
MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

Conway, Arkansas
Thursday 10:00 am
October 8, 2008

On this date the City Council of the City of Conway, Arkansas met in special session. The following members being a quorum, were present and acting; Alderman Hawkins, Alderwoman Whitmore, Alderman Grimes, Alderwoman Mehl, Alderman Jones, Alderman Thompson, and Alderman Vaught. Also, present and acting: Mayor Tab Townsell and City Clerk Michael Garrett. Alderwoman Smith and City Attorney Michael Murphy were not in attendance.

1. Call to Order

2. Report of Standing Committees:

A. Economic Development Committee (Airport, Conway Corporation, CDC, Downtown Partnership)

1. Consideration to enter into an agreement with Hewlett Packard.

O-08-120

Bill Adkisson, Attorney at Law representing Conway Development Corp. (CDC), explained the need to expedite this agreement is due to changes in the discount rate that goes into effect tomorrow morning; this in turn would affect the lease rate and the financing interest rates. Mr. Adkisson presented two ordinances to be considered; one for a bond purchase agreement in the amount of \$20,500,000.00 and one for \$10,000,000.00 from the Arkansas Economic Development Commission. Mayor Townsell explained these bonds are not to exceed \$20,500,000.00; all the bonds will be paid back by the lease rate charged by CDC to Hewlett Packard, these will not be paid back by the City. Edmond Hurst, First Security Bank, stated this was scheduled to be on council's agenda for October 14, 2008 but due to the Federal Reserve moving up its October 28, 2008 meeting we had to move quickly on the issue. Alderman Hawkins motioned to waive the readings of the ordinance. Alderwoman Whitmore seconded the motion. The motion passed 7-0. Mayor Townsell stated this ordinance is authorizing the issuance of taxable industrial development revenue bonds for the purpose of securing and developing industry within the city; authorizing the execution and delivery of a two bond purchase agreements providing for the sale of the bonds; prescribing other matter relating thereto. Alderwoman Whitmore motioned to adopt the ordinance and the emergency clause. Alderwoman Mehl seconded the motion. There was no discussion. The clerk called the roll with the following voting "Aye": Alderman Hawkins,

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Alderman Grimes, Alderman Vaught, Alderman Thompson, Alderman Jones, Alderwoman Whitmore, and Alderwoman Mehl. The motion passed 7-0. Alderman Thompson motioned to suspend the rules and read the ordinance title for the second time. Alderwoman Whitmore seconded the motion. The motion passed 7-0. Mayor Townsell read the title of the ordinance for the second time. Alderman Thompson motioned to suspend the rules and read the title of the ordinance for the third time. Alderman Hawkins seconded the motion. The motion passed 7-0. Mayor Townsell read the title of the ordinance for the third time. Alderman Thompson motioned to adopt the ordinance and the emergency clause. Alderman Hawkins seconded the motion. There was no discussion. The clerk called the roll with the following voting "Aye": Alderman Hawkins, Alderman Grimes, Alderman Vaught, Alderman Thompson, Alderman Jones, Alderwoman Whitmore, and Alderwoman Mehl. The motion passed 7-0

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

- 1. Resolution to close the existing at-grade railroad crossing intersection at Salem Road and replacing it with an above ground railroad crossing structure.**

R-08-27

Ronnie Hall, City Engineer, was present to answer questions. Mayor Townsell stated this is a preliminary requirement by Union Pacific Railroad to pursue the rail grade separation at Salem Rd. Alderman Hawkins motioned to adopt the resolution. Alderwoman Whitmore seconded the motion. There was no discussion. The motion passed 7-0.

- 2. Consideration to authorize additional funding for the West Tyler Street project.**

Ronnie Hall, City Engineer, was present to answer questions. Mayor Townsell stated this project ended up being a much bigger than anticipated; the actual undercutting required was 15,192 cubic yards instead of the original estimated 5,000 cubic yards, and the depth of the undercut was over 4 feet instead of 18 inches. Mayor Townsell asked council to approve the transfer of \$120,000.00 from the impact fees account to Street Fund to cover the additional costs. Alderman Hawkins motioned to authorize this additional funding. Alderwoman Whitmore seconded the motion. There was no discussion. The motion passed 7-0.

- 3. Consideration to authorize a change order for the Salem Road Extension to U.S. 64.**

Ronnie Hall, City Engineer, was present to answer questions. Mayor Townsell stated per councils approval at the September 23, 2008 meeting the city assumed

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responsibility for building the ditch contingent on the developer of Hometown Subdivision acquiring the residual street right of way from Johnny Irby; the cost of this change order is \$28,952.00. Alderman Hawkins motioned to authorize change order #3. Alderwoman Whitmore seconded the motion. There was no discussion. The motion passed 7-0.

Adjournment

PASSED this 8th day of October 2008

APPROVED:

Mayor Tab Townsell

City Clerk Michael O. Garrett