
MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

Conway, Arkansas
Tuesday 6:30 p.m.
December 27, 2011

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, Alderwoman Smith, Alderwoman Mehl, Alderman Jones, Alderwoman Whitmore, and Alderman Vaught. Also, present and acting: Mayor Tab Townsell, City Clerk Michael Garrett, and City Attorney Michael Murphy. Alderman Hawkins was not in attendance.

Call to Order

Roll Call

Minutes: *December 6th, 2011 (Special City Council Meeting) & December 13th, 2011*

Alderwoman Whitmore motioned to approve the December 6th and December 13th minutes as submitted. Alderwoman Smith seconded the motion. The motion passed 6-0.

Announcements / Proclamations / Recognition:

Employee Service Awards

5 years

Angela Simpson – Police/CEOC

15 Years

Jerry Gibson – Fire Dept.

Heath Merritt – Fire Dept.

Fred Nutt - Fire Dept.

Ricky Powell – Fire Dept.

Kent Schreiber – Fire Dept.

Presentation by Crews & Associates

Nathan Rutledge and Mark Ferguson, Crews & Associates presented the City of Conway the first “City of Distinction’s Award” by Arkansas Business & Crews & Associates for Green Initiatives for populations of cities over 20,000.

1. Report of Standing Committees:

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

1. Consideration to approve the purchase of right of way for the Prince Street Improvement at property located at 2611 Prince Street (Colvert Properties).

Ronnie Hall, City Engineer, stated the Colvert’s own 3 properties on the south side of Prince Street at Morningside Drive (2611 Prince St, 2645 Prince St, and 2615 Prince St) Mr. Hall stated the appraiser came up with 2 values, \$166,000 based on sales comparisons

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and \$175,000.00 based on income approach. Mr. Hall stated the appraiser suggested \$170,000.00 as fair compensation; the Colvert's are willing to settle and move forward with \$175,000.00 and Mr. Hall requested council's approval of \$175,000.00 for this piece of property. Alderman Grimes motioned to approve the purchase at \$175,000.00. Alderwoman Smith seconded the motion. There was no discussion. The motion passed 6-0.

B. Public Service Committee (Sanitation, Parks & Recreation & Physical Plant)

1. Consideration to approve the Sanitation Commercial Fee Chart.

Mayor Townsell stated the fee chart we submitted to council previously did not accurately reflect the ordinance. Cheryl Harrington, Sanitation Director, stated the change is the "\$2.00 per stop" and we calculated it \$2.00 across the board instead of per stop. Mayor Townsell stated this will make us almost revenue neutral. Alderwoman Smith motioned to approve the fee chart. Alderwoman Whitmore seconded the motion. Previously this change was to take effect January 1, 2012, but we would like to wait until April 1, 2012. Council concurred. There was no discussion. The motion passed 6-0.

2. Consideration to accept bids for Universal Refuse Roll Carts & Recycling Roll Carts for the Conway Sanitation Department.

Cheryl Harrington, Sanitation Director, stated we are increasing the size of our blue carts to same size as our green carts, which will increase our recycling intake. Ms. Harrington explained that Toter has always been the best quality cart, have the lower maintenance cost and recommends council approve the bid from Toter Inc. in the amount of 46.77 each. Alderwoman Smith motioned to accept the bid from Toter Inc. Alderwoman Whitmore seconded the motion. There was no discussion. The motion passed 6-0.

C. Public Safety Committee (Police, CEOC, Information Technology, Fire, District Court, City Attorney & Animal Welfare)

1. Ordinance appropriating and accepting reimbursements and restitution funds from various entities for the City of Conway Police Department.

O-11-109

A.J. Gary, Chief of Police, was present to answer questions. Alderwoman Smith motioned to waive the readings of the ordinance. Alderwoman Whitmore seconded the motion. The motion passed 6-0. Alderman Jones motioned to adopt the ordinance. Alderwoman Smith seconded the motion. There was no discussion. The clerk called the roll with the following voting "Aye": Alderwoman Smith, Alderwoman Mehl, Alderwoman Whitmore, Alderman Grimes, Alderman Vaught, and Alderman Jones. The motion passed 6-0.

2. Consideration to enter into an agreement with the Conway Housing Authority for one fully equipped community policing officer.

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A.J. Gary, Chief of Police, explained this agreement has been in place since the early 90's and is a continuation of that program; the Housing Authority contributes approximately one-half the salary of this officer. Alderwoman Smith motioned to enter into this agreement. Alderwoman Whitmore seconded the motion. There was no discussion. The motion passed 6-0.

D. Finance

1. Consideration to approve the November 2011 monthly financials for the Finance Department.

Tyler Winningham, CFO, gave a brief synopsis of the November financials. Alderwoman Smith motioned to approve the November 2011 financials. Alderwoman Whitmore seconded the motion. There was no discussion. The motion passed 6-0.

Alderman Rhodes entered the meeting in progress.

2. Ordinance to adopt the FY2012 budget for the City of Conway.

O-11-110

Alderwoman Whitmore motioned to waive the readings of the ordinance. Alderwoman Smith seconded the motion. The motion passed 7--0. Tyler Winningham, CFO, stated revenues were budgeted based on several factors including the 2011 totals, future events, and input from pertinent departments; the sales tax was budgeted based on anticipated 2011 totals and how it compares to what we received in 2010. Mr. Winningham stated the economic conditions, over the past few years, have made long term multiple year projections irrelevant due to the vast fluctuation of the market and economic outlooks. Mr. Winningham stated our expenses for each department were based on their adopted 2011 budget and adjustments were made to balance the expenses with the revenues; as the Mayor stated the departments have needs that are not fulfilled with the budget at its current state. Mr. Winningham suggested that we evaluate at mid-year 2012, analyze our actual to budget numbers, and see if we can address f these needs in later 2012; the big factor in this decision will be if sales tax re-dedication passes in February. Mr. Winningham stated we currently have a budgeted surplus in the general fund and that should be handled with care moving forward. Mr. Winningham explained the proposed sales tax re-dedication, if it passes, will put us on more solid ground than we have been on in quite some time, explaining that 60% of the general fund budget is sales tax revenues and feels it is vital that we identify and implement revenue sources, other than sales taxes, that we can depend on from year to year. Alderwoman Smith motioned to adopt the ordinance and the emergency clause. Alderwoman Whitmore seconded the motion. Alderman Vaught asked for clarification of the 2.1% increase in revenues projection in the 2012 budget. Mayor Townsell stated 1% is the 2011 sales tax increase and another 1% was projected for 2012. Alderman Vaught stated the budget has been so strained for 3 years it's hard to project and budget for any increase due to the state of the economy; it appears our revenues are on a downward trend. Alderman Vaught went onto say a small projected increase we can survive, but we should use caution when doing so to avoid having to make adjustments should the economy take a downward turn. Mayor Townsell stated that's a good point,

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but if we don't budget the 1% for 2012, which would provide a cushion, we would need to decrease our revenue projection significantly below 2011 to absorb that kind of loss of economy. Mayor Townsell stated he would rather monitor the budget carefully and if the economy takes a downward turn we can make cuts at that time. Mr. Winningham stated part of the 2% increase is our Ad Valorem taxes, and as long as Conway continues to grow, and the property values are staying steady, hopefully those tax revenues will increase. Alderman Vaught stated with that being said, we are basically running on a 2008-2009 budget and feels we are doing what is appropriate. There was no further discussion. The clerk called the roll with the following voting "Aye": Alderwoman Smith, Alderman Rhodes, Alderwoman Mehl, Alderwoman Whitmore, Alderman Grimes, Alderman Vaught, and Alderman Jones. The motion passed 7-0.

Alderman Grimes motioned to suspend the rules to discuss JPMS Cox billing for the 2010 audit. Alderwoman Mehl seconded the motion. The motion passed 7-0. Alderman Grimes stated the original contract price was \$110,000.00 and as usual they came in with billable hours over the contract amount and requested the city consider an additional payment. Their 2010 contract amount was based upon the amount we paid them for the 2009 audit. JPMS Cox state they performed work in the amount of \$150,000.00 and have requested payment of \$20,000.00 which is half of the difference. After some discussions, and consulting with City Attorney Michael Murphy, it was determined that we can pay them "something or nothing", we don't have to pay them anything extra. After some discussion it was determined they worked 250 hours less hours than the previous year. Alderwoman Mehl motioned to not pay them any additional money. Alderman Vaught seconded the motion. There was no further discussion. The motion passed 7-0.

Old Business

New Business

Adjournment

PASSED this 27th day of November 2011

APPROVED:

Mayor Tab Townsell

City Clerk Michael O. Garrett