Mayor Dan Coody

City Attorney Kit Williams

City Clerk Sondra Smith

Aldermen

Ward 1 Position 1 – Adella Gray
Ward 1 Position 2 – Brenda Thiel
Ward 2 Position 1 – Kyle B. Cook
Ward 2 Position 2 – Nancy Allen
Ward 3 Position 1 – Robert K. Rhoads
Ward 3 Position 2 – Robert Ferrell
Ward 4 Position 1 – Shirley Lucas
Ward 4 Position 2 – Lioneld Jordan

City of Fayetteville Arkansas
City Council Meeting Minutes
August 5, 2008

A meeting of the Fayetteville City Council was held on August 5, 2008 at 6:00 PM 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 Gray, Thiel, Cook, Allen, Rhoads, Ferrell, Lucas, Jordan, Mayor Coody, City Attorney Kit Williams, City Clerk Sondra Smith, Staff, Press, and Audience.

Pledge of Allegiance.

Mayor's Announcements, Proclamations and Recognitions:

Presentations, Reports and Discussion Items:

Off Street Parking Improvement District No. 1 Board Vacancy:
Approve the appointment of Tonya L. Patrick and George B. Morton
(Appointed by the District and Approved by the City Council)

Mayor Coody: This is to approve the appointment of Tonya L. Patrick and George B. Morton.

Alderman Ferrell moved to approve the appointment of Tonya L. Patrick and George B. Morton to the Off Street Parking Improvement District #1. Alderman Cook seconded the motion. Upon role call the motion passed unanimously.

Washington County Regional Ambulance Committee Appointments:
Appoint two people to the committee
(Appointed by the City Council)

Alderman Cook: I asked for suggestions from the Aldermen. Tony Johnson is one of the selections. I wanted to make sure that we had someone that was looking out for the City while

they get the ball rolling. We discussed several different people. I thought we should pick an Alderman to be on that board. After much discussion, Alderman Ferrell is interested in serving on the board. That is our other selection.

Alderman Cook moved to approve the appointment of Fire Chief Tony Johnson and Alderman Bobby Ferrell to the Washington County Regional Ambulance Committee. Alderman Lucas seconded the motion. Upon role call the motion passed 7-0. Alderman Ferrell did not vote.

Agenda Additions: None

Consent:

Approval of the July 1 and the July 15, 2008 City Council meeting minutes.

Arkansas Parks and Tourism Outdoor Recreation Grant: A resolution authorizing the Mayor to apply for an Arkansas Parks and Tourism Outdoor Recreation Grant in the amount of $150,000.00 for the development of the park property on Fairlane Drive.

Resolution 149-08 as Recorded in the office of the City Clerk.

Arkoma Playgrounds and Supply, Inc., Bid # 08-05: A resolution awarding Bid # 08-05 and approving a contract with Arkoma Playgrounds and Supply, Inc. in the amount of $199,969.00; and approving a 5% contingency in the amount of $9,998.00 for the construction of Rodney Ryan Park.

Resolution 150-08 as Recorded in the office of the City Clerk.

Bestech Environmental Resources, Inc., Bid # 08-31: A resolution to approve the purchase of a G-8 Therm-Tec animal crematory for $58,700.00 for use by the Animal Shelter and approve a budget adjustment of $8,700.00.

Resolution 151-08 as Recorded in the office of the City Clerk.

Future Link of Illinois, Bid # 08-53: A resolution awarding Bid # 08-53 and approving the purchase of twenty-seven (27) mobile computer systems from Future Link of Illinois, Inc. in the amount of $148, 818.33 for use in Fayetteville Police Patrol Vehicles; and approving a budget adjustment in the amount of $149,000.00.

Resolution 152-08 as Recorded in the office of the City Clerk.

Automatic Vehicle Wash Program: A resolution approving a budget adjustment in the amount of $60,000.00 to transfer funds from Project 02082 – (Solid Waste Vehicles/Equipment) to Project 06012 – (Wash Bay and Covered Storage) to complete the installation of the Vehicle Wash System and the Hand-Wash Truck Wash Area.

Resolution 153-08 as Recorded in the office of the City Clerk.

Alderman Jordan moved to approve the Consent Agenda as read. Alderman Lucas seconded the motion. Upon roll call the motion passed unanimously.

Unfinished Business:

Hiring Freeze: Hiring Freeze Appeals: A resolution to approve the hiring of two replacement Fayetteville Police Officers.

Two Police Officers:

Police Chief Greg Tabor: One officer resigned and another was terminated. We currently have three officers on military leave and five on medical leave. It is important that we replace these two positions as soon as possible.

Alderman Jordan moved to approve two Police Officer positions. Alderman Gray seconded the motion. Upon roll call the resolution passed unanimously.

Resolution 154-08 as Recorded in the office of the City Clerk.

ADM 07-2711 (UDC Amendment – Chapter 166.08 Street Design and Access Management Ordinance): An ordinance amending Title XV: Unified Development Code of the Code of Fayetteville to amend Chapter 166: Development in order to adopt street design and access management design standards. ***This ordinance was left on the First Reading at the July 15, 2008 City Council meeting.***

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

City Attorney Kit Williams read the ordinance.

Leif Olson, Long Range Planner: After the meeting on July 15 the Planning staff and City Attorney got together and worked out some of the inconsistencies in this ordinance. We added variance language to three different sections. After working through these changes I think this is an ordinance that the Planning staff can support.

Alderman Ferrell: I would like to thank Planning and Mr. Williams for getting together.

Alderman Ferrell moved to amend Exhibit A to the new Exhibit A that was supplied to the Council by the Planning Division. Alderman Cook seconded the motion. Upon roll call the motion passed unanimously.

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

City Attorney Kit Williams read the ordinance.

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

Ordinance 5156 as Recorded in the office of the City Clerk

Amend Chapter 173 Building Regulations: An ordinance to enact the Arkansas Energy Code as a part of the Unified Development Code and to amend the energy code to add a provision for an energy efficiency certificate. ***This ordinance was left on the Second Reading at the July 15, 2008 City Council meeting.***

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

City Attorney Kit Williams read the ordinance.

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

Ordinance 5157 as Recorded in the office of the City Clerk

New Business:

Crossland Heavy Contractors, Inc.: A resolution awarding Bid #08-50 and approving a construction contract with Crossland Heavy Contractors, Inc. in the amount of $2,439,646.00; and approving a 10% contingency in the amount of $244,000.00 for improvements at the Noland Wastewater Treatment Plant, WSIP Subproject EP-3.

Alderman Cook: The Water and Sewer Committee met and discussed this. We moved it forward to the Council.

Alderman Jordan moved to approve the resolution. Alderman Gray seconded the motion. Upon roll call the resolution passed unanimously.

Resolution 155-08 as Recorded in the office of the City Clerk

2009 Employee Benefits: A resolution to approve the same level and cost of employee benefits in 2009 as are being provided in 2008.

Missy Leflar, HR Division Manager: We are requesting Council approval of the City paid employee benefits for 2009. This will be at the same cost. There will be no increase, and no change.

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

Resolution 156-08 as Recorded in the office of the City Clerk

Amend § 33.018, Parks and Recreation Advisory Board: An ordinance to amend § 33.018 Parks and Recreation Advisory Board of the Code of Fayetteville.

City Attorney Kit Williams read the ordinance.

Alison Jumper, Park Planner II: We would like to increase the membership of the board from eight members to nine members and extend the terms from two years to three. I think this will provide a better makeup for the board.

Alderman Thiel: I think this is a very good ordinance and a very good change to the existing ordinance.

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

City Attorney Kit Williams read the ordinance.

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

City Attorney Kit Williams read the ordinance.

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

Ordinance 5158 as Recorded in the office of the City Clerk

Amend Chapter 174 Signs: An ordinance to amend Unified Development Code Ch. 174.08, Prohibited Signs, to allow "A" frame sandwich/menu board signs under certain conditions.

City Attorney Kit Williams read the ordinance.

Jeremy Pate, Director of Current Planning gave a brief description of the change to the ordinance. I have had some questions on this ordinance therefore I would like to hold it on this reading.

Alderman Thiel: The City has had some problems with these being placed on sidewalks and people falling over them. They have created some hazards. Are these going to be allowed any where or do they have to make a request to have one?

Jeremy Pate: They would have to be permitted.

Alderman Thiel: If they have to be permitted that eliminates that. That means you will look at location, where they are going to place them, and if it will jeopardize pedestrian traffic.

City Attorney Kit Williams: When you are dealing in the first amendment area we want to have very little discretion. Either it meets the pedestrian safety by being wide enough or it does not. I would like to work with Jeremy to tighten this up.

Alderman Allen: It sounds like these are good suggestions. I think our sign ordinance is one of the things that sets us aside from neighboring communities. I hope we can work with this and make it something that will be helpful to all.

Alderman Rhoads: The only thing that struck me is it might be too restrictive from the standpoint that there has to be other businesses besides restaurants and bars that may be tucked away, as we do more infill and develop different parks of our downtown. You may have some businesses that may be in need of advertisement. I would hope that they could get a permit as well.

City Attorney Kit Williams: I would suggest that we start initially with the restaurants and eating establishments and then if there are other businesses we can take a look at that. If we go beyond the restaurants initially, what is the next limitation? I don't see one really.

Alderman Rhoads: I would say any business that is precluded from advertising an invisible site but for an A-frame sign, something of that nature.

Alderman Ferrell: I think we should do this and then take a look at others.

This ordinance was left on the First Reading.

Bid Waiver for Asphalt: An ordinance waiving the requirements of formal competitive bidding indefinitely for the purchase of asphalt materials for use by the Transportation Division.

City Attorney Kit Williams read the ordinance.

Gary Dumas, Director of Operations: We received notification in July about the lack of material from our contracted supplier. Because of the volatility, long term bidding does not seem viable. We would like to have the ability to get quotes.

City Attorney Kit Williams: I hope the Transportation Division will keep close tabs on this, because once the volatility in the market goes out, we need to repeal this ordinance and go back to a normal bid procedure.

Alderman Cook: I agree with Kit's comment on this.

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

City Attorney Kit Williams read the ordinance.

Alderman Ferrell moved to amend the ordinance to be effective throughout the remainder of 2008 for the purchase of asphalt materials. Alderman Jordan seconded the motion. Upon roll call the motion passed unanimously.

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

City Attorney Kit Williams read the ordinance.

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

Ordinance 5159 as Recorded in the office of the City Clerk

2009 Budget Request: A resolution to request that the budget to be submitted to the City Council by the Administration be balanced.

Alderman Ferrell: This is really a very simple statement of intent. This is fiscal sustainability. It is a statement of intent that we are not going to project to spend more than we expect to take.

Mayor Coody: The staff is very professional and for years they have done a very good job presenting a well run fiscally conservative balance sheet. I don't want to tie their hands with this kind of a request. If we need to present a balanced budget that is different than this for some reason, the budgeting process is so complex that I think we will need to present to you the best budget that we can that will preserve the quality of services we provide the citizens and preserve the strength of our staff and our employees as well. It is a delicate balancing act.

Alderman Ferrell: I would say and or reallocate resources as needed.

Mayor Coody: We are going to present to you the budget that we think will work the best.

Alderman Thiel: I would like to hear staff's comments.

Paul Becker, Finance Director: If the intent of the resolution is to bind us and not budget any more expenditures than estimated revenues then I would say it ties our hands from possibilities if we see that we need to use reserves to bring the budget in sync. I think we should be able to recommend that. That is a decision for the Council whether to approve the recommendation. I believe we should consider using cash reserves if necessary to make that recommendation.

Mayor Coody: If necessary.

Paul Becker: Yes.

Alderman Lucas: I don't understand the problem with this personally. Every year a budget is brought to us and the Council works very hard to bring us within the budget and not go into reserve. This is merely stating this is what we would like to see to begin with. I would like to see a budget that is brought to us that is balanced. I am not saying it is okay to go into reserves.

Paul Becker: Are you saying I am precluded from recommending use of reserves?

Alderman Lucas: After you bring us the balanced budget you may say we should do this or that. I want to see a balanced budget to begin with.

Mayor Coody: They are saying that whatever money we expect to bring in is exactly what we should budget for. This is a very fiscally distressing time, with the spike in materials and the increase in different costs. Our income is not growing like it use to. I don't feel the need to tie the staff's hands on bringing forward a budget that needs to be completely balanced, if that means as we bring forward a balanced budget that automatically means we would be doing things such as requiring that we raise taxes or requiring that we lay people off, neither of which are acceptable to us.

Alderman Thiel: I disagree with Alderman Ferrell and Lucas regarding this proposal. I certainly want us to have as balanced of a budget that we can. I would like to see what the various divisions feel are necessary or essential and then look at it. Rather than the reverse of having everything cut out, including possibility having to lay people off, and then the Council try to determine how to put that back into place. I like the way we have done it. I don't want to see layoffs in a budget and if that is what departments have to do to make this budget work then I don't want to be in a position of saying which departments have to lay off. I don't want to tie the hands of the staff to that extent.

Alderman Ferrell: There is no intent to tie the hands of staff. This is a resolution of intent. The economy is part of the reason I came up with this. The intent is to tighten things up that when it comes to us expenditures equal revenues.

Mayor Coody: This will be a much tighter budget than last year and last year was very tight.

Paul Becker: We have to remember there are a lot of escalated costs and the request for expenditures is reflecting that.

Alderman Ferrell: When we have escalation in cost sometimes we have to defer spending in other areas where we can defer it.

Paul Becker: We went through some very difficult exercises last year as we did the year before and made some cuts.

A discussion followed on the proposed budget.

Alderman Allen moved to amend the resolution to say *as balanced as possible.* Alderman Thiel seconded the motion. Upon roll call the amendment failed 3-5. Alderman Thiel, Allen and Gray voting yes. Alderman Cook, Rhoads, Ferrell, Lucas, and Jordan voting no.

Amendment failed.

Alderman Ferrell moved to approve the resolution. Alderman Lucas seconded the motion. Upon roll call the resolution passed 5-3. Alderman Cook, Allen, Ferrell, Lucas, and Jordan voting yes. Alderman Thiel, Rhoads and Gray voting no.

Resolution 157-08 as Recorded in the office of the City Clerk

R-PZD 08-2980, Markham Hill Cottage Courts: An ordinance establishing a Residential Planned Zoning District titled R-PZD 08-2980, Markham Hill Cottage Courts, located north of Maine Street, between Sang and Cross Avenue; containing approximately 2.54 acres; amending the official zoning map of the City of Fayetteville; and adopting the associated master development plan.

City Attorney Kit Williams read the ordinance.

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

City Attorney Kit Williams read the ordinance.

Jeremy Pate gave a brief description of the project. Jeremy stated the Planning Commission voted 7-0 in favor of the request and staff recommended approval with some conditions.

This ordinance was left on the Second Reading.

R-PZD 08-3006, Porchscapes: An ordinance establishing a Residential Planned Zoning District titled R-PZD 08-3006, Porchscapes, located at the southern extension of Seven Hills Drive, south of Huntsville Road; containing approximately 8.81 acres; amending the official zoning map of the City of Fayetteville; and adopting the associated master development plan.

City Attorney Kit Williams read the ordinance.

Jeremy Pate gave a brief description of the project. Jeremy stated the Planning Commission voted 7-0 in favor. Jeremy asked the Council to amend Condition # 4 regarding solid waste.

At the time of printing the packet a solid waste waiver had not been worked out entirely. The Solid Waste Division and the applicant have been able to get together and they were able to work out a resolution with the conditions. A project such as this usually requires a dumpster. Most neighborhoods utilize residential carts and recycling bins and the applicant would like the same to be the case for this project. With some conditions in place the Solid Waste Division is agreeable to that as well. Staff is recommending approval of this project.

Alderman Thiel moved to amend Condition # 4 of the ordinance to incorporate the conditions of approval from the Solid Waste Division as part of this PZD. Alderman Allen seconded the motion. Upon roll call the motion passed unanimously.

Katie Brashears, Community Design Center spoke about the goal they had with Habitat on this project and some of the design elements they incorporated to achieve those goals. She stated the main goals was to create an affordable sustainable neighborhood that will allow for these houses to appreciate in value and also to serve as a model for other developments throughout Arkansas. They have incorporated three major design elements to achieve this goal, sustainability, low impact development techniques, and use of a shared street.

Mayor Coody: This is a real exciting project.

Mike Johnson, Habitat board member: This is a great story for the entire community. Up to 43 families will have the ability to attain home ownership on a zero interest loan. This is going to be a great place to live. I think the City and this region will be proud of what is there. I think the environment, the community and these young families are going to win. It is going to give us the ability to go beyond four or five homes a year. I think we have the opportunity to learn and take that next step. This is a great opportunity for all of us. We appreciate your support.

Mayor Coody: It really was a good partnership.

Mike Johnson: We have settled on a formal name, Heritage Meadows.

Chris Suneson, McClelland Consulting Engineers: We are a proud partner in this project. One of the important aspects this project brings forward for the City is the concept of green infrastructure.

Alderman Thiel: I have not heard anyone that is opposed to this. I am really excited about it.

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

City Attorney Kit Williams read the ordinance.

Alderman Gray moved to amend the ordinance to change the project name to Heritage Meadows. Alderman Ferrell seconded the motion. Upon roll call the motion passed unanimously.

Alderman Jordan: I was really impressed with this. It is one of the best looking developments that I have seen come through since I have been on the Council. I particularly like that it creates attainable housing. I think it is a great project and I want to commend you for the work that you have done.

Alderman Ferrell: I think the whole community is enriched with the time and efforts of everyone in our community that have worked so hard to bring this about.

Alderman Allen: It is great.

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

City Attorney Kit Williams read the ordinance.

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

Ordinance 5160 as Recorded in the office of the City Clerk

R-PZD 08-3022, Stonewood Gardens: An ordinance establishing a Residential Planned Zoning District titled R-PZD 08-3022, Stonewood Gardens, located near the south east corner of Crossover and Albright Road; containing approximately 3.36 acres; amending the official zoning map of the City of Fayetteville; and adopting the associated master development plan.

City Attorney Kit Williams read the ordinance.

Jeremy Pate gave a brief history of the PZD. This is a concept PZD. Planning Commission approved this unanimously. Staff recommended in favor.

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

City Attorney Kit Williams read the ordinance.

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

City Attorney Kit Williams read the ordinance.

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

Ordinance 5161 as Recorded in the office of the City Clerk.

RZN 08-3027, Pathway Baptist Church: An ordinance rezoning that property described in rezoning petition RZN 08-3027, for approximately 14.36 acres, located at the southeast corner of Mount Comfort and Salem Road from RSF-4, Residential Single-family, 4 units per acre and R-A, Residential Agricultural to R-O, Residential Office and P-1, Institutional.

City Attorney Kit Williams read the ordinance.

Jeremy Pate gave a brief description of the rezoning. Staff recommends approval of this rezoning request. The Planning Commission voted unanimously in favor of this.

Alderman Jordan moved to suspend the rules and go to the second reading. Alderman Lucas seconded the motion. Upon roll call the motion passed 7-0. Alderman Thiel was absent during the vote.

City Attorney Kit Williams read the ordinance.

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 unanimously.

City Attorney Kit Williams read the ordinance.

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

Ordinance 5162 as Recorded in the office of the City Clerk.

ANX 08-3029, Holcomb Heights III: An ordinance annexing that property described in annexation petition ANX 08-3029, located at the northwest corner of Weir Road and North Salem Road, containing approximately 3.23 acres.

City Attorney Kit Williams read the ordinance.

Jeremy Pate gave a brief description of the annexation. Staff recommends approval of this annexation request. The Planning Commission voted 7-0 in favor of this.

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

City Attorney Kit Williams read the ordinance.

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 unanimously.

City Attorney Kit Williams read the ordinance.

Mayor Coody asked shall the ordinance pass. Upon roll call the ordinance passed 7-1. Alderman Cook voting no.

Ordinance 5163 as Recorded in the office of the City Clerk.

RZN 08-3030, Holcomb Heights III: An ordinance rezoning that property described in rezoning petition RZN 08-3030, for approximately 3.23 acres, located at the northwest corner of Weir Road and North Salem Road from R-A, Residential Agricultural, to RSF-4, Residential Single-family, 4 units per acre.

City Attorney Kit Williams read the ordinance.

Jeremy Pate gave a brief description of the rezoning.

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

City Attorney Kit Williams read the ordinance.

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 unanimously.

City Attorney Kit Williams read the ordinance.

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

Ordinance 5164 as Recorded in the office of the City Clerk.

The following ordinance was added to the agenda at the City Council meeting.

Fayetteville Downtown Partners-Fayetteville Arts Festival: An ordinance waiving the requirements of § 34.23(A) of the Fayetteville Code requiring quotation bids and approving a contract for services with Fayetteville Downtown Partners in the amount of $2,500 to promote, produce and manage the 2008 Fayetteville Arts Festival and approving a budget adjustment in the amount of $2,500.00.

Alderman Jordan moved to add the ordinance to the agenda. Alderman Thiel seconded the motion. Upon roll call the motion passed unanimously.

City Attorney Kit Williams read the ordinance.

Mayor Coody: The A&P Commission agreed to pay $2,500 if we would pay $2,500. This is what they agreed to so this is what I am bringing to the Council.

Alderman Jordan: I would like to make an amendment to the ordinance. We made a commitment a few years ago for one million dollars for our trails program. We have also helped with the purchase of a couple of tracts of urban forest that ended up at several hundred thousand dollars. We supported the Botanical Gardens with $750,000 which came from our Economic Development Fund. We have talked a lot about supporting the arts program and I think it is time that we do that. I would like to amend the ordinance to state $32,500 and do a budget adjustment out of the Economic Development Fund to fund this to bring forward the Arts Festival.

Alderman Jordan moved to amend the ordinance to $32,500 and do a budget adjustment out of the Economic Development Fund to fund this amount. Alderman Allen seconded the motion.

Alderman Allen: I think we need to put our money where our mouth is. We claim the arts to be an important part of our culture here in Fayetteville.

Alderman Thiel: What was the amount?

Alderman Jordan: We are getting $2,500 from the A&P Commission so we will add $32,500 for a total of $35,000 which is what they recommended. I would also recommend that if we do take it out of our Economic Development Fund that the money not be spent elsewhere. That it be with local businesses here in Fayetteville.

Mayor Coody: When you say keep the money here in Fayetteville does that mean they can not advertise in Bentonville?

Alderman Jordan: One of the complaints that I heard from the A&P Commission was that a lot of the money was being spent in Bentonville and they did not like that. I thought if we would just keep it right here that it would be more in line with our economic development here in Fayetteville.

Mayor Coody: What will you do with the $35,000? Do you have a budget?

Sarah Lewis, Arts Festival representative: We do have a budget. We are working to move this festival forward this year and that money would go to support future festivals as well as helping to pay for existing activities for this year's festival. The festival will be at the Town Center this year. Our budget would support that amendment to the funding request.

Mayor Coody: We will also need a motion and a second to approve a budget adjustment for $32,500.

City Attorney Kit Williams: It is part of the ordinance. You would have to amend Section 2 of the ordinance which is the budget adjustment.

Alderman Rhoads: We talked about this before and the amounts you needed. There was going to be a fund raising event. Can you give us a little more specifics and tell us exactly where you are dollar wise.

Daniel Keeley: We had a successful fund raiser. We raised about $8,600. We had a few private donations. We are still trying to solicit more. We have had entry application fees from the artist which gave us another $1,000. We had a budget of $54,000. We are only going to spend what we get for the Arts Festival. It is all in adverting dollars and what we can offer at the festival.

Alderman Rhoads: Where are you as far as raising that $54,000?

Daniel Keeley: We have somewhere in the neighborhood of $10,000.

Sarah Lewis, Arts Festival representative: The budget goes back over years of planning this festival. We have grown this festival over the past three years. This festival has required capital funds to get it going. We need those funds to keep it going for seed money for the future of the festival. This kind of an event is a value to Fayetteville. It adds economic revenue that comes in. This is a perfect example of a festival that has been very successful. It has taken a few years to get it to the point where it can generate revenue for itself. That is where we are right now, trying to get it to the point where it can break even and then be profitable. We have been able this year through volunteerism to use our in kind donations to make it move forward in spite of the reorganization of the organization. We are so thankful for the opportunity to get to work with the City and the A&P Commission. Having you show support for this event is going to move it forward, be more powerful and generate more revenue than it has in the past.

Alderman Ferrell: If there is money left this year will it go into planning for next year?

Sarah Lewis, Arts Festival representative: That would be seed money for next time if there is money left over.

Alderman Ferrell: I support the arts but I am sorry that I can not support this amount.

Dede Peters, Fayetteville Arts Council read something that she found on the City of Fayetteville website form the City of Fayetteville briefing book prepared by the City of Fayetteville.

If things like the Arts Festival are being used to advertise our great City, then I would like to see support from the Council.

A discussion followed on where the funds would come from.

Alderman Lucas: I think things like this are so important. Other festivals like this are not funded by the administration they are funded by hotel, motel tax. I see that as what that money should go for, bringing people into the community to support the businesses.

Alderman Rhoads: I have been very supportive of the arts. If I had all the money in the world, I would give you a lot more than $32,500. Down the road we are going to have to come up with some funds to maintain and enhance the Walton Arts Center. I want to be careful that we will have sufficient funds to be able to do that. I do not want to spend more money than what we can. I thought $2,500 was too low and $32,500 is too high. I think I would be more comfortable with a total of $15,000.

Alderman Allen: I think all these things are so tied together that makes this very important to happen now. Hopefully we will not have to give them this much in the future.

Alderman Thiel: I agree that this is very important. I was disappointed when we chose not to consider continued support for the Downtown Partners. I certainly think $2,500 was too little. There were too many different responses from the board about what they would do with that money. I probably will not vote for the $32,500 but I will be supportive of a lesser amount.

Alderman Gray: I feel very torn also. I support the arts. If they want seed money for future years they can put in a request for next year.

Mayor Coody: The thing that concerns me is we just passed a resolution saying we must present a balanced budget for the City staff yet we come up with deficient spending like this. I would prefer that we get more input so we can plan for this. We all support the arts. I go to every one of the arts festivals and I want to see this thing grow. But, what we are telling our city employees is we will give $32,500 to someone that wants it even though it is more than what they ask for but we can't afford to give you a raise. We are in a position where we are really having tight budget times and to be so cavalier with this kind of money it is hard for us to justify that to our employees and staff that is trying to balance the budget.

Alderman Jordan: We did come up with $75,000 to bring a consultant in to talk about economic development. These folks can bring in economic development just like they can.

Mayor Coody: I am not so sure about that.

Upon roll call the motion to amend the ordinance to $32,500 failed 3-5. Alderman Cook, Allen, and Jordan voting yes. Alderman Thiel, Rhoads, Ferrell, Lucas, and Gray voting no.

Alderman Rhoads moved to amend the ordinance to $12,500 from the City for the Arts Festival. Alderman Gray seconded the motion. Upon roll all the motion passed unanimously.

Alderman Thiel: I really hope the board comes to administration with a proposal for our budget that would start providing something sustainable. That is something I would be very supportive of.

Alderman Lucas: And put in a budget request to the A&P Commission on time. That is important too because that is what that money is for, economic development in Fayetteville.

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

City Attorney Kit Williams read the ordinance.

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

City Attorney Kit Williams read the ordinance.

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

Ordinance 5165 as Recorded in the office of the City Clerk.

Amend § 161.23, Neighborhood Conservation: An ordinance to amend § 161.23 Neighborhood Conservation to add Use Unit 26, Multi-family dwellings as conditional use.

City Attorney Kit Williams read the ordinance.

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

City Attorney Kit Williams read the ordinance.

Alderman Thiel: I would like to leave this on this reading. I want to make sure the public is aware of what we are discussing.

Alderman Ferrell: Jeremy do I understand that it takes both ward aldermen and a third alderman to be able to come before the Council on an appeal.

Jeremy Pate: That is correct. If it is approved or denied it takes three aldermen, two which must reside in that ward to appeal before the City Council.

Alderman Allen: I think it should be very difficult for the Planning Commissions conditional use to be overturned.

The ordinance was left on the Second Reading.

Adjournment: Meeting adjourned at 7:55 p.m.

Dan Coody, Mayor

Sondra E. Smith, City Clerk/Treasurer