

MOUNTAIN HOME CITY COUNCIL REGULAR MEETING AGENDA

THURSDAY, FEBRUARY 15th, 2024 @ 5 P.M.
COUNCIL CHAMBERS OF THE MUNICIPAL BUILDING
720 HICKORY STREET, MOUNTAIN HOME, ARKANSAS

Pledge of Allegiance

Prayer

Roll call

Minutes from the February 1st Council meeting

Committee reports

Bank reconciliations

Agenda additions

Announcements



OLD BUSINESS

NEW BUSINESS

[WILL BE READ BY TITLE ONLY] AN ORDINANCE AMENDING THE SCHEDULE OF RATES TO BE CHARGED AND COLLECTED FOR USERS OF THE CITY OF MOUNTAIN HOME'S WATER AND SEWER SYSTEMS; SETTING FORTH THE DATES FOR PAYMENT FOR CUSTOMERS OF THE CITY OF MOUNTAIN HOME'S WATER/SEWER SYSTEMS; SETTING CONNECTION AND DISCONNECTION FEES FOR THE SAME; SETTING FORTH PENALTIES AND DAMAGES FOR THE SAME; AMENDING ORDINANCES NO. 2023-10 AND 2023-11; AND PRESCRIBING OTHER MATTERS THERETO, presented by Steve Hill and Kirby Rowland

[POSSIBLE AGENDA ADDITION] A RESOLUTION AUTHORIZING CONDEMNATION OF REAL PROPERTY FOR EXTENSION OF SEWER LINE, presented by Roger Morgan and Hillrey Adams

SALE OF THE MOUNTAIN HOME POLICE DEPARTMENT BUILDING AT 424 W. 7TH STREET TO THE ARKANSAS GAME & FISH COMMISSION, presented by Hillrey Adams

PURCHASE OF PROPERTY AT 650 SOUTH STREET FROM F5 INVESTMENTS LLC, presented by Hillrey Adams

[POSSIBLE AGENDA ADDITION] A RESOLUTION WAIVING COMPETITIVE BIDDING ON THE SALE OF THE MOUNTAIN HOME POLICE DEPARTMENT BUILDING, presented by Roger Morgan and Hillrey Adams

STATE OF THE CITY, presented by Hillrey Adams

COMMENTS

ADJOURN

Respectfully submitted,
Scott Liles, City Clerk

MINUTES
REGULAR CITY COUNCIL MEETING – Thursday, February 1st, 2024

1. The Mountain Home City Council met in regular session on February 1st, 2024, in the Council Chambers of the Municipal Building. Mayor Hillrey Adams called the meeting to order at 5 p.m.
2. **CITY OFFICIALS IN ATTENDANCE** Mayor Hillrey Adams, City Clerk Scott Liles, City Attorney Roger Morgan, Police Chief Eddie Griffin, Fire Chief Kris Quick, Public Works Director Steve Hill, Treasury Director Alma Clark and Parks Director Daniel Baxley. Also in attendance was Kirby Rowland of Garver Engineering.
3. **MEDIA IN ATTENDANCE** Chris Fulton of the Mountain Home Observer. The meeting was also streamed on Facebook by XL-7 TV.
4. **ROLL CALL** Following the Pledge of Allegiance and an invocation, the following Council members were present for the roll call: Bob Van Haaren, Susan Stockton, Jennifer Baker, Wayne Almond, Paige Evans, Carry Manuel and Jim Bodenhamer. Nick Reed was absent.
5. **REVISED JANUARY 4th MINUTES** City Clerk Scott Liles presented a revised version of the Jan. 4 Council minutes. The updated minutes included the voting and decision on whether to allow the Mountain Home Police Department to dispose of six pieces of equipment. That information had inadvertently been left off the set of minutes approved at the last meeting, Liles said. Council member Jennifer Baker made a motion to approve the revised minutes. The motion was seconded by Council member Susan Stockton. *The vote was recorded as follows: Yes – Bob Van Haaren, Susan Stockton, Jennifer Baker, Wayne Almond, Carry Manuel and Jim Bodenhamer. Abstain – Paige Evans. Absent – Nick Reed. The motion carried, and the revised Jan. 4 minutes were adopted.*
6. **JANUARY 18th MINUTES** Council member Bob Van Haaren made a motion to approve the minutes from the Council’s Jan. 18 meeting. The motion was seconded by Council member Susan Stockton. *The vote was recorded as follows: Yes – Bob Van Haaren, Susan Stockton, Wayne Almond, Paige Evans, Carry Manuel and Jim Bodenhamer. Abstain – Jennifer Baker. Absent – Nick Reed. The motion carried, and the Jan. 18 minutes were adopted.*
7. **NEW BUSINESS**

A RESOLUTION AMENDING RESOLUTION NO. 2022-12, ADOPTING A BUDGET FOR THE CITY OF MOUNTAIN HOME, ARKANSAS, FOR THE TWELVE (12) MONTHS BEGINNING JANUARY 1, 2023, AND ENDING DECEMBER 31, 2023, APPROPRIATING MONEY FOR EACH AND EVERY ITEM OF EXPENDITURE If approved, this Resolution would update the City’s 2023 budget with the final, end-of-year numbers. Council member Jennifer Baker made a motion to adopt the resolution and was seconded by Council member Wayne

Almond. *The vote was recorded as follows: All present – Yes. Absent – Nick Reed. The resolution was declared adopted and numbered Resolution 2024-5.*

STUDY ON THE CITY'S WATER AND SEWER RATES This presentation was led by Kirby Rowland of Garver Engineering and Public Works Director Steve Hill, with the figures based on the results of the 2022 audit. Water expenses increased 18.8 percent over the past year, while revenues increased 5.48 percent. Garver's recommendations to the City were to continue to adjust its rates yearly in response to the Consumer Price Index (CPI) to reflect inflation/deflation; separate its singular Depreciation and Capital Expense line items into similar line items for both Water and Sewer; continue plans for a second \$10 million bond issue to support renovations to the City's sewer plant; and adopt an 18 percent increase to its Sewer rates to help make that system revenue neutral.

Most of the presentation related to the effects of Act 605 of 2023, which requires that each city's water and sewer systems must support itself by the summer 2026 or face consequences from the State. Many municipalities, including Mountain Home, have used Water Department revenue to help offset the losses encountered by their Sewer Departments. In Mountain Home, the City has seen a 15-30 percent deficit on its Sewer side for decades, with revenue from the Water side offsetting that loss. Under Act 605, this is no longer allowed and each side – Water and Sewer – must generate enough revenue to support itself.

Mountain Home was already operating under a plan of raising its Sewer rates 5 percent plus CPI for six or seven years but Act 605 now requires that the City get its Sewer Department to break even by July 2026.

An Ordinance addressing the City's Water and Sewer rates is expected to be presented to Council at its Feb. 15 meeting.

ARKANSAS GAME AND FISH COMMISSION'S INTEREST REGARDING CERTAIN CITY PROPERTY Mayor Hillrey Adams reported that the Arkansas Game and Fish Commission is interested in purchasing the City's Police Department building (located at 424 W. 7th Street) if the City was interested in selling the property. The AGFC has given the City a letter of intent to purchase the MHPD building, offering \$898,000 cash and the deed to 7 acres of property located at 187 Hilltop Lane, which is valued at an additional \$220,000. That gives the Game and Fish's offer a total value of \$1,118,000 for the MHPD building, which is valued at slightly more than \$1 million.

The City has also been interested in buying a larger building to give the MHPD additional office space and room to grow and is interested in purchasing the former bank building at 650 South Street, which is owned by Rob Finley and currently being rented by the AGFC. That building would give the MHPD an additional 3,000 square feet of space. Mayor Adams said that discussions had indicated that Finley was willing to sell the property at 650 South Street, which is valued at \$1.35 million, to the City for \$500,000 cash and the 7 acres of property currently held by the AGFC at 187 Hilltop Lane. That would make the total asking price for the former bank building to be \$720,000.

The City would pay Finley's \$500,000 from the receipt of the \$898,000 received from the AGFC, leaving the City with \$398,000 to put towards renovating the property at

650 South Street into the new PD building. The cost to renovate the bank building was estimated to be between \$700,000 and \$750,000, and in addition to the cash left on hand from the to the AGFC, the City has about \$500,000 in capital improvement funds saved for a new police department building.

City attorney Roger Morgan explained that if the City was interested in buying and selling the mentioned properties, the process would first involve the sale of the MHPD building, with the purchase of the bank building being contingent on the sale to the AGFC first being completed. Should that deal fall through – or the agreement to purchase the property at 650 South Street not work out – then the other side of the property sale would likewise be null and void.

ACCEPTING THE LETTER OF INTENT FROM THE AGFC Council member Bob Van Haaren made a motion to accept the AGFC's letter of intent to purchase the MHPD building and drew a second from Susan Stockton. *The vote was recorded as follows: Yes – All present. Absent – Nick Reed. The motion was declared approved.*

APPROVING THE OFFER TO PURCHASE THE PROPERTY 650 SOUTH STREET CONTINGENT ON THE AGFC FIRST BEING COMPLETED Council member Bob Van Haaren made a motion to approve the offer to purchase the bank building should the City first complete its pending transaction with the Game and Fish. His motion was seconded by Council member Susan Stockton. *The vote was recorded as follows: Yes – All present. Absent – Nick Reed. The motion was declared approved.*

CLERK'S NOTE *Game and Fish commissioners are scheduled to meet Feb. 15th and vote on approving the agreement to purchase the City-owned property at 424 W. 7th Street for \$500,000 cash and the 7 acres of land at 187 Hilltop Lane. Should they approve the sale that day, the City will present corresponding paperwork regarding the agreement to the City Council that night at its meeting that night for municipal approval.*

A RESOLUTION DECLARING ECONOMIC DEVELOPMENT SERVICES TO BE AN "OTHER PROFESSIONAL SERVICE" PURSUANT TO A.C.A. 19-11-801 If approved by a two-thirds majority of the Council, this Resolution would declare Economic Development as a professional service under the provisions of A.C.A. 19-11-801. Designating Economic Development as such would allow the City to draft a list of desired economic development outcomes, submit a Request For Qualifications (RFQ), interview any interested parties and then take its pick from there. Approving the Resolution does not involve a financial commitment from the City at this point, it just allows the search process to begin. Council member Jim Bodenhamer made a motion to adopt the Resolution and was seconded by Council member Bob Van Haaren. *The vote was recorded as follows: Yes – All present. Absent – Nick Reed. The Resolution was declared adopted and numbered Resolution No. 2024-6.*

CLERK'S NOTES *With seven of the eight Council members voting in the Resolution's favor, it met the two-thirds majority required under A.C.A. 19-11-801 to go into effect. In*

addition to the services of legal, financial advisory, architectural, engineering, construction management and land surveying mentioned in A.C.A. 19-11-801, the City of Mountain Home's list of professional services includes voice services, data services, broadband services, video services, wireless telecommunications services (all from Resolution No. 2022-11) and economic development (Resolution No. 2024-6).

30 YEARS OF SERVICE Mayor Hillrey Adams presented Fire Chief Kris Quick with a plaque and a pin in recognition of his 30 years of service with the Mountain Home Fire Department.

DICK TRACEY'S EXPENSES Mountain Home resident Dick Tracey addressed the Council during the Comments section of the meeting. Tracey, who lives at 622 N. Cardinal Drive, said City employees were on his property Dec. 4 and Dec. 21 working on a blockage in one of the City's sewer lines. During the City's work on the line, sewage back up into his house twice, Tracey said, and he has spent more than \$1,000 cleaning up afterwards. He asked that the City reimburse him for his out-of-pocket expenses.

CLERK'S NOTE *Ordinance 1992-19 addresses the use of backwater valves as part of a comprehensive plumbing code. This Ordinance was indirectly mentioned by Dick Tracey as part of a handout on backwater valves distributed by the Water and Sewer Department. The City Clerk can make no determination if a backwater valve is attached to Mr. Tracey's house, or whether it would have prevented Mr. Tracey's expenses.*

8. ADJOURN

With no further business to come before the council, Mayor Hillrey Adams declared the meeting adjourned at 5:53 p.m.

HILLREY ADAMS, MAYOR

ATTEST:

SCOTT LILES, CITY CLERK

Parks Committee – February 6th, 2024
Agenda

- Monthly report-
- Birthday Party Fee's-
- Mini Ex from Water department-
- NCABOR Grant-
- Current Spring registration Numbers-
- New Code of conduct forms-
- New Line items for Cheer/Hockey-
- Line items for Competitive baseball and softball-



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February 6, 2024

Parks and Recreation Committee Meeting

During the month of January 2024, L.C. Sammons Youth Center had a total usage of 1879 utilizing the facility. The Youth Center also held 10 birthday parties which brought in roughly 375 people for the party time slots. Parks Maintenance Department full-time employees worked a total of 1486 hours in January.

January has been busy with getting the new year started, snowy weather, sports registrations opening and the YC preparing for its first event of the year (Valentine's Dance). The Maintenance Department has worked with the Street Department and ASUMH to take down and store the Coulter light displays. The Youth Center has renewed 40 youth memberships and 31 adult memberships as of the end of January.

The Parks Department had employees attending conferences during January. Megan Engeler attended the Cabot AR Aquatics Conference while Daniel, Rosie and Andy attended the AR Turfgrass Conference. Daniel then participated in a round table discussion with Dalaney Thomas (AR Parks & Tourism Director) at the MH Chamber of Commerce last week followed by a lunch with Governor Sarah Huckabee Sanders.

Ongoing activities:

- Senior Exercise
- Indoor Soccer Practices
- Pickleball
- MH Cornhole
- Adult Volleyball

Upcoming Events:

- Sports Registrations 2/3 & 2/10
- Valentine's Dance @ YC 2/3
- MH JR Auxiliary & The Call (Foster parents' night out @ YC) 2/17

**MHPR
SPRING
YOUTH SPORTS**



**IN-PERSON SIGN UPS:
NOW OPEN @ YOUTH CENTER
JAN. 2ND - FEB. 10TH
ON-LINE SIGN UPS:
JAN. 2ND - FEB. 11TH**

**MASS SPORTS
REGISTRATION:
FEB. 3RD & FEB. 10TH
@ L.C. SAMMONS
YOUTH CENTER GYM
9A.M. - 12P.M.**



DIVISIONS:

**SOCCER (CO-ED): 6U, 8U, 10U, 12U, & 15U
SOFTBALL & BASEBALL: BOMBERBALL 3-4 YRS CO-ED, CO-ED 6U (TEE BALL),
8U (COACH PITCH), 10U (LIVE ARM), 12U (LIVE ARM), & 15U (LIVE ARM)**

January Budget Previous Year Comparison

Pool: Account/Title:	Year to Date Revenue Jan 2024	Previous Year to Date Revenue Jan 2023	Previous Year Variance	ANNUAL BUDGET	Total Expenses Jan 2024	Balance as of 1/31/24
4000-42290: Pool Admissions	\$ -	\$ -	\$ -	\$ (35,000.00)	\$ -	\$ (35,000.00)
4000-42300: Pool Rentals	\$ -	\$ -	\$ -	\$ (4,000.00)	\$ -	\$ (4,000.00)
4000-42305: Pool Swimming Lessons	\$ -	\$ -	\$ -	\$ (16,000.00)	\$ -	\$ (16,000.00)
4000-42295: Concessions	\$ -	\$ -	\$ -	\$ (5,000.00)	\$ -	\$ (5,000.00)
5107-28790: Concession Expenses	\$ -	\$ -	\$ -	\$ 5,500.00	\$ -	\$ 5,500.00
Parks : Account/Title:	Year to Date Revenue Jan 2024	Previous Year to Date Revenue Jan 2023	Previous Year Variance	Annual Budget	Total Expenses Jan 2024	Balance as of 1/31/24
4000-43420: YC Concessions	\$ 531.00	\$ 309.95	\$ 221.05	\$ (1,500.00)	\$ -	\$ (968.56)
4000-43480: Membership Fees	\$ 3,384.00	\$ 3,808.00	\$ (424.00)	\$(17,000.00)	\$ -	\$ (13,616.00)
4000-43500: Programs/Lessons	\$ -	\$ -	\$ -	\$ (3,500.00)	\$ -	\$ (3,500.00)
4000-43510: Facility Rentals	\$ 1,800.00	\$ 1,175.00	\$ 625.00	\$ (2,500.00)	\$ -	\$ (700.00)
4000-43520: Softball Revenue	\$ 960.00	\$ 1,225.00	\$ (265.00)	\$ (8,500.00)	\$ -	\$ (7,540.00)
4000-43552: Baseball Revenue	\$ 3,780.00	\$ 3,310.00	\$ 470.00	\$(14,000.00)	\$ -	\$ (10,220.00)
4000-43553: Youth Soccer Revenue	\$ 2,280.00	\$ 1,344.00	\$ 936.00	\$(22,000.00)	\$ -	\$ (19,720.00)
5107-38661: Youth Sport Expenses*	\$ -	\$ -	\$ -	\$ 70,000.00	\$ 145.98	\$ 69,854.02
5107-73435: Youth Soccer Donations(Field Sponsor)	\$ 2,500.00	\$ -	\$ -	\$ -	\$ -	\$ 14,894.01
5107-73437: Youth Softball Donations(Banners)	\$ 1,060.00	\$ -	\$ -	\$ -	\$ -	\$ 10,625.00
5107-73443: Youth Baseball Donations(Banners)	\$ 1,745.00	\$ -	\$ -	\$ -	\$ -	\$ 25,807.22

January Youth Attendance		DAILY USAGE
	2023	2024
Total	1406	1217

January	2023	2024
Average Attendance January	45	68
Saturday attendance	220	375
Parks/Pavilion usage total for December	0	100

Membership Count January	2023	2024
Youth Members	291	379
Adult/Senior Members	57	111
Total:	348	490

Parks & Pavilion Reservations:	# Reservations	# people
Cooper Pav. 1+2:	0	0
Cooper Ball Field:	0	0
Hickory Large + Small Pav & Stage & HS.:	0	0
Youth Center Gym: BDAY/RENTALS	10	375
Keller: Field Rentals/Events	0	0
Clysta Willet: Field Rentals/Events	2	100
Total:	10	475

Special Events/Sports Reservations and Rentals:
Weekly Fridays: MH Cornhole at the Gym:YC
Weekly Wednesday: Adult Volleyball YC
Weekly Monday-Thursday: Pickleball YC
Weekly Monday-Thursday: Adult Exercise YC

City of Mountain Home (PARKS) 2024 Budget Account Balances

Account Number	Account Title	Annual Budget	Amount Used	Remaining Balance
1000-11002	PETTY CASH PARKS/YC			
4000-42290	POOL ADMISSIONS	(\$35,000.00)		
4000-42295	POOL CONCESSIONS	(\$5,000.00)		
4000-42300	POOL RENTALS	(\$4,000.00)		
4000-42305	SWIM LESSONS	(\$16,000.00)		
4000-43420	YC- CONCESSIONS	(\$1,500.00)	(\$531.44)	(\$968.56)
4000-43480	YC-MEMBERSHIP FEES	(\$17,000.00)	(\$3,384.00)	(\$13,616.00)
4000-43500	YC-PROGRAMS/LESSONS	(\$3,500.00)		
4000-43510	YC-RENTAL	(\$2,500.00)	(\$1,800.00)	(\$700.00)
4000-43520	YC-SOFTBALL	(\$8,500.00)	(\$960.00)	(\$7,540.00)
4000-43522	YC-ADULT SPORTS	(\$50.00)		
4000-43551	YC-YOUTH BASKETBALL	\$0.00		
4000-43552	YC-YOUTH BASEBALL	(\$14,000.00)	(\$3,780.00)	(\$10,220.00)
4000-43553	YC-YOUTH SOCCER	(\$22,000.00)	(\$2,280.00)	(\$19,720.00)
4000-43600	FIELD RENTALS	(\$4,000.00)	(\$250.00)	(\$3,750.00)
4000-43601	FIELD CONCESSIONS	(\$2,800.00)	(\$158.00)	(\$2,642.00)
5107-11500	SALARIES - GENERAL	\$839,000.00	\$90,397.77	\$748,602.23
5107-11501	SALARIES - PART TIME	\$348,600.00	\$15,090.52	\$333,509.48
5107-11502	SALARIES - OVERTIME	\$27,500.00	\$1,275.54	\$26,224.46
5107-11580	SALARIES - LONGEVITY PAY	\$16,275.00		
5107-13700	TAXES - PAYROLL-FICA	\$75,000.00	\$4,228.02	\$70,771.98

Account Number	AccountTitle	Annual Budget	Amount Used	Remaining Balance
5107-13710	TAXES - MEDICARE	\$17,500.00	\$988.85	\$16,511.15
5107-14730	TAXES - UNEMPLOYMENT	\$2,000.00		
5107-15830	INSURANCE - WORKERS COMP	\$13,000.00	\$22,015.00	(\$9,015.00)
5107-16200	RETIREMENT - APERS	\$114,030.00	\$9,426.39	\$104,603.61
5107-16251	RETIREMENT CASH OUT	\$7,000.00		
5107-17620	INSURANCE - HOSPITAL	\$160,000.00	\$14,889.84	\$145,110.16
5107-17623	INSURANCE-EMPLOYEE LIFE	\$1,300.00	\$72.00	\$1,228.00
5107-21001	POOL CHANGE DRAWER	\$0.00		
5107-21390	CONTRACT LABOR	\$35,000.00		
5107-21610	INS - PROPERTY & CONTENTS	\$35,000.00	\$32,421.20	\$2,578.80
5107-24720	TAXES - SALES	\$8,500.00		
5107-25800	TRAVEL & TRAINING	\$11,500.00	\$2,713.92	\$8,786.08
5107-26657	CONCESSIONS-YOUTH CENTER	\$2,000.00	\$71.65	\$1,928.35
5107-27060	REPAIRS / MAINTENANCE	\$78,750.00	(\$169.93)	\$78,919.93
5107-27080	REPAIRS/MAINT - EQUIPMENT	\$8,000.00	\$421.48	\$7,578.52
5107-27308	COMPUTER- IT SERVICES	\$5,500.00	\$2,559.00	\$2,941.00
5107-27310	COMPUTER OPERATING EXPEN	\$6,000.00	\$969.41	\$5,030.59
5107-27311	COMPUTER EQUIP-PURC/REPL	\$21,698.90		
5107-27930	VEHICLE LABOR & PARTS	\$6,500.00	\$1,561.70	\$4,938.30
5107-28790	CONCESSIONS-POOL	\$5,500.00		
5107-28791	CONCESSIONS- SPORTS	\$5,500.00		
5107-28820	PARK DEVELOPMENT	\$95,000.00		
5107-28821	PARK DEVELOPMENT REV.	\$0.00		
5107-31650	SUPPLIES - OFFICE	\$15,120.00	\$354.64	\$14,765.36
5107-32520	FUEL - GAS & OIL	\$32,025.00	\$190.16	\$31,834.84

Account Number	AccountTitle	Annual Budget	Amount Used	Remaining Balance
5107-32781	CELL PHONE - REIMBURSEMEN	\$2,804.00	\$186.00	\$2,418.00
5107-32900	UTILITIES	\$76,420.00	\$5,874.88	\$70,545.32
5107-35820	UNIFORMS	\$10,000.00	\$257.88	\$9,742.32
5107-37550	HEP B / BG / PHY / DRUG TEST	\$4,050.00	\$834.94	\$3,215.06
5107-38810	INMATE MEALS	\$350.00		
5107-38820	SUPPLIES: PARKS & YC MAINT	\$125,000.00	\$1,614.18	\$123,385.84
5107-38830	SUPPLIESMAINT. - POOL	\$50,000.00		
5107-38840	SUPPLIESMAINT. - SPORT FIEL	\$35,000.00	\$221.61	\$34,778.39
5107-38880	SPORTS- ADULT	\$20,000.00		
5107-38881	SPORTS- YOUTH	\$70,000.00	\$145.98	\$69,854.02
5107-38882	SUPPLIES- YOUTH CENTER	\$12,500.00	\$28.84	\$12,471.16
5107-38883	MARKETING	\$3,500.00		
5107-42934	CAPITAL EQUIPMENT	\$126,715.00	\$10,625.00	\$116,090.00
5107-43267	RESURFACE TENNIS	\$128,827.87		
5107-43268	RESURFACE TENNIS-REVENUE	\$0.00		
5107-43274	FIELD GROOMER	\$0.00		
5107-43287	MCCABE TRAIL-ADA-EXPENSE	\$681,916.72		
5107-43288	MCCABE TRAIL- ADA- REVENUE			
5107-73400	DONATIONS / AVAILABLE: EXP.	\$7,180.21		
5107-73405	DONATIONS / CURRENT REVEN	(\$7,180.21)		
5107-73406	REV: DONATION: PARK DEV.	\$0.00		
5107-73407	PARK DEV: AVAILABLE: EXP.	\$0.00		
5107-73408	REV - NCASF/SOCCER MAINT.	(\$2,674.67)		
5107-73409	NCASF/SOCCER MAINT.: AVAIL	\$2,674.67		
5107-73410	DONATION REVENUE-POOL	(\$2,500.00)		

Account Number	AccountTitle	Annual Budget	Amount Used	Remaining Balance
5107-73411	DONATION AVAILABLE-POOL: E	\$2,500.00		
5107-73412	REV - YTH BASKETBALL SPONS	(\$777.21)		
5107-73413	YTH. BASKETBALL SPONSOR: A	\$777.21		
5107-73415	REV - GANNETT: MAKE A DIFFE	(\$21.62)		
5107-73416	AVA.: GANNETT: MAKE A DIFFER	\$21.62		
5107-73417	REV - WILLETT B/FIELD SIGN	(\$19,622.64)		
5107-73418	WILLETT B/FIELD SIGN: AVAILA	\$19,622.64		
5107-73421	REV - BASEBALL SCOREBOARD	(\$23.64)		
5107-73422	BASEBALL SCOREBOARD: AVAI	\$23.64		
5107-73423	REV - 12 Y/O MAJOR LEAGUE FI	(\$0.06)		
5107-73424	12 Y/O MAJOR LEAGUE FIELD: A	\$0.06		
5107-73427	REV - A&P 1A BALL TOURNAME	(\$71.87)		
5107-73428	A&P 1A BALL TOURNAMENT: AV	\$71.87		
5107-73429	REV - FISHING DERBY	(\$83.86)		
5107-73430	FISHING DERBY: AVAILABLE: EX	\$83.86		
5107-73431	SAND VOLLEYBALL COURT-REV	(\$80.00)		
5107-73432	SAND VOLLEYBALL COURT- EX	\$80.00		
5107-73435	DONATIONS PARKS - SOCCER -	(\$12,394.01)	(\$2,500.00)	(\$9,894.01)
5107-73436	DONATIONS PARKS - SOCCER -	\$12,394.01		
5107-73437	DONATIONS PARKS-SOFTBALL-	(\$9,585.00)	(\$1,060.00)	(\$8,505.00)
5107-73438	DONATIONS PARKS- SOFTBALL-	\$9,585.00		
5107-73439	DONATIONS YOUTH CENTER-R	(\$1,545.33)	(\$60.00)	(\$1,485.33)
5107-73440	DONATIONS YOUTH CENTER-EX	\$1,545.33		
5107-73441	DONATIONS YOUTH CENTER M	(\$80.22)		
5107-73442	DONATIONS YOUTH CENTER M	\$80.22		

Account Number	Account Title	Annual Budget	Amount Used	Remaining Balance
5107-73443	DONATIONS PARKS-BASEBALL-	(\$24,082.22)	(\$1,745.00)	(\$22,317.22)
5107-73444	DONATIONS PARKS-BASEBALL-	\$24,082.22		
5107-73445	DONATIONS -SPRING CARNIVAL	(\$254.48)		
5107-73446	DONATIONS-SPRING CARNIVAL-	\$254.48		
5107-73447	DONATIONS-TRUNK OR TREAT-	(\$1,992.10)		
5107-73448	DONATIONS-TRUNK OR TREAT-	\$1,992.10		
5107-73449	DONATIONS RECRE SCHOLAR-	(\$20.00)		
5107-73550	DONATIONS-RECREATION SCH	\$20.00		
5107-73551	DONATIONS-WATER SAFETY-R			
5107-73552	DONATIONS-WATER SAFETY-EX			
5107-73553	DONATIONS-MOVIE IN THE PAR	(\$58.70)		
5107-73554	DONATIONS-MOVE IN THE PARK	\$58.70		
5107-73555	DONATIONS 5K- REVENUE	(\$1,244.39)		
5107-73556	DONATIONS 5K- EXPENSE	\$1,244.39		
5107-73600	WALKER AUCTION REVENUE	\$0.00		
5107-73620	PC / CASH BACK - REVENUE	\$0.00	(\$37.93)	\$37.93
5107-73621	PC / CASH BACK; AVAILABLE: E	\$0.00		
5107-73700	MISCELLANEOUS EXPENSES	\$1,000.00		
5107-73705	CREDIT CARD EXPENSES	\$360.00		
5107-75190	BANK LL & NSF			
5107-91223	SALE OF SCRAP METAL	\$0.00		
	Totals:	\$3,205,192.49	\$200,719.68	\$3,004,472.81

ORDINANCE NO. 2024-x

**AN ORDINANCE AMENDING THE SCHEDULE OF RATES
TO BE CHARGED AND COLLECTED FOR USERS
OF THE CITY OF MOUNTAIN HOME'S WATER AND SEWER SYSTEMS;
SETTING FORTH THE DATES FOR PAYMENT FOR CUSTOMERS
OF THE CITY OF MOUNTAIN HOME'S WATER/SEWER SYSTEMS;
SETTING CONNECTION AND DISCONNECTION FEES FOR THE SAME;
SETTING FORTH PENALTIES AND DAMAGES FOR THE SAME;
AMENDING ORDINANCES NO. 2023-10 AND 2023-11;
AND PRESCRIBING OTHER MATTERS THERETO**

WHEREAS, it is determined by the City Council of Mountain Home, Arkansas, that current or existing rates charged for water and sewer service by the City of Mountain Home are not adequate for the operation and maintenance of the City's water and sewer systems; and

WHEREAS, amended water and sewer rates to be charged are necessary for the City to retire existing bonds and provide the margin of security for bonds required and issued;

**NOW, THEREFORE, BE IT ORDAINED
BY THE CITY COUNCIL OF MOUNTAIN HOME, ARKANSAS, AS FOLLOWS:**

Section 1. Amending existing Ordinances

Ordinance No. 2023-10 and any other Ordinances concerning rates charged for water service by the City of Mountain Home, Arkansas, shall specifically be amended by the rates set forth in this Ordinance. All provisions of said previous Ordinances shall remain in full force unless specifically changed by the terms of this Ordinance.

Ordinance No. 2023-11 and any other Ordinances concerning rates charged for sewer service by the City of Mountain Home, Arkansas, shall specifically be amended by the rates set forth in this ordinance. All provisions of said previous Ordinances shall remain in full force unless specifically changed by the terms of this Ordinance.

Ordinance No. 2023-43 and any other Ordinances concerning dates of payment for residential and commercial customers of the City of Mountain Home's Water or Sewer system, setting connection and disconnection fees for the same, or setting forth penalties and damages for the same shall be specifically amended by the figures set forth in this Ordinance. All provisions of said previous Ordinances shall remain in full force unless specifically changed by the terms of this Ordinance.

That the City hereby established the rates to be charged for services furnished by the Water and Sewer Systems, which the City Council finds and declares to be fair, reasonable and necessary, to be charged to all users who utilize or consume potable water from the Municipal Water System, and/or contribute wastewater to the Sewer System. The proceeds of such charges so derived will be used for the purpose of operating and maintaining the Water and Sewer Systems, including replacement (“OM&R”). Replacement is defined as expenditures for obtaining and installing equipment, accessories or appurtenances during the useful life of the treatment works necessary to maintain the capacity and performance for which they were designed and constructed.

Section 2. Water rates

Monthly rates for **customers inside the City of Mountain Home** shall be as follows:

First 2,000 gallons used per month is the minimum charge.

Excess over 2,000 gallons per month is \$3.18 per 1,000 gallons.

INSIDE-THE-CITY MINIMUM WATER CHARGE

Type/Size	Combined	Meter Minimum	Demand	ADH Fee
Residential 3/4”	\$17.45	\$8.91	\$8.14	\$0.40
Commercial 3/4”	\$31.50	\$17.85	\$13.25	\$0.40
Commercial 1”	\$56.39	\$30.56	\$25.43	\$0.40
Commercial 1-1/4”	\$83.38	\$45.80	\$37.18	\$0.40
Commercial 1-1/2”	\$115.68	\$62.35	\$52.93	\$0.40
Commercial 2”	\$221.07	\$125.99	\$94.68	\$0.40
Commercial 3”	\$466.86	\$253.21	\$213.25	\$0.40
Commercial 4”	\$762.61	\$380.48	\$381.73	\$0.40
Commercial 6”	\$1,591.03	\$745.64	\$844.99	\$0.40
Commercial 8”	\$3,059.36	\$1,547.29	\$1,511.67	\$0.40

Monthly rates for customers **outside the City of Mountain Home** shall be as follows:

First 2,000 gallons per month is the minimum charge.

Excess over 2,000 gallons used per month is \$6.33 per 1,000 gallons.

OUTSIDE-THE-CITY MINIMUM WATER CHARGE

Type/Size	Combined	Meter Minimum	Demand	ADH Fee
Residential 3/4"	\$26.39	\$17.85	\$8.14	\$0.40
Commercial 3/4"	\$62.51	\$35.64	\$26.47	\$0.40
Commercial 1"	\$112.40	\$61.08	\$50.92	\$0.40
Commercial 1-1/4"	\$166.33	\$91.63	\$74.30	\$0.40
Commercial 1-1/2"	\$230.98	\$124.70	\$105.88	\$0.40
Commercial 2"	\$441.71	\$251.97	\$189.34	\$0.40
Commercial 3"	\$933.35	\$506.45	\$426.50	\$0.40
Commercial 4"	\$1524.83	\$760.94	\$763.49	\$0.40
Commercial 6"	\$3,191.69	\$1,491.29	\$1,700.00	\$0.40
Commercial 8"	\$6,079.14	\$3,055.39	\$3,023.35	\$0.40

Section 3. Sewer rates

The minimum monthly charge for 2,000 gallons per **residential user** of the Sewer System is comprised of and includes OM&R, Debt Service and an Administration Charge. The minimum monthly charge is as follows:

<u>Meter Size</u>	<u>Minimum Sewer Bill</u>
3/4"	\$26.91
1"	\$37.78

All **residential users** of the Sewer System shall be charged monthly \$5.01 per 1,000 gallons of metered water consumption.

The minimum monthly charge for 2,000 gallons per **commercial and industrial users** of the Sewer System is comprised of and includes OM&R, Debt Service and an Administration Charge. The minimum monthly charge is as follows:

<u>Meter Size</u>	<u>Minimum Sewer Bill</u>
3/4"	\$40.08
1"	\$58.72
1-1/2"	\$100.62
2"	\$164.22
3"	\$344.24
4"	\$601.83
6"	\$1,315.67
8"	\$2,324.35

All commercial and industrial users of the Sewer System shall be charged monthly \$5.01 per 1,000 gallons of metered water consumption.

The minimum monthly charge for 2,000 gallons per **Baxter County Industrial Park user** of the Sewer System is comprised of and includes OM&R, Debt Service and an Administration Charge. The minimum monthly charge is as follows:

<u>Meter Size</u>	<u>Minimum Sewer Bill</u>
3/4"	\$57.44
1"	\$76.07
1-1/2"	\$117.94
2"	\$181.58

All Baxter County Industrial Park users of the Sewer System shall be charged monthly \$7.27 per 1,000 gallons.

None of the facilities or services afforded by the Sewer System shall be furnished without a charge being made therefore.

Section 4. Connecting to the sewer system

There shall be no connection to the City's Sanitary Sewer System that is not physically located within the corporate limits of the City.

Section 5. Financial management

That a financial management system shall be established and maintained by the City to document compliance with federal regulations pertaining to the water and sewer bonds. Such a system will account for all revenues generated and expenditures for OM&R.

Section 6. CPI and charges for service

The schedule of charges as described above in sections 2 and 3 shall be indexed at the first part of February of each year by the amount of increase in the Consumer Price Index (CPI) for the preceding annual year (January-December) and will affect water used after February 15th of each year. The CPI percentage rate that will be used each year will be at the Arkansas Rate (The South Region) for water/sewer. The CPI rate adjustment will be accepted, declined, or modified as determined by the Council before it is applied each year. A copy of the revised rates shall be available at the water/sewer department office.

It shall be the duty of the Mayor and City Council of the City of Mountain Home to authorize and conduct a full review annually of water and sewer rates charged by the City of Mountain Home on an annual basis.

The City shall at all times fix, charge and collect rates and charges for services furnished by the Water and/or Sewer Systems, including increasing rates and charges as necessary, which shall provide revenues sufficient to at least: (1) pay the City's annual costs of OM&R; (2) pay annual debt service; and (3) provide the necessary bond coverage.

Section 7. Availability to customers

A) No more than one residential or one business unit shall be served through one meter except where this condition now exists or where special conditions make it more practical to serve through one meter.

B) Where more than one residence unit (such as a residence, apartment, mobile home, housekeeping, or other unit) or business establishment are served through one meter, the minimum will be based upon a ¾-inch meter for each class of service and will be increased in proportion to the number of units served through one meter.

Section 8. Connection fees

A nonrefundable fee of \$30.00 will be charged for each service turned on.

Section 9. Deposits and refunds

A) Every customer furnished water by the City shall pay the following deposits corresponding to the class of service received by such person as set forth in this schedule:

- | | |
|-----------------|----------|
| (a) Residential | \$125.00 |
| (b) Commercial | \$189.00 |

B) The City shall refund a customer's deposit upon the termination of service, less that customer's outstanding bill for water services, sewer services and sanitation services.

Penalties, reconnection fees and any taxes, if applicable, will also be deducted before a refund is issued.

Section 10. Payments, penalties and disconnection/reconnection charges

A) **DUE DATE** Bills for water, sewer, and sanitation services shall be rendered monthly and are due in full and payable before the fifteenth (15th) day of each month.

B) **LATE PENALTIES** Nonpayment of any bill unpaid after the same is due shall incur in addition to the amount of such bill a penalty of 10 percent of the amount thereof.

C) **DISCONNECTIONS** Any bill remaining unpaid 30 days past the twenty-sixth (26th) day of the previous month will be considered delinquent and the City may, at its discretion, discontinue service. The City also reserves the right to disconnect a customer's water/sewer service should that customer's sanitation charges go unpaid.

D) **DISCONNECTION/RECONNECTION FEES** In addition to the bill and applicable penalties thereon, every person shall pay a \$50 fee when service is disconnected and a \$50 reconnection fee when service is restored. Said sums shall be paid any time the City has disconnected and/or reconnected service. Said sums shall be paid at any time the City has disconnected/reconnected service due to non-payment of the customer's water and/or sanitation/sewer bill.

E) **TAXES** In addition to the bills, penalties, reconnection charges applicable, if any, every person shall pay the applicable state, county and municipal sales taxes thereon, if any.

Section 11. Damages

A) Should the City be required to replace a lock, meter lid, meter, valve, setter or other equipment due to the actions of the customer or their representatives, the customer shall be charged an amount equal to the cost of replacing the damaged item(s), plus 10 percent.

B) A lock tamper fee/charge of \$200.00, shall be imposed if a lock, meter lid, meter, valve, setter or other equipment is damaged and/or removed for, but not limited to, the following reasons:

- 1) If a water meter has been locked to disconnect water service for any reason;
- 2) If a customer unlocks a meter to restore service that has been disconnected for any reason;
- 3) If a new customer, not on the system, unlocks a meter to gain water service for any reason.

C) All fees and charges incurred will be due and payable by the customer prior to service being restored.

Section 12. Tapping fees and connecting to the system

A) **Water Service** Every customer – Residential, Commercial, or Industrial -- shall pay a tapping fee for connection to the City’s water facilities which shall include the normal installation of a water meter. Fees are as follows:

¾-inch meter	\$1,315.00
1-inch meter	\$2,484.00
2-inch meter	\$5,021.00
3-inch meter	\$5,387.00

The charges set forth herein the above subsection (12A) do not include the costs of procuring the requisite permits and payment of fees as required by Ordinance No. 88-022 to cut/bore a street.

B) **Sewer Service** Every customer – Residential, Commercial, or Industrial – shall pay a tapping fee for connection to the City’s wastewater facilities. Fees are as follows:

¾-inch meter	\$600.00
1-inch meter	\$750.00
2-inch meter & over	\$900.00

Section 13. Sprinkler meter charges

Sprinkler meters are sold at current market price.

Section 14. Conflicts with other ordinances

All other provisions of Ordinance No. 599, or any Ordinances updating or repealing it, shall remain in full force and effect unless specifically changed by this Ordinance.

Section 15. Effective Date

This ordinance shall be in full force and effect 30 days after passage.

PASSED AND APPROVED THIS 15th DAY OF FEBRUARY, 2024.

HILLREY ADAMS, MAYOR

ATTEST:

SCOTT LILES, CITY CLERK

2024 IMPACT ON RESIDENTIAL / COMMERCIAL

CPI ENDING 2023

IN CITY WATER / SEWER RATES

ADDITIONAL INCREASE AMOUNTS ON TOP OF CURRENT WATER/SEWER BILLING

Minimum 2000 gal or less Residential 3/4" meter			Average user of 4500 gal Residential 3/4" meter		
			Minimum	per 1000	total over
WATER CPI - 3.7%		\$0.32	\$0.32	0.11	\$0.28
DEMAND CPI - 3.7%		\$0.29	\$0.29		
SEWER CPI 3.7% + INCREASE 18%		\$4.80	\$4.80	0.89	\$2.23
TOTAL ADDITIONAL INCREASE		\$5.41	\$5.41		\$2.50
TOTAL ADDITIONAL INCREASE					\$7.91

Minimum 2000 gal or less Commercial 3/4" meter			Average user of 4500 gal Commercial 3/4" meter		
			Minimum	per 1000	total over
WATER CPI - 3.70%		\$0.64	\$0.64	0.11	\$0.28
DEMAND CPI - 3.7%		\$0.47	\$0.47		
SEWER CPI 3.7% + INCREASE 18%		\$7.15	\$7.15	0.89	\$2.23
TOTAL ADDITIONAL INCREASE		\$8.26	\$8.26		\$2.50
TOTAL ADDITIONAL INCREASE					\$10.76

OUT OF CITY WATER ONLY NO SEWER

Minimum 2000 gal or less Residential 3/4" meter			Average user of 4500 gal Residential 3/4" meter		
			Minimum	per 1000	total over
WATER CPI - 3.7%		\$0.64	\$0.64	0.23	\$0.58
DEMAND CPI - 3.70%		\$0.58	\$0.58		
TOTAL ADDITIONAL INCREASE		\$1.22	\$1.22		\$0.58
TOTAL ADDITIONAL INCREASE					\$1.80

Minimum 2000 gal or less Commercial 3/4" meter			Average user of 4500 gal Commercial 3/4" meter		
			Minimum	per 1000	total over
WATER CPI - 3.7%		\$1.27	\$1.27	0.23	\$0.58
DEMAND CPI -3.7%		\$0.94	\$0.94		
TOTAL ADDITIONAL INCREASE		\$2.21	\$2.21		\$0.58
TOTAL ADDITIONAL INCREASE					\$2.79

WATER CPI 3.7%

DEMAND CPI 3.7%

SEWER CPI 3.7% / SEWER 18% CATCH UP FROM DEFICIT = 21.7% TOTAL SEWER INCREASE

**HISTORICAL RATE INCREASE INFORMATION
COMMERCIAL & RESIDENTIAL CUSTOMERS ONLY**

YEAR	WATER %	SEWER %
2006	26.5%	NONE
2007	25.0%	20.0%
2008	20.0%	25.0%
2009	5.0%	5.0%
2010	NONE	NONE
2011	NONE	NONE
2012	NONE	NONE
2013	NONE	NONE
2014	NONE	NONE
2015	NONE	NONE
2016	NONE	NONE
2017	2.0%	2.0%
2018	NONE	NONE
2019	1.5%	1.5%
2020	2.1%	2.1%
2021	1.4%	1.4%
2022	7.4%	12.4%
2023	7.0%	12.0%
2024	3.7%	21.7%

ORDINANCE NO. 2023-10

Will be amended/replaced by 2024-x

AN ORDINANCE AMENDING THE SCHEDULE OF RATES TO BE CHARGED AND COLLECTED FOR WATER SYSTEM USERS OF THE CITY OF MOUNTAIN HOME; REPEALING ORDINANCE NO. 2022-20 AND PRESCRIBING OTHER MATTERS RELATING THERETO

WHEREAS, it is determined by the City Council of Mountain Home, Arkansas, that current or existing rates charged for water service by the City of Mountain Home are not adequate for the operation and maintenance of the water system, and to retire the bonds and provide the margin of security for the bonds required and issued.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF MOUNTAIN HOME, ARKANSAS, AS FOLLOWS:

Section 1.

That Ordinance No. 2022-20 and any other Ordinance concerning rates charged for water service by the City of Mountain Home, Arkansas shall specifically be amended by the rates set forth in this Ordinance. All provisions of said previous Ordinances shall remain in full force unless specifically changed by the terms of this Ordinance.

Section 2.

Monthly rates for customers inside the City of Mountain Home shall be as follows:

First 2,000 gallons used per month is the minimum charge.

Excess over 2,000 gallons per month is \$3.07 per 1,000 gallons.

MINIMUM CHARGE

	Combined	Mtr. Min.	Demand	ADH Fee
Residential ¾"	\$ 16.84	\$ 8.59	\$ 7.85	.40
Commercial ¾"	\$ 30.39	\$ 17.21	\$ 12.78	.40
Commercial 1"	\$ 54.39	\$ 29.47	\$ 24.52	.40
Commercial 1 ¼"	\$ 80.42	\$ 44.17	\$ 35.85	.40
Commercial 1 ½"	\$ 111.57	\$ 60.13	\$ 51.04	.40
Commercial 2"	\$ 213.19	\$ 121.49	\$ 91.30	.40
Commercial 3"	\$ 450.22	\$ 244.18	\$ 205.64	.40
Commercial 4"	\$ 735.41	\$ 366.90	\$ 368.11	.40
Commercial 6"	\$1,534.28	\$ 719.04	\$ 814.84	.40
Commercial 8"	\$2,950.21	\$ 1,492.08	\$ 1,457.73	.40

Monthly rates for customers outside the City of Mountain Home shall be as follows:

First 2,000 gallons per month is the minimum charge.

Excess over 2,000 gallons used per month is \$6.10 per 1,000 gallons.

MINIMUM CHARGE

	Combined	Mtr. Min.	Demand	ADH Fee
Residential ¾"	\$ 33.35	\$ 17.21	\$ 15.74	.40
Commercial ¾"	\$ 60.30	\$ 34.37	\$ 25.53	.40
Commercial 1"	\$ 108.40	\$ 58.90	\$ 49.10	.40
Commercial 1 ¼"	\$ 160.41	\$ 88.36	\$ 71.65	.40
Commercial 1 ½"	\$ 222.75	\$ 120.25	\$ 102.10	.40
Commercial 2"	\$ 425.96	\$ 242.98	\$ 182.58	.40
Commercial 3"	\$ 900.06	\$ 488.38	\$ 411.28	.40
Commercial 4"	\$ 1,470.44	\$ 733.79	\$ 736.25	.40
Commercial 6"	\$ 3,077.82	\$ 1,438.08	\$ 1,639.34	.40
Commercial 8"	\$ 5,862.25	\$ 2,946.37	\$ 2,915.48	.40

Section 3.

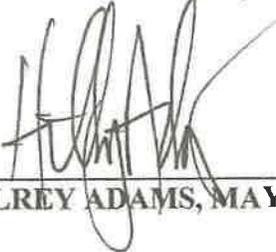
The schedule of charges as described above in section 2 shall be indexed at the first part of February of each year by the amount of increase in the (CPI) Consumer Price index for the preceding annual year January – December and will affect water used after February 15th of each year. The CPI percentage rate that will be used each year will be at the Arkansas Rate (The South Region) for water/sewer. The CPI rate adjustment will be accepted, declined, or modified as determined by the Council before it is applied each year. A copy of the revised rates will be available at all times at the water/sewer department office.

That it shall be the duty of the Mayor and City Council of the City of Mountain Home to authorize and conduct a review of rates charged by the City of Mountain Home on an annual basis.

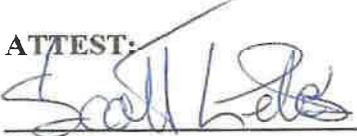
Section 4. Effective Date

This ordinance shall be in full force and effect 30 days after passage.

PASSED AND APPROVED THIS 16th DAY OF MARCH, 2023.



HILLREY ADAMS, MAYOR

ATTEST:


SCOTT LILES, CITY CLERK

ORDINANCE NO. 2023-11

Will be amended/replaced by 2024-X

AN ORDINANCE AMENDING THE SCHEDULE OF RATES TO BE CHARGED AND COLLECTED FOR SEWER SYSTEM USERS OF THE CITY OF MOUNTAIN HOME, AMENDING ORDINANCE NO. 2022-19

WHEREAS, it is necessary for the City to amend rates to be charged for the services of the Sewer System in accordance with the requirements of the bonds;

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

Section 1.

That Ordinance No. 2022-19 and any other ordinance concerning rates charged for sewer service by the City of Mountain Home, Arkansas shall specifically be amended by the rates set forth in this ordinance. All provisions of said previous ordinances shall remain in full force unless specifically changed by the terms of this ordinance.

(a) That the City hereby established the rates to be charged for services furnished by the Sewer System; which the City Council finds and declares to be fair, reasonable and necessary, to be charged to all users who contribute wastewater to the Sewer System. The proceeds of such charges so derived will be used for the purpose of operating and maintaining the Sewer System, including replacement ("OM&R"). (Replacement is defined as expenditures for obtaining and installing equipment, accessories or appurtenances during the useful life of the treatment works necessary to maintain the capacity and performance for which they were designed and constructed).

Section 2.

Minimum User Charges – The minimum monthly charge for 2,000 gallons per **residential user** of the Sewer System is comprised of and includes OM&R, Debt Service and an Administration Charge. The minimum monthly charge is as follows:

<u>Meter Size</u>	<u>Minimum Bill</u>
¾"	\$ 22.11
1"	\$ 31.04

(b) All **residential users** of the Sewer System shall be charged monthly \$4.12 per 1,000 gallons of metered water consumption.

(c) The minimum monthly charge for 2,000 gallons per **commercial and industrial users** of the Sewer System is comprised of and includes OM&R, Debt Service and an Administration Charge. The minimum monthly charge is as follows:

<u>Meter Size</u>	<u>Minimum Bill</u>
¾"	\$ 32.93
1"	\$ 48.25

1-1/2"	\$ 82.68
2"	\$ 134.94
3"	\$ 282.86
4"	\$ 494.52
6"	\$ 1,081.08
8"	\$ 1,909.90

All commercial and industrial users of the Sewer System shall be charged monthly \$4.12 per 1,000 gallons of metered water consumption.

(d) The minimum monthly charge for 2,000 gallons per **Baxter County Industrial Park user** of the Sewer System is comprised of and includes OM&R, Debt Service and an Administration Charge. The minimum monthly charge is as follows:

<u>Meter Size</u>	<u>Minimum Bill</u>
3/4"	\$ 47.20
1"	\$ 62.51
1-1/2"	\$ 96.91
2"	\$149.20

All Baxter County Industrial Park users of the Sewer System shall be charged monthly \$5.97 per 1,000 gallons.

(e) **Tapping Fee** That there shall be a tapping fee in an amount established by the City for every customer who connects to the Sewer System.

(f) None of the facilities or services afforded by the Sewer System shall be furnished without a charge being made therefore.

Section 3. Special Application

(a) **Sewer** – There shall be no connection to the City’s sanitary sewer system that is not physically located within the corporate limits of the City.

Section 4.

That a financial management system shall be established and maintained by the City to document compliance with federal regulations pertaining to the bonds. Such system will account for all revenues generated and expenditures for OM&R.

Section 5.

The schedule of charges as described above in section 2 shall be indexed at the first part of February of each year by the amount of increase in the (CPI) Consumer Price index for the preceding annual year January – December and will affect sewer used after February 15th of each year. The CPI percentage rate that will be used each year will be at the Arkansas Rate (The South Region) for water/sewer. The CPI rate adjustment will be accepted, declined, or modified as determined by the Council before it is applied each year. A copy of the revised rates will be available at all times at the water/sewer department office.

(a) The City will continuously monitor the revenues of the Sewer System, including specifically the adequacy of its rates and delinquent billings, and will take appropriate steps to remedy any delinquent billings or inadequacy of rates. The City will make a full review annually of the rates and charges of the Sewer System.

(b) The City shall at all times fix, charge and collect rates and charges for services furnished by the Sewer System, including increasing rates and charges as necessary, which shall provide revenues sufficient to at least: (1) pay the City's annual costs of OM&R; (2) pay annual debt service; and (3) provide the necessary bond coverage.

Section 6.

That the user charge system for the Sewer System shall take precedence over any terms or conditions of agreements or contracts between the City and any of the users which are inconsistent with applicable federal regulations regarding such user charge systems.

Section 7.

That the provisions of this Ordinance are severable and if a section, phrase or provision shall be declared invalid; such declaration shall not affect the validity of the remainder of the Ordinance.

Section 8.

That all Ordinances and Resolutions and parts thereof in conflict hereby repealed to the extent of such conflict.

Section 9. Effective Date

This ordinance shall be in full force and effect 30 day after passage.

PASSED AND APPROVED THIS 16TH DAY OF MARCH, 2023.



HILLREY ADAMS, MAYOR

ATTEST:



SCOTT LILES, CITY CLERK

Will be incorporated
into 2024-X

ORDINANCE NO. 2023-43

**AN ORDINANCE SETTING FORTH THE DATES FOR PAYMENT
FOR RESIDENTIAL AND COMMERCIAL CUSTOMERS
OF THE CITY OF MOUNTAIN HOME'S WATER/SEWER SYSTEM,
SETTING CONNECTION AND DISCONNECTION FEES FOR THE SAME,
AND SETTING FORTH PENALTIES AND DAMAGES FOR THE SAME;
AMENDING ORDINANCE NO. 599 AND ALL SUCCESSIVE ORDINANCES
UPDATING OR AMENDING THERETO**

WHEREAS, it is determined by the City Council of Mountain Home, Arkansas, that the current or existing due dates and disconnect dates for water and/or sewer services furnished by the City of Mountain Home is not adequate for the efficient operation and maintenance of the water and/or sewer systems; and

WHEREAS, it is determined by the City Council that the current or existing rates for fees and penalties for customers of the City Mountain Home's water and/or sewer services are not adequate for the efficient operation and maintenance of the systems and should be updated; and

WHEREAS, after due consideration and deliberation, the City Council finds and determines such changes in dates, fees and penalties as set forth in this Ordinance to be reasonable and necessary.

**NOW, THEREFORE, BE IT ORDAINED BY
THE CITY COUNCIL OF MOUNTAIN HOME, ARKANSAS, AS FOLLOWS:**

SECTION 1. AVAILABILITY

A) No more than one residential or one business unit shall be served through one meter except where this condition now exists or where special conditions make it more practical to serve through one meter.

B) Where more than one residence unit (such as a residence, apartment, mobile home, housekeeping, or other unit) or business establishment are served through one meter, the minimum will be based upon a 3/4-inch meter for each class of service and will be increased in proportion to the number of units served through one meter.

SECTION 2. CONNECTION FEES

A nonrefundable fee of \$30.00 will be charged for each service turned on.

SECTION 3. DEPOSITS AND REFUNDS

A) Every customer furnished water by the City shall pay the following deposits corresponding to the class of service received by such person as set forth in this schedule:

- | | |
|-----------------|----------|
| (a) Residential | \$125.00 |
| (b) Commercial | \$189.00 |

B) The City shall refund a customer's deposit upon the termination of service, less that customer's outstanding bill for water services, sewer services and sanitation services. Penalties, reconnection fees and any taxes, if applicable, will also be deducted before a refund is issued.

SECTION 4. PAYMENTS, PENALTIES AND DISCONNECTION/RECONNECTION CHARGES

A) **DUE DATE** Bills for water, sewer, and sanitation services shall be rendered monthly and are due in full and payable before the fifteenth (15th) day of each month.

B) **LATE PENALTIES** Nonpayment of any bill unpaid after the same is due shall incur in addition to the amount of such bill a penalty of 10 percent of the amount thereof.

C) **DISCONNECTIONS** Any bill remaining unpaid 30 days past the twenty-sixth (26th) day of the previous month will be considered delinquent and the City may, at its discretion, discontinue service. The City also reserves the right to disconnect a customer's water/sewer service should that customer's sanitation charges go unpaid.

D) **DISCONNECTION/RECONNECTION FEES** In addition to the bill and applicable penalties thereon, every person shall pay a \$50 fee when service is disconnected and a \$50 reconnection fee when service is restored. Said sums shall be paid any time the City has disconnected and/or reconnected service. Said sums shall be paid at any time the City has disconnected/reconnected service due to non-payment of the customer's water and/or sanitation/sewer bill.

E) **TAXES** In addition to the bills, penalties, reconnection charges applicable, if any, every person shall pay the applicable state, county and municipal sales taxes thereon, if any.

SECTION 5. DAMAGES

A) Should the City be required to replace a lock, meter lid, meter, valve, setter or other equipment due to the actions of the customer or their representatives, the customer shall be charged an amount equal to the cost of replacing the damaged item(s), plus 10 percent.

B) A lock tamper fee/charge of \$200.00, shall be imposed if a lock, meter lid, meter, valve, setter or other equipment is damaged and/or removed for, but not limited to, the following reasons:

- 1) If a water meter has been locked to disconnect water service for any reason;
- 2) If a customer unlocks a meter to restore service that has been disconnected for any reason;
- 3) If a new customer, not on the system, unlocks a meter to gain water service for any reason.

C) All fees and charges incurred will be due and payable by the customer prior to service being restored.

SECTION 6. TAPPING FEES AND CONNECTING TO THE SYSTEM

A) **Water Service** Every customer – Residential, Commercial or Industrial -- shall pay a tapping fee for connection to the City's water facilities which shall include the normal installation of a water meter. Fees are as follows:

¾-inch meter	\$1,315.00
1-inch meter	\$2,484.00
2-inch meter	\$5,021.00
3-inch meter	\$5,387.00

The charges set forth herein the above subsection (6A) do not include the costs of procuring the requisite permits and payment of fees as required by Ordinance No. 88-022 to cut/bore a street.

B) **Sewer Service** Every customer – Residential, Commercial or Industrial – shall pay a tapping fee for connection to the City's wastewater facilities. Fees are as follows:

¾-inch meter	\$600.00
1-inch meter	\$750.00
2-inch meter & over	\$900.00

SECTION 7. SPRINKLER METER CHARGES

Sprinkler meters are sold at current market price.

SECTION 8. CONFLICTS WITH OTHER ORDINANCES

All other provisions of Ordinance No. 599, or any Ordinances updating or repealing it, shall remain in full force and effect unless specifically changed by this Ordinance.

SECTION 9. EMERGENCY CLAUSE

Efficient operation and maintenance of the municipal water and sewer systems contributes to the safety and welfare of the residents of Mountain Home, Arkansas; therefore, an emergency is declared to exist and this Ordinance shall be in full force and effect from and after its passage.

PASSED AND APPROVED THIS 7TH DAY OF DECEMBER 2023.



HILLREY ADAMS, MAYOR

ATTEST:



SCOTT LILES, CITY CLERK



RESOLUTION NO. 2024-xx

**A RESOLUTION WAIVING COMPETITIVE BIDDING ON THE SALE
OF THE MOUNTAIN HOME POLICE DEPARTMENT BUILDING**

WHEREAS, an offer to purchase has been received for the purchase of the Mountain Home Police Department building. The building and real estate upon which it is situated is commonly known as 424 West 7th Street, Mountain Home, AR;

WHEREAS, the sale of the Police Department building is contingent upon the City being able to acquire a building presently occupied by Arkansas Game and Fish Commission and located at 650 South Street, Mountain Home, AR;

WHEREAS, the sale of the Police Department building is above appraised value and the building located at 650 South Street Mountain Home, AR is available to the City of Mountain Home at less than the appraised value; and

WHEREAS, the complexities of the sale and purchase of these properties do not make competitive bidding feasible or practical.

THEREFORE, BE IT RESOLVED

BY THE CITY COUNCIL OF MOUNTAIN HOME, AR:

1. That the complexities of the sale of the Mountain Home Police Department property commonly known as 424 West 7th Street, Mountain Home, AR and the purchase of the building located at 650 South Street Mountain Home, AR are not susceptible to the purchase and sale be made through competitive bidding.

2. That competitive bidding is not feasible or practical in this manner and therefore competitive bidding shall be and is hereby waived on the sale of the Mountain Home Police

Department Building and the purchase of the building located at 650 South Street.
Mountain Home, AR.

PASSED AND APPROVED THIS 15TH DAY OF FEBRUARY, 2024

HILLREY ADAMS, MAYOR

ATTEST:

SCOTT LILES, CITY CLERK

Prepared by: Roger L. Morgan
of Sanders, Morgan, Clarke & Floyd PLLC, Attorneys at Law
PO Box 2308, Mountain Home, AR 72654

OFFER & ACCEPTANCE

DATE: _____, 2024.

1. The undersigned, herein called the Buyer, offers to buy, subject to the terms set forth herein, the following property:

All of Block 13 in TRUMAN'S ADDITION to the town of Mountain Home, Baxter County, Arkansas, as shown by the recorded plat.

2. The Buyer will pay \$720,000.00 for the property, payable in cash at closing.

3. Special Conditions:

a) The parties shall equally share the settlement fee associated with this closing. All other costs shall be paid as is customary for closings in Baxter County, AR.

b) The parties agree that closing shall be on or about March 15, 2024.

c) The closing of this transaction shall be contingent upon the following, to wit:

i) Approval of the terms and conditions of this Offer and Acceptance by the City Council of the City of Mountain Home, AR;

ii) The City selling and closing the real estate upon which the Mountain Home Police Department is situated to the Arkansas Game and Fish Commission;

4. Conveyance shall be made to Buyer, or as directed by Buyer, by general warranty deed, except it shall be subject to recorded restrictions and easements, if any, which do not materially affect the value of the property.

5. Seller shall furnish, at Seller's cost, a policy of title insurance in the amount of the purchase price. If objections are made to title, Seller shall have a reasonable time to meet the objections or to furnish title insurance.

6. Buyer herewith tenders \$_____ as earnest money, to become a part of the purchase price upon acceptance. If this offer is not accepted or if title requirements are not fulfilled, this sum shall be promptly returned to Buyer. However, should Buyer fail to fulfill his obligations as provided herein, the earnest money may become liquidated damages, which fact shall not preclude Seller from asserting other legal rights which he may have because of such breach.

7. Taxes and special assessments, due on or before the closing date, shall be paid by the Seller. Current general taxes and special assessments shall be pro-rated as of closing date based upon the last tax statement. Insurance, interest and rental payments shall be pro-rated as of the date of closing.

8. Buyer certifies that it has inspected the property, and is not relying upon any warranties, representations or statements of the Seller as to age or physical condition of improvements. The risk of loss or damage to the property by fire or other casualty occurring up to the time of transfer of title on the closing date is assumed by Seller.

9. Buyer is aware that Seller intends to perform an IRC 1031 tax free exchange.

10. This Offer is binding upon Buyer if accepted within 3 days from date.

BUYER

CITY OF MOUNTAIN HOME,
ARKANSAS

BY: HILLREY ADAMS, Mayor

SCOTT LILES, City Clerk

Contact Info:

Phone # _____

Address: _____

Email: _____

The above offer is accepted on _____, 2024.

SELLER

F5 INVESTMENTS, LLC

BY: ROB FINLEY, Managing Member

Contact Info:

Phone # _____

Address: _____

Email: _____

