

**CITY OF CHEROKEE VILLAGE, ARKANSAS  
CITY COUNCIL MEETING  
JULY 26, 2011  
(meetings are video recorded)**

Mayor Lloyd Hefley called the meeting of the City Council to order at approximately 6:30 PM, Thursday, July 26, 2011. He then led the Pledge of Allegiance which was followed by a moment of silent prayer.

Clerk Hamilton called roll: Present were Jerry Adams, Curtis Bratcher, Lynn Maxedon, Verna Mae Newman, Tom Thone, Ray Torbit and Kent Viers. Attorney Jon Abele was also present. Absent was Russ Stokes.

**APPROVAL OF THE AGENDA:** Newman asked to amend the agenda, removing item #1; first reading of Ordinance No. 2011-X, item #2; first reading of Ordinance No. 2011 - Y, and item #3; first reading of Ordinance No. 2011-Z. Adams amended the agenda by adding a discussion on incentive packages for employees and City Hall hours. Adams moved to approve the agenda with the amendments, seconded by Newman and unanimously passed.

**PUBLIC COMMENTS ON AGENDA ITEMS (limit 3 minutes per person):** none

**APPROVAL OF THE JULY 7, 2011 MINUTES:** Torbit moved to approve the minutes, seconded by Adams and unanimously passed.

**CORRESPONDENCE:**

1. Clerk Hamilton read a letter from Jack Lowe who is the Chairman of the Thunder on Thunderbird Committee, President of Cherokee Village Business Association and Chairman of the National Elks Foundation. Lowe thanked the Mayor, the Cherokee Village Police and the Cherokee Village Fire Departments for their outstanding job and professionalism during the 4<sup>th</sup> of July celebration, "Thunder on Thunderbird". (report on file)
2. Clerk Hamilton read a letter from Fran Flener, the State Drug Director, thanking Chief Crook for the hard work and his continuing dedication to ameliorating the prescription drug abuse problems. Flener stated that Arkansas removed close to three and ½ tons of unneeded and expired medications from homes. It is her belief that the collection of an estimated 10.3 million pills has caused crime, addiction and tragedy to be averted. A third Arkansas take back event is being planned for Saturday, October 29, 2011. (report on file)
3. Clerk Hamilton read a letter from Steve Rose, Manager of Cherokee Village Waterworks, regarding the Water Franchise Fee. Rose stated in his letter that the Board had reviewed Ordinance No. 2011-1, and feel they are unable to collect this fee the way the ordinance is currently written. The letter went on to explain that the Cherokee Village Waterworks is a public facility board organized under the provisions of Ark. Code Ann.

14-137-111 (a) (5) "To fix, charge, and collect rents, fees and charges for the use of any public facilities project", and when setting rates, it is not required to obtain approval of the Arkansas Public Service Commission. The franchise fee concept for use of "public utility" in Ark. Code Ann. 14-200-101, under which the city purports the act, does not specifically include waterworks systems, and the phrase "any company providing similar services" is not applicable since Cherokee Village Waterworks is not a company. He ended the letter stating this letter was by the advice of their attorney in regards to the liability of this franchise fee, they are unable to collect this fee. (report on file)

Thone asked where we stand at this point. Mayor Hefley stated that a letter was written to Linda Collins Smith to ask the Attorney General for a ruling in this matter. Adams asked if they are not a public utility, what are they? Attorney Jon Abele said that this is the issue. Mayor Hefley asked Mr. Rose if that would be something he would want to talk about. Maxedon then asked Mr. Rose: "What is Cherokee Village Water Works?" Rose responded that they were established in Sharp County, that they are a state entity, they do not fit the definition of a public utility, and they are not a company.

Maxedon stated that we had additional correspondence. The Mayor said that this letter was dropped off at the last minute, and he had not a chance to read it, he regarded it as information. Newman asked Clerk Hamilton to put it in the records that the letter was received, from Steve Thompson in regards to operating budget issues.

#### **MAYOR'S REPORT:**

1. Mayor Hefley reported that he had attended the Natural Gas Meeting on July 18<sup>th</sup>, 2011. He stated there will be a mail out to see how many people are interested in signing up for Natural Gas, and that the letter will be self explanatory. He also announced that on August 21<sup>st</sup>, 2011, there will be a meeting to answer questions. This meeting will take place in the High School gym.

2. Mayor Hefley gave an update on the new proposed hospital. He announced that the Quorum Court and Judge Larry Brown will decide in the next couple of weeks if this will go on the ballot for the citizens to vote. He was asked if this was the sales tax and answered that it is a county wide sales tax.

**FINANCIAL REPORT:** (report on file) Thone asked T. Romans if the \$1,000.00 grant was for the Farmers Market. Romans said that is was. Thone wanted to know where the expenses were listed. Romans explained that everything was coded the Farmers Market and we were able to pull up the expenses at any time. Newman stated that she was under the understanding that nothing for the Farmers Market were paid by city funds. Adams said that everything was paid by donations. Thone asked that we not bury the expenses and show a line item for such. Mayor Hefley agreed and Romans said he would set up the line item for expenses.

#### **DEPARTMENT REPORTS:**

**FIRE:** (report on file)

**POLICE:** (report on file) Adams told the Chief Crook that he understood there was good news on the string of robberies that have been happening. Chief Crook said that they are putting the pieces together. He explained that it was because of a good tip from a citizen that has helped them in solving this case

**ANIMAL CONTROL:** (report on file) Maxedon said he wanted to commend AHHA and Bill Matselboba for helping the city in getting donations for food to feed the animals at the shelter. Maxedon went on to say we still have too many animals out at the shelter and asked Chief Crook where these animals are coming from. Crook said that when the animal control officer went to work one day, there was one animal running loose and one that was tied up. Maxedon asked if Chief Crook could investigate how much it would cost to install cameras to see if we can't catch these people that are dropping off unwanted animals. Newman asked if we had any ordinance on the books to set how many animals residents can have. The answer was no, not currently, but we have ordinances on noise, and vicious animals.

**STREET:** (report on file)

**COMMUNITY SERVICE:** (report on file) Newman asked Mike Eash, community service coordinator, how community service is doing. She stated that she sees the community service workers out a lot, and congratulated Eash for a job well done. Eash said that the workers help at animal control, street department, mowing grass, cleaning city hall, and whatever needs to be done, that's what they do. Maxedon asked Eash if it would be possible to eliminate the city's kennel worker and use community service workers. Eash replied he does not think so. Eash further explained that if he can get them out of jail, he knows exactly where they are at, however if they aren't and they are just walk-ins completing their community service, they may or may not show up. (report on file)

**DISTRICT COURT:** (report on file)

## **PLANNING & ZONING**

**PERMIT COMPARISONS:** (report on file)

**CODE ENFORCEMENT:** (report on file) Thone said it was his understanding that the code enforcement officer went from 24 hours to 30 hours. Mayor said he would clarify, explaining Charles DeLoach had given up 6 hours. Thone asked if he had given up those hours, why give them to someone else, so the city could save the money. Tom Hrezo than passed out a Rental Housing Permit Application for councils review.

## **COMMITTEES:**

**PERSONNEL:** Newman stated that the committee has not met, but she has been meeting with the employees.

**SAFETY:** Torbit reported that there was a problem with a police car needing air conditioning, that had been fixed. He also stated that he received a letter from a Cherokee Village resident requesting that a stop or yield sign be placed on Sequoyah Ridge and Iroquois Circle due to dangerous conditions. It was the safety committee's recommendation that one or the other be done, to see if that would help.

**WEBSITE & GRANT:** Bratcher said they had not met.

**BRIDGE FEASIBILITY:** Maxedon stated that sadly there will not be a Bridge Commission. He then read the minutes from the July 19, 2011 meeting. Maxedon specifically pointed out that SID saw no problems with things as they are and no need of a Bridge Commission. Additionally that Floyd Hannon said SID had no interest in planning. He also indicated to the City Clerk that we start emailing SID all of our minutes from city council to keep them informed as to what the city is doing, and they will share their minutes with the city for the same reason. (report on file)

**UNFINISHED BUSINESS:**

1. Maxedon had motioned at the last council meeting to pass the revised 2011 budget, that motion was tabled so council could further review the revised 2011 budget. Maxedon motioned to take off the table to discuss the revised budget, seconded by Newman and unanimously passed.

Maxedon then explained that the motion was to adopt the 2011 revised budget with two changes: 1. Line item 100 to change the supplies for animal control to read \$5,000.00 and 2. Line item 124 to change the repairs and maintenance for building and grounds to read \$3,500.00. Thone stated that he wanted to make a change also. He feels very strongly that the city pay back monies to the street department approximately \$56,000.00 and be added to line item 23 appropriation to other departments. Newman stated that she wanted to discuss this action. Thone stated he wanted to pay back the \$56,000.00 that was loaned to the general fund. Romans then explained that these funds were not loaned from the street department. He further explained that back in 2010 the street department contracted a special project to (hot mix) pave the remainder of Cherokee Road and Santee Drive for \$149,289.00. The council voted to pay this amount out of the general fund. At the time the general fund's cash flow was low so the special project was paid from the street fund. He went on to say that as of today the general fund has paid \$95,000.00 of its obligation to the street department, from taxes, with a balance owed of \$54,289.00. It is Romans belief that given the present monetary state of the general fund, transferring \$54,289.00 from the general fund to the street fund, especially since the street fund has over \$500,000.00, would put an excessive burden on the cash flow of the general fund. Newman made a motion that the \$54,289.00 debt owed from the general fund to the street fund be forgiven and the money be allowed to remain in the general fund, seconded by Maxedon. After much discussion, Clerk Hamilton called a roll call vote. There were 5 yes, Torbit and Thone voted no, passing the motion.

Maxedon moved to vote on passing the revised 2011 budget, seconded by Newman. Maxedon asked Clerk Hamilton to read the motion from the July 7, 2011 minutes. Hamilton read the motion: Maxedon moved to accept the revised budget with two changes. Line item 100 (supplies such as, food, pet tags, letter and maintenance supplies) change back to \$5,000.00 and line item 124 (repairs and maintenance on buildings and grounds) change to \$3,500.00. A roll call vote was taken, there were 6 yes, Thone voted no, passing the adoption of the revised 2011 budget.

2. Bratcher presented the City of Cherokee Village Financial Policy stating that we need to adopt some kind of policy and stick to it, so we don't end up with the problems we have this year. Bratcher moved to accept the Financial Policy, seconded by Maxedon.

After much discussion, Bratcher moved to table the Financial Policy until next meeting, seconded by Maxedon and unanimously passed.

**NEW BUSINESS:**

1. Adams wanted to discuss an incentive package for employees. This incentive package would save on payroll. The incentive would be for anyone in any department that wanted to retire or take a buy out to leave by October 1, 2011 and be paid through December. Adams additionally spoke about closing city hall on Fridays at noon, stating this will save on payroll and utilities. Newman stated she would rather that be an option for employees, and up to department heads.

2. Maxedon moved, to save costs, only conduct one city council meeting per month, that would be on the third Thursday of each month until further notice, seconded by Newman. A roll call vote was taken, there 6 yeas, and 0 no's, passing the motion for only one meeting a month.

3. In order to reduce labor costs, for the period of August through November, Maxedon moved that the city employees shall work approximately 10% less. He continued to read his proposal.

From August to November, firemen shall be scheduled for 114 hours per pay period.  
From August to November, policemen shall be scheduled for 76 hours per pay period.  
From August to November, street department and city hall employees, shall work 36 hours per week.

Managers on salary shall work 36 hours a week. (report on file)

Bratcher seconded the motion. Torbit announced that he wanted to be on record stating that he strongly opposes the reduction of hours for the Fire Department and Police Department. After a lengthy discussion from Glenn Harris, the Code Inspector, three concerned citizens that feel the city council is not working together and need to come up with ideas to create revenue, etc. Chief Mike Taylor said with the cuts that are being proposed he would have to close Omaha Fire Station six hours a day, which would mean Onaga would have to cover, with Baseheart being 10 or 15 minutes away.

Chief Rickey Crook stated that he can not reduce the police officers hours. He also said he can not allow any of his police officers to go in to a situation without a back up. He further explained he did not want to rely on other cities officers to get our work done.

Clerk Hamilton read the motion again as stated above. A roll call vote was called on the motion to reduce all city employee hours. There were five no's and Maxedon and Bratcher voted yes. Motion was not passed.

4. Before Jean Paul was to speak to council, Clerk Hamilton read a letter from Charles Deloach making a formal apology to Jean Paul and Harold Presley for using their names in a city council meeting without their prior approval.

Jean Paul spoke to city council, by first of all thanking council, even despite the resolution, to allow them to sell in the city hall parking lot. However, she did not like the way the city rescinded her permit, by sending the Police Chief and Code Enforcer to tell them to leave immediately. She further stated that they were very polite, but she felt she

should have had advanced warning that the permit was rescinded. She concluded that she was very happy at the city's Farmers Market.

**COMMENTS OF CITY RELATED ITEMS:** Cindy Harris announced that the Spring River Chronicle would be sponsoring a debate in the near future in regards to the 1% city sales tax. She explained that there would be a moderator with people speaking against and people speaking for the sales tax. She will advise the city the date and place.

**ANNOUNCEMENTS:** Mayor Hefley announced that the Farmers Market has new days and hours, they are Mondays, Fridays and Saturdays from 8 AM to 1 PM.

**ADJOURNMENT:** Newman moved to adjourn the meeting at approximately 8:45 PM, seconded by Torbit and unanimously passed.

DATE: 8/19/2011

APPROVED: *Lloyd Hefley*  
Lloyd Hefley, Mayor

ATTEST: *Lana Hamilton*  
Lana Hamilton, City Clerk/Treasurer