

MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
CITY OF SILOAM SPRINGS, BENTON COUNTY,
ARKANSAS, HELD MAY 17, 2016

The Board of Directors of the City of Siloam Springs, Arkansas, met in regular session at the City of Siloam Springs Administration Building, on May 17, 2016.

The Meeting was called to order by Mayor Turner.

Roll Call: Coleman, Johnson, Smiley, Beers, Jones –Present
Burns, Smith –Absent

Phillip Patterson, City Administrator; Jay Williams, City Attorney; Renea Ellis, City Clerk; Greg Neely, Fire Chief; Geoff Lewis, Deputy Chief Major; Don Clark, Community Services Director; Steve Gorszcyk, Public Works Director; Justin Bland, City Engineer; present.

Opening prayer was led by Frank Johnson.

Mayor John Turner led the Pledge of Allegiance.

A copy of the May 3, 2016 minutes of the regular meeting had previously been given to each Director. A Motion was made by Smiley and seconded by Beers to accept the minutes with changes to director Johnsons input. Mayor called for a voice vote. Motion passed unanimously.

The first agenda item was the Open Hearing for Citizens Present.
No one came forward.

The next item on the agenda: Public Hearing / AEDC Economic Development Grant / Simmons Feed Ingredients, Inc. Jay Stallard, Senior Grants Administrator with Northwest Arkansas Economic Development District, stated the public hearing is a required element for an application through the state's economic development program. He stated Simmons is expanding and will be putting in another facility. He stated part of the hearing is to ask for input with regard to the City's needs. (i.e. economic development; job creation, roads, sidewalks, housing, etc.) Johnson asked if the street in that area would be widened. Stallard stated not to his knowledge. He went on to say the bulk of this project will be a wastewater pretreatment facility. Stallard announced the public hearing is closed.

The next item on the agenda: AEDC & Simmons Grant Resolutions / Resolution 13-16 / Establish a Civil Rights Enforcement Plan. Discussion: Jay Stallard stated law enforcement in the State is required to get certified and that part of the training included how to handle non-violent civil rights demonstrators. He stated law enforcement is only allowed to use the appropriate amount of force, and not excessive in the civil order.

The next item on the agenda: AEDC & Simmons Grant Resolutions / Resolution 14-16 / Anti-Displacement Plan. Discussion: Stallard explained this states it will replace housing for years in

low income areas. He stated only federally funded housing is affected by displacement language. Johnson expressed thanks and asked for clarification on a specific residence. Stallard stated only federally funded housing is affected by displacement. Smiley asked if specific displacement was there, the grant wouldn't be funded? Stallard answered yes, that's correct. John Watley, Simmons Representative, explained the location of the project. Phillip Patterson, City Administrator, gave clarification as to two projects Simmons was working on and the address that was the subject of the grant.

The next item on the agenda: AEDC & Simmons Grant Resolutions / Resolution 15-16 / Establish Fair Housing and Equal Opportunity Policy. Discussion: Stallard stated the City adheres to the fair housing and equal opportunity policy in an effort to combat discrimination in any form.

The next item on the agenda: AEDC & Simmons Grant Resolutions / Resolution 16-16 / Designate Administrative Services. Discussion: Stallard stated this designates the Northwest Arkansas Economic Development District as the administrator for this project. Beers asked if the application is for the specific parcel of land. Stallard stated reaffirming Federal regulations for entire City for a few years.

The next item on the agenda: AEDC & Simmons Grant Resolutions / Resolution 17-16 / Authorize the City of Siloam Springs to Submit an ACEDP Grant Application to the State. Discussion: Stallard stated Simmons is going to create a feed ingredient facility while creating 78 new jobs in two years. Jay Williams, City Attorney, pointed out these Resolutions are standard and existing policy. Smiley expressed her excitement for new jobs. She then asked about the costs to the City. Stallard told her the costs would be minimal and only for the time spent on financial work. Beers expressed his excitement about the project.

A Motion to approve Resolutions 13-16, 14-16, 15-16, 16-16, and 17-16 was made by Smiley and seconded by Johnson.

Roll Call:

Johnson, Smiley, Beers, Jones, Coleman –Aye.

5 Ayes. No Nays. Motion passed.

The next item on the agenda: Resolution 18-16 / Economic Incentives Authorization / New and Expanding Commercial and Industrial Uses. Discussion: Phillip Patterson, City Administrator, briefed the item. He stated this authorizes the City Administrator to negotiate incentives with Board approval. Smiley asked about the statement, “..... available incentives include but are not limited to...” Patterson stated this term was included just in case other options come up that are not listed. Beers referred to the Governor securing a Chinese manufacturer for the State. He stated he is in favor of the City Administrator being able to move forward. A Motion to approve Resolution 18-16 / Economic Incentives Authorization / New and Expanding Commercial and Industrial Uses was made by Johnson and seconded by Beers.

Roll Call:

Smiley, Beers, Jones, Coleman, Johnson –Aye.

5 Ayes. No Nays. Motion passed.

The next item on the agenda: Resolution 19-16 / Authorize Expenditures Necessary for Award of Jefferson Drainage Grant / \$7,500 Improvements. Discussion: Justin Bland, City Engineer, briefed the item. Smiley asked about the costs of the the mitigation plan. Bland stated the \$7,500 is for the preliminary design, with \$40,000 in fees, and another \$60,000 estimated for material and labor. A Motion to approve Resolution 19-16 / Authorize Expenditures Necessary for Award of Jefferson Drainage Grant / \$7,500 Improvements was made by Smiley and seconded by Jones.

Roll Call:

Beers, Jones, Coleman, Johnson, Smiley –Aye.

5 Ayes. No Nays. Motion passed.

The next item on the agenda: Construction Manager at Risk Agreement / Nabholz Construction / Annex Building Renovation / \$712,875. Discussion: Don Clark, Community Services Director, briefed the item. A Motion to approve the CMRA for the City Annex Building renovation with Nabholz Construction in the amount of \$712,875 was made by Smiley and seconded by Coleman.

Phillip Patterson, City Administrator, stated this includes an additional \$50,000 for the soft costs.

Roll Call:

Jones, Coleman, Johnson, Smiley, Beers –Aye.

5 Ayes. No Nays. Motion passed.

The next item on the agenda: Wastewater Treatment Plant Blowers / Repair and Replacement / \$107,275.

Discussion: Steve Gorszcyk, Public Works Director, briefed the item. Jones asked what will go down in the budget. Gorszcyk stated the money is already there, it just needs moved from depreciation. Smiley asked if he will keep the new one on and keep the old one as a backup. Gorszcyk stated they will use the old one until the new one arrives, then they will alternate them. Beers asked if new blowers will prevent corrosion. Gorszcyk stated there are coatings but the issue is condensation; when mixed with gas it causes acidity. A Motion to approve the repair and replacement costs for two (2) blowers from the Wastewater's 2016 depreciation fund budget at a cost of \$107,275 was made by Coleman and seconded by Smiley.

Roll Call:

Coleman, Johnson, Smiley, Beers, Jones –Aye.

5 Ayes. No Nays. Motion passed.

The next item on the agenda: Temporary Employee / Street Division.

Discussion: Steve Gorszcyk, Public Works Director, briefed the item. Smiley asked if there is a need for a Project Coordinator. Gorszcyk answered no, there is not enough work. He stated a temporary employee will help get us through the construction season. A Motion to approve hiring a temporary employee for the Street Division was made by Beers and seconded by Smiley.

Roll Call:

Johnson, Smiley, Beers, Jones, Coleman –Aye.

5 Ayes. No Nays. Motion passed.

Administrator's Report: Phillip Patterson, City Administrator, reported the drainage work at First Assembly Church has been completed, and staff did a great job. He stated they are now moving to start the extension of Simon Sager Drive. Patterson reported an existing agreement with

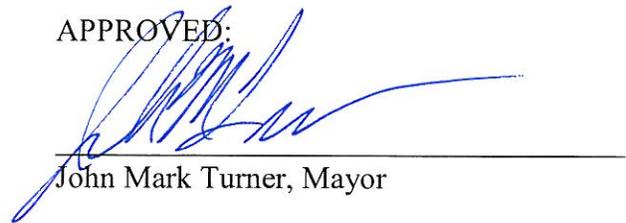
Professional Business Systems for the copy machines had recently been extended for an additional 12 months at a cost of \$46,489 from July 2016 to July 2017. He stated staff will be looking to cut copy costs down for 2017. He then recognized a Main Street announcement regarding the loan program for redevelopment and developments in downtown. He stated Arvest Bank, Generations Bank, Grand Savings Bank, Simmons First Bank and Centennial Bank all came together to form this loan consortium to help with the project by pooling monies available for loans. He stated staff and Main Street are excited for this program.

Open Hearing of Directors: Mayor thanked the five local banks for partnering with the community. He stated the Siloam Springs High School Scholarship Program will be Thursday at the High School and graduation is Saturday at Barnhill Arena. He then stated both the Siloam Springs girls' and boys' soccer teams are in the finals at the State Championship. He thanked crews for spraying street edges. He then thanked Jay Stallard. Beers stated its exciting being a part of a community with so much economic development happening. He expressed his excitement for all the John Brown University graduates. He thanked engineers for their assistance. Johnson stated there is a lot going on. He commended the sanitation department after seeing them picking up after 5pm. He reminded everyone that this is Police Recognition Week. He stated he was at the service last night at the Police Department. He expressed his thanks to the Police Department. Jones stated sales tax revenue was up over 10%. He then stated he is glad the ditch on Twin Springs is going to be repaired. He stated he is amazed the Army Corp of Engineers considers that to be waters of the U.S. and hopes they maintain it. Smiley expressed appreciation to the City workers for all their hard work on clean-up week. She then stated she appreciates the five local banks for creating the loan program. She then gave a shout out to her grandson for graduating with a degree in microbiology. Coleman asked everyone to keep Karl and Janice Mounger in prayers after Janie suffered a stroke. He stated he heard from Friends of the Library that new kids are coming to the Library for reading time. He then stated he is looking forward to Santa Claus having a full house come December.

With no further business, Coleman made a motion to adjourn; seconded by Smiley. The Mayor called for a voice vote. All Ayes. Motion passed.

Meeting adjourned.

APPROVED:



John Mark Turner, Mayor

ATTEST:



Renea Ellis, City Clerk

