

MINUTES OF A MEETING OF THE  
COUNCIL OF THE CITY OF MARION, ARKANSAS

The Council of the City of Marion, Arkansas met in regular session Tuesday, August 25, 2020, at 7:00 p.m. at Marion City Hall.

Frank A. Fogleman	Mayor
Kelly O'Neal	Councilman (1-1)
David Bigger	Councilman (1-2)
Cliff Wood	Councilman (2-1)
Jim Spence	Councilman (2-2)
Sherry Holliman	Councilwoman (3-2)
James C. Hale III	City Attorney
David W. Rikard	City Treasurer
Patty James	City Clerk

Absent: Bryan Jackson Councilman (3-1)

I.

Councilman Spence made a motion, seconded by Councilwoman Holliman, to approve the minutes of the July 28, 2020, Council meeting. All Council members present voted in favor of the motion.

II.

Johnnye Wisniewski of Parsons Transportation Group gave the Council an update on the Overpass Project. On July 28, 2020, Parsons Transportation Group emailed a copy of the BNSF Easement Agreement to Mayor Fogleman for the City's review. On August 10, 2020, Parsons Transportation Group forwarded an email from BNSF's third-party firm (JLL Real Practice Group) for costs of permanent easement and easement construction. On August 21, 2020, they PTG emailed the final right-of-way plans and descriptions to Mayor Fogleman and Ed Cain, Planning Commission Consultant.

Retired Judge John Fogleman, the newly elected President of Sultana Historical Preservation Society (SHPS) addressed the Council on behalf of SHPS. He advised that the museum is not just a dream; it is becoming a reality and has the potential to be a first-class museum. The Board of

Directors consists of eight members and the board members have pledged \$120,000.00 of their own money toward the museum project.

He has previously spoken to Mayor Fogleman and City Attorney James Hale concerning an agreement with the City for the utilization of the gymnasium purchased by the City to house the Sultana Museum. The agreement that Fogleman has proposed to the Mayor, James Hale, and ultimately the City Council for consideration is a long-term agreement starting with a 50-year term with nominal rent. The lease not to begin until either July 1, 2021 or when the construction begins whichever is later. There is a clause in the agreement that construction will not begin until SHPS has raised 3 million dollars and the deadline for raising the 3 million dollars is July 1, 2023. If the 3 million dollars is not raised by July 2023, then the agreement will need to be reconsidered.

In order to lobby some of the big corporations for donations, the Museum must have the authority to give naming rights for the museum. Having an agreement with the City even though the lease does not begin until July 2023, will give the Museum the ability to negotiate naming rights for the museum.

In closing, Judge Fogleman advised he would be glad to discuss or answer any questions that the Council might have about the proposed agreement.

### III.

Committee Reports: The Planning Commission met on August 4, 2020. The Planning Commission approved the Tri State Surgical Center final plat. The Planning Commission also approved a site plan for a 2,800 square-foot office building on Lot 4, Block 2, Crump Addition to the City of Marion, located at the Intersection of Highway 77 and Birch Street.

The Planning Commission granted a preliminary approval, with several contingencies, of a Preliminary Subdivision Plat for a 213-single-family residential development located north of Delta Acres Subdivision. The name of this proposed development is Hunter's Point. This is located beyond the Marion City Limits and its development will require annexation into the City of Marion.

There is an agenda for the September 1, 2020, Planning Commission meeting.

Water and Sewer: No Report.

Parks and Recreation: No Report.

Streets and Drainage: No Report.

Sanitation: No Report.

Building Inspector: Mayor Fogleman reported 3 new house permits, 0 commercial permits and 67 miscellaneous permits were issued for the month of August. That brings year-to-date totals to 35 new house permits, 4 commercial permits and 322 miscellaneous permits with a combined total value of \$19,328,000 for all issued permits.

Fire and Police: Councilman O'Neal reported that the new Police cruisers have been delivered and the rescue truck should be coming in soon.

#### IV.

Old Business: The overlay work being done on Block Street and Judge Smith Drive is a state project, with ArDot is overseeing the project. When the milling work was completed, there were some unanticipated base failures that have to be fixed. The contractor's quote to the City was approximately \$89,000.00 to fix the base failures. After meeting with the engineers, a decision was made that the City will do this work. Gordon Floyd should have the work completed in approximately 2-3 weeks. It is unclear when the contractor will be back to finish the work.

Councilman O'Neal made a motion, seconded by Councilman Wood, to approve the renewal of the City's health insurance. All Council members present voted in favor of the motion.

City Attorney Hale reported that a hearing has been set for September 22, 2020, for the condemnation of the old service station at the SW corner of I-55 and Hwy 64 intersection.

#### V.

New Business: There was discussion held on the Solar proposals from Entergy and McKinstry. McKinstry's proposal includes some efficiency improvements to City electrical consumption plus a solar farm, or maximum efficiency improvements to City electrical consumption plus a solar farm. McKinstry's representative also recommends an investment grade energy audit. McKinstry proposes that there be no charge to the City if the City decides one of the McKinstry proposals. If the City does not decide to accept any of the McKinstry proposals, there would be a charge to the City of approximately \$20,000.00. Mayor Fogleman's initial thoughts were that the City could use the solar farm as a profit center for the City, but he learned that was not likely to happen. Entergy's proposal included a reduction to .05345 per kilowatt for electrical consumption for 18 years. If the proposed rate from Entergy had been in place during 2019, the City would have saved approximately \$65,000.00. The projected savings would likely vary from year to year as the savings is determined by the City's electrical consumption in future years. Treasurer Rikard gave a financial picture on putting solar energy to use for the City. Long term it could be a profitable investment for the City. Rikard said that McKinstry's proposal was more appealing and profitable than Entergy's proposal. According to McKinstry's proposal, small improvements of \$250,000.00, over a period of 35 years and after paying all fees would be a profit of 6.2 million dollars for the City. Entergy's proposal at \$65,000.00 per year over a 35-year period would be \$2,275,000.00. Rikard advised, both of these options would be considerably more cost efficient than the City building their own solar farm. Rikard's preference was to go ahead and pay (\$20,000.00) for the energy audit to get a real picture of options and financial savings on maintenance and electrical costs. In addition, Rikard advised if this is something the City wants to undertake, the City should hire an independent consultant to advise the City of their needs and savings. In closing, Mayor Fogleman stated that this would be put on the agenda for next month's Council meeting for consideration.

The City was not able to get a 5-year bond but instead was given a 3-year bond for the Marion Lakes Estate infrastructure. All excess fees have been paid and the plat has been signed and recorded.

Resolutions and Ordinances: The ordinance for the annexation of Hunter's Pointe Subdivision will be on the agenda for September's Council meeting for consideration.

VII.

Financial Report: Treasurer Rikard stated that the July financials have been previously distributed to the Council. Rikard pointed out that sales tax revenue collections for July were better than budgeted by 12.8% for the City portion and 12.0% for the County portions. The August sales tax numbers came out yesterday and the City portion is better than budget by 15.2% and the County portion is better than budget by 16.0%. Year-to-date collections through August are better than budget by 9.7% for the City portion and better by 10.4% for the County portion. Rikard pointed out that overall general fund revenue collections through July were better than budget by approximately \$128,000, but the property tax collections are worse than budget by approximately \$72,000. General fund expenditures were worse than budget by approximately \$153,000. Rikard then opened the floor for questions.

VIII.

Departmental Reports: No Reports.

There being no further business to come before the Council and upon proper motion, the meeting was adjourned at 8:15 p.m.

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Mayor

Attest: \_\_\_\_\_

City Clerk