
MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

Conway, Arkansas
Tuesday 6:30 pm
August 26, 2014

On this date the City Council of the City of Conway, Arkansas met in regular session. The following members being a quorum were present and acting: Alderman Hawkins, Alderwoman Mehl, Alderman Ledbetter, Alderwoman Smith, and Alderwoman Whitmore. Also, present and acting: Mayor Tab Townsell, City Attorney Michael Murphy, and City Clerk Michael Garrett. Alderman Grimes, Alderman Pruitt, and Alderman Jones were not in attendance.

Call to Order: Mayor Tab Townsell

Roll Call: City Clerk/Michael O. Garrett

Minutes Approval: August 12, 2014

Alderwoman Whitmore motioned to approve the August 12, 2014 minutes as submitted. Alderwoman Smith seconded the motion. There was no discussion. The motion passed 5-0.

Employee Service Awards:

5 Years:

Lee Hill - Permits and Code Enforcement

Brenda Autry - Parks & Recreation

10 Years:

Derek Cox - Parks & Recreation

David Ogle - Fire Dept.

15 Years:

Alex Rome - Street Dept.

Amanda Swofford - Fire Dept.

Ben Brown - Street Dept.

20 Years:

Ron Price - Parks & Recreation

Mayor Townsell explained due to the absence of three aldermen we are unable to suspend the rules and vote on any ordinances on the agenda tonight; we can enter into discussions and ask questions.

1. Report of Standing Committees:

A. Economic Development Committee (Airport, Conway Corporation, Conway Development, Chamber of Commerce)

1. Ordinance to adopt the budget for the new Conway Municipal Airport for the FY2014.

Josh Zylks, Airport Manager, explained we are projecting fuel sale revenue at \$286,000.00; this is based on the actual sale of fuel sold by Conway Aviation, but as we move forward we will have a better idea of how to budget for fuel when we have actual hard numbers. Mr. Zylks stated the T-Hanger rental revenue is easier to project as all of our T-Hangars are rented until years end. Mr. Zylks stated the remainder of the projected 2014 revenues will come from

MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

community hangar rent, ground leases, and miscellaneous revenues; the total projected revenue for the remainder of 2014 is \$345,810.00. Mr. Zylks explained the greatest expenses we have are salaries, which include himself and 2 other full time positions, 1 part-time position, and the cost to purchase fuel. Mr. Zylks stated the projected total expenses is \$358,471.00. Alderwoman Whitmore stated this projected budget shows a shortfall of \$12,661.00 and asked for some guidance on this. Mr. Zylks explained we need to remember we have some unusual situations, one operating both facilities for a period of approximately 2 months and the projected revenue is only for part of the year. Mr. Zylks stated we recognize we will be running at a deficit for this year, but moving into 2015 we foresee the increase in fuel sales as well as full year's hanger rental income in hopes of balancing out leaving us a surplus, rather than a deficit. Mayor Townsell reminded council the items being considered on tonight's agenda are coming out of the sale of old Cantrell Field, which is one time monies, and it is not operational monies. Mayor Townsell stated naturally when you budget anything like this, you budget conservatively; we do not want to show that everything is rosy, when this may not be the case.

2. Ordinance authorizing two full time positions for the City of Conway Airport Department.

Josh Zylks, Airport Manager, stated the 2 individuals we are considering for these open positions currently work at Cantrell Field for Conway Aviation Services; these individuals are very experienced and come with high recommendations.

3. Ordinance transferring airport activity out of the general fund and into an enterprise fund account.

Josh Zylks, Airport Manager, explained we are requesting to move the airport activity out of the general fund into an enterprise fund which will increase our transparency from an operational standpoint. Alderwoman Smith motioned to hold Items 1A- 1, 2, and 3 in committee. Alderwoman Whitmore seconded the motion. There was no discussion. The motion passed 5-0. (1B-12)

4. Consideration to approve the bid for a new aircraft tug for Cantrell Field.

Josh Zylks, Airport Manager, recommended the low bid of \$30,060.00 from Priceless Aviation Products; the price includes taxes and shipping. Mr. Zylks explained while the bid called for an electric unit, this tug is gasoline powered and he is willing to accept this bid as he was unaware that a gasoline powered tug was even manufactured. Alderwoman Smith motioned to approve the low bid. Alderwoman Whitmore seconded the motion. There was no discussion. The motion passed 5-0. The unit will be paid for out of the proceeds of the sale of old Cantrell Field.

5. Consideration to approve the bid for a ground power unit for Cantrell Field.

Josh Zylks, Airport Manager, recommended the low bid of \$39,975.00 from Aviation Ground Equipment Corp; the price includes taxes and shipping. Alderwoman Smith motioned to approve the low bid. Alderwoman Whitmore seconded the motion. There was no discussion. The motion passed 5-0. The unit will be paid for out of the proceeds of the sale of old Cantrell Field.

Consideration to enter into an agreement with for a fuel system supplier and the truck fuel lease for Cantrell Field.

MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

Josh Zylks, Airport Manager, explained the Airport Advisory Committee recommended to enter into a contract with M.M. Satterfield for a fuel system supplier. Alderwoman Smith motioned to enter into this agreement. Alderwoman Whitmore seconded the motion. Mayor Townsell explained this agreement is also for 2 truck fuel leases, one for aviation fuel and the other for jet fuel; all of these agreements are for 3 year terms. There was no discussion. The motion passed 5-0.

B. Community Development Committee (Planning, Zoning, Permits, Community Development, Historic District, Streets, & Conway Housing Authority)

- 1. Resolution requesting the Faulkner County Tax Collector place to place certified liens on property located at 24 Woodlawn Drive as a result of incurred expenses by the City.**

R-14-27

Alderman Hawkins stated the property address is 24 Woodlawn Drive; the cost of cleanup was \$213.12 (\$166.48 + Penalty \$16.64 + filing fee \$30.00). There was no one present to speak to this issue. Alderwoman Smith motioned to adopt the resolution. Alderwoman Whitmore seconded the motion. There was no discussion. The motion passed 5-0.

- 2. Resolution setting a public hearing to discuss the closing of a 10 foot and a 13.5 foot easement located in Lot A, Block 1 Harkrider Addition.**

R-14-28

Alderwoman Whitmore motioned to adopt the resolution. Alderwoman Smith seconded the motion. The public hearing will be held on Tuesday September 9, 2014 at 6:30 pm. There was no discussion. The motion passed 5-0.

- 3. Ordinance appropriating funds for engineering services for adaptive signal control for the Conway Street Department.**

Alderman Hawkins motioned to hold this item in committee. Alderwoman Smith seconded the motion. There was no discussion. The motion passed 5-0.

- 4. Resolution establishing the intent of the City of Conway to annex certain lands located on the east side of Mill Pond Road North of Mountain Park Estates with an R-1 zoning.**

R-14-29

Alderwoman Smith motioned to adopt the resolution. Alderwoman Whitmore seconded the motion. Mayor Townsell explained this resolution is only expressing our intent, it is not the annexation ordinance. Phil Roser, Vice Chair Cresthaven property Owners Association, explained while they support the annexation, we felt the need to bring several public safety issues to council's attention, which will be exacerbated by the addition of more homes being built. Mr. Roser stated there is a one-way in and out of the homes on top of Round Mountain; there are 278 homes there now, and when the Orchard Subdivision is fully developed that number will be closer to 400 homes. Mr. Roser asked council to remember the tornado disaster we recently had in Faulkner County, stating if the storm had come just a little more NW it could have hit Round Mountain; having only one way in or out, would have made it impossible to have received adequate response to this type of disaster. Mr. Roser stated there

MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

is also a traffic safety issue with the street alignment on Millpond and Collins Drive that needs attention. Mr. Roser stated the association has written a letter to the Planning Commission that has been forwarded to council and have met with Alderwoman Whitmore and feels there are several possible avenues off the south side. Mayor Townsell explained this has been an issue for over 20 years and it is time to start fixing the gaps in our street system south of Dave Ward Drive. There was no further discussion. The motion passed 5-0.

5. Consideration of a conditional use permit request from Sheena Ivory to allow in-home child care for property that is located at 604 South Davis Street.

Alderman Hawkins motioned to approve the conditional use permit. Mayor Townsell stated that Sheena Ivory has pulled her request.

6. Ordinance to rezone property known as Old Cantrell Field located at South of Sixth Street, west of I-40 and East of Harkrider Street from I-3 to PUD.

Jim Edwards, representing Cantrell Field Joint Venture, explained the joint venture includes the Conway Development Corporation and the Wilson Brothers out of Montgomery, Alabama. Mr. Edwards stated we have a great deal of experience in this type of venture and that entity, was the entity, which won the proposal and has entered into an agreement with the city to purchase this property. Mr. Edwards explained we are now at the step to request the rezoning and explained our development will be a phase development of the property with the first phase being a retail center which will be anchored by Dillard's Department Store. Mr. Edwards stated as the property develops, we will try to design with flexibility as to meet the demands of the project; we know that we want multi-family located within the project and there are several sites that would be ideal for this. Mr. Edwards explained we have additional retail growth planned into the property as well as single family site, and possibly a school site. Mr. Edwards stated we have tried to stay as close to the PUD standards as possible and are also meeting the requirements for bike lanes. Mr. Edwards stated we want a little flexibility to work with the city staff on signage and stated we see this as a regional scale development and we want to be treated as such under your ordinances. Mr. Edwards stated they have modified the setback lines and we are trying to be respectful of the surrounding areas and would orient all of our buildings such that all of the service courts are internal to a u-shaped building, the ones that would be along 6th Avenue would push those up towards 6th Avenue, face them towards 6th Avenue, and have parking in the rear so it will not be an impingement on other neighboring property owners. Mr. Edwards stated one of our conditions states the property would revert back to its current zoning if the old airport is not decommissioned, as is the case if we do not close on the property for some reason. Mr. Edwards stated we have worked with the planning department, and met with community property owners around us to try to listen to what they have to say. Alderman Hawkins asked when construction would begin. Mr. Edwards stated we anticipate closing in July 2015 with a planned opening in September of 2016 for the first retail phase. Mayor Townsell stated if we do get a positive vote on the bond issue on September 9, 2014 special election, this will give us sufficient time to ramp up and start the road projects before they begin construction. Chris Odom, Treasurer Oak Grove Cemetery, stated even though the entrance to the cemetery is on the east end of Bruce Street the best view of the cemetery is from the north where the development will be and our desire is for Oak Grove not to be hidden or locked behind the development. Mr. Odom stated even though it is a historic cemetery, it is still very active and feel it is important to maintain the esthetic and complementary visibility of Oak Grove Cemetery, not only as a place of reference and reflection, but also as a valuable green space and historic area for the city, especially the original section of the cemetery, which is listed on the National Register of Historic Places. Mr. Odom

MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

stated they would very much like to be a part of this development process in the area and hope you will continue to keep us engaged in that process. Bryan Patrick, Planning & Development Director, stated the planning staff put together three recommendations to go along with this project that we may want to add to the proposed ordinance, they are as follows:

- North South traffic flow from Equity to First or Ingram, and East, West traffic flow from Bruce to 6th Avenue must be designed to be as free flowing as possible without signalized, stop signs, or right angle intersections, roundabouts are preferred at all significant intersections.
- A connector from Robins to the future Equity must be provided to ensure additional East, West connectivity.

Mr. Patrick stated in addition to the above, we want the visibility of Oak Grove Cemetery preserved and are in concurrence with whatever the cemetery board desires and feels adding connectivity to the cemetery would be appropriate and possibly integrate the cemetery into the development as an asset and a park. Mayor Townsell stated we have already made arrangements with the partnership/joint venture to provide additional property to Oak Grove Cemetery, as we do have sensitivity to that. There was no further discussion. Alderwoman Smith motioned to hold this item in committee. Alderwoman Whitmore seconded the motion. The motion passed 5-0.

7. Ordinance to rezone property located at Northeast corner of Factory and Monroe Streets from R-2A to O-2.

Alderwoman Smith motioned to hold this item in committee. Alderwoman Whitmore seconded the motion. There was no discussion. The motion passed 5-0.

8. Consideration of a conditional use permit for temporary bank building for property located at the northeast corner of Factory and Monroe.

Mayor Townsell stated this item will need to be held in committee as well. Bryan Patrick, Planning and Development Director, stated the hours of operation should not be listed in this conditional use request, as they were struck down by the planning commission. Alderman Hawkins motioned to hold this item in committee. Alderwoman Smith seconded the motion. There was no discussion. The motion passed 5-0.

9. Ordinance to rezone property located at 1755 Meadowlake Road from R-2 to O-3.

Alderman Hawkins motioned to hold this item in committee. Alderwoman Smith seconded the motion. There was no discussion. The motion passed 5-0.

10. Ordinance to rezone property located at 2595 Nutters Chapel Road from R-1 to PUD.

Jack Sotallaro, Fredrick Place Subdivision Board of Directors, explained the subdivision talked with the Planning Commission and the PUD is being approved with properties with homes that are functionally the same size as the homes in Fredrick Place and Catherine's Place, which means it will not hurt the land values and they will be consistent with the rest of the neighborhood and explained they have no problems with the proposed rezoning. Bryan Patrick, Planning and Development Director, stated basically Mr. Crafton is building what is typically an R-1 Single Family Subdivision; the streets rights-of-way will be smaller, they will be 27 feet wide curb to curb and will look exactly like any other residential street in Conway

MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

but the right-of-way will be reduced on the sides for the utilities, and the front yard setbacks will be slightly reduced. Alderwoman Smith motioned to hold this item in committee. Alderwoman Whitmore seconded the motion. There was no further discussion. The motion passed 5-0.

11. Ordinance to rezone property located at 2215 Dave Ward Drive from O-1 to RU-1.

Beau Wilcox, Attorney, representing BT Real Estate the applicant, stated due to the unavailability of the architect we request this item to be held in committee. Gene Salter, 2915 St Charles, explained he opposes this rezoning request as it is adjacent to their commercial office development and stated they have worked for many years to make this an office, retail, conditional use type area and are opposed to having a storage facility built adjacent to his building. Jack Sotallaro, Fredrick Place Subdivision Board of Directors, stated the Fredrick Place Homeowners Association is opposed to this rezoning due to the fact that the development plan of Dave Ward has changed over the years, but was never to become a storage facility; it was to be professional office or retail sales, it is not supposed to be this type of development and feels it is not a good fit. Paul Miatea, Conway resident, is opposed to the proposed rezoning stating other issues come along with storage facilities, and the large trucks that will be entering and exiting the facility could cause traffic issues on an already busy street. Alderwoman Smith motioned to hold this item, and the next agenda item (1B-12) in committee. Alderman Hawkins seconded the motion. There was no further discussion. The motion passed 5-0.

12. Consideration of a conditional use permit request for property located at 2215 Dave Ward Drive.

Item held in committee.

C. Public Services Committee (Sanitation, Parks & Recreation & Physical Plant)

1. Ordinance amending the 2013 budget and appropriating funds associated with Rogers Plaza for the Conway Parks & Recreation Department.

Alderwoman Smith motioned to hold this item in committee. Alderman Hawkins seconded the motion. There was no. The motion passed 5-0.

D. Finance

1. Consideration to approve the monthly financial report ending July 31, 2014.

Tyler Winningham, CFO, began with the general fund stating sales tax is up for the month 4.5% over same time last year, which is flat compared to the first seven months of 2013. Mr. Winningham explained we drew another \$1 million in loan proceeds for the airport, and will draw another \$1 million in August, which will be \$3.5 million of the \$6.5 of the loan that was approved for the airport. Mr. Winningham stated we also received \$150,000.00 grant from the state to go towards construction of the airport terminal; the total grant is for \$300,000.00. Mr. Winningham stated all of our department's expenditures are where they should be at this point explaining we have a very positive bottom line due to the airport loan proceeds. Mayor Townsell stated the airport loan will be paid off with the proceeds from the sale of the old airport. Mr. Winningham stated the street fund and sanitation fund is in good shape and has a positive bottom line. Alderwoman Smith asked if the MEMS subsidy listed on the general

MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

fund balance appropriations had been reduced. Mr. Winningham stated he would check on this. Alderwoman Smith motioned to approve the July 2014 financial reports. Alderwoman Whitmore seconded the motion. There was no discussion.

Mayor Townsell stated he has 2 items he would like to mention to council, one an insurance arrangement and an occurrence at the airport. Mayor Townsell stated there was a downburst of rain during the concrete pour in an area surrounding what is to be the T-hangars which causes an issue of finish over the entire pour, which is 300 feet long and 20 feet wide; the Airport Advisory Committee has voted 5-2 to ask the contractor to replace that pour and bring the finish up to specified standard. Mayor Townsell stated because of the size of the pour and cost involved, you may hear about it, and wanted to give council a heads up.

Mayor Townsell explained the city of Conway has been offered, a standing offer in a sense, a policy through the Arkansas municipal League that would be a Health Benefit Fund; we could terminate our contract with Health Advantage etc. and pick up this benefit from the League. Mayor Townsell stated it is the same thing we would get if we bid, or did not bid, it is just what they offered to us. Mayor Townsell stated they have offered a four tiered plan that includes "employee", "employee & spouse", "employee & children", "employee & family"; we are the first city they have offered this type of plan to. Mayor Townsell stated every other city that is participating in the Arkansas Municipal League plan is "employee" and "employee & family" only; the savings shown would be realized if everyone migrated over to the League with no changes; annualized this would be a \$359,000.00 savings. Mayor Townsell stated there are some differences involved with this plan verses our current plan and is a lot closer than we thought; there are some drug coverages they may or may not be identical. Mayor Townsell stated the Arkansas Municipal League Health Benefit Board just voted on this in the past week. Alderwoman Whitmore asked how negotiations have gone with Conway Regional Medical Center. Mayor Townsell stated they are in network.

Adjournment

PASSED this 26th day of August 2014

APPROVED:

Mayor Tab Townsell

City Clerk Michael O. Garrett