A RESOLUTION DECLARING THE INTENT OF THE CITY COUNCIL OF CONWAY, ARKANSAS TO DEDICATE THE PROCEEDS OF THE THREE-DERIOR CENT SALES TAX TO BE VOTED ON BY THE CITIZENS OF CONWAY ON AUGUST 28, 2001 TOWARD STREET IMPROVEMENTS, SANITATION FEE DISCOUNTS AND DRAINAGE IMPROVEMENTS.

WHEREAS, the City Council of the City of Conway, Arkansas has placed on a special election ballot set for August 28, 2001 a proposed sales tax of three-quarter of one cent for a term of five years, and

WHEREAS, the City Council desires to establish manner and regulations by which the proceeds of said tax shall be expended, and

WHEREAS, the proceeds of said tax are estimated for the purposes of this resolution to total in collections the first year five-million, six-hundred-thousand dollars ($5,600,000) and shall increase in annual collections at a rate of four (4) percent a year for four (4) years for a five (5) year total of thirty million, three-hundred-thousand dollars ($30,300,000) dollars.

NOW THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF CONWAY, ARKANSAS THAT:

Providing for the successful passage of the three quarter (3/4) cent sales tax on August 28, 2001.

SECTION 1. MAJOR STREETS/MASTER STREET PLAN STREETS

Eighteen-million, nine-hundred-forty-thousand dollars ($18,940,000) is hereby dedicated to the Master Street Plan Streets which would include major streets classified as major arterial, minor arterial, or collector streets. Among the improvements to be undertaken with these funds are capacity improvements on existing streets, new major streets where the street grid is incomplete and major street realignment or relocation.

A. Capacity improvements shall include signal coordination; intersection enlargement and/or redesign; road widening for additional lanes; and one way street couplets. Further, new street relocation or realignment would be undertaken to either provide alternative routes or increase the utilization of routes along major streets which are currently in capable of higher volume traffic capacity.

B. Sidewalk, drainage, signalization, and right-of-way are understood to be a part of these projects.

C. The following Streets or Street Corridors will be emphasized to the traffic engineer for study due to the current and expected volumes of traffic:

**East-West Streets**
- College Avenue
- Prince/Caldwell/Oak Streets
- Tyler Street
- Meadowlake Road
- Old Morrilton Highway, between Donaghey and Harkrider
B. The revenue dedicated to this section is deemed flexible as to collections. Should the proceeds collected from sales tax exceed or fall short of estimates the proceeds dedicated to this category shall be reduced or increased by the amount of the difference prorated with those other portions of the tax proceeds deemed flexible.

SECTION 7. SEPARATE ACCOUNT REQUIREMENT

A. A separate “special” account shall be set up in the City’s accounting system to which all revenues shall be credited and all expenditures debited.

B. A Quarterly Report shall be submitted to the City Council and available for public review as soon as practical after the close of each quarter, but no longer than 30 days after the close of the quarter. The report shall include the following information:

- A list of approved traffic projects
- A cost list for those projects
- Projected completion dates of those projects
- Percentage of completion of the projects to-date
- Cost of those projects to-date
- The time remaining to the completion of each project
- The estimated cost remaining to complete each project.

Passed this 24th day of July, 2001.

[Signature]
Mayor Tab Townsell

Attest:

[Signature]
City Clerk Michael O. Garrett
North-South Streets
   East German Lane
   Museum/Amity Road
   Harkrider Street
   Donaghey Avenue
   Salem Road
   Country Club Road (Southern section)
   Hogan Lane

Signalization improvements: College Avenue, Prince Street, and Donaghey Avenue

Intersection Improvements: Tyler and Donaghey; Tyler, Washington, and Winfield; College and Salem, Prince and Donaghey Intersection

Road Reallocations and New Roads: College Avenue relocated north out of Saint Joseph's School to a new intersection with Harkrider Street near the present intersection of Elm Street and Harkrider; Museum Road extend north Lower Ridge Road, New Road to Theodore Jones Elementary School from New Museum Road.

D. The revenue dedicated to this section is deemed flexible as to collections. Should the proceeds collected from sales tax exceed or fall short of estimates the proceeds dedicated to this category shall be reduced or increased the amount of the difference prorated with those other portions of the tax proceeds deemed flexible.

SECTION 2. CONWAY LOOP

Two-million, four-hundred-and-fifty-thousand ($2,450,000) dollars is dedicated aid in the promulgation of the Conway Loop Project.

A. These funds are dedicated to the Conway Loop Project, possibly in partnership with state and federal highway departments in order to assist with acquisition of right-of-way, design and engineering and/or construction.

B. Should the City Council determine that other sources of funding are available and sufficient, these funds will be divided equally between the categories of “Capacity Improvements” and “Maintenance.”

C. The revenue dedicated to this section is deemed flexible as to collections. Should the proceeds collected from sales tax exceed or fall short of estimates the proceeds dedicated to this category shall be reduced or increased by the amount of the difference prorated with those other portions of the tax proceeds deemed flexible.

SECTION 3. MAINTENANCE

Seven million three hundred and sixty thousand dollars ($7,360,000) are dedicated to the repair, rehabilitation, overlay, and reconstruction of various streets in Conway in need of systematic maintenance including old streets, dilapidated streets, annexed county roads. Furthermore, this portion of the proceeds will be understood to include three million dollars ($3,000,000) that will be used for the improvement of old storm drainage ways and ditches in the city.
A. Sidewalk and street drainage are understood to be a part of these projects.

B. The Regular Annual Street Fund budget shall be dedicated to the maintenance and upkeep of the existing transportation and drainage system of the city and shall not be involved in major improvements such as new and upgrading street projects except in regard to engineering and inspection.

C. The revenue dedicated to this section is deemed flexible as to collections. Should the proceeds collected from sales tax exceed or fall short of estimates the proceeds dedicated to this category shall be reduced or increased by the amount of the difference prorated with those other portions of the tax proceeds deemed flexible.

SECTION 4. TRAFFIC ENGINEER

A. The Traffic Engineer retained by the City Council for these purposes shall for every year of the five years proposed under said sales tax produce a detailed traffic study of the City of Conway and a list of recommendations to the City Council prior to passage of the annual special street program shall conduct a public information meeting and a public hearing for full public comment.

B. The Traffic Engineer in conjunction with the City Street Engineer shall prepare for the City Council conceptual plans for the purpose of public comment on each separate capacity improvement project. The City Council prior to the approval of the conceptual plans for each such project shall allow for a public comment period.

SECTION 5. SANITATION FEE REDUCTION:

A. Seven hundred seventy five thousand dollars ($775,000) is reserved to the General Fund/Sanitation Department for operations to achieve revenue neutrality while allowing a voluntary discount of up to five dollars ($5) either separately or when used in conjunction with the State of Arkansas’s mandatory maximum on sanitation rates for certain income eligible citizens. This portion of the proceeds is dedicated only to the amount equal to the revenue lost to the general fund due to the discount.

B. Any proceeds of the tax not required for the general fund shall be equally divided between the “Capacity Improvements” and “Maintenance” categories of this program.

C. The five dollar ($5) discount shall be for any household whose primary resident, owner or, in the case of rental units, primary resident lessee is over sixty-five (65) years of age.

D. The discount is voluntary and may be applied for at any time and shall remain in effect for the duration of the five (5) year term of the tax or the duration of their residence if their residence is less than the term of the tax.

SECTION 6. SANITATION EQUIPMENT

A. Seven hundred seventy five thousand dollars ($775,000) is hereby dedicated to purchase equipment for the Sanitation Department for the handling of yard waste.