

---

---

## MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

---

Conway, Arkansas  
Tuesday 6:30 pm  
November 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, Alderman Pruitt, Alderwoman Mehl, Alderman Ledbetter, Alderman Jones, and Alderwoman Isby. Also, present and acting: Mayor Townsell, City Attorney Chuck Clawson, and Karen Francis. City Clerk Michael Garrett, Alderman Grimes, and Alderwoman Smith were not in attendance.

A committee meeting which was held prior to the city council meeting where council and guests discussed City Hall Mural Projects and Parks & Recreation projects.

**Call to Order: Mayor Tab Townsell**

**Roll Call: Karen Francis**

**Minutes: November 8, 2016 City Council Meeting**

Alderwoman Isby motioned to approve the November 8, 2016 minutes as submitted. Alderman Jones seconded the motion. There was no discussion. The motion passed 6-0.

**Employee Service Awards**

**5 Years**

Tim Gray – Police Dept.

**10 Years**

Jim Elliott – Parks Dept.

**Approval of the monthly financial report ending October 31, 2016**

Tyler Winningham, CFO, began with the General Fund and stated most of the revenues collected for Payments in Lieu of Tax (PILOT) will be paid out to the county and we also have received \$1.2 million in Insurance Tax turnback from LOPFI this year, which is over budget. Mr. Winningham stated Sales Tax is down 2.4% for the same month last year, which puts us up 1.4%, or relatively flat year to date. Mr. Winningham stated we have collected 76% of the budgeted franchise fees so far this year, which is down a bit. Mayor Townsell stated the expansion of our budget can be based on the growth of the economy or population, and even though we have expanded our retail market the fact is we may be seeing the compounding impacts of internet sales where no sales tax is collected but went onto say that many online businesses do collect sales tax now, but he is not sure we get that direct allocation as much as we do when it comes from a brick and mortar shop in Conway. Mayor Townsell stated this has basically been our scenario in terms of sales tax revenue since the downturn in 2010. Mayor Townsell stated the first couple of decades of the existence of our 1% sales tax we were up 7-8% annually, but since 2010 we are averaging around 2-3%; many years have been flat to negative, so this may be more of the way things are to be in the future, than the way they were in the past. Mr. Winningham stated the expenditures are within range and we have a healthy net revenue of just over \$1 million, and explained we have collected approximately one-half of our Ad Valorem tax and will see more of those revenues in November and

---

---

MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

---

December, and reminded council that we will also be hit with a 3 payroll month in December. Mayor Townsell asked what the impact of one payroll is, to the General Fund. Mr. Winningham stated one pay period is just shy of \$1 million. Mayor Townsell stated a 3 payroll month will consume most of the surplus you see on the balance sheet. Mr. Winningham moved onto the Street Fund and stated all revenues are in line where we have seen them throughout the year, severance tax is way down, state turnback is running a bit ahead of schedule, sales tax is within budget, and the expenditures are within budget. Mr. Winningham stated we have a negative bottom line for the year due to the large payment to the AHTD for the Dave Ward Drive project. Mr. Winningham moved onto the Sanitation Fund and stated the negative amount for the landfill fees should be a positive number, and correcting it will take the sanitation fees down a bit, the expenditures are below budgeted levels, and both the Street and Sanitation Funds have been operating most of the year with several vacancies, which is why these numbers are low. Mr. Winningham stated fuel expenses are down and the department has not purchased many new replacement carts, as they had budgeted for; there is a net revenue of \$2.3 million, which is a good place to be. Mayor Townsell stated on the other hand, you see it comes from the capital outlay not yet being expended; we are not over pricing, we have just not spent the capital money we anticipated we would spend in our 2016 budget. Mr. Winningham stated the Airport Fund revenues and expenditures are in line but stated we sold \$70,000.00 this month in fuel for resale; a typical month runs \$45,000.00 - \$50,000.00. Mr. Winningham stated the major project funds are as follows:

- Parks & Rec A&P Tax - \$2,123,634.00
- Pay as you go Sales Tax - \$3,137,571.00
- Street Impact Fees - \$597,905.00
- Parks Impact Fees - \$343,878.00

Mayor Townsell asked everyone to take a look at the Sanitation cash operating balance for purposes of an agenda item later in the meeting, and explained this fund is drawing very little interest and we will be asking you to tap into this fund to help pay down the debt at the new Airport, and to help cutoff an interest charge that we are currently paying. Mayor Townsell stated by doing this, we will be saving an interest cost on the new Airport that is more substantial, and this will be a real saving to us. Alderwoman Isby motioned to approve the October 2016 financials. Alderman Hawkins seconded the motion. There was no discussion. The motion passed 6-0.

Mayor Townsell stated he would like council to suspend the rules, after the public hearing, to discuss an ordinance to consider public art; a presentation was presented during the committee meeting by our Public Art Committee.

**1. Report of Standing Committees:**

**A. Public Hearings:**

**1. Public Hearing to discuss the closing of a portion of the pathway and drainage right-of-way easement located in Pediatrics Plus Subdivision.**

Mayor Townsell opened the public hearing. Mayor Townsell stated this is just east of Tucker Creek, south of College Ave. There was no one present to speak. Mayor Townsell closed the public hearing.

**a. Ordinance closing a portion of the pathway and drainage right-of-way easement located within Lot 2 in Pediatric Plus subdivision.**

---

---

MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

---

O-16-128

Mayor Townsell stated this is an easement granted to us for the purpose of having the Tucker Creek Bike Trail on the east side of Tucker Creek so we could do a circular walk around in order to get to the east side of the creek back over the bridge of the street to the existing trail on the west side of the creek. Mayor Townsell stated we decided to go ahead and bite the bullet and take the more difficult path and moving the entire Tucker Creek Bike Trail over to the west side of the Creek; we did not need this easement any longer but the property owner had already platted this for us but we no longer need the easement so we are closing the easement and giving it back. Finley Vinson, City Engineer, stated this is correct. Alderwoman Isby motioned to waive the readings of the ordinance. Alderman Hawkins seconded the motion. The motion passed 6-0. Alderwoman Isby motioned to adopt the ordinance. Alderman Jones seconded the motion. There was no discussion. Ms. Francis called the roll with the following voting "Aye": Alderman Hawkins, Alderman Pruitt, Alderwoman Mehl, Alderman Ledbetter, Alderman Jones, and Alderwoman Isby. The motion passed 6-0.

Alderman Jones motioned to suspend the rules to add an item to the agenda. Alderman Hawkins seconded the motion. The motion passed 6-0. Mayor Townsell stated it is the suggestion to work on a mural project in cooperation with the U.S. Fish & Wildlife Foundation on future murals and stated the funding will come primarily from U.S. Fish and Wildlife but also from Hendrix. Mayor Townsell stated we will be providing the canvas which will be on the west side of City Hall and the mural will be painted next spring. Alderman Jones motioned to enter into the agreement. Alderwoman Isby seconded the motion. Mayor Townsell stated we will be required to maintain the mural for a period of 5 years. There was no discussion. The motion passed 6-0.

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

- 1. Resolution requesting the Faulkner County Tax Collector place a certified lien on property located at 66 Briarwood Circle as a result of incurred expenses by the City**

R-16-57

Alderman Hawkins stated the cost of cleanup was \$193.95 (\$149.05 + Penalty \$14.90 + filing fee \$30.00). There was no one present to speak to this issue. Alderman Isby motioned to adopt the resolution. Alderman Jones seconded the motion. There was no discussion. The motion passed 6-0.

- 2. Resolution requesting the Faulkner County Tax Collector place a certified lien on property located at 26 Briarwood Circle as a result of incurred expenses by the City**

R-16-58

---

---

MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

---

Alderman Hawkins stated the cost of cleanup was \$265.74 (\$214.31+ Penalty \$21.43 + filing fee \$30.00). There was no one present to speak to this issue. Alderwoman Isby motioned to adopt the resolution. Alderman Jones seconded the motion. There was no discussion. The motion passed 6-0.

- 3. Ordinance accepting and appropriating donation funds for the Conway Tree Board for Arbor Day.**

**O-16-129**

Mayor Townsell stated the city has received \$5,799.00 have been received in support of the Arbor Day Celebration and Trees in Celebration. Alderwoman Isby motioned to waive the readings of the ordinance. Alderman Hawkins seconded the motion. The motion passed 6-0. Alderwoman Isby motioned to adopt the ordinance. Alderman Jones seconded the motion. There was no discussion. Ms. Francis called the roll with the following voting "Aye": Alderman Hawkins, Alderman Pruitt, Alderwoman Mehl, Alderman Ledbetter, Alderman Jones, and Alderwoman Isby. The motion passed 6-0.

- 4. Consideration to approve a change order (#1) for the Siebenmorgen Half Road Improvements for the Community Development Department.**

Alderman Hawkins explained the bid came in at \$400,000.00 and the contract came in less than that and explained the existing culvert is undersized for the potential storm water volume from upstream improvements; the culvert is located in the Arkansas State Highway right-of-way and runs under the Agape Community Church entrance; the cost of the change order is \$9,810.00 bringing the total contract price from \$361,272.00 to \$371,082.00. Alderwoman Isby motioned to approve the change order. Alderman Jones seconded the motion. There was no discussion. The motion passed 6-0.

- 5. Consideration to enter into an agreement with Crafton, Tull & Associates for various landscapes of roundabouts, streets for the City of Conway.**

Alderman Hawkins motioned to enter into this agreement. Alderwoman Isby seconded the motion. Mayor Townsell stated this is actually a renewal of a current agreement but is going to becoming more of a pressing issue as we bring more roundabouts online that we will maintain and these roundabouts will need to be landscaped. There was no discussion. The motion passed 6-0.

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

- 1. Ordinance to appropriated funds and enter into an agreement with Zagster for a bike share program.**

**O-16-130**

Mayor Townsell stated Zagster will rent bicycles to us, which we in turn will rent to the public. Mayor Townsell stated this agreement is for 3 years and is for 20 bicycles at a cost of \$36,000.00 annually. Mayor Townsell stated the ordinance allows us to get the funding in place and initiate the contract, and stated we are looking at early spring 2017 to roll out this

---

---

MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

---

program. Mayor Townsell stated in the meantime we will continue to talk with potential sponsors as a way of offsetting a majority of this cost; should nothing work out, then this money would add a good feature to our city in terms of providing rentable bicycles in downtown and in our parks and trail system. Alderwoman Isby motioned to waive the readings of the ordinance. Alderwoman Mehl seconded the motion. The motion passed 6-0. Alderwoman Isby motioned to adopt the ordinance. Alderwoman Mehl seconded the motion. There was no further discussion. Ms. Francis called the roll with the following voting "Aye": Alderman Hawkins, Alderman Pruitt, Alderwoman Mehl, Alderman Ledbetter, Alderman Jones, and Alderwoman Isby. The motion passed 6-0.

**2. Resolution of intent regarding the use of sanitation funds for loan payment and reimbursements in regards to the sale of the old airport property.**

**R-16-59**

Mayor Townsell explained we have a loan balance of \$5.7 million, plus any accrued interest and stated this loan is due in its entirety on July 17, 2018, along with any interest. Mayor Townsell stated this will authorize us to draw down \$3 million of Sanitation funds to pay down this loan, to cut off accruing interest, and will put the remainder of the loan, within striking distance of the city paying it off by July 17, 2018. Mayor Townsell stated this ordinance also states that when we sale the old Airport property we will take \$3 million of those proceeds and reimburse the Sanitation fund. Mayor Townsell stated we feel this is the prudent thing to do both to save interest and to get the ultimate close out of the new Airport loan, should have to pay it out of city funds. Alderman Hawkins motioned to adopt the resolution. Alderwoman Isby seconded the motion. There was no further discussion. The motion passed 6-0.

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

**1. Consideration to enter into a master collocation license agreement with Conway Corporation.**

Lloyd Hartzell, IT Director, explained this is an agreement between the city and Conway Corporation where they are allowing us to collocate computer switching equipment at the Data Center at no cost to the city; currently it is in City Hall which has no emergency power equipment. Alderwoman Isby motioned to enter into the agreement. Alderman Ledbetter seconded the motion. Alderman Pruitt asked if all the servers and storage will be moved. Mr. Hartzell stated only the switches and City Hall will become just another building instead of the hub. There was no further discussion. The motion passed 6-0.

**2. Ordinance appropriating reimbursement funds from Rescue Wagon for the Animal Welfare Unit.**

**O-16-131**

Jody Spradlin, Chief of Police, stated we have received \$580.00 in donations from Rescue Wagon. Alderwoman Isby motioned to waive the readings of the ordinance. Alderwoman Mehl seconded the motion. The motion passed 6-0. Alderwoman Isby motioned to adopt

---

---

MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

---

the ordinance. Alderman Jones seconded the motion. There was no discussion. Ms. Francis called the roll with the following voting "Aye": Alderman Hawkins, Alderman Pruitt, Alderwoman Smith, Alderman Ledbetter, Alderman Jones, and Alderwoman Isby. The motion passed 6-0.

**3. Ordinance appropriating reimbursement funds from various entities for the Conway Police Department.**

**O-16-132**

Jody Spradlin, Chief of Police, these are reimbursements we see each month and is basically an accounting ordinance. Alderwoman Isby motioned to waive the readings of the ordinance. Alderwoman Mehl seconded the motion. The motion passed 6-0. Alderwoman Isby motioned to adopt the ordinance. Alderman Jones seconded the motion. There was no further discussion. Ms. Francis called the roll with the following voting "Aye": Alderman Hawkins, Alderman Pruitt, Alderwoman Smith, Alderman Ledbetter, Alderman Jones, and Alderwoman Isby. The motion passed 6-0. The reimbursements are as follows:

• Arkansas State Police	\$ 5,484.93	DUI/Seatbelt Taskforce
• Various companies	\$32,086.99	Extra Duty
• District Court of Faulk Co.	\$ 22.50	Restitution
• Dept. of Justice	\$ 2,656.08	Over time reimbursements
• Public Processing, LLC	\$ 950.00	Auction proceeds

**E. New Business**

**1. Ordinance appropriating funds for the employee appreciation bonuses for City employees.**

**O-16-133**

Mayor Townsell stated this ordinance is for the standard amount that we allocate every year we can; full time employees will receive a net amount of \$300.00 and part-time employees will receive a net amount of \$150.00. Alderwoman Isby motioned to waive the readings of the ordinance. Alderwoman Mehl seconded the motion. The motion passed 6-0. Alderwoman Isby motioned to adopt the ordinance. Alderman Ledbetter seconded the motion. There was no further discussion. Ms. Francis called the roll with the following voting "Aye": Alderman Hawkins, Alderman Pruitt, Alderwoman Mehl, Alderman Ledbetter, Alderman Jones, and Alderwoman Isby. The motion passed 6-0.

**Adjournment**

PASSED this 22<sup>nd</sup> day of November 2016

APPROVED:

\_\_\_\_\_  
*Mayor Tab Townsell*

\_\_\_\_\_  
*City Clerk Michael O. Garrett*