



City of Conway Council Agenda

<u>Council Meeting Date:</u>	November 8th, 2016
<u>5:30pm Committee Meeting:</u>	Discussion of Medical Benefit Plans
<u>6:30pm:</u>	Council Meeting
<u>Call to Order:</u>	Mayor Tab Townsell
<u>Roll Call:</u>	City Clerk/Treasurer Michael O. Garrett
<u>Minutes Approval:</u>	October 25 th , 2016

Mayor Tab Townsell
City Clerk Michael O. Garrett
City Attorney Chuck Clawson

City Council Members

Ward 1 Position 1 – Andy Hawkins
Ward 1 Position 2 – David Grimes
Ward 2 Position 1 – Wesley Pruitt
Ward 2 Position 2 – Shelley Mehl
Ward 3 Position 1 – Mark Ledbetter
Ward 3 Position 2 – Mary Smith
Ward 4 Position 1 – Theodore Jones Jr.
Ward 4 Position 2 – Shelia Isby

1. Report of Standing Committees:

A. Public Hearings:

1. Public hearing regarding ACT No. 9 revenue bonds for Adamis Pharmaceuticals Corporation.
 - a. Ordinance authorizing the issuance of taxable industrial revenue bonds under the authority of Act. No. 9 for Adamis Pharmaceuticals Corporation.
2. Public hearing regarding ACT No. 9 revenue bonds for Douglas Companies. Inc.
 - a. Ordinance authorizing the issuance of taxable industrial revenue bonds under the authority of Act. No. 9 for Douglas Companies Inc.

B. Community Development Committee (Airport, Planning & Development, Street & Engineering, Permits & Inspections, Code Enforcement, & Community Development)

1. Resolution setting a public hearing to discuss the closing of a portion of an easement located within Lot 2 in Pediatrics Plus subdivision.
2. Resolution requesting the Faulkner County Tax Collector place a certified lien on property located at 1335 South Donaghey Avenue as a result of incurred expenses by the City.
3. Resolution requesting the Faulkner County Tax Collector place a certified lien on property located at 7 Ridgewood Drive as a result of incurred expenses by the City.
4. Consideration to purchase pedestrian pathway easements & enter into a memorandum of understanding for the Siebenmorgen Half Road Improvements for Community Development Department.
5. Ordinance granting a temporary franchise to utilize street rights of way and parks for horse-drawn carriage rides in Downtown Conway.

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

1. Ordinance repealing certain ordinances, waiving bids, & appropriating funds for the moving and restoration of the Springfield/DesArc Bridge.

D. Public Safety Committee (Police, AWU, CEOC, Fire, District Court, , Information Technology, & City Attorney)

1. Ordinance waiving the bids requirement for the purchase of criminal intelligence software for the CPD.
2. Ordinance appropriating funds for the Operation Shop Secure program for the CPD.

E. Personnel

1. Consideration to approve the fitness center proposals for the FY2017.
2. Consideration to approve the medical benefit proposals for the FY2017.

Adjournment

Committee Meeting



City of Conway
Human Resources Department
City Hall
1201 Oak Street
Conway, Arkansas 72032
www.cityofconway.org

Date: November 4, 2016

To: Andy Hawkins David Grimes Wesley Pruitt Shelly Mehl
Mark Ledbetter Mary Smith Theo Jones Shelia Isby

Cc: Mayor Tab Townsell

From: Lisa Mabry-Williams

Subject: 2016 Medical Benefits

Pursuant to the City Council's request we published the following Notice in the Arkansas Democrat Gazette, the Log Cabin Democrat and posted the same on the City of Conway website on Friday, October 21, 2016:

Notice

The City of Conway is accepting sealed bids for group Health Benefits for the 2017 plan year. Bid information and specifications may be obtained at www.cityofconway.org on Monday, October 24th, by contacting the Office of the Mayor, 1201 Oak Street, Conway, AR 72032 or by calling 501-450-6110. Bids must be received in the Mayor's Office no later than 10:00 a.m. on November 4th, 2016 to be considered.

We received requests for and provided Employee Census Reports, 2016 AML Health Fund Booklet, 01.01.16 through 08.31.16 Experience/Loss Ratio Report (Claims vs. Premiums), 2015 and 2016 Claims Paid by Service Code, 2015 and 2016 Claims Paid by Diagnosis Code, 2015 and 2016 Top 10 Drug Reports, and AML MHBF 2016 rates. Representatives from Health Advantage and Legacy Capital Group – a Benefits Consultant, requested the reports.

The representative from Health Advantage, our former medical benefits provider, informed me on Friday that his underwriters declined to quote because Health Advantage is unable to present a competitive quote.

The Arkansas Municipal League has presented us with the only bid. The City of Conway rates will increase approximately 22% on January 1, 2017. The attached spreadsheets show three (3) scenarios of the cost to the City and the 2017 budget the scenarios are:

- Scenario #1 – The percentage of the premium the City and the employee pay remains unchanged
- Scenario #2 – The City absorbs 100% of the premium increase, the employee contribution remains unchanged
- Scenario #3 – The employee absorbs 100% of the premium increase, the City contribution remains unchanged

We respectfully request that you approve the renewal of our contract with the Arkansas Municipal League Health Benefit Fund to continue to provide medical benefits to City of Conway employees for the 2017 plan year. We also request that you determine the how the premium increase will be distributed between the City and the employee for the 2017 plan year.

City of Conway

2017 Medical Benefit Rates

Current Rates						
2016 AML MHBF	Employee	Employee	City	City	Total	
Municipal Health Benefit Fund \$500 Deductible	Employee Cost/Mo	Employee Cost/Pay Period	City Cost/Mo.	City Cost/Pay Period	Total Premium	% Paid by City
Employee Only	\$19.50	\$9.75	\$327.00	\$163.50	\$346.50	94.4%
Employee + Spouse	\$149.75	\$74.88	\$616.75	\$308.38	\$766.50	80.5%
Employee + Children	\$126.00	\$63.00	\$640.50	\$320.25	\$766.50	83.6%
Employee + Family	\$194.50	\$97.25	\$572.00	\$286.00	\$766.50	74.6%
Scenario # 1 - Percentage the City and employee pay remain unchanged						
2017 AML MHBF	Employee	Employee	City	City	Total	
Municipal Health Benefit Fund \$500 Deductible	Employee Cost/Mo	Employee Cost/Pay Period	City Cost/Mo.	City Cost/Pay Period	Total Premium	% Paid by City
Employee Only	\$23.50	\$11.75	\$399.50	\$199.75	\$423.00	94.4%
<i>difference</i>	<i>\$4.00</i>	<i>\$2.00</i>	<i>\$72.50</i>		<i>\$76.50</i>	
Employee + Spouse	\$182.50	\$91.25	\$755.00	\$377.50	\$937.50	80.5%
<i>difference</i>	<i>\$32.75</i>	<i>\$16.38</i>	<i>\$138.25</i>		<i>\$171.00</i>	
Employee + Children	\$153.50	\$76.75	\$784.00	\$392.00	\$937.50	83.6%
<i>difference</i>	<i>\$27.50</i>	<i>\$13.75</i>	<i>\$143.50</i>		<i>\$171.00</i>	
Employee + Family	\$238.54	\$119.27	\$698.96	\$349.48	\$937.50	74.6%
<i>difference</i>	<i>\$44.04</i>	<i>\$22.02</i>	<i>\$126.96</i>		<i>\$171.00</i>	
Scenario #1 - Additional impact on 2017 Budget			\$568,981.80	General Fund Only - \$ 437,265.00		
Scenario #2 - City absorbs 100% premium increase, employee contribution remains unchanged						
2017 AML MHBF	Employee	Employee	City	City	Total	
Municipal Health Benefit Fund \$500 Deductible	Employee Cost/Mo	Employee Cost/Pay Period	City Cost/Mo.	City Cost/Pay Period	Total Premium	% Paid by City
Employee Only	\$19.50	\$9.75	\$403.50	\$201.75	\$423.00	95.4%
<i>difference</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$76.50</i>		<i>\$76.50</i>	
Employee + Spouse	\$149.75	\$74.88	\$787.75	\$393.88	\$937.50	84.0%
<i>difference</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$171.00</i>		<i>\$171.00</i>	
Employee + Children	\$126.00	\$63.00	\$811.50	\$405.75	\$937.50	86.6%
<i>difference</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$171.00</i>		<i>\$171.00</i>	
Employee + Family	\$194.50	\$97.25	\$743.00	\$371.50	\$937.50	79.3%
<i>difference</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$171.00</i>		<i>\$171.00</i>	
Scenario #2 - Additional impact on 2017 Budget			\$699,894.00	General Fund Only - \$ 540,216.00		
Scenario #3 - Employee absorbs 100% premium increase, City contribution remains unchanged						
2017 AML MHBF	Employee	Employee	City	City	Total	
Municipal Health Benefit Fund \$500 Deductible	Employee Cost/Mo	Employee Cost/Pay Period	City Cost/Mo.	City Cost/Pay Period	Total Premium	% Paid by City
Employee Only	\$96.00	\$48.00	\$327.00	\$163.50	\$423.00	77.3%
<i>difference</i>	<i>\$76.50</i>	<i>\$38.25</i>	<i>\$0.00</i>		<i>\$76.50</i>	
Employee + Spouse	\$320.75	\$160.38	\$616.75	\$308.38	\$937.50	65.8%
<i>difference</i>	<i>\$171.00</i>	<i>\$85.50</i>	<i>\$0.00</i>		<i>\$171.00</i>	
Employee + Children	\$297.00	\$148.50	\$640.50	\$320.25	\$937.50	68.3%
<i>difference</i>	<i>\$171.00</i>	<i>\$85.50</i>	<i>\$0.00</i>		<i>\$171.00</i>	
Employee + Family	\$365.50	\$182.75	\$572.00	\$286.00	\$937.50	61.0%
<i>difference</i>	<i>\$171.00</i>	<i>\$85.50</i>	<i>\$0.00</i>		<i>\$171.00</i>	
Scenario #3 - Additional impact on 2017 Budget \$ 0				General Fund Only - \$ 0		

Fund	Tier Level	Total Number	Additional Amount City Scenario #1	Total	Scenario #1 X 12 months	Additional Amount City Scenario #2	Total	Scenario #2 X 12 months
General	EE	128	72.50	9280.00		76.50	9792.00	
	EE + Spouse	32	138.25	4424.00		171.00	5472.00	
	EE + Children	39	143.50	5596.50		171.00	6669.00	
	EE + Family	135	126.95	17138.25		171.00	23085.00	
				36438.75	437,265.00		45018.00	540,216.00
109								
Airport	EE	4	72.50	290.00		76.50	306.00	
	EE + Spouse	0						
	EE + Children	0						
	EE + Family	0						
				290.00	3,480.00		306.00	3,672.00
510								
Sanitation	EE	38	72.50	2755.00		76.50	2907.00	
	EE + Spouse	13	138.25	1797.25		171.00	2223.00	
	EE + Children	5	143.50	717.50		171.00	855.00	
	EE + Family	20	126.95	2539.00		171.00	3420.00	
				7808.75	93,705.00		9405.00	112,860.00
201								
Street	EE	9	72.50	652.50		76.50	688.50	
	EE + Spouse	3	138.25	414.75		171.00	513.00	
	EE + Children	2	143.50	287.00		171.00	342.00	
	EE + Family	12	126.95	1523.40		171.00	2052.00	
				2877.65	34,531.80		3595.50	43,146.00
Total	EE	179		#1		#2		
Tier	EE + Spouse	48	Total	47415.15	Total	58324.50		
Participation	EE + Children	46	12 months	568,981.80	12 Months	699,894.00		
	EE + Family	167						
			Total	568,981.80	Total	699,894.00		

Scenario #1 - Percentage premium City and employee pay remains the same

Scenario #2 - City absorbs 100% of premium increase, employee contribution remains unchanged

Scenario #3 - Employee absorbs 100% of premium increase, city contribution remains unchanged - zero impact on budget

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing will be held at the time and place set forth below before the Mayor and the City Council of the City of Conway, Arkansas (the "City"), on the question of the adoption of an ordinance authorizing the issuance of not to exceed \$3,750,000 in aggregate principal amount of Taxable Industrial Development Revenue Bonds (Adamis Pharmaceuticals Project), Series 2016 (the "Bonds"), by the City, under the authority of Act No. 9 of the First Extraordinary Session of the Sixty-Second General Assembly of the State of Arkansas, approved January 21, 1960, as amended ("Act 9"). The Bonds will be issued to provide financing for the acquisition and equipping of certain industrial facilities of approximately 17,000 square feet (the "Project") located at 1270 Don's Lane in the City and to be utilized in the specialty pharmaceuticals products business of Adamis Pharmaceuticals Corporation, a Delaware corporation (the "Company"). The Project will be owned by the City and leased to the Company pursuant to a lease agreement providing for rental payments by the Company sufficient in amount to provide for the payment of principal, premium, if any, and interest on the Bonds.

Any persons interested may express their views, both orally and in writing, on the proposed issuance of the Bonds and on the location and nature of the improvements to be financed before the Mayor and City Council at a public hearing to be held on Tuesday, November 8, 2016, at 6:30 p.m., in the courtroom of the District Court Building, 810 Parkway, Conway, Arkansas. At such hearing, all objections and suggestions will be heard and considered, and such action will be taken as is deemed proper in response to said suggestion and objections.

Dated: October 28, 2016

PUBLICATION INSTRUCTIONS: Publish one time on or before October 30, 2016 in *The Log Cabin Democrat*. Send two (2) proofs of publication to Kutak Rock LLP, 124 West Capitol Avenue, Suite 2000, Little Rock, AR 72201, Attn: Gordon M. Wilbourn.

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE ISSUANCE OF TAXABLE INDUSTRIAL DEVELOPMENT REVENUE BONDS UNDER THE AUTHORITY OF ACT NO. 9 OF 1960, AS AMENDED, FOR THE PURPOSE OF SECURING AND DEVELOPING INDUSTRY WITHIN THE CITY; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT PROVIDING FOR THE SALE OF THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUST INDENTURE SECURING THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A LEASE AGREEMENT BETWEEN THE CITY, AS LESSOR, AND ADAMIS PHARMACEUTICALS CORPORATION, AS LESSEE; AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT FOR PAYMENTS IN LIEU OF TAXES; AUTHORIZING THE EXECUTION AND DELIVERY OF OTHER DOCUMENTS RELATING TO THE ISSUANCE OF THE BONDS; AND PRESCRIBING OTHER MATTERS RELATING THERETO.

WHEREAS, the City of Conway, Arkansas (the “City”) is authorized under the provisions of the Municipalities and Counties Industrial Development Revenue Bond Law, Arkansas Code Annotated (1998 Repl. & 2015 Supp.) Sections 14-164-201 *et seq.* (the “Act”), to own, acquire, construct, reconstruct, improve, equip and lease facilities to secure and develop industry and to assist in the financing thereof by the issuance of bonds payable from the revenues derived from such facilities; and

WHEREAS, the City, pursuant to Resolution No. R-16-10 adopted on April 26, 2016, the City has previously expressed its intent to issue its industrial development revenue bonds under the Act for the purposes hereinafter described for the benefit of Adamis Pharmaceuticals Corporation, a Delaware corporation (the “Company”), such bonds to be issued as described below; and

WHEREAS, the necessary arrangements have been made with the Company for the financing of an industrial project consisting of the acquisition and equipping of industrial facilities (the “Project”) located at 1270 Don’s Lane within the corporate boundaries of the City and to be utilized in the Company’s specialty pharmaceuticals products business; and

WHEREAS, permanent financing of the Project costs, necessary costs and expenditures incidental thereto and the cost of the issuance of bonds is being furnished by the City pursuant to the Act through the issuance of its Taxable Industrial Development Revenue Bonds, Series 2016, in the principal amount of not to exceed Three Million Seven Hundred Fifty Thousand Dollars (\$3,750,000) (the “Bonds”); and

WHEREAS, an open public hearing on the question of the issuance of the Bonds was held before the City Council on November 8, 2016, following publication of notice in *The Log Cabin Democrat* on October 30, 2016; and

WHEREAS, the Bonds will be issued pursuant to the terms and provisions of a Trust Indenture to be dated as of December 1, 2016 (the “Indenture”), by and between the City and _____, as trustee (the “Trustee”); and

WHEREAS, the necessary arrangements have been made by the City to lease the Project to the Company pursuant to the terms of a Lease Agreement to be dated as of December 1, 2016 (the “Lease Agreement”);

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

Section 1. The City Council makes the following findings and determinations:

(a) Based on information compiled and released by the Arkansas Department of Workforce Services, unemployment in Faulkner County during September of 2016 averaged 3.7%. [Completion of the Project is expected to ensure additional employment and other benefits to residents of the City.]

(b) The Company currently intends to utilize the Project in its specialty pharmaceuticals products business.

(c) The Company’s presence within the City is expected to be an important factor in the economic well being and employment base for the City and its inhabitants.

(d) The Bonds shall not constitute general obligations of the City within the meaning of any constitutional or statutory limitation, but shall be special limited obligations of the City as provided in the Act, the principal and interest on which shall be payable solely from the revenues or other receipts, funds, monies and property pledged therefor under the Indenture.

Section 2. There is hereby authorized and directed the issuance from time to time of the Bonds and the sale thereof to _____ or another affiliate of the Company (the “Purchaser”) pursuant to the terms and provisions of a Bond Purchase Agreement to be dated as of the date of delivery of the Bonds (the “Bond Purchase Agreement”), which Bond Purchase Agreement is specifically approved in Section 3 hereof. The Bonds shall be sold at the purchase price of par plus accrued interest, if any, and shall be issued and delivered according to the terms and provisions of the Bond Purchase Agreement. The Bonds shall be issued in the original aggregate principal amount of not to exceed Three Million Seven Hundred Fifty Thousand Dollars (\$3,750,000), shall be dated as of the date of their delivery, shall have a final maturity of December 31, 2036, shall bear interest at the rate of 3.00% per annum, shall be in the form, and shall be issued upon the terms and conditions recommended by the Company, all as more particularly set forth in the Trust Indenture approved in Section 4 hereof. The Mayor is hereby authorized and directed to execute and deliver the Bonds from time to time as requested by the Company, and the City Clerk is hereby authorized and directed to execute and deliver the Bonds and to affix the seal of the City thereto, and the Mayor and City Clerk are hereby authorized and directed to cause the Bonds to be authenticated by the Trustee.

Section 3. To prescribe the terms and conditions upon which the Bonds are to be sold to the Purchaser, the Mayor is hereby authorized and directed to execute at the request of the

Company the Bond Purchase Agreement on behalf of the City, by and between the City and the Purchaser, and approved by the Company. The Bond Purchase Agreement is hereby approved in substantially the form submitted to this meeting, and the Mayor, with the counsel of the City Attorney, is hereby authorized to confer with the Purchaser, the Company and Kutak Rock LLP, Little Rock, Arkansas (“Bond Counsel”), in order to complete the Bond Purchase Agreement in substantially the form submitted to this meeting, with such changes as shall be approved by such persons executing the document, their execution to constitute conclusive evidence of such approval.

(Advice is given that a copy of the Bond Purchase Agreement in substantially the form authorized to be executed is on file with the City Clerk and is available for inspection by any interested person.)

Section 4. To prescribe the terms and conditions upon which the Bonds are to be secured, executed, authenticated, issued, accepted and held, the Mayor and the City Clerk are hereby authorized and directed to execute, acknowledge and deliver the Trust Indenture, by and between the City and the Trustee, and the Mayor and City Clerk are hereby authorized and directed to cause the Trust Indenture to be accepted, executed and acknowledged by the Trustee. The Trust Indenture is hereby approved in substantially the form submitted to this meeting, and the Mayor, with the counsel of the City Attorney, is hereby authorized to confer with the Trustee, the Company, the Purchaser and Bond Counsel in order to complete the Trust Indenture in substantially the form submitted to this meeting, with such changes as shall be approved by such persons executing the document, their execution to constitute conclusive evidence of such approval.

(Advice is given that a copy of the Trust Indenture in substantially the form authorized to be executed is on file with the City Clerk and is available for inspection by any interested person.)

Section 5. There is hereby authorized and directed the execution and delivery of the Lease Agreement by and between the City, as lessor, and the Company, as lessee, and the Mayor and the City Clerk are hereby authorized to execute, acknowledge and deliver the Lease Agreement for and on behalf of the City. The Lease Agreement is hereby approved in substantially the form submitted to this meeting, and the Mayor, with the counsel of the City Attorney, is hereby authorized to confer with the Company, the Trustee, the Purchaser and Bond Counsel in order to complete the Lease Agreement in substantially the form submitted to this meeting, with such changes as shall be approved by such persons executing the document, their execution to constitute conclusive evidence of such approval.

(Advice is given that a copy of the Lease Agreement in substantially the form authorized to be executed is on file with the City Clerk and is available for inspection by any interested person.)

Section 6. The City and the Company recognize that under Article 16, Section 5, of the Constitution of the State of Arkansas, as interpreted under past decisions of the Supreme Court of the State of Arkansas applicable to facilities financed pursuant to the Act, including particularly the case of Wayland v. Snapp, 232 Ark. 57, 334 S.W.2d 663 (1960), the Project will

be exempt from *ad valorem* taxation. Although the City makes no representation as to the continued precedential value of such past decisions, the Company has agreed to enter into an Agreement for Payments in Lieu of Taxes to be dated as of the date of its execution (the “PILOT Agreement”) requiring the Company to make certain payments in lieu of all *ad valorem* taxes which would otherwise be levied on the Project real and personal property by local public bodies with taxing power. In order to provide for such payments, there is hereby authorized and directed the execution and delivery of the PILOT Agreement, and the Mayor is hereby authorized to execute and deliver the PILOT Agreement for and on behalf of the City. The PILOT Agreement is hereby approved in substantially the form submitted to this meeting, and the Mayor, with the counsel of the City Attorney, is hereby authorized to confer with the Company and Bond Counsel in order to complete the PILOT Agreement in substantially the form submitted to this meeting, with such changes as shall be approved by such persons executing the document, their execution to constitute conclusive evidence of such approval.

(Advice is given that a copy of the PILOT Agreement in substantially the form authorized to be executed is on file with the City Clerk and is available for inspection by any interested person.)

Section 7. The Mayor and City Clerk, for and on behalf of the City, are hereby authorized and directed to do any and all things necessary to effect the execution and delivery of the Bonds, the Bond Purchase Agreement, the Trust Indenture, the Lease Agreement and the PILOT Agreement, and to perform all of the City’s obligations under and pursuant thereto. The Mayor and the City Clerk are hereby further authorized and directed, for and on behalf of the City, to execute all papers, documents, certificates and other instruments that may be required for the carrying out of such authority or to evidence the exercise thereof.

Section 8. Because the City is here involved with the acquisition and equipping of a complex industrial project requiring highly specialized work and specialized types of machinery and equipment, it has been and is hereby determined by the City Council that competitive bidding be, and the same is hereby, waived as to this particular industrial project. This action is taken by the City pursuant to applicable laws of the State of Arkansas, including particularly the Act.

Section 9. Kutak Rock LLP, Little Rock, Arkansas, is hereby appointed as Bond Counsel with respect to the issuance of the Bonds, the fees and expenses of which firm shall be costs of the Project and paid from the proceeds of the Bonds or by the Company.

Section 10. The provisions of this Ordinance are hereby declared to be severable, and if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases or provisions.

Section 11. All ordinances, resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

ADOPTED: _____, 2016.

Mayor

ATTEST:

City Clerk

(S E A L)

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing will be held at the time and place set forth below before the Mayor and the City Council of the City of Conway, Arkansas (the "City"), on the question of the adoption of an ordinance authorizing the issuance of not to exceed \$7,000,000 in aggregate principal amount of Taxable Industrial Development Revenue Bonds (Douglas Companies Project), Series 2016 (the "Bonds"), by the City, under the authority of Act No. 9 of the First Extraordinary Session of the Sixty-Second General Assembly of the State of Arkansas, approved January 21, 1960, as amended ("Act 9"). The Bonds will be issued to provide financing for the expansion and equipping of certain industrial facilities of approximately 50,000 square feet (the "Project") located at 200 Exchange Avenue in the City and to be utilized in the convenience products warehousing and distribution business of Douglas Companies, Inc., an Arkansas corporation (the "Company"). The Project will be owned by the City and leased or subleased to the Company pursuant to an agreement providing for rental payments by the Company sufficient in amount to provide for the payment of principal, premium, if any, and interest on the Bonds.

Any persons interested may express their views, both orally and in writing, on the proposed issuance of the Bonds and on the location and nature of the improvements to be financed before the Mayor and City Council at a public hearing to be held on Tuesday, November 8, 2016, at 6:30 p.m., in the courtroom of the District Court Building, 810 Parkway, Conway, Arkansas. At such hearing, all objections and suggestions will be heard and considered, and such action will be taken as is deemed proper in response to said suggestion and objections.

Dated: October 28, 2016

PUBLICATION INSTRUCTIONS: Publish one time on or before October 30, 2016 in *The Log Cabin Democrat*. Send two (2) proofs of publication to Kutak Rock LLP, 124 West Capitol Avenue, Suite 2000, Little Rock, AR 72201, Attn: Gordon M. Wilbourn.

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE ISSUANCE OF TAXABLE INDUSTRIAL DEVELOPMENT REVENUE BONDS UNDER THE AUTHORITY OF ACT NO. 9 OF 1960, AS AMENDED, FOR THE PURPOSE OF SECURING AND DEVELOPING INDUSTRY WITHIN THE CITY; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT PROVIDING FOR THE SALE OF THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUST INDENTURE SECURING THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A LEASE AGREEMENT BETWEEN THE CITY, AS LESSOR, AND DOUGLAS FAMILY LLC, AS LESSEE; AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT FOR PAYMENTS IN LIEU OF TAXES; AUTHORIZING THE EXECUTION AND DELIVERY OF OTHER DOCUMENTS RELATING TO THE ISSUANCE OF THE BONDS; AND PRESCRIBING OTHER MATTERS RELATING THERETO.

WHEREAS, the City of Conway, Arkansas (the “City”) is authorized under the provisions of the Municipalities and Counties Industrial Development Revenue Bond Law, Arkansas Code Annotated (1998 Repl. & 2015 Supp.) Sections 14-164-201 *et seq.* (the “Act”), to own, acquire, construct, reconstruct, improve, equip and lease facilities to secure and develop industry and to assist in the financing thereof by the issuance of bonds payable from the revenues derived from such facilities; and

WHEREAS, the City, pursuant to Resolution No. R-16-30 adopted on August 23, 2016, the City has previously expressed its intent to issue its industrial development revenue bonds under the Act for the purposes hereinafter described for the benefit of Douglas Companies, Inc., an Arkansas corporation (the “Corporation”), or an affiliate thereof, such bonds to be issued as described below; and

WHEREAS, the necessary arrangements have been made with Douglas Family LLC, an Arkansas limited liability company (the “Company”), and the Corporation for the financing of an industrial project consisting of the expansion and equipping of industrial facilities (the “Project”) located at 200 Exchange Avenue within the corporate boundaries of the City and to be utilized in the Company’s convenience products warehousing and distribution business; and

WHEREAS, permanent financing of the Project costs, necessary costs and expenditures incidental thereto and the cost of the issuance of bonds is being furnished by the City pursuant to the Act through the issuance of its Taxable Industrial Development Revenue Bonds, Series 2016, in the principal amount of not to exceed Seven Million Dollars (\$7,000,000) (the “Bonds”); and

WHEREAS, an open public hearing on the question of the issuance of the Bonds was held before the City Council on November 8, 2016, following publication of notice in *The Log Cabin Democrat* on October 30, 2016; and

WHEREAS, the Bonds will be issued pursuant to the terms and provisions of a Trust Indenture to be dated as of December 1, 2016 (the “Indenture”), by and between the City and _____, as trustee (the “Trustee”); and

WHEREAS, the necessary arrangements have been made by the City to lease the Project to the Company pursuant to the terms of a Lease Agreement to be dated as of December 1, 2016 (the “Lease Agreement”); and

WHEREAS, the necessary arrangements have been made by the Company to sublease the Project to the Corporation;

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

Section 1. The City Council makes the following findings and determinations:

(a) Based on information compiled and released by the Arkansas Department of Workforce Services, unemployment in Faulkner County during September of 2016 averaged 3.7%. [Completion of the Project is expected to ensure additional employment and other benefits to residents of the City.]

(b) The Corporation currently intends to utilize the Project in its convenience products warehousing and distribution business.

(c) The Corporation’s presence within the City is expected to be an important factor in the economic well being and employment base for the City and its inhabitants.

(d) The Bonds shall not constitute general obligations of the City within the meaning of any constitutional or statutory limitation, but shall be special limited obligations of the City as provided in the Act, the principal and interest on which shall be payable solely from the revenues or other receipts, funds, monies and property pledged therefor under the Indenture.

Section 2. There is hereby authorized and directed the issuance from time to time of the Bonds and the sale thereof to _____ or another affiliate of the Company (the “Purchaser”) pursuant to the terms and provisions of a Bond Purchase Agreement to be dated as of the date of delivery of the Bonds (the “Bond Purchase Agreement”), which Bond Purchase Agreement is specifically approved in Section 3 hereof. The Bonds shall be sold at the purchase price of par plus accrued interest, if any, and shall be issued and delivered according to the terms and provisions of the Bond Purchase Agreement. The Bonds shall be issued in the original aggregate principal amount of not to exceed Seven Million Dollars (\$7,000,000), shall be dated as of the date of their delivery, shall have a final maturity of December 31, 2036, shall bear interest at the rate of 3.00% per annum, shall be in the form, and shall be issued upon the terms and conditions recommended by the Company, all as more particularly set forth in the Trust Indenture approved in Section 4 hereof. The Mayor is hereby authorized and directed to execute and deliver the Bonds from time to time as requested by the Company, and the City Clerk is hereby authorized and directed to execute and deliver the Bonds and to affix the seal of the City thereto, and the Mayor and City Clerk are hereby authorized and directed to cause the Bonds to be authenticated by the Trustee.

Section 3. To prescribe the terms and conditions upon which the Bonds are to be sold to the Purchaser, the Mayor is hereby authorized and directed to execute at the request of the Company the Bond Purchase Agreement on behalf of the City, by and between the City and the Purchaser, and approved by the Company. The Bond Purchase Agreement is hereby approved in substantially the form submitted to this meeting, and the Mayor, with the counsel of the City Attorney, is hereby authorized to confer with the Purchaser, the Company and Kutak Rock LLP, Little Rock, Arkansas (“Bond Counsel”), in order to complete the Bond Purchase Agreement in substantially the form submitted to this meeting, with such changes as shall be approved by such persons executing the document, their execution to constitute conclusive evidence of such approval.

(Advice is given that a copy of the Bond Purchase Agreement in substantially the form authorized to be executed is on file with the City Clerk and is available for inspection by any interested person.)

Section 4. To prescribe the terms and conditions upon which the Bonds are to be secured, executed, authenticated, issued, accepted and held, the Mayor and the City Clerk are hereby authorized and directed to execute, acknowledge and deliver the Trust Indenture, by and between the City and the Trustee, and the Mayor and City Clerk are hereby authorized and directed to cause the Trust Indenture to be accepted, executed and acknowledged by the Trustee. The Trust Indenture is hereby approved in substantially the form submitted to this meeting, and the Mayor, with the counsel of the City Attorney, is hereby authorized to confer with the Trustee, the Company, the Purchaser and Bond Counsel in order to complete the Trust Indenture in substantially the form submitted to this meeting, with such changes as shall be approved by such persons executing the document, their execution to constitute conclusive evidence of such approval.

(Advice is given that a copy of the Trust Indenture in substantially the form authorized to be executed is on file with the City Clerk and is available for inspection by any interested person.)

Section 5. There is hereby authorized and directed the execution and delivery of the Lease Agreement by and between the City, as lessor, and the Company, as lessee, and the Mayor and the City Clerk are hereby authorized to execute, acknowledge and deliver the Lease Agreement for and on behalf of the City. The Lease Agreement is hereby approved in substantially the form submitted to this meeting, and the Mayor, with the counsel of the City Attorney, is hereby authorized to confer with the Company, the Trustee, the Purchaser and Bond Counsel in order to complete the Lease Agreement in substantially the form submitted to this meeting, with such changes as shall be approved by such persons executing the document, their execution to constitute conclusive evidence of such approval.

(Advice is given that a copy of the Lease Agreement in substantially the form authorized to be executed is on file with the City Clerk and is available for inspection by any interested person.)

Section 6. The City and the Company recognize that under Article 16, Section 5, of the Constitution of the State of Arkansas, as interpreted under past decisions of the Supreme

Court of the State of Arkansas applicable to facilities financed pursuant to the Act, including particularly the case of Wayland v. Snapp, 232 Ark. 57, 334 S.W.2d 663 (1960), the Project will be exempt from *ad valorem* taxation. Although the City makes no representation as to the continued precedential value of such past decisions, the Company has agreed to enter into an Agreement for Payments in Lieu of Taxes to be dated as of the date of its execution (the “PILOT Agreement”) requiring the Company to make certain payments in lieu of all *ad valorem* taxes which would otherwise be levied on the Project real and personal property by local public bodies with taxing power. In order to provide for such payments, there is hereby authorized and directed the execution and delivery of the PILOT Agreement, and the Mayor is hereby authorized to execute and deliver the PILOT Agreement for and on behalf of the City. The PILOT Agreement is hereby approved in substantially the form submitted to this meeting, and the Mayor, with the counsel of the City Attorney, is hereby authorized to confer with the Company and Bond Counsel in order to complete the PILOT Agreement in substantially the form submitted to this meeting, with such changes as shall be approved by such persons executing the document, their execution to constitute conclusive evidence of such approval.

(Advice is given that a copy of the PILOT Agreement in substantially the form authorized to be executed is on file with the City Clerk and is available for inspection by any interested person.)

Section 7. The Mayor and City Clerk, for and on behalf of the City, are hereby authorized and directed to do any and all things necessary to effect the execution and delivery of the Bonds, the Bond Purchase Agreement, the Trust Indenture, the Lease Agreement and the PILOT Agreement, and to perform all of the City’s obligations under and pursuant thereto. The Mayor and the City Clerk are hereby further authorized and directed, for and on behalf of the City, to execute all papers, documents, certificates and other instruments that may be required for the carrying out of such authority or to evidence the exercise thereof.

Section 8. Because the City is here involved with the expansion and equipping of a complex industrial project requiring highly specialized work and specialized types of machinery and equipment, it has been and is hereby determined by the City Council that competitive bidding be, and the same is hereby, waived as to this particular industrial project. This action is taken by the City pursuant to applicable laws of the State of Arkansas, including particularly the Act.

Section 9. Kutak Rock LLP, Little Rock, Arkansas, is hereby appointed as Bond Counsel with respect to the issuance of the Bonds, the fees and expenses of which firm shall be costs of the Project and paid from the proceeds of the Bonds or by the Company.

Section 10. The provisions of this Ordinance are hereby declared to be severable, and if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases or provisions.

Section 11. All ordinances, resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

ADOPTED: _____, 2016.

Mayor

ATTEST:

City Clerk

(S E A L)



**City of Conway, Arkansas
Resolution No. R-16-___**

A RESOLUTION SETTING A PUBLIC HEARING TO DISCUSS THE CLOSING OF A PORTION OF THE PATHWAY AND DRAINAGE RIGHT-OF-WAY AND EASEMENT LOCATED WITHIN LOT 2 PEDIATRICS PLUS SUBDIVISION, IN THE CITY OF CONWAY, ARKANSAS:

Whereas, a petition has been filed with the City Council of the City of Conway, Arkansas by the City of Conway to abandon a portion of the Pathway and Drainage Right-of-Way and Easement (Document No. 2012-342) for Tucker Creek Pathway and Tucker Creek located within Lot 2 PEDIATRIC PLUS SUBDIVISION (Plat L - 267). Said Lot 2 being located on the South side of College Avenue and the East Side of Tucker Creek within the corporate limits of the City of Conway, Arkansas; and

Whereas, upon the filing of the petition with the City, the City shall set a date and time for a hearing before the City Council for consideration of the petition.

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

1. That the City Council shall hear said petition at its regular meeting to be held at the Russell L. "Jack" Roberts District Court Building, 810 Parkway Street, Conway, Arkansas, on the 22nd day of November, 2016 at 6:30 pm.
2. That the City Clerk is hereby directed to publish notice of the filing of said petition and of said hearing for the time and in the matter prescribed by law.

PASSED this 8th day of November, 2016.

Approved:

Mayor Tab Townsell

Attest:

**Michael O. Garrett
City Clerk/Treasurer**



City of Conway, Arkansas

Resolution No. R-16-___

A RESOLUTION REQUESTING THE FAULKNER COUNTY TAX COLLECTOR PLACE A CERTIFIED LIEN AGAINST REAL PROPERTY AS A RESULT OF INCURRED EXPENSES BY THE CITY OF CONWAY; AND FOR OTHER PURPOSES.

Whereas, in accordance with Ark. Code Ann. § 14-54-901, the City of Conway has corrected conditions existing on 1335 S Donaghey within the City of Conway and is entitled to compensation pursuant to Ark. Code § 14-54-904: and

Whereas, State law also provides for a lien against the subject property, with the amount of lien to be determined by the City Council at a hearing held after the notice to the owner thereof by certified mail with said amount \$202.62 (\$156.93 + Penalty-\$15.69 + filing fee-\$30.00) to be thereafter certified to the Faulkner County Tax Collector; and

Whereas, a hearing for the purpose of determine such lien has been set for **November 8th, 2016** in order to allow for service of the attached notice of same upon the listed property owners, by certified or publication as is necessary.

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Conway, Arkansas that:

Section 1: That after said public hearing the amount listed above is hereby certified and is to be forwarded to the Faulkner County Tax Collector and Assessor by the City of Conway.

Section 2: That this Resolution shall be in full force and effect from and after its passage and approval.

ADOPTED this 8th day of November, 2016.

Approved:

Mayor Tab Townsell

Attest:

Michael O. Garrett
City Clerk/Treasurer

City of Conway
Code Enforcement
1201 Oak Street
Conway, Arkansas 72032



Missy Lovelady
Phone: 501-450-6191
Fax: 501-450-6144

MEMO:

To: Mayor Tab Townsell
CC: City Council Members

From: Missy Lovelady
Date: October 31, 2016

Re: 1335 S Donaghey

- August 11, 2016– Warning Violation written regarding grass in the yard by Kim Beard.
- Property Owner is listed as Sandra & James Harrington
- Property was rechecked on 8/22/16 with no progress made.
- Certified and regular letters were mailed 9/2/16 to address on file and a notice was left by post office.
- Property was rechecked on 9/13/16 with no action taken.
- Final Cleanup completed on 9/28/16.
- Certified and regular letters were sent including date, time & place of the City Council meeting.

If you have any questions please advise.

INVOICE

City of Conway
Code Enforcement

DATE: NOVEMBER 4, 2016

1201 Oak Street
 Conway, AR 72032
 Phone: 501-450-6191
 Fax 501-450-6144
 missy.schrag@cityofconway.org

TO Sandra & James Harrington
 1335 S Donaghey Ave
 Conway AR 720304

Description: Mowing/Clean-up/Admin Fees
 associated with the nuisance abatement at
 1335 S Donaghey Ave., Conway Arkansas

CODE ENFORCEMENT OFFICER	PARCEL NUMBER	PAYMENT TERMS	DUE DATE
Kim Beard	711-12499-005		November 8, 2016

HOURS	DESCRIPTION	UNIT PRICE	LINE TOTAL
2	1 Employee -Mowing/Cleanup	18.82	37.64
2	1 Employee -Mowing/Cleanup	16.62	33.24
1	1 PT Employee - Mowing/Cleanup	10.94	10.94
1	Maintenance fee (mower)	15.00	15.00
1	Administrative Fee (Missy Lovelady)	20.49	20.49
1	Administrative Fee (Kim Beard)	17.46	17.46
1	Administrative Fee (Michelle Collins)	10.94	10.94
2	Certified Letter	5.13	10.26
2	Regular letter	.48	.96

TOTAL BY 11/8/16 \$156.93

- Total amount due after November 8, 2016 includes collection penalty & filing fees

TOTAL AFTER 11/8/16 \$202.62

Make all checks payable to City of Conway Code Enforcement @ 1201 Oak Street Conway Arkansas 72032

City of Conway
Code Enforcement

1201 Oak Street
Conway, Arkansas 72032
www.cityofconway.org



Missy Lovelady
Conway Permits & Code Enforcement
Phone 501-450-6191
Fax 501-450-6144

October 7, 2016

Parcel # 711-12499-005

Sandra & James Harrington
1335 S Donaghey Ave
Conway AR 720304

RE: Nuisance Abatement at 1335 S Donaghey Ave., Conway AR
Cost of Clean-Up, Amount Due: \$156.93

To whom it may concern:

Because you failed or refused to remove, abate or eliminate certain conditions on the aforementioned real property in the City of Conway, after having been given seven (7) days notice in writing to do so, the City of Conway was forced to undertake the cleanup of this property to bring it within compliance of the Conway Municipal Code.

The City of Conway is requesting payment for all costs expended in correcting said condition. If after thirty (30) days from the receipt of this letter notifying you of the cost to correct said condition, such payment has not been remitted to the City, the City has the authority to file a lien against real estate property for the cost expended after City Council approval.

At its **November 8, 2016 Meeting**, 6:30 p.m. located at 810 Parkway Street, the City Council will conduct a public hearing on three items:

1. Consideration of the cost of the clean-up of your real property.
2. Consideration of placing a lien on your real property for this amount.
3. Consideration of certifying this amount determined at the hearing, plus a ten percent (10%) penalty for collection & filing fees, to the Tax Collector of Faulkner County to be placed on the tax books as delinquent taxes and collected accordingly.

None of these actions will be necessary if full payment is received before the meeting date. Please make check payable to the **City of Conway** and mail to **1201 Oak Street Conway Arkansas 72032** with the **attention to Missy Lovelady**. If you have any questions, please feel free to call me at 501-450-6191.

Sincerely,

Missy Lovelady

**Conway Code Enforcement
Incident Report**

Date of Violation: 08/11/2016

Violator Name: Sandra & James Harrington

Address of Violation: 1335 S Donaghey

Violation Type: Grass

Warning #: CE9120

Description of Violation and Actions Taken: On 08/11/16 Code Enforcement Officer Kim Beard wrote a warning violation to correct grass. Property was rechecked on 08/22/16 with no progress made. Certified and regular letters were mailed on 09/02/16 to address on file. Property was rechecked on 09/13/16 with no progress. Final cleanup was completed on 09/28/16.

Code Enforcement Officer: Kim Beard

Officer Signature: _____

Date:

Time:



**City of Conway, Arkansas
Resolution No. R-16-___**

A RESOLUTION REQUESTING THE FAULKNER COUNTY TAX COLLECTOR PLACE A CERTIFIED LIEN AGAINST REAL PROPERTY AS A RESULT OF INCURRED EXPENSES BY THE CITY OF CONWAY; AND FOR OTHER PURPOSES.

Whereas, in accordance with Ark. Code Ann. § 14-54-901, the City of Conway has corrected conditions existing on 7 Ridgewood Drive within the City of Conway and is entitled to compensation pursuant to Ark. Code § 14-54-904: and

Whereas, State law also provides for a lien against the subject property, with the amount of lien to be determined by the City Council at a hearing held after the notice to the owner thereof by certified mail with said amount \$217.35 (\$170.32 + Penalty-\$17.03 + filing fee-\$30.00) to be thereafter certified to the Faulkner County Tax Collector; and

Whereas, a hearing for the purpose of determine such lien has been set for **November 8th, 2016** in order to allow for service of the attached notice of same upon the listed property owners, by certified or publication as is necessary.

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Conway, Arkansas that:

Section 1: That after said public hearing the amount listed above is hereby certified and is to be forwarded to the Faulkner County Tax Collector and Assessor by the City of Conway.

Section 2: That this Resolution shall be in full force and effect from and after its passage and approval.

ADOPTED this 8th day of November, 2016.

Approved:

Mayor Tab Townsell

Attest:

**Michael O. Garrett
City Clerk/Treasurer**

City of Conway
Code Enforcement
1201 Oak Street
Conway, Arkansas 72032



Missy Lovelady
Phone: 501-450-6191
Fax: 501-450-6144

MEMO:

To: Mayor Tab Townsell
CC: City Council Members

From: Missy Lovelady
Date: October 31, 2016

Re: 7 Ridgewood Dr.

- August 4, 2016– Warning Violation written regarding grass, rubbish & trash in the yard by Kim Beard.
- Property Owner is listed as Billy & Ruby Russell.
- Property was rechecked on 8/12/16 with no progress made.
- Certified and regular letters were mailed 8/15/16 to address on file and a notice was left by post office.
- Property was rechecked on 9/6/16 with some progress. Grass had been cut, however, rubbish and trash remained.
- Additional recheck was performed 9/16/16 with no progress.
- Final Cleanup completed on 9/28/16.
- Certified and regular letters were sent including date, time & place of the City Council meeting.

If you have any questions please advise.

INVOICE

City of Conway Code Enforcement

DATE: NOVEMBER 4, 2016

1201 Oak Street
Conway, AR 72032
Phone: 501-450-6191
Fax 501-450-6144
missy.schrag@cityofconway.org

TO Billy or Ruby Russell
7 Ridgewood Dr
Conway AR 72034

Description: Mowing/Clean-up/Admin Fees
associated with the nuisance abatement at
7 Ridgewood Dr., Conway Arkansas

CODE ENFORCEMENT OFFICER	PARCEL NUMBER	PAYMENT TERMS	DUE DATE
Kim Beard	710-01224-000		November 8, 2016

HOURS	DESCRIPTION	UNIT PRICE	LINE TOTAL
1	1 Employee -Mowing/Cleanup	18.40	18.40
2	1 Employee -Mowing/Cleanup	16.62	33.24
1	1 PT Employee - Mowing/Cleanup	10.94	10.94
	Sanitation ticket #570307		32.63
1	Maintenance fee (mower)	15.00	15.00
1	Administrative Fee (Missy Lovelady)	20.49	20.49
1	Administrative Fee (Kim Beard)	17.46	17.46
1	Administrative Fee (Michelle Collins)	10.94	10.94
2	Certified Letter	5.13	10.26
2	Regular letter	.48	.96

TOTAL BY 11/8/16 \$170.32

- Total amount due after November 8, 2016 includes collection penalty & filing fees

TOTAL AFTER
11/8/16 \$217.35

Make all checks payable to City of Conway Code Enforcement @ 1201 Oak Street Conway Arkansas 72032

City of Conway
Code Enforcement

1201 Oak Street
Conway, Arkansas 72032
www.cityofconway.org



Missy Lovelady
Conway Permits & Code Enforcement
Phone 501-450-6191
Fax 501-450-6144

October 13, 2016

Parcel # 710-01224-000

Billy or Ruby Russell
7 Ridgewood Dr
Conway AR 72034

RE: Nuisance Abatement at 7 Ridgewood Dr., Conway AR
Cost of Clean-Up, Amount Due: \$170.32

To whom it may concern:

Because you failed or refused to remove, abate or eliminate certain conditions on the aforementioned real property in the City of Conway, after having been given seven (7) days notice in writing to do so, the City of Conway was forced to undertake the cleanup of this property to bring it within compliance of the Conway Municipal Code.

The City of Conway is requesting payment for all costs expended in correcting said condition. If after thirty (30) days from the receipt of this letter notifying you of the cost to correct said condition, such payment has not been remitted to the City, the City has the authority to file a lien against real estate property for the cost expended after City Council approval.

At its **November 8, 2016 Meeting**, 6:30 p.m. located at 810 Parkway Street, the City Council will conduct a public hearing on three items:

1. Consideration of the cost of the clean-up of your real property.
2. Consideration of placing a lien on your real property for this amount.
3. Consideration of certifying this amount determined at the hearing, plus a ten percent (10%) penalty for collection & filing fees, to the Tax Collector of Faulkner County to be placed on the tax books as delinquent taxes and collected accordingly.

None of these actions will be necessary if full payment is received before the meeting date. Please make check payable to the **City of Conway** and mail to **1201 Oak Street Conway Arkansas 72032** with the **attention to Missy Lovelady**. If you have any questions, please feel free to call me at 501-450-6191.

Sincerely,

Missy Lovelady

**Conway Code Enforcement
Incident Report**

Date of Violation: 08/04/2016

Violator Name: Billy & Ruby Russell

Address of Violation: 7 Ridgewood Dr

Violation Type: Grass; rubbish & trash in yard

Warning #: CE9111

Description of Violation and Actions Taken: On 08/04/16 Code Enforcement Officer Kim Beard wrote a warning violation to correct grass and rubbish and trash in yard. Property was rechecked on 08/12/16 with no progress made. Certified and regular letters were mailed on 08/15/16 to address on file. Property was rechecked on 09/06/16 with some progress, grass had been cut. Additional recheck was performed on 09/16/16 with no progress. Final cleanup was completed on 09/28/16.

Code Enforcement Officer: Kim Beard

Officer Signature: _____

Date:

Time:

Memo

To: Mayor Tab Townsell
From: Scott Grummer, Planning & Development
Date: 11/4/2016
Re: Siebenmorgen Half Road Improvement

City Council approved this Siebenmorgen Half Road Improvement and the funding earlier this year for drainage and pedestrian improvements along Siebenmorgen Road in the Pine Street neighborhood. Drainage Improvements are to be made in the State Hwy Right of Way, and a 6 foot sidewalk improvement on the private side, to create a pathway from Ingram Street to Harkrider.

In order to proceed with these improvements, pedestrian pathway easements will need to be signed with property owners on 3 of these blocks. In addition, one block owned by Spencer Hawks will have trees impacted by the improvement on the private side, and the block owned by Agape Church will have paved parking modified to accommodate the sidewalk on the private side.

All owners have been notified, and are in agreement with the improvements

PATHWAY EASEMENT

SPENCER HAWKS

To:

THE CITY OF CONWAY, ARKANSAS

KNOW ALL MEN BY THESE PRESENTS:

That I, Spencer Hawks (GRANTOR), for and in consideration of the sum of Ten Dollars (\$10.00), to me paid by the City of Conway, Arkansas, a City of the first class, (GRANTEE), cash in hand, the receipt of which is hereby acknowledged, do hereby grant, bargain, sell and convey unto said GRANTEE, its successors and assigns, forever, a Pathway Easement generally following the Southern side of Siebenmorgen Road, across, over and through the following described lands, owned by GRANTOR and situated in the City of Conway, Faulkner County, Arkansas, to-wit:

LEGAL DESCRIPTION

Pathway Easement

A strip of land situated in part of the NW $\frac{1}{4}$, SW $\frac{1}{4}$, Section 06, T-5-N, R-13-W, Faulkner County, Arkansas, also known as the part of the North 6 Feet of Block 8, Burns Addition City of Conway; said strip being more particularly described as follows:

Commencing at the Northwest Corner of said Block 8 Burns Addition, thence running East along State Highway 266 along the north line of said Block 8, 300.00 feet to the Northeast Corner of said ownership; Thence continuing south along the East line of said Block 8, 6.00 feet; Thence continuing West, 300.00 feet to the West line of said Block 8; Thence continuing North along the West line of said Block 8, 6.00 feet to the Point of Beginning, containing 0.0413 Acres (1,800 S.F.) more or less.

The Pathway Easement described herein provides the easement for construction by GRANTEE of a 6 foot wide concrete paved Pathway, together with the rights, easements and privileges in or to said lands that may be required for the full enjoyment of the right for public ingress and egress by walking pedestrians or bicycle riders along said Pathway. No public vehicular ingress and egress will be permitted along said easement except as approved by the Conway Planning Commission in the subdivision process. GRANTOR reserves the right to have private vehicular and pedestrian access across said easement, extend utilities across said easement to serve his property and utilize the area of said easement in computation of any development area for his property as required to maintain full enjoyment and use of his property.

TO HAVE AND TO HOLD the same unto the said City of Conway, Arkansas, and to its successors and assigns forever.

AND GRANTOR does hereby covenant with the said City of Conway, Arkansas, that I will forever warrant and defend the title to said lands and property against the lawful claims of any and all persons whomsoever.

AND I, GRANTOR, do hereby release and relinquish unto the said grantee all my/our right of dower or courtesy and homestead in and to said lands.

Witness my/our signature on this _____ day of _____, 2016.

_____ (Signature)

_____ (Printed Name)(GRANTOR)

_____ (Address)

_____ (Address)

ACKNOWLEDGMENT

STATE OF ARKANSAS

County of Faulkner

BE IT REMEMBERED, that on this day came before the undersigned, a Notary Public within and for the County aforesaid, duly commissioned and acting, _____, to me well known as the GRANTOR in the foregoing instrument, and acknowledged that they had executed the same for the consideration and purposes therein mentioned and set forth.

WITNESS my hand and seal as such Notary Public this ____ day of _____, 2016.

Notary Public

My Commission Expires: _____

The undersigned GRANTEE does hereby certify, under penalties of false swearing, that the legally correct amount of documentary stamps have been placed upon this instrument.

GRANTEE'S Signature

Address

City, State, Zip

CORPORATE ACKNOWLEDGMENT

STATE OF ARKANSAS
County of Faulkner

BE IT REMEMBERED, that on this day came before the undersigned, a Notary Public within and for the County aforesaid, duly commissioned and acting, _____, to me well known, who stated that he/she/they was/were the _____ of _____ (GRANTEE) a corporation, and was/were duly authorized in his/her/their respective capacity/ies to execute the foregoing instrument for and in the name and behalf of said corporation, and further stated that he/she/they had executed the same for the consideration and purposes therein mentioned and set forth.

WITNESS my hand and seal as such Notary Public this ____ day of _____, 2016.

Notary Public

My Commission Expires: _____

SIEBENMORGEN HALF ROAD IMPROVEMENT
BLOCK 8 BURNS ADDITION

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE CITY OF CONWAY, AR (CITY)

AND

SPENCER HAWKS (OWNER)

- 1) This Memorandum of Understanding (MOU) relates to the 2016 Siebenmorgen Half Road Improvement Project (Project). The Project includes, among other things, installation of a drainage culvert in the State HWY right of way, back fill and finished grading over the drainage improvement, construction of a half road improvement to the edge of the Right of Way line/Property Line. As it impacts Owner's property specifically, the Project entails construction of a six (6) foot wide sidewalk on the Owner's property running adjacent to the property line, as well as the removal of certain trees from Owner's property near Siebenmorgen Road.
- 2) The Project is being paid for with Community Development Block Grant funds. The drainage improvements are to be constructed in the street right of way, and the six (6) foot wide sidewalk is to be constructed on the Owner's property.
- 3) Owner agrees to provide the City a Pathway Easement across Owner's property generally following the Southern side of Seibenmorgen Road, for public ingress and egress by pedestrians and bicyclists along said pathway, across, over and through the following described lands, owned by Owner and situated in the City of Conway, Faulkner County, Arkansas, to wit:

LEGAL DESCRIPTION

Pathway Easement

A strip of land situated in part of the NW $\frac{1}{4}$, SW $\frac{1}{4}$, Section 06, T-5-N, R-13-W, Faulkner County, Arkansas, also known as the part of the North 6 Feet of Block 8, Burns Addition City of Conway; said strip being more particularly described as follows:

Commencing at the Northwest Corner of said Block 8 Burns Addition, thence running East along State Highway 266 along the north line of said Block 8, 300.00 feet to the Northeast Corner of said ownership; Thence continuing south along the East line of said Block 8, 6.00 feet; Thence continuing West, 300.00 feet to the West line of said Block 8; Thence continuing North along the West line of said Block 8, 6.00 feet to the Point of Beginning, containing 0.0413 Acres (1,800 S.F.) more or less.

- 4) Owner understands and agrees that (insert exact number of trees here) trees which are on the owner's property, will be removed by the City at the City's cost. The trees to be removed are those trees marked by (insert type of marking) and photographed during a joint visit to Owner's property by Owner and representatives of the City on (insert date of visit here).
- 5) By signing this Memorandum of Understanding and the separate Pathway Easement, the Owner agrees to said Project and specifically to the removal of the trees described in Paragraph 4, and to the construction of a six (6) foot wide sidewalk on the Owner's property as described Paragraphs 1 and 3, above, and in the Pathway Easement.
- 6) Limitation of Liability. IN NO EVENT SHALL EITHER PARTY, ITS RESPECTIVE TRUSTEES, BOARD, OFFICERS, AGENTS OR EMPLOYEES, BE LIABLE TO THE OTHER PARTY, ITS CONTRACTORS OR SUBCONTRACTORS, FOR ANY LIABILITY, CLAIMS, OR CAUSES OF ACTION, OF ANY NATURE, INCLUDING ATTORNEYS' FEES, FOR ANY LOSS, INJURY, DEATH, HARM OR DAMAGE TO PERSONS OR PROPERTY WHICH MAY ARISE AT ANY TIME FROM THE PERFORMANCE OR NONPERFORMANCE OF THIS AGREEMENT. THIS PROVISION SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT.
- 7) Disclaimer of Warranty. OWNER UNDERSTANDS AND AGREES THAT THE SERVICES, PRODUCTS OR ANY OTHER ITEMS PROVIDED BY CITY AND ITS STAFF IN CONNECTION WITH THIS AGREEMENT ARE PROVIDED "AS IS" AND OWNER'S USE OF THE SERVICES AND PRODUCT IS AT OWNER'S OWN RISK. THE CITY EXPRESSLY DISCLAIMS ALL WARRANTIES WHETHER EXPRESS OR IMPLIED (WHETHER IN CONTRACT, TORT, STATUTE OR OTHERWISE), WITH RESPECT TO THE PROJECT OR ANY COMPONENT THEREOF INCLUDING

WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. OWNER UNDERSTANDS AND AGREES THAT CITY SHALL HAVE NO RESPONSIBILITY FOR ANY THIRD PARTY SERVICES OR PRODUCTS. THIS PROVISION SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT.

For the City:

Mr. Scott Grummer
Program Manager, Community Development
City of Conway
1201 Oak Street
Conway, AR 72032
scott.grummer@cityofconway.org
501-450-6105 ext. 3724

For the Owner:

Spencer Hawks
1720 Royal Dr.
Conway, AR 72034-7344
hawksfamilyteam@gmail.com
(501) 764-6847

Either Party may from time-to-time designate in writing new representatives.

- 8) The Parties agree to adhere to any and all applicable Federal and State laws, including laws pertaining to nondiscrimination and equal employment opportunity. This Agreement shall be interpreted in accordance with the laws of the State of Arkansas without regard to its choice of law principles.
- 9) No Third Party Beneficiaries. It is expressly understood and agreed that the enforcement of the terms and conditions of this contract and all rights of action relation to such enforcement shall be strictly reserved to the City and Owner. Nothing contained in this Agreement shall give or allow any claim or right of action whatsoever by any other third person.
- 10) Sovereign and Governmental Immunity. Nothing in this Memorandum of Understanding shall be deemed or construed as a waiver of any immunities to suit legally available to either Party.
- 11) Waiver. The waiver of any breach of a term, provision, or requirement of this Memorandum of Understanding shall not be construed or deemed as waiver of any subsequent breach of such

term, provision, or requirement or of any other term, provision, or requirement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on this day, August 3rd, 2013.

By: Spencer Hawks

Owner

Scott Grummer

City of Conway, Project Manager

Date

By: Tab Townsell

Mayor



City of Conway, Arkansas
Ordinance No. O-16-_____

AN ORDINANCE GRANTING A TEMPORARY FRANCHISE TO UTILIZE STREET RIGHTS-OF-WAY AND PARKS FOR HORSE-DRAWN CARRIAGE RIDES; DECLARING AN EMERGENCY AND FOR OTHER PURPOSES:

Whereas, Bobby Stokes, 895 Brookhill Ranch Road, Hot Springs Village Arkansas, of Hot Springs Carriage Company desires to utilize streets and public grounds and parks for the purpose of offering horse-drawn buggy rides; and

Whereas, the City of Conway has control of such streets and public grounds and parks and finds it advantageous to grant a franchise for the use of such streets and public grounds and parks for the offering of horse-drawn buggy rides.

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

Section 1: A temporary franchise that shall be in effect until December 31, 2016 is hereby granted from the City of Conway, Arkansas (hereinafter referred to as "City") to Hot Springs Carriage Company, herein after referred to as "Franchisee") for the purpose of offering horse-drawn buggy rides for profit in a limited area within the City of Conway, State of Arkansas. Franchisee, in the conduct of his business shall be authorized to utilize the streets and public grounds within an area bounded by the outer edges of the rights-of-way of the hereinafter named streets to as follows: Harkrider, Tyler Robins, and Donaghey (including UCA).

Section 2: Franchise may be extended to utilize the Conway city parks at the discretion of the City, which at the time of the extension shall set hours and conditions of park use.

Section 3: Fees – A fee of **50.00** shall be charged for this franchise.

Section 4: Franchisee shall be responsible for obtaining insurance in the amount of **\$50,000** per person for bodily injury claims, with a **\$100,000** aggregate limit for bodily injury claims and **\$50,000** for property damage, and that this franchise shall not be valid without such insurance.

Section 5: Franchisee shall provide a light source (consisting of a positive source of light, not merely a reflector) on the rear of such horse-drawn buggy that will be sufficient to provide adequate illumination to assure that any vehicles approaching from the rear can clearly see the buggy.

Section 6: Franchisee shall be responsible for seeing that the animals used for pulling the buggy or buggies shall be adequately cared for and not overworked. Any abuse or neglect of these animals shall be grounds for revoking this franchise. Adequate records to determine the hours the animal(s) are worked must be maintained.

Section 7: Franchisee shall be responsible for keeping the street rights-of-way, easements and public grounds and parks clear of any animal excrement or other waste products and shall assume the costs of such actions. That failure to do so will be adequate grounds for revocation of this franchise.

Section 8: This franchise shall not be transferred to any other party.

Section 9: All drivers of these conveyances shall at all times be sober as determined by state law and capable of driving in a safe manner. That failure to comply will be adequate grounds for revocation of this franchise.

Section 10: Any accidents must be reported immediately to the proper authorities. Failure to do so will be adequate grounds for revocation of this franchise.

Section 11: All conveyances shall be maintained in a safe manner and licensed if required by the State of Arkansas. That failure to comply will be adequate grounds for revocation of this franchise.

Section 12: That all conveyances must have a braking system adequate to control a runaway horse. That failure to do so will be adequate grounds for revocation of this franchise.

Section 13: That the City assumes no maintenance or liability responsibility for Franchisee's plant appurtenances.

Section 14: That the Mayor, Police Chief or Fire Chief may temporarily revoke this franchise if it is determined that a situation exists that requires such revocation for the public safety or for abatement of a public nuisance. Upon such temporary revocation, Franchisee shall remove equipment and appurtenances from the streets and/or public grounds or places at their own expense.

Section 15: Franchisee shall have ninety (90) days from and after its passage and approval to file its written acceptance of this ordinance with the City Clerk, and upon such acceptance being filed; this Ordinance shall be considered as taking effect and being in force from and after the date of its passage and approval by the Mayor.

Section 16: That all ordinances or parts of ordinances of a permanent and general nature in effect at the time of adoption of this ordinance and not included herein, are hereby repealed where they are in conflict with this ordinance.

Section 17: That it is ascertained and declared that it is necessary for the public peace and welfare of the citizens of the City of Conway, Arkansas, an emergency is hereby declared to exist and this ordinance shall take effect and be in force from and after its passage and publication.

PASSED this 8th day of November, 2016.

Approved:

Mayor Tab Townsell

Attest:

Michael O. Garrett
City Clerk/Treasurer



City of Conway, Arkansas
Ordinance No. O-16-_____

AN ORDINANCE REPEALING ORDINANCE O-16-88 & ORDINANCE O-16-115; APPROPRIATING FUNDS, WAIVE COMPETITIVE BIDS; AND AWARD CONTRACTS FOR THE MOVING AND RESTORATION OF THE HISTORIC SPRINGFIELD/DES ARC BRIDGE; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES

Whereas, the City of Conway has determined it necessary to repeal certain ordinances related to the moving and restoration of the historical Springfield/Des Arc Bridge to clarify its intent; and

Whereas, Ordinance No. O-16-88 appropriated the match funding from a Metroplan grant; the grant has since been moved to the DWD pedestrian bridge project; and

Whereas, Ordinance No. O-16-115 appropriated the funds and waived competitive bids to move the Springfield/Des Arc Bridge.

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

Section 1. The City of Conway shall repeal in its entirety Ordinance No. O-16-88 & Ordinance No. O-16-115.

Section 2. The City of Conway shall waive the competitive bidding process for the relocation and restoration of the bridge and construction/installation of the abutments, approaches, and connecting trails and award the contract to Workin’ Bridges. The Mayor is authorized to enter into necessary agreements with Workin’ Bridges, subject to City Attorney’s approval.

Section 3. The City of Conway shall appropriate an amount up to \$_____ from Parks and Recreation A&P Fund Balance Appropriation (252-000-4900) to the Parks General CIP Account (252-140-5990).

Section 4. All ordinances in conflict herewith are repealed to the extent of the conflict.

Section 5. This ordinance is necessary for the protection of the public peace, health and safety; an emergency is hereby declared to exist, and this ordinance shall be in full force and effect from and after its passage and approval.

PASSED this 8th day of November, 2016.

Approved:

Mayor Tab Townsell

Attest:

Michael O. Garrett
City Clerk/Treasurer



**City of Conway, Arkansas
Ordinance No. O-16- _____**

AN ORDINANCE WAIVING BIDS FOR THE PURCHASE OF CRIMINAL INTELLIGENCE SOFTWARE FROM CRIMENTEL FOR THE CONWAY POLICE DEPARTMENT; AND FOR OTHER PURPOSES

Whereas, the Conway Police Department needs to purchase Criminal Intelligence Software for the department; and

Whereas, CrimeNtel is the sole source provider for the software, therefore, it is the desire of the City Council to waive the competitive bid requirement.

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

Section 1. The City of Conway shall accept CrimeNtel as the sole source provider and hereby waive competitive bid requirements for the Criminal Intelligence Software in the amount of \$21,400.

Section 2. All ordinances in conflict herewith are repealed to the extent of the conflict.

PASSED this 8th day of November, 2016.

Approved:

Mayor Tab Townsell

Attest:

**Michael O. Garrett
City Clerk/Treasurer**



**City of Conway, Arkansas
Ordinance No. O-16-_____**

AN ORDINANCE APPROPRIATING GENERAL FUNDS TO THE CONWAY POLICE DEPARTMENT FOR OPERATION SHOP SECURE AND FOR OTHER PURPOSES:

Whereas, The Conway Police Department needs approximately \$50,000 in overtime funds for Operation Shop Secure; and

Whereas, the Conway Police Department needs these funds in order to increase police presence in all shopping areas throughout the City of Conway during the holidays which will provide a safer shopping experience for the citizens of Conway.

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

Section 1. The City of Conway shall appropriate \$50,000 from the general fund balance appropriation account 001.119.4900 into the CPD overtime expense account, 001.121.5114.

Section 2. All ordinances in conflict herewith are repealed to the extent of the conflict.

PASSED this 8th day of November, 2016.

Approved:

Mayor Tab Townsell

Attest:

**Michael O. Garrett
City Clerk/Treasurer**



City of Conway
Human Resources Department
City Hall
1201 Oak Street
Conway, Arkansas 72032
www.cityofconway.org

Date: November 4, 2016

To: Andy Hawkins David Grimes Wesley Pruitt Shelly Mehl
Mark Ledbetter Mary Smith Theo Jones Shelia Isby

Cc: Mayor Tab Townsell

From: Lisa Mabry-Williams

Subject: Fitness Facility Membership

Pursuant to the City Council's request we published the following notice in the Log Cabin Democrat and posted the same on the City of Conway website on Friday, October 21, 2016:

Request for Qualifications

The City of Conway is seeking qualifications and performance data for fitness facility memberships for all full and part time City of Conway employees and retirees. Statements must be received in the Mayor's Office no later than 10:00 a.m. on November 4th, 2016 to be considered.

The following information was posted on the City of Conway website on Friday, October 21, 2016:

- Annual base amount to be paid by City for the use of the facility for all full time and part time employees and City of Conway retirees. Fitness facility will be responsible for tracking employee usage of their facility.
- Fitness facility membership must cover all full and part time City of Conway employees and all City of Conway retirees
- Members must have access to the facility twenty-four (24) hours a day, seven (7) days per week
- The facility's parking lot must be able to accommodate parking for fire vehicles up to thirty-four (34) feet long with an approximate weight of forty-six thousand five hundred (46,500) pounds

We received three proposals. 365 Fitness in the amount of \$14,500 plus tax (\$15,768.75); Sync Fitness \$18,000 plus tax (\$19,575.00) and Anytime Fitness in the amount of \$29.99 plus tax (\$32.60) per employee per month.

365 Fitness has provided fitness facility membership for City of Conway employees and retirees since 2006. They lowered the membership price in 2015 to \$14,500 plus tax (\$15,768.75). The price will remain the same for 2016 and will remain the same for 2017. City employees and retirees will have 24 hours access to the gym. They also provide and meet the parking requirements for the fire department vehicles.

By providing a fitness facility membership at no cost to our employees we encourage and assist our employees in maintaining a healthy lifestyle.

We respectfully request that you approve the renewal of our contract with our fitness facility provider, 365 Fitness for the 2017 plan year.



City of Conway
Human Resources Department
City Hall
1201 Oak Street
Conway, Arkansas 72032
www.cityofconway.org

Date: November 4, 2016

To: Andy Hawkins David Grimes Wesley Pruitt Shelly Mehl
Mark Ledbetter Mary Smith Theo Jones Shelia Isby

Cc: Mayor Tab Townsell

From: Lisa Mabry-Williams

Subject: 2016 Medical Benefits

Pursuant to the City Council's request we published the following Notice in the Arkansas Democrat Gazette, the Log Cabin Democrat and posted the same on the City of Conway website on Friday, October 21, 2016:

Notice

The City of Conway is accepting sealed bids for group Health Benefits for the 2017 plan year. Bid information and specifications may be obtained at www.cityofconway.org on Monday, October 24th, by contacting the Office of the Mayor, 1201 Oak Street, Conway, AR 72032 or by calling 501-450-6110. Bids must be received in the Mayor's Office no later than 10:00 a.m. on November 4th, 2016 to be considered.

We received requests for and provided Employee Census Reports, 2016 AML Health Fund Booklet, 01.01.16 through 08.31.16 Experience/Loss Ratio Report (Claims vs. Premiums), 2015 and 2016 Claims Paid by Service Code, 2015 and 2016 Claims Paid by Diagnosis Code, 2015 and 2016 Top 10 Drug Reports, and AML MHB 2016 rates. Representatives from Health Advantage and Legacy Capital Group – a Benefits Consultant, requested the reports.

The representative from Health Advantage, our former medical benefits provider, informed me on Friday that his underwriters declined to quote because Health Advantage is unable to present a competitive quote.

The Arkansas Municipal League has presented us with the only bid. The City of Conway rates will increase approximately 22% on January 1, 2017. The attached spreadsheets show three (3) scenarios of the cost to the City and the 2017 budget the scenarios are:

- Scenario #1 – The percentage of the premium the City and the employee pay remains unchanged
- Scenario #2 – The City absorbs 100% of the premium increase, the employee contribution remains unchanged
- Scenario #3 – The employee absorbs 100% of the premium increase, the City contribution remains unchanged

We respectfully request that you approve the renewal of our contract with the Arkansas Municipal League Health Benefit Fund to continue to provide medical benefits to City of Conway employees for the 2017 plan year. We also request that you determine the how the premium increase will be distributed between the City and the employee for the 2017 plan year.

City of Conway

2017 Medical Benefit Rates

Current Rates						
2016 AML MHBF	Employee	Employee	City	City	Total	
Municipal Health Benefit Fund \$500 Deductible	Employee Cost/Mo	Employee Cost/Pay Period	City Cost/Mo.	City Cost/Pay Period	Total Premium	% Paid by City
Employee Only	\$19.50	\$9.75	\$327.00	\$163.50	\$346.50	94.4%
Employee + Spouse	\$149.75	\$74.88	\$616.75	\$308.38	\$766.50	80.5%
Employee + Children	\$126.00	\$63.00	\$640.50	\$320.25	\$766.50	83.6%
Employee + Family	\$194.50	\$97.25	\$572.00	\$286.00	\$766.50	74.6%
Scenario # 1 - Percentage the City and employee pay remain unchanged						
2017 AML MHBF	Employee	Employee	City	City	Total	
Municipal Health Benefit Fund \$500 Deductible	Employee Cost/Mo	Employee Cost/Pay Period	City Cost/Mo.	City Cost/Pay Period	Total Premium	% Paid by City
Employee Only	\$23.50	\$11.75	\$399.50	\$199.75	\$423.00	94.4%
<i>difference</i>	<i>\$4.00</i>	<i>\$2.00</i>	<i>\$72.50</i>		<i>\$76.50</i>	
Employee + Spouse	\$182.50	\$91.25	\$755.00	\$377.50	\$937.50	80.5%
<i>difference</i>	<i>\$32.75</i>	<i>\$16.38</i>	<i>\$138.25</i>		<i>\$171.00</i>	
Employee + Children	\$153.50	\$76.75	\$784.00	\$392.00	\$937.50	83.6%
<i>difference</i>	<i>\$27.50</i>	<i>\$13.75</i>	<i>\$143.50</i>		<i>\$171.00</i>	
Employee + Family	\$238.54	\$119.27	\$698.96	\$349.48	\$937.50	74.6%
<i>difference</i>	<i>\$44.04</i>	<i>\$22.02</i>	<i>\$126.96</i>		<i>\$171.00</i>	
Scenario #1 - Additional impact on 2017 Budget			\$568,981.80	General Fund Only - \$ 437,265.00		
Scenario #2 - City absorbs 100% premium increase, employee contribution remains unchanged						
2017 AML MHBF	Employee	Employee	City	City	Total	
Municipal Health Benefit Fund \$500 Deductible	Employee Cost/Mo	Employee Cost/Pay Period	City Cost/Mo.	City Cost/Pay Period	Total Premium	% Paid by City
Employee Only	\$19.50	\$9.75	\$403.50	\$201.75	\$423.00	95.4%
<i>difference</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$76.50</i>		<i>\$76.50</i>	
Employee + Spouse	\$149.75	\$74.88	\$787.75	\$393.88	\$937.50	84.0%
<i>difference</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$171.00</i>		<i>\$171.00</i>	
Employee + Children	\$126.00	\$63.00	\$811.50	\$405.75	\$937.50	86.6%
<i>difference</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$171.00</i>		<i>\$171.00</i>	
Employee + Family	\$194.50	\$97.25	\$743.00	\$371.50	\$937.50	79.3%
<i>difference</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$171.00</i>		<i>\$171.00</i>	
Scenario #2 - Additional impact on 2017 Budget			\$699,894.00	General Fund Only - \$ 540,216.00		
Scenario #3 - Employee absorbs 100% premium increase, City contribution remains unchanged						
2017 AML MHBF	Employee	Employee	City	City	Total	
Municipal Health Benefit Fund \$500 Deductible	Employee Cost/Mo	Employee Cost/Pay Period	City Cost/Mo.	City Cost/Pay Period	Total Premium	% Paid by City
Employee Only	\$96.00	\$48.00	\$327.00	\$163.50	\$423.00	77.3%
<i>difference</i>	<i>\$76.50</i>	<i>\$38.25</i>	<i>\$0.00</i>		<i>\$76.50</i>	
Employee + Spouse	\$320.75	\$160.38	\$616.75	\$308.38	\$937.50	65.8%
<i>difference</i>	<i>\$171.00</i>	<i>\$85.50</i>	<i>\$0.00</i>		<i>\$171.00</i>	
Employee + Children	\$297.00	\$148.50	\$640.50	\$320.25	\$937.50	68.3%
<i>difference</i>	<i>\$171.00</i>	<i>\$85.50</i>	<i>\$0.00</i>		<i>\$171.00</i>	
Employee + Family	\$365.50	\$182.75	\$572.00	\$286.00	\$937.50	61.0%
<i>difference</i>	<i>\$171.00</i>	<i>\$85.50</i>	<i>\$0.00</i>		<i>\$171.00</i>	
Scenario #3 - Additional impact on 2017 Budget \$ 0				General Fund Only - \$ 0		