

Garland County
Public Health, Welfare, and Safety
Minutes
January 25, 2021

Public Health, Welfare, and Safety Members Present: Chairman Larry Raney, Vice Chairman Jimmy Young, Justices Esther Dixon, Jim Sorrells, Matt McKee, and Thomas Anderson
Members Absent: Justice Jason Braziel

Also Present: Citizens, Elected Officials, Staff, and Media

Chairman Raney called the meeting to order, and Vice-Chairman Young presented the opening prayer.

Chairman Raney opened the meeting and asked Judge Darryl Mahoney to discuss the Interlocal Governmental Cooperative agreement with the City of Hot Springs. Judge Mahoney noted that the water and sewer issue with the city has slowed down the county's growth. He indicated that he and the County Attorney, John Howard, met with Bill Burroughs, the City Manager, several times to work out an agreement that would be beneficial to both the city and county and stated that the agreement would allow more growth in the county. Judge Mahoney stated some form of regulation would be established when county property starts developing. He also noted that the agreement would allow growth in the county, thus benefitting the entire community. Once the Quorum Court approved the agreement, the city would present the agreement at their February board meeting. In the near future, a State Legislative Oversight Advisory Board will be formed, including a few county positions, to address the water issued across the state.

Judge Mahoney then explained that the amount that the city would receive from the county would be based on the 2020 census numbers. He noted that 64% of residents live in the county, and 36 % live in the city. He explained any growth over the 2020 census numbers, in addition to the Consumer Price Index, would be divided per capita. The Fiscal Year 2020 Baseline is noted in Section 3.1 (The Arkansas Department of Finance and Administration will verify the Fiscal Year 2020 from the half-percent sales and use tax revenue, and the Consumer Price Index will be adjusted in for each year.) Any revenue over the baseline will be shared with the city based on the per capita allocation.

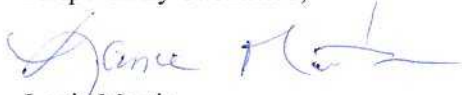
Judge Mahoney then discussed the language in Section 2.0 of the Interlocal agreement and stated that any new county establishments would be under the city extension and connection restrictions. He also noted that any existing establishments would not be required to connect to the city water and sewer system. Mr. Howard discussed the rate differential between city customers and non-city customers. He noted that once the city establishes the rates, the differential would remain fixed for the duration of the agreement. Mr. Howard also stated that the county would be adopting the agreement as written, and the city could not make any changes without the approval of the county. Judge Mahoney stated the city has been very cooperative during the negotiations and plans to start the agreement on April 1, 2021. He noted that the calculation for 2021 would be prorated for nine months. Once the numbers are verified by the Department of Finance and Administration, the county would make a yearly payment to the city. Mr. Howard reaffirmed that connecting to the city water and sewer is strictly voluntary, and existing county residents are not required to connect to the system. He noted that the city's current extension and

connection policy would be amended to authorize the language in the new Interlocal agreement that includes the county residents. Justice McKee noted that once the agreement was signed, the county residents would have the same water and sewer requirements and access as the city residents. Judge Mahoney stated that all other county code requirements would remain the same.

Justice McKee made a motion for a do-pass, seconded by Justice Anderson. Chairman Raney asked for questions or discussion. Judge Mahoney discussed the county rate multiplier of 1.5% and stated that the city was justified for using that rate. He also noted that the State Legislature would prepare a rate study every five years to keep the rates adjusted to maintain the water and sewer systems. Mr. Howard discussed a few editing changes that include an example in section 3.1, explaining the fiscal year 2020 baseline and the date the agreement was signed. Justice McKee amended his motion to include the editing changes. Justice Anderson seconded the motion. With no more discussion, the motion was approved without opposition.

A motion to adjourn was made by Vice-Chairman Young, seconded by Justice McKee. The motion carried.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Lanie Martin", with a stylized flourish extending to the right.

Lanie Martin
Garland County Finance Director