
MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

Conway, Arkansas
Tuesday 6:30 pm
May 12th, 2015

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 Mehl, Alderman Grimes, Alderwoman Smith, Alderman Ledbetter, Alderman Hawkins, and Alderwoman Whitmore. Also, present and acting: Mayor Townsell, City Attorney Chuck Clawson, and Karen Francis. City Clerk Michael Garrett, Alderman Pruitt, and Alderman Jones were not present.

Call to Order: Mayor Tab Townsell

Roll Call: Michael O. Garrett, City Clerk/Treasurer

Minutes: April 28th, 2015 City Council Meeting

Alderwoman Whitmore motioned to approve the minutes as submitted. Alderwoman Smith seconded the motion. There was no discussion. The motion passed 6-0.

1. Report of Standing Committees:

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

1. Consideration to approve seeking a grant from the Department of Aeronautics for the Conway Airport.

Joshua Zylks, Airport Manager, stated he is seeking approval for the 90% funded/10% match grant from the Arkansas Department of Aeronautics for additional airport improvements. Mr. Zylks explained this grant would cover completion of the parking lot, drainage between the terminal building and community hangar, landscaping improvements in the same area, and additional sod and concrete ditch paving to help with erosion control. Mr. Zylks stated the total cost of the project will be \$196,136.69, with \$176,523.02 paid for by the Department of Aeronautics and \$19,613.67 from the Cantrell Field construction fund. Alderwoman Smith motioned to approve the grant. Alderman Hawkins seconded the motion. There was no discussion. The motion passed 6-0. Mr. Zylks announced he was recognized for the General Aviation Project of the year award for the airfield design and execution for the new Conway Airport from the Southeast American Association Airport executive's conference in Rogers, AR.

B. Public Services Committee (Sanitation, Parks & Recreation & Physical Plant)

1. Ordinance appropriating funds from the Parks and Recreation A&P funds to the Parks and Recreation capital budget to replace a vehicle.

O-15-56

Steve Ibbotson, Parks and Recreation director, stated one of the Parks Dept. truck's engine stopped working and the estimates of repairing it exceeded the value of the truck. Mr. Ibbotson explained the State bid contractor has a truck in stock and asked for \$25,000.00 from

MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

the Parks and Recreation A&P funds to purchase the truck. Alderwoman Smith motioned to waive the readings of the ordinance. Alderwoman Whitmore seconded the motion. The motion passed 6-0. Alderwoman Smith motioned to adopt the ordinance with the emergency clause. Alderwoman Whitmore seconded the motion. There was no discussion. Karen Francis called roll with the following voting "Aye": Alderman Hawkins, Alderman Grimes, Alderwoman Mehl, Alderman Ledbetter, Alderwoman Smith, and Alderwoman Whitmore. The motion passed 6-0. Karen Francis called roll for the emergency clause with the following voting "Aye": Alderman Hawkins, Alderman Grimes, Alderwoman Mehl, Alderman Ledbetter, Alderwoman Smith, and Alderwoman Whitmore. The motion passed 6-0.

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

- 1. Ordinance to recognize and clarify the retirement benefits for City employees transitioning from the nonuniform pension plan to the elected official pension plan.**

O-15-57

Chuck Clawson, City Attorney, stated this recognizes service of any employees who would move from a contributing member of the non-uniform pension plan into one of the elected positions. Alderwoman Whitmore motioned to waive the readings of the ordinance. Alderwoman Smith seconded the motion. The motion passed 6-0. Alderwoman Whitmore motioned to adopt the ordinance with the emergency clause. Alderwoman Smith seconded the motion. There was no discussion. Karen Francis called roll with the following voting "Aye": Alderman Hawkins, Alderman Grimes, Alderwoman Mehl, Alderman Ledbetter, Alderwoman Smith, and Alderwoman Whitmore. The motion passed 6-0. Karen Francis called roll for the emergency clause with the following voting "Aye": Alderman Hawkins, Alderman Grimes, Alderwoman Mehl, Alderman Ledbetter, Alderwoman Smith, and Alderwoman Whitmore. The motion passed 6-0.

- 2. Consideration to accept bids on tactical communication equipment for the CPD Swat Team.**

A.J. Gary, Chief of Police, stated this bid is for communication equipment for the SWAT team and there was one bid from Safeware in the amount of \$14,923.80. Alderwoman Smith motioned to accept the bid. Alderman Hawkins seconded the motion. There was no discussion. The motion passed 6-0.

- 3. Consideration to remove the global electric motor car from the CPD inventory listing.**

A.J. Gary, Chief of Police, stated there has been various mechanical issues with the global electric motor car and it will exceed the value of the car to repair it. Alderwoman Whitmore motioned to remove the global electric motor car from the CPD inventory listing. Alderwoman Smith seconded the motion. There was no discussion. The motion passed 6-0.

- 4. Ordinance appropriating reimbursement funds from various entities for the Animal Welfare Unit.**

MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

O-15-58

A.J. Gary, Chief of Police, stated Pet Smart reimburses our adoption expenses. Alderwoman Smith motioned to waive the readings of the ordinance. Alderwoman Whitmore seconded the motion. The motion passed 6-0. Alderwoman Whitmore motioned to adopt the ordinance. Alderwoman Smith seconded the motion. Mayor Townsell stated this is to appropriate the reimbursement funds in the amount of \$1,931.16. There was no discussion. Karen Francis called roll with the following voting "Aye": Alderman Hawkins, Alderman Grimes, Alderwoman Mehl, Alderman Ledbetter, Alderwoman Smith, and Alderwoman Whitmore. The motion passed 6-0.

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

O-15-59

A.J. Gary, Chief of Police, explained the reimbursements are for extra duty services in the amount of \$26,866.60, DUI/seat belt grant in the amount of \$6,389.45, insurance proceeds in the amount of \$11,633.36, safety fair donations in the amount of \$875.00, and auction proceeds in the amount of \$412.04. Alderwoman Smith motioned to waive the readings of the ordinance. Alderwoman Whitmore seconded the motion. The motion passed 6-0. Alderwoman Whitmore motioned to adopt the ordinance. Alderwoman Smith seconded the motion. There was no discussion. Karen Francis called roll with the following voting "Aye": Alderman Hawkins, Alderman Grimes, Alderwoman Mehl, Alderman Ledbetter, Alderwoman Smith, and Alderwoman Whitmore. The motion passed 6-0.

D. New Business

- 1. Resolution to enter into a purchase and sale agreement for the former Spirit Homes location.**

R-15-23

Mayor Townsell stated the contract in the agreement involves a 45 day feasibility period starting from the execution date of the contract, May 13th 2015. Mayor Townsell explained during the feasibility period we will have the building studied to determine if it is suitable. Mayor Townsell stated we are putting up a refundable \$100,000.00 earnest money deposit which will become non-refundable if we decide that we want to buy the building by the end of the feasibility period. Mayor Townsell explained if we do not want to purchase the Spirit Homes, then we would need a positive vote action of council voting no by the last meeting in June and then we can receive the full \$100,000.00 back. Mayor Townsell explained a yes vote is not required to proceed to purchase it. Mayor Townsell stated if we decide to purchase the Spirit Homes at the end of the feasibility period and there is a referendum on that vote, we will lose our \$100,000.00. Mayor Townsell explained a referendum period is 30 days and if it is concurrent with the 45 day feasibility period, and if a petition is submitted, we can cancel the purchase agreement and not risk the \$100,000.00. Mayor Townsell explained the last meeting in June we will have to consider whether or not we want to proceed with the purchase. Mayor Townsell stated they pay their closing cost, we pay our closing cost and everything else is a typical purchase. Alderwoman Mehl asked if there was no option with negotiating the price. Mayor Townsell replied no, unless we restart the whole process.

MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

Alderman Hawkins asked if Nabholz could do the work first to let us know whether we have something that we need to be pursuing or not. Alderman Hawkins stated if some of the council is not present he would like to have a no vote option. Mayor Townsell stated if we cannot get council here to take a vote, we will have a special meeting sometime that week. Alderwoman Mehl stated there might be some value in hiring Nabholz first because if there is not enough information, her vote would be no. Alderwoman Mehl asked if we could have the Nabholz agreement, the list of expectations, and the time line, a week before the council meeting, to vote for or against it. Mayor Townsell replied yes. Mayor Townsell stated we can tell Nabholz this has to be done in a specific time period. Alderwoman Mehl asked if there was a list of what Nabholz is going to deliver. Mayor Townsell stated they will tell us if the building has any structural or environmental problems, and if the building is suitable to be converted at a reasonable price for our purposes. Alderwoman Mehl suggested to start with the Nabholz contract. Mayor Townsell stated we do not have the right of free access until we sign this purchase agreement. Alderwoman Mehl asked if Nabholz could not have access without that agreement. Mayor Townsell replied they may or may not. Alderman Grimes stated no one can say for or against this yet because we do not know enough information; this will just allow us the 45 days to receive the information needed to make a decision. Alderman Hawkins asked if we were to vote affirmative on the real estate sales contract, what is our 45 day window. Mayor Townsell stated our 45 days is Saturday June 27th 2015. Alderwoman Mehl stated we would want to know from Naholz the week before that. Alderwoman Smith asked will we know the operating cost for this facility. Mayor Townsell stated we will not know an exact operating cost until we know exactly what will be in there but we can get some estimated figures. Alderwoman Mehl stated it concerns her of purchasing it, putting a pool in, and then not being able to afford to operate it. Mayor Townsell stated other cities are comfortably building pools and maintaining them. Mayor Townsell stated this is a popular trend with cities everywhere, and they are offset primarily with user fees. Alderman Grimes suggested before the meeting, lay out the estimated cost for operating a pool; if it is unclear what will go into the facility it will be hard to vote on it. Mayor Townsell stated council will have to decide what will be in there and a part of that will be public feedback. Alderwoman Whitmore stated one of the things she has heard from residents is not just having an Olympic pool for competitive swimming, but also a pool on the outside for people who want to swim recreationally. Mayor Townsell stated a competitive pool by itself will not drive the revenue. Mayor Townsell explained you have to have the play park to drive your revenue and \$10 million is what Clarksville, AR spent for their indoor competitive pool and outdoor play park. Mayor Townsell stated the less structured activities is more important revenue wise. Alderwoman Smith asked if we have checked into insurance as well on these facilities. Mayor Townsell stated we would have to have property insurance; we do not carry liability insurance since we are immune from liability in Arkansas as municipalities. Alderwoman Smith asked if we would not carry liability insurance on an outdoor pool for recreational reasons. Mayor Townsell replied no. Alderwoman Mehl stated at the next meeting to make a plan of what we will be able to accomplish and when, to present to the community, even if it changes later. Mayor Townsell stated because of the dimensions and the price we are getting this open building at, we have many possibilities with it. Mayor Townsell stated we can provide more details to the public, for example, how inexpensive the operating cost is to maintain a tennis court; the cost of operating an indoor pool is nowhere near the cost of operating the rest of the indoor activities. Mayor Townsell stated we should plan a meeting to brain storm what could go in there, an estimate of the revenue, and how different sources of revenue could generate. Alderwoman Mehl stated to discuss in this meeting how the other Parks Dept.'s projects will

MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

be done. Mayor Townsell explained we have the money to do the other projects. Alderwoman Smith stated we need a list of the other projects. Alderman Grimes stated we need a timeline of the other projects. Alderwoman Mehl stated she would like to lay out when every project will be done, the costs of the projects, and where the money will be coming from. Mayor Townsell stated we will not be spending any Parks and Recreation Dept. funds without council's approval. Mayor Townsell stated we may need a special committee meeting before the next council meeting to make a plan for the other projects and how we will spend the funds we know we are going to receive. Alderman Grimes stated he would like to see a list of projects we need to do and to finish, put that with the funds that are available, and then accomplish it. Alderwoman Smith asked why we have not been working on any of the projects. Mayor Townsell replied council is the next decision point on this. Mayor Townsell stated we will schedule a special committee meeting to discuss what to do with the funds for the other projects and the plan with Spirit Homes. Alderman Ledbetter asked will we be discussing what we will be putting in the Spirit Homes in this committee meeting. Mayor Townsell replied yes. Mayor Townsell stated we are working on gathering information from different cities' operating budgets to present to council. Alderwoman Mehl stated if we have a list with the other projects and estimated costs, we can be prepared for the committee meeting. Mayor Townsell stated when looking at the list that will be prepared for council, also think of the Parks and Recreation projects that we have discussed previously that will not be presented. Alderman Grimes motioned to adopt the resolution. Alderman Ledbetter seconded the motion. Alderman Hawkins stated getting Nabholz to do this first would be the proper way to go about it and he does not like that the agreement says "if purchaser does not timely provide disapproval notice purchase shall be deemed to be approved and shall proceed to closing." Chuck Clawson, City Attorney, stated we added the second sentence to not have to give any type of explanation, but it has to be done within that 45 day period, "Purchaser may disapprove of the property for any reason or no reason at all, in its sole discretion, prior to the expiration of the Inspection Period." Alderman Hawkins stated there is a possibility the report will not be available one week prior to that. Mayor Townsell stated Nabholz assured the report will be done way before then and we can back up a week from that 41st day just to make sure we receive it. Alderman Hawkins stated we are looking at receiving the report day 34 for a Tuesday night meeting prior to the 45 day mark. There was no further discussion. The motion passed 5-0-1. Alderman Hawkins voted "here."

- 2. Ordinance authorizing funds for the potential purchase (earnest money) of the former Spirit Homes location.**

O-15-60

Alderwoman Whitmore motioned to waive the readings of the ordinance. Alderwoman Smith seconded the motion. The motion passed 6-0. Alderwoman Whitmore motioned to adopt the ordinance. Alderman Ledbetter seconded the motion. Alderwoman Whitmore asked if it clearly states the money will be refunded if voted against it. Mayor Townsell replied yes. There was no further discussion. Karen Francis called roll with the following voting "Aye": Alderman Hawkins, Alderman Grimes, Alderwoman Mehl, Alderman Ledbetter, Alderwoman Smith, and Alderwoman Whitmore. The motion passed 6-0.

- 3. Consideration to accept the interest rate quote for five year financing for the purchase of Spirit Home building.**

MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

Aldерwoman Whitmore motioned to accept the interest rate quote from Regions Bank of 1.47. Aldерwoman Smith seconded the motion. There was no discussion. The motion passed 6-0.

4. **Ordinance authorizing the issuance of a promissory note to provide short term financing for the purchase of property located at 901 McNutt Road (Spirit Homes).**

O-15-61

Aldерwoman Whitmore motioned to waive the readings of the ordinance. Aldерwoman Smith seconded the motion. The motion passed 6-0. Aldерwoman Whitmore motioned to adopt the ordinance with the emergency clause. Aldерwoman Smith seconded the motion. Aldерman Hawkins asked if it says when our first payment is due. Mayor Townsell replied not yet. There was no further discussion. Karen Francis called roll with the following voting "Aye": Aldерman Hawkins, Aldерman Grimes, Aldерwoman Mehl, Aldерman Ledbetter, Aldерwoman Smith, and Aldерwoman Whitmore. The motion passed 6-0. Karen Francis called roll with the following voting "Aye" for the emergency clause: Aldерman Hawkins, Aldерman Grimes, Aldерwoman Mehl, Aldерman Ledbetter, Aldерwoman Smith, and Aldерwoman Whitmore. The motion passed 6-0.

5. **Resolution to obtain Nabholz Construction for the purpose of structural and environmental review of the Spirit Homes location.**

R-15-24

Mayor Townsell stated the cost is not to exceed \$4000.00 if there is an additional need for environmental costs that could be a packet price above that, and if there is a need to hire a structural engineer, that would be an add on price. Mayor Townsell stated if there is anything more required, he will present it before council. Aldерman Hawkins motioned to adopt the resolution. Aldерwoman Whitmore seconded the motion. There was no discussion. The motion passed 6-0.

Adjournment

PASSED this 12th day of May 2015

APPROVED:

Mayor Tab Townsell

City Clerk Michael O. Garrett