
MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

Conway, Arkansas
Tuesday 6:30 pm
November 11, 2014

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 Grimes, Alderwoman Mehl, Alderman Pruitt, Alderman Ledbetter, Alderwoman Smith, Alderman Jones, and Alderwoman Whitmore. Also, present and acting: Mayor Tab Townsell, City Attorney Chuck Clawson, and City Clerk Michael Garrett.

Call to Order: Mayor Tab Townsell
Roll Call: City Clerk/ Michael O. Garrett

Minutes Approval: October 28, 2014

Alderwoman Whitmore motioned to approve the minutes as submitted. Alderwoman Smith seconded the motion. There was no discussion. The motion passed 8-0.

1. Report of Standing Committees:

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

1. Ordinance waiving bids and appropriating funds for the purchase of two Pearce pumpers for the Conway Fire Dept.

O-14-96

Mike Winter, Fire Chief, explained the purchase was possible through the 2012 bond issue; we have been making purchases throughout the year and are getting close to closing out that bond on our end. Chief Winter explained we are requesting a sole source vendor for continuity so all new capital apparatus are the same, as we move personnel around. Chief Winter stated we have, within our department, two (2) certified Pearce technicians we sent to school, and we also have a facility in Conway that services Pearce apparatus's. Chief Winter stated we have talked with other departments who have used different apparatus but we have not gotten a good response, Pearce is the leader in fire apparatus. Chief Winter stated we are purchasing two (2) engines which will cost approximately \$1 million, and we are transferring a lot of our equipment to the new apparatus. Alderwoman Smith motioned to waive the readings of the ordinance. Alderwoman Whitmore seconded the motion. The motion passed 8-0. Alderman Hawkins 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, Alderman Grimes, Alderman Pruitt, Alderwoman Mehl, Alderman Ledbetter, Alderwoman Smith, and Alderman Jones, and Alderwoman Whitmore. The motion passed 8-0.

2. Ordinance appropriating reimbursement funds for the Conway Animal Welfare Unit.

O-14-97

The amount of reimbursements (donation) from PetSmart is \$1,406.10. Alderwoman Whitmore motioned to waive the readings of the ordinance. Alderwoman Smith seconded the motion. The motion passed 8-0. Alderman Jones 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 Grimes, Alderman Pruitt, Alderwoman Mehl, Alderman Ledbetter, Alderwoman Smith, and Alderman Jones, and Alderwoman Whitmore. The motion passed 8-0.

Alderwoman Whitmore stated we did not take a vote on the emergency clause for the Pearce pumpers for the Fire Dept. (O-14-96 / Item 1A-1). Mayor Townsell asked council to enact the emergency clause by saying "Aye". The vote was 8-0. The clerk called the roll with the following voting "Aye": Alderman Hawkins, Alderman Grimes, Alderman Pruitt, Alderwoman Mehl, Alderman Ledbetter, Alderwoman Smith, and Alderman Jones, and Alderwoman Whitmore. The motion passed 8-0.

3. Ordinance appropriating grant funds received from various agencies to the Conway Police Dept.

O-14-98

Police Chief, A.J. Gary, gave a synopsis of the grant proceeds, they are as follows:

- \$125,590 - Arkansas Department of Emergency Management - SWAT team equipment.
- \$50,879.00 - Central Arkansas Planning & Development District - Improvements to Conway Police Department firing range.
- \$24,225.00 - 2014 Justice Assistance Grant (joint application with the Faulkner County Sheriff's Department - one-half of the grant will go to that agency).

Alderwoman Whitmore motioned to waive the readings of the ordinance. Alderwoman Smith seconded the motion. The motion passed 8-0. 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 Grimes, Alderman Pruitt, Alderwoman Mehl, Alderman Ledbetter, Alderwoman Smith, and Alderman Jones, and Alderwoman Whitmore. The motion passed 8-0.

4. Ordinance appropriating reimbursement funds from various entities to the Conway Police Dept.

O-14-99

Police Chief, A.J. Gary, explained the reimbursements are for extra duty, overtime, insurance proceeds, restitution, CNG rebate, and computer equipment. Alderwoman Whitmore motioned to waive the readings of the ordinance. Alderwoman Smith seconded the motion. The motion passed 8-0. Alderman Jones motioned to adopt the ordinance.

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Alderswoman Whitmore seconded the motion. There was no discussion. The clerk called the roll with the following voting "Aye": Alderman Hawkins, Alderman Grimes, Alderman Pruitt, Alderswoman Mehl, Alderman Ledbetter, Alderswoman Smith, and Alderman Jones, and Alderswoman Whitmore. The motion passed 8-0.

B. Finance

- 1. Resolution authorizing and adopting continuing disclosure compliance policies and procedures with respect to city debt issues.**

R-14-40

Tyler Winningham, CFO, explained when a city issues bonds a continuing disclosure agreement is completed, this agreement states the issuer, going forward, will as required disclose information to bond holders that certain events have occurred. Mr. Winningham stated the primary disclosure are annual financial statements and annual operating information. Mr. Winningham stated prior to 2010 there was not a good way to report to the various agencies, and some cities did not know who to report to. Mr. Winningham stated this has all been centralized to the Electronic Municipal Marketing Access (EMMA); purchasers can go to the website and pull up the issuers information i.e. bond issues outstanding, financial statements, etc. Mr. Winningham stated the Securities and Exchange Commission (SEC) realized cities had not been in compliance with their disclosure agreements but are willing to allow us to self-report; this will keep them from investigating and the penalties are imposed on the underwriters. Mr. Winningham stated this resolution was recommended by our bond council to take this one step further showing the city will comply moving forward. Alderswoman Whitmore motioned to adopt the resolution. Alderman Hawkins seconded the motion. There was no discussion. The motion passed 8-0.

- 2. Ordinance amending Ordinance O-86-11, establishing a franchise fee (4.25%) and extending the employment of Conway Corporation to operate the water system and the sanitary sewer system for the city of Conway.**

O-14-100

Mayor Townsell stated the current franchise fee for the water and wastewater is a flat fee of \$25.00 on the gross sales of water and wastewater; this ordinance would replace the flat fee with a percentage of gross retail sales on water and wastewater, excluding the City and Conway Corporation. Mayor Townsell stated state law allows us to set a franchise fee at or below 4.25%; city council will dictate what rate to set. Mayor Townsell states it also gives the board 45 days to accept the rate, and extends the franchise to December 31, 2045. Mayor Townsell stated new subsection states the City shall consult with the Corporation in the planning of street improvements and consider the estimated costs, if any, of relocating water, and or wastewater mains, and when possible design such improvements to minimize the cost to both the City and the Corporation. Mayor Townsell stated the effective date will be January 1, 2015. Alderman Hawkins motioned to set the franchise fee at 4.25%. Alderswoman Mehl seconded the motion with the understanding it goes to the Police Dept. and Fire Dept. steps, and reinstate 4 hours of Police overtime. Alderman Hawkins concurred. The motion passed 8-0. Alderswoman Smith motioned to waive the

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readings of the ordinance. Alderman Jones seconded the motion. The motion passed 8-0. Alderwoman Smith motioned to adopt the ordinance. Alderman Pruitt seconded the motion. Alderman Grimes stated in relation to what we are going to use the money for, specifically 4 hours of overtime, any future council can make any changes they want, but stated if we ever have to adjust the budget downward, this is off limits, we cannot take out the 4 hours of overtime. Mayor Townsell stated this is not creating a separate fund, it is a general revenue of the city and it is the emphasis of the council to restore the 4 hours of overtime, and honor the 2014 and 2105 steps/certifications for the Police Dept. and the Fire Dept. Mayor Townsell stated with this being said, this being a general revenue of the city, if we seek to use this money for anything moving forward than these steps and 4 hours of overtime, in the absence of these items, he will have an absolute problem with it. Mayor Townsell stated but if we should have another recession etc. in mid-2015, then we need to recognize these funds may be needed to "plug gaps", but it cannot be used for anything else going forward; it could be diverted for other things if our revenues plummet. Mayor Townsell stated he feels that restoring the 4 hours of overtime is important to keep police officers on the streets, which we have not been able to do the first half of this decade. Alderman Jones asked if we need this money, would it have to be approved by council. Mayor Townsell explained the 2015 budget would include this revenue and the 4 hours of overtime restored to the Police Dept. budget. If the City Council wanted to do anything different with the Police department budget, it would have to be brought back to the City Council to be amended. Alderman Ledbetter asked if this is enough money to restore all the certificate pays. Mayor Townsell stated it should, but there could be cuts in other areas. Alderman Ledbetter stated let's get it done. Mayor Townsell asked if anyone from the public wished to speak. No one from the public addressed council. There was no further discussion. The clerk called the roll with the following voting "Aye": Alderman Hawkins, Alderman Grimes, Alderman Pruitt, Alderwoman Mehl, Alderman Ledbetter, Alderwoman Smith, and Alderman Jones, and Alderwoman Whitmore. The motion passed 8-0.

C. New Business

Mayor Townsell gave a brief synopsis of the seven (7) annual resolutions three (3) which are voluntary; the final resolution is for general fund revenues which can be raised up to 5.0 mill, but has been at 1.9 mill since the early 1980's.

1. **Resolution of a voluntary levy of two-tenth's (.2) mill on the dollar be made upon the assessed valuation of all taxable real estate and personal property tax for an Animal Shelter for the City of Conway.**

R-14-41

Alderwoman Smith motioned to adopt the resolution. Alderwoman Whitmore seconded the motion. There was no discussion. The motion passed 8-0.

2. **Resolution of a voluntary levy of four-tenth's (.4) mill on the dollar be made upon the assessed valuation of all taxable real estate and personal property tax for a recreation assessment raising special revenue for the sole and exclusive purpose of providing**

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additional funds for the purpose of construction, equipping, operating and maintaining the public recreation and playgrounds of City of Conway.

R-14-42

Alderwoman Whitmore motioned to adopt the resolution. Alderwoman Smith seconded the motion. There was no discussion. The motion passed 8-0.

- 3. Resolution of a voluntary levy of four-tenths (.4) mill on the dollar be made upon the assessed valuation of all taxable real estate and personal property tax for raising special revenue the exclusive purpose of operating and maintaining the cemeteries for the City of Conway.**

R-14-43

Alderman Jones motioned to adopt the resolution. Alderwoman Smith seconded the motion. There was no discussion. The motion passed 8-0.

- 4. Resolution of a levy of four-tenths (.4) mill on the dollar be made upon the assessed valuation of all taxable real estate and personal property tax for raising special revenue for the Pension and relief Fund for a Policeman's Pension and Relief Fund.**

R-14-44

Alderwoman Smith motioned to adopt the resolution. Alderman Jones seconded the motion. There was no discussion. The motion passed 8-0.

- 5. Resolution of a levy of four-tenths (.4) mill on the dollar be made upon the assessed valuation of all taxable real estate and personal property tax for raising special revenue for the Pension and relief Fund for a Fireman's Pension and Relief Fund.**

R-14-45

Alderwoman Whitmore motioned to adopt the resolution. Alderwoman Smith seconded the motion. There was no discussion. The motion passed 8-0.

- 6. Resolution of a levy of four-tenths (.4) mill on the dollar be made upon the assessed valuation of all taxable real estate and personal property tax for raising special revenue for the Pension and relief Fund for paid Non-Uniformed Employee's.**

R-14-46

Alderwoman Smith motioned to adopt the resolution. Alderwoman Whitmore seconded the motion. There was no discussion. The motion passed 8-0.

- 7. Resolution of a levy of three (3.0) mill on the dollar be made upon the assessed valuation of all taxable real estate and personal property tax for raising General Fund Revenues.**

R-14-47

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Mayor Townsell stated we typically assess a rate of 1.9 mill for general fund revenues and suggested we re-evaluate this rate, in order to expand services projecting into 2016, which is when we will be able to realize this revenue. Mayor Townsell stated this will allow us to hire of additional police officers, which we have not been able to do since 2007. Alderman Hawkins stated if this passes now he does not believe this will occur until 2017 as it will not go on the books until 2015, and would not be collected until October of 2016. Mayor Townsell stated it can be budgeted into the 2016 budget but will not be included in the 2015 budget. Mayor Townsell explained basically each mill is \$1 million, and each one-tenth of a mill is \$100,000.00. Alderman Hawkins started the discussion with a scenario of putting 10 police officers to work costing \$550,000.00 (1 police officer costs \$55,000.00 with benefits) and asked Police Chief A.J. Gary to explain to council how this scenario would benefit the Police Dept., and if 10 officers would be enough. Alderman Hawkins also asked if adding 10 officers in 2016 would allow us to keep pace with the number of officers per thousand we should have. Police Chief A.J. Gary stated for 2016 no, adding 8-10 officers would still have us below 2.0, especially if you reduce 9 officers from our existing 117, which we have dedicated to other positions, i.e. School Resource Officers (SRO) and Conway Housing Authority Officers, which positions are partially funded by those entities, this brings that number on down. Chief Gary stated including our 117 officers, 10 additional officers would still put us considerably below 2.0. Chief Gary feels that this is okay considering the size of our city and the issues we have going on; 10 additional officers would allow him to pull 8 officers from the street, putting 4 officers in our Investigation Division, which is very shorthanded, and 4 officers into the Crime Prevention Unit; we would be able to back fill those positions back on the street to maintain our 117 patrol officers. Chief Gary stated as far as the ratio we would still be at 1.9 officers per thousand, which is based on our current population. Chief Gary stated our 2013 - 5 year included 4 officers per year to keep us moving forward. Alderman Hawkins stated he is not sure 10 officers is enough and stated if we are going to change this we need to look hard at what we "need", and would rather increase this once. Mayor Townsell stated he does not disagree and wants to be as prudent as possible with tax payer resources, but Alderman Hawkins makes a good point. Mayor Townsell stated there is another year of step raises, to eliminate step 1 and get everyone up to step 2, as well as getting the Fire Dept. Lieutenants we promoted to Captains, up to full Captain pay; this was a 3 year process, and there is a third year we are leaving unfunded. Mayor Townsell stated the franchise fees will take care of 2014 and 2015, but they were not projected to take care of 2016; we have nothing to fund this step unless there is a general improvement in the economy. Mayor Townsell stated if you want to assign this to a dedicated revenue to get this done, we can do it here and any wiggle room we do have in the regular budget can be for adding more officers, but right now there is no source we can fund those 2016 step raises. Alderman Jones stated we have \$500,000.00 in our reserve. Mayor Townsell stated if you want to account for that, this is fine, stating this is a cost we need to keep in mind. Alderman Grimes asked if the \$55,000.00 include the cost of purchasing enough police cars to handle additional personnel, as he does not want to bite off more than we can chew at one time; 10 seems like a lot to add at one time from a personnel standpoint. Mayor Townsell stated that is the labor burden, this is everything including salaries plus the LOPFI contribution, which is 32% in addition to their salary. Chief Gary stated Alderman Grimes is correct this is only salaries, this does not include equipment costs for each officer; with the plan council approved a few years back, for funding new vehicles, we are in good shape with vehicles. Chief Gary stated his concern is we do not hire personnel we cannot pay for, the worst thing we can do is fix salaries and

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turn around a year later and take that away; training is also a factor for new hires. Chief Gary explained 10 does not get us to our desired level, but 8-10 will help tremendously in to keep us moving forward to keep up with the pace the city is growing. Alderman Grimes stated since the funds will not come in until later in 2016 we would not hire additional personnel January 1, 2016, it would be later in the year. Chief Gary explained due to Arkansas training processes even if we hire in January 2016, these officers will not be on the street until the end of the year. Alderman Hawkins stated he would be comfortable with 3.0 mills. Alderman Jones asked how much revenue would be generated by 3.0 mill. Alderwoman Mehl stated approximately \$1 million. Mayor Townsell stated \$1.1 million. Alderman Jones stated he is good with that. Alderwoman Smith motioned to set the rate at 3.0 mill. Alderman Pruitt seconded the motion. Alderwoman Smith asked Mayor Townsell to reiterate what the difference would be on \$150,000.00 home value verses a 1.9 mill, and a 3.0 mill. Mayor Townsell stated it would be \$33.00 per year. Alderman Hawkins stated he likes knowing we have a good police force. Alderwoman Mehl stated it is tied to an expansion of services. There was no further discussion and no one from the audience that wished to speak. The motion to passed 8-0. Alderwoman Smith motioned to adopt the resolution. Alderwoman Mehl seconded the motion. There was no discussion. The motion passed 8-0.

Adjournment

PASSED this 11th day of November 2014

APPROVED:

Mayor Tab Townsell

City Clerk Michael O. Garrett