

CITY OF BELLA VISTA

SPECIAL CITY COUNCIL MEETING

January 8, 2016

City Hall Conference Room

CALL TO ORDER: Mayor Christie called the meeting to order at 12:00 p.m.

ROLL CALL: Mayor Peter Christie, Aldermen Morgan, Flynn, Wozniak, Anderson and Wilson. Also present Attorney Kelly, Director of CDS Suneson, Communications Mgr. Lapp and Exec. Asst. Wilms. Absent and Excused: Alderman King. A quorum was declared present.

SUSPEND RULES: *Motion Anderson, second Wozniak to suspend Rules and read the proposed ordinance by title only.*

Ayes: Morgan, Flynn, Wozniak, Anderson, Wilson

Nays: None

Absent: King.

Motion carried. Ayes 5. Nays 0. Absent 1.

ORDINANCE NO. 2016-01 – AUTHORIZING BORROWING OF AN AMOUNT NOT TO EXCEED \$2,400,000.00 PURSUANT TO ARKANSAS CONSTITUTIONAL AMENDMENT 78 FOR THE FINANCING OF THE NEW STREET DEPARTMENT FACILITY ALONG WITH VARIOUS CAPITAL ASSETS INCLUDED THEREIN, BY ISSUANCE OF A PROMISSORY NOTE OR OTHER AGREEMENT; PROVIDING FOR SECURITY FOR THE REPAYMENT OF THE PROMISSORY NOTE OR OTHER AGREEMENT; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE NOTE OR OTHER AGREEMENT; REPEALING ORDINANCE NO. 2015-26; DECLARING AN EMERGENCY AND FOR OTHER PURPOSES –

Mayor Christie read proposed Ordinance No. 2016-01 by title only.

Mayor Christie explained the City previously adopted a similar ordinance but when we met with Arvest representatives they indicated they could not structure the loan as a construction loan based on the wording of the Ordinance. The only way to structure the loan as a construction loan was to repeal the previous ordinance and to adopt a new ordinance. He noted that the construction loan will allow us to make draws on the money and interest would be charged only on the amount of money pulled from the account. Under the previous ordinance we would have charged interest on the full amount of the loan. The need to do this quickly is because interest rates have gone up and Arvest can only hold the lower interest rate until sometime in February.

Motion by Wozniak, second by Anderson to suspend rules and to waive the second and third reading and proceed to the vote.

Ayes: Morgan, Flynn, Wozniak, Anderson, Wilson

Nays: None

Absent: King.

Motion carried. Ayes 5. Nays 0. Absent 1.

Mayor Christie gave the 3rd and final reading of proposed Ordinance 2016-01. Atty. Kelley clarified the proposed Ordinance repeals the previous ordinance and by passing the ordinance today the City can close on the loan after 30 days at the 1.825% interest rate. If it is not approved it will cost the City substantially more money in interest payments.

Alderman Wilson asked for a loan detail as to what facilities were being included in the total loan amount. Mayor Christie explained that the City is looking at a large three-sided storage building, a fuel depot, asphalt paving of the site, and a sand/salt storage facility as required by the federal government. These items are not included in the construction manager contract, as it was felt staff could over-see these projects and save some costs.

Alderman Wozniak noted that the County had its own fuel depot and did not get fuel under the state contract, rather they obtained quotes from various suppliers.

Motion Anderson, second Wozniak, to adopt proposed Ordinance No. 2016-01.

Ayes: Morgan, Flynn, Wozniak, Anderson.

Nays: Wilson

Absent: King

Motion carried. Ayes 4. Nays 1. Absent 1.

Motion Flynn, second Wozniak, to adopt the Emergency Clause.

Ayes: Morgan, Flynn, Wozniak, Anderson.

Nays: Wilson

Absent: King

Motion carried. Ayes 4. Nays 1. Absent 1.

ADJOURNMENT: There being no further business the meeting was adjourned at 12:10 p.m.

Jane A. Wilms, CAMC/MMC
Exec. Assistant

Peter A. Christie
Mayor