
MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

Conway, Arkansas
Tuesday 6:30 pm
March 22, 2016

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

Call to Order: Mayor Tab Townsell

Roll Call: Michael O. Garrett

Minutes: March 8, 2016 Meeting

Alderwoman Whitmore motioned to adopt the March 8, 2016 minutes as submitted. Alderwoman Mehl seconded the motion. There was no discussion. The motion passed 5-0.

Employee Service Awards

5 Years

Aaron Cullum - Police Dept.
Brian McClain - Parks & Recreation Dept.
Richard Uekman - Sanitation Dept.
Jerrodrick Webb - Sanitation Dept.

10 Years

Ryan Lee - Sanitation Dept.

15 Years

Josh Elliot - Street Dept.
Adam Tilly - Fire Dept.

20 Years

Roxanne Ruple - District Court

25 Years

Jody Spradlin - Police Dept.

Mayor Townsell read a proclamation for the Arkansas Community Foundation and the Arkansas Non-Profit Alliance.

Approval of the monthly financial report ending February 29, 2016

Tyler Winningham, CFO, began with the General Fund and stated all revenues are on target even though it was not a good month for sales tax which was down approximately 1.5% over the same time last year and explained this covered the month of December 2015 sales. Mr. Winningham stated there are a few

MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

departments such as non-departmental that appear to be over budget on expenses, which is due to many front loaded expenses that occur at the beginning of the year. Mr. Winningham stated fleet maintenance is over budget as some departments will transfer funds on a month to month basis into this line item for the usage, but he is not concerned about this at this time. Mr. Winningham moved onto the Street Fund and stated this fund took a hit when we paid the Arkansas Highway and Transportation Department (ADHT) \$2 million the city had pledged for their portion of the Dave Ward Drive Project associated with the Lewis Crossing Development. Mr. Winningham stated we determined we would use the one-half cent sales tax revenue for the funding of this project as well as other major projects; we have collected approximately \$2.6 million since 2013 and this payment took the majority of that money, but stated we will continue to collect these funds and use it towards other major street projects such as Central Landing and the South Interchange. Mayor Townsell stated the net revenue does have an impact on this year's income statement but the Street Fund balance sheet still shows a balance of \$2.4 million. Mr. Winningham moved on the Sanitation Fund and stated revenues are right on target and the expenditures are well within range and it has a bottom line of approximately \$1 million. Mr. Winningham moved onto the Airport Fund stated on the revenue side we have collected most of the ground leases and miscellaneous revenues will likely need to be adjusted up. Alderman Hawkins asked what that number is. Mr. Winningham stated Josh Zylks, Airport Manager, can answer that better as he keeps a monthly revenue spreadsheet of other various revenues which is approximately \$500.00 - \$800.00 per month and stated the expenditures are all within budget. Mr. Winningham stated the Major Projects Funds sheet shows the Park Recreation A&P tax is at \$1.6 million, Pay as you go Sales Tax is at \$2.4 million, Street Impact Fees sits at \$444,000.00, and the Parks Impact Fees sits at \$297,317.00. Alderwoman Whitmore motioned to approve the February 2016 monthly financials. Alderman Jones seconded the motion. Alderman Hawkins asked if the Airport Fund numbers included December. Mr. Winningham stated no, these are actual February numbers. Mr. Winningham asked if Alderman Hawkins is referring to fuel sales. Alderman Hawkins stated yes, and it does not appear we are selling as much fuel as we thought we would. Mayor Townsell stated it could be the weather as the biggest flying season is during warmer months. Mayor Townsell stated he feels we are okay and if you look at the major movers in the budget revenue wise it is going to be fuel for resale; the major expenses are the cost of the fuel to sale and personnel and the cost of those two combined are nowhere close to the revenue we received from fuel sales. Mayor Townsell stated as long as we keep that a positive ratio, we are in good shape no matter what the fuel sales are. There was no further discussion. The motion passed 5-0.

1. Report of Standing Committees:

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

1. Public hearing to discuss the ordinance to annex certain lands along Mill Pond Road and Bronnie Lane that has been completely surrounded by the incorporated limits of the City.

Alderwoman Mehl state there is an error in the ordinance as Section 4 states this area would become a part of Ward 2 when in actuality it will become a part of Ward 4. Mayor Townsell stated we will correct that error. Mayor Townsell opened the public hearing. Don Bowman, Premium Supply, stated his business is located next to Bronnie Lane and I-40 and asked how far the city limit extends down I-40. Mayor Townsell stated it does not appear to extend much further south than the property behind yours on the west side of I-40, but it does appear to go further south of the east side of I-40. Mr. Bowman stated Chris Thornton owns the property behind his and he has spoken to Mr. Thornton and he stated his primary objective is to sell the vacant land (approximately 11 acres) directly his property to the

MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

south. Mr. Bowman stated Mr. Thornton's idea of getting that land annexed into the city was to enhance the sales price of the property and that he was never advised that it would affect other people, and if he had been advised he would have reconsidered the voluntary annexation. Mr. Bowman stated Mr. Thornton is not present tonight, but he could get an affidavit if it would help matters. Mr. Bowman stated the property to the south has been allowed to be filled and is significantly higher in elevation than his property, which causes a problem with his septic system; when his septic system was installed it never flooded but it does now, every time it rains. Mr. Bowman stated his concern is if city sewer will be available in the area and if so what the timeline would be; Mr. Bowman stated the letter he received only talked about Fire and Police protection being extended. Mr. Bowman stated the city stands to gain approximately \$40,000.00 just on his business alone, which is a significant amount of money just to have the Police patrol his business, but if he could count on having other services extended he would definitely be in favor of the annexation. Mr. Bowman stated city water is available across the street and explained a water line could be run under the street to his property, but he does not know who would be responsible for paying for this. Mr. Bowman stated other concerns include electric service, internet service (which they cannot get), and trash pickup and in review of this situation the cost to our customers would increase at least 1.75% which will make him less competitive. Mr. Bowman stated real estate taxes would also increase and possibly personal property taxes as well. Mr. Bowman stated if all the services he mentioned could be extended he would like to know what the "reasonable period of time" would be and if the only services we would be getting is Fire and Police protection he respectfully requests that the city postpone the plan to annex the land until additional services can be offered. Nancy Cochran, Round Mountain Cemetery Board member, asked if they would be required to install a sidewalk on the road frontage. Mayor Townsell stated not at this time but if you were to build a building that would trip the sidewalk requirement. Greg Bowman, Premium Supply, stated he wanted to clarify some of their concerns and explained they are unable to get internet service as AT&T will not install high speed internet service due to the fact that they feel the city of Conway would be annexing the area soon and they do not want to spend the money. Mr. Bowman explained he runs his business by using approximately 40 gigabytes of data on a hotspot via his cellular phone. Mr. Bowman also stated he is not covered by the Police however when the Soul Food Café was next door and burned down the Conway Fire Dept. extinguished the fire, so we are already covered by the Fire Dept. as they have a good neighbor policy and stated we are also provided recycling as well. Mayor Townsell closed the public hearing. Mayor Townsell stated the city has taken a policy of closing these islands of unincorporated area inside the city as a matter of course so we do not have a situation like we had 15 years ago when we had approximately 15 islands which had less problems for public safety than this area. Mayor Townsell stated if we treat you differently than we treat everyone else other than having a blanket policy, we get into more problems which is why we proceed with closing these island annexations. Mayor Townsell stated in terms of delivery of services we will be able to legally have jurisdiction inside the city when we bring you in for Police and Fire; in terms of the utilities, water and sewer is always extended by whoever is requesting it and it is always paid for by whoever will be benefiting from the service, rather than the rest of the rate payers. Mayor Townsell stated if you want city water you would be required to pay for the installation and stated he does not think Conway Corp. would require a water main extension and sewer service should but is usually more expensive and stated those two services would be paid for by the property owner. Mr. Bowman stated J.C. Thornton has looked into the sewer extension and it is \$100,000.00. Mayor Townsell suggested Mr. Bowman piggy back with Mr. Thornton since

MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

he has more land to take advantage of, in this situation. Mr. Bowman stated there is also a water line that supplies water Mayflower from Greer's Ferry Lake, which he believes is a 24" main that runs down the center of Bronnie Lane and asked if that is between he and Conway Corp. water and stated now we have an expense that is put there by someone else. Mayor Townsell stated he cannot speak to that, Conway Corp. would need to address that but obviously they would have to go around, we do not take service off that line and he believes there is a connection for emergencies that we can tap into. Mayor Townsell stated there would be an added cost to go around, over, or under that water line and it would make sense to bring it in when Mr. Thornton develops the rest of his property. Mayor Townsell stated typically the other utilities and medical service would be extended according to Conway Corp. timetable; cable service would be available and we would pick up full sanitation services which would be billed through your Conway Corp. bill. Alderman Jones asked if we could have someone from Conway Corp. come in next time to address these issues. Mayor Townsell stated yes. There was no further discussion. Mayor Townsell closed the public hearing.

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

- 1. Resolution setting a public hearing to discuss the closing of a portion of street right of way located in the northwestern portion of Round Mountain Subdivision.**

R-16-09

Alderwoman Whitmore motioned to adopt the resolution. Alderman Hawkins seconded the motion. Mayor Townsell stated this right-of-way closing is being driven by Faulkner County, who is building a second access road; the portion shown circling back up to northwest, is no longer needed and will not lead anywhere. Mayor Townsel stated the new right-of-way would extend to the west and provide relief for all emergency services to or from Round Mountain. There was no further discussion. The motion passed 5-0. The public hearing is set for Tuesday April 12, 2016 at 6:30 pm.

- 2. Consideration to approve the nomination of Lindsay Henderson to the Conway Corporation Board of Directors.**

Alderman Hawkins stated this nomination will replace the term of Brad Hegeman whose term expires May 8, 2016; this term will run for a period of 7 years. Alderwoman Whitmore motioned to approve the nomination of Lindsay Henderson. Alderwoman Mehl seconded the motion. There was no discussion. The motion passed 5-0.

- 3. Consideration to approve a variance request for property located at 2740 College Avenue (Pediatrics Plus).**

Finely Vinson, City Engineer, stated the current ordinance requires the finished floor elevation to be 2 ft. above the base flood elevation and the current expansion of the Pediatrics Plus building is at the existing finished floor of the existing building, which is not 2 ft. above the base flood elevation. Mr. Vinson stated when this building was constructed two things were true, the ordinance at that time, if it were in place by then, would have only required 1 ft., but it is possible the ordinance was not in effect. Mr. Vinson stated we believe

MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

the building was constructed around the time that the initial flood plain ordinance passed and it was either grand fathered in or it met the requirement of the existing ordinance. Mr. Vinson stated this building can be seen as an expansion or an improvement, either way FEMA would not require this building to meet our ordinance, unless the improvement was more than 50% of the cost of the existing building and he does not believe that it is and stated he does not have any issues with this. Mr. Vinson stated they have submitted information to us and recommended approving the variance. Alderman Ledbetter asked if it is already constructed. Mr. Vinson stated yes, and it would have been possible for them to not even go this route because it is not classified as a substantial improvement. Mr. Vinson stated this was triggered because they were doing work in the floodplain/floodway that required them to develop a notarized certificate which showed up on our books which led to us asking more questions and we decided it would be best to cover our bases and request a variance. Mayor Townsell stated until recently the rule had been 1 ft. of where the former finished floor elevation met and exceeded but since we changed our rule they are trying to keep their finished floor level the same; this was a non-conforming, pre-existing building that conformed when it was constructed and they are trying to keep it the same because of their clientele. Alderman Jones motioned to approve the variance. Alderwoman Whitmore seconded the motion. There was no further discussion. The motion passed 5-0.

C. New Business

1. Consideration to approve an offer and acceptance to purchase property located at corner of College and Salem.

Mayor Townsell stated this is an opportunistic effort on the part of the city and explained we looked at this house approximately 3 years ago when it was on the market and felt like this is something we would eventually need if we were going to construct a roundabout at this location. Mayor Townsell stated we were going to pay their asking price and they would be given the chance to remove everything from the building that could be removed and these items will be donated to Habitat for Humanity. Mayor Townsell explained at some point Salem Rd. and College Ave. will need major turning movements even if we install a traffic signal or a roundabout and asked council to approve this purchase. Alderwoman Mehl asked if there is an appraisal. Mayor Townsell stated there is not an appraisal but we have ordered one as a part of our conditions of the purchase. Alderwoman Whitmore motioned to approve the offer and acceptance for purchase. Alderman Hawkins seconded the motion. There was no further discussion. The motion passed 5-0.

Adjournment

PASSED this 22nd day of March 2016

APPROVED:

Mayor Tab Townsell

City Clerk Michael O. Garrett