

Minutes
CITY OF CHEROKEE VILLAGE, ARKANSAS
SPECIAL CITY COUNCIL MEETING
Monday May 5, 2025, 6:00 P.M.,
CHEROKEE VILLAGE CITY HALL

CALL TO ORDER Mayor Rose called the Special City Council Meeting to order at 6:00 PM.

Mayor Rose acknowledged the presence of SID GM Betsy Waugh, Commissioners – Chair Tony Stallsmith, Ron Page, David Nebel, and Susan Jett.

PLEDGE OF ALLEGIANCE – Mayor Rose lead the Pledge of Allegiance.

MOMENT OF SILENCE – A moment of silence was observed.

ROLL CALL, ESTABLISH QUORUM Penny Trumpy, City Clerk called roll call: Harrison yes, R Tatum yes, Thompson yes, Martin yes, Lowe yes, Ishmael yes, J Tatum yes, Rowland yes, Mayor, Clerk and Attorneys are present. Quorum established.

APPROVAL OF AGENDA Council Member Ishmael motioned to approve the agenda, seconded by Council Member Thompson. Motion passed (8 yes's)

PUBLIC COMMENTS/QUESTIONS ON AGENDA ITEMS (limit 3 minutes per person)

Council Member Martin asked for clarification as to this meeting being a Legislative session, meaning Council could vote. Mayor Rose stated this was a Legislative session type of meeting.

NEW BUSINESS:

1. Fire Station Proposal:

1. Mayor Rose presented the proposal for the Fire Stations to SID. Draft Copies were emailed to Sid GM prior to this meeting.
2. City Clerk Penny Trumpy read the proposal
3. Council Member Thompson stated on the First page paragraph 3 the words streets should be removed as this is not under SID's mission.
4. SID Chairman Tony Stallsmith commented in HIS opinion the Fire Stations should be turned over to the City as SID is not in the Fire Business.
5. SID Commissioner Ron Page is in favor of transferring the fire stations but feels that the City should pay for all closing cost in the transfers of the 3 properties.
6. Council Member Thompson asked to reply to Ron Page. Council Member Thompson passed out a copy of the SID's website that state Upon substantial completion of Cherokee Village, Cooper Communities deeded all the amentias to the Suburban Improvement District. The amentias now include two golf courses, seven lakes, three recreation centers, fire protection services and a number of parks and other facilities. SID did not pay for any of these transactions. Cooper Communities set a precedent in gifting these properties to SID at no cost. Council Member Thompson thinks maybe the attorney was trying to replicate the same transaction in accordance with Arkansas statues. The City has paid for all the maintenance, lawn care & replacement of roofs, HAVC and AC of the buildings.
7. Council Member Ishmael (A Real Estate Broker) estimated Deed preparation would be \$500 each x 3 = \$1500.00 and deed recording would be \$50.00 each x 3 = \$150.00. Totaling \$1650.00 (estimated) the most expensive would be the title insurance.
8. Council Member Martin motioned for the City to pay all closing cost in the transfers of the 3 fire stations to the City from SID, seconded by Council Member Ishmael. Roll Call Vote: R Tatum yes, Thompson yes, Martin yes, Lowe yes, Ishmael yes, J Tatum yes, Rowland yes, Harrison yes. Motioned passed (8 yes's)

9. SID Commissioner Ron Page questioned if the closing cost would be closer to \$2200 than the \$1600. Mayor Rose replied that there was not a figure limit. It was stated that all closing cost to be paid for by the City.
10. SID GM Betsy Waugh stated that SID has already paid for the property insurance for this year. That is an expense that SID should not pay. Mayor Rose replied that SID still owns the properties until the day they close. The City cannot insure what they do not own. Council Member Lowe explained that SIDS insurance would be prorated and a refund should be issued once the properties are transferred and properties removed from SIDS insurance.
11. SID Commissioner Dave Nebel questioned signing the properties over to the City as SID uses the value of the property in the assessments to fund SID. After a heated discussion Nebel is opposed to the City's proposals as written.
12. GM Betsy Waugh stated that SID was trying to work with the City with a lease going forward. GM Betsy question why SID did not receive the resolution and only received a draft, which she thought was sent by mistake. The resolution does not involve SID as it is for only City use to vote. SID attorneys have not reviewed any paperwork.
13. SID Commissioner Susan Jett voiced her objection to this proposal.
14. Council Member Martin suggested extending the deadline for this proposal for 30 days to give SID's attorney a chance to review the proposal.
15. Mayor Rose explained that this is what the City is proposing to SID knowing they need to contact their attorney and also discuss it at the SID monthly meeting to be voted on and bring the decision back to the City.
16. SID Commissioner Ron Page asked about questions he has received on the ratings the fire department has an affects on insurance. Chief Dienst explained the process as best as he could. There are many factors in this equation.
17. Council Member Thompson responded to a few of the questions. #1 Federal and State Grants not available due to the City is not the owner. #2 the residents are the ones who will benefit as the City can apply for grants. #3 The SID has little money invested in these properties but want the values for assessments. Council Member Thompson rejected the idea of the City paying insurance on building as part of the lease they presented.
18. Council Member Lowe wanted to clarify that the name on the insurance (the insured) is the one who receives the money if anything happens. There are no papers/contracts stating what will happen to the fire stations if there is a loss. The City is not protected. GM Betsy Waugh would agree with those situations. Council Member Lowe voiced his concern for the residence of Cherokee Village not being protected with the properties being in the name of SID but the insurance being in the name of The City of Cherokee Village. This is not legal.
19. Council Member Ishmael asked a question if Baseheart is in the flood plain and if a flood insurance policy is in place? GM Waugh stated yes 2 of the fire stations (Baseheart and Waketa) are in flood plain. Gm Waugh shook her head that yes they have flood insurance.
20. Commissioner Ron Page stated that in his research he has completed the City NEEDS to own the fire stations. The benefits to the residence are priority.
21. Mayor Rose addressed the removal of the statement "Fire Stations can only be used as fire stations. Currently they are used for the pancake breakfast and Easter egg hunts. The way the lease agreement was written these activities were not allowed.
22. Council Member Martin stated that the citizens voted for all Council Members and for all SID Commissioners to represent the citizens. We are all doing the job for the citizen and would hope all do what is best for the citizens.
23. Council Member Rowland agreed with Council Member Martin. Council Member Rowland stressed that decisions be made for years to come and not just today.
24. Commissioner Tony Stallsmith expressed the best for the citizens would be for the City to own and manage the Fire stations. Fire Chief Dienst knows what is needed and best for the maintenance of the Fire Station and not having to go to SID for things to be done.
25. Mayor Rose stated the City has been doing what needs to be done but it is hard to spend citizen's money on property the City does not own.

26. GM Waugh replied that when you pull up the websites it show the amenities that SID provides. Betsy thinks the City and SID needs to work together but feels that is not the case.
27. Council Member Lowe feels if there is more that needs to be said. This meeting started spicy and got better. He asked SID what is the top couple points of why the Fire Stations are not an amenity and why SID needs to retain the fire stations. GM Waugh gave her opinion that the fire stations should be held until the status of SID is determined and then the asset valued at over 2 million, that is a lot for SID to give up. This is an asset SID cannot afford to give these away at this time.
28. Commissioner Susan Jett stated that she is against this because the assets are needed to be used for collateral by SID. That SID filed a claim and replaced the roofs of the fire station with the insurance money. Discussion became heated.
29. Council Member J Tatum asked for clarification of what Commissioner Jett stated that the fire stations being used as collateral.
30. Mayor Rose asked that SID provide a copy of the insurance claim, check and invoice where the roof was paid for by SID.


PUBLIC COMMENTS/QUESTIONS (limit 3 minutes per person)

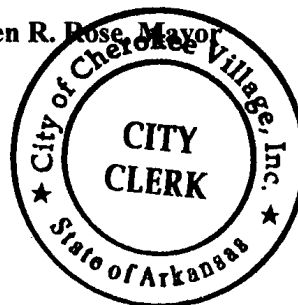
ADJOURNMENT Council Member Martin motioned to adjourn, seconded by Council Member J Tatum. Meeting adjourned at 7:02 PM

DATE: 06/27/2025

APPROVED: 

Steven R. Rose, Mayor

ATTEST: 
Penny Trumpy, City Clerk



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