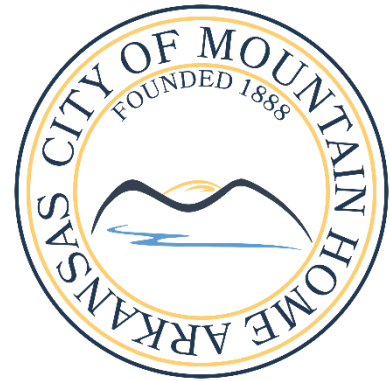


MOUNTAIN HOME CITY COUNCIL REGULAR MEETING AGENDA

THURSDAY, OCTOBER 17, 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 October 3RD Council meeting
Committee reports
Bank reconciliations
Agenda additions
Announcements



OLD BUSINESS

NEW BUSINESS

AN ORDINANCE AMENDING ORDINANCE NO. 296, AS AMENDED, WITH REFERENCE TO ZONING WITHIN THE CITY LIMITS OF MOUNTAIN HOME, ARKANSAS, RELATIVE TO CHANGING AREA ZONED AS RESIDENTIAL R-1 TO RESIDENTIAL R-4, presented by Ted Sanders and pending approval by the Mountain Home Planning Commission on October 14th

FOURTH QUARTER BUDGET ADJUSTMENTS, presented by Alma Clark

A RESOLUTION AMENDING THE CITY'S 2024 BUDGET AND ARPA GRANT BUDGET TO APPROPRIATE COSTS, presented by Alma Clark

COMMENTS

ADJOURN

Respectfully submitted,
Scott Liles, City Clerk

MINUTES
PUBLIC HEARING – Thursday, October 3rd, 2024

1. The Mountain Home City Council met for a public hearing on the City potentially abandoning a utility easement on October 3, 2024, in the in the Council Chambers of the Municipal Building. Mayor Hillrey Adams called the public hearing to order at 4:55 p.m. Counting Council members, a total of 24 people were in attendance for the hearing.
2. Attorney Ted Sanders appeared on behalf of Gregory DeRose, Jr., and Diane R. DeRose. The DeRoses are petitioning the City to abandon an undeveloped utility easement that runs between Lots 86 and 87 of the Big Creek Phase I subdivision. The DeRoses own both lots and wish to build a residence across both lots.
3. Following Mr. Sanders’ presentation, Mayor Adams asked for public comments on the proposed easement abandonment. There was no comment offered by those in attendance.
4. With no further business pending, Mayor Adams adjourned the public hearing at 4:59 p.m. so the Council could proceed with its regular meeting.

CITY CLERK’S NOTE *Copies of the maps displayed at this public hearing are attached to Ordinance No. 2024-17.*

MINUTES
REGULAR CITY COUNCIL MEETING – Thursday, October 3rd, 2024

1. The Mountain Home City Council met in regular session on October 3, 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, Planning Director Arnold Knox, Fire Chief Kris Quick and Parks Director Daniel Baxley.
3. **MEDIA IN ATTENDANCE** Caroline Spears of the Baxter Bulletin and 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: Susan Stockton, Jennifer Baker, Wayne Almond, Carry Manuel, Jim Bodenhamer and Nick Reed. Council members Bob Van Haaren and Paige Evans were absent.
5. **APPROVAL OF THE SEPTEMBER 19th MINUTES** Council member Jennifer Baker made a motion to approve the minutes from the Council’s September 19th meeting. The motion was seconded by Council member Susan Stockton. *The vote was recorded as follows: Yes – All present. Absent – Bob Van Haaren and Paige Evans. The motion carried, and the September 19th minutes were adopted.*

6. **PARK DEPARTMENT AWARDS** Mayor Hillrey Adams reported that the City recently attended the Arkansas Recreation and Parks Conference in Jonesboro. At that conference, the City accepted the award for Best Festival (5-10 years old) for the Baxter Summer Music Series and longtime Mountain Home American Legion Coach Lester White was recognized as a Park Champion for his continued work with Cooper Park and the City. Outdoor Natural Resource Programmer Andrew McNair was honored as the 2024 Outstanding New Professional. The Outstanding New Professional Award recognizes a park and recreation professional with a minimum of 3 years and less than 15 years of experience in the field and who possesses the qualities and skills of an emerging leader. The nominee demonstrates outstanding leadership, initiative, innovation, and contribution to the park and recreation profession in Arkansas. Within his/her career, the nominee has shown steady career advancement, a commitment to ongoing professional development, recognition and respect from coworkers and colleagues as an emerging leader, and engagement with community and/or professional organizations.

7. **NEW BUSINESS**

AN ORDINANCE VACATING A UTILITY EASEMENT LOCATED ON PART OF LOTS 86 AND 87 OF BIG CREEK ESTATES, PHASE 1, WITHIN THE CITY LIMITS OF MOUNTAIN HOME, ARKANSAS

The proposed Ordinance was initially presented at the public hearing held immediately prior to the Council meeting. If adopted, it would abandon a utility easement running between Lots 86 and 87 of the Big Creek Phase I subdivision. The two lots are owned by the DeRose family, which wishes to develop a singular property across both lots. The easement in question has not been developed and is not in use at this time. City Attorney Roger Morgan placed the proposed Ordinance on its first reading in its entirety.

SECOND READING After the item's first reading, Council member Jennifer Baker made a motion to suspend the rules and place the item on its second reading by title only. That motion was seconded by Council member Nick Reed. *The vote was recorded as follows: Yes – All present, Absent – Bob Van Haaren and Paige Evans. The motion carried and the proposed Ordinance was read a second time.*

THIRD READING Following the second reading, Council member Jennifer Baker made a motion to suspend the rules and place the item on its third reading by title only and drew a second from Council member Wayne Almond. *The vote was recorded as follows: Yes – All present, Absent – Bob Van Haaren and Paige Evans. The motion carried and the proposed Ordinance was read a third time.*

ADOPTION Following the item's third reading, Council member Jennifer Baker made a motion to adopt the proposed Ordinance and was seconded by Council member Wayne Almond. *The vote was recorded as follows: Yes – All present, Absent – Bob Van Haaren and Paige Evans. The Ordinance was declared adopted and numbered Ordinance No. 2024-17.*

CITY CLERK'S NOTE Copies of the maps referenced here, as well as other related documents, are attached to Ordinance No. 2024-17.

COMMUNITY CENTER UPDATE Mayor Hillrey Adams shared two photos and a time-lapse video of the construction work presently being done at the site of the future community center in McCabe Park. The photos were captured by a drone and showed a bird's eye view of the future community center. The video showed construction work on the site from earlier this spring through the first of October. The community center, its indoor pools and the outdoor aquatic center has an estimated completion date of Spring 2026.

8. ADJOURNMENT

With no further business to come before the council, Council member Jennifer Baker made a motion to adjourn the meeting and drew a second from Council member Susan Stockton. A voice vote was recorded as follows: Yes – All present, Absent – Bob Van Haaren and Paige Evans. Mayor Hillrey Adams then declared the meeting adjourned at 5:18 p.m.

HILLREY ADAMS, MAYOR

ATTEST:

SCOTT LILES, CITY CLERK

ORDINANCE NO. 2024-xx

**AN ORDINANCE AMENDING ORDINANCE NO. 296, AS AMENDED,
WITH REFERENCE TO ZONING WITHIN THE CITY LIMITS
OF THE CITY OF MOUNTAIN HOME, ARKANSAS, RELATIVE
TO CHANGING AREA ZONED AS RESIDENTIAL R-1 TO RESIDENTIAL R-4**

WHEREAS, a proper petition was filed by a property owner requesting a map change in zoning; said petition was submitted to the Planning Commission of the City of Mountain Home, Arkansas; notice of said petition and public hearing thereon was published in a newspaper having local circulation as required by Ordinance; a public hearing was held, and all remonstrances were heard, after which the Planning Commission recommended the property described herein be rezoned;

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

The following real estate in Baxter County, Arkansas, be, and it hereby is changed in zoning from Residential R-1 to Residential R-4.

THAT PART OF THE NW¹/₄ NE¹/₄ OF SECTION 24, T-19-N, R-14-W, BAXTER COUNTY, ARKANSAS, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SW CORNER OF THE SAID NW¹/₄ NE¹/₄, CORNER MARKED BY LARGE STONES IN WAGON RIMS AT FENCE CORNER AS SHOWN BY RECORDED SURVEY FILED IN THE BAXTER COUNTY CIRCUIT CLERK'S OFFICE AS RS-28-06; RUN THENCE N 00° 27' 57" E FOR A DISTANCE OF 535.28 FEET TO A 3/8" REBAR AND THE POINT OF BEGINNING OF TRACT BEING DESCRIBED; RUN THENCE N 01° 41' 18" E FOR A DISTANCE OF 642.03 FEET; RUN THENCE S 88° 24' 23" E FOR A DISTANCE 40.17 FEET; RUN THENCE N 40° 38' 16" E FOR A DISTANCE OF 279.75 FEET; RUN THENCE S 87° 53" 11" E FOR A DISTANCE OF 1121.65 FEET TO THE EAST LINE OF SAID NW 1/4 NE 1/4; RUN THENCE S 01° 26' 27" W ALONG SAID EAST LINE FOR A DISTANCE OF 625.93 FEET; THENCE LEAVING SAID EAST LINE, RUN S 78° 28'

*22" W FOR A DISTANCE OF 590.71 FEET; RUN THENCE S
84° 57' 16" W FOR A DISTANCE OF 770.60 FEET TO THE
POINT OF BEGINNING CONTAINING 22.81 ACRES MORE
OR LESS.*

The above described property is located East of Silzell Drive and West of Big Creek Estates, Mountain Home, Arkansas.

WHEREAS, this Ordinance is necessary to permit the best use of the property and to permit the immediate commencement of construction on the property, an emergency is hereby declared to exist pertaining to the rezoning of the property, and this Ordinance shall be in full force and effect from and after its passage and publication.

PASSED THIS 17TH DAY OF OCTOBER, 2024.

HILLREY ADAMS, MAYOR

ATTEST:

SCOTT LILES, CITY CLERK

NOTICE

City of Mountain Home
File Marked this 24 day
of September, 2024
City Clerk, Scott Liles

NOTICE is hereby given that a petition has been filed with the Planning Commission and City Council of Mountain Home, Arkansas, by the owner of the following described property situated in Baxter County, Arkansas, to-wit:

THAT PART OF THE NW¼ NE¼ OF SECTION 24, T-19-N, R-14-W, BAXTER COUNTY, ARKANSAS, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SW CORNER OF THE SAID NW¼ NE¼, CORNER MARKED BY LARGE STONES IN WAGON RIMS AT FENCE CORNER AS SHOWN BY RECORDED SURVEY FILED IN THE BAXTER COUNTY CIRCUIT CLERK'S OFFICE AS RS-28-06; RUN THENCE N 00° 27' 57" E FOR A DISTANCE OF 535.28 FEET TO A 3/8" REBAR AND THE POINT OF BEGINNING OF TRACT BEING DESCRIBED; RUN THENCE N 01° 41' 18" E FOR A DISTANCE OF 642.03 FEET; RUN THENCE S 88° 24' 23" E FOR A DISTANCE 40.17 FEET; RUN THENCE N 40° 38' 16" E FOR A DISTANCE OF 279.75 FEET; RUN THENCE S 87° 53' 11" E FOR A DISTANCE OF 1121.65 FEET TO THE EAST LINE OF SAID NW 1/4 NE 1/4; RUN THENCE S 01° 26' 27" W ALONG SAID EAST LINE FOR A DISTANCE OF 625.93 FEET; THENCE LEAVING SAID EAST LINE, RUN S 78° 28' 22" W FOR A DISTANCE OF 590.71 FEET; RUN THENCE S 84° 57' 16" W FOR A DISTANCE OF 770.60 FEET TO THE POINT OF BEGINNING CONTAINING 22.81 ACRES MORE OR LESS.

The above described property is located East of Silzell Drive and West of Big Creek Estates, Mountain Home, Arkansas.

Said petition seeks the rezoning of the property from Residential R-1 to Residential R-4.

The hearings related to said petition will be held as follows:

1. The Planning Commission will hear objections and make its determination on said petition at the City Hall on October 14, 2024, at 1:00 p.m.
2. The City Council will make its determination on said petition at the City Hall on October 17, 2024, at 5:00 p.m.

The petitioner is Mountain Land Group, L.L.C., the record owner of the property, and it has named Ted H. Sanders to act for it in this proceeding.

Scott Liles
Scott Liles, City Clerk



ONE PUBLICATION:

September 28, 2024

PETITION

TO: PLANNING COMMISSION
CITY OF MOUNTAIN HOME
MOUNTAIN HOME, ARKANSAS

MAYOR AND CITY COUNCIL
CITY OF MOUNTAIN HOME
MOUNTAIN HOME, ARKANSAS

The petitioner, Mountain Land Group, L.L.C., by and through its counsel, Ted H. Sanders, hereby petitions you to rezone certain residential property described below. The petitioner requests that the property be rezoned from Residential R-1 to Residential R-4. The property to be rezoned is described below, to-wit:

THAT PART OF THE NW¹/₄ NE¹/₄ OF SECTION 24, T-19-N, R-14-W, BAXTER COUNTY, ARKANSAS, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SW CORNER OF THE SAID NW¹/₄ NE¹/₄, CORNER MARKED BY LARGE STONES IN WAGON RIMS AT FENCE CORNER AS SHOWN BY RECORDED SURVEY FILED IN THE BAXTER COUNTY CIRCUIT CLERK'S OFFICE AS RS-28-06; RUN THENCE N 00° 27' 57" E FOR A DISTANCE OF 535.28 FEET TO A 3/8" REBAR AND THE POINT OF BEGINNING OF TRACT BEING DESCRIBED; RUN THENCE N 01° 41' 18" E FOR A DISTANCE OF 642.03 FEET; RUN THENCE S 88° 24' 23" E FOR A DISTANCE 40.17 FEET; RUN THENCE N 40° 38' 16" E FOR A DISTANCE OF 279.75 FEET; RUN THENCE S 87° 53' 11" E FOR A DISTANCE OF 1121.65 FEET TO THE EAST LINE OF SAID NW 1/4 NE 1/4; RUN THENCE S 01° 26' 27" W ALONG SAID EAST LINE FOR A DISTANCE OF 625.93 FEET; THENCE LEAVING SAID EAST LINE, RUN S 78° 28' 22" W FOR A DISTANCE OF 590.71 FEET; RUN THENCE S 84° 57' 16" W FOR A DISTANCE OF 770.60 FEET TO THE POINT OF BEGINNING CONTAINING 22.81 ACRES MORE OR LESS.

The property is located East of Silzell Drive and West of Big Creek Estates, Mountain Home, Arkansas. The rezoning of this property will not conflict with the surrounding land uses because of multiple zoning classifications that exist in the vicinity. A diagram of the property

and vicinity is attached hereto and marked Exhibit "A". It is the opinion of the petitioner that this property is no longer practical or desirable for Residential R-1 use.

The petitioner herein is Mountain Land Group, L.L.C., and it has authorized Ted H. Sanders to act on its behalf in the prosecution of this petition.

MOUNTAIN LAND GROUP, L.L.C., PETITIONER

BY: 

TED H. SANDERS

P. O. BOX 2308

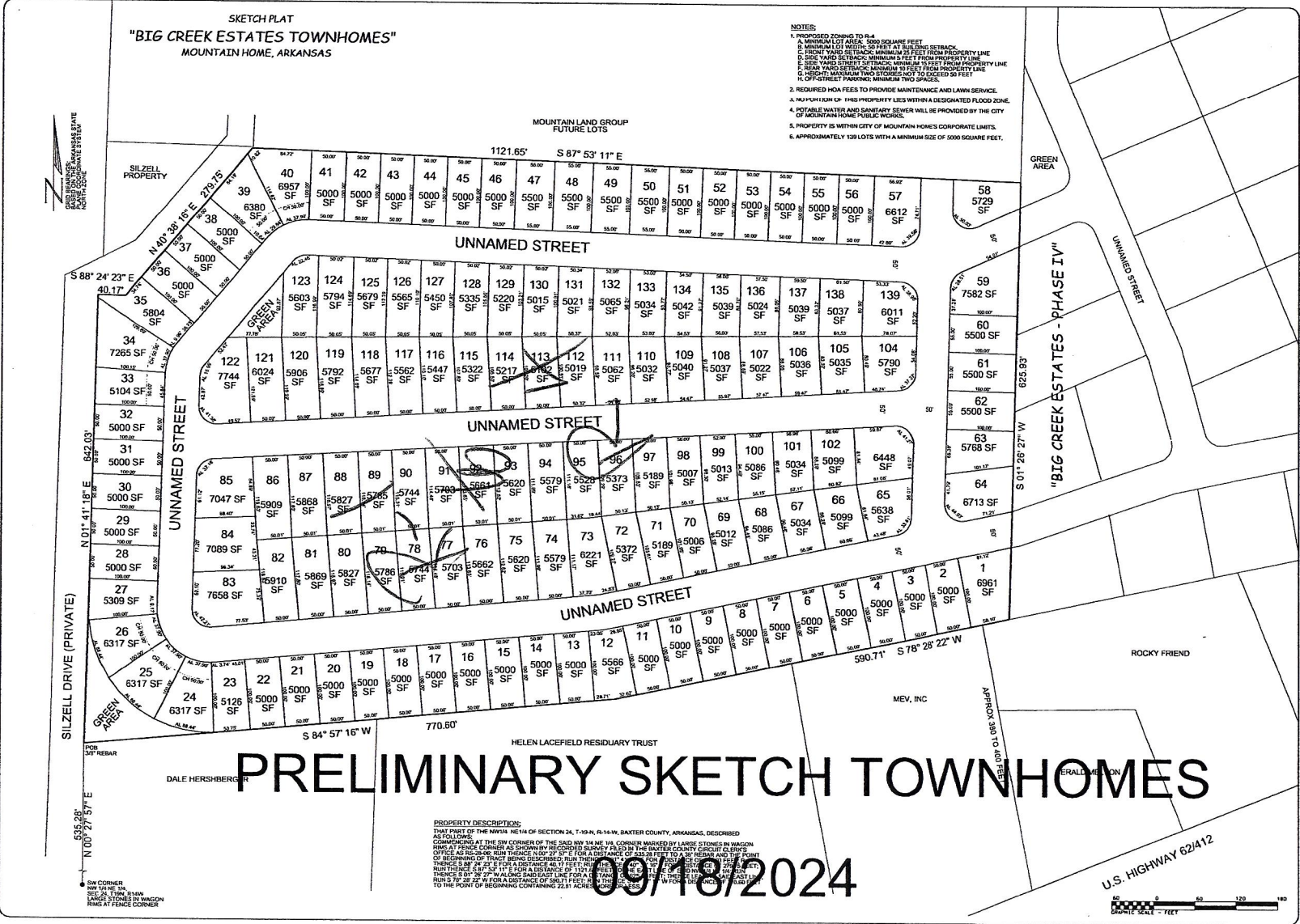
MOUNTAIN HOME, AR 72654

ITS ATTORNEY

Exhibit H
1002

SKETCH PLAT
"BIG CREEK ESTATES TOWNHOMES"
MOUNTAIN HOME, ARKANSAS

- NOTES:
1. PROPOSED ZONING TO R-4.
 2. MINIMUM LOT AREA: 5000 SQUARE FEET.
 3. MINIMUM LOT WIDTH: 20 FEET AT BUILDING SETBACK.
 4. FRONT YARD SETBACK: MINIMUM 25 FEET FROM PROPERTY LINE.
 5. SIDE YARD SETBACK: MINIMUM 15 FEET FROM PROPERTY LINE.
 6. REAR YARD SETBACK: MINIMUM 10 FEET FROM PROPERTY LINE.
 7. CROWN YARD SETBACK: MINIMUM 15 FEET FROM PROPERTY LINE.
 8. HEIGHT: MAXIMUM TWO STOREYS NOT TO EXCEED 50 FEET.
 9. IF PATIO/BBQ: MINIMUM TWO SPACES.
 10. REQUIRED HOA FEES TO PROVIDE MAINTENANCE AND LAWN SERVICE.
 11. NO POOL/HOT SPA: THIS PROPERTY LIES WITHIN A DESIGNATED FLOOD ZONE.
 12. POTABLE WATER AND SANITARY SEWER WILL BE PROVIDED BY THE CITY OF MOUNTAIN HOME PUBLIC WORKS.
 13. PROPERTY IS WITHIN CITY OF MOUNTAIN HOME'S CORPORATE LIMITS.
 14. APPROXIMATELY 139 LOTS WITH A MINIMUM SIZE OF 5000 SQUARE FEET.



PRELIMINARY SKETCH TOWNHOMES

PROPERTY DESCRIPTION:
 THAT PART OF THE NW1/4, NE1/4 OF SECTION 24, T-19-N, R-14-W, BAXTER COUNTY, ARKANSAS, DESCRIBED COMMENCING AT THE SW CORNER OF THE SAID NW 1/4 NE 1/4, CORNER MARKED BY LARGE STONES IN WAGON RIMS AT TRINCE CORNER AS SHOWN BY RECORDS SHOWN TO BE IN THE BAXTER COUNTY COURT CLERK'S OFFICE AS RECORDS RUN THENCE IN 20° 27' 57" E FOR A DISTANCE OF 332.28 FEET TO A PILE BEARING AND THE POINT OF BEGINNING OF TRACT BEING DESCRIBED RUN THENCE IN 355° 12' 12" W FOR A DISTANCE OF 122.17 FEET TO A PILE BEARING AND THE POINT OF BEGINNING OF TRACT BEING DESCRIBED RUN THENCE IN 22° 24' 22" E FOR A DISTANCE OF 40.77 FEET TO A PILE BEARING AND THE POINT OF BEGINNING OF TRACT BEING DESCRIBED RUN THENCE IN 67° 12' 22" W FOR A DISTANCE OF 134.14 FEET TO A PILE BEARING AND THE POINT OF BEGINNING OF TRACT BEING DESCRIBED RUN IN S 7° 57' 28" W FOR A DISTANCE OF 261.71 FEET TO THE POINT OF BEGINNING CONTAINING 22.81 ACRES

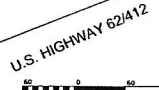
09/18/2024

REVISION	BY

SKETCH PLAT
"BIG CREEK ESTATES TOWNHOMES"
MOUNTAIN HOME, ARKANSAS

Engineering Solutions, LLC
 Brian M. Smith, P.E.
 Brian M. Smith, P.E.
 (870) 739-4336
 bsmith@engsol.com

CHECKED	DATE
DESIGNED	DATE
PROJECT NUMBER	PROJECT PHASE



10/17/2024 FOURTH QUARTER 2024 BUDGET ADJUSTMENTS			
Name	Line Item Number	Amount to Move to	Amount to Move From
COURTS			
COMPUTER - IT SERVICES	101-5105-27308	\$20,000.00	
TRAVEL TRAINING	101-5105-25800	\$25.00	
MISC EXPENSE	101-5105-73700	\$200.00	
PROJECTED CARRYOVER	101-5101-79000		\$20,225.00
		\$20,225.00	\$20,225.00
FUND 704 - AMENDMENT 80			
OFFICE SUPPLIES	704-5704-31650	\$1,500.00	
UNIFORMS	704-5704-35820	\$2,000.00	
PROJECTED CARRYOVER	704-5701-79000		\$3,500.00
		\$3,500.00	\$3,500.00
GENERAL FUND			
ADVERTISING	101-5101-24060		\$200.00
GENERAL ELECTION	101-5101-71530		\$18,000.00
COMPUTER - IT SERVICES	101-5101-27308		\$5,000.00
COMPUTER EQUIPMENT - PURCH/REPLACE	101-5101-27311		\$11,000.00
SUPPLIES - OFFICE	101-5101-31650		\$2,000.00
MISC EXPENSE	101-5101-73700		\$2,000.00
PUBLICATIONS	101-5101-34000		\$8,000.00
COMPUTER OPERATING EXPENSE	101-5101-27310	\$18,000.00	
CAPITAL OUTLAY / TOWER LEASE	101-5101-43200	\$28,000.00	
CODIFICATION OF ORDINANCES	101-5101-21300	\$200.00	
		\$46,200.00	\$46,200.00

POLICE DEPARTMENT			
SALARIES - GENERAL	101-5104-11500		\$6,000.00
INS - PROPERTY & CONTENTS	101-5104-21610	\$6,000.00	
SUPPLIES - GENERAL	101-5104-31610		\$7,000.00
SUPPLIES - OFFICE	101-5104-31650	\$7,000.00	
		\$13,000.00	\$13,000.00
PLANNING AND ENGINEERING			
COMPUTER IT SERVICES	101-5102-27308		\$16,400.00
INSURANCE - WORKERS COMP	101-5102-15630	\$400.00	
MOWING LOTS	101-5102-22681	\$4,000.00	
COMPUTER EQUIPMENT PURCH/REPLACE	101-5102-27311	\$10,000.00	
UTILITIES - ELECTRIC	101-5102-32900	\$2,000.00	
		\$16,400.00	\$16,400.00
PUBLIC SAFETY (POLICE)			
COMPUTER - IT SERVICES	134-5401-27308		\$5,000.00
COMPUTER EQUIPMENT- PURCH/REPLACEMENT	134-5401-27311	\$5,000.00	
CAPITAL EQUIPMENT	134-5401-41001		\$10,000.00
UNIFORMS	134-5401-35820	\$10,000.00	
		\$15,000.00	\$10,000.00

PARKS / YC DEPARTMENT			
RETIREMENT CASH OUT	101-5107-16251		\$1,500.00
CONTRACT LABOR	101-5107-21390		\$15,000.00
REPAIRS/MAINTENANCE	101-5107-27060		\$50,000.00
SUPPLIES-OFFICE	101-5107-31650		\$7,000.00
SUPPLIES MAINT : PARKS / YC	101-5107-38620		\$10,625.00
SUPPLIES/MAINT: POOL	101-5107-38630		\$18,000.00
SPORTS- YOUTH	101-5107-38661		\$20,000.00
WALKER AUCITON REVENUE	101-5107-73600		\$15,000.00
SALARIES-GENERAL	101-5107-11500	\$15,000.00	
SALARIES-PART TIME	101-5107-11501	\$35,000.00	
TAXES-FICA-PAYROLL	101-5107-13700	\$2,500.00	
TAXES-MEDICARE	101-5107-13710	\$1,000.00	
RETIREMENT-APERS	101-5107-16200	\$12,000.00	
INSURANCE-HOSPITAL	101-5107-17620	\$24,000.00	
TAXES-SALES	101-5107-24720	\$1,000.00	
REPAIRS/MAINT - EQUIPMENT	101-5107-27080	\$2,500.00	
COMPUTER-IT SERVICES	101-5107-27308	\$1,200.00	
COMPUTER OPERATING EXPENSE	101-5107-27310	\$25,625.00	
FUEL- GAS & OIL	101-5107-32520	\$2,000.00	
HEP B/BG/PHY/DRUG TEST	101-5107-37550	\$300.00	
CAPITAL EQUIPMENT	101-5107-42934	\$15,000.00	
		\$137,125.00	\$137,125.00

RESOLUTION NO. 2024-xx
A RESOLUTION AMENDING THE CITY'S 2024 BUDGET
AND ARPA GRANT BUDGET TO APPROPRIATE COSTS

WHEREAS, the American Rescue Plan Act (ARPA), which was signed into law in March 2021, provides fiscal recovery funds to local governments; and

WHEREAS, ARPA provides support to local governments in responding to the impact of COVID-19 and in addressing the economy; and

WHEREAS, ARPA created several eligible uses of the funding, including one to address lost revenue for cities and towns; and

WHEREAS, the United States Department of Treasury on January 6, 2022, issued a Final Rule regarding the use of ARPA funds; and

WHEREAS, the Final Rule permits cities and towns to utilize one of the statutorily eligible uses of the funds as “lost revenue or revenue replacement” up to a standard allowance of \$10,000,000 or the total amount of a city’s grant award, whichever is less; and

WHEREAS, the total grant award amount for the City of Mountain Home is less than \$10,000,000; and

WHEREAS, the Final Rule permits cities and towns to utilize “lost revenue/revenue replacement” for any government services.

WHEREAS, the United States Treasury recently clarified via a Final Rule adoption and through FAQ’s 17.7 and 17.17 that cities can obligate personnel costs under the Revenue Replacement Eligible Use Category, provided that the ARPA paid positions were established and filled on or before December 31, 2024.

WHEREAS, the City adopted Resolution No. 2023-10 which allocated ARPA “revenue replacement” funding to three water and/or sewer projects. A spreadsheet prepared by the Director Finance & Treasury is attached hereto as Exhibit A. It details the amount originally appropriated for each of the three ARPA funded projects, and the amount of expenditure & total remaining from each of the projects as of October 9, 2024; and

WHEREAS, the American Rescue Plan Act requires that ARPA funds have to be legally “obligated” by December 31, 2024, and in order to readily meet this deadline, the City of Mountain Home will re-allocate remaining ARPA funding from the amounts in Exhibit A, in Column 4 – for the total, (\$1,612,976.94) and instead now allocate the remaining funds for the payment of certain 2024 employee salaries and employer payroll contributions; and ,

WHEREAS, the United States Treasury recently clarified via a Final Rule adoption and through its Frequently Answered Questions (FAQ's 17.7 and 17.17) that cities can obligate personnel costs for 2024 under the Revenue Replacement Eligible Use Category, provided that the positions were established and filled on or before December 31, 2024.

**NOW, THEREFORE, BE IT RESOLVED
BY THE MOUNTAIN HOME CITY COUNCIL, THAT:**

Section 1. FY24 The City hereby appropriates \$ 1,612,976.94 from the City's remaining ARPA funding to be used as reimbursement to the City's 2024 Water and Sewer System Revenue Bond Fund for the costs of 2024 part-time and full-time salaries (other than elected officials) and employer payroll expenses (including, but not limited to FICA, APERS and other applicable health/dental/vision insurance costs) beginning on January 1, 2024, and running until the total amount is expended. The employee expenses are paid out of the Water and Sewer System Fund checking, then reimbursed by the ARPA Grant Funds until all ARPA Funds have been expended. This has the effect of lowering the 2024 Water and Sewer salaries line items in the total amount of \$ 1,612,976.94 for 2024 and raising the ARPA Grant Fund revenue budget line item by the same amount.

Section 2. The City Council directs the Director Finance & Treasury, in her discretion, to move the remaining unexpended ARPA funds for Section 1 from the SW Sewer Line Extension Checking account \$ 1,512,996.94 & the Hwy 5 Water Sewer Extension Project checking account \$99,980.00 into the Water & Sewer Revenue Bond Fund Checking Account and post a total of \$1,612,976.94 from the two accounts in ARPA Grant Funds line Revenue line item.

Section 3. On the mandatory Annual ARPA Reports, the ARPA expenses shall be all be reported under the Expenditure Category (EC) number 6.1 entitled "Revenue Replacement – Provision of Government Services."

PASSED AND ADOPTED THIS 17TH DAY OF OCTOBER, 2024.

HILLREY ADAMS, MAYOR

ATTEST:

SCOTT LILES, CITY CLERK

EXIHBIT A							
PROJECTS COUNCIL AUTHORIZED PROJECTS BY RESOLUTION TO BE PAID FROM ARPA MONEY....							
RESOLUTION # 2023-10 AUGUST 03, 2023							
ARPA BEGINNING BALANCE TOTAL							
	\$2,604,056.05						
						DOUBLE CHECK SPENT	
						COLUMN E - COLUMN C	
			TOTAL		TO DATE THRU 10/09/24	(SHOULD MATCH COLUMN C)	
PROJECTS AUTHORIZED	8/3/2023 AMOUNT APPROPREATED	AMOUNT EXPENDED TO DATE	AMOUNT REMAINING TO BE SPENT	2023 AMOUNT SPENT	2024 AMOUNT SPENT	TOTAL FROM START PROJECTS THRU 10/09/2024	STATUS OF PROJECT
CR 390 FORCE MAIN REHABILITATION	\$500,000.00	\$500,000.00	\$0.00	\$500,000.00	\$0.00	\$500,000.00	PROJECT COMPLETED 2023 & REPORTED CLOSED
HWY 5 SOUTH WL/SL EXTENTION	\$100,000.00	\$20.00	\$99,980.00	\$20.00	\$0.00	\$20.00	PROJECT ON HOLD
SOUTH WEST SL EXTENSION	\$2,004,056.05	\$491,059.11	\$1,512,996.94	\$179,148.60	\$311,910.51	\$491,059.11	PROJECT IN PROGRESS
TOTALS	\$2,604,056.05	\$991,079.11	\$1,612,976.94	\$679,168.60	\$311,910.51	\$991,079.11	
THESE MONIES ARE ALL SEPARATE IN DIFFERENT SPECIAL CHECKING ACCOUNTS WAITING TO BE SPENT... EACH PROJECT HAS A PROJECT CHECKING ACCOUNT WITH THE AMOUNTS SHOWN REMAINING.							
REMAINING TOTAL TO BE SPENT							
WATER/SEWER SALARIES INFORMATION							
		REMAINING ARPA FUNDS TO BE USED TO COVER 2024 WATER / SEWER SALARIES					
	2023 ACTUALS REG / OT	2024 BUDGETED REG/OT					
WATER SYSTEM ONLY	\$753,717.41	\$965,000.00					
SEWER SYSTEM & TREATMENT PLANT	\$1,211,964.49	\$1,463,600.00					
WATER PLANT ONLY	\$486,218.06	\$438,000.00					
TOTAL SALARIES	\$2,451,899.96	\$2,866,600.00					