

BENTON CITY COUNCIL MEETING

SEPTEMBER 28, 2015

7:00 PM



AGENDA MEETING - 6:45 PM



BENTON MUNICIPAL COMPLEX
114 SOUTH EAST STREET
COUNCIL CHAMBERS

DAVID MATTINGLY, MAYOR

REGULAR SESSION
September 28, 2015
7:00 PM
AGENDA

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| I. | Call to Order | Mayor Mattingly |
| II. | Invocation | |
| III. | Pledge of Allegiance | Alderman Donnor |
| IV. | Roll Call | City Clerk |
| V. | Approval of Minutes | September 14, 2015
<i>Regular Meeting</i> |
| VI. | Employee of the Month
<i>August 2015, Nicole Barringer</i> | Alderman Donnor |
| VII. | Youth of the Month
<i>August 2015, Jared McPeake</i> | Jackie Sherrell |
| VIII. | Proclamation
<i>Public Power Week, October 4th -10th</i> | Mayor Mattingly |
| IX. | Swearing-In Ceremony
<i>Officer Noah Myers and Officer Danny Dintleman</i> | Judge Arnold |
| X. | Video Presentation – Interior of Riverside Park | Mayor Mattingly |
| XI. | COMMITTEE REPORTS & MOTIONS | |
| | 1. Finance Committee | Alderman Ponder |
| | ORDINANCE NO. 50 OF 2015
<i>AN ORDINANCE AMENDING THE 2015 BUDGET FOR THE GENERAL FUND AS ADOPTED IN ORDINANCE 75 OF 2014; APPROPRIATING FUNDS FOR THE FIRE DEPARTMENT; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES</i> | |
| | 2. Community Services/Animal Control | Alderwoman Reed |
| | RESOLUTION NO. 47 OF 2015
<i>A RESOLUTION AUTHORIZING THE MAYOR TO OBTAIN THE NECESSARY REPORTS CONCERNING THE PALACE THEATER; AND FOR OTHER PURPOSES</i> | |
| | 3. Streets & Drainage Committee | Alderman Cunningham |
| | 4. Personnel/Health & Safety Committee | Alderman Donnor |
| | 5. Parks Committee | Alderman Lee |
| | 6. Public Utilities Commission | Alderman Herzfeld |
| | 7. A & P Commission | Alderman Donnor/
Alderman Ponder |
| XII. | Unfinished Business | |

- XIII. New Business**
- XIV. Old Business**
- XV. Announcements**
- XVI. Adjourn**

MINUTES OF THE BENTON CITY COUNCIL
Regular Session
September 14, 2015
Benton Municipal Complex

The Benton City Council was called to order for a regular session at 7:02 p.m.

The Mayor gave the invocation.

Alderman Reed led the pledge of allegiance.

Roll was called.

The following persons were in attendance:

Alderman Frank Baptist	Alderman Kerry Murphy
Alderman Charles Cunningham	Alderman Evelyn Reed
Alderman Bill Donnor	Alderman James Herzfeld
Alderman Steve Lee	Alderman Lori Terrell
Brent Houston, City Attorney	Cindy Stracener, City Clerk
David Mattingly, Mayor	

When roll was called eight (8) council members were present. A quorum was declared. Judd Hart will be sworn in to replace Alderman Gardner after the resolution is approved. Alderman Ponder was absent.

A proclamation was read declaring the month of September as “Central Arkansas Development Council Month” in the city of Benton.

The Mayor requested approval for the August 24, 2015 city council meeting minutes. Alderman Lee made a motion to approve the minutes. Seconded by Alderman Terrell. The Mayor called for a voice vote on the approval of the minutes. All aldermen present replied in the affirmative. The minutes for the August 24, 2015 council meeting were approved with 8 affirmative and 2 absent votes.

Alderman Donnor made a motion to approve Resolution 44 of 2015 – A Resolution Ratifying and Confirming the Appointment of Judd Hart to Fill the Vacancy of the Benton City Council in Ward 4, Position 1; and For Other Purposes. Seconded by Alderman Terrell. The resolution was read by the city clerk. The Mayor asked for any comments. None. The Mayor asked that the roll be called. Roll called resulted in Alderman Baptist yes, Alderman Murphy yes, Alderman Cunningham yes, Alderman Reed yes, Alderman Donnor yes, Alderman Ponder absent, Alderman Gardner resigned, Alderman Herzfeld yes, Alderman Lee yes, and Alderman Terrell yes. Resolution 44 of 2015 was approved with 8 affirmative and 2 absent votes.

Mayor Mattingly swore Judd Hart into office.

Alderman Lee made a motion for Alderman Hart to fill the committee vacancies left by Alderman Gardner on the Parks Committee, Community Service Committee and the Street and Drainage Committee. Seconded by Alderman Murphy. The Mayor asked that the roll be called. Roll called resulted in Alderman Baptist yes, Alderman Murphy yes, Alderman Cunningham yes, Alderman Reed yes, Alderman Donnor yes, Alderman Ponder absent,

Alderman Hart yes, Alderman Herzfeld yes, Alderman Lee yes, and Alderman Terrell yes. Motion was approved with 9 affirmative and 1 absent vote.

Alderman Terrell made a motion to adopt Resolution 45 of 2015 – A Resolution Authorizing the Execution of an Agreement with Benton Investment Partners, LLC; Appropriating Funds for this Purposes. Seconded by Alderman Lee. The resolution was read by the city clerk. The Mayor asked for any comments. None. The Mayor asked that the roll be called. Roll called resulted in Alderman Baptist yes, Alderman Murphy yes, Alderman Cunningham yes, Alderman Reed yes, Alderman Donnor yes, Alderman Ponder absent, Alderman Hart yes, Alderman Herzfeld yes, Alderman Lee yes, and Alderman Terrell yes. Resolution 45 of 2015 was approved with 9 affirmative and 1 absent vote.

The next item on the agenda was committee reports and motions. Alderman Terrell was recognized for the Finance Committee report. Alderman Terrell asked for the first reading of Ordinance 45 of 2015 – An Ordinance Amending the 2015 Budget for the General Fund as Adopted in Ordinance 75 of 2014; Appropriating Funds for the Public Safety Department; Declaring an Emergency; and For Other Purposes. Seconded by Alderman Donnor. The ordinance was read by the city clerk. This is to upgrade computer software and services provided by AT&T for the 911 offices. The Mayor asked for any comments. None. Alderman Terrell made a motion to suspend the rules for the second and third readings of Ordinance 45 of 2015. Seconded by Alderman Lee. The Mayor asked that the roll be called on the motion to suspend. Roll called resulted in Alderman Baptist yes, Alderman Murphy yes, Alderman Cunningham yes, Alderman Reed yes, Alderman Donnor yes, Alderman Ponder absent, Alderman Hart yes, Alderman Herzfeld yes, Alderman Lee yes, and Alderman Terrell yes. Motion to suspend was approved with 9 affirmative and 1 absent vote. Alderman Terrell made a motion to adopt Ordinance 45 of 2015 on its second and third readings. Seconded by Alderman Lee. The ordinance was read by title only. The Mayor asked that the roll be called. Roll called resulted in Alderman Baptist yes, Alderman Murphy yes, Alderman Cunningham yes, Alderman Reed yes, Alderman Donnor yes, Alderman Ponder absent, Alderman Hart yes, Alderman Herzfeld yes, Alderman Lee yes, and Alderman Terrell yes. Ordinance 45 of 2015 was adopted with 9 affirmative and 1 absent vote. Alderman Terrell made a motion to adopt the emergency clause for Ordinance 45 of 2015. Seconded by Alderman Donnor. The Mayor asked that the roll be called. Roll called resulted in Alderman Baptist yes, Alderman Murphy yes, Alderman Cunningham yes, Alderman Reed yes, Alderman Donnor yes, Alderman Ponder absent, Alderman Hart yes, Alderman Herzfeld yes, Alderman Lee yes, and Alderman Terrell yes. The emergency clause for Ordinance 45 of 2015 was adopted with 9 affirmative and 1 absent vote.

Alderman Terrell asked for the first reading of Ordinance 46 of 2015 – An Ordinance Amending the 2015 Budget for the General Fund as Adopted in Ordinance 75 of 2014; Appropriating Funds for the Animal Control Department; Declaring an Emergency; and For Other Purposes. Seconded by Alderman Donnor. The ordinance was read by the city clerk. This ordinance is to accept a grant and appropriate the money for a pressure washer. The Mayor asked for any comments. None. Alderman Terrell made a motion to suspend the rules for the second and third readings. Seconded by Alderman Lee. The Mayor asked that the roll be called on the motion to suspend. Roll called resulted in Alderman Baptist yes, Alderman Murphy yes, Alderman Cunningham yes, Alderman Reed yes, Alderman Donnor yes, Alderman Ponder absent, Alderman Hart yes, Alderman Herzfeld yes, Alderman Lee yes, and Alderman Terrell yes. Motion to suspend the rules was approved with 9 affirmative and 1 absent vote. Alderman Terrell made a motion to adopt Ordinance 46 of 2015 on its second and third readings. Seconded by Alderman Cunningham. The

ordinance was read by title only. The Mayor asked that the roll be called. Roll called resulted in Alderman Baptist yes, Alderman Murphy yes, Alderman Cunningham yes, Alderman Reed yes, Alderman Donnor yes, Alderman Ponder absent, Alderman Hart yes, Alderman Herzfeld yes, Alderman Lee yes, and Alderman Terrell yes. Ordinance 46 of 2015 was adopted with 9 affirmative and 1 absent vote. Alderman Terrell made a motion to adopt the emergency clause of Ordinance 46 of 2015. Seconded by Alderman Donnor. The Mayor asked that the roll be called for the emergency clause. Roll called resulted in Alderman Baptist yes, Alderman Murphy yes, Alderman Cunningham yes, Alderman Reed yes, Alderman Donnor yes, Alderman Ponder absent, Alderman Hart yes, Alderman Herzfeld yes, Alderman Lee yes, and Alderman Terrell yes. The emergency clause was adopted with 9 affirmative and 1 absent vote.

Alderman Reed was recognized for a report from the Community Service/Animal Control Committee. Alderman Reed asked for the first reading of Ordinance 47 of 2015 – An Ordinance Rezoning Certain Land in the City of Benton, Saline County, Arkansas, Declaring an Emergency; and For Other Purposes. Seconded by Alderman Baptist. The ordinance was read by the city clerk. This ordinance rezones lot 2C the Village Hurricane Lake Subdivision. It is being rezoned from CH- highway commercial to RM-1.8 multifamily. The Mayor asked for any comments. None. Alderman Reed made a motion to suspend the rules for the second and third readings. Seconded by Alderman Cunningham. The Mayor asked that the roll be called on the motion to suspend the rules. Roll called resulted in Alderman Baptist yes, Alderman Murphy yes, Alderman Cunningham yes, Alderman Reed yes, Alderman Donnor yes, Alderman Ponder absent, Alderman Hart yes, Alderman Herzfeld yes, Alderman Lee yes, and Alderman Terrell yes. Motion to suspend the rules was approved with 9 affirmative and 1 absent vote. Alderman Reed made a motion to adopt Ordinance 47 of 2015 on its second and third readings. Seconded by Alderman Donnor. The ordinance was read by title only. The Mayor asked that the roll be called. Roll called resulted in Alderman Baptist yes, Alderman Murphy yes, Alderman Cunningham yes, Alderman Reed yes, Alderman Donnor yes, Alderman Ponder absent, Alderman Hart yes, Alderman Herzfeld yes, Alderman Lee yes, and Alderman Terrell yes. Ordinance 47 of 2015 was adopted with 9 affirmative and 1 absent vote. Alderman Reed made a motion to approve the emergency clause. Seconded by Alderman Baptist. The Mayor asked that the roll be called. Roll called resulted in Alderman Baptist yes, Alderman Murphy yes, Alderman Cunningham yes, Alderman Reed yes, Alderman Donnor yes, Alderman Ponder absent, Alderman Hart yes, Alderman Herzfeld yes, Alderman Lee yes, and Alderman Terrell yes. The emergency clause was approved with 9 affirmative and 1 absent vote.

Alderman Reed made a motion to adopt Resolution 46 of 2015 – A Resolution Authorizing the Extension of an Agreement with Gann House Renovations, LLC; and For Other Purposes. Seconded by Alderman Cunningham. The resolution was read by the city clerk. The Mayor asked for any comments. None. The Mayor asked that the roll be called. Roll called resulted in Alderman Baptist yes, Alderman Murphy yes, Alderman Cunningham yes, Alderman Reed yes, Alderman Donnor yes, Alderman Ponder absent, Alderman Hart yes, Alderman Herzfeld yes, Alderman Lee yes, and Alderman Terrell yes. Resolution 46 of 2015 was adopted with 9 affirmative and 1 absent vote.

Alderman Reed asked for the first reading of Ordinance 48 of 2015 – An Ordinance Annexing Certain Territory into the Corporate Limits of the City of Benton, Saline County, Arkansas; Declaring an Emergency; and For Other Purposes. Seconded by Alderman Baptist. The ordinance was read by the city clerk. The annexation was requested by CCV

Development, LLC and is for land located contiguous to North Shore at Hurricane Lake Estates Phase 3. The Mayor asked for any comments. Brent Houston, City Attorney stated that for the record his law partner Perry Young has assisted CCV Development, LLC with this application. Mr. Houston stated that he has not had any involvement in it. No other comments were made. Alderman Reed made a motion to suspend the rules for the second and third readings. Seconded by Alderman Baptist. The Mayor asked that the roll be called on the motion to suspend. Roll called resulted in Alderman Baptist yes, Alderman Murphy yes, Alderman Cunningham yes, Alderman Reed yes, Alderman Donnor yes, Alderman Ponder absent, Alderman Hart yes, Alderman Herzfeld yes, Alderman Lee yes, and Alderman Terrell yes. Motion to suspend the rules was approved with 9 affirmative and 1 absent vote. Alderman Reed made a motion to adopt Ordinance 48 of 2015 on its second and third readings. Seconded by Alderman Cunningham. The ordinance was read by title only. The Mayor asked the roll be called. Roll called resulted in Alderman Baptist yes, Alderman Murphy yes, Alderman Cunningham yes, Alderman Reed yes, Alderman Donnor yes, Alderman Ponder absent, Alderman Hart yes, Alderman Herzfeld yes, Alderman Lee yes, and Alderman Terrell yes. Ordinance 48 of 2015 was adopted with 9 affirmative and 1 absent vote. Alderman Reed made a motion to approve the emergency clause. Seconded by Alderman Donnor. The Mayor asked that the roll be called. Roll called resulted in Alderman Baptist yes, Alderman Murphy yes, Alderman Cunningham yes, Alderman Reed yes, Alderman Donnor yes, Alderman Ponder absent, Alderman Hart yes, Alderman Herzfeld yes, Alderman Lee yes, and Alderman Terrell yes. The emergency clause was approved with 9 affirmative and 1 absent vote.

Alderman Cunningham was recognized for the Streets and Drainage Committee report. He stated that the committee meeting scheduled for tomorrow needs to be rescheduled and the when will be decided on after the council meeting. There are some issues that need to be addressed this week.

Alderman Donnor was recognized for the Personnel/Health & Safety Committee report. He stated that the committee met on August 25 and interviewed all the candidates for the open city council position. The committee reached a unanimous decision to recommend to the full council the appoint of Judd Hart for the vacancy.

Alderman Lee was recognized for the Parks Committee report. He stated that he had nothing to report.

Alderman Herzfeld was recognized for a report from the Public Utility Commission. Alderman Herzfeld asked for the first reading of Ordinance 49 of 2015 – An Ordinance Authorizing the Acquisition of Certain Lands by Eminent Domain Along Alcoa Road Located at the Alcoa Exchange Shopping Center; Declaring an Emergency; and For Other Purposes. Seconded by Alderman Reed. The ordinance was read by the city clerk. The Mayor asked for any comments. Mr. Houston stated that this taking is for easement for utility lines and it is a friendly condemnation. Alderman Herzfeld made a motion to suspend the rules. Seconded by Alderman Baptist. The Mayor asked that the roll be called. Roll called resulted in Alderman Baptist yes, Alderman Murphy yes, Alderman Cunningham yes, Alderman Reed yes, Alderman Donnor yes, Alderman Ponder absent, Alderman Hart yes, Alderman Herzfeld yes, Alderman Lee yes, and Alderman Terrell yes. Motion to suspend the rules was approved with 9 affirmative and 1 absent vote. Alderman Herzfeld made a motion to approve Ordinance 49 of 2015 on its second and third readings. Seconded by Alderman Baptist. The ordinance was read by title only. The Mayor asked that the roll be called. Roll called resulted in Alderman Baptist yes, Alderman Murphy yes, Alderman

Cunningham yes, Alderman Reed yes, Alderman Donnor yes, Alderman Ponder absent, Alderman Hart yes, Alderman Herzfeld yes, Alderman Lee yes, and Alderman Terrell yes. Ordinance 49 of 2015 was approved with 9 affirmative and 1 absent vote. Alderman Herzfeld made a motion to approve the emergency clause for Ordinance 49 of 2015. Seconded by Alderman Lee. The Mayor asked that the roll be called. Roll called resulted in Alderman Baptist yes, Alderman Murphy yes, Alderman Cunningham yes, Alderman Reed yes, Alderman Donnor yes, Alderman Ponder absent, Alderman Hart yes, Alderman Herzfeld yes, Alderman Lee yes, and Alderman Terrell yes. The emergency clause was approved with 9 affirmative and 1 absent vote.

Alderman Herzfeld gave a report from the September 8, 2015 commission meeting. See attached.

Alderman Donnor was recognized for the Advertising and Promotion Commission report. He stated that the commission meeting for September 17th has been postponed and will meet on September 24th.

There was not any unfinished or new business.

The Mayor stated that the six month extension from the date of the committee meeting for the Palace Theater will be on the September 28th's agenda. A press conference will be held in the morning to explain and give more details of the impact of Resolution 45 of 2015. The new Kroger Marketplace will be opening on September 23rd. A tailgate party will be held on September 25th before the football game and KTHV Channel 11 will be here during that week before for their Your Town segment. Savor the Flavor is October 1st.

The meeting adjourned at 7:38 p.m.

Cindy Stracener, City Clerk

David Mattingly, Mayor

Public Utility Commission Meeting Summary of the September 8, 2015 Meeting

1.)

Presentation by Jonathan Buff to Wastewater Treatment employee Jack Estes. Mr. Buff, Wastewater Department Manager said that Mr. Jake Estes came to work for us about 4 years ago, and about 9 years ago he set out to get his class 4 license. Last week he passed his class 4 and we would like to recognize him this evening. Mr. Buff asked Mr. Estes to come forward and presented Mr. Estes with his certificate. All the Commissioners congratulated Mr. Estes.

2.)

Presentation by Jack Truemper on recent bond closing. Mr. Truemper thanked everyone on behalf of Mark McBryde, Lee Burnett and himself. A few months ago when they had the bond closing they presented everyone with a binder as a small token to show their appreciation of the relationship with the Benton Utilities Commission. They just wanted to come tonight to pass out these books and say thank you very much.

3.)

Presentation by Cindy Hawkins on July financials. Mrs. Hawkins went through the July financials and said that in July we were \$531,737 revenues over expenses. August will still be a good month but it will not be as good as we are for July although it will be a good month from what she is seeing so far. A motion was made and seconded to accept the report as presented. A vote was taken and approval given.

4.)

Presentation by Cindy Hawkins on budget impact of raises for utility employees. Mrs. Hawkins said she believed Mr. McKinney shared a budget impact for raises and what the impact will be on our budget this year and what it will be for next year. We already had a 2% increase put into our budget to begin September 1st and you will see that there highlighted in yellow. Mr. McKinney asked her to also put in 2.5% and 3% to see what the impact would be for all the employees to do a cost of living increase. We have actually had emails come through asking what we were going to do for raises this year and it seems to be the consensus for municipalities to be 2.5%, so that is basically what we are going to ask for tonight and see if you guys will approve that. A motion was made and seconded to approve the staff's recommendations. A vote was taken and approval given.

5.)

Discussion and approval of engineering of the sewer line for Highway 5. Mr. Jacob Gillip of McClelland Engineering passed out a cost estimate and showed an image of a proposed gravity sewer line and made a presentation Mr. Gillip said what this is hoping to accomplish is to take the Long Hills Lift station off line over on the west side and take it down Highway 5 and take off the Dogwood Pump Station and take that on down to the Hurricane Lake Pump Station. Mr. McKinney said he would like them to vote to allow him to sign an agreement, change order with McClelland Engineers to perform all of the design activities which includes the surveying for the new 15" sewer line. Chairman Martin said we have to get it engineered before we really know what the full cost is on the preliminary estimate. A motion was made and seconded to allow them to move forward with McClelland. Member Ferrell asked if they had a budget on the cost and Mr. McKinney said it should be around 10% or about \$100,000 with engineering was included in the price. Mr. Gillip said the all the expenses are broken out and there is a 15" and a 12" estimate. Mr. McKinney said the 12" is from the Long Hills Pump Station to Highway 5 and the other is the whole shebang. A vote was taken and approval given.

6.)

Discussion and agreement with Lindsey Property Management for gravity sewer service. Mr. McKinney said no one from Lindsay Property is here tonight. He said Mr. Jerry Kelso from Crafton Tull came to a meeting a few weeks ago to a Thursday morning meeting and there were some questions on a PUD and he brought up the discussion that they were going to start the sewer right away. He said he had been toying with the idea and got to talking to the staff about whether there was any other economics for doing what we need to do. We got to thinking about it and had toyed with an idea about 4 years ago when we thought about putting that sewer line in down Hwy 5 and having Lindsey participate in that to help defray the cost. Mr. Kelso said he thought they had \$500,000 for the project and anything he could save Mr. Lindsey might be willing to put toward the project because he wouldn't have a lift station to maintain and a lot of things he could save on. They had a meeting last week and Chairman Martin attended. We talked to several folks from the Lindsey group and had McClelland there because they had done the engineering and what it would cost for everything, and it was agreed upon that there would be \$300,000 available. Mr. Kelso went back to Mr. Lindsey and as he understands they are in agreement with that. He hasn't gotten a formal letter or anything like that but he did tell them that it would have to be in a form of an agreement like we do for all other projects when it is a participation thing. The only caveat they put in was they said they were going to be ready for sewer early next summer. We told them that if we did, we would find a way to take care of it for that short period of a time. Chairman Martin said they have before them a request to draft a proposed agreement between Lindsey Properties and the PUC for the purpose of providing sewer service to their facility. A motion was made and seconded to accept the request as presented. Member Ferrell asked if this was contingent on the new line going in and Mr. McKinney said no, he does not know when we are going to have to commit to Lindsey. It's not tomorrow. We are hoping to drag it to where both of them match up.

7.)

Discussion and possible approval of bids for a boring machine in the Electric Department. Mr. Jeff Barnett, Electric Department Manager said back in September of 2014 you approved \$180,000 to purchase a boring machine. He contacted the folks at Ditch Witch and asked them if they would make me a quote for the machine we had in mind. The original quote came in at \$220,000. He told them we couldn't afford that and had a budget of \$180,000. We asked them to take it back and do some pencil work on it and took off some options and got it down to \$179,988. That price did not include the trailer. A motion was made and seconded to purchase the new boring machine with the approximate price of \$188,883.14 including the trailer. A vote was taken with Members Best and Miller voting yes and Member Ferrell voting no. Mr. Barnett said what they are planning to do with this machine is remove all the overhead primary lines that are in these easements that we have had so much trouble in. over the course of 3 years you are going to see a lot more customer service, thank you, a lot less over time and trimming costs. He doesn't think they will regret allowing them to do this.

8.)

The Mayor would like to discuss economic development with the Commission. Mayor Mattingly said a few months ago he engaged in conversations with many of you (Chairman Martin and Mr. McKinney) and other conversations have taken place both face to face and with representations of others on the commission. We are at the point with negotiations with this opportunity with GB1. He asks the finance committee tonight to approve a resolution to come to council on Monday night to authorize him to sign an MOU to continue on with the negotiations that we have been sharing. He knows there are still some issues for all of us to link together on and we are as he understands, working on those this Thursday to listen to some of your concerns and ours. What that means and how can we get there and so on. He thinks the key thing is that we are close enough that over the weekend he continued to talk to these

people and he told them all what we are capable of doing and all we will do collaboratively between us, the Utilities and hopefully, a John Doe 3rd partner that he is pushing very hard. Without the MOU, and he will let Alderman Ponder speak to that in just a second, the ability for them to understand and accept the things they must do as far as engineering and other things and make those commitments; they would like to have those documents in hand. You all know that an MOU always gives everybody an escape clause and always will under certain conditions. Those things will be in there. The attorney is working on that and he can't give it to them. He is not sure what the language will be but certainly the Chairman or General Manager and he, when they get ready to execute, will have that. Chairman Martin said the Chair would entertain a motion that we support the MOU being drawn up by City Hall or the attorney. Mayor Mattingly said the City Attorney and it will say clearly "the City of Benton and the Benton Public Utility is standing with" and then it will have 2 paragraphs or so. Chairman Martin said once it is drafted we would like to see it and Mayor Mattingly said he will get it to them as soon as he can. A motion was made and seconded. A vote was taken and approval given.

9.)

Discussion on First Electric Franchise Agreement. Mr. McKinney said about 2 weeks ago Mr. Brent Houston, City Attorney got an email from Don Crabbe, CEO of First Electric and asked what we were doing. Mr. Houston said he would call Mr. McKinney. He guesses we were supposed to put together the first draft, but he doesn't remember it. He told them he would do it so they put the first draft of the agreement together on what they thought it should be and they left it with the 5.2% franchise that the City has always got. This one is kind of funny because it involves us, but it also involves the City. That is why Mr. Houston is so intimate in this involvement. The bottom line is that we sent it to them and we basically told them that the City wanted to continue the 5.2%, but we did not want any territorial boundaries or guarantees other than the customers they already have we would not take without their agreement. They sent it back to us the other day and the Mr. Houston called and asked if he had seen the email and Mr. McKinney said he had not. What they did was they took the agreement and told us that they not only don't want us to touch their customers, but want us to honor their territory that was given to them by the State of Arkansas in whatever the timeframe was, and they would pay the 5.2%. A motion was made and seconded to send Mr. Houston a letter from the Commission stating that we are not interested in any of the markup that First Electric has done on the agreement that we sent to them previously and also go to the City Council and Mayor. Mr. McKinney asked if they could send that in the form of an email. The Commission told Mr. McKinney that he could. A vote was taken and approval given.

10.)

Michael Wheeler wants to talk to the PUC about the sewer main going through Lot 9 (218 E. Maple). Mr. Wheeler said he bought these two lots and he was going to build on and after he bought it he found that there was a sewer main running through the lot that wasn't an easement so it wasn't in the title work. He was under the impression that we would have to move that line so he asked the Commission to move it and everyone was like "Heck no". He was told they could help him with the lot in moving the house back, so he came back with the numbers on how much it would cost to move the house back on the lot and make everybody happy. The amount is \$6,930 total for the dirt work and concrete to move the house back. Chairman Martin asked if it was \$4,000 total and Mr. Wheeler said \$2,000 is for the dirt and the concrete is \$2940. Chairman Martin asked if that concrete is so because he was going to have to extend the driveway and Mr. Wheeler said yes. A motion was made and seconded that the Commission either credit him or give him the \$2,000 back for his sewer connection fees and dirt. It even is an exchange for the easement. Mr. Hood said to make sure that is just the sewer connection fees and has nothing to do with the water connection fees. Mr. McKinney asked for them to be specific that we are giving him back his

\$2,000 for sewer connection fees. Chairman Martin said that is what he said. Mrs. Hawkins asked Mr. Wheeler if he had paid those connection fees yet and Mr. Wheeler said no, they are not at that point. Member Ferrell asked Mr. Wheeler if he would accept that and Mr. Wheeler said he would to get this resolved so everybody will get along. It cost him a little bit more and cost them more than they wanted to pay. Mr. McKinney said they would have to get the easement together and have McClelland go out and survey it. A vote was taken and approval given.

Mr. McKinney said he had a couple of other items. The first is the proposed new substation at Hurricane Lakes. Mr. McKinney said tonight the guys are out talking to some landowners for the location of the land. One lady has agreed to sell us 1.5 acres at appraised value and give us the easement for the road to get in there. They are still out talking to another couple for ½ acres and if they agree they will have the 2 acres for the substation.

11.)

Mrs. Kathy Kirk, Human Resources Manager called him the other day and said right now the Mayor gives service awards every 5 years. Mrs. Kirk asked him what he wanted to do and he may have stepped out of bounds but told her that they would take care of that starting in January. We will have them come here to this meeting and let you present them with the plaques, if that is alright. The Mayor doesn't have any issue about it, but Mr. McKinney wanted to let them know and make sure they are comfortable with that. We have our own person doing the Human Resources activities now and that is going quite well.

12.)

The last thing he would like to talk about is what they (Mr. DeWayne Hood, Mr. Jeff Barnett, Mr. Dan Smith and Himself) did last week in Mountain Home. There were a lot of other utilities there such as NRG and West Star... big companies were there. They were talking about the Clean Power Plan and Waters of the US. How is that going to affect our business? NRG recently converted one of their large power plants to gas and it cost them 200 some odd million. Right now gas is cheaper than coal. The fear is from everybody that by the year 2020 that is going to flip and gas is going to be very expensive. Yes, it may be cleaner than coal but they are talking about dramatic rate increases around 2020 which isn't very far away. On the east and west coasts they are now paying 20 cents for 1 hour right now. In the mid-west we are paying 7 to 9 cents. It is really going to hit the Midwest because it will level the playing field, because the east and west coasts have already went to gas and other things. The mid-west is primarily where the coal is and that is where the big hits are. For example, Arkansas has got a 44% reduction in carbon by 2035 or whatever the date is. It is really scary looking out ahead. It's not that there is not going to be energy. There will be energy, but it is going to be a lot higher priced. It could hurt us or it could help us. Our contract goes up in June of 2019 which is before that 2020 date, so maybe we might be able to get another firm contract, but it is awful close to 2020 so maybe nobody will want to give us that. That is one thing that a lot of the municipals are considering is not doing contracts and actually hiring companies like TIA in Jacksonville, Florida to do their hourly trading and actually buy their load off of the grid every hour. North Little Rock and Conway are already doing that and so is Jonesboro. West Star is doing Jonesboro's and TIA is doing North Little Rock and Conway. West Memphis is looking at it pretty hard. We have a firm contract so we don't have to worry about it until that time, but that may be one of the things to look at in the future if we can save money buying power. We don't have anybody here who could do that hourly trading. It has to be done by the people who are really set up for it. Since we know some of the people already doing it and we can look at over the next few years and see if it is really good or not. Arkansas is a summer peaking state. We peak in the summer. Most of the MISO members are winter peaking entities, except for Mississippi, Louisiana, Texas and Arkansas he would say, which are brand new MISO members. That is really going to change things because right now power is not really that expensive in the summer off the

market, but you go to January and February and it could scare your socks off on how high the price is. In our case, he hopes something happens in the next few years that levelizes that playing field out to where we can do it. MISO is looking at that and there are a bunch of MISO meetings coming up not too far down the road to talk about what MISO is going to do in regards to their day ahead trading and some other things they are looking at pretty hard. It was interesting to talk to some of these people to find out and this is one of the places we found out what everybody what thinking about for raises this year. Most of them had already given raises but we hadn't and neither had Conway. The bad thing is he met 2 new managers that were both from Indiana. Hope's new GM is from Richmond, Indiana and Clarksville's new GM Hockersville, Indiana.

Meeting adjourned at 7:50 p.m.

**PROCLAMATION RECOGNIZING PUBLIC POWER WEEK, OCTOBER 4-10
A WEEK-LONG CELEBRATION OF BENTON UTILITIES YEAR-ROUND
SERVICE TO THE CITY OF BENTON**

WHEREAS, the citizens of Benton, place high value on local control over community services and therefore have chosen to operate a community owned, locally controlled, not-for-profit electric utility and, as consumers and owners of our electric utility, have a direct say in utility operations and policies; and

WHEREAS, Benton Utilities provides homes, businesses, social service organizations, and local government agencies with reliable, efficient, and cost-effective electricity employing sound business practices designed to ensure the best possible service at not-for-profit rates; and

WHEREAS, Benton Utilities is a valuable community asset that contributes to the well-being of local citizens through energy efficiency, customer service, environmental protection, economic development, and safety awareness; and

WHEREAS, Benton Utilities is a dependable and trustworthy institution whose local operation provides many consumer protections and continues to make the community a better place to live and work, and contributes to protecting the global environment; and

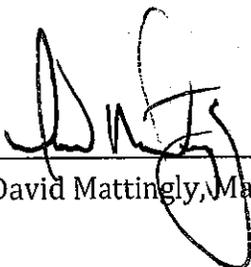
NOW, THEREFORE BE IT RESOLVED: that Benton Utilities will continue to work to bring lower-cost, safe, reliable electricity to community homes and businesses just as it has since 1918 the year when the utility was created to serve all the citizens of Benton; and

BE IT FURTHER RESOLVED: that the week of October 4-10 be designated Public Power Week to recognize Benton Utilities for its contributions to the community and to educate consumer-owners, policy makers, and employees on the benefits of public power; and

BE IT FURTHER RESOLVED: that our community joins hands with more than 2,000 other public power systems in the United States in this celebration of public power, which is best for consumers, business, the community, and the nation.

IN WITNESS HEREOF, I have hereunto set my hand and caused the Seal of the City of Benton, Arkansas to be affixed at City Hall this 28th day of September in the year of our Lord, two thousand and fifteen.





David Mattingly, Mayor

ORDINANCE NO. 50 OF 2015

AN ORDINANCE AMENDING THE 2015 BUDGET FOR THE GENERAL FUND AS ADOPTED IN ORDINANCE 75 OF 2014; APPROPRIATING FUNDS FOR THE FIRE DEPARTMENT; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES

WHEREAS, the city has been awarded a matching grant from FEMA in the amount of \$349,721.00; and

WHEREAS, the city accepts the grants funds and acknowledges its responsibility to contribute the matching portion pursuant to the terms of the grant award;

WHEREAS, it has been determined that funds will need to be appropriated for this purpose in both 2015 and 2016; and

WHEREAS, the fire department will acquire a new SCBA fill station and a new compressor this year using these funds; and

WHEREAS, the City Council desires to amend the 2015 budget to account for this additional income and the expenditures which will take place during the 2015 budget cycle.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BENTON, ARKANSAS:

SECTION 1: Pursuant to the authority granted in A.C.A. 14-58-202 and 14-58-203 the City Council does hereby amend the FY2015 City of Benton Budget as adopted in Ordinance 75 of 2014. The revised expenditures for the operations of the city are attached hereto as Exhibit "1" to this ordinance and are more fully described therein. The adoption of this amendment shall be deemed as an appropriation pursuant to the foregoing statutes as well as any other applicable ordinances of the city. The Mayor is hereby authorized to execute the documents necessary to make these purchases.

SECTION 2: It is hereby found and determined that there is an immediate need to amend the budget to appropriate funds for the purchase of a new SCBA fill station and compressor for the fire department. Therefore, an emergency exists and this ordinance is necessary for the preservation of the public peace, health and safety. It shall be in full force and effect immediately from and after its passage and approval.

PASSED AND APPROVED this the _____ day of September, 2015.

David Mattingly, Mayor

Cindy Stracener, City Clerk

NOT DESIGNATED FOR PUBLICATION



FY2015 Operating Budget

The Finance Committee of the City of Benton does hereby submit for approval a budget amendment for the Fiscal Year 2015. This submittal includes a revision for the General Fund.

Section 1 defines the dollar amount of the amendments contained in this exhibit.

Section 2 is a detailed explanation of the amended Receipts and Disbursements that make up this Fiscal Year 2015 budget amendment.

Section 1: Amended Appropriations – Fiscal Year 2015

General Fund

	Beg Approved Amt	Amendment	End Revised Amt
Receipts	\$14,690,179	\$45,900	\$14,736,079
Personnel	\$10,590,690	-0-	\$10,590,690
Operations & Maintenance	\$2,567,139	-0-	\$2,567,139
Capital Items	\$1,660,201	\$19,000	\$1,679,201

Section 2: Receipts & Disbursements - Fiscal Year 2015

General Fund

Misc Income

This budget amendment recognizes income from a FEMA grant received in the amount of <\$45,900.00> (680.760.10.00).

Capital Items

This budget amendment allows for the expenditure for a new SCBA fill station and compressor for \$51,000.00 (850.100.13.19). The new brush fire unit replacement/upgrade 1ton chassis for <\$32,000.00> (850.200.13.19) is being deleted, reallocating the funds toward the above cost.

RESOLUTION NO. 47 OF 2015

A RESOLUTION AUTHORIZING THE MAYOR TO OBTAIN THE NECESSARY REPORTS CONCERNING THE PALACE THEATER; AND FOR OTHER PURPOSES

WHEREAS, the City has sought bids for the demolition of the Palace Theater due to its present condition; and

WHEREAS, the City has also advertised for proposals from individuals and/or groups who desired to renovate the structure as opposed to demolishing it; and

WHEREAS, it has been recently determined that the interior wall of the structure which is a common wall with an adjacent structure presents issues with how to address the demolition or repair of the structure; and

WHEREAS, the City Council desires to provide the Mayor with six (6) months in which to have the necessary reports prepared which will review the overall stability of the structure considering the issues with the common wall and which makes recommendations on the alternatives the City has with respect to the structure.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Benton, Arkansas, that:

SECTION 1: The City Council does hereby authorize the Mayor to obtain the necessary reports which will review the overall stability of the Palace Theater considering the issues which exist with the common interior wall. The Mayor shall also request recommendations on the alternatives the City has with respect to either demolishing the structure or the renovation of it. The reports should include cost estimates of the alternatives. Consideration of the proposed demolition of the structure and the request for proposals for renovation of the structure is hereby postponed for six (6) months in order to have the necessary reports prepared for the City Council.

PASSED AND APPROVED this the _____ day of September, 2015.

David J. Mattingly, Mayor

Cindy Stracener, City Clerk