

**MINUTES
CITY OF CHEROKEE VILLAGE, ARKANSAS
REGULAR CITY COUNCIL MEETING
6:30 P.M., THURSDAY, SEPTEMBER 27, 2012
CHEROKEE VILLAGE CITY HALL
(meetings are video recorded)**

Mayor Lloyd Hefley called the regular meeting of the City Council to order at 6:30 p.m. on September 27, 2012. He led the Pledge of Allegiance followed by a moment of silent prayer.

Roll was called by City Clerk Lana Hamilton. Present were Jerry Adams, Curtis Bratcher, Lynn Maxedon, Verna Mae Newman, Russ Stokes, Tom Thone, Kent Viers, Mayor Hefley and City Attorney Jon Abele. Absent was Ray Torbit.

APPROVAL OF THE AGENDA: Councilman Maxedon stated the minutes from August 28th needed to be added to the agenda. Clerk Hamilton stated Planning & Zoning did not have the minutes completed and the handout was for the roll call vote taken at the meeting. Councilman Adams stated Bob Bickle needed to be added under Committees for Planning & Zoning Restoration Committee. Councilman Newman moved to approve the amended agenda, seconded by Councilman Stokes and passed unanimously.

PUBLIC COMMENTS ON AGENDA ITEMS: (limit 3 minutes per person)

APPROVAL OF THE MINUTES: Councilman Viers moved to approve the minutes for the August 16, 2012 regular meeting of the C.V. City Council, seconded by Councilman Stokes and passed unanimously. Councilman Maxedon moved to approve the special meeting minutes from the August 28, 2012 meeting, seconded by Councilman Adams and passed unanimously.

CORRESPONDENCE: None

MAYOR'S REPORT: Mayor Hefley stated he would like have a budget meeting on October 4th at 1 p.m. to discuss the 2012 budget issues. Clerk Hamilton stated she would have the September financials to review at this meeting.

FINANCIAL REPORT: Councilman Viers moved to accept the report, seconded by Councilman Newman.

DEPARTMENT REPORTS:

- **FIRE:** (report on file) – Councilman Newman raised a question regarding unauthorized burns; she asked about proper procedure. Chief Taylor reported the Fire Dept. assisted with putting out the fires when necessary and had no problems with individuals; Taylor stated citations would be issued if individuals were not willing to cooperate. Councilman Thone inquired about the seventy-three thousand dollars

(\$73,000) spent on 833. Thone asked if the monies were for the purchase of protective equipment. Taylor stated it was, along with 2011 expenses reimbursed in 2012. Taylor stated it may be better to discuss the reimbursements during the budget meeting. Taylor stated the 2011, 833 expenses, were settled up at the end of the year and reimbursed in 2012. Taylor stated the 833 funds were being transferred, as needed, in 2012. Thone asked if all fireman now had new equipment; Taylor stated they did.

- **POLICE:** (report on file) – Councilman Newman inquired about the recent burglaries. Chief Crook stated several homes had been broken into and scrap metals removed from them; Crook stated some were actual real property that had been stolen. Newman asked if the metal was copper; Crook stated it was copper and aluminum. Crook stated most were unoccupied homes and some were for sale. Crook stated he and Sgt. Lane were looking into a nationwide monitoring program for scrap metal that would have a monthly membership fee. Crooke stated you could enter our geographical area and the program would look at all locations in our area selling scrap metal in other locations. Crook stated you could also enter a suspect's name in the program and it will search in the tri-state area. Newman asked if it was a governmental program; Crook stated it was a private business that is offering the service at this time. Councilman Adams stated the new scrap yard on Highway 63 takes your photo and fingerprints; Crook stated this new business was trying to do things properly and felt the others were not operating illegally but had to learn new things.

- **ANIMAL CONTROL:** Glenn Harris reported that Animal Control does not have a report at this time. Animal Control has a new reporting system and the next report will report activity by week rather than month ending data. Councilman Newman asked how well the shelter was running; Harris stated there had been many improvements to the shelter and a donation box would be located at City Hall to collect donations of dog food, cat litter, etc. Harris also stated while driving thru the Sante Fe edition, a residence was seen with twenty-nine (29) dogs. The owner of the property is not in good health and will be relinquishing all but nine (9) indoor dogs to an animal association from Memphis that handles the Shih Tzu breed.

- **STREET:** (report on file) – Councilman Thone stated Pottawattamie looked good and asked if it was too early to tell if the new seal was going to work well; Supt. McKnight stated it was too early and this was a learning process but it worked well. Thone inquired about the one hundred eighty-eight thousand dollars (\$188,000) budgeted for FEMA funds that had not been received. McKnight stated they are working on 2009 FEMA paperwork and should be done with 2009 after they complete chip sealing. Clerk Hamilton stated the monies had been received and were reflected under expenses. McKnight stated they had not received the twelve and one-half percent (12-1/2%) yet.

- **COMMUNITY SERVICE:** (report on file)

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

PLANNING & ZONING

- **PERMIT COMPARISONS:** (report on file) Glenn Harris read the report as shown on file.

- **CODE ENFORCEMENT:** (report on file)

COMMITTEES:

- **PERSONNEL:** (None)

- **SAFETY:** (None)

- **WEBSITE & GRANT:** (None)

- PLANNING & ZONING RESTORATION:

Bob Bickle stated he has filed papers at Sharp and Fulton counties on four (4) properties. Once the papers have been filed at the respective court houses, City Attorney, Jon Abele starts work on title searches on the properties. Property owners have been notified via registered letter and have thirty (30) days to respond or the City of Cherokee Village has the authority to take over. Bob Evins of Liberty Bank is taking care of the property located on Goti Drive. Bickle stated there will be a fundraiser at Oktoberfest and monies raised will be used for property clean up so the City does not have to bear the entire cost. Bickle stated there are some properties that may be sold with the purchaser performing the clean up which is better than a vacant property. Abele told Bickle community service workers could assist with clean up. Bickle thanked Mayor Hefley, City Attorney, Jon Abele, and Police Chief, Rickey Crook, for their assistance with this issue. Councilman Thone inquired about taking over a property; Bickle stated numerous attempts are made to contact out-of-town property owners and the owners have thirty (30) days to take care of the property before the City cleans up the property. Mayor Hefley asked City Attorney, Jon Abele about the process, Abele stated this was the same process as used on foundations. Councilman Adams asked how the information was obtained for the vacant properties. Bickle stated he obtained the information from City Hall and phone calls regarding the properties; Bickle stated he would be filing papers on four (4) more properties in the next week. Bickle stated he did not want to file papers on more properties than he had the manpower to clean up; Bickle said he would like to clean up the properties as soon as they thirty (30) days is up.

UNFINISHED BUSINESS:

1. Glenn Harris to present a second bid for the turbines for ventilation on City Hall's roof – Glenn Harris reported that he had received a second bid for eleven hundred twenty-seven dollars (\$1,127) which was one hundred twenty-seven dollars (\$127) higher than the previously received bid. Councilman Newman asked Harris if he knew what the difference was in the bids; Harris stated both bids were for eight (8), fourteen inch (14") turbines and labor to install. Harris asked council for permission to proceed with the first bid. Councilman Thone asked if the advantage of installing the turbines

was during the hot months; Harris stated ventilation is needed during the winter due to moisture issues. Harris stated soffit vents would need to be installed and he would use community service workers to install these and the cost of the vents was minimal. Councilman Newman asked how long it would take to install the turbines; Harris stated it shouldn't take more than a couple of days. Councilman Maxedon asked if there was money in the budget to cover the cost; Harris stated there was not and it was an unbudgeted, unexpected expense that council approved two (2) months ago. Councilman Maxedon stated he knew it was unexpected but he thought the drainage issue was what had been approved; Harris stated he felt the drainage issue may take care of itself. Harris stated during the August 31st storm the drain handled water for thirty (30) to forty (40) minutes before the sump pump took over. Harris stated they had used high pressure on the drain and felt the drain would eventually clear out and he would not need all the monies approved for this repair. Councilman Newman moved to approve the expense of one thousand dollars (\$1,000) and accept the bid on turbines, seconded by Councilman Adams. Councilman Thone asked if the contractor was licensed; Harris stated the contractor was licensed and bonded and also local. Councilman Maxedon suggested Newman augment the motion to take the money out of reserves. Councilman Bratcher suggested using the Internet/Web money for the expense. Mayor Hefley stated it would be best to take the money out of reserves and discuss other options at the budget meeting. After further discussion the motion to approve the installation of turbines passed unanimously.

2. Ordinance 2012 – A & P – Ordinance Creating the Cherokee Village Advertising and Promotion Commission, Levying a Gross Receipts Tax, and Other Purposes – Clerk Hamilton stated Councilman Torbit was out of town, but requested his concerns be read prior to voting. Councilman Maxedon stated he had addressed each of the items. Councilman Viers stated he had concerns about Section 3; he questioned the five percent (5%) rates on payments which accumulates to thirty-five percent (35%), which is followed by ten percent (10%) per annum. Mayor Hefley stated Section 3, Penalties & Enforcement, was only in the event people did not comply. Hefley stated the penalty was five percent (5%) per month on the unpaid taxes not to exceed thirty-five percent (35%) which would be seven (7) months; in addition, there is interest. Councilman Maxedon moved to pass Ordinance 2012 – A & P, seconded by Councilman Newman and open for discussion. Clerk Hamilton read the first reading of Ordinance 2012, temporary number A & P. Maxedon stated the ordinance had been revised based on prior comments by Councilman Torbit. Maxedon stated as a consequence of the revisions, Sections I thru IV should be stricken, on page five (5). Items revised were as follows:

- A) Maxedon stated all references to a Community Center were stricken.
- B) Maxedon stated Torbit felt members of the A & P Commission should be bonded. With the help of City Attorney, Jon Abele, this was handled by re-writing Disposition of Revenues on page 3, which states the members of the A & P Commission do not handle the money. Maxedon stated this saves the cost of bonding the members.
- C) Maxedon stated Torbit wanted to strike (2) members of the Planning & Promotion Committee which was not done. Maxedon stated this was an Advertising & Promotion

Commission and while there is an overlap with promotion, there is none with planning. Maxedon stated the members of the Planning & Promotion Committee and the members of the A & P Commission should work together and therefore should be represented as they do not overlap one hundred percent (100%).

D) Maxedon stated Torbit wanted to delete taxes on food which were not deleted. Maxedon stated this was an item he wanted to discuss with council. Maxedon stated if the tax had been in place in 2012 the City would have received approximately ten thousand dollars (\$10,000), half being from food and the other half from rentals. Maxedon stated he was proposing this tax as the City does not have the finances to fund promotions. Maxedon stated Cherokee Village was at a critical juncture in needing to promote and Planning & Zoning has said property values are declining. Maxedon stated three (3) years ago the Better for Cherokee Village committee was formed; the committee investigated the issue and brought a proposal to council that was not acted upon. In May 2012, Planning & Zoning created the Planning & Promotion Committee; Maxedon stated Cherokee Village has lost a lot of people and businesses and something needs to be done to revive Cherokee Village. Maxedon stated the committee has done research and stated the statistical data came from the 2010 census which is available on the Internet to anyone. Maxedon quoted the population change from 2000 to 2010 was four thousand six hundred forty-eight (4,648) in 2000 and four thousand six hundred seventy-one (4,671) in 2010; Maxedon stated the increase in population of twenty-three (23) was basically no change. Maxedon stated there were four hundred one (401) rental homes in 2000 and five hundred ninety-one (591) in 2010; Maxedon stated area realtors state there are more cheap homes in Cherokee Village than in Highland or Ash Flat. Maxedon stated Cherokee Village is not attracting retirees but is attracting people who want low cost housing. Maxedon stated if the trend continues, Cherokee Village will not be a place for retirees but mainly rental homes rather than owner occupied homes and home values will continue to fall. Maxedon stated there are over ten thousand (10,000) baby boomers retiring every day and they are not moving to Cherokee Village, even though the cost of living is attractive. Maxedon stated we need to promote Cherokee Village to revitalize Cherokee Village and the City does not have the monies to promote the City, therefore we need the A & P tax.

Councilman Thone asked where the revenue figures came from; Maxedon stated the figures came primarily from King-Rhodes but he spoke with other rentals and restaurants. Thone stated the City does not have control over the reporting for the tax; Maxedon stated the proposal allowed the City, per State law, the power to look at the businesses' books for proper reporting. Thone stated he felt the ten thousand dollars (\$10,000) would not cover the promoting; Maxedon stated it was a start and he hoped the number would increase over time. Councilman Stokes stated he would like to see monies appropriated from the City's sales tax used for promoting. Maxedon stated council accepted a budget that exceeded revenue so sales tax money is not available. Councilman Newman stated she would like to see any surplus monies used to give employees raises; Newman stated employees had not had raises in three (3) years. Councilman Adams stated the arguments used against the A & P tax are the same as the arguments used against the sales tax. Adams stated the assumption is made that

the tax would be paid by the residents of Cherokee Village; Adams stated the money would also come from tourism. Councilman Bratcher stated we needed to balance the budget and not add to the budget. Mayor Hefley called for a roll call vote; there were (five) 5 yeas, Stokes passed and Thone voted no; Clerk Hamilton returned to Stokes for his vote of no, passing the first reading of Ordinance 2012 – A & P.

3. Ordinance 2012 – AA – An ordinance providing for the establishment of a rental housing code for Cherokee Village purposes – Glenn Harris read Ordinance 2012 – AA. Councilman Maxedon moved to pass Ordinance 2012-AA, seconded by Councilman Stokes. Mayor Hefley asked council for discussion. Councilman Thone asked if the proposed ordinance would be handled by current personnel; Harris stated it would. Councilman Viers inquired about repairs on page 8; he asked if there were five (5) violations, did the repairs have to be made or could they be occupied. Harris stated the repairs would have to be made and a checklist was attached for scoring. Councilman Maxedon stated if a property owner was high scoring, the inspection cycle would be every three (3) years and if there were multiple items noted for repair you would be inspected every year. Viers asked how many rental homes were currently in the Village; Harris stated approximately five hundred sixty (560). Viers stated he did not feel the fifty dollar (\$50) fee would cover the expense. Viers recommended the fee be raised to seventy-five dollars (\$75); Harris stated the decision would have to be made by council. Councilman Newman stated the fee could start at fifty dollars (\$50) and council could revise the ordinance if necessary. Thone asked who the landlord was; Harris stated the property owner. Thone asked if it was the owner's responsibility to notify the tenant for inspection; Harris stated it was. Mayor Hefley called for a roll call vote; there were seven (7) yeas, unanimously passing the first reading of Ordinance 2012 – AA. Maxedon asked the Mayor if Harris could notify the family of the progress of this issue as the late Charles (Chubby) DeLoach was instrumental in initiating the project originally; Maxedon felt the family would like to hear the initiatives Chubby started are carrying on.

NEW BUSINESS:

1. Temporary Special Use Permit, Lions Club – Annual White Cane Days – October 4, 2012 – Councilman Stokes moved to approve the permit, seconded by Councilman Bratcher passing unanimously.

2. Glenn Harris to discuss Phone System – Harris stated the Nortel phone system had been damaged during a storm and is currently functioning between thirty and thirty-five percent (30-35%); Harris stated Nortel has gone out of business and replacement parts are not available for the current system. Harris stated a CenturyLink tech patched the system with loaner equipment. CenturyLink engineers prepared a total replacement estimate for nine thousand four hundred forty-one dollars and thirty-five cents (\$9,941.35) + tax. Harris stated the City has a five thousand dollar (\$5,000) deductible thru the Municipal League insurance and we have been working with our adjustor, Crawford. Harris stated we had lost several phone features including call forwarding, voicemail, incoming lines, caller ID, the ability to transfer calls and a few others. Harris

stated CenturyLink had been providing service on our current system and we are geographically challenged here in Cherokee Village with manufacturers by location. Harris stated we would have service issues with out of town vendors so he did not obtain quotes from these vendors. Harris stated he would continue working with CenturyLink because they are local and can provide service. Harris stated the system CenturyLink quoted was expandable with the purchase of cards that can be inserted into the system for two hundred dollars (\$200) each. Councilman Newman asked if CenturyLink would be doing anything to the new system to prevent this from happening again; Harris stated this issue was caused by a lightning strike during a storm and the emergency generator came on seven (7) or eight (8) times during the storm and there is nothing CenturyLink can do for lightning strikes. Councilman Adams asked if we were still experiencing power surges; Harris replied we were and he has contacted Entergy to look into this. Councilman Bratcher moved to table the issue until the October 4th budget meeting, seconded by Viers and passing unanimously.

3. David Walker from ETI Corporation will be speaking on a sewer system – David Walker introduced himself as a representative for ETI, a civil engineering firm from Memphis, Tennessee and West Memphis, Arkansas, who does water, sewer, road, drainage, parks and recreation projects, and airports. In March 2012 Walker stated he sent out information in northeast Arkansas for small cities and towns to look at infrastructure needs and to help them find solutions for their needs and funding for their solutions. Walker spoke about a preliminary plan to convert from individual septic systems to a waste water treatment plant for the City. Walker stated the preliminary plan looked at three hundred seventy-seven (377) lots on Lake Thunderbird. Walker stated his firm looked at three (3) different possibilities for funding the project. Walker stated community development block grants are available where all funding is provided by the government and administered by the state; a list of recent block grants was provided to council members in a packet. Walker stated a second funding source is the United States Department of Agriculture; the USDA was in Cherokee Village in August 2012 to review the numbers and to see what they could provide. Walker stated the third source was the Arkansas National Resource Commission who does a combination of grants and loans. Walker stated the City would need to identify their needs and cost then submit a preliminary funding report to any of the agencies. Walker stated the City would need to advertise for an engineering company to do a preliminary report before ETI could proceed any further. Walker stated ETI had been working with the White River Planning and Development District which is the section who handles Cherokee Village; they require the City pass a resolution to pursue before they take action. Councilman Thone inquired about the initial project and asked where the treatment plant would be located; Walker stated the plan was to connect to the existing treatment plant or connect to Highland. Mayor Hefley asked for a motion to approve the preliminary plan; Councilman Maxedon asked for time to read and review the plan. Councilman Newman agreed for the need to review the plan and asked if the geographical location had been taken into consideration with the amount of rock in the area; Walker stated ETI was aware of the topography and the cost was included in the preliminary plan. Newman asked if one lake lot had a cost of forty thousand dollars (\$40,000) to dynamite for the system and the adjoining lot did not have this cost, would

the homeowners pay the same amount for their system; Walker stated the cost was dependent upon the type of funding used to install the system and all things would be taken into consideration in the preliminary analysis. Newman asked if there was a cost for the analysis; Walker stated there was no charge. Mayor Hefley stated the issue was if the City felt it was a good idea for ETI to do the study at no charge. Maxedon stated it appeared that the plan concentrated on one highly dense area of the Village and stated he would like to know more about the comprehensive plan to benefit all residents. Walker stated Cherokee Village was a large area and it would be a long-term project to convert all residents assuming it makes financial sense to do so. Mayor Hefley stated everyone would be given time to review the plan and then vote on it. Walker offered to attend another council meeting after council has a chance to review the plan.

4. Resolution 2012 – AB – A resolution assessing a five mill tax against the real and personal property within the corporate limits of the City of Cherokee Village, Arkansas – Mayor Hefley stated it was time to asses the millage for the coming year. Clerk Hamilton read Resolution 2012, temporary number AB. Councilman Newman moved to approve the resolution, seconded by Bratcher. Mayor Hefley called for a roll call vote; there were four (4) yeas, Maxedon, Stokes, and Thone voted no. Mayor Hefley voted yes to pass the resolution.

COMMENTS OF CITY RELATED ITEMS: (limit 3 minutes per person)

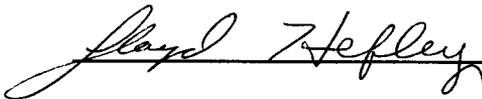
ANNOUNCEMENTS:

ADJOURNMENT: Councilman Stokes moved to adjourn the meeting at 8:58 p.m., seconded by Newman and passed unanimously.

NOTE: Minutes are prepared by Kathi Blackwell, Assistant to Clerk/Treasurer Lana Hamilton (with Hamilton's approval)

DATE: 10-25-2012

APPROVED:



Lloyd Hefley, Mayor

ATTEST: 

Lana Hamilton, City Clerk/Treasurer