

MINUTES OF THE BOARD OF DIRECTORS SPECIAL MEETING

WEDNESDAY ~ JULY 27, 2022 ~ 3:27 P.M.

BLUE LION, 101 NORTH 2ND STREET

On July 21, 2022, Directors Lavon Morton, Directors George Catsavis, Robyn Dawson, and Andre' Good called for the special meeting to immediately follow adjournment of the special study session/mid-year budget review scheduled for 12:00 noon on July 27, 2022 to accommodate the following:

- ◆ Discussion to set a meeting time and date to discuss the planning for the water supply line project
- ◆ Executive Session:
 - ▶ Salary adjustment based on performance of City Administrator
 - ▶ Salary adjustment based on performance of Internal Auditor

The meeting was called to order at 3:27 p.m. by Mayor George McGill, presiding.

On roll call, the following members of the Board were physically present: Directors Jarred Rego, Lavon Morton, Robyn Dawson, Kevin Settle, and Neal Martin. Directors Andre' Good and George Catsavis were absent. Mayor McGill declared a quorum present.

Mayor McGill inquired if any Board member had any item of business to present that was not already on the agenda. There was none presented.

Item No. 1 was a discussion to set a meeting time and date to discuss the planning for the water supply line project.

Director Morton addressed the Board and expressed much concern with certain requirements of the State of Arkansas Act 605 of 2021. The Act requires water providers

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to increase their water rates and the amount of increase is based on a water rate study and existence of certain criteria, specifically denoting that the cost of a *“major development project...that exceeds twenty percent (20%) of gross revenues of the provider for the immediately preceding fiscal year”* is a determining factor of the rate of increase. Due to forthcoming water transmission line improvement projects and the anticipated cost of same, such could result in the City of Fort Smith being “required” to increase its water rates by potentially one-hundred-fifty percent (150%) within a very short period of time. He further noted that the Act maintains language and requirements that need to be clarified by the State Legislature, which is anticipated in the forthcoming general session.

There was brief discussion regarding certain requirements of the Act whereby Directors Rego, Martin, and Settle echoed the concerns expressed.

City Administrator Carl Geffken conveyed no objection to temporarily delaying the water transmission line improvement projects and indicated communication with the City’s legislative representatives will be forthcoming.

Director Settle provided a brief history citing the Act was presented to the legislature in an attempt to address a long-standing dispute between Garland County and the City of Hot Springs.

Director Morton offered a motion to place a resolution on the August 16, 2022 regular meeting agenda directing staff to cease further work on the water transmission line improvements projects and water rate study pending study session review of all requirements of State of Arkansas Act 605 of 2021. Director Settle seconded the motion; therefore, since placement of an item on a future agenda requires the concurrence of two

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(2) directors, Mayor McGill announced the resolution will be added to the August 16, 2022 regular meeting agenda as requested.

Administrator Geffken noted that during the special study session/mid-year budget review held prior to the subject special meeting, Director Morton and Martin placed an item on the August 2, 2022 regular meeting to authorize all 2022 new personnel requests. The agenda for the aforementioned meeting has already been set; therefore, he requested such be placed on the August 16, 2022 regular meeting agenda instead. Directors Morton and Martin conveyed no objection and concurred that such be placed on the August 16, 2022 regular meeting agenda for consideration.

The Board convened into executive session at approximately 3:57 p.m. and after reconvening, Mayor McGill opened the floor for a motion.

Note: Director Dawson physically left the meeting immediately following the executive session; however, she was present via electronic means thereafter.

Settle, seconded by Morton, moved to authorize a five-percent (5%) salary adjustment/increase to City Administrator Carl Geffken retroactively effective on April 1, 2022. The members present all voting affirmatively, the Mayor declared the motion carried.

Martin, seconded by Rego, moved to authorize a five-percent (5%) salary adjustment to Internal Auditor Tracey Shockley retroactively effective on April 1, 2022. The members present all voting affirmatively, the Mayor declared the motion carried.

On behalf of himself and Mrs. Shockley, Administrator Geffken extended a heartfelt “thank you” to the Board for the aforementioned salary adjustment, which is based on performance in 2021.

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There being no other business to come before the Board, Director Settle moved that the special meeting adjourn. The motion was seconded by Director Martin and the members present all voting aye, Mayor McGill declared the motion carried and the special meeting stood adjourned at 4:12 p.m.

APPROVED:


MAYOR

ATTEST:


CITY CLERK