MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

Conway, Arkansas Tuesday, 6:30 pm September 5, 2017

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 Grimes, Alderman Hawkins, Alderwoman Isby, Alderwoman Mehl, Alderwoman Smith, Alderman Jones, Alderman Pruitt and Alderman Ledbetter. Also, present and acting: Mayor Bart Castleberry, City Clerk Michael Garrett and City Attorney Chuck Clawson.

Call to Order: Mayor Bart Castleberry

Roll Call: Michael Garrett

1. Report of Standing Committees:

A. New Business

1. Discussion of options for street improvements for the City of Conway

Mayor Castleberry read a statement to the Council explaining his reasons for presenting the call for a special election regarding a tax for the purpose of making street improvements. He stated that during the last election, he campaigned on streets and traffic as these were the topics most presented to him, and continues to be to this day. Research has been done as to ways to put less strain on the current budget for street maintenance. The City has faced unforeseen expenses such as insurance cost increases, a new roof on City Hall, air conditioning at the Emergency Operations Center, and updates to the existing 911 system. Reducing personnel costs was considered, but determined not to be possible without compromising quality of service in the City. Other options considered:

- 1) A&P Tax dollars- cannot be used for streets.
- 2) Personal Property Taxes- would raise funds at a considerable cost to homeowners and the funds would not be realized until the end 2019.
- 3) Business Licenses- would require additional staffing within the City at a considerable cost.
- 4) Franchise Fees on electricity- not a supported option.
- 5) Park Impact Fees- Funds are restricted by state law.
- 6) Street Impact Fees- Also restricted by state law.
- 7) Sidewalk and storm water in lieu funds can only be used for said purposes.
- 8) Central Landing- the City is scheduled to close on the contract in November 2017.

The Mayor listed numerous upgrades that have been made to Conway's streets in 2017: The Highway 25 Bypass, Baker-Wills Parkway, The Bridge at 6th Street, Empy Lane at Round Mountain, and 6 streets have been paved in the City. There remains an existing need of 45 million dollars for the Street Department, an annual budget of 1.4 million dollars and an annual degrading of streets at 7% according to City Engineers. The Mayor therefore requested a 0.375 % sales tax for a maximum of five years, to be voted on by the people of Conway, and with all proceeds going to the repair of existing streets. The Mayor expects the tax to generate 5.1 million dollars annually for five years. He also recommended that if the tax passes, the revenue generated be used on collector and arterial streets, and the money from state turn back that we currently receive be used for neighborhood streets.

The Mayor then asked Mr. Finley Vinson of the Street and Engineering Department and Tyler Winningham, Chief Financial Officer to answer any questions that the Council might have. Alderman Grimes asked Mr. Vinson to explain the Pavement Management System and how it relates to this matter. He stated that every street in the City of Conway has been surveyed and assessed, and that

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the Pavement Management System which is on the City's website shows the street conditions based on the assessments. The System allows the City to address maintenance needs on any given road, and determine urgency of repair. There was some discussion among the Council about the provided listing of proposed street repairs and projects. The Mayor then opened the floor to the public for comments. Mr. Charles Nabholtz spoke in support of the proposed tax. Mr. Jeff Standridge spoke in support of the proposed tax. Mr. George Anderson spoke in favor of the proposed tax. Mr. Tom Courtway was present to speak in support of the proposed tax. Mr. Woody Cummings was present and spoke in support of the proposed tax. Mr. Mark Elsinger was present and spoke in opposition of the proposed tax.

2. Discussion to approve an ordinance setting a date for a special election for the purpose of street improvements for the City of Conway. (First Reading only)

Mayor Castleberry presented Item A2 to the Council. City Attorney Chuck Clawson read the title of Ordinance O-17-93 (First Reading)

AN ORDINANCE CALLING AND SETTING A DATE FOR A SPECIAL ELECTION ON THE QUESTION OF THE LEVY OF A GENERAL LOCAL SALES AND USE TAX AT THE RATE OF THREE-EIGHTHS OF ONE PERCENT (0.375%) WITHIN THE CITY FOR THE PURPOSE OF MAKING CITY STREET IMPROVEMENTS, WHICH TAX SHALL CEASE AS OF MARCH 31, 2023; PRESCRIBING OTHER MATTERS PERTAINING THERETO; AND DECLARING AN EMERGENCY

There was no further discussion. The meeting was adjourned.

PASSED this 5th day of September 2017

Adjournment

APPI	ROVED:
	Mayor Bart Castleberry
City Clerk Michael O. Garrett	