Aldermen

Ward 1 Position 1 - Robert Reynolds
Ward 1 Position 2 - Brenda Thiel
Ward 2 Position 1 - Kyle B. Cook
Ward 2 Position 2 - Don Marr
Ward 3 Position 1 - Robert K. Rhoads
Ward 3 Position 2 - Conrad Odom
Ward 4 Position 1 - Shirley Lucas
Ward 4 Position 2 - Lioneld Jordan

Mayor Dan Coody

City Attorney Kit Williams

City Clerk Sondra Smith

Fayetteville
ARKANSAS

City Council Meeting Minutes October 19, 2004

A meeting of the Fayetteville City Council was held on October 19, 2004 at 6:00 p.m. in Room 219 of the City Administration Building located at 113 West Mountain Street, Fayetteville, Arkansas.

Mayor Coody called the meeting to order.

PRESENT: Alderman Reynolds, Thiel, Cook, Marr, Rhoads, Odom, Lucas, Jordan, Mayor Coody, City Attorney Kit Williams, Senior Secretary Amber Woods, Staff, Press, and Audience.

ABSENT: Alderman Odom was absent until 6:20 pm
Alderman Rhoads was absent until 6:45 pm

Pledge of Allegiance

Lt. William Brown, Police Department presented 13 members of the community representing their neighborhoods that participated in Fayetteville's first Citizen's Police Academy with certificates. The members of the first Fayetteville Citizens Police Academy were: Paula Marinoni, John Faucette, Suzanne Parnell, Terry Crook, Fran Clinton, Chris Norris, Allison Jay, Susan Young, Christine Cook, Karen Love, Valerie Beindara, Charles Mace, and Mary Adams.

CONSENT:

Approval of the Minutes: Approval of the October 5, 2004 City Council meeting minutes.

Walker Parking Consultants/Engineers, Inc. Contract: A resolution to approve a contract in the amount of $23,940.00 plus possible expenses of up to $5,250.00 with Walker Parking Consultants/Engineers, Inc. for engineering services related to the rehabilitation and repair of the Mountain Street parking deck.

Resolution 161-04 as Recorded in the Office of the City Clerk.

Lake Sequoyah Boat Dock Operation Contract: A resolution awarding a contract to Dixie L. Smith in the amount of $25,000.00 to operate the Lake Sequoyah Boat Dock from November 1, 2004 through December 31, 2005.

Resolution 162-04 as Recorded in the Office of the City Clerk.

Selective Traffic Enforcement Grant: A resolution accepting the 2004-2005 Selective Traffic Enforcement Program (STEP) Grant in the amount of $30,000.00 for the purpose of paying overtime to officers engaged in the enforcement of DWI/DUI and seatbelt laws and to purchase child safety seats for distribution to the public; and approving a budget adjustment recognizing the grant revenue.

Resolution 163-04 as Recorded in the Office of the City Clerk.

Habitat for Humanity Fee Waiver: A resolution to waive the building permit fee and other developmental fees for homes to be constructed by Habitat for Humanity.

Resolution 164-04 as Recorded in the Office of the City Clerk.

Alderman Jordan moved to approve the Consent Agenda as read. Alderman Marr seconded the motion. Upon roll call the motion passed 6-0. Alderman Rhoads and Odom were absent.

UNFINISHED BUSINESS

RZN 04-1166 (Sloan Properties): An ordinance rezoning that property described in rezoning petition RZN 04-1166 as submitted by Raymond Smith on behalf of Sloan Properties for property located east of Broyles Avenue and South of Persimmon Street containing approximately 22.94 acres from R-A, Residential Agricultural to RSF-4, Residential Single Family, Four Units Per Acre. ***This ordinance was left on the first reading at the October 5, 2004 City Council Meeting.***

Alderman Jordan moved to suspend the rules and go to the second reading. Alderman Lucas seconded the motion. Upon roll call the motion passed 6-0. Alderman Rhoads and Alderman Odom were absent.

Mr. Williams read the ordinance.

Alderman Lucas: I want to make sure that we are getting Persimmon all the way through on this.

Dawn Warrick: Part of the development proposal for this project will include construction of Persimmon Street.

Alderman Lucas: Is this the property that is next to the school?

Dawn Warrick: This is the property that is immediately east of the wastewater treatment plant property that is owned by the city. McBride is the next property to the east and it is adjacent to the property that will be developed for the school.

Alderman Jordan moved to suspend the rules and go to the third and final reading. Alderman Lucas seconded the motion. Upon roll call the motion passed 6-0. Alderman Rhoads and Alderman Odom were absent.

Mr. Williams read the ordinance.

Mayor Coody asked shall the ordinance pass. Upon roll call the ordinance passed 6-0. Alderman Rhoads and Alderman Odom were absent.

Ordinance 4625 as Recorded in the Office of the City Clerk.

RZN 04-1167 (McBryde): An ordinance rezoning that property described in rezoning petition RZN 04-1167 as submitted by Raymond Smith on behalf of Bryan McBryde and Sloan Properties for property located at the end of Rupple Road, south of Persimmon containing approximately 5.01 acres from R-A, Residential Agriculture to RSF-4, Residential Single Family, Four Units Per Acre. ***This Ordinance was left on the first reading at the October 5, 2004 City Council Meeting.***

Alderman Jordan moved to suspend the rules and go to the second reading. Alderman Lucas seconded the motion. Upon roll call the motion passed 6-0. Alderman Rhoads and Alderman Odom were absent.

Mr. Williams read the ordinance.

Alderman Lucas: This states it is the end of Rupple Road it's not at the end of Rupple Road.

Dawn Warrick: It is west of the intersection of Rupple and Persimmon.

Alderman Lucas: The school owns property on Persimmon.

Dawn Warrick: At that intersection. The school will be located at the southwest corner of that intersection of Persimmon and Rupple.

Alderman Lucas: They can have an access from the school onto Persimmon?

Dawn Warrick: That is correct.

Alderman Lucas: The Street is going to be completed there by the school.

Dawn Warrick: Yes, property north of this is part of the Rupple Row planned zoning district which has already been approved with requirements for improvements on Persimmon Street. With this project we will have a complete full street on the north side which is Persimmon. The school project is in review now, it has been submitted to staff and they are proposing access to both Persimmon and Rupple.

Alderman Lucas: That's good. Thank you.

Alderman Jordan: Do you see any potential problem's with that intersection with all the development we have going on in that area?

Dawn Warrick: We have been having several meetings with the key players in that area.

Tim Conklin told the Council about the meetings that have been conducted and the traffic study that has been completed, it has been recommended that Rupple Road be a four lane street, minor arterial, and Persimmon be a collector street.

Alderman Jordan: So you believe the intersection will be alright with these developments?

Tim Conklin: That's correct. We will be binging to the Street Committee a cost share request to make sure that we design the culverts under the creek to the south to make sure it can be built as a four lane street.

Alderman Jordan: When do you think that proposal will be brought to the Street Committee?

Tim Conklin: October 28.

Alderman Thiel: Does that include widening Rupple?

Tim Conklin: That is looking at the intersection; it does not include widening Rupple Road to the north to Wedington at this time.

Alderman Lucas: That concerns me. I went to a school meeting and they were looking at putting all the traffic from the school onto Rupple. That's why I was concerned that they also have an access to Persimmon.

Tim Conklin: The school district does plan to have access onto Persimmon.

Alderman Jordan: Right now is the time to plan whatever we need to put in that area and plan for the future so we don't revisit something like this in the future.

Alderman Jordan moved to suspend the rules and go to the third and final reading. Alderman Lucas seconded the motion. Upon roll call the motion passed 6-0. Alderman Rhoads and Alderman Odom were absent.

Mr. Williams read the ordinance.

Mayor Coody asked shall the ordinance pass. Upon roll call the ordinance passed 7-0. Alderman Rhoads was absent.

Alderman Marr: If I understand, Mr. Termminal hired Mr. Peters for the recommendation for this particular intersection. I'm curious if we ever seek second opinions or other opinions. Mr. Peters seems to be the one hired by every developer for every proposal presented to us. Does the staff ever look to other alternatives or seek our own opinion?

Tim Conklin: With regard to Mr. Peters, he is one of the most prominent transportation engineers in the Sate of Arkansas, so we do see a lot of his work. We have had recommendations from our transportation consultant with regard to our transportation system but we haven't had staff go out and hire someone independent to go out and do transportation studies. That is something in the future we have talked about doing, requiring developers possibly to pay the City and the City contract out that type of studies.

Ordinance 4626 as Recorded in the Office of the City Clerk.

NEW BUSINESS:

Farmington Settlement Agreement: A resolution to approve a settlement agreement with the City of Farmington to resolve all sewer maintenance, repair and rehabilitation issues and to approve a budget adjustment of $350,000.00 from the Water and Sewer Fund Reserves.

Greg Boettcher Water and Wastewater Director: I was part of the mediation team and I see that settlement agreement addressing three major issues; it resolves unclear contract issues in our 1994 contract with Farmington, it achieves resolution of our disagreement through mediation rather then litigation and it provides a clear definition of our responsibilities in the future. Ten years ago how we maintained our sewer system is different than how we maintain it now. In our Operations Department we have been very progressive in how we maintain and rehabilitate the sewer lines in Fayetteville. We have gone back to the contract language and we have not moved forward in how we maintain Farmington's because of the contract language. This mediation now brings everything up to a level paying field. We have been in dispute with Farmington over the work we do and how we rehabilitate their lines versus our lines. The mediation process has brought this to a point where we are going to maintain their system including rehabilitation the same way we do ours. This is a reasonable move forward. The settlement agreement defines what we will be doing in the coming year. Each year the City of Fayetteville does a rehabilitation program, what we have done in this settlement agreement is put the Farmington sewer system as our next target project. This is an ongoing program that we have; we have done it for a number of years and plan to do it in the coming years.

Mayor Coody: I appreciate you and the others taking part in this.

Greg Boettcher: We also need to recognize the citizens from Farmington who put in time, it was a productive problem solving meeting. I think it was a very good success. The Fayetteville team recommends approval.

Kyle Cook: I know we are looking at allocation $350,000 and then there are other cost also associated with that. Are we going to hire RJN to do a study?

Greg Boettcher: Yes we are.

Kyle Cook: And then we are going to cost share with Farmington 50/50 on some repairs is that correct?

Greg Boettcher: Yes.

Kyle Cook: What is the total cost besides the $350,000?

Greg Boettcher: At this point, I can't tell the Council what the total rehabilitation cost will be. We are going to use RJN to look at the work Farmington has already done. Farmington has spent $200,000 plus studying their sewer system. We are going to use some of that work and build off of it, which is how that 50/50 cost share was arrived at. Their initial estimate of Phase I and Phase II repairs was around $800,000 as I recall. We are budgeting $350,000 to start the study, to look at what their consultant recommended and see if that matches what we would do. We will do point repairs and rehab but if there is an entire length of sewer that has failed and has served its useful live fall under the 50/50 cost share because we are not obligated to replace facilities that are worn out.

Mayor Coody: I want to make clear, you said the $350,000 would be used to start the study; I don't want to give the public the impression that we are spending $350,000 to start a study. This is going to include real world work isn't it?

Greg Boettcher: Yes it does, Mayor. $175,000 is the RJN full blown flow measurement and other activities, evaluating the work done by Farmington's consultant and designing plans and specs. I have included money for Phase I manhole repairs. Some elements of the project we will do right away and then next year in the 2005 budget about $1.5 million for sewer rehab and that will pick up any of the balance.

Alderman Cook: How is Farmington going to be prioritized against Fayetteville's projects, there are times now that we struggle to keep up with the needs in the City of Fayetteville.

Greg Boettcher: The Farmington basin will be prioritized just like we are doing the basins that the EPA rehab grant is assisting us with. We normally look at different basins; we do a worst first progressive type of approach. We have not studied Farmington in the past because in the earlier definition of the contract it was not anything we looked at for rehab and flow reduction.

It will come into the order; we will do the flow measurement and look at it. We have ongoing work this year and we will have ongoing work next year and Farmington will go with that.

Kit Williams: We are not agreeing to spend $850,000; we are agreeing to spend the money to fix the manholes which could be our fault and not Farmington's fault. That is a small amount. We are agreeing to spend a large amount $175,000 on a study because Mr. Boettcher quite rightly said we are not going to use their study that didn't do a cost benefit analysis. After that, the only thing we will do is go 50/50 with Farmington for the first $200,000 of their main sewer line repairs. This is something that we probably didn't absolutely have to do with Farmington because our contract says if the sewer line is longer than 15 feet that needs to be replaced then it is their responsibility. What we decided to do, looking at the first priority and the fact that we haven't spent a whole bunch of money in Farmington in the last ten years, we are looking at the priority one and priority two problems, we are going to have RJN analyze it and for the first $200,000 of the problems, as long as Farmington pays, we are going to pay too. Farmington said they might not have that much money to pay, so if they don't pay, we don't either. It is Farmington's responsibility under this contract to pay 100% of repair replacement cost for sewer mains 15 feet or longer after the first $200,000. We are not going to rehab their system, it is their system and they are in charge of rehabbing it. This has been a mediation agreement where we are extending that hand of friendship to Farmington, we are probably doing a little bit more that we really have to do, but we are saving litigation and time. One thing that will benefit us from this is that we are going to stop a lot of the infill and infiltration into our system because we have to treat all the water that comes into out system. We are not going to treat Farmington like they are in Fayetteville because they are not, they own their own system. We have a contract, their contract says if the pumps break, if the lines have to be totally replaced it's their cost, this contract does not change that. This contract says we will help you out with the first $200,000 of replacing those sewer mains, the worst ones, after that it is theirs 100% and Farmington realizes that.

Alderman Cook: I am not saying this is a bad agreement I am just trying to answer questions for people that don't understand, they think we are just throwing money towards Farmington and don't understand exactly what the contract says. I am just asking questions for clarification.

Alderman Reynolds: The lift station that they have to replace we are not going to be involved in that 50/50 are we?

Greg Boettcher: No, that is not any of the topics of discussion. The work that we are doing has to do with maintenance of the sewer lines and maintenance of the manholes. One exemption in the agreement is Farmington has what is known as a town branch interceptor that line is to be abandoned later when they build their improvements and we are no investing any money in that particular line since it will go away.

Alderman Marr: If we did not have this settlement what sewer rehab would have been the next step for Fayetteville?

Greg Boettcher: I can't answer that right now it would have been another basin, we just progress through the basins based on flow measurement and I don't have with me the next one that would be in the program. We will be doing in Fayetteville sewer system rehabilitation in 2005; this will not stop our program. Yes, there will be some resources that will go to do the Farmington basin versus having additional resources to do maybe one more in Fayetteville. One thing about our program is with that $1.1 million of grant money that we received from EPA, which is going to help us keep our internal program going while we do this one as well. We won't have a lapse in any of the work in Fayetteville we will have an on going program in 2005 as well. We are actually obligated under the old consent agreement to maintain progress on our system and to cut back on the excess flow so we can't cease our own internal activities.

Alderman Jordan: So we are going to continue to aggressively rebuild the sewer systems that we have in this city. I have constituents that are concerned about water pressure, things like that. Their main concern is you are giving Farmington $350,000, what about our problems.

Greg Boettcher: Not to correct you but we are not giving them $350,000. The basis of operation for our Water and Sewer Department is revenue driven. Customers pay charges, we have money in the account and we use that to fix the pipes and facilities. From an equity viewpoint the customers in Farmington have been paying sewer fees as well and to maintain their system is probably equitable as well. We are not taking from one group of customers to serve another, we are just continuing to serve them all and use the money that we charge for fees to maintain their systems.

Alderman Jordan: That helps.

Alderman Reynolds moved to approve the resolution. Alderman Thiel seconded the motion. Upon roll call the resolution passed 7-0. Alderman Rhoads was absent.

Resolution 165-04 as Recorded in the Office of the City Clerk.

Arkansas Blue Cross & USAble Insurance Benefit Plan Renewal: A resolution exercising the first of five one-year options to renew employee group policies with USAble Life to provide life, accidental death and dismemberment, and long term disability insurance coverage, and with Blue Cross/Blue Shield for the group medical plan.

Alderman Jordan: The memo states that currently an individual out of pocket maximum is $1,000 and the family plan out of pocket maximum is $2,000. A family maximum is met when two individuals in the family expends $1,000 out of pocket cost, the $500 deductible does not count toward the out of pocket maximum. Would you explain that to me please?

Michele Bechhold, Human Resources Director: If one individual meets the $500 deductible in a family plan and that person has $1000 of out of pocket cost in addition to that deductible, over and above the deductible then they will have met their out of pocket cost. For the family out of pocket cost to be met, another individual has to meet that $1000 out of cost over and above the deductible. That is how you have the $2,000 out of pocket family maximum. If there are any charges in addition to the deductible for the third and fourth member of the family the 100% coverage kick in at that point, because the out of pocket cost for the family would have been met. Members three and four also would not have to meet their deductible because once two members of the family meet the deductible it is met for the entire family.

Alderman Jordan: An individual has to meet a $500 deductible and another family member has to meet a $500 deductible and then everything is covered after that.

Michele Bechhold: That meets the family deductible. The stop loss threshold is the second threshold.

Alderman Marr: It says that the out of pocket deductible changed to reduce the premium renewal. What did it change to?

Michele Bechhold: The $1,000 out of pocket individual and $2,000 family is the current out of pocket.

Alderman Marr: What is it changing to?

Michele Bechhold: $2,000 individual and $4,000 family. It would double it.

Alderman Reynolds: Why are we doing that, are we saving the city money?

Michele Bechhold: The Wage and Benefit Committee considered this option as a way to reduce the potential premium increase from 10.89% to 7.6%. This is one of the options that we looked.

Alderman Reynolds: Did you survey the employee's to see which one of these options they would like to have.

Michele Bechhold: The members of the Wage and Benefit Committee were asked to go out and talk with the individuals that they represent within their groups and one of the selling facts for their decision to change the out of pocket is the fact the that we are proposing the city pick up the entire increase. About 4% of the members normally meet that out of pocket maximum so that was another factor in considering that we could receive a reduction from this 10.89% increase and affect a smaller number of individuals covered by the plan whereas if we have a premium increase that affects all of the employees directly in their paycheck every pay check whether they have medical services or not.

Alderman Reynolds: Does the hourly employee's have the same packages?

Michele Bechhold: Yes, there is one package for salary and hourly.

Alderman Marr: This memo talks about the 1% of the quote savings from Blue Cross Blue Shield was to move from Delta Dental to Blue Cross Blue Shield Dental. Did we take that advantage or are we staying with Delta Dental.

Michele Bechhold: Blue Cross offered to shave another percent so that would be 6.6% if we switched over to the Blue Cross Dental Plan. The dental plan is 100% employee paid however

Delta's network has a very broad coverage; they have the broadest coverage of any of the dental carriers out there. The members of the Wage and Benefit Committee and the employees that they polled chose to stay with Delta. In the memo it talks about an increase and a benefit change, the employees also opted to take a benefit change and have no increase.

Alderman Marr: So the 17% referred to in here is actually staying equal to move from 100% to the 80%.

Michele Bechhold: Right. The recommendation of the Benefit Committee is that the city retain Delta Dental but move to the 100/80/50 benefit structure so that we can keep the rates steady for 2005.

Alderman Marr: In the budget impact part of this memo, the change in the out of pocket is the $187,000 premium increase to the city.

Michele Bechhold: Yes.

Alderman Marr: If we left out of pocket the same it would have been roughly $72,000 more of a cost.

Michele Bechhold: Yes.

Alderman Marr: Our employee, employer split is not changing as a percentage or is it?

Michele Bechhold: The percentage that the employer picks up will change because we are going to absorb the entire increase if Council approves for us to take the 7.6% and then absorb the increase.

Alderman Marr: That is the point I want to understand, I know that is the case with the $187,000, the $262,000 is that making the same assumption?

Michele Bechhold: it is making the assumption that the employer would absorb 10.89% of the current city premium and the employee would absorb 10.89% of the current employee portion.

Alderman Marr: So that one is shared, so it is like an apple and an orange.

Michele Bechhold: Right.

Alderman Lucas: Who makes up the Wage and Benefit Committee?

Michele Bechhold: It is a group comprised of salary and hourly individuals that represent all of the departments throughout the city. I sit on the committee as an ex-officio member.

Alderman Jordan: Basically the deductible is going from $500 to $1000 per person?

Michele Bechhold: The deductible will remain at $500.

Alderman Odom moved to approve the resolution. Alderman Reynolds seconded the motion.

Alderman Marr: I just want to clarify one thing, only 4.6% of the employees in the City of Fayetteville met the $1,000 out of pocket limit in this past plan year.

Michele Bechhold: Yes, 4.6% of the members, that included employees as well as all of the dependents who are covered by the plan, the 1198 number. According to the broker they say about 4% is an average for the number of member to meet the out of pocket maximum.

Alderman Marr: I understand why we are doing this my only concern on it is some catastrophic area to assist, the people that would be hurt by this policy change are the people who will need it most with some significant medical claim. If you hit this limit then something major has gone on medically within your life and now we are asking them to double that. Depending on what level of employee that we are talking about it could be very significant. That concerns me because the next plan year renewal the only thing you have left to adjust is deductible to continue to hold prices. At some point when you want to keep your plan the same if you don't begin to share or experience that cost increase, pretty soon you have a very minimal catastrophic benefit. That's my concern, it appears at this level we don't have much left to work with and we need to begin to be more prepared to take on some new cost to maintain adequate coverage.

Michele Bechhold: That is certainly something that the city has done in the past years. We had a $250 deductible for many years and only in the past few years did we change the deductible to $500. Comparatively we still have a very low deductible, your statement is correct that those individuals who experience larger claims will pay more. The more you utilize the plan the more you end up paying in the long run. There are other things that we can look at, this is one that was brought o the committee and they did choose to take a savings in the per pay period premium and accept the risk of that additional monies if they were to incur cost that would meet the stop loss.

Alderman Marr: I do think it is important to note that even if we had kept the program the same we were coming in below the national average of health insurance increase, which means we have a better than average group. That's my concern we are making plan adjustments in a year where we are still below a cost that's already increasing significantly.

Alderman Thiel: They don't have to pay the 20% after a certain period right?

Michele Bechhold: That's correct.

Alderman Thiel: I think that's where it becomes catastrophically dangerous for a family.

Alderman Marr: Right, but we are changing that to where instead of it becoming difficult at $2,000 to becoming difficult at $4,000.

Michele Bechhold: That's the family.

Alderman Jordan: I agree with Alderman Marr that is a concern of mine that workers' making less that $10.00 per hour that is going to be very difficult for them to come up with $4,000.

Alderman Cook: Do we offer a flex plan to the employees, is that an option?

Michele Bechhold: They do have a flexible spending account option where they can put dollars away for medical expense.

Alderman Reynolds: Don, do you think we need to leave it as it is instead of changing or is that an option?

Alderman Marr: It is a 10% increase if we leave it where it is and it's $72,000 more to the city if I am reading this memo right, us keeping the current program. What I am hearing from you is this is the employee's request that this is how that cost be dealt with.

Michele Bechhold: Yes, in the Wage and Benefit Committee that is correct that the employees looked at the options. They looked at sharing a premium increase with the city and leave the plan as it is or we could change the plan and the city would pick up all the increase and as an employee I would not see any additional monies out of my paycheck every two weeks. That was basically how they looked at the decision and what they considered in making that.

Alderman Marr: Alderman Reynolds to your comment I don't know that I have any grand scheme, my thought process is that people don't want to save for retirement when they are 20 years old but the corporate company out of parental direction so to speak makes sure that you have a plan to do that. I think we have to be careful in out health insurance that when you have 95% of the group who doesn't hit this obviously they're not going to vote for that but there's 4% to 5% that hit it and they might be the 4% to 5% next year. We need to be good corporate citizens to make sure we are keeping a competitive package that's my concern.

Alderman Reynolds: Who was on that committee with you?

Michele Bechhold: Every individual division is not represented it is at a departmental level. Michele read to the Council the employees that serve on the committee.

Alderman Reynolds: Are any of those employees hourly?

Michele Bechhold: Yes there are hourly employees.

A discussion followed on the members that serve on the plan. Alderman Reynolds stated he was worried that there was not a good mix of employees on the committee. Michele stated that not every employee was probably contacted but the committee used their best judgment in their decision. She also stated this would become effective in the 2005 plan year. Alderman Jordan asked how the catastrophic leave bank was working. Michele responded that two individuals have used the program.

Upon roll call the resolution passed 6-2. Alderman Rhoads, Odom, Lucas, Jordan, Reynolds and Thiel voting yes. Alderman Cook and Marr voting no.

This Resolution was reconsidered and then tabled to the November 2, 2004 City Council meeting.

RZN 04-1164 (Clevenger Duplexes): An ordinance rezoning that property described in rezoning petition RZN 04-1164 as submitted by Melissa Curiel for property located south of Wedington Drive and east of 54th Avenue, containing approximately 4.93 acres from R-A, Residential Agricultural to RMF-6, Residential Multi Family, six units per acre subject to a Bill of Assurance limiting the number and type of structures to duplex and single family use.

Mr. Williams read the ordinance.

Dawn Warrick gave a brief description of the property. She stated one of the structures was completely destroyed by fire and because these are no-conforming structures based on the density requirements and the land use requirements of the R-A zoning district. The applicant was not able to obtain a building permit to replace the structure that had been destroyed. She stated they approached Planning about what they needed to do to rebuild that structure and they chose to pursue a rezoning request. The original request was to rezone the property to RT-12, staff accepted the rezoning request, but had a hard time making that particular zoning district fit the compatibly of the surrounding properties.

We decided we would be more comfortable in recommending an RMF-6 designation. The applicant will provide a Bill of Assurance to limit the type of limits that would be placed on these 4.93 acres to either single family or duplex structures so that it would be consistent with what is existing. They will also amend their Bill of Assurance to include a restriction of no more than 20 units on the subject property should it be rezoned to the requested RMF-6.

Alderman Thiel: He is just going to replace the duplex that was there?

Dawn Warrick: That is correct.

Alderman Thiel: There are currently 10 structures that house 20 units and you are saying a maximum of 20 units or a maximum of 20 houses?

Dawn Warrick: My understanding was the Council was concerned with any more than 20 dwelling units which would allow for the replacement of the burned duplex but no more.

Alderman Reynolds: So there is 18 now and if they rebuild the one that would be 20.

Dawn Warrick: Yes sir.

Alderman Lucas: The property across from the unit that burned on Clevenger is zoned RSF-4, is that correct?

Dawn Warrick: Yes that property is zoned RSF-4.

Alderman Thiel: Basically what he is asking for is to replace the burned out unit and then if he has something else burn he would have the zoning for all of the property.

Dawn Warrick: That's right because currently the dwelling units are all nonconforming based on the density and the lot requirements for the existing zoning district. Right now the density is just under 4 units per acre. An RSF-4 zoning would be very appropriate just with regards to the number of units however it would not permit the duplex configuration that they currently have. We don't have a specific zoning district that would address this particular site.

Alderman Reynolds: Do you have a Bill of Assurance in hand that they will build no more than 20 units on that piece of property.

Dawn Warrick: I do not have that document in hand but they have told me that they are agreeable to that.

Alderman Lucas: Can we leave this on the first reading until we get the Bill of Assurance.

This Ordinance was left on the First Reading.

RZN 04-1188 (Gene Housley): An ordinance rezoning that property described in rezoning petition RZN 04-1188 as submitted by Gene Housley for property located at 400 West Appleby Road containing approximately 9.46 acres from R-A Residential Agricultural to C-1, Neighborhood Commercial.

Mr. Williams read the ordinance.

Dawn Warrick gave a brief description of the property.

Alderman Thiel: I would rather see this zoned commercial than multifamily.

Alderman Odom: What does this zoning allow?

Dawn Warrick: It allows primarily retail, office, restaurants, and gas stations. It is not the type of commercial that you see on North College Avenue. It allows for small retail outlets.

Alderman Thiel: Were there any concerns by the neighbors at the Planning Commission meetings?

Dawn Warrick: No madam.

Alderman Cook: I think commercial is a good zoning for that area. My concern is that Shiloh and Appleby are right there and those are two very busy connectors. I am concerned about the traffic flow with what will be developed there but I do believe with having commercial in that spot. My concern is the traffic flow.

Dawn Warrick: We will have to look very closely at any development proposal for this piece of property.

Alderman Cook: Was there any thought to doing a PZD on this?

Dawn Warrick: That is not something that has been proposed.

A discussion followed on the project and road way improvements to Gregg, Appleby and Shiloh.

Alderman Thiel moved to suspend the rules and go to the second reading. Alderman Marr seconded the motion. Upon roll call the motion passed unanimously.

Mr. Williams read the ordinance.

Alderman Odom moved to suspend the rules and go to the third and final reading. Alderman Reynolds seconded the motion. Upon roll call the motion passed unanimously.

Mr. Williams read the ordinance.

Mayor Coody asked shall the ordinance pass. Upon roll call the ordinance passed unanimously.

Ordinance 4627 as Recorded in the Office of the City Clerk.

RZN 04-1189 (Jackson/Humphries): An ordinance rezoning that property described in rezoning petition RZN 04-1189 as submitted by Nick Wilson for property located at the northwest corner of South School Avenue and Sunrise Mountain Road containing approximately 7.91 acres from R-A Residential Agricultural and C-2, Thoroughfare Commercial to I-1 Heavy Commercial, Light Industrial.

Mr. Williams read the ordinance.

Alderman Thiel: I am concerned about rezoning this without seeing the plans. I am concerned about the access being onto South School and the traffic this might generate.

Alderman Marr: How much I-1 zoning in our industrial parks are currently vacant?

Mayor Coody: I use to know that but I don't anymore.

Alderman Reynolds: Tim did you research the wetlands on this project?

Tim Conklin: I did not have a chance to get with the applicant.

Alderman Reynolds: We would like to see the plan. I would not vote for this project if it was going to have an entrance to South School.

Mayor Coody: Have they discussed a PZD for this project?

Dawn Warrick: I don't believe that has been contemplated we could talk to the applicant about their option with regard to pursuing a planned zoning district. The concerns that you mentioned are concerns that staff would have regardless of what the project was.

Stan Jackson with JJS Digital: What we originally planned to do with this site is to build a new facility for our printing business on the front of the property adjacent to School Street. The self storage units would be behind that building more in the middle of the property. We really want to use the wet area as it is right now.

This Ordinance was left on the First Reading.

R-PZD 04-1181 (Walnut Crossing): An ordinance establishing a Residential Planned Zoning District titled R-PZD 04-1181, Walnut Crossing located north of Highway 62, east of Layne Street containing 43.30 acres, more or less; amending the official zoning map of the City of Fayetteville; and adopting the Associated Residential Development Plan as approved by the Planning Commission.

Mr. Williams read the ordinance.

Dawn Warrick gave a brief description of the project. There is a total of just under 53 acres involved with this project 43 are contained in the city limits of Fayetteville. This project calls for 136 single family dwelling units and two lots containing 6.47 total acres to provide for cluster homes. There is a central five acre public park. The access from the south from Highway 62 does come through the City of Farmington. The Farmington Planning Commission has reviewed this project and sent it forward to the Farmington City Council. We need to wait until the Farmington Council's determination and comments on the project.

Alderman Reynolds: The sewer would flow to the new plant?

Kim Hesse the Director of Land Development for the project: This would flow directly to the lift station to the east.

Brian Moore with Engineering Service: This development will flow to the southeast to a lift station that is on property adjacent to this from that lift station it is carried in a force main to the east to a 15" line. Mr. Boettcher has verified that the lift station does have the capacity to do this development.

Alderman Reynolds: That is not the station that we need to replace is it?

Brain Moore: No sir.

Kim Heese: Gave a description of the project. She showed a drawing of the planned development to the Council.

Alderman Lucas: Do you own the property to the east of this?

Kim Hesse: We do not own the property to the east nor do we own the property to the north, we own south and west.

Alderman Lucas: You don't own all the way to Rupple?

Kim Hesse: No. We plan to build every home in this development.

Alderman Lucas: Are all the houses going to look alike?

Kim Hesse: We will have probably 6 different home plans.

Mayor Coody: How many subdivisions have you done here locally?

Kim Hesse: They did some in Fayetteville it has been years ago. They have done a few in Springdale. They have some in Fort Smith, Tulsa and Oklahoma City.

Alderman Jordan: This is one of the best developments that I have seen since I have been on the Council.

This Ordinance was left on the First Reading.

ADM 04-1258 (Wilson Street/Walnut Crossing): A resolution amending the Master Street Plan to relocate Wilson Street, a proposed Collector Street, approximately 600 feet north as apart of R-PZD 1181, Walnut Crossing, as described in the staff report attached hereto and made a part hereof.

Dawn Warrick gave a brief description of the project.

Alderman Odom moved to table the Resolution until the November 2, 2004 City Council meeting. Alderman Lucas seconded the motion. Upon roll call the motion to table passed unanimously.

This Resolution was tabled until the November 2, 2004 City Council meeting.

C-PZD 04-1175 (Center Street & Gregg Street): An ordinance establishing a Commercial Planned Zoning District titled C-PZD 04-1175, Rivendell located at the northeast corner of Center Street and South Gregg Avenue containing approximately 0.67 acres, more or less; amending the official zoning map of the City of Fayetteville; and adopting the Associated Mixed Use Development Plan as approved by the Planning Commission.

Mr. Williams read the ordinance.

Dawn Warrick gave a brief description of the project.

Alderman Lucas: The alley will be part of the trail.

Dawn Warrick: No, Gregg Street would be the alley.

Alderman Lucas: Gregg Street is going to be downgraded to an alley?

Dawn Warrick: Yes, the trail is a trail corridor on the east side of the structures and it is being dedicated and it will be on the other side of the structures from Gregg Street which would be the alley providing parking area for the development.

Steve Clark with Clark Consulting: This project was certainly a challenge.

Alderman Thiel: I think this project is a great infill project for that area.

Mayor Coody: I also want to thank Denele Campbell for working with us.

Alderman Thiel moved to suspend the rules and go to the second reading. Alderman Reynolds seconded the motion. Upon roll call the motion passed 7-0. Alderman Rhoads recused.

Mr. Williams read the ordinance.

Alderman Marr: Was there any opposition to the project from anyone from the area?

Kit Williams: I was at that meeting and I don't remember any opposition at all, it was very well received by the Planning Commission.

Alderman Marr: This went through subdivision and the entire planning process.

Dawn Warrick: Yes.

Alderman Reynolds moved to suspend the rules and go to the third and final reading. Alderman Cook seconded the motion. Upon roll call the motion passed 7-0. Alderman Rhoads recused.

Mr. Williams read the ordinance.

Mayor Coody asked shall the ordinance pass. Upon roll call the ordinance passed 7-0. Alderman Rhoads recused.

Ordinance 4628 as Recorded in the Office of the City Clerk.

ADM 04-1257 (Gregg Avenue Reclassification): A resolution amending the Master Street Plan to reclassify Gregg Avenue from a Local Street to an Alley between Center Street and Meadow Street as described in the staff report attached hereto and made a part hereof.

Alderman Odom moved to approve the resolution. Alderman Cook seconded the motion. Upon roll call the resolution passed 7-0. Alderman Rhoads recused.

Resolution 166-04 as Recorded in the Office of the City Clerk.

VAC 04-1178 (Gregg Street Right of Way): An ordinance approving VAC 04-1178 to vacate a portion of the right of way for Gregg Street located between Center Street and Meadow Street and reclassifying this subject right of way as an Alley as depicted on the attached map and legal description.

Mr. Williams read the ordinance.

Alderman Jordan moved to suspend the rules and go to the second reading. Alderman Reynolds seconded the motion. Upon roll call the motion passed 7-0. Alderman Rhoads recused.

Mr. Williams read the ordinance.

Alderman Jordan moved to suspend the rules and go to the third and final reading. Alderman Reynolds seconded the motion. Upon roll call the motion passed 7-0. Alderman Rhoads recused.

Mr. Williams read the ordinance.

Mayor Coody asked shall the ordinance pass. Upon roll call the ordinance passed 7-0. Alderman Rhoads recused.

Ordinance 4629 as Recorded in the Office of the City Clerk.

Seven Hills Property Lease: A resolution to terminate the current lease of 4.22 acres of City property to Sage House and approve a lease of up to four acres of this property to Seven Hills Homeless Shelter Center, Inc.

Alderman Thiel: I would like to withdraw the current resolution and lease and replace them with the new resolution that has been handed out. Alderman Thiel read the new resolution.

I brought this forward because Seven Hills has received funding to build a transitional housing facility for families, single women and disabled people. They just need to find an appropriate location. Initially when I brought this forward I was under the impression that Sage House transitional housing project was not moving forward, they had applied for and did not receive federal funding last year. They hadn't submitted a current board list or site plans for their current project through the Community Block Grant Division. However since Tuesday night I have visited with some of the Sage House board members and I discovered that they have recently applied for another grant which is tied to having a lease for their project. Obviously we don't want to jeopardize their possibility of obtaining a grant. The city needs to and can help both

Sage House and Seven Hills provide transitional housing, the currently leased portion of city owned property on Huntsville Road is ideally located for both of these projects. It is very accessible to an elementary school and public transportation and I certainly hope these organizations can sit down with city representatives and workout a way to share this property. I think if more land is needed to enable both organizations to build their facilities I believe the City is willing to increase the amount of land to make both these projects within this area.

Alderman Reynolds: I want to thank Sage House and Seven Hills for working this out and moving this project from where Seven Hills originally planned to build.

Alderman Coody: Does this lease satisfy the needs of the grant; is it ownership of the land or lease of the land?

Kimberly Gross with Seven Hills: Lease is fine.

Curt Joyce with the Sage House Board: There has been a lot of work and money spent on the reliance on the lease. At this point the resolution seems premature to me. We have a valid lease if the Board of Sage House wants to talk to Seven Hills and it is my impression that we do. Obviously there is great need to both these projects in Fayetteville. There is no need at this point to have the city involved in those talks. The talks have already begun. I just really don't think the City needs to be involved at this point.

Hope Bradberry past president of Sage House and a current advisory board member: I think it is important that the Council know actually by our lease there is a section that allows us to sublease the property as long as it is fulfilling its use mission of transitional housing. We would be able to sublease property to Seven Hills with City consent. Where we might have problems is if we gave them so much property that we would be short of what we needed to do for our project which then we would need to come to the City for a modification of our lease. I think the two organizations just need to begin discussion and that discussion has started. I would prefer that you give us a chance to get that going.

Mayor Coody: What is your timeframe for you commitment for your grant?

Hope Bradberry: We need to have site control of a piece of property before December 19th.

Mayor Coody: How long do you think it will take you all to come up with some kind of a joint agreement?

Hope Bradberry: A couple of weeks. I don't know for sure. I don't think any of our folks are opposed to their project. We do understand their deadline.

Alderman Lucas: How long have you had the lease?

Hope Bradberry: Two years. We would like to have federal funding come to this project. We are applying for $150,000 through the Federal Home Loan Bank, then we have $350,000 that we are going for and we have over $800,000 in tax credits. I just think it is important if we are able to get federal funding then we do not have to look to the community itself for private donors to help fund this. That process is very time consuming.

Alderman Marr: I do think the resolution is needed because there is probably not enough room as the current lease is to have two without there being some adjustment by the City. I don't think they can completely solve it even through the subleasing piece. I think what this resolution does is to say it is our intent that the City negotiate with both of the groups to get this thing done. We don't want to lose Seven Hills funding because we don't meet a deadline or have time and we certainly don't want to jeopardize Sage House. This is an opportunity that we get to leverage all of it. I like the new resolution a lot better.

Mayor Coody: This resolution says nothing about revoking any lease so the lease will still be intact.

Alderman Thiel: I had visited with the Mayor, Hugh Earnest and some of the people involved with our Community Development Block Grant. There is a willingness to build part of this street, at least get it started. My concern is that if Seven Hills is ready to go they would need to build at the north part of this project.

A discussion followed on the project.

Alderman Thiel moved to amend the resolution and replace it with a new resolution. Alderman Marr seconded the motion. Upon roll call the motion to amend the resolution passed unanimously.

Alderman Odom: Does this resolution terminate our lease with Sage House?

Kit Williams: It does not, this resolution merely encourages immediate negotiations between the City and both of the two nonprofits to try to make sure that both of their projects can go forward.

Upon roll call the amended resolution passed unanimously.

Resolution 167-04 as Recorded in the Office of the City Clerk.

Interlocal Agreement with Washington County for Jail Services: A resolution adopting an interlocal agreement between the City of Fayetteville, Arkansas, and Washington County, Arkansas wherein the County will provide jail services to the City approving the transfer of three (3) FTE jail positions to Records Division upon City Jail closure; and approving the transfer of two (2) FTE jail positions to Patrol Division on January 1, 2005.

Frank Johnson, Police Chief: You have our recommendation including the background and why we feel we need to close our jail and enter into this contract with the county.

Alderman Cook: In the past there has been issues of communicating software between the County and the City as far as booking prisoners in, there has been issues with that is that correct?

Judy Cohea, Police Department: The County and the City does use separate software packages so what we plan to do is to have a County terminal in the Fayetteville Police Department so that we can look up information. We won't be able to change anything but we will be able to see anything that we need to see.

Alderman Cook: This will make things better?

Judy Cohea: This will make things much better.

Alderman Odom moved to approve the resolution. Alderman Marr seconded the motion. Upon roll call the resolution passed unanimously.

Resolution 168-04 as Recorded in the Office of the City Clerk.

Motion to Reconsider Arkansas Blue Cross and USAble Insurance Benefit Plan Renewal: A resolution exercising the first of five one-year options to renew employee group policies with USAble Life to provide life, accidental death and dismemberment, and long term disability insurance coverage, and with Blue Cross/Blue Shield for the group medical plan.

Alderman Jordan: I have some problems with a vote I make earlier tonight on the insurance. I feel I did not really have all the information I needed to make that decision. Not all of the materials were there, I have concerns about the of pocket expense to the employees. I would like to reconsider the insurance issue. I just want to do a little more research on it.

Alderman Rhoads: Can this motion be discussed?

Mayor Coody: Yes.

Alderman Rhoads: What are the ramifications of waiting two weeks?

Kit Williams: It is for the year 2005 so you would think two weeks would not be a problem.

Alderman Jordan moved to reconsider the resolution. Alderman Thiel seconded the motion. Upon roll call the motion to reconsider passed unanimously.

Alderman Jordan moved to table the resolution until the November 2, 2004 City Council meeting. Alderman Reynolds seconded the motion. Upon roll call the motion to table passed unanimously.

This Resolution was reconsidered and then tabled to the November 2, 2004 City Council meeting.

Alderman Thiel moved to reschedule the November 2, 2004 City Council meeting to November 1, 2004 at 6:00 pm. Alderman Marr seconded the motion.

Alderman Rhoads: What is the reason for rescheduling?

Alderman Thiel: It is election night and a lot of us would like to be at the Radisson at the watch party prior to 9:00 or 10:00. I would rather not rush through a meeting to get out of here.

Alderman Rhoads: There is no other reason?

Alderman Thiel: There is no other reason.

Alderman Odom: I just want to make sure that notification is okay, do we have enough time now to give plenty of notification?

Tim Conklin: We will notify the applicants tomorrow. We should be okay.

Alderman Thiel: The press definitely supports this because they are split between two events that are major.

Upon roll call the motion passed unanimously.

Meeting adjourned at 8:32 p.m.

Sondra Smith

Sondra Smith, City Clerk

Dan Coody

Dan Coody, Mayor