believe a lien was placed on it from information provided to him.

Scott Byrd, Ward 3, Assistant Mayor – He thanked the City Manager for his update on liens. He has a vintage WWII motorcycle on display at OBU. He will be traveling across Europe this summer on a 1942 Harley. His trip will begin in Normandy. He invited citizens to contact him if they are interested in honoring a family member or have a special request. He said he would be more than happy to help and would do what he could to facilitate that. He will be leaving in May.

James Calhoun, Mayor – He thanked the City Manager for reading the proclamation at the Go Red For Women Luncheon as he was unavailable to attend. He attended the McDonald's ribbon cutting and there was a good crowd that showed up for it. He and the City Manager attended the Legislative Prayer Breakfast at the Governor's Mansion and had a good time conversing with other city officials. He attended the Chamber Banquet that same night and congratulated everyone that received an award, especially our Fire Department. He presented a proclamation at AHS for National Speech & Education Day.

ADJOURNMENT

There being no further business to discuss, Director Gosey made the motion, seconded by Director Chaney to adjourn. **The motion passed unanimously and the meeting adjourned at 6:51 p.m.**

James Calhoun, Mayor

Jessica Davis, City Clerk

**REGULAR CALLED MEETING
BOARD OF DIRECTORS**

Boardroom

March 5, 2019

5:30 p.m.

Jason Jackson
Braden Archer
Jonathon Boyce
Greg Vardamon
Henry Wilson
Keith Beason
Bill Sutley- **Press**

DRAFT



It's a great place to call home!

Office of the City Manager
700 Clay Street
Arkadelphia, Arkansas 71923
870-246-9864 phone
870-246-1813 fax

To: Arkadelphia City Board
Cc: Ed McCorkle, City Attorney
From: Gary Brinkley, City Manager
Date: March 15, 2019
Re: Condemnations and Liens

At your direction, staff has been working with our attorney and researching the best practices for securing a lien on property that has been condemned and not removed by the owners thus shifting the burden onto the city.

It is our understanding there are two primary paths we can pursue to perfect our liens. One is for you to condemn the property and if we have expenses, we will come back with you at a second hearing to confirm the expenses. Upon confirmation, our attorney will file with the Circuit Court to have our lien acknowledged and priority placed. There are a lot of contingencies but this is the 30,000-foot level view.

The other option is for you to pass a resolution that the property is a nuisance and direct staff to file suit in the Circuit Court to affirm your ruling. With an affirmation from the Circuit Court the owner would be required to remove the structure. Should they not and we remove it, we would have a favored lien position. Again, there are multiple iterations of this scenario but this is the 30,000-foot level view.

Both are valid and I believe we will need to use both techniques in the future.

We expect the city to be reimbursed for all our efforts but if not, we will have a path for condemnation and restitution.

Thank you.



Office of the City Manager
700 Clay Street
Arkadelphia, Arkansas 71923
870-246-9864 phone
870-246-1813 fax

To: Arkadelphia City Board
Cc: Ed McCorkle, City Attorney
From: Gary Brinkley, City Manager
Date: March 15, 2019
Re: Condemnation of 320 N. Clark

The owner of the property has made some efforts to improve the property.

This was done without any consultation of staff which was suggested by the Board.


At this time, staff would recommend we allow the owner to work on the building to bring it into compliance by removing the safety concerns.

Should this level of repairs fail to meet standards, staff will recommend you condemn the property and advise our attorney to pursue a confirmation of nuisance with the Circuit Court. This is one of the two processes for condemnation that staff and attorneys need to evaluate as the best practice for a final city approved procedure.

Thank you.



Office of the City Manager
700 Clay Street
Arkadelphia, Arkansas 71923
870-246-9864 phone
870-246-1813 fax

To: Arkadelphia City Board
Cc: Ed McCorkle, City Attorney
From: Gary Brinkley, City Manager 
Date: March 12, 2019
Re: Memorandum of Intent to Consolidate
Arkadelphia and Gum Springs Water Utilities

We have been discussing and working on the documentation that will allow us to move forward with the due diligence of consolidating the Gum Springs Water Utility with the Arkadelphia Water Utility.

We have painstakingly taken our time to work in as many of the salient conditions that should be in the final agreement and incorporated them into this Memorandum of Intent. We first worked on how the agreement could be unwound should that be desired and then worked out the terms on the consolidation.

Attached please find the results of these efforts.

With the execution of this document staff will be free to work directly with the Arkansas Natural Resources Commission (ARNC) regarding the scope of work to bring the Gum Springs Water system into excellent working condition and the funding mechanism to see the scope of work is funded.

ARNC is pleased with our efforts to consolidate. ANRC has an internal policy to consolidate smaller utilities into larger ones and this is a perfect fit in their view.

I would like to thank our attorney, Mr. Ed McCorkle, for his diligence in drafting the document and working through the initial challenges.

Gum Springs City Council has approved the document as did the Arkadelphia Water Utility Committee on March 13th.

Your approval is requested.

MEMORANDUM OF INTENT

COMES the Town of Gum Springs, Arkansas hereinafter called Gum Springs; the City of Arkadelphia, Arkansas hereinafter called Arkadelphia; and for this Memorandum of Understanding state:

1. Gum Springs and Arkadelphia at the present time operate separate water distribution systems. Arkadelphia also has a water treatment facility and supplies water to Gum Springs. Arkadelphia operates its water system through the Arkadelphia Water Utilities hereinafter called AWU.

2. The Gum Springs water system is aging and needs substantial repairs, a part of which may be financed through the Arkansas Natural Resource Commission hereinafter called ANRC. Arkadelphia has the expertise and manpower to operate both systems with some additional personnel. Municipal corporations upon approval by resolution of their governing bodies may make or enter into contracts whereby municipal corporations shall construct and maintain a water system and supply water to another municipal corporation all in accordance with A.C.A. § 14-234-113 and other statutes.

3. The Gum Springs City Council and the Arkadelphia City Board of Directors have considered the issue of consolidating the Gum Springs water system by Arkadelphia and desire to enter into this Memorandum of Intent.

4. Because of the need for a substantial improvement to the Gum Springs water system and the debt needed to stabilize the system in the future, it is necessary initially that the water systems be operated on a separate financial basis with each utility having their income and expenses separated for accounting purposes with the understanding that the Gum Springs water

system will be operated as a wholly owned subsidiary, but may be absorbed into the Arkadelphia Water Utility in the future.

5. It is anticipated that ANRC will provide certain financing to improve the water system of Gum Springs and that it is acknowledged that there will be a debt incurred by Gum Springs and there may be surcharge on the Gum Springs water users to pay back not only the loan for the present needed upgrades, but all outstanding debt.

6. Arkadelphia will charge its normal water rates to Gum Springs for water used. Arkadelphia and Gum Springs acknowledge this is a water utility agreement only and no sewer service is part of this agreement.

7. Gum Springs is to provide copies of all easements, rights of way, deeds and other interests in land used to operate their water system, will open their water accounting books for review by Arkadelphia and provide any and all information needed to determine the repairs that need to be made along with the necessary information for Arkadelphia to operate the water system in the future.

8. Arkadelphia will have access to any and all property owned by the City of Gum Springs concerning the operation of their water system to include fee simple land, easements and rights of way. The use of any equipment, land including pumping station, easements or rights of way will be transferred to Arkadelphia upon their commencing operation of the system in any form.

9. Arkadelphia may contact and work with the engineering company presently providing services to Gum Springs in order to determine upgrades that are needed.

10. The Parties to this Memorandum of Understanding acknowledged that a study to

rebuild the system has been performed indicating that it may require \$4.4 million.

11. Gum Springs will furnish a list of all fixed assets including fair market value and to include real and personal property for inspection by Arkadelphia.

12. Arkadelphia will conduct a study to determine condition of the system and to provide a re-mediation plan to bring the system into a good and efficient working condition.

13. Gum Springs acknowledges that the project engineers will be Crist Engineering, Inc. of Little Rock and Crist will be the engineer of record for this project.

14. It is acknowledged that there is an approximate TWENTY FOUR THOUSAND DOLLARS AND NO CENTS (\$24,000.00) loan with ANRC which will be paid off either by Arkadelphia or in the refinancing for making the improvements. Gum Springs covenants that there is no other outstanding indebtedness whether bonded or not other than for normal monthly operating costs and expenses.

15. Should there come a time in the future that Gum Springs would desire to take back the ownership and operation of the water system they would: notify the Arkadelphia Board of Directors by giving Arkadelphia 270 days prior written notice of their intent; pay AWU the current market rate value of the utility as the purchase price of the fixed assets; make restitution to AWU for the initial TWENTY FOUR THOUSAND DOLLARS AND NO CENTS (\$24,000.00) debt absorbed by AWU; enter into an agreement with AWU that Gum Springs would be a wholesale customer at the current rate established for wholesale customers at the time of transfer and insure that all debt outstanding on the system is transferred to Gum Springs and Gum Springs would have assumed all indebtedness with the release of Arkadelphia from any liability.

16. The Gum Springs Water Utility operates out of the former fire station building. This facility is necessary for Arkadelphia to operate the Gum Springs water system and Gum Springs and Arkadelphia will enter into a lease agreement for the building at ONE DOLLAR (\$1.00) per year.

17. The Parties acknowledge that this Memorandum of Intent is not a binding contract, but is needed for the purpose of moving forward with obtaining possible monies for the needed upgrades and will be followed by a formal contract that will be binding on both entities if both Parties agree to such contract.

City of Arkadelphia

Mayor

Date

City of Gum Springs

Mildred Perry 3/2-19

Mayor Date