

First Read: May 9, 2022

ORDINANCE NO. 2022- 12

**AN ORDINANCE FOR  
THE APPROVAL OF LOAN  
WITH EAGLE BANK AND TRUST COMPANY  
TO PROVIDE FOR FUNDING OF THE  
REPAIRS TO THE ROOF OF THE  
FAIRFIELD BAY CONFERENCE CENTER;  
APPROPRIATING FUNDS, ACCORDINGLY;  
DECLARING AN EMERGENCY;  
AND FOR OTHER PURPOSES.**

**WHEREAS**, The Conference Center located in Fairfield Bay, Arkansas, a parcel of real property owned, and now operated, by the City of Fairfield Bay, experienced a collapse of its roof during a snow event in 2021, and as time wore on during the course of 2021; and

**WHEREAS**, the City Council has previously approved an emergency appropriation to stabilize the roof pending resolution of insurance claim issues and evaluation of the problem by an engineer and construction company; and

**WHEREAS**, The City has determined that the roof is in urgent need of repair; that federal funds are currently unavailable to assist in this repair; that this portion of the roof was rendered without sufficient insurance coverage as a result of a previous repair (prior to municipal ownership) that did not meet the requirements of the City's insurer; and

**WHEREAS**, The City, with approval of the City Council, has decided that the repair to the roof at the Conference Center will be made using the "construction manager" method of contracting; and the City has obtained a "Guaranteed Maximum Price" from the proposed contractor (pending council approval); and

**WHEREAS**, the City has part of the funds available in unappropriated reserve funds, to repair the roof, but needs an additional three hundred thousand dollars (\$300,000.00) in order to assure itself of sufficient funds to pay the Guaranteed Maximum Price for the repair of the roof; and

**WHEREAS**, the City has sought, and obtained approval, from Eagle Bank and Trust Company, to fund a loan in the amount of three hundred thousand dollars (\$300,000.00), which should provide sufficient funds with which to make the repairs to the roof at the Conference Center; and

**WHEREAS**, Eagle Bank and Trust has asked the City for clarification of the language of a previous Ordinance approving this loan; and

**WHEREAS** The City wants to appropriate properly any and all sums anticipated to be received or expended, according to the construction manager's Guaranteed Maximum Price for the repair to the conference center roof, and further according to the loan documents and term sheet provided by Eagle Bank and Trust Company, as revised to meet Eagle Bank and Trust's requirements; and

**WHEREAS**, The City finds that an emergency exists concerning the proper allocation and appropriation of funds for the 2022 calendar year, for the proposed repair to the roof at the Conference Center;

**NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FAIRFIELD BAY, ARKANSAS:**

1. The term sheet, and the secured loan, with a mortgage on certain city property, in the gross amount of three hundred thousand dollars (\$300,000.00), be, and it is hereby, **RATIFIED, APPROVED, AND ADOPTED**, as shown on the April 1, 2022, term sheet (Loan Costs & Information), attached hereto, and previously distributed to the City Council. The closing costs for origination fees, loan set up fees, title search, lenders title policy, commercial appraisal, mortgage and filing fee, EDR, and flood determination, are likewise, **RATIFIED, APPROVED, AND ADOPTED**.

2. The respective amounts of funds for each and every item of expenditure, and every classification of expenditure herein adopted, in the roof repair for the Conference Center, as set forth on the attachment, **BE, AND THEY ARE HEREBY, RATIFIED AND APPROVED BY THE CITY OF FAIRFIELD, ARKANSAS**, as necessary to fund the expenditures of the City of Fairfield Bay for repair of the roof at the Conference Center.

3. The respective amounts of funds for each and every item of expenditure classification herein adopted, **BE, AND THEY ARE HEREBY, AUTHORIZED AND APPROPRIATED BY THE CITY OF FAIRFIELD BAY, FOR THE PURPOSES HEREIN SET FORTH, FOR THE CALENDAR YEAR ENDING DECEMBER 31, 2022**.

4. The City Council further authorizes and approves the filing of a mortgage on the municipal property known as the Fairfield Bay 911 Emergency Operations Center, also known as the Public Safety Building, 101 Little Rock Road, Fairfield Bay, Van Buren County, Arkansas, 72088, to secure the funding for the roof repair at the Conference Center.

5. The Mayor, and the Recorder-Treasurer, be, and they are hereby, **AUTHORIZED TO TAKE ANY AND ALL NECESSARY AND APPROPRIATE ACTIONS** to implement this Ordinance, to borrow the funds from Eagle Bank And Trust, to secure the loan with a mortgage, and such other matters as they shall find necessary in their execution of the city council's Ordinance.

6. **EMERGENCY CLAUSE**. Whereas, it is necessary for the efficient operation of Municipal Government that the funding for the roof repair at the Conference Center be

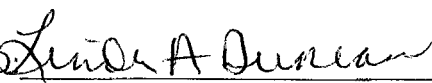
adopted, in order to provide applicable funding for the 2022 Budget and calendar year expenditures for this repair, and the part of municipal operations at issue; now, therefore, **AN EMERGENCY IS DECLARED TO EXIST**, and this Ordinance being necessary for the preservation of the public peace, health, safety, and welfare, shall take effect and be in force immediately from and after its passage and approval.

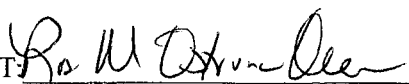
7. This Ordinance is supplemental to the Municipal Budget for the City of Fairfield Bay, for 2022, adopted on or about December 13, 2021, as it may be revised, from time to time. This Ordinance clarifies that the only persons required to approve loan documentation, and mortgage documentation, are the executive officers of the City of Fairfield Bay, the Mayor and the Recorder-Treasurer, as authorized by this Ordinance approved by the City Council.

8. **Not to be Codified:** This Ordinance, concerning the loan to repair the roof at the Conference Center of the City of Fairfield Bay for 2022, shall not be codified in the Municipal Code.

9. **SEVERABILITY CLAUSE:** If any provision of this Ordinance, or the application thereof, to any person or circumstance is held invalid for any reason, such invalidity shall not affect other provisions or applications of this Ordinance, which shall be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are declared severable.

DATED: May 9, 2022.

APPROVED:   
Linda A Duncan, Mayor

ATTEST:   
Rosie M Ostronic Owen, City Recorder/Treasurer

Reviewed and approved:  
AJ Kelly  
Kelly Law Firm, PLC  
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Little Rock AR 72225-1570  
Rev2: 5/8/22