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MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

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Conway, Arkansas  
Tuesday 6:30 p.m.  
June 10, 2008

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

1. **Call to Order**
2. **Roll Call**

3. **Minutes:** May 27<sup>th</sup>, 2008 & June 6<sup>th</sup>, 2008

Alderwoman Whitmore motioned to approve the May 27, 2008 and June 6, 2008 minutes as submitted. Alderwoman Smith seconded the motion. There was no discussion. The motion passed 7-0.

4. **Recognition of Guests:** None

5. **Public Hearings:**

- A. *Public hearing to discuss a proposed water rate and a reduction in broadband internet rates for Conway Corporation.*

Mayor Townsell opened the public hearing on the issue of reduction of broadband internet rates. Richie Arnold, CEO Conway Corporation, addressed the council and explained that internet speeds have been increased for residential internet premium services and the business internet premium services; they have also re-evaluated the pricing and would like to price these products according to today's market and request council's approval to reduce rates. Mr. Arnold explained that at the present time all premium access charges are \$59.95, and they are proposing to charge \$37.95 monthly for residential premium service and \$54.95 monthly for business premium service. Mayor Townsell closed the public hearing.

1. **Ordinance decreasing rates for premium broadband service for Conway Corporation.**

**O-08-70**

Alderman Bell motioned to waive the readings of the ordinance. Alderwoman Smith seconded the motion. The motion passed 7-0. Alderwoman Smith motioned to adopt the ordinance. Alderwoman Whitmore seconded the motion. There was no discussion. The clerk called the roll with the following voting "Aye": Alderman Hawkins, Alderman Vaught, Alderwoman Smith, Alderman Bell, Alderman Jones, Alderwoman Whitmore, and Alderwoman Mehl. The motion passed 7-0.

Mayor Townsell opened the public hearing on the issue of fixing the rates to be charged for services of the municipal waterworks system. Richie Arnold, CEO Conway Corporation, was present to answer questions. Brett Carroll, CFO Conway Corporation, briefly explained that factors driving this increase are due to rising costs of materials, supplies, fuel, and labor that have risen significantly since 2002; also driving the increase is an increase in capital expenditures directly related to infrastructure expansion. After a brief synopsis of the revenue requirements analysis Mr. Carroll stated rates need to be increased by 11.6%; this is based on a 7,000 gallon average residential usage per month which now costs \$17.83; the proposed increase would raise this amount to \$19.90 per month. In closing Mr. Carroll explained a new concept in the industry, rate indexing, and Conway Corp. is recommending a rate index at the lower of CPI (Consumer Price Index) or 3%, which would be an annual automatic adjustment beginning in 2009; this is a generally accepted rate setting practice which allows for their rates to keep pace with inflation. Mayor Townsell closed the public hearing.

- 2. Ordinance fixing the rates to be charged for the services of the municipal waterworks system.**

**O-08-71**

Alderwoman Smith motioned to waive the readings of the ordinance. Alderman Bell seconded the motion. The motion passed 7-0. Alderman Bell motioned to adopt the ordinance. Alderwoman Smith seconded the motion. Mayor Townsell explained there is an emergency clause due to the rates becoming effective July 1, 2008. Alderman Bell motioned to adopt the emergency clause. Alderwoman Smith seconded the motion. The motion passed 7-0. There was no discussion. The clerk called the roll with the following voting "Aye": Alderman Hawkins, Alderman Vaught, Alderwoman Smith, Alderman Bell, Alderman Jones, Alderwoman

Whitmore, and Alderwoman Mehl. The motion passed 7-0. The clerk called the roll for the emergency clause with the following voting "Aye": Alderman Hawkins, Alderman Vaught, Alderwoman Smith, Alderman Bell, Alderman Jones, Alderwoman Whitmore, and Alderwoman Mehl. The motion passed 7-0.

**B. *Public hearing to discuss changing the street name Rea Drive to Woodside Drive.***

Mayor Townsell opened the public hearing. Jason Lyon, GIS Coordinator, explained the street north of Keathley was named Woodside when platted by the developer and by renaming Rea to Woodside will make the area more cohesive. Alderman Hawkins asked if the residents have been notified and have expressed any opposition to the name change. Mr. Lyon stated he has not heard any opposition and went onto explain that some residents on Rea Dr. are already using Woodside as their address. Mayor Townsell asked if any notices have been sent to these individuals; if not they should be notified. Alderman Jones stated it would be best to notify the residents prior to changing the name of their street as opposed to after the fact. The council agreed that a public hearing notice sign should be posted and letter sent as well. Alderman Hawkins motioned to hold this item in committee. Alderman Bell seconded the motion. The motion passed 7-0. There was no further discussion. Mayor Townsell closed the public hearing.

**1. *Ordinance changing the street name of Rea Drive to Woodside Drive.***

This item held in committee.

**6. *Report of Standing Committees:***

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

**1. *Resolution authorizing the Mayor to accept a grant from the Federal Aviation Administration for relocated of the Conway Airport.***

**R-08-18**

Mayor Townsell stated this grant will be for \$1,544,000.00 to be used for the following items:

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- 1) Updating and revising the Environmental Assessment and conducting a public hearing concerning the Environmental Assessment.
- 2) Administrative Cost (Legal Ads, shipping, etc.)
- 3) Preliminary and Design Engineering Fees
- 4) Independent Analysis of Engineering Fee
- 5) Land & Easement Acquisition from CDC
- 6) Land & Easement Acquisition from private land owners
- 7) Appraisal & Review Appraisal Services

Mayor Townsell went onto explain that the city will be required to cover 5% of the local cost of the project which is approximately \$77,200.00, and this further authorizes the Mayor to seek reimbursement of that 5% share from the State of Arkansas Dept. of Aeronautics. Alderman Hawkins motioned to adopt the resolution. Alderwoman Smith seconded the motion. There was no further discussion. The motion passed 7-0.

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

**1. Consideration of bids for the extension of Salem Road to Highway 64**

Ronnie Hall, City Engineer, explained that in conjunction with building this new road there will be approximately 85,000 cubic square yards of dirt created due to the excavation over the ridge; rather than having the contractor haul the dirt off we took alternate bids; alternate #1 for hauling off all excess dirt and alternate #2 to construct the railroad embankment. Tom Lindsey was the low bidder for the alternate construction of the railroad embankment at \$2,614,337.49 and Jericho Inc. was the low bidder for the removal of excavated dirt at \$2,479,886.08. The embankment will cost over \$800,000.00 so we can build this embankment for the difference between these two bids which is \$134,451.41, however we only paid 20% of the \$800,000.00 on the overpass due to the fact it was an 80/20 federal grant but we will still save \$160,000.00 in our future costs by building the embankment now. Mayor Townsell explained the recommendation from Mr. Hall is to accept the low bid and alternate #2 (\$2,614,337.49 - Tom Lindsey Contractor) to construct the north overpass embankment. Alderman Jones motioned to accept alternate #2 and award the contract to the low bidder, Tom Lindsey Contractor, in the amount of \$2,614,337.49. Alderwoman Smith seconded the motion. There was no further discussion. The motion passed 7-0.

**2. Consideration of modifying an agreement between the City of Conway & Carter & Burgess for engineering services related to Salem Road Railroad Overpass.**

Mayor Townsell stated the original design had Salem Rd. curving and becoming Meadowlake Rd as it does today; now that it will go over the ridge changes were required some changes to the toll of the slope to realign Salem Rd. up and over the ridge. The city will pick up 20% of the cost, which is \$18,978.30, to change the design while 80% will be covered by federal funds. Alderman Bell motioned to approve the supplemental engineering agreement. Alderman Hawkins seconded the motion. There was no discussion. The motion passed 7-0.

**C. Public Safety Committee (Police, CEOC, IT Technology, Fire, Dist. Court & City Att., & Animal Control)**

**1. Ordinance appropriating restitution funds and accepting asset forfeiture funds to the Conway Police Department.**

**O-08-72**

A.J. Gary, Chief of Police, was present to answer questions. Alderman Bell motioned to waive the readings of the ordinance. Alderwoman Smith seconded the motion. The motion passed 7-0. Alderwoman Smith motioned to adopt the ordinance. Alderwoman Whitmore seconded the motion. There was no discussion. The clerk called the roll with the following voting "Aye": Alderman Hawkins, Alderman Vaught, Alderwoman Smith, Alderman Bell, Alderman Jones, Alderwoman Whitmore, and Alderwoman Mehl.

**2. Consideration of entering into an agreement with the United States Secret Service.**

A.J. Gary, Chief of Police, explained the city has been working on many computer crimes as of late and we have been approached by the United States Secret Service and offered free training; if we enter into this agreement the police department will receive a piece of equipment for computer forensics. Chief Gary went onto say that the agreement states that the Conway Police Dept. will assist the U.S. Secret Service on any economic crimes or identity theft cases they have in our area; if we are asked to work on any cases the city will be reimbursed for any overtime

that is spent working the case. Alderwoman Smith motioned to enter into this agreement. Alderwoman Whitmore seconded the motion. There was no discussion. The motion passed 7-0.

*D. Finance*

**1. Consideration of certain items to be removed from the fixed asset inventory list.**

Robin Scott, Chief Financial Officer, explained this is a cleanup of obsolete items from various departments and some items will be offered at auction and most of them will be sold as scrap. Ms. Scott explained they had request to donate a computer to Wescon Fire Dept. and some computer equipment to the Sheriff's Dept. Alderwoman Smith motioned to remove these items from the asset inventory list and auction or scrap these items. Alderwoman Whitmore seconded the motion. There was no discussion. The motion passed 7-0.

**2. Ordinance approving the property transfer of certain items to the Faulkner County Sheriff's Office & Wescon Fire Department.**

**O-08-73**

Alderwoman Smith motioned to waive the readings of the ordinance. Alderwoman Whitmore seconded the motion. The motion passed 7-0. Alderwoman Whitmore motioned to adopt the ordinance. Alderwoman Smith seconded the motion. There was no discussion. The clerk called the roll with the following voting "Aye": Alderman Hawkins, Alderman Vaught, Alderwoman Smith, Alderman Bell, Alderman Jones, Alderwoman Whitmore, and Alderwoman Mehl.

*E. Personnel*

**1. Ordinance appropriating funds for two (2) CDL positions for the Conway Sanitation Department.**

**O-08-74**

Cheryl Harrington, Sanitation Director, explained that one of these positions will be creating another yard waste route; the other will be a newly created position for a newly licensed CDL driver that was previously a collector; he has been driving for approximately one (1)

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month. Alderwoman Smith motioned to waive the readings of the ordinance. Alderwoman Whitmore seconded the motion. Alderwoman Smith motioned to adopt the ordinance. Alderman Bell seconded the motion. There was no discussion. The clerk called the roll with the following voting "Aye": Alderman Hawkins, Alderman Vaught, Alderwoman Smith, Alderman Bell, Alderman Jones, Alderwoman Whitmore, and Alderwoman Mehl. The motion passed 7-0.

Mayor Townsell explained that an interim council person needs to be chosen to take the place of Alderman Jack Bell who is coming to work for the Mayor on July 1, 2008. Alderman Bell stated that since there is a learning curve he feels it would be beneficial to choose someone who has already been a council person. Alderman Bell motioned to nominate Mr. John Thompson to fill the interim council position (Ward 3 Position 1) that is open. Alderwoman Smith seconded the motion. There was no discussion. The motion passed 7-0.

**7. *Old Business***

**8. *New Business***

**PASSED this 10<sup>th</sup> day of June 2008**

**APPROVED:**

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**Mayor Tab Townsell**

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**City Clerk Michael O. Garrett**