

Mayor Lioneld Jordan
City Attorney Kit Williams
City Clerk Sondra Smith



Aldermen

Ward 1 Position 1 – Adella Gray
Ward 1 Position 2 – Brenda Boudreaux
Ward 2 Position 1 – Mark Kinion
Ward 2 Position 2 – Matthew Petty
Ward 3 Position 1 – Justin Tennant
Ward 3 Position 2 – Robert Ferrell
Ward 4 Position 1 – Rhonda Adams
Ward 4 Position 2 – Sarah E. Lewis

**Final Agenda
City of Fayetteville Arkansas
City Council Meeting
November 15, 2011**

A meeting of the Fayetteville City Council will be held on November 15, 2011 at 6:00 PM in Room 219 of the City Administration Building located at 113 West Mountain Street, Fayetteville, Arkansas.

Call to Order

Roll Call

Pledge of Allegiance

Mayor's Announcements, Proclamations and Recognitions:

1. Digital Cities Award

City Council Meeting Presentations, Reports and Discussion Items:

Agenda Additions:

A. Consent:

1. Approval of the November 1, 2011 City Council meeting minutes. **APPROVED**
2. **Bid #11-57 Diamond International:** A resolution awarding Bid #11-57 and approving a contract with Diamond International of Lowell in the amount of \$94,703.40 for the purchase of one (1) 2012 International 7300 diesel truck with belly plow and dump body for the use by the Transportation Division.

PASSED AND SHALL BE RECORDED AS RESOLUTION NO. 195-11

3. **Bid #11-61 Associated Fiberglass Enterprise:** A resolution awarding Bid #11-61 and approving a contract with Associated Fiberglass Enterprise in the amount of \$23,814.16 for the purchase of a 6,000 gallon alum storage tank for the Noland Wastewater Treatment Facility.

PASSED AND SHALL BE RECORDED AS RESOLUTION NO. 196-11

4. **2011 Bulletproof Vest Partnership Program:** A resolution authorizing acceptance of a fifty percent (50%) matching grant award from the 2011 Bulletproof Vest Partnership Program in the amount of \$4,550.00 for the replacement of fifteen (15) body armor vests, and approving a budget adjustment.

PASSED AND SHALL BE RECORDED AS RESOLUTION NO. 197-11

5. **Fayetteville Police Department Policies:** A resolution approving Fayetteville Police Department Policies 1.1.1 Law Enforcement Agency Role, 1.2.2 Warrantless Detention, Search and Seizure, and 1.2.4 Domestic Violence.

THIS ITEM WAS REMOVED FROM CONSENT FOR DISCUSSION.

PASSED AND SHALL BE RECORDED AS RESOLUTION NO. 198-11

6. **Prism Education Center:** A resolution approving a lease with Prism Education Center for property located at 2190 South Razorback Road pursuant to the Community Development Block Grant Public Facility Lease Program.

PASSED AND SHALL BE RECORDED AS RESOLUTION NO. 199-11

7. **Wilson Park Bench Donation:** A resolution to approve the donation of a public bench in Wilson Park and to thank Jimmy and Jeanie Hill for this donation.

PASSED AND SHALL BE RECORDED AS RESOLUTION NO. 200-11

B. Unfinished Business:

1. **Parking Revenue Improvement Bonds:** An ordinance authorizing the issuance and sale of not to exceed \$6,500,000 of Parking Revenue Improvement Bonds by the City of Fayetteville, Arkansas for the purpose of financing all or a portion of the costs of acquisition, construction and equipping of a parking deck facility, authorizing the execution and delivery of a trust indenture pursuant to which the bonds will be issued and secured; authorizing the execution and delivery of an official statement pursuant to which the bonds will be offered; authorizing the execution and delivery of a bond purchase agreement providing for the sale of the bonds; authorizing the execution and delivery of a continuing disclosure agreement; and prescribing other matters relating thereto. ***This ordinance was left on the First Reading at the November 1, 2011 City Council meeting.***

PASSED AND SHALL BE RECORDED AS ORDINANCE NO. 5457

2. **Sales Tax Capital Fund:** An ordinance to enact §34.09 Sales Tax Capital Fund of the Code of Fayetteville. *This ordinance was left on the Second Reading at the November 1, 2011 City Council meeting.*

PASSED AND SHALL BE RECORDED AS ORDINANCE NO. 5458

C. New Business:

1. **Amend Chapter 178 (ADM 11-3932 UDC Chapter 178 Outdoor Vendors):** An ordinance to amend §178.03 Sidewalk Vendors of the Unified Development Code to clarify cart requirements.

PASSED AND SHALL BE RECORDED AS ORDINANCE NO. 5459

2. **CH2M Hill Engineers, Inc. Amendment No. 2:** A resolution approving contract Amendment No. 2 with CH2M Hill Engineers, Inc. in the amount of \$6,656,934.00 for operation, maintenance, management and engineering services for city wastewater treatment facilities and systems, and approving a \$70,000.00 contract contingency.

PASSED AND SHALL BE RECORDED AS RESOLUTION NO. 201-11

3. **AT&T Arkansas Plexar Telephone Line Services:** An ordinance waiving competitive bidding and approving a contract with AT&T Arkansas in the amount of \$91,200.00 for Plexar Telephone line services.

PASSED AND SHALL BE RECORDED AS ORDINANCE NO. 5460

4. **AT&T Arkansas Managed Internet Services:** An ordinance waiving competitive bidding and approving a contract with AT&T Arkansas in the amount of \$22,548.00 for managed internet services.

PASSED AND SHALL BE RECORDED AS ORDINANCE NO. 5461

5. **Ambulance Services Interlocal Agreement:** A resolution approving an amendment to the Interlocal Agreement for Ambulance Services.

PASSED AND SHALL BE RECORDED AS RESOLUTION NO. 202-11

6. **Community Access Television, Inc.:** A resolution to renew with slight modifications the second year of the contract with Community Access Television, Inc. in the amount of \$93,000.00 to operate the Public Access Channel throughout 2012.

PASSED AND SHALL BE RECORDED AS RESOLUTION NO. 203-11

7. **2012 Annual Budget and Work Program:** A resolution adopting the 2012 Annual Budget and Work Program.

TABLED TO THE DECEMBER 6, 2011 CITY COUNCIL MEETING

8. **ADM 11-3782 Cottage House Development:** An ordinance to enact §164.22 Cottage Housing Development into the Unified Development Code, to amend §162.01 to add (RR) Unit 44 Cottage Housing Development and to amend Chapter 161 Zoning District to authorize Cottage Housing Developments as a right in multi-family residential districts and as a conditional use in single family residential districts.

LEFT ON THE SECOND READING

City Council Tour:

Announcements:

Adjournment: 8:20 p.m.

NOTICE TO MEMBERS OF THE AUDIENCE

All interested persons may address the City Council on agenda items of New and Old Business. Please wait for the Mayor to request public comment and then come to the podium, give your name, address, and comments about the agenda item. Please address only the Mayor. Questions are usually answered by the Mayor, Aldermen or Staff after the public comment period is over. Please keep your comments brief and respectful. Each person is only allowed one turn at the microphone for discussion of an agenda item.

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- (b) **Consent Agenda.** Consent Agenda items shall be read by the Mayor and voted upon as a group without discussion by the City Council. If an Alderman wishes to comment upon or discuss a Consent Agenda item, that item shall be removed and considered immediately after the Consent Agenda has been voted upon.
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- (d) **Courtesy and respect.** All members of the public, all city staff and elected officials shall accord the utmost courtesy and respect to each other at all times. All shall refrain from rude or derogatory remarks, reflections as to integrity, abusive comments and statements about motives or personalities. Any member of the public who violates these standards shall be ruled out of order by the Mayor, must immediately cease speaking and shall leave the podium.

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Subject:	Roll				
	Adams	✓			
	Lewis	✓			
	Gray	✓			
	Boudreaux	✓			
	Kinion	✓			
	Petty	✓			
	Tennant	✓			
	Ferrell	✓			
	Mayor Jordan	✓			

9-0

Subject:					
Motion To:					
Motion By:					
Seconded:					
	Adams				
	Lewis				
	Gray				
	Boudreaux				
	Kinion				
	Petty				
	Tennant				
	Ferrell				
	Mayor Jordan				

Subject:	Consent				
Motion To:		Approve	Police Dept. Policies removed from the Consent Agenda for discussion		
Motion By:		Boudreaux			
Seconded:		Kinion			
Minutes <u>Approved</u> <u>passed</u> Police Dept Policies removed for discussion	Adams	✓			
	Lewis	✓			
	Gray	✓			
	Boudreaux	✓			
	Kinion	✓			
	Petty	✓			
	Tennant	✓			
	Ferrell	✓			
	Mayor Jordan				

195-11 - 200-11

8-0

Subject:	Police Department Policies - Removed from Consent for discussion				
Motion To:		Amend Policy	Pass		
Motion By:		Petty	Petty		
Seconded:		Boudreaux	Boudreaux		
Passed as Amended	Adams	✓	✓		
	Lewis	✓	✓		
	Gray	✓	✓		
	Boudreaux	✓	✓		
	Kinion	✓	✓		
	Petty	✓	✓		
	Tennant	✓	✓		
	Ferrell	✓	✓		
	Mayor Jordan				

8-0

8-0

Subject:	Parking Revenue Improvement Bonds				
Motion To:		2nd Read	3rd Read	Pass	
Motion By:		Petty	Ferrell		
Seconded:		Adams	Lewis		
B. 1 Unfinished Business <u>passed</u> 5457	Adams	✓	✓	✓	
	Lewis	✓	✓	✓	
	Gray	✓	✓	✓	
	Boudreaux	✓	✓	✓	
	Kinion	✓	✓	✓	
	Petty	✓	✓	✓	
	Tennant	✓	✓	✓	
	Ferrell	✓	✓	✓	
	Mayor Jordan				
		8-0	8-0	8-0	

Subject:	Sales Tax Capital Fund				
Motion To:		3rd Read	Amend ^{to} 35%	Pass	
Motion By:		Tennant	Ferrell		
Seconded:		Ferrell	Petty		
B. 2 Unfinished Business As Amended <u>passed</u> 5458	Adams	✓	✓	✓	
	Lewis	✓	✓	✓	
	Gray	✓	✓	✓	
	Boudreaux	✓	✓	✓	
	Kinion	✓	✓	✓	
	Petty	✓	✓	✓	
	Tennant	✓	✓	✓	
	Ferrell	✓	✓	✓	
	Mayor Jordan				
		8-0	8-0	8-0	

Subject:		Amend Chapter 178 (ADM 11-3932 UDC Chapter 178 Outdoor Vendors)			
Motion To:					
Motion By:					
Seconded:					
C. 1 New Business <u>Passed</u> 5459	Adams	✓	✓	✓	
	Lewis	✓	✓	✓	
	Gray	✓	✓	✓	
	Boudreaux	✓	✓	✓	
	Kinion	✓	✓	✓	
	Petty	✓	✓	✓	
	Tennant	✓	✓	✓	
	Ferrell	absent during the vote.	✓	✓	
	Mayor Jordan				

7-0

8-0

8-0

Subject:		CH2M Hill Engineers, Inc. Amendment No. 2			
Motion To:					
Motion By:					
Seconded:					
C. 2 New Business passed 201-11	Adams	✓			
	Lewis	✓			
	Gray	✓			
	Boudreaux	✓			
	Kinion	✓			
	Petty	✓			
	Tennant	✓			
	Ferrell	✓			
	Mayor Jordan				

8-0

Subject:		AT&T Arkansas Plexar Telephone Line Services			
Motion To:					
		2nd Read	3rd Read	Pass	
Motion By:					
		Gray	Tennant		
Seconded:					
		Lewis	Adams		
C. 3 New Business <u>passed</u> 5460	Adams	✓	✓	✓	
	Lewis	✓	✓	✓	
	Gray	✓	✓	✓	
	Boudreaux	✓	✓	✓	
	Kinion	✓	✓	✓	
	Petty	✓	✓	✓	
	Tennant	✓	✓	✓	
	Ferrell	✓	✓	✓	
	Mayor Jordan				

8-0

8-0

8-0

Subject:		AT&T Arkansas Managed Internet Services			
Motion To:					
		2nd Read	3rd Read	Pass	
Motion By:					
		Gray	Tennant		
Seconded:					
		Tennant	Adams		
C. 4 New Business <u>passed</u> 5461	Adams	✓	✓	✓	
	Lewis	✓	✓	✓	
	Gray	✓	✓	✓	
	Boudreaux	✓	✓	✓	
	Kinion	✓	✓	✓	
	Petty	✓	✓	✓	
	Tennant	✓	✓	✓	
	Ferrell	✓	✓	✓	
	Mayor Jordan				

8-0

8-0

8-0

Subject:		Ambulance Services Interlocal Agreement			
Motion To:					
Motion By:			Approve Ferrell		
Seconded:			Petty		
C. 5 New Business <u>passed</u> 202-11	Adams		✓		
	Lewis		✓		
	Gray		✓		
	Boudreaux		✓		
	Kinion		✓		
	Petty		✓		
	Tennant		✓		
	Ferrell		✓		
	Mayor Jordan				

8-0

Subject:		Community Access Television, Inc			
Motion To:					
Motion By:			Approve Petty		
Seconded:			Boudreaux		
C. 6 New Business <u>passed</u> 203-11	Adams		✓		
	Lewis		✓		
	Gray		✓		
	Boudreaux		✓		
	Kinion		✓		
	Petty		✓		
	Tennant		✓		
	Ferrell		✓		
	Mayor Jordan				

8-0

Subject:	2012 Annual Budget and Work Program				
Motion To:		Table to December 6, 2011			
Motion By:		Petty			
Seconded:		Lewis			
C. 7 New Business Tabled to: December 6, 2011	Adams	✓			
	Lewis	✓			
	Gray	✓			
	Boudreaux	✓			
	Kinion	✓			
	Petty	✓			
	Tennant	✓			
	Ferrell	✓			
	Mayor Jordan				

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Subject:	ADM 11-3782 Cottage House Development				
Motion To:		2nd Read			
Motion By:		Boudreaux			
Seconded:		Ferrell			
C. 8 New Business Left on the Second Reading	Adams	✓			
	Lewis	✓			
	Gray	✓			
	Boudreaux	✓			
	Kinion	✓			
	Petty	✓			
	Tennant	✓			
	Ferrell	✓			
	Mayor Jordan				

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TO: Mayor Jordan

Kit Williams
City Attorney

THRU: Sondra Smith, City Clerk

Jason B. Kelley

Assistant City Attorney

FROM: Kit Williams, City Attorney

DATE: November 16, 2011

RE: Resolutions and Ordinances prepared by the City Attorney's Office and passed at the City Council meeting of November 15, 2011

1. **Bid #11-57 Diamond International:** A resolution awarding Bid #11-57 AND APPROVING A CONTRACT WITH Diamond International of Lowell in the amount of \$94,703.40 for the purchase of one 2012 International 7300 Diesel Truck with belly plow and dump body for use by the Transportation Division.
2. **Bid #11-61 Associated Fiberglass Enterprise:** A resolution awarding Bid #11-61 and approving a contract with Associated Fiberglass Enterprise in the amount of \$23,814.16 for the purchase of a 6,000 gallon alum storage tank for the Noland Wastewater Treatment Facility.
3. **2011 Bulletproof Vest Partnership Program:** A resolution authorizing acceptance of a 50% matching grant award form the 2011 Bulletproof Vest Partnership Program in the amount of \$4,550.00 for the replacement of 15 body armor vests, and approving a budget adjustment.
4. **Fayetteville Police Department Policies:** A resolution approving Fayetteville Police Department Policies 1.1.1 Law Enforcement Agency Role, 1.2.2 Warrantless Detention, Search and Seizure, and 1.2.4 Domestic Violence.
5. **Prism Education Center:** A resolution approving a Lease with Prism Education Center for property located at 2190 South Razorback Road pursuant to the Community Development Block Grant Public Facility Lease Program.
6. **Wilson Park Bench Donation:** A resolution to approve the donation of a public bench in Wilson Park and to thank Jimmy and Jeanie Hill for this donation.

- 7. Parking Revenue Improvement Bonds:** An ordinance authorizing the issuance and sale of not to exceed \$6,500,000.00 of Parking Revenue Improvement Bonds by the City of Fayetteville, Arkansas for the purpose of financing all or a portion of the costs of acquisition, construction and equipping of a parking deck facility; authorizing the execution and delivery of a Trust Indenture pursuant to which the bonds will be issued and secured; authorizing the execution and delivery of an Official statement pursuant to which the bonds will be offered; authorizing the execution and delivery of a Bond Purchase Agreement providing for the sale of the bonds; authorizing the execution and delivery of a Continuing Disclosure Agreement; and prescribing other matters relating thereto.
- 8. Sales Tax Capital Fund:** An ordinance to enact §34.09 **Sales Tax Capital Fund** of the Code of Fayetteville.
- 9. Amend ADM 11-3932 UDC Chapter 178 Outdoor Vendors:** An ordinance to amend §178.03 **Sidewalk Vendors** of the Unified Development Code to clarify cart requirements.
- 10. CH2M Hill Engineers, Inc. Amendment No. 2:** A resolution approving contract Amendment No. 2 with CH2M Hill, Engineers, Inc. in the amount of \$6,656,934.00 for operation, maintenance, management and engineering services for City Wastewater Treatment Facilities and Systems and approving a \$70,000.00 contract contingency.
- 11. AT&T Arkansas Plexar Telephone Line Services:** An ordinance waiving competitive bidding and approving a contract with AT&T Arkansas in the amount of \$91,200.00 for Plexar telephone line services;
- 12. AT&T Arkansas Managed Internet Services:** An ordinance waiving competitive bidding and approving a contract with AT&T Arkansas in the amount of \$22,548.00 for managed internet services.
- 13. Ambulance Services Interlocal Agreement:** A resolution approving an amendment to the Interlocal Agreement for Ambulance Services.
- 14. Community Access Television, Inc.:** A resolution to renew with slight modifications the second year of the contract with Community Access Television, Inc. in the amount of \$93,000.00 to operate the Public Access Channel throughout 2012.

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Left on the First Reading

2. **Sales Tax Capital Fund:** An ordinance to enact §34.09 Sales Tax Capital Fund of the Code of Fayetteville. ***This ordinance was left on the Second Reading at the November 1, 2011 City Council meeting.***

Left on the Second Reading

C. New Business:

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RESOLUTION NO. _____

A RESOLUTION APPROVING CONTRACT AMENDMENT NO. 2 WITH CH2M HILL ENGINEERS, INC. IN THE AMOUNT OF \$6,656,934.00 FOR OPERATION, MAINTENANCE, MANAGEMENT AND ENGINEERING SERVICES FOR CITY WASTEWATER TREATMENT FACILITIES AND SYSTEMS, AND APPROVING A \$70,000.00 CONTRACT CONTINGENCY

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1. That the City Council of the City of Fayetteville, Arkansas hereby approves Contract Amendment No. 2 with CH2M Hill Engineers, Inc., a copy of which is attached as Exhibit "A", in the amount of \$6,656,934.00 for operation, maintenance, management and engineering services for city wastewater treatment facilities and systems.

Section 2. That the City Council of the City of Fayetteville, Arkansas hereby approves a \$70,000.00 contract contingency.

PASSED and APPROVED this 15th day of November, 2011.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA E. SMITH, City Clerk/Treasurer

Budget Message

City of Fayetteville, Arkansas

2012 Annual Budget and Work Program

Budget Process & Policies

City Council and Other Elected Officials

Adella Gray, Ward 1 - Position 1
Brenda Boudreaux, Ward 1 - Position 2
Mark Kinion, Ward 2 - Position 1
Matthew Petty, Ward 2 - Position 2
Justin Tennant, Ward 3 - Position 1
Bobby Ferrell, Ward 3 - Position 2
Rhonda Adams, Ward 4 - Position 1
Sarah Lewis, Ward 4 - Position 2

Kit Williams, City Attorney
Sondra Smith, City Clerk/Treasurer
Rudy Moore, District Judge

Submitted by

Lioneld Jordan, Mayor
Don Marr, Chief of Staff
Paul A. Becker, Finance Director
Greg Tabor, Acting Police Chief
David Dayringer, Fire Chief

Prepared by

Kevin Springer, Budget Director
Barbara Fell, Senior Financial Analyst
Liz Hutchens, Financial Analyst

Fund Summaries

Personnel Summary

Capital & Debt

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MISSION STATEMENT

The City of Fayetteville's mission statement is a direct result of a volunteer team of employees charged with creating a mission statement that expressed the service core of City operations, reflected our beliefs concerning City services, and was easy to remember. All City employees were given an opportunity to provide input for the mission statement. The mission statement was then adopted by the City Council and is as follows:

***To protect and improve our quality of life by
listening to and serving the people with pride
and fairness.***

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November 8, 2011

Members of City Council and
Citizens of Fayetteville

I am pleased to submit my proposed budget for 2012 for the City of Fayetteville. This budget has been prepared in accordance with the Arkansas Statutes and City Ordinances that require the Mayor, under the aldermanic form of government, to submit to the City Council the annual budget for approval. This budget allocates necessary funding for all municipal operations as well as necessary adjustments to the Capital Improvements Program for 2012.

Once again, the budget was formulated in the context of my primary budget goals considering current economic conditions.

2012 Budgetary Goals

My goals continue to be as follows:

- *To provide the same level of services to the public if possible*
- *To retain the work force at the current level for necessary personnel but to evaluate the necessity of refilling open positions*
- *To avoid increases in taxes to the citizen by keeping the millage rate the same as 2010*
- *To continue to provide services to the citizen in the most efficient and effective manner possible*
- *To fund needed Capital Improvements to the greatest extent possible*
- *To scrutinize all City fund types for possible reductions*

Financial Environment

The local economic conditions in Fayetteville have improved in fiscal 2011 when compared to the prior two years of my administration. Sales taxes are up approximately 4% compared to prior year and 6% compared to budget through the end of the third quarter of fiscal 2011. The City has also experienced a moderate increase in building activity. Unfortunately unemployment still remains at 6.6%, which does compare favorably to the rest of the State and Nation but still is high for Fayetteville historically. The specter of national economic problems also looms large. For these reasons, this budget has been formulated on conservative revenue and expenditure estimates.

For 2012, we have forecasted all revenue sources to be equal to 2011 projections. The frozen positions I have directed in the past will be continued. Many of the cuts made during the previous two years will remain in force. However, since we still face a potential shortfall in the General Fund of approximately \$500,000, I have not included salary increases in my proposed budget. At the close of the 2011 fiscal year, I intend to analyze the City's financial position and if at all possible recommend a salary package for employees to the Council.

Conclusion

This budget is based on realistic revenue and expenditure estimates. I believe that it continues to provide for the best possible level of services while still guarding against possible weakening economic conditions.

2011 has been another busy year for the City and together we have accomplished a great deal. With the combined efforts of this Administration and City Council support, I am confident that we will meet the challenges facing the City and continue to provide our citizens superior service levels.

A handwritten signature in blue ink, appearing to read "Lioneld Jordan", with a long horizontal flourish extending to the right.

Lioneld Jordan, Mayor

November 8, 2011

Mayor Lioneld Jordan, Members of the City Council and
Citizens of Fayetteville:

The budget being presented is a 2012 operating budget. It does not include re-budgets that represent programs approved and appropriated in prior years which as of the end of fiscal 2011 remain uncompleted. Re-budgets also include amounts generated by previous bond issues in the Capital Project Funds which remain unspent as of December 31, 2011 and are likely to be in excess of \$45,000,000. These re-budgets will be presented for addition to the 2012 operating budget early in the first quarter of 2012.

In 2011, City and County Sales Taxes increased compared to 2010. By year end, total sales taxes are expected to be approximately 4% over prior year. The decline in both residential and commercial building has leveled off but fees associated with permitting and construction are still far below 2008 levels. Water and Sewer revenue collections have increased in fiscal 2011 due to unusually dry weather conditions during the summer months. Fuel and rent revenues at the airport are under 2010 collections. HMR revenue continues to increase and should finish the year up by 5%. Other fund operations are relatively stable when compared to the prior year.

The 2012 General Fund budget represents net expenditure increases from 2011 as an additional \$253,700 was added compared to last year's budget. This was due to required increases because of pension obligations, insurance increases, maintenance contracts, and vehicle replacement charges. Open positions (23.1 FTE's) continue to be frozen. Cost control measures began in 2009 and are being incorporated in the 2012 budget. Once again no salary increases are provided for in the 2012 budget.

Total reductions in the General Fund since the 2009 budget have been over \$2.5 million. A total of 23.10 FTE's have been held open, overtime has been drastically reduced, and annual salary increases have not been given since 2009. All these measures were taken to address revenue decreases experienced in 2009 and 2010 as the City reacted swiftly to these economic changes.

For 2012, the General Fund budget has been formulated on the assumption that revenues in 2012 will be essentially flat compared to current 2011 estimates. However, the \$1 million transfer from the Sales Tax Improvements Fund that was budgeted in 2011 will not be needed in 2012. The use of \$498,000 from fund balance is being requested for 2012.

2012 PROPOSED BUDGET EXECUTIVE SUMMARY

This budget is formulated with the Enterprise Funds being budgeted on an accrual basis except for depreciation, which is not included in the budget, and both capital expenditures and bond principal payments which are included in the expenditure budgets.

Governmental funds are budgeted on the modified accrual basis.

The total budget allocated by expenditure category is displayed in the following table.

Summary of Fund Expenditures by Category (In Dollars)

Category:	Adopted 2011	Proposed 2012	Change In Dollars	2012 % of Total Budget
Personnel Services	\$ 42,092,155	\$ 42,466,864	\$ 374,709	35.5%
Materials & Supplies	4,527,208	4,234,456	(292,752)	3.8%
Services & Charges	16,052,793	16,090,288	37,495	13.5%
Maintenance	3,975,581	4,508,422	532,841	3.4%
Fuel	2,946,398	3,460,493	514,095	2.5%
Internal Charges	3,944,052	4,354,031	409,979	3.3%
Purchased Water	6,500,000	6,500,000	0	5.5%
WWTP Operations	7,712,706	7,799,391	86,685	6.5%
Total Operating Expenses	<u>87,750,893</u>	<u>89,413,945</u>	<u>1,663,052</u>	<u>74.0%</u>
Transfers Out	1,233,000	330,600	(902,400)	1.0%
Debt Service	18,732,207	20,104,105	1,371,898	15.8%
Capital	10,798,100	11,482,350	684,250	9.1%
Total Expenses	<u>\$ 118,514,200</u>	<u>\$ 121,331,000</u>	<u>\$ 2,816,800</u>	<u>100.0%</u>

The 2012 Proposed Budget is in excess of \$121.3 million. This is an increase when compared to 2011 of \$2,816,800 or 2.3%. The majority of that increase is due to changes in debt service and capital. The total operating expenses are up \$1,663,052 or 1.8%.

The following table indicates the percentage of total budget allocated by funds.

Fund Totals as Percent of Total Budget

Funding Sources	Adopted 2011		Proposed 2012	
	Budget	% Total	Budget	% Total
General	\$ 33,885,500	28.6%	\$ 34,139,200	28.1%
Water & Sewer	30,901,000	26.1%	30,908,000	25.6%
Sales Tax Bond	15,373,700	13.0%	16,372,400	13.5%
Solid Waste	9,208,300	7.8%	9,950,100	8.2%
Shop	7,239,900	6.1%	8,231,500	6.8%
Sales Tax Capital Improvements	6,390,000	5.4%	6,702,600	5.5%
Street	4,390,000	3.7%	4,706,600	3.9%
Parks Development	2,424,600	2.0%	2,358,000	1.9%
Police Pension	1,692,800	1.4%	1,633,000	1.3%
Fire Pension	1,480,400	1.2%	1,470,000	1.2%
Parking	1,065,100	0.9%	1,101,800	0.9%
Impact Fee	1,260,000	1.1%	921,000	0.8%
Airport	770,800	0.6%	768,000	0.6%
Town Center	702,700	0.6%	695,200	0.6%
Community Development Block Grant	695,800	0.6%	589,000	0.5%
Drug Law Enforcement	494,000	0.4%	544,000	0.4%
TIF Bond	63,700	0.1%	100,000	0.1%
Wastewater System Improvements Proj.	0	0.0%	97,600	0.1%
Fire Bond	424,800	0.4%	0	0.0%
Replacement & Disaster Recovery	45,100	0.0%	41,000	0.0%
Sales Tax Construction Bond	6,000	0.0%	2,000	0.0%
	<u>\$ 118,514,200</u>	<u>100.0%</u>	<u>\$ 121,331,000</u>	<u>100.0%</u>

An examination of the overall budget indicated that the General Fund is the largest fund being 28.1% of the total. The Water and Sewer Fund is second at 25.6% of the total. The combination of these funds is 53.7% of the total budget. The Sales Tax Bond Fund (budget to repay outstanding bonds) is 13.5% of the budget. Thus the three largest funds represent 67.2% of the total operating budget.

An important part of this budget document is the City's Financial Policies delineated in pages 4 through 8 which are incorporated as a part of the budget. These policies include the following:

- Revenue Policy
- Expenditure Policy
- Debt Policy
- Reserve Policy
- Investment & Cash Management Policy
- Capital Improvement Policy
- Financial Reporting Policy
- Administrative Procedures to Adjust the Approved Budget

Overview of City's Major Funds:

General Fund is the major operating fund of the City and is comprised of activities not accounted for specifically in other funds.

The traditional functions of government are included in the General Fund which includes the following: general government services (Mayor's Administration, District Court, City Clerk and City Attorney), fire, police, finance, internal services, animal services, telecommunications, parks and recreation, cable, library funding, engineering, planning, and building safety.

General Fund Revenue:

The General Fund revenue budget was based on the following assumptions:

- Revenue for the City Sales Tax is projected to increase at a rate of 4.48% over 2010 actual receipts.
- Revenue for the County Sales Tax is projected to increase at a rate of 2.07% over 2010 actual receipts.
- Revenue for Franchise Fees is projected to increase 4.97% over 2011 budget amount.
- Revenue for Property Taxes is projected to increase at a rate of 2.35% from 2011 collections based on assessed valuation.
- Other revenues are expected to be essentially flat compared to the 2011 budget.
- Maintaining the revenue split for City Sales Tax to 60% operations and 40% capital.

Based on these revenue assumptions, the major revenue sources for the General Fund in 2012 are projected to be as follows:

City's Share of County Sales Tax	\$10.7 million
City Sales Tax	9.8 million
Alcoholic Beverage Taxes	0.5 million
Franchise Fees	4.9 million
Intergovernmental Income	2.3 million
Fines & Forfeitures	1.6 million
Charges for Services	1.3 million
Property Tax Millage	1.5 million
Licenses & Permits	0.7 million
Other	0.3 million
Total	<u>\$33.6 million</u>

General Fund Expenditures:

Payroll expenditures are based on 99% of full employment. Therefore, a 1% vacancy allowance has been factored into the General Fund budget.

The significant increases/(decreases) in General Fund for 2012 compared to 2011 are as follows:

2011 General Fund Adopted Expense Budget: \$ 33,885,500

Additions:

LOFPI Police Pension	\$ 52,589
LOFPI Fire Pension	52,570
Health Insurance (Rate Increase)	21,871
Fuel	51,550
Motorpool Charges	54,614
Election Cost (General Election)	30,000
Police Jail Contract	10,500
Utilities	14,400
Other	12,613
Software Maintenance	59,807
	360,514

Reductions:

Personnel Turnover & Other	(7,182)
Insurance - Personal Liability / Vehicles	(17,480)
Radio Maintenance	(82,152)
	(106,814)
Net Additions/(Reductions)	\$ 253,700
	\$ 34,139,200

Changes between the 2009 and 2012 budget are as follows:

2009 General Fund Adopted Expense Budget: \$ 35,801,900

Additions:

Salaries/Wages & Pension (including LOFPI)	\$ 475,083
Health Insurance (Rate Increase)	157,755
Unemployment Insurance	80,000
Software Maintenance	97,143
Election Cost	45,000
Police Jail Contract	10,500
Utilities	14,400
Bad Debt Expense	10,000
	\$ 889,881

Reductions:

2010 Budgeted Positions Held in 2011 & Frozen Positions	\$ (1,058,971)
Salary Contingency (Wage Increases for 2010)	(325,398)
Fire/Police Overtime	(225,000)
Parking Enforcement Program (Shifted to Parking Fund)	(201,948)
Contract Services & Lease Expense	(112,176)
Fuel	(45,039)
Radio Maintenance	(82,152)
Washington, D.C. Lobbyist	(85,000)
Increase Cost Allocations	(70,000)
Vehicle Replacement Charges & General Motorpool Charges	(13,000)
Public Notification & Uniforms/Equipment	(51,910)
Planning Commissioners Salaries	(43,596)
Publications/Dues & Travel & Training & Radio Maintenance	(26,315)
Pension Administration Fee & Long Term Disability and Life Insurance	(34,082)
Other	(177,994)
	(2,552,581)
2012 Proposed Budget General Fund	\$ 34,139,200

As the City's main operating fund, the General Fund will continue to face increased funding demands. There are numerous unfunded needs for 2012 that could not be addressed at this time.

Major policy issues to be considered for General Fund in the future include:

- The need to fund employee wage increases sometime in the future.
- Continue to explore an independent funding method for the Fayetteville Public Library.
- Examination of the User Fee/Cost Reimbursement rates based on a cost analysis.
- Continued examination the City's overall long term revenue stream to match required long term expenditures.

The **Street Fund** is primarily financed by turnback revenues received from the State of Arkansas and turnback monies received from the County Road Millage Tax. These monies are utilized to maintain and repair City streets, rights-of-way, drainage, traffic control and maintenance, and City owned sidewalks.

State turnback comes from motor fuel taxes collected by the State (state turnback) and returned to the City on a per capita basis. The long term trend for state turnback is flat. A total of \$3.5 million is projected for 2012. The City also receives 80% of the road millage levied by the Quorum Court on real and personal property located within the City. This should generate in excess of \$1 million. The Street Fund budget is balanced for 2012 with revenues equaling expenditures.

The **Parking Fund** has been established to account for the revenue and expense associated with the paid parking program. Feasibility of a revenue bond issue for the construction of a parking facility is currently being considered by the City Council. Net revenue from this fund would be pledged for payment of that bond issue.

The addition of one FTE is being requested for this fund to address the current workload. This fund has a budgeted surplus of \$277,700 for 2012.

The **Parks Development Fund** accounts for the revenue and expenditures of the Parks HMR tax approved by the voters in 1995 as modified by the 2011 referendum. The \$2.4 million in planned expenditures for 2012 includes \$587,000 in capital improvements. The fund is budgeted to break even for 2012. All projected revenues amounts are budgeted for this fund.

The **Impact Fee Fund** accounts for the revenues and expenditures related to the collection of water, wastewater, police, and fire impact fees. All projected revenues are budgeted for this fund. Due to the continued fall in development, the collection of these fees will be slightly less in 2012 than 2011.

The **Sales Tax Capital Improvements Fund** accounts for the revenue and expenditures of the City's sales and use taxes which are used for acquisition and improvement projects as well as equipment additions and replacements that are included in the City's five-year capital improvements program as adjusted. The 2012 planned expenditures include \$6,695,300 in capital improvements.

The **Water & Sewer Fund** accounts for the revenue sources as well as the operation and maintenance expenses of the City's water and sewer system. This includes water purchases from Beaver Water District, all water and sewer functions, the operation of the wastewater treatment plants, meter and backflow operations, and billing and collections.

For 2012, the Water & Sewer Fund is projected to have operating gain of \$5,507,000 before depreciation expense and capital expenditures. The wastewater treatment plant operations are budgeted at \$7.8 million, which represents almost 26% of the total operating expenses. The water purchases budgeted for 2012 represent the second largest expenditure for operations in the fund at \$6.5 million. This represents approximately 21% of total operating expenditures. This fund is budgeted to break even in 2012.

The **Solid Waste Fund** is responsible for the operation of the City's solid waste collection and disposal, recycling program, and composting program. Revenues for the fund are obtained from fees levied for trash collection, recycling revenue, and container sales or leases. During the end of 2009, the operation of the transfer station was brought in house and is currently being operated by the City. For 2012, the Solid Waste Fund is projected to have a loss of \$821,300 primarily due to needed capital improvements. However, there are sufficient reserves to accommodate this deficit.

The **Airport Fund** provides for the operation and maintenance of the City's municipal airport. The Airport Fund's revenue is generated from rents and leases. For 2012, the Airport Fund is projected to have an operating deficit of \$91,000 before depreciation.

The **Shop Fund** is an internal service fund that provides for the acquisition and maintenance of equipment and vehicles utilized by the City's operating divisions. The Shop Fund's source of revenue is from charges to other City operating funds based on equipment and vehicle usage. The Shop Fund will have a projected \$741,100 loss for 2012 after capital expenditures of \$3,610,000. This amount will come from fund balance which reflects the previous accumulation of funds for replacement of equipment and vehicles when needed.

2012 Capital Budget

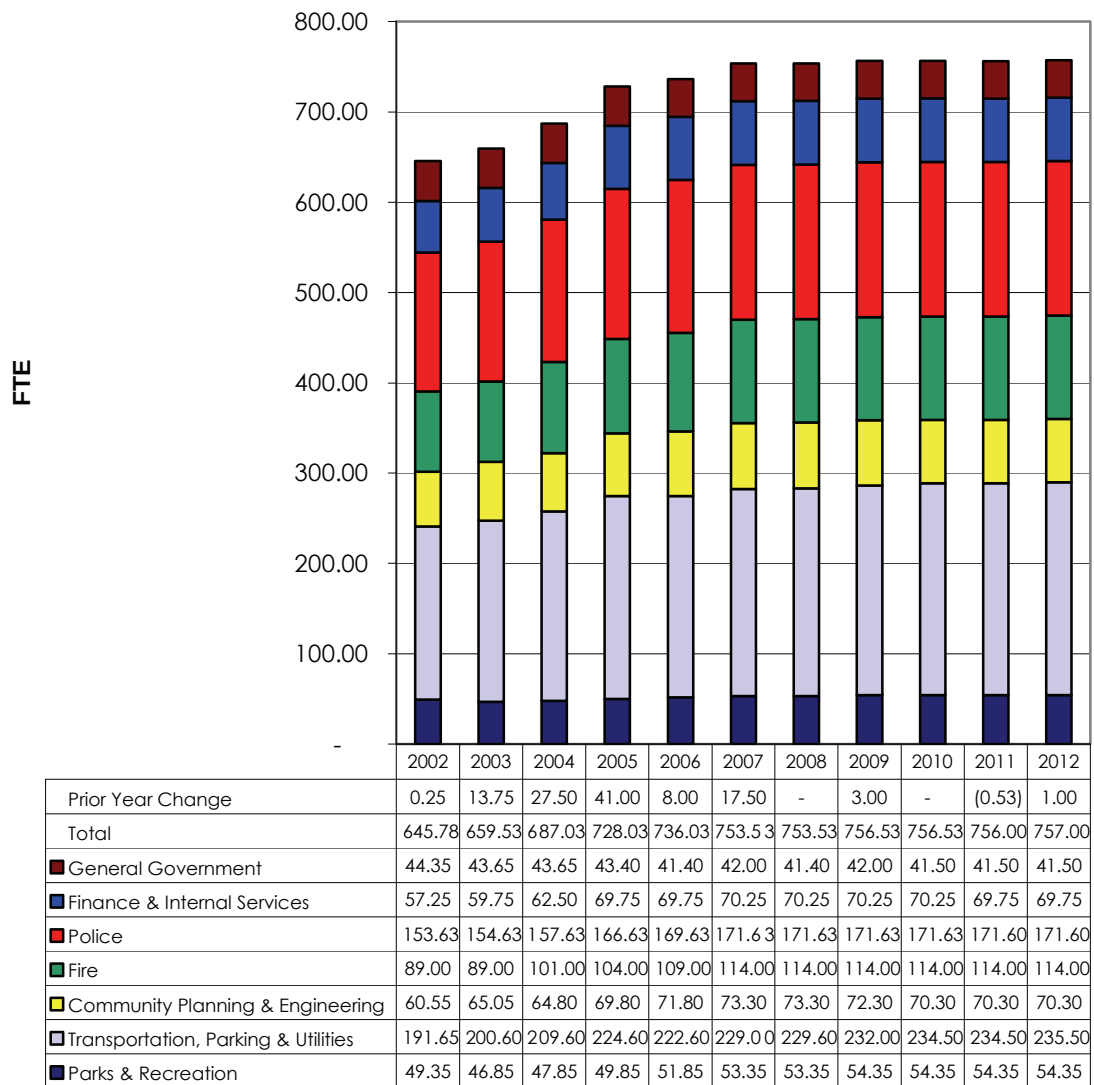
This plan contains a total of \$15,600,000 for capital projects in 2012. A detail listing of all of the projects planned for 2012 are included under the Capital and Debt section.

Debt Issues – 2011

No new debt was issued in 2011 as of the date of this budget presentation.

Personnel Changes

This budget includes an addition of one FTE for 2012. The Entertainment District Parking Program increased the workload and responsibilities of the Parking and Telecommunications Division. The Account Clerk position is funded in the Parking Fund. Below is a history of total positions by activity from 2002-2012.

Personnel History (2002-2012)

CLOSING

The funding proposals contained in this budget are the result of a collaborative effort among all City Division Heads, Department Directors, and City financial Staff members. It is built on the policies, goals, and objectives outlined by the Mayor and City Council. It represents the financial and operational plan for the City of Fayetteville for 2012. The appropriations contained in this budget will provide for quality municipal services that meet the needs of the Citizens of Fayetteville and it is, hereby, submitted by the Mayor to the City Council for consideration and adoption.

Respectfully submitted,

R

Respectfully submitted,



Paul A. Becker
Finance Director



Kevin Springer
Budget Director

RESOLUTION NO. ???-11

A RESOLUTION ADOPTING THE PROPOSED 2012 ANNUAL BUDGET AND WORK PROGRAM AS AMENDED.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1. That the City Council of the City of Fayetteville, Arkansas hereby adopts the Proposed 2012 Annual Budget and Work Program. A copy of the Budget, marked Exhibit "A" is attached hereto and made a part hereof.

PASSED and **APPROVED** this the 15th day of November, 2011.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA E. SMITH, City Clerk/Treasurer

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CITY OF FAYETTEVILLE, ARKANSAS THE BUDGET PROCESS

The budgets of governmental funds (for example General Fund, Street Fund, and Parks Development Fund) are prepared on the modified accrual basis for revenues and expenditures. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. Expenditures are recorded when the related fund liability is incurred. The proprietary and trust fund types (Water & Sewer Fund, Solid Waste Fund, and Airport Fund) are budgeted on a full accrual basis except for depreciation which is excluded and both capital purchases and bond principal payments which are included as expenditures. Not only are expenditures recognized when the liability is incurred but revenues are recognized when they are due and owing to the City (for example, water user fees are recognized as revenue when bills are produced). Agency funds are not budgeted since they are custodial in nature and do not involve measurement of results of operations.

The Comprehensive Annual Financial Report (CAFR) shows the status of the City's finances on the basis of "Generally Accepted Accounting Principles" (GAAP). This conforms to the way the City prepares its budget. Formal budgets exist for all funds and fund types, except agency funds and account groups, but the budget-to-actual comparison reports are prepared only for the governmental fund types (General, Special Revenue, and Capital Projects).

The Annual Budget and Work Program is a fiscal plan which presents the services which will be provided to the community and the funds needed to perform these services. The type and level of service is defined by the use of program objectives, which are further defined by performance measures. The Mayor is responsible for formulating the fiscal plan and presenting it to the City Council for approval and adoption. The key steps and dates in this process for the 2012 Budget and Work Program are described below:

1. **Budget Preparation Package, June 2011**
The budget preparation package was distributed to all Department Directors and Division Heads. The package included budget preparation software. In addition, target budgets were set for each fund and/or program. The target budget excluded service expansion requests and new personnel requests. These items are considered separately. Training was conducted on an individual basis with the Budget Staff and Department Directors and Division Heads, as requested.
2. **Capital Requests, September – October 2011**
Five Year Capital Improvements requests were submitted for review and prioritization. Approval of the requests were based on a review of prioritized lists by Department Directors and Budget staff to see if original cost and continuing costs were within the available funding range. All capital items with a cost that exceeds \$10,000 appear in the Five Year Capital Improvements Programs.
3. **Budget Work Papers Submitted by Division Heads, July 2011**
The Division Heads returned budget submissions requesting 2012 funding to the budget office. The budget office then verified that budget submissions were correct and within specified targets.

4. **Analysis of Each Proposed Program Budget, August 2011**

During this period, meetings were conducted with each Department Director. At these meetings, the submitted program budgets were evaluated in their entirety and additions and cuts were made to balance the funds with the service requirements. The 2012 Proposed Budget and Work Program was the result of this process.

5. **Consideration and Approval of the Budget, Beginning to Adoption 2011**

The proposed budget was presented to the Mayor in November. The Mayor will present the comprehensive Proposed 2012 Budget and Work Program to the City Council on November 8. Public discussions on the budget will be conducted as needed beginning November 15.

6. **Implementing the 2012 Budget, January 2012**

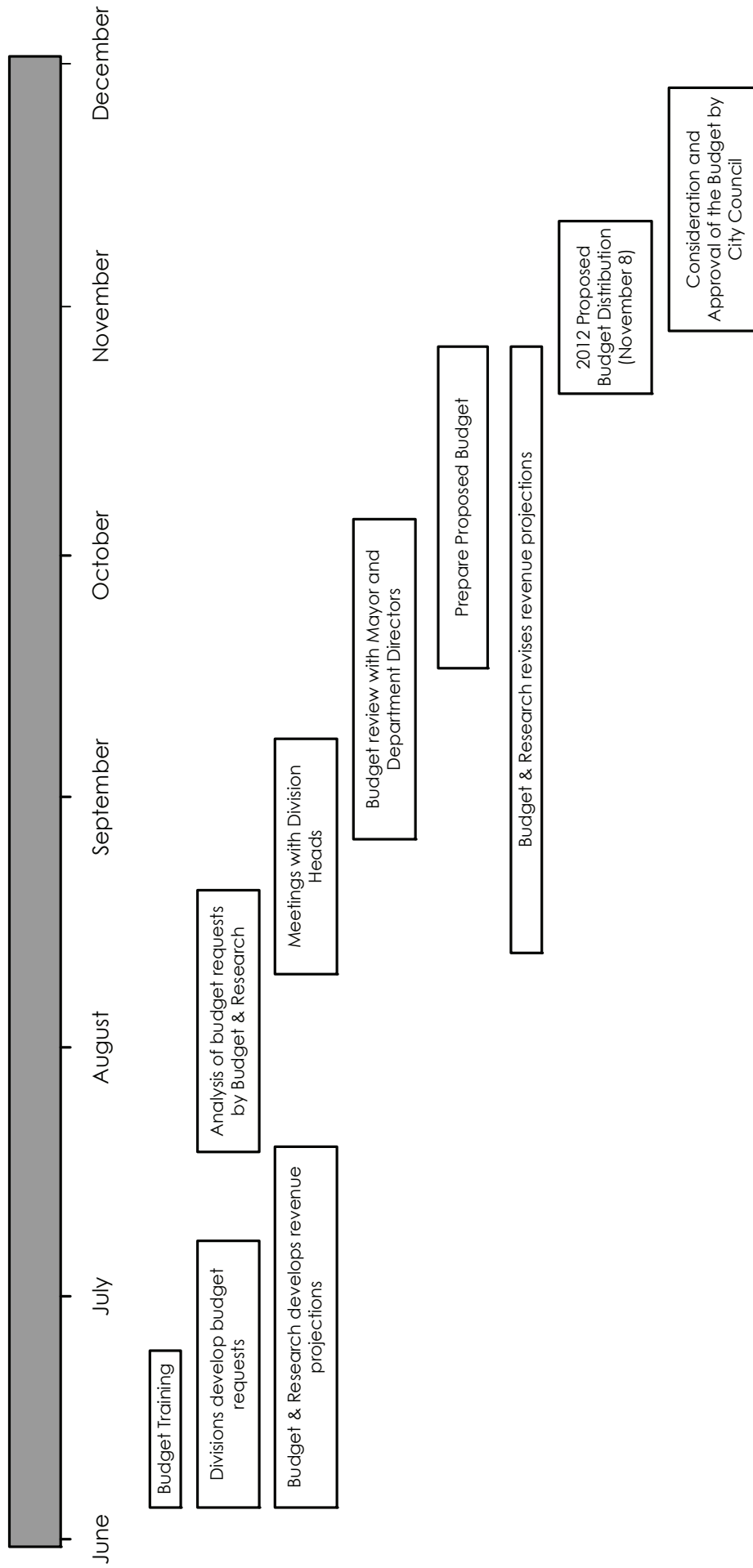
Work papers are created and distributed to allow each division head to split their budget into the projected funding level needed for each month. These work papers are collected and input into the computer system to assist in the control of the adopted budget throughout 2012.

7. **Adjusting the 2012 Budget, Throughout 2012**

The budget may be adjusted throughout 2012. Depending on the amount of the adjustment, approval may come from the Budget Director, Finance Director, Mayor or the City Council. A detailed explanation of the Budget Adjustment Policy is listed on pages 7 and 8.

The public meetings throughout the budget process are considered to be an essential part of the budget process as they are designed to solicit feedback from the City Council and public on City operations and services. In accord with continuing efforts to apprise the public of City activities, the Proposed 2012 Budget and Work Program is made available for review by all interested persons at the Fayetteville Public Library and the City Clerk's Office. In addition, a downloadable version of the budget is found on the City's web site. Public notification of this information is made in a local newspaper and on the Cable Access Television channel. As always, the public is invited to attend all meetings, retreats, and hearings regarding consideration of the Budget.

CITY OF FAYETTEVILLE, ARKANSAS THE 2012 BUDGET PROCESS



CITY OF FAYETTEVILLE, ARKANSAS FINANCIAL POLICIES

The purpose of this section is to present the policies that the City follows in managing its financial and budgetary affairs. These are general statements of policies, which represent long-standing principles, traditions, and practices that have guided the City in maintaining financial stability.

REVENUE POLICY

- The City will strive to maintain a broad and diversified revenue base that will equitably distribute the burden of supporting City services and will protect the City from short-term fluctuations in any one revenue source.
- The City will actively support economic and industrial development recruitment and retention efforts to provide for a solid revenue base.
- The City will maintain timely collection systems and implement necessary enforcement strategies to collect revenues from available sources.
- The City will establish user fees and charges for services, when feasible, at levels related to the cost of providing the services. The City will review the fees and charges on a periodic basis to determine modifications needed to keep pace with the cost of providing the services.
- The City will establish, when feasible, self-supporting enterprise funds and internal service funds in which a relationship between revenues and expenditures clearly exists.
- The City will project revenues on a conservative basis so that actual revenues will consistently meet or exceed budgeted revenues.
- The City will maintain a budgetary control system and will prepare reports that compare actual revenues to budgeted amounts.
- The City will review annually and revise, where necessary, its cost allocation formula.

- The City will limit the designation of General Fund revenues for specified purposes to maximize flexibility in budgeting and revenue utilization.

EXPENDITURE POLICY

- Basic and essential services provided by the City will receive first priority for funding.
- The City will establish performance measurements for all program areas, when feasible. These measures will reflect the demand, workload capability, and projected outcomes for the program to accomplish its objectives.
- The City will adopt a balanced budget, by fund, for all funds maintained by the City, in which total anticipated revenues must equal or exceed the budgeted expenditures for each fund. However, if this cannot be attained, the City will utilize unallocated fund reserves, which have been carried forward from prior years.
- The City will maintain a budgetary control system to ensure adherence to the adopted budget and will prepare reports that compare actual expenditures to budgeted amounts.
- The City will refrain from budgeting non-recurring or one-time revenue for ongoing expenses.
- The City will provide access to medical, dental, life, and long-term disability insurance for its employees. The cost for these benefits will be shared responsibility between the City and its employees.

- The City will provide access to appropriate retirement plans for its employees. The City will make contributions for eligible employees at the percentage defined for each of the respective retirement plans.

DEBT POLICY

- The City will maintain a policy of full disclosure on financial reports and bond prospectus.
- The City will maintain communications with bond rating agencies and continue to strive for improvements in the City's bond rating.
- The City will pay for all capital projects and capital improvements on a pay-as-you-go basis using current revenues whenever possible. If a project or improvement cannot be financed with current revenues, long-term or short-term debt or capital leases will be recommended.
- The City will refrain from issuing long-term debt for a period in excess of the expected useful life of the capital project.
- The City will use special assessment revenue or other self-supporting bonds instead of general obligation bonds, when feasible.
- The City will seek refinancing of outstanding debt if it is determined that the City will benefit by reduced interest expense over the remaining life of the bonds of at least 3% of the principal being refunded.
- The City will require that General Fund and Street Fund debt service shall not exceed 10% of annual general and road tax revenues and the principle amount of General and Street Fund debt shall not exceed 5% of assessed taxable property.

- Outstanding short-term debt and Amendment 78 debt obligations combined shall not exceed 5% of the City's taxable real property.

RESERVE POLICY

- The City will maintain a minimum reserve of sixty (60) days of annual regular general fund operating expenditures for the General Fund in Undesignated Fund Balance. The minimum unreserved General Fund Balance cannot be reduced without specific City Council Resolution.
- The City will maintain a minimum reserve of at least 10% of current year operating expenditures for the Street Fund in Undesignated Fund Balance. If existing reserves exceed the required level, such funds may be used to provide for non-recurring expenditures. The City will use monies in the 10% reserve only in times of emergency or fiscal and economic hardship.
- The City will attempt to maintain a cash and investments balance of not less than 10% of current year operating expenditures for all Enterprise Funds.
- The City will maintain a Shop Fund reserve necessary to fund the replacement and expansion of the City's vehicles and equipment.

INVESTMENT AND CASH MANAGEMENT POLICY

- The City will deposit all receipts on a timely basis.
- The City will strive to maximize the return on its investment portfolio without jeopardizing principal amounts.
- The City will limit its investments to the types of securities provided for by Arkansas statutes.

- The City will diversify its investments by maturity date to protect against market fluctuations.
- The City will purchase securities from qualified institutions based on competitive bids in an effort to obtain the highest available rates.

CAPITAL IMPROVEMENT POLICY

- The City will prepare and update, as needed, a five-year Capital Improvements Program (CIP), which will provide for the orderly maintenance, replacement, and expansion of capital assets.
- The CIP will identify long-range capital projects and capital improvements of all types, which will be coordinated with the annual operating budget to maintain full utilization of available revenue sources.
- When preparing the CIP, the City will seek to identify all viable capital projects and capital improvements required during the subsequent five-year period. These projects and improvements will be prioritized by year and by funding source. Every attempt will be made to match projects and improvements with available funding sources. Future operating costs associated with a project or an improvement will also be given consideration in the establishment of priorities.
- The City will seek Federal, State, and other funding to assist in financing capital projects and capital improvements.
- The City will seek input from the public by holding public hearings in relation to the establishment of projects and project priorities.
- The City will incorporate the reasonable findings and recommendations of the other City Boards, Commissions, Committees, and Citizen task forces, as they relate to capital projects and improvements.

FINANCIAL REPORTING POLICY

- The City's accounting system will maintain records in accordance with accounting standards and principles outlined by the Governmental Accounting Standards Board (GASB), Financial Accounting Standards Board (FASB), and the State of Arkansas.
- The City will employ an independent accounting firm to perform an annual audit of the City's finances and make the annual audit available to all required and interested parties. The audit shall be completed and submitted to the State of Arkansas within 210 days of the close of the fiscal year.
- The City will produce monthly and quarterly financial statements reporting the current periods' activity for all funds maintained by the City.
- The City will maintain an internal audit function, which will be charged with adopting and routinely monitoring internal controls of the City.
- The City will prepare an annual budget document that provides a basic understanding of the City's planned financial operations for the coming fiscal year. Copies of the proposed and final budget will be made available to all interested parties and opportunities will be provided for citizen input prior to final decisions on the budget.
- The City will seek annual renewal of the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting and the Distinguished Budget Presentation Award.

CITY OF FAYETTEVILLE, ARKANSAS ADMINISTRATIVE PROCEDURES TO ADJUST THE APPROVED BUDGET

PURPOSE:

The procedures outlined in this section define, standardize, and set forth responsibilities for budget adjustments.

DEFINITION AND EXPLANATION:

During the fiscal year needs arise for expenditure budget adjustments to enable divisions to adapt to changing conditions. There are two types of expenditure budget adjustments which can be defined as follows:

- 1) **Budget Adjustment** – this is a transfer from one category within a fund budget to another category. The fund total does not change.
- 2) **Budget Amendment** – this is an addition to the overall budget total of the fund. It increases the total expenditure amount authorized for the fund. Any budget amendment must be supported by an increase in revenue or come from available fund balance.

DEPARTMENT DIRECTORS AND DIVISION HEADS RESPONSIBILITIES:

All Department Directors and Division Heads are mandated to stay within each operational program budget as adopted and to stay within the total budget for each capital project. **Neither the Accounting or Purchasing Divisions will process payments or purchase orders, which will cause a program or capital project to be over the annual budget amount.**

Each operational division is grouped into programs (i.e. Engineering - Administration, Engineering - Plans & Specifications, Engineering - Right-of-Way, etc.). Budget adjustments will be required in the following instances:

- 1) When the budgeted amount per operational program is exceeded (an offsetting adjustment must be made from another operational program or fund balance).
- 2) When the budgeted amount for a capital project is exceeded (an offsetting adjustment must be made from another capital project, another program, or fund balance).

Requested adjustments to an operational program must be submitted on a budget adjustment form with sufficient justification for the need. Any changes in the personnel services category must meet the City's policy for raises, promotions, and staff increases.

BUDGET ADJUSTMENT APPROVAL PROCESS:

Budget Amendments

- 1) All budget amendments must be approved by the City Council other than mandatory redemptions and other expenditures delegated to a Bond Trustee via a bond trust agreement.

Budget Adjustments

- 1) Budget adjustments within categories, within divisions of a fund, can be made with the approval of the Budget Director (see page 10 for a division listing).
- 2) Budget adjustments between categories within a division of a fund can be made with the approval of the Budget Director and Finance Director or Chief of Staff.
- 3) Budget adjustments within the personnel services category between departments within a fund will be approved by the Budget Director, the Finance Director, and the Chief of Staff.
- 4) Budget adjustments between categories within an approved project will be approved by the Budget Director.
- 5) All other budget adjustments must be approved by the City Council.

BUDGET AMENDMENT REPORTING:

As a matter of practice, staff will provide information regarding Budget Amendments to the City Council on a quarterly basis.

CITY OF FAYETTEVILLE, ARKANSAS BUDGET ORGANIZATIONAL STRUCTURE

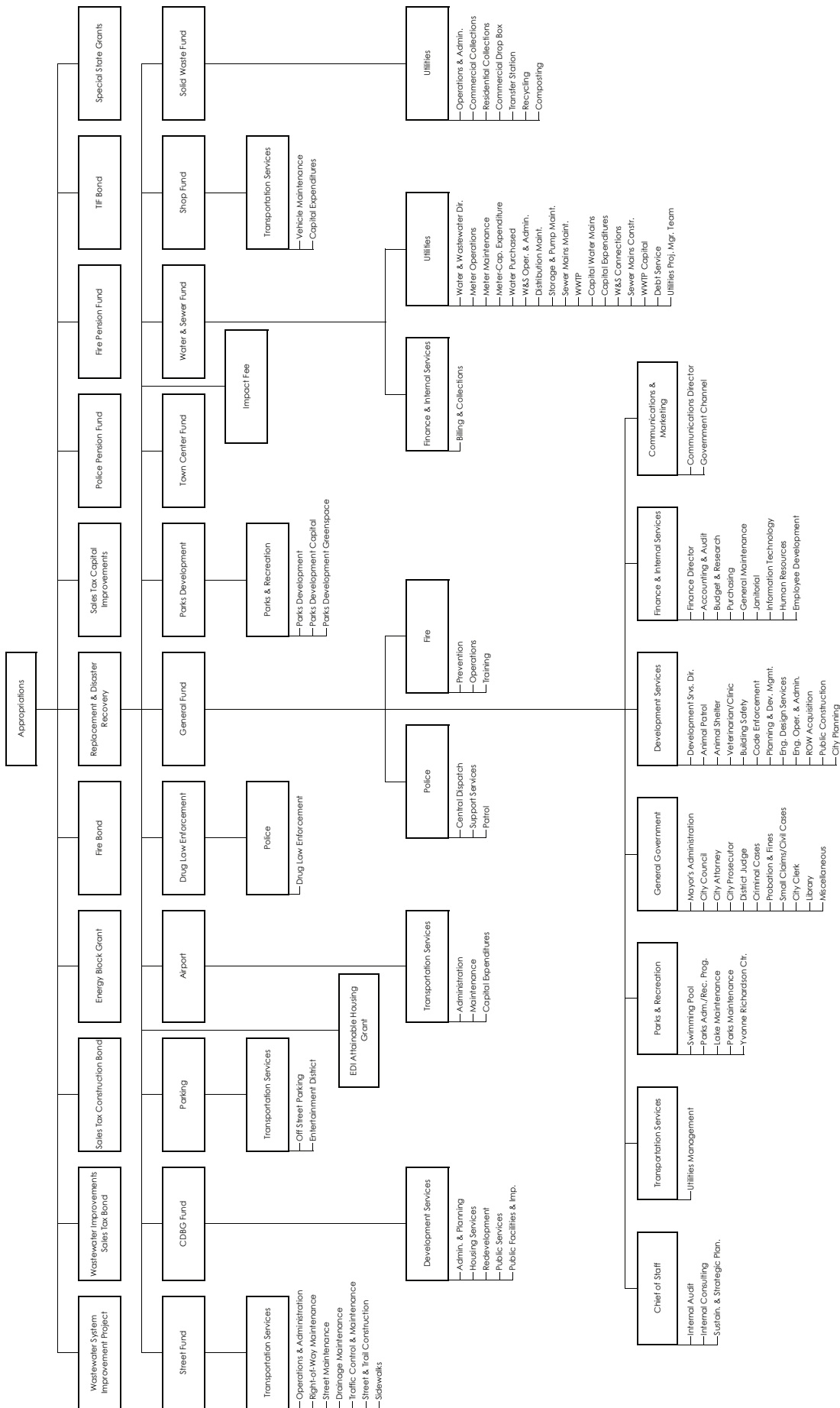
FUND	In governmental accounting, a fund is a fiscal and accounting entity with a self-balancing set of accounts, created and maintained for a particular purpose. It has transactions subject to legal or administrative restrictions. A separate budget is provided for each fund.
ACTIVITY	Activities are the major groups of items which are functionally related, regardless of the Department or Division that is responsible. This type of classification provides a useful Budget summary that is consistent even though changes in the organizational structure may occur.
DEPARTMENT	Departments are the major organizational sub-divisions. They have a broad overall purpose. The City of Fayetteville is organized into eight operating departments: Police, Fire, Parks & Recreation, Utilities, Development Services, Communications & Marketing, Transportation Services, and Finance & Internal Services. Each Department, except Police and Fire, has a director who reports to the Chief of Staff.
DIVISION	Divisions are the major operational areas of the City. Each Division has been assigned to one of the Departments listed above according to the type of activity it performs. For example, the Solid Waste & Recycling Division is part of the Utilities Department. A listing of divisions is on the following page.
PROGRAM	Programs are the operating units within the Division. Each program represents a specific type of activity within its Division aimed at providing a service for which the City is responsible. For example, the Solid Waste & Recycling Division contains the following programs: Administration, Commercial Collections, Residential Collections, Commercial Drop Box Collections, Transfer Station, Recycling, and Composting.
CATEGORY	Within each program, each expenditure item is grouped into a category of related expenditures. The budget for each program is listed by categorical total. Examples of a category include: Personnel Services, Materials and Supplies, Services and Charges, Maintenance, Motor Pool Charges, Capital, Transfers to Outside Agencies, Cost Reimbursements, and Operating Transfers.

LISTING OF DEPARTMENTS AND DIVISIONS

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2012 Annual Budget and Work Program
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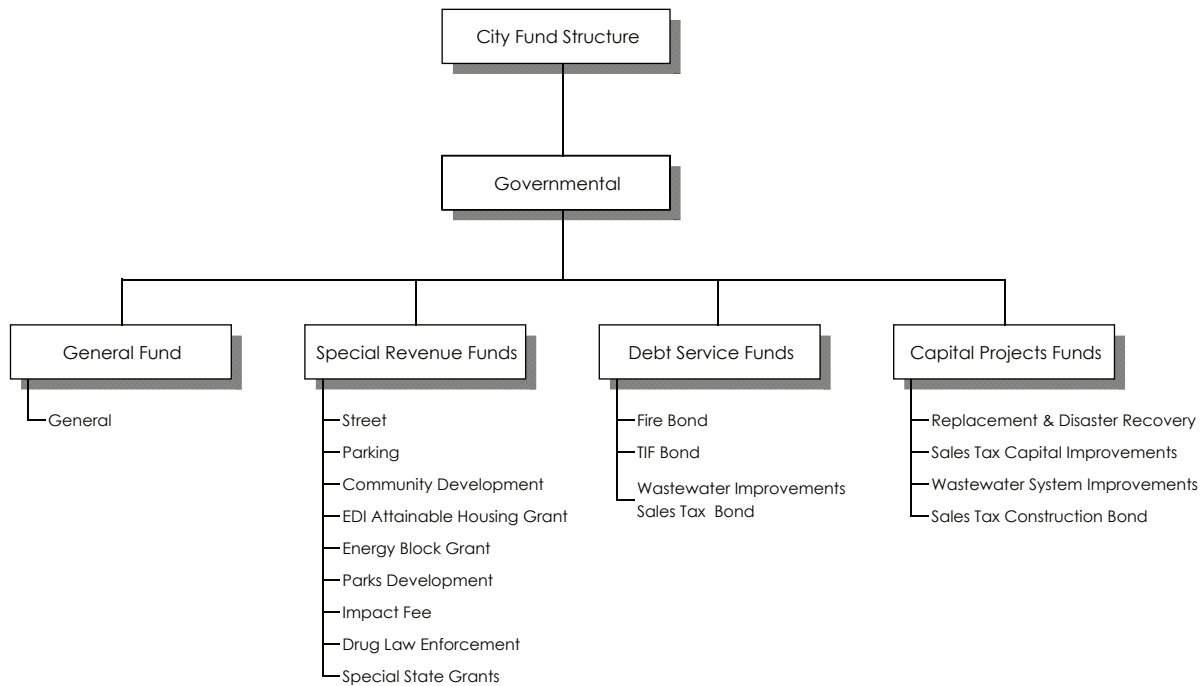
DEPARTMENT	DIVISIONS
General Government	Mayors Administration City Council City Attorney City Prosecutor City Clerk/Treasurer Fayetteville District Court Library
Chief of Staff	Chief of Staff Sustainability & Strategic Planning Human Resources Internal Audit Internal Consulting
Police Department	Police Central Dispatch
Fire Department	Fire Department
Parks & Recreation Department	Parks & Recreation
Finance & Internal Services Department	Information Technology Finance Director Accounting & Audit Billing & Collections Building Maintenance Budget & Research Purchasing
Development Services Department	Development Services Engineering City Planning Community Services Building Safety Animal Services
Communications & Marketing Department	Communications & Marketing Government Channel
Transportation Services Department	Transportation Services Aviation Fleet Operations Parking & Telecommunications
Utilities Department	Utilities Director Water & Sewer Maintenance Solid Waste & Recycling Wastewater Treatment Plant

Consolidated Fund-Department-Program Structure



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City of Fayetteville, Arkansas Chart of Governmental Fund Types



As noted by the chart above, the City utilizes all four (4) major Governmental fund types: General, Special Revenue, Debt Service, and Capital Projects.

General Fund - General fund is the general operating fund of the City. It is used to account for all financial resources except those accounted for in other funds.

Special Revenue Funds - Special Revenue funds are used to account for the proceeds of specific revenue sources, which are designated or required to finance particular functions or activities of the City.

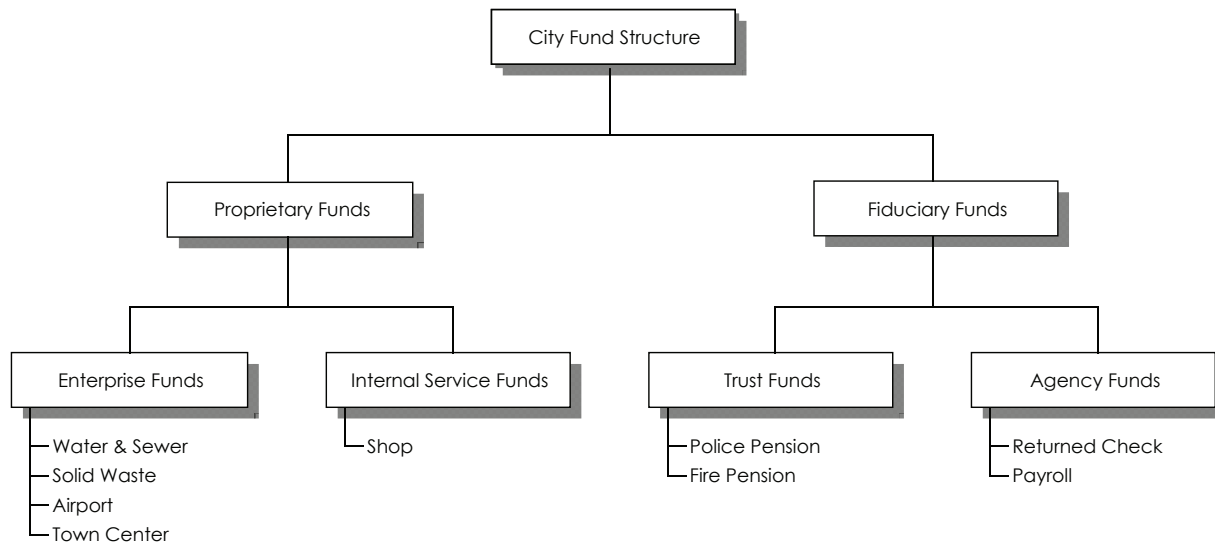
Debt Service Funds - Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs other than debt service payments made by enterprise funds.

Capital Projects Funds - Capital projects funds are used to account for financial resources to be used for the acquisition and construction of assets of a relatively permanent nature other than those financed by proprietary funds.

As a note of explanation for the following combined statements, the revenues are listed by major source and the expenditures are listed by major department or service. The operation transfers are listed both in and (out).

City of Fayetteville, Arkansas

Chart of Proprietary and Fiduciary Fund Types



As noted by the chart above, the City utilizes the Enterprise and Internal Service funds in the Proprietary fund type and the Trust and Agency funds in the Fiduciary fund type.

Enterprise Funds - Enterprise funds are used to account for operations (A) that are financed and operated in a manner similar to private business enterprise, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (B) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

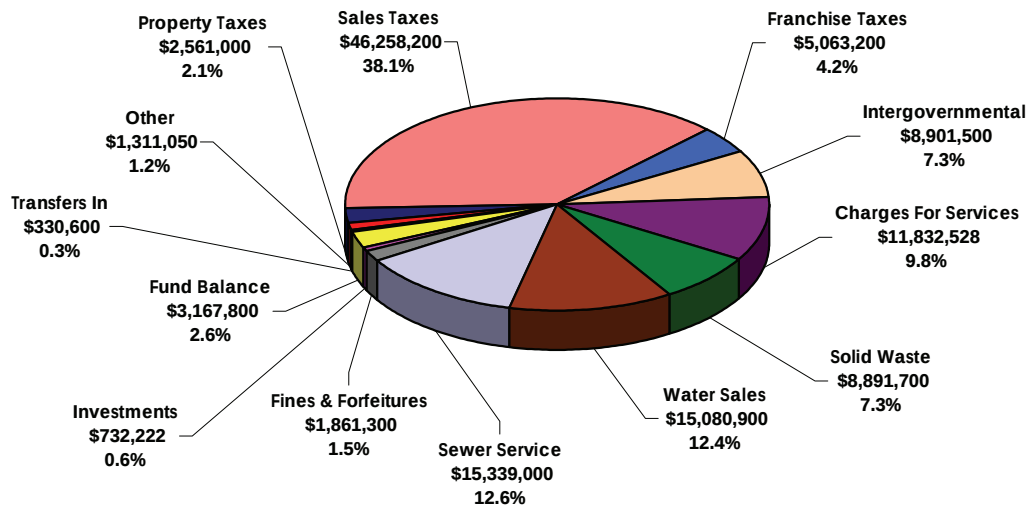
Internal Service Funds - Internal service funds are used to account for the financing of goods or services provided by one division of the City to other divisions of the City, on a cost reimbursement basis.

Trust Funds and Agency Funds - Trust funds and agency funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. Trust funds are accounted for in essentially the same manner as proprietary funds since capital maintenance is critical. Agency funds are custodial in nature and do not involve measurement of results of operation.

In reference to the following combined statements, the revenues are listed by major source and the expenses are listed by major department or service. Also shown are depreciation, non-operating revenue and (expenses), transfers in and (out), and net income.

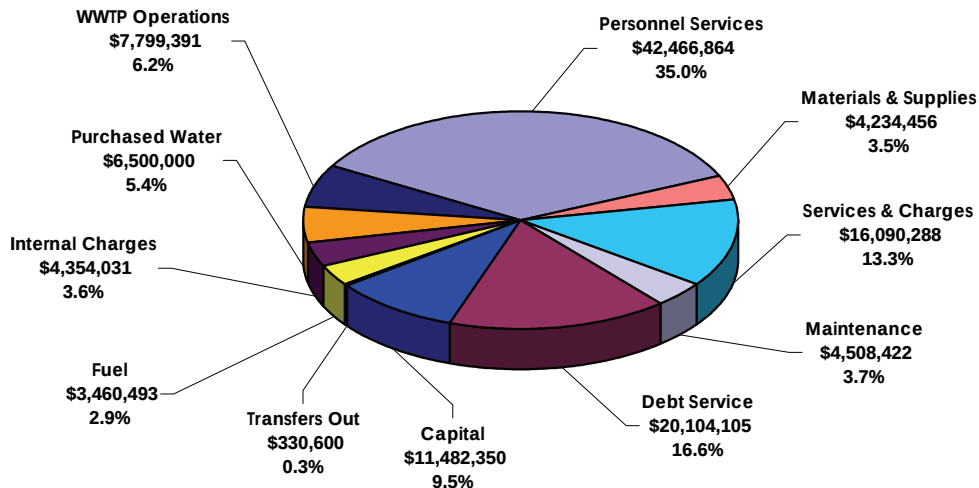
City of Fayetteville, Arkansas

Sources of Funds for 2012



\$121,331,000

Uses of Funds for 2012



\$121,331,000

Note: The Sources of Funds chart includes revenues from all City funds. The Uses of Funds chart includes expenditures from all funds including capital expenditures in the Proprietary fund types. In compliance with GAAP, Proprietary fund balances do not reflect capital expenditures.

City of Fayetteville, Arkansas
Multi-Year Comparison
Budget Expenditures

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2012 Annual Budget and Work Program
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	Adopted 2008	Adopted 2009	Adopted 2010	Adopted 2011	Proposed 2012
<u>Major Funding Sources:</u>					
General	\$ 35,023,000	\$ 35,801,900	\$ 34,426,600	\$ 33,885,500	\$ 34,139,200
Street	4,813,689	5,360,286	4,271,000	4,390,000	4,706,600
Parking	345,235	347,300	304,300	1,065,100	1,101,800
Community Development Block Grant	655,977	635,930	649,821	695,800	589,000
Parks Development	3,025,000	2,854,700	2,417,700	2,424,600	2,358,000
Drug Law Enforcement	440,900	444,464	462,200	494,000	544,000
Water & Sewer	29,345,575	29,668,929	31,269,400	30,901,000	30,908,000
Solid Waste	9,091,000	9,239,250	10,098,900	9,208,300	9,950,100
Airport	839,356	773,704	805,500	770,800	768,000
Shop	7,082,000	6,693,557	5,481,200	7,239,900	8,231,500
	<u>90,661,732</u>	<u>91,820,020</u>	<u>90,186,621</u>	<u>91,075,000</u>	<u>93,296,200</u>
<u>Other Funding Sources:</u>					
Impact Fee	2,515,600	1,576,000	2,820,000	1,260,000	921,000
Fire Bond	801,400	804,000	802,400	424,800	0
TIF Bond	3,500	3,500	5,800	63,700	100,000
Sales Tax Bond	11,561,728	14,235,533	16,001,900	15,373,700	16,372,400
Replacement & Disaster Recovery	177,900	60,400	45,000	45,100	41,000
Sales Tax Capital Improvements	7,136,100	6,952,000	6,738,700	6,390,000	6,702,600
Wastewater System Improvements Project	150,900	3,000	0	0	97,600
Sales Tax Construction Bond	3,000	3,500	6,000	6,000	2,000
Town Center	709,306	699,935	693,544	702,700	695,200
Police Pension	1,761,757	1,761,757	1,689,800	1,692,800	1,633,000
Fire Pension	1,542,283	1,542,283	1,477,500	1,480,400	1,470,000
	<u>26,363,474</u>	<u>27,641,908</u>	<u>30,280,644</u>	<u>27,439,200</u>	<u>28,034,800</u>
Total - All Funding Sources	<u>\$ 117,025,206</u>	<u>\$ 119,461,928</u>	<u>\$ 120,467,265</u>	<u>\$ 118,514,200</u>	<u>\$ 121,331,000</u>

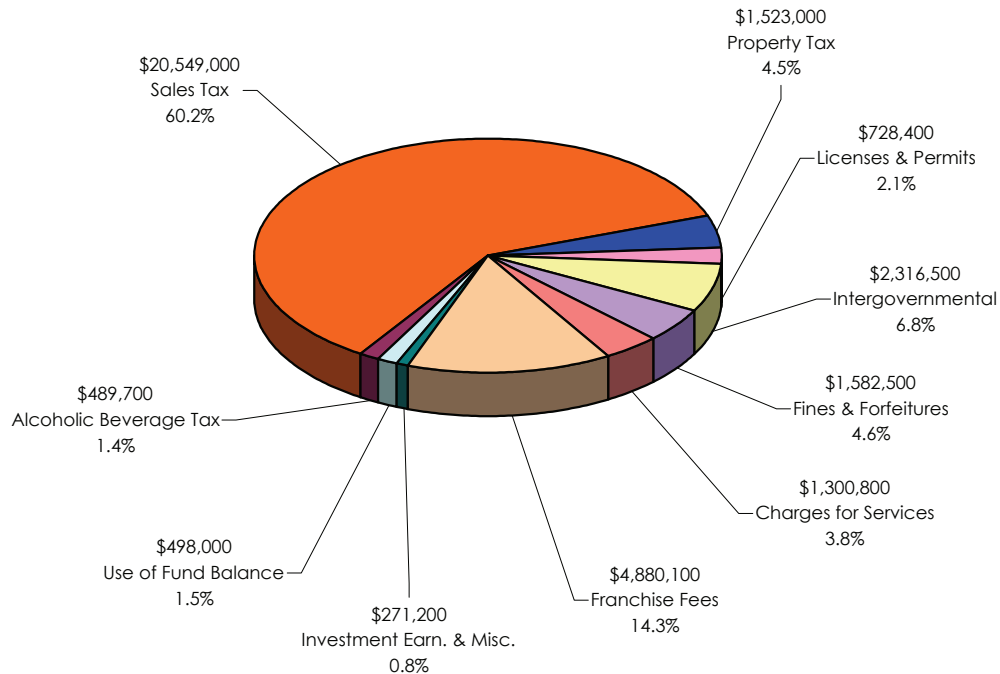
This comparison of adopted budgets is included to show the scope and growth of City operations in a multi-year format. This presentation is traditional but continues to include interfund transfers. Rather than restating all of the budgets, it is recommended that emphasis be placed on the significant entries, which are the individual funds. A more detailed discussion of each individual fund is included in the specific section devoted to that fund.

General Fund (1010)

Revenues

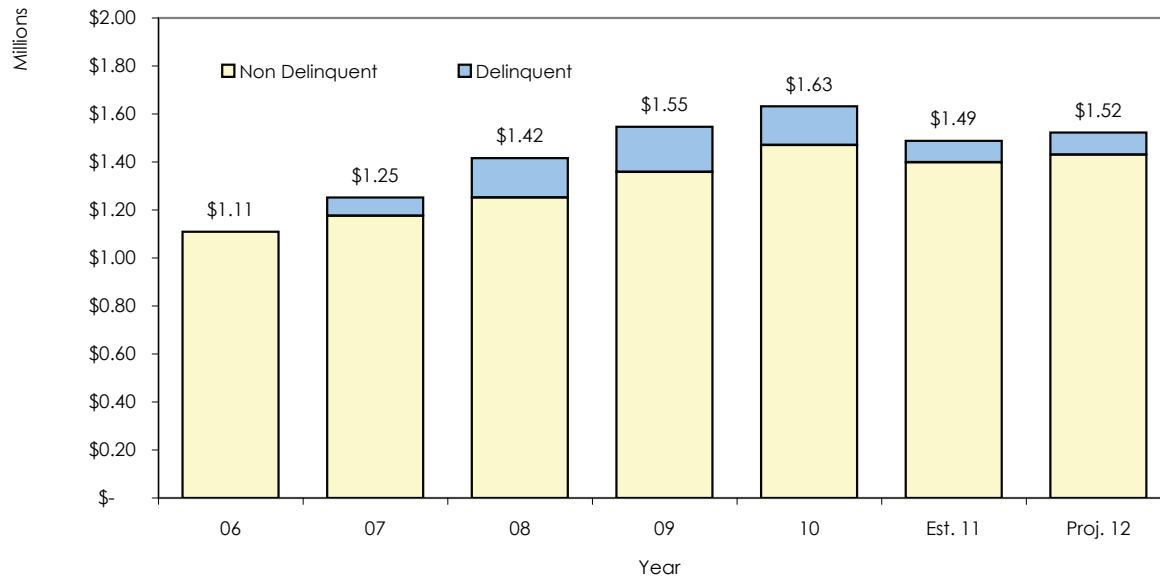
Total estimated revenue available in 2012 to support the General Fund is approximately \$33.6 million. These overall General Fund Revenue projections are based on historical trend data, expected population increases, and current performance of the national, state, and local economies and statistical information. In addition to those revenue sources, the 2012 budget will require the use of \$498,000 from reserves (fund balance).

Sources of Funds for 2012 \$ 34,139,200



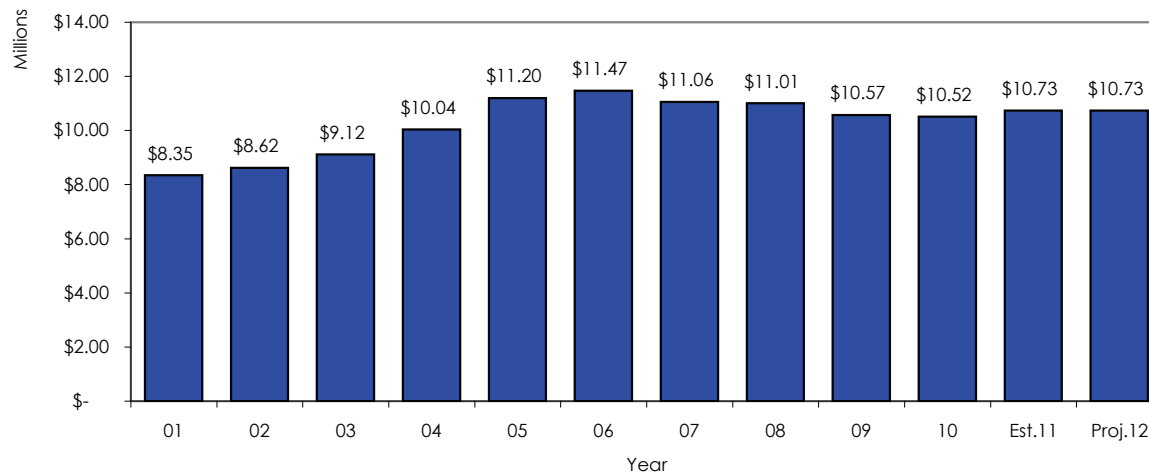
Property Taxes: Property Tax revenue makes up 4.5% of total General Fund Revenue. currently approved is 1.3 mills. 2012 revenue is projected to increase by 2.4% over 2011 estimated collections due to increased assessed value. 2006 marked the first year that Property Taxes were collected for General Fund operations since 1993 at which time the tax rate was at 3.8 mills. The City of Fayetteville has a discretionary limit of 5.0 mills, which is set by law. By law, millage decisions must be made by the end of October of each year by the City Council and filed with the County.

Property Taxes \$ 1,523,000



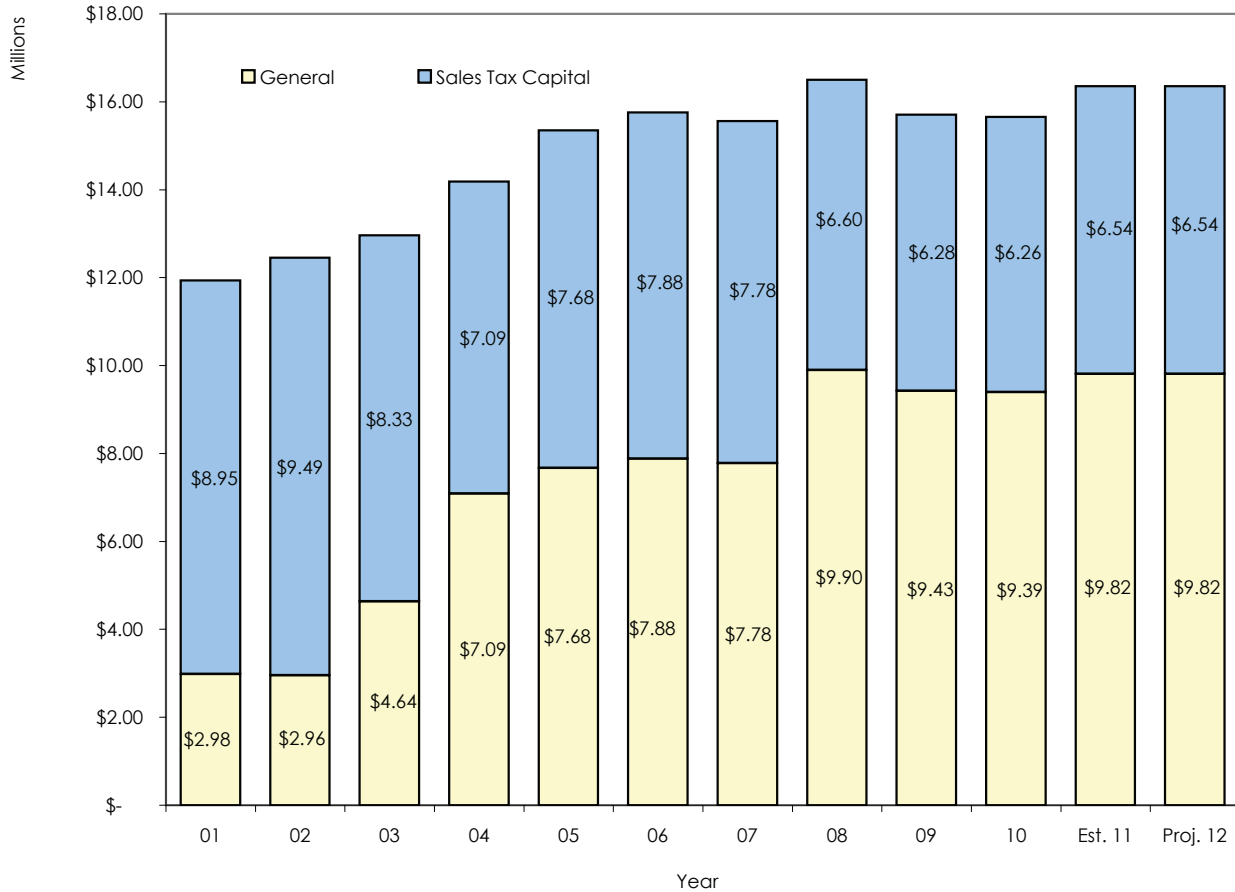
County Sales Tax: The largest source of General Fund revenue (31.9%) is the County Sales Tax. The City receives a prorated share (36.2%) of the 1% County Sales Tax based on population as of the most recent federal census. Sales Tax growth averaged 2.58% per year from 2000 to 2010. Budgeted 2012 revenue is projected to be flat compared to current 2011 estimated collections. The 2012 projection is based on past trends in view of the losses incurred due to the 2010 census.

County Sales Tax \$ 10,734,000



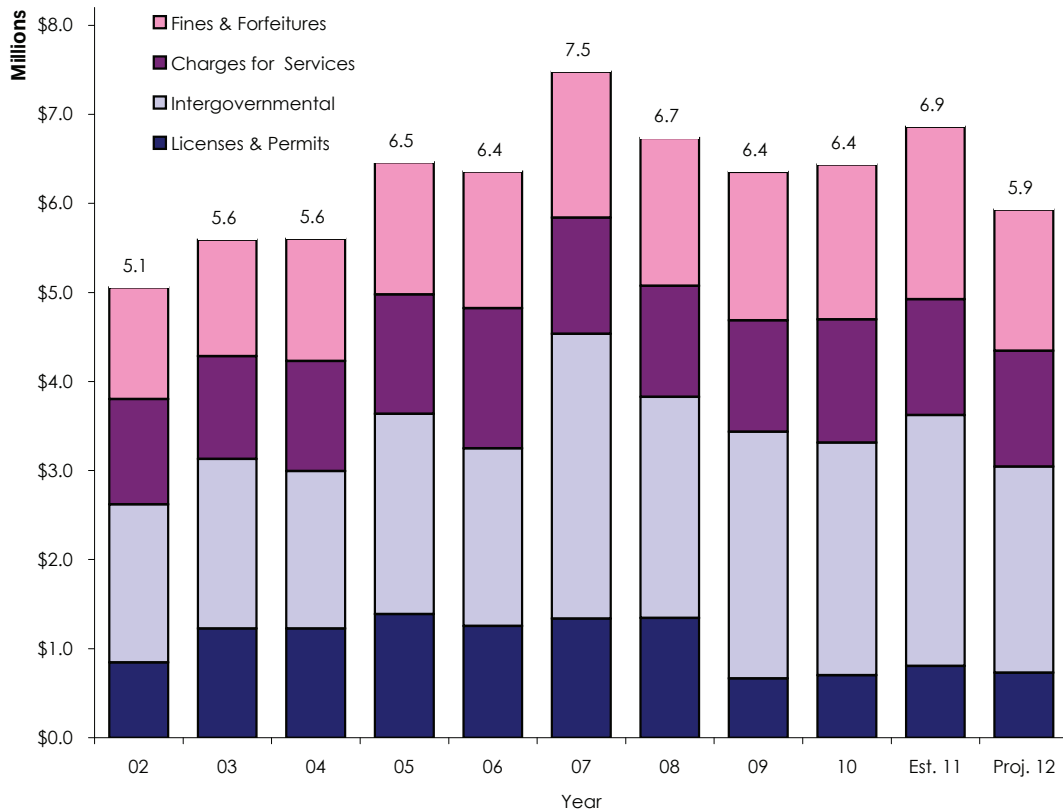
City Sales Tax: The second largest source of General Fund revenue is the City Sales Tax revenue. The 1% City sales tax revenue grew on average 3.1% annually between 2000 and 2010. However, 2011 revenue is estimated to be higher than 2010 actual by 4.5%. 2012 revenue is projected to be flat compared to estimated 2011. The 1% City Sales Tax revenue is divided between General Fund operations and capital. The current split for 2012, which began with the 2008 budget, is 60% for General Fund and 40% for Sales Tax Capital Improvements Fund.

Total City Sales Tax Collected by Fund
\$ 16,358,300



Other Revenues: Other Revenues (Licenses & Permits, Intergovernmental, Charges for Services, and Fines & Forfeitures) as a whole make up 17.6% of total General Fund revenue. Licenses & Permits mainly consist of Building Permits which are projected to be less in 2012 compared to estimated 2011 revenue due to a slow down in permitting. Inter-governmental revenues consist of State Turnback and State/Federal grants and are projected to be less in 2012 compared to estimated 2011 revenue. Charges for Services consist primarily of park fees, 911 reimbursements, and planning fees of which are expected to remain flat for 2012. Fines & Forfeitures revenues that consist of court fines are expected to be less over estimated 2011 revenue.

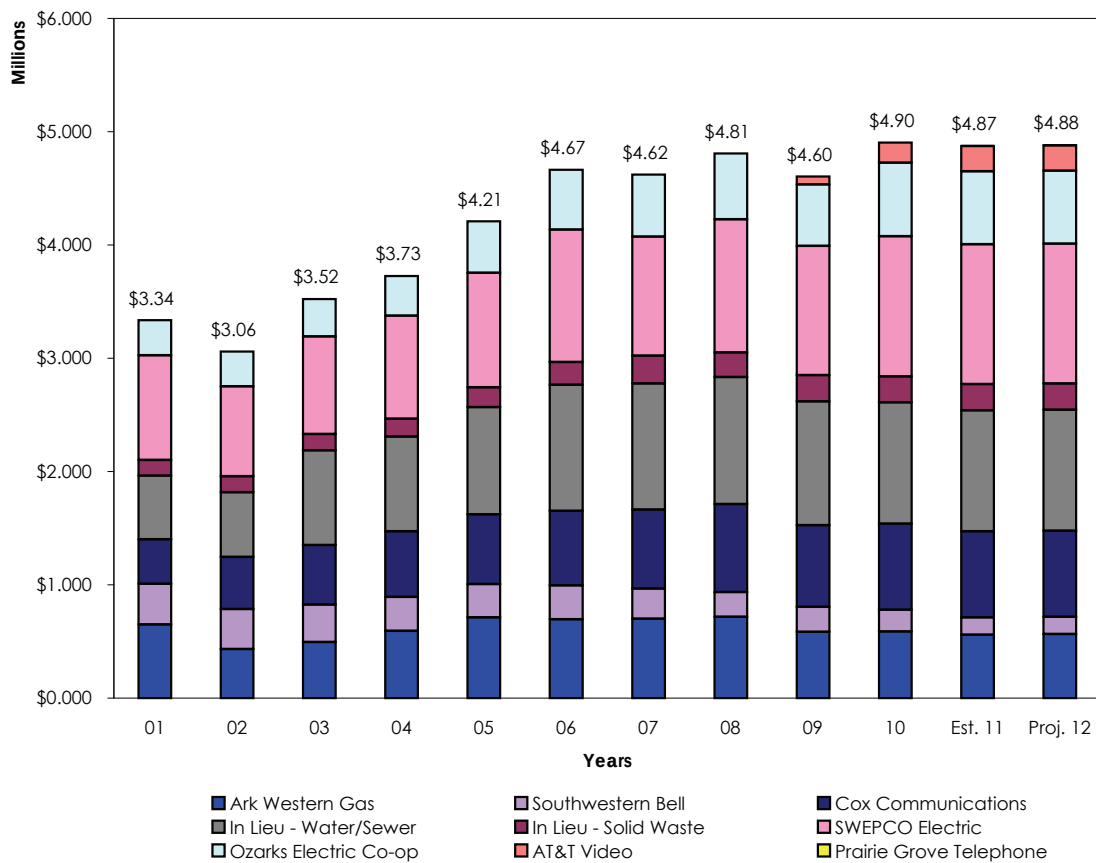
General Fund - Other Revenue



Franchise Fees: Franchise fees as a category makes up 14.5% of total General Fund revenue. The City collects franchise fees from all utility companies in Fayetteville for the use of City Rights-of-Way. All of the franchise fee agreements reflect a percentage of gross utility revenue generated. Although franchise fees are a direct cost of the utilities business, all utilities except AEP and the City of Fayetteville's Solid Waste and Water & Sewer Divisions show the fee as an additional item on the consumer's invoice.

Currently, Arkansas Western Gas pays 3% of annual sales before taxes on residential and commercial customers and 1% on industrial customers. AT&T and Prairie Grove Telephone pay 4% of all access line billing. AT&T Video and Cox Communications pay 5% of annual gross sales on everything except internet access revenue. The Water & Sewer utility pays 4.25% and the Solid Waste utility pays 3% on annual gross sales. AEP Electric and Ozarks Electric Co-Op pay 3% of gross revenues on domestic customers and 1% on industrial consumers. The 2012 projections are expected to equal 2011 collections.

Franchise Fees

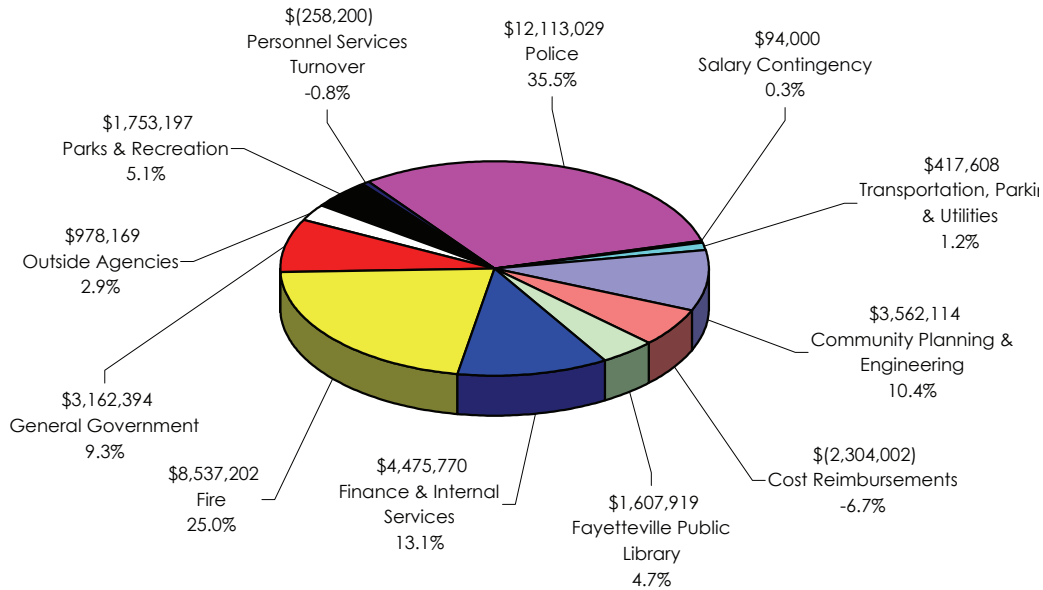


General Fund Expenses

Total uses of funds in 2012 for the City's General Fund totals \$34,139,200. The charts below show the total General Fund expenditure budget by operating department and expense category.

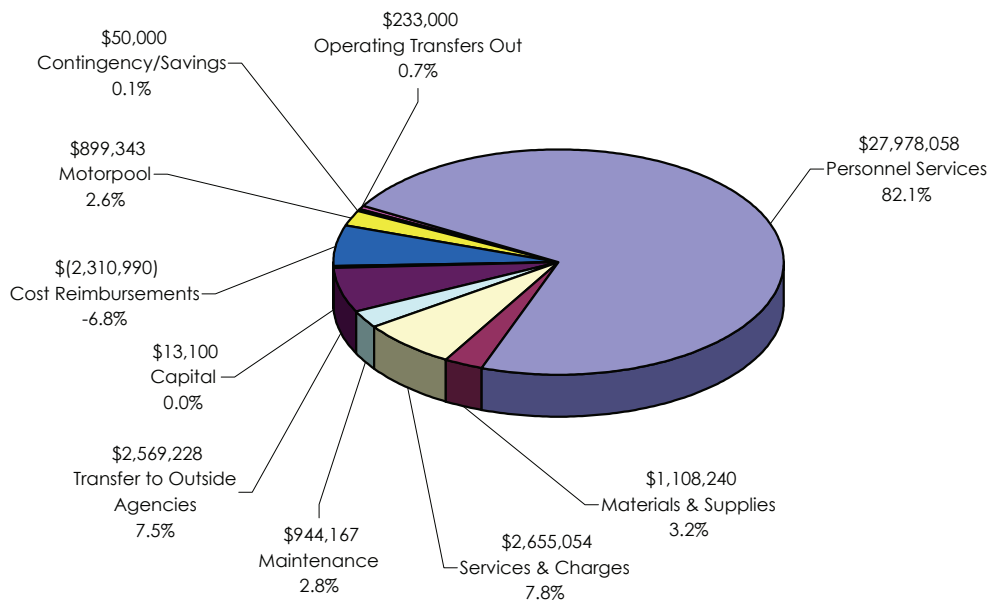
2012 Uses of Funds by Activity

\$ 34,139,200



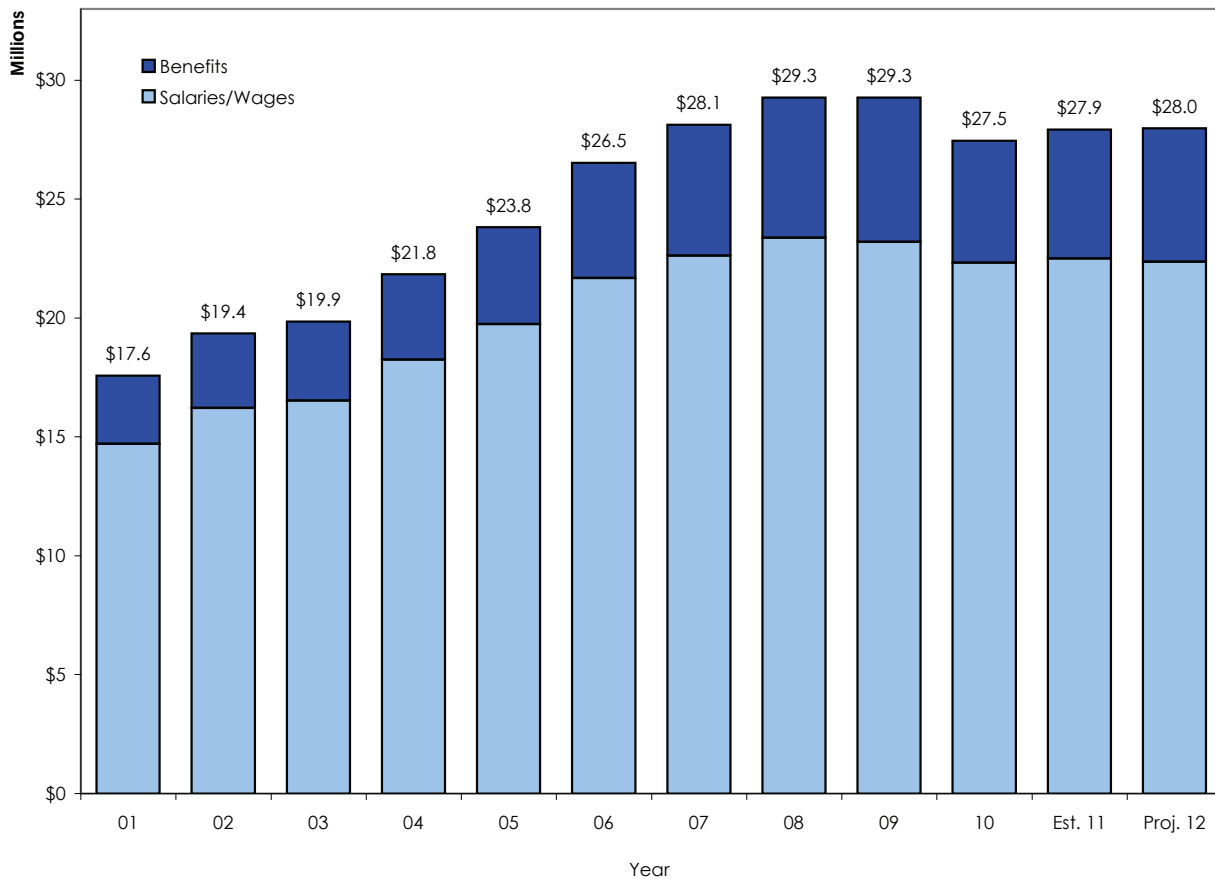
2012 Uses of Funds by Category

\$ 34,139,200



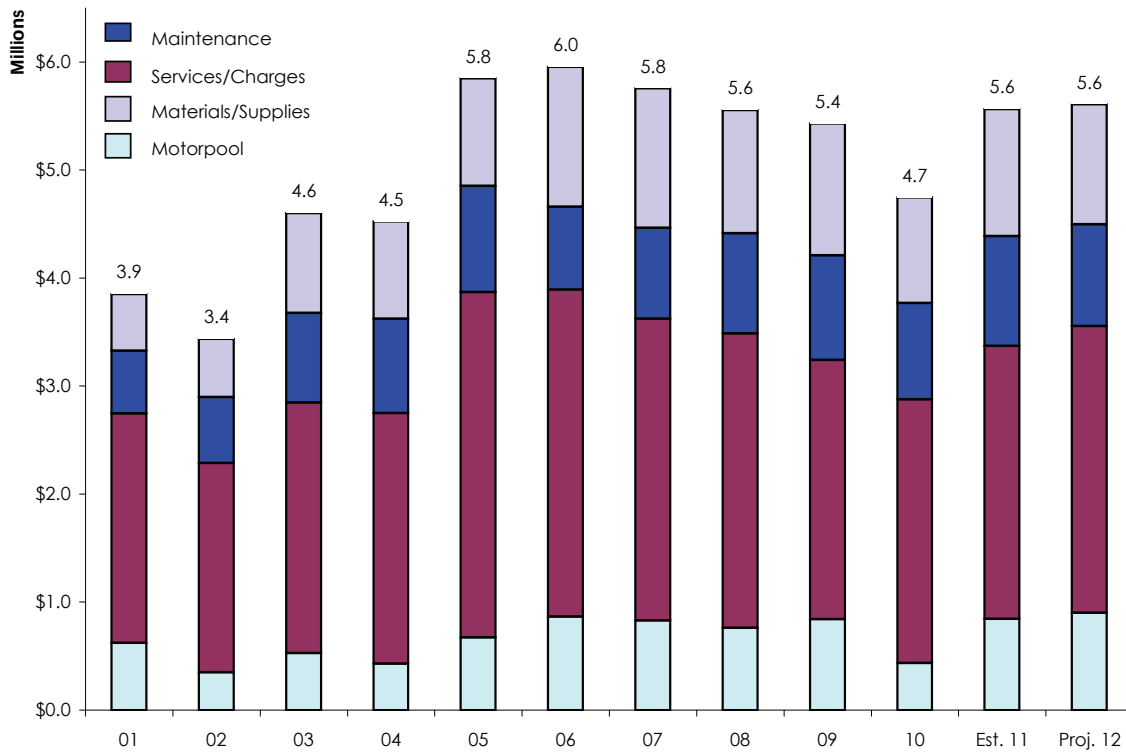
Personnel Services: Personnel Services represent the largest source (82.1%) of expense for the City's General Fund. Personnel Services include Salaries & Wages, Overtime, Insurance, Pension, and Worker's Compensation expenses. Since 2000, the Personnel Services category has averaged 5.35% per year from 2000 to 2008. However, due to a decline in revenues, wages were frozen at 2009 levels and no increases have been included in this budget.

Personnel Services



Other Expenses: Other expenses represent 16.4% of the General Fund expenditures for 2012. Other expenses represent the Maintenance, Services & Charges, Materials & Supplies, and Motor Pool categories. The Services & Charges Category includes contract services, publications and dues, etc. and represents 7.8% of the total General Fund budget. The Materials & Supplies Category includes copier/printing charges, minor equipment, fuel, and office supplies and represents 3.2% of the total General Fund budget. The Maintenance Category includes building and grounds maintenance, software maintenance, and various other small maintenance accounts and is 2.8% of the total General Fund budget. The Motorpool Category represents 2.6% of the total General Fund budget.

Other Expenses

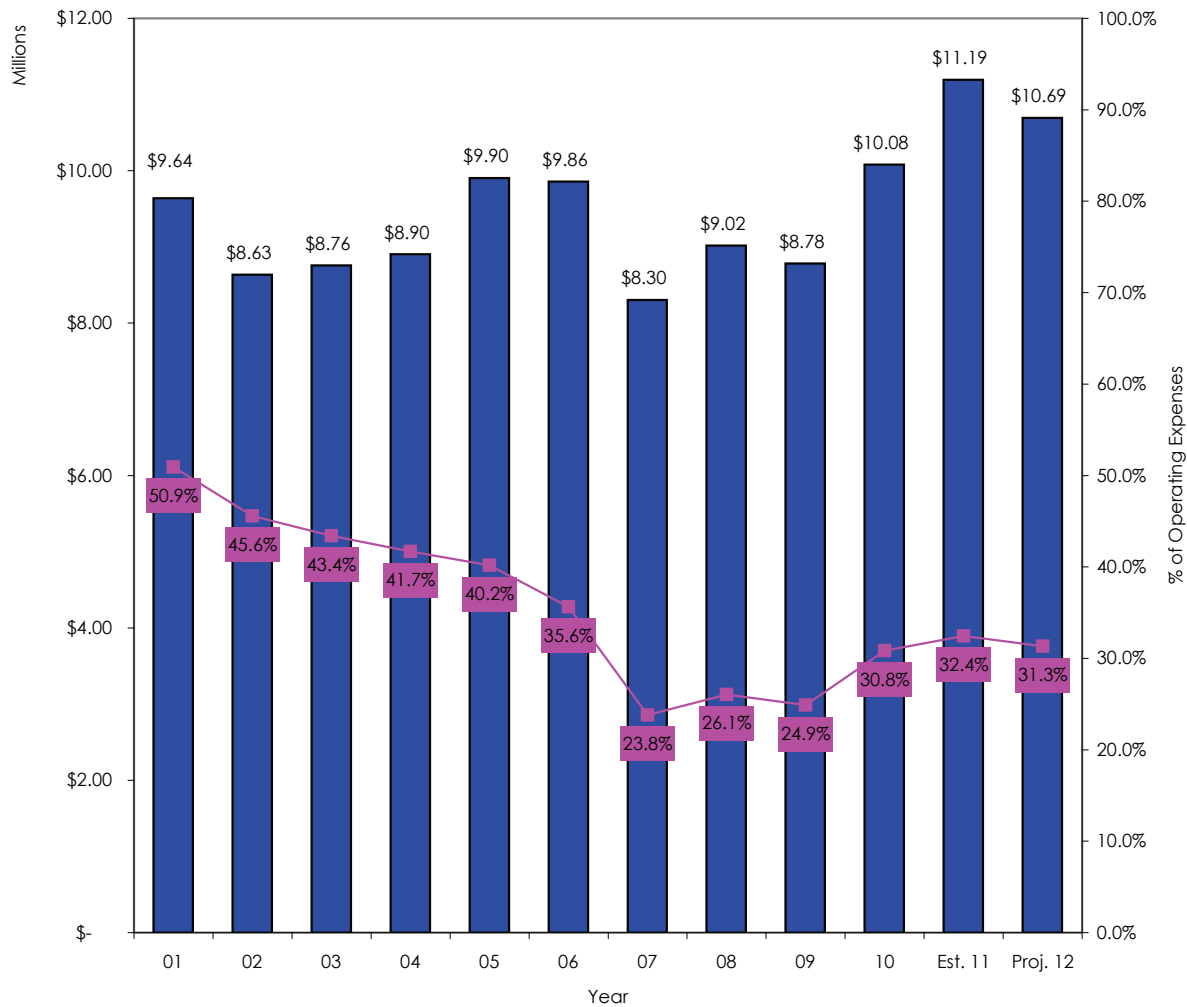


General Fund Balance

It is recommended that the 2012 Proposed Budget for the General Fund be balanced by using \$498,000 from reserves (fund balance). This would leave a projected ending undesignated fund balance of approximately \$10.7 million (prior to the minimum reserve requirement or any reserve for carry overs) at the end of 2012.

The amount of minimum reserves to be maintained in undesignated fund balance for General Fund is sixty (60) days (or 16.5%) of annual regular general fund operating expenditures. The General Fund designation requirement was approved by the Fayetteville City Council on November 5, 2002 with Resolution 174-2002 and currently amounts to \$5,650,000.

General Fund Ending Undesignated Fund Balance & % of Expense



City of Fayetteville, Arkansas
2012 Operating Budget
General Fund (1010)

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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Property Taxes	\$ 1,631,854	\$ 1,501,000	\$ 1,488,000	\$ 1,523,000
Sales Tax - County	10,516,294	10,300,000	10,734,000	10,734,000
Sales Tax - City	9,393,997	9,223,400	9,815,000	9,815,000
Alcoholic Beverage Taxes	479,857	467,600	489,500	489,700
Franchise Fees	4,904,603	4,649,100	4,874,400	4,880,100
Licenses & Permits	699,208	652,100	804,000	728,400
Intergovernmental	2,613,395	2,470,065	2,816,900	2,316,500
Charges for Services	1,384,465	1,357,350	1,300,600	1,300,800
Fines & Forfeitures	1,738,591	1,679,700	1,938,400	1,582,500
Interest Earnings	130,535	120,000	61,900	62,300
Other	387,753	377,470	298,100	208,900
Transfer from Sales Tax Capital	0	1,000,000	1,000,000	0
Transfer from Shop	11,198	0	0	0
Total Revenues	33,891,750	33,797,785	35,620,800	33,641,200
Expenses:				
General Government Activity	3,078,344	3,318,086	3,136,275	3,162,394
- Outside Agencies	774,387	974,637	974,637	978,169
- Salary Contingency	0	51,829	51,829	94,000
- Personnel Services Turnover	0	(258,200)	(258,200)	(258,200)
- Fayetteville Public Library	1,608,829	1,610,759	1,610,759	1,607,919
- Cost Reimbursements	(2,304,002)	(2,304,002)	(2,304,002)	(2,304,002)
Finance and Internal Services Activity	4,095,352	4,464,135	4,152,548	4,475,770
Police Activity	11,619,041	12,700,583	12,599,721	11,880,029
Fire Activity	8,131,502	8,796,005	8,761,070	8,537,202
Community Planning & Engineering	3,219,784	3,612,134	3,476,032	3,562,114
Transportation/Utility/Parking Activity	484,721	421,731	345,195	417,608
Parks and Recreation Activity	1,758,722	1,768,782	1,727,136	1,753,197
Transfer to Drug Grant	216,341	233,000	233,000	233,000
Transfer to Shop	0	3,000	3,000	0
Total Expenses	32,683,021	35,392,479	34,509,000	34,139,200
Income (Loss)	\$ 1,208,729	\$ (1,594,694)	\$ 1,111,800	\$ (498,000)

FUND BALANCE ANALYSIS				
Beginning Undesignated Fund Balance	\$ 8,872,097	\$ 10,080,826	\$ 10,080,826	\$ 11,192,626
Income/(Loss)	1,208,729	(1,594,694)	1,111,800	(498,000)
Ending Undesignated Fund Balance	\$ 10,080,826	\$ 8,486,132	\$ 11,192,626	\$ 10,694,626
Total Budget	\$ 32,683,021	\$ 35,392,479	\$ 34,509,000	\$ 34,139,200

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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
General Government & Miscellaneous Activity				
Mayor's Administration Program (0150):				
Personnel Services	\$ 197,678	\$ 200,141	\$ 198,104	\$ 200,450
Materials and Supplies	4,474	5,150	4,254	5,150
Services and Charges	35,078	44,290	34,181	48,390
Maintenance	0	100	0	100
	<u>237,230</u>	<u>249,681</u>	<u>236,539</u>	<u>254,090</u>
City Council Program (0160):				
Personnel Services	73,001	73,004	73,004	72,976
Materials and Supplies	634	825	825	700
Services and Charges	1,941	4,555	4,555	4,680
	<u>75,576</u>	<u>78,384</u>	<u>78,384</u>	<u>78,356</u>
City Attorney Program (0210):				
Personnel Services	257,425	265,662	265,260	264,071
Materials and Supplies	1,896	2,900	1,683	2,900
Services and Charges	17,089	19,820	16,406	19,820
	<u>276,410</u>	<u>288,382</u>	<u>283,349</u>	<u>286,791</u>
City Prosecutor Program (0310):				
Personnel Services	517,276	533,457	522,388	533,604
Materials and Supplies	12,439	9,724	7,560	9,804
Services and Charges	7,899	10,865	8,141	10,965
Maintenance	7,820	7,880	7,880	7,700
	<u>545,434</u>	<u>561,926</u>	<u>545,969</u>	<u>562,073</u>
District Judge Program (0400):				
Personnel Services	153,368	158,229	158,229	159,651
Materials and Supplies	2,672	1,325	1,325	1,300
Services and Charges	5,658	9,246	7,090	9,266
Maintenance	9,917	13,224	13,224	11,799
	<u>171,615</u>	<u>182,024</u>	<u>179,868</u>	<u>182,016</u>
Communications Program (0550):				
Personnel Services	190,408	202,687	202,458	201,668
Materials and Supplies	3,545	8,225	6,339	2,634
Services and Charges	1,804	2,675	1,523	1,650
Maintenance	0	384	0	7,000
	<u>195,757</u>	<u>213,971</u>	<u>210,320</u>	<u>212,952</u>

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Government Channel Program (0600):				
Personnel Services	154,839	161,715	161,715	171,541
Materials and Supplies	4,539	10,700	8,719	10,170
Services and Charges	12,892	14,653	11,969	15,641
Maintenance	1,809	2,150	964	2,400
	<u>174,079</u>	<u>189,218</u>	<u>183,367</u>	<u>199,752</u>
Chief of Staff Program (0700):				
Personnel Services	59,246	61,564	61,515	62,496
Materials and Supplies	890	1,900	750	1,900
Services and Charges	4,796	10,340	9,242	10,340
	<u>64,932</u>	<u>73,804</u>	<u>71,507</u>	<u>74,736</u>
Internal Consulting Program (0750):				
Personnel Services	79,818	80,695	45,236	86,088
Materials and Supplies	331	200	200	300
Services and Charges	2,248	3,190	2,218	2,405
Maintenance	187	70	70	3,650
	<u>82,584</u>	<u>84,155</u>	<u>47,724</u>	<u>92,443</u>
Internal Audit Program (1360):				
Personnel Services	82,815	86,111	86,111	87,027
Materials and Supplies	509	250	250	600
Services and Charges	1,650	3,286	3,286	2,936
	<u>84,974</u>	<u>89,647</u>	<u>89,647</u>	<u>90,563</u>
City Clerk/Treasurer Program (1510):				
Personnel Services	250,473	283,007	257,644	282,883
Materials and Supplies	9,692	16,080	8,424	12,500
Services and Charges	45,856	41,680	18,554	65,625
Maintenance	12,728	12,100	12,100	13,100
	<u>318,749</u>	<u>352,867</u>	<u>296,722</u>	<u>374,108</u>
Criminal Cases Program (2010):				
Personnel Services	299,485	306,564	303,268	300,324
Materials and Supplies	6,368	7,588	6,519	7,588
Services and Charges	584	1,375	918	1,375
	<u>306,437</u>	<u>315,527</u>	<u>310,705</u>	<u>309,287</u>
Probation & Fine Collection Program (2020):				
Personnel Services	55,973	56,544	23,399	19,121
Materials and Supplies	0	285	277	285
Services and Charges	1,033	1,087	1,075	1,080
	<u>57,006</u>	<u>57,916</u>	<u>24,751</u>	<u>20,486</u>

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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Small Claims & Civil Cases Program (2030):				
Personnel Services	135,792	149,517	149,517	168,393
Materials and Supplies	3,146	3,600	1,467	3,600
Services and Charges	985	1,650	725	1,650
Maintenance	0	103	0	103
	<u>139,923</u>	<u>154,870</u>	<u>151,709</u>	<u>173,746</u>
Library Program (5240):				
Services and Charges	17,770	19,700	19,700	16,860
Transfers To Outside Entities	1,591,059	1,591,059	1,591,059	1,591,059
	<u>1,608,829</u>	<u>1,610,759</u>	<u>1,610,759</u>	<u>1,607,919</u>
Miscellaneous Program (6600):				
Personnel Services	0	(206,371)	(206,371)	(164,200)
Materials and Supplies	(633)	23,580	23,580	22,800
Services and Charges	293,783	272,342	272,342	200,595
Cost allocation	(2,304,002)	(2,304,002)	(2,304,002)	(2,304,002)
Maintenance	10,783	13,720	13,720	14,500
Transfers To Outside Entities	774,387	974,637	974,637	978,169
Capital	8,455	103,100	103,100	13,100
Miscellaneous	35,250	0	0	0
Operating Transfers	0	15,972	15,972	0
	<u>(1,181,977)</u>	<u>(1,107,022)</u>	<u>(1,107,022)</u>	<u>(1,239,038)</u>
Total General Government/Miscellaneous	\$ <u>3,157,558</u>	\$ <u>3,396,109</u>	\$ <u>3,214,298</u>	\$ <u>3,280,280</u>

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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Finance and Internal Services Activity				
Finance Director Program (1100):				
Personnel Services	\$ 136,080	\$ 138,728	\$ 138,728	\$ 141,292
Materials and Supplies	187	200	200	570
Services and Charges	3,144	3,192	3,192	2,822
	<u>139,411</u>	<u>142,120</u>	<u>142,120</u>	<u>144,684</u>
Human Resource Operations Program (1210):				
Personnel Services	372,426	368,125	367,893	368,092
Materials and Supplies	4,034	6,250	3,959	4,950
Services and Charges	4,028	4,970	3,077	6,670
Maintenance	0	150	0	150
	<u>380,488</u>	<u>379,495</u>	<u>374,929</u>	<u>379,862</u>
Employee Benefits/Services Program (1220):				
Personnel Services	451,227	548,700	449,678	548,700
Materials and Supplies	0	5,850	3,814	50
Services and Charges	101,923	206,655	167,412	202,255
Maintenance	36,980	15,960	15,596	24,560
	<u>590,130</u>	<u>777,165</u>	<u>636,500</u>	<u>775,565</u>
Accounting & Audit Program (1310):				
Personnel Services	684,654	693,404	665,817	662,424
Materials and Supplies	6,694	9,500	6,524	10,000
Services and Charges	18,779	20,960	19,864	21,360
Maintenance	705	1,000	735	1,000
	<u>710,832</u>	<u>724,864</u>	<u>692,940</u>	<u>694,784</u>
Budget & Research Program (1330):				
Personnel Services	247,187	250,298	249,775	249,744
Materials and Supplies	4,500	5,756	4,199	5,706
Services and Charges	1,371	2,540	2,540	2,540
Maintenance	1,700	1,750	1,750	1,800
	<u>254,758</u>	<u>260,344</u>	<u>258,264</u>	<u>259,790</u>
General Maintenance Program (1410):				
Personnel Services	319,703	394,916	314,495	391,447
Materials and Supplies	6,505	6,900	6,900	7,169
Services and Charges	10,332	19,085	19,085	19,085
Motorpool Charges	8,442	13,281	13,281	13,044
Maintenance	20,790	25,326	25,326	25,326
	<u>365,772</u>	<u>459,508</u>	<u>379,087</u>	<u>456,071</u>

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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Janitorial Program (1420):				
Personnel Services	170,343	182,513	173,028	174,728
Materials and Supplies	13,427	10,549	10,549	10,549
Services and Charges	11,381	13,488	13,488	12,639
Maintenance	185	400	60	400
	<u>195,336</u>	<u>206,950</u>	<u>197,125</u>	<u>198,316</u>
Purchasing Program (1610):				
Personnel Services	213,100	218,963	218,963	224,083
Materials and Supplies	544	1,730	1,730	950
Services and Charges	19,569	19,078	19,078	19,858
	<u>233,213</u>	<u>239,771</u>	<u>239,771</u>	<u>244,891</u>
Information Technology Program (1710):				
Personnel Services	828,129	861,358	819,252	860,062
Materials and Supplies	21,687	16,425	16,425	16,058
Services and Charges	35,726	32,455	32,455	47,332
Motorpool Charges	2,189	2,222	2,222	2,277
Maintenance	337,681	361,458	361,458	396,078
	<u>1,225,412</u>	<u>1,273,918</u>	<u>1,231,812</u>	<u>1,321,807</u>
Total Finance and Internal Services Activity \$	<u><u>4,095,352</u></u>	<u><u>4,464,135</u></u>	<u><u>4,152,548</u></u>	<u><u>4,475,770</u></u>

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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Police Activity				
Central Dispatch Program (2600):				
Personnel Services	\$ 1,107,338	\$ 1,168,142	\$ 1,150,831	\$ 1,146,673
Materials and Supplies	9,444	11,253	10,065	11,153
Services and Charges	39,627	43,017	43,017	45,586
Motorpool Charges	2,135	5,004	5,004	10,636
Maintenance	62,484	74,093	71,661	3,761
	<u>1,221,028</u>	<u>1,301,509</u>	<u>1,280,578</u>	<u>1,217,809</u>
Police Support Services Program (2900):				
Personnel Services	2,047,433	2,113,546	2,079,917	2,084,330
Materials and Supplies	80,128	72,610	67,451	74,439
Services and Charges	427,467	423,334	418,703	439,320
Motorpool Charges	13,759	30,286	30,286	35,633
Maintenance	149,831	164,628	154,467	173,815
Operating Transfers	216,341	233,000	233,000	233,000
	<u>2,934,959</u>	<u>3,037,404</u>	<u>2,983,824</u>	<u>3,040,537</u>
Police Projects Program (2920):				
Personnel Services	262,139	204,241	204,241	0
Materials and Supplies	118,780	114,608	114,608	0
Services and Charges	122,810	66,505	66,505	0
Maintenance	1,299	8,278	8,278	0
Transfers To Outside Entities	118,108	92,450	92,450	0
Capital	31,622	164,352	164,352	0
	<u>654,758</u>	<u>650,434</u>	<u>650,434</u>	<u>0</u>
Police Patrol Program (2940):				
Personnel Services	6,407,671	6,892,744	6,879,210	6,796,095
Materials and Supplies	243,968	306,508	305,086	327,092
Services and Charges	138,348	201,339	194,190	183,034
Motorpool Charges	198,058	503,020	503,020	530,192
Maintenance	36,592	40,625	36,379	18,270
	<u>7,024,637</u>	<u>7,944,236</u>	<u>7,917,885</u>	<u>7,854,683</u>
Total Police Activity	<u>\$ 11,835,382</u>	<u>\$ 12,933,583</u>	<u>\$ 12,832,721</u>	<u>\$ 12,113,029</u>

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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Fire Activity				
Fire Prevention Program (3010):				
Personnel Services	\$ 365,334	\$ 333,721	\$ 333,721	\$ 326,236
Materials and Supplies	18,377	29,808	29,264	28,355
Services and Charges	3,975	9,175	9,175	9,175
Motorpool Charges	6,632	19,397	19,397	28,714
Maintenance	66	0	0	0
	<u>394,384</u>	<u>392,101</u>	<u>391,557</u>	<u>392,480</u>
Fire Operations Program (3020):				
Personnel Services	7,009,408	7,241,493	7,241,493	7,188,286
Materials and Supplies	113,526	153,605	153,596	139,158
Services and Charges	311,502	411,132	384,375	359,643
Motorpool Charges	82,091	103,479	102,619	99,706
Maintenance	62,487	135,775	130,106	99,229
Capital	9,300	189	0	0
Contingency/Savings	0	150,000	150,000	50,000
	<u>7,588,314</u>	<u>8,195,673</u>	<u>8,162,189</u>	<u>7,936,022</u>
Fire Training Program (3030):				
Personnel Services	131,988	171,977	171,977	166,154
Materials and Supplies	6,990	8,746	8,746	8,739
Services and Charges	5,336	22,775	21,868	22,775
Motorpool Charges	4,490	4,733	4,733	11,032
	<u>148,804</u>	<u>208,231</u>	<u>207,324</u>	<u>208,700</u>
Total Fire Activity	<u>\$ 8,131,502</u>	<u>\$ 8,796,005</u>	<u>\$ 8,761,070</u>	<u>\$ 8,537,202</u>

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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Community Planning and Engineering Activity				
Animal Patrol/Emergency Response Program (2710):				
Personnel Services	\$ 266,373	\$ 265,733	\$ 265,733	\$ 264,460
Materials and Supplies	11,891	16,878	16,878	14,030
Services and Charges	10,873	11,533	11,533	11,242
Motorpool Charges	6,770	25,580	25,580	25,953
Maintenance	560	787	550	980
	<u>296,467</u>	<u>320,511</u>	<u>320,274</u>	<u>316,665</u>
Animal Shelter Program (2720):				
Personnel Services	232,976	261,885	261,144	258,005
Materials and Supplies	22,945	28,150	28,150	32,150
Services and Charges	46,193	46,766	46,766	47,087
Maintenance	9,442	11,156	8,045	11,156
	<u>311,556</u>	<u>347,957</u>	<u>344,105</u>	<u>348,398</u>
Veterinarian/Clinic Program (2730):				
Personnel Services	121,450	124,631	124,631	127,581
Materials and Supplies	19,198	65,837	64,976	65,837
Services and Charges	3,172	3,627	3,538	3,276
Maintenance	288	450	0	450
	<u>144,108</u>	<u>194,545</u>	<u>193,145</u>	<u>197,144</u>
Animal Services Projects Program (2740):				
Materials and Supplies	65,239	6,029	6,029	0
Maintenance	0	40,939	40,939	0
	<u>65,239</u>	<u>46,968</u>	<u>46,968</u>	<u>0</u>
Development Services Director Program (6200):				
Personnel Services	147,630	157,571	136,980	157,106
Materials and Supplies	62	812	0	852
Services and Charges	466	790	766	750
	<u>148,158</u>	<u>159,173</u>	<u>137,746</u>	<u>158,708</u>
Engineering Design Services Program (6210):				
Personnel Services	119,456	147,988	140,820	156,436
Materials and Supplies	8,831	9,336	6,576	9,522
Services and Charges	2,076	2,350	2,087	2,350
Motorpool Charges	1,411	4,619	4,619	4,709
Maintenance	0	3,395	3,385	80
	<u>131,774</u>	<u>167,688</u>	<u>157,487</u>	<u>173,097</u>

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Engineering Operations & Administration Program (6220):				
Personnel Services	437,868	483,249	483,249	481,749
Materials and Supplies	5,831	7,226	4,707	6,823
Services and Charges	16,313	16,085	14,024	18,685
Motorpool Charges	1,613	3,599	3,599	3,067
Maintenance	0	150	0	150
	<u>461,625</u>	<u>510,309</u>	<u>505,579</u>	<u>510,474</u>
Engineering Land Acquisition Program (6230):				
Personnel Services	75,898	97,201	97,201	101,980
Materials and Supplies	573	1,200	502	1,200
Services and Charges	25	830	180	830
	<u>76,496</u>	<u>99,231</u>	<u>97,883</u>	<u>104,010</u>
Engineering Public Construction Program (6240):				
Personnel Services	209,854	299,112	298,862	296,818
Materials and Supplies	8,201	12,304	12,137	13,464
Services and Charges	1,017	1,605	1,018	2,825
Motorpool Charges	7,310	15,736	15,736	16,079
	<u>226,382</u>	<u>328,757</u>	<u>327,753</u>	<u>329,186</u>
City Planning Program (6300):				
Personnel Services	314,494	327,912	304,177	322,591
Materials and Supplies	7,577	16,244	13,168	17,295
Services and Charges	15,998	28,394	20,638	23,321
Motorpool Charges	2,175	5,923	5,923	5,567
Maintenance	0	350	0	350
	<u>340,244</u>	<u>378,823</u>	<u>343,906</u>	<u>369,124</u>
Sustainability & Strategic Planning Program (6310):				
Personnel Services	191,466	194,247	191,919	191,106
Materials and Supplies	2,410	1,950	1,309	2,050
Services and Charges	3,961	6,140	5,350	7,040
Maintenance	3,446	3,600	3,600	0
	<u>201,283</u>	<u>205,937</u>	<u>202,178</u>	<u>200,196</u>
Building Safety Program (6400):				
Personnel Services	440,046	430,327	425,503	424,293
Materials and Supplies	8,221	16,659	13,022	18,361
Services and Charges	16,091	19,637	14,230	18,717
Motorpool Charges	10,948	21,161	21,161	21,053
Maintenance	7,210	7,426	7,426	7,800
	<u>482,516</u>	<u>495,210</u>	<u>481,342</u>	<u>490,224</u>

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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Code Compliance Program (6420):				
Personnel Services	292,804	296,361	259,534	307,469
Materials and Supplies	8,503	10,314	8,236	10,774
Services and Charges	24,823	33,641	33,187	29,675
Motorpool Charges	7,267	16,709	16,709	16,970
Maintenance	539	0	0	0
	<u>333,936</u>	<u>357,025</u>	<u>317,666</u>	<u>364,888</u>
Total Community Planning and Engineering \$	<u>\$ 3,219,784</u>	<u>\$ 3,612,134</u>	<u>\$ 3,476,032</u>	<u>\$ 3,562,114</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
General Fund (1010)

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2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Transportation, Parking, Utilities Activity				
Utilities Management Program (1380):				
Personnel Services	\$ 133,086	\$ 137,494	\$ 134,079	\$ 133,264
Materials and Supplies	7,662	9,135	7,993	13,008
Services and Charges	187,726	271,702	199,786	267,902
Motorpool Charges	1,213	3,325	3,325	3,359
Maintenance	0	75	12	75
	<u>329,687</u>	<u>421,731</u>	<u>345,195</u>	<u>417,608</u>
Parking Management Program (5300):				
Personnel Services	138,053	0	0	0
Materials and Supplies	9,130	0	0	0
Services and Charges	2,854	0	0	0
Motorpool Charges	1,233	0	0	0
Maintenance	3,764	0	0	0
	<u>155,034</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Transportation, Parking, Utilities Activity	<u>\$ 484,721</u>	<u>\$ 421,731</u>	<u>\$ 345,195</u>	<u>\$ 417,608</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
General Fund (1010)

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2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Parks and Recreation Activity				
Swimming Pool Program (5210):				
Personnel Services	\$ 67,213	\$ 95,535	\$ 95,535	\$ 94,060
Materials and Supplies	9,849	15,670	15,670	18,877
Services and Charges	28,675	28,552	28,552	29,030
Motorpool Charges	598	1,251	1,251	115
Maintenance	3,054	3,679	3,679	3,273
	<u>109,389</u>	<u>144,687</u>	<u>144,687</u>	<u>145,355</u>
Parks Administration/Recreation Programs Program (5220):				
Personnel Services	232,663	469,794	432,898	487,429
Materials and Supplies	10,399	75,717	75,717	78,211
Services and Charges	117,931	120,801	120,801	132,140
Motorpool Charges	1,801	5,803	5,803	5,826
	<u>362,794</u>	<u>672,115</u>	<u>635,219</u>	<u>703,606</u>
Lake Maintenance Program (5250):				
Personnel Services	5,760	7,911	7,911	7,060
Materials and Supplies	1,431	2,444	2,444	1,911
Services and Charges	73,694	74,279	74,279	71,945
Motorpool Charges	195	466	466	23
Maintenance	1,203	1,700	1,700	1,200
	<u>82,283</u>	<u>86,800</u>	<u>86,800</u>	<u>82,139</u>
Parks Maintenance Program (5260):				
Personnel Services	656,886	296,282	296,282	287,851
Materials and Supplies	66,133	78,130	78,130	71,530
Services and Charges	145,269	144,191	144,191	146,801
Motorpool Charges	73,189	56,353	56,353	63,010
Cost allocation	(2,521)	(6,988)	(6,988)	(6,988)
Maintenance	104,826	104,691	104,691	108,212
	<u>1,043,782</u>	<u>672,659</u>	<u>672,659</u>	<u>670,416</u>
Yvonne Richardson Community Center Program (5280):				
Personnel Services	114,508	122,259	122,259	104,361
Materials and Supplies	3,618	6,249	6,249	5,176
Services and Charges	36,719	55,712	55,712	34,066
Motorpool Charges	1,803	2,782	2,782	2,378
Maintenance	3,826	5,519	769	5,700
	<u>160,474</u>	<u>192,521</u>	<u>187,771</u>	<u>151,681</u>
Total Parks and Recreation Activity	<u>\$ 1,758,722</u>	<u>\$ 1,768,782</u>	<u>\$ 1,727,136</u>	<u>\$ 1,753,197</u>
Total General Fund:	<u>\$ 32,683,021</u>	<u>\$ 35,392,479</u>	<u>\$ 34,509,000</u>	<u>\$ 34,139,200</u>

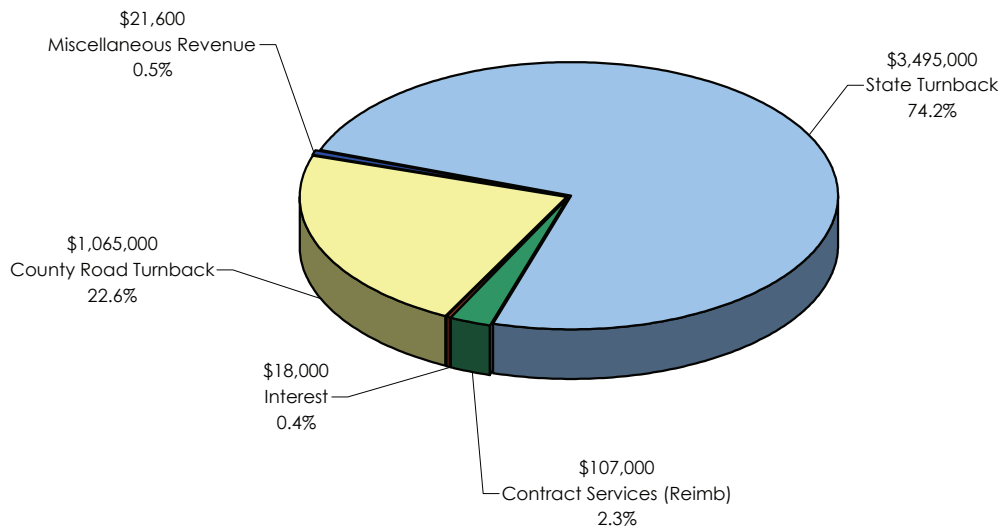
Street Fund (2100)

The **Street Fund** is primarily financed by turnback revenues received from the State of Arkansas and turnback monies received from the County Road Millage Tax. These monies are utilized to maintain and repair City streets, rights-of-way, drainage, traffic control and maintenance, and City owned sidewalks.

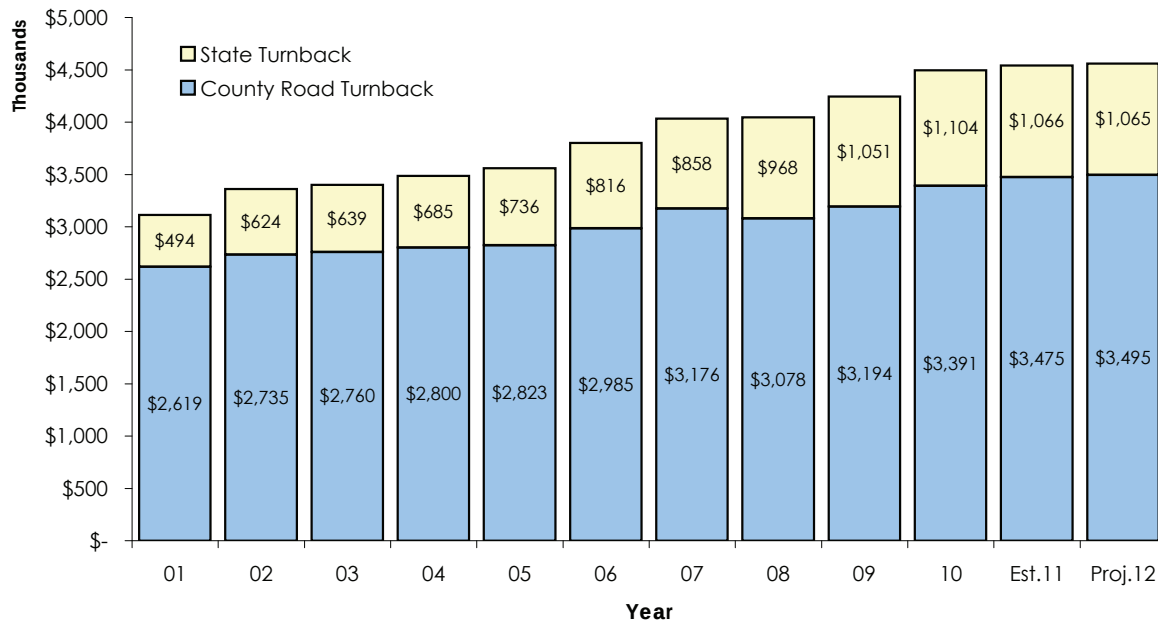
Street Fund Revenues

Revenues for Street Fund are primarily motor fuel taxes collected by the State of Arkansas (state turnback) and returned to the City on a per capita basis. The long term trend for state turnback is relatively flat. The per capita rate for Street Fund in 1995 was \$41.00 and in 2011 the per capita rate is \$47.23. Projections for 2012 are based on the per capita rate of \$47.50 from the State and calculated based on the 2010 census population of 73,580. As the City continues to grow, additional revenue sources will need to be identified to fund Street Fund activities. The City receives 80% of the road millage levied by the Quorum Court on real and personal property located within the City. The current 2011 county levy is 1.1 mil, with a maximum of 3.0 mil.

Sources of Funds for 2012
\$ 4,706,600



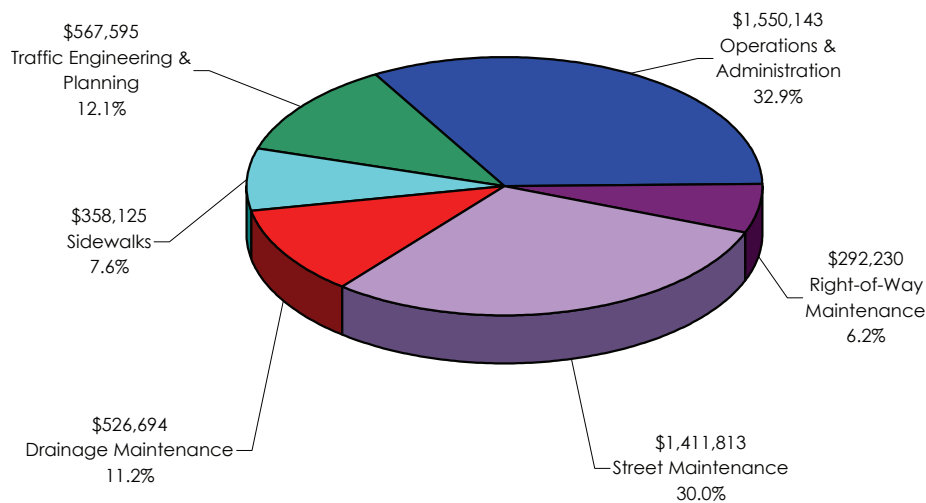
Street Fund



Street Fund Expenses

The primary purpose of funds expended from the Street Fund relate to the maintenance, repair and construction of streets within the City of Fayetteville. Associated drainage maintenance activities as well as street sweeping are also programs supported by the Street Fund.

Uses of Funds for 2012 \$ 4,706,600



City of Fayetteville, Arkansas
2012 Operating Budget
Street Fund (2100)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Intergovernmental (Grants)	\$ 0	\$ 387,500	\$ 387,500	\$ 0
State Turnback	3,390,952	3,200,000	3,475,000	3,495,000
County Road Turnback	1,103,686	1,099,400	1,065,800	1,065,000
Charges for Services	79,790	51,600	107,000	107,000
Investment Earnings	46,165	30,000	18,400	18,000
Other	27,400	9,000	21,300	21,600
Total Revenues	<u>4,647,993</u>	<u>4,777,500</u>	<u>5,075,000</u>	<u>4,706,600</u>
Expenses:				
Operations & Administration	1,369,702	1,923,979	1,829,488	1,550,143
Right-of-Way Maintenance	222,389	272,475	263,237	292,230
Street Maintenance	1,309,588	1,310,880	1,310,880	1,411,813
Drainage Maintenance	529,583	529,466	529,466	526,694
Traffic Engineering & Planning	494,317	526,061	526,048	567,595
Street & Trail Construction	357,783	45,519	45,519	0
Sidewalk Maintenance	295,836	727,013	707,362	358,125
Total Expenses	<u>4,579,198</u>	<u>5,335,393</u>	<u>5,212,000</u>	<u>4,706,600</u>
Income (Loss)	<u>\$ 68,795</u>	<u>\$ (557,893)</u>	<u>\$ (137,000)</u>	<u>\$ 0</u>

FUND BALANCE ANALYSIS

Beginning Undesignated Fund Balance	\$ 2,275,722	\$ 2,344,517	\$ 2,344,517	\$ 2,207,517
Income/(Loss)	<u>68,795</u>	<u>(557,893)</u>	<u>(137,000)</u>	<u>0</u>
Ending Undesignated Fund Balance	<u>\$ 2,344,517</u>	<u>\$ 1,786,624</u>	<u>\$ 2,207,517</u>	<u>\$ 2,207,517</u>
Total Budget	<u>\$ 4,579,198</u>	<u>\$ 5,335,393</u>	<u>\$ 5,212,000</u>	<u>\$ 4,706,600</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Street Fund (2100)

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2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Transportation, Parking, Utilities Activity				
Operations & Administration Program (4100):				
Personnel Services	\$ 556,112	\$ 651,866	\$ 557,401	\$ 652,331
Materials and Supplies	22,262	38,434	38,434	35,695
Services and Charges	675,912	693,332	693,306	754,013
Motorpool Charges	3,690	3,362	3,362	4,264
Cost allocation	39,835	39,835	39,835	39,835
Maintenance	54,869	41,472	41,472	64,005
Capital	17,022	455,678	455,678	0
	<u>1,369,702</u>	<u>1,923,979</u>	<u>1,829,488</u>	<u>1,550,143</u>
Right-of-Way Maintenance Program (4110):				
Personnel Services	116,570	164,317	155,079	188,112
Materials and Supplies	17,865	22,480	22,480	29,798
Services and Charges	0	100	100	0
Motorpool Charges	87,884	83,410	83,410	72,152
Maintenance	70	2,168	2,168	2,168
	<u>222,389</u>	<u>272,475</u>	<u>263,237</u>	<u>292,230</u>
Street Maintenance Program (4120):				
Personnel Services	741,791	783,243	783,243	821,902
Materials and Supplies	291,084	256,914	256,914	346,294
Services and Charges	9,047	7,607	7,607	7,877
Motorpool Charges	748,685	765,019	765,019	859,291
Cost allocation	(492,786)	(520,880)	(520,880)	(637,515)
Maintenance	11,767	18,977	18,977	13,964
	<u>1,309,588</u>	<u>1,310,880</u>	<u>1,310,880</u>	<u>1,411,813</u>
Drainage Maintenance Program (4130):				
Personnel Services	327,636	331,953	331,953	344,818
Materials and Supplies	58,699	61,537	61,537	70,413
Services and Charges	6,344	12,000	12,000	14,750
Motorpool Charges	135,829	120,102	120,102	92,839
Maintenance	1,075	3,874	3,874	3,874
	<u>529,583</u>	<u>529,466</u>	<u>529,466</u>	<u>526,694</u>
Traffic Engineering & Planning Program (5315):				
Personnel Services	363,754	361,668	361,655	358,854
Materials and Supplies	47,891	57,143	57,143	95,291
Services and Charges	5,329	7,323	7,323	7,323
Motorpool Charges	47,707	72,327	72,327	48,527
Maintenance	29,636	27,600	27,600	57,600
	<u>494,317</u>	<u>526,061</u>	<u>526,048</u>	<u>567,595</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Street Fund (2100)

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2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Street & Trail Construction Program (5520):				
Personnel Services	0	8,202	8,202	0
Materials and Supplies	28,800	30,196	30,196	41,059
Services and Charges	0	16,973	16,973	0
Motorpool Charges	165,292	178,477	178,477	168,716
Cost allocation	(194,092)	(208,673)	(208,673)	(209,775)
Maintenance	357,783	20,344	20,344	0
	<u>357,783</u>	<u>45,519</u>	<u>45,519</u>	<u>0</u>
Sidewalks Program (5530):				
Personnel Services	215,673	245,074	225,444	243,412
Materials and Supplies	19,136	198,421	198,400	43,010
Services and Charges	0	225,000	225,000	4,000
Motorpool Charges	76,042	72,303	72,303	83,425
Cost allocation	(16,803)	(17,785)	(17,785)	(17,722)
Maintenance	1,788	4,000	4,000	2,000
	<u>295,836</u>	<u>727,013</u>	<u>707,362</u>	<u>358,125</u>
Total Transportation, Parking, Utilities Activity	<u>\$ 4,579,198</u>	<u>\$ 5,335,393</u>	<u>\$ 5,212,000</u>	<u>\$ 4,706,600</u>
Total Fund	<u>\$ 4,579,198</u>	<u>\$ 5,335,393</u>	<u>\$ 5,212,000</u>	<u>\$ 4,706,600</u>

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Parking Fund (2130)

The **Parking Fund** accounts for funds received from meter revenues and parking lot rentals. These monies are expended for maintenance of parking lots. In 2010, a new program, Entertainment District Parking, was created that extended paid parking in the Dickson Street area. For 2012, this fund is expected to have a \$277,700 surplus which will be designated toward the future building of a parking deck.

In 2010, the City Council approved a \$700,000 interfund loan from the Replacement and Disaster Recovery Fund to the Parking Fund for the purchase of equipment. This loan will be paid back from parking revenue within a five year period.

City of Fayetteville, Arkansas
2012 Operating Budget
Parking Fund (2130)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Downtown District Parking Revenue	\$ 293,626	\$ 392,450	\$ 461,445	\$ 495,480
Entertainment District Parking Revenue	370,012	882,800	913,360	879,798
Investment Earnings	8,159	20,425	3,989	3,972
Other	244	225	4,906	250
Total Revenues	<u>672,041</u>	<u>1,295,900</u>	<u>1,383,700</u>	<u>1,379,500</u>
Expenses:				
Downtown District Parking	216,455	430,266	411,319	458,051
Entertainment District Parking	113,846	204,300	197,035	169,514
Transfer to Walton Arts Center	25,968	289,000	289,000	289,000
Principal Payment	44,523	135,135	135,135	138,093
Interest Expense	4,556	12,100	12,100	9,142
Land Acquisition	343,538	0	0	0
Parking Lot Improvements	887,223	59,411	59,411	38,000
Transfer to Shop	13,888	0	0	0
Total Expenses	<u>1,649,997</u>	<u>1,130,212</u>	<u>1,104,000</u>	<u>1,101,800</u>
Income (Loss)	<u>\$ (977,956)</u>	<u>\$ 165,688</u>	<u>\$ 279,700</u>	<u>\$ 277,700</u>

FUND BALANCE ANALYSIS				
Beginning Undesignated Fund Balance	\$ 595,665	\$ (337,768)	\$ (337,768)	\$ 77,067
Income/(Loss)	(977,956)	165,688	279,700	277,700
Reduction of Interfund Loan Liability	44,523	135,135	135,135	138,093
* Ending Undesignated Fund Balance	<u>\$ (337,768)</u>	<u>\$ (36,945)</u>	<u>\$ 77,067</u>	<u>\$ 492,860</u>
Total Budget	<u>\$ 1,649,997</u>	<u>\$ 1,130,212</u>	<u>\$ 1,104,000</u>	<u>\$ 1,101,800</u>

* The negative Fund Balance is due to the interfund loan from the Replacement and Disaster Recovery Fund.

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Parking Fund (2130)

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2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Transportation, Parking, Utilities Activity				
Off-Street Parking Program (9130):				
Personnel Services	\$ 62,645	\$ 187,223	\$ 184,959	\$ 233,254
Materials and Supplies	29,600	54,373	52,999	47,086
Services and Charges	61,608	84,545	80,277	89,829
Motorpool Charges	5,005	1,900	1,900	1,832
Maintenance	23,058	43,050	38,580	45,050
Transfers To Outside Entities	32,715	41,000	34,429	41,000
Capital	381,306	46,175	46,175	28,000
	<u>595,937</u>	<u>458,266</u>	<u>439,319</u>	<u>486,051</u>
Entertainment District Parking Program (9131):				
Personnel Services	57,124	91,236	84,071	77,292
Materials and Supplies	12,957	17,768	17,765	13,166
Services and Charges	29,620	60,771	60,764	45,795
Motorpool Charges	1,388	5,550	5,550	5,991
Maintenance	12,757	28,975	28,885	27,270
Debt Service	49,079	147,235	147,235	147,235
Transfers To Outside Entities	25,968	289,000	289,000	289,000
Capital	851,279	31,411	31,411	10,000
Operating Transfers	13,888	0	0	0
	<u>1,054,060</u>	<u>671,946</u>	<u>664,681</u>	<u>615,749</u>
Total Transportation, Parking, Utilities Activity	\$ <u>1,649,997</u>	\$ <u>1,130,212</u>	\$ <u>1,104,000</u>	\$ <u>1,101,800</u>
Total Fund	\$ <u>1,649,997</u>	\$ <u>1,130,212</u>	\$ <u>1,104,000</u>	\$ <u>1,101,800</u>

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Community Development Block Grant Fund (2180)

The **Community Development Block Grant Fund** accounts for the community development grant funds received from the Federal Department of Housing and Urban Development.

City of Fayetteville, Arkansas
2012 Operating Budget
Community Development Block Grant Fund (2180)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Community Development Grant Funding	\$ 767,322	\$ 1,216,788	\$ 1,216,700	\$ 589,000
Other	3,140	2,097	2,100	0
Total Revenues	<u>770,462</u>	<u>1,218,885</u>	<u>1,218,800</u>	<u>589,000</u>
Expenses:				
Administration & Planning	114,246	192,759	192,674	109,900
Housing Services	254,106	709,431	709,431	317,780
Redevelopment	38,223	77,471	77,471	51,640
Public Service	99,296	98,814	98,814	71,000
Public Facilities & Improvements	264,591	140,410	140,410	38,680
Total Expenses	<u>770,462</u>	<u>1,218,885</u>	<u>1,218,800</u>	<u>589,000</u>
Income (Loss) Before Capital	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

FUND BALANCE ANALYSIS

Beginning Undesignated Fund Balance	\$ 0	\$ 0	\$ 0	\$ 0
Income/(Loss)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Ending Undesignated Fund Balance	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Budget	<u>\$ 770,462</u>	<u>\$ 1,218,885</u>	<u>\$ 1,218,800</u>	<u>\$ 589,000</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Community Development Block Grant Fund (2180)

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2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Community Planning and Engineering Activity				
Administration & Planning Program (4930):				
Personnel Services	\$ 80,677	\$ 160,488	\$ 160,403	\$ 90,094
Materials and Supplies	3,965	2,800	2,800	3,491
Services and Charges	29,604	29,471	29,471	16,315
	<u>114,246</u>	<u>192,759</u>	<u>192,674</u>	<u>109,900</u>
Housing Services Program (4940):				
Personnel Services	71,941	102,056	102,056	62,486
Materials and Supplies	2,263	4,234	4,234	3,428
Services and Charges	176,439	599,681	599,681	248,500
Motorpool Charges	3,463	3,460	3,460	3,366
	<u>254,106</u>	<u>709,431</u>	<u>709,431</u>	<u>317,780</u>
Redevelopment Program (4945):				
Personnel Services	29,045	24,655	24,655	47,320
Materials and Supplies	1,697	7,587	7,587	1,820
Services and Charges	7,481	45,229	45,229	2,500
	<u>38,223</u>	<u>77,471</u>	<u>77,471</u>	<u>51,640</u>
Public Services Program (4970):				
Services and Charges	99,296	98,814	98,814	71,000
	<u>99,296</u>	<u>98,814</u>	<u>98,814</u>	<u>71,000</u>
Public Facilities & Improvements Program (4990):				
Services and Charges	264,591	140,410	140,410	38,680
	<u>264,591</u>	<u>140,410</u>	<u>140,410</u>	<u>38,680</u>
Total Community Planning and Engineering	\$ <u>770,462</u>	\$ <u>1,218,885</u>	\$ <u>1,218,800</u>	\$ <u>589,000</u>
Total Fund	\$ <u>770,462</u>	\$ <u>1,218,885</u>	\$ <u>1,218,800</u>	\$ <u>589,000</u>

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EDI Attainable Housing Grant Fund (2185)

The **EDI Attainable Housing Grant Fund** accounts for the Housing and Urban Development (EDI – Special Projects) grant to provide attainable/affordable housing.

City of Fayetteville, Arkansas
2012 Operating Budget
EDI Attainable Housing Grant Fund (2185)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Community Development Grant Funding	\$ 161,850	\$ 0	\$ 0	\$ 0
Total Revenues	<u>161,850</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenses:				
EDI Attainable Housing Grant	161,850	0	0	0
Total Expenses	<u>161,850</u>	<u>0</u>	<u>0</u>	<u>0</u>
Income (Loss) Before Capital	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
FUND BALANCE ANALYSIS				
Beginning Undesignated Fund Balance	\$ 0	\$ 0	\$ 0	\$ 0
Income/(Loss)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Ending Undesignated Fund Balance	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Budget	<u>\$ 161,850</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
EDI Attainable Housing Grant Fund (2185)

C. 7
2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Community Planning and Engineering Activity				
EDI Attainable Housing Grant Program (4985):				
Personnel Services	\$ (137)	\$ 0	\$ 0	\$ 0
Services and Charges	161,987	0	0	0
	<u>161,850</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Community Planning & Engineering	<u>\$ 161,850</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Fund	<u>\$ 161,850</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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Special State Grants Fund (2230)

The **Special State Grants Fund** accounts for the Arkansas Economic Development Commission Special State grant to purchase training equipment for NWACC. New grants which represent new grant programs funded by the State will be budgeted and accounted for in this fund.

City of Fayetteville, Arkansas
2012 Operating Budget
Special State Grants Fund (2230)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Intergovernmental (Grants)	\$ 47,332	\$ 0	\$ 52,600	\$ 0
Total Revenues	<u>47,332</u>	<u>0</u>	<u>52,600</u>	<u>0</u>
Expenses:				
NWACC Equipment Grant	44,601	55,399	55,300	0
Total Expenses	<u>44,601</u>	<u>55,399</u>	<u>55,300</u>	<u>0</u>
Income (Loss) Before Capital	<u>\$ 2,731</u>	<u>\$ (55,399)</u>	<u>\$ (2,700)</u>	<u>\$ 0</u>

FUND BALANCE ANALYSIS

Beginning Undesignated Fund Balance	\$ 0	\$ 2,731	\$ 2,731	\$ 31
Income/(Loss)	<u>2,731</u>	<u>(55,399)</u>	<u>(2,700)</u>	<u>0</u>
Ending Undesignated Fund Balance	<u>\$ 2,731</u>	<u>\$ (52,668)</u>	<u>\$ 31</u>	<u>\$ 31</u>
Total Budget	<u>\$ 44,601</u>	<u>\$ 55,399</u>	<u>\$ 55,300</u>	<u>\$ 0</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Special State Grants Fund (2230)

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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Citywide Activity				
NWACC Equipment Grant Program (8001):				
Materials and Supplies	\$ 0	\$ 56	\$ 56	\$ 0
Services and Charges	71	60	60	0
Capital	44,530	55,283	55,184	0
	<u>44,601</u>	<u>55,399</u>	<u>55,300</u>	<u>0</u>
Total Citywide	<u>\$ 44,601</u>	<u>\$ 55,399</u>	<u>\$ 55,300</u>	<u>\$ 0</u>
Total Fund	<u>\$ 44,601</u>	<u>\$ 55,399</u>	<u>\$ 55,300</u>	<u>\$ 0</u>

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Energy Block Grant Fund (2240)

The **Energy Block Grant Fund** was received from the United States Department of Energy as part of the American Recovery and Reinvestment Act. These funds will be used to 1) Develop a green house gas (GHG) credit inventory for community and municipal operations; 2) This is to help reduce municipal GHG emissions 20% below 2006 levels by 2012; and 3) This is to help reduce community GHG emissions 7% below 1990 levels.

To achieve the above goals, funds will be invested in 1) Upgrading five city-owned buildings for energy efficiency. As the energy savings is realized it will be reinvested in other municipal buildings. 2) The City will develop a Community Revolving Loan Fund targeting non-profit organizations to reduce GHG. These loans will be repaid using energy savings. 3) The City will retrofit approximately 230 street, pedestrian and trail lights with LEDs. 4) A solar photovoltaic system will be installed at the new Fayetteville District Court Building to provide visible examples of renewable energy.

City of Fayetteville, Arkansas
2012 Operating Budget
Energy Block Grant Fund (2240)

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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Energy Block Grant Funding	\$ 264,188	\$ 460,713	\$ 460,700	\$ 0
Total Revenues	<u>264,188</u>	<u>460,713</u>	<u>460,700</u>	<u>0</u>
Expenses:				
Energy Block Grant	264,188	460,713	460,700	0
Total Expenses	<u>264,188</u>	<u>460,713</u>	<u>460,700</u>	<u>0</u>
Income / (Loss)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

FUND BALANCE ANALYSIS				
Beginning Undesignated Fund Balance	\$ 0	\$ 0	\$ 0	\$ 0
Income/(Loss)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Ending Undesignated Fund Balance	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Budget	<u>\$ 264,188</u>	<u>\$ 460,713</u>	<u>\$ 460,700</u>	<u>\$ 0</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Energy Block Grant Fund (2240)

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2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Citywide Activity				
Energy Block Grant Program (9240):				
Materials and Supplies	\$ 38,350	\$ 19,018	\$ 19,018	\$ 0
Services and Charges	171,213	335,709	335,696	0
Capital	54,625	105,986	105,986	0
	<u>264,188</u>	<u>460,713</u>	<u>460,700</u>	<u>0</u>
Total Citywide	<u>\$ 264,188</u>	<u>\$ 460,713</u>	<u>\$ 460,700</u>	<u>\$ 0</u>
Total Fund	<u>\$ 264,188</u>	<u>\$ 460,713</u>	<u>\$ 460,700</u>	<u>\$ 0</u>

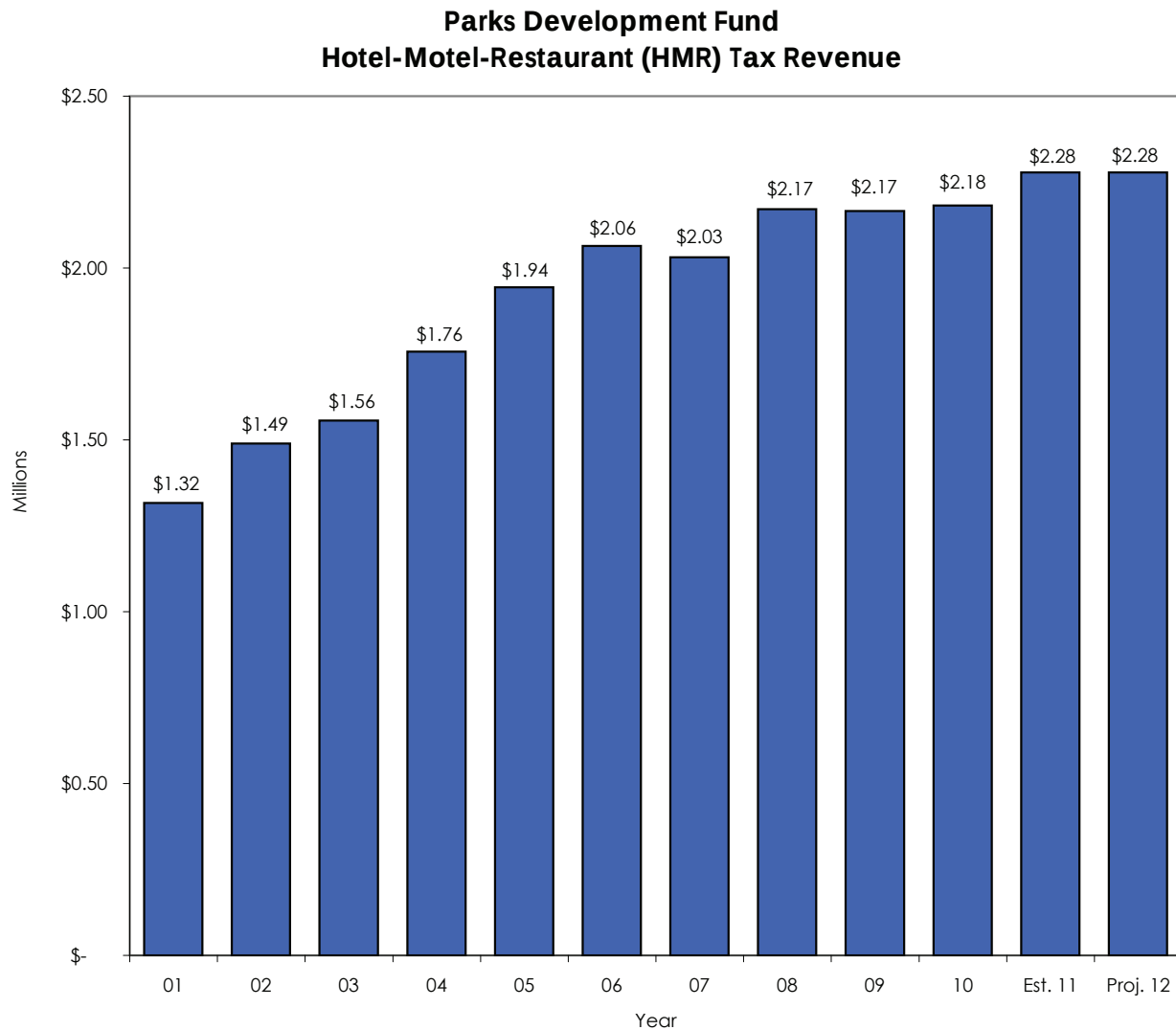
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Parks Development Fund (2250)

The **Parks Development Fund** accounts for the revenue and expenditures of the Parks HMR tax approved by the voters in 1995. The \$2.4 million in planned expenditures for 2012 includes \$587,000 in capital improvements.

In 2010, a Citywide referendum was held and voters approved the use of these funds for maintenance activities. The use of Park Development Funds for promotional activities is no longer permitted. Due to these changes program rearrangements were made between the Parks Development Fund and General Fund.

The 1% HMR tax revenue has grown on average 6.3% annually since 2000. 2011 revenue was estimated approximately 4.42% higher than 2010. 2012 revenue is projected to be flat compared to estimated 2011.



City of Fayetteville, Arkansas
2012 Operating Budget
Parks Development Fund (2250)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Hotel, Motel, and Restaurant Taxes	\$ 2,181,585	\$ 2,139,600	\$ 2,278,000	\$ 2,278,000
Intergovernmental	50,000	0	0	0
Charges for Services	4,889	6,000	5,000	5,000
Greenspace Fees Contribution	499,479	174,896	104,700	11,000
Investment Earnings	100,133	89,000	43,500	44,000
Other	5,248	20,000	23,000	20,000
Total Revenues	<u>2,841,334</u>	<u>2,429,496</u>	<u>2,454,200</u>	<u>2,358,000</u>
Expenses:				
Parks Development Program	1,389,306	1,694,600	1,632,041	1,682,100
Parks Development Capital	863,702	4,922,063	4,922,063	664,900
Parks Development Greenspace Capital	0	174,896	174,896	11,000
Outside Agencies	177,750	0	0	0
Total Expenses	<u>2,430,758</u>	<u>6,791,559</u>	<u>6,729,000</u>	<u>2,358,000</u>
Income (Loss) Before Capital	<u>\$ 410,576</u>	<u>\$ (4,362,063)</u>	<u>\$ (4,274,800)</u>	<u>\$ 0</u>

FUND BALANCE ANALYSIS

Beginning Undesignated Fund Balance	\$ 4,377,501	\$ 4,788,077	\$ 4,788,077	\$ 513,277
Income/(Loss)	<u>410,576</u>	<u>(4,362,063)</u>	<u>(4,274,800)</u>	<u>0</u>
Ending Undesignated Fund Balance	<u>\$ 4,788,077</u>	<u>\$ 426,014</u>	<u>\$ 513,277</u>	<u>\$ 513,277</u>
Total Budget	<u>\$ 2,430,758</u>	<u>\$ 6,791,559</u>	<u>\$ 6,729,000</u>	<u>\$ 2,358,000</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Parks Development Fund (2250)

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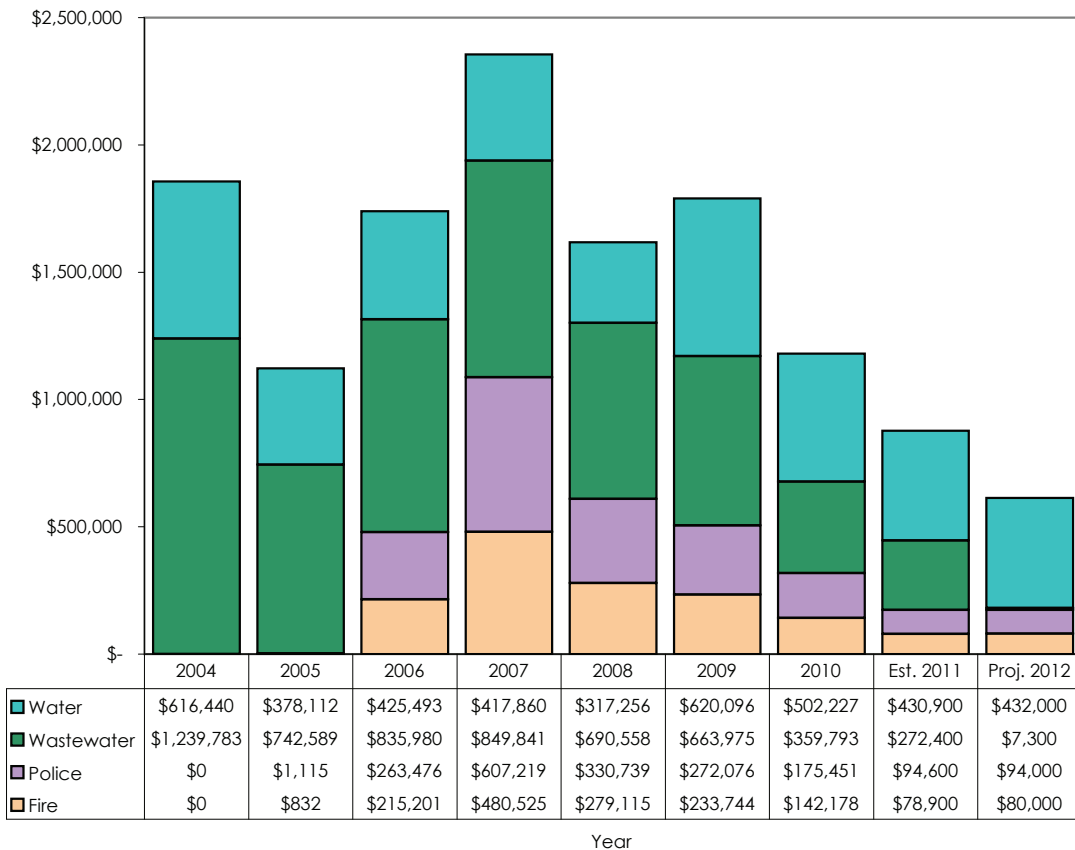
	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Parks and Recreation Activity				
Parks Development Program (9250):				
Personnel Services	\$ 1,068,570	\$ 1,268,577	\$ 1,206,564	\$ 1,241,120
Materials and Supplies	103,294	62,151	61,847	60,935
Services and Charges	57,469	59,509	59,324	59,495
Motorpool Charges	53,973	198,415	198,415	213,321
Cost allocation	87,948	87,948	87,948	87,948
Maintenance	18,052	18,000	17,943	19,281
Transfers To Outside Entities	177,750	0	0	0
	<u>1,567,056</u>	<u>1,694,600</u>	<u>1,632,041</u>	<u>1,682,100</u>
Parks Development Capital Program (9255):				
Materials and Supplies	11,251	61,332	61,332	0
Services and Charges	53,353	147,579	147,579	0
Maintenance	14,970	30,833	30,833	0
Debt Service	77,866	78,000	78,000	77,900
Capital	706,262	4,604,319	4,604,319	587,000
	<u>863,702</u>	<u>4,922,063</u>	<u>4,922,063</u>	<u>664,900</u>
Parks Development Capital Greenspace Program (9256):				
Services and Charges	0	50,685	50,685	0
Maintenance	0	5,290	5,290	0
Capital	0	118,921	118,921	11,000
	<u>0</u>	<u>174,896</u>	<u>174,896</u>	<u>11,000</u>
Total Parks and Recreation Activity	<u>\$ 2,430,758</u>	<u>\$ 6,791,559</u>	<u>\$ 6,729,000</u>	<u>\$ 2,358,000</u>
Total Fund	<u>\$ 2,430,758</u>	<u>\$ 6,791,559</u>	<u>\$ 6,729,000</u>	<u>\$ 2,358,000</u>

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Impact Fee Fund (2300)

The **Impact Fee Fund** accounts for the revenues and expenditures related to the collection of the water, wastewater, police, and fire impact fees. The intent of impact fee requirements is to ensure the new developments bear a proportionate share of the cost of capacity improvements and ensure that the proportional share does not exceed the costs of the demand for additional capacity that is reasonably attributable to providing these services and facilities to the use and occupancy of the new developments. Impact fee collections have declined dramatically from 2007 levels because of the fall in new development due to economic conditions.

Impact Fee Collections



City of Fayetteville, Arkansas
2012 Operating Budget
Impact Fee Fund (2300)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Water Impact Fee	\$ 502,227	\$ 490,400	\$ 430,900	\$ 432,000
Wastewater Impact Fee	359,793	355,800	272,400	273,000
Police Impact Fee	175,451	178,300	94,600	94,000
Fire Impact Fee	142,178	144,300	78,900	80,000
Investment Earnings	158,819	91,200	52,800	42,000
Total Revenues	<u>1,338,468</u>	<u>1,260,000</u>	<u>929,600</u>	<u>921,000</u>
Expenses:				
Water Improvements	0	1,274,224	1,272,000	446,000
Wastewater Improvements	0	2,063,400	2,028,000	287,000
Police Improvements	159,880	1,847,863	1,748,300	104,000
Fire Improvements	76,146	963,920	891,600	84,000
Transfer to Water & Sewer	2,792,404	1,522,249	1,522,200	0
Total Expenses	<u>3,028,430</u>	<u>7,671,656</u>	<u>7,462,100</u>	<u>921,000</u>
Income (Loss) Before Capital	<u>\$ (1,689,962)</u>	<u>\$ (6,411,656)</u>	<u>\$ (6,532,500)</u>	<u>\$ 0</u>

FUND BALANCE ANALYSIS

Beginning Undesignated Fund Balance	\$ 8,266,726	\$ 6,576,764	\$ 6,576,764	\$ 44,264
Income/(Loss)	<u>(1,689,962)</u>	<u>(6,411,656)</u>	<u>(6,532,500)</u>	<u>0</u>
Ending Undesignated Fund Balance	<u>\$ 6,576,764</u>	<u>\$ 165,108</u>	<u>\$ 44,264</u>	<u>\$ 44,264</u>
Total Budget	<u>\$ 3,028,430</u>	<u>\$ 7,671,656</u>	<u>\$ 7,462,100</u>	<u>\$ 921,000</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Impact Fee Fund (2300)

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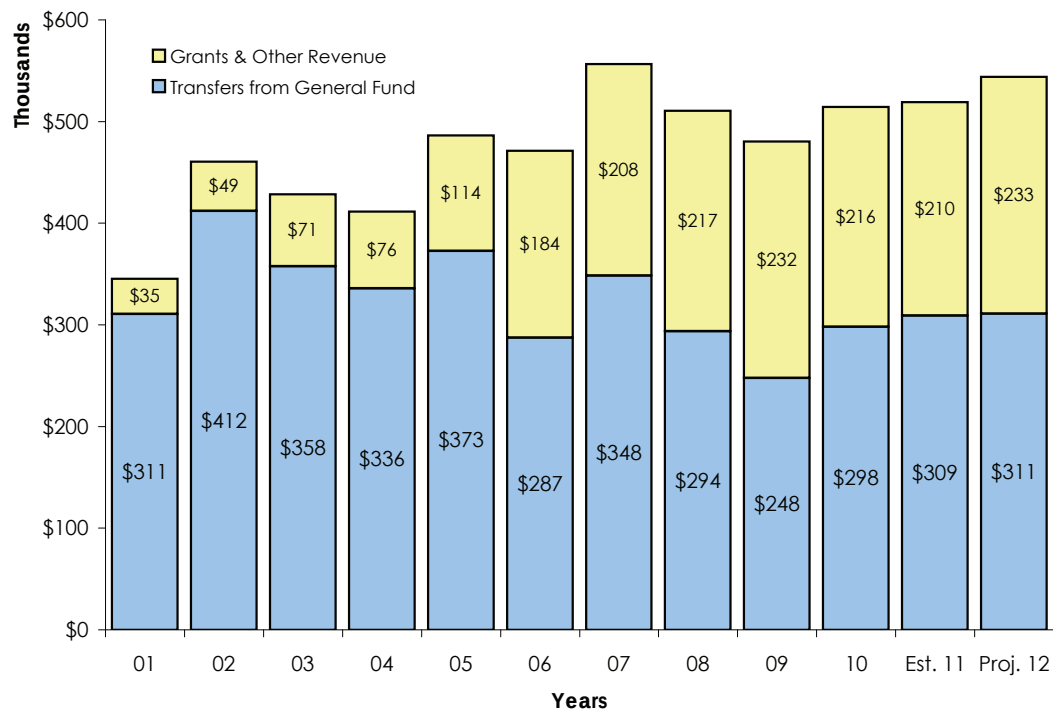
	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Citywide Activity				
Impact Fee Expense Program (9300):				
Materials and Supplies	\$ 0	\$ 56,496	\$ 56,400	\$ 0
Capital	236,026	6,092,911	5,883,500	921,000
Operating Transfers	2,792,404	1,522,249	1,522,200	0
	<u>3,028,430</u>	<u>7,671,656</u>	<u>7,462,100</u>	<u>921,000</u>
Total Citywide	<u>\$ 3,028,430</u>	<u>\$ 7,671,656</u>	<u>\$ 7,462,100</u>	<u>\$ 921,000</u>
Total Fund	<u>\$ 3,028,430</u>	<u>\$ 7,671,656</u>	<u>\$ 7,462,100</u>	<u>\$ 921,000</u>

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Drug Law Enforcement Fund (2930)

The **Drug Law Enforcement Fund** accounts for drug law enforcement grant funds received from the U.S. Department of Justice, passed through the State of Arkansas, in association with Washington County; the Cities of Springdale, Prairie Grove, Lincoln, Elm Springs, Farmington, Greenland, Goshen, Johnson, Elkins, and West Fork; and the Fourth Judicial Prosecuting Attorney.

Drug Law Enforcement Fund Revenue Sources



City of Fayetteville, Arkansas
2012 Operating Budget
Drug Law Enforcement Fund (2930)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Drug Enforcement Grant	\$ 267,263	\$ 263,518	\$ 261,060	\$ 296,200
Charges for Services	1,195	1,800	0	0
Fines & Forfeitures	14,627	12,800	24,740	14,800
Investment Earnings	2	0	0	0
Other	15,000	0	200	0
Transfer from General	216,341	233,000	233,000	233,000
Total Revenues	<u>514,428</u>	<u>511,118</u>	<u>519,000</u>	<u>544,000</u>
Expenses:				
Drug Enforcement	460,032	525,650	496,000	544,000
Total Expenses	<u>460,032</u>	<u>525,650</u>	<u>496,000</u>	<u>544,000</u>
Income (Loss)	\$ <u>54,396</u>	\$ <u>(14,532)</u>	\$ <u>23,000</u>	\$ <u>0</u>

FUND BALANCE ANALYSIS

Beginning Undesignated Fund Balance	\$ 63,215	\$ 117,611	\$ 117,611	\$ 140,611
Income/(Loss)	<u>54,396</u>	<u>(14,532)</u>	<u>23,000</u>	<u>0</u>
Ending Undesignated Fund Balance	<u>\$ 117,611</u>	<u>\$ 103,079</u>	<u>\$ 140,611</u>	<u>\$ 140,611</u>
Total Budget	<u>\$ 460,032</u>	<u>\$ 525,650</u>	<u>\$ 496,000</u>	<u>\$ 544,000</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Drug Law Enforcement Fund (2930)

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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Police Activity				
Drug Enforcement Program (2960):				
Personnel Services	\$ 260,858	\$ 284,789	\$ 255,139	\$ 276,451
Materials and Supplies	13,734	16,816	16,816	0
Services and Charges	185,440	214,827	214,827	267,549
Capital	0	9,218	9,218	0
	<u>460,032</u>	<u>525,650</u>	<u>496,000</u>	<u>544,000</u>
Total Police	<u>\$ 460,032</u>	<u>\$ 525,650</u>	<u>\$ 496,000</u>	<u>\$ 544,000</u>
Total Fund	<u>\$ 460,032</u>	<u>\$ 525,650</u>	<u>\$ 496,000</u>	<u>\$ 544,000</u>

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Fire Bond Fund (3360)

The **Fire Bond Fund** accounts for the accumulation of resources for and the repayment of bond debt incurred for the construction of Fire Stations #3 and #5. Final payment was in 2011.

City of Fayetteville, Arkansas
2012 Operating Budget
Fire Bond Fund (3360)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Investment Earnings	\$ 2,953	\$ 905	\$ 905	\$ 0
Transfer from Sales Tax Capital	608,200	163,395	163,395	0
Total Revenues	<u>611,153</u>	<u>164,300</u>	<u>164,300</u>	<u>0</u>
Expenses:				
Settlements	0	32,000	32,000	0
Professional Services	0	2,300	2,300	0
Principal Payment	740,000	400,000	400,000	0
Interest Expense	24,800	17,000	17,000	0
Total Expenses	<u>764,800</u>	<u>451,300</u>	<u>451,300</u>	<u>0</u>
Income (Loss)	<u>\$ (153,647)</u>	<u>\$ (287,000)</u>	<u>\$ (287,000)</u>	<u>\$ 0</u>

FUND BALANCE ANALYSIS

Beginning Undesignated Fund Balance	\$ 440,721	\$ 287,074	\$ 287,074	\$ 74
Income/(Loss)	<u>(153,647)</u>	<u>(287,000)</u>	<u>(287,000)</u>	<u>0</u>
Ending Undesignated Fund Balance	<u>\$ 287,074</u>	<u>\$ 74</u>	<u>\$ 74</u>	<u>\$ 74</u>
Total Budget	<u>\$ 764,800</u>	<u>\$ 451,300</u>	<u>\$ 451,300</u>	<u>\$ 0</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Fire Bond Fund (3360)

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2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Citywide Activity				
Fire Bond Expense Program (9360):				
Services and Charges	\$ 0	\$ 34,300	\$ 34,300	\$ 0
Debt Service	764,800	417,000	417,000	0
	<u>764,800</u>	<u>451,300</u>	<u>451,300</u>	<u>0</u>
Total Citywide	<u>\$ 764,800</u>	<u>\$ 451,300</u>	<u>\$ 451,300</u>	<u>\$ 0</u>
Total Fund	<u>\$ 764,800</u>	<u>\$ 451,300</u>	<u>\$ 451,300</u>	<u>\$ 0</u>

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TIF Bond Fund (3370)

The **Tax Increment Financing (TIF) Bond Fund** accounts for the accumulation of resources for and the payment of bond debt incurred for TIF capital project expenditures.

City of Fayetteville, Arkansas
2012 Operating Budget
TIF Bond Fund (3370)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Property Taxes	\$ 110,485	\$ 55,000	\$ 55,000	\$ 100,000
Investment Earnings	8	0	0	0
Total Revenues	<u>110,493</u>	<u>55,000</u>	<u>55,000</u>	<u>100,000</u>
Expenses:				
Principal Payment	45,000	75,000	75,000	76,300
Interest Expense	16,115	33,587	33,587	17,900
Professional Services	250	2,300	2,213	2,300
Paying Agent Fees	3,500	3,500	3,500	3,500
Total Expenses	<u>64,865</u>	<u>114,387</u>	<u>114,300</u>	<u>100,000</u>
Income (Loss) Before Capital	<u>\$ 45,628</u>	<u>\$ (59,387)</u>	<u>\$ (59,300)</u>	<u>\$ 0</u>

FUND BALANCE ANALYSIS				
Beginning Undesignated Fund Balance	\$ 73,575	\$ 119,203	\$ 119,203	\$ 59,903
Income/(Loss)	<u>45,628</u>	<u>(59,387)</u>	<u>(59,300)</u>	<u>0</u>
Ending Undesignated Fund Balance	<u>\$ 119,203</u>	<u>\$ 59,816</u>	<u>\$ 59,903</u>	<u>\$ 59,903</u>
Total Budget	<u>\$ 64,865</u>	<u>\$ 114,387</u>	<u>\$ 114,300</u>	<u>\$ 100,000</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
TIF Bond Fund (3370)

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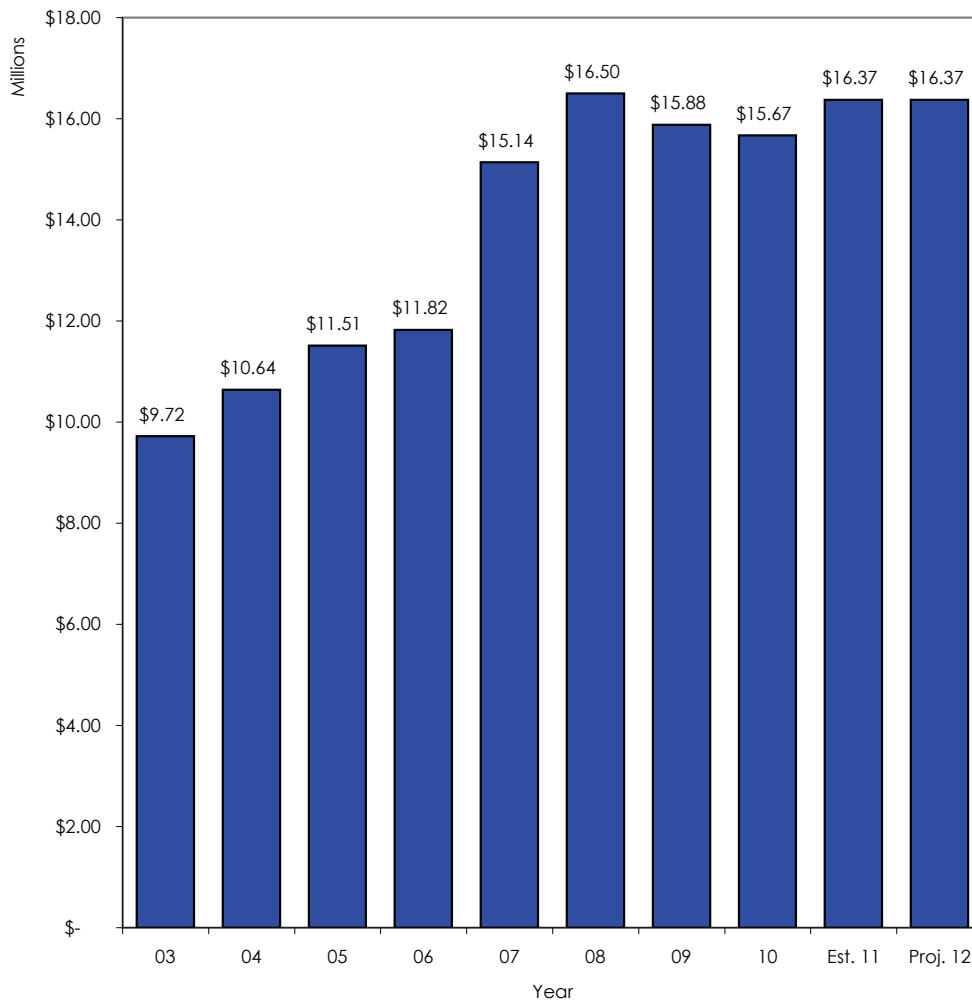
	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Citywide Activity				
TIF Bonds Expense Program (9370):				
Services and Charges	\$ 250	\$ 2,300	\$ 2,213	\$ 2,300
Debt Service	64,615	112,087	112,087	97,700
	<u>64,865</u>	<u>114,387</u>	<u>114,300</u>	<u>100,000</u>
Total Citywide	<u>\$ 64,865</u>	<u>\$ 114,387</u>	<u>\$ 114,300</u>	<u>\$ 100,000</u>
Total Fund	<u>\$ 64,865</u>	<u>\$ 114,387</u>	<u>\$ 114,300</u>	<u>\$ 100,000</u>

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Sales Tax Bond Fund (3440)

The **Sales Tax Bond Fund** accounts for the accumulation of resources and the payment of bond debt incurred for the City's wastewater treatment plants, sewerage and related facilities, to certain City streets, and to the City's trail system.

**Sales Tax Bond
(1.00%) Sales Tax Revenue**



City of Fayetteville, Arkansas
2012 Operating Budget
Sales Tax Bond Fund (3440)

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2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Sales Tax - City	\$ 15,670,867	\$ 15,372,400	\$ 16,371,600	\$ 16,371,900
Investment Earnings	1,579	1,300	500	500
Transfer from Sales Tax Construction	7	0	0	0
Total Revenues	<u>15,672,453</u>	<u>15,373,700</u>	<u>16,372,100</u>	<u>16,372,400</u>
Expenses:				
Principal Payment	10,660,479	10,527,703	10,527,703	11,906,772
Interest Expense	5,004,588	4,838,657	4,838,657	4,462,828
Professional Services	0	4,540	4,540	0
Paying Agent Fees	12,750	2,800	2,800	2,800
Total Expenses	<u>15,677,817</u>	<u>15,373,700</u>	<u>15,373,700</u>	<u>16,372,400</u>
Income / (Loss)	\$ <u>(5,364)</u>	\$ <u>0</u>	\$ <u>998,400</u>	\$ <u>0</u>

FUND BALANCE ANALYSIS

Beginning Undesignated Fund Balance	\$ 3,483,615	\$ 3,478,251	\$ 3,478,251	\$ 4,476,651
Income/(Loss)	<u>(5,364)</u>	<u>0</u>	<u>998,400</u>	<u>0</u>
Ending Undesignated Fund Balance	<u>\$ 3,478,251</u>	<u>\$ 3,478,251</u>	<u>\$ 4,476,651</u>	<u>\$ 4,476,651</u>
Total Budget	<u>\$ 15,677,817</u>	<u>\$ 15,373,700</u>	<u>\$ 15,373,700</u>	<u>\$ 16,372,400</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Sales Tax Bond Fund (3440)

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2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Citywide Activity				
Sewer Bonds - Expense Program (9440):				
Services and Charges	\$ 0	\$ 4,540	\$ 4,540	\$ 0
Debt Service	15,677,817	15,369,160	15,369,160	16,372,400
	<u>15,677,817</u>	<u>15,373,700</u>	<u>15,373,700</u>	<u>16,372,400</u>
Total Citywide	<u>\$ 15,677,817</u>	<u>\$ 15,373,700</u>	<u>\$ 15,373,700</u>	<u>\$ 16,372,400</u>
Total Fund	<u>\$ 15,677,817</u>	<u>\$ 15,373,700</u>	<u>\$ 15,373,700</u>	<u>\$ 16,372,400</u>

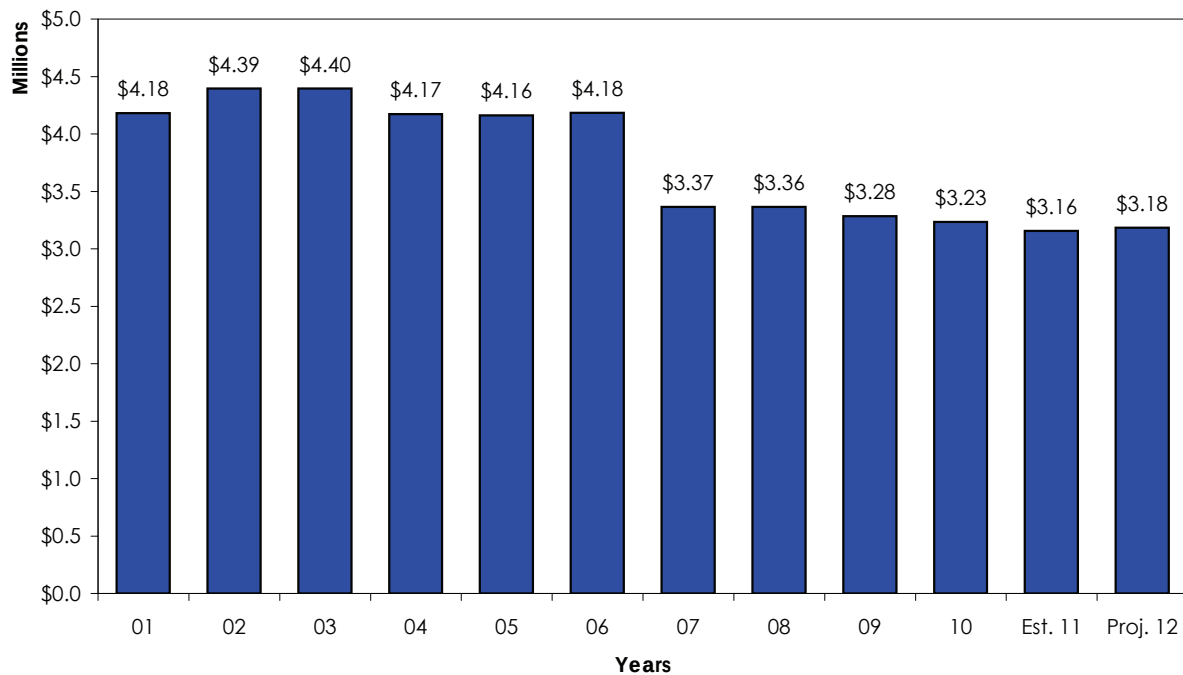
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Replacement & Disaster Recovery Fund (4270)

The **Replacement & Disaster Recovery Fund** accounts for general government monies accumulated and used for the purchase of vehicles and equipment. By policy, the fund attempts to maintain a reserve of three million dollars for disaster recovery.

In 2010, the City Council approved a \$700,000 interfund loan from the Replacement and Disaster Recovery Fund to the Parking Fund for the purchase of equipment. This fund will be paid back from parking revenue within a five year period.

**Replacement & Disaster Recovery Fund
Ending Fund Balance**



City of Fayetteville, Arkansas
2012 Operating Budget
Replacement & Disaster Recovery Fund (4270)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Intergovernmental (Grants)	\$ 0	\$ 875,000	\$ 875,000	\$ 0
Federal Grants - Capital	0	0	156,600	0
Replacement Copier Revenue	29,871	44,500	39,300	39,250
Investment Earnings	65,602	56,300	32,500	27,750
Other	748	0	900	0
Total Revenues	<u>96,221</u>	<u>975,800</u>	<u>1,104,300</u>	<u>67,000</u>
Expenses:				
Audit Expense	450	600	600	1,750
FEMA Disaster Projects	281	1,000,000	1,000,000	0
Professional Services	58,542	7,310	7,213	0
Fixed Assets	85,179	120,668	120,202	39,250
Vehicles & Equipment	0	15,885	15,885	0
Transfer to Shop	0	37,434	37,400	0
Total Expenses	<u>144,452</u>	<u>1,181,897</u>	<u>1,181,300</u>	<u>41,000</u>
Income (Loss)	<u>\$ (48,231)</u>	<u>\$ (206,097)</u>	<u>\$ (77,000)</u>	<u>\$ 26,000</u>

FUND BALANCE ANALYSIS				
Beginning Undesignated Fund Balance	\$ 3,282,831	\$ 3,234,600	\$ 3,234,600	\$ 3,157,600
Income/(Loss)	<u>(48,231)</u>	<u>(206,097)</u>	<u>(77,000)</u>	<u>26,000</u>
Ending Undesignated Fund Balance	<u>\$ 3,234,600</u>	<u>\$ 3,028,503</u>	<u>\$ 3,157,600</u>	<u>\$ 3,183,600</u>
Total Budget	<u>\$ 144,452</u>	<u>\$ 1,181,897</u>	<u>\$ 1,181,300</u>	<u>\$ 41,000</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Replacement & Disaster Recovery Fund (4270)

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2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Citywide Activity				
Replacement Fund Expense Program (9270):				
Services and Charges	\$ 58,992	\$ 7,910	\$ 7,813	\$ 1,750
Capital	85,179	136,553	136,087	39,250
Operating Transfers	0	37,434	37,400	0
	<u>144,171</u>	<u>181,897</u>	<u>181,300</u>	<u>41,000</u>
FEMA Disaster Projects Program (9280):				
Materials and Supplies	0	23,250	23,250	0
Services and Charges	281	976,750	976,750	0
	<u>281</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>0</u>
Total Citywide Activity	<u>\$ 144,452</u>	<u>\$ 1,181,897</u>	<u>\$ 1,181,300</u>	<u>\$ 41,000</u>
Total Fund	<u>\$ 144,452</u>	<u>\$ 1,181,897</u>	<u>\$ 1,181,300</u>	<u>\$ 41,000</u>

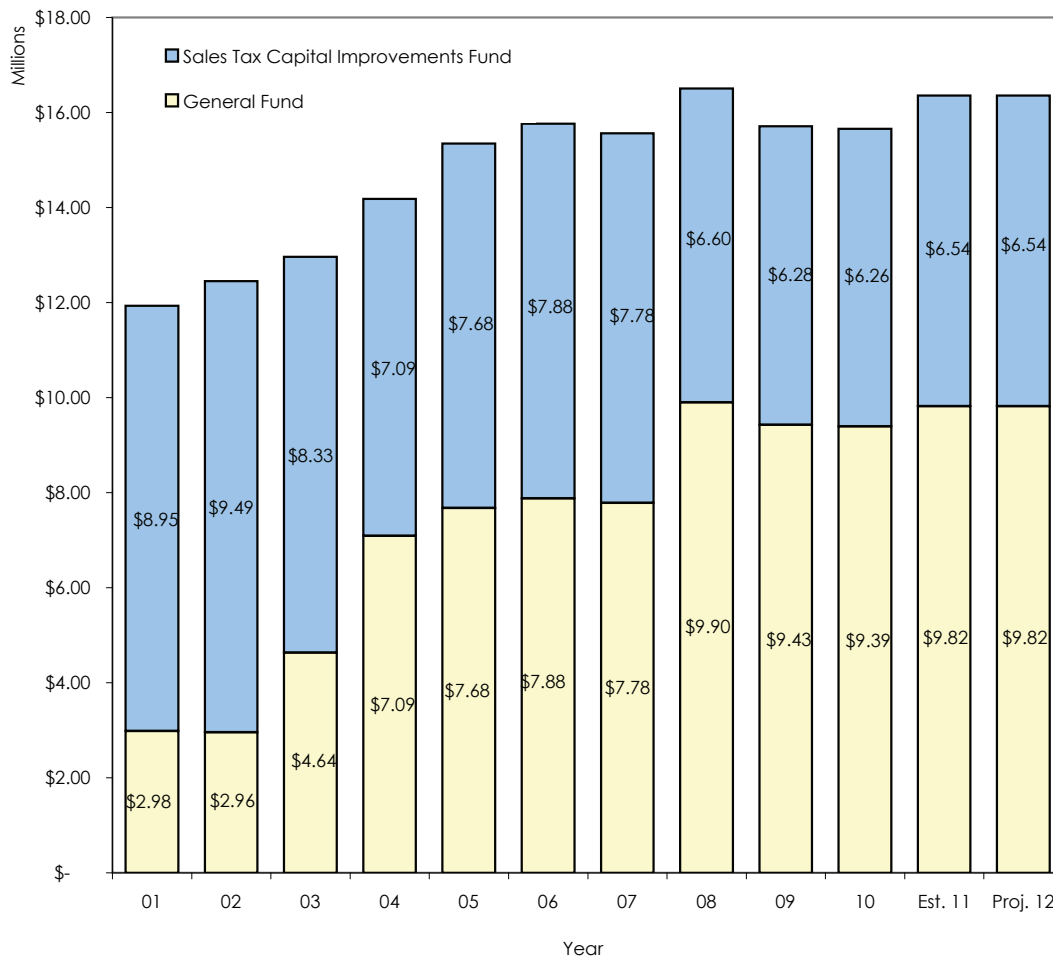
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Sales Tax Capital Improvements Fund (4470)

The **Sales Tax Capital Improvements Fund** accounts for the revenue and expenditures of the City's sales and use tax which is used for acquisition and improvement projects as well as equipment additions and replacements that are included in the City's Five-Year Capital Improvements Program. The \$6,702,600 in planned expenditures for 2012 includes \$6,695,300 in capital improvements.

Revenues for 2011 are expected to be up by \$394,300 compared to budget. Sales taxes for 2012 are budgeted to be flat compared to 2011 estimated collections.

1% City Sales Tax



City of Fayetteville, Arkansas
2012 Operating Budget
Sales Tax Capital Improvements Fund (4470)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Property Taxes	\$ 149	\$ 0	\$ 0	\$ 0
Sales Tax - City	6,262,665	6,149,000	6,543,300	6,543,600
Intergovernmental (Grants)	314,593	5,707,050	5,707,000	0
Charges for Services	15,046	793,165	793,000	101,000
Sidewalk Fees	3,308	0	0	0
Investment Earnings	160,965	128,000	58,800	58,000
Other	20,086	22,329	37,900	0
Total Revenues	<u>6,776,812</u>	<u>12,799,544</u>	<u>13,140,000</u>	<u>6,702,600</u>
Expenses:				
Audit Expense	6,500	6,700	6,700	7,300
Sales Tax Capital Improvements	7,190,211	17,591,252	17,591,252	6,695,300
Transfer to General	0	1,000,000	1,000,000	0
Transfer to Fire Bond	608,200	163,395	163,395	0
Transfer to Other Funds	0	142,518	653	0
Total Expenses	<u>7,804,911</u>	<u>18,903,865</u>	<u>18,762,000</u>	<u>6,702,600</u>
Income (Loss) Before Capital	\$ <u>(1,028,099)</u>	\$ <u>(6,104,321)</u>	\$ <u>(5,622,000)</u>	\$ <u>0</u>

FUND BALANCE ANALYSIS				
Beginning Undesignated Fund Balance	\$ 8,179,102	\$ 7,151,003	\$ 7,151,003	\$ 1,529,003
Income/(Loss)	<u>(1,028,099)</u>	<u>(6,104,321)</u>	<u>(5,622,000)</u>	<u>0</u>
Ending Undesignated Fund Balance	<u>\$ 7,151,003</u>	<u>\$ 1,046,682</u>	<u>\$ 1,529,003</u>	<u>\$ 1,529,003</u>
Total Budget	<u>\$ 7,804,911</u>	<u>\$ 18,903,865</u>	<u>\$ 18,762,000</u>	<u>\$ 6,702,600</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Sales Tax Capital Improvements Fund (4470)

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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Citywide Activity				
Sales Tax Capital Improvements Program (9470):				
Materials and Supplies	\$ 584,231	\$ 1,563,234	\$ 1,563,234	\$ 694,700
Services and Charges	866,109	2,043,411	2,043,411	55,300
Maintenance	1,793,190	3,065,198	3,065,198	2,982,600
Transfers To Outside Entities	358,000	358,000	358,000	359,500
Capital	3,594,551	10,568,109	10,568,109	2,610,500
Miscellaneous	630	0	0	0
Operating Transfers	608,200	1,305,913	1,164,048	0
	<u>7,804,911</u>	<u>18,903,865</u>	<u>18,762,000</u>	<u>6,702,600</u>
Total Citywide	\$ <u>7,804,911</u>	\$ <u>18,903,865</u>	\$ <u>18,762,000</u>	\$ <u>6,702,600</u>
Total Fund	\$ <u>7,804,911</u>	\$ <u>18,903,865</u>	\$ <u>18,762,000</u>	\$ <u>6,702,600</u>

City of Fayetteville, Arkansas
Sales Tax Capital Improvements Fund
Capital Budget

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Project Category	Project Title	Budgeted 2012
Transportation Improvements	Sidewalk Improvements	\$ 635,000
	In-House Pavement Improvements	1,865,000
		<u>2,500,000</u>
Trail Improvements	Trail Development	1,361,000
		<u>1,361,000</u>
Street Improvements	Old Wire Road-Mission to Crossover	300,000
	Zion Road-Vantage to Crossover	150,000
		<u>450,000</u>
Bridge & Drainage Improvements	Stormwater Quality Mgt/Nutrient Reduction	175,000
	Other Drainage Improvements	200,000
		<u>375,000</u>
Information Technology Improvements	Microcomputer / Printer Replacements	85,700
	Local Area Network (LAN) Upgrade	125,000
	Geographic Information System (GIS)	65,000
	AccessFayetteville Technical Improvements	25,000
	Document Management	30,000
	Data Center Upgrade	70,000
		<u>400,700</u>
Other Capital Improvements	Building Improvements	362,600
	P.E.G. Television Center - Equipment	54,000
	On-Screen Graphics Generator Upgrade	20,000
	Studio Camera and Lighting Upgrades	85,000
	Telecommunication Systems Upgrades	60,000
		<u>581,600</u>
Library Materials & Improvements	Library Material Purchases	336,500
	Library Computer Replacements	23,000
		<u>359,500</u>
Parks & Recreation Improvements	Other Park & Safety Improvements	10,000
	Forestry, Safety & ADA Compliance	108,500
	Lights of the Ozarks	23,000
	Tree Escrow	101,000
		<u>242,500</u>

City of Fayetteville, Arkansas
Sales Tax Capital Improvements Fund
Capital Budget

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Project Category	Project Title	Budgeted 2012
Police Safety Improvements	Police Technology Improvements	50,000
	Police Unmarked Vehicles	70,000
	Police Building Improvements	25,000
	Police Specialized Equipment	50,000
	Police MVR Replacement	185,000
		<u>380,000</u>
Fire Safety Improvements	Fire Facility Maintenance	25,000
	Fire Mobile Radios	20,000
		<u>45,000</u>
Audit Expense	Audit Expense	7,300
		<u>7,300</u>
		<u>\$ 6,702,600</u>

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Wastewater System Improvements Project Fund (4480)

The **Wastewater System Improvements Project Fund** accounts for the bond proceeds to construct and equip a new wastewater treatment plant. Appropriation of these funds will be provided through the rebudget process which will be considered by the City Council during the first quarter of 2012.

City of Fayetteville, Arkansas
2012 Operating Budget
Wastewater System Improvements Project Fund (4480)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Investment Earnings	\$ 68,851	\$ 0	\$ 21,860	\$ 0
Total Revenues	<u>68,851</u>	<u>0</u>	<u>21,860</u>	<u>0</u>
Expenses:				
Professional Services	109,863	716,263	716,263	0
Wastewater System Improvements Project	59,395	1,203,072	1,203,072	0
Transfer to Other Funds	0	887,888	887,185	97,600
Transfer to Shop	29,439	238,999	238,600	0
Total Expenses	<u>198,697</u>	<u>3,046,222</u>	<u>3,045,120</u>	<u>97,600</u>
Income / (Loss)	<u>\$ (129,846)</u>	<u>\$ (3,046,222)</u>	<u>\$ (3,023,260)</u>	<u>\$ (97,600)</u>

FUND BALANCE ANALYSIS

Beginning Undesignated Fund Balance	\$ 3,250,706	\$ 3,120,860	\$ 3,120,860	\$ 97,600
Income/(Loss)	<u>(129,846)</u>	<u>(3,046,222)</u>	<u>(3,023,260)</u>	<u>(97,600)</u>
Ending Undesignated Fund Balance	<u>\$ 3,120,860</u>	<u>\$ 74,638</u>	<u>\$ 97,600</u>	<u>\$ 0</u>
Total Budget	<u>\$ 198,697</u>	<u>\$ 3,046,222</u>	<u>\$ 3,045,120</u>	<u>\$ 97,600</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Wastewater System Improvements Project Fund (4480)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Citywide Activity				
Wastewater System Improvements Project Program (9480):				
Services and Charges	\$ 114,048	\$ 836,237	\$ 836,237	\$ 0
Capital	55,210	1,083,098	1,083,098	0
Operating Transfers	29,439	1,126,887	1,125,785	97,600
	<u>198,697</u>	<u>3,046,222</u>	<u>3,045,120</u>	<u>97,600</u>
Total Citywide	<u>\$ 198,697</u>	<u>\$ 3,046,222</u>	<u>\$ 3,045,120</u>	<u>\$ 97,600</u>
Total Fund	<u>\$ 198,697</u>	<u>\$ 3,046,222</u>	<u>\$ 3,045,120</u>	<u>\$ 97,600</u>

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Sales Tax Construction Bond Fund (4520)

The **Sales Tax Construction Bond Fund** accounts for the bond proceeds for improvements to the wastewater treatment plant, streets, and trail construction pursuant to the 2006 referendum. Appropriations of these funds will be provided through the re-budget process which will be considered by the City Council during the first quarter of 2012.

City of Fayetteville, Arkansas
2012 Operating Budget
Sales Tax Construction Bond Fund (4520)

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2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Payments by Property Owners	\$ 8,400	\$ 0	\$ 0	\$ 0
Investment Earnings	6,320	6,000	2,000	2,000
Total Revenues	<u>14,720</u>	<u>6,000</u>	<u>2,000</u>	<u>2,000</u>
Expenses:				
Audit Expense	6,000	6,000	6,000	2,000
Transfer to Sales Tax Bond	7	0	0	0
2006A Sales Tax Construction Expense	6,958,275	3,759,305	3,759,223	0
2007A Sales Tax Construction Expense	5,060,335	1,155,721	1,155,721	0
Street Sales Tax Construction (2009)	0	9,633,374	9,633,374	0
Trails Sales Tax Construction (2009)	307,816	939,482	939,482	0
Total Expenses	<u>12,332,433</u>	<u>15,493,882</u>	<u>15,493,800</u>	<u>2,000</u>
Income / (Loss)	\$ <u>(12,317,713)</u>	\$ <u>(15,487,882)</u>	\$ <u>(15,491,800)</u>	\$ <u>0</u>

FUND BALANCE ANALYSIS

Beginning Undesignated Fund Balance	\$ 29,485,027	\$ 17,167,314	\$ 17,167,314	\$ 1,675,514
Income/(Loss)	<u>(12,317,713)</u>	<u>(15,487,882)</u>	<u>(15,491,800)</u>	<u>0</u>
Ending Undesignated Fund Balance	<u>\$ 17,167,314</u>	<u>\$ 1,679,432</u>	<u>\$ 1,675,514</u>	<u>\$ 1,675,514</u>
Total Budget	<u>\$ 12,332,433</u>	<u>\$ 15,493,882</u>	<u>\$ 15,493,800</u>	<u>\$ 2,000</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Sales Tax Construction Bond Fund (4520)

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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Citywide Activity				
2006A Sales Tax Construction Expense Program (9520):				
Services and Charges	\$ 726,250	\$ 589,648	\$ 589,566	\$ 2,000
Capital	6,237,955	3,156,409	3,156,409	0
Operating Transfers	7	19,248	19,248	0
	<u>6,964,212</u>	<u>3,765,305</u>	<u>3,765,223</u>	<u>2,000</u>
2007A Sales Tax Construction Expense Program (9530):				
Services and Charges	388,859	0	0	0
Capital	4,671,476	1,155,721	1,155,721	0
	<u>5,060,335</u>	<u>1,155,721</u>	<u>1,155,721</u>	<u>0</u>
Street Sales Tax 2009 Program (9540):				
Services and Charges	0	1,135	1,135	0
Capital	0	9,632,239	9,632,239	0
	<u>0</u>	<u>9,633,374</u>	<u>9,633,374</u>	<u>0</u>
Trails Sales Tax 2009 Program (9550):				
Services and Charges	89,129	63,725	63,725	0
Capital	218,757	875,757	875,757	0
	<u>307,886</u>	<u>939,482</u>	<u>939,482</u>	<u>0</u>
Total Citywide Activity	<u>\$ 12,332,433</u>	<u>\$ 15,493,882</u>	<u>\$ 15,493,800</u>	<u>\$ 2,000</u>
Total Fund	<u>\$ 12,332,433</u>	<u>\$ 15,493,882</u>	<u>\$ 15,493,800</u>	<u>\$ 2,000</u>

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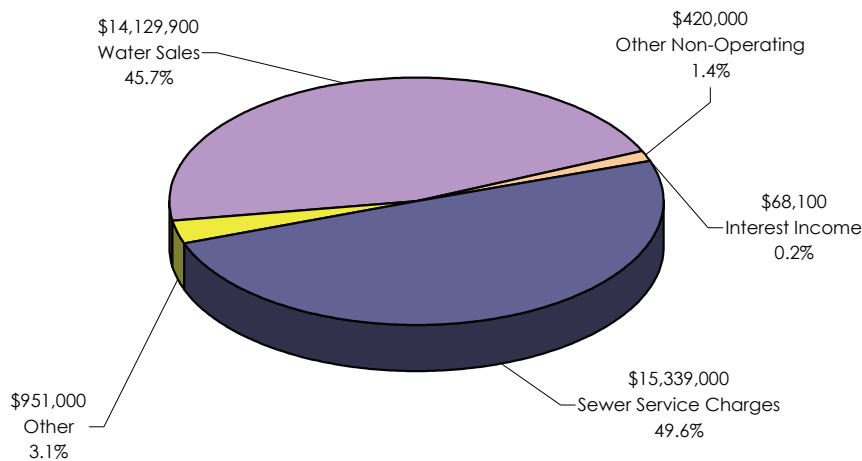
Water and Sewer Fund (5400)

The **Water & Sewer Fund** accounts for the revenue sources as well as the operation and maintenance expenses of the City's water and sewer system. This includes water purchases from Beaver Water District, all water and sewer functions, the operation of the wastewater treatment plants, meter and backflow operations, and billing and collections. The 2012 Budget is predicated on a break even basis.

Water & Sewer Fund Revenues

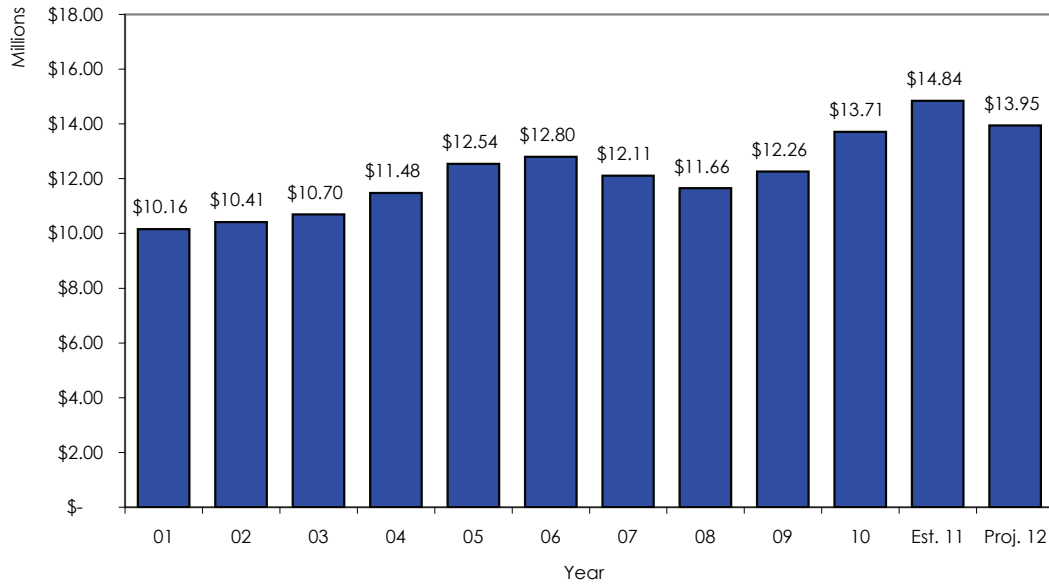
For 2012, the Water & Sewer Fund is projected to have an operating gain of \$5,507,000 before capital expenditures. City Council approved water and sewer rate increases in 2008 which included incremental increases in 2009, 2010, and 2011. The revenue projections reflect the phased rate adjustments. Water usages in 2008 and 2009 were far under projections due to unusually wet conditions. In 2011 usage was above projections due to drought conditions during the summer months. Therefore for fiscal 2012, usage projections are based on 2010 consumption.

Sources of Funds for 2012 \$ 30,908,000



Water Sales: Water sales revenue is based on metered customer usage of water and is one of the primary sources of revenue for the Water & Sewer Fund. The budgeted revenue for 2012 shows a decrease over estimated 2011 revenue due to usually dry conditions experienced during the summer months.

Water Sales



Sewer Charges: Sewer service charge revenue is based on metered customer usage of water and is the other primary source of revenue for the Water & Sewer Fund. The budgeted revenue for 2012 is projected to be approximately \$338,000 over estimated 2011.

Sewer Service

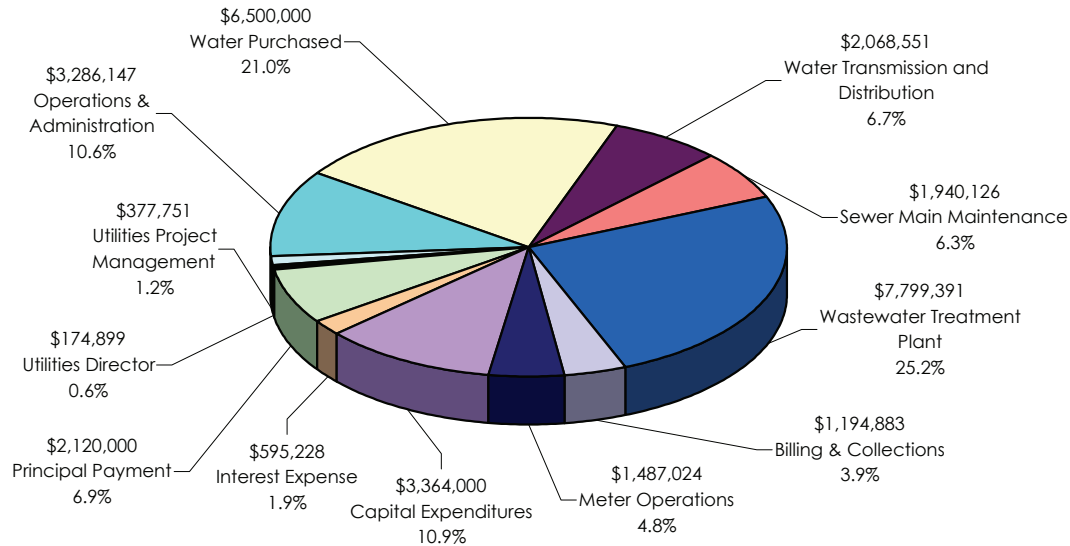


Water & Sewer Fund Expenses

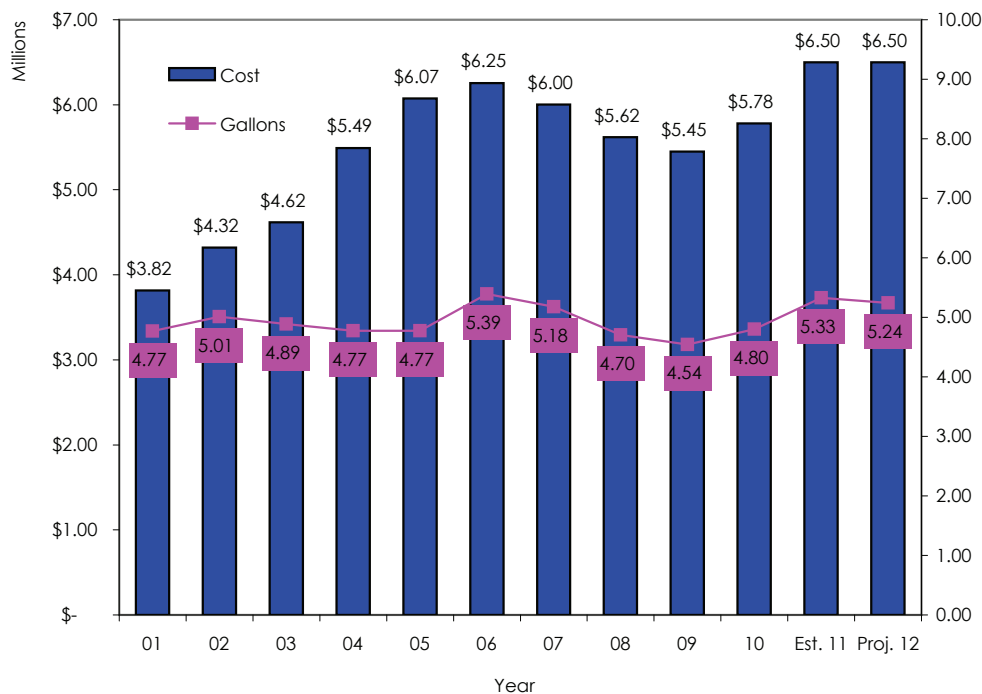
The wastewater treatment plant operations budgeted for 2012 represents the largest expenditure in the fund at \$7.8 million. This represents 25.7% of the total operating expenses. The water purchases are budgeted at \$6.5 million, which represents 21.4% of total operating expenditures. Water purchase rates increased two cents per 1,000 gallons in October 2011 and will increase the same rate in October 2012.

Use of Funds for 2012

\$ 30,908,000



Water Purchases



City of Fayetteville, Arkansas
2012 Operating Budget
Water & Sewer Fund (5400)

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2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
<u>Revenues:</u>				
Water Sales	\$ 13,712,683	\$ 13,991,900	\$ 14,842,700	\$ 14,129,900
Sewer Service Charges	14,970,047	15,385,000	15,000,600	15,339,000
Other	1,078,713	878,200	1,005,000	951,000
Interest Income	261,271	75,900	114,200	68,100
Other Non-Operating	853,499	570,000	350,400	420,000
Total Revenues	<u>30,876,213</u>	<u>30,901,000</u>	<u>31,312,900</u>	<u>30,908,000</u>
<u>Expenses:</u>				
Utilities Director	153,546	192,394	188,057	174,899
Utilities Project Management	173,901	387,585	264,317	377,751
Water Purchased	5,781,372	6,500,000	6,500,000	6,500,000
Operations & Administration	3,116,608	3,253,919	3,159,176	3,286,147
Water Transmission and Distribution	1,824,611	2,024,408	1,875,881	2,068,551
Sewer Main Maintenance	1,583,610	1,913,269	1,741,834	1,941,126
Wastewater Treatment Plant	7,522,834	7,912,115	7,753,622	7,799,391
Billing & Collections	1,065,226	1,196,666	1,164,545	1,194,883
Meter Operations	1,212,100	1,701,079	1,571,520	1,463,024
Interest Expense	641,172	688,809	677,348	595,228
Total Expenses	<u>23,074,980</u>	<u>25,770,244</u>	<u>24,896,300</u>	<u>25,401,000</u>
Budget Gain / (Loss) Before Capital	<u>\$ 7,801,233</u>	<u>\$ 5,130,756</u>	<u>\$ 6,416,600</u>	<u>\$ 5,507,000</u>
<u>Capital Revenues/(Expenses)</u>				
Intergovernmental (Grants)	\$ 82,490	\$ 2,726,120	\$ 2,726,100	\$ 0
Transfer from Impact Fee Fund	2,792,404	1,522,249	1,522,200	0
Transfer to Other Funds	0	(66,032)	0	0
Principal Payment	(1,225,000)	(1,225,000)	(1,225,000)	(2,120,000)
Capital Expenditures	(5,160,870)	(21,552,774)	(21,507,500)	(3,387,000)
	<u>(3,510,976)</u>	<u>(18,595,437)</u>	<u>(18,484,200)</u>	<u>(5,507,000)</u>
Budget Gain / (Loss)	<u>\$ 4,290,257</u>	<u>(13,464,681)</u>	<u>(12,067,600)</u>	<u>\$ 0</u>
Total Budget	<u>\$ 29,460,850</u>	<u>\$ 48,548,018</u>	<u>\$ 47,628,800</u>	<u>\$ 30,908,000</u>

City of Fayetteville, Arkansas
2012 Operating Budget
Water & Sewer Fund (5400)

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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
ESTIMATED CHANGE IN NET ASSETS				
Beginning Total Net Assets	\$ 305,895,302	\$ 311,742,969	\$ 311,742,969	\$ 311,762,569
Budget Gain / (Loss)	4,290,257	(13,464,681)	(12,067,600)	0
Plus Gain Capital Expenditures	5,160,870	21,552,774	21,507,500	3,387,000
Less: Depreciation Expense	(10,070,404)	(10,272,000)	(10,645,300)	(11,124,100)
Plus: Capital Contribution	5,241,944	(66,032)	0	0
Plus: Bond Principal Payment	1,225,000	1,225,000	1,225,000	2,120,000
Ending Total Net Assets	<u>\$ 311,742,969</u>	<u>\$ 310,718,030</u>	<u>\$ 311,762,569</u>	<u>\$ 306,145,469</u>

NET ASSET ANALYSIS				
Net Investment in Capital Assets	\$ 293,906,140	\$ 305,186,914	\$ 304,768,340	\$ 297,031,240
Restricted for Debt Service/Prepays	2,190,072	2,190,000	2,190,000	2,190,000
Unrestricted (including re-budgets)	15,646,757	3,341,116	4,804,229	6,924,229
Ending Total Net Assets	<u>\$ 311,742,969</u>	<u>\$ 310,718,030</u>	<u>\$ 311,762,569</u>	<u>\$ 306,145,469</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Water & Sewer Fund (5400)

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2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Finance and Internal Services Activity				
Billing & Collections Program (1810):				
Personnel Services	\$ 761,381	\$ 784,979	\$ 762,200	\$ 782,696
Materials and Supplies	47,891	71,000	64,912	70,000
Services and Charges	345,436	418,887	416,287	420,387
Cost allocation	(89,700)	(89,700)	(89,700)	(89,700)
Maintenance	218	11,500	10,846	11,500
	<u>1,065,226</u>	<u>1,196,666</u>	<u>1,164,545</u>	<u>1,194,883</u>
Total Finance and Internal Services Activity	\$ <u>1,065,226</u>	\$ <u>1,196,666</u>	\$ <u>1,164,545</u>	\$ <u>1,194,883</u>
Transportation, Parking, Utilities Activity				
Utilities Director Program (1800):				
Personnel Services	\$ 122,390	\$ 130,026	\$ 129,752	\$ 132,243
Materials and Supplies	966	4,300	1,907	4,300
Services and Charges	4,114	31,992	30,322	12,280
Cost allocation	26,076	26,076	26,076	26,076
	<u>153,546</u>	<u>192,394</u>	<u>188,057</u>	<u>174,899</u>
Meter Reading Program (1820):				
Personnel Services	694,831	774,396	730,084	770,353
Materials and Supplies	42,343	63,213	62,718	66,869
Services and Charges	8,321	20,450	11,159	19,307
Motorpool Charges	59,639	53,606	52,554	58,433
Cost allocation	78,528	78,528	78,528	78,528
Maintenance	3,652	6,476	2,455	5,585
	<u>887,314</u>	<u>996,669</u>	<u>937,498</u>	<u>999,075</u>
Meter Maintenance & Backflow Prevention Program (1830):				
Personnel Services	250,498	351,454	291,330	362,791
Materials and Supplies	18,215	45,601	42,351	46,459
Services and Charges	4,522	12,725	6,199	12,725
Motorpool Charges	12,851	14,236	13,848	16,486
Cost allocation	24,888	24,888	24,888	24,888
Maintenance	124	600	500	600
	<u>311,098</u>	<u>449,504</u>	<u>379,116</u>	<u>463,949</u>
Meter Operations Capital Program (1840):				
Materials and Supplies	10,020	54,652	54,652	0
Services and Charges	0	200,000	200,000	0
Maintenance	3,668	254	254	0
Capital	416,410	1,031,079	1,031,079	392,000
	<u>430,098</u>	<u>1,285,985</u>	<u>1,285,985</u>	<u>392,000</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Water & Sewer Fund (5400)

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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Water Purchased Program (3800):				
Services and Charges	5,781,372	6,500,000	6,500,000	6,500,000
	<u>5,781,372</u>	<u>6,500,000</u>	<u>6,500,000</u>	<u>6,500,000</u>
Operations & Administration Program (4000):				
Personnel Services	728,511	715,215	655,128	745,863
Materials and Supplies	92,490	146,984	122,566	150,771
Services and Charges	1,331,264	1,399,763	1,397,431	1,399,629
Motorpool Charges	24,280	20,741	20,575	21,450
Cost allocation	883,152	883,152	883,152	883,152
Maintenance	56,911	88,064	80,324	85,282
Debt Service	9,381	21,000	9,539	21,000
Capital	0	57,000	57,000	0
	<u>3,125,989</u>	<u>3,331,919</u>	<u>3,225,715</u>	<u>3,307,147</u>
Utilities Project Management Program (4020):				
Personnel Services	158,967	357,036	244,836	327,133
Materials and Supplies	5,244	10,388	6,026	12,208
Services and Charges	5,518	10,095	5,072	26,445
Motorpool Charges	2,850	6,966	6,966	6,965
Maintenance	1,322	3,100	1,417	5,000
	<u>173,901</u>	<u>387,585</u>	<u>264,317</u>	<u>377,751</u>
Water Distribution Maintenance Program (4310):				
Personnel Services	672,218	738,648	608,243	744,539
Materials and Supplies	625,920	690,166	689,888	697,994
Services and Charges	55,932	96,751	96,751	96,751
Motorpool Charges	236,893	216,127	216,127	235,468
Cost allocation	74,688	74,688	74,688	74,688
Maintenance	4,670	3,000	3,000	3,000
	<u>1,670,321</u>	<u>1,819,380</u>	<u>1,688,697</u>	<u>1,852,440</u>
Water Storage & Pump Maintenance Program (4330):				
Personnel Services	129,774	147,849	132,388	147,358
Materials and Supplies	12,192	33,169	32,200	40,743
Services and Charges	562	12,414	12,000	16,414
Cost allocation	9,696	9,696	9,696	9,696
Maintenance	2,066	1,900	900	1,900
	<u>154,290</u>	<u>205,028</u>	<u>187,184</u>	<u>216,111</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Water & Sewer Fund (5400)

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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Sewer Mains Maintenance Program (4410):				
Personnel Services	864,013	1,020,041	908,412	1,043,429
Materials and Supplies	302,799	337,008	337,008	354,192
Services and Charges	53,998	116,454	116,454	117,454
Motorpool Charges	281,854	352,434	295,368	338,719
Cost allocation	77,832	77,832	77,832	77,832
Maintenance	3,114	9,500	6,760	9,500
Capital	0	1,000	0	0
	<u>1,583,610</u>	<u>1,914,269</u>	<u>1,741,834</u>	<u>1,941,126</u>
WWTP Administration & SCADA Program (5100):				
Materials and Supplies	0	975	0	1,073
Services and Charges	929,289	1,010,828	1,010,828	980,828
Maintenance	0	391	0	510
	<u>929,289</u>	<u>1,012,194</u>	<u>1,010,828</u>	<u>982,411</u>
WWTP East Side Operations Program (5110):				
Materials and Supplies	56,949	93,875	93,875	111,101
Services and Charges	3,245,623	3,210,448	3,154,697	3,203,458
Motorpool Charges	164,390	152,049	140,845	187,094
Cost allocation	47,820	47,820	47,820	47,820
Maintenance	2,176	8,265	3,000	8,153
Debt Service	0	8,903	0	0
	<u>3,516,958</u>	<u>3,521,360</u>	<u>3,440,237</u>	<u>3,557,626</u>
WWTP West Side Operations Program (5120):				
Materials and Supplies	24,190	83,600	75,350	99,655
Services and Charges	1,939,195	1,873,288	1,822,565	1,872,141
Motorpool Charges	60,673	65,029	64,248	55,816
Cost allocation	47,544	47,544	47,544	47,544
Maintenance	4	6,331	2,500	3,549
	<u>2,071,606</u>	<u>2,075,792</u>	<u>2,012,207</u>	<u>2,078,705</u>
WWTP Lab / IPP Program (5130):				
Services and Charges	407,829	459,732	459,731	459,731
	<u>407,829</u>	<u>459,732</u>	<u>459,731</u>	<u>459,731</u>
WWTP Lift Station Maintenance Program (5140):				
Materials and Supplies	6,613	33,550	33,550	39,969
Services and Charges	575,691	672,944	660,917	671,279
Motorpool Charges	14,848	9,686	9,686	9,670
Maintenance	0	391	0	0
	<u>597,152</u>	<u>716,571</u>	<u>704,153</u>	<u>720,918</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Water & Sewer Fund (5400)

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2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Capital Water Mains Program (5600):				
Services and Charges	1,272,731	1,975,802	1,975,802	0
Capital	509,171	5,192,024	5,192,024	1,882,500
	<u>1,781,902</u>	<u>7,167,826</u>	<u>7,167,826</u>	<u>1,882,500</u>
Water & Sewer Connections Program (5620):				
Personnel Services	99,896	172,098	128,243	179,850
Materials and Supplies	47,916	85,870	85,870	87,014
Services and Charges	5,931	18,000	18,000	18,000
Motorpool Charges	23,345	23,515	23,096	24,048
Cost allocation	13,488	13,488	13,488	13,488
Maintenance	0	100	100	100
	<u>190,576</u>	<u>313,071</u>	<u>268,797</u>	<u>322,500</u>
Water Capital 2009 Bonds Program (5640):				
Services and Charges	83,982	179,325	179,325	0
Capital	464,002	3,502,333	3,502,333	0
	<u>547,984</u>	<u>3,681,658</u>	<u>3,681,658</u>	<u>0</u>
Sewer Mains Construction Program (5700):				
Services and Charges	1,740,694	488,923	488,923	0
Capital	336,012	5,396,927	5,396,927	330,000
Operating Transfers	0	66,032	0	0
	<u>2,076,706</u>	<u>5,951,882</u>	<u>5,885,850</u>	<u>330,000</u>
Sewer Capital 2009 Bonds Program (5740):				
Capital	0	1,723,660	1,723,660	0
	<u>0</u>	<u>1,723,660</u>	<u>1,723,660</u>	<u>0</u>
Wastewater Treatment Plant Capital Program (5800):				
Materials and Supplies	0	21,177	21,177	0
Services and Charges	0	77,000	77,000	0
Maintenance	0	28,289	28,289	0
Capital	147,292	1,691,630	1,691,630	460,000
	<u>147,292</u>	<u>1,818,096</u>	<u>1,818,096</u>	<u>460,000</u>
Debt Service Program (6800):				
Debt Service	1,856,791	1,892,809	1,892,809	2,694,228
	<u>1,856,791</u>	<u>1,892,809</u>	<u>1,892,809</u>	<u>2,694,228</u>
Total Transportation, Parking, Utilities Activity \$	<u>28,395,624</u>	<u>\$ 47,417,384</u>	<u>\$ 46,464,255</u>	<u>\$ 29,713,117</u>
Total Fund	<u>\$ 29,460,850</u>	<u>\$ 48,614,050</u>	<u>\$ 47,628,800</u>	<u>\$ 30,908,000</u>

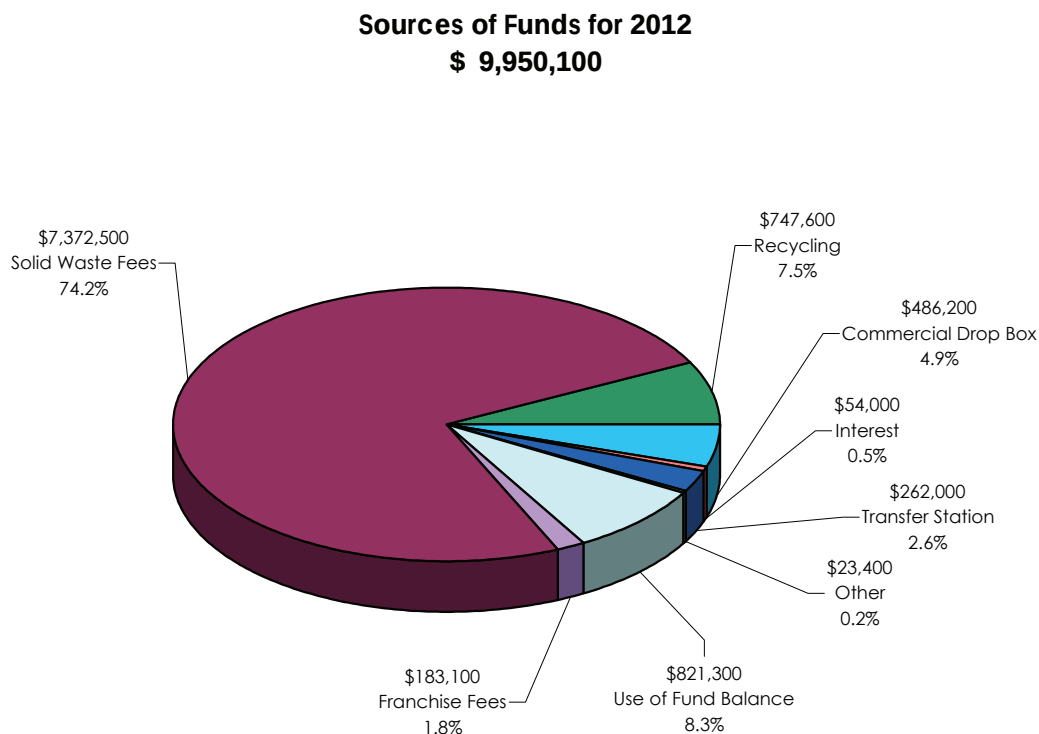
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Solid Waste Fund (5500)

The **Solid Waste Fund** is responsible for the operation of the City's solid waste collection and disposal, transfer station, recycling program, and composting program. Revenues for the fund are obtained from fees levied for trash collection, recycling revenue, and container sales or leases. During the end of 2009, the operation of the transfer station, which had previously been contracted out, was brought in house. This budget reflects changes needed to continue that operation at the City. After capital expenditures, the fund will have a loss of \$821,300. However, there are more than sufficient reserves to accommodate the expenditures.

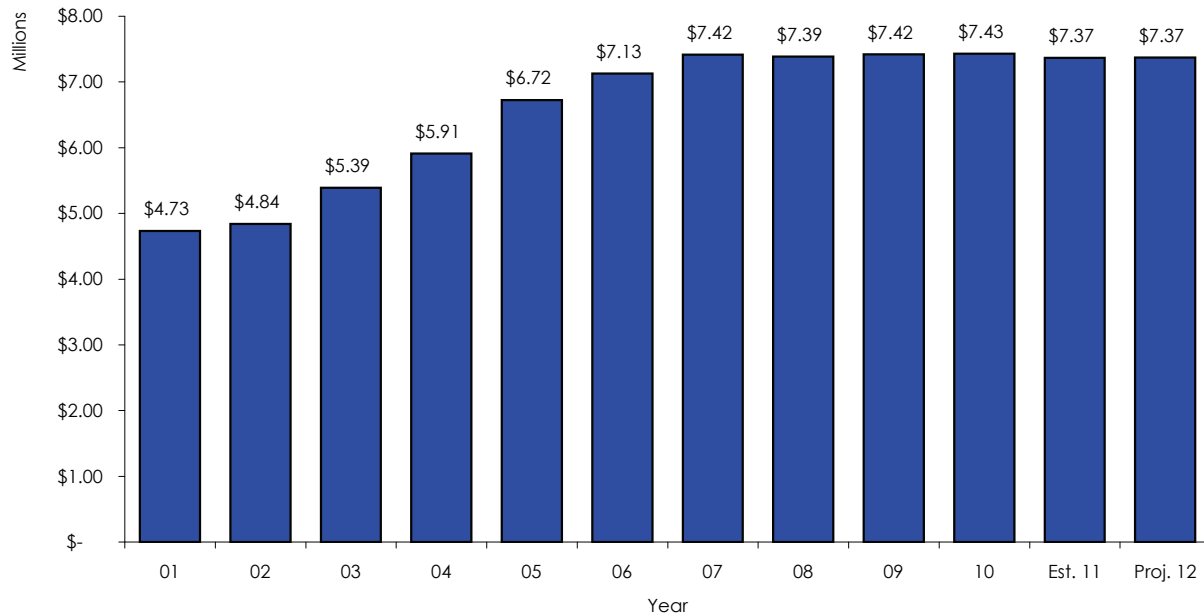
Solid Waste Fund Revenues

For 2012, the Solid Waste Fund sources of funds are budgeted at \$9,950,100. Solid Waste fees make up the largest source of revenue (74.2%).



Solid Waste Fees: Solid Waste Fee revenue has increased approximately 4.82% (with 2007-2008 and 2009 relatively flat) annually from 2000 to 2010. The 2012 revenues are projected to be flat over estimated 2011.

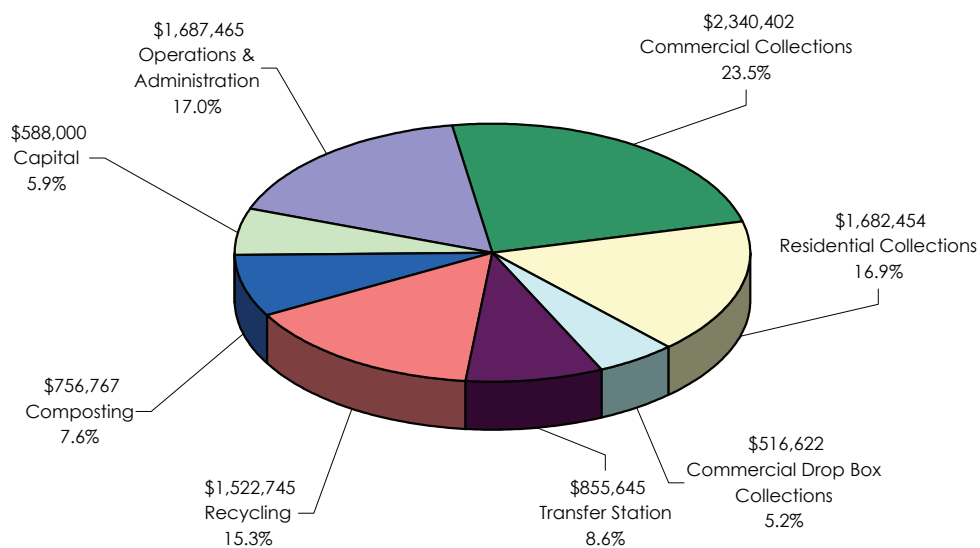
Solid Waste Fees



Solid Waste Fund Expenses

Expenses for the Solid Waste Fund are budgeted at \$9,950,100 for 2012. The commercial collections program and related activity make up the largest segment of the budget.

Uses of Funds for 2012 \$9,950,100



City of Fayetteville, Arkansas
2012 Operating Budget
Solid Waste Fund (5500)

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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
<u>Revenues:</u>				
Franchise Fees	\$ 109,275	\$ 82,300	\$ 160,800	\$ 183,100
Solid Waste Fees	7,432,358	7,345,900	7,367,585	7,372,500
Recycling Revenue	657,154	387,300	747,000	747,600
Commercial Drop Box	474,719	472,400	478,715	486,200
Transfer Station	250,910	241,100	262,300	262,000
Other	627,220	8,300	23,400	23,400
Interest Income	175,412	108,000	69,900	54,000
Total Revenues	<u>9,727,048</u>	<u>8,645,300</u>	<u>9,109,700</u>	<u>9,128,800</u>
<u>Expenses:</u>				
Operations & Administration	1,724,995	1,661,719	1,584,714	1,687,465
Commercial Collections	2,019,078	2,223,211	2,097,415	2,340,402
Residential Collections	1,410,849	1,515,977	1,451,301	1,682,454
Commercial Drop Box Collections	471,552	462,785	434,448	516,622
Transfer Station	681,885	814,955	786,943	855,645
Recycling	1,429,531	1,446,579	1,351,746	1,522,745
Composting	668,770	740,919	731,861	756,767
Solid Waste Projects	0	124,972	124,972	0
Total Expenses	<u>8,406,660</u>	<u>8,991,117</u>	<u>8,563,400</u>	<u>9,362,100</u>
Budget Gain / (Loss) Before Capital	<u>\$ 1,320,388</u>	<u>\$ (345,817)</u>	<u>\$ 546,300</u>	<u>\$ (233,300)</u>
<u>Capital Revenues / (Expenses):</u>				
Intergovernmental (Grants)	81,264	0	15,600	0
Capital Expenditures	(289,304)	(2,016,004)	(2,014,600)	(588,000)
Transfer to Shop	(238,642)	0	0	0
Total Expenses	<u>(446,682)</u>	<u>(2,016,004)</u>	<u>(1,999,000)</u>	<u>(588,000)</u>
Budget Gain / (Loss)	<u>\$ 873,706</u>	<u>\$ (2,361,821)</u>	<u>\$ (1,452,700)</u>	<u>\$ (821,300)</u>
Total Budget	<u>\$ 8,934,606</u>	<u>\$ 11,007,121</u>	<u>\$ 10,578,000</u>	<u>\$ 9,950,100</u>

City of Fayetteville, Arkansas
2012 Operating Budget
Solid Waste Fund (5500)

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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
ESTIMATED CHANGE IN NET ASSETS				
Beginning Total Net Assets	\$ 10,074,138	\$ 11,038,769	\$ 11,038,769	\$ 11,280,069
Budget Gain / (Loss)	873,706	(2,361,821)	(1,452,700)	(821,300)
Plus Gain Capital Expenditures	289,304	2,016,004	2,014,600	588,000
Less: Depreciation Expense	(198,379)	(223,990)	(320,600)	(419,400)
Ending Total Net Assets	<u>\$ 11,038,769</u>	<u>\$ 10,468,962</u>	<u>\$ 11,280,069</u>	<u>\$ 10,627,369</u>
NET ASSET ANALYSIS				
Net Investment in Capital Assets	\$ 2,057,183	\$ 3,849,197	\$ 3,751,183	\$ 3,919,783
Restricted for Debt Service/Prepays	1,669	1,669	1,669	1,669
Unrestricted	8,979,917	6,618,096	7,527,217	6,705,917
Ending Total Net Assets	<u>\$ 11,038,769</u>	<u>\$ 10,468,962</u>	<u>\$ 11,280,069</u>	<u>\$ 10,627,369</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Solid Waste Fund (5500)

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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Transportation, Parking, Utilities Activity				
Operations & Administration Program (5000):				
Personnel Services	\$ 533,085	\$ 509,426	\$ 490,854	\$ 536,517
Materials and Supplies	33,957	46,211	34,054	47,465
Services and Charges	727,415	644,520	601,850	637,780
Motorpool Charges	2,219	2,634	2,634	3,577
Cost allocation	410,796	410,796	410,796	410,796
Maintenance	17,524	47,932	44,326	51,130
Debt Service	0	200	200	200
Capital	52,936	0	0	0
Operating Transfers	184,642	0	0	0
	<u>1,962,574</u>	<u>1,661,719</u>	<u>1,584,714</u>	<u>1,687,465</u>
Commercial Collections Program (5010):				
Personnel Services	588,968	638,366	524,449	582,218
Materials and Supplies	228,399	366,705	365,444	365,877
Services and Charges	648,162	643,096	632,478	643,096
Motorpool Charges	484,981	506,040	506,040	680,207
Cost allocation	67,404	67,404	67,404	67,404
Maintenance	1,164	1,600	1,600	1,600
	<u>2,019,078</u>	<u>2,223,211</u>	<u>2,097,415</u>	<u>2,340,402</u>
Residential Collections Program (5020):				
Personnel Services	547,606	581,521	533,689	595,947
Materials and Supplies	123,849	162,222	162,222	170,340
Services and Charges	331,961	327,482	327,480	327,482
Motorpool Charges	359,313	393,849	379,890	537,782
Cost allocation	47,868	47,868	47,868	47,868
Maintenance	252	3,035	152	3,035
	<u>1,410,849</u>	<u>1,515,977</u>	<u>1,451,301</u>	<u>1,682,454</u>
Commercial Drop Box Collections Program (5030):				
Personnel Services	147,451	146,011	127,295	141,740
Materials and Supplies	20,743	30,693	30,693	67,662
Services and Charges	175,374	165,534	165,534	165,534
Motorpool Charges	117,310	110,487	101,650	131,626
Cost allocation	9,060	9,060	9,060	9,060
Maintenance	1,614	1,000	216	1,000
Capital	18,547	39,258	38,000	0
	<u>490,099</u>	<u>502,043</u>	<u>472,448</u>	<u>516,622</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Solid Waste Fund (5500)

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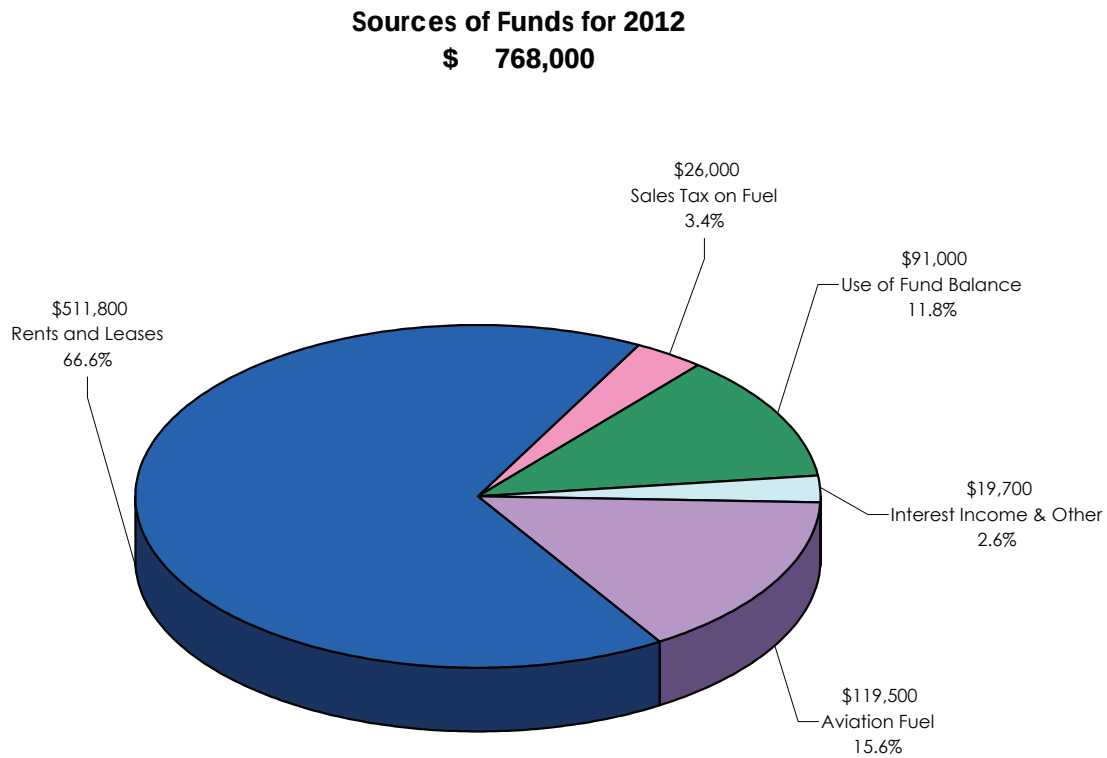
	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Transfer Station Program (5040):				
Personnel Services	45,612	138,968	138,968	135,705
Materials and Supplies	12,289	16,950	13,938	18,983
Services and Charges	592,458	587,552	587,552	628,358
Motorpool Charges	24,491	41,861	41,861	42,375
Cost allocation	3,024	3,024	3,024	3,024
Maintenance	4,011	26,600	1,600	27,200
	<u>681,885</u>	<u>814,955</u>	<u>786,943</u>	<u>855,645</u>
Recycling Program (5060):				
Personnel Services	743,468	757,542	707,912	787,093
Materials and Supplies	123,397	143,531	122,647	144,220
Services and Charges	44,914	57,875	40,755	57,875
Motorpool Charges	424,091	390,413	390,046	436,339
Cost allocation	87,732	87,732	87,732	87,732
Maintenance	5,929	9,486	2,654	9,486
Capital	121,818	0	0	0
	<u>1,551,349</u>	<u>1,446,579</u>	<u>1,351,746</u>	<u>1,522,745</u>
Composting Program (5070):				
Personnel Services	383,025	409,551	406,480	416,190
Materials and Supplies	33,493	63,140	57,646	68,833
Services and Charges	3,544	1,250	856	2,500
Motorpool Charges	213,620	236,538	236,538	238,804
Cost allocation	29,940	29,940	29,940	29,940
Maintenance	5,148	500	401	500
Capital	96,003	0	0	0
Operating Transfers	54,000	0	0	0
	<u>818,773</u>	<u>740,919</u>	<u>731,861</u>	<u>756,767</u>
Solid Waste Projects Program (5080):				
Materials and Supplies	0	12,970	12,970	0
Services and Charges	0	112,002	112,002	0
Capital	0	1,976,746	1,976,600	588,000
	<u>0</u>	<u>2,101,718</u>	<u>2,101,572</u>	<u>588,000</u>
Total Transportation, Parking, Utilities Activity	\$ <u>8,934,607</u>	\$ <u>11,007,121</u>	\$ <u>10,578,000</u>	\$ <u>9,950,100</u>
Total Fund	\$ <u>8,934,607</u>	\$ <u>11,007,121</u>	\$ <u>10,578,000</u>	\$ <u>9,950,100</u>

Airport Fund (5550)

The **Airport Fund** provides for the operation and maintenance of the City's municipal airport, Drake Field. The Airport Fund's revenue is generated from rents and leases. In 2012, the Airport Fund is projected to use reserves of \$91,000 before depreciation.

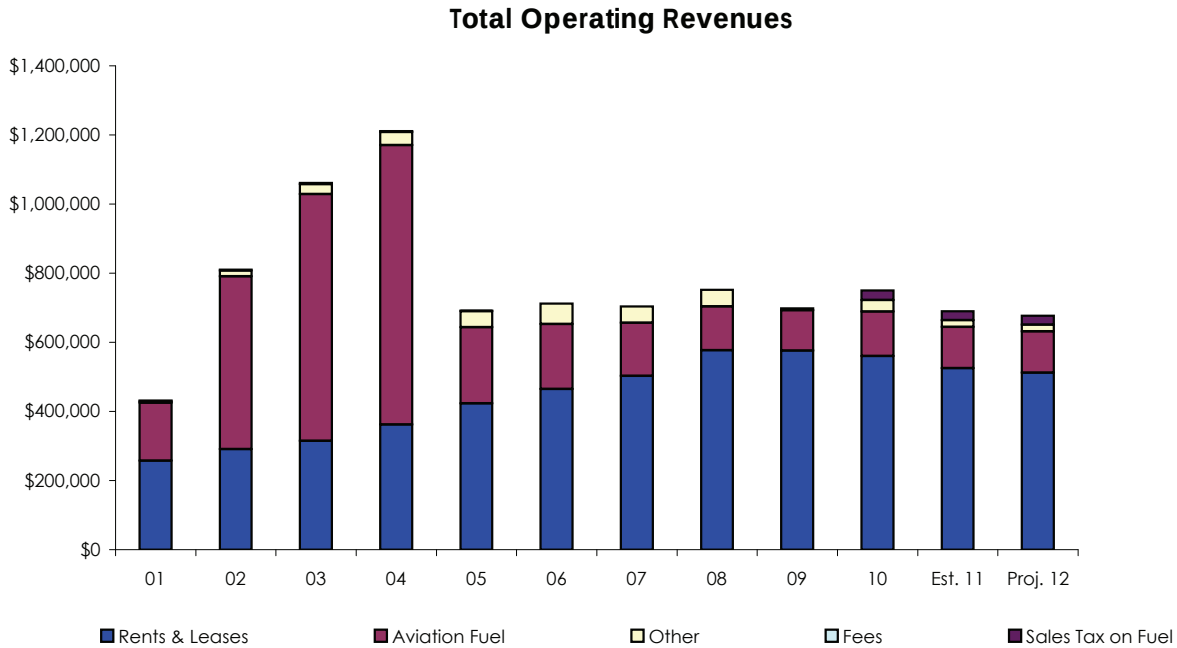
Airport Fund Revenues

For 2012, the Airport Fund sources of funds are budgeted at \$768,000. Rents and Leases make up the largest source of revenue (66.6%).



Total Operating Revenue

This chart shows all of the Airport Fund's operating revenues by type. Primary revenues are comprised of Rents and Leases. During the fourth quarter of 2001, the City took over the Fixed Based Operator (FBO) functions and sold aviation fuel as it became a General Aviation airport. The selling of fuel continued until the last part of 2005 when the City contracted the operation of the FBO to an external company. Currently the Airport Fund's major source of revenue is through the rental of corporate and private T-Hangars and rental of the airport terminal building to a fueling and line services operation, two pilot training schools, the U.S. Post Office, a florist, a caterer, and office space to a wildlife biologist and an advertising firm.



City of Fayetteville, Arkansas
2012 Operating Budget
Airport Fund (5550)

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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
<u>Revenues:</u>				
Sales Tax - County	\$ 12,906	\$ 11,500	\$ 12,600	\$ 12,700
Sales Tax - City	14,205	12,700	13,300	13,300
Rents & Leases	560,237	563,400	524,900	511,800
Aviation Fuel	128,208	117,900	119,300	119,500
Other	14,745	7,100	12,000	11,900
Interest Income	19,383	12,000	7,900	7,800
Total Revenues	<u>749,684</u>	<u>724,600</u>	<u>690,000</u>	<u>677,000</u>
<u>Expenses:</u>				
Airport Administration	498,113	513,432	497,652	525,933
Airport Maintenance	176,643	203,634	187,156	220,014
Airport Capital Expense	51,930	73,457	73,457	0
General Fund Loan Interest	30,333	20,175	20,175	6,523
General Fund Loan Principal	46,666	342,960	342,960	15,530
Total Expenses	<u>803,685</u>	<u>1,153,658</u>	<u>1,121,400</u>	<u>768,000</u>
Budget Gain / (Loss) Before Capital	<u>\$ (54,001)</u>	<u>\$ (429,058)</u>	<u>\$ (431,400)</u>	<u>\$ (91,000)</u>
<u>Capital Revenues / (Expenses):</u>				
Intergovernmental (Grants)	2,838,723	766,941	803,400	0
Capital Expenditures	(2,866,292)	(882,655)	(882,600)	0
Total Expenses	<u>(27,569)</u>	<u>(115,714)</u>	<u>(79,200)</u>	<u>0</u>
Budget Gain / (Loss)	<u>\$ (81,570)</u>	<u>\$ (544,772)</u>	<u>\$ (510,600)</u>	<u>\$ (91,000)</u>
Total Budget	<u>\$ 3,669,977</u>	<u>\$ 2,036,313</u>	<u>\$ 2,004,000</u>	<u>\$ 768,000</u>

City of Fayetteville, Arkansas
2012 Operating Budget
Airport Fund (5550)

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2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
ESTIMATED CHANGE IN NET ASSETS				
Beginning Total Net Assets	\$ 13,643,074	\$ 15,036,327	\$ 15,036,327	\$ 13,967,587
Budget Gain / (Loss)	(81,570)	(544,772)	(510,600)	(91,000)
Plus Gain Capital Expenditures	2,866,292	882,655	882,600	0
Less: Depreciation Expense	(1,438,135)	(1,438,100)	(1,783,700)	(1,884,700)
Plus: Principal Payment	46,666	342,960	342,960	15,530
Ending Total Net Assets	<u>\$ 15,036,327</u>	<u>\$ 14,279,070</u>	<u>\$ 13,967,587</u>	<u>\$ 12,007,417</u>
NET ASSET ANALYSIS				
Net Investment in Capital Assets	\$ 14,682,771	\$ 14,127,326	\$ 13,781,671	\$ 11,896,971
Restricted for Debt Service/Prepays	9,664	9,664	9,664	9,664
*Unrestricted	343,892	142,080	176,252	100,782
Ending Total Net Assets	<u>\$ 15,036,327</u>	<u>\$ 14,279,070</u>	<u>\$ 13,967,587</u>	<u>\$ 12,007,417</u>

* This is due to a long term interfund loan from the General Fund recorded as a liability but not deducted from net investments in capital assets.

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Airport Fund (5550)

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2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Transportation, Parking, Utilities Activity				
Airport Administration Program (3940):				
Personnel Services	\$ 242,631	\$ 228,019	\$ 227,285	\$ 229,481
Materials and Supplies	78,203	78,853	78,840	93,986
Services and Charges	166,671	195,989	180,956	191,871
Motorpool Charges	2,658	2,656	2,656	2,680
Cost allocation	7,915	7,915	7,915	7,915
Maintenance	35	0	0	0
Debt Service	76,999	363,135	363,135	22,053
	<u>575,112</u>	<u>876,567</u>	<u>860,787</u>	<u>547,986</u>
Airport Maintenance Program (3950):				
Personnel Services	109,253	101,830	98,544	102,792
Materials and Supplies	10,764	14,451	13,070	15,387
Services and Charges	2,752	5,320	3,189	6,380
Motorpool Charges	17,573	27,150	27,150	30,965
Maintenance	36,301	54,883	45,203	64,490
	<u>176,643</u>	<u>203,634</u>	<u>187,156</u>	<u>220,014</u>
Airport Capital Expense Program (3960):				
Services and Charges	7,097	40,252	40,252	0
Maintenance	19,929	0	0	0
Capital	2,891,196	915,860	915,805	0
	<u>2,918,222</u>	<u>956,112</u>	<u>956,057</u>	<u>0</u>
Total Transportation, Parking, Utilities Activity	\$ <u>3,669,977</u>	\$ <u>2,036,313</u>	\$ <u>2,004,000</u>	\$ <u>768,000</u>
Total Fund	\$ <u>3,669,977</u>	\$ <u>2,036,313</u>	\$ <u>2,004,000</u>	\$ <u>768,000</u>

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Town Center and Parking Facility Fund (5600)

The **Town Center and Parking Facility Fund** accounts for the Town Center Building and the associated special obligation debt. Budgeted revenues and expenditures are balanced for 2012 on a cash basis.

City of Fayetteville, Arkansas
2012 Operating Budget
Town Center Fund (5600)

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2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Contribution from Advertising/Promotion	\$ 679,503	\$ 702,600	\$ 702,700	\$ 695,200
Interest Income	479	100	0	0
Total Revenues	<u>679,982</u>	<u>702,700</u>	<u>702,700</u>	<u>695,200</u>
Expenses:				
Audit Expense	600	600	600	688
Paying Agent Fees	18,940	18,941	18,941	18,941
Town Center Expense	1,946	1,971	1,971	1,923
Interest Expense	122,436	106,188	106,188	83,648
Principal Payment	555,000	575,000	575,000	590,000
Total Expenses	<u>698,922</u>	<u>702,700</u>	<u>702,700</u>	<u>695,200</u>
Budget Gain / (Loss)	<u>\$ (18,940)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Budget	<u>\$ 698,922</u>	<u>\$ 702,700</u>	<u>\$ 702,700</u>	<u>\$ 695,200</u>

ESTIMATED CHANGE IN NET ASSETS				
Beginning Total Net Assets	\$ 2,890,484	\$ 3,058,784	\$ 3,058,784	\$ 3,266,024
Budget Gain / (Loss)	(18,940)	0	0	0
Less: Depreciation Expense	(367,760)	(367,760)	(367,760)	(367,760)
Plus: Principal Payment	555,000	575,000	575,000	590,000
Ending Total Net Assets	<u>\$ 3,058,784</u>	<u>\$ 3,266,024</u>	<u>\$ 3,266,024</u>	<u>\$ 3,488,264</u>

NET ASSET ANALYSIS				
Net Investment in Capital Assets	\$ 2,870,751	\$ 3,077,991	\$ 3,077,991	\$ 3,300,231
Restricted for Debt Service/Prepays	144,168	144,168	144,168	144,168
Unrestricted	43,865	43,865	43,865	43,865
Ending Total Net Assets	<u>\$ 3,058,784</u>	<u>\$ 3,266,024</u>	<u>\$ 3,266,024</u>	<u>\$ 3,488,264</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Town Center Fund (5600)

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2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Citywide Activity				
Town Center Expense Program (9600):				
Services and Charges	\$ 2,546	\$ 2,571	\$ 2,571	\$ 2,611
Debt Service	696,376	700,129	700,129	692,589
	<u>698,922</u>	<u>702,700</u>	<u>702,700</u>	<u>695,200</u>
Total Citywide	<u>\$ 698,922</u>	<u>\$ 702,700</u>	<u>\$ 702,700</u>	<u>\$ 695,200</u>
Total Fund	<u>\$ 698,922</u>	<u>\$ 702,700</u>	<u>\$ 702,700</u>	<u>\$ 695,200</u>

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Police Pension Fund (6800)

The **Police Pension Fund** accounts for the accumulation of resources for the pension benefit payments to qualified police personnel. Operations of this fund are controlled by the Police Pension Board. Revenues include insurance premium tax distributions, a special City property tax, and special fees and forfeitures.

City of Fayetteville, Arkansas
2012 Operating Budget
Police Pension Fund (6800)

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2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
<u>Additions:</u>				
Property Taxes	\$ 508,192	\$ 461,800	\$ 469,200	\$ 469,000
State Insurance Turnback	267,919	281,500	282,700	283,000
Fines & Forfeitures	130,723	130,300	205,000	126,000
Investment Earnings	197,346	190,200	177,700	177,400
Gain/Loss on Sale of Investments	362,319	0	133,500	0
Gain/Loss in Fair Value of Investments	360,267	0	0	0
Other	7,050	0	3,100	0
Total Additions	<u>1,833,816</u>	<u>1,063,800</u>	<u>1,271,200</u>	<u>1,055,400</u>
<u>Deductions:</u>				
Materials and Supplies	0	134	100	309
Audit Expense	3,500	3,500	3,500	3,600
Professional Services	0	3,000	3,000	3,100
Bank Service Charges	119	210	210	210
Benefit Payments	1,635,103	1,685,956	1,626,790	1,625,781
Total Deductions	<u>1,638,722</u>	<u>1,692,800</u>	<u>1,633,600</u>	<u>1,633,000</u>
Change in Net Assets	<u>\$ 195,094</u>	<u>\$ (629,000)</u>	<u>\$ (362,400)</u>	<u>\$ (577,600)</u>

ESTIMATED CHANGE IN NET ASSETS				
Beginning Net Assets	\$ 8,360,803	\$ 8,555,897	\$ 8,555,897	\$ 8,193,497
Change in Net Assets	<u>195,094</u>	<u>(629,000)</u>	<u>(362,400)</u>	<u>(577,600)</u>
Ending Net Assets	<u>\$ 8,555,897</u>	<u>\$ 7,926,897</u>	<u>\$ 8,193,497</u>	<u>\$ 7,615,897</u>
Total Budget	<u>\$ 1,638,722</u>	<u>\$ 1,692,800</u>	<u>\$ 1,633,600</u>	<u>\$ 1,633,000</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Police Pension Fund (6800)

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2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Citywide Activity				
Police Pension Expense Program (9800):				
Materials and Supplies	\$ 0	\$ 134	\$ 100	\$ 309
Services and Charges	1,638,722	1,692,666	1,633,500	1,632,691
	<u>1,638,722</u>	<u>1,692,800</u>	<u>1,633,600</u>	<u>1,633,000</u>
Total Citywide	<u>\$ 1,638,722</u>	<u>\$ 1,692,800</u>	<u>\$ 1,633,600</u>	<u>\$ 1,633,000</u>
Total Fund	<u>\$ 1,638,722</u>	<u>\$ 1,692,800</u>	<u>\$ 1,633,600</u>	<u>\$ 1,633,000</u>

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Fire Pension Fund (6810)

The **Fire Pension Fund** accounts for the accumulation of resources for the pension benefit payments to qualified fire personnel. Operations of this fund are controlled by the Fire Pension Board. Revenues include the proceeds of a special City property tax and insurance premium tax distributions from the State.

City of Fayetteville, Arkansas
2012 Operating Budget
Fire Pension Fund (6810)

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2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Additions:				
Property Taxes	\$ 508,192	\$ 461,800	\$ 469,200	\$ 469,000
State Insurance Turnback	143,629	143,600	161,100	161,600
Investment Earnings	125,170	124,100	106,000	96,900
Gain/Loss on Sale of Investments	327,952	0	109,600	0
Gain/Loss in Fair Value of Investments	142,277	0	0	0
Other	972	0	0	0
Total Additions	<u>1,248,192</u>	<u>729,500</u>	<u>845,900</u>	<u>727,500</u>
Deductions:				
Materials and Supplies	48	50	50	106
Services and Charges	300	250	150	350
Audit Expense	3,500	3,500	3,500	3,600
Professional Services	2,900	2,900	2,900	2,900
Bank Service Charges	111	250	139	250
Benefit Payments	1,454,933	1,473,450	1,462,261	1,462,794
Total Deductions	<u>1,461,792</u>	<u>1,480,400</u>	<u>1,469,000</u>	<u>1,470,000</u>
Change in Net Assets	<u>\$ (213,600)</u>	<u>\$ (750,900)</u>	<u>\$ (623,100)</u>	<u>\$ (742,500)</u>

ESTIMATED CHANGE IN NET ASSETS				
Beginning Net Assets	\$ 5,787,509	\$ 5,573,909	\$ 5,573,909	\$ 4,950,809
Change in Net Assets	<u>(213,600)</u>	<u>(750,900)</u>	<u>(623,100)</u>	<u>(742,500)</u>
Ending Net Assets	<u>\$ 5,573,909</u>	<u>\$ 4,823,009</u>	<u>\$ 4,950,809</u>	<u>\$ 4,208,309</u>

Total Budget	<u>\$ 1,461,792</u>	<u>\$ 1,480,400</u>	<u>\$ 1,469,000</u>	<u>\$ 1,470,000</u>
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City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Fire Pension Fund (6810)

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2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Citywide Activity				
Fire Pension Expense Program (9810):				
Materials and Supplies	\$ 48	\$ 50	\$ 50	\$ 106
Services and Charges	1,461,744	1,480,350	1,468,950	1,469,894
	<u>1,461,792</u>	<u>1,480,400</u>	<u>1,469,000</u>	<u>1,470,000</u>
Total Citywide	<u>\$ 1,461,792</u>	<u>\$ 1,480,400</u>	<u>\$ 1,469,000</u>	<u>\$ 1,470,000</u>
Total Fund	<u>\$ 1,461,792</u>	<u>\$ 1,480,400</u>	<u>\$ 1,469,000</u>	<u>\$ 1,470,000</u>

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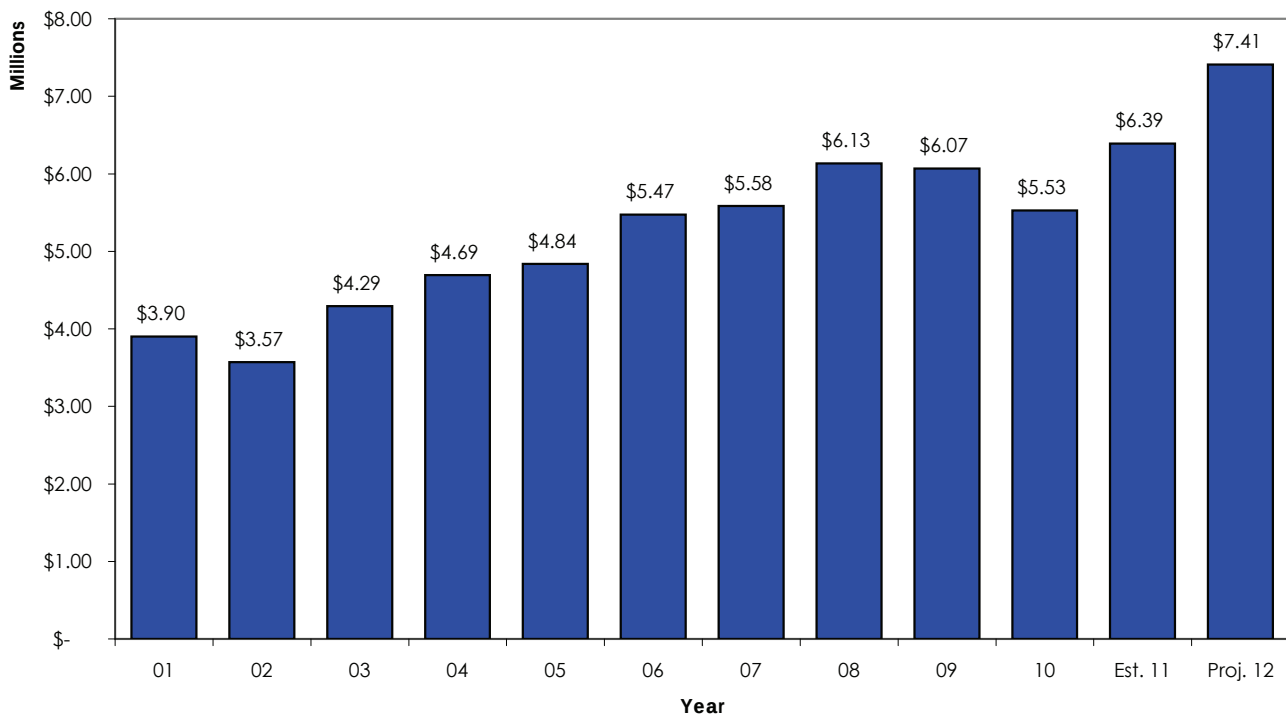
Shop Fund (9700)

The **Shop Fund** is an internal service fund that provides for all the acquisition and maintenance of equipment and vehicles utilized by the City's operating divisions. The Shop Fund's source of revenue is from charges to other City operating funds based on equipment and vehicle usage. Increases in 2012 operational costs can be attributed to additional parts and supply purchases, fuel expense, insurance, and contract services for repairs that cannot be performed by staff. These operational increases are a result of fleet expansions and increased equipment usage. On a cash basis, expenditures will exceed revenues after capital for 2012. The shortfall will be covered by cash reserves which were accumulated in the prior periods for this purpose.

Shop Fund Revenues

Shop Charges (Replacement Charges, Motorpool Charges, Shop Overhead Charges, Shop Overhead Insurance Charges, and Fuel Charges) as a whole make up 99% of total Shop Fund revenue and are budgeted in 2012 at \$7,409,500. Replacement Charges (\$3,373,000) is the amount Fleet Operations collects to purchase replacement vehicles and equipment. Replacement charges for General Fund vehicles were waived in 2010 to reduce expenses due to the economy. However, necessary replacement charges were put back in the General Fund Budget for 2011. Motorpool Charges (\$1,595,500), Shop Overhead Charges (\$495,400) and Shop Overhead Insurance Charges (\$112,000) are the monthly fees user divisions pay to the Shop Fund for the on-going maintenance that is provided for the life of the vehicles and equipment. Fuel Charges (\$1,806,000) is the revenue received from charging out the cost of gasoline to the user divisions.

Shop Charges



City of Fayetteville, Arkansas
2012 Operating Budget
Shop Fund (9700)

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2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
<u>Revenues:</u>				
Maintenance Charges	\$ 55,680	\$ 38,400	\$ 27,700	\$ 27,600
Fuel Charges	1,097,286	1,611,900	1,484,800	1,806,000
Replacement Charges	2,344,389	2,843,700	2,770,000	3,373,000
Motor Pool Charges	1,465,210	1,473,000	1,448,700	1,595,500
Shop Overhead Charges	440,049	553,800	548,700	495,400
Shop Overhead Insurance	116,432	105,000	111,000	112,000
Shop Rental Pool Revenue	16,658	14,700	11,400	11,400
Other	17,197	0	41,800	0
Interest Income	150,779	98,400	69,500	69,500
Total Revenues	<u>5,703,680</u>	<u>6,738,900</u>	<u>6,513,600</u>	<u>7,490,400</u>
<u>Expenses:</u>				
Vehicle Maintenance	2,578,262	2,997,600	2,644,500	2,857,210
Gasoline/Diesel Expense	1,064,363	1,557,400	1,455,300	1,764,290
Total Expenses	<u>3,642,625</u>	<u>4,555,000</u>	<u>4,099,800</u>	<u>4,621,500</u>
Budget Gain / (Loss) Before Capital	<u>\$ 2,061,055</u>	<u>\$ 2,183,900</u>	<u>\$ 2,413,800</u>	<u>\$ 2,868,900</u>
<u>Capital Revenues / (Expenses):</u>				
Gain/Loss Sale of Assets	86,730	0	181,400	0
Transfer from General	0	3,000	3,000	0
Transfer from Off-Street Parking	13,888	0	0	0
Transfer from Replacement	0	37,434	37,400	0
Transfer from WWT Improvements	29,439	238,999	238,600	0
Transfer from Solid Waste	238,642	0	0	0
Capital Expenditures	(700,436)	(4,250,263)	(4,250,200)	(3,610,000)
Transfer to Other Funds	0	(11,198)	0	0
Transfer to General	(11,198)	0	0	0
Total Expenses	<u>(342,935)</u>	<u>(3,982,028)</u>	<u>(3,789,800)</u>	<u>(3,610,000)</u>
Budget Gain / (Loss)	<u>\$ 1,718,120</u>	<u>\$ (1,798,128)</u>	<u>\$ (1,376,000)</u>	<u>\$ (741,100)</u>
Total Budget	<u>\$ 4,354,259</u>	<u>\$ 8,816,461</u>	<u>\$ 8,350,000</u>	<u>\$ 8,231,500</u>

City of Fayetteville, Arkansas
2012 Operating Budget
Shop Fund (9700)

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2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
ESTIMATED CHANGE IN NET ASSETS				
Beginning Total Net Assets	\$ 17,173,542	\$ 16,967,299	\$ 16,967,299	\$ 17,221,402
Budget Gain / (Loss)	1,718,120	(1,798,128)	(1,376,000)	(741,100)
Plus Gain Capital Expenditures	700,436	4,250,263	4,250,200	3,610,000
Less: Depreciation Expense	(2,624,799)	(2,556,133)	(2,620,097)	(3,161,378)
Ending Total Net Assets	<u>\$ 16,967,299</u>	<u>\$ 16,863,301</u>	<u>\$ 17,221,402</u>	<u>\$ 16,928,924</u>
NET ASSET ANALYSIS				
Net Investment in Capital Assets	\$ 8,766,931	\$ 10,461,061	\$ 10,397,034	\$ 10,845,656
Restricted for Prepaids	72,151	72,151	72,151	72,151
Unrestricted	8,128,217	6,330,089	6,752,217	6,011,117
Ending Total Net Assets	<u>\$ 16,967,299</u>	<u>\$ 16,863,301</u>	<u>\$ 17,221,402</u>	<u>\$ 16,928,924</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Shop Fund (9700)

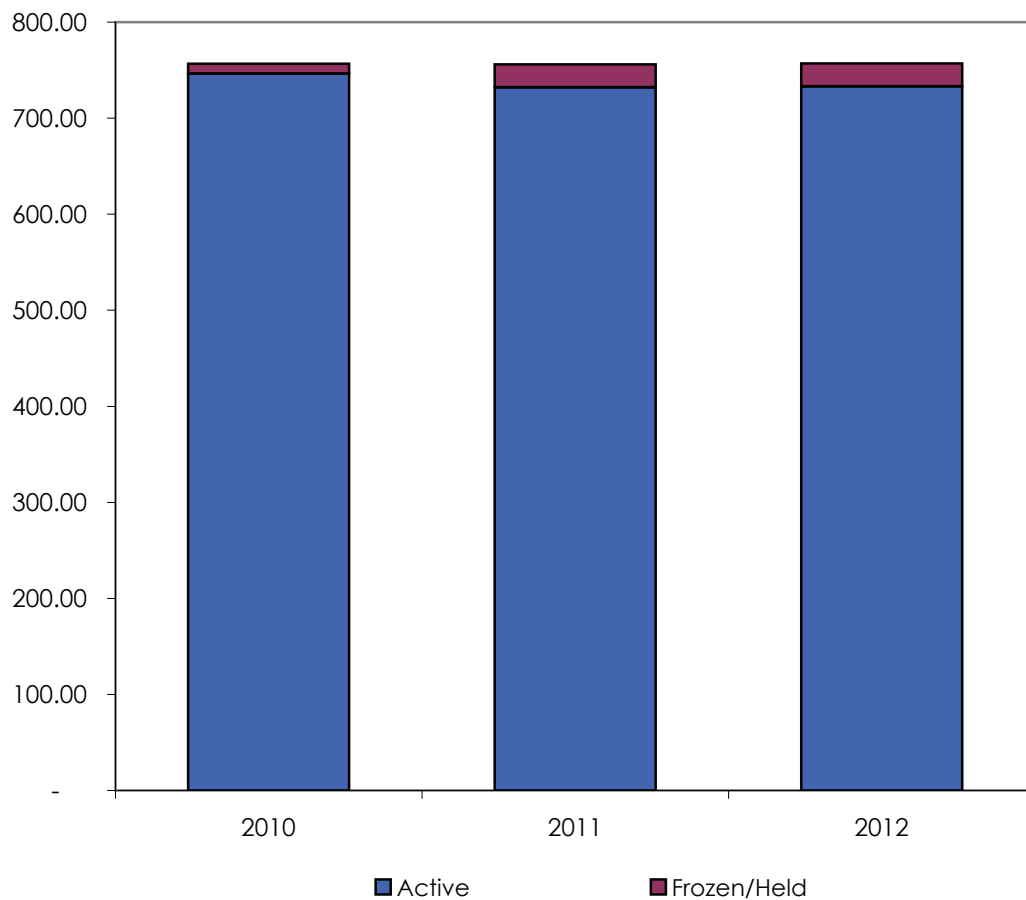
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2012 Annual Budget and Work Program
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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Transportation, Parking, Utilities Activity				
Vehicle Maintenance Program (1910):				
Personnel Services	\$ 1,088,500	\$ 1,195,187	\$ 1,042,154	\$ 1,087,422
Materials and Supplies	1,729,181	2,422,468	2,225,574	2,576,805
Services and Charges	394,822	494,121	407,885	510,866
Motorpool Charges	73,357	67,866	61,920	62,404
Cost allocation	318,468	318,468	318,468	318,468
Maintenance	37,388	55,790	42,699	65,535
Capital	1,847	0	0	0
Operating Transfers	11,198	11,198	0	0
	<u>3,654,761</u>	<u>4,565,098</u>	<u>4,098,700</u>	<u>4,621,500</u>
Capital Expense Program (1920):				
Services and Charges	909	1,100	1,100	0
Capital	698,589	4,250,263	4,250,200	3,610,000
	<u>699,498</u>	<u>4,251,363</u>	<u>4,251,300</u>	<u>3,610,000</u>
Total Transportation, Parking, Utilities Activity	<u>\$ 4,354,259</u>	<u>\$ 8,816,461</u>	<u>\$ 8,350,000</u>	<u>\$ 8,231,500</u>
Total Fund	<u>\$ 4,354,259</u>	<u>\$ 8,816,461</u>	<u>\$ 8,350,000</u>	<u>\$ 8,231,500</u>

City of Fayetteville, Arkansas
Personnel Summary
Full Time Equivalent Basis

Activity	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
General Government	41.50	41.50	40.50	1.00	41.50
Finance & Internal Services	70.25	69.75	65.75	4.00	69.75
Police	171.63	171.60	159.50	8.10	171.60
Fire	114.00	114.00	111.50	2.50	114.00
Community Planning & Engineering	70.30	70.30	65.80	5.50	70.30
Transportation, Parking & Utilities	234.50	234.50	234.50	1.00	235.50
Parks & Recreation	54.35	54.35	52.35	2.00	54.35
Total	756.53	756.00	729.90	24.10	757.00

Full-Time Equivalent by Status



City of Fayetteville, Arkansas
Personnel Variation Summary (2012)

Fund / Division	Additions / (Deletions)
<u>Parking Fund</u>	
Parking & Telecommunications	<u>1.00</u> Account Clerk
	<u><u>1.00</u></u> Net Changes

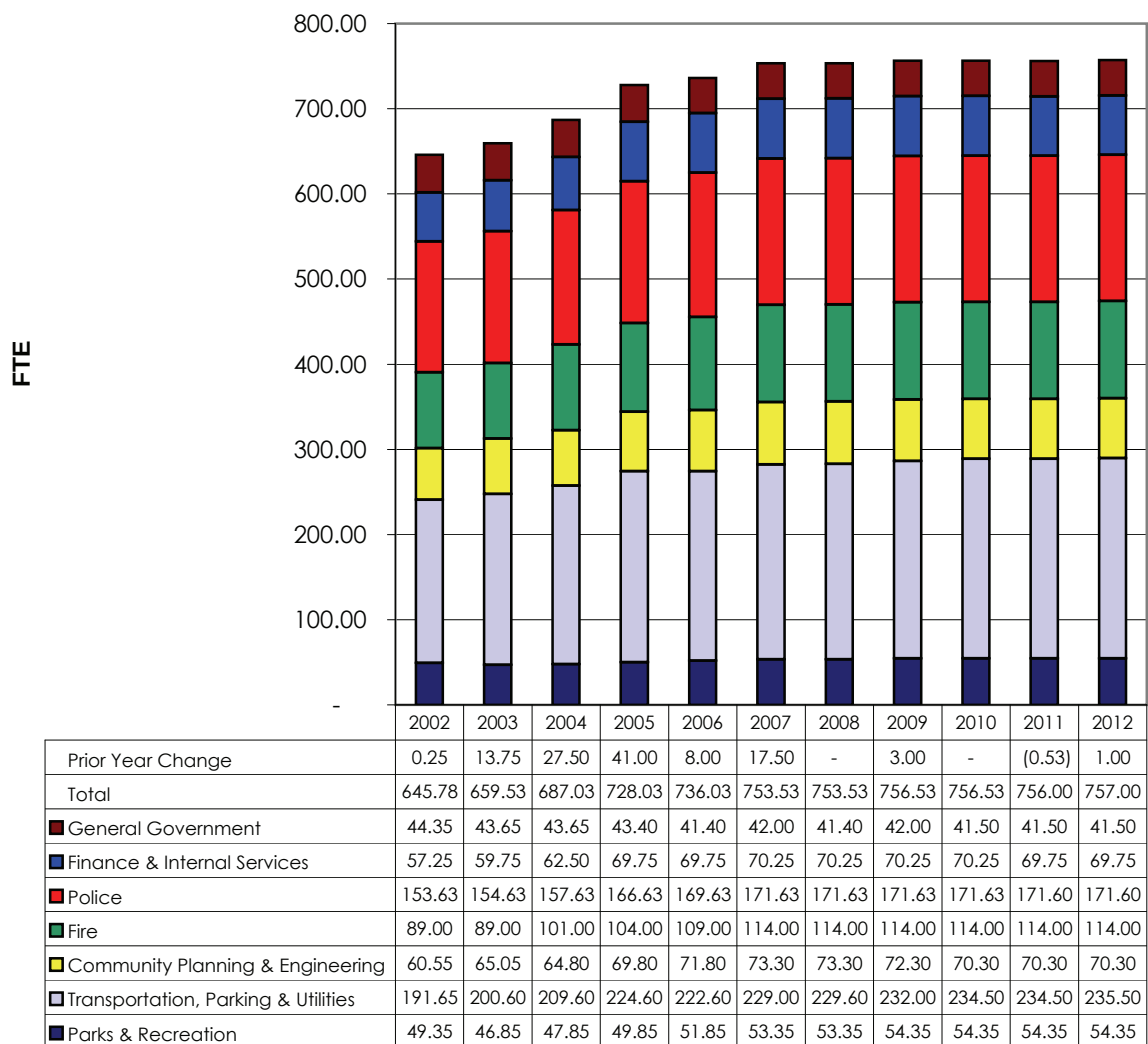
NOTES TO THE PERSONNEL VARIATION SUMMARY

1. An Account Clerk is being added to the Parking and Telecommunications Division. The Entertainment District Parking Program has increased the workload and responsibilities of the division. This position is funded in the Parking Fund.

City of Fayetteville, Arkansas
Personnel Summary
Personnel History (2002-2012)

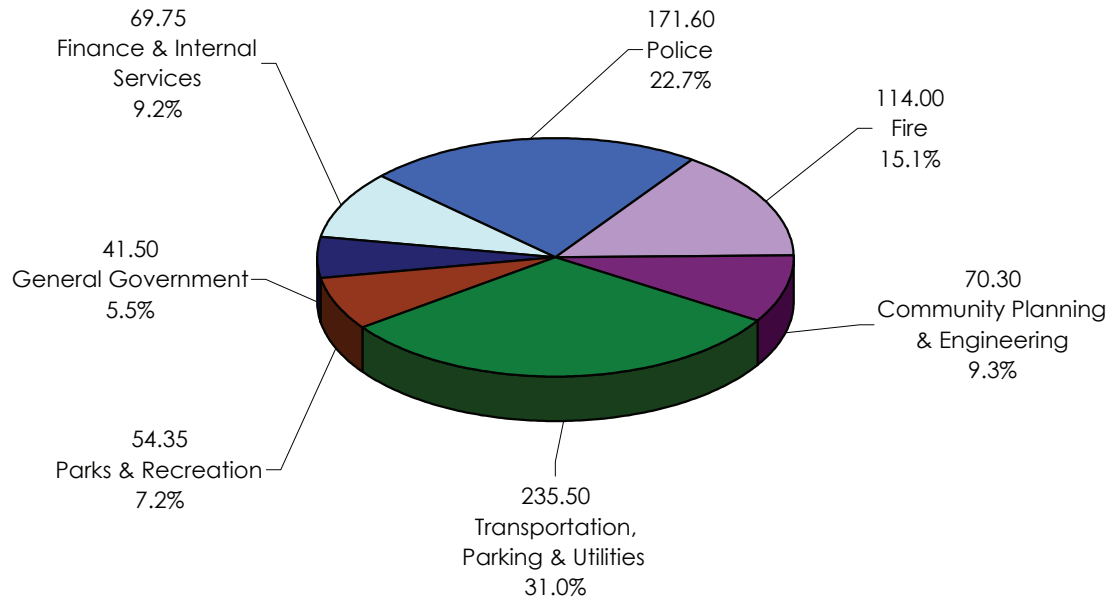
Below is a history of total positions by activity from 2002-2012. The 2012 Proposed Budget increased by 1.00 position. An Account Clerk position is being added to the Parking and Telecommunications Division due to increased responsibilities and workload of adding the Entertainment District Parking Program.

Personnel History (2002-2012)

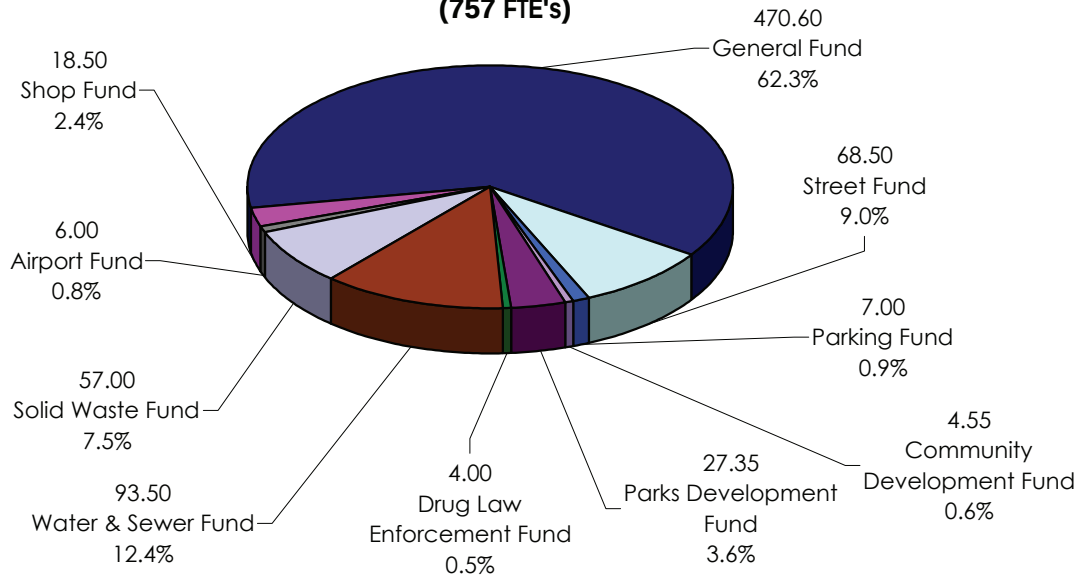


City of Fayetteville, Arkansas
 Personnel Summary
 Full Time Equivalent by Activity and Fund

**Full Time Equivalent Basis by Activity
 (757 FTE's)**



**Full Time Equivalent Basis by Fund
 (757 FTE's)**



City of Fayetteville, Arkansas
Personnel by Activity & Division - Summary

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
GENERAL GOVERNMENT ACTIVITY:					
Mayor's Administration Division	2.00	2.00	2.00	0.00	2.00
Chief of Staff Division	1.25	1.25	1.25	0.00	1.25
Internal Consulting Division	1.00	1.00	1.00	0.00	1.00
City Attorney Division	3.00	3.00	3.00	0.00	3.00
Communications & Marketing Division	3.00	3.00	3.00	0.00	3.00
Government Channel Division	4.25	4.25	4.25	0.00	4.25
Internal Audit Division	1.00	1.00	1.00	0.00	1.00
City Clerk/Treasurer Division	5.50	5.50	5.50	0.00	5.50
City Prosecutor Division	9.00	9.00	9.00	0.00	9.00
Fayetteville District Court Division	11.50	11.50	10.50	1.00	11.50
Total General Government Personnel	41.50	41.50	40.50	1.00	41.50
FINANCE AND INTERNAL SERVICES ACTIVITY:					
Finance Director Division	1.25	1.25	1.25	0.00	1.25
Billing & Collections Division	17.00	17.00	17.00	0.00	17.00
Human Resources Division	5.50	5.00	4.00	1.00	5.00
Accounting & Audit Division	11.50	11.50	11.00	0.50	11.50
Budget & Research Division	4.00	4.00	3.00	1.00	4.00
Building Maintenance Division	14.50	14.50	14.00	0.50	14.50
Purchasing Division	3.50	3.50	3.50	0.00	3.50
Information Technology Division	13.00	13.00	12.00	1.00	13.00
Total Finance and Internal Services Personnel	70.25	69.75	65.75	4.00	69.75
POLICE ACTIVITY:					
Central Dispatch Division	24.00	24.00	23.00	1.00	24.00
Police Division	147.63	147.60	136.50	7.10	147.60
Total Police Personnel	171.63	171.60	159.50	8.10	171.60
FIRE ACTIVITY:					
Fire Division	114.00	114.00	111.50	2.50	114.00
Total Fire Personnel	114.00	114.00	111.50	2.50	114.00
COMMUNITY PLANNING & ENGINEERING ACTIVITY:					
Development Services Division	2.00	2.00	2.00	0.00	2.00
City Planning Division	8.00	8.00	7.00	2.00	8.00
Sustainability & Strategic Planning Division	3.00	3.00	3.00	0.00	3.00
Engineering Division	21.00	21.00	20.00	1.00	21.00
Building Safety Division	10.00	10.00	7.50	2.50	10.00
Community Services Division	10.50	10.50	10.50	0.00	10.50
Animal Services Division	15.80	15.80	15.80	0.00	15.80
Total Community Planning & Engineering Personnel	70.30	70.30	65.80	5.50	70.30

City of Fayetteville, Arkansas
Personnel by Activity & Division - Summary

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
TRANSPORTATION, PARKING & UTILITIES ACTIVITY:					
Parking & Telecommunications Division	8.00	8.00	9.00	0.00	9.00
Transportation Services Division	68.50	68.50	68.50	0.00	68.50
Utilities Director Division	5.50	5.50	5.50	0.00	5.50
Water & Sewer Maintenance Division	71.00	71.00	71.00	0.00	71.00
Solid Waste & Recycling Division	57.00	57.00	57.00	0.00	57.00
Fleet Operations Division	18.50	18.50	18.50	0.00	18.50
Aviation Division:	6.00	6.00	5.00	1.00	6.00
Total Transportation, Parking & Utilities Personnel	234.50	234.50	234.50	1.00	235.50
PARKS & RECREATION ACTIVITY:					
Parks & Recreation Division	54.35	54.35	52.35	2.00	54.35
Total Parks & Recreation Personnel	54.35	54.35	52.35	2.00	54.35
Total Personnel by Activity	756.53	756.00	729.90	24.10	757.00

City of Fayetteville, Arkansas
Personnel by Activity & Division

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
GENERAL GOVERNMENT ACTIVITY:					
Mayor's Administration Division:					
Mayor	1.00	1.00	1.00	0.00	1.00
Mayor's Office Administrator	1.00	1.00	1.00	0.00	1.00
	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>0.00</u>	<u>2.00</u>
Chief of Staff Division:					
Chief of Staff	1.00	1.00	1.00	0.00	1.00
Administrative Assistant - Mayor's Office	0.25	0.25	0.25	0.00	0.25
	<u>1.25</u>	<u>1.25</u>	<u>1.25</u>	<u>0.00</u>	<u>1.25</u>
Internal Consulting Division:					
Director of Internal Consulting	0.00	1.00	1.00	0.00	1.00
Sustainability Coordinator	1.00	0.00	0.00	0.00	0.00
	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>0.00</u>	<u>1.00</u>
City Attorney Division:					
City Attorney	1.00	1.00	1.00	0.00	1.00
Assistant City Attorney	1.00	1.00	1.00	0.00	1.00
Senior Secretary - City Attorney	1.00	1.00	1.00	0.00	1.00
	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>	<u>0.00</u>	<u>3.00</u>
Communications & Marketing Division:					
Communications & Marketing Director	1.00	1.00	1.00	0.00	1.00
Community Outreach Coordinator	1.00	1.00	1.00	0.00	1.00
Administrative Assistant - Mayor's Office	1.00	1.00	1.00	0.00	1.00
	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>	<u>0.00</u>	<u>3.00</u>
Government Channel Division:					
Television Center Manager	0.00	1.00	1.00	0.00	1.00
Programming Coordinator	0.00	1.00	1.00	0.00	1.00
Production Technician	1.00	2.25	2.25	0.00	2.25
Government Channel Manager	1.00	0.00	0.00	0.00	0.00
Associate Producer	1.00	0.00	0.00	0.00	0.00
Production Specialist	1.25	0.00	0.00	0.00	0.00
	<u>4.25</u>	<u>4.25</u>	<u>4.25</u>	<u>0.00</u>	<u>4.25</u>
Internal Audit Division:					
Internal Auditor	1.00	1.00	1.00	0.00	1.00
	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>0.00</u>	<u>1.00</u>
City Clerk/Treasurer Division:					
City Clerk/Treasurer	1.00	1.00	1.00	0.00	1.00
Deputy City Clerk	1.50	1.50	1.50	0.00	1.50
Document Management Manager	1.00	1.00	1.00	0.00	1.00
Senior Secretary - City Clerk	1.00	1.00	1.00	0.00	1.00
Office & Records Assistant	0.50	0.50	0.50	0.00	0.50
Intern I	0.50	0.50	0.50	0.00	0.50
	<u>5.50</u>	<u>5.50</u>	<u>5.50</u>	<u>0.00</u>	<u>5.50</u>

City of Fayetteville, Arkansas
Personnel by Activity & Division

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
City Prosecutor Division:					
Prosecuting Attorney	1.00	1.00	1.00	0.00	1.00
Deputy City Prosecutor	1.00	1.00	1.00	0.00	1.00
Office Manager/Hot Check Administrator	1.00	1.00	1.00	0.00	1.00
Senior Legal Assistant	2.00	2.00	2.00	0.00	2.00
Hot Check Program Clerk	1.00	1.00	1.00	0.00	1.00
Legal Assistant	1.00	1.00	1.00	0.00	1.00
Secretary - Prosecutor's Office	1.00	1.00	1.00	0.00	1.00
Clerk	0.50	0.50	0.50	0.00	0.50
Law Clerk	0.50	0.50	0.50	0.00	0.50
	<u>9.00</u>	<u>9.00</u>	<u>9.00</u>	<u>0.00</u>	<u>9.00</u>
Fayetteville District Court Division:					
District Judge	1.00	1.00	1.00	0.00	1.00
District Court Administrator	1.00	1.00	1.00	0.00	1.00
Court Services Officer	1.00	0.50	0.50	0.00	0.50
Lead Court Clerk	1.00	1.00	1.00	0.00	1.00
Deputy Court Clerk II	2.00	2.00	2.00	0.00	2.00
Deputy Court Clerk I	5.50	6.00	5.00	1.00	6.00
	<u>11.50</u>	<u>11.50</u>	<u>10.50</u>	<u>1.00</u>	<u>11.50</u>
Total General Government Personnel	<u>41.50</u>	<u>41.50</u>	<u>40.50</u>	<u>1.00</u>	<u>41.50</u>

City of Fayetteville, Arkansas
Personnel by Activity & Division

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
FINANCE AND INTERNAL SERVICES ACTIVITY:					
Finance Director Division:					
Finance Director	1.00	1.00	1.00	0.00	1.00
Administrative Assistant - Mayor's Office	0.25	0.25	0.25	0.00	0.25
	<u>1.25</u>	<u>1.25</u>	<u>1.25</u>	<u>0.00</u>	<u>1.25</u>
Billing & Collections Division:					
Billing & Collections Manager	1.00	1.00	1.00	0.00	1.00
Billing & Collections Coordinator	1.00	1.00	1.00	0.00	1.00
Financial Analyst - Business Office	1.00	1.00	1.00	0.00	1.00
Senior Customer Service Representative	4.00	4.00	4.00	0.00	4.00
Customer Service Representative I	10.00	10.00	10.00	0.00	10.00
	<u>17.00</u>	<u>17.00</u>	<u>17.00</u>	<u>0.00</u>	<u>17.00</u>
Human Resources Division:					
Human Resources Director	1.00	1.00	1.00	0.00	1.00
Senior Human Resources Officer	1.00	1.00	1.00	0.00	1.00
Human Resources Administrator	1.00	1.00	1.00	0.00	1.00
Benefits Administrator	1.00	1.00	0.00	1.00	1.00
Human Resources Assistant	1.00	1.00	1.00	0.00	1.00
Intern I	0.50	0.00	0.00	0.00	0.00
	<u>5.50</u>	<u>5.00</u>	<u>4.00</u>	<u>1.00</u>	<u>5.00</u>
Accounting & Audit Division:					
Accounting Director	1.00	1.00	1.00	0.00	1.00
Accounting Manager - Payroll & Pension	1.00	1.00	1.00	0.00	1.00
Accounting Manager - Investment & Cash	1.00	1.00	1.00	0.00	1.00
Fixed Assets/Investment Coordinator	1.00	1.00	1.00	0.00	1.00
Contract/Grant Financial Accountant	1.00	1.00	1.00	0.00	1.00
Accountant - Payroll	1.00	1.00	1.00	0.00	1.00
Accountant - Revenues	1.00	1.00	1.00	0.00	1.00
Accounting Clerk - Payables	1.00	1.00	1.00	0.00	1.00
Accounting Clerk - Receivable	1.00	1.00	1.00	0.00	1.00
Accounting Clerk - Cash	1.00	1.00	1.00	0.00	1.00
Accounting Clerk - Data Entry	1.00	1.00	1.00	0.00	1.00
Intern I	0.50	0.50	0.00	0.50	0.50
	<u>11.50</u>	<u>11.50</u>	<u>11.00</u>	<u>0.50</u>	<u>11.50</u>
Budget & Research Division:					
Budget Director	1.00	1.00	1.00	0.00	1.00
Senior Research Analyst	1.00	1.00	1.00	0.00	1.00
Financial Analyst - Budget	1.00	1.00	1.00	0.00	1.00
Budget Analyst	1.00	1.00	0.00	1.00	1.00
	<u>4.00</u>	<u>4.00</u>	<u>3.00</u>	<u>1.00</u>	<u>4.00</u>

City of Fayetteville, Arkansas
Personnel by Activity & Division

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
Building Maintenance Division:					
Building Maintenance Superintendent	1.00	1.00	1.00	0.00	1.00
Building Maintenance Project Manager	1.00	1.00	0.50	0.50	1.00
Crew Leader - Building Maintenance	1.00	1.00	1.00	0.00	1.00
Crew Leader - Building Services	1.00	1.00	1.00	0.00	1.00
Maintenance Worker II - Building Maintenance	1.00	1.00	1.00	0.00	1.00
Maintenance Worker I - Building Maintenance	1.00	1.00	1.00	0.00	1.00
HVAC Technician	1.00	1.00	1.00	0.00	1.00
Senior Secretary - Building Maintenance	1.00	1.00	1.00	0.00	1.00
Custodian	6.50	6.50	6.50	0.00	6.50
	<u>14.50</u>	<u>14.50</u>	<u>14.00</u>	<u>0.50</u>	<u>14.50</u>
Purchasing Division:					
Purchasing Manager	1.00	1.00	1.00	0.00	1.00
Purchasing Agent	1.00	1.00	1.00	0.00	1.00
Purchasing Technician	1.00	1.00	1.00	0.00	1.00
Intern I	0.50	0.50	0.50	0.00	0.50
	<u>3.50</u>	<u>3.50</u>	<u>3.50</u>	<u>0.00</u>	<u>3.50</u>
Information Technology Division:					
Information Technologies Director	1.00	1.00	1.00	0.00	1.00
GIS Coordinator	1.00	1.00	1.00	0.00	1.00
Systems Analyst	1.00	1.00	1.00	0.00	1.00
Systems Administrator	1.00	1.00	1.00	0.00	1.00
Database Administrator	1.00	1.00	0.00	1.00	1.00
Network Engineer	1.00	1.00	1.00	0.00	1.00
Senior Programmer/Analyst	1.00	1.00	1.00	0.00	1.00
GIS Technician	4.00	4.00	4.00	0.00	4.00
Business Systems Analyst	1.00	1.00	1.00	0.00	1.00
Help Desk Analyst	1.00	1.00	1.00	0.00	1.00
	<u>13.00</u>	<u>13.00</u>	<u>12.00</u>	<u>1.00</u>	<u>13.00</u>
Total Finance and Internal Services Personnel	<u>70.25</u>	<u>69.75</u>	<u>65.75</u>	<u>4.00</u>	<u>69.75</u>

City of Fayetteville, Arkansas
Personnel by Activity & Division

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
POLICE ACTIVITY:					
Central Dispatch Division:					
Dispatch Manager	1.00	1.00	1.00	0.00	1.00
Assistant Dispatch Manager	1.00	1.00	1.00	0.00	1.00
Dispatch Shift Supervisor	2.00	2.00	2.00	0.00	2.00
Dispatch Trainer	2.00	2.00	2.00	0.00	2.00
Dispatcher III	7.00	9.00	9.00	0.00	9.00
Dispatcher II	2.00	3.00	3.00	0.00	3.00
Dispatcher I	9.00	6.00	5.00	1.00	6.00
	<u>24.00</u>	<u>24.00</u>	<u>23.00</u>	<u>1.00</u>	<u>24.00</u>
Police Division:					
Police Chief	1.00	1.00	1.00	0.00	1.00
Deputy Chief of Police	2.00	2.00	1.00	1.00	2.00
Police Captain	3.00	3.00	3.00	0.00	3.00
Police Lieutenant	5.00	5.00	5.00	0.00	5.00
Police Sergeant	15.00	15.00	15.00	0.00	15.00
Police Corporal	53.00	57.00	52.00	1.00	57.00
Police Officer	42.00	38.00	35.00	3.00	38.00
IT Manager - Police	1.00	1.00	1.00	0.00	1.00
Systems Analyst	1.00	1.00	1.00	0.00	1.00
Support Services Manager	1.00	1.00	1.00	0.00	1.00
Financial Coordinator - Police	1.00	1.00	1.00	0.00	1.00
Property/Evidence Manager	1.00	1.00	1.00	0.00	1.00
Senior Crime Scene Technician	1.00	1.00	1.00	0.00	1.00
Records Coordinator	1.00	1.00	1.00	0.00	1.00
Senior Secretary - Police	5.00	5.00	4.00	1.00	5.00
Senior Police Support Specialist	2.00	2.00	2.00	0.00	2.00
Police Support Specialist	7.50	7.50	7.50	0.00	7.50
Police Clerk	2.00	2.00	2.00	0.00	2.00
Police Clerk Imaging	0.00	0.50	0.50	0.00	0.50
Transcriptionist	1.50	1.50	1.00	0.50	1.50
Park Patrol	1.13	1.10	0.50	0.60	1.10
Clerk	0.50	0.00	0.00	0.00	0.00
	<u>147.63</u>	<u>147.60</u>	<u>136.50</u>	<u>7.10</u>	<u>147.60</u>
Total Police Personnel	171.63	171.60	159.50	8.10	171.60

City of Fayetteville, Arkansas
Personnel by Activity & Division

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
FIRE ACTIVITY:					
Fire Division:					
Fire Chief	1.00	1.00	1.00	0.00	1.00
Assistant Fire Chief	2.00	2.00	2.00	0.00	2.00
Fire Battalion Chief	3.00	3.00	3.00	0.00	3.00
Fire Battalion Chief - Fire Marshall	1.00	1.00	1.00	0.00	1.00
Fire Battalion Chief - Training Officer	1.00	1.00	1.00	0.00	1.00
Fire Captain - Training Officer	1.00	1.00	1.00	0.00	1.00
Fire Captain - Assistant Fire Marshall	3.00	3.00	2.00	1.00	3.00
Fire Captain	30.00	30.00	30.00	0.00	30.00
Fire Captain - Safety Officer	1.00	1.00	1.00	0.00	1.00
Driver/Operator/Firefighter	27.00	27.00	27.00	0.00	27.00
Firefighter	40.00	40.00	39.00	1.00	40.00
Life Safety Education Specialist	1.00	1.00	1.00	0.00	1.00
Financial Analyst - Fire	1.00	1.00	0.50	0.50	1.00
Secretary - Fire	1.00	1.00	1.00	0.00	1.00
IT Analyst - Fire	1.00	1.00	1.00	0.00	1.00
	114.00	114.00	111.50	2.50	114.00
Total Fire Personnel	114.00	114.00	111.50	2.50	114.00

City of Fayetteville, Arkansas
Personnel by Activity & Division

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
COMMUNITY PLANNING & ENGINEERING ACTIVITY:					
Development Services Division:					
Development Services Director	1.00	1.00	1.00	0.00	1.00
Office Manager - Development Services	1.00	1.00	1.00	0.00	1.00
	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>0.00</u>	<u>2.00</u>
City Planning Division:					
Senior Planner - Current Planning	1.00	1.00	1.00	0.00	1.00
Planner - Current Planning	2.00	2.00	2.00	0.00	2.00
Planning Technician - Current Planning	1.00	1.00	1.00	0.00	1.00
Senior Secretary - Current Planning	1.00	1.00	1.00	0.00	1.00
Senior Planning Clerk	1.00	1.00	1.00	0.00	1.00
Permit Clerk	1.00	1.00	0.00	1.00	1.00
Director of Current Planning	1.00	1.00	1.00	1.00	1.00
	<u>8.00</u>	<u>8.00</u>	<u>7.00</u>	<u>2.00</u>	<u>8.00</u>
Sustainability & Strategic Planning Division:					
Director of Sustainability & Strategic Planning	0.00	1.00	1.00	0.00	1.00
Designer & Project Coordinator	1.00	1.00	1.00	0.00	1.00
Planner - Long Range	1.00	1.00	1.00	0.00	1.00
Strategic Planning & Internal Consulting Director	1.00	0.00	0.00	0.00	0.00
	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>	<u>0.00</u>	<u>3.00</u>
Engineering Division:					
City Engineer	1.00	1.00	1.00	0.00	1.00
Assistant City Engineer	2.00	2.00	1.00	1.00	2.00
Staff Engineer	3.00	3.00	3.00	0.00	3.00
Review Engineer	1.00	1.00	1.00	0.00	1.00
Trails Coordinator	1.00	1.00	1.00	0.00	1.00
Surveyor	1.00	1.00	1.00	0.00	1.00
Land Agent II	1.00	1.00	1.00	0.00	1.00
Land Agent I	2.00	2.00	2.00	0.00	2.00
CAD Drafter	2.00	2.00	2.00	0.00	2.00
PW Projects Inspector	5.00	4.00	4.00	0.00	4.00
Land Survey Technician	1.00	1.00	1.00	0.00	1.00
Engineering Services Coordinator	1.00	1.00	1.00	0.00	1.00
Public Works Inspection Manager	0.00	1.00	1.00	0.00	1.00
	<u>21.00</u>	<u>21.00</u>	<u>20.00</u>	<u>1.00</u>	<u>21.00</u>

City of Fayetteville, Arkansas
Personnel by Activity & Division

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
Building Safety Division:					
Building Official - Plans Examiner	1.00	1.00	0.00	1.00	1.00
Building Official - Safety	1.00	1.00	1.00	0.00	1.00
Inspector - Commercial & Residential	3.00	2.00	2.00	0.00	2.00
Inspector - Residential	2.00	3.00	3.00	0.00	3.00
Permit Technician	1.00	1.00	1.00	0.00	1.00
Inspections Clerk	1.50	1.50	0.00	1.50	1.50
Clerk Typist	0.50	0.50	0.50	0.00	0.50
	<u>10.00</u>	<u>10.00</u>	<u>7.50</u>	<u>2.50</u>	<u>10.00</u>
Community Services Division:					
Community Services Director	1.00	1.00	1.00	0.00	1.00
Community Resources Administrator	1.00	1.00	1.00	0.00	1.00
Housing Manager	1.00	1.00	1.00	0.00	1.00
Code Compliance Officer	5.00	5.00	5.00	0.00	5.00
Community Services Project Coordinator	1.00	1.00	1.00	0.00	1.00
Administrative Assistant - Community Resources	1.00	1.00	1.00	0.00	1.00
Intern II	0.50	0.50	0.50	0.00	0.50
	<u>10.50</u>	<u>10.50</u>	<u>10.50</u>	<u>0.00</u>	<u>10.50</u>
Animal Services Division:					
Animal Services Superintendent	1.00	1.00	1.00	0.00	1.00
Animal Services Program Administrator	1.00	1.00	1.00	0.00	1.00
Animal Services Program Manager	1.00	1.00	1.00	0.00	1.00
Veterinarian	1.00	1.00	1.00	0.00	1.00
Veterinary Assistant	1.00	1.00	1.00	0.00	1.00
Animal Services Officer	3.00	3.00	3.00	0.00	3.00
Secretary - Animal Services	1.00	1.00	1.00	0.00	1.00
Shelter Attendant	6.80	6.80	6.80	0.00	6.80
	<u>15.80</u>	<u>15.80</u>	<u>15.80</u>	<u>0.00</u>	<u>15.80</u>
Total Community Planning & Engineering Personnel	<u>70.30</u>	<u>70.30</u>	<u>65.80</u>	<u>5.50</u>	<u>70.30</u>

City of Fayetteville, Arkansas
Personnel by Activity & Division

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
TRANSPORTATION, PARKING & UTILITIES ACTIVITY:					
Parking & Telecommunications Division:					
Parking & Telecommunications Manager	1.00	1.00	1.00	0.00	1.00
Telecommunications Engineer	1.00	1.00	1.00	0.00	1.00
Account Clerk - Parking	1.00	1.00	2.00	0.00	2.00
Field Operations Supervisor - Parking	1.00	1.00	1.00	0.00	1.00
Parking Enforcement Officer	4.00	4.00	4.00	0.00	4.00
	8.00	8.00	9.00	0.00	9.00
Transportation Services Division:					
Transportation Services Director	1.00	1.00	1.00	0.00	1.00
Assistant Transportation Manager	2.00	2.00	2.00	0.00	2.00
Management Accounting Coordinator	1.00	1.00	1.00	0.00	1.00
Financial Coordinator - Operations	1.00	1.00	1.00	0.00	1.00
Operations Assistant	2.00	2.00	2.00	0.00	2.00
Office Manager - Transportation	1.00	1.00	1.00	0.00	1.00
Senior Field Operations Supervisor	2.00	2.00	2.00	0.00	2.00
Field Operations Supervisor - Transportation	2.00	2.00	2.00	0.00	2.00
Traffic Control Supervisor	1.00	1.00	1.00	0.00	1.00
Traffic Signal Technician	3.00	3.00	3.00	0.00	3.00
Traffic Technician	2.00	2.00	2.00	0.00	2.00
Construction Lead Worker	0.00	7.00	7.00	0.00	7.00
Crew Leader - Transportation	2.00	1.00	1.00	0.00	1.00
Maintenance Worker - Transportation Facility	1.00	1.00	1.00	0.00	1.00
Maintenance Worker IV - Asphalt	5.00	7.00	7.00	0.00	7.00
Maintenance Worker IV - Concrete	2.00	1.00	1.00	0.00	1.00
Maintenance Worker IV - Construction	3.00	3.00	3.00	0.00	3.00
Maintenance Worker IV - Drainage	3.00	3.00	3.00	0.00	3.00
Maintenance Worker IV - Right of Way	1.00	1.00	1.00	0.00	1.00
Maintenance Worker IV - Trails	2.00	1.00	1.00	0.00	1.00
Maintenance Worker III - Transportation	20.00	20.00	20.00	0.00	20.00
Maintenance Worker I - Transportation	4.50	4.50	4.50	0.00	4.50
Clerk Typist	1.00	1.00	1.00	0.00	1.00
Maintenance Worker II - Transportation	1.00	0.00	0.00	0.00	0.00
Lead Maintenance Worker	5.00	0.00	0.00	0.00	0.00
	68.50	68.50	68.50	0.00	68.50

City of Fayetteville, Arkansas
Personnel by Activity & Division

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
Utilities Director Division:					
Utilities Director	1.00	1.00	1.00	0.00	1.00
Administrative Assistant - Mayor's Office	0.50	0.50	0.50	0.00	0.50
Construction & Contract Manager	1.00	1.00	1.00	0.00	1.00
Capital Projects & Contracts Engineer	1.00	1.00	1.00	0.00	1.00
Staff Engineer - Water & Wastewater	1.00	1.00	1.00	0.00	1.00
Utilities Project Coordinator	1.00	1.00	1.00	0.00	1.00
	<u>5.50</u>	<u>5.50</u>	<u>5.50</u>	<u>0.00</u>	<u>5.50</u>
Water & Sewer Maintenance Division:					
Water/Sewer Operations Manager	1.00	1.00	1.00	0.00	1.00
Water Services Supervisor	1.00	1.00	1.00	0.00	1.00
Meter Reader	9.00	9.00	9.00	0.00	9.00
Meter Operations Assistant	1.00	1.00	1.00	0.00	1.00
Field Service Representative	3.00	3.00	3.00	0.00	3.00
Water Services Technical Supervisor	1.00	1.00	1.00	0.00	1.00
Meter Maintenance Technician	3.00	3.00	3.00	0.00	3.00
Backflow Prevention Operations Assistant	1.00	1.00	1.00	0.00	1.00
Backflow Prevention Technician	1.00	1.00	1.00	0.00	1.00
Field Superintendent - Water & Wastewater	2.00	2.00	2.00	0.00	2.00
Lead Warehouse Attendant	1.00	1.00	1.00	0.00	1.00
Pump & Tank Technician	3.00	3.00	3.00	0.00	3.00
Crew Leader - Water/License	12.00	12.00	12.00	0.00	12.00
Water Field Service Representative	3.00	3.00	3.00	0.00	3.00
Maintenance Worker IV - Water/Sewer License	4.00	5.00	5.00	0.00	5.00
Maintenance Worker IV - Water/Sewer No License	4.00	4.00	4.00	0.00	4.00
Warehouse Attendant - Water/Sewer	2.00	2.00	2.00	0.00	2.00
Office Manager - Water/Sewer	1.00	1.00	1.00	0.00	1.00
Operations Clerk - Water/Sewer	2.00	2.00	2.00	0.00	2.00
Maintenance Worker III - Water/Sewer	15.00	14.00	14.00	0.00	14.00
GIS Technician - Water/Sewer	1.00	1.00	1.00	0.00	1.00
	<u>71.00</u>	<u>71.00</u>	<u>71.00</u>	<u>0.00</u>	<u>71.00</u>

City of Fayetteville, Arkansas
Personnel by Activity & Division

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
Solid Waste & Recycling Division:					
Solid Waste Director	1.00	1.00	1.00	0.00	1.00
Solid Waste Operations Supervisor	1.00	1.00	1.00	0.00	1.00
Waste Reduction Coordinator	1.00	1.00	1.00	0.00	1.00
Office Manager - Solid Waste	1.00	1.00	1.00	0.00	1.00
Solid Waste Commercial Representative	1.00	1.00	1.00	0.00	1.00
Secretary - Solid Waste	2.00	2.00	2.00	0.00	2.00
Crew Leader II SW	0.00	1.00	1.00	0.00	1.00
Crew Leader - Solid Waste	4.00	2.00	2.00	0.00	2.00
Route Driver	40.00	39.00	39.00	0.00	39.00
Relief Driver	3.00	4.00	4.00	0.00	4.00
Custodian - Solid Waste	1.00	1.00	1.00	0.00	1.00
Scale House Attendant	1.00	1.00	1.00	0.00	1.00
Recycling Attendant	0.00	1.00	1.00	0.00	1.00
Maintenance Worker III - Solid Waste	1.00	1.00	1.00	0.00	1.00
	57.00	57.00	57.00	0.00	57.00
Fleet Operations Division:					
Fleet Operations Superintendent	1.00	1.00	1.00	0.00	1.00
Fleet Operations Supervisor	1.00	1.00	1.00	0.00	1.00
Fleet Services Support Manager	1.00	1.00	1.00	0.00	1.00
Lead Equipment Mechanic	2.00	2.00	2.00	0.00	2.00
Equipment Mechanic III	3.00	3.00	3.00	0.00	3.00
Equipment Mechanic II	5.00	4.00	4.00	0.00	4.00
Equipment Mechanic I	2.00	3.00	3.00	0.00	3.00
Automotive Parts Specialist	1.00	1.00	1.00	0.00	1.00
Fleet Operations Clerk	1.00	1.00	1.00	0.00	1.00
Fleet Warranty/Materials Coordinator	1.00	1.00	1.00	0.00	1.00
Equipment Maintenance Worker	0.50	0.50	0.50	0.00	0.50
	18.50	18.50	18.50	0.00	18.50
Aviation Division:					
Airport Director	1.00	1.00	1.00	0.00	1.00
Financial Coordinator - Airport	1.00	1.00	1.00	0.00	1.00
Administrative Assistant - Airport	1.00	1.00	1.00	0.00	1.00
Lead Maintenance Worker	1.00	1.00	1.00	0.00	1.00
Maintenance Worker III - Airport	1.00	1.00	1.00	0.00	1.00
Maintenance Worker II - Airport	1.00	1.00	0.00	1.00	1.00
	6.00	6.00	5.00	1.00	6.00
Total Transportation, Parking & Utilities Personnel	234.50	234.50	234.50	1.00	235.50

City of Fayetteville, Arkansas
Personnel by Activity & Division

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
PARKS & RECREATION ACTIVITY:					
Parks & Recreation Division:					
Parks & Recreation Director	1.00	1.00	1.00	0.00	1.00
Recreation Superintendent	1.00	1.00	1.00	0.00	1.00
Parks Maintenance Superintendent	1.00	1.00	1.00	0.00	1.00
Parks Maintenance Supervisor	1.00	1.00	1.00	0.00	1.00
Horticulturist	2.00	2.00	2.00	0.00	2.00
Park Planning Superintendent	1.00	1.00	1.00	0.00	1.00
Park Planner II	1.00	1.00	1.00	0.00	1.00
Park Planner	1.00	1.00	1.00	0.00	1.00
Urban Forester	1.00	1.00	1.00	0.00	1.00
YRCC Director	1.00	1.00	1.00	0.00	1.00
YRCC Program Coordinator	1.00	1.00	1.00	0.00	1.00
Recreation Programs Assistant II	0.20	0.60	0.60	0.00	0.60
Recreation Programs Assistant	0.60	0.40	0.40	0.00	0.40
Financial Coordinator - Parks & Recreation	1.00	1.00	1.00	0.00	1.00
Crew Leader - Athletic Fields	1.00	1.00	1.00	0.00	1.00
Crew Leader - Forestry Services	1.00	1.00	1.00	0.00	1.00
Crew Leader - Grounds Maintenance	1.00	1.00	1.00	0.00	1.00
Crew Leader - Turf	1.00	1.00	1.00	0.00	1.00
Recreation Programs Manager - Soccer	1.00	1.00	1.00	0.00	1.00
Recreation Programs Manager Youth Softball	0.00	1.00	1.00	0.00	1.00
Recreation Programs Manager - Softball	2.00	1.00	1.00	0.00	1.00
Maintenance Worker - Parks Facilities	2.00	2.00	2.00	0.00	2.00
Senior Secretary - Parks & Recreation	1.00	1.00	1.00	0.00	1.00
Maintenance Worker IV - Parks	5.00	5.00	4.00	1.00	5.00
Maintenance Worker III - Parks	4.00	4.00	4.00	0.00	4.00
Maintenance Worker II - Parks	7.00	7.00	6.00	1.00	7.00
Maintenance Worker I - Parks	4.24	4.24	4.24	0.00	4.24
Horticultural Assistant II	3.00	3.00	3.00	0.00	3.00
Secretary - Parks & Recreation	1.00	1.00	1.00	0.00	1.00
Cashier	0.20	0.20	0.20	0.00	0.20
Pool Manager	0.35	0.35	0.35	0.00	0.35
Assistant Pool Manager	0.40	0.40	0.40	0.00	0.40
Lifeguard	3.01	3.01	3.01	0.00	3.01
Site Supervisor	0.65	0.65	0.65	0.00	0.65
Camp Counselor	1.00	1.00	1.00	0.00	1.00
Urban Forestry Intern	0.50	0.50	0.50	0.00	0.50
YRCC Recreation Assistant	0.20	0.00	0.00	0.00	0.00
	54.35	54.35	52.35	2.00	54.35
Total Parks & Recreation Personnel	54.35	54.35	52.35	2.00	54.35

City of Fayetteville, Arkansas
Frozen Personnel Positions by Activity & Division

Activity / Division / Title	Frozen 2010	Frozen 2011	Frozen 2012
GENERAL GOVERNMENT ACTIVITY:			
Fayetteville District Court Division:			
Deputy Court Clerk I	0.00	1.00	1.00
FINANCE AND INTERNAL SERVICES ACTIVITY:			
Human Resources Division:			
Benefits Administrator	0.00	1.00	1.00
Accounting & Audit Division:			
Intern I	0.50	0.50	0.50
Budget & Research Division:			
Budget Analyst	1.00	1.00	1.00
Building Maintenance Division:			
Building Maintenance Project Manager	0.50	0.50	0.50
Information Technology Division:			
Database Administrator	0.00	0.00	1.00
Business Systems Analyst	0.00	1.00	0.00
Central Dispatch Division:			
Dispatcher I	0.00	1.00	1.00
Police Division:			
Deputy Chief of Police	1.00	1.00	1.00
Police Corporal	1.00	3.00	3.00
Police Officer	0.00	1.00	1.00
Senior Secretary - Police	0.00	1.00	1.00
Transcriptionist	0.00	0.50	0.50
Park Patrol	0.60	0.60	0.60
FIRE ACTIVITY:			
Fire Division:			
Fire Captain - Assistant Fire Marshall	0.00	1.00	1.00
Firefighter	1.00	1.00	1.00
Financial Analyst - Fire	0.50	0.50	0.50

City of Fayetteville, Arkansas
Frozen Personnel Positions by Activity & Division

Activity / Division / Title	Frozen 2010	Frozen 2011	Frozen 2012
COMMUNITY PLANNING & ENGINEERING ACTIVITY:			
City Planning Division:			
Permit Clerk	1.00	1.00	1.00
Director of Current Planning	1.00	1.00	1.00
Engineering Division:			
Assistant City Engineer	1.00	1.00	1.00
Building Safety Division:			
Building Official - Plans Examiner	1.00	1.00	1.00
Inspections Clerk	0.00	1.50	1.50
TRANSPORTATION, PARKING & UTILITIES ACTIVITY:			
Aviation Division:			
Maintenance Worker II - Airport	0.00	1.00	1.00
PARKS & RECREATION ACTIVITY:			
Parks & Recreation Division:			
Maintenance Worker IV - Parks	0.00	1.00	1.00
Maintenance Worker II - Parks	0.00	1.00	1.00
Total Frozen Positions	10.10	24.10	24.10

CITY OF FAYETTEVILLE, ARKANSAS CAPITAL IMPROVEMENTS PROGRAM

Since 1988, the City of Fayetteville has produced a five year Capital Improvements Program (CIP). The CIP examines the infrastructure and capital needs of the City for the next five years. The CIP is reviewed and updated biennially to reflect the changing needs of the community and changes in available funding for financing capital projects. The CIP should be considered as a financial planning tool that lists the City's capital improvement projects and schedules the projects for funding and implementation. The CIP should also be considered one of the primary policy making instruments utilized by the Mayor and City Council. The City's practice has been to adopt the CIP for the forthcoming five year period and then incorporate the projects for the following two years into the next two budget processes.

The subsequent pages provide a summary of the 2012 Capital Improvements Program listed by improvement area, followed by a listing of the capital projects which the City plans for 2012.

2012 Capital Improvements (By Funding Source)

Project Description	2012 Projects 2010-2014 CIP	2012 Proposed Budget
<u>Impact Fee Fund:</u>		
Police Impact Improvements	\$ 272,000	\$ 104,000
Water Impact Improvements	771,000	446,000
Wastewater Impact Improvements	514,000	287,000
Fire Impact Improvements	265,000	84,000
	1,822,000	921,000
<u>Parks Development Fund:</u>		
Regional Park Development	321,000	216,000
Wilson Park Improvements	0	253,000
Neighborhood Park Development	100,000	109,000
Gulley Park Improvements	230,000	0
Brooks-Hummel Nature Preserve Land Purchase	73,000	77,900
Other Park & Safety Improvements	0	20,000
	724,000	675,900

2012 Capital Improvements (By Funding Source)

Project Description	2012 Projects 2010-2014 CIP	2012 Proposed Budget
<u>Sales Tax Capital Improvements Fund:</u>		
Audit Expense	6,700	7,300
Stormwater Quality Management/Nutrient Reduction	175,000	175,000
Other Drainage Improvements	200,000	200,000
Fire Facility Maintenance	25,000	25,000
Fire Mobile Radios	20,000	20,000
AccessFayetteville Technical Improvements	25,000	25,000
Document Management	30,000	30,000
Geographic Information System (GIS)	65,000	65,000
Local Area Network (LAN) Upgrade	125,000	125,000
Microcomputer / Printer Replacements	0	85,700
Microcomputer Replacements	68,000	0
Printer Replacements	15,000	0
Data Center Upgrade	70,000	70,000
Library Computer Replacements	23,000	23,000
Library Material Purchases	336,500	336,500
Building Improvements	362,600	362,600
P.E.G. Television Center - Equipment	54,000	54,000
Field Camera Replacement	60,000	0
On-Screen Graphics Generator Upgrade	0	20,000
Studio Camera & Lighting Upgrades/Replacements	0	85,000
Telecommunication Systems Upgrades	60,000	60,000
Forestry, Safety & ADA Compliance	28,500	108,500
Lights of the Ozarks	23,000	23,000
Other Park & Safety Improvements	10,000	10,000
Tree Escrow	101,000	101,000
Police Building Improvements	25,000	25,000
Police Technology Improvements	50,000	50,000
Police Unmarked Vehicles	30,000	70,000
Police Specialized Equipment	70,000	50,000
Police Bicycle Replacement	10,000	0
Police Equipment Replacement	10,000	0
Police MVR Replacement	185,000	185,000
Old Wire Road-Mission to Crossover	300,000	300,000
Zion Road - Vantage to Crossover	150,000	150,000
Street ROW / Intersection / Cost Shares	100,000	0
Trail Development	1,361,000	1,361,000
In-House Pavement Improvements	1,865,000	1,865,000
Sidewalk Improvements	785,000	635,000
Traffic Signal Improvements	150,000	0
	6,974,300	6,702,600

2012 Capital Improvements (By Funding Source)

Project Description	2012 Projects 2010-2014 CIP	2012 Proposed Budget
<u>Shop Fund:</u>		
Police/Passenger Vehicles - Replacement	414,000	320,000
Construction Equipment - Replacement	104,000	105,000
Solid Waste Equipment - Replacement	1,100,000	1,556,000
Backhoes/Loaders - Replacement	372,000	274,000
Medium/Heavy Utility Trucks Replacement	292,000	197,000
Tractors/Mowers - Replacement	409,000	108,000
Light/Medium Trucks - Replacement	675,000	302,000
Other Vehicles/Equipment - Replacement	529,000	453,000
Shop Improvements	0	295,000
	3,895,000	3,610,000
<u>Water & Sewer Fund:</u>		
Business Office Improvements	12,000	50,000
Upgrade/Replace Lift Stations - WWTP	238,000	112,000
Plant Pumps & Equipment - WWTP	119,000	119,000
Building Improvements - WWTP	36,000	36,000
Phosphorus Standards	0	50,000
Irrigation Reels - WWTP	143,000	143,000
W/S Relocations for Street Bond Projects	500,000	500,000
Sanitary Sewer Rehabilitation	1,750,000	330,000
Water Replace - Huntsville, Crossover to Van Hoose	1,869,000	1,239,500
Water System Rehabilitation & Replacement	143,000	143,000
Backflow Prevention Assemblies	12,000	12,000
Water Meters	330,000	330,000
	5,152,000	3,064,500
<u>Parking Fund:</u>		
Parking Lot Improvements & Overlays	29,000	28,000
Parking Lot Improvements & Overlays - Entertainment Dist.	0	10,000
	29,000	38,000
<u>Solid Waste Fund:</u>		
Compactor Boxes	119,000	119,000
Compost Site Slab Expansion	14,000	14,000
North / Central Recycling Drop Off Facility	455,000	455,000
	588,000	588,000
	\$ 19,184,300	\$ 15,600,000

CITY OF FAYETTEVILLE, ARKANSAS

CAPITAL IMPROVEMENTS PROGRAM DIRECTIONAL INFORMATION

Introduction

The Capital Improvements Program (CIP) for the City of Fayetteville examines the infrastructure and capital needs of the City for the next five years. The CIP will be reviewed and updated on an annual basis to reflect the changing needs of the community and changes in available monies for financing capital projects. The City's philosophy concerning the use of the CIP is that it should be considered as a financial planning tool that lists the City's capital improvement projects, places the projects in a priority order, and schedules the projects for funding and implementation. The CIP should be considered as a major policy tool for the Mayor and City Council.

Capital Improvement Policy

The CIP is approached as a valuable tool to be used in the development of **responsible** and **progressive** financial planning. The program is developed in accordance with the financial policies of the City. The policies and the CIP form the basis for making various annual capital budget decisions and support the City's continued commitment to sound, long-range financial planning and direction. The City's official Capital Improvements Policy is as follows:

- The City will prepare a biennial update of a five year CIP, which will provide for the orderly maintenance, replacement, and expansion of capital assets.
- The CIP will identify long-range capital projects and capital improvements of all types, which will be coordinated with the annual operating budget to maintain full utilization of available sources.
- When preparing the CIP, the City will seek to identify all viable capital projects and capital improvements required during the subsequent five year period. These projects and improvements will be prioritized by year and by funding source. Every attempt will be made to match projects and improvements with available funding sources. Future operating costs associated with a project or an improvement will also be given consideration in the establishment of priorities.
- The City will seek Federal, State, and other funding to assist in financing capital projects and capital improvements.
- The City will incorporate the reasonable findings and recommendations of the City's Boards, Commissions, Committees, and Citizens' task forces as they relate to capital projects and improvements.
- The City will seek input on the establishment of projects and project priorities from the public by holding hearings.

What Projects Are in the CIP

Projects and their cumulative component areas totaling \$10,000 or more should be included in the CIP. Projects costing less than \$5,000 are not considered capital and are funded through program operating budgets. Projects that cost between \$5,000 and \$10,000 are handled through the budget process. Attempts will be made to fund these capital items through operating funds.

Projects in the CIP can include:

- obligations for labor and materials and contractors involved in completing a project
- acquisition of land or structures
- engineering or architectural services, professional studies, or other administrative costs
- expenses for City vehicles and equipment
- renovating or expanding City facilities, grounds, or equipment

Financing

The City finances capital improvements on essentially a pay-as-you-go basis utilizing revenue from the 1% City sales tax originally adopted in 1993, the 1% Parks Development (Hotel, Motel, Restaurant) sales tax adopted in 1996, and operating revenues from the Airport, Shop, Water & Sewer, and Solid Waste funds. The 1% City Sales Tax revenue is divided between General Fund operations and capital. The current split for 2011, which began with the 2008 budget, is 60% for General Fund and 40% for Sales Tax Capital Improvements Fund. Until 2008, the split as established in 2003 was equal. Prior to June 2003, the revenue was divided 75% for Sales Tax Capital Improvements Fund and 25% for General Fund. In addition, long-term debt is considered and utilized only when the City faces a project that is of such importance and sufficient financial magnitude as to warrant a bond issue.

The CIP is not a financing document in and of itself. Rather, the CIP is utilized as a planning document that places projects in the annual budget whereby funds are appropriated for them by the City Council. Prior to actual initiation of project work, required contracts are presented to the Mayor or City Council, as appropriate, for final approval of expending funds.

Project Cost Determination

All projects are first costed in current or 2009 dollars. Then a determination of the year the project is expected to start is made. Finally, a determination of the projected cost of the improvement is made by referring to the "Project Cost Table" that provides the inflation multiplier to be used for the project in the anticipated year.

Project Cost Table for CIP 2010-2014

Inflation Recommendations

3% factor - This factor should be used in calculating all project categories.

Year	3% Factor
2010	1.030
2011	1.062
2012	1.095
2013	1.129
2014	1.164

Example: A street project that costs \$1,000,000 in 2009 dollars, which is expected to be done in 2010, would use the inflation factor of 1.030. To get the expected cost of the project in 2012 dollars, multiply \$1,000,000 by 1.095, which equals \$1,109,500.

Priority Selection of Projects

The adopted CIP will rely on priorities defined by the Mayor, City Council, community, and City staff. As always, criteria such as government imposed mandates, usefulness to the community, and impact on operational expenses will be reviewed in establishing priorities. A priority is assigned to each project by year and by funding source. Projects for which no funding is anticipated to be available will be placed on an "Unfunded Projects List," which will identify the cost of the project. This list identifies the project as being viable, but one for which no funding is presently available. Unfunded projects may be funded if actual revenue is above projected revenue, if costs on funded projects are below budget, or if another funding source is identified.

The Parks and Recreation Advisory Board, Airport Board, City Council Street Committee, City Council Water & Sewer Committee, and City Council Equipment Committee meetings all provide committee and public input and guidance regarding parks, streets, bridge and drainage improvements, water and sewer improvements, and equipment purchases planned for the next five years.

City of Fayetteville, Arkansas
2012 Capital Projects
Summary

	Sales Tax Capital Improvements Fund	Special Revenue Funds	Enterprise Funds	Shop Fund	Total
Fire Improvements	\$ 45,000	\$ 84,000	\$ 0	\$ 0	\$ 129,000
Police Improvements	380,000	104,000	0	320,000	804,000
Library Improvements	359,500	0	0	0	359,500
Parks & Recreation Improvements	131,500	675,900	0	0	807,400
Bridge & Drainage Improvements	375,000	0	0	0	375,000
Street Improvements	450,000	0	0	0	450,000
Transportation Improvements	2,500,000	0	0	0	2,500,000
Trail Improvements	1,361,000	0	0	0	1,361,000
Information Technology Improvements	400,700	0	0	0	400,700
Other Capital Improvements	699,900	0	0	295,000	994,900
Wastewater Treatment Improvements	0	0	460,000	0	460,000
Water & Sewer Services Improvements	0	0	392,000	0	392,000
Water & Sewer Improvements	0	733,000	2,212,500	0	2,945,500
Vehicles & Equipment	0	0	0	1,439,000	1,439,000
Off-Street Parking Improvements	0	38,000	0	0	38,000
Solid Waste Improvements	0	0	588,000	1,556,000	2,144,000
	<u>\$ 6,702,600</u>	<u>\$ 1,634,900</u>	<u>\$ 3,652,500</u>	<u>\$ 3,610,000</u>	<u>\$ 15,600,000</u>

City of Fayetteville, Arkansas
2012 Capital Projects
Comprehensive Detail

	Sales Tax Capital Improvements Fund	Special Revenue Funds	Enterprise Funds	Shop Fund	Total
<u>Fire Improvements</u>					
Fire Mobile Radios	\$ 20,000	\$ 0	\$ 0	\$ 0	20,000
Fire Facility Maintenance	25,000	0	0	0	25,000
Fire Improvements	0	84,000	0	0	84,000
	45,000	84,000	0	0	129,000
<u>Police Improvements</u>					
Police Technology Improvements	50,000	104,000	0	0	154,000
Police Unmarked Vehicles	70,000	0	0	0	70,000
Police Building Improvements	25,000	0	0	0	25,000
Specialized Police Equipment	50,000	0	0	0	50,000
Police MVR Replacement	185,000	0	0	0	185,000
Police Vehicles - Replacement	0	0	0	320,000	320,000
	380,000	104,000	0	320,000	804,000
<u>Library Improvements</u>					
Library Materials Purchases	336,500	0	0	0	336,500
Library Computer Replacements	23,000	0	0	0	23,000
	359,500	0	0	0	359,500
<u>Parks & Recreation Improvements</u>					
Forestry, Safety & ADA Compliance	108,500	0	0	0	108,500
Tree Escrow	101,000	0	0	0	101,000
Other Park & Safety Improvements	10,000	0	0	0	10,000
Lights of the Ozarks	23,000	0	0	0	23,000
Regional Park Development	0	216,000	0	0	216,000
Brooks-Hummel Nature Preserve Land Purchase	0	77,900	0	0	77,900
Neighborhood Park Development	0	109,000	0	0	109,000
Wilson Park Improvements	0	253,000	0	0	253,000
Other Park & Safety Improvements	0	20,000	0	0	20,000
	242,500	675,900	0	0	918,400
<u>Bridge & Drainage Improvements</u>					
Stormwater Quality Mgt/Nutrient Reduction	175,000	0	0	0	175,000
Other Drainage Improvements	200,000	0	0	0	200,000
	375,000	0	0	0	375,000
<u>Street Improvements</u>					
Old Wire Road-Mission to Crossover	300,000	0	0	0	300,000
Zion Road - Vantage to Crossover	150,000	0	0	0	150,000
	450,000	0	0	0	450,000
<u>Transportation Improvements</u>					
In-House Pavement Improvements	1,865,000	0	0	0	1,865,000
In-House Sidewalk Improvements	635,000	0	0	0	635,000
	2,500,000	0	0	0	2,500,000
<u>Trail Improvements</u>					
Trail Development	1,361,000	0	0	0	1,361,000
	1,361,000	0	0	0	1,361,000

City of Fayetteville, Arkansas
2012 Capital Projects
Comprehensive Detail

	Sales Tax Capital Improvements Fund	Special Revenue Funds	Enterprise Funds	Shop Fund	Total
<u>Information Technology Improvements</u>					
Document Management	30,000	0	0	0	30,000
Geographic Information System (GIS)	65,000	0	0	0	65,000
Local Area Network (LAN) Upgrade	125,000	0	0	0	125,000
Microcomputer / Printer Replacements	85,700	0	0	0	85,700
Data Center Upgrade	70,000	0	0	0	70,000
AccessFayetteville Technical Improvements	25,000	0	0	0	25,000
	400,700	0	0	0	400,700
<u>Other Capital Improvements</u>					
<u>Building Maintenance</u>					
Building Improvements	362,600	0	0	0	362,600
<u>Government Channel</u>					
P.E.G. Television Center - Equipment	54,000	0	0	0	54,000
Field Camera Replacement	20,000	0	0	0	20,000
On-Screen Graphics Generator Upgrade	85,000	0	0	0	85,000
<u>Parking & Telecommunications</u>					
Telecommunications Systems Upgrades	60,000	0	0	0	60,000
Audit Expense	7,300	\$ 0	\$ 0	\$ 0	\$ 7,300
	588,900	0	0	0	588,900
<u>Wastewater Treatment Improvements</u>					
Upgrade/Replace Lift Stations - W.W.T.P.	0	0	112,000	0	112,000
Plant Pumps and Equipment - W.W.T.P.	0	0	119,000	0	119,000
Building Improvements - W.W.T.P.	0	0	36,000	0	36,000
Phosphorus Standards	0	0	50,000	0	50,000
Irrigation Reels - W.W.T.P.	0	0	143,000	0	143,000
	0	0	460,000	0	460,000
<u>Water & Sewer Services Improvements</u>					
Business Office Improvements	0	0	50,000	0	50,000
Backflow Prevention Assemblies	0	0	12,000	0	12,000
Water Meters	0	0	330,000	0	330,000
	0	0	392,000	0	392,000
<u>Water & Sewer Improvements</u>					
Sanitary Sewer Rehabilitation	0	0	330,000	0	330,000
Wastewater Impact Improvements	0	287,000	0	0	287,000
Water System Rehabilitation & Replacement	0	0	143,000	0	143,000
Water Impact Improvements	0	446,000	0	0	446,000
W/S Relocations for Street Bond Fund	0	0	500,000	0	500,000
Water Replace - Huntsville, Crossover/Van Hoose	0	0	1,239,500	0	1,239,500
	0	733,000	2,212,500	0	2,945,500
<u>Vehicles & Equipment</u>					
Medium/Heavy Utility Trucks - Replacement	0	0	0	197,000	197,000
Tractors/Mowers - Replacement	0	0	0	108,000	108,000
Light/Medium Trucks - Replacement	0	0	0	302,000	302,000
Other Vehicles/Equipment - Replacement	0	0	0	453,000	453,000
Construction Equipment - Replacement	0	0	0	105,000	105,000
Backhoes/Loaders - Replacement	0	0	0	274,000	274,000
Shop Improvements	0	0	0	295,000	295,000
	0	0	0	1,734,000	1,734,000

City of Fayetteville, Arkansas
2012 Capital Projects
Comprehensive Detail

	Sales Tax Capital Improvements Fund	Special Revenue Funds	Enterprise Funds	Shop Fund	Total
<u>Off-Street Parking Improvements</u>					
Parking Lot Improvements & Overlays	0	28,000	0	0	28,000
Parking Lot Imp. & Overlays - Entertainment Dist.	0	10,000	0	0	10,000
	<u>0</u>	<u>38,000</u>	<u>0</u>	<u>0</u>	<u>38,000</u>
<u>Solid Waste Improvements</u>					
Compactor Boxes	0	0	119,000	0	119,000
Compost Site Slab Expansion	0	0	14,000	0	14,000
North/Central Recycling Drop Off Facility	0	0	455,000	0	455,000
Sanitation Equipment - Replacement	0	0	0	1,556,000	1,556,000
	<u>0</u>	<u>0</u>	<u>588,000</u>	<u>1,556,000</u>	<u>2,144,000</u>
	<u>\$ 6,702,600</u>	<u>\$ 1,634,900</u>	<u>\$ 3,652,500</u>	<u>\$ 3,610,000</u>	<u>\$ 15,600,000</u>

**City of Fayetteville, Arkansas
2012 Capital Budget**

Project Title & Description	2012 Budget
<u>Parking Fund (2130)</u>	
<u>Parking Improvements:</u>	
<u>Parking Lot Improvements and Overlays (06001)</u>	
The City currently has 12 public parking lots and one municipal parking deck that are in the Downtown Square and Dickson Street areas. These are all asphalt surface lots that periodically require general maintenance such as crack seal, seal coat, re-striping, pot hole patching, and bumper block replacement. These lots also require a complete asphalt overlay on a less frequent basis. This parking lot maintenance schedule will provide an overlay of one parking lot annually and general maintenance of the other lots as needed.	\$ 28,000
<u>Parking Lot Improvements and Overlays - Entertainment District (11009)</u>	
The City currently has public parking lots that are in the Entertainment District. These are all asphalt surface lots that periodically require general maintenance such as crack seal, seal coat, re-striping, pot hole patching, and bumper block replacement. These lots also require a complete asphalt overlay on a less frequent basis. This parking lot maintenance schedule will provide an overlay of one parking lot annually and general maintenance of the other lots as needed.	10,000
Total Parking Fund Projects:	38,000
<u>Parks Development Fund (2250)</u>	
<u>Parks Development Capital (9255)</u>	
<u>Regional Park Development (02002)</u>	
The Parks and Recreation Master Plan recommends the development of a Regional Park based upon data from public meetings, citizen survey results, a one day steering committee meeting, and interviews with public officials, staff, and community leaders. Possible facilities include baseball, soccer, and softball complexes, as well as trails, tennis courts, sand volleyball courts, pavilions, picnic tables/grills/benches, disc golf, and multi purpose fields. Park facilities would be developed on a priority basis depending upon public desires. With the request for the Lewis Soccer Complex to be returned to the University of Arkansas, there is an urgent need to relocate this facility.	216,000
<u>Brooks-Hummel Nature Preserve Land Purchase (07027)</u>	
The City purchased 13.75 acres located north of the Lake Lucille Spillway in 2007 for a principal amount of \$495,000 with an interest rate of six percent annually for five years on the unpaid balance. The City agreed to sell 1.89 acres to the United Presbyterian Church for \$68,000. The City also agreed to sell a conservation easement for the property to the Fayetteville Natural Heritage Association for \$179,500. This property has been named the Brooks Hummel Nature Preserve by Resolution Number 108-07.	77,900

**City of Fayetteville, Arkansas
2012 Capital Budget**

Project Title & Description	2012 Budget
<u>Wilson Park Improvements (08002)</u>	
The Wilson Park swimming pool is in need of renovation. The Parks and Recreation Advisory Board discussed the importance of the presence of a pool at Wilson Park. The Board determined it would be best to renovate the exiting pool and look at other sites such as the Regional Park to build a large water park partly due inadequate parking at the current pool location. A structural analysis including a visual analysis and non-destructive testing of the pool and deck area has been completed. The study concluded the need for a full removal and replacement of the pool plaster coating, the pool deck covering and repairs of the box culvert. Construction of the project would begin after the pool is closed in September of 2012 to be completed for the pool opening in June of 2013. Staff is also working on the project scope and renovation of the pool office, dressing rooms, pool mechanical building, and concession stand for a projected cost for phase II of the pool renovations.	253,000
<u>Donations/Grants Contingency (07019)</u>	
Various donations are contributed throughout the year from sources such as Rotary Club of Fayetteville, Southeast Fayetteville Community Center Board, park benches and others. This project budgets for these donations.	20,000
<u>Parks Development Greenspace (9256)</u>	
<u>Neighborhood Park Development (02013)</u>	
This project consists of the development/upgrades of City neighborhood parks. Included in this project is the development of over 20 acres of park land distributed across the City. Bryce Davis Park is located in the NW quadrant, north of Wedington Drive and west of Salem Road and has been expanded to a community park. Hill Place park land is located in the SW quadrant south of Martin Luther King Boulevard, west of Hill Street and Stone Mountain park land is located in the SE quadrant east of Crossover Road, north of Highway 16E. These lands are currently in the City's park system and are in need of development.	98,000
<u>Neighborhood Park Development (02013)</u>	
The flooding in April and May 2011 caused damage to the Stream Restoration Project on Niokaska Creek in Sweetbriar Park. An area near the water line that crosses the creek in the park was damaged. The flood also damaged rock structures and several soil mattresses.	11,000
Total Parks Development Fund Projects:	<u>675,900</u>
<u>Impact Fee Fund (2300)</u>	
Water & Sewer Improvements:	
<u>Water Cost Sharing (02067)</u>	
This project is to provide funding for projects that will be cost shared by the City and developers or individuals. Each project will be approved on a case by case basis. These projects maximize return on each dollar spent by the City because of combining work needed with work being funded by a developer or other entity. Cost shares may include looping water lines, up-sizing water and sewer mains above the required minimum, and extensions beyond the area and needs of a development.	446,000

**City of Fayetteville, Arkansas
2012 Capital Budget**

Project Title & Description	2012 Budget
<u>Sewer Cost Sharing (02067)</u>	
This project is to provide funding for projects that will be cost shared by the City and developers or individuals. Each project will be approved on a case by case basis. These projects maximize return on each dollar spent by the City because of combining work needed with work being funded by a developer or other entity. Cost shares may include looping water lines, up-sizing water and sewer mains above the required minimum, and extensions beyond the area and needs of a development.	287,000
Fire Improvements:	
<u>Fire Radio Simulcast System - Fire/Police (08076)</u>	
This project will increase the coverage area for the City of Fayetteville's radio system, which includes all city services and enables interoperability statewide. The current system has become inadequate due to growth of the City and maintenance/technical support for this system will become unavailable as the components of the system continue to age. Failure of this communication system is not an option. A simulcast system is imperative for public safety to maintain coverage in all areas. This system provides continuous coverage over a large region using a single set of frequencies. The primary site links information such as route control and audio information to each simulcast subsite. One of the important benefits of a simulcast site is it improves the radio frequency and in-building coverage in weak signal areas. Radio communication is the life line between public safety officers and services during emergency scenarios. Total project cost is quoted to be \$7,200,000.	54,000
<u>Fire Traffic Preemption Signals (08046)</u>	
This request is for the purchase of 20 traffic preemption devices to be purchased and installed over the next five years at the busiest intersections in the City. By using these devices, fire apparatus can interrupt traffic signals during an emergency response by changing the signals to red on all sides of the intersection. The one direction being traveled by responding apparatus will be changed to green. Using these devices will help minimize the risk of accidents involving motorists and expensive apparatus. This project will aid in the City's efforts of planned and managed growth as well as improving the mobility of streets and intersections for all users. The ultimate result is maintaining the City's reputation as a safe community.	30,000
Police Improvements:	
<u>Police Radio Simulcast System - Police/Fire (08076)</u>	
This project will increase the coverage area for the City of Fayetteville's radio system, which includes all city services and enables interoperability statewide. The current system has become inadequate due to growth of the City and maintenance/technical support for this system will become unavailable as the components of the system continue to age. Failure of this communication system is not an option. A simulcast system is imperative for public safety to maintain coverage in all areas. This system provides continuous coverage over a large region using a single set of frequencies. The primary site links information such as route control and audio information to each simulcast subsite. One of the important benefits of a simulcast site is it improves the radio frequency and in-building coverage in weak signal areas. Radio communication is the life line between public safety officers and services during emergency scenarios. Total project cost is quoted to be \$7,200,000.	104,000
Total Impact Fee Fund Projects:	921,000

**City of Fayetteville, Arkansas
2012 Capital Budget**

Project Title & Description	2012 Budget
<u>Sales Tax Capital Improvements Fund (4470)</u>	
<u>Transportation Improvements:</u>	
<u>Sidewalk Improvements (02053)</u>	
The goal of this project is to continue to improve the connectivity of the sidewalk system by constructing new sidewalk in selected areas and replacing or repairing sidewalks throughout the City. The City maintains existing sidewalks and has a large inventory of locations where sidewalks are needed. Developers are responsible for construction of sidewalks in new subdivisions and large scale developments. One of the City Council's priority goals is sidewalk connectivity at the current pace of installing approximately four miles of new sidewalk per year.	635,000
<u>In-House Pavement Improvements (02052)</u>	
This program provides for the systematic overlay of approximately 4.1% of existing asphalt streets within the City limits on an annual basis and includes curb cuts, curb and guttering, pavement striping, and preparation costs for the overlays. The goal of this project is to overlay a minimum of 150,000 square yards of asphalt each year. A street evaluation program determines overlay schedules based on existing conditions of streets. The resulting plan is presented to the Street Committee and City Council on an annual basis and implemented upon approval. Overlaying each street within a 15 year cycle is intended to optimize the longevity of roadways and minimize significant maintenance requirements, resulting in fewer complete renovations at a substantially greater cost.	1,865,000
<u>Trail Improvements:</u>	
<u>Trail Development (02016)</u>	
The goal of this project is to provide funding to increase production of the trails program throughout Fayetteville. This funding includes new trail development and asphalt replacement on existing trails. This will be accomplished through the use of personnel within the Transportation Division as approved by the City Council. This funding will allow production to proceed at a reduced cost, thereby providing for an increased rate of trail construction.	1,361,000
<u>Street Improvements:</u>	
<u>Old Wire Road - Mission to Crossover (10011)</u>	
This project is to widen Old Wire Road, from Mission to Crossover from an existing two lane ditch section to two or three lanes with curb and gutter and sidewalks. The funding requested will be adequate for design and other preliminary costs. This will allow the improvements to be designed in preparation for right-of-way acquisition and construction to be funded with excess funds in the 2006 Bond Program or by a future bond issue, or by future sales tax allocations.	300,000
<u>Zion Road - Vantage to Crossover (12010)</u>	
This project is to widen and improve Zion Road, from the end of the improvements recently completed under the Bond Program to Crossover Road. This funding request is to allow design and other preliminary work to begin on the project. The construction will be funded with excess funds in the 2006 Bond Program or by a future bond issue, or by future sales tax allocations.	150,000

**City of Fayetteville, Arkansas
2012 Capital Budget**

Project Title & Description	2012 Budget
<u>Bridge & Drainage Improvements:</u>	
<u>Stormwater Quality Management/Nutrient Reduction (02097)</u>	
This project includes activities required by the City's agreement with Beaver Water District for nutrient reduction in the White River Watershed and for regulation in the City as required by the EPA National Pollutant Discharge Elimination System (NPDES) Phase II Stormwater Permit Regulations as administered by the Arkansas Department of Environmental Quality (ADEQ). A total of \$1,435,000 is estimated to be spent on this project from 2010 through 2014.	175,000
<u>Other Drainage Improvements (02108)</u>	
This project will allow for the construction of other drainage improvements where needed. Upper Scull Creek improvements will be funded under this project. In addition, there are numerous small drainage projects that have been identified. These projects are in the process of being prioritized for construction in the future.	200,000
<u>Information Technology Improvements:</u>	
<u>Microcomputer / Printer Replacements (02057)</u>	
This project is for the replacement of failing and outdated personal computers (PC's), AS/400 system printers, and network printers. In order to make use of increased functionality of new PC software, PC hardware must be continuously evaluated and updated. This will help to ensure reliability and the reduction of increasing maintenance costs.	85,700
<u>Local Area Network (LAN) Upgrade (02056)</u>	
This project is to upgrade and expand the City's Local Area Network (LAN) / Network infrastructure. The LAN is used by every division in the City across twenty plus locations connecting approximately 800 devices. Increases in the system's user base and advances in technology have created a need for hardware and operating system upgrades. Future upgrades include replacement of all switches in the primary switch room located at the city administration building with a core chassis based switch that will allow for future growth and higher speed, reliability, and availability.	125,000
<u>Geographic Information System (GIS) (02055)</u>	
Geographic Information Systems (GIS) are organized collections of computer hardware, software, geographic data, and personnel designed to efficiently capture, store, update, manipulate, analyze, and display all forms of geographically referenced information. This system provides necessary information for planning, engineering, Hansen, and public utility projects. Additionally, GIS provides applications to assist many other City divisions including Police, Fire, Transportation, and Parks & Recreation. This project is to upgrade and expand the City's base GIS computer hardware, software, and data collection systems to accommodate growth in the system's applications and user base.	65,000
<u>AccessFayetteville Technical Improvements (04047)</u>	
This project provides funding for technical improvements, enhancements, third party applications, and maintenance of the AccessFayetteville website. AccessFayetteville utilizes a commercial Content Management System (CMS) that is configured and maintained by City staff. The CMS allows end users to add, edit, and approve the content that is displayed on the website.	25,000

**City of Fayetteville, Arkansas
2012 Capital Budget**

Project Title & Description	2012 Budget
<u>Document Management (02094)</u>	
This project is to add additional scanners and licenses as new applications are added to the Electronic Document Management System (EDMS).	30,000
<u>Data Center Upgrade (12001)</u>	
In 2007, the City Administration Building data center moved off site into leased space due to power, space, and cooling constraints. Some of the leased data center equipment infrastructure is nine years old and will need to be replaced. This project will fund a new data center redundant air conditioning system and replacement of UPS batteries.	70,000
<u>Other Capital Improvements:</u>	
<u>Building Improvements (02046)</u>	
This project consists of the repair and replacement of damaged and worn roofs, HVAC systems, and provides for other improvements (such as remodels) to City owned buildings. This effort consists of preventive maintenance efforts to address the day to day facility operations of City facilities. During the upcoming year, the Building Maintenance Division plans to continue to work in house and through contractors.	362,600
<u>P.E.G. Television Center - Equipment (02061)</u>	
This project is for the replacement of various items of equipment essential to the ongoing operation of the Government Channel and the Television Center.	54,000
<u>On-Screen Graphics Generator Upgrade (12005)</u>	
The on-screen graphic generator creates names, lettering, and other graphics that go on the television screen in video productions in the studio and on the air. The current system has become unstable and is no longer supported by the manufacturer.	20,000
<u>Studio Camera and Lighting Upgrades / Replacement (12008)</u>	
This project allows periodic equipment replacement of some equipment up to and over 15 years old, such as cameras, camcorders, monitors, computers, and video recording devices. Other items include City Hall robotically controlled cameras, portable switching equipment, wireless video transfer equipment, tripods, and furniture.	85,000
<u>Telecommunications Systems Upgrades (04001)</u>	
The City currently has 17 telecommunications systems located throughout various facilities. These systems provide voice communications and voice mail services for all City employees at all City facility locations. Upgrades to these systems are essential to ensure no down time due to failing software and/or hardware and to ensure that all software versions are kept current to provide the most up-to-date technology. With all future upgrades, replacement equipment will be integrated so that all city facilities communicate in unison as if on one main system. Internal and external communications will be significantly enhanced. This system has suffered some serious crashes that have been detrimental to public safety communications. The police and city hall systems are integrated together and are the largest switches of all the facilities.	60,000
<u>Library Improvements:</u>	
<u>Library Materials Purchases (02049)</u>	
This project provides library materials including literature, non-fiction, reference resources, films, books on CD, e-books, and parenting resources. The Fayetteville Public Library seeks to provide a collection of library materials at a level commensurate with benchmark cities, e.g. Lawrence, Ames, Champaign, Denton, Iowa City as well as the national average for cities with a population of 50,000 to 99,000. In 2010, over one million items were borrowed and this upward trend is projected to continue.	336,500

**City of Fayetteville, Arkansas
2012 Capital Budget**

Project Title & Description	2012 Budget
<u>Library Computer Replacements (04004)</u>	
This project provides rotational replacement of computer resources. Public access computing is a core service ensuring all residents have computer and high speed connectivity. Uses include job searches, completing e-forms, classes, email, research, writing, school assignments, etc.	23,000
<u>Parks & Recreation Improvements:</u>	
<u>Other Park & Safety Improvements (02014)</u>	
A prairie restoration project is ongoing at Lake Fayetteville to convert early succession fields into native prairie and oak savannah habitat. Park staff is working in other park locations to reduce mowing and maintenance cost by re-establishing native grasses, trees, and shrubs. Native grasses and wildflowers are also established along newly constructed trails to reduce maintenance cost. This project will include herbicide applications as needed, seed and plant purchases and installation, prescribed burns, and other related work to establish native grasses, trees, and shrubs.	10,000
<u>Forestry, Safety & ADA Compliance (02045)</u>	
The forestry project consists of tree care, tree/landscape installation, the tree farm, community and school education, mature tree restoration, annual operating charges for the grinder and chipper, and maintenance and removal of hazardous trees in parks and public lands. The National Arbor Day tree give away is also included. Funds are required to maintain a sustainable tree farm and turf resource, eventually reducing the need to purchase trees and sod from outside vendors. A mature tree restoration program consisting of aeration of compacted soil and root stimulation will be utilized in various parks. Funds for unforeseeable emergencies occurring in parks due to inclement weather and vandalism or replacement and renovations of park amenities to meet ADA/safety standards are budgeted each year.	108,500
<u>Lights of the Ozarks (02001)</u>	
The Lights of the Ozarks display was initiated in 1993 by the Chamber of Commerce. The Advertising & Promotion (A&P) Commission gave \$40,000 the first year to help establish the event. For the past 18 years, the City has installed the lights and the Chamber of Commerce and the A&P Commission have organized related events. Over 500,000 lights are displayed from Thanksgiving until New Years Eve. The A&P Commission estimates over 300,000 people come to view the display. It is one of the most popular winter festivals in Fayetteville.	23,000
<u>Tree Escrow (08001)</u>	
Funds from this project can be used in a variety of ways such as planting or maintaining trees with either a seasonal FTE or by contract labor or to identify planting spaces using a tree inventory. Funds for this project are deposited through the development processes defined in Chapter 167 of the UDC and must be used within seven years or be refunded. The funds are first spent within the development or within one mile and/or within the appropriate quadrant.	101,000

City of Fayetteville, Arkansas
2012 Capital Budget

Project Title & Description	2012 Budget
<u>Police Improvements:</u>	
<u>Police Technology Improvements (06002)</u>	
This project provides for the upgrade and replacement of computer and networking equipment, which is obsolete and/or malfunctioning. By providing updated equipment, officers will be kept informed of pertinent records. This project includes purchases for increased storage capacity and software to manage digital media files, improve wireless connectivity between the main police facility and substations, and other improvements as they become necessary.	50,000
<u>Police Unmarked Vehicles (06003)</u>	
The Police Department utilizes unmarked vehicles for a variety of tasks, such as gathering intelligence. Other tasks include the following: Conducting pre-raid intelligence for ERT deployment Conducting narcotics operations Patrolling for vandals Patrolling for burglars and thieves Conducting alcohol enforcement patrols Conducting surveillance for all the above activities Any activity that must be kept coverl	70,000
<u>Police Building Improvements (02047)</u>	
This project is to repair/replace aging items such as flooring, cabinets, lighting, and small HVAC units in the Police Department building.	25,000
<u>Police Specialized Equipment (02062)</u>	
This project is to replace outdated and/or malfunctioning equipment used during police operations. Equipment items such as tasers, digital cameras, radars, decibel meters, surveillance equipment and other specialized equipment are needed for officers to perform duties.	50,000
<u>Police MVR Replacement (12006)</u>	
This project provides for the replacement of mobile video recorders. The current MVR's were purchased in 2007 and have a five year life expectancy. MVR's are an important component of each patrol unit by documenting evidence to support prosecution and makes citizen complaints more easily investigated.	185,000
<u>Fire Safety Improvements:</u>	
<u>Fire Facility Maintenance (02006)</u>	
This project is for major repairs to existing facilities that cannot be funded through the normal operating budget. It includes but is not limited to central station's roof repairs and fire escape replacements, remodeling of existing stations, and structural repairs for the central fire station.	25,000
<u>Mobile Radios (10015)</u>	
This project is to replace obsolete hand held and mobile station radios. This project will allow four to five radios to be replaced each year. The estimated replacement cost is \$3,500 per radio.	20,000
<u>Audit Expense</u>	7,300
Total Sales Tax Capital Improvements Fund Projects:	<u>6,702,600</u>

City of Fayetteville, Arkansas
2012 Capital Budget

Project Title & Description	2012 Budget
<u>Water & Sewer Fund (5400)</u>	
<u>WWTP Capital (5800)</u>	
<u>Upgrade/Replace Lift Stations - W.W.T.P. (02068)</u>	
The lift stations provide a vital function in the overall treatment of wastewater. The stations are exposed to extreme wear conditions and must be upgraded routinely. Additionally, new developments within the City increase the flow to various stations requiring additional or higher capacity equipment.	112,000
<u>Plant Pumps and Equipment - W.W.T.P. (02069)</u>	
Many pieces of the WWTP equipment are essential to the wastewater treatment process. The equipment may suffer catastrophic failure and become unusable with little advance warning. The plant cannot operate and continue to produce permit complying effluent without adequate equipment. The project allows WWTP personnel to adapt to the needs of each season and year and still maintain compliance.	119,000
<u>Building Improvements - W.W.T.P. (02032)</u>	
This project is for structural maintenance, repair, and replacement of the existing buildings or parts of the buildings at both wastewater treatment plants.	36,000
<u>Irrigation Reels - W.W.T.P. (11010)</u>	
This project will replace the twelve existing reels that were purchased between 1985 and 1987. With a life expectancy of approximately 20 years, maintenance is becoming more extensive and costly. The irrigation reels are used to apply treated wastewater to the land application site, as described in the State approved Waste Management Plan and the State Land Application Permit. The effluent irrigation helps to minimize discharge to the White River during the summer months, therefore reducing the nutrient loadings of ammonia and phosphorus to the receiving stream. It also helps to stimulate growth of the Bermuda grass, therefore enhancing phosphorus uptake from the soil.	143,000
<u>Phosphorus Standards Management (10027)</u>	
This project supports efforts by the City operating independently or as part of a regional northwest Arkansas team, relating to phosphorus and other potential changes to stream standards, water quality standards and regulations, and wastewater discharge requirements. Some of the funds may be paid into regional efforts coordinated through Northwest Arkansas Regional Planning, the Northwest Arkansas Council, or other cooperative efforts.	50,000
<u>Meter Operations Capital (1840)</u>	
<u>Water Meters (02065)</u>	
This project is for the replacement of old water meters damaged beyond repair and expansion meters for new water service. Additional radio-read units will be installed on water meters that are located in difficult areas such as fenced back yards, alleys, inside buildings, and other time consuming locations.	330,000
<u>Backflow Prevention Assemblies (02066)</u>	
This project is for installation or replacement of backflow prevention assemblies on City facilities to meet backflow prevention mandate orders by the Arkansas Department of Health (ADH).	12,000

**City of Fayetteville, Arkansas
2012 Capital Budget**

Project Title & Description	2012 Budget
<u>Business Office Improvements (03038)</u>	
This project is for various improvements in business office hardware, safety features, and office configuration. Specific improvements include the purchase of additional blue-bar printers to increase employee efficiency and installation of an emergency alarm system to notify the Police Department in the event of an unsafe condition or disruptive customer.	50,000
<u>Capital Water Mains (5600)</u>	
<u>W/S Relocations for Street Bond Projects (11011)</u>	
This project is for various water and sewer relocations for street bond projects where the street bond fund does not have sufficient funds to cover the utility relocations or where the water and/or sewer lines are to be increased in capacity. Projects are to be paid by Water & Sewer revenue bond funds.	500,000
<u>Water System Rehabilitation & Replacement (12009)</u>	
This project provides for upgrading, replacing, or rehabilitating existing water infrastructure consisting of water storage, pumping, and distribution assets system wide. Specific work will be determined based on the need to stop leaks, reduce water loss, increase local or area flow and/or pressure in areas with insufficient capacity, in order to meet current and projected future domestic, commercial and industrial flow, and fire flow demands. It may create loops and replace or rehabilitate pipes, pump stations, and/or storage assets.	143,000
<u>Water Replace - Huntsville, Crossover to Van Hoose (11012)</u>	
This project is to install approximately 19,000 feet of 12" water line on Huntsville Road (Highway 16) between Crossover Road (Highway 265) and Van Hoose Drive. The project is required for several reasons: the soil is corrosive and the existing 8" line experiences numerous major breaks; the need for an increase in the capacity of the line feeding the area served by this line has been identified in every water mater plan performed starting in 1988; some of the higher elevation areas south of Huntsville Road experience low pressure during high water usage; and the fire protections available in the area needs to be increased.	1,239,500
<u>Sewer Mains Construction (5700)</u>	
<u>Sanitary Sewer Rehabilitation (02017)</u>	
This project will reduce storm and ground water flows into the system which cause sewer overflows and is required to meet state and federal laws. Negotiations with the ADEQ produced the agreement that as long as the City continues to pursue rehabilitation, no enforcement action will be initiated. Rehabilitation is required in areas with wet weather overflows to allow continued development. This project includes replacing and lining existing sewer mains and manholes, upgrading lift stations, and building relief lines. Design flows for the new West Side WWTP are based on continued rehabilitation. Minisystems 6, 9, 9x, 14A, 14B, 20 and Greenland require all work field study, analysis, design, and construction.	330,000
Total Water & Sewer Fund Projects:	<u>3,064,500</u>

**City of Fayetteville, Arkansas
2012 Capital Budget**

Project Title & Description	2012 Budget
<u>Solid Waste Fund (5500)</u>	
Solid Waste Improvements	
<u>Compost Site Slab Expansion (10002)</u>	
This project is to concrete the current composting pad to improve operations within the composting program. Increased waste diversion through composting of organic wastes, will be the result of this project. Modifying the composting permit from a class "Y", designating yard waste only, to a class "O" for organics will necessitate the concreting of the current site over a period of three years in order to effectively operate an organics composting program. Storm water drainage / detention improvements will also be a part of the expansion. Operating an organics composting operation requires frequent turning of rows which presently is hindered by rain events rendering the pad unusable for the compost row turner unless the pad is dry. Turning of rows allows more oxygen into the process thereby reducing odors, which will be a major concern when operating a class "O" facility.	14,000
<u>Solid Waste Compactors (10001)</u>	
The drop box program utilizes compactor boxes to efficiently handle solid waste from large quantity generators. Compactor boxes decrease the frequency of collection and are serviced with existing drop box trucks. The aesthetics are improved by having a compactor as opposed to multiple dumpsters to service. Many businesses desire this type of collection. The division is competitively pursuing accounts currently serviced by private franchised haulers.	119,000
<u>North / Central Recycling Drop Off Facility (12004)</u>	
Recycling drop offs provide the most cost effective option for expanding the recycling program to service multi-family and others not serviced through the curbside program. Expanding drop offs to other areas in the City will provide more convenient opportunities to recycle, expand recycling and environmental education opportunities, and increase volunteer opportunities. Drop off size can be functional in a 200' x 200' area; however, landscaping and educational components should be considered. This project may provide funds for a land purchase based on site availability. The north/central expansion is planned for 2012.	455,000
Total Solid Waste Fund Projects:	588,000

**City of Fayetteville, Arkansas
2012 Capital Budget**

Project Title & Description	2012 Budget
<u>Shop Fund (9700)</u>	
Other Capital Improvements (1920) <u>Shop Improvements (12007)</u>	
This project is to increase efficiency by installing a drive-on in-floor lift, a two post lift, and an overhead crane, building a storage shed to house the new lube system, and modifying the current in-floor lift. The last upgrade of equipment for technicians was in 1997.	295,000
Fleet Operations Capital (1920) <u>Police/Passenger Vehicles - Replacement (02081)</u>	
The purpose of this project is to replace obsolete or high maintenance vehicles which are no longer suited for service. 2012 purchases include: three mid-size sedans, six police package Tahoes, one police package motorcycle, and one mid-size sport utility.	320,000
<u>Solid Waste Equipment - Replacement (02082)</u>	
The purpose of this project is to replace obsolete or high maintenance sanitation vehicles which are no longer suited for solid waste collection or recycling. 2012 purchases include two front loader units, three side loader units, and two recycling units.	1,556,000
<u>Construction Equipment - Replacement (02077)</u>	
The purpose of this project is to replace obsolete or high maintenance vehicles which are no longer suited for regular service. 2012 purchase is for a dozer.	105,000
<u>Heavy Utility Trucks - Replacement (02079)</u>	
The purpose of this project is to replace obsolete or high maintenance vehicles which are no longer suited for regular service. 2012 purchases include a truck tractor and a dump truck.	197,000
<u>Tractors/Mowers - Replacement (02083)</u>	
The purpose of this project is to replace obsolete or high maintenance vehicles which are no longer suited for regular service. 2012 purchases include a hay baler, two brush mowers, and a mower.	108,000
<u>Light/Medium Trucks - Replacement (02078)</u>	
The purpose of this project is to replace obsolete or high maintenance vehicles which are no longer suited for regular service. 2012 purchases include seven trucks.	302,000
<u>Other Vehicles/Equipment - Replacement (02080)</u>	
The purpose of this project is to replace obsolete or high maintenance vehicles which are no longer suited for regular service. 2012 purchases include two plows, a pump, a truck mounted sewer cleaner, a semi trailer, and a sidewalk sweeper.	453,000
<u>Backhoes/Loaders - Replacement (02076)</u>	
The purpose of this project is to replace obsolete or high maintenance vehicles which are no longer suited for regular service. 2012 purchases include four backhoes.	274,000
Total Shop Fund Projects:	<u>3,610,000</u>
Total Capital Improvements Program - 2012 Projects	<u>\$ 15,600,000</u>

City of Fayetteville's Debt Position

The City of Fayetteville has established a practice and policy of paying for all capital projects and capital improvements on a pay-as-you-go basis using current revenues, whenever possible. If a project or improvement is of sufficient size and need that it cannot be financed with current revenues, long-term debt will be recommended. The basis for this policy is that the City has maintained a commitment to infrastructure improvement and maintenance. The City also considers the cost versus the benefits of debt financing. A recommendation is made only when the benefits outweigh the costs. The City's debt policy also states that the City will attempt to refinance outstanding debt if a determination is made that the City will benefit by reduced interest expense over the remaining life of the bonds.

Like most municipalities, the City of Fayetteville borrows funds through tax exempt municipal bonds. The City carefully analyzes each proposed bond issue to determine the need for the improvement, its useful life, and current and future revenues available to provide debt service. Existing debt service requires resources from both general governmental resources and enterprise fund resources.

Bond Ratings

The City's debt policy says that the communications will be maintained with the bond rating agencies and that the City will continue to strive for improvements in the City's bond rating. Such communications are vitally important due to the fact that, generally speaking, the higher rating a city has the lower the interest rate that must be paid. As such, the City will periodically confer with the rating agencies to update them on the financial status of the City.

The two major investment services for bond ratings are Standard & Poor's Corporation and Moody's Investor Service. The following schedule briefly describes the ratings provided by the respective agencies for municipal bonds.

Moody's and Standard & Poor's Credit Ratings for Municipal Bonds

<u>Ratings</u>		<u>Description</u>
Moody 's	Standard & Poor's	
Aaa	AAA	Best quality, extremely strong capacity to pay principal and interest.
Aa	AA	High quality, very strong capacity to pay principal and interest.
A-1 A	A	Upper medium quality, and strong capacity to pay principal and interest.
Baa-1 & Baa	BBB	Medium grade quality, adequate capacity to pay principal and interest.
Ba and lower	BB and lower	Speculative quality, low capacity to pay principal and interest.

Description of Outstanding Bonds

Special Obligation Bonds

Sales & Use Tax Refunding and Capital Improvement Bonds, Series 2005B: The bonds are special obligations of the City payable from receipts from a three-quarter of one percent citywide sales and use tax. The proceeds of the bonds are for the purpose of financing a portion of the costs of certain improvements to the City's wastewater treatment plants and sewerage and related facilities. The original issue amount was \$45,000,000.

Property Tax Increment Interest Accretion Bonds (Highway 71 East Square Redevelopment District No. 1 Project), Series 2005: The bonds are special obligations of the City payable solely from the Property Tax Increment of the District and monies in the funds and accounts established under the Indenture. The proceeds of the bonds were issued for the purpose of financing the costs of acquisition of certain real property within the City, the demolition of existing structures thereon, site preparation in connection therewith and the construction of sidewalk and crosswalk improvements. The original issue amount was \$3,725,000.

Sales and Use Tax Capital Improvement Bonds, Series 2006A: The bonds are special obligations of the City secured by and payable solely from receipts from a one-quarter and a three-quarter of a one percent citywide sales and use tax. The proceeds of the bonds are for the purpose of financing a portion of the costs of certain improvements to the City's wastewater treatment plants, sewerage and related facilities, to certain City streets, and to the City's trail system. The original issue amount was \$50,000,000.

Sales and Use Tax Capital Improvement RLF, Series 2006: The City of Fayetteville issued Not to Exceed \$20,000,000 Sales and Use Tax Bond Series 2006 through the Arkansas Natural Resources Commission bond program commonly referred to as the Revolving Loan Fund (RLF). The bonds were issued for financing a portion of the costs of improvements to the City's wastewater treatment plants, sewerage and related facilities. The 2006 bonds are special obligations of the City secured by and payable solely from receipts of the .75% city-wide sales and use tax approved by the voters to support the project. All \$20,000,000 in bonds has been issued.

Sales and Use Tax Capital Improvement Bonds, Series 2007A: The bonds are special obligations of the City secured by and payable solely from receipts from a one-quarter and a three-quarter of a one percent citywide sales and use tax. The proceeds of the bonds are for the purpose of financing the costs of certain improvements to the City's wastewater treatment plants, sewerage, and related facilities. The original issue amount was \$14,340,000.

Sales and Use Tax Capital Improvement Bonds, Series 2009A: The bonds are special obligations of the City secured by and payable solely from receipts from a one-quarter and a three-quarter of a one percent citywide sales and use tax. The proceeds of the bonds are for the purpose of financing a portion of the costs of certain improvements certain City streets and to the City's trail system. The original issue amount was \$11,250,000.

Revenue Bonds

Hotel & Restaurant Gross Receipts Tax Refunding, Series 2003: These bonds are special obligations of the City and were issued for the purpose of refinancing the Hotel & Restaurant Gross Receipts Tax Refunding bonds, Series 1998. The bonds are payable solely from amounts received by the City from a 1% Hotel & Restaurant Gross Receipts tax. As a result of the refunding, the City has a projected net present value savings of approximately \$334,000 over the remaining life of the bonds. The original issue amount was \$6,335,000.

Water & Sewer System Refunding, Series 2002B: The bonds are payable solely from the net revenues derived from the operation of Fayetteville's water and sewer system. The proceeds of the bonds were used to refund Series 1994 and Series 2000 water and sewer system bonds. The refundings were issued to take advantage of lower interest rates, to restructure existing bond covenants, and to mitigate any interest risk on the variable interest rate of the Series 2000 bond issue. The original issue amount was \$6,540,000.

Water & Sewer System Refunding, Series 2004: The bonds are payable solely from the net revenues derived from the operation of Fayetteville's water and sewer system. The proceeds of the bonds were used to refund Series 1999 water and sewer system bonds. The refundings were issued to take advantage of lower interest rates, to restructure existing bond covenants, and to mitigate any interest risk on the variable interest rate of the Series 1999 bond issue. The original issue amount was \$6,090,000.

Water & Sewer System, Series 2009A: The bonds are payable solely from the net revenues derived from the operation of Fayetteville's water and sewer system. The bonds do not constitute an indebtedness of the City within the meaning of any constitutional or statutory debt limitation or restriction. The issuance of the Series 2009 Bonds shall not directly, indirectly or contingently obligate the City to levy or pledge any taxes whatsoever or to make any appropriation for the payment of the Series 2009 Bonds. The original issue amount was \$8,210,000.

Notes Payable

Brooks-Hummel Land Purchase, 2007: In June 2007, the City entered into a promissory note with Forrest F. Brooks Revocable Trust for the purchase of 13.75 acres of land for \$495,000. The agreement terms included \$167,000 to be paid at closing and the remaining \$328,000 to be paid annually in five installments plus 6% interest on the unpaid balance.

City of Fayetteville, Arkansas
Bonds Outstanding
December 31, 2011

Description	Outstanding			
	Bond Issue	Due Dates	Interest Rates	Amount
<u>Special Obligation Bonds</u>				
Sales and Use Tax Capital Refunding & Capital Improvement Bonds, Series 2005B	2005	2009-2015	3.957-4.00%	\$ 18,415,000
Tax Increment Interest Accretion Bonds	2005	2006-2029	6.50%	3,345,000
Sales and Use Tax Capital Improvement Bonds, Series 2006A	2006	2006-2021	3.00-5.00%	47,470,000
Sales and Use Tax Capital Improvement Revolving Loan Fund (RLF)	2006	2009-2018	3.00%	14,611,968
Sales and Use Tax Capital Improvement Bonds, Series 2007A	2007	2007-2026	4.20-4.47%	12,740,000
Sales and Use Tax Capital Improvement Bonds, Series 2009A	2009	2015-2021	3.00-3.85%	10,945,000
				<u>107,526,968</u>
<u>Revenue Bonds</u>				
Hotel & Restaurant Gross Receipts Tax Refunding	2003	2004-2015	2.55-3.55%	2,475,000
Water & Sewer System Refunding, Series 2002B	2002	2004-2017	4.15-4.95%	4,085,000
Water & Sewer System Refunding, Series 2004	2004	2004-2012	2.8-4.00%	1,515,000
Water & Sewer System, Series 2009	2009	2009-2020	2.10-3.70%	8,210,000
				<u>16,285,000</u>
<u>Notes Payable</u>				
Brooks-Hummel Land Purchase	2007	2008-2012	6.00%	73,459
				<u>73,459</u>
				<u>\$ 123,885,427</u>

City of Fayetteville, Arkansas
2012 Debt Service Payment Schedule

Description	Bond Issue	Principal	Interest	Total
<u>Special Obligation Bonds</u>				
Sales and Use Tax Capital Refunding & Capital Improvement Bonds, Series 2005B	2005	\$ 8,200,000	\$ 736,600	\$ 8,936,600
Sales and Use Tax Capital Improvement Bonds, Series 2006A	2006	0	2,116,076	2,116,076
Sales and Use Tax Capital Improvement Bonds, Series 2007A	2007	0	622,725	622,725
Sales and Use Tax Capital Improvement Revolving Loan Fund (RLF)	2006	1,905,656	424,173	2,329,829
Sales and Use Tax Capital Improvement Bonds, Series 2009A	2009	0	403,226	403,226
		<u>10,105,656</u>	<u>4,302,800</u>	<u>14,408,456</u>
<u>Revenue Bonds</u>				
Hotel & Restaurant Gross Receipts Tax Refunding	2003	590,000	83,648	673,648
Water & Sewer System Refunding, Series 2002B	2002	605,000	195,505	800,505
Water & Sewer System Refunding, Series 2004	2004	1,515,000	60,600	1,575,600
Water & Sewer System, Series 2009A	2009	0	250,232	250,232
		<u>2,710,000</u>	<u>589,985</u>	<u>3,299,985</u>
<u>Notes Payable:</u>				
Brooks-Hummel Land Purchase	2007	73,459	4,408	77,867
		<u>73,459</u>	<u>4,408</u>	<u>77,867</u>
Total Debt Service Payments		<u>\$ 12,889,115</u>	<u>\$ 4,897,193</u>	<u>\$ 17,786,308</u>

City of Fayetteville, Arkansas
Computation of Legal Debt Margin
December 31, 2011

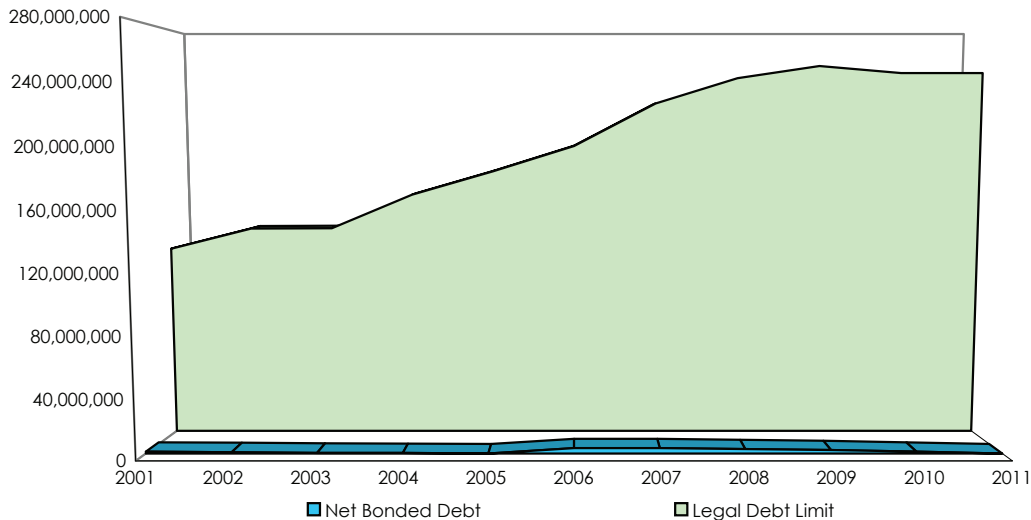
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2012 Annual Budget and Work Program
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General Obligation Debt Limit

Debt margin is a calculation based on the assessed value of property located within the City limits. The debt limit is established by state statute and is limited to 20% of assessed value.

2011 Assessed Value		\$ 1,249,812,400 *
Debt Limit - 20% of Assessed Value		249,962,480
General Obligation Bonds Payable	\$ 0	
Less: Debt Service Fund	0	
Total Debt Applicable to Debt Limit		0
Legal Debt Margin		\$ 249,962,480

Debt Applicable to Debt Limit 2001-2011



Enterprise Fund Debt Limit (Revenue Bond Debt)

Enterprise fund debt is established by the cash flow for each enterprise fund. For example, the Water & Sewer Fund must be able to generate sufficient cash flows to meet normal operating and capital, as well as provide sufficient resources to meet the annual debt service requirements. Prior to issuing enterprise fund bonds, an analysis of current revenues and expenses is conducted to determine the revenues required to support a bond issue.

Special Obligation Bond Debt Limit

Special obligation bond debt is limited by the maximum amount of the special source (such as sales tax) can generate within terms of bond covenants.

* Note: The assessed value does not include City utilities.

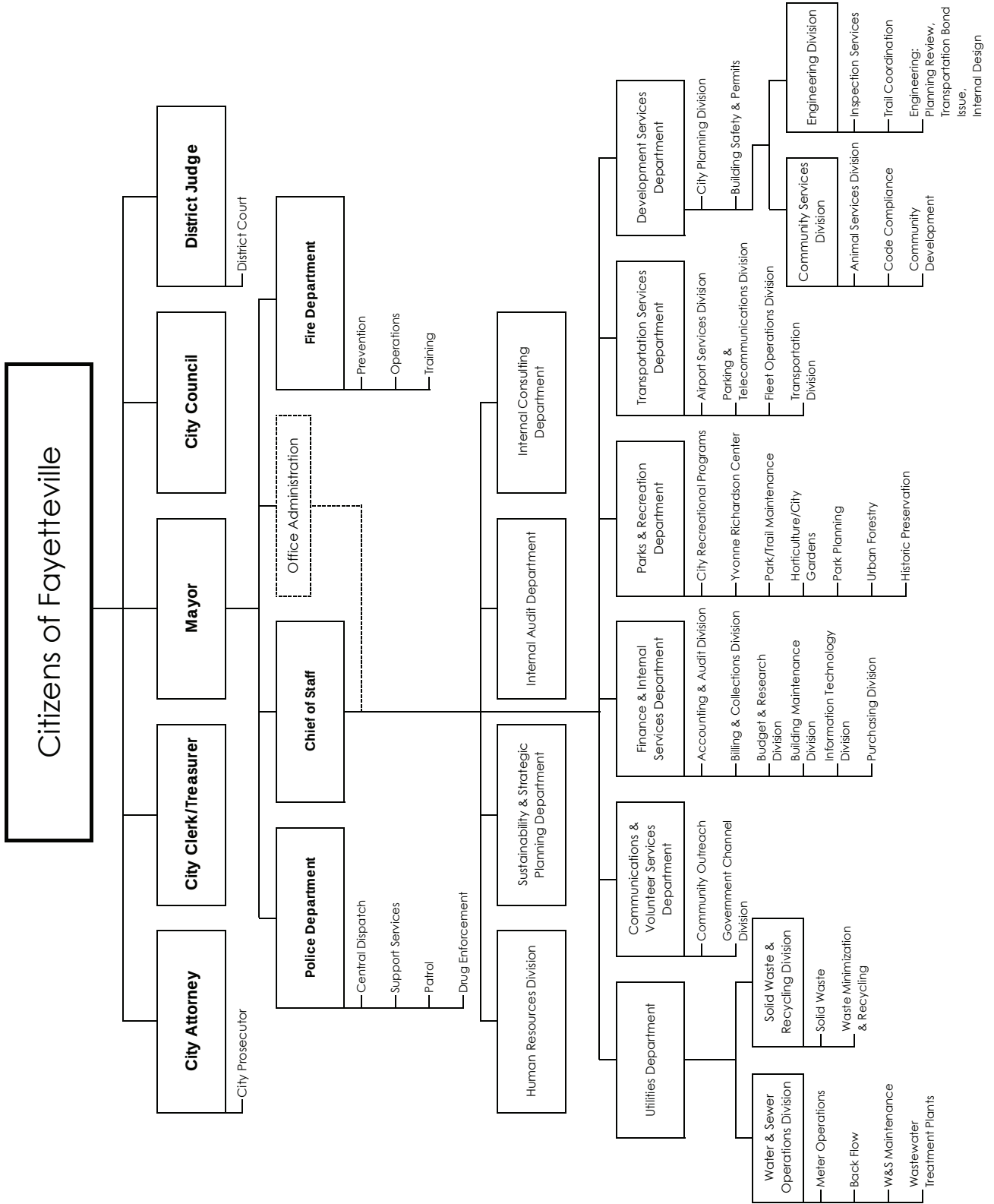
City of Fayetteville, Arkansas
Total Debt to Maturity Schedule - All Funds
December 31, 2011

Maturity Year	Principal Amount				Interest	Annual Debt Requirement
	Beginning Balance	Additions	Reductions	Ending Balance		
2011	136,499,475	0	12,614,048	123,885,427	5,368,668	17,982,716
2012	123,885,427	0	12,889,115	110,996,312	4,897,193	17,786,308
2013	110,996,312	0	12,558,255	98,438,057	4,400,180	16,958,435
2014	98,438,057	0	5,832,594	92,605,463	3,932,763	9,765,357
2015	92,605,463	0	12,853,727	79,751,736	3,730,739	16,584,466
2016	79,751,736	0	12,716,708	67,035,028	3,197,471	15,914,179
2017	67,035,028	0	13,256,592	53,778,436	2,658,919	15,915,511
2018	53,778,436	0	13,828,436	39,950,000	2,090,771	15,919,207
2019	39,950,000	0	12,040,000	27,910,000	1,541,067	13,581,067
2020	27,910,000	0	11,060,000	16,850,000	1,034,030	12,094,030
2021	16,850,000	0	8,205,000	8,645,000	669,594	8,874,594
2022	8,645,000	0	1,255,000	7,390,000	310,644	1,565,644
2023	7,390,000	0	1,315,000	6,075,000	247,893	1,562,893
2024	6,075,000	0	1,385,000	4,690,000	182,144	1,567,144
2025	4,690,000	0	1,345,000	3,345,000	123,281	1,468,281
2026	3,345,000	0	0	3,345,000	62,081	62,081
2027	3,345,000	0	0	3,345,000	0	0
2028	3,345,000	0	0	3,345,000	0	0
2029	3,345,000	0	3,345,000	0	12,900,310	16,245,310
		<u>\$ 0</u>	<u>\$ 136,499,475</u>		<u>\$ 47,347,748</u>	<u>\$ 183,847,223</u>

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City of Fayetteville, Arkansas

Organizational Chart



Officials of the City of Fayetteville, Arkansas

Elected Officials

Mayor	Lioneld Jordan	479.575.8330	mayor@ci.fayetteville.ar.us
Ward 1, Position 1	Adella Gray	479.442.4958	Ward1_pos1@ci.fayetteville.ar.us
Ward 1, Position 2	Brenda Boudreaux	479.442.3095	Ward1_pos2@ci.fayetteville.ar.us
Ward 2, Position 1	Mark Kinion	479.521.7632	Ward2_pos1@ci.fayetteville.ar.us
Ward 2, Position 2	Matthew Petty	479.442.5536	Ward2_pos2@ci.fayetteville.ar.us
Ward 3, Position 1	Justin Tennant	479.973.5202	Ward3_pos1@ci.fayetteville.ar.us
Ward 3, Position 2	Bobby Ferrell	479.442.3535	Ward3_pos2@ci.fayetteville.ar.us
Ward 4, Position 1	Rhonda Adams	479.442.4612	Ward4_pos1@ci.fayetteville.ar.us
Ward 4, Position 2	Sarah Lewis	479.442.5415	Ward4_pos2@ci.fayetteville.ar.us
City Attorney	Kit Williams	479.575.8313	kwilliams@ci.fayetteville.ar.us
City Clerk/Treasurer	Sondra Smith	479.575.8323	City_clerk@ci.fayetteville.ar.us
District Judge	Rudy Moore	479.587.3590	rmoore@ci.fayetteville.ar.us

Management Staff

Executive Staff

Chief of Staff	Don Marr	479.575.8330	dmarr@ci.fayetteville.ar.us
Acting Police Chief	Greg Tabor	479.587.3565	police@ci.fayetteville.ar.us
Fire Chief	David Dayringer	479.575.8365	fire@ci.fayetteville.ar.us

Senior Department Directors

Communications & Marketing Director	Lindsley Smith	479.575.8330	lsmith@ci.fayetteville.ar.us
Development Services Director	Jeremy Pate	479.575.8265	jpate@ci.fayetteville.ar.us
Finance Director	Paul A. Becker	479.575.8330	pbecker@ci.fayetteville.ar.us
Parks & Recreation Director	Connie Edmonston	479.444.3471	parks_and_recreation@ci.fayetteville.ar.us
Transportation Services Director	Terry Gulley	479.575.8228	transportation@ci.fayetteville.ar.us
Utilities Director	David Jurgens	479.575.8330	djurgens@ci.fayetteville.ar.us

Division Heads

Accounting Director	Marsha Hertweck	479.575.8281	accounting@ci.fayetteville.ar.us
Billing & Collections Manager	Rainy Laycox	479.521.1258	rlaycox@ci.fayetteville.ar.us
Budget Director	Kevin Springer	479.575.8347	budget_research@ci.fayetteville.ar.us
Building Maintenance Superintendent	Larry Rennie	479.575.8363	building_services@ci.fayetteville.ar.us
City Engineer	Chris Brown	479.575.8206	engineering@ci.fayetteville.ar.us
City Prosecutor	Casey Jones	479.575.8377	cjones@ci.fayetteville.ar.us
Community Services Director	Yolanda Fields	479.575.8260	community_services@ci.fayetteville.ar.us
Director of Aviation	Ray Boudreaux	479.718.7642	rboudreaux@ci.fayetteville.ar.us
Dispatch Manager	Kathy Stocker	479.587.3555	police@ci.fayetteville.ar.us
District Court Administrator	Dena Stockalper	479.587.3591	district_court@ci.fayetteville.ar.us
Fleet Operations Superintendent	Dennis Pratt	479.444.3495	fleet@ci.fayetteville.ar.us
Government Channel Manager	Fritz Gisler	479.444.3434	fgisler@ci.fayetteville.ar.us
Human Resources Director	Missy Leflar	479.575.8278	mleflar@ci.fayetteville.ar.us
Information Technologies Director	Scott Huddleston	479.575.8320	information_technology@ci.fayetteville.ar.us
Internal Auditor	Vicki Deaton	479.575.8261	vdeaton@ci.fayetteville.ar.us
Internal Consulting Director	Karen Minkel	479.575.8271	kminkel@ci.fayetteville.ar.us
Parking & Telecommunications Manager	Sharon Waters	479.575.8280	parking@ci.fayetteville.ar.us
Purchasing Manager	Peggy Vice	479.575.8256	purchasing@ci.fayetteville.ar.us
Solid Waste & Recycling Manager	Carrol Hill	479.575.8398	solid_waste@ci.fayetteville.ar.us
Sustainability & Strategic Plan. Director	John Coleman	479.575.8272	jcoleman@ci.fayetteville.ar.us
Water & Wastewater Operations Manager	Will Winn	479.575.8386	water_and_sewer_maintenance@ci.fayetteville.ar.us

City of Fayetteville, Arkansas
2012 Operating Budget
Outside Agency Funding

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	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
General Fund (1010):				
Ozark Regional Transit	\$ 254,000	\$ 254,000	\$ 254,000	\$ 254,000
Fayetteville Boys & Girls Club	57,600	205,350	205,350	205,350
Community Access Television	93,000	93,000	93,000	93,000
NWAEDD (Senior Center)	23,350	53,350	53,350	53,350
Razorback Transit	50,000	50,000	50,000	50,000
Ozark Military Museum	6,000	6,000	6,000	6,000
Arkansas Air Museum	6,000	6,000	6,000	6,000
*NWA Regional Planning	36,937	36,937	36,937	40,469
*Central Emergency Medical Service	247,500	270,000	270,000	270,000
	<u>774,387</u>	<u>974,637</u>	<u>974,637</u>	<u>978,169</u>
Parks Development Fund (2250):				
Fayetteville Boys & Girls Club	147,750	0	0	0
NWAEDD (Senior Center)	30,000	0	0	0
	<u>177,750</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Outside Agency Funding	<u>\$ 952,137</u>	<u>\$ 974,637</u>	<u>\$ 974,637</u>	<u>\$ 978,169</u>

* These Outside Agencies Have Interlocal Governmental Agreements.

LISTING OF ACRONYMS

A&P.....	Advertising & Promotion
ADA	Americans with Disabilities Act
ADEQ.....	Arkansas Department of Environmental Quality
ADH	Arkansas Department of Health
AED.....	Automated External Deliberator
AEP	Arkansas Electric Power
AHTD.....	Arkansas Highway Transportation Department
AMP	Aircraft Maintenance Professionals
BMX	Bicycle Motocross
BOD	Biochemical Oxygen Demand
CAD.....	Computer Aided Design
CAFR.....	Comprehensive Annual Financial Report
CALEA	Commission on Accreditation for Law Enforcement Agencies
CAT	Community Access Television
CD	Compact Disc
CDBG	Community Development Block Grant
CIP	Capital Improvements Program
CMS	Content Management System
COLA.....	Cost of Living Adjustment
CPI	Consumer Price Index
CPR.....	Cardiovascular Pulmonary Resuscitation
DOT.....	Department of Transportation
DTF	Drug Task Force
DWI	Driving While Intoxicated
ED.....	Economic Development
EDI.....	Economic Development Initiative
EDMS	Electronic Document Management System
EMS	Emergency Medical Services
EMT	Emergency Medical Technician
EPA	Environmental Protection Agency
ERT	Emergency Response Team
FAA	Federal Aviation Administration
FAR	Federal Aviation Regulation
FASB.....	Financial Accounting Standards Board
FBO	Field Based Operator
FCC	Federal Communication Commission
FEDC.....	Fayetteville Economic Development Council
FEMA	Federal Emergency Management Agency
FHWA.....	Federal Highway Administration
FOIA.....	Freedom of Information Act
FTE.....	Full-Time Equivalent
GA	General Aviation
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GFOA	Government Finance Officers Association
GHG	Greenhouse Gas

LISTING OF ACRONYMS, (continued)

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GIS	Geographic Information System
HIRL	High Intensity Runway Lights
HMI	Human Machine Integration
HMR	Hotel/Motel Restaurant Tax
HOME	HOME Grant Program
HUD	Housing & Urban Development
HVAC	Heating, Ventilation, and Air Conditioning
IPP	Industrial Pretreatment Program
ISO	International Standards Organization
IT	Information Technology
LAN	Local Area Network
LED	Light Emitting Diode
LOPFI	Local Police and Fire Retirement
MDT	Mobile Data Terminal
MGD	Million Gallons per Day
MLK	Martin Luther King
MRF	Materials Recovery Facility
MUTCD... ..	Manual on Uniform Traffic Control Devices
MVR	Mobile Video Recorder
NPDES	National Pollutant Discharge Elimination System
NWA	Northwest Arkansas
O&M	Operation & Maintenance
ORT	Ozark Regional Transit
PAPI	Precision Approach Path Indicator
PC	Personal Computer
PEG	Public/Education/Government
PO	Purchase Order
PRAB	Parks & Recreation Advisory Board
RFP	Request for Proposals
ROW	Right-of-Way
RLF	Revolving Loan Fund
RTU	Remote Terminal Units
SCADA	Supervisory Control & Data Acquisition
TIF	Tax Increment Financing
TSS	Total Suspended Solids
UDC	Unified Development Code
USACE	United States Army Corps of Engineers
UV	Ultra Violet
W&S, W/S	Water & Sewer
WSIP	Wastewater System Improvements Project
WWT	Wastewater Treatment
WWTP	Wastewater Treatment Plant
W/WW	Water/Wastewater
YRCC	Yvonne Richardson Community Center

GLOSSARY

ACCOUNT GROUP. A self-balancing set of accounts which are not a fund or a fiscal entity. General Fixed Assets Account Group and General Long-Term Debt Account Group are such examples.

ACCOUNTING SYSTEM. Records and procedures that discover, record, classify, and report information on the financial position and operations of a governmental unit or any of its funds.

ACCRUAL. Revenue and expenses are recorded when they are incurred.

AD VALOREM. A basis for levy of taxes upon property based on value.

AGENCY FUND. A fund consisting of resources received and held by the governmental unit as an agent for others.

APPROPRIATION. An authorization granted by the board to incur liabilities for specific purposes.

ASSETS. Probable future economic benefits obtained or controlled by a particular entity as a result of past transactions or events.

BALANCED BUDGET. A budget balanced by fund, for all funds maintained by the City, in which total anticipated revenues must equal or exceed the budgeted expenditures for each fund.

BOND. A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specified rate.

BOND DISCOUNT. The excess of the face value of a bond over the price for which it is acquired or sold.

BOND PREMIUM. The excess of the price at which a bond is acquired or sold over its face value.

BONDED DEBT. The portion of indebtedness represented by outstanding bonds.

BUDGET. A financial operating plan consisting of estimates of proposed expenditures for a given period and the proposed means of financing them.

BUDGET CONTROL. The control or management of the approved Budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

BUDGET DOCUMENT. The instrument used by the budget-making authority to present a comprehensive financial program to the appropriating body.

BUDGET MESSAGE. A general discussion of the budget as presented in writing by the Mayor to the City Council. The message contains an explanation of the principal budget items and recommendations regarding the financial policy for the coming year.

CAPITAL BUDGET. This budget deals with large expenditures for capital items normally financed by borrowing. Usually capital items have long-range returns, useful life spans, are relatively expensive, and have physical presence such as buildings, roads, sewage systems, etc.

GLOSSARY, (continued)

CAPITAL IMPROVEMENT. Any property, asset, or improvement with an estimated value greater than five thousand dollars, and estimated life or usefulness of one or more years, including land, interest therein and including constructions, enlargements, and renovations.

CAPITAL IMPROVEMENT PROGRAM. An approach or technique for identifying and forecasting capital outlay decisions that a government expects to make over a five year period.

CAPITAL OUTLAY. Expenditures that result in the acquisition of or addition to fixed assets.

CAPITAL PROJECTS FUND. A fund created to account for all resources to be used for the acquisition or construction of designated fixed assets.

CASH. Legal tender or coins that can be used in exchange for goods, debt, or services. This includes the value of assets that can be converted into cash immediately

CONSTRUCTION WORK IN PROGRESS. The cost of construction work that has been started but not yet completed and placed in service.

CONTINGENCY FUND. Funds set aside for unforeseen expenses of uncertain amounts or funds set aside for known expenses, such as salary increases, but uncertain amounts.

CONTRACTUAL SERVICE. An agreement to perform a service or task by external organizational units. A group of accounts which cover the above as well as travel and training and other miscellaneous services.

DEBT SERVICE. The amount of money necessary to pay interest on an outstanding debt, the principal of maturing material serial bonds, and the required contributions to a sinking fund for term bonds.

DEBT SERVICE FUND. A fund established to finance and account for the payment of interest and principal on all general obligation debt, serial and term, other than that payable exclusively from special assessments and revenues from fiduciary and proprietary funds.

DEMAND. Demand is the external factor that demonstrates the "need" for a program. Demand data enables decision-makers to adjust services and costs to respond to changes in direction for the service.

DEPARTMENT. Departments are the major organizational subdivisions. They have a broad overall purpose. In the City of Fayetteville organization structure, each department is comprised of one or more divisions.

DEPRECIATION. Expiration in the service life of fixed assets, attributable to wear and tear, deterioration, action of the physical elements, inadequacy, and obsolescence.

DESIGNATED FUND. Funds created to account for assets set aside for a specific purpose.

DIVISION. Divisions are the major functional sub-divisions and correspond roughly to the departmental hierarchy formerly used by the City. Each Division reports to one of more departments.

GLOSSARY, (continued)

EFFECTIVENESS. Effectiveness data enables decision-makers to see that quality does not suffer as productivity increases, and that constituents are satisfied with services.

ENCUMBRANCE. An account used to record the estimated amount of contracts, salary commitments and purchase orders that are chargeable to an appropriation.

ENTERPRISE FUND. A fund established to finance and account for the acquisition, operation, and maintenance of governmental facilities and services which are entirely or predominantly self-supporting by user charges.

EXPENDITURE. Accounts which are kept on either the accrual basis or modified accrual basis of accounting and designates the cost of goods delivered or services rendered, whether paid or unpaid, including expenses and capital outlays.

EXPENSE. Charges incurred for operation, maintenance, interest, and other charges that will benefit the current year.

FIDUCIARY FUND. Any fund held by a governmental unit as an agent or trustee.

FISCAL YEAR. A 12-month period of time to which the annual budget applies and at the end of which a governmental unit determines its financial position and the results of its operations.

FIXED ASSET. Long-term assets that are intended to be held or used, such as land, buildings, machinery, furniture, and other equipment.

FRANCHISE TAX. Fees levied on a corporation in return for granting a privilege sanctioning a monopoly or permitting the use of public property, usually subject to regulation set by the governing body.

FULL-TIME EQUIVALENT POSITION (FTE). A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a summer lifeguard working for four months, or 690 hours, would be equivalent to .33 of a full-time position.

FUND. A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities, or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

FUND BALANCE. Fund equity of a fund or in Governmental Funds, the amount assets exceed liabilities. Unrestricted Fund Balance is available for appropriation.

FUND EQUITY. The excess of assets over liabilities. A portion of the equity may be reserved, restricted or designated; the remainder is Fund Balance.

GENERAL FIXED ASSETS ACCOUNT GROUP. A self-balancing group of accounts set up to account for the general fixed assets of a governmental unit.

GENERAL FUND. A fund used to account for all transactions of a governmental unit that are not accounted for in another fund, such as police and fire services.

GLOSSARY, (continued)

GENERAL LONG-TERM DEBT ACCOUNT GROUP. A self-balancing group of accounts set up to account for long-term debt which is legally payable from general revenues.

GOAL. A goal is a statement of desired conditions to be maintained or achieved through the efforts of an organization. Actual total achievement may be impossible, but the goal is a standard against which to measure progress toward ideal conditions. A goal is a definition of results toward which the work of the organization is directed.

GOVERNMENTAL FUND. A generic classification adopted by the National Council on Governmental Accounting to refer to all funds other than proprietary and fiduciary funds. General fund, special revenue funds, capital projects funds, debt service funds, and special assessment funds are all examples of governmental fund types.

GRANT. A contribution by one governmental unit to another unit. The contribution is usually made to aid in the support of a specified function or for the acquisition or construction of fixed assets.

INCOME. A term used to represent the excess of revenues earned over the expenses incurred in carrying on an enterprise operation.

INTERGOVERNMENTAL REVENUE. Revenue from other governments. Grants, entitlements, and shared revenues are types of intergovernmental revenue.

INTERNAL SERVICE FUND. A fund established to finance and account for services and commodities furnished by a designated department to other departments. Amounts expended by the fund are reestablished from either operating earnings or by transfers from other funds.

INVESTMENT. Securities held for the production of income in the form of interest and dividends.

LIABILITY. Probable future sacrifices of economic benefits arising from present obligations of a particular entity to transfer assets or provide services to other entities in the future as a result of past transactions or events.

LINE-ITEM. A detailed classification of an expense or expenditure classified by object within each Division.

LONG-TERM DEBT. Debt with a maturity of more than one year after the date of issuance.

MODIFIED ACCRUAL BASIS. Governmental funds use the modified accrual basis of accounting. Revenues are recognized in the period in which they become both available and measurable. Expenditures are recognized at the time a liability is incurred.

NET INCOME. A term used in governmental enterprise to designate the excess of total revenues over total expenses.

NONOPERATING EXPENSE. Proprietary fund expenses incurred in performance of activities not directly related to supplying the basic service by a governmental enterprise.

NONOPERATING INCOME. Proprietary fund income that is not derived from the basic operations of such enterprises.

GLOSSARY, (continued)

OBJECT CODE. Expenditure classification according to the types of items purchased or services obtained; for example, personnel services, materials and supplies, contractual service, and capital.

OBJECTIVE. An objective is a decision about the amount of progress to be made within a specified period of time. It states in measurable and quantitative terms the results to be achieved within a specified time and plans the incremental steps to achieve the goal.

OPERATING TRANSFER. Legally authorized interfund transfers from a fund receiving revenue to the fund that makes expenditures.

ORDINANCE. A formal legislative enactment by the governing board of a municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies.

PERFORMANCE BUDGET. A budget which relates appropriations to work loads. By featuring unit measures, performance budgets are believed to express official and citizen interest in the managerial value of efficiency.

PERFORMANCE MEASURES. Performance measures provide a means of identifying the level of service provided. Performance measures include a measurement of Demand, Workload, Productivity, and Effectiveness.

PROGRAM. Operating units within a Division. Each program represents a specific type of activity within its Division aimed at providing a service for which the City is responsible.

PROGRAM BUDGET. A budget which relates appropriations to goals. Budget makers practicing this approach strive to appropriate sums to non-organization, goal-oriented cost centers. Program budgeting is believed to express official and citizen interest in planning and in the effective use of resources.

PROGRAM OBJECTIVES. A program objective is a decision about the amount of progress to be made within a specified period of time in reducing the gap between real conditions and the ideal conditions described in the Program Description. It states in measurable quantitative terms the results to be achieved within a specified time and plans the incremental steps to achieve them.

PRODUCTIVITY. Unit cost (productivity data) enables decision-makers to measure efficiency, as opposed to total expenditures. Productivity unit costs can also be used to quickly estimate the cost of adding more service or savings realized from reductions in service.

PROPRIETARY FUND. Sometimes referred to as "income-determination" or "commercial-type" funds. Examples are enterprise and internal service funds.

RESERVE. An account that records a portion of the fund equity that must be segregated for some future use and which is not available for further appropriation or expenditure.

RETAINED EARNINGS. The accumulated earnings of an enterprise or internal service fund that have been retained in the fund and that are not reserved for any specific purpose.

GLOSSARY, (continued)

REVENUE. Additions to fund financial resources other than from interfund transfers and debt issue proceeds.

SPECIAL REVENUE FUND. A fund established to account for revenues from specific taxes or other earmarked revenue sources that by law are designated to finance particular functions or activities of government.

TAX. A compulsory charge levied by a governmental unit for the purpose of raising revenue. These revenues are used to pay for services or improvements provided for the general public benefit.

UNRESERVED FUND BALANCE. The amount remaining in a fund that is not reserved for some future use and which is available for further appropriation or expenditure.

USER CHARGE. A charge levied against users of a service or purchasers of a product of an enterprise or internal service funds.

WORKLOAD. Workload data answers the question about how much service is being provided, as well as how output is meeting service demand. Workload data is also the basis, along with total expenditures, for unit cost or productivity indicators.

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2012 Budget Summary

November 8, 2011

Total Fund Budget Overview

Chart of Governmental Fund Types

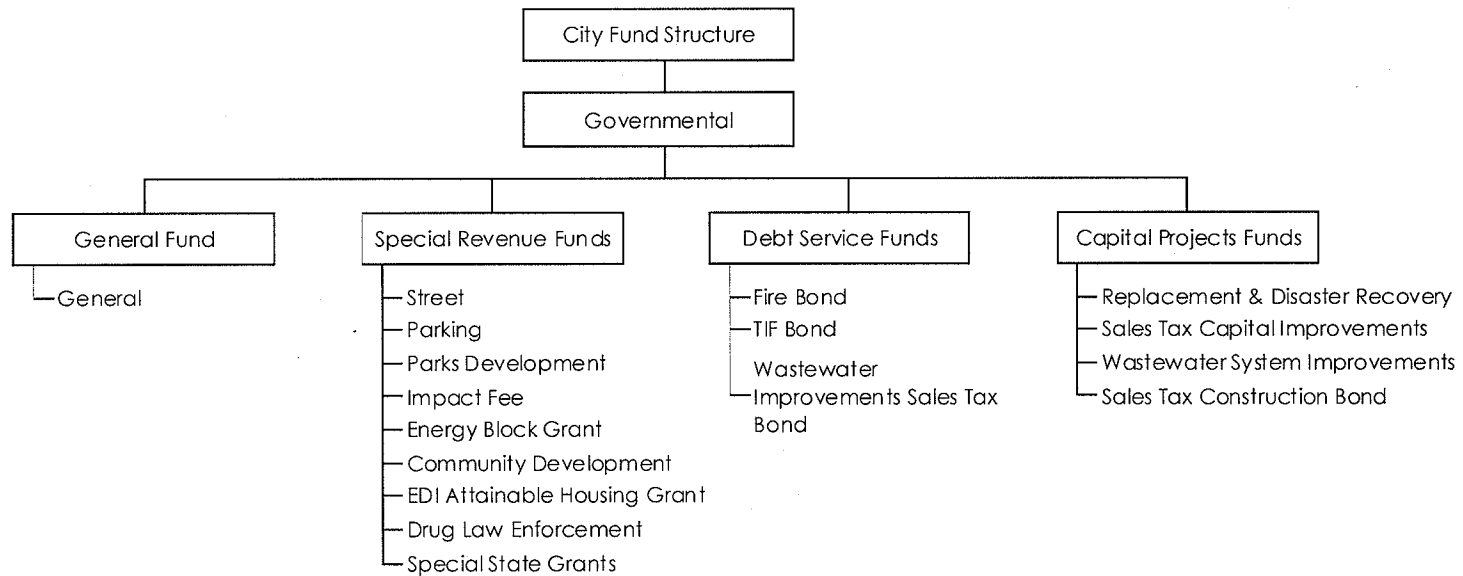
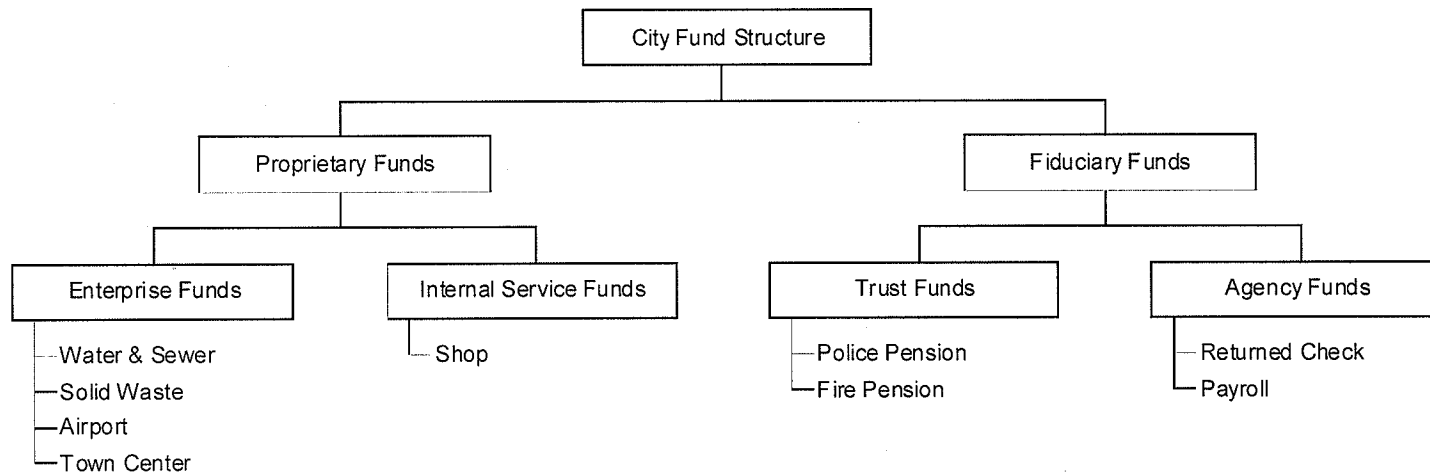


Chart of Proprietary and Fiduciary Fund Types



Summary Fund Totals as Percent of Total Budget

Fund Totals as a Percent of Budget

Funding Sources	Adopted 2011		Proposed 2012	
	Budget	% Total	Budget	% Total
General	\$ 33,885,500	28.6%	\$ 34,139,200	28.1%
Water & Sewer	30,901,000	26.1%	30,908,000	25.6%
Sales Tax Bond	15,373,700	13.0%	16,372,400	13.5%
Solid Waste	9,208,300	7.8%	9,950,100	8.2%
Shop	7,239,900	6.1%	8,231,500	6.8%
Sales Tax Capital Improvements	6,390,000	5.4%	6,702,600	5.5%
Street	4,390,000	3.7%	4,706,600	3.9%
Parks Development	2,424,600	2.0%	2,358,000	1.9%
Police Pension	1,692,800	1.4%	1,633,000	1.3%
Fire Pension	1,480,400	1.2%	1,470,000	1.2%
Parking	1,065,100	0.9%	1,101,800	0.9%
Impact Fee	1,260,000	1.1%	921,000	0.8%
Airport	770,800	0.6%	768,000	0.6%
Town Center	702,700	0.6%	695,200	0.6%
Community Development Block Grant	695,800	0.6%	589,000	0.5%
Drug Law Enforcement	494,000	0.4%	544,000	0.4%
TIF Bond	63,700	0.1%	100,000	0.1%
Wastewater System Improvements Project	0	0.0%	97,600	0.1%
Fire Bond	424,800	0.4%	0	0.0%
Replacement & Disaster Recovery	45,100	0.0%	41,000	0.0%
Sales Tax Construction Bond	6,000	0.0%	2,000	0.0%
	<u>\$ 118,514,200</u>	<u>100.0%</u>	<u>\$ 121,331,000</u>	<u>100.0%</u>

Percentage Increase 2012 over 2011 is \$2,816,800 or 2.3%

Summary of Fund Expenditures (In Dollars)

	Adopted 2011	Proposed 2012	Change In Dollars	2012 % of Total Budget
Category:				
Personnel Services	\$ 42,092,155	\$ 42,466,864	\$ 374,709	35.5%
Materials & Supplies	4,527,208	4,234,456	(292,752)	3.8%
Services & Charges	16,052,793	16,090,288	37,495	13.5%
Maintenance	3,975,581	4,508,422	532,841	3.4%
Fuel	2,946,398	3,460,493	514,095	2.5%
Internal Charges	3,944,052	4,354,031	409,979	3.3%
Purchased Water	6,500,000	6,500,000	0	5.5%
WWTP Operations	7,712,706	7,799,391	86,685	6.5%
Total Operating Expenses	<u>87,750,893</u>	<u>89,413,945</u>	<u>1,663,052</u>	<u>74.0%</u>
Transfers Out	1,233,000	330,600	(902,400)	1.0%
Debt Service	18,732,207	20,104,105	1,371,898	15.8%
Capital	10,798,100	11,482,350	684,250	9.1%
Total Expenses	<u>\$ 118,514,200</u>	<u>\$ 121,331,000</u>	<u>\$ 2,816,800</u>	<u>100.0%</u>

Operating Increase is \$1,663,052 or 1.9%

Transfers Out, Capital, and Debt Service Increase is \$1,153,748 or 3.7%

Total Increase is \$2,816,800 or 2.3%

2012 General Fund Summary

2012 General Fund Proposed Budget - Revenue Highlights

Revenue Source	Actual		Estimated		Budgeted		Change Between 2010/2011	
	2010		2011		2012		Amount	%
Sales Tax Revenue	\$	19,910,291	\$	20,549,000	\$	20,549,000	\$ -	0.0%
Property Tax Revenue		1,631,854		1,488,000		1,523,000	35,000	2.4%
Franchise Fees		4,904,603		4,874,400		4,880,100	5,700	0.1%
Building Permits		479,286		533,000		479,400	(53,600)	-10.1%
All Other Revenue		6,831,867		7,114,500		6,147,400	(967,100)	-13.6%
Investment Earnings		130,534		61,900		62,300	400	0.6%
	\$	<u>33,888,435</u>	\$	<u>34,620,800</u>	\$	<u>33,641,200</u>	<u>(979,600)</u>	<u>-2.8%</u>

- Sales Tax for 2012 is approximately 3.2% over 2010 actual revenue and flat over 2011 estimated collections.
- Property Tax for 2012 is projected to be up 2.4% compared to the estimated 2011 collections. This estimate is based on assessed value.
- Franchise fees are projected to be relatively flat compared to the 2011 estimate.
- Building permits are projected to be lower compared to the 2011 estimate.
- Investment Earnings are projected to be relatively flat compared to the 2011 estimate.
- All other revenue for is projected to be lower compared to 2011 estimated revenue.
- All other revenue includes Federal and State grants and related funding.

2012 Proposed General Fund Expenditure Budget:

(Changes Between Adopted 2011 and Proposed 2012)

	Budget
2011 General Fund Adopted Expense Budget:	\$ 33,885,500
Additions:	
LOFPI Police Pension	52,589
LOFPI Fire Pension	52,570
Health Insurance (Rate Increase)	21,871
Fuel	51,550
Motorpool Charges	54,614
Election Cost (General Election)	30,000
Police Jail Contract	10,500
Utilities	14,400
Other	12,613
Software Maintenance	59,807
	360,514
Reductions:	
Personnel Turnover & Other	(7,182)
Insurance - Personal Liability / Vehicles	(17,480)
Radio Maintenance	(82,152)
	(106,814)
	\$ 34,139,200

2012 Proposed General Fund Expenditure Budget: (Changes Between Adopted 2009 and Proposed 2012)

	Budget
2009 General Fund Adopted Expense Budget:	\$ 35,801,900
Additions:	
Salaries/Wages & Pension (including LOFPI)	475,083
Health Insurance (Rate Increase)	157,755
Unemployment Insurance	80,000
Software Maintenance	97,143
Election Cost	45,000
Police Jail Contract	10,500
Utilities	14,400
Bad Debt Expense	10,000
	889,881
Reductions:	
2010 Budgeted Positions Held in 2011 & Frozen Positions	\$ (1,058,971)
Salary Contingency (Wage Increases for 2010)	(325,398)
Fire/Police Overtime	(225,000)
Parking Enforcement Program (Shifted to Parking Fund)	(201,948)
Contract Services & Lease Expense	(112,176)
Fuel	(45,039)
Radio Maintenance	(82,152)
Washington, D.C. Lobbyist	(85,000)
Increase Cost Allocations	(70,000)
Vehicle Replacement Charges & General Motorpool Charges	(13,000)
Public Notification & Uniforms/Equipment	(51,910)
Planning Commissioners Salaries	(43,596)
Publications/Dues & Travel & Training & Radio Maintenance	(26,315)
Pension Administration Fee & Long Term Disability and Life Insurance	(34,082)
Other	(177,994)
	(2,552,581)
2012 Proposed Budget General Fund	\$ 34,139,200

2012 Proposed General Fund Shortfall

Budget

2012 General Fund Proposed Revenue Budget:	\$ 33,641,200
2012 General Fund Proposed Expense Budget:	<u>\$ 34,139,200</u>
2012 Short Fall	<u><u>\$ (498,000)</u></u>

General Fund Unobligated Fund Balance Analysis Estimated 12/31/2011

Fund Balance 01/01/2011	\$ 10,100,000
Increase in Reserves Due to 2011 Operations	1,100,000
Required Reserve (60 Days of Operations)	(5,650,000)
2012 Use of Reserves	<u>(498,000)</u>
Estimated Available Reserve as of 12/30/2012	<u><u>\$ 5,052,000</u></u>

ORDINANCE NO. _____

AN ORDINANCE TO ENACT §164.22 **COTTAGE HOUSING DEVELOPMENT** INTO THE UNIFIED DEVELOPMENT CODE, TO AMEND §162.01 TO ADD (RR) UNIT 44 *COTTAGE HOUSING DEVELOPMENT* AND TO AMEND CHAPTER 161 **ZONING DISTRICT** TO AUTHORIZE COTTAGE HOUSING DEVELOPMENTS AS A RIGHT IN MULTI-FAMILY RESIDENTIAL DISTRICTS AND AS A CONDITIONAL USE IN SINGLE FAMILY RESIDENTIAL DISTRICTS

WHEREAS, the City of Fayetteville has long sought to increase the availability of quality affordable housing for its citizens; and

WHEREAS, the City of Fayetteville has an established policy to encourage in-fill development and the mixture of different types and sizes of single family housing within neighborhoods; and

WHEREAS, providing for a properly planned clustering of small, high quality, detached single family houses (cottages) within a neighborhood of larger lots and homes can provide attractive, compatible and affordable housing for our citizens.

NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby enacts §164.22 **Cottage Housing Development** (as shown on Exhibit A) into the Unified Development Code of Fayetteville.

Section 2: That the City Council of the City of Fayetteville, Arkansas hereby amends §162.01 to add use unit:

“(RR) Unit 44. Cottage Housing Development.

- (1) Description.* Unit 44 is provided in order that cottage housing developments are permitted by right in multi-family zoning districts and by Conditional Use Permit in single family zoning districts.

(2) *Included uses.*

Cottage Housing Developments

Section 3: That the City Council of the City of Fayetteville, Arkansas hereby amends Chapter 161: **Zoning Regulations** of the U.D.C. to add "(RR) Use Unit 44 Cottage Housing Development" as a use by right in multi-family residential districts and as a conditional use in single family residential district as more specifically identified by Exhibit B.

PASSED and **APPROVED** this 15th day of November, 2011.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA E. SMITH, City Clerk/Treasurer

Exhibit "B"

161.04 RSF-.5	Conditional Use Permit
161.05 RSF-1	Conditional Use Permit
161.06 RSF-2	Conditional Use Permit
161.07 RSF-4	Conditional Use Permit
161.08 RSF-7	Conditional Use Permit
161.09 RSF-8	Conditional Use Permit
161.10 RT-12	Use by Right
161.11 RMF-6	Use by Right
161.12 RMF-12	Use by Right
161.13 RMF-18	Use by Right
161.14 RMF-24	Use by Right
161.15 RMF-40	Use by Right
161.16 Neighborhood Services	Use by Right
161.17 R-O	Use by Right
161.18 C-1	Use by Right
161.19 Community Services	Use by Right
161.20 C-2	Use by Right
161.21 Urban Thoroughfare	Use by Right
161.22 C-3	Use by Right
161.23 Downtown Core	Use by Right
161.24 Main Street/Center	Use by Right
161.25 Downtown General	Use by Right
161.26 Neighborhood Conservation	Conditional Use Permit

Mayor Lioneld Jordan

City Attorney Kit Williams

City Clerk Sondra Smith



Aldermen

Ward 1 Position 1 – Adella Gray
Ward 1 Position 2 – Brenda Boudreaux
Ward 2 Position 1 – Mark Kinion
Ward 2 Position 2 – Matthew Petty
Ward 3 Position 1 – Justin Tennant
Ward 3 Position 2 – Robert Ferrell
Ward 4 Position 1 – Rhonda Adams
Ward 4 Position 2 – Sarah E. Lewis

**City of Fayetteville Arkansas
City Council Meeting Minutes
November 15, 2011**

A meeting of the Fayetteville City Council was held on November 15, 2011 at 6:00 p.m. in Room 219 of the City Administration Building located at 113 West Mountain Street, Fayetteville, Arkansas.

Mayor Jordan called the meeting to order.

PRESENT: Alderman Gray, Boudreaux, Kinion, Petty, Tennant, Ferrell, Adams, Lewis, Mayor Jordan, City Attorney Kit Williams, City Clerk Sondra Smith, Staff, Press, and Audience.

Pledge of Allegiance

Mayor's Announcements, Proclamations and Recognitions:

Don Marr, Chief of staff announced that the City of Fayetteville received a Digital Cities Award as the 7th Top Digital City in the Nation from the Center for Digital Government and Digital Communities Program.

City Council Meeting Presentations, Reports and Discussion Items: None

Agenda Additions: None

Mayor Jordan stated that Fayetteville Police Department Policies would be pulled from the Consent Agenda for discussion.

Consent:

Approval of the November 1, 2011 City Council meeting minutes.

Approved

Bid #11-57 Diamond International: A resolution awarding Bid #11-57 and approving a contract with Diamond International of Lowell in the amount of \$94,703.40 for the purchase of one (1) 2012 International 7300 diesel truck with belly plow and dump body for the use by the Transportation Division.

Resolution 195-11 as recorded in the office of the City Clerk.

Bid #11-61 Associated Fiberglass Enterprise: A resolution awarding Bid #11-61 and approving a contract with Associated Fiberglass Enterprise in the amount of \$23,814.16 for the purchase of a 6,000 gallon alum storage tank for the Noland Wastewater Treatment Facility.

Resolution 196-11 as recorded in the office of the City Clerk.

2011 Bulletproof Vest Partnership Program: A resolution authorizing acceptance of a fifty percent (50%) matching grant award from the 2011 Bulletproof Vest Partnership Program in the amount of \$4,550.00 for the replacement of fifteen (15) body armor vests, and approving a budget adjustment.

Resolution 197-11 as recorded in the office of the City Clerk.

Fayetteville Police Department Policies: A resolution approving Fayetteville Police Department Policies 1.1.1 Law Enforcement Agency Role, 1.2.2 Warrantless Detention, Search and Seizure, and 1.2.4 Domestic Violence.

This item was removed from the Consent Agenda for discussion.

Prism Education Center: A resolution approving a lease with Prism Education Center for property located at 2190 South Razorback Road pursuant to the Community Development Block Grant Public Facility Lease Program.

Resolution 199-11 as recorded in the office of the City Clerk.

Wilson Park Bench Donation: A resolution to approve the donation of a public bench in Wilson Park and to thank Jimmy and Jeanie Hill for this donation.

Resolution 200-11 as recorded in the office of the City Clerk.

Alderman Boudreaux moved to approve the Consent Agenda as read with Fayetteville Police Department Policies removed for discussion. Alderman Kinion seconded the motion. Upon roll call the motion passed unanimously.

Fayetteville Police Department Policies: A resolution approving Fayetteville Police Department Policies 1.1.1 Law Enforcement Agency Role, 1.2.2 Warrantless Detention, Search and Seizure, and 1.2.4 Domestic Violence.

City Attorney Kit Williams gave a brief description of the resolution and pointed out that there should be two clauses added to the resolution.

Police Chief Greg Tabor stated we have looked at this and we are 100% okay with the wording that has been added.

Alderman Ferrell: How does a citizen know that it is a field interview?

Police Chief Greg Tabor: Usually in that scenario it is very obvious that they are willing to talk to us.

City Attorney Kit Williams pointed out Rule 2.2 on the back of the page that was handed out.

Alderman Lewis: Is there something that can be added that says the person shall be notified that they are not required to answer the questions?

City Attorney Kit Williams: I think that would make people nervous and make them think they are being investigated and suspected of a crime and I would not recommend it.

Alderman Lewis: There are plenty of folks that are not aware that it is not required.

Police Chief Greg Tabor: Some courts believe that everyone should know what their rights are. I agree with Kit that it could potentially interfere with investigations.

City Attorney Kit Williams gave examples of ways this could hamper a police investigation.

Alderman Ferrell: I think there may be a happy medium here. I think it would be appropriate if the officer says “do you mind if I ask you a few questions.”

City Attorney Kit Williams: I am sure that is what they do and I think that would be appropriate. What are we going to do if we say they must start that way and an officer does not say it properly and therefore it is thrown out?

Alderman Ferrell: I think some people, when a law enforcement officer is around, it makes them very nervous. I think you could lessen the anxiety by saying “do you mind if I ask you a few questions.”

Alderman Lewis: And the voluntary nature of the interview shall be communicated or something like this.

Alderman Adams: So the reason you are going through these policies is because you haven't considered them since 1999 right?

Police Chief Greg Tabor: That and we are trying to achieve a CALEA certification.

Alderman Adams: So are you looking at examples of what other policies look like?

Police Chief Greg Tabor explained the process they use in creating and amending new policies.

Alderman Adams: So this is close to what other cities and other CALEA agencies are doing?

Police Chief Greg Tabor: That is correct.

Alderman Petty thanked the Mayor, Attorney and Chief for making these amendments. He stated the responsibility to know about these policies and the rights that the citizens have rest with the citizens themselves.

Alderman Petty moved to amend the policy by adding a second clause at the last sentence which shall read: *and shall be immediately terminated if the citizen does not wish to speak* and another clause under (3)(a) which shall read: *The person shall not be detained and may leave at any time without answering questions. No stop or detention of a person or a driver of a vehicle is allowed.* **Alderman Boudreaux** seconded the motion. Upon roll call the motion passed unanimously.

Alderman Petty moved to approve the resolution. **Alderman Boudreaux** seconded the motion. Upon roll call the resolution passed unanimously.

Resolution 198-11 as recorded in the office of the City Clerk.

Unfinished Business:

Parking Revenue Improvement Bonds: An ordinance authorizing the issuance and sale of not to exceed \$6,500,000 of Parking Revenue Improvement Bonds by the City of Fayetteville, Arkansas for the purpose of financing all or a portion of the costs of acquisition, construction and equipping of a parking deck facility, authorizing the execution and delivery of a trust indenture pursuant to which the bonds will be issued and secured; authorizing the execution and delivery of an official statement pursuant to which the bonds will be offered; authorizing the execution and delivery of a bond purchase agreement providing for the sale of the bonds; authorizing the execution and delivery of a continuing disclosure agreement; and prescribing other matters relating thereto. *This ordinance was left on the First Reading at the November 1, 2011 City Council meeting.*

Alderman Petty moved to suspend the rules and go to the second reading. **Alderman Adams** seconded the motion. Upon roll call the motion passed unanimously.

City Attorney Kit Williams read the ordinance.

Paul Becker, Finance Director gave a brief explanation of the ordinance and the financial plans for this bond project.

Alderman Petty: Is paying back any expenditures we make from the fund an action you would recommend us taking, because it seems like that would end up costing us more.

Paul Becker explained how the funds would be reimbursed.

David Jurgens, Utilities Director discussed the plan of executing this project.

Alderman Lewis: Based on the RFQ you are looking at selecting consultants for site selection and design.

David Jurgens: The selection process right now would be for the entire project which would be three phases.

Alderman Lewis: What would be done in-house?

David Jurgens explained who would be on the project team and their roles.

Alderman Gray: Are we going to know the sites you are looking at before you start looking at them?

David Jurgens: Yes Ma'am. He discussed sites that are currently being looked at.

Alderman Petty: Would this come back to the Council at any other point and at what point would the bonds be issued?

David Jurgens explained the timeline of the project.

Alderman Petty: If we end up with the scenario where we have to take a public private partnership, to develop portions of the structure that may be retail or residential, would we be able to follow a similar process as the Garland Parking deck?

David Jurgens stated I met with the University and the people responsible for the contracting of that project. I see no reason why we cannot use the exact same mechanisms for doing the work.

Alderman Petty: In the RFQ are we asking that whatever firm is selected be prepared to present those considerations and the options that they give us?

David Jurgens: Yes, those are some of the issues that have come forward and that would be part of the requirement to that in the contract.

Alderman Petty asked Terry Trotter with the Walton Arts Center if they had done any customer satisfaction surveys with the event parking since it has been implemented?

Terry Trotter: We have and the results have been fantastic and very positive.

Alderman Petty spoke on the city's current needs for a parking structure and discussed various ideas about the project. We need a parking structure in order to free up the existing surface parking lots that we have for future development. I think it is time to consider a parking structure. I think it is time to start. We need to be deliberate and not rush through this. We have to make sure that all the stake holders in the community are part of this.

Alderman Ferrell stated Matthew spoke on the public/private partnership the University has. He stated I would not favor anything unless we leased it to them. When I visited with the business owners in the Entertainment District they were very much for putting something there to serve the business needs of the Entertainment District.

Alderman Tennant stated we should vote on this tonight. I believe this is a necessary first step in this project. I think we need this.

Alderman Lewis stated I will support this. She asked for clarification on what step this is.

Paul Becker stated this gives the Mayor the authorization to issue the bonds.

Alderman Lewis: So this is the initial step in moving towards this project.

Paul Becker: Toward funding the project.

Mayor Jordan clarified when you authorize me to issue the bonds I will make the decision when the bonds are issued.

Alderman Lewis: So we can't do that unless this group decides to allow you to do that.

Mayor Jordan: That's correct.

Alderman Lewis: It's important to think ahead in the design and the location and be aware that these things will be coming back to us. I am not supportive of an underground garage at this point because of the karst geology in this area. That is probably not a good idea.

Alderman Adams stated I have a lot of confidence in this administration. Everything you have said you would do you have done. I think we have a good Council. I have a good sense of trust that we will move forward together and work hard together to get this right for the City.

Alderman Gray stated I think it is time to move on with it and I will support this.

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

City Attorney Kit Williams read the ordinance.

Mayor Jordan: Every 30 days there will be a report from David on the progress of the project and we will start the selection committee for the architect. He thanked the Council for their hard work.

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

Ordinance 5457 as Recorded in the office of the City Clerk

Sales Tax Capital Fund: An ordinance to enact §34.09 Sales Tax Capital Fund of the Code of Fayetteville. *This ordinance was left on the Second Reading at the November 1, 2011 City Council meeting.*

Alderman Tennant 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.

Paul Becker gave a brief description of the ordinance.

Alderman Ferrell: It looks like the intent is to come under GASB to establish this account. We have other accounts that are not codified at this time correct?

Paul Becker: Yes, that is correct.

Alderman Ferrell: I understand for accounting that you want to do that but I hope that you will entertain an amendment to this.

City Attorney Kit Williams read the amendment.

Alderman Ferrell: The vast majority of our revenue is spent for personnel. When it comes down to making decisions it is probable that one might defer more capital projects. If you defer capital projects, in the long run it is not in the best interest of the citizens because it is going to cost more to complete those projects.

Alderman Ferrell moved to amend 34.09 Section B of the ordinance to have an absolute minimum of 35%. Alderman Petty seconded the motion. Upon roll call the motion passed unanimously.

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

Ordinance 5458 as Recorded in the office of the City Clerk

New Business:

Amend Chapter 178 (ADM 11-3932 UDC Chapter 178 Outdoor Vendors): An ordinance to amend §178.03 Sidewalk Vendors of the Unified Development Code to clarify cart requirements.

City Attorney Kit Williams read the ordinance.

Leif Olson, Long Range Planner gave a brief description of the ordinance.

Alderman Adams: Have you received any feedback from the vendors that this will cost them money?

Leif Olson: The vendors that are licensed now would not be affected.

Alderman Boudreaux: I think this is a good thing.

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

City Attorney Kit Williams read the ordinance.

City Attorney Kit Williams: The parts of the ordinance that do not apply to the licensing but to require what carts must have should apply to all the carts. I think that we need to follow the Fire Departments advice and require the hoods if you are in an enclosed cart cooking grease.

A discussion followed on the requirements that fall under health, safety and welfare.

Alderman Boudreaux: How would you suggest we make this amendment?

City Attorney Kit Williams: The legislative history of indicating that should be retroactive should be enough. If that is your intent I would like you to say so that way the Planning Department will realize how the law should be applied.

Alderman Boudreaux: I certainly support that.

Mayor Jordan: Does anyone disagree with that?

Alderman Boudreaux: No.

City Attorney Kit Williams: At the time of their license renewal these requirements should be met.

Alderman Lewis: So no amendment is needed?

City Attorney Kit Williams: No amendment is needed.

Alderman Ferrell: Does anyone have an idea of what it is going to cost for someone to comply with this?

Leif Olson: I do not have an idea. I'm not aware that there are any mobile food vendors, that have been licensed, that are serving food that would meet the requirement for a hood vent at this time.

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

City Attorney Kit Williams read the ordinance.

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

Ordinance 5459 as Recorded in the office of the City Clerk

CH2M Hill Engineers, Inc. Amendment No. 2: A resolution approving contract Amendment No. 2 with CH2M Hill Engineers, Inc. in the amount of \$6,656,934.00 for operation, maintenance, management and engineering services for city wastewater treatment facilities and systems, and approving a \$70,000.00 contract contingency.

David Jurgens gave a brief description of the resolution. Changes that we see for the coming year are both of our wastewater treatment permits have expired and are on hold from ADEQ and EPA pending the White River minerals evaluation and on the Illinois River phosphorus evaluation. Those are two unknowns we are facing this year. We are also bringing the bio solids on line for drying and selling. We are also going to start the Beaver Water District land application of their sludge. We are evaluating Lake Sequoyah to remove sediment from the lake.

Alderman Ferrell: Is there was a chance we could get a grant for Lake Sequoyah? Has there been any progress on that?

David Jurgens stated we have not found any specific grants yet. He explained the research they have conducted on pursuing grants.

Alderman Ferrell: I hope we can do something there because it is a good recreation resource.

David Jurgens: If you track aerial photos it's amazing.

Alderman Lewis spoke on behalf of the Water and Sewer Committee and she thanked the team for helping to lead us to find these ideas.

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

Resolution 201-11 as recorded in the office of the City Clerk.

AT&T Arkansas Plexar Telephone Line Services: An ordinance waiving competitive bidding and approving a contract with AT&T Arkansas in the amount of \$91,200.00 for Plexar Telephone line services.

City Attorney Kit Williams read the ordinance.

Don Marr gave a brief description of the ordinance.

Alderman Ferrell: When is the whole thing expected to be complete?

Don Marr gave an estimated timeline and discussed the process that would be used.

Alderman Ferrell: I think it is a good idea that we look into this.

Don Marr: I think there is tremendous savings that you are seeing.

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

City Attorney Kit Williams read the ordinance.

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

City Attorney Kit Williams read the ordinance.

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

Ordinance 5460 as Recorded in the office of the City Clerk

AT&T Arkansas Managed Internet Services: An ordinance waiving competitive bidding and approving a contract with AT&T Arkansas in the amount of \$22,548.00 for managed internet services.

City Attorney Kit Williams read the ordinance.

Don Marr stated this is exactly the same contract extension as previously described.

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

City Attorney Kit Williams read the ordinance.

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

City Attorney Kit Williams read the ordinance.

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

Ordinance 5461 as Recorded in the office of the City Clerk

Ambulance Services Interlocal Agreement: A resolution approving an amendment to the Interlocal Agreement for Ambulance Services.

Fire Chief David Dayringer gave a brief description of the resolution.

Alderman Petty: Chief, you came from Tulsa previously. Did they have a similar arrangement in Tulsa?

Fire Chief David Dayringer: Yes they do, it's a public utility model similar to this one.

Alderman Petty: How does our agreement compare to the one in Tulsa? Are there efficiencies that we might be able to gain with operational changes?

Fire Chief David Dayringer: The operational changes are looked at by the Washington County Regional Authority monthly. They are reviewed by administration from the Ambulance authority personnel. The agreement is similar to the agreement that is used in Tulsa.

Alderman Petty: Has Central EMS been able to meet our goals for response times?

Fire Chief David Dayringer: The goal is to respond within 6 minutes 90% of the time and their responses are in the low 80%. There are some additions that we are looking at for next years budget to add a unit that would improve the response times for the authority within Fayetteville.

Alderman Petty: Would you say those response times are pretty typical?

Fire Chief David Dayringer: I think they are standard response times. I meant to say 8 minutes and 59 seconds earlier for a typical response time.

Alderman Petty: Why does the Fire Department respond to non fire emergencies when all that is needed is Central EMS?

Fire Chief David Dayringer: Since we are already at the Fire Station and have the training and tools to get there faster than the transport unit we are in a better position to arrive early.

Alderman Ferrell: The multiple locations of the Fire Department gets them there quicker.

Alderman Petty: Why do we need Central EMS if the Fire Department is trained and equipped to handle emergencies?

Fire Chief David Dayringer stated one of the big reasons is the expense to provide that service. He discussed the value of having Central EMS.

Alderman Boudreaux stated we have not done this interlocal agreement for very long. She also discussed the information that had previously been put together regarding the efficiency and need for Central EMS.

City Attorney Kit Williams: The ambulance and paramedics have a lot more equipment than we have along with higher training than our firefighters.

Don Marr addressed the concerns regarding the working relationship with the County Regional Authority and stated we have an excellent working relationship.

Mayor Jordan: Becky, you all have done a wonderful job and we appreciate you.

Alderman Ferrell moved to approve the resolution. Alderman Petty seconded the motion. Upon roll call the resolution passed unanimously.

Resolution 202-11 as recorded in the office of the City Clerk.

Community Access Television, Inc.: A resolution to renew with slight modifications the second year of the contract with Community Access Television, Inc. in the amount of \$93,000.00 to operate the Public Access Channel throughout 2012.

Don Marr gave a brief description of the resolution.

Alderman Petty: I was on the Selection Committee when we put this to bid and I think we made the right decision to hire Your Media again.

Don Marr: We too are extremely pleased with the work that Anne Shelley and her leadership have provided to the Your Media and public access services. It is probably the best year that I can remember.

Alderman Ferrell: This year has been a God send in the way it is being operated so thanks to everybody that has been involved in it.

Alderman Lewis: I appreciate the work taking place as well so thank you.

Alderman Petty moved to approve the resolution. Alderman Boudreaux seconded the motion. Upon roll call the resolution passed unanimously.

Resolution 203-11 as recorded in the office of the City Clerk.

2012 Annual Budget and Work Program: A resolution adopting the 2012 Annual Budget and Work Program.

Paul Becker gave a brief description of the proposed budget.

Alderman Ferrell: Is there any chance you will have the September Sales Tax Report by our meeting on Saturday?

Paul Becker: I don't know if I will or not. It usually comes about the 21st of the month.

Alderman Petty moved to table the resolution to the December 6, 2011 City Council meeting. Alderman Lewis seconded the motion. Upon roll call the motion passed unanimously.

This resolution was tabled to the December 6, 2011 City Council Meeting.

ADM 11-3782 Cottage House Development: An ordinance to enact §164.22 Cottage Housing Development into the Unified Development Code, to amend §162.01 to add (RR) Unit 44 Cottage Housing Development and to amend Chapter 161 Zoning District to authorize Cottage Housing Developments as a right in multi-family residential districts and as a conditional use in single family residential districts.

City Attorney Kit Williams read the ordinance.

Leif Olson gave a brief description and presentation on the proposed ordinance. He thanked Alderman Kinion and Ferrell for helping vet this process and for sponsoring the ordinance.

Alderman Lewis: Will you be doing recycling at this project and if so will it be a collection type or will it enable individual collection bins?

Leif Olson: We would want them to be serviced like you would service in a single family residential. They would get collection carts and recycling bins. We ran into some issues with bulky waste pickup and how that might work. We talked about if these are located in an area that is primarily served by our commercial Solid Waste dumpster trucks, then Solid Waste might want them to utilize that service just for the fact that it's more efficient.

Alderman Lewis: Is there incentive with this similar to the other form based codes? Is there that kind of incentive to implement this built in?

City Attorney Kit Williams: There are substantial incentives to make this a much less expensive way to build single family housing.

Alderman Boudreaux: There is no street down into this.

Leif Olson: There wouldn't have to be, no. It's going to take some site planning with each one of these as they come through to make sure that that is a doable thing.

Jeremy Pate: They are going to have to think about where they would take their cart or recycling bin. There would be much more design up front as opposed to just letting it happen on the back end.

Alderman Boudreaux: The other issue I see is the water and sewer but all of that would be worked out. On the surface it sounds good but I wouldn't want to pass this tonight.

Alderman Kinion: One way to look at this is a hybrid of a multi-unit situation but allowing an individual to be a homeowner. It is also going to allow diversity in areas of town that are already developed.

Alderman Boudreaux: The only issue I am seeing is the separation of utilities. I just want to think about it a little more.

Alderman Ferrell: When this ordinance passes do you see somebody moving towards that?

Leif Olson: We have a number of people that have been looking at this. There is some interest in the development community out there.

Alderman Boudreaux: This is currently in multi-family zoning and conditional use in single family. What about some of the new zones?

Leif Olson: If multi-family housing is permitted by right in those zoning districts then we proposed it to be by right.

City Attorney Kit Williams: You can look at Exhibit "B" and it lists all the new zoning districts that allow residential and it tells you whether or not it's a use by right or a conditional use.

Alderman Adams: You mentioned that a developer could submit a plan that you all might consider the social. Why would that be a part of your decision as to whether or not to grant it?

Leif Olson: This ordinance would allow you up to 12 units so if you wanted to do more than 12 staff is going to look at the layout. At a certain point you may get so many of them that it functions more like an apartment complex where you don't know your neighbors. They are trying to create a social cohesion.

Alderman Adams: You all determine whether or not it's social?

Leif Olson: We would look at a variety of different things.

City Attorney Kit Williams: There would be a lot of other things to look at to see if it would work. That decision would be made by the Planning Commission.

Alderman Lewis: There is a lot of research out there that shows a tipping point beyond where you have the number of people that feel engaged.

Alderman Adams: I am supportive of it and I love what you have done but the word social, I want us to be careful with that.

Alderman Kinion: As discussion progresses I want to keep it on track. This is going to allow individuals to have home ownership that may not otherwise have it. It will also allow infill in areas that otherwise may not be easily developed.

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

City Attorney Kit Williams read the ordinance.

This ordinance was left on the Second Reading

Meeting adjourned at 8:20 p.m.

Lioneld Jordan, Mayor

Sondra E. Smith, City Clerk/Treasurer

Handed out at
the City Council
Meeting 11-15-11

FAYETTEVILLE POLICE DEPARTMENT
FAYETTEVILLE, ARKANSAS

POLICIES, PROCEDURES, AND RULES

Subject: 1.2.2 Warrantless Detention, Search & Seizure	Effective Date:
Reference: 61.4.3	Version: 1
CALEA: 1.2.3, 1.2.4	No. Pages: 4

I. Purpose

The purpose of this policy is to establish guidelines for temporary detention, warrantless search and seizure decisions by officers in order to assure they are made in a manner consistent with constitutional guidelines, federal and state laws.

II. Definitions

Consent: Permission for an officer to search a constitutionally protected area given by a person with standing to grant it. Permission must be given without force, duress or coercion of any kind.

Field Interview: A field interview is a brief **interview** of a person to determine the person's identity and to resolve the officer's suspicions about possible criminal activity. A field interview is intended to resolve an ambiguous situation. A field interview contrasts with an investigative stop in that an investigative stop must be based upon reasonable suspicion of criminal behavior. A field interview may be conducted only with the voluntary cooperation of the citizen being interviewed **and shall be immediately terminated if the citizen does not wish to speak.**

Frisk: A frisk is a "pat down" of the outer garments for a weapon or contraband.

Investigative Stop: An investigative stop is the temporary detention of a subject when the officer has reasonable suspicion that criminal activity has occurred, is occurring or is about to occur and that the person to be stopped is involved or is a witness.

Probable Cause: Probable cause has been interpreted as facts and circumstances that amount to more than mere suspicion but less than proof beyond a reasonable doubt that would lead a prudent person to believe a crime has been committed or is about to be committed.

III. Procedure

A. Field Interview – The fourth amendment allows an officer to approach a person and ask if he/she is willing to answer questions, and to ask questions if the person is willing to listen and respond. **The person shall not be detained and may leave at any time without answering questions. No stop or detention of a person or a driver of a vehicle is allowed.** The person's

a Fourth Amendment seizure when the officer blocked defendant's truck with the patrol car, turned on the bright headlights, placed the spot light and take-down lights on defendant, and approached the truck with a gun in hand; further, defendant's mere presence in a high crime area did not rise to reasonable suspicion sufficient to authorize an investigatory stop. *Cockrell v. State*, 2009 Ark. App. 700, — S.W.3d —, 2009 Ark. App. LEXIS 889 (2009).

Trial court properly denied defendant's motion to suppress because an officer had reasonable suspicion that defendant was carrying a weapon and, therefore, a frisk of defendant was not an illegal search; the officer testified that defendant's shrugged shoulders, no eye contact, and tightening up indicated to the officer that defendant was lying about not having any weapons or anything illegal. *Gilbert v. State*, 2010 Ark. App. 857, — S.W.3d —, 2010 Ark. App. LEXIS 894 (Dec. 15, 2010).

Cited: *Hill v. State*, 275 Ark. 71, 628 S.W.2d 284 (1982), cert. denied 459 U.S. 882, 103 S.

Ct. 180, 74 L. Ed. 2d 147 (1982); *Miller v. State*, 21 Ark. App. 10, 727 S.W.2d 393 (1987); *Kaiser v. State*, 24 Ark. App. 19, 746 S.W.2d 559 (1988), rev'd 296 Ark. 125, 752 S.W.2d 271 (1988); *Cooper v. State*, 297 Ark. 478, 763 S.W.2d 645 (1989); *Addison v. State*, 298 Ark. 1, 765 S.W.2d 566 (1989), overruled *State v. Bell*, 329 Ark. 422, 948 S.W.2d 557 (1997); *Weaver v. State*, 305 Ark. 180, 806 S.W.2d 615 (1991); *Bliss v. State*, 33 Ark. App. 121, 802 S.W.2d 479 (1991); *Stewart v. State*, 42 Ark. App. 28, 853 S.W.2d 286 (1993); *Johnson v. State*, 43 Ark. App. 145, 862 S.W.2d 290 (1993); *Kilpatrick v. State*, 322 Ark. 728, 912 S.W.2d 917 (1995); *Roberson v. State*, 54 Ark. App. 230, 925 S.W.2d 820 (1996); *Frette v. State*, 58 Ark. App. 81, 947 S.W.2d 15 (1997), rev'd 331 Ark. 103, 959 S.W.2d 734 (1998), questioned *Muhammad v. State*, 337 Ark. 291, 988 S.W.2d 17 (1999); *Stewart v. State*, 59 Ark. App. 77, 953 S.W.2d 599 (1997); *Johnson v. State*, 333 Ark. 673, 972 S.W.2d 935 (1998); *Dowty v. State*, 363 Ark. 1, 210 S.W.3d 850 (2005).

Rule 2.2. Authority to request cooperation.

(a) A law enforcement officer may request any person to furnish information or otherwise cooperate in the investigation or prevention of crime. The officer may request the person to respond to questions, to appear at a police station, or to comply with any other reasonable request.

(b) In making a request pursuant to this rule, no law enforcement officer shall indicate that a person is legally obligated to furnish information or to otherwise cooperate if no such legal obligation exists. Compliance with the request for information or other cooperation hereunder shall not be regarded as involuntary or coerced solely on the ground that such a request was made by a law enforcement officer.

1987 Unofficial Supplementary Commentary to Rules 2.2 and 2.3

Consequences of Failure to Warn.

Rules 2.2 and 2.3 require that "reasonable steps" be taken to advise persons from whom information is sought that there is no "legal obligation" to comply with a request for cooperation. Failure to advise may convert a stop into an arrest and trigger the need for *Miranda* warnings.

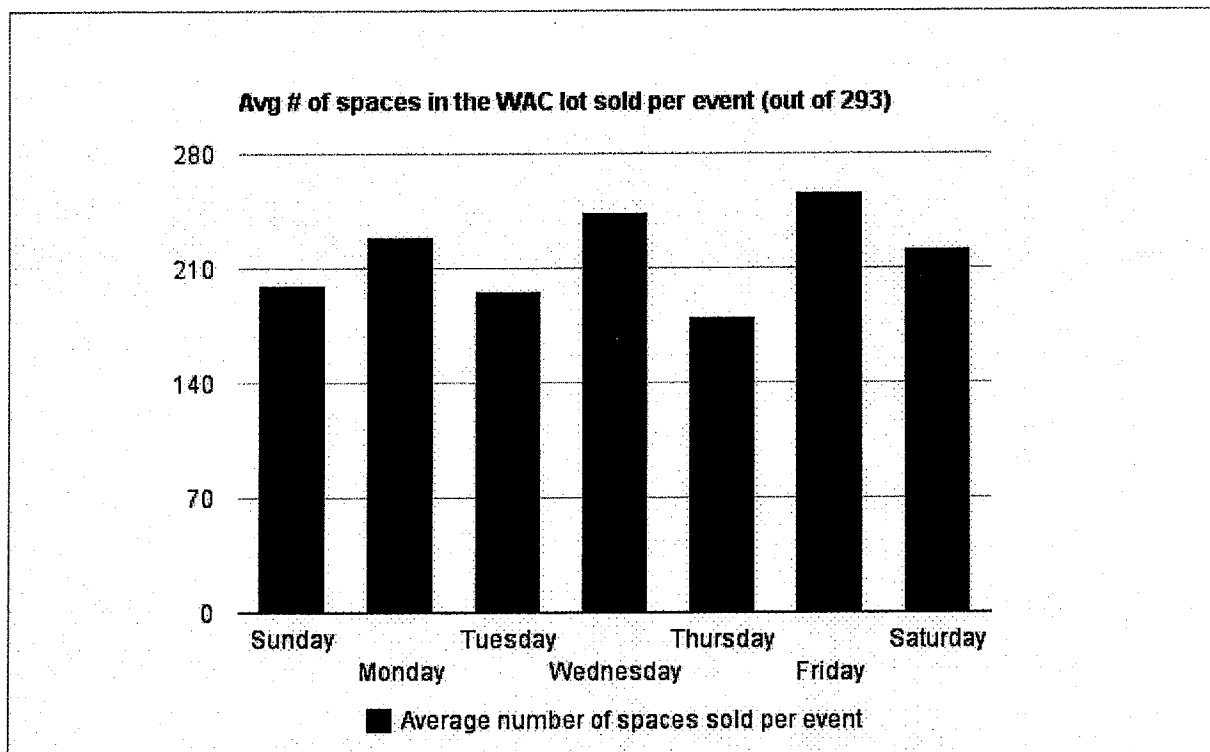
In *Lascano v. State*, 275 Ark. 346, 631 S.W.2d 258 (1982), appellant was taken by a deputy sheriff from her home to the sheriff's office where she was questioned as a suspect by an officer. In response to questions, she indicated that she had last seen the decedent on the preceding day at about the time she was killed. After making this disclosure, appellant was given *Miranda* warnings. She subsequently made incriminating statements which were admitted into evidence at the trial at which she was convicted of murder. The

Arkansas Supreme Court affirmed the conviction, noting that the record did not disclose whether appellant was advised that she did not have to accompany the officers to the sheriff's office. The Court disposed of her contention that she had not been given adequate Rule 2.3 warnings by pointing out that because the issue had not been raised below it could not be pursued on appeal. The Court hinted that its decision might have been different if the evidence had shown that appellant was likely a suspect from the outset. *Id.* at 349, 631 S.W.2d at 259.

Chief Justice Adkisson, dissenting, noted that "evidence that this 'pick up' was, in effect, an arrest can be garnered from the failure of the deputies to advise her that she was not required to accompany them. Such a statement is required by Rule 2.3 ..." *Id.* at 352, 631 S.W.2d at 261. See, also, *Richardson*

Handed out at the City Council Meeting 11-15-11
FROM FAYETTEVILLE PARKING DEPT.

Day of the week	# of spaces sold (out of 293)	Date of Event	Time of Event
Saturday	269	7/9/2011	8pm
Friday	250	8/19/2011	8pm
Saturday	227	8/20/2011	2pm
Saturday	245	8/20/2011	8pm
Monday	230	9/19/2011	7:30 PM
Thursday	167	10/6/2011	7pm
Sunday	163	10/9/2011	2pm
Thursday	130	10/13/2011	7pm
Sunday	196	10/23/2011	2pm
Tuesday	230	10/25/2011	7pm
Wednesday	244	10/26/2011	7pm
Thursday	244	10/27/2011	7pm
Friday	264	10/28/2011	8pm
Saturday	248	10/29/2011	2pm
Saturday	253	10/29/2011	8pm
Sunday	256	10/30/2011	2pm
Sunday	188	10/30/2011	7pm
Tuesday	197	11/1/2011	7pm
Saturday	93	11/5/2011	8pm



Handed out at
the City Council
Meeting 11-15-11
New Ordinance

ORDINANCE NO. _____

**AN ORDINANCE TO ENACT §34.09 SALES TAX CAPITAL FUND OF
THE CODE OF FAYETTEVILLE**

WHEREAS, the Government Accountings Standards Board sets general accounting principles and requires that cities account for certain revenues by placing them in separate funds; and

WHEREAS, the City Council has determined to recognize and establish a separate Sales Tax Capital Fund.

**NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE
CITY OF FAYETTEVILLE, ARKANSAS:**

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby enacts §34.09 **Sales Tax Capital Fund** of the Code of Fayetteville as shown below.

“§34.09 Sales Tax Capital Fund

“(A) The Sales Tax Capital Fund is recognized and established as a separate fund to be used exclusively for capital and capital related projects and purchases as authorized and appropriated by the City Council.

(B) At least forty percent (40%) of the revenue derived from the city one percent operating sales and use tax shall be deposited into the Sales Tax Capital Fund in 2012. The City Council when adopting budgets for 2013 and thereafter may lower this minimum percentage for the Sales Tax Capital Fund, but not below thirty-five percent (35%) for the Sales Tax Capital Fund and not to exceed sixty-five percent (65%) for operations.”

PASSED and **APPROVED** this 15th day of November, 2011.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA E. SMITH, City Clerk/Treasurer

Mayor Lioneld Jordan
City Attorney Kit Williams
City Clerk Sondra Smith



Aldermen

Ward 1 Position 1 – Adella Gray
Ward 1 Position 2 – Brenda Boudreaux
Ward 2 Position 1 – Mark Kinion
Ward 2 Position 2 – Matthew Petty
Ward 3 Position 1 – Justin Tennant
Ward 3 Position 2 – Robert Ferrell
Ward 4 Position 1 – Rhonda Adams
Ward 4 Position 2 – Sarah E. Lewis

**Tentative Agenda
City of Fayetteville Arkansas
City Council Meeting
November 15, 2011**

A meeting of the Fayetteville City Council will be held on November 15, 2011 at 6:00 PM in Room 219 of the City Administration Building located at 113 West Mountain Street, Fayetteville, Arkansas.

Call to Order

Roll Call

Pledge of Allegiance

Mayor's Announcements, Proclamations and Recognitions:

City Council Meeting Presentations, Reports and Discussion Items:

Agenda Additions:

A. Consent:

1. Approval of the November 1, 2011 City Council meeting minutes.
2. **Bid #11-57 Diamond International:** A resolution awarding Bid #11-57 and approving a contract with Diamond International of Lowell in the amount of \$94,703.40 for the purchase of one (1) 2012 International 7300 diesel truck with belly plow and dump body for the use by the Transportation Division.
3. **Bid #11-61 Associated Fiberglass Enterprise:** A resolution awarding Bid #11-61 and approving a contract with Associated Fiberglass Enterprise in the amount of \$23,814.16 for the purchase of a 6,000 gallon alum storage tank for the Noland Wastewater Treatment Facility.

4. **2011 Bulletproof Vest Partnership Program:** A resolution authorizing acceptance of a fifty percent (50%) matching grant award from the 2011 Bulletproof Vest Partnership Program in the amount of \$4,550.00 for the replacement of fifteen (15) body armor vests, and approving a budget adjustment.
5. **Fayetteville Police Department Policies:** A resolution approving Fayetteville Police Department Policies 1.1.1 Law Enforcement Agency Role, 1.2.2 Warrantless Detention, Search and Seizure, and 1.2.4 Domestic Violence.
6. **Prism Education Center:** A resolution approving a lease with Prism Education Center for property located at 2190 South Razorback Road pursuant to the Community Development Block Grant Public Facility Lease Program.
7. **Wilson Park Bench Donation:** A resolution to approve the donation of a public bench in Wilson Park and to thank Jimmy and Jeanie Hill for this donation.

B. Unfinished Business:

1. **Parking Revenue Improvement Bonds:** An ordinance authorizing the issuance and sale of not to exceed \$6,500,000 of Parking Revenue Improvement Bonds by the City of Fayetteville, Arkansas for the purpose of financing all or a portion of the costs of acquisition, construction and equipping of a parking deck facility, authorizing the execution and delivery of a trust indenture pursuant to which the bonds will be issued and secured; authorizing the execution and delivery of an official statement pursuant to which the bonds will be offered; authorizing the execution and delivery of a bond purchase agreement providing for the sale of the bonds; authorizing the execution and delivery of a continuing disclosure agreement; and prescribing other matters relating thereto. ***This ordinance was left on the First Reading at the November 1, 2011 City Council meeting.***

Left on the First Reading

2. **Sales Tax Capital Fund:** An ordinance to enact §34.09 Sales Tax Capital Fund of the Code of Fayetteville. ***This ordinance was left on the Second Reading at the November 1, 2011 City Council meeting.***

Left on the Second Reading

C. New Business:

1. **Amend Chapter 92:** An ordinance amending Section 92.01 Definitions, repealing and replacing Section 92.20 Annual License and Tag, amending Section 92.24 Redemption of Animals, repealing Section 92.33 Animal Hobbyist Permit of Chapter 92: Animals of the Code of Fayetteville to remove animal licensing requirements and enact animal microchipping requirements, and providing for an effective date.
2. **Amend Chapter 178 (ADM 11-3932 UDC Chapter 178 Outdoor Vendors):** An ordinance to amend §178.03 Sidewalk Vendors of the Unified Development Code to clarify cart requirements.

3. **CH2M Hill Engineers, Inc. Amendment No. 2:** A resolution approving contract Amendment No. 2 with CH2M Hill Engineers, Inc. in the amount of \$6,656,934.00 for operation, maintenance, management and engineering services for city wastewater treatment facilities and systems, and approving a \$70,000.00 contract contingency.
4. **AT&T Arkansas Plexar Telephone Line Services:** An ordinance waiving competitive bidding and approving a contract with AT&T Arkansas in the amount of \$91,200.00 for Plexar Telephone line services.
5. **AT&T Arkansas Managed Internet Services:** An ordinance waiving competitive bidding and approving a contract with AT&T Arkansas in the amount of \$22,548.00 for managed internet services.
6. **Ambulance Services Interlocal Agreement:** A resolution approving an amendment to the Interlocal agreement for Ambulance Services.
7. **Community Access Television, Inc.:** A resolution to renew with slight modifications the second year of the contract with Community Access Television, Inc. in the amount of \$93,000.00 to operate the public Access Channel throughout 2012.
8. **2012 Annual Budget and Work Program:** A resolution adopting the 2012 Annual Budget and Work Program.
9. **ADM 11-3782 Cottage House Development:** An ordinance to enact §164.22 Cottage Housing Development into the Unified Development Code.

D. City Council Agenda Session Presentations:

City Council Tour:

Announcements:

Adjournment:

NOTICE TO MEMBERS OF THE AUDIENCE

All interested parties may appear and be heard before the City Council. If you wish to address the City Council on an agenda item please queue behind the podium when the Mayor asks for public comment. Once the Mayor recognizes you, go to the podium and give your name and address. Address your comments to the Mayor, who is the presiding officer. The Mayor will direct your comments to the appropriate elected official, staff member or others for response. Please keep your comments brief, to the point and relevant to the agenda item being considered so that everyone has a chance to speak.

Interpreters or TDD for hearing impaired are available for all City Council meetings, a 72 hour advance notice is required. For further information or to request an interpreter, please call 575-8330.

As a courtesy please turn off all cell phones and pagers.

A full copy of the City Council agenda is available at accessfayetteville.org or in the office of the City Clerk, 113 West Mountain, Fayetteville, Arkansas.

City of Fayetteville Staff Review Form

A. 2
 Bid #11-57 Diamond International
 Page 1 of 6

**City Council Agenda Items
 and
 Contracts, Leases or Agreements**

11/15/2011

**City Council Meeting Date
 Agenda Items Only**

Dennis Pratt / Barbara Olsen

Submitted By

Fleet Operations

Division

Transportation

Department

Action Required:

A resolution awarding Bid #11-57 to Diamond International of Lowell, AR in the amount of \$94,703.40 for the purchase of one 2012 International 7300 diesel truck with belly plow and dump body.

\$ 94,703.00
 Cost of this request

\$ 247,000.00
 Category / Project Budget

Heavy Utility Vehicles
 Program Category / Project Name

9700.1920.5802.00
 Account Number

\$ 104,011.00
 Funds Used to Date

Vehicles and Equipment
 Program / Project Category Name

02079.2011
 Project Number

\$ 142,989.00
 Remaining Balance

Shop Fund
 Fund Name

Budgeted Item ☒

Budget Adjustment Attached ☐

Tony Gully 10-26-11
 Department Director Date

Previous Ordinance or Resolution # _____

[Signature] 10-26-11
 City Attorney Date

Original Contract Date: _____

Original Contract Number: _____

Paul a. Butler 10-26-2011
 Finance and Internal Services Director Date

Received in City 10-26-11A11:34 RCVD
 Clerk's Office

Kim J.

[Signature] 10-26-11
 Chief of Staff Date

Received in
 Mayor's Office

ENTERED
 10/24/11
 [Signature]

[Signature] 10/28/11
 Mayor Date

Comments:

CITY COUNCIL AGENDA MEMO

To: Mayor/City Council

Thru: Terry Gulley, Director of Transportation

From: Dennis Pratt, Fleet Operations Supt.

Date: October 26, 2011

Subject: Purchase of one Flatbed Dump truck for Transportation

PROPOSAL: That City Council approve the purchase of one 2012 International Flatbed Dump truck in the amount of \$94,703.40 for use by Transportation Division.

RECOMMENDATION: Bid 11-57 was opened Sep 23, 2011. Eight bids were received; a bid tab sheet is attached.

The lowest bid from Republic Ford doesn't meet specs in several areas including: incorrect engine horsepower, incorrect tire size, no disc brakes as specified and numerous other items.

The bid from Diamond International is the lowest bid that meets specs. I recommend acceptance of the bid from Diamond International in the amount of \$94,703.40.

This unit is a replacement of unit #59, a 1990 GMC Stakebed / Flatbed Dump truck that is well past its useful life and is no longer dependable for daily use. It was slated for replacement in 2011 due to age and poor condition.

This purchase was approved by the Equipment Committee at the meeting on October 25, 2011.

BUDGET IMPACT: Funds are available on both the capital and the operating sides.

RESOLUTION NO. _____

A RESOLUTION AWARDING BID #11-57 AND APPROVING A CONTRACT WITH DIAMOND INTERNATIONAL OF LOWELL IN THE AMOUNT OF \$94,703.40 FOR THE PURCHASE OF ONE (1) 2012 INTERNATIONAL 7300 DIESEL TRUCK WITH BELLY PLOW AND DUMP BODY FOR THE USE BY THE TRANSPORTATION DIVISION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby awards Bid #11-57 and approves a contract with Diamond International of Lowell in the amount of \$94,703.40 for the purchase of one (1) 2012 International 7300 diesel truck with belly plow and dump body for use by the Transportation Division.

PASSED and APPROVED this 15th day of November, 2011.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA E. SMITH, City Clerk/Treasurer



BID: 11-57
 DATE: 09/23/11
 TIME: 2:00 PM
 CITY OF FAYETTEVILLE

Bid 11-57, Diesel Truck with Plow and Dump Bed

BIDDER	Make & Model- Chassis	Make & Model- Cab	UNIT PRICE	EST. QUANTITY	TOTAL BASE BID
1 Diamond International of Lowell	International 2012 7300 SFA 4x2 (SA515)	Henderson-Mark IV Dump Body, Hydraulic Hoist & Underbody Scraper		1	\$ 94,703.40
2 MHC Kenworth/Volvo - Springdale	Kenworth T370	Henderson- Mark IV Dump Body, Hyd Hoist & Underbody Scraper		1	\$ 97,667.16
3 Peterbilt of Ft. Smith, LLC. Opt. 1	Peterbilt 365	Henderson-Mark IV: Contractors body w/hoist, Model: 4-UBS -10 Scraper		1	\$ 132,118.00
4 Peterbilt of Ft. Smith, LLC. Opt. 2	Peterbilt 337	Henderson-Mark IV Contractors body w/hoist. Model: H-UBS-10 Scraper		1	\$ 106,929.00
5 Peterbilt of Ft. Smith, LLC. Opt. 3	Peterbilt 337	Henderson-Mark IV: Contractors body w/hoist, Model:H-UBS-10 Scraper		1	\$ 114,739.00
6 Republic Ford	Ford	F750 TBEI Dump, Henke plow, certified power central hyd.		1	\$ 92,014.10
7 Shipley Motor Equipment Company	Hino Truck 268	Henderson-Hydraulic Hoist and Underbody Scraper		1	\$ 95,919.00
8 Truck Centers of AR	Freightliner M2-106	Henderson-Mark IV Dump, Hoist, Scraper		1	\$ 95,244.00

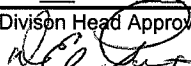
*NOTICE: Bid award is contingent upon vendor meeting minimum specifications and formal authorization by City officials.

CERTIFIED:

P. VICE, PURCH MGR

WITNESS

9/23/11
 DATE

City Of Fayetteville - Purchase Order (PO) Request (Not a Purchase Order) All purchases under \$2500 shall be used on a P-Card unless medical or 1099 service related. (Call x256 with questions) All PO Request shall be scanned to the Purchasing e-mail: Purchasing@ci.fayetteville.ar.us							Requisition No.:	Date: A. 2	
							P.O Number:	10/26/2011 #11-57 Diamond International	
								Expected Delivery Date:	
Vendor #: 14039			Vendor Name: DIAMOND INTERNATIONAL				Mail Yes: ☐ No: ☒		
Address:					Fob Point:		Taxable Yes: ☐ No: ☒		Quotes Attached Yes: ☐ No: ☐
City:			State:		Zip Code:	Ship to code: 50	Division Head Approval: 		
Requester: BARBARA OLSEN					Requester's Employee #: 1940		Extension: 485		
Item	Description	Quantity	Unit of Issue	Unit Cost	Extended Cost	Account Numbers	Project/Subproject #	Inventory #	Fixed Asset #
1	2012 INTERNATIONAL 7300 TRUCK WITH BELLY	1	EA	94,703.40	\$94,703.40	9700.1920.802.00	02079.2011		700767
2	PLOW AND HENDERSON-MARK IV DUMP BODY				\$0.00				
3	PER BID 11-57. TO BE UNIT #767, FIXED				\$0.00				
4	ASSET #700767				\$0.00				
5					\$0.00				
6					\$0.00				
7					\$0.00				
8					\$0.00				
9					\$0.00				
10					\$0.00				
*	Shipping/Handling		Lot		\$0.00				
Special Instructions: _____							Subtotal: \$94,703.40		
							Total: <u>\$94,703.40</u>		
Approvals: Mayor: _____ Finance & Internal Services Director: _____ Dispatch Manager: _____ Department Director: _____ Budget Manager: _____ Utilities Manager: _____ Purchasing Manager: _____ IT Manager: _____ Other: _____									

City of Fayetteville Staff Review Form

A. 3
 Bid #11-61 Associated
 Fiberglass Enterprise
 Page 1 of 18

**City Council Agenda Items
 and
 Contracts, Leases or Agreements**

15-Nov-11

City Council Meeting Date
 Agenda Items Only

David Jurgens
 Submitted By

Water and Sewer
 Division

Utilities
 Department

Action Required:

Approval of the of the purchase of a 6,000 gallon Alum Storage Tank for the Noland Wastewater Treatment Facility from Associated Fiberglass Enterprise for \$23,814.16 in accordance with Bid 11-61.

\$ 23,814
 Cost of this request

\$ 198,724
 Category / Project Budget

WWTP Plant Pumps and Equipment
 Program Category / Project Name

5400.5800.5801.00
 Account Number

\$ -
 Funds Used to Date

Wastewater Treatment
 Program / Project Category Name

02069.1
 Project Number

\$ 198,724
 Remaining Balance

Water/Sewer
 Fund Name

Budgeted Item ☒

Budget Adjustment Attached ☐

D. Jurgens
 Department Director

14 Oct 11
 Date

Previous Ordinance or Resolution #

John Bull
 City Attorney

10-21-11
 Date

Original Contract Date:

Original Contract Number:

Paul A. Buh
 Finance and Internal Services Director

10-29-2011
 Date

Received in City
 Clerk's Office

10-21-11 A08:54 RCVD

Don Man
 Chief of Staff

10-21-11
 Date

Received in
 Mayor's Office



Donald Jordan
 Mayor

10/25/11
 Date

Comments:

To: Fayetteville City Council

Thru: Mayor Lioneld Jordan
Don Marr, Chief of Staff

From: David Jurgens, Utilities Director
Fayetteville Water and Sewer Committee



Date: October 14, 2011

Subject: Approval of the purchase of a 6,000 gallon Alum Storage Tank from Associated Fiberglass Enterprise for \$ 23,814.16, Bid 11-61

RECOMMENDATION

Staff recommends approval of the of the purchase of a 6,000 gallon Alum Storage Tank for the Noland Wastewater Treatment Facility from Associated Fiberglass Enterprise for \$ 23,814.16 in accordance with Bid 11-61.

BACKGROUND

The existing 12,000 gallon Alum Storage Tank has was bought in 1988 during the first major upgrade of the Paul R. Noland Wastewater Treatment Plant. This tank is badly deteriorated, and has exceeded its 20 year life expectancy. The Wastewater Treatment Plant occasionally uses Alum (Aluminum Sulfate) as a coagulant to aid in phosphorus and total suspended solids removal. Effective process control has minimized the need of Alum addition significantly in the past twenty year. However, alum use is sometimes required, especially during high flow events. In consideration of current and future needs, including allowing for potential long-term permit limit changes; staff believes we can use the smaller 6,000 gallon tank to replace the existing 12,000 gallon tank. This smaller tank costs less and occupies a smaller footprint than the 12,000 gallon tank it replaces.

DISCUSSION

The City received two bids on October 12, 2011. Associated Fiberglass Enterprise submitted the lowest bid, and meets the minimum specification requirements. City and CH2M Hill crews will install the replacement tank when it arrives.

BUDGET IMPACT

Funds for the purchase of the Alum Storage Tank are available in the Wastewater Treatment Plant – Plant Pumps and Equipment project.

RESOLUTION NO. _____

A RESOLUTION AWARDDING BID #11-61 AND APPROVING A CONTRACT WITH ASSOCIATED FIBERGLASS ENTERPRISE IN THE AMOUNT OF \$23,814.16 FOR THE PURCHASE OF A 6,000 GALLON ALUM STORAGE TANK FOR THE NOLAND WASTEWATER TREATMENT FACILITY

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby awards Bid #11-61 and approves a contract with Associated Fiberglass Enterprise in the amount of \$23,814.16 for the purchase of a 6,000 gallon alum storage tank for the Noland Wastewater Treatment Facility.

PASSED and APPROVED this 15th day of November, 2011.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA E. SMITH, City Clerk/Treasurer



BID: 11-61
DATE: 10/12/11
TIME: 2:00 PM
CITY OF FAYETTEVILLE

Bid 11-61, Alum Storage Tank

BIDDER	TOTAL COST
1 Associated Fiberglass Enterprises	\$21,797.86
2 Strand Composite Engineering & Construction, LLC	\$25,945.00

*NOTICE: Bid award is contingent upon vendor meeting minimum specifications and formal authorization by City officials.

CERTIFIED:

P. Vice
P. VICE, PURCH MGR

Julie Paladino
WITNESS

10/12/2011
DATE

City Of Fayetteville - Purchase Order (PO) Request

(Not a Purchase Order)

All purchases under \$2500 shall be used on a P-Card unless medical or 1099 service related. (Call x256 with questions)

All PO Request shall be scanned to the Purchasing e-mail: Purchasing@ci.fayetteville.ar.us

Requisition No.: OMI 11- 02
 Date: 14-Oct-11
 P.O Number:
 Expected Delivery Date: 10 weeks after the PO issuance date
 A. 3
 Bid #11-61 Associated
 Fiberglass Enterprise
 Page 5 of 18

Vendor #:		Vendor Name: Associated Fiberglass Enterprise		Mail Yes: No: X	
Address: 2411 Weaver Street		Fob Point: 1400 N Fox Hunter Fayetteville, AR		Taxable Yes: No: X	
City: Fort Worth		State: TX		Zip Code: 76117 Ship to code:	
Requester: Duyen Tran		Requester's Employee #: WWTP		Extension: 448-3292	
				Division Head Approval:	

Item	Description	Quantity	Unit of Issue	Unit Cost	Extended Cost	Account Numbers	Project/Subproject #	Inventory #	Fixed Asset #
1	6,000 gal FRP straight shell, vertical tank, flat bottom, domed top, double wall, vertical vessel	1	EA	\$21,797.86	\$21,797.86	5400.5800.5801.00	02069		
2									
3									
4									
5									
6									
7									
8									
9									
10									
*	Shipping/Handling		Lot						

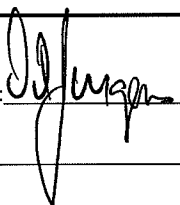
Special Instructions:

Need Fixed Asset Number

Subtotal: \$21,797.86
 Tax: \$2,016.30
 Total: \$23,814.16

Approvals:

Mayor: _____

Department Director: 

Purchasing Manager: _____

Finance & Internal Services Director: _____

Budget Manager: _____

IT Manager: _____

Dispatch Manager: _____

Utilities Manager: _____

Other: _____



City of Fayetteville, Arkansas
Purchasing Division – Room 306
113 W. Mountain
Fayetteville, AR 72701
Phone: 479.575.8220
TDD (Telecommunication Device for the Deaf): 479.521.1316

INVITATION TO BID

INVITATION TO BID: BID 11-61, Alum Storage Tank

DEADLINE: Wednesday, October 12, 2011 before 2:00 PM, Local Time

DELIVERY LOCATION: Room 306 – 113 W. Mountain, Fayetteville, AR 72701

PURCHASING AGENT: Andrea Foren, CPPB, aforen@ci.fayetteville.ar.us, 479.575.8220

DATE OF ISSUE AND ADVERTISEMENT: Thursday, September 22, 2011

INVITATION TO BID Bid 11-61, Alum Storage Tank

No late bids shall be accepted. Bids shall be submitted in sealed envelopes labeled "Bid 11-61, Alum Storage Tank" with the name and address of the bidder.

All bids shall be submitted in accordance with the attached City of Fayetteville specifications and bid documents attached hereto. Each bidder is required to fill in every blank and shall supply all information requested; failure to do so may be used as basis of rejection.

The undersigned hereby offers to furnish & deliver the articles or services as specified, at the prices & terms stated herein, and in strict accordance with the specifications and general conditions of bidding, all of which are made a part of this offer. This offer is not subject to withdrawal unless upon mutual written agreement by the Proposer/Bidder and City Purchasing Manager.

Name of Firm: ASSOCIATED FIBERGLASS ENTERPRISES

Contact Person: David Streeter Title: Project Manager

E-Mail: david@afetexas.com Phone: 817-838-6786

Business Address: 2411 Weaver St

City: Fort Worth State: TX Zip: 76117

Signature: DJ St Date: 10/11/11

City of Fayetteville
Bid 11-61, Alum Storage Tank
Bid Form

DATE REQUIRED AS A COMPLETE UNIT: 120 calendar days from Date of Order

***GUARANTEED DELIVERY DATE:** 8-10 weeks after receipt of PO + Approved Drawings

F.O.B. Noland Wastewater Treatment Plant, 1400 N. Fox Hunter Road, Fayetteville, AR 72701

ITEM:	DESCRIPTION:	QUANTITY:	*PRICE EACH:	**TOTAL PRICE
1.	Purchase of one (1) FRP straight shell, vertical tank, flat bottom, domed top, double wall, vertical vessel as specified.	1	\$ <u>21,797.86</u>	\$ <u>21,797.86</u>

** Price bid shall include all labor, materials, overhead, profit, insurance, shipping, freight, etc., to cover the products and services presented. Sales tax is not to be included in the bid price. Applicable Arkansas sales tax laws will apply when necessary but will not be considered in award of this project.

Please Specify for Unit(s) Bid:

*MANUFACTURER: Associated Fiberglass MODEL: N/A

TOTAL BID PRICE: \$ 21,797.86

Bids must be submitted on this bid form in its entirety AND accompanied by descriptive literature on the products being bid.

THIS FORM CONTINUES ON THE NEXT PAGE...

EXECUTION OF BID -

Bidders are requested to indicate by check mark or "Yes/No" on each line of the Technical Specifications the compliance of the item bid. Actual specification of any deficient item must be noted on the bid sheet or separate attachment. If specifications of item bid differ from provided literature, deviation must be documented and certified by the manufacturer as a regular production option.

Upon signing this Bid, the bidder certifies that:

1. He/she has read and agrees to the requirements set forth in this proposal, including specifications, terms, standard conditions, and any pertinent information regarding the articles being bid on.
2. Unless otherwise noted and explained, the unit bid and listed meets or exceeds all of these requirements as specified by The City of Fayetteville.
3. The Bidder can and will comply with all specifications and requirements for delivery, documentation and support as specified herein.
4. The City of Fayetteville reserves the right to award the bid in its whole, by line item, or all rejection.

Unsigned bids will be rejected. Items marked * are mandatory for consideration.

*NAME OF FIRM: ASSOCIATED FIBERGLASS Enterprises
Purchase Order/Payments shall be issued to this name

*BUSINESS ADDRESS: 2411 Weaver St

*CITY: Fort Worth *STATE: TX *ZIP: 76117

*PHONE: 817-838-6786 FAX: 817-838-6789

*E-MAIL: david@afetexas.com

*BY: (PRINTED NAME) David Streeter

*AUTHORIZED SIGNATURE: 

*TITLE: Project Manager

Acknowledge Addendums:

Addendum No. 1 Dated: 9/30/11 Acknowledged by: 

Addendum No. Dated: Acknowledged by:

Addendum No. Dated: Acknowledged by:

Addendum No. Dated: Acknowledged by:

City of Fayetteville
Bid 11-61, Alum Storage Tank
General Terms and Conditions

1. SUBMISSION OF BID & BID EVALUATION:

- a. Bids will be reviewed following the stated deadline, as shown on the cover sheet of this document.
- b. Bidders shall submit bids based on documentation published by the Fayetteville Purchasing Division.
- c. Bids shall be enclosed in sealed envelopes or packages addressed to the City of Fayetteville, Purchasing Division, Room 306, 113 W. Mountain, Fayetteville, AR 72701. The name, address of the firm and Bid, RFP, or RFQ number shall be on the outside of the packaging as well as on any packages enclosed in shipping containers or boxes.
- d. The City will not be responsible for misdirected bids. Vendor should call the Purchasing Office at 479.575.8220 to ensure correct receipt of bidding documents prior to opening time and date listed on the bid form.
- e. Bidders must have experience in providing products and/or services of the same or similar nature.
- f. Bidder is advised that exceptions to any of the terms contained in this bid must be identified in its response to the bid. Failure to do so may lead the City to declare any such term non-negotiable. Proposer's desire to take exception to a non-negotiable term will not disqualify it from consideration for award.
- g. Local time is defined as the time in Fayetteville, Arkansas on the due date of the deadline. Bids shall be received before 2:00:00 as shown by the atomic clock located in the Purchasing Division Office.
- h. Bids will be evaluated and awarded based on the best interest of the City of Fayetteville. The City reserves the right to award bids in their entirety, none, or by line item.

2. WRITTEN REQUESTS FOR INTERPRETATIONS OR CLARIFICATION:

No oral interpretations will be made to any firms as to the meaning of specifications or any other contract documents. All questions pertaining to the terms and conditions or scope of work of this bid must be sent in writing via e-mail to the Purchasing Agent. Responses to questions may be handled as an addendum if the response would provide clarification to the requirements of the bid. All such addenda shall become part of the contract documents. The City will not be responsible for any other explanation or interpretation of the proposed bid made or given prior to the award of the contract.

3. DESCRIPTION OF SUPPLIES AND SERVICES:

Any reference to a particular brand or manufacturer is done in an effort to establish an acceptable level of quality for this project. Brands or manufacturers that are included in bid that are of at least equal quality, size, design, and specification as to what has been specified, will be acceptable for consideration only if approved by the City of Fayetteville Purchasing Division. The City of Fayetteville reserves the right to accept or reject any requested equal.

4. RIGHTS OF CITY OF FAYETTEVILLE BID PROCESS:

In addition to all other rights of the City of Fayetteville, under state law, the City specifically reserves the following:

- a. The City of Fayetteville reserves the right to select the bid that it believes will serve the best interest of the City.
- b. The City of Fayetteville reserves the right to accept or reject any or all bids.
- c. The City of Fayetteville reserves the right to cancel the entire bid.
- d. The City of Fayetteville reserves the right to remedy or waive technical or immaterial errors in the invitation to bid or in bids submitted.

- e. The City of Fayetteville reserves the right to request any necessary clarifications, additional information, or data without changing the terms of the bid.

5. COSTS INCURRED BY BIDDERS:

All expenses involved with the preparation and submission of bids to the City, or any work performed in connection therewith, shall be borne solely by the bidder(s). No payment will be made for any responses received, or for any other effort required of, or made by, the bidder(s) prior to contract commencement.

6. CONFLICT OF INTEREST:

- a. The bidder represents that it presently has no interest and shall acquire no interest, either direct or indirect, which would conflict in any manner with the performance or services required hereunder, as provided in City of Fayetteville Code Section 34.26 titled "Authority of City Employee to Contract With The City" which states the following:
 - i. *An employee of the City shall be permitted to conduct business with the City, provided the contract or job is for services, is submitted as a competitive bid, is approved by the City Council following disclosure of the direct or indirect financial interest of the individual employee, and the total sum payable under the contract does NOT exceed \$500.00.*
- b. All bidders shall promptly notify Andrea Foren, City Purchasing Agent, in writing, of all potential conflicts of interest for any prospective business association, interest, or other circumstance which may influence or appear to influence the bidder's judgment or quality of services being provided. Such written notification shall identify the prospective business association, interest or circumstance, the nature of which the bidder may undertake and request an opinion to the City as to whether the association, interest or circumstance would, in the opinion of the City, constitute a conflict of interest if entered into by the bidder. The City agrees to communicate with the bidder its opinion via e-mail or first-class mail within thirty days of receipt of notification.

7. WITHDRAWAL OF PROPOSAL:

A bid may be withdrawn prior to the time set for the bid submittal, based on a written request from an authorized representative of the firm; however, a bid shall not be withdrawn after the time set for the bid unless approved by the Purchasing Division.

8. LATE PROPOSAL OR MODIFICATIONS:

- 1. Bid modifications received after the time set for the bid submittal shall not be considered. Modifications in writing received prior to the deadline will be accepted. The City will not be responsible for misdirected bids. Bidders should call the Purchasing Division at (479) 575-8220 to insure receipt of their submittal documents prior to opening time and date listed.

9. LOCAL, STATE, AND FEDERAL COMPLIANCE REQUIREMENTS:

- a. The laws of the State of Arkansas apply to any purchase made under this bid. Bidders shall comply with all local, state, and federal directives, orders and laws as applicable to this proposal and subsequent contract(s) including but not limited to Equal Employment Opportunity (EEO), Disadvantaged Business Enterprises (DBE), & OSHA as applicable to this contract.
- b. Pursuant to Arkansas Code Annotated §22-9-203 The City of Fayetteville encourages all *qualified* small, minority and women business enterprises to bid on and receive contracts for goods, services, and construction. Also, City of Fayetteville encourages all general contractors to subcontract portions of their contract to *qualified* small, minority and women business enterprises.

10. PROVISION FOR OTHER AGENCIES:

Unless otherwise stipulated by the bidder, the bidder agrees to make available to all Government agencies, departments, municipalities, and counties, the proposal prices submitted in accordance with said proposal terms and conditions therein,

should any said governmental entity desire to buy under this proposal. Eligible Users shall mean all state of Arkansas agencies, the legislative and judicial branches, political subdivisions (counties, local district school boards, community colleges, municipalities, counties, or other public agencies or authorities), which may desire to purchase under the terms and conditions of the contract.

11. COLLUSION:

The Proposer, by affixing his or her signature to this proposal, agrees to the following: "bidder certifies that his or her bid is made without previous understanding, agreement, or connection with any person, firm or corporation making a proposal for the same item(s) and/or services and is in all respects fair, without outside control, collusion, fraud, or otherwise illegal action."

12. RIGHT TO AUDIT, FOIA, AND JURISDICITON:

- a. The City of Fayetteville reserves the privilege of auditing a vendor's records as such records relate to purchases between the City and said vendor.
- b. Freedom of Information Act: City contracts and documents prepared while performing City contractual work are subject to the Arkansas Freedom of Information Act. If a Freedom of Information Act request is presented to the City of Fayetteville, the (Contractor) will do everything possible to provide the documents in a prompt and timely manner as prescribed in the Arkansas Freedom of Information Act (A.C.A. §25-19-101 et. seq.). Only legally authorized photocopying costs pursuant to the FOIA may be assessed for this compliance.
- c. Legal jurisdiction to resolve any disputes shall be in Washington County, Arkansas with Arkansas law applying to the case.

13. CITY INDEMNIFICATION:

The successful bidder(s) agrees to indemnify the City and hold it harmless from and against all claims, liability, loss, damage or expense, including but not limited to counsel fees, arising from or by reason of any actual or claimed trademark, patent or copyright infringement or litigation based thereon, with respect to the goods or any part thereof covered by this order, and such obligation shall survive acceptance of the goods and payment thereof by the City.

14. VARIANCE FROM STANDARD TERMS & CONDITIONS:

All standard terms and conditions stated in this request for bid apply to this contract except as specifically stated in the subsequent sections of this document, which take precedence, and should be fully understood by bidders prior to submitting a proposal on this requirement.

15. ADA REQUIREMENT FOR PUBLIC NOTICES & TRANSLATION:

Persons with disabilities requiring reasonable accommodation to participate in this proceeding/event, should call 479.521.1316 (telecommunications device for the deaf), not later than seven days prior to the deadline. Persons needing translation of this document shall contact the City of Fayetteville, Purchasing Division, immediately.

16. PROCUREMENT POLICY FOR RECYCLED MATERIALS:

The City of Fayetteville wishes to encourage its bidders to use recycled products in fulfilling contractual obligations to the City and that such practices will serve as a model for other public entities and private sector companies.

17. PAYMENTS AND INVOICING:

The bidder must specify in their bid the exact company name and address which must be the same as invoices submitted for payment as a result of award of this bid. Further, the successful bidder is responsible for immediately notifying the Purchasing Division of any company name change, which would cause invoicing to change from the name used at the time of the original bid. Payment will be made within thirty days of invoice received. The City of Fayetteville is very credit worthy and will not pay any interest, fees, or penalty for untimely payments. **Payments can be processed through bidder's acceptance of Visa at no additional costs to the City for expedited payment processing.** The City will not

agree to any nonrefundable deposit or retainer that would remain property of the bidder even if the hourly work actually performed by the bidder would not justify such fee.

The City will pay the awarded bidder based on unit prices provided on invoicing. Progress payments will be made after approval and acceptance of work and submission of invoice. Payments will be made within 30 days of accepted invoice.

18. CANCELLATION:

- a. The City reserves the right to cancel this contract without cause by giving thirty (30) days prior notice to the Contractor in writing of the intention to cancel or with cause if at any time the Contractor fails to fulfill or abide by any of the terms or conditions specified.
- b. Failure of the contractor to comply with any of the provisions of the contract shall be considered a material breach of contract and shall be cause for immediate termination of the contract at the discretion of the City of Fayetteville.
- c. In addition to all other legal remedies available to the City of Fayetteville, the City reserves the right to cancel and obtain from another source, any items and/or services which have not been delivered within the period of time from the date of order as determined by the City of Fayetteville.
- d. In the event sufficient budgeted funds are not available for a new fiscal period, the City shall notify the vendor of such occurrence and contract shall terminate of the last day of the current fiscal period without penalty or expense to the City

19. ASSIGNMENT, SUBCONTRACTING, CORPORATE ACQUISITIONS AND/OR MERGERS:

- a. The Contractor shall perform this contract. No assignment of subcontracting shall be allowed without prior written consent of the City. If a bidder intends to subcontract a portion of this work, the bidder shall disclose such intent in the bid submitted as a result of this bid.
- b. In the event of a corporate acquisition and/or merger, the Contractor shall provide written notice to the City within thirty (30) calendar days of Contractor's notice of such action or upon the occurrence of said action, whichever occurs first. The right to terminate this contract, which shall not be unreasonably exercised by the City, shall include, but not be limited to, instances in which a corporate acquisition and/or merger represent a conflict of interest or are contrary to any local, state, or federal laws. Action by the City awarding a proposal to a firm that has disclosed its intent to assign or subcontract in its response to the bid, without exception shall constitute approval for purpose of this Agreement.

20. NON-EXCLUSIVE CONTRACT:

Award of this bid shall impose no obligation on the City to utilize the vendor for all work of this type, which may develop during the contract period. This is not an exclusive contract. The City specifically reserves the right to concurrently contract with other companies for similar work if it deems such an action to be in the City's best interest. In the case of multiple-term contracts, this provision shall apply separately to each item.

21. LOBBYING:

Lobbying of selection committee members, City of Fayetteville employees, or elected officials regarding request for proposals, request for qualifications, bids or contracts, during the pendency of bid protest, by the bidder/proposer/protestor or any member of the bidder's/proposer's/protestor's staff, and agent of the bidder/proposer/protestor, or any person employed by any legal entity affiliated with or representing an organization that is responding to the request for proposal, request for qualification, bid or contract, or has a pending bid protest is strictly prohibited either upon advertisement or on a date established by the City of Fayetteville and shall be prohibited until either an award is final or the protest is finally resolved by the City of Fayetteville; provided, however, nothing herein shall prohibit a prospective/bidder/proposer from contacting the Purchasing Division to address situations such as clarification and/or questions related to the procurement process. For purposes of this provision lobbying activities shall include but not be limited to, influencing or attempting to influence action or non-action in connection with any request for proposal, request for qualification, bid or contract through direct or indirect oral or written communication or an attempt to obtain goodwill of persons and/or entities specified in this provision. Such actions may cause any request for proposal, request

for qualification, bid or contract to be rejected.

22. ADDITIONAL REQUIREMENTS:

The City reserves the right to request additional services relating to this bid from the bidder. When approved by the City as an amendment to the contract and authorized in writing prior to work, the Contractor shall provide such additional requirements as may become necessary.

23. ADD OR DELETE LOCATIONS OR SERVICES:

The City reserves the right to unilaterally add or delete locations and/or services, either collectively or individually, at the City's sole option, at any time after award has been made as may be deemed necessary or in the best interests of the City. In such case, the Contractor(s) will be required to provide services to this contract in accordance with the terms, conditions, and specifications.

24. INTEGRITY OF BID DOCUMENTS:

Bidders shall use the original bid form(s) provided by the Purchasing Division and enter information only in the spaces where a response is requested. Bidders may use an attachment as an addendum to the bid form(s) if sufficient space is not available on the original form for the bidder to enter a complete response. **Any modifications or alterations to the original documents by the bidder, whether intentional or otherwise, will constitute grounds for rejection of such response.** Any such modifications or alterations a bidder wishes to propose shall be clearly stated in the bidder's response and presented in the form of an addendum to the original bid documents.

25. OTHER GENERAL CONDITIONS:

- a) Bidder is presumed to be familiar with all federal, state, and city laws, ordinances, and regulations which in any manner affect those engaged or employed in the Work, or the materials or equipment used, or that in any way affect the Work and shall in all respects comply with said laws, ordinances, and regulations. No claim of misunderstanding or ignorance on the part of Bidder or Proposer will in any way serve to modify the provisions of the contract. No representations shall be binding unless embodied in the contract.
- b) Prices shall include all labor, materials, overhead, profit, insurance, shipping, freight, etc., to cover the products and services presented. **Sales tax is not to be included in the bid price.** Applicable Arkansas sales tax laws will apply when necessary but will not be considered in award of this project.
- c) Each bidder should state the anticipated number of days from the date of receipt of an order for delivery of services to the City of Fayetteville.
- d) Bidders must provide the City with their bids signed by an employee having legal authority to submit bids on behalf of the bidder. The entire cost of preparing and providing responses shall be borne by the bidder.
- e) The City reserves the right to request any additional information it deems necessary from any or all bidders after the submission deadline.
- f) The request for bid is not to be construed as an offer, a contract, or a commitment of any kind; nor does it commit the city to pay for any costs incurred by bidder in preparation. It shall be clearly understood that any costs incurred by the Proposer in responding to this request for proposal is at the bidder's own risk and expense as a cost of doing business. The City of Fayetteville shall not be liable for reimbursement to the Proposer for any expense so incurred, regardless of whether or not the proposal is accepted.
- g) If products, components, or services other than those described in this bid document are proposed, the bidder must include complete descriptive literature for each. All requests for additional information must be received within five working days following the request.
- h) **NOTE: Any uncertainties shall be brought to the attention to Andrea Foren immediately via telephone (479.575.8220) or e-mail (aforen@ci.fayetteville.ar.us). It is the intent and goal of the City of Fayetteville Purchasing Division to provide documents providing a clear and accurate understanding of the scope of work to be completed and/or goods to be provided. We encourage all interested parties to ask questions**

to enable all bidders to be on equal bidding terms.

- i) Any inquiries or requests for explanation in regard to the City's requirements should be made promptly to Andrea Foren, City of Fayetteville, Purchasing Agent via e-mail (aforen@ci.fayetteville.ar.us) or telephone (479.575.8220). No oral interpretation or clarifications will be given as to the meaning of any part of this request for proposal. All questions, clarifications, and requests, together with answers, if any, will be provided to all firms via written addendum. Names of firms submitting any questions, clarifications, or requests will not be disclosed until after a contract is in place.
- j) Any information provided herein is intended to assist the bidder in the preparation of proposals necessary to properly respond to this bid. The bid is designed to provide qualified Proposers with sufficient basic information to submit proposals meeting minimum specifications and/or test requirements, but is not intended to limit a bid's content or to exclude any relevant or essential data.
- k) Bidders irrevocably consent that any legal action or proceeding against it under, arising out of or in any manner relating to this Contract shall be prevailed by Arkansas law. Proposer hereby expressly and irrevocably waives any claim or defense in any said action or proceeding based on any alleged lack of jurisdiction or improper venue or any similar basis.
- l) The successful bidder shall not assign the whole or any part of this Contract or any monies due or to become due hereunder without written consent of City of Fayetteville. In case the successful bidder assigns all or any part of any monies due or to become due under this Contract, the Instrument of assignment shall contain a clause substantially to the effect that is agreed that the right of the assignee in and to any monies due or to become due to the successful bidder shall be subject to prior liens of all persons, firms, and corporations for services rendered or materials supplied for the performance of the services called for in this contract.
- m) The successful bidder's attention is directed to the fact that all applicable Federal and State laws, municipal ordinances, and the rules and regulations of all authorities having jurisdiction over the services shall apply to the contract throughout, and they will be deemed to be included in the contract as though written out in full herein. The successful bidder shall keep himself/herself fully informed of all laws, ordinances and regulations of the Federal, State, and municipal governments or authorities in any manner affecting those engaged or employed in providing these services or in any way affecting the conduct of the services and of all orders and decrees of bodies or tribunals having any jurisdiction or authority over same. If any discrepancy or inconsistency should be discovered in these Contract Documents or in the specifications herein referred to, in relation to any such law, ordinance, regulation, order or decree, s/he shall herewith report the same in writing to City of Fayetteville.

26. ATTACHMENTS TO BID DOCUMENTS: N/A

City of Fayetteville
Bid 11-61, Alum Storage Tank
Technical Specifications

I-1. INTRODUCTION

This specification concerns a new FRP (fiberglass reinforced plastic) tank per the following specifications.

I-2. DEFINITIONS

Wherever used in this specification, the following terms shall be understood to have the following definitions:

- a.) "Owner" shall mean the City of Fayetteville, Arkansas, or its authorized agent.
- b.) "Supplier" shall mean the individual, partnership, or corporation, whose bid to supply the items and work specified herein has been accepted by the Owner. "Supplier" shall also encompass any employee, partner, consultant, or subcontractor, to the winning bidder.
- c.) "Work" shall mean the furnishing of all necessary equipment, ancillary items, and services required herein.

I-3 LOCATION or WORK and SERVICES

All work and services required under this specification shall occur at and be specifically designed for the Noland WWTP owned by the City of Fayetteville, Arkansas, generally known as Paul R. Noland WWTP.
The physical address as well as the FOB:

Paul R. Noland WWTP
1400 N Fox Hunter Rd
Fayetteville, AR 72701

I-4. OWNERSHIP and DELIVERY of SUPPLIED MATERIALS

Materials and equipment supplied under this specification shall remain the property of the Bidder until delivery to and accepted by the City of Fayetteville.

Deliveries for the contractor of all such material and equipment will only be accepted during normal business hours between 7:30 AM and 4:30 PM local time.

I-5. TERMS and CONDITIONS

The Owner's standard purchasing terms and conditions shall apply to the Work specified herein.

I-6. SCOPE of WORK and SERVICES

Furnish one (1) FRP 10'-0" ID X 10'-6" Straight Shell, Vertical Tank, flat bottom, domed top, double Wall, vertical vessel with the following appurtenances:

- (2) 2" ID Flanged nozzles 50 PSI, ANSI 150# Drilling
- (1) 3" ID Flanged nozzle 50 PSI, ANSI 150# Drilling
- (1) 4" ID Flanged nozzle 50 PSI, ANSI 150# Drilling
- (1) 4" ID Gooseneck Vent
- (1) 24" Top Manway with hinged cover
- (3) Galvanized Lifting Lugs
- (4) Type I Galvanized Anchor Lugs

Materials of Construction:

Resin

Liner: Premium Isophthalic Polyester resin with a CO/NAP MEKP cure.
Structure: Premium Isophthalic Polyester resin with a CO/NAP MEKP cure.

Laminate

Inner Surface: 1 Layer of C-Veil
Interior Layer: 2 plies 1 ½ oz per sq. ft chopped strand for a nominal corrosion liner thickness of 100 Mils.

Structural Wall: Tank shell will be filament wound with 250 yield strand to specified thickness. Unidirectional roving will be used to achieve designed axial strength as required. Top, bottom, fittings and joints will be contact molded with alternating plies of 1 ½ oz. chopped strand and 24 oz. per sq. yd. woven roving.

Exterior: Protective White or Gray Gel/Surface coat with wax and UV Inhibitors.

Design Conditions:

Service: Aluminum Sulfate Solution
17 to 50% AL soluble salts

Temperature: Ambient
Specific Gravity: 1.2
Pressure: Atmospheric
Seismic: IBC 2006
Wind Load: 90 MPH
Capacity: Liquid 6,000 US gallons

As manufactured by Strand Composite Engineering & Construction, Inc. or equal.

I-7. Warranty:

Tank shall have a two (2) year manufacturer's warranty that cover all parts used in the manufacturing of tank. Warranty date shall start upon the installation and acceptance of the tank by the City of Fayetteville.

I-8. Approval Requirements:

Contractor is to submit manufacture's drawings to the Owner for their approval before order is placed for the manufacturing of tank.

I-9. Electrical:

The City will supply any electrical needs for the controls associated with the tank level monitoring or SCADA.

I-10. Erecting:

Bidder is to coordinate the delivery of the new tank with the City. The City will supply the crane to remove the tank from the delivery vehicle and set in place on the tank base pad. City will coordinate with the Bidder to secure tank to base pad per manufactures recommendations.

City of Fayetteville
Bid 11-61, Alum Storage Tank
Debarment Certification Form – *THIS FORM SHALL BE SUBMITTED WITH ALL BIDS*

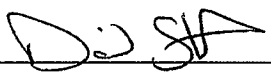
As A BIDDER on this project, you are required to provide debarment/suspension certification indicating that you are in compliance with the below Federal Executive Order. Certification can be done by completing and signing this form.

1. Debarment:

Federal Executive Order (E.O.) 12549 "Debarment and Suspension" requires that all contractors receiving individual awards, using federal funds, and all sub-recipients certify that the organization and its principals are not debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency from doing business with the Federal Government.

Your signature certifies that neither you nor your principal is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.

Questions regarding this form should be directed to the City of Fayetteville Purchasing Division.

NAME: David Streeter
COMPANY: Associated Fiberglass Enterprises
PHYSICAL ADDRESS: 2411 Weaver St, Fort Worth, TX 76117
MAILING ADDRESS: Same
PHONE: 817-838-6786 FAX: 817-838-6789
EMAIL: david@afetexas.com
SIGNATURE: 
DATE: 10/11/11

NOTICE:

CAUSE: Debarment by an agency pursuant to FAR 9.406-2, GPO Instructions 110.11A, or PS Publication 41, for one or more of the following causes (a) conviction of or civil judgment for fraud violation of antitrust laws, embezzlement, theft, forgery, bribery, false statements, or other offenses indicating a lack of business integrity; (b) violation of the terms of a Government contract, such as a willful failure to perform in accordance with its terms or a history of failure to perform; or (c) any other cause of a serious and compelling nature affecting responsibility. (See Code N- Debarment pursuant to FAR 9.406 2(b)(2) Drug Free Workplace Act of 1988.)

TREATMENT: Contractors are excluded from receiving contracts, and agencies shall not solicit offers from, award contracts to renew or otherwise extend the duration of current contracts, or consent to subcontracts with these contractors, unless the City determines that there is a compelling reason for such action. Government prime contractors, when required by the terms of their contract, shall not enter into any subcontract equal to or in excess of \$25,000 with a contractor that is debarred, suspended, or proposed for debarment, unless there is a compelling reason to do so. Debarments are for a specified term as determined by the debarring agency and as indicated in the listing.

City of Fayetteville
Bid 11-61, Alum Storage Tank
Statement of Disclosure – To Be Submitted With ALL Bids

This page does not count towards page limitations set forth in this request for proposal or bid. Proposer must disclose any possible conflict of interest with the City of Fayetteville, including, but not limited to, any relationship with any City of Fayetteville employee. Your response must disclose if a known relationship exists between any principal or employee of your firm and any City of Fayetteville employee or elected City of Fayetteville official.

If, to your knowledge, no relationship exists, this should also be stated in your response. Failure to disclose such a relationship may result in cancellation of a purchase and/or contract as a result of your response. This form must be completed and returned in order for your bid/proposal to be eligible for consideration.

PLEASE CHECK ONE OF THE FOLLOWING TWO OPTIONS, AS IT APPROPRIATELY APPLIES TO YOUR FIRM:

☒ 1.) NO KNOWN RELATIONSHIP EXISTS

☐ 2.) RELATIONSHIP EXISTS (Please explain)

PLEASE FILL OUT THE SECTION BELOW AND SUBMIT THIS FORM WITH YOUR BID OR PROPOSAL:

- 1.) I, as an officer of this organization, or per the attached letter of authorization, am duly authorized to certify the information provided herein are accurate and true; and
- 2.) My organization shall comply with all State and Federal Equal Opportunity and Non-Discrimination requirements and conditions of employment.

Glen Dasko

Printed Name

Glen Dasko

Signature

10-11-2011

Date

City of Fayetteville Staff Review Form

A. 4
2011 Bulletproof Vest
Partnership Program
Page 1 of 6

City Council Agenda Items
and
Contracts, Leases or Agreements

November 15, 2011
City Council Meeting Date
Agenda Items Only

G. Tabor
Submitted By

Patrol
Division

Police
Department

Action Required:

Approval of a 50% matching grant award for the 2011 Bulletproof Vest Partnership Program for the replacement of fifteen (15) body armor vests for our police officers and budget adjustment in the amount of \$4,550.

\$ 4,550.00
Cost of this request

\$ -
Category / Project Budget

Bulletproof Vest Partnership Program
Program Category / Project Name

1010-2920-5302.00
Account Number

\$ -
Funds Used to Date

Grant
Program / Project Category Name

07042-2011
Project Number

\$ -
Remaining Balance

General
Fund Name

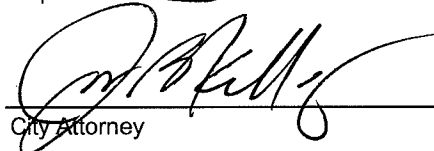
Budgeted Item ☒

Budget Adjustment Attached ☒


Department Director

10-20-11
Date

Previous Ordinance or Resolution #


City Attorney

10-20-11
Date

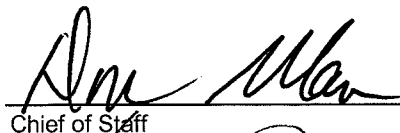
Original Contract Date:

Original Contract Number:

Paul A. Babin
Finance and Internal Services Director

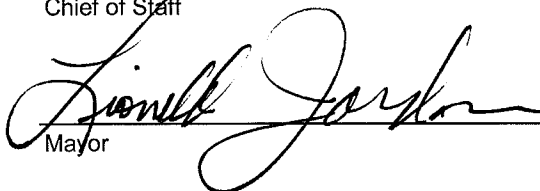
10-20-2011
Date

Received in City
Clerk's Office 10-20-11 P12:52 RCVD


Chief of Staff

10-20-11
Date

Received in
Mayor's Office


Mayor

10/24/11
Date

Comments:

CITY COUNCIL AGENDA MEMO

To: Mayor Lioneld Jordan and Members of the City Council

From: Greg Tabor, Chief of Police 

Date: October 20, 2011

Subject: 2011 Bulletproof Grant Partnership Grant Award

PROPOSAL:

The Bulletproof Vest Partnership (BVP), created by the Bulletproof Vest Partnership Grant Act of 1998, is a unique U.S. Department of Justice initiative designed to provide a critical resource to state and local law enforcement. Since 1998, the Fayetteville Police Department has obtained grant funding in excess of \$105,000 for the purchase of body armor vests through this partnership. The BVP program provides an important component to the continuing health and welfare of our Police Officers. Each body armor vest has a guaranteed life of five years. All state-of-the-art body armor is custom made to the exact specifications of the wearer to ensure all officers have our required level of protection and can take up to ten weeks for delivery. This grant funding by BVP will provide reimbursement of 50% (or \$4,550) of the City's expenses for the replacement of fifteen (15) body armor vests for our police officers. All Fayetteville Police Officers have state-of-the-art body armor provided to them through grant and City funding.

RECOMMENDATION:

Staff recommends approval of the 50% matching grant award by the 2011 Bulletproof Vest Partnership (BVP) Program for the replacement of fifteen (15) body armor vests for our police officers and budget adjustment in the amount of \$4,550.

BUDGET IMPACT:

The City must match 50% (or \$4,550) of the total project cost of \$9,100. Currently, matching funds are budgeted in the Specialized Police Equipment project to meet this matching requirement.

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING ACCEPTANCE OF A FIFTY PERCENT (50%) MATCHING GRANT AWARD FROM THE 2011 BULLETPROOF VEST PARTNERSHIP PROGRAM IN THE AMOUNT OF \$4,550.00 FOR THE REPLACEMENT OF FIFTEEN (15) BODY ARMOR VESTS, AND APPROVING A BUDGET ADJUSTMENT

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby authorizes acceptance of a fifty percent (50%) matching grant award from the 2011 Bulletproof Vest Partnership Program in the amount of \$4,550.00 for the replacement of fifteen (15) body armor vests.

Section 2: That the City Council of the City of Fayetteville, Arkansas hereby approves a budget adjustment, a copy of which is attached as Exhibit "A," recognizing the revenue.

PASSED and APPROVED this 15th day of November, 2011.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA E. SMITH, City Clerk/Treasurer

Willie Newman - Bulletproof Vest Partnership FY 2011 Award Announcement

From: "BVP" <bvp@usdoj.gov>
To: "BVP" <bvp@usdoj.gov>
Date: 10/13/2011 7:20 PM
Subject: Bulletproof Vest Partnership FY 2011 Award Announcement

The Bureau of Justice Assistance (BJA) is pleased to inform you that your agency will receive an award under the Fiscal Year (FY) 2011 Bulletproof Vest Partnership (BVP) solicitation. These funds have been posted to your account in the BVP system. For questions regarding the BVP Program or your award, please do not hesitate to contact the BVP Help Desk at vests@usdoj.gov or 1-877-758-3787.

A complete list of FY 2011 BVP awards is available at: <http://www.ojp.usdoj.gov/bvpbasi/>

The FY 2011 award funds may be used for National Institute of Justice (NIJ) compliant armored vests which were ordered on or after April 1, 2011. The deadline to request payments from the FY 2011 award funds is August 31, 2013, or until all available 2011 awards funds have been requested. Please see the following websites for a list of NIJ compliant vests:

Ballistic Vests: <http://nij.gov/nij/topics/technology/body-armor/compliant-ballistic-armor.htm>

Stab Resistant Vests: <http://nij.gov/nij/topics/technology/body-armor/compliant-stab-armor.htm>

As a reminder, all jurisdictions that applied for FY 2011 BVP funding certified during the application process that a mandatory wear policy was in place for their jurisdiction. BJA will be conducting reviews of the mandatory wear policies as funds are requested from the BVP system. For more information on the BVP mandatory wear policy, please see the FAQs here: <http://www.ojp.usdoj.gov/bvpbasi/docs/FAQsBVPMandatoryWearPolicy.pdf>

Thank You.

BVP Program Support Team



Section Application > Review Application > Review BVP Application for Funding

 OMB #1121-0235
 (Expires:
 10/31/2006)
1. Registration
 1.1 [Contact Information](#)

 1.2 [Change Password](#)
2. Application
 2.1 [Pre Application](#)

 2.2 [Manage Application](#)

 2.3 [Review Application](#)

 2.4 [Submit Application](#)

Below is the current status of your application.

Jurisdiction:	FAYETTEVILLE CITY
Jurisdiction's Vest Replacement Cycle :	5 Years
Unspent BVP Funds Remaining	\$4,550.00
Unspent BVP Funds Obligated for Vest Purchases:	\$0.00
Emergency Replacement Needs :	0

Review BVP Application for Funding

	Applicant	Quantity	Total Cost	Date Submitted	Application Status
3.1 Manage Receipts					
3.2 Receipt Reports	FAYETTEVILLE CITY	15	\$9,100.00	06/22/11	Approved by BVP

4. Payment
 4.1 [Bank Information](#)

 4.2 [Print Bank Form](#)

 4.3 [Request Payment](#)

 4.4 [Payment History](#)

Grand Totals: 15 \$9,100.00

5. Status
 5.1 [Current Status](#)

 5.2 [LEA Status](#)

 5.3 [Application History](#)

 BVP HELP DESK
 (Toll-Free 1-877-758-3787)
 (Toll 1-301-595-4595)

City of Fayetteville Staff Review Form

A. 5
Fayetteville Police
Department Policies
Page 1 of 14

City Council Agenda Items
and
Contracts, Leases or Agreements

11/15/2011

City Council Meeting Date
Agenda Items Only

Greg Tabor
Submitted By

Police
Division

Police
Department

Action Required:

Staff seeks council approval of a resolution to adopt Fayetteville Police Department Policies: 1.1.1, Law Enforcement Agency Role; 1.2.2, Warrant Less Detention, Search and Seizure; and 1.2.4, Domestic Violence

\$0

Cost of this request

Category / Project Budget

Program Category / Project Name

Account Number

Funds Used to Date

Program / Project Category Name

\$

Project Number

Remaining Balance

Fund Name

Budgeted Item

Budget Adjustment Attached

Department Director

Date

Previous Ordinance or Resolution #

Original Contract Date:

Original Contract Number:

City Attorney

Date

Finance and Internal Services Director

Date

Received in City 10-27-11 P12:25 RCVD
Clerk's Office

Chief of Staff

Date

Received in
Mayor's Office

Mayor

Date

Comments:



www.accessfayetteville.org

A. 5
THE CITY OF FAYETTEVILLE, ARKANSAS
Fayetteville Police
Department Policies
POLICE DEPARTMENT
100-A West Rock Street
Fayetteville, AR 72701
P (479) 587-3555 F (479) 587-3522

To: Mayor Lioneld Jordan and City Council
From: Greg Tabor, Chief of Police 
Date: Wednesday, 10/26/2011
Re: Police Department Policy Updates

Recommendation:

Council approves a resolution adopting Fayetteville Police Department Policies: 1.1.1, Law Enforcement Agency Role; 1.2.2, Warrant Less Detention, Search & Seizure; and 1.2.4, Domestic Violence

Background and Discussion:

The current Fayetteville Police Department Policies were approved by council resolution #3-99 on January 5th, 1999. The department is currently in the process of reviewing all policies and updating as necessary to conform to current practices and to comply with accreditation standards.

Budget Impact:

None

RESOLUTION NO. _____

A RESOLUTION APPROVING FAYETTEVILLE POLICE DEPARTMENT
POLICIES 1.1.1 LAW ENFORCEMENT AGENCY ROLE, 1.2.2
WARRANTLESS DETENTION, SEARCH AND SEIZURE, AND 1.2.4
DOMESTIC VIOLENCE

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF
FAYETTEVILLE, ARKANSAS:**

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby approves
Fayetteville Police Department policies 1.1.1 Law Enforcement Agency Role, 1.2.2 Warrantless
Detention, Search and Seizure, and 1.2.4 Domestic Violence. A copy of the policies, marked as
Exhibit "A", is attached hereto and made a part hereof.

PASSED and APPROVED this 15th day of November, 2011.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA E. SMITH, City Clerk/Treasurer

POLICIES, PROCEDURES, AND RULES

Subject: 1.1.1 Law Enforcement Agency Role	Effective Date:
Reference:	Version: 1
CALEA: 1.1.1, 1.1.2, 11.3.1 a.	No. Pages: 3

I. PURPOSE

The purpose of this directive is to require all personnel to take and abide by an oath of office, when applicable, and to abide by a code of conduct.

II. Policy

By operating under an oath of office and/or code of conduct, employees will be aware of actions and attitudes expected of them, and the public will be provided with a general standard by which they can measure the department's performance.

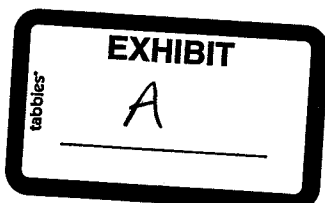
Defining the oath of office and code of conduct also specifies the department's intent to be responsive to and protect the constitutional rights of the community.

A. Oath of Office - Prior to assuming their official position, all personnel of the Fayetteville Police Department shall take an oath of office to enforce the law and uphold the Constitutions of the United States and the State of Arkansas. [CALEA 1.1.1]

B. Code of Ethics - All personnel of the Fayetteville Police Department shall abide by the following Code of Ethics and will take part in ethics training conducted on a biennial basis: [CALEA 1.1.2]

Comment: The old policy had a section dealing with performance measures which has been removed from here and placed in 15.1, Planning & Research

- 1. LAW ENFORCEMENT CODE OF ETHICS** - All law enforcement officers must be fully aware of the ethical responsibilities of their position and must strive constantly to live up to the highest possible standards of professional policing.
- 2. PRIMARY RESPONSIBILITIES OF A POLICE OFFICER** - A police officer acts as an official representative of government who is required and trusted to work within the law. The officer's powers and duties are conferred by statute. The fundamental duties of a police officer include serving the community; safeguarding lives and property; protecting the innocent; keeping the peace; and ensuring the rights of all to liberty, equality and justice. [CALEA 11.3.1 a.]
- 3. PERFORMANCE OF THE DUTIES OF A POLICE OFFICER** - A police officer shall perform all duties impartially, without favor or affection or ill will and without regard to status, sex, race, religion, political belief or aspiration. All citizens will be treated equally with courtesy, consideration and dignity. Officers



will never allow personal feelings, animosities or friendships to influence official conduct. Laws will be enforced appropriately and courteously and, in carrying out their responsibilities, officers will strive to obtain maximum cooperation from the public. They will conduct themselves in appearance and deportment in such a manner as to inspire confidence and respect for the position of public trust they hold.

4. **DISCRETION** - A police officer will use responsibly the discretion invested in the position and exercise it within the law. The principle of reasonableness will guide the officer's determinations and the officer will consider all surrounding circumstances in determining whether any legal action shall be taken. Consistent and wise use of discretion, based on professional policing competence, will do much to preserve good relationships and retain the confidence of the public. There can be difficulty in choosing between conflicting courses of action. It is important to remember that a timely word of advice rather than arrest, which may be correct in appropriate circumstance, can be a more effective means of achieving a desired end.
5. **USE OF FORCE** - A police officer will never employ unnecessary force or violence and will use only such force in the discharge of duty as is reasonable in all circumstances. Force should be used only with the greatest restraint and only after discussion, negotiation and persuasion have been found to be inappropriate or ineffective. While the use of force is occasionally unavoidable, every police officer will refrain from applying the unnecessary infliction of pain or suffering and will never engage in cruel, degrading or inhumane treatment of any person.
6. **CONFIDENTIALITY** - Whatever a police officer sees, hears or learns of, which is of a confidential nature, will be kept secret unless the performance of duty or legal provision requires otherwise. Members of the public have a right to security and privacy, and information obtained about them must not be improperly divulged.
7. **INTEGRITY** - A police officer will not engage in acts of corruption, bribery, or other criminal activity, nor will an officer condone such acts by other police officers. The public demands that the integrity of police officers be above reproach. Police officers must, therefore, avoid any conduct that might compromise integrity and thus undercut the public confidence in a law enforcement agency. Officers will refuse to accept any gifts, presents, subscriptions, favors, gratuities or promises that would cause the officer to refrain from performing official responsibilities honestly and within the law. Police officers must not solicit private or special advantage as a result of their official status. Respect from the public cannot be bought; it can only be earned and cultivated.
8. **COOPERATION WITH OTHER OFFICERS AND AGENCIES** - Police officers will cooperate with all legally authorized agencies and their representatives in the pursuit of justice. An officer or agency may be one among many organizations that may provide law enforcement services to a jurisdiction. It is imperative that a police officer assists colleagues fully and completely with respect and consideration at all times.
9. **PERSONAL/PROFESSIONAL CAPABILITIES** - Police officers will be responsible for their own standard of professional performance and will take every reasonable opportunity to enhance and improve their level of knowledge and competence. Through study and experience, a police officer can acquire the

high level of knowledge and competence that is essential for efficient and effective performance of duty. The acquisition of knowledge is a never-ending process of personal and professional development that should be pursued constantly.

10. **PRIVATE LIFE** - Police officers will behave in a manner that does not bring discredit to their agencies or to themselves. A police officer's character and conduct while off-duty must always be exemplary, thus maintaining a position of respect in the community in which he or she lives and serves. The officer's personal behavior must be beyond reproach.

- C. Telephone/Current Address Information Required - All members of the police department are required to have a working telephone and to keep the department advised of the current telephone number. Likewise, all members are required to provide the department with current address information. Any changes in phone numbers or addresses shall be promptly reported to the office of the Chief of Police.

- D. When any sworn member of the department is unable to report for duty on account of sickness or injury, such fact shall be promptly reported to any on-duty supervisor.

Comment: Section C & D removed from the old Patrol Policy and placed here as it applies to all personnel, not just patrol

POLICIES, PROCEDURES, AND RULES

Subject: 1.2.2 Warrantless Detention, Search & Seizure	Effective Date:
Reference: 61.4.3	Version: 1
CALEA: 1.2.3, 1.2.4	No. Pages: 4

I. Purpose

The purpose of this policy is to establish guidelines for temporary detention, warrantless search and seizure decisions by officers in order to assure they are made in a manner consistent with constitutional guidelines, federal and state laws.

Comment: This policy is, for the most part, entirely new. It contains some of the old FPD 1.2.2 regarding searches/seizures but has been revised to include specific protocols that had been done in practice but never documented as policy

II. Definitions

Consent: Permission for an officer to search a constitutionally protected area given by a person with standing to grant it. Permission must be given without force, duress or coercion of any kind.

Field Interview: A field interview is a brief detention of a person to determine the person's identity and to resolve the officer's suspicions about possible criminal activity. A field interview is intended to resolve an ambiguous situation. A field interview contrasts with an investigative stop in that an investigative stop must be based upon reasonable suspicion of criminal behavior. A field interview may be conducted only with the voluntary cooperation of the citizen being interviewed.

Frisk: A frisk is a "pat down" of the outer garments for a weapon or contraband.

Investigative Stop: An investigative stop is the temporary detention of a subject when the officer has reasonable suspicion that criminal activity has occurred, is occurring or is about to occur and that the person to be stopped is involved or is a witness.

Probable Cause: Probable cause has been interpreted as facts and circumstances that amount to more than mere suspicion but less than proof beyond a reasonable doubt that would lead a prudent person to believe a crime has been committed or is about to be committed.

III. Procedure

A. Field Interview – The fourth amendment allows an officer to approach a person and ask if he/she is willing to answer questions, and to ask questions if the person is willing to listen and respond. The person's voluntary answers to such questions may be offered into evidence in any subsequent criminal proceedings. [CALEA 1.2.3a]

B. Investigative Stop – An officer may temporarily detain a person if reasonable suspicion exists that a crime has been committed, is committed or is about to be committed; or the officer reasonably suspects the person is illegally carrying a concealed weapon.

1. Officers may make such stops even if probable cause is insufficient to make an arrest.
2. The following factors may be considered in determining whether reasonable suspicion exists to justify an investigative stop of a person. These factors must be considered in view of the officer's training, knowledge and experience. All of the factors need not be present in order to establish reasonable suspicion:
 - a. The officer has valid knowledge that a person has a prior felony record.
 - b. The person fits the description of a wanted person.
 - c. The person has exhibited conduct in an attempt to conceal an object from the officer's view.
 - d. The person exhibits unusual behavior.
 - e. The area or time of day is indicative of possible criminal activity.
 - f. Hearsay information or an anonymous tip is acceptable dependent upon the content of the information and the degree of reliability. An officer must corroborate some of the hearsay information when developing reasonable suspicion to conduct the investigative stop.
3. An investigative stop must be conducted as briefly as possible. The stop must be restricted only to the time necessary to confirm or dispel the officer's reasonable suspicion of criminal activity.
 - a. Upon determining the basis for the stop no longer exists, the person detained will be immediately released.
 - b. The detention period may be lengthened only if the suspicion becomes reinforced with additional supportive information or if the officer develops probable cause.
4. Field Interview (FI) Cards: Officers are encouraged to conduct field interviews as an investigative tool, crime prevention and information in collecting, preserving and disseminating information on potential suspects or criminal activity. Officers shall document all field interviews on a "Field Interview" form in order to provide other officers and investigators with information concerning suspicious activities or persons. Completed field interview cards will be submitted to the Criminal Investigation Division (CID) for entry in to the department's Records Management System.

C. Frisk – Although an officer may have reasonable cause to stop an individual, there must be a separate belief, based on articulable facts, that the subject is armed and dangerous in order to justify a frisk. The purpose of the frisk is not to discover a crime, but to allow the officer to continue the investigation without fear of violence. [CALEA 1.2.4 b]

1. The frisk is limited to a pat down of the outer clothing.
2. If bulky clothing, such as a heavy overcoat, is worn the officer may require the subject to open or temporarily remove the coat in order to complete the pat down.

D. Search Incidental to Lawful Arrest – An officer shall search a subject incidental to that subject's lawful arrest for any weapons, contraband or evidence of the crime. The search shall

be confined to the subject arrested and that subject's access area at the time of arrest [CALEA 1.2.5 commentary].

1. The search may extend beyond the arrestee's access area for other persons who the officer has reason to believe may endanger the safety of the officer making the arrest.
2. The search should be limited to locating and controlling the movements of such persons.
3. An officer should not make an arrest solely as a pretext to search for evidence.

E. Search by Consent – An officer may conduct a search of any person, place or thing without probable cause when the person having legal control over that area consents to the search. [CALEA 1.2.4 a]

1. Consent must be freely and voluntarily given. Consent must be granted by a person who appears to possess the competent mental ability and language skills to fully understand the circumstances.
2. Burden of proof consent was granted is on the officer.
3. Consent may be verbal or written. Officers must inform the subject he/she has the right to refuse a consensual search of a residence; such warning is not required for consensual search of a vehicle.
4. Consent may be withdrawn at any time by the subject.
5. Scope of the search may be limited in any way the subject wishes.
6. If the search exceeds the authorized scope, it is unlawful.

F. Officers may enter and search a constitutionally protected area under lawful exigent circumstances to include medical emergencies, or public safety issues such as violent felony in progress. This exception only extends to the termination of the emergency. [CALEA 1.2.4.e]

G. Search of Vehicle under Movable Exception Rule – Due to the inherent mobility of a motor vehicle, the courts have historically held officers to a standard of probable cause for their search. There are conditions under which the officer does not need a search warrant in order to search a motor vehicle [CALEA 1.2.4 c]

1. The passenger compartment incident to and contemporaneous with the arrest of an occupant or the officer has reason to believe the vehicle contains evidence of the offense of the arrest.
2. Based on probable cause to believe the vehicle contains evidence of a crime or contraband. This search is only limited by the scope of where those items could be concealed.
3. In the event of a detention of the driver or occupant, and the officer has a basis for a frisk of that person, the frisk may extend into the vehicle to the areas where the subject might leap or lunge for weapon.
4. An inventory shall be conducted on all vehicles impounded by this department. Reference should be made to FPD 61.4.3 [CALEA 1.2.4 f]

H. Search at the Scene of a Crime – If a crime scene includes a constitutionally protected area, and the suspect might have a reasonable expectation of privacy, it will be searched pursuant to a search warrant. Exceptions include [CALEA 1.2.4.d]

1. Officers may conduct a protective sweep of a crime scene for their protection prior to securing the scene pending a warrant or consent.
2. Upon exigent entry, the scope of any search is limited to provide aid to those believed to be in need of assistance or to secure evidence in plain view. Once aid is provided, a search warrant must be obtained before searching for evidence or contraband.
3. Constitutionally protected areas may be searched with the consent of a person with standing to give it.
4. When the suspect is arrested in the crime scene, an officer may search the area under immediate control of the suspect contemporaneous with the arrest.
5. Officers may enter and search a constitutionally protected area under lawful exigent circumstances to include medical emergencies, or public safety issues such as a violent felony in progress. This exception only extends to the termination of the emergency.

I. Strip and Body Cavity Searches [CALEA 1.2.8]

1. Strip and body cavity searches are sometimes necessary for officer safety, as well as the safety of the public, including other detainees. Such searches may be required to detect, secure and seize weapons, contraband or evidence of criminal activity.
2. Such intrusive searches shall be conducted only with proper authority, justification and within the policies and procedures of the detention center where the detainee is to be taken.

J. Other Searches authorized by State and Federal Provisions [CALEA 1.2.4 g]

1. Officers may enter an open field and search it for items subject to seizure when they have reason to believe that the stated items are to be found at that location.
2. Officers may search public places, such as a public park, when they have reason to believe that the items subject to seizure are at that location.
3. Officers may search private locations open to the public, such as the lobby of a bank, when they have reason to believe that items subject to seizure are at that location.
4. Officers may seize items that are immediately apparent as evidence when they come into view and the officers have the right to be in the area at the time.
5. Officers may search abandoned property if it can be established that the owner or person in possession of the property intended to abandon it.

POLICIES, PROCEDURES, AND RULES

Subject: 1.2.4 Domestic Violence	Effective Date:
Reference: 42.1.1	Version: 1
CALEA:	No. Pages: 3

I. PURPOSE

To establish clear policy and procedural directives for officers responding to domestic violence calls.

II. POLICY

It is the policy of this department to treat all acts of domestic violence as criminal conduct. Therefore, an officer's objective(s) in responding to domestic violence calls shall be to protect victims from further violence, enforce state laws against violators, and arrest offenders where applicable.

A. Arresting Domestic Violence Offenders

An officer has the authority to make an arrest with or without a warrant for domestic abuse as provided in Rule 4.1 (a)(iv) of the Arkansas Rules of Criminal Procedures.

1. A law enforcement officer may arrest a person without a warrant if the officer has reasonable cause to believe that such person has committed acts which constitute domestic abuse as defined by law against a family or household member and which occurred within twelve (12) hours preceding the arrest.
2. An officer may arrest a person without a warrant for other offenses as defined by law against a family or household member that do NOT involve injury and which occur within four (4) hours preceding arrest to include arrests for Harassment, Harassing Communications, Trespassing, Assault, or Terroristic Threatening.
3. Although officers shall exercise discretion in responding to domestic violence calls, arrest shall be the preferred action in cases involving physical violence and/or domestic battering as stated in Ark. Code Ann. 16-81-113.

Comment: Revised language to meet statutes

Comment: Revised language to meet statutes

III. DEFINITIONS

A. Domestic Violence - Domestic violence is generally defined as the infliction of physical harm, bodily injury or assault, or the fear of imminent physical harm, bodily injury or assault, by one family or household member on another.

B. Wife or Spouse Abuse - Wife or spouse abuse is usually defined as acts of violence or recurring assaults between sexual partners, married and unmarried, who are living together or who previously lived together.

C. The Domestic Abuse Act of 1995 - The Domestic Abuse Act of 1995 amended the statutes formerly titled "Wife Battering." They are now entitled, "Domestic Battering" and they include family and household members in the class of persons protected.

D. Family or Household Member (F/HM) - The "family or household member" relationship must be proven in any Domestic Battering crime. Ark. Code Ann. 5-26-302 defines "family or household member" as including:

1. spouses or former spouses
2. parents and children
3. persons related by blood within the fourth degree of consanguinity
4. persons who presently or in the past have resided or cohabited together.
5. Any child residing in the household
6. Persons who have or have had a child in common
7. Persons who are presently or in the past have been in a dating relationship together.

E. Physical Abuse - The act of striking, threatening, harassing or interfering with the personal liberty of any family or household member by any other family or household member, but excluding reasonable discipline of a minor child by a parent or guardian of such a minor child.

V. ASSOCIATED OFFENSES

Although not exclusively limited to domestic abuse situations, these four crimes are frequently associated with domestic abuse and often involve family or household members.

- A. Stalking
- B. Terroristic Threatening
- C. Harassment
- D. Harassing Communications

Comment: Streamlined section V to only list the crimes, not the elements of each and varying degrees of each

VI. PROCEDURES

1. Patrol Responsibilities – When possible, priority will be given to domestic disputes. Officers will respond immediately and coordinate their approach with the appropriate backup. Officers should obtain all available information from the dispatcher before arriving at the scene.
2. The Decision to Arrest - Officers shall affect an arrest, based on probable cause and supported by the statements of the victim or witness, of abusers in domestic situations in the following circumstances:
 - a. where a felony has been committed;
 - b. where the officer is aware of a past history of assaults committed by the abuser and there is probable cause to believe another assault has occurred;
 - c. where a physical assault has occurred and there is evidence of either alcohol or drug abuse;

- d. where any weapon was used to inflict the injury, or was used to intimidate or threaten the victim;
 - e. where an assault has occurred and, if the officer takes no action, there is strong likelihood that further violence or injury might result;
 - f. in cases where the conditions of a protective order have been violated;
 - g. offenses committed in the presence of the officer; or
 - h. where there are valid warrants on file.
3. Protective Orders - Orders of Protection are generally issued by the court when domestic violence has occurred. There are three types of court orders typically used to protect victims of domestic abuse:
 - a. Orders of Protection
 - b. Mutual Restraining Orders
 - c. No Contact conditions of release.
4. Enforcement of Arkansas Orders - Orders of Protection issued in any Arkansas court shall be enforced by law enforcement wherever a violation occurs. An Arkansas order is valid throughout the state, regardless of which court issued the order.
5. Enforcement of Out of State Orders – Orders of Protection issued by courts located outside of Arkansas will be enforced in Arkansas, provided the form of the order meets the "full faith and credit" requirements; Ark. Code Ann. 9-15-302 requires the issuing court must have had valid jurisdiction, the respondent must have had reasonable notice and opportunity for a hearing, and evidence of this is found on the face of the order.
6. Violations of Orders of Protection - When orders of protection are violated, the enforcement procedures differ according to the type of order and the issuing court.
 - a. Violation of an order of protection is a separate criminal offense charged when an order of protection (issued by the chancery court) is violated. Under this statute, a law enforcement officer can make a warrant less arrest if the officer has probable cause to believe a person:
 - (1) Is the subject of an order of protection and
 - (2) Has violated the terms of the order, even if the officer did not witness the violation. (NOTE: An officer exercising due care and acting in good faith in making an arrest for domestic abuse has immunity from civil liability.)
 - b. ACIC Requirements - The Arkansas Crime Information Center maintains a registry of all orders of protection and temporary orders of protection issued by a state court, or registered in the state.
7. Document the incident in a full investigative report to include gathering physical evidence and recording the scene, see FPD 42.1.1.

Comment: Language streamlined to make it more concise

City of Fayetteville Staff Review Form

A. 6
Prism Education Center
Page 1 of 8City Council Agenda Items
and
Contracts, Leases or Agreements

11/15/2011

City Council Meeting Date
Agenda Items Only

Yolanda Fields

Submitted By

Community Services

Division

Development Services

Department

Action Required:

Approval of the lease for 2190 S Razorback Road as part of the CDBG Public Facility Lease Program.

None

Cost of this request

\$

-

Category / Project Budget

Program Category / Project Name

\$

-

Account Number

Funds Used to Date

Program / Project Category Name

\$

-

Project Number

Remaining Balance

Fund Name

Budgeted Item

☐

Budget Adjustment Attached

☐

Department Director

10-15-2011

Date

Previous Ordinance or Resolution #

City Attorney

10-26-11

Date

Original Contract Date:

Original Contract Number:

Finance and Internal Services Director

10-26-2011

Date

Received in City
Clerk's Office

10-25-11 A09:09 RCVD

Chief of Staff

10-26-11

Date

Received in
Mayor's Office

Mayor

10/28/11

Date



Staff recommends approval of lease for 2190 S Razorback Road.



CITY COUNCIL AGENDA MEMO

To: City Council and Mayor

Thru: Jeremy Pate, Director Development Services 

From: Yolanda Fields, Director Community Services 

Date: October 26, 2011

Subject: Public Facility Lease Program – Approval of Lease for 2190 S Razorback Road

PROPOSAL:

The property located at 2190 S Razorback Road was constructed with Community Development Block Grant (CDBG) funds. This property is a part of the CDBG Public Facility Lease Program. Properties constructed with CDBG funds are made available through an application process to non-profits that provide services to low and moderate income residents in the City of Fayetteville. Prism Education Center submitted an application for the property located at 2190 S Razorback Road. Prism Education Center was the only applicant and met all the requirements for the program.

Prism Education Center was incorporated as a 501(c)3 in April 2009. Prism Education Center will provide preschool, after school and summer school tutoring and enrichment programs that will benefit low and moderate income families in Fayetteville and Washington County. Prism Education Center will also provide resources for parents, including court mandated parenting classes.

RECOMMENDATION:

Staff recommends the approval of the lease with Prism Education Center for the property located at 2190 S Razorback Road.

BUDGET IMPACT:

None.

RESOLUTION NO. _____

A RESOLUTION APPROVING A LEASE WITH PRISM EDUCATION CENTER FOR PROPERTY LOCATED AT 2190 SOUTH RAZORBACK ROAD PURSUANT TO THE COMMUNITY DEVELOPMENT BLOCK GRANT PUBLIC FACILITY LEASE PROGRAM

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1. That the City Council of the City of Fayetteville, Arkansas hereby approves a lease with Prism Education Center for property located at 2190 S. Razorback Road pursuant to the Community Development Block Grant Public Facility Lease Program. A copy of the lease is attached as Exhibit "A".

PASSED and APPROVED this 15th day of November, 2011.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA E. SMITH, City Clerk/Treasurer

LEASE AGREEMENT

2190 S Razorback Road

THIS LEASE AGREEMENT executed this 15th day of November 2011, by and between the City of Fayetteville, Arkansas and Prism Education Center, a non-profit Arkansas corporation, hereinafter referred to as "Prism Education Center".

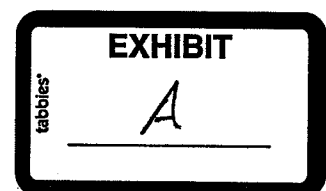
In consideration of the promises, covenants and commitments contained herein, the City of Fayetteville and Prism Education Center hereby agree as follows:

1. **PREMISES.** The City of Fayetteville hereby leases to Prism Education Center and Prism Education Center hereby leases from The City of Fayetteville, the building, parking lot and premises of 2190 S Razorback Road, Fayetteville, AR 72701.
2. **TERM.** The original term of this Lease shall commence on November 15, 2011 and shall terminate on November 1, 2013 at 5:00 p.m. This Lease may be extended past this date, contingent upon the possible sale of the property, unless written notice of termination is given by City of Fayetteville or Prism Education Center to the other party at least thirty (30) days prior to expiration of the original term of this lease. If the lease will be extended, an addendum to the lease agreement will be executed. This notice shall be effective if mailed or delivered to:

City of Fayetteville
Mayor's Office
113 W Mountain
Fayetteville, AR 72701

Prism Education Center
Executive Director
2190 S Razorback Road
Fayetteville, AR 72701

3. **CONSIDERATION.** In consideration for the use of leased premises Prism Education Center agrees to provide its services to the citizens of Fayetteville and Northwest Arkansas with emphasis on low and moderate income children and youth in Fayetteville. Prism Education Center agrees to provide preschool, after school and summer school tutoring and enrichment programs. The project will also provide resources for parents. Prism Education Center shall maintain at all times a current and complete record of all activities conducted on the leased premises in a form specified by the City of Fayetteville. Prism Education Center shall submit a quarterly activity report to the City of Fayetteville Community Services Division on or before the 15th of the month following the end of the quarter. The City of Fayetteville and the United States Department of Housing and Urban Development shall have



complete access to all of Prism Education Center's records during all reasonable hours and shall have the right to inspect and copy said records.

4. **UTILITIES.** Prism Education Center shall be responsible for prompt and complete payment of all utilities including electric bills, natural gas bills, water and sewer bills, sanitation service bills and telephone bills.
5. **IMPROVEMENTS TO PREMISES.** If previously approved in writing by the Community Services Division of the City of Fayetteville, Prism Education Center may make improvements that are necessary to carry out the services they provide. Prism Education Center agrees that it will keep and maintain the leased premises and all improvements thereon in good condition and repair at all times. Prism Education Center agrees to be responsible for yard maintenance and for the maintenance and replacement of all heating, electrical and air conditioning equipment and plumbing on the premises. Prism Education Center, at its own cost and expense, shall maintain and keep premises in as good repair as when the premises were received or in their highest state of repair during the lease term, ordinary wear and tear and casualties beyond Prism Education Center's control alone are exempted. Prism Education Center shall return the leased premise at the expiration or termination of the Lease in good order and condition excepting only ordinary wear and tear and **casualties** beyond Prism Education Center's control. Design for any such improvements shall be approved in advance by the City of Fayetteville Community Services Division. Upon termination of this lease all improvements shall become the property of the City of Fayetteville.
6. **MAINTENANCE AND REPAIR FUND.** Prism Education Center will establish and maintain a Maintenance and Repair Fund. Prism Education Center shall immediately begin depositing the amount of **\$500.00** per month in a separate savings account in a savings institute acceptable to the City of Fayetteville for the period of time required to establish and maintain a fund total of **\$30,000.00**. These funds may be used only for the maintenance and repair of the premises. At the end of this Lease Agreement, all funds in this account not needed for repair or maintenance to return the premises to good condition and repair shall become the sole property of Prism Education Center.
7. **FACILITY DEPOSIT.** Prism Education Center will provide a **\$5,000.00 Facility Deposit** to the City of Fayetteville prior to move in unless a letter of understanding is attached to this lease agreement. The entire amount will be held by the city for the duration of the lease. Upon notification of intent to vacate the lease the City will inspect location to determine condition. If repairs are needed to return the premises to good condition the Facility Deposit amount will used to make the repairs. Any remaining balance will be refunded to the Prism Education Center.

8. **INSURANCE.** The City of Fayetteville insures all buildings owned by the City. It is more cost effective for the City to bill Public Facility Lease Program tenants than to require them to carry insurance for the building on their own. Prism Education Center agrees to pay the City of Fayetteville for the coverage on the building at 2190 S Razorback Road. Prism Education Center will receive an annual invoice from the City and agrees to remit the invoiced amount to the City of Fayetteville. Prism Education Center understands that the City insurance only covers the actual building and that Prism Education Center is responsible for insuring the contents of the building and procuring liability insurance under a separate policy.
9. **MONTHLY FINANCIAL STATEMENTS.** Prism Education Center shall maintain complete and accurate monthly financial statements for all activities conducted on the leased premises. Prism Education Center shall file a copy of each month's financial statement with the City of Fayetteville's Community Services Division on or before the 15th day of the following month.
10. **BENEFIT TO LOW INCOME FAMILIES.** The Community Development Program has been developed so as to give maximum feasible priority to activities which will benefit low and moderate income families or aid in the prevention or elimination of slums or blight. Prism Education Center commits that the leased premises will be used to benefit low and moderate income families.
11. **COMPLIANCE WITH FEDERAL RULES AND REGULATIONS.** Prism Education Center agrees to comply with all rules and regulations as established by the Department of Housing and Urban Development for programs financed by the Housing and Community Development Act of 1974; and
- a. Lessee will comply with the regulations, policies, guidelines and requirements of OMB Circular No. A-102, Revised, acceptance and use of Federal funds under 24 CFR 570; and
 - b. Lessee will comply with all requirements imposed by HUD concerning special requirements of law, program requirements, and other administrative requirements, approved in accordance with OMB Circular No. A-102, Revised.
 - c. Lessee will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352), and regulations issued pursuant thereto (24 CFR Part 1), which provides that no person in the United States shall on the grounds of race, color or national origin be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any of Prism Education Center's programs or activities.

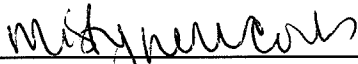
- d. Prism Education Center will comply with Section 109 of the Housing and Community Development Act of 1974, and the regulations issued pursuant thereto (24 CFR Part 570.601), which provides that no person in the United States shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds provided under 24 CFR 570.
 - e. Prism Education Center will comply with Section 3 of the Housing and Urban Development Act of 1968, as amended, requiring that to the greatest extent feasible opportunities for training and employment be given to lower-income residents of the project area and contracts for work in connection with the project be awarded to eligible business concerns which are located in, or owned in substantial part by, persons residing in the area of the project.
12. **PERSONAL GAIN.** Prism Education Center will establish safeguards to prohibit employees from using position for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties.
13. **HATCH ACT.** Prism Education Center will comply with applicable provisions of the Hatch Act.
14. **RIGHT TO INSPECT RECORDS.** Prism Education Center will give HUD and the Comptroller General, through any authorized representatives, access to and the right to examine all records, books, papers, or documents related to the program.
15. **ENVIRONMENTAL PROTECTION.** Prism Education Center will ensure that the facilities under its lease or supervision which shall be utilized in the accomplishment of the program are not listed on the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify HUD of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by the EPA.
16. **FLOOD DISASTER PROTECTION ACT.** Prism Education Center shall comply with the Flood Disaster Protection Act of 1973, P.L. 93-234, 87stat. 975, approved December 31, 1973. Section 103(a) required, on and after March 2, 1974, the purchase of flood insurance in communities where such insurance is available as a condition for the receipt of any Federal financial assistance for construction or acquisition purposes for use in any area, that

has been identified by the Secretary of the Department of Housing and Urban Development as an area having special flood hazards. The phase "Federal financial assistance" shall be included in any form of loan, grant, guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, or any other form of direct or indirect Federal assistance.

17. **CURE OR TERMINATION.** If the City of Fayetteville determines that Prism Education Center has violated a duty, term or condition of this Lease Agreement, it shall so notify Prism Education Center in writing at the address listed above in paragraph 2. Prism Education Center shall have thirty (30) days after notification to cure the breach. If Prism Education Center fails to cure the breach to satisfaction of the City of Fayetteville within the allotted period of time, the City of Fayetteville, acting through its Mayor, may declare this Lease Agreement terminated and so notify Prism Education Center which shall immediately vacate the premises.

IN WITNESS WHEREOF, the parties have executed this Lease Agreement on the date first above written.

PRISM EDUCATION CENTER
d/b/a Prism Education Center



Misty Newcomb
Executive Director

CITY OF FAYETTEVILLE, ARKANSAS

Lioneld Jordan
Mayor

ATTEST:

Sondra E. Smith
City Clerk/Treasurer

City of Fayetteville Staff Review Form

A. 7
Wilson Park Bench Donation
Page 1 of 18

City Council Agenda Items
and
Contracts, Leases or Agreements

11/15/2011

City Council Meeting Date
Agenda Items Only

Connie Edmonston *C.E.*
Submitted By

Division

Parks & Recreation

Department

Action Required:

A resolution approving the donation of a dogwood blossom bench by Jimmy and Jeanie Hill to be designed and built by local artist, Eugene Sargent at Wilson Park. This donated art project was approved by the Parks and Recreation Advisory Board and the Fayetteville Arts Council on October 26, 2011.

n/a

Cost of this request

\$

Category / Project Budget

Program Category / Project Name

\$

Account Number

Funds Used to Date

Program / Project Category Name

\$

Project Number

Remaining Balance

Fund Name

Budgeted Item

☐

Budget Adjustment Attached

☐

Connie Edmonston
Department Director

10-27-11
Date

Previous Ordinance or Resolution #

Original Contract Date:

K. M. ...
City Attorney

10-28-2011
Date

Original Contract Number:

Paul A. Becher
Finance and Internal Services Director

10-28-2011
Date

Received in City
Clerk's Office

10-23-11 A07:21 RCVD *WJS*

Alm Man
Chief of Staff

10-31-11
Date

Received in
Mayor's Office



Donald Jordan
Mayor

10/31/11
Date

Comments:



www.accessfayetteville.org

THE CITY OF FAYETTEVILLE, ARKANSAS
DEPARTMENT CORRESPONDENCE

CITY COUNCIL AGENDA MEMO

To: Mayor Lioneld Jordan and City Council

Thru: Don Marr, Chief of Staff

From: Connie Edmonston, Parks and Recreation Director *C.E.*
Leif Olson, Long Range Planner *LO*

Date: October 27, 2011

Subject: Public Donated Art Request

PROPOSAL:

Jimmy and Jeanie Hill have requested to donate a bench valued at \$7,000 to be placed in Wilson Park's garden north of the east parking lot by the flagstone garden path. This pathway was also donated by the Hills in 2009. The Hill family worked with Eugene Sargent, a local artist, to design and build the dogwood blossom bench constructed with colored ferro-cement and steel. The art project will include a dogwood blossom paver path that will attach to the existing flagstone path. The colors in the bench will be the same as a typical dogwood flower. Color will be incorporated into the cement with strengthening additives that promote growth of crystal structures that water proof and strengthen the cement. The bench structure will have an overall length of 18 feet including the leaves that serve as a border and the bench will be 5 feet high. A 4" by 5" engraved bronze plaque will be incorporated into the leaves on the side of the bench stating "Garden path and bench gift of Jimmy and Jeanie Hill." This meets the donor recognition signs policy.

The dogwood bench area will serve as an ideal spot for taking photographs in the gardens. Lisa Netherland, Park Horticulturist, will periodically change the landscape surrounding the bench to enhance this area for photo opportunities. The bench will be assembled on-site. Mr. Sargent also designed and built the three existing concrete benches in the Wilson Park Castle area that have been a very popular attraction and have held up very well. This project will start upon approval of the City Council.

RECOMMENDATION:

The dogwood bench project is considered a donated art project and because it is valued over \$5,000, it must be approved by the Parks and Recreation Advisory Board, Fayetteville Arts Council and City Council. Both the Parks Board and Arts Council approved this project at their Wednesday, October 26, 2011 board meetings. Parks and Recreation Staff recommend approval of this bench in Wilson Park.

BUDGET IMPACT:

This project should have little to no impact on the budget.

Attachments:

Donated Public Art/Monument/Memorial Request Packet
Parks and Recreation Advisory Board October 26, 2011 Meeting Minutes
Fayetteville Arts Council October 26, 2011 Meeting Minutes

RESOLUTION NO. _____

A RESOLUTION TO APPROVE THE DONATION OF A PUBLIC BENCH IN WILSON PARK AND TO THANK JIMMY AND JEANIE HILL FOR THIS DONATION

WHEREAS, Jimmy and Jeanie Hill have offered to donate a public bench valued at \$7,000.00 to be constructed along a garden path in Wilson Park; and

WHEREAS, both the Fayetteville Parks and Recreation Advisory Board and the Fayetteville Arts Council have approved this project; and

WHEREAS, the Fayetteville Parks and Recreation Division recommends approval of this proposed donation and the construction of the bench which will contain a four inch by five inch engraved bronze plaque stating: "Garden path and bench gift of Jimmy and Jeanie Hill."

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby approves the proposed donation for the construction of a park bench with engraved recognition plaque in Wilson Park and expresses its gratitude and appreciation to Jimmy and Jeanie Hill for their generous donation and their employment of local artist, Eugene Sargent, to complete this project.

PASSED and APPROVED this 15th day of November, 2011.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA E. SMITH, City Clerk/Treasurer



**FAYETTEVILLE ARTS COUNCIL
DONATED PUBLIC ART / MONUMENT / MEMORIAL
REQUEST FORM**

Name: Lisa Netherland, Horticulturist, City of Fayetteville Parks and Recreation

Address: 113. W. Mountain St.

City: Fayetteville State: AR Zip: 72701

Phone – Home (office) (479) 444-0305 Work/Cell (479)287-1504

Email: lnetherland@ci.fayetteville.ar.us

1. Types of Donation

☐ Monument

☐ Fountain

☐ Sculpture

☒ Other (Please specify below.)

☐ Memorial

Ferro cement bench with tile foot path.

2. Artist Description of Donated Art/Monument: A written description of the background/historical information associated with any donated art item, including but not limited to, information about the creation of the item(s) and materials used. Additional information may be attached. (Models and/or pictures are to be attached or submitted with the proposal.)

Dogwood Blossom bench with dogwood blossom paver path to be constructed
with colored ferro-cement and steel. Color is incorporated into cement with
strengthening additives that promote growth of crystal structures that water proof
& strengthen cement. Dogwood leaves will create a 15 inch tall border to define
the front and back of the garden. Dimensions: overall length 18 ft., height 5 ft
Color: bench is typical dogwood flower, footpath to match existing flagstone path.

If a plaque is requested in this project, please complete the following:

Plaque Exact Wording: Garden path and bench gift of Jimmy and Jeanie Hill

Size of Plaque: 4 inches x 5 inches

Plaque Material: engraved bronze

3. Biography of artist(s): (To be attached.)

4. Location for Donation: (Please prioritize.)

Priority 1

Site: Wilson Park

Specific Location: Garden north of east parking lot.
(Please attach a map.)

Site Geographic Justification: Donor request. Site is in relationship to
previous donation of the flagstone garden path.

Priority 2

Site: n/a

Specific Location:
(Please attach a map.)

Site Geographic Justification:

Priority 3

Site: n/a

Specific Location:
(Please attach a map.)

Site Geographic Justification:

5. Project Budget

Site Preparation Required: **Cost:** included

Narrative: Hand dig, cut and fill dirt. Fill dirt to be used behind structure

Foundation: **Cost:** included

Narrative: Five rebar reinforced concrete piers 1.5 feet depth and 1 foot wide

Donated Art/Monument/Memorial: **Cost:** \$7,000.00

Electricity Required: **Cost:** 0

Be specific: None

Lighting Required: **Cost:** 0

Be specific: None

Maintenance/Endowment: **Cost:** 0

Note: A maintenance plan must be attached. If an Endowment Fund is setup, please give proper justification for the funding required.

Other: **Cost:** 0

Be specific: No maintenance has been required on previous benches.

Total Project Cost: \$ 7,000

6. **Cost Exclusion:** Please list any cost or part of the project that will not be provided by the artist / donor.
None

7. **Additional Employment Required by Artist:** Please list additional party(s) hired or employed by artist to assist with work:
None

8. Written explanation of legal issues, including but not limited to, identifying the current legal owner of the items, the existence of any copyrights, patents or other title rights in or to the item(s) - such as any interests to remain with the artist or designer of the item(s), and an explanation of any conditions or limitations on the donation of the item(s) and whether the City or donor will pay for such costs.

The, bench, border and tile foot path will be the property of the City of Fayetteville

The donor requested the Wilson Park location and that the plaque read as stated above. No other conditions exist, there are no copyrights or patents to this item.

9. The estimated value of each item, including appraisals of the item(s) if available:
The value of the bench and foot path are \$7000.00

10. The anticipated date for the project to begin, construction schedule, and completion date: November 14, 2011. Construction schedule will be daily when temperatures are above freezing with no rain.

11. Environmental effects of the item(s): None

12. Anticipated life of the item(s): Minimum 30 years to indefinite.

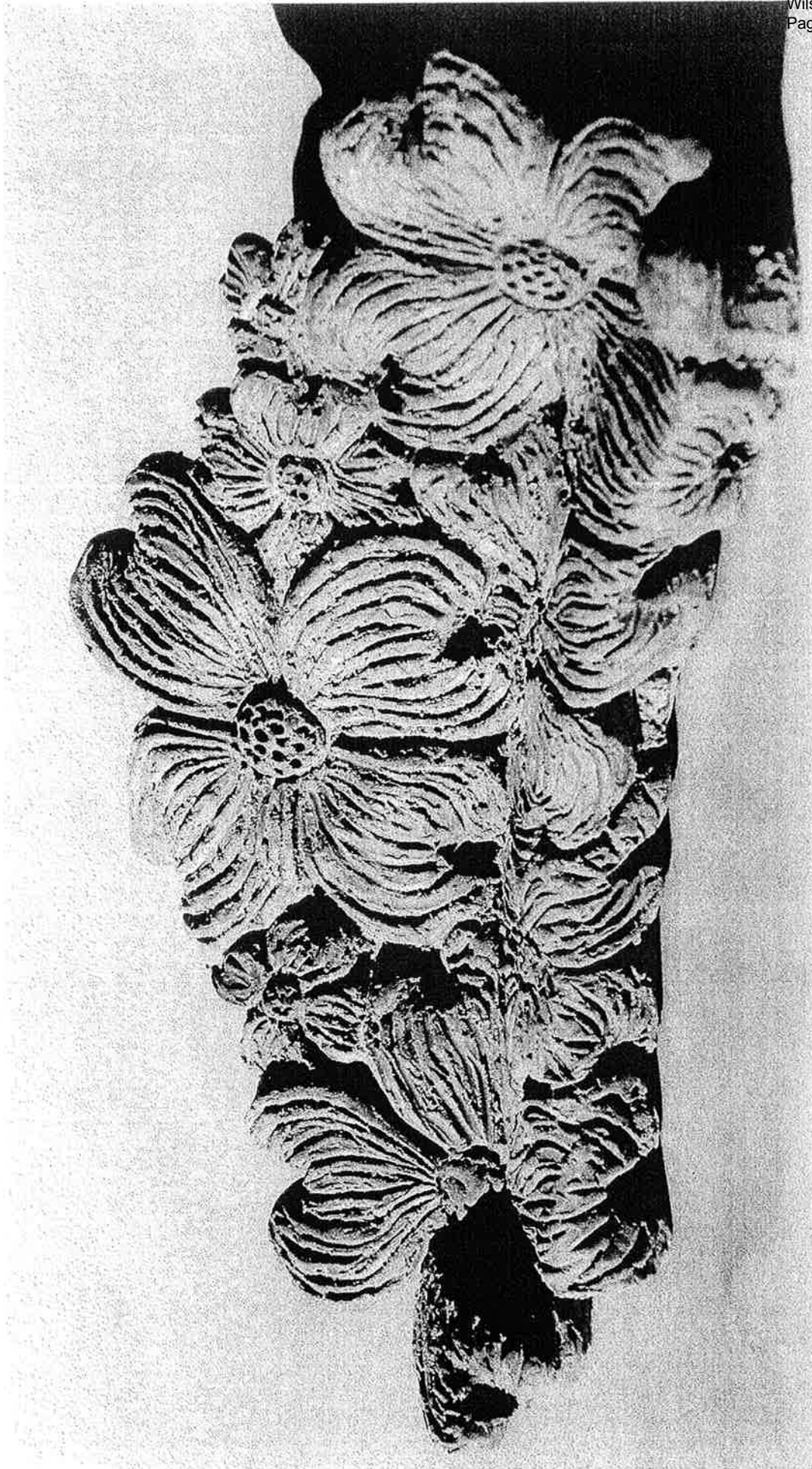
13. Please attach public support for the proposed donation.

14. Please attach a warrant of originality (if applicable).

Please include any additional information or documentation you deem as necessary or appropriate for the Fayetteville Arts Council to evaluate the project. Failure to provide the information outlined above may result in the City's rejection of this proposal until all the requested information is provided.



Proposed Bench Location at Wilson Park

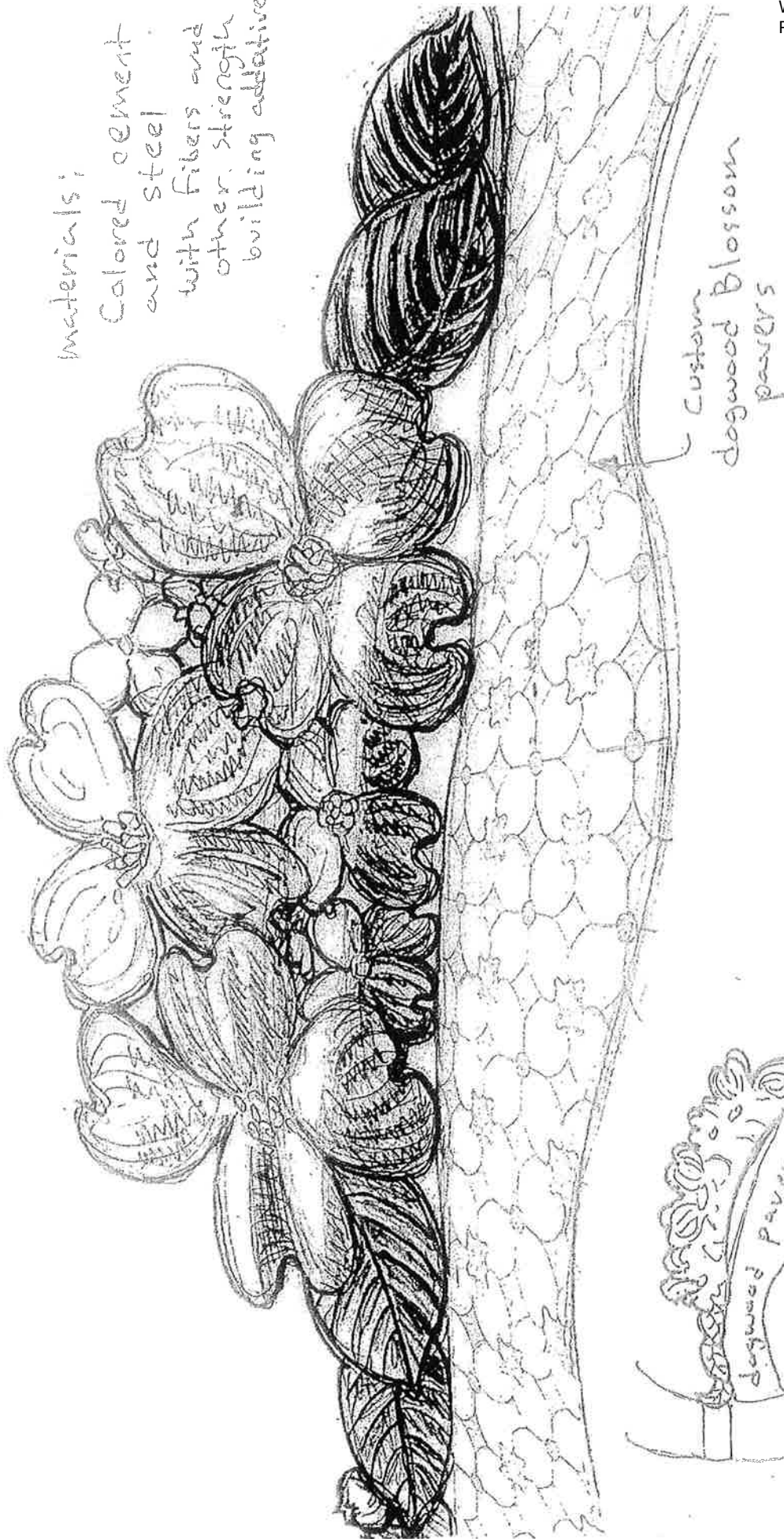


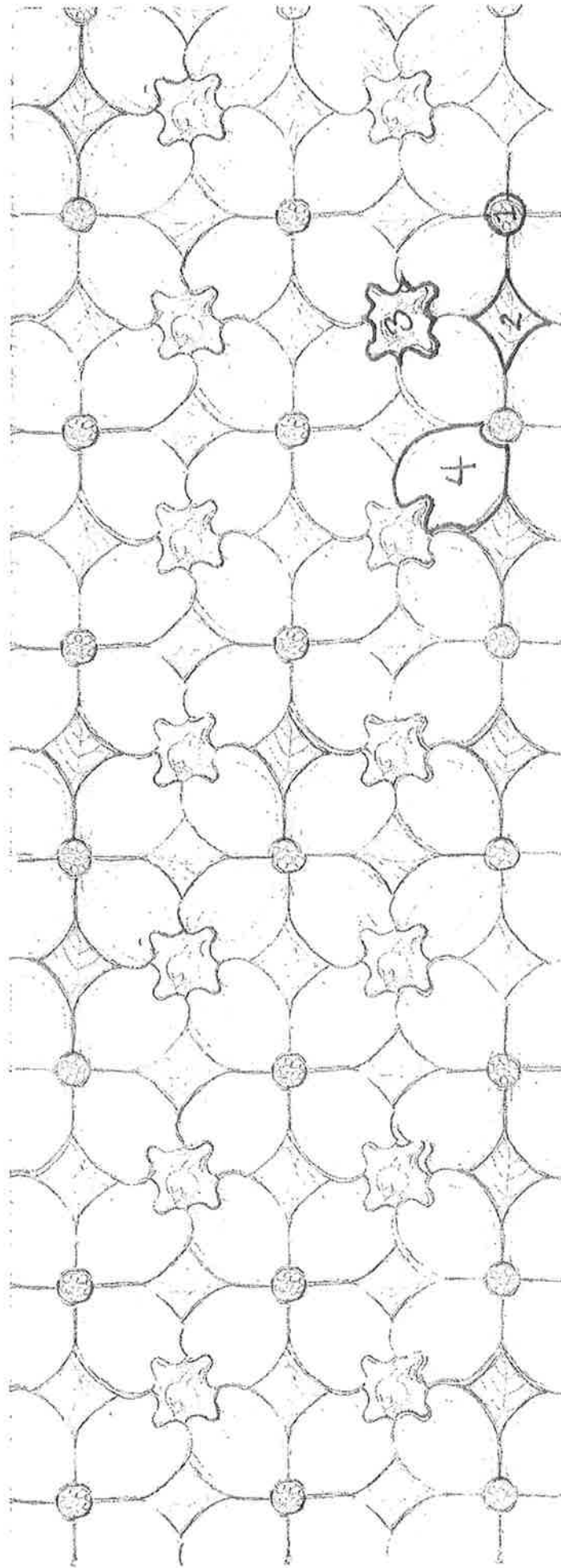
A clay model of the Dogwood Bench

A Dogwood Blossom Bench for Wilson Park by Eugene Sargent

18' - TOTAL LENGTH
12' - BENCH LENGTH
5' - MAX. HEIGHT

materials:
Colored cement
and steel
with fibers and
other strength
building additives





Paver design: 4 different Shapes

Cast in a range of earthtones
to harmonize with existing
flagstone pathway.



www.accessfayetteville.org

THE CITY OF FAYETTEVILLE, ARKANSAS
PARKS AND RECREATION DEPARTMENT
113 West Mountain
Fayetteville, AR 72701
P (479) 444-3471 F (479) 521-7714

October 24, 2011

Attachment to:
FAYETTEVILLE ARTS COUNCIL
DONATED PUBLIC ART/MONUMENT/MEMORIAL
REQUEST FORM

Biography of artist:

Eugene Sargent lives near Fayetteville on a hobby farm with his wife and children. He likes to tackle unusual problems, creating artistic and utilitarian pieces. Since 1990 he has worked in a wide variety of mediums including drawing and painting with oil and water color. Eugene is a metal smith; he creates art castings and fabricates steel. He has a machine shop where he does precision milling and turning. He has been creating ferro-cement features for 15 years. His ferro-cement work includes two benches and a "worm" retainer wall at the Castle at Wilson Park, the "Reading Railroad" at the Botanical Garden, and a bigger-than-life butterfly at Leverett Elementary School.

Lisa Netherland - Dogwood bench in Wilson Park

From: Jeanie Hill <jeanie.calnini@gmail.com>
To: Lisa Netherland <lnetherland@ci.fayetteville.ar.us>
Date: 10/24/2011 2:38 PM
Subject: Dogwood bench in Wilson Park

This letter is sent in public support of the addition of a Dogwood Bench and Path to be designed and constructed by Eugene Sargent and installed in the garden donated by Jimmy Hill in memory and in honor of Bennie Johnson and Jeanie Johnson Hill in 2009.

This bench is meant to enhance the existing garden and to provide additional seating and a spot with a beautiful background for taking photos. The bench will be about seven feet long to accommodate large groups or families and the "leaf berms" along the sides will help hold the steep bank and prevent erosion and washing of mulch onto the path.

We think that this will be an asset to Wilson Park and in keeping with the other artistic benches nearby.

Jeanie and Jimmy Hill



FAYETTEVILLE PARKS AND RECREATION ADVISORY BOARD

Minutes for October 26, 2011

Opening:

A special meeting of the Parks and Recreation Advisory Board was called to order by Jim Meinecke at 5:35 p.m. in Room 111 at the City Administration Building at 113 West Mountain Street in Fayetteville, Arkansas.

Present:

Parks and Recreation Advisory Board members Bailey, Thompson, Meinecke, Mason, Waite, and Meldrum were present. Absent were Lindsey, Hazelrigs, and Watson. Staff members Edmonston, Netherland, and Thomas were in attendance. Leif Olsen from Strategic Planning also attended.

SPECIAL MEETING AGENDA:

The Special Meeting of the Parks and Recreation Advisory Board is called to order for the purpose of reviewing a donated art project to be located in a City Park. According to the Fayetteville Arts Council's Policy, the Parks and Recreation Advisory Board is to review projects that have a significant impact on a City Park or a recreational program. PRAB's recommendation for this project is submitted to the Fayetteville Arts Council and the Arts Council will forward approved items to the City Council for final approval.

Donated Art Project Request: Jimmy and Jeanie Hill have requested to donate a ferro-cement bench to be placed in Wilson Park's garden north of the east parking lot by the flagstone garden path. This pathway was also donated by the Hill family. The Hills worked with Eugene Sargent, a local artist, to design and build the dogwood blossom bench with a dogwood blossom paver path constructed with colored ferro-cement and steel. Mr. Sargent also designed and built the three existing concrete benches in the Wilson Park Castle area. Edmonston said that a great artist, Eugene Sargent, is ready to begin the project. Because this donation is considered an art project and the cost is \$7,000, it has to be approved by PRAB, Arts Council, and the City Council.

Lisa Netherland, a City horticulturist, said that this is a very exciting project. It will be located in Wilson Park in the garden north of the east parking lot. A paver path will also be constructed. The flagstone path

currently there was donated by the same donor, and they wanted a special bench. It's an 18 foot bench and will be in a dogwood pattern. It will be constructed with colored ferro-cement and steel. It will be the color of dogwood flowers. The back of the bench will be high enough that it's over people's heads.

Meinecke wanted to know if the leaves on the bench will make it 18 feet. Netherland said yes. She said it will be spectacular. Meinecke said that area of the park is beautiful.

Meldrum wanted to know if dogwood would be planted behind it. Netherland said possibly. The background will be ever-changing. A plaque that says the donors are Jimmy and Jeanie Hill will be embedded in one of the leaves.

Edmonston said Mr. Sargent has made other benches in Wilson Park. They have been there several years and have needed absolutely no maintenance.

Meinecke asked if the bench would be a metal frame with something over it. Netherland said yes. The artist will be using steel covered with ferro-cement with additives that promote growth of crystal structures that waterproof and strengthen cement. She added that none of his benches have ever been vandalized with graffiti.

Mason asked if the pavers would be custom made. Netherland said that Mr. Sargent will make them. They will be four different shapes cast in a range of earthtones to harmonize with the existing flagstone pathway.

Edmonston said that if PRAB approves this tonight, and the Art Council approves it, it will go before the City Council.

Meinecke said he is blown away with this project. There will be a lot of pictures taken there.

Parks Staff Recommendation: To approve the donated bench as designated in the attached map in Wilson Park. The current concrete benches built by Eugene Sargent have held up excellent in the park.

PRAB Recommendation: Meldrum motioned to accept the staff recommendation and approve the donated bench, and Waite seconded it. Motion passed 6-0-0 by voice vote.

Meeting adjourned at 6:46 pm

Minutes taken by Melanie Thomas

MINUTES OF A MEETING OF THE FAYETTEVILLE ARTS COUNCIL

A regular meeting of the Fayetteville Arts Council was held on October 26, 2011 at 6:30 p.m. in Room 111 in the City Administration Building at 113 W. Mountain Street, Fayetteville, Arkansas.

ITEMS DISCUSSED

ACTION TAKEN

Approval of minutes from Aug. 3rd 2011 meeting

Approved

Public Art Donation -- Wilson Park bench

Approved

Review and Discuss 2011 Goals and Action Steps

No Action Required

MEMBERS PRESENT

MEMBERS ABSENT

Dianne Williams
Erin Jepson
Jay Baker
Janie Agee
Martin Miller
Cyd King

Hank Kaminsky
Betsy Gross
Jessica Minton

STAFF PRESENT

STAFF ABSENT

Leif Olson
Connie Edmonston, Parks and Recreation Director
Lisa Netherland, Parks and Recreation Horticulturist

CALL TO ORDER: The meeting was called to order by Chairman Baker at 6:35 p.m.

I. Announcements: None

II. Approval of the Minutes

Council member King made a motion to approve the minutes of the May 4, 2011 and council member Jepson seconded the motion. Upon roll call the motion passed with a vote of 5-0-0.

III. Public Art Donation of a Dogwood Flower Blossom Bench in Wilson Park.

Lisa Netherland presented the Arts Council with a proposed bench donated by Jimmy and Jeanie Hill and created by local artist Eugene Sargent to be located in Wilson Park. The proposed bench will represent dogwood flowers and be constructed of colored ferrocement and steel. The benches overall dimensions will be 18' long and 5' high. Additionally, a dogwood blossom paved path would be constructed of pavers that are created and fired by Eugene Sargent in a dogwood flower pattern. Lisa Netherland explained that the path and bench will provide park visitors with a natural gathering area suitable for group or family photos. The proposed site is in the garden north of the east parking lot overlooking the ballfield. This site is in relation to the previous donation by Jimmy and Jeanie Hill for the flagstone garden located here. Eugene Sargent would do all of the construction in place on-site as weather permits this fall.

The Arts Council clarified the proposed location and commented positively about all of the sculptures and benches that have been designed and constructed by Mr. Sargent.

Council member Agee made a motion to approve the dogwood flower bench donation. Council member Williams seconded the motion. The Arts Council voted 6-0-0 in favor of forwarding the bench sculpture donation to the City Council with a recommendation of approval.

IV. Review and discuss the Arts Council 2011 Goals and Action Steps.

Staff updated the Arts Council on the progress of the 2011 action steps that had completed.

MEETING ADJOURNED: 7:00 P.M.

City of Fayetteville Staff Review Form

B. 1
Parking Revenue Improvement Bonds
Page 1 of 134

City Council Agenda Items
and
Contracts, Leases or Agreements

November 1, 2011

City Council Meeting Date
Agenda Items Only

Paul A Becker

Submitted By

Finance and Internal Services

Division

Finance and Internal Services

Department

Action Required:

This is a request to approve a bond ordinance authorizing the issuance of Parking Revenue Improvement Bonds, in a face amount not to exceed \$6,500,000, the proceeds of which would be used to finance the construction of a parking facility in the Entertainment District.

N/A

Cost of this request

\$

-

Category / Project Budget

Program Category / Project Name

\$

-

Account Number

Funds Used to Date

Program / Project Category Name

\$

-

Project Number

Remaining Balance

Fund Name

Budgeted Item

☐

Budget Adjustment Attached

☐

Department Director

Paul A. Becker

10-18-2011

Date

Previous Ordinance or Resolution #

Original Contract Date:

City Attorney

K. K. K.

10-20-2011

Date

Original Contract Number:

Finance and Internal Services Director

Paul A. Becker

10-20-2011

Date

Received in City Clerk's Office 10-20-11 11:09 RCVD

Chief of Staff

Jim Mann

10-20-11

Date

Received in Mayor's Office

Mayor

Donnell Jordan

Date

Comments:

Revised January 15, 2009

Left on first Reading at the 11/1/11 CC mtg.

CITY COUNCIL AGENDA MEMO

To: Mayor Jordan and Members of the Fayetteville City Council

Thru: Don Marr, Chief of Staff

From: Paul A Becker, Finance Director

Date: October 13, 2011

Subject: Request Approval of a Bond Ordinance Authorizing the Issuance of Parking Revenue Bonds

Recommendation:

Staff recommends the approval of a Parking Revenue Bond Ordinance in an amount not to exceed a face value of \$6,500,000. Sale of the bonds authorized will be repaid with net parking revenues which will be pledged for that purpose. The coverage for calculation for these bonds will be 1.25% average debt service required per year. In order to secure the bonds, it will be necessary for the City to covenant that fees, rents fines, and charges generating Net Parking Revenue, if and when necessary, from time to time, be increased in such a manner as to produce Net Parking Revenue sufficient to equal 1.25% of the annual debt service on bonds outstanding and any amount, if any, required to maintain the debt service reserve requirement. The initial coverage for the amount required is calculated to be 1.7% coverage which should be more than adequate for the near future.

Issues:

The need for additional parking in the Entertainment District has been recognized and discussed for many years. However, no revenue stream was available to the City to provide additional parking space or build a parking facility to accommodate the need for parking. Mayor Jordan brought forward the paid parking program, which the Council subsequently adopted, to address that need. Adoption of this ordinance will provide the necessary funding to proceed with the parking facility project.

BUDGET IMPACT:

Again, the sale of the bonds authorized by this resolution will provide the funding necessary to move forward with the project. The bond sale is expected to net approximately \$5,500,000 for the project. The balance of the Amount generated will be needed to meet reserve requirements and pay issuance costs.

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$6,500,000 OF PARKING REVENUE IMPROVEMENT BONDS BY THE CITY OF FAYETTEVILLE, ARKANSAS FOR THE PURPOSE OF FINANCING ALL OR A PORTION OF THE COSTS OF ACQUISITION, CONSTRUCTION AND EQUIPPING OF A PARKING DECK FACILITY; AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUST INDENTURE PURSUANT TO WHICH THE BONDS WILL BE ISSUED AND SECURED; AUTHORIZING THE EXECUTION AND DELIVERY OF AN OFFICIAL STATEMENT PURSUANT TO WHICH THE BONDS WILL BE OFFERED; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT PROVIDING FOR THE SALE OF THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE AGREEMENT; AND PRESCRIBING OTHER MATTERS RELATING THERETO.

WHEREAS, the City of Fayetteville, Arkansas (the "City"), has determined that there is a need for increased parking capacity in the City's Entertainment District and desires to provide such capacity through the acquisition, construction and equipping of parking deck facilities and related roadway and other improvements, such facilities and improvements to be located within the Entertainment District Parking Zone (the "Project"); and

WHEREAS, the City is authorized and empowered under the provisions of the Constitution and laws of the State of Arkansas, including particularly Amendment 65 to the Constitution and Arkansas Code Annotated (1998 Repl. & 2011 Supp.) Sections 14-164-401 *et seq.* (as from time to time amended, the "Act"), to issue and sell its revenue bonds and to expend the proceeds thereof to finance the costs of "capital improvements" (as defined in the Act), such as those improvements comprising the Project; and

WHEREAS, in accordance with the provisions of Amendment 65 and the Act, the City has determined to issue its Parking Revenue Improvement Bonds (the "Bonds") in the aggregate principal amount of not to exceed \$6,500,000 for the purpose of (i) financing some or all of the costs of acquisition, construction and equipping of the Project, (ii) establishing a debt service reserve for the Bonds, and (iii) paying printing, underwriting, legal and other expenses incidental to the issuance of the Bonds; and

WHEREAS, the Bonds will be secured by and payable from net revenues (after provision for operation and maintenance expenses, including previous debt for parking equipment) attributable to parking fees, leases, rents, fines, charges and other revenues collected by the City with respect to its meters, lots and other parking facilities, and including net revenues to be generated by the Project and net revenues with respect to City management of parking facilities owned by third parties (the "Net Parking Revenues"); and

WHEREAS, an open public hearing on the question of the issuance of the Bonds has been held before the City Council on November 1, 2011, following publication of notice thereof in the *Northwest Arkansas Times* on October 21, 2011; and

WHEREAS, the City has determined to issue and secure the Bonds pursuant to a Trust Indenture (the "Trust Indenture"), by and between the City and Simmons First Trust Company, N.A., as trustee (the "Trustee"), a form of which has been presented to and is before this meeting; and

WHEREAS, the City proposes to enter into a Bond Purchase Agreement (the "Bond Purchase Agreement") in substantially the form presented to and before this meeting, with Stephens Inc., Fayetteville, Arkansas (the "Underwriter"), providing for the sale of the Bonds.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Fayetteville, Arkansas that:

Section 1. The City Council hereby finds and declares that the acquisition, construction and equipping of the Project is in the best interest of the City and its residents.

Section 2. Under the authority of the Constitution and laws of the State of Arkansas, including particularly Amendment 65 to the Constitution of Arkansas and the Act, there is hereby authorized the issuance of bonds of the City to be designated as "Parking Revenue Improvement Bonds" (the "Bonds"). The Bonds shall be issued in the original aggregate principal amount of not to exceed Six Million Five Hundred Thousand Dollars (\$6,500,000), shall mature not later than June 1, 2037, and shall bear interest at the rates specified in the Bond Purchase Agreement. The average yield on the Bonds as a whole shall not exceed 5.00% per annum. The proceeds of the Bonds will be utilized, along with other available moneys, to finance the costs of the Project, to establish a debt service reserve for the Bonds, and to pay printing, underwriting, legal and other expenses incidental to the issuance of the Bonds. The Bonds shall be issued in the forms and denominations, shall be dated, shall be numbered, shall mature, shall be subject to redemption prior to maturity, and shall contain such other terms, covenants and conditions, all as set forth in the Trust Indenture. The Bonds shall not be secured by general revenues of the City, but shall be payable from and secured by Net Parking Revenues.

The Mayor is hereby authorized and directed to execute and deliver the Bonds in substantially the form thereof contained in the Trust Indenture submitted to this meeting, and the City Clerk is hereby authorized and directed to execute and deliver the Bonds and to affix the seal of the City thereto, and the Mayor and City Clerk are hereby authorized and directed to cause the Bonds to be accepted and authenticated by the Trustee. The Mayor is hereby authorized to confer with the Trustee, the Underwriter, and Kutak Rock LLP, Little Rock, Arkansas ("Bond Counsel"), in order to complete the Bonds in substantially the form contained in the Trust Indenture submitted to this meeting, with such changes as shall be approved by such persons executing the Bonds, their execution to constitute conclusive evidence of such approval.

Section 3. To prescribe the terms and conditions upon which the Bonds are to be executed, authenticated, issued, accepted, held and secured, the Mayor is hereby authorized and directed to execute and acknowledge the Trust Indenture (the "Trust Indenture"), by and between the City and the Trustee, and the City Clerk is hereby authorized and directed to execute and acknowledge the Trust Indenture and to affix the seal of the City thereto, and the Mayor and the City Clerk are hereby authorized and directed to cause the Trust Indenture to be accepted, executed and acknowledged by the Trustee. The Trust Indenture is hereby approved in substantially the form submitted to this meeting, including, without limitation, the provisions

thereof pertaining to the pledge of Net Parking Revenues to the Bonds and the terms of the Bonds. The Mayor is hereby authorized to confer with the Trustee, the Underwriter and Bond Counsel in order to complete the Trust Indenture in substantially the form submitted to this meeting, with such changes as shall be approved by such persons executing the Trust Indenture, their execution to constitute conclusive evidence of such approval.

(Advice is given that a copy of the Trust Indenture in substantially the form authorized to be executed is on file with the City Clerk and is available for inspection by any interested person.)

Section 4. There is hereby authorized and approved a Preliminary Official Statement of the City, including the cover page and appendices attached thereto, relating to the Bonds. The Preliminary Official Statement is hereby "deemed final" by the City within the meaning of U.S. Securities and Exchange Commission Rule 15c2-12. The distribution of the Preliminary Official Statement is hereby approved. The Preliminary Official Statement, as amended to conform to the terms of the Bond Purchase Agreement, including Exhibit A thereto, and with such other changes and amendments as are mutually agreed to by the City and the Underwriter, is herein referred to as the "Official Statement," and the Mayor is hereby authorized to execute the Official Statement for and on behalf of the City. The Official Statement is hereby approved in substantially the form of the Preliminary Official Statement submitted to this meeting, and the Mayor is hereby authorized to confer with the Trustee, the Underwriter and Bond Counsel in order to complete the Official Statement in substantially the form of the Preliminary Official Statement submitted to this meeting, with such changes as shall be approved by such persons, the Mayor's execution to constitute conclusive evidence of such approval.

(Advice is given that a copy of the Preliminary Official Statement is on file with the City Clerk and is available for inspection by any interested person.)

Section 5. In order to prescribe the terms and conditions upon which the Bonds are to be sold to the Underwriter, the Mayor is hereby authorized and directed to execute a Bond Purchase Agreement on behalf of the City, to be dated as of the date of its execution (the "Bond Purchase Agreement"), by and between the City and the Underwriter, and the Bond Purchase Agreement is hereby approved in substantially the form submitted to this meeting, and the Mayor is hereby authorized to confer with the Underwriter and Bond Counsel in order to complete the Bond Purchase Agreement in substantially the form submitted to this meeting, with such changes as shall be approved by such persons executing the Bond Purchase Agreement, their execution to constitute conclusive evidence of such approval.

(Advice is given that a copy of the Bond Purchase Agreement in substantially the form authorized to be executed is on file with the City Clerk and is available for inspection by any interested person.)

Section 6. In order to provide for continuing disclosure of certain financial and operating information with respect to the City and the Net Parking Revenues in compliance with the provisions of Rule 15c2-12 of the U. S. Securities and Exchange Commission, the Mayor is hereby authorized and directed to execute a Continuing Disclosure Agreement to be dated as of the date of its execution (the "Continuing Disclosure Agreement"), by and between the City and the Trustee, and the Mayor is hereby authorized and directed to cause the Continuing Disclosure

Agreement to be executed by the Trustee. The Continuing Disclosure Agreement is hereby approved in substantially the form submitted to this meeting, and the Mayor is hereby authorized to confer with the Trustee, the Underwriter and Bond Counsel in order to complete the Continuing Disclosure Agreement in substantially the form submitted to this meeting, with such changes as shall be approved by such persons executing the Continuing Disclosure Agreement, their execution to constitute conclusive evidence of such approval.

(Advice is given that a copy of the Continuing Disclosure Agreement in substantially the form authorized to be executed is on file with the City Clerk and is available for inspection by any interested person.)

Section 7. The various rates and amounts for the parking fees, rents, fines and charges generating the Net Parking Revenues previously enacted by the City Council are hereby ratified and confirmed.

Section 8. The Mayor and City Clerk, for and on behalf of the City, are hereby authorized and directed to do any and all things necessary to effect the issuance, sale, execution and delivery of the Bonds and to effect the execution and delivery of the Trust Indenture, the Bond Purchase Agreement, the Official Statement, the Continuing Disclosure Agreement and a Tax Regulatory Agreement relating to the tax exemption of interest on the Bonds, and to perform all of the obligations of the City under and pursuant thereto. The Mayor and the City Clerk are further authorized and directed, for and on behalf of the City, to execute all papers, documents, certificates and other instruments that may be required for the carrying out of such authority or to evidence the exercise thereof.

Section 9. The Bonds are hereby designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The City hereby represents and covenants that the aggregate principal amount of its tax-exempt obligations (excluding "private activity bonds" within the meaning of Section 141 of the Code), including those of its subordinate entities, issued in calendar year 2011 will not exceed \$10,000,000.

Section 10. Kutak Rock LLP, Little Rock, Arkansas, is hereby appointed to act as Bond Counsel on behalf of the City in connection with the issuance and sale of the Bonds.

Section 11. The adoption of this Ordinance is intended as the City's "official intent" to reimburse itself from the proceeds of the Bonds for preliminary costs of the Project and related expenses advanced by the City.

Section 12. The provisions of this Ordinance are hereby declared to be severable, and if any section, phrase or provision shall for any reason be declared to be illegal or invalid, such declaration shall not affect the validity of the remainder of the sections, phrases or provisions of this Ordinance.

Section 13. All ordinances, resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

ADOPTED AND APPROVED THIS ____ DAY OF _____, 2011.

APPROVED:

Mayor

ATTEST:

City Clerk

(S E A L)

KUTAK ROCK LLP
DRAFT 10/20/11

BOND PURCHASE AGREEMENT

December __, 2011

City of Fayetteville
City Administration Building
113 West Mountain
Fayetteville, Arkansas 72701

\$ _____
City of Fayetteville, Arkansas
Parking Revenue Improvement Bonds
Series 2011

Ladies and Gentlemen:

On the basis of the representations, warranties and agreements and upon the terms and conditions contained herein, the undersigned, Stephens Inc. (the "Underwriter"), hereby offers to enter into this Bond Purchase Agreement (this "Bond Purchase Agreement") with the City of Fayetteville, Arkansas (the "City") which, upon your acceptance of this offer, will be binding upon you and upon the Underwriter. Terms not otherwise defined herein shall have the same meanings as set forth in the Indenture defined and described below.

This offer is made subject to your acceptance of this Bond Purchase Agreement on or before midnight on the date set forth above.

1. **General.** Upon the terms and conditions and in reliance upon the respective representations, warranties and covenants herein, the Underwriter hereby agrees to purchase from the City, and the City hereby agrees to sell to the Underwriter, all (but not less than all) of \$ _____ City of Fayetteville, Arkansas Parking Revenue Improvement Bonds, Series 2011 (the "Bonds"), at a purchase price (the "Purchase Price") of \$ _____ (equal to the par amount of the Bonds [less][plus] a net reoffering [discount][premium] of \$ _____ and less underwriter's discount of \$ _____) plus accrued interest, if any, from December 1, 2011 to the Closing Date (hereinafter defined).

The Bonds shall be issued by the City pursuant to the provisions of the Constitution and laws of the State of Arkansas, including, particularly, Amendment 65 to the Constitution and Arkansas Code Annotated (1998 Repl. & Supp. 2011) §§14-164-401 *et seq.* (the "Local Government Revenue Bond Act").

The Bonds will constitute special and limited obligations of the City, secured solely by and payable solely from (1) a pledge of and lien on all net revenues (after provision for operation and maintenance expenses, including previous debt for parking equipment) attributable to parking fees, leases, rents, fines, charges and other revenues collected by the City with respect to its meters, lots and other parking facilities, and including net revenues to be generated with respect to the Project and net revenues with respect to City management of parking facilities

owned by third parties (the "Net Parking Revenues"), and (2) moneys or investments on deposit in the Revenue Fund, Bond Fund, Debt Service Reserve Fund and Project Fund established by a Trust Indenture dated as of December 1, 2011 (the "Indenture"), by and between the City and Simmons First Trust Company, N.A., Pine Bluff, Arkansas, as trustee (the "Trustee"), all as more particularly described in the Indenture.

The Bonds shall be issued and secured pursuant to an ordinance of the City adopted by the City Council on November __, 2011 (the "Authorizing Ordinance"), and pursuant to the Indenture. The Bonds shall have the maturities and interest rates as set forth in Exhibit A hereto. The Bonds shall be subject to redemption as set forth in the Indenture and in the Official Statement (hereinafter defined).

The proceeds of the Bonds will be utilized (i) to finance the acquisition, construction, extensions and equipping of the Project (as defined in the Indenture), (ii) to establish a Debt Service Reserve Fund for the purpose of securing the Bonds, and (iii) to pay the costs of issuance of the Bonds.

The City will undertake, pursuant to a Continuing Disclosure Agreement to be dated as of the date of delivery of the Bonds (the "Continuing Disclosure Agreement"), to provide certain annual financial and operating information and notices of the occurrence of certain events, if material, as required by Section (b)(5)(i) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (the "Rule"). A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement (each hereinafter defined). The City is not in default with respect to any of its obligations under previous undertakings pursuant to the Rule.

In order to ensure compliance with the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), the City will enter into a Tax Regulatory Agreement to be dated as of the date of delivery of the Bonds (the "Tax Regulatory Agreement").

2. **Bona Fide Public Offering.** The Underwriter agrees to make a bona fide public offering of all of the Bonds at the offering prices set forth on the inside cover of the final Official Statement described below.

3. **Delivery of Official Statement.** (a) The City has previously provided the Underwriter with copies of its Preliminary Official Statement, including the cover page and the appendices thereto, dated _____, 2011, relating to the Bonds (the "Preliminary Official Statement"). As of its date, the Preliminary Official Statement is "deemed final" by the City for purposes of SEC Rule 15c2-12(b)(1) (the "Rule"). The Preliminary Official Statement, as amended to conform to the terms of this Bond Purchase Agreement, including Exhibit A hereto, and with such other changes and amendments as are mutually agreed to by the City and the Underwriter, is herein referred to as the "Official Statement."

(b) The City agrees to deliver to the Underwriter, at such addresses as the Underwriter shall specify, as many copies of the final Official Statement dated _____, 2011, relating to the Bonds as the Underwriter shall reasonably request as

necessary to comply with paragraph (b)(4) of the Rule (as defined above) and with Rule G-32 and all other applicable rules of the Municipal Securities Rulemaking Board. The City agrees to deliver such final Official Statement within seven (7) business days after the execution hereof.

(c) The City hereby authorizes and approves the Preliminary Official Statement and the final Official Statement, consents to their distribution and use by the Underwriter and authorizes the execution of the final Official Statement by a duly authorized officer of the City. The City ratifies and confirms the use of the Preliminary Official Statement by the Underwriter prior to the date hereof in connection with the public offering of the Bonds.

(d) The Underwriter shall give notice to the City on the date after which no participating underwriter, as such term is defined in the Rule, remains obligated to deliver final Official Statements pursuant to paragraph (b)(4) of the Rule.

4. **City's Representation and Warranties.** The City represents and warrants to the Underwriter that:

(a) The City is a duly organized and existing political subdivision under the Constitution and laws of the State of Arkansas (the "State"). The City is authorized by the provisions of the Local Government Revenue Bond Act to issue the Bonds for the purpose of financing the Project.

(b) The City has the full legal right, power and authority (i) to adopt the Authorizing Ordinance authorizing the issuance of and sale of the Bonds, (ii) to enter into this Bond Purchase Agreement, the Indenture, the Continuing Disclosure Agreement and the Tax Regulatory Agreement, (iii) to charge and collect the Parking Revenues, (iv) to issue, sell and deliver the Bonds to the Underwriter as provided herein, (v) to pledge irrevocably the Net Parking Revenues to the payment of the principal of, premium, if any, and interest on the Bonds, and (vi) to carry out and consummate all other transactions contemplated by each of the aforesaid documents, and the City has complied with all provisions of applicable law, including the Local Government Revenue Bond Act, in all matters relating to such transactions.

(c) The City has duly authorized (i) the execution and delivery of the Bonds and the execution, delivery and due performance of this Bond Purchase Agreement, the Indenture, the Continuing Disclosure Agreement and the Tax Regulatory Agreement, (ii) the distribution and use of the Preliminary Official Statement and the execution, delivery and distribution of the final Official Statement, and (iii) the taking of any and all such actions as may be required on the part of the City to carry out, give effect to and consummate the transactions contemplated by such instruments. All consents or approvals necessary to be obtained by the City in connection with the foregoing have been received, and the consents or approvals so received remain still in full force and effect.

(d) The Authorizing Ordinance has been duly adopted by City Council of the City, is in full force and effect and constitutes the legal, valid and binding act of the City; and this Bond Purchase Agreement, the Indenture, the Continuing Disclosure Agreement and the Tax Regulatory Agreement, when executed and delivered, will constitute legal, valid and binding obligations of the City, and this Bond Purchase Agreement, the Indenture, the Continuing Disclosure Agreement and the Tax Regulatory Agreement are enforceable against the City in accordance with their respective terms, except as enforceability thereof may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally.

(e) When delivered to or at the direction of the Underwriter, the Bonds will have been duly authorized, executed, authenticated, issued and delivered and will constitute legal, valid and binding obligations of the City in conformity with the laws of the State of Arkansas, including the Local Government Revenue Bond Act, and will be entitled to the benefit and security of the Authorizing Ordinance and the Indenture.

(f) The City has duly approved and authorized the distribution and use of the Preliminary Official Statement and the execution, delivery and distribution of the Official Statement.

(g) The information contained in the Preliminary Official Statement is, and as of the Closing Date such information in the final Official Statement will be, true and correct in all material respects, and the Preliminary Official Statement does not and the final Official Statement will not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(h) If, at any time prior to the earlier of (i) receipt of notice from the Underwriter pursuant to Section 3(d) hereof that Official Statements are no longer required to be delivered under the Rule or (ii) 25 days after the Closing Date, any event occurs as a result of which the Official Statement, as then amended or supplemented, might include an untrue statement of a material fact, or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the City shall promptly notify the Underwriter in writing of such event. Any information supplied by the City for inclusion in any amendments or supplements to the Official Statement will not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. Upon the request of the Underwriter therefor, the City shall prepare and deliver to the Underwriter, at the City's expense, as many copies of an amendment or supplement to the Official Statement which will correct any untrue statement or omission therein as the Underwriter may reasonably request.

(i) Neither the adoption of the Authorizing Ordinance, the execution and delivery of this Bond Purchase Agreement, the Bonds, the Indenture, the Continuing Disclosure Agreement or the Tax Regulatory Agreement, nor the consummation of the transactions contemplated herein or therein or the compliance with the provisions hereof

or thereof will conflict with, or constitute on the part of the City a violation of, or a breach of or default under, (i) any statute, indenture, mortgage, commitment, note or other agreement or instrument to which the City is a party or by which it is bound, (ii) any provision of the Constitution of the State of Arkansas, or (iii) any existing law, rule, regulation, ordinance, judgment, order or decree to which the City (or the members of its City Council or any of its officers in their respective capacities as such) is subject. All consents, approvals, authorizations and orders of governmental or regulatory authorities, if any, which are required for the City's execution and delivery of, consummation of the transactions contemplated by, and compliance with the provisions of this Bond Purchase Agreement, the Authorizing Ordinance, the Bonds, the Indenture, the Continuing Disclosure Agreement and the Tax Regulatory Agreement have been obtained.

(j) Except as is specifically disclosed in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or, to the best knowledge of the City, threatened, which in any way questions the powers of the City referred to in subparagraph 4(b) above, or the validity of any proceeding taken by the City in connection with the issuance of the Bonds or the imposition or collection of the Parking Revenues, or wherein an unfavorable decision, ruling or finding could materially adversely affect the transactions contemplated by this Bond Purchase Agreement, or of any other document or instrument required or contemplated by the Bond financing, or which, in any way, could adversely affect the validity or enforceability of the Authorizing Ordinance, the Bonds, the Indenture, the Continuing Disclosure Agreement, the Tax Regulatory Agreement or this Bond Purchase Agreement or, to the knowledge of the City, which in any way questions the exclusion from gross income of the recipients thereof of the interest on the Bonds for federal income tax purposes or in any other way questions the status of the Bonds under federal or State of Arkansas tax laws or regulations.

(k) Any certificate signed by any official of the City and delivered to the Underwriter shall be deemed a representation and warranty by the City to the Underwriter as to the truth of the statements therein contained.

(l) The City has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that it is a bond issuer whose arbitrage certifications may not be relied upon.

(m) The history with respect to the Net Parking Revenues set forth in the Preliminary Official Statement under the caption entitled "SECURITY FOR THE SERIES 2011 BONDS" is fair, accurate and complete.

(n) The City will not knowingly take or omit to take any action, which action or omission will in any way cause the proceeds from the sale of the Bonds to be applied in a manner other than as provided in the Indenture, or which would cause the interest on the Bonds to be includable in gross income for federal income tax purposes.

5. **City's Covenants.** The City covenants with the Underwriter as follows:

(a) The City will cooperate with the Underwriter in qualifying the Bonds for offer and sale under the securities or Blue Sky laws of such jurisdictions of the United States as the Underwriter may request; provided, however, that the City shall not be required to consent to suit or to service of process in any jurisdiction. The City consents to the use by the Underwriter in the course of its compliance with the securities or Blue Sky laws of the various jurisdictions of the documents relating to the Bonds, subject to the right of the City to withdraw such consent for cause by written notice to the Underwriter.

(b) Prior to the earlier of (i) receipt of notice from the Underwriter pursuant to Section 3(d) hereof that final Official Statements are no longer required under the Rule or (ii) 25 days after the Closing Date, the City shall provide the Underwriter with such information regarding the City, Net Parking Revenues, and the current financial condition and ongoing operations of the City, all as the Underwriter may reasonably request.

6. **Closing.** At 10:00 a.m. Fayetteville, Arkansas time on December __, 2011, or at such other time and/or date as shall have been mutually agreed upon by the City and the Underwriter (the "Closing Date"), the City will deliver the Bonds, or cause the Bonds to be delivered, to or at the direction of the Underwriter, said Bonds to be in definitive form duly executed by the City and authenticated by Simmons First Trust Company, N.A., Pine Bluff, Arkansas, as trustee (the "Trustee"), together with the other documents hereinafter mentioned; and the Underwriter will accept such delivery and pay the Purchase Price by making a wire transfer of federal funds payable to the order of the Trustee for the account of the City.

The Bonds shall be delivered to The Depository Trust Company in New York, New York, and the activities relating to the final execution and delivery of the Authorizing Ordinance, the Indenture, the Continuing Disclosure Agreement and the Tax Regulatory Agreement and the other documents relating to the Bonds and the payment for the Bonds and the delivery of the certificates, opinions and other instruments as described in Section 8 of this Bond Purchase Agreement shall occur in the offices of Kutak Rock LLP, 234 East Millsap Road, Suite 400, Fayetteville, Arkansas ("Bond Counsel"), or at such other place as shall have been mutually agreed upon between the City and the Underwriter. The payment for the Bonds and simultaneous delivery of the Bonds to or at the direction of the Underwriter is herein referred to as the "Closing."

7. **Underwriter's Right to Cancel.** The Underwriter shall have the right to cancel its obligation to purchase the Bonds hereunder by notifying the City in writing or by telegram of its election to do so between the date hereof and the Closing, if at any time hereafter and prior to the Closing:

(i) the House of Representatives or the Senate of the Congress of the United States, or a committee of either, shall have pending before it, or shall have passed or recommended favorably, legislation introduced previous to the date hereof, which legislation, if enacted in its form as introduced or as amended, would have the purpose or effect of imposing federal income taxation upon revenues or other income of the general character to be derived by the City or by any similar body under the Authorizing Ordinance or the Indenture or similar documents or upon interest received on obligations of the general

character of the Bonds or the Bonds, or of causing interest on obligations of the general character of the Bonds, or the Bonds, to be includable in gross income for purposes of federal income taxation, and such legislation, in the Underwriter's opinion, materially adversely affects the market price of the Bonds; or

(ii) a tentative decision with respect to legislation shall be reached by a committee of the House of Representatives or the Senate of the Congress of the United States, or legislation shall be favorably reported or rereported by such a committee or be introduced, by amendment or otherwise, in or be passed by the House of Representatives or the Senate, or recommended to the Congress of the United States for passage by the President of the United States, or be enacted or a decision by a federal court of the United States or the United States Tax Court shall have been rendered, or a ruling, release, order, regulation or official statement by or on behalf of the United States Treasury Department, the Internal Revenue Service or other governmental agency shall have been made or proposed to be made having the purpose or effect, or any other action or event shall have occurred which has the purpose or effect, directly or indirectly, of adversely affecting the federal income tax consequences of owning the Bonds or of any of the transactions contemplated in connection herewith, including causing interest on the Bonds to be included in gross income for purposes of federal income taxation, or imposing federal income taxation upon revenues or other income of the general character to be derived by the City or by any similar body under the Authorizing Ordinance or the Indenture or similar documents or upon interest received on obligations of the general character of the Bonds, or the Bonds which, in the opinion of the Underwriter, materially adversely affects the market price of or market for the Bonds; or

(iii) legislation shall have been enacted, or actively considered for enactment with an effective date prior to the Closing, or a decision by a court of the United States shall have been rendered, the effect of which is that the Bonds, including any underlying obligations, or the Indenture, as the case may be, is not exempt from the registration, qualification or other requirements of the Securities Exchange Act of 1933, as amended and as then in effect, the Securities Exchange Act of 1934, as amended and as then in effect, or the Trust Indenture Act of 1939, as amended and as then in effect; or

(iv) a stop order, ruling, regulation or official statement by the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been issued or made or any other event occurs, the effect of which is that the issuance, offering or sale of the Bonds, including any underlying obligations, or the execution and delivery of the Indenture as contemplated hereby or by the Official Statement, is or would be in violation of any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect, the Securities Exchange Act of 1934, as amended and as then in effect, or the Trust Indenture Act of 1939, as amended and as then in effect; or

(v) any event shall have occurred or any information shall have become known to the Underwriter which causes the Underwriter to reasonably believe that the Official Statement as then amended or supplemented includes an untrue statement of a material fact,

or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; or

(vi) there shall have occurred any outbreak of hostilities or any national or international calamity or crisis, including a financial crisis, the effect of which on the financial markets of the United States is such as, in the reasonable judgment of the Underwriter, would materially adversely affect the market for or market price of the Bonds; or

(vii) there shall be in force a general suspension of trading on the New York Stock Exchange, the effect of which on the financial markets of the United States is such as, in the reasonable judgment of the Underwriter, would materially adversely affect the market for or market price of the Bonds; or

(viii) a general banking moratorium shall have been declared by federal, New York or State authorities; or

(ix) any proceeding shall be pending or threatened by the Securities and Exchange Commission against the City; or

(x) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange; or

(xi) the New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose, as to the Bonds or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of the Underwriter.

8. **Conditions to Underwriter's Obligations.** The obligation of the Underwriter to purchase the Bonds shall be subject (a) to the performance by the City of its obligations to be performed hereunder at and prior to the Closing, (b) to the accuracy of the representations and warranties of the City herein as of the date hereof and as of the time of the Closing, and (c) to the following conditions, including the delivery by the City of such documents as are enumerated herein in form and substance satisfactory to the Underwriter:

(a) The Bonds shall have been duly authorized, executed and delivered in the forms approved by the City in the Indenture with only such changes therein as the Underwriter and the City shall mutually agree upon, which shall in all instances be as described in the final Official Statement;

(b) At the time of Closing, (i) the Official Statement, this Bond Purchase Agreement, the Indenture, the Authorizing Ordinance, the Continuing Disclosure Agreement and the Tax Regulatory Agreement shall be in full force and effect and shall not have been amended, modified or supplemented from the date hereof, except as may have been agreed to in writing by the Underwriter, (ii) the proceeds of the sale of the Bonds and other funds shall be deposited and applied as described in the Indenture, (iii)

no default or event of default under the Indenture shall have occurred and be continuing, and (iv) no material adverse change affecting the City or the Net Parking Revenues shall have occurred, nor shall any development involving a prospective and material adverse change in, or affecting the business, financial condition, results of operations, prospects or properties of the City have occurred;

(c) Receipt of fully executed originals of the Indenture, the Continuing Disclosure Agreement and the Tax Regulatory Agreement at or prior to the Closing;

(d) At or prior to the Closing, the Underwriter shall receive the following documents in such number of counterparts as shall be mutually agreeable to the Underwriter and Bond Counsel:

(1) A final approving opinion of Bond Counsel, dated the Closing Date, in substantially the form set forth in Exhibit B hereto;

(2) A supplemental opinion of Bond Counsel, addressed to the City, the Trustee and the Underwriter and dated the Closing Date, in substantially the form set forth in Exhibit C hereto;

(3) The Official Statement executed by a duly authorized officer of the City;

(4) Certified copies of the Authorizing Ordinance and all other ordinances and resolutions of the City relating to the Bonds;

(5) Photocopies of the Bonds as executed and delivered;

(6) A certificate, in form and substance satisfactory to the Underwriter, of the Mayor of the City, dated as of the Closing Date, to the effect that: (i) each of the City's representations, warranties and covenants contained herein are true and correct as of the Closing Date; (ii) the City has duly adopted the Authorizing Ordinance by all action necessary under the Local Government Revenue Bond Act and the laws and Constitution of the State of Arkansas, and has duly authorized the execution, delivery and due performance of the Bonds, the Indenture, the Continuing Disclosure Agreement, the Tax Regulatory Agreement, the Official Statement and this Bond Purchase Agreement; (iii) no litigation is pending, or to his knowledge after due investigation and inquiry, threatened, to restrain or enjoin the issuance or sale of the Bonds or in any way affecting any authority for the collection or pledge of the Net Parking Revenues or the validity of the Bonds, the Official Statement, the Authorizing Ordinance, the Indenture, the Continuing Disclosure Agreement, the Tax Regulatory Agreement or this Bond Purchase Agreement; (iv) the Bonds, the Indenture, this Bond Purchase Agreement, the Continuing Disclosure Agreement and the Tax Regulatory Agreement, as executed and delivered by the City, are in the form or in substantially the form approved for such execution by appropriate proceedings of the City; (v) since December 31, 2010, there has not been any material adverse change in the financial condition or results of operations of the City whether or

not arising in the ordinary course of business, other than as set forth in the Official Statement; (vi) the Authorizing Ordinance has not been amended, modified or repealed as of the Closing Date, and the Authorizing Ordinance remains in full force and effect; (vii) none of the proceedings of the City taken preliminary to the issuance of the Bonds, as certified in such certificate, have been in any manner repealed, amended or changed; (viii) the City has complied in all respects with the provisions of the Local Government Revenue Bond Act and has full legal right, power and authority to charge and collect the Parking Revenues and to issue the Bonds for the purposes stated in the Local Government Revenue Bond Act and to enter into this Bond Purchase Agreement, to adopt the Authorizing Ordinance, to issue, sell and deliver the Bonds as provided in this Bond Purchase Agreement, and to carry out and consummate all other transactions contemplated by this Bond Purchase Agreement, the Authorizing Ordinance, the Indenture, the Continuing Disclosure Agreement and the Tax Regulatory Agreement; (ix) neither the Official Statement nor any amendment or supplement thereto contains any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading; (x) to the best of his knowledge, no event affecting the City or the Net Parking Revenues has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purposes for which it is used that is necessary to disclose therein in order to make the statements and information therein not misleading in any respect; and (xi) the City is not then in default in the performance of any of the covenants, conditions, agreements or provisions contained in the Indenture;

(7) An opinion of Kit Williams, Esq., City Attorney, dated the Closing Date and addressed to the Underwriter, Bond Counsel and the Trustee, to the effect that (i) the City is a duly organized and validly existing political subdivision and city of the first class, organized under the laws of the State of Arkansas, with full power and authority to adopt the Authorizing Ordinance, to charge and collect the Parking Revenues, and to execute and deliver the Bonds, the Indenture, the Continuing Disclosure Agreement, the Tax Regulatory Agreement and this Bond Purchase Agreement; (ii) the City has duly approved the Preliminary Official Statement and the Official Statement; (iii) the Authorizing Ordinance has been duly adopted by the City by all action necessary under the Local Government Revenue Bond Act and the laws and Constitution of the State of Arkansas, and each remains in full force and effect; (iv) the Indenture, the Continuing Disclosure Agreement, the Tax Regulatory Agreement and this Bond Purchase Agreement have been duly authorized, approved, executed and delivered by the City and, subject to the extent that the enforceability of the rights and remedies set forth therein may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally, constitute valid and binding agreements of the City enforceable in accordance with their terms; (v) the information in the Official Statement under the captions "THE PROJECT," "THE CITY" and "LEGAL MATTERS" (apart from financial or statistical data contained or incorporated therein, as to which no view need be expressed) is fair, accurate and complete and does not omit any matter which, in such counsel's opinion, for the

purposes for which the Official Statement is to be used, should be included or referred to therein; (vi) [excepting those matters discussed in the Official Statement,] there is no action, suit or proceeding at law or in equity before or by any court, public board or body, pending or threatened, against or affecting the City, challenging the validity of the transactions contemplated by the Official Statement or the validity of the Bonds, the ordinances setting the fees, rents, fines and charges generating the Parking Revenues, the Authorizing Ordinance, the Indenture, the Continuing Disclosure Agreement, the Tax Regulatory Agreement or this Bond Purchase Agreement and, to the best of such counsel's knowledge, there is no investigation, pending or threatened, and no threatened action, suit or proceeding involving any of the matters hereinabove mentioned in this clause (vi); (vii) the adoption of the Authorizing Ordinance and the execution and delivery of the Indenture, the Continuing Disclosure Agreement, the Tax Regulatory Agreement and this Bond Purchase Agreement, and compliance with the provisions hereof and thereof, under the circumstances contemplated hereby and thereby, do not and will not in any material respect conflict with or constitute on the part of the City a breach of or default under any agreement or other instrument to which the City is a party or any existing law, regulation, court order or consent decree to which the City is subject; and (viii) based upon the examinations which such counsel has made as counsel to the City, which shall be specified, nothing has come to such counsel's attention which would lead such counsel to believe that the Official Statement (except for the financial statements and other financial data included in the Official Statement, as to which no view need be expressed) contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(8) Evidence that Federal Form 8038-G has been executed by the City and is ready for filing with the Internal Revenue Service.

(9) Evidence that, except as disclosed in the Official Statement, all necessary approvals, whether legal or administrative, have been obtained from applicable federal, state and local entities and agencies; and

(10) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter and Bond Counsel may reasonably request to evidence compliance by the City with legal requirements, the truth and accuracy, as of the time of Closing, of the representations of the City herein contained and the due performance or satisfaction by the City at or prior to such time of all agreements then to be performed and all conditions then to be satisfied.

If the City shall be unable to satisfy the conditions to the obligations of the Underwriter contained in this Bond Purchase Agreement, or if the obligation of the Underwriter to purchase and accept delivery of the Bonds shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate and neither the Underwriter

nor the City shall be under further obligation hereunder; except that the respective obligations to pay expenses, as provided in Section 12 hereof, shall continue in full force and effect.

9. **Conditions to Obligations of the City.** The obligations of the City hereunder are subject to the performance by the Underwriter of its obligations hereunder.

10. **Survival.** All representations, warranties and agreements of the City shall remain operative and in full force and effect, regardless of any investigations made by or on behalf of the Underwriter, and shall survive the Closing. The obligations of the City under Sections 11 or 12 hereof shall survive any termination of this Bond Purchase Agreement by the Underwriter pursuant to the terms hereof.

11. **Indemnification.** The City, to the extent permitted by law, agrees to indemnify and hold harmless the Underwriter, each member, officer, director, partner or employee of the Underwriter and each person who controls the Underwriter within the meaning of Section 15 of the Securities Act of 1933, as amended, or Section 20 of the Securities Exchange Act of 1934, as amended (collectively called the "Indemnified Parties"), against any and all losses, claims, damages, liabilities or expenses (including any legal or other expenses incurred by an Indemnified Party in connection with investigating any claims against an Indemnified Party and defending any actions) whatsoever caused by any untrue statement or misleading statement of a material fact contained in the Official Statement or caused by any omission from the Official Statement of any material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading insofar as such losses, claims, damages, liabilities or expenses are caused by any such untrue or misleading statement or omission in the information contained in the Official Statement; provided, however, that the City shall not be liable to an Indemnified Party in any such case to the extent that any such loss, claim, damage, liability or action arises out of, or is based upon, any untrue statement or omission made in any of such documents in reliance upon and in conformity with written information furnished to the City by the Underwriter specifically for use therein. No Indemnified Parties shall be indemnified hereunder for any losses, claims, damages or liabilities resulting from the negligence of such Indemnified Parties.

In case any action shall be brought against one or more of the Indemnified Parties based upon the Official Statement and in respect of which indemnity may be sought against the City, the Indemnified Parties shall promptly notify the City in writing, and, to the extent permitted by law, the City shall promptly assume the defense thereof, including the employment of counsel, the payment of all expenses and the right to negotiate and consent to settlement. Any one or more of the Indemnified Parties shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party or Parties unless employment of such counsel has been specifically authorized by the City. The City shall not be liable for any settlement of any such action effected without its consent by any of the Indemnified Parties, but if settled with the consent of the City, the City agrees to indemnify and hold harmless the Indemnified Parties to the extent provided in this Bond Purchase Agreement and to the extent permitted by law.

12. **Payment of Expenses.** The City will pay or cause to be paid all reasonable expenses incident to the performance of its obligations under this Bond Purchase Agreement,

including, but not limited to, expenses of mailing or delivery of the Bonds, legal publication costs, charges for obtaining CUSIP numbers on the Bonds, fees payable to The Depository Trust Company relating to the Bonds, Federal Funds charges, costs of printing the Bonds, the Preliminary and final Official Statements, any amendment or supplement to the Preliminary or final Official Statement and this Bond Purchase Agreement, fees and disbursements of Bond Counsel, accountants' fees and expenses, any fees charged by investment rating agencies for the rating of the Bonds, bond insurance premiums, if any, fees of the Trustee and any paying agent fees, and any fees and disbursements in connection with the qualification of the Bonds for sale under the securities or "Blue Sky" laws of the various jurisdictions and the preparation of "Blue Sky" memoranda. In the event this Bond Purchase Agreement shall terminate because of the default of the Underwriter, the City will, nevertheless, pay, or cause to be paid, all of the expenses specified above. The Underwriter shall pay all advertising expenses in connection with the public offering of the Bonds, and all other expenses incurred by the Underwriter in connection with the public offering and distribution of the Bonds, including the fees and expenses of any counsel retained by the Underwriter. If the City defaults under this Bond Purchase Agreement, the Underwriter may bring whatever legal action it may have against the City to recover damages, if any, incurred by the Underwriter.

13. **Notices.** Any notice or other communication to be given to the City under this Bond Purchase Agreement may be given by delivering the same in writing to the Mayor at the address set forth above, and any notice or other communication to be given to the Underwriter under this Bond Purchase Agreement may be given by delivering the same in writing to Stephens Inc., 3425 North Futrall, Suite 201, Fayetteville, AR 72701, Attention: Mr. Dennis Hunt.

14. **Nonassignability.** This Bond Purchase Agreement is made solely for the benefit of the City and the Underwriter (including any successors or assigns of the Underwriter), and no other person, including any purchaser of the Bonds, shall acquire or have any right hereunder or by virtue hereof.

15. **Applicable Law.** This Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the State of Arkansas.

16. **Counterparts.** This Bond Purchase Agreement shall become effective upon your acceptance hereof and may be executed in counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

Very truly yours,

STEPHENS INC.

By: _____
Title:

Accepted and agreed to as of _____.m.
on the date first above written:

CITY OF FAYETTEVILLE, ARKANSAS

By: _____
Mayor

EXHIBIT A
MATURITY SCHEDULE
\$ _____
City of Fayetteville, Arkansas
Parking Revenue Improvement Bonds
Series 2011

(December 1) Maturity	Principal Amount	Interest Rate	Yield	Price
2012	\$	%	%	%
2013				
2014				
2015				
2016				
2017				
2018				
2019				
2020				
2021				
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				

(with accrued interest on all Bonds from December 1, 2011)

* Mandatory sinking fund redemption.

EXHIBIT B

PROPOSED FORM OF BOND COUNSEL APPROVING OPINION

Upon delivery of the Bonds in definitive form, Kutak Rock LLP, Little Rock, Arkansas, proposes to deliver its approving opinion in substantially the following form:

December __, 2011

City of Fayetteville, Arkansas
Fayetteville, Arkansas

Simmons First Trust Company, N.A., as Trustee
Pine Bluff, Arkansas

Stephens Inc.
Fayetteville, Arkansas

\$ _____
City of Fayetteville, Arkansas
Parking Revenue Improvement Bonds
Series 2011

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance and sale by the City of Fayetteville, Arkansas (the "City"), a political subdivision of the State of Arkansas, of its \$ _____ Parking Revenue Improvement Bonds, Series 2011 (the "Bonds").

The Bonds are being issued pursuant to the provisions of the Constitution and laws of the State of Arkansas, including, particularly, Amendment 65 and Arkansas Code Annotated (1998 Repl. & Supp. 2011) §§14-164-401 *et seq.* (as from time to time amended, the "Local Government Revenue Bond Act"), pursuant to Ordinance No. _____ of the City, duly adopted and approved on _____, 2011 (the "Authorizing Ordinance"), and pursuant to a Trust Indenture dated as of December 1, 2011 (the "Indenture"), by and between the City and Simmons First Trust Company, N.A., Pine Bluff, Arkansas, as trustee (the "Trustee"). Reference is hereby made to the Indenture and to all indentures supplemental thereto for the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the City, the Trustee and the Holders of the Bonds, and the terms upon which the Bonds are issued and secured.

Reference is made to an opinion of even date herewith of Kit Williams, Esq., City Attorney, a copy of which is on file with the Trustee, with respect, among other matters, to the status and valid existence of the City, the power of the City to adopt the Authorizing Ordinance and to enter into and perform its obligations under the Indenture, the valid adoption of the

Authorizing Ordinance, and the due authorization, execution and delivery of the Indenture by the City, and with respect to the Indenture being enforceable upon the City.

We have examined the law and such certified proceedings and other papers as we have deemed necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon the representations of the City contained in the Authorizing Ordinance and the Indenture and in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The City is duly created and validly existing as a municipal corporation of the State of Arkansas. Pursuant to the Constitution and laws of the State of Arkansas, including, particularly, Amendment 65 and the Local Government Revenue Bond Act, the City is empowered to adopt the Authorizing Ordinance, to execute and deliver the Indenture, to perform the agreements on its part contained therein, and to issue the Bonds.

2. The Authorizing Ordinance has been duly adopted by the City and constitutes a valid and binding obligation of the City enforceable upon the City in accordance with its terms.

3. The Indenture has been duly authorized, executed and delivered by the City and is a valid and binding obligation of the City enforceable upon the City in accordance with its terms.

4. The Bonds have been validly authorized, executed, issued and delivered by the City and represent valid and binding special obligations of the City. The principal, premium, if any, and interest on the Bonds shall be payable from, and shall be secured by an assignment and pledge by the City to the Trustee of, the Net Parking Revenues (as defined in the Indenture).

5. The Net Parking Revenues have been duly and validly assigned and pledged to the Trustee under the Indenture, and the Indenture creates, as security for the Bonds, a valid security interest in the Net Parking Revenues. Under the laws of the State of Arkansas, including, particularly, Arkansas Code Annotated (2001 Repl. & 2011 Supp.) Section 4-9-109(d)(14), the pledge, assignment and security interest in the Net Parking Revenues securing the Bonds is and shall be prior to any judicial lien hereafter imposed on said Net Parking Revenues to enforce a judgment against the City on a simple contract, and it is not necessary to file a Uniform Commercial Code financing statement in order to perfect a security interest in said Net Parking Revenues.

6. Interest on the Bonds is excluded from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. The opinion described in the preceding sentence assumes the accuracy of certain representations and compliance by the City with covenants designed to satisfy the requirements of the Internal Revenue Code of 1986, as amended, that must be met subsequent to the issuance of the Bonds. Failure to comply with such requirements could cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The City has covenanted to comply with such requirements. The Bonds are "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, and, in the case of certain financial institutions (within the meaning of Section 265(b)(5) of the Code), a

deduction is allowed for eighty percent (80%) of that portion of such financial institution's interest expense allocable to interest on the Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

7. The interest on the Bonds is exempt from all state, county and municipal taxes in the State of Arkansas.

8. The Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Indenture is not required to be qualified under the Trust Indenture Act of 1939, as amended, in connection with the offer and sale of the Bonds.

It is to be understood that the rights of the registered owners of the Bonds and the enforceability of the Bonds, the Authorizing Ordinance and the Indenture may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

Very truly yours,

EXHIBIT C

PROPOSED FORM OF BOND COUNSEL SUPPLEMENTAL OPINION

December ___, 2011

City of Fayetteville, Arkansas
Fayetteville, Arkansas

Simmons First Trust Company, N.A., as Trustee
Pine Bluff, Arkansas

Stephens Inc.
Fayetteville, Arkansas

\$ _____
City of Fayetteville, Arkansas
Parking Revenue Improvement Bonds
Series 2011

Ladies and Gentlemen:

This opinion supplements our bond approving opinion, dated the date hereof, relating to the above-captioned bonds (the "Bonds"). Except as otherwise defined herein, the terms used herein shall have the meanings prescribed for them in said opinion.

We have examined the law and such certified proceedings and other papers as we have deemed necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon the representations of the City contained in the Indenture and in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

In addition to the documents specifically mentioned in the approving opinion, in connection with this opinion we have also examined:

(a) An executed counterpart of the Bond Purchase Agreement dated _____, 2011 (the "Bond Purchase Agreement"), by and between the City and Stephens Inc., as underwriter (the "Underwriter");

(b) An executed counterpart of the Continuing Disclosure Agreement dated _____, 2011 (the "Disclosure Agreement"), by and between the City and Simmons First Trust Company, N.A., Pine Bluff, Arkansas, as dissemination agent (the "Agent");

(c) An executed counterpart of the Tax Regulatory Agreement dated December __, 2011 (the "Tax Regulatory Agreement"), by and between the City and Simmons First Trust Company, N.A., Pine Bluff, Arkansas, as trustee (the "Trustee"); and

(d) Portions of the Official Statement dated December __, 2011, with respect to the Bonds (the "Official Statement"), captioned "INTRODUCTORY STATEMENT," "THE SERIES 2011 BONDS," "SECURITY FOR THE SERIES 2011 BONDS," "SOURCES AND USES OF FUNDS," "DEFINITIONS OF CERTAIN TERMS," "SUMMARY OF THE INDENTURE," "SUMMARY OF THE CONTINUING DISCLOSURE AGREEMENT," "TAX MATTERS," and "APPENDIX A – Form of Opinion of Bond Counsel" (the "Relevant Captions") insofar as they relate to this opinion.

Based on our examination, we are of the opinion, as of the date hereof and under existing law, as follows:

1. The Bond Purchase Agreement has been duly authorized, executed and delivered by the City and, assuming due authorization, execution and delivery by the Underwriter, the Bond Purchase Agreement constitutes the valid and binding agreement of the City enforceable in accordance with its terms.

2. The Disclosure Agreement has been duly authorized, executed and delivered by the City and, assuming due authorization, execution and delivery by the Agent, the Disclosure Agreement constitutes the valid and binding agreement of the City enforceable in accordance with its terms.

3. The Tax Regulatory Agreement has been duly authorized, executed and delivered by the City and, assuming due authorization, execution and delivery by the Trustee, the Tax Regulatory Agreement constitutes the valid and binding agreement of the City enforceable in accordance with its terms.

4. The statements contained in the Official Statement under the Relevant Captions, insofar as such statements purport to summarize certain provisions of the Bonds, the Indenture and the Continuing Disclosure Agreement, or conclusions of law and legal opinions, are true, accurate and correct summaries thereof in all material respects and do not omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

The enforceability of the respective obligations of the parties to the documents and other items described above, and the availability of certain rights and remedies provided for therein, may be limited by bankruptcy, receivership, insolvency, reorganization, moratorium, marshalling or other similar statutes or rules of law affecting creditors' rights and remedies, to general principles of equity and to the discretion of any court in granting any relief or issuing any order, whether the proceeding is considered a proceeding at law or equity. In particular, the right to indemnification under any of the documents or other items described above may be limited by federal or state securities laws or by the public policy underlying such laws.

This opinion is being rendered to you solely for your use and benefit and may not be relied upon in any manner, nor used, by any other person.

Very truly yours,

KUTAK ROCK LLP
DRAFT 10/20/11

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this "Disclosure Agreement") is executed and delivered by the City of Fayetteville, Arkansas (the "City") and Simmons First Trust Company, N.A., a national banking association, as dissemination agent (the "Dissemination Agent"), in connection with the issuance of \$_____ City of Fayetteville, Arkansas Parking Revenue Bonds, Series 2011 (the "Bonds"). The Bonds are being issued pursuant to a Trust Indenture dated as of December 1, 2011 (the "Indenture"), by and between the City and Simmons First Trust Company, N.A., a national banking association, as trustee (the "Trustee"). In connection with the issuance and delivery of the Bonds, the City and the Dissemination Agent covenant and agree as follows:

Section 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the City for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with SEC Rule 15c2-12(b)(5) (the "Rule"). The City is an "obligated person" within the meaning of the Rule. The Dissemination Agent shall have no liability with respect to the content of any disclosure provided hereunder, and shall be liable only to the City for sending notices hereunder. As required by the Rule, this Disclosure Agreement is enforceable by Beneficial Owners of the Bonds pursuant to Section 7 hereof.

Section 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement, the following capitalized terms shall have the following meanings:

"Annual Financial Information" means the financial information and operating data described in Exhibit I.

"Annual Financial Information Disclosure" means the dissemination of disclosure concerning Annual Financial Information and the dissemination of the Audited Financial Statements as set forth in Section 4.

"Audited Financial Statements" means the audited consolidated financial statements of the City, prepared pursuant to the standards and as described in Exhibit I.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Commission" means the U.S. Securities and Exchange Commission.

"Dissemination Agent" shall mean Simmons First Trust Company, N.A., acting in its capacity as a dissemination agent hereunder, or any successor dissemination agent designated in writing by the City and which has filed with the Trustee a written acceptance of such designation.

“EMMA” means the Electronic Municipal Market Access facility for municipal securities disclosure of the MSRB.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Material Event” means the occurrence of any of the events with respect to the Bonds set forth in Exhibit II.

“Material Events Disclosure” means dissemination of a notice of a Material Event as set forth in Section 5.

“MSRB” shall mean the Municipal Securities Rulemaking Board established in accordance with the provisions of Section 15B(b)(1) of the 1934 Act.

“Participating Underwriter” means each broker, dealer or municipal securities dealer acting as an underwriter in any primary offering of the Bonds.

“Prescribed Form” means, with regard to the filing of Annual Financial Information, Audited Financial Statements and notices of Material Events with the MSRB at www.emma.msrb.org (or such other address or addresses as the MSRB may from time to time specify), such electronic format, accompanied by such identifying information, as shall have been prescribed by the MSRB and which shall be in effect on the date of filing of such information.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission (“SEC”) under the Exchange Act, as the same may be amended from time to time.

“State” means the State of Arkansas.

“Undertaking” means the obligations of the City pursuant to Sections 4 and 5.

Section 3. CUSIP Number/Final Official Statement. The CUSIP Number of the final maturity of the Bonds is _____. The final Official Statement relating to the Bonds is dated _____, 2011 (the “Final Official Statement”).

Section 4. Annual Financial Information Disclosure. Subject to Section 9 of this Disclosure Agreement, the City hereby covenants that it will disseminate, or will cause the Dissemination Agent to disseminate, the Annual Financial Information and the Audited Financial Statements (in the form and by the dates set forth below and in Exhibit I) by delivering such Annual Financial Information and the Audited Financial Statements to the MSRB within 180 days of the completion of the City’s fiscal year.

The City is required to deliver or cause delivery of such information in Prescribed Form and by such time so that such entities receive the information by the dates specified.

If any part of the Annual Financial Information can no longer be generated because the operations to which it is related have been materially changed or discontinued, the City will

disseminate or cause dissemination of a statement to such effect as part of its Annual Financial Information for the year in which such event first occurs.

If any amendment is made to this Disclosure Agreement, the Annual Financial Information for the year in which such amendment is made (or in any notice or supplement provided to the MSRB) shall contain a narrative description of the reasons for such amendment and its impact on the type of information being provided.

Section 5. Material Events Disclosure. Subject to Section 9 of this Disclosure Agreement, the City hereby covenants that it will disseminate or cause dissemination in a timely manner, not in excess of ten (10) business days after the occurrence of the event, Material Events Disclosure to the MSRB in Prescribed Form. Notwithstanding the foregoing, notice of optional or unscheduled redemption of any Bonds or defeasance of any Bonds need not be given under this Disclosure Agreement any earlier than the notice (if any) of such redemption or defeasance is given to the owners of the Bonds pursuant to the Indenture. The City is required to deliver or cause delivery of such Material Events Disclosure in the same manner as provided by Section 4 of this Disclosure Agreement.

Section 6. Duty to Update EMMA/MSRB. The Dissemination Agent shall determine, in the manner it deems appropriate, whether there has occurred a change in the MSRB's e-mail address or filing procedures and requirements under EMMA each time it is required to file information with the MSRB.

Section 7. Consequences of Failure of the City to Provide Information. The City shall give notice in a timely manner or shall cause such notice to be given by the Dissemination Agent, not in excess of ten (10) business days after the occurrence of the event, to the MSRB in Prescribed Form of any failure to provide Annual Financial Information Disclosure when the same is due hereunder.

In the event of a failure of the City to comply with any provision of this Disclosure Agreement, the Beneficial Owner of any Bond may seek specific performance by court order to cause the City to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture or any other agreement, and the sole remedy under this Disclosure Agreement in the event of any failure of the City or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

Section 8. Amendments; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the City and the Dissemination Agent may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, if:

(i) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the City or type of business conducted;

(ii) This Disclosure Agreement, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary

offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances;

(iii) The amendment or waiver does not materially impair the interests of the Beneficial Owners of the Bonds, as determined either by parties unaffiliated with the City (such as the Trustee) or by an approving vote of the Beneficial Owners of the Bonds holding a majority of the aggregate principal amount of the Bonds (excluding Bonds held by or on behalf of the City or its affiliates) pursuant to the terms of the Indenture at the time of the amendment; or

(iv) The amendment or waiver is otherwise permitted by the Rule.

Section 9. Termination of Undertaking. The Undertaking of the City shall be terminated hereunder when the City shall no longer have any legal liability for any obligation on or relating to the repayment of the Bonds. The City shall give notice to the MSRB, or shall cause the Dissemination Agent to give notice, in a timely manner and in Prescribed Form if this Section is applicable.

Section 10. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. A Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the City pursuant to this Disclosure Agreement. If at any time there is not any other designated Dissemination Agent, the Trustee shall be the Dissemination Agent for the City.

Section 11. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Financial Information Disclosure or notice of occurrence of a Material Event, in addition to that which is required by this Disclosure Agreement. If the City chooses to include any information from any document or notice of occurrence of a Material Event in addition to that which is specifically required by this Disclosure Agreement, the City shall not have any obligation under this Disclosure Agreement to update such information or include it in any future disclosure or notice of the occurrence of a Material Event.

Section 12. Beneficiaries. This Disclosure Agreement has been executed in order to assist the Participating Underwriter in complying with the Rule; however, this Disclosure Agreement shall inure solely to the benefit of the City, the Dissemination Agent, if any, the Trustee and the Beneficial Owners of the Bonds, and shall create no rights in any other person or entity.

Section 13. Recordkeeping. The City and the Dissemination Agent shall maintain records of all Annual Financial Information Disclosure and Material Events Disclosure, including the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

Section 14. Past Compliance. The City represents that it has complied with the requirements of each continuing disclosure undertaking entered into by it pursuant to the Rule in connection with previous financings to which the Rule was applicable.

Section 15. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent (if other than the Trustee or the Trustee in its capacity as Dissemination Agent) shall have only such duties as are specifically set forth in this Disclosure Agreement, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise of performance of its powers and duties under this Disclosure Agreement, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. Such indemnification obligation of the City shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 16. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 17. Governing Law. This Disclosure Agreement shall be governed by and construed in accordance with the laws of the State, provided that to the extent this Disclosure Agreement addresses matters of federal securities laws, including the Rule, this Disclosure Agreement shall be construed in accordance with such federal securities laws and official interpretations thereof.

Dated: December 1, 2011

CITY OF FAYETTEVILLE, ARKANSAS

By: _____
Mayor

SIMMONS FIRST TRUST COMPANY, N.A.,
as Dissemination Agent

By: _____
Title:

EXHIBIT I

ANNUAL FINANCIAL INFORMATION AND TIMING AND AUDITED FINANCIAL STATEMENTS

“Annual Financial Information” means financial information and operating data exclusive of Audited Financial Statements as set forth below of the type appearing or incorporated by reference under the caption “SECURITY FOR THE SERIES 2011 BONDS” in the Final Official Statement.

All or a portion of the Annual Financial Information and the Audited Financial Statements as set forth below may be included by reference to other documents which have been submitted to the MSRB or filed with the Commission. The City shall clearly identify each such item of information included by reference.

Annual Financial Information will be provided to the MSRB within 180 days after the last day of the City’s fiscal year. Audited Financial Statements as described below should be filed at the same time as the Annual Financial Information. If Audited Financial Statements are not available when the Annual Financial Information is filed, unaudited financial statements shall be included, and Audited Financial Statements will be provided to the MSRB within 10 business days after availability to the City.

Audited Financial Statements will be prepared in accordance with generally accepted accounting principles in the United States as in effect from time to time.

If any change is made to the Annual Financial Information as permitted by Section 4 of the Disclosure Agreement, including for this purpose a change made to the fiscal year-end of the City, the City will disseminate a notice to the MSRB of such change in Prescribed Form as required by such Section 4.

EXHIBIT II

EVENTS WITH RESPECT TO THE BONDS FOR WHICH MATERIAL EVENTS DISCLOSURE IS REQUIRED

1. Principal and interest payment delinquencies
2. Nonpayment-related defaults, if material
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security
7. Modifications to rights of security holders, if material
8. Bond calls, if material, and tender offers
9. Defeasances
10. Release, substitution or sale of property securing repayment of the securities, if material
11. Rating changes
12. Bankruptcy, insolvency, receivership or similar event of the City*
13. The consummation of a merger, consolidation or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material

* This event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment without notice. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED NOVEMBER __, 2011

**NEW ISSUE
BOOK-ENTRY ONLY**

NOT RATED

In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance with certain covenants, interest on the Series 2011 Bonds is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that the Series 2011 Bonds are "qualified tax-exempt obligations" under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. Under existing law, Bond Counsel is of the opinion that the Series 2011 Bonds and the interest thereon are exempt from all state, county and municipal taxes in the State of Arkansas. See the caption "TAX MATTERS" herein.

\$ _____ *

**CITY OF FAYETTEVILLE, ARKANSAS
PARKING REVENUE IMPROVEMENT BONDS
SERIES 2011**

Dated: December 1, 2011

Due: December 1, as shown on inside front cover

The Parking Revenue Improvement Bonds, Series 2011 (the "Series 2011 Bonds"), are being issued by the City of Fayetteville, Arkansas (the "City") for the purpose of (i) financing all or a portion of the costs of acquiring, constructing and equipping parking deck facilities and related roadway and other improvements within the City's Entertainment District (the "Project"), (ii) funding a deposit to the debt service reserve fund, and (iii) paying certain expenses in connection with the issuance of the Series 2011 Bonds. See the captions "ESTIMATED SOURCES AND USES OF FUNDS" and "THE PROJECT" herein.

The Series 2011 Bonds are issuable only as fully registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York, to which principal, premium, if any, and interest payments on the Series 2011 Bonds will be made so long as Cede & Co. is the registered owner of the Series 2011 Bonds. Individual purchases of the Series 2011 Bonds will be made only in book-entry form, in denominations of \$5,000 or integral multiples thereof. Individual purchasers ("Beneficial Owners") of Series 2011 Bonds will not receive physical delivery of bond certificates. See the caption "BOOK-ENTRY ONLY SYSTEM" herein.

The Series 2011 Bonds shall bear interest from their dated date, payable on June 1 and December 1 of each year, commencing June 1, 2012. All such interest payments shall be payable to the persons in whose name such Series 2011 Bonds are registered on the bond registration books maintained by Simmons First Trust Company, N.A., Pine Bluff, Arkansas, as trustee (the "Trustee"), as of the fifteenth day of the calendar month preceding the calendar month in which the applicable interest payment date falls. Principal of and premium, if any, on the Series 2011 Bonds shall be payable at the principal corporate trust office of the Trustee. So long as DTC or its nominee is the registered owner of the Series 2011 Bonds, disbursement of such payments to DTC Participants is the responsibility of DTC, and the disbursement of such payments to Beneficial Owners is the responsibility of DTC Participants or Indirect Participants, as more fully described herein.

Pursuant to a Trust Indenture dated as of December 1, 2011 (the "Indenture"), between the City and the Trustee, the payment of the principal of, premium, if any, and interest on the Series 2011 Bonds is secured by a pledge of the net revenues (after provision for operation and maintenance expenses, including previous debt for parking equipment) attributable to parking fees, leases, rents, fines, charges and other revenues charged and collected by the City with respect to its meters, lots and other parking facilities, and including net revenues to be generated by the Project and net revenues with respect to City management of parking facilities owned by third parties (the "Net Parking Revenues"). See the caption "SECURITY FOR THE SERIES 2011 BONDS" herein. The Series 2011 Bonds are subject to optional and mandatory redemption prior to maturity as more fully described herein under the caption "THE SERIES 2011 BONDS - Redemption."

The Series 2011 Bonds are special obligations of the City secured solely by and payable from Net Parking Revenues. The Series 2011 Bonds do not constitute an indebtedness of the City within the meaning of any constitutional or statutory debt limitation or restriction. The issuance of the Series 2011 Bonds shall not directly, indirectly or contingently obligate the City to levy or pledge any taxes whatsoever or to make any appropriation for the payment of the Series 2011 Bonds, except as described herein with respect to the Net Parking Revenues.

The Series 2011 Bonds are offered when, as and if issued by the City and are subject to the final approving opinion of Kutak Rock LLP, Little Rock, Arkansas, Bond Counsel. Certain matters will be passed upon for the City by its counsel, Kit Williams, Esq., City Attorney. It is expected that the Series 2011 Bonds will be available for delivery in New York, New York, on or about December __, 2011.

Stephens Inc.
Investment Bankers

The date of this Official Statement is December __, 2011.

* Preliminary; subject to change.

MATURITY SCHEDULE*

<u>Maturity (December 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Maturity (December 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>
2012	\$	%	%	2020	\$	%	%
2013				2021			
2014				2022			
2015				2023			
2016				2024			
2017				2025			
2018				2026			
2019				2027			
\$ _____ % Term Bonds due December 1, 2031 – Yield: _____ %							
\$ _____ % Term Bonds due December 1, 2036 – Yield: _____ %							

(Plus accrued interest)

CITY OF FAYETTEVILLE, ARKANSAS

Issuer

City Council

Lioneld Jordan, Mayor

Rhonda Adams

Brenda Boudreaux

Bobby Ferrell

Adella Gray

Mark Kinion

Sarah Lewis

Matthew Petty

Justin Tennant

Paul Becker, Finance Director

Sondra Smith, City Clerk

Kit Williams, City Attorney

SIMMONS FIRST TRUST COMPANY, N.A.

Pine Bluff, Arkansas

Trustee and Paying Agent

KUTAK ROCK LLP

Little Rock, Arkansas

Bond Counsel

STEPHENS INC.

Fayetteville, Arkansas

Underwriter

No dealer, broker, salesman or other person has been authorized by the City or by Stephens Inc. (the "Underwriter") to give any information or to make any representations, other than those contained herein; and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of any Series 2011 Bonds in any jurisdiction in which such offer is not authorized, or in which the person making such offer, solicitation or sale is not qualified to do so, or to any person to whom it is unlawful to make such offer, solicitation or sale. The information and expressions of opinion contained herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof.

THE SERIES 2011 BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE TRUST INDENTURE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON CERTAIN EXEMPTIONS FROM SUCH REGISTRATION AND QUALIFICATION CONTAINED IN SUCH LAWS.

CERTAIN INFORMATION CONTAINED HEREIN HAS BEEN OBTAINED FROM THE CITY, THE DEPOSITORY TRUST COMPANY AND OTHER SOURCES WHICH ARE BELIEVED TO BE RELIABLE. THE UNDERWRITER HAS REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS PART OF, ITS RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITER DOES NOT GUARANTY THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2011 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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PRELIMINARY OFFICIAL STATEMENT
§ _____ *
CITY OF FAYETTEVILLE, ARKANSAS
PARKING REVENUE IMPROVEMENT BONDS
SERIES 2011

INTRODUCTORY STATEMENT

The following introductory statement is subject in all respects to the more complete information set forth in this Official Statement. All descriptions and summaries of documents hereinafter set forth are qualified in their entirety by reference to each such document. Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms under the caption "DEFINITIONS OF CERTAIN TERMS" herein.

This Official Statement, including the cover page and the Appendices hereto, is furnished in connection with the offering by the City of Fayetteville, Arkansas (the "City") of its Parking Revenue Improvement Bonds, Series 2011, in the principal amount of \$ _____* (the "Series 2011 Bonds").

The City is a city of the first class organized and existing under the laws of the State of Arkansas (the "State"). The City is authorized under Amendment 65 to the Constitution of the State ("Amendment 65") and Arkansas Code Annotated (1998 Repl. & 2011 Supp.) §§14-164-401 *et seq.* (as from time to time amended, the "Act"), to issue and sell bonds for the purpose of financing "capital improvements," as defined in the Act.

The Series 2011 Bonds are to be issued by the City pursuant to Amendment 65, the Act and Ordinance No. _____, adopted and approved on _____, 2011 (the "Authorizing Ordinance"), for the purpose of (i) financing all or a portion of the costs of acquiring, constructing and equipping parking deck facilities and related roadway and other improvements within the City's Entertainment District (the "Project"), (ii) funding a deposit to the debt service reserve fund, and (iii) paying certain expenses in connection with the issuance of the Series 2011 Bonds. See the captions "ESTIMATED SOURCES AND USES OF FUNDS" and "THE PROJECT" herein.

The Series 2011 Bonds are not general obligations of the City, but are special obligations secured solely by and payable from net revenues (after provision for Operation and Maintenance Expenses, including previous debt for parking equipment) attributable to parking fees, leases, rents, fines, charges and other revenues collected by the City with respect to its meters, lots and other parking facilities, and including net revenues to be generated with respect to the Project and net revenues with respect to City management of parking facilities owned by third parties (the "Net Parking Revenues"). See the caption "SECURITY FOR THE SERIES 2011 BONDS" herein.

The faith and credit of the City are not pledged to the payment of the Series 2011 Bonds, and the Series 2011 Bonds do not constitute an indebtedness of the City within the meaning of any constitutional or statutory debt limitation or restriction. The issuance of the Series 2011 Bonds shall not directly, indirectly or contingently obligate the City to levy or pledge any taxes whatsoever or to make any appropriation for the payment of the Series 2011 Bonds, except as described herein with respect to the Net Parking Revenues.

Additional bonds may be issued by the City on a parity of security with the Series 2011 Bonds under certain circumstances set forth in the Indenture (hereinafter defined). See the caption "THE SERIES 2011 BONDS – Additional Bonds" herein. The Series 2011 Bonds and any Additional Bonds are herein collectively referred to as the "Bonds."

Pursuant to the provisions of a Continuing Disclosure Agreement dated as of the date of delivery of the Series 2011 Bonds, by and between the City and Simmons First Trust Company, N.A., as dissemination agent (the "Continuing Disclosure Agreement"), the City has undertaken certain obligations with respect to providing ongoing disclosure of certain financial and operating data concerning the City and the Net Parking Revenues and of the occurrence of certain material events. See the caption "SUMMARY OF THE CONTINUING DISCLOSURE AGREEMENT" herein.

This Official Statement contains brief descriptions or summaries of, among other matters, the City, the Series 2011 Bonds, the Net Parking Revenues, the Continuing Disclosure Agreement, and the Trust Indenture dated as of December 1, 2011 (the "Indenture"), by and between the City and Simmons First Trust Company, N.A., Pine Bluff, Arkansas, as trustee (the "Trustee"), pursuant to which the Series 2011 Bonds are issued and secured. Such

* Preliminary, subject to change.

descriptions and information do not purport to be comprehensive or definitive. All references herein to the Indenture and the Continuing Disclosure Agreement are qualified in their entirety by reference to each such document, and all references to the Series 2011 Bonds are qualified in their entirety by reference to the definitive forms thereof and the information with respect thereto included in the Indenture. Copies of the Continuing Disclosure Agreement, the Indenture, and the form of Series 2011 Bond included therein, are available from the City by writing to the attention of the Finance Director, City of Fayetteville, City Administration Building, 113 West Mountain, Fayetteville, Arkansas 72701 and, during the initial offering period only, from the Underwriter, Stephens Inc., 3425 North Futrall, Suite 201, Fayetteville, Arkansas 72703. Certain financial and operating data has been provided by the City from the audited records of the City and certain demographic information has been obtained from other sources which are believed to be reliable.

THE SERIES 2011 BONDS

Description. The Series 2011 Bonds will be initially dated as of December 1, 2011, and will bear interest payable semiannually on June 1 and December 1 of each year, commencing June 1, 2012, at the rates set forth on the inside cover page hereof. The Series 2011 Bonds will mature on December 1 in the years and in the principal amounts set forth on the inside cover page hereof.

The Series 2011 Bonds are issuable only in the form of fully registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York, to which principal, premium, if any, and interest payments on the Series 2011 Bonds will be made so long as Cede & Co. is the registered owner of the Series 2011 Bonds. Individual purchases of the Series 2011 Bonds will be made only in book-entry form, in denominations of \$5,000 or integral multiples thereof. Individual purchasers ("Beneficial Owners") of Series 2011 Bonds will not receive physical delivery of bond certificates. See the caption "BOOK-ENTRY ONLY SYSTEM" herein.

All interest payments on the Series 2011 Bonds shall be payable to the persons in whose name such Series 2011 Bonds are registered on the bond registration books maintained by the Trustee, as of the fifteenth day of the calendar month preceding the calendar month in which the applicable interest payment date falls. Principal of and premium, if any, on the Series 2011 Bonds shall be payable at the principal corporate trust office of the Trustee. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Series 2011 Bond to the extent of the sum or sums so paid. So long as DTC or its nominee is the registered owner of the Series 2011 Bonds, disbursement of such payments to DTC Participants is the responsibility of DTC, and the disbursement of such payments to Beneficial Owners is the responsibility of DTC Participants or Indirect Participants, as more fully described herein.

Redemption. The Series 2011 Bonds are subject to redemption prior to maturity as follows:

(i) The Series 2011 Bonds are subject to redemption prior to maturity, at the option of the City, on and after December 1, 2016, in whole or in part at any time and in any order of maturity directed by the City, from funds from any source, at a redemption price equal to 100% of the principal amount of the Series 2011 Bonds being redeemed, plus accrued interest to the date of redemption;

(ii) The Series 2011 Bonds shall be redeemed prior to maturity, in whole or in part, on any interest payment date, in inverse order of maturity, at a redemption price equal to 100% of the principal amount of the Series 2011 Bonds being redeemed, plus accrued interest to the date of redemption, from unexpended proceeds of the Series 2011 Bonds (if such unexpended proceeds equal or exceed \$100,000) in the Project Fund not needed for paying Project Costs; and

(iii) The Series 2011 Bonds maturing on December 1, 20__, are subject to mandatory sinking fund redemption prior to maturity in part, on December 1 in the years and amounts set forth below at a redemption price equal to the principal amount thereof plus accrued interest to the date of redemption, without premium.

Year	Principal Amount*
20__	\$
20__	\$
20__	\$
20__	\$
20__ (maturity)	\$

*Preliminary, subject to change.

At its option, to be exercised on or before the 45th day next preceding any mandatory sinking fund redemption date for any Series 2011 Bonds maturing December 1, 20__ (the "20__ Term Bonds"), the City may deliver to the Trustee for cancellation 20__ Term Bonds, or portions thereof (\$5,000 or any integral multiple thereof), in any aggregate principal amount desired. Each such 20__ Term Bond, or portion thereof, so delivered or previously redeemed (otherwise than through mandatory sinking fund redemption) and canceled by the Trustee shall be credited by the Trustee at 100% of the principal amount thereof on the obligation of the City on such mandatory sinking fund redemption date, and any excess over such amount shall be credited on future mandatory sinking fund redemption obligations with respect to the 20__ Term Bonds in chronological order, and the principal amount of such 20__ Term Bonds so to be redeemed shall be accordingly reduced.

(iv) The Series 20__ Bonds maturing on December 1, 20__, are subject to mandatory sinking fund redemption prior to maturity in part, on December 1 in the years and amounts set forth below at a redemption price equal to the principal amount thereof plus accrued interest to the date of redemption, without premium.

Year	Principal Amount*
20__	\$
20__	\$
20__	\$
20__ (maturity)	\$

*Preliminary, subject to change.

At its option, to be exercised on or before the 45th day next preceding any mandatory sinking fund redemption date for any Series 2011 Bonds maturing December 1, 20__ (the "20__ Term Bonds"), the City may deliver to the Trustee for cancellation 20__ Term Bonds, or portions thereof (\$5,000 or any integral multiple thereof), in any aggregate principal amount desired. Each such 20__ Term Bond, or portion thereof, so delivered or previously redeemed (otherwise than through mandatory sinking fund redemption) and canceled by the Trustee shall be credited by the Trustee at 100% of the principal amount thereof on the obligation of the City on such mandatory sinking fund redemption date, and any excess over such amount shall be credited on future mandatory sinking fund redemption obligations with respect to the 20__ Term Bonds in chronological order, and the principal amount of such 20__ Term Bonds so to be redeemed shall be accordingly reduced.

Partial Redemption of a Series 2011 Bond. If less than all of the Series 2011 Bonds of a maturity are called for redemption, the particular Series 2011 Bonds or portions of Series 2011 Bonds to be redeemed shall be selected by lot in such manner as the Trustee in its discretion may deem fair and appropriate. So long as DTC or its nominee is the sole registered owner of the Series 2011 Bonds, the procedures established by DTC shall control with respect to the selection of the particular Series 2011 Bonds to be redeemed.

Notice of Redemption. Notice of the call for any redemption, identifying the Series 2011 Bonds or portions thereof being called and the date on which they shall be presented for payment, shall be mailed by the Trustee by first class mail (or, so long as DTC or its nominee is the sole registered owner of the Series 2011 Bonds, by any other means acceptable to DTC, including facsimile) to the registered owner of each such Series 2011 Bond addressed to such registered owner at his registered address and placed in the mails not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption; provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceeding for the redemption of any Series 2011 Bond with respect to which no such failure or defect has occurred. Any notice mailed as provided above shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice.

Additional Bonds. The City may issue from time to time one or more series of Additional Bonds for the purpose of (i) financing Project Costs in connection with the acquisition, construction or equipping of parking related "capital improvements" (as defined in the Act), (ii) refunding the Series 2011 Bonds or any series of Additional Bonds, in whole or in part, or (iii) any combination thereof. Additional Bonds shall be secured equally and ratably with the Series 2011 Bonds and any other series of Additional Bonds theretofore issued and then Outstanding, except insofar as any terms or conditions of redemption or purchase established under the Indenture may afford additional benefit or security for the Bonds of any particular series. Before any Additional Bonds are authenticated, there shall be delivered to the Trustee the items required for the issuance of Bonds by the Indenture, plus (I) in the case of Additional Bonds to finance Project Costs, a statement by a Qualified Accountant reciting the opinion, based upon necessary investigation, that Net Parking Revenues for the Fiscal Year immediately preceding

the Fiscal Year in which such Additional Bonds are to be issued were not less than (i) 125% of the average Annual Debt Service on all then outstanding Bonds and Subordinate Obligations plus the Additional Bonds then proposed to be issued, and (ii) the amount, if any, needed to make required deposits to the Debt Service Reserve Fund, and (II) in the case of Additional Bonds to refund the Series 2011 Bonds or any series of Additional Bonds, a Certificate of the Mayor stating that, after taking into account the issuance of the Additional Bonds and the application of the proceeds thereof and other available funds to the refunding, the average Annual Debt Service on all outstanding Bonds and Subordinate Obligations will not be increased.

If any changes have been made, and are in effect on the date of issuance of the Additional Bonds, in any parking fees, leases, rents, fines or charges imposed by the City which were not in effect during the entire preceding Fiscal Year, the Qualified Accountant may, if such changes resulted in increases in such fees, leases, rents, charges and fines, and shall, if such changes resulted in reductions in such fees, leases, rents, fines or charges, adjust the Parking Revenues for the preceding Fiscal Year to reflect any changes in such Parking Revenues which would have occurred if the changed fees, leases, rents, fines and charges had been in effect during the entire preceding Fiscal Year.

Notwithstanding any of the foregoing, no Additional Bonds shall be issued unless there is no default existing at the time of issuance under the Indenture.

Subordinate Obligations. Nothing in the Indenture shall prevent the City from authorizing and issuing bonds, notes, bond anticipation notes, warrants, certificates or other obligations or evidences of indebtedness, the payment of the principal of and premium, if any, and interest on which shall be made from Parking Revenues or from a special fund to be established and maintained from Parking Revenues, provided payments from Parking Revenues or from Parking Revenues into such special fund, and the lien and charge on such Parking Revenues, shall be made junior and subordinate to the lien, pledge and charge created in the Indenture for the security and payment of the Series 2011 Bonds and other payments under the Indenture. Notwithstanding anything herein to the contrary, no Subordinate Obligations shall be issued unless there is no default at the time of issuance under the Indenture.

Transfer or Exchange. The Series 2011 Bonds may be transferred on the books of registration kept by the Trustee by the registered owner in person or by the owner's duly authorized attorney, upon surrender thereof, together with a written instrument of transfer duly executed by the registered owner or the owner's duly authorized attorney. Upon surrender for transfer of any Series 2011 Bond at the principal corporate office of the Trustee, the City shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new Series 2011 Bond or Bonds in the same aggregate principal amount and of any authorized denomination or denominations.

Transfers of registration or exchanges of Series 2011 Bonds shall be without charge to the Holders of such Series 2011 Bonds, but any taxes or other governmental charges required to be paid with respect to the same shall be paid by the Holder of the Series 2011 Bond requesting such transfer or exchange as a condition precedent to the exercise of such privilege.

The Trustee shall not be required to transfer or exchange any Series 2011 Bond during the period from and including a Record Date to the next succeeding interest payment date of such Series 2011 Bond nor to transfer or exchange any Series 2011 Bond after the mailing of notice calling such Series 2011 Bond for redemption has been made, and prior to such redemption.

So long as DTC or its nominee is the sole registered owner of the Series 2011 Bonds, transfers of beneficial interests in the Series 2011 Bonds shall be in accordance with the rules and procedures of DTC and its direct and indirect participants. See the caption "BOOK-ENTRY ONLY SYSTEM" herein.

SECURITY FOR THE SERIES 2011 BONDS

General. The Series 2011 Bonds are special obligations of the City secured solely by and payable from the Net Parking Revenues.

In the Indenture, "Net Parking Revenues" are defined as Parking Revenues less Operation and Maintenance Expenses. "Parking Revenues" are all revenues attributable to parking fees, leases, rents, fines, charges and other revenues collected by the City with respect to its meters, lots and other parking facilities, and including revenues to be generated with respect to the Project and net revenues with respect to City management of parking facilities owned by third parties. "Operation and Maintenance Expenses" means all reasonable and necessary costs and expenses incurred in the operation, maintenance, repair and insuring of the City's parking meters, lots and other parking facilities which are properly accounted for such purposes under generally accepted accounting principles,

including debt service on debt incurred to acquire parking equipment prior to the date of the Indenture. Such term does not include Debt Service on the Bonds or Subordinate Obligations or depreciation expense.

The fees, rents, fines and charges from which the Net Parking Revenues are derived have been imposed by the City pursuant to various ordinances adopted by the City Council. The Net Parking Revenues have been pledged to secure the payment of Debt Service on the Series 2011 Bonds pursuant to Ordinance No. _____, duly adopted by the City Council of the City on _____, 2011 (the "Authorizing Ordinance").

Set forth below is a table showing the City's Parking Revenues, Operation and Maintenance Expenses and Net Parking Revenues over the last five years.

Year	Parking Revenues ⁽²⁾	O&M Expenses	Net Parking Revenues
2007	\$ 466,565	\$ 363,794	\$ 102,771
2008	431,019	377,501	53,518
2009	405,896	389,856	16,040
2010	766,659	525,841	240,818
2011 ⁽¹⁾	1,043,585	523,127	520,458

(1) Through September 30, 2011.

(2) Includes revenues received by the City for management of parking areas owned by third parties; \$28,805 in 2007, \$30,273 in 2008, \$32,437 in 2009, \$29,930 in 2010 and \$37,782 in 2011 to date.

[EXPLAIN CREATION OF THE ENTERTAINMENT PARKING DISTRICT AND ITS IMPACT]

The Series 2011 Bonds do not constitute an indebtedness of the City within the meaning of any constitutional or statutory debt limitation or restriction. The issuance of the Series 2011 Bonds shall not directly, indirectly or contingently obligate the City to levy or pledge any taxes whatsoever or to make any appropriation for the payment of the Series 2011 Bonds, except as described herein with respect to the Net Parking Revenues.

The City has covenanted that the fees, leases, rents, fines and charges generating the Parking Revenues will not be reduced from current levels while any of the Series 2011 Bonds are Outstanding unless there is obtained from a Qualified Accountant a certificate to the effect that Net Parking Revenues in the then current and immediately succeeding Fiscal Years, with the reduced fees, leases, rents, fines or charges, will be at least equal to (i) 125% of the Annual Debt Service on all Bonds and Subordinate Obligations for the then current and immediately succeeding Fiscal Years, and (ii) the amount, if any, needed to make required deposits to the Debt Service Reserve Fund. The City has further covenanted that the fees, leases, rents, fines and charges generating the Parking Revenues shall, if and when necessary, from time to time, be increased in such a manner as will produce Net Parking Revenues in the then current and immediately succeeding Fiscal Years at least equal to (i) 125% of the Annual Debt Service on all Bonds and Subordinate Obligations for the then current and immediately succeeding Fiscal Years, and (ii) the amount, if any, needed to make required deposits to the Debt Service Reserve Fund.

Debt Service Reserve. From the proceeds of sale of the Series 2011 Bonds, there shall be deposited into the Debt Service Reserve Fund an amount sufficient to cause the amount on deposit therein to be equal to the least of (i) the maximum Annual Debt Service with respect to the Series 2011 Bonds, (ii) 125% of the average Annual Debt Service with respect to the Series 2011 Bonds, or (iii) 10% of the stated original principal amount of the Series 2011 Bonds (the "Reserve Requirement"). Amounts on deposit in the Debt Service Reserve Fund shall be used solely to pay the principal of and interest on the Series 2011 Bonds as due for which there are no available funds in the Bond Fund to make such payments. The Reserve Requirement may be satisfied by cash or by Investment Securities.

If the amount in the Debt Service Reserve Fund is ever reduced below the Reserve Requirement, it shall be reimbursed to an amount equal to the Reserve Requirement through monthly payments, beginning not later than the last day of the month in which the Debt Service Reserve Fund was reduced below the Reserve Requirement, and continuing not later than the last day of each month thereafter until such reimbursement shall have been accomplished, from any funds in the Revenue Fund (after making the required deposits into the Bond Fund, as provided in the Indenture). If a surplus shall exist in the Debt Service Reserve Fund over and above the Reserve Requirement, such surplus shall be deposited into the Bond Fund.

BOOK-ENTRY ONLY SYSTEM

The Series 2011 Bonds will be issued only as one fully registered Series 2011 Bond for each maturity, in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), as registered owner of all the Series 2011 Bonds. The fully registered Series 2011 Bonds will be retained and immobilized in the custody of DTC.

DTC (or any successor securities depository) or its nominee for all purposes under the Indenture will be considered by the City and the Trustee to be the owner or holder of the Series 2011 Bonds.

Owners of any book entry interests in the Series 2011 Bonds (the "book entry interest owners") described below, will not receive or have the right to receive physical delivery of the Series 2011 Bonds, and will not be considered by the City and the Trustee to be, and will not have any rights as, owners or holders of the Series 2011 Bonds under the bond proceedings and the Indenture except to the extent, if any, expressly provided thereunder.

CERTAIN INFORMATION REGARDING DTC AND DIRECT PARTICIPANTS IS SET FORTH BELOW. THIS INFORMATION HAS BEEN PROVIDED BY DTC. THE CITY, THE UNDERWRITER AND BOND COUNSEL ASSUME NO RESPONSIBILITY FOR THE ACCURACY OF SUCH STATEMENTS.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges among Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, the National Securities Clearing Corporation and the Fixed Income Clearing Corporation, all of which are registered agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The DTC Rules applicable to its Direct and Indirect Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.com.

Purchases of Series 2011 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2011 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2011 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2011 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2011 Bonds, except in the event that use of the Book-Entry System for the Series 2011 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2011 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2011 Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2011 Bonds, DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2011 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Redemption notices shall be sent to DTC. If less than all of the Series 2011 Bonds within a maturity are to be

redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Series 2011 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the Record Date. The Omnibus Proxy will assign Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2011 Bonds are credited on the Record Date (identified in a listing attached to the Omnibus Proxy).

Payment of debt service and redemption proceeds with respect to the Series 2011 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Trustee on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and debt service to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

BENEFICIAL OWNERS SHOULD CONSULT WITH THE DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS FROM WHOM THEY PURCHASE A BOOK ENTRY INTEREST TO OBTAIN INFORMATION CONCERNING THE SYSTEM MAINTAINED BY SUCH DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS TO RECORD SUCH INTERESTS, TO MAKE PAYMENTS, TO FORWARD NOTICES OF REDEMPTION AND OF OTHER INFORMATION.

THE CITY AND THE TRUSTEE HAVE NO RESPONSIBILITY OR LIABILITY FOR ANY ASPECTS OF THE RECORDS OR NOTICES RELATING TO, OR PAYMENTS MADE ON ACCOUNT OF, BOOK ENTRY INTEREST OWNERSHIP, OR FOR MAINTAINING, SUPERVISING OR REVIEWING ANY RECORDS RELATING TO THAT OWNERSHIP.

The Trustee and the City, so long as a book entry method of recording and transferring interest in the Series 2011 Bonds is used, will send any notice of redemption or of any Indenture amendment or supplement or other notices to Bondholders under the Indenture only to DTC (or any successor securities depository) or its nominee. Any failure of DTC to advise any Direct Participants, or of any Direct Participants or Indirect Participants to notify any Beneficial Owner, of any such notice and its content or effect will not affect the validity of the redemption of the Series 2011 Bonds called for redemption, the Indenture amendment or supplement, or any other action premised on notice given under the Indenture.

The City and the Trustee cannot and do not give any assurances that DTC, Direct Participants, Indirect Participants or others will distribute payments of debt service on the Series 2011 Bonds made to DTC or its nominee as the registered owner of the Series 2011 Bonds, or any redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or that DTC will serve and act in a manner described in this Official Statement.

DTC may discontinue providing its services as securities depository with respect to the Series 2011 Bonds at any time by giving reasonable notice to the City or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, bond certificates are required to be printed and delivered.

In addition, the City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered.

THE PROJECT

A portion of the proceeds of the Series 2011 Bonds will be used to accomplish the acquisition, construction and equipping of multi-level parking deck facilities and related roadway and other improvements (the "Project"). The Project improvements will be located within the City's Entertainment District Parking Zone and will have an estimated capacity of approximately 300 vehicle spaces.

ESTIMATED SOURCES AND USES OF FUNDS

The proceeds of the Series 2011 Bonds are expected to be used as follows:

Sources of Funds⁽¹⁾

Par Amount of Series 2011 Bonds \$

Total Sources: \$

Uses of Funds⁽¹⁾

Deposit to Project Fund \$

Deposit to Debt Service Reserve

Costs of Issuance and Underwriter's Discount

Total Uses: \$

⁽¹⁾ Preliminary; subject to change.

ESTIMATED DEBT SERVICE REQUIREMENTS

As of the date of closing, the Series 2011 Bonds will constitute the only debt obligations secured by the Net Parking Revenues. The following table sets forth estimates of the amounts required to pay scheduled principal of and interest on the Series 2011 Bonds during each year:

<u>Year</u>	<u>Principal⁽¹⁾</u>	<u>Interest⁽²⁾</u>	<u>Total Debt Service</u>
2012	\$	\$	\$
2013			
2014			
2015			
2016			
2017			
2018			
2019			
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
Totals:	\$	\$	\$

⁽¹⁾ Includes mandatory sinking fund redemptions.

⁽²⁾ Preliminary; subject to change. Assuming for purposes of this Preliminary Official State, an average coupon rate on the Series 2011 Bonds of ____% per annum.

ESTIMATED DEBT SERVICE COVERAGE

The following table shows estimated maximum annual debt service coverage with respect to the Series 2011 Bonds utilizing the most recent twelve months of Net Parking Revenues.

Historical Net Parking Revenues ⁽¹⁾	\$593,989
Maximum Annual Debt Service Requirement on Series 2011 Bonds ⁽²⁾	\$
Maximum Annual Debt Service Coverage	<u>X</u>

(1) Net Parking Revenues for the twelve-month period from October 1, 2010 to September 30, 2011.

(2) Preliminary; subject to change. See the caption "ESTIMATED DEBT SERVICE REQUIREMENTS" herein.

THE COVERAGE NUMBERS SET FORTH ABOVE ARE BASED ON HISTORICAL NET PARKING REVENUES. ACTUAL RECEIPTS OF PARKING REVENUES AND THE LEVEL OF OPERATION AND MAINTENANCE EXPENSES WILL DEPEND ON NUMEROUS FACTORS, AND THERE CAN BE NO ASSURANCE THAT FUTURE NET PARKING REVENUES AVAILABLE TO PAY DEBT SERVICE ON THE SERIES 2011 BONDS WILL APPROXIMATE SUCH HISTORICAL RESULTS.

THE CITY

General. The City is a city of the first class organized and existing under the laws of the State of Arkansas. The City is the seat of government of Washington County (the "County") and is the fourth largest city in the State. The City is located in the Metropolitan Statistical Area of Fayetteville/Springdale/Rogers (the "MSA"), which includes all of Washington and Benton Counties in the northwest corner of the State and is approximately 185 miles northwest of Little Rock, Arkansas, 125 miles east of Tulsa, Oklahoma, and 210 miles south of Kansas City, Missouri.

The City is served by U.S. Interstate 540, U.S. Highways 62 and 71, and State Highways 16, 45, 112, 156, 180 and 265. The Burlington Northern Railroad has several lines running through the City, and a general aviation airport with a 6,006-foot runway is available for limited commuter travel. The Northwest Arkansas Regional Airport is located approximately 40 minutes from downtown Fayetteville and provides daily flights to numerous venues.

Government. The City currently operates under the Mayor-Council form of government pursuant to which a mayor, city attorney, city clerk and eight aldermen are elected, two from each of the City's four wards. The mayor, city attorney and city clerk are full-time positions elected to four year terms. Aldermen also serve four year terms.

The City's elected officials and the dates on which their respective terms expire are as follows:

Name	Office	Term Expires
Lioneld Jordan	Mayor	12/31/12
Kit Williams	City Attorney	12/31/14
Sondra Smith	City Clerk	12/31/12
Rhonda Adams	Alderman	12/31/14
Brenda Boudreaux	Alderman	12/31/12
Bobby Ferrell	Alderman	12/31/12
Adella Gray	Alderman	12/31/14
Mark Kinion	Alderman	12/31/14
Sarah Lewis	Alderman	12/31/12
Matthew Petty	Alderman	12/31/12
Justin Tennant	Alderman	12/31/14

Population. The following is a table of population changes for the City, the MSA and the State of Arkansas, according to the United States Census Bureau:

Year	City of Fayetteville	MSA	State of Arkansas
1960	20,274	92,069	1,786,272
1970	30,729	127,846	1,923,322
1980	36,608	178,609	2,286,435
1990	42,099	210,908	2,350,624
2000	58,047	311,121	2,673,400
2010	73,580	463,204	2,915,918

Economic Data. Per capita personal income figures for the MSA and the State of Arkansas are as follows:

Year	MSA	State of Arkansas
2000	\$22,828	\$22,577
2001	24,061	23,870
2002	24,658	24,273
2003	25,387	25,434
2004	27,420	26,846
2005	28,685	27,908
2006	30,168	29,459
2007	31,586	31,517
2008	32,537	32,257
2009	n/a	31,946

Source: Discover Arkansas, Data Analysis.

Retail sales figures for the MSA and the State are as follows:

Year	MSA	State of Arkansas	MSA as % of State of Arkansas
2000	\$3,526,791,000	\$28,488,033,000	12.38%
2001	3,806,422,000	29,652,693,000	12.84
2002	3,841,326,000	29,269,775,000	13.12
2003	3,968,812,000	29,920,716,000	13.26
2004	4,610,051,000	31,463,983,000	14.65
2005	5,287,158,000	34,290,412,000	15.42
2006	7,251,810,000	38,843,312,000	18.70
2007	8,250,140,000	43,504,752,000	18.96
2008			
2009			
2010			

Source: 2007 Demographics USA.

The following table shows the total assessed value of non-utility real and personal property within the City for the years indicated:

Year	Real Property	Personal Property	Total
2000	\$432,951,171	\$145,147,891	\$578,099,062
2001	486,853,822	155,794,579	642,648,401
2002	530,235,135	158,778,031	689,013,166
2003	565,846,525	167,638,657	733,485,182
2004	649,361,820	183,102,702	832,464,522
2005	729,172,106	212,694,254	941,866,260
2006	802,306,156	198,469,816	1,000,775,972
2007	942,667,570	203,094,564	1,145,762,134
2008	1,026,022,871	203,311,701	1,232,334,572
2009	1,067,947,653	191,973,349	1,299,921,002
2010	1,025,933,870	188,130,198	1,214,064,068

Source: Washington County Tax Assessor's Office. The assessed value represents 20% of the appraised value of property.

Building permits issued by the City⁽¹⁾ are shown below for the years indicated:

	2006	2007	2008	2009	2010
Residential Building Permits	544	593	414	281	256
Commercial Building Permits	44	59	57	14	16
Value of All Building Permits	\$198,754,023	\$227,667,201	\$127,477,937	\$ 70,365,173	\$ 79,103,682

(1) Does not include building activity of the University of Arkansas, school permits and additions/alterations to existing structures.

Source: City of Fayetteville.

Unemployment figures for the MSA and the State of Arkansas, according to the U.S. Bureau of Labor Statistics, are as follows:

Year	MSA	State of Arkansas
2000	2.9%	4.2%
2001	3.0	4.7
2002	3.3	5.3
2003	3.7	5.8
2004	3.8	5.6
2005	3.3	5.3
2006	3.6	5.4
2007	3.9	5.4
2008	3.8	5.2
2009	6.1	7.4
2010	6.5	7.9
2011	6.6	8.0

* August, 2011 only; preliminary.

Employment and Industry. The principal campus of the University of Arkansas is located in the City and had total enrollment for the Fall semester of 2011 of approximately 23,199. On the Fayetteville campus, the University employs approximately 4,008 faculty, administrative, secretarial, clerical and maintenance personnel in both full-time and part-time positions, making the University the largest employer in the City.

Other major employers in the City, their products or services and approximate number of employees are set forth below:

Employer	Product or Service	Employees
Washington Regional Med Center	Hospital	2,000
Washington Co. Government	Government	1,350
Fayetteville School District	Education	1,300
Veteran's Admin. Medical	Hospital	1,212
Superior Industries	Transportation equipment	880
City of Fayetteville	Government	756
Arvest Bank	Banking	275
Ayrshire	Electronics	214
Source Gas/Arkansas Western Gas	Utility	207

Source: 2010 City of Fayetteville CAFR.

DEFINITIONS OF CERTAIN TERMS

The following are definitions of certain terms used in this Official Statement:

"Act" means the Local Government Capital Improvement Revenue Bond Act of 1985, codified as Arkansas Code Annotated (1998 Repl. & Supp. 2011) Sections 14-164-401 *et seq.*, as from time to time amended.

"Additional Bonds" means Bonds in addition to the Series 2011 Bonds which are issued under the provisions of Section 213 of the Indenture.

"Amendment 65" means Amendment No. 65 to the Constitution of Arkansas, approved by the voters of the State on November 4, 1986.

"Annual Debt Service" means, with respect to all or any particular amount of Bonds or Subordinate Obligations, as the case may be, the Debt Service for any particular Fiscal Year required to be paid or set aside during such Fiscal Year, less the amount of such payment which is provided from the proceeds of the sale of the Bonds or Subordinate Revenues or from sources other than Net Parking Revenues.

"Authorized Representative" means either the Mayor or the Finance Director of the City and such additional persons as from time to time may be designated to act on behalf of the City by a Certificate furnished to the Trustee containing the specimen signature thereof and executed on behalf of the City by its Mayor.

"Authorizing Ordinance" means Ordinance No. _____ adopted by the City Council on _____, 2011, which authorized the issuance of the Series 2011 Bonds pursuant to the Indenture.

"Beneficial Owner" means any Person who acquires beneficial ownership interest in a Bond held by the Securities Depository. In determining the Beneficial Owner of any Bond, the Trustee may rely exclusively upon written representations made and information given to the Trustee by the Securities Depository or its Participants with respect to any Bond held by the Securities Depository in which a beneficial ownership interest is claimed.

"Bond Counsel" means any firm of nationally recognized municipal bond counsel selected by the City and acceptable to the Trustee.

"Bond Fund" means the fund by that name created and established in the Indenture.

"Bonds" means the Series 2011 Bonds and all Additional Bonds issued by the City pursuant to the Indenture.

"Book-Entry System" means the book-entry system maintained by the Securities Depository and described in the Indenture.

"Business Day" means any day other than (a) a Saturday or Sunday, (b) a day on which commercial banks in New York, New York, or the city in which the corporate trust office of the Trustee is located are authorized by law or executive order to close, or (c) a day on which the New York Stock Exchange or the Securities Depository are closed.

“Certificate” means a document signed by an Authorized Representative of the City attesting to or acknowledging the circumstances or other matters therein stated.

“City” means the City of Fayetteville, Arkansas, a municipality and political subdivision under the laws of the State of Arkansas.

“Closing Date” means, with respect to any series of Bonds, the date upon which there is an exchange of such series of Bonds for the proceeds representing the purchase price for such series of Bonds by the Original Purchaser or Purchasers thereof.

“Code” means the Internal Revenue Code of 1986, as from time to time amended, and applicable regulations issued or proposed thereunder.

“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement between the City and Simmons First Trust Company, N.A., as dissemination agent, dated the date of issuance and delivery of the Series 2011 Bonds, as originally executed and as amended from time to time in accordance with the terms thereof.

“Costs of Issuance” means all items of expense payable or reimbursable directly or indirectly by the City and related to the authorization, sale and issuance of the Series 2011 Bonds, including, but not limited to, underwriting discounts, fees and expenses, publication expenses, expenses of printing, reproducing, filing and recording documents, initial fees and charges of the Trustee and any Paying Agent, fees and expenses for legal, accounting and other professional services, rating fees, costs of securing any credit enhancement for the Series 2011 Bonds, costs of execution, transportation and safekeeping of the Series 2011 Bonds, and other costs, charges and fees incurred in connection with the foregoing.

“Costs of Issuance Fund” means the fund by that name created and established in the Indenture.

“Debt Service” means, with respect to all or any particular amount of Bonds or Subordinate Obligations, as the case may be, the total as of any particular date of computation and for any particular period of the scheduled amount of interest and amortization of principal payable on such Bonds or Subordinate Obligations, excluding amounts scheduled during such period which relate to principal which has been retired before the beginning of such period.

“Debt Service Reserve Fund” means the fund by that name created and established in the Indenture.

“Depository” means a national or state banking corporation or association (which may include the Trustee and any Paying Agent) which holds membership in the Federal Deposit Insurance Corporation.

“Event of Default” means any event of default specified in Section 901 of the Indenture.

“Fiscal Year” means the 12-month period used, at any time, by the City for accounting purposes, which may be the calendar year.

“Fund” means a fund established by the Indenture.

“Government Securities” means direct obligations of, or obligations fully guaranteed as to principal and interest by, the United States of America or any agency or instrumentality thereof, when such obligations are backed by the full faith and credit of the United States of America (including obligations issued or held in book-entry form on the books of the U.S. Department of Treasury).

“Holder” or “Bondholder” or “owner of the Bonds” means the registered owner of any Bond.

“Indenture” means the Trust Indenture dated as of December 1, 2011, between the City and the Trustee, pursuant to which the Bonds are issued, and any amendments and supplements thereto.

“Investment Securities” means, if and to the extent the same are at the time legal for investment of funds held under the Indenture:

- (a) Cash (insured at all times by the Federal Deposit Insurance Corporation);
- (b) Government Securities;
- (c) Obligations of any of the following federal agencies which obligations represent the full faith and credit of the United States of America, including:
 - (1) U.S. Export-Import Bank (Eximbank);

- (2) Rural Economic Community Development Administration;
 - (3) U.S. Maritime Administration;
 - (4) Small Business Administration;
 - (5) U.S. Department of Housing & Urban Development (PHAs);
 - (6) Federal Housing Administration (FHA); and
 - (7) Federal Financing Bank;
- (d) Direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America:
- (1) Senior debt obligations issued by the Federal National Mortgage Association (FNMA) or Federal Home Loan Mortgage Corporation (FHLMC);
 - (2) Obligations of the Resolution Funding Corporation (REFCORP); and
 - (3) Senior debt obligations of the Federal Home Loan Bank System;
- (e) Certificates of deposit, savings accounts, deposit accounts or money market deposits which are fully insured by the FDIC;
- (f) U.S. dollar denominated deposit accounts, federal funds and bankers' acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date of purchase of "P-1" by Moody's and "A-1" or "A-1+" by S&P and maturing not more than 360 calendar days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank);
- (g) Commercial paper which is rated at the time of purchase in the single highest classification, "P-1" by Moody's and "A-1+" by S&P and which matures not more than 270 calendar days after the date of purchase;
- (h) Investments in money market funds rated "AAAm" or "AAAm-G" or better by S&P;
- (i) Pre-refunded Municipal Obligations defined as follows: any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and
- (1) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of Moody's or S&P or any successors thereto; or
 - (2) (i) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or Government Securities, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (ii) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate; and
- (j) Municipal Obligations rated "Aaa/AAA" or general obligations of States with a rating of "A2/A" or higher by both Moody's and S&P.

"Mayor" means the person holding the office and performing the duties of the Mayor of the City.

"Moody's" means Moody's Investors Service, Inc., and any successor thereto.

"Net Parking Revenues" means Parking Revenues less Operation and Maintenance Expenses.

“Operation and Maintenance Expenses” means all reasonable and necessary costs and expenses incurred in the operation, maintenance, repair and insuring of the City’s parking meters, lots and other parking facilities which are properly accounted for such purposes under generally accepted accounting principles, including debt service on debt incurred to acquire parking equipment prior to the date of the Indenture. Such term does not include Debt Service on the Bonds and Subordinate Obligations or depreciation expense.

“Original Purchaser” means the first purchaser(s) of a series of Bonds from the City.

“Outstanding” means, when used with reference to the Bonds, as of any particular date, the aggregate of all Bonds authenticated and delivered under the Indenture, except:

- (a) Bonds cancelled at or prior to such date or delivered to or acquired by the Trustee at or prior to such date for cancellation;
- (b) Bonds deemed to be paid in accordance with Article VIII of the Indenture; and
- (c) Bonds in lieu of or in exchange or substitution for which other Bonds shall have been authenticated and delivered pursuant to the Indenture.

“Parking Revenues” means all revenues attributable to parking fees, leases, rents, fines, charges and other revenues collected by the City with respect to its meters, lots and other parking facilities, and including revenues to be generated with respect to the Project and net revenues with respect to City management of parking facilities owned by third parties.

“Participants” means those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository in the Book-Entry System, as such listing of Participants exists at the time of such reference.

“Paying Agent” means any bank or trust company named by the City as the place at which the principal of and premium, if any, and interest on the Bonds are payable.

“Person” means any natural person, firm, association, corporation, limited liability company, partnership, joint stock company, joint venture, trust, unincorporated organization or firm, or a government or any agency or political subdivision thereof or other public body.

“Project” means the betterments and improvements to be financed with the proceeds of the Series 2011 Bonds.

“Project Costs” means, to the extent permitted by the Act or other applicable laws, with respect to the Project, all costs of planning, designing, purchasing, acquiring, constructing, improving, enlarging, extending, repairing, financing and placing in operation, including obtaining governmental approvals, certificates, permits and licenses with respect thereto, heretofore or hereafter paid or incurred by or on behalf of the City and which shall include, but shall not be limited to:

- (a) preliminary investigation and development costs, engineering fees, contractors’ fees, labor costs, the cost of materials, equipment, utility services and supplies, costs of obtaining permits, licenses and approvals, costs of real property, insurance premiums, legal and financing fees and costs, administrative and general costs, and all other costs properly allocable to the acquisition, construction and equipping of the Project and placing the same in operation;
- (b) all costs relating to injury and damage claims arising out of the acquisition, construction or equipping of the Project;
- (c) all other costs incurred in connection with, and properly allocable to, the acquisition, construction and equipping of the Project; and
- (d) amounts to pay or reimburse the City or any City fund for expenses of the City incident and properly allocable to such planning, designing, purchasing, acquiring, constructing, improving, enlarging, extending, repairing, financing and placing in operation of the Project.

“Project Fund” means the fund by that name created and established in the Indenture.

“Qualified Accountant” means an independent certified public accountant or firm of independent certified public accountants not in the regular employ of the City.

“Rebate Fund” means the fund by that name created and established in the Indenture.

“Record Date” means, with respect to any interest payment date on the Bonds, the fifteenth day of the calendar month next preceding the month in which such interest payment date occurs.

“Requisition” means a written requisition of the City, consecutively numbered, signed by an Authorized Representative in the form of Exhibit B to the Indenture.

“Reserve Requirement” means, with respect to each series of Bonds, an amount equal to the least of (i) the maximum Annual Debt Service with respect to such series of Bonds, (ii) 125% of the average Annual Debt Service with respect to such series of Bonds, or (iii) 10% of the stated original principal amount of such series of Bonds. For all purposes of the Indenture, the Reserve Requirement may be satisfied by cash or by Investment Securities.

“Revenue Fund” means the fund by that name created and established in the Indenture.

“S&P” means Standard & Poor’s Ratings Services, a Division of The McGraw-Hill Companies, Inc., and any successor thereto.

“Securities Depository” means The Depository Trust Company, New York, New York, or its nominee, and its successors and assigns, or any other depository institution appointed by the City or the Trustee to act as depository for the Bonds in connection with the Book-Entry System.

“Series 2011 Bonds” means the City’s Parking Revenue Improvement Bonds, Series 2011, issued under and secured by the Indenture in the original aggregate principal amount of \$ _____ * for the purpose of financing the Project.

“State” means the State of Arkansas.

“Subordinate Obligations” means debt obligations of the City secured by a pledge of the Net Parking Revenues that is subordinate to the lien thereon securing the payment of the Bonds, as permitted by the provisions of Section 215 of the Indenture.

“Supplemental Indenture” means any indenture supplemental to or amendatory of the Indenture.

“Tax Regulatory Agreement” means that Tax Regulatory Agreement of the City relating to maintenance of the excludability of interest on the Series 2011 Bonds from gross income for federal income tax purposes, delivered in connection with the issuance of the Series 2011 Bonds.

“Trustee” means the banking corporation or association designated as Trustee in the Indenture, and its successor or successors as such Trustee. The original Trustee is Simmons First Trust Company, N.A., Pie Bluff, Arkansas.

“Trust Estate” means the property described in the granting clauses of the Indenture.

* Preliminary; subject to change.

SUMMARY OF THE INDENTURE

The following statements are brief summaries of certain provisions of the Indenture. The statements do not purport to be complete, and reference is made to the Indenture, copies of which are available for examination at the offices of the Finance Director of the City, for a full statement thereof.

Funds and Accounts. Net Parking Revenues are pledged by the Indenture to the payment of the principal of and interest on the Series 2011 Bonds. The following Funds have been created and established in connection with the Series 2011 Bonds:

Funds

Revenue Fund

Bond Fund

Debt Service Reserve Fund

Project Fund

Cost of Issuance Fund

Rebate Fund

The Revenue Fund shall be maintained by the City with the Depository of its choice. All other Funds shall be held by the Trustee, which shall hold and maintain said Funds in trust, for the use and benefit of the Bondholders and the City, but subject to the permitted applications contained in the Indenture.

Application of Parking Revenues. The application of Parking Revenues is as follows:

(a) Revenue Fund. All Parking Revenues shall, as and when received, be deposited into the Revenue Fund. So long as there is no Event of Default or the occurrence or continuance of an event which with notice or lapse of time or both would constitute an Event of Default, the City may utilize moneys in the Revenue Fund for the payment of Operation and Maintenance Expenses, and may utilize any surplus in the Revenue Fund (after the payment of Operation and Maintenance Expenses and after making the transfers required by subsections (b) through (d) below) for any valid governmental purpose under State law.

All moneys at any time in the Revenue Fund shall be applied on a monthly basis to the payment of Debt Service on the Bonds, to the maintenance of the Debt Service Reserve Fund, to the payment of any arbitrage rebate due under Section 148(f) of the Code, and to the payment of fees and expenses of the Trustee and any Paying Agent, at the times and in the amounts set forth as follows:

(b) Bond Fund. No later than the last day of each month, commencing no later than [December 31, 2011], there shall be transferred from the Revenue Fund (i) into the Bond Fund, an amount equal to 1/6 of the interest on the Bonds due on the next interest payment date and an amount equal to 1/12 of the principal on the Bonds due on the next principal payment date (including mandatory sinking fund redemptions). Moneys in the Bond Fund shall be used solely for the purpose of paying Annual Debt Service on the Bonds or for redemption of the Bonds, as provided in the Indenture. The Trustee shall withdraw from the Bond Fund, on the date of any principal or interest payment, an amount equal to such payment for the sole purpose of paying the same.

If Parking Revenues in the Revenue Fund are insufficient to make the required monthly payment into the Bond Fund, the amount of any such deficiency in the payment made shall be added to the amount otherwise required to be paid into the Bond Fund not later than last day of the next succeeding month.

(c) Debt Service Reserve Fund. See the caption "SECURITY FOR THE SERIES 2011 BONDS – Debt Service Reserve" herein.

(d) Rebate Fund. The Trustee shall establish and maintain, separate and apart from any other Funds established and maintained under the Indenture, the Rebate Fund, which Fund is not pledged to the payment of any Bonds. Subject to transfer to the United States in payment of any arbitrage rebate due under Section 148(f) of the Code, all moneys at any time deposited in the Rebate Fund shall be held by the Trustee in trust, and neither the City nor the Owner of any Bond shall have any rights in or claim to such money. Any amounts remaining in the Rebate Fund after payment in full of the rebate amount owing to the United States, within sixty (60) days after the date on which the last Bond is redeemed, shall be transferred to the Revenue Fund.

(e) Project Fund. A portion of the proceeds of the Series 2011 Bonds shall be deposited in the Project Fund. See the caption "ESTIMATED SOURCES AND USES OF FUNDS" herein. Amounts in the Project Fund shall be expended only for the payment of Project Costs upon the submission of Requisitions by the City to the Trustee. The Trustee shall only make payments from the Project Fund pursuant to and in accordance with Requisitions. Within ninety (90) days following completion of the Project, the City shall deliver to the Trustee its Certificate stating that the Project is complete and the Trustee shall transfer the remaining moneys in the Project Fund (save and except moneys needed to satisfy unpaid Project Costs) to the Bond Fund for application to the retirement of the Series 2011 Bonds by redemption or purchase. See the caption "THE SERIES 2011 BONDS – Redemption" herein.

(f) Cost of Issuance Fund. A portion of the proceeds of the Series 2011 Bonds shall be deposited to the credit of the Cost of Issuance Fund. The Trustee shall pay those Costs of Issuance as directed by the City pursuant to a Certificate delivered on a Closing Date. After all Costs of Issuance have been paid with respect to the Series 2011 Bonds, any remaining moneys in the Cost of Issuance Fund shall be transferred to the Bond Fund.

Investment of Funds. At the direction of the City or absent such direction, the Trustee shall invest moneys in Funds held by the Trustee in Investment Securities with maturity or redemption dates consistent with the times at which said moneys will be required for the purposes provided in the Indenture; provided, however, the stated maturities of Investment Securities in the Debt Service Reserve Fund shall not exceed five years from the date of investment thereof. Moneys in separate Funds may be commingled for the purpose of investment. The City may invest moneys held in the Revenue Fund in any investment obligations permitted by Arkansas law.

Obligations purchased as an investment of moneys in any Fund created by the Indenture shall be deemed at all times to be a part of such Fund, and any income or loss due to an investment thereof shall be charged to the respective Fund for which the investment was made except as otherwise provided in the Indenture.

Valuation of Funds and Accounts. Investments in any Fund held by the Trustee shall be evaluated monthly and the determined value reported to the City. In determining the value of any Fund held by the Trustee under the Indenture, the Trustee shall credit Investment Securities at the fair market value thereof based on accepted industry standards and from accepted industry providers.

The Trustee shall sell or present for redemption any Investment Securities as necessary in order to provide money for the purpose of making any payment required under the Indenture, and the Trustee shall not be liable for any loss resulting from any such sale.

Responsibility of Trustee. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of moneys made by it at the direction of the City.

Tax Covenants. The City shall not use or permit the use of any Series 2011 Bond proceeds or any other funds of the City, directly or indirectly, in any manner, and will not take or permit to be taken any other action or actions which would adversely effect the exclusion of interest on any Series 2011 Bond from gross income for federal income tax purposes. No part of the proceeds of the Series 2011 Bonds shall at any time be used, directly or indirectly, to acquire securities or obligations the acquisition of which would cause any of such Series 2011 Bonds to be an "arbitrage bond" as defined in Sections 148(a) and (b) of the Code. The City agrees that so long as any of the Series 2011 Bonds remain Outstanding, it will comply with the provisions of the Tax Regulatory Agreement.

Defeasance. Any Series 2011 Bond shall be deemed to be paid within the meaning of the Indenture when payment of the principal of and premium, if any, and interest on such Series 2011 Bond (whether at maturity or upon redemption as provided in the Indenture, or otherwise), either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for by irrevocably depositing with the Trustee, in trust and irrevocably set aside exclusively for such payment, (1) moneys sufficient to make such payment or (2) Government Securities (provided that such deposit will not affect the tax-exempt status of the interest on any of the Series 2011 Bonds or cause any of the Series 2011 Bonds to be classified as "arbitrage bonds" within the meaning of Section 148(a) of the Code, as reflected in an opinion of Bond Counsel delivered to the Trustee), maturing as to principal and interest in such amounts and at such times as will provide sufficient moneys to make such payment, and all necessary and proper fees, compensation and expenses of the Trustee and any Paying Agent pertaining to the Series 2011 Bonds with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Trustee and any said Paying Agent.

Events of Default. Each of the following events shall constitute and is referred to in the Indenture as an "Event of Default":

- (a) Default in the due and punctual payment of any interest on any Bond;
- (b) Default in the due and punctual payment of the principal of or premium, if any, on any Bond, whether at the stated maturity thereof, or upon proceedings for redemption thereof, or upon the maturity thereof by declaration;
- (c) Default in the payment of any other amount required to be paid under the Indenture or the performance or observance of any other of the covenants, agreements or conditions contained in the Indenture, or in the Bonds issued under the Indenture, and continuance thereof for a period of sixty (60) days after written notice specifying such failure and requesting that it be remedied, shall have been given to the City by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of Holders of not less than fifty-one percent (51%) in aggregate principal amount of the Bonds then Outstanding, unless the Trustee, or the Trustee and Holders of an aggregate principal amount of Bonds not less than the aggregate principal amount of Bonds the Holders of which requested such notice, as the case may be, shall agree in writing to an extension of such period prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, the Trustee will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the City within such period and is being diligently pursued;
- (d) The filing of a petition in bankruptcy by or against the City under the United States Bankruptcy Code or the commencement of a proceeding by or against the City under any other law concerning insolvency, reorganization or bankruptcy; and

(e) If the State has limited or altered the rights of the City pursuant to the Act, as in force on the date of the Indenture, to fulfill the terms of any agreements made with the Trustee or the Bondholders or in any way impaired the rights and remedies of the Trustee or the Bondholders while any Bonds are Outstanding.

The term "default" as used in clauses (a), (b) and (c) above shall mean default by the City in the performance or observance of any of the covenants, agreements or conditions on its part contained in the Indenture, or in the Bonds Outstanding thereunder, exclusive of any period of grace required to constitute a default an "Event of Default" as described above.

Acceleration. Upon the occurrence of an Event of Default, the Trustee may, and upon the written request of the Holders of not less than 51% in aggregate principal amount of Bonds Outstanding shall, by notice in writing delivered to the City, declare the principal of all Bonds then Outstanding, together with any premium and the interest accrued thereon, immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable.

Other Remedies; Rights of Bondholders. Upon the occurrence of an Event of Default, the Trustee may, as an alternative, pursue any available remedy by suit at law or in equity, including, without limitation, mandamus to enforce the payment of the principal of and premium, if any, and interest on the Bonds then Outstanding.

If an Event of Default shall have occurred, and if it shall have been requested so to do by the Holders of 51% in aggregate principal amount of Bonds Outstanding and if it shall have been indemnified as provided in the Indenture, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred upon it by the Indenture as the Trustee, being advised by counsel, shall deem most expedient in the interests of the Bondholders.

No remedy by the terms of the Indenture conferred upon or reserved to the Trustee (or to the Bondholders) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given under the Indenture or now or hereafter existing at law or in equity or by statute.

No delay or omission to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default or acquiescence therein; and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any default or Event of Default under the Indenture, whether by the Trustee or by the Bondholders, shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereon.

Rights and Remedies of Bondholders. No Holder of any Bond shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of the Indenture or for the execution of any trust thereof or for the appointment of a receiver or any other remedy thereunder, unless a default has occurred of which the Trustee has been notified as provided in the Indenture, or of which by the Indenture it is deemed to have notice, nor unless such default shall have become an Event of Default and the Holders of not less than 51% in aggregate principal amount of Bonds Outstanding shall have made written request to the Trustee and shall have offered it reasonable opportunity either to proceed to exercise the powers granted or to institute such action, suit, or proceeding in its own name, nor unless also they have offered to the Trustee indemnity as provided in the Indenture nor unless the Trustee shall thereafter fail or refuse to exercise the powers granted, or to institute such action, suit, or proceeding in its own name; and such notification, request and offer of indemnity are declared in every such case at the option of the Trustee to be conditions precedent to the execution of the powers and trusts of the Indenture, and to any action or cause of action for the enforcement of the Indenture or for the appointment of a receiver or for any other remedy thereunder; it being understood and intended that no one or more Holders of the Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of the Indenture by action of the Holder or Holders or to enforce any right under the Indenture except in the manner therein provided, and that all proceedings at law or in equity shall be instituted, held and maintained in the manner therein provided for the equal benefit of the Holders of all Bonds Outstanding thereunder. Nothing in the Indenture contained shall, however, affect or impair the right of any Bondholders to enforce the payment of the principal of and premium, if any, and interest on any Bonds at and after the maturity thereof, or the obligation of the City to pay the principal of and premium, if any, and interest on each of the Bonds issued under the Indenture to the respective Holders thereof at the time and place in said Bonds expressed.

Supplemental Indentures Not Requiring Consent of Bondholders. The City and the Trustee may, from time to time and at any time, without the consent of or notice to the Bondholders, enter into Supplemental Indentures as follows:

- (a) to cure any formal defect, omission, inconsistency or ambiguity in the Indenture;
- (b) to grant to or confer or impose upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers, authority, security, liabilities or duties which may lawfully be granted, conferred or imposed and which are not contrary to or inconsistent with the Indenture as theretofore in effect, provided that no such additional liabilities or duties shall be imposed upon the Trustee without its consent;
- (c) to add to the covenants and agreements of, and limitations and restrictions upon, the City in the Indenture other covenants, agreements, limitations and restrictions to be observed by the City which are not contrary to or inconsistent with the Indenture as theretofore in effect;
- (d) to confirm, as further assurance, any pledge under, and the subjection to any claim, lien or pledge created or to be created by, the Indenture, of the Trust Estate or of any other moneys, securities or funds;
- (e) to comply with the requirements of the Trust Indenture Act of 1939, as from time to time amended;
- (f) to authorize the issuance and sale of one or more series of Additional Bonds;
- (g) to make such additions, deletions or modifications as may be necessary to assure compliance with Section 148(f) of the Code relating to required rebate to the United States or otherwise as may be necessary to assure exemption from federal income taxation of interest on the Bonds; or
- (h) to modify, alter, amend or supplement the Indenture in any other respect which is not materially adverse to the Bondholders and which does not involve a change described in clause (a), (b), (c), (d), (e) or (f) above and which, in the judgment of the Trustee, is not to the prejudice of the Trustee.

Supplemental Indentures Requiring Consent of Bondholders. Subject to the terms and provisions contained in this paragraph, and not otherwise, the Holders of not less than 2/3 in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in the Indenture to the contrary notwithstanding, to consent to and approve the execution by the City and the Trustee of such indenture or indentures supplemental to the Indenture as shall be deemed necessary and desirable by the City for the purpose of modifying, altering, amending, adding to, or rescinding, in any particular, any of the terms or provisions contained in the Indenture or in any Supplemental Indenture; provided, however, that nothing contained in the Indenture shall permit or be construed as permitting (a) an extension of the maturity (or mandatory redemption date) of the principal of or the interest on any Bond issued thereunder, or (b) a reduction in the principal amount of or redemption premium or rate of interest on any Bond issued thereunder, or (c) the creation of any lien on the Trust Estate or any part thereof, except as expressly permitted in the Indenture, or (d) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (e) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Indenture, or (f) depriving the Holder of any Bond then Outstanding of the lien created on the Trust Estate.

If, at any time the City shall request the Trustee to enter into any Supplemental Indenture for any of the purposes described above, the Trustee shall, at the expense of the City, cause notice of the proposed execution of such Supplemental Indenture to be mailed by first class mail to each registered owner of the Bonds. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the principal office of the Trustee for inspection by Bondholders. The Trustee shall not, however, be subject to any liability to any Bondholder by reason of its failure to mail such notice, and any such failure shall not affect the validity of such Supplemental Indenture when consented to and approved as provided above. If the Holders of not less than 2/3 in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such Supplemental Indenture shall have consented to and approved the execution thereof, no Holder of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the City from executing the same or from taking any action pursuant to the provisions thereof.

SUMMARY OF THE CONTINUING DISCLOSURE AGREEMENT

The City has entered into an undertaking in the form of the Continuing Disclosure Agreement as required by the Indenture for the benefit of the Beneficial Owners of the Series 2011 Bonds to cause certain financial information to be sent to certain information repositories annually and to cause notice to be sent to such information repositories of certain specified events, pursuant to the requirements of Section (b)(5)(i) of Rule 15c2-12 of the Securities Exchange Act of 1934, as amended (the "Rule"). The City has not failed to comply with any previous undertaking pursuant to the Rule.

The Continuing Disclosure Agreement contains the following covenants and provisions:

(a) The City covenants that it will disseminate, or will cause the Dissemination Agent to disseminate, the Annual Financial Information and the Audited Financial Statements (in the form and by the dates set forth in Exhibit I to the Continuing Disclosure Agreement) by delivering such Annual Financial Information and the Audited Financial Statements to the MSRB within 180 days of the completion of the City's fiscal year. The City is required to deliver or cause delivery of such information in Prescribed Form and by such time so that such entities receive the information by the dates specified.

(b) If any part of the Annual Financial Information can no longer be generated because the operations to which it is related have been materially changed or discontinued, the City will disseminate or cause dissemination of a statement to such effect as part of its Annual Financial Information for the year in which such event first occurs.

(c) If any amendment is made to the Continuing Disclosure Agreement, the Annual Financial Information for the year in which such amendment is made (or in any notice or supplement provided to the MSRB) shall contain a narrative description of the reasons for such amendment and its impact on the type of information being provided.

(d) The City covenants that it will disseminate or cause dissemination in a timely manner, not in excess of ten (10) business days after the occurrence of the event, of Material Events Disclosure to the MSRB in Prescribed Form. Notwithstanding the foregoing, notice of optional or unscheduled redemption of any Series 2011 Bonds or defeasance of any Series 2011 Bonds need not be given under the Continuing Disclosure Agreement any earlier than the notice (if any) of such redemption or defeasance is given to the owners of the Series 2011 Bonds pursuant to the Indenture. The City is required to deliver or cause delivery of such Material Events Disclosure in the same manner as provided for Annual Financial Information and Audited Financial Statements.

(e) The City shall give notice in a timely manner or shall cause such notice to be given by the Dissemination Agent, not in excess of ten (10) business days after the occurrence of the event, to the MSRB in Prescribed Form of any failure to provide Annual Financial Information Disclosure when the same is due.

(f) The Continuing Disclosure Agreement has been executed in order to assist the Participating Underwriter in complying with the Rule; however, the Continuing Disclosure Agreement shall inure solely to the benefit of the City, the Dissemination Agent, if any, the Trustee and the Beneficial Owners of the Series 2011 Bonds, and shall create no rights in any other person or entity. In the event of a failure of the City to comply with any provision of the Continuing Disclosure Agreement, the Beneficial Owner of any Series 2011 Bond may seek specific performance by court order to cause the City to comply with its obligations under the Continuing Disclosure Agreement. A default under the Continuing Disclosure Agreement shall not be deemed an Event of Default under the Indenture or any other agreement, and the sole remedy under the Continuing Disclosure Agreement in the event of any failure of the City or the Dissemination Agent to comply with the Continuing Disclosure Agreement shall be an action to compel performance.

(g) The Undertaking of the City pursuant to the Continuing Disclosure Agreement shall be terminated hereunder when the City shall no longer have any legal liability for any obligation on or relating to the repayment of the Series 2011 Bonds. The City shall give notice to the MSRB, or shall cause the Dissemination Agent to give such notice, in a timely manner and in Prescribed Form in such event.

(h) The City and the Dissemination Agent may amend the Continuing Disclosure Agreement, and any provision of the Continuing Disclosure Agreement may be waived, if (i) the amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the City or type of business conducted; (ii) the Continuing Disclosure Agreement, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; (iii) the amendment or waiver does not materially impair the interests of the Beneficial Owners of the Series 2011 Bonds, as determined either by parties unaffiliated with the City (such as the Trustee) or by an approving vote of the Beneficial Owners of the Series 2011 Bonds holding a majority of the aggregate principal amount of the Series 2011 Bonds (excluding Series 2011 Bonds held by or on behalf of the City or its affiliates) pursuant to the terms of the Indenture at the time of the amendment; or (iv) the amendment or waiver is otherwise permitted by the Rule.

(i) The following terms used under this caption shall have the meanings set forth below:

"Annual Financial Information" means financial information and operating data (exclusive of Audited Financial Statements) of the type appearing under the caption "SECURITY FOR THE SERIES 2011 BONDS" in the final Official Statement.

"Annual Financial Information Disclosure" means the dissemination of disclosure concerning Annual Financial Information and the dissemination of the Audited Financial Statements as set forth in subsection (a) above.

"Audited Financial Statements" means the audited consolidated financial statements of the City, prepared pursuant to generally accepted accounting standards and as described in Exhibit I to the Continuing Disclosure Agreement.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2011 Bonds (including persons holding Series 2011 Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Series 2011 Bonds for federal income tax purposes.

"Commission" means the U.S. Securities and Exchange Commission.

"Dissemination Agent" shall mean Simmons First Trust Company, N.A., acting in its capacity as a dissemination agent under the Continuing Disclosure Agreement, or any successor dissemination agent designated in writing by the City and which has filed with the Trustee a written acceptance of such designation.

"EMMA" means the Electronic Municipal Market Access facility for municipal securities disclosure of the MSRB.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Material Event" means the occurrence of any of the following events with respect to the Series 2011 Bonds:

- (i) Principal and interest payment delinquencies;
- (ii) Nonpayment-related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (vii) Modifications to rights of security holders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution or sale of property securing repayment of the securities, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the City;
- (xiii) The consummation of a merger, consolidation or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

"Material Events Disclosure" means dissemination of a notice of a Material Event as set forth in subsection (d) above.

"MSRB" shall mean the Municipal Securities Rulemaking Board established in accordance with the provisions of Section 15B(b)(1) of the 1934 Act.

"Participating Underwriter" means each broker, dealer or municipal securities dealer acting as an underwriter in any primary offering of the Series 2011 Bonds.

"Prescribed Form" means, with regard to the filing of Annual Financial Information, Audited Financial Statements and notices of Material Events with the MSRB at www.emma.msrb.org (or such other address or addresses as the MSRB may from time to time specify), such electronic format, accompanied by such identifying information, as shall have been prescribed by the MSRB and which shall be in effect on the date of filing of such information.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission ("SEC") under the Exchange Act, as the same may be amended from time to time.

"State" means the State of Arkansas.

"Undertaking" means the obligations of the City pursuant to subsections (a) and (d) above.

UNDERWRITING

Under a bond purchase agreement entered into by and between the City and Stephens Inc. (the "Underwriter"), the Series 2011 Bonds are being purchased at a purchase price of \$_____ (representing the stated principal amount of the Series 2011 Bonds less an underwriting discount of \$_____) plus accrued interest from December 1, 2011 to the date of delivery of the Series 2011 Bonds. The bond purchase agreement provides that the Underwriter will purchase all of the Series 2011 Bonds if any are purchased. The obligation of the Underwriter to accept delivery of the Series 2011 Bonds is subject to various conditions contained in the bond purchase agreement, including the absence of pending or threatened litigation questioning the validity of the Series 2011 Bonds or the Parking Revenues or any proceedings in connection with the issuance thereof, and the absence of material adverse changes in the financial condition of the City.

The Underwriter intends to offer the Series 2011 Bonds to the public initially at the offering prices as set forth on the inside cover page of this Official Statement, which offering prices (or bond yields establishing such offering prices) may subsequently change without any requirement of prior notice. The Underwriter reserves the right to join with dealers and other underwriters in offering the Series 2011 Bonds to the public, and may offer the Series 2011 Bonds to such dealers and other underwriters at a price below the public offering price.

The City has agreed to indemnify the Underwriter against certain civil liabilities in connection with the offering and sale of the Series 2011 Bonds, including certain liabilities under federal securities laws.

TAX MATTERS

Federal Income Taxes. In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions, interest on the Series 2011 Bonds is excluded from the gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. The opinion described in the preceding sentence assumes the accuracy of certain representations and compliance by the City with covenants designed to satisfy the requirements of the Code that must be met subsequent to the issuance of the Series 2011 Bonds. Failure to comply with such requirements could cause interest on the Series 2011 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2011 Bonds. The City has covenanted to comply with such requirements.

Notwithstanding Bond Counsel's opinion that interest on the Series 2011 Bonds is not a specific preference item for purposes of the federal alternative minimum tax, such interest will be included in adjusted current earnings of certain corporations, and such corporations are required to include in the calculation of alternative minimum taxable income 75% of the excess of such corporation's adjusted current earnings over their alternative minimum taxable income (determined without regard to such adjustment and prior to reduction for certain net operating losses).

Bank Qualification. The City has represented that it does not reasonably anticipate issuing greater than \$10,000,000 of tax-exempt obligations in calendar year 2011 (excluding certain private activity and refunding bonds) and that it has designated the Series 2011 Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. Accordingly, Bond Counsel is of the opinion that in the case of certain banks, thrift institutions or other financial institutions owning the Series 2011 Bonds, a deduction is allowed for 80% of that portion of such institutions' interest expense allocable to interest on the Series 2011 Bonds. Bond Counsel has expressed no opinion with respect to any deduction for federal income tax purposes of interest incurred or continued by a holder of the Series 2011 Bonds or a related person to purchase or carry the Series 2011 Bonds.

Bond Counsel has expressed no opinion regarding other federal tax consequences arising with respect to the Series 2011 Bonds.

The accrual or receipt of interest on the Series 2011 Bonds may otherwise affect the federal income tax liability of the owners of the Series 2011 Bonds. The extent of these other tax consequences will depend upon such owner's particular tax status and other items of income or deduction. Bond Counsel has expressed no opinion regarding any such consequences. Purchasers of the Series 2011 Bonds, particularly purchasers that are corporations (including S corporations and foreign corporations operating branches in the United States), property or casualty insurance companies, banks, thrifts or other financial institutions, certain recipients of social security or railroad retirement benefits, taxpayers otherwise entitled to claim the earned income credit, or taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, should consult their tax advisors as to the tax consequences of purchasing or owning the Series 2011 Bonds.

Backup Withholding. As a result of the enactment of the Tax Increase Prevention and Reconciliation Act of 2005, interest on tax-exempt obligations such as the Series 2011 Bonds is subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments made after March 31, 2007 to any bondholder who fails to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. The new reporting requirement does not in and of itself affect or alter the excludability of interest on the Series 2011 Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding or selling tax-exempt obligations.

Changes in Federal Tax Law. From time to time, there are legislative proposals in the Congress that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Series 2011 Bonds. An example is the American Jobs Act of 2011, proposed by President Obama on September 12, 2011 and introduced in the United States Senate on September 13, 2011. If enacted as introduced, a provision of the American Jobs Act of 2011 would limit the amount of exclusions (including tax-exempt interest) and deductions available to certain high income taxpayers for taxable years after 2012, and as a result could affect the market price or marketability of the Series 2011 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment.

In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2011 Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2011 Bonds or the market value thereof would be impacted thereby. Purchasers of the Series 2011 Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2011 Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

State Taxes. Bond Counsel is of the opinion that, under existing laws, regulations, rulings and judicial decisions, interest on the Series 2011 Bonds is exempt from all state, county and municipal taxes in the State of Arkansas.

LEGAL MATTERS

Legal Opinions. Legal matters incident to the authorization and issuance of the Series 2011 Bonds are subject to the unqualified approving opinion of Kutak Rock LLP, Little Rock, Arkansas, Bond Counsel, a copy of whose approving opinion will be delivered with the Series 2011 Bonds and a form of which is attached hereto as Appendix A. Certain legal matters will be passed upon for the City by its counsel, Kit Williams, Esq., City Attorney.

Litigation. There is no litigation pending seeking to restrain or enjoin the issuance or delivery of the Series 2011 Bonds or questioning or affecting the legality of the Series 2011 Bonds or the proceedings and authority under which the Series 2011 Bonds are to be issued, or questioning the right of the City to issue the Series 2011 Bonds. [There is no action, suit or proceeding known to be pending or threatened, restraining or enjoining the City in any way which could have a material adverse effect on Parking Revenues or the City's ability to pay debt service with respect to the Series 2011 Bonds.]

MISCELLANEOUS

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. This Official Statement is not to be construed as a contract or agreement between the City and the purchasers or owners of any of the Series 2011 Bonds.

ACCURACY AND COMPLETENESS OF OFFICIAL STATEMENT

The information contained in this Official Statement has been taken from sources considered to be reliable, but is not guaranteed. To the best of the knowledge of the City, this Official Statement does not include any untrue statement of a material fact, nor does it omit the statement of any material fact required to be stated herein, or necessary to make the statements herein, in light of the circumstances under which they were made, not misleading.

The execution and delivery of this Official Statement has been duly authorized by the City of Fayetteville,
Arkansas.

CITY OF FAYETTEVILLE, ARKANSAS

By: _____
Mayor

APPENDIX A

Proposed Form of Bond Counsel Opinion

Upon delivery of the Series 2011 Bonds in definitive form, Kutak Rock LLP, Little Rock, Arkansas, proposes to deliver its approving opinion in substantially the following form:

December __, 2011

City of Fayetteville, Arkansas
Fayetteville, Arkansas

Simmons First Trust Company, N.A., as Trustee
Pine Bluff, Arkansas

Stephens Inc.
Fayetteville, Arkansas

\$ _____ *
City of Fayetteville, Arkansas
Parking Revenue Improvement Bonds
Series 2011

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance and sale by the City of Fayetteville, Arkansas (the "City"), a political subdivision of the State of Arkansas, of its \$ _____ * Parking Revenue Improvement Bonds, Series 2011 (the "Bonds").

The Bonds are being issued pursuant to the provisions of the Constitution and laws of the State of Arkansas, including, particularly, Amendment 65 and Arkansas Code Annotated (1998 Repl. & Supp. 2011) §§14-164-401 *et seq.* (as from time to time amended, the "Local Government Revenue Bond Act"), pursuant to Ordinance No. _____ of the City, duly adopted and approved on _____, 2011 (the "Authorizing Ordinance"), and pursuant to a Trust Indenture dated as of December 1, 2011 (the "Indenture"), by and between the City and Simmons First Trust Company, N.A., Pine Bluff, Arkansas, as trustee (the "Trustee"). Reference is hereby made to the Indenture and to all indentures supplemental thereto for the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the City, the Trustee and the Holders of the Bonds, and the terms upon which the Bonds are issued and secured.

Reference is made to an opinion of even date herewith of Kit Williams, Esq., City Attorney, a copy of which is on file with the Trustee, with respect, among other matters, to the status and valid existence of the City, the power of the City to adopt the Authorizing Ordinance and to enter into and perform its obligations under the Indenture, the valid adoption of the Authorizing Ordinance, and the due authorization, execution and delivery of the Indenture by the City, and with respect to the Indenture being enforceable upon the City

We have examined the law and such certified proceedings and other papers as we have deemed necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon the representations of the City contained in the Authorizing Ordinance and the Indenture and in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The City is duly created and validly existing as a municipal corporation of the State of Arkansas. Pursuant to the Constitution and laws of the State of Arkansas, including, particularly, Amendment 65 and the Local Government Revenue Bond Act, the City is empowered to adopt the Authorizing Ordinance, to execute and deliver the Indenture, to perform the agreements on its part contained therein, and to issue the Bonds.
2. The Authorizing Ordinance has been duly adopted by the City and constitutes a valid and binding obligation of the City enforceable upon the City in accordance with its terms.
3. The Indenture has been duly authorized, executed and delivered by the City and is a valid and binding obligation of the City enforceable upon the City in accordance with its terms.
4. The Bonds have been validly authorized, executed, issued and delivered by the City and represent valid and binding special obligations of the City. The principal, premium, if any, and interest on the Bonds shall be payable from, and shall be secured by an assignment and pledge by the City to the Trustee of, the Net Parking Revenues (as defined in the Indenture).
5. The Net Parking Revenues have been duly and validly assigned and pledged to the Trustee under the Indenture, and the Indenture creates, as security for the Bonds, a valid security interest in the Net Parking Revenues. Under the laws of the State of Arkansas, including, particularly, Arkansas Code Annotated (2001 Repl. & 2011 Supp.) Section 4-9-109(d)(14), the pledge, assignment and security interest in the Net Parking Revenues securing the Bonds is and shall be prior to any judicial lien hereafter imposed on said Net Parking Revenues to enforce a judgment against the City on a simple contract, and it is not necessary to file a Uniform Commercial Code financing statement in order to perfect a security interest in said Net Parking Revenues.
6. Interest on the Bonds is excluded from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. The opinion described in the preceding sentence assumes the accuracy of certain representations and compliance by the City with covenants designed to satisfy the requirements of the Internal Revenue Code of 1986, as amended, that must be met subsequent to the issuance of the Bonds. Failure to comply with such requirements could cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The City has covenanted to comply with such requirements. The Bonds are "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, and, in the case of certain financial institutions (within the meaning of Section 265(b)(5) of the Code), a deduction is allowed for eighty percent (80%) of that portion of such financial institution's interest expense allocable to interest on the Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.
7. The interest on the Bonds is exempt from all state, county and municipal taxes in the State of Arkansas.
8. The Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Indenture is not required to be qualified under the Trust Indenture Act of 1939, as amended, in connection with the offer and sale of the Bonds.

It is to be understood that the rights of the registered owners of the Bonds and the enforceability of the Bonds, the Authorizing Ordinance and the Indenture may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

Very truly yours,

KUTAK ROCK LLP
DRAFT 10/20/11

CITY OF FAYETTEVILLE, ARKANSAS

to

SIMMONS FIRST TRUST COMPANY, N.A.
as Trustee

TRUST INDENTURE

Dated as of December 1, 2011

Providing for:

\$ _____
City of Fayetteville, Arkansas
Parking Revenue Improvement Bonds
Series 2011

Prepared by:

Kutak Rock LLP
124 West Capitol Avenue, Suite 2000
Little Rock, Arkansas 72201

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Indenture and is only for convenience of reference.)

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TRUST INDENTURE

THIS TRUST INDENTURE dated as of December 1, 2011, by and between the **CITY OF FAYETTEVILLE, ARKANSAS** (the "City"), a city of the first class organized under and existing by virtue of the laws of the State of Arkansas, as party of the first part, and **SIMMONS FIRST TRUST COMPANY, N.A.**, as trustee (the "Trustee"), a national banking association organized under and existing by virtue of the laws of the United States of America and having its principal corporate trust office in Pine Bluff, Arkansas, as party of the second part;

WITNESSETH:

WHEREAS, the City has determined that there is a need for a source of funds to finance all or a portion of the costs of acquiring, constructing and equipping parking deck facilities and related roadway and other improvements (collectively, the "2011 Project"), such facilities and improvements to be located in the City's Entertainment District Parking Zone; and

WHEREAS, the City is authorized and empowered under the provisions of the Constitution and laws of the State of Arkansas, including particularly Amendment 65 to the Constitution and Arkansas Code Annotated (1998 Repl. & Supp. 2011) Sections 14-164-401 *et seq.* (as from time to time amended, the "Act"), to issue and sell its revenue bonds for the purpose of financing "capital improvements" (as defined in the Act), such as those improvements comprising the 2011 Project; and

WHEREAS, in order to secure funds necessary to finance some or all of the costs of the 2011 Project in accordance with the provisions of the Act, the City proposes to issue its Parking Revenue Improvement Bonds, Series 2011 (the "Series 2011 Bonds"), in the aggregate principal amount of \$_____, such Series 2011 Bonds to be payable from and secured by a pledge of all net revenues (after provision for operation and maintenance expenses, including previous debt for parking equipment) attributable to parking fees, leases, rents, fines, charges and other revenues collected by the City with respect to its meters, lots and other parking facilities, and including net revenues to be generated with respect to the 2011 Project and net revenues with respect to the City management of parking facilities owned by third parties (the "Net Parking Revenues"); and

WHEREAS, the City has further determined to enter into this Indenture to authorize the issuance of and to secure the Series 2011 Bonds by granting to the Trustee a pledge and assignment of the interests and other rights herein contained, and certain funds created hereby; and

WHEREAS, the Series 2011 Bonds are to be dated, bear interest, mature and be subject to redemption as hereinafter in this Indenture set forth in detail; and

WHEREAS, provision is made in this Indenture for the issuance of Additional Bonds (hereinafter defined) upon compliance with certain conditions set forth herein; and

WHEREAS, the execution and delivery of this Indenture and the issuance of the Series 2011 Bonds have been in all respects duly and validly confirmed, authorized and approved by Ordinance No. _____ adopted and approved by the City Council of the City on _____, 2011; and

WHEREAS, all things necessary to make the Series 2011 Bonds, when authenticated by the Trustee and issued as in this Indenture provided, the valid, binding and legal obligations of the City according to the import thereof, and to constitute this Indenture a valid pledge of the Net Parking Revenues (hereinafter defined) to the payment of the principal of, premium, if any, and interest on the Series 2011 Bonds, as specified in and in accordance with the provisions hereof, have been done and performed, and the creation, execution and delivery of this Indenture and the creation, execution, issuance and delivery of the Series 2011 Bonds, subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, THIS INDENTURE WITNESSETH:

That the City, in consideration of the premises and the acceptance by the Trustee of the trusts hereby created, and of the purchase and acceptance of the Series 2011 Bonds by the holders and owners thereof, and the sum of Ten Dollars (\$10.00), lawful money of the United States of America, to it duly paid by the Trustee, at or before the execution and delivery of these presents, and for other good and valuable consideration, the receipt of which is hereby acknowledged, and in order to secure the payment of the principal of, premium, if any, and interest on the Series 2011 Bonds and all Additional Bonds (hereinafter defined) according to their tenor and effect, and to secure the performance and observance by the City of all the covenants expressed or implied herein and in the Series 2011 Bonds and Additional Bonds (collectively, the "Bonds"), does hereby grant, bargain, sell, convey, mortgage, assign, transfer and pledge unto the Trustee, and unto its successor or successors in trust, and to them and their assigns forever, for the securing of the performance of the obligations of the City hereinafter set forth the following:

1.

Subject only to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein, the Net Parking Revenues (hereinafter defined), including particularly the moneys in and pledged to the Revenue Fund, Bond Fund, Debt Service Reserve Fund and Project Fund (each hereinafter defined) established by this Indenture, including the investment earnings thereon, if any; and

2.

All moneys, securities and obligations from time to time held by the Trustee under the terms of this Indenture (except for moneys, securities or obligations deposited with or paid to the Trustee for the redemption or payment of Bonds which are deemed to have been paid in accordance with Article VIII hereof), and any and all real and personal property, rights and interests of every kind and nature from time to time which have been, are hereby, or hereafter

are, by delivery or by writing or transfer of any kind, conveyed, mortgaged, pledged, assigned or transferred, as and for additional security hereunder, by the City or by any other person, firm or corporation, or with the written consent of the City, to the Trustee, which is hereby authorized to receive any and all such properties, rights and interests at any time and at all times and to hold and apply the same subject to the terms hereof.

TO HAVE AND TO HOLD all the same with all privileges and appurtenances hereby conveyed and assigned, or agreed or intended so to be, to the Trustee and its successors in said trusts and to them and their assigns forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit, security and protection of all owners of the said Bonds issued under and secured by this Indenture without privilege, priority or distinction as to lien or otherwise of any of the Bonds over any of the other Bonds; provided, however, that if the City, its successors or assigns, shall well and truly pay, or cause to be paid, the principal of, premium, if any, and interest due on the Bonds, at the times and in the manner provided in the Bonds, according to the true intent and meaning thereof, and shall make the payments as required under this Indenture or shall provide, as permitted hereby, for the payment thereof by depositing or causing to be deposited with the Trustee the entire amount due or to become due thereon, and shall well and truly keep, perform and observe all of the covenants and conditions pursuant to the terms of this Indenture to be kept, and shall pay to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such final payments or deposits this Indenture and the lien and rights hereby granted shall cease, determine and be void; otherwise, this Indenture is to be and remain in full force and effect.

THIS INDENTURE FURTHER WITNESSETH that, and it is expressly declared that, all Bonds issued and secured hereunder are to be issued, authenticated and delivered and all revenues and income hereby pledged are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the City has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective owners from time to time of the Bonds or any part thereof, as follows, that is to say:

[END OF RECITALS AND GRANTING CLAUSES]

ARTICLE I

DEFINITIONS

Section 101. Definitions. In addition to the words and terms elsewhere defined in this Indenture, the following words and terms as used in this Indenture shall have the following meanings:

“Act” means the Local Government Capital Improvement Revenue Bond Act of 1985, codified as Arkansas Code Annotated (1998 Repl. & Supp. 2011) Sections 14-164-401 *et seq.*, as from time to time amended.

“Additional Bonds” mean Bonds in addition to the Series 2011 Bonds which are issued under the provisions of Section 213 of this Indenture.

“Amendment 65” means Amendment No. 65 to the Constitution of the State of Arkansas, approved by the voters of the State on November 4, 1986.

“Annual Debt Service” means, with respect to all or any particular amount of Bonds or Subordinate Obligations, as the case may be, the Debt Service for any particular Fiscal Year required to be paid or set aside during such Fiscal Year, less the amount of such payment which is provided from the proceeds of the sale of Bonds or Subordinate Obligations or from sources other than Net Parking Revenues.

“Authorized Representative” means either the Mayor or the Finance Director of the City and such additional persons as from time to time may be designated to act on behalf of the City by a Certificate furnished to the Trustee containing the specimen signature thereof and executed on behalf of the City by its Mayor.

“Authorizing Ordinance” means Ordinance No. _____, adopted by the City Council on _____, 2011, which authorized the issuance of the Series 2011 Bonds pursuant to this Indenture.

“Beneficial Owner” means any Person who acquires beneficial ownership interest in a Bond held by the Securities Depository. In determining the Beneficial Owner of any Bond, the Trustee may rely exclusively upon written representations made and information given to the Trustee by the Securities Depository or its Participants with respect to any Bond held by the Securities Depository in which a beneficial ownership interest is claimed.

“Bond Counsel” means any firm of nationally recognized municipal bond counsel selected by the City and acceptable to the Trustee.

“Bond Fund” means the fund by that name created and established in Section 501 of this Indenture.

“Bonds” mean the Series 2011 Bonds and all Additional Bonds issued by the City pursuant to this Indenture.

“Book-Entry System” means the book-entry system maintained by the Securities Depository described in Section 217 of this Indenture.

“Business Day” means any day other than (a) a Saturday or Sunday, (b) a day on which commercial banks in New York, New York, or the city in which the principal corporate trust office of the Trustee is located are authorized or required by law or executive order to close, or (c) a day on which the New York Stock Exchange or the Securities Depository is closed.

“Certificate” means a document signed by an Authorized Representative of the City attesting to or acknowledging the circumstances or other matters therein stated.

“City” means the City of Fayetteville, Arkansas, a municipality and political subdivision under the laws of the State of Arkansas.

“City Clerk” means the person holding the office and performing the duties of the City Clerk of the City.

“Closing Date” means, with respect to any series of Bonds, the date upon which there is an exchange of such series of Bonds for the proceeds representing the purchase price for such series of Bonds by the Original Purchaser or Purchasers thereof.

“Code” means the Internal Revenue Code of 1986, as from time to time amended, and applicable regulations issued or proposed thereunder.

“Completion Date” means the date upon which a Project is first ready for normal continuous operation, as certified by an Authorized Representative.

“Continuing Disclosure Agreement” means, collectively, each Continuing Disclosure Agreement between the City and a dissemination agent, dated the date of issuance and delivery of a series of Bonds, as originally executed and as amended from time to time in accordance with the terms thereof.

“Costs of Issuance” means all items of expense payable or reimbursable directly or indirectly by the City and related to the authorization, sale and issuance of the Bonds, including, but not limited to, underwriting discounts, fees and expenses, publication expenses, expenses of printing, reproducing, filing and recording documents, initial fees and charges of the Trustee and any Paying Agent, fees and expenses for legal, accounting and other professional services, rating fees, costs of securing any credit enhancement for the Bonds, costs of execution, transportation and safekeeping of the Bonds, and other costs, charges and fees incurred in connection with the foregoing.

“Costs of Issuance Fund” means the fund by that name created and established in Section 501 of this Indenture.

“Debt Service” means, with respect to all or any particular amount of Bonds or Subordinate Obligations, as the case may be, the total as of any particular date of computation and for any particular period of the scheduled amount of interest and amortization of principal payable on such Bonds or Subordinate Obligations, excluding amounts scheduled during such period which relate to principal which has been retired before the beginning of such period.

“Debt Service Reserve Fund” means the fund by that name created and established in Section 501 of this Indenture.

“Depository” means a national or state banking corporation or association (which may include the Trustee and any Paying Agent) which holds membership in the Federal Deposit Insurance Corporation.

“Event of Default” means any event of default specified in Section 901 hereof.

“Fiscal Year” means the 12-month period used, at any time, by the City for accounting purposes, which may be the calendar year.

“Fund” means a fund established by Article V of this Indenture.

“Government Securities” means direct obligations of, or obligations fully guaranteed as to principal and interest by, the United States of America or any agency or instrumentality thereof, when such obligations are backed by the full faith and credit of the United States of America (including obligations issued or held in book-entry form on the books of the U.S. Department of Treasury).

“Holder” or “Bondholder” or “owner of the Bonds” means the registered owner of any Bond.

“Indenture” means this Trust Indenture dated as of December 1, 2011, between the City and the Trustee, pursuant to which the Bonds are issued, and any amendments and supplements hereto.

“Investment Securities” means, if and to the extent the same are at the time legal for investment of funds held under this Indenture:

- (a) Cash (insured at all times by the Federal Deposit Insurance Corporation);
- (b) Government Securities;
- (c) Obligations of any of the following federal agencies which obligations represent the full faith and credit of the United States of America, including:
 - (1) U.S. Export-Import Bank (Eximbank);
 - (2) Rural Economic Community Development Administration;

- (3) U.S. Maritime Administration;
- (4) Small Business Administration;
- (5) U.S. Department of Housing & Urban Development (PHAs);
- (6) Federal Housing Administration (FHA); and
- (7) Federal Financing Bank;

(d) Direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America:

- (1) Senior debt obligations issued by the Federal National Mortgage Association (FNMA) or Federal Home Loan Mortgage Corporation (FHLMC);
 - (2) Obligations of the Resolution Funding Corporation (REFCORP);
- and
- (3) Senior debt obligations of the Federal Home Loan Bank System;

(e) Certificates of deposit, savings accounts, deposit accounts or money market deposits which are fully insured by the FDIC;

(f) U.S. dollar denominated deposit accounts, federal funds and bankers' acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date of purchase of "P-1" by Moody's and "A-1" or "A-1+" by S&P and maturing not more than 360 calendar days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank);

(g) Commercial paper which is rated at the time of purchase in the single highest classification, "P-1" by Moody's and "A-1+" by S&P and which matures not more than 270 calendar days after the date of purchase;

(h) Investments in money market funds rated "AAAm" or "AAAm-G" or better by S&P;

(i) Pre-refunded Municipal Obligations defined as follows: any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and

- (1) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of Moody's or S&P or any successors thereto; or

(2) (i) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or Government Securities, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (ii) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate; and

(j) Municipal Obligations rated "Aaa/AAA" or general obligations of States with a rating of "A2/A" or higher by both Moody's and S&P.

"Mayor" means the person holding the office and performing the duties of the Mayor of the City.

"Moody's" means Moody's Investors Service, Inc., and any successor thereto.

"Net Parking Revenues" means Parking Revenues less Operation and Maintenance Expenses.

"Operation and Maintenance Expenses" means all reasonable and necessary costs and expenses incurred in the operation, maintenance, repair and insuring of the City's parking meters, lots and other parking facilities which are properly accounted for such purposes under generally accepted accounting principles, including debt service on debt incurred to acquire parking equipment prior to the date of this Indenture. Such term does not include Debt Service on the Bonds and Subordinate Obligations or depreciation expense.

"Original Purchaser" means the first purchaser(s) of a series of Bonds from the City.

"Outstanding" means, when used with reference to the Bonds, as of any particular date, the aggregate of all Bonds authenticated and delivered under this Indenture except:

(a) Bonds cancelled at or prior to such date or delivered to or acquired by the Trustee at or prior to such date for cancellation;

(b) Bonds deemed to be paid in accordance with Article VIII of this Indenture; and

(c) Bonds in lieu of or in exchange or substitution for which other Bonds shall have been authenticated and delivered pursuant to this Indenture.

"Parking Revenues" means all revenues attributable to parking fees, leases, rents, fines, charges and other revenues collected by the City with respect to its meters, lots and other parking facilities, and including revenues to be generated with respect to the 2011 Project and net revenues with respect to City management of parking facilities owned by third parties.

“Participants” means those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository in the Book-Entry System, as such listing of Participants exists at the time of such reference.

“Paying Agent” means any bank or trust company named by the City as the place at which the principal of and premium, if any, and interest on the Bonds are payable.

“Person” means any natural person, firm, association, corporation, limited liability company, partnership, joint stock company, joint venture, trust, unincorporated organization or firm, or a government or any agency or political subdivision thereof or other public body.

“Project” means the 2011 Project and any other parking facility related “capital improvements” (as defined in the Act) financed with the proceeds of Additional Bonds.

“2011 Project” means the particular betterments and improvements to be financed with the proceeds of the Series 2011 Bonds.

“Project Costs” means, to the extent permitted by the Act or other applicable laws, with respect to a Project, all costs of planning, designing, purchasing, acquiring, constructing, improving, enlarging, extending, repairing, financing and placing in operation, including obtaining governmental approvals, certificates, permits and licenses with respect thereto, heretofore or hereafter paid or incurred by or on behalf of the City and which shall include, but shall not be limited to:

- (a) preliminary investigation and development costs, engineering fees, contractors’ fees, labor costs, the cost of materials, equipment, utility services and supplies, costs of obtaining permits, licenses and approvals, costs of real property, insurance premiums, legal and financing fees and costs, administrative and general costs, and all other costs properly allocable to the acquisition, construction and equipping of the Project and placing the same in operation;

- (b) all costs relating to injury and damage claims arising out of the acquisition, construction or equipping of the Project;

- (c) all other costs incurred in connection with, and properly allocable to, the acquisition, construction and equipping of the Project; and

- (d) amounts to pay or reimburse the City or any City fund for expenses of the City incident and properly allocable to such planning, designing, purchasing, acquiring, constructing, improving, enlarging, extending, repairing, financing and placing in operation of the Project.

“Project Fund” means the fund by that name created and established in Section 501 of this Indenture.

“Qualified Accountant” means an independent certified public accountant or firm of independent certified public accountants not in the regular employ of the City.

“Rebate Fund” means the fund by that name created and established in Section 501 of this Indenture.

“Record Date” means with respect to any interest payment date of the Bonds, the fifteenth day of the calendar month next preceding the month in which such interest payment date falls.

“Requisition” means a written requisition of the City, consecutively numbered, signed by an Authorized Representative in the form of Exhibit B to this Indenture.

“Reserve Requirement” means, with respect to each series of Bonds, an amount equal to the least of (i) the maximum Annual Debt Service with respect to such series of Bonds, (ii) 125% of the average Annual Debt Service with respect to such series of Bonds, or (iii) 10% of the stated original principal amount of such series of Bonds. For all purposes of this Indenture, the Reserve Requirement may be satisfied by cash or by Investment Securities.

“Revenue Fund” means the fund by that name created and established in Section 501 of this Indenture.

“S&P” means Standard & Poor’s Ratings Services, a Division of The McGraw-Hill Companies, Inc., and any successor thereto.

“Securities Depository” means The Depository Trust Company, New York, New York, or its nominee, and its successors and assigns, or any other depository institution appointed by the City or the Trustee to act as depository for the Bonds in connection with the Book-Entry System.

“Series 2011 Bonds” means the initial series of Bonds being issued under and secured by this Indenture in the aggregate principal amount of \$_____ for the purpose of financing the 2011 Project.

“State” means the State of Arkansas.

“Subordinate Obligations” means debt obligations of the City secured by a pledge of the Net Parking Revenues that is subordinate to the lien thereon securing the payment of the Bonds, as permitted by the provisions of Section 215 of this Indenture.

“Supplemental Indenture” means any indenture supplemental to or amendatory of this Indenture, adopted by the City in accordance with Article XI hereof.

“Tax Regulatory Agreement” means with respect to any series of Bonds, that Tax Regulatory Agreement of the City relating to maintenance of the excludability of interest on such Bonds from gross income for federal income tax purposes, delivered in connection with the issuance of such series of Bonds.

“Trustee” means the banking corporation or association designated as Trustee in the Indenture, and its successor or successors as such Trustee. The original Trustee is Simmons First Trust Company, N.A., Pine Bluff, Arkansas.

“Trust Estate” means the property described in the granting clauses of this Indenture.

Section 102. Use of Words. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the words “Bond”, “owner”, “holder” and “person” shall include the plural, as well as the singular, number.

ARTICLE II

THE BONDS

Section 201. Security for the Bonds. (a) The Bonds are special and limited obligations of the City payable as to principal, premium, if any, and interest solely out of the Trust Estate (including the Net Parking Revenues), which Trust Estate shall be, and the same hereby is, pledged, appropriated and assigned to such payment in accordance with the provisions of this Indenture. Such pledge, appropriation and assignment shall not prevent the application of such pledged moneys and revenues for the purposes and on the terms set forth in this Indenture. The Bonds do not constitute an indebtedness for which the faith and credit of the State of Arkansas or the City is pledged within the meaning of any Constitutional or statutory limitation. The Bonds shall never constitute an obligation of or a charge against the general credit or taxing powers of the City.

(b) The pledge, charge, lien, trusts and assignments made herein and hereby with respect to the Trust Estate shall be valid and binding, and shall be deemed continuously perfected from the time of issuance of the Series 2011 Bonds, and the Trust Estate shall thereupon be immediately subject to the pledge, charge, lien, trust and assignment created hereby upon receipt thereof by or for the City or the Trustee or the Paying Agent hereunder, without any physical delivery, segregation thereof or further act, and such pledge, charge, lien, trust and assignment shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the City, irrespective of whether such parties have notice thereof.

(c) The Bonds shall be equally and ratably payable and secured hereunder without priority by reason of date of adoption of this Indenture or any Supplemental Indenture authorizing their issuance or by reason of their series, number, date, date of issue, execution, authentication or sale, or otherwise.

Section 202. Authorized Amount of the Bonds. No Bonds may be issued under the provisions of this Indenture except in accordance with this Article II. The total principal amount of Bonds that may be issued is hereby expressly limited to \$_____, except as provided in Section 210 and Section 213 hereof.

Section 203. Details of the Bonds. (a) The Series 2011 Bonds (i) shall be designated “City of Fayetteville, Arkansas Parking Revenue Improvement Bonds, Series 2011,” (ii) shall be in the aggregate principal amount of \$_____, (iii) shall be dated as of December 1, 2011, (iv) shall bear interest from such date at the rates hereinafter provided until paid, payable semiannually on June 1 and December 1 of each year, commencing June 1, 2012, (v) shall be

issued in denominations of \$5,000 each, or any integral multiple thereof, (vi) shall be numbered from R11-1 upwards in order of issuance according to the records of the Trustee, and (vii) shall mature, unless sooner redeemed in the manner in this Indenture set forth, on December 1 in each of the years and in the amounts set forth in the following table, which table also sets forth the interest rates for the Series 2011 Bonds:

<u>Year</u> <u>(December 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2012	\$	%
2013		
2014		
2015		
2016		
2017		
2018		
2019		
2020		
2021		
2022		
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		

Section 204. Bond Form. (a) The Series 2011 Bonds shall be initially issued as fully registered Bonds without coupons, in the form of _____ typewritten bond certificates (one for each maturity) to be delivered to the Securities Depository. Each such certificate shall be initially registered in the name of the nominee of the Securities Depository, and no Beneficial Owner will receive a certificate representing his interest in the Series 2011 Bonds, except upon the occurrence of the events described in Section 217 hereof. Beneficial Owners will be deemed to have waived any right to receive a bond certificate except under the circumstances described in Section 217. The Series 2011 Bonds and the Trustee's certificate of authentication to be endorsed thereon shall be in substantially the form set forth in Exhibit A hereto, with appropriate variations, insertions and omissions as permitted or required by this Indenture.

Section 205. Payment. The Bonds shall be payable, with respect to principal, premium, if any, and interest in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. The principal of and premium, if any, on the Bonds shall be payable upon surrender thereof at the principal corporate trust office of the Trustee. Payment of interest on each Bond shall be made by check or draft mailed to the registered owner of such Bond as of the applicable Record Date at his address as it appears on the registration books maintained by the Trustee. For purposes of this Indenture, interest on the Bonds shall be deemed to accrue on the basis of a 360 day year of twelve 30 day months. So long as the Securities Depository or its nominee is the sole registered owner of the Bonds, payment of interest thereon shall be made by wire transfer of immediately available funds by the Paying Agent to the Securities Depository or its nominee.

Section 206. Execution. The Bonds shall be executed on behalf of the City by the manual or facsimile signatures of its Mayor and City Clerk and shall have impressed or imprinted thereon the seal of the City. A facsimile signature shall have the same force and effect as if manually signed. In case any officer whose manual signature or a facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of such Bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such official had remained in office until delivery.

Section 207. Limited Obligation. The Bonds, together with interest thereon, are limited and special obligations of the City payable solely out of the Trust Estate, which shall be, and hereby is, pledged and charged to such payment in accordance with the provisions of this Indenture, and shall not constitute an indebtedness of the City within the meaning of any constitutional or statutory provision and shall never constitute an obligation of or a charge against the general credit of the City. The Bonds shall be secured by such pledge and charge and by a lien on the Trust Estate, all in accordance with and subject to the conditions and provisions of the Act and this Indenture.

Section 208. Authentication. Only such Bonds as shall have endorsed thereon a certificate of authentication substantially in the form set forth in Exhibit A attached hereto duly executed by the Trustee shall be entitled to any right or benefit under this Indenture. No Bond shall be valid and obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Trustee, and such certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Indenture. The Trustee's certificate of authentication on any Bond shall be deemed to have been executed if signed by an authorized officer of the Trustee, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

Section 209. Delivery of the Bonds. The City shall execute and deliver to the Trustee and the Trustee shall authenticate the Bonds of any series and deliver said Bonds to the Securities Depository as may be directed in this Section 209, in Section 213 hereof or in any Supplemental Indenture.

(a) Prior to the delivery or original issuance by the Trustee of any authenticated Bonds of any series, there shall be delivered to the Trustee:

(1) An original executed counterpart of this Indenture or, in the case of Additional Bonds, a Supplemental Indenture by and between the City and the Trustee setting forth the details concerning such Additional Bonds;

(2) Original executed counterparts of the Continuing Disclosure Agreement and the Tax Regulatory Agreement applicable to such series of Bonds;

(3) A Certificate of the City directing the Trustee to authenticate the Bonds and containing instructions as to the delivery of the Bonds upon payment to the Trustee, for the account of the City, of a sum specified in such Certificate;

(4) A copy, duly certified by the City Clerk, of the proceedings of the City authorizing the issuance of the Bonds;

(5) A written opinion of Bond Counsel approving the legality of the Bonds;

(6) In the case of any series of Additional Bonds, a Certificate signed by the Mayor certifying that (i) the City is not then in default in the performance of any of the covenants, conditions, agreements or provisions contained in this Indenture, and (ii) the City is current as to all required deposits at that time in all the Funds described in Article V of this Indenture or hereafter created by Supplemental Indentures, or if the City is in default or is not so current, certifying in the case of (i) or (ii) as to that fact and that upon the application of the proceeds of the sale of such Additional Bonds as provided in the Supplemental Indenture authorizing the issuance thereof, the City will not be in default or will be current thereafter;

(7) In the case of any series of Additional Bonds, a written opinion of Bond Counsel to the effect that the exemption from federal income tax of the interest on the Series 2011 Bonds and any Additional Bonds theretofore issued will not be adversely affected by the issuance of the Additional Bonds being issued;

(8) In the case of any series of Additional Bonds, a statement of a Qualified Accountant or a Certificate of Mayor, as the case may be, satisfying the requirements of Section 213 hereof; and

(9) Such further documents and certificates as may be required by the Original Purchaser or Purchasers of such series of Bonds.

(b) Simultaneously with the delivery of the Series 2011 Bonds, the Trustee shall apply the proceeds thereof as follows:

(1) The amount, if any, received as accrued interest on the Series 2011 Bonds shall be deposited in the Bond Fund;

(2) \$_____, an amount equal to the Reserve Requirement with respect to the Series 2011 Bonds, shall be deposited in the Debt Service Reserve Fund;

(3) An amount equal to \$_____ shall be deposited in the Costs of Issuance Fund for payment of Costs of Issuance pursuant to the written direction of the City; and

(4) The balance of said proceeds in the amount of \$_____ shall be deposited in the Project Fund.

Section 210. Mutilated, Destroyed or Lost Bonds. In case any Bond issued hereunder shall become mutilated or be destroyed or lost, the City shall, if not then prohibited by law, cause to be executed and the Trustee may authenticate and deliver a new Bond of like series, date, number, maturity and tenor in exchange and substitution for and upon cancellation of such mutilated Bond, or in lieu of and in substitution for such Bond destroyed or lost, upon the Holder's paying the reasonable expenses and charges of the City and the Trustee in connection therewith, and, in the case of a Bond destroyed or lost, filing by the Holder with the Trustee evidence satisfactory to the Trustee that such Bonds were destroyed or lost, and of the Holder's ownership thereof, and furnishing the City and Trustee with indemnity satisfactory to them. The Trustee is hereby authorized to authenticate any such new Bond. In the event any such Bonds shall have matured, instead of issuing a new Bond, the City may pay the same without the surrender thereof. Upon the issuance of a new Bond under this Section 210, the City may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

Section 211. Registration and Transfer of Bonds. The City hereby constitutes and appoints the Trustee as Bond registrar of the City, and as Bond registrar the Trustee shall keep books for the registration and for the transfer of the Bonds as provided in this Indenture at the principal corporate trust office of the Trustee. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of or on account of the principal of and interest on any such Bond shall be made only to or upon the order of the registered owner thereof, or the owner's legal representative, and neither the City, the Trustee nor the Bond registrar shall be affected by any notice to the contrary, but such registration may be changed as herein provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Bonds may be transferred on the books of registration kept by the Trustee by the registered owner in person or by the owner's duly authorized attorney, upon surrender thereof, together with a written instrument of transfer duly executed by the registered owner or the owner's duly authorized attorney. Upon surrender for transfer of any Bond at the principal corporate office of the Trustee, the City shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of the same series and in the same aggregate principal amount and of any authorized denomination or denominations.

Bonds may be exchanged at the principal corporate trust office of the Trustee for an equal aggregate principal amount of Bonds of any other authorized denomination or denominations of the same series with corresponding maturities. The City shall execute and the Trustee shall authenticate and deliver Bonds which the Bondholder making the exchange is entitled to receive, bearing numbers not contemporaneously then outstanding. The execution by the City of any Bond of any denomination shall constitute full and due authorization of such denomination and the Trustee shall thereby be authorized to authenticate and deliver such Bond.

Such transfers of registration or exchanges of Bonds shall be without charge to the Holders of such Bonds, but any taxes or other governmental charges required to be paid with respect to the same shall be paid by the Holder of the Bond requesting such transfer or exchange as a condition precedent to the exercise of such privilege.

The Trustee shall not be required to transfer or exchange any Bond during the period from and including a Record Date to the next succeeding interest payment date of such Bond nor to transfer or exchange any Bond after the mailing of notice calling such Bond for redemption has been made, and prior to such redemption.

If the Securities Depository or its nominee is the sole registered owner of the Bonds, transfers of ownership and exchanges shall be effected on the records of the Securities Depository and its Participants pursuant to rules and procedures established by the Securities Depository and its Participants. In such case, the Trustee shall deal with the Securities Depository as representative of the Beneficial Owners of the Bonds for purposes of exercising the rights of Bondholders hereunder, and the rights of the Beneficial Owners of such Bonds held by the Securities Depository or its nominee shall be limited to those established by law and agreements between such Beneficial Owners and the Securities Depository and its Participants. Requests, consents and directions from, and votes of, the Securities Depository or its nominee as representative shall not be deemed inconsistent if they are made with respect to different Participants or Beneficial Owners.

Section 212. Cancellation. All Bonds surrendered for payment, redemption, transfer or exchange, if surrendered to the Trustee, shall be promptly cancelled by it, and, if surrendered to any person other than the Trustee, shall be delivered to the Trustee and, if not already cancelled, shall be promptly cancelled by it. The City may at any time deliver to the Trustee for cancellation any Bonds previously authenticated and delivered hereunder, which the City may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly cancelled by the Trustee. All cancelled Bonds held by the Trustee shall be disposed of as directed by the City. Whenever in this Indenture provision is made for the cancellation by the Trustee and the delivery to the City of any Bonds, the Trustee may, upon the written request of the City, in lieu of such cancellation and delivery, destroy such Bonds in the presence of any officer of the City (but only if the City shall so require), and deliver a certificate of such destruction to the City.

Section 213. Additional Bonds. The City may issue from time to time one or more series of Additional Bonds for the purpose of (i) financing Project Costs in connection with the acquisition, construction or equipping of parking related "capital improvements" (as defined in the Act), (ii) refunding the Series 2011 Bonds or any series of Additional Bonds, in whole or in

part, or (iii) any combination thereof. Additional Bonds shall be secured equally and ratably with the Series 2011 Bonds and any other series of Additional Bonds theretofore issued and then Outstanding, except insofar as any terms or conditions of redemption or purchase established under this Indenture may afford additional benefit or security for the Bonds of any particular series. Before any Additional Bonds are authenticated, there shall be delivered to the Trustee the items required for the issuance of Bonds by Section 209 hereof, plus (I) in the case of Additional Bonds to finance Project Costs, a statement by a Qualified Accountant reciting the opinion, based upon necessary investigation, that Net Parking Revenues for the Fiscal Year immediately preceding the Fiscal Year in which such Additional Bonds are to be issued were not less than (i) 125% of the average Annual Debt Service on all then outstanding Bonds and Subordinate Obligations plus the Additional Bonds then proposed to be issued, and (ii) the amount, if any, needed to make required deposits into the Debt Service Reserve Fund, and (II) in the case of Additional Bonds to refund the Series 2011 Bonds or any series of Additional Bonds, a Certificate of the Mayor stating that, after taking into account the issuance of the Additional Bonds and the application of the proceeds thereof and other available funds to the refunding, the average Annual Debt Service on all outstanding Bonds and Subordinate Obligations will not be increased.

If any changes have been made, and are in effect on the date of issuance of the Additional Bonds, in any parking fees, leases, rents, fines or charges imposed by the City which were not in effect during the entire preceding Fiscal Year, the Qualified Accountant may, if such changes resulted in increases in such fees, leases, rents, fines and charges, and shall, if such changes resulted in reductions in such fees, leases, rents, fines or charges, adjust the Parking Revenues for the preceding Fiscal Year to reflect any changes in such Parking Revenues which would have occurred if the changed fees, leases, rents, fines and charges had been in effect during the entire preceding Fiscal Year.

Notwithstanding anything herein to the contrary, no Additional Bonds shall be issued unless there is no default at the time of issuance under this Indenture.

Section 214. Superior Obligations Prohibited. Except to the extent permitted in Section 213 hereof for the issuance of Additional Bonds, from and after the issuance of any of the Bonds and for so long as any of the Bonds are Outstanding, the City shall not create or permit the creation of any indebtedness, or issue any bonds, notes, warrants, certificates or other obligations or evidences of indebtedness payable in any manner from the Parking Revenues, Net Parking Revenues or otherwise from the Trust Estate which (i) will in any way be superior to or rank on a parity with the Bonds, or (ii) will in any way be secured by a lien and charge on the Parking Revenues or Net Parking Revenues prior to or equal with the lien, pledge and charge created herein for the security of the Bonds, or (iii) will be payable prior to or equal with the payments to be made from the Net Parking Revenues and from the Revenue Fund into the Bond Fund and Debt Service Reserve Fund or from said Bond Fund and Debt Service Reserve Fund for the payment of the Bonds.

Section 215. Subordinate Obligation. Nothing in this Indenture shall prevent the City from authorizing and issuing bonds, notes, bond anticipation notes, warrants, certificates or other obligations or evidences of indebtedness, the payment of the principal of and premium, if any,

and interest on which shall be made from Parking Revenues or from a special fund to be established and maintained from Parking Revenues, provided payments from Parking Revenues or from Parking Revenues into such special fund, and the lien and charge on such Parking Revenues, shall be made junior and subordinate to the lien, pledge and charge created herein for the security and payment of the Bonds and other payments under this Indenture. Notwithstanding anything herein to the contrary, no Subordinate Obligations shall be issued unless there is no default at the time of issuance under this Indenture.

Section 216. Temporary Bonds. Until Bonds in definitive form are ready for delivery, the City may execute, and upon the request of the City, the Trustee shall authenticate and deliver, subject to the provisions, limitations and conditions set forth herein, one or more Bonds in temporary form, whether printed, typewritten, lithographed or otherwise produced, substantially in the form of the definitive Bonds, with appropriate omissions, variations and insertions, and in authorized denominations. Until exchanged for Bonds in definitive form, such Bond in temporary form shall be entitled to the lien and benefit of this Indenture. Upon the presentation and surrender of any Bond or Bonds in temporary form, the City shall, without unreasonable delay, prepare, execute and deliver to the Trustee and the Trustee shall authenticate and deliver, in exchange therefor, a Bond or Bonds in definitive form. Such exchange shall be made by the Trustee without making any charge therefor to the Holder of such Bond in temporary form.

Section 217. Book-Entry Bonds; Securities Depository. The Bonds shall initially be registered to Cede & Co., the nominee for The Depository Trust Company, New York, New York (the "Securities Depository"), and no Beneficial Owner will receive certificates representing their respective interests in the Bonds, except in the event the Trustee issues replacement bonds as provided in this Section 217. It is anticipated that during the term of the Bonds, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of principal of, premium, if any, and interest on, the Bonds to the Participants until and unless the Trustee authenticates and delivers replacement bonds to the Beneficial Owners as described in the following paragraph.

If the City or the Trustee determines (1)(A) that the Securities Depository is unable to properly discharge its responsibilities, or (B) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or (C) that the continuation of a Book-Entry System to the exclusion of any Bonds being issued to any Bondholder other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds, or (2) if the Trustee receives written notice from Participants representing interests in not less than 50% of the Bonds Outstanding, as shown on the records of the Securities Depository (and certified to such effect by the Securities Depository), that the continuation of a Book-Entry System to the exclusion of any Bonds being issued to any Bondholder other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds, then the Trustee shall notify the Bondholders of such determination or such notice and of the availability of certificates to Bondholders requesting the same, and the Trustee shall register in the name of and authenticate and deliver replacement bonds to the Beneficial Owners or their nominees in principal amounts representing the interest of each; provided, that in the case of a determination under (A) or (B) of this paragraph, the City or the Trustee may select a successor securities depository in accordance with the following

paragraph to effect book-entry transfers. In such event, all references to the Securities Depository herein shall relate to the period of time when the Securities Depository has possession of at least one Bond. Upon the issuance of replacement bonds, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Trustee, to the extent applicable with respect to such replacement bonds. If the Securities Depository resigns and the City, the Trustee or Bondholders are unable to locate a qualified successor of the Securities Depository in accordance with the following paragraph, then the Trustee shall authenticate and cause delivery of replacement bonds to Bondholders, as provided herein. The Trustee may rely conclusively on information from the Securities Depository and its Participants as to the names and addresses of the Beneficial Owners of the Bonds. The cost of printing, registration, authentication, and delivery of replacement bonds shall be paid for by the City.

In the event the Securities Depository resigns, is unable to properly discharge its responsibilities, or is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, the City may appoint a successor Securities Depository provided the Trustee receives written evidence satisfactory to the Trustee with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Trustee upon its receipt of a Bond or Bonds for cancellation shall cause the delivery of Bonds to the successor Securities Depository in appropriate denominations and form as provided herein.

ARTICLE III

REDEMPTION OF BONDS BEFORE MATURITY

Section 301. Redemption of Bonds. (a) The Series 2011 Bonds will be subject to redemption prior to maturity as follows:

(1) The Series 2011 Bonds are subject to redemption prior to maturity, at the option of the City, on and after December 1, 2016, in whole or in part at any time and in any order of maturity directed by the City, from funds from any source, at a redemption price equal to one hundred percent (100%) of the principal amount of the Series 2011 Bonds being redeemed, plus accrued interest to the date of redemption.

(2) The Series 2011 Bonds shall be redeemed prior to maturity, in whole or in part, on any interest payment date, in inverse order of maturity, at a redemption price equal to one hundred percent (100%) of the principal amount of the Series 2011 Bonds being redeemed, plus accrued interest to the date of redemption, from unexpended proceeds of the Series 2011 Bonds (if such unexpended proceeds equal or exceed \$100,000) in the Project Fund not needed for paying Project Costs with respect to the 2011 Project and segregated for the purpose of redeeming the Series 2011 Bonds.

(3) The Series 2011 Bonds maturing on December 1, 20__, are subject to mandatory sinking fund redemption prior to maturity in part, on December 1 in the years and amounts set forth below at a redemption price equal to the principal amount thereof plus accrued interest to the date of redemption, without premium;

Year	Principal Amount
20__	\$
20__	\$
20__	\$
20__	\$
20__ (maturity)	\$

(4) The Series 2011 Bonds maturing on December 1, 20__, are subject to mandatory sinking fund redemption prior to maturity in part, on December 1 in the years and amounts set forth below at a redemption price equal to the principal amount thereof plus accrued interest to the date of redemption, without premium; and

Year	Principal Amount
20__	\$
20__	\$
20__	\$
20__	\$
20__ (maturity)	\$

(5) The Series 2011 Bonds maturing on December 1, 20__ are subject to mandatory sinking fund redemption prior to maturity in part, on December 1 in the years and amounts set forth below at a redemption price equal to the principal amount thereof plus accrued interest to the date of redemption, without premium.

Year	Principal Amount
20__	\$
20__	\$
20__	\$
20__ (maturity)	\$

At its option, to be exercised on or before the 45th day next preceding any mandatory sinking fund redemption date for any Series 2011 Bonds, the City may deliver to the Trustee for cancellation Series 2011 Bonds of the appropriate maturity, or portions thereof (\$5,000 or any integral multiple thereof), in any aggregate principal amount desired. Each such Series 2011 Bond, or portion thereof, so delivered or previously redeemed (otherwise than through mandatory sinking fund redemption) and canceled by the Trustee shall be credited by the Trustee at 100% of the principal amount thereof on the obligation of the City on such mandatory sinking fund redemption date,

and any excess over such amount shall be credited on future mandatory sinking fund redemption obligations of that maturity in chronological order, and the principal amount of such Series 2011 Bonds so to be redeemed shall be accordingly reduced.

Section 302. Notice. Notice of the call for any redemption, identifying the Bonds or portions thereof being called and the date on which they shall be presented for payment, shall be mailed by the Trustee by first class mail (or, so long as the Securities Depository or its nominee is the sole registered owner of the Bonds, by any other means acceptable to the Securities Depository, including facsimile) to the registered owner of each such Bond addressed to such registered owner at his registered address and placed in the mails not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption; provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceeding for the redemption of any Bond with respect to which no such failure or defect has occurred. Any notice mailed as provided in this Section 302 shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice.

Section 303. Selection of Bonds to be Redeemed. If less than all of the Bonds of like series, maturity, interest rate and otherwise identical payment terms shall be called for redemption, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Trustee in such manner as the Trustee in its discretion may deem fair and appropriate; provided, however, that the portion of any Bond of a denomination of larger than the minimum denomination may be redeemed in the principal amount of such minimum denomination or a multiple thereof, and that for purposes of selection and redemption, any such Bond of a denomination larger than the minimum denomination shall be considered to be that number of separate Bonds of such minimum denomination which is obtained by dividing the principal amount of such Bond by such minimum denomination. So long as the Securities Depository or its nominee is the sole registered owner of a series of Bonds, the procedures established by the Securities Depository shall control with respect to the selection of the particular Bonds of such series to be redeemed.

Section 304. Surrender of Bonds Upon Redemption. Notice having been given in the manner and under the conditions hereinabove provided, and moneys for payment of the redemption price being held by the Trustee as provided in this Indenture (i) the Bonds or portions of Bonds so called for redemption shall, on the date fixed for redemption designated in such notice, become due and payable at the redemption price provided for redemption of such Bonds, and interest on such Bonds or portions of Bonds so called for redemption shall cease to accrue, (ii) upon surrender of the Bonds or portions of Bonds so called for redemption in accordance with such notice, such Bonds or portions of Bonds shall be paid at the applicable redemption price, (iii) such Bonds or portions of Bonds shall cease to be entitled to any lien, benefit or security under this Indenture, and (iv) the owners of said Bonds or portions of Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof.

Section 305. Redemption in Part. Any Bond which is to be redeemed only in part shall be surrendered to the Trustee (with, if the City or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the City and the Trustee duly executed by, the owner thereof or his attorney duly authorized in writing), and the appropriate officials of the

City shall execute and the Trustee shall authenticate and deliver to the owner of such Bond, without service charge, a new Bond or Bonds of the same series, of any authorized denomination or denominations, having the same maturity and interest rate as requested by such owner, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

Section 306. Redemption of Additional Bonds. Additional Bonds may be made subject to optional, extraordinary and mandatory sinking fund redemption, in whole or in part, in such manner, at such times and at such prices as may be provided in the Supplemental Indenture providing for their issuance.

ARTICLE IV

GENERAL COVENANTS AND REPRESENTATIONS

Section 401. Payment of Principal, Premium, if any, and Interest. The City covenants that it will promptly pay or cause to be paid the principal of and premium, if any, and interest on every Bond issued under this Indenture at the place, on the dates and in the manner provided herein and in the Bonds according to the true intent and meaning thereof. The principal, premium, if any, and interest (except interest paid from the proceeds from the sale of the Bonds and accrued interest) are payable solely from the Trust Estate which is hereby specifically pledged to the payment thereof in the manner and to the extent herein specified, and nothing in the Bonds or this Indenture should be considered as assigning or pledging any funds or assets of the City other than the Trust Estate. Anything in this Indenture to the contrary notwithstanding, it is understood that whenever the City makes any covenants involving financial commitments it pledges no funds or assets other than the Trust Estate in the manner and to the extent herein specified, but nothing herein shall be construed as prohibiting the City from using any other funds or assets. The City covenants, as permitted by the Act, that while any of the Bonds are Outstanding, it will use due diligence in causing the collection of the Parking Revenues.

Section 402. Performance of Covenants. The City covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in any and every Bond executed, authenticated and delivered hereunder, and in all ordinances pertaining hereto. The City covenants that it is duly authorized under the Constitution and laws of the State of Arkansas, including particularly and without limitation the Act, to issue the Bonds authorized hereby and to execute this Indenture and to make the pledge of the Net Parking Revenues and to make the covenants in the manner and to the extent herein set forth, that all action on its part for the issuance of the Bonds and the execution and delivery of this Indenture has been duly and effectively taken, and that the Bonds in the hands of the Holders and owners thereof are and will be valid and enforceable obligations of the City according to the import thereof.

Section 403. Instruments of Further Assurance. The City covenants that it will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered such indenture or indentures supplemental hereto and such further acts, instruments and transfers

as the Trustee may reasonably require for the better assuring, transferring, mortgaging, pledging, assigning and confirming unto the Trustee of the Trust Estate.

Section 404. Recordation and Filing. To the extent necessary, the City covenants that it will cause this Indenture, such security agreements, financing statements, and all supplements thereto and other instruments as may be required from time to time to be kept, to be recorded and filed in such manner and in such places as may be required by law in order to fully preserve and protect the security of the owners of the Bonds and the rights of Trustee hereunder, and to perfect the security interest created by this Indenture.

Section 405. Inspection of Books. All books and documents in the possession of the City relating to the Parking Revenues shall at all reasonable times be open to inspection by such accountants or other agencies as the Trustee may from time to time designate and by any Qualified Accountant required pursuant to the provisions hereof.

Section 406. Tax Covenants. The City shall not use or permit the use of any Bond proceeds or any other funds of the City, directly or indirectly, in any manner, and will not take or permit to be taken any other action or actions which would adversely effect the exclusion of interest on any Bond from gross income for federal income tax purposes. No part of the proceeds of the Bonds shall at any time be used, directly or indirectly, to acquire securities or obligations the acquisition of which would cause any of such Bonds to be an "arbitrage bond" as defined in Sections 148(a) and (b) of the Code. The City agrees that so long as any of the Bonds remain Outstanding, they will comply with the provisions of each applicable Tax Regulatory Agreement.

Section 407. Parking Fee Rates and Charges. The fees, leases, rents, fines and charges imposed by the City and generating the Parking Revenues are ratified, confirmed and continued by the Authorizing Ordinance.

The City covenants that the fees, leases, rents, fines and charges generating the Parking Revenues will not be reduced from current levels while any of the Bonds are Outstanding unless there is obtained from a Qualified Accountant a certificate to the effect that Net Parking Revenues in the then current and immediately succeeding Fiscal Years, with the reduced fees, leases, rents, fines or charges, will be at least equal to (i) 125% of the Annual Debt Service on all Bonds and Subordinate Obligations for the then current and immediately succeeding Fiscal Years, and (ii) the amount, if any, needed to make required deposits to the Debt Service Reserve Fund. The City further covenants that the fees, leases, rents, fines and charges generating the Parking Revenues shall, if and when necessary, from time to time, be increased in such a manner as will produce Net Parking Revenues in the then current and immediately succeeding Fiscal Years at least equal to (i) 125% of the Annual Debt Service on all Bonds and Subordinate Obligations for the then current and immediately succeeding Fiscal Years, and (ii) the amount, if any, needed to make required deposits to the Debt Service Reserve Fund.

Section 408. [RESERVED].

Section 409. Completion of Projects; Certification of Completion Dates. The City covenants that in the case of the Series 2011 Bonds and each series of Additional Bonds issued to finance Project Costs in connection with the acquisition, construction or equipping of a Project, it will forthwith proceed to acquire, construct and equip the Project for which the Bonds of such series shall be issued, in accordance with applicable plans and specifications and in conformity with law and all requirements of all governmental authorities having jurisdiction thereover, and that it will complete the acquiring, constructing and equipping of such Project with all expedition practicable. Promptly after the Completion Date, the City shall submit to the Trustee the certificate of an Authorized Representative which shall specify the Completion Date and shall state that acquisition, construction and equipping of the Project have been completed and the Project Costs have been paid, except for any Project Costs which have been incurred but are not then due and payable, or the liability for the payment of which is being contested or disputed by the City, and for the payment of which the Trustee is directed to retain specified amounts of moneys in specified accounts within the Project Fund. Notwithstanding the foregoing, such certificate may state that it is given without prejudice to any rights against third parties which exist at the date thereof or which may subsequently come into being.

Section 410. Encumbrances. The City covenants that it will not create or suffer to be created any lien or charge upon the Trust Estate, except in accordance with the provisions of this Indenture.

Section 411. Parking Revenues to be Used as Provided in Indenture. The City covenants that no Parking Revenues will be used for any purpose other than as provided in this Indenture, and that no contract or contracts will be entered into or any action taken by which the rights of the Trustee or of the Bondholders might be impaired or diminished. The City further covenants that it will adopt such resolutions and such rules and regulations as may be necessary or appropriate to carry out the obligations of the City under the provisions of this Indenture and the Act.

Section 412. Continuing Disclosure. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of each Continuing Disclosure Agreement. Notwithstanding any other provision of this Indenture to the contrary, failure of the City or any dissemination agent to comply with the provisions of a Continuing Disclosure Agreement shall not be considered an Event of Default hereunder; however, the Trustee may (and at the request of the Original Purchaser of a series of Bonds or the owners of at least 25% in aggregate Outstanding principal amount of such series of Bonds, shall) or any Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City or any dissemination agent, as the case may be, to comply with its obligations under this Section 412. For purposes of this Section 412 only, "Beneficial Owner" shall mean any Person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including Persons holding Bonds through nominees, depositories or other intermediaries) or (b) is treated as the owner of Bonds for federal income tax purposes.

Section 413. Representations, Warranties and Covenants Regarding Trust Estate.

(a) This Indenture creates a valid and binding pledge of and security interest in the Trust Estate in favor of the Trustee (on behalf of the Bondholders) as security for payment of the Series 2011 Bonds, enforceable by the Trustee and the Bondholders in accordance with the terms hereof.

(b) Under the laws of the State of Arkansas, (1) such pledge and security interest, (2) and each pledge, assignment, lien or other security interest made to secure any prior obligations of the City which, by the terms hereof, ranks on a parity with or prior to the pledge and assignment granted hereby, is and shall be prior to any judicial lien hereafter imposed on the Trust Estate to enforce a judgment against the City on a simple contract. By the date of issue of the Series 2011 Bonds, the City will have filed all financing statements describing, and transferring such possession or control over, such Trust Estate (and for so long as any Series 2011 Bond is outstanding the City will file, continue and amend all such financing statements and transfer such possession and control) as may be necessary to establish and maintain such priority in each jurisdiction in which the City is organized or such Trust Estate may be located or that may otherwise be applicable pursuant to the Uniform Commercial Code as enacted in the State of Arkansas.

(c) The City has not heretofore made a pledge of, granted a lien on or security interest in, or made an assignment or sale of such Trust Estate that ranks on a parity with or prior to the pledge and security interest granted hereby. The City shall not hereafter make or suffer to exist any pledge or assignment of, lien on, or security interest in the Trust Estate that ranks prior to or on a parity with the pledge and security interest granted hereby, or file any financing statement describing any such pledge, assignment, lien or security interest, except as expressly permitted hereby.

ARTICLE V

FUNDS AND DEPOSITS

Section 501. Creation of Funds. (a) There are hereby created and established the following Funds:

- (i) Project Fund;
- (ii) Revenue Fund;
- (iii) Bond Fund;
- (iv) Debt Service Reserve Fund;
- (v) Cost of Issuance Fund; and
- (vi) Rebate Fund.

(b) The Revenue Fund shall be maintained by the City with the Depository of its choice. All other Funds shall be held by the Trustee, which shall hold and maintain said Funds in trust, for the use and benefit of the Bondholders and the City, but subject to the permitted applications expressed herein.

Section 502. Project Fund. (a) The Trustee shall deposit a portion of the proceeds of the Series 2011 Bonds to the credit of the Project Fund in accordance with the written directions of the City given as provided in Section 209 of this Indenture.

(b) Moneys credited to the Project Fund shall be expended only as set forth in this Section 502.

(c) Amounts in the Project Fund shall be expended and applied for the payment of Project Costs. Disbursements shall be made from the Project Fund on the basis of consecutively numbered Requisitions in the form attached hereto as Exhibit B signed by an Authorized Representative. Requisitions may be submitted to the Trustee by certified mail, first class mail or facsimile transmission. If the Trustee deems that a Requisition submitted by the City is sufficient pursuant to this Section 502, the amount requested thereunder shall be disbursed in payment of the Project Costs set forth therein, or in reimbursement of such Project Costs, within two (2) Business Days of the date of receipt of such Requisition by the Trustee. Each Requisition shall specify:

(i) the name of the person or party to whom payment is to be made and the purpose of the payment;

(ii) the amount to be paid thereunder;

(iii) that such amount has not been previously paid by the City and is justly due and owing to the person(s) named therein as a proper payment or reimbursement of a Project Cost; and

(iv) that no Event of Default exists under the Indenture and that, to the knowledge of the Authorized Representative, no event has occurred and continues which with notice or lapse of time or both would constitute an Event of Default under the Indenture.

(d) The Trustee shall keep full and complete records concerning and reflecting all disbursements from the Project Fund and shall file an accounting of said disbursements if and when requested by the City. The Trustee shall only make payments from the Project Fund pursuant to and in accordance with Requisitions. In making payments from the Project Fund, the Trustee may rely on any Requisitions delivered to it pursuant to this Section 502, and the Trustee shall be relieved of all liability relating to payments made in accordance with such Requisitions and any supporting certificate or certificates requested by the Trustee without physical inspection of the Project. Within ninety (90) days following completion of the Project being financed with a particular series of Bonds, the City shall deliver to the Trustee its Certificate stating that the applicable portion of the Project is complete and the Trustee shall transfer the remaining

moneys in the Project Fund relating to such series of Bonds (save and except moneys needed to satisfy unpaid Project Costs) to the Bond Fund for application to the retirement of the corresponding series of Bonds by redemption or purchase, as provided by Section 301(a)(2) and Section 504 hereof.

(e) Upon the occurrence and continuance of an Event of Default or the occurrence and continuance of an event which with notice or lapse of time or both would constitute an Event of Default, amounts on deposit in the Project Fund shall not be disbursed but shall instead be applied to the payment of Debt Service or the redemption price of the Bonds.

Section 503. Revenue Fund. (a) There shall be deposited to the credit of the Revenue Fund to be held in a Depository selected by the City, as and when received, all Parking Revenues.

(b) No later than the last day of each month, commencing no later than [December 31, 2011], there shall be transferred from the Revenue Fund, in the following order, the amounts set forth below:

FIRST: For deposit to the Bond Fund, an amount equal to one-sixth (1/6) of the interest on the Outstanding Bonds due on the next interest payment date and an amount equal to one-twelfth (1/12) of the next scheduled principal maturity of Outstanding Bonds (including mandatory sinking fund redemptions);

SECOND: For deposit to the Debt Service Reserve Fund, an amount sufficient to cure any deficiency in the Debt Service Reserve Fund;

THIRD: For deposit to the Rebate Fund, an amount sufficient to satisfy the City's obligations under Section 506 hereof; and

FOURTH: For payment to the Trustee and Paying Agent, the amount, if any, necessary to pay or reimburse the Trustee and Paying Agent for fees and expenses related to the Bonds.

(c) Required deposits into the Bond Fund and the Debt Service Reserve Fund shall be reduced by investment earnings, if any, in said Funds and, with respect to required deposits to the Bond Fund only, by any accrued interest deposited to the Bond Fund upon the initial sale of a series of Bonds. In the event there shall be insufficient moneys in the Revenue Fund in a particular month to make the required transfers described above, then any deficiencies shall be added to the required deposits during the next month. So long as there is no Event of Default or the occurrence and continuance of an event which with notice or lapse of time or both would constitute an Event of Default, the City may utilize moneys in the Revenue Fund for the payment of Operation and Maintenance Expenses, and may utilize any surplus therein (after the payment of Operation and Maintenance Expenses and after making the transfers required in subsection (b) above) for any other valid governmental purpose under State law.

Section 504. Bond Fund. (a) There shall be deposited to the credit of the Bond Fund all moneys required to be transferred thereto pursuant to Sections 209, 502, 503, 505 and 507 of this Indenture and all other moneys received for said Fund.

(b) Moneys credited to the Bond Fund shall be expended only as set forth in this Section 504.

(c) (i) On each interest payment date for any of the Bonds Outstanding, the Trustee shall pay out of moneys credited to the Bond Fund the amounts required for the payment of interest on the Bonds due on such date, and on each redemption date, the amounts required for the payment of accrued interest on the Bonds then to be redeemed or purchased unless the payment of such accrued interest shall be otherwise provided for, and such amounts shall be applied to such payments.

(ii) On each principal payment or redemption date for any of the Bonds Outstanding, the Trustee shall pay out of moneys credited to the Bond Fund the amounts required for the payment of principal and premium, if any, due on the Bonds on such date and such amounts shall be applied to such payments.

(iii) If there shall be insufficient moneys in the Bond Fund to pay in full interest, principal or premium, if any, due on the Bonds on any interest or principal payment or redemption date, the Trustee shall, one day prior to such date, transfer an amount equal to the deficiency into the Bond Fund from the Funds indicated in the following order:

FIRST: the Revenue Fund; and

SECOND: the Debt Service Reserve Fund (for payment of principal and interest on the Bonds on any interest or principal payment date only).

(d) All payments made pursuant to this Section 504 shall be made in immediately available funds.

Section 505. Cost of Issuance Fund. There shall be deposited to the credit of the Cost of Issuance Fund all moneys received for said Fund pursuant to Section 209 hereof. The Trustee shall pay those Costs of Issuance as directed by the City pursuant to a Certificate delivered on a Closing Date. After all Costs of Issuance have been paid (and in any event not later than March 1, 2012 with respect to the Series 2011 Bonds), any remaining moneys in the Cost of Issuance Fund shall be transferred to the Bond Fund.

Section 506. Rebate Fund. (a) The Trustee shall establish and maintain, separate and apart from any other Funds established and maintained hereunder, a Fund to be designated as the Rebate Fund, which Fund is not pledged to the payment of any Bonds. Subject to the transfer provisions provided in subsection (c) below, all moneys at any time deposited in the Rebate Fund shall be held by the Trustee in trust, to the extent required to satisfy the Rebate Amount (as defined in each Tax Regulatory Agreement), for payment to the United States of America, and neither the City nor the Owner of any Bond shall have any rights in or claim to such money. All

amounts deposited into or on deposit in the Rebate Fund shall be governed by this Section 506, by Section 406, and by each Tax Regulatory Agreement (which are incorporated herein by reference).

(b) As provided in Section 503(b) hereof, there shall be deposited in the Rebate Fund the amount of all income or gain on moneys deposited in any of the Funds established by this Indenture which is required to be rebated to the United States and is designated for deposit therein, as calculated by the City to be owing to the United States pursuant to the applicable Tax Regulatory Agreement, which shall be delivered by the City concurrently with the issuance of a series of Bonds.

(c) The Trustee, upon receipt of written instructions from an Authorized Representative, shall pay to the United States out of amounts in the Rebate Fund such amounts as are required pursuant to each Tax Regulatory Agreement.

(d) Any moneys remaining in the Rebate Fund after payment to the United States, within sixty (60) days after the date on which the last Bond is redeemed, of one hundred percent (100%) of the rebate amount as described in Section 148(f)(2) of the Code, shall be transferred to the Revenue Fund.

(e) The Trustee, as instructed by Certificate of the City, shall invest all amounts held in the Rebate Fund in Investment Securities, subject to the restrictions set forth in the applicable Tax Regulatory Agreement. Money shall not be transferred from the Rebate Fund except as provided in subsection (c).

(f) Notwithstanding any other provision of this Indenture, the obligation to remit the Rebate Amount to the United States and to comply with all other requirements of this Section 506, Section 406 and each Tax Regulatory Agreement shall survive the defeasance or payment in full of the Bonds.

Section 507. Debt Service Reserve Fund. As provided in Section 209 hereof, upon the issuance of each series of Bonds, there shall be deposited into the Debt Service Reserve Fund, from proceeds of the Bonds, an amount sufficient to cause the amounts on deposit therein to be equal to the Reserve Requirement. Each account within the Debt Service Reserve Fund shall be maintained in an amount equal to the related Reserve Requirement. Amounts on deposit in an account within the Debt Service Reserve Fund shall be used solely to pay the principal of and interest on the corresponding series of Outstanding Bonds for which there are no available funds in the Bond Fund to make such payments, as the same become due at maturity (including mandatory sinking fund redemption). If an account of the Debt Service Reserve Fund, by virtue of any such payment, is reduced below the related Reserve Requirement, it shall be reimbursed in the amount of any such deficiency as provided in Section 503. Notwithstanding the above provisions of this Section 507, the amount on deposit in an account of the Debt Service Reserve Fund may be used, together with other available funds, to provide for the payment at maturity or to redeem prior to maturity all, but not less than all, of the related series of Outstanding Bonds. If an excess shall exist in an account in the Debt Service Reserve Fund over and above the related Reserve Requirement, such excess shall be transferred to the Bond Fund.

Section 508. Cessation of Fund Deposits. When the moneys in the Bond Fund and the Debt Service Reserve Fund shall be and remain sufficient to pay in full the principal and interest on all Bonds then Outstanding in accordance with Article VIII of this Indenture, together with the required fees and expenses to be paid or reimbursed to the Trustee and any Paying Agent, the City shall have no further obligation to make further payments into said Funds.

Section 509. Separate Accounts Authorized. A Supplemental Indenture authorizing the issuance of Additional Bonds may provide for the creation of separate accounts within the Bond Fund, Debt Service Reserve Fund, Project Fund, Costs of Issuance Fund and Rebate Fund for such series of Bonds and such other accounts as the City may direct; provided, that the creation of such separate accounts shall be solely for the ease of administration and shall in no event affect the equal and ratable security of the Bonds of each series.

If any Supplemental Indenture authorizing the issuance of Additional Bonds provides for the establishment of separate accounts for a series of Bonds, then such Supplemental Indenture shall require that the Net Parking Revenues received by the City shall be deposited pursuant to written direction of the City into each of the accounts within the Bond Fund and Debt Service Reserve Fund for each series of Bonds on the basis of the installments of principal, premium, if any, and interest on each series of Bonds during the applicable period, to the end that the Bonds of each series shall be equally and ratably secured by the Net Parking Revenues.

Any Supplemental Indenture authorizing the issuance of Additional Bonds may provide that any proceeds of such series of Bonds and investment earnings thereon remaining after some specified date, or after the construction of all facilities to be financed with the proceeds of such series of Bonds, shall be applied to the redemption of such series of Bonds.

ARTICLE VI

[RESERVED]

ARTICLE VII

INVESTMENTS

Section 701. Investment of Moneys. At the direction of the City or absent such direction, the Trustee shall invest moneys in Funds held by the Trustee in Investment Securities with maturity or redemption dates consistent with the times at which said moneys will be required for the purposes provided in this Indenture; provided, however, the stated maturity dates of Investment Securities in the Debt Service Reserve Fund shall not exceed five years from the date of investment thereof. The City may invest moneys held in the Revenue Fund in any investment obligations permitted by Arkansas law. Moneys in separate Funds may be commingled for the purpose of investment.

Section 702. Investment Earnings. Subject to the provisions of the Tax Regulatory Agreements and Article V hereof, Investment Securities purchased with moneys held in or

attributable to any Fund held by the City or the Trustee under the provisions of this Indenture shall be deemed at all times to be a part of such Fund and the income or interest earned, profits realized or losses suffered by a Fund due to the investment thereof shall be retained in, credited or charged, as the case may be, to such Fund unless otherwise provided pursuant to this Indenture.

Section 703. Valuation of Funds. Investments in any Fund shall be evaluated monthly by the Trustee. The Trustee shall report the determined value of each Fund to the City. For the purpose of determining the amount in any Fund, the Trustee shall value all Investment Obligations credited to such Fund at the fair market value thereof. The Trustee shall determine the fair market value based on accepted industry standards and from accepted industry providers. As to certificates of deposit and bankers' acceptances, fair market value shall mean the face amount thereof, plus accrued interest thereon, and as to any other investment not specified above, fair market value is the value thereof as established by prior agreement among the City and the Trustee.

The Trustee shall sell or present for redemption any Investment Securities as necessary in order to provide money for the purpose of making any payment required hereunder, and the Trustee shall not be liable for any loss resulting from any such sale.

Section 704. Responsibility of Trustee. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of moneys made by it at the direction of the City.

ARTICLE VIII

DISCHARGE OF LIEN

Section 801. Discharge of Lien. If the City shall pay or cause to be paid to the owners of the Bonds the principal, premium, if any, and interest to become due thereon at the times and in the manner stipulated therein, and if the City shall keep, perform and observe all and singular the covenants and promises in the Bonds and in this Indenture expressed as to be kept, performed and observed by it on its part, then these presents and the estate and rights hereby granted shall cease, determine and be void, and thereupon the Trustee shall cancel and discharge the lien of this Indenture, and execute and deliver to the City such instruments in writing as shall be requisite to satisfy the lien hereof, and reconvey to the City the estate hereby conveyed, and assign and deliver to the City any property at the time subject to the lien of this Indenture which may then be in its possession, except moneys or Government Securities held by it for the payment of the principal of and premium, if any, and interest on the Bonds.

Section 802. Bonds Deemed Paid. Any Bond shall be deemed to be paid within the meaning of this Article VIII when payment of the principal of and premium, if any, and interest on such Bond (whether at maturity or upon redemption as provided in this Indenture, or otherwise), either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for by irrevocably depositing with the Trustee, in trust and irrevocably set aside exclusively for such payment, (1) cash sufficient to make such payment

or (2) Government Securities (provided that such deposit will not affect the tax-exempt status of the interest on any of the Bonds or cause any of the Bonds to be classified as "arbitrage bonds" within the meaning of Section 148(a) of the Code, as reflected in an opinion of Bond Counsel delivered to the Trustee), maturing as to principal and interest in such amount and at such times as will provide sufficient moneys to make such payment, and all necessary and proper fees, compensation and expenses of the Trustee and any Paying Agent pertaining to the Bonds with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Trustee and any said Paying Agent.

Government Securities used for the purpose of defeasing the Bonds must provide for the timely payment of principal and interest and cannot be callable or prepayable prior to maturity or earlier redemption of the defeased Bonds (excluding Government Securities that do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at the maturity or call date).

Section 803. Non-Presentment of Bonds. In the event any Bonds shall not be presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for redemption thereof, if there shall have been deposited with the Trustee for that purpose, or left in trust if previously so deposited, funds sufficient to pay the principal thereof, and premium, if any, together with all interest unpaid and due thereon, to the due date thereof, for the benefit of the Holder thereof, all liability of the City to the Holder thereof for the payment of the principal thereof, premium if any, and interest thereon, shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such fund or funds, without liability for interest thereon, for the benefit of the Holder of such Bonds, who shall thereafter be restricted exclusively to such fund or funds, for any claim of whatever nature on his part under this Indenture or on, or with respect to, the Bonds.

ARTICLE IX

DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND BONDHOLDERS

Section 901. Events of Default. Each of the following events shall constitute and is referred to in this Indenture as an "Event of Default":

- (a) Default in the due and punctual payment of any interest on any Bond;
- (b) Default in the due and punctual payment of the principal of or premium, if any, on any Bond, whether at the stated maturity thereof, or upon proceedings for redemption thereof, or upon the maturity thereof by declaration;
- (c) Default in the payment of any other amount required to be paid under this Indenture or the performance or observance of any other of the covenants, agreements or conditions contained in this Indenture, or in the Bonds issued hereunder, and continuance thereof for a period of sixty (60) days after written notice specifying such failure and requesting that it be remedied shall have been given to the City by the Trustee, which

may give such notice in its discretion and shall give such notice at the written request of Bondholders of not less than 51% in aggregate principal amount of the Bonds then Outstanding, unless the Trustee, or the Trustee and Holders of an aggregate principal amount of Bonds not less than the aggregate principal amount of Bonds the Holders of which requested such notice, as the case may be, shall agree in writing to an extension of such period prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, the Trustee will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the City within such period and is being diligently pursued;

(d) The filing of a petition in bankruptcy by or against the City under the United States Bankruptcy Code or the commencement of a proceeding by or against the City under any other law concerning insolvency, reorganization or bankruptcy; and

(e) If the State has limited or altered the rights of the City pursuant to the Act, as in force on the date of this Indenture, to fulfill the terms of any agreements made with the Trustee or the Bondholders or in any way impaired the rights and remedies of the Trustee or the Bondholders while any Bonds are outstanding.

The term "default" as used in clauses (a), (b) and (c) above shall mean default by the City in the performance or observance of any of the covenants, agreements or conditions on its part contained in this Indenture or in the Bonds Outstanding hereunder, exclusive of any period of grace required to constitute a default an "Event of Default" as hereinabove provided.

Section 902. Acceleration. Upon the occurrence of an Event of Default, the Trustee may, and upon the written request of the Holders of not less than 51% in aggregate principal amount of Bonds Outstanding hereunder shall, by notice in writing delivered to the City, declare the principal of all Bonds then Outstanding, together with the interest accrued thereon, immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable.

Section 903. Other Remedies; Rights of Bondholders. Upon the occurrence of an Event of Default, the Trustee may, as an alternative, pursue any available remedy by suit at law or in equity, including, without limitation, mandamus to enforce the payment of the principal of and premium, if any, and interest on the Bonds then Outstanding hereunder.

If an Event of Default shall have occurred, and if it shall have been requested so to do by the Holders of not less than 51% in aggregate principal amount of Bonds Outstanding hereunder and if it shall have been indemnified as provided in Section 1001 hereof, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred upon it by this Section 903 as the Trustee, being advised by counsel, shall deem most expedient in the interests of the Bondholders.

No remedy by the terms of this Indenture conferred upon or reserved to the Trustee (or to the Bondholders) is intended to be exclusive of any other remedy, but each and every such

remedy shall be cumulative and shall be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

No delay or omission to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default or acquiescence therein; and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any default or Event of Default hereunder, whether by the Trustee or by the Bondholders, shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereon.

Section 904. Right of Bondholders to Direct Proceedings. Anything in this Indenture to the contrary notwithstanding, the Holders of not less than 51% in aggregate principal amount of Bonds Outstanding hereunder shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture, or for the appointment of a receiver or any other proceeding hereunder; provided that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture.

Section 905. Appointment of Receiver. Upon the occurrence of an Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bondholders under this Indenture, the Trustee shall be entitled to the appointment of a receiver or receivers of the Trust Estate, including, without limitation, the Parking Revenues, pending such proceedings with such powers as the court making such appointment shall confer.

Section 906. Waiver. In case of an Event of Default on its part, as aforesaid, to the extent that such rights may then lawfully be waived, neither the City nor anyone claiming through the City or under the City shall or will set up, claim or seek to take advantage of any appraisement, valuation, stay, extension or redemption laws now or thereafter in force, in order to prevent or hinder the enforcement of this Indenture, but the City, for itself and all who may claim through or under it, hereby waive, to the extent that they lawfully may do so, the benefit of all such laws and all right of appraisement and redemption to which it may be entitled under the laws of the State.

Section 907. Application of Moneys. Available moneys remaining after discharge of costs, charges and liens prior to this Indenture shall be applied by the Trustee as follows:

(a) Unless the principal of all the Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

First: To the payment to the Persons entitled thereto of all installments of interest then due, in the order of the maturity of the installments of such interest, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due

on such installment, to the Persons entitled thereto, without any discrimination or privilege;

Second: To the payment to the Persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture), in the order of their due dates, with interest on such Bonds from the respective dates upon which they become due, and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal due on such date, to the Persons entitled thereto without any discrimination or privilege of any Bond over any other Bond and without preference or priority of principal over interest or of interest over principal; and

Third: To the payment of the interest on and the principal of the Bonds, and to the redemption of Bonds, all in accordance with the provisions of Article V of this Indenture.

(b) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied first to the payment of the interest then due and unpaid upon the Bonds, and then to the payment of the principal then due and unpaid upon the Bonds, in each case without preference or priority of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the Person entitled thereto.

(c) If the principal of all the Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of this Article IX then, subject to the provisions of paragraph (b) of this Section 907, in the event that the principal of all the Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of paragraph (a) of this Section 907.

Whenever moneys are to be applied by the Trustee pursuant to the provisions of this Section 907, such moneys shall be applied by it at such times, and from time to time, as it shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an interest payment date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date and shall not be required to make payment to the Holder of any Bond until such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Section 908. Remedies Vested in Trustee. All rights of action (including the right to file proof of claim) under this Indenture or under any of the Bonds may be enforced by the

Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceeding relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee, without the necessity of joining as plaintiffs or defendants any Bondholders hereby secured, and any recovery of judgment shall be for the equal benefit of the Holders of all Outstanding Bonds.

Section 909. Rights and Remedies of Bondholders. No Bondholder shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust hereof or for the appointment of a receiver or any other remedy hereunder, unless a default has occurred of which the Trustee has been notified as provided in subsection (g) of Section 1001, or of which by said subsection it is deemed to have notice, nor unless such default shall have become an Event of Default and the Holders of not less than 51% in aggregate principal amount of Bonds Outstanding hereunder shall have made written request to the Trustee and shall have offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, nor unless also they have offered to the Trustee indemnity as provided in subsection (l) of Section 1001, nor unless the Trustee shall thereafter fail or refuse to exercise the powers hereinbefore granted, or to institute such action, suit or proceeding in its own name; and such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for the enforcement of this Indenture or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more Holders of the Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of this Indenture by action of the Holder or Holders or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, held and maintained in the manner herein provided for the equal benefit of the Holders of all Bonds Outstanding hereunder. Nothing in this Indenture contained shall, however, affect or impair the right of any Bondholders to enforce the payment of the principal of and premium, if any, and interest on any Bonds at and after the maturity thereof, or the obligation of the City to pay the principal of and premium, if any, and interest on each of the Bonds issued hereunder to the respective Holders thereof at the time and place in said Bonds expressed.

Section 910. Termination of Proceedings. In case the Trustee shall have proceeded to enforce any right under this Indenture by the appointment of a receiver or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then and in every such case the City and the Trustee shall be restored to their former positions and rights hereunder with respect to the property herein conveyed, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken, except to the extent the Trustee is legally bound by such adverse determination.

Section 911. Waivers of Events of Default. The Trustee may, and upon the written request of the Holders of not less than 51% in principal amount of all Bonds Outstanding hereunder shall, waive any Event of Default hereunder and its consequences and rescind any declaration of maturity of principal; provided, however, there shall not be waived any Event of

Default described in clause (a) or (b) of the first paragraph of Section 901 hereof, unless prior to such waiver or rescission all arrears of principal (due otherwise than by declaration) and interest, and all expenses of the Trustee and Paying Agent, shall have been paid or provided for. In case of any such waiver or rescission the City, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right subsequent thereon.

ARTICLE X

TRUSTEE AND PAYING AGENTS

Section 1001. Acceptance of Trusts. The Trustee hereby accepts the trusts imposed upon it by this Indenture and agrees to perform said trusts, but only upon and subject to the following expressed terms and conditions:

(a) The Trustee may execute any of the trusts or powers hereof and perform any duties required of it by or through attorneys, agents, receivers or employees, and shall be entitled to advice of counsel concerning all matters of trusts hereof and its duties hereunder, and may in all cases pay reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. Reimbursement of such compensation paid by the Trustee is subject to the provisions of Section 1002 hereof. The Trustee may act upon the opinion or advice of any attorney, surveyor, engineer or accountant selected by it in the exercise of reasonable care, or, if selected or retained by the City prior to the occurrence of a default of which the Trustee has been notified as provided in subsection (g) of this Section 1001, or of which by said subsection the Trustee is deemed to have notice, approved by the Trustee in the exercise of such care. The Trustee shall not be responsible for any loss or damage resulting from an action or nonaction in accordance with any such opinion or advice.

(b) The Trustee shall not be responsible for any recital herein, or in the Bonds (except in respect to the certificate of authentication of the Trustee endorsed on such Bonds), or for the validity of the execution by the City of this Indenture or of any Supplemental Indentures or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby, or for the value of the title of the property herein conveyed or otherwise as to the maintenance of the security hereof; except that in the event the Trustee enters into possession of a part or all of the property herein conveyed pursuant to any provision of this Indenture, it shall use due diligence in preserving such property; and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions and agreements aforesaid as to the condition of the property herein conveyed.

(c) The Trustee may become the owner of Bonds secured hereby with the same rights which it would have if not Trustee.

(d) The Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed by it, in the exercise of reasonable care, to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Trustee pursuant to this Indenture upon the request or authority or consent of the owner of any Bond secured hereby, shall be conclusive and binding upon all future owners of the same Bond and upon Bonds issued in exchange therefor or in place thereof.

(e) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a Certificate of the City signed by its Mayor and attested by the City Clerk as sufficient evidence of the facts therein contained and, prior to the occurrence of a default of which it has been notified as provided in subsection (g) of this Section 1001, or of which by that subsection it is deemed to have notice, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion, at the reasonable expense of the City, in every case secure such further evidence as it may think necessary or advisable but shall in no case be bound to secure the same. The Trustee may accept a Certificate of the City Clerk under its seal to the effect that a resolution in the form therein set forth has been adopted by the City as conclusive evidence that such resolution has been duly adopted, and is in full force and effect.

(f) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty of the Trustee, and the Trustee shall be answerable only for its own gross negligence or willful misconduct.

(g) The Trustee shall not be required to take notice or be deemed to have notice of any default hereunder (except for defaults under clause (a) or (b) of the first paragraph of Section 901 hereof as to which the Trustee shall be deemed to have notice) unless the Trustee shall be specifically notified in writing of such default by the City or by the Holders of at least 10% in aggregate principal amount of Bonds Outstanding hereunder, and all notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered to the principal corporate trust office of the Trustee, and in the absence of such notice so delivered, the Trustee may conclusively assume there is no such default except as aforesaid.

(h) [Reserved].

(i) At any and all reasonable times the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right fully to inspect any and all of the property herein conveyed, including all books, papers and records of the City pertaining to the Parking Revenues and the Bonds, and to take such memoranda from and in regard thereto as may be desired.

(j) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(k) Notwithstanding anything elsewhere in this Indenture contained, the Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Indenture, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action by the Trustee, deemed desirable for the purpose of establishing the right of the City to the authentication of any Bonds, the withdrawal of any cash, the release of any property, or the taking of any other action by the Trustee.

(l) Before taking such action hereunder, the Trustee may require that it be furnished an indemnity bond satisfactory to it for the reimbursement to it of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from the gross negligence or willful misconduct of the Trustee, by reason of any action so taken by the Trustee.

Section 1002. Fees, Charges and Expenses of Trustee and Paying Agents; Trustee's Prior Lien.

(a) Subject to subsection (b) of this Section 1002, the City shall, from moneys lawfully available therefor, pay to the Trustee and Paying Agent reasonable compensation for all services performed hereunder and also all reasonable expenses, charges and other disbursements and those of their attorneys, agents and employees incurred in and about the administration and execution of the trusts hereby created and the performance of the powers and duties hereunder and, to the extent permitted by law and from moneys lawfully available therefor, shall indemnify and save the Trustee harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder. With respect to the Series 2011 Bonds, the Trustee's initial authentication fee shall be \$2,500 and the annual administration fee of the Trustee shall be up to, but shall not exceed, \$2,500. If the City shall fail to make any payment required by this subsection (a), the Trustee may make such payment from any moneys in its possession under the provisions of this Indenture and shall be entitled to a preference therefor over any of the Bonds Outstanding hereunder. The City shall not be required to indemnify the Trustee against any liabilities which the Trustee may incur as a result of negligent or wrongful acts or omissions of the Trustee.

(b) The City shall pay to the Trustee compensation for its services as described in Section 1002(a), provided that such compensation, together with all expenses, charges and other disbursements of the Trustee and its attorneys, agents and employees and all reimbursements to the Trustee for all costs and other disbursements as described in Section 1002(a) hereof shall not exceed \$9,500 annually (not including the initial authentication fee) without the prior written approval of the City, which approval shall not be unreasonably withheld. If the Trustee wishes to consult with or retain counsel for any purpose hereunder whose anticipated fees, together with all other compensation, disbursements and reimbursements of the Trustee and its attorneys, agents and employees to be paid by the City hereunder, shall exceed \$10,000 annually, then such counsel shall have to be acceptable to the City and such fees shall have to be approved by the City as described above.

Section 1003. Additional Duties of Trustee. (a) In addition to the other duties of the Trustee described in this Indenture, it shall be the duty of the Trustee, on or before the tenth day of each month after the month in which the Series 2011 Bonds are delivered, to file with the City a statement setting forth in respect of the preceding calendar month:

- (i) the amount withdrawn or transferred by it and the amount deposited with it on account of each Fund held by it under the provisions of this Indenture;
- (ii) the amount on deposit with it at the end of such month to the credit of each such Fund;
- (iii) a brief description of all obligations held by it as an investment of moneys in each such Fund;
- (iv) the amount applied to the purchase or redemption of Bonds under the provisions of this Indenture and a description of the Bonds or portions of Bonds so purchased or redeemed; and
- (v) any other information that the City may reasonably request.

All records and files pertaining to each such Fund in the custody of the Trustee hereunder shall be open at all reasonable times to the inspection of the City and its agents and representatives, and the City may make copies thereof.

(b) The Trustee additionally shall be responsible for the preparation and timely distribution of any and all forms and reports required by law to all Bondholders, the State and the Internal Revenue Service in connection with the payment to the Bondholders of interest on the Bonds.

Section 1004. Notice to Bondholders of Default. If a default occurs of which the Trustee is pursuant to the provisions of Section 1001(g) deemed to have or is given notice, the Trustee shall promptly make demand upon the City and give notice to each owner of Bonds then Outstanding.

Section 1005. Intervention by Trustee. In any judicial proceeding to which the City is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interests of Holders of Bonds issued hereunder, the Trustee may intervene on behalf of Bondholders and shall do so if requested in writing by the Holders of at least 51% of the aggregate principal amount of Bonds Outstanding hereunder. The rights and obligations of the Trustee under this Section 1005 are subject to the approval of the court having jurisdiction in the premises.

Section 1006. Merger or Consolidation of Trustee. Any bank or trust company to which the Trustee may be merged, or with which it may be consolidated, or to which it may sell or transfer its trust business and assets as a whole or substantially as a whole, or any bank or trust company resulting from any such sale, merger, consolidation or transfer to which it is a party, ipso facto, shall be and become successor trustee hereunder and vested with all of the title to the

whole property or Trust Estate and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed, or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding; provided, however, that such successor trustee shall have capital and surplus of at least \$20 million.

Section 1007. Resignation by Trustee. The Trustee and any successor trustee may at any time resign from the trusts hereby created by giving written notice to the City and the Bondholders, and such resignation shall take effect upon the appointment of a successor trustee by the Bondholders or by the City. Such notice may be served personally or sent by registered mail (to the City) or first class mail (to the Bondholders).

Section 1008. Removal of Trustee. (a) The Trustee may be removed at any time by an instrument or concurrent instruments in writing delivered to the Trustee and to the City, and signed by the Holders of not less than 51% in aggregate principal amount of Bonds Outstanding hereunder; provided, however, that such removal of the Trustee shall in no event take effect until a successor shall have been appointed and shall have accepted the duties of Trustee.

(b) The Trustee may be removed at any time by the City upon adoption of a resolution providing for such removal and delivery of a copy thereof to the Trustee; provided, however, that such removal of the Trustee shall in no event take effect until a successor shall have been appointed and shall have accepted the duties of Trustee.

Section 1009. Appointment of Successor Trustee. In case the Trustee hereunder shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by the court, a successor may be appointed by the Holders of not less than 51% in aggregate principal amount of Bonds Outstanding hereunder (except with respect to any removal of the Trustee by the City pursuant to Section 1008(b), in which case a successor shall be appointed by the City), by an instrument or concurrent instruments in writing signed by such Holders, or by their attorneys in fact, duly authorized; provided, nevertheless, that in case of such vacancy the City by an instrument executed and signed by its Mayor and attested by its City Clerk under its seal, shall appoint a temporary trustee to fill such vacancy until a successor trustee shall be appointed by the Bondholders in the manner above provided. Any such temporary trustee appointed by the City shall immediately and without further act be superseded by the trustee appointed by such Bondholders. Every such temporary trustee and every such successor trustee shall be a trust company or bank in good standing, having capital and surplus of not less than \$20 million.

Section 1010. Concerning Any Successor Trustee. Every successor or temporary trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the City an instrument in writing accepting such appointment hereunder, and thereupon such successor or temporary trustee, without any further act or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the City or of its successor trustee, execute and deliver an instrument transferring to such successor all the estate, properties,

rights, powers and trusts of such predecessor hereunder; and every predecessor trustee shall deliver all securities, moneys and any other property held by it as trustee hereunder to its successor. Should any instrument in writing from the City be required by any successor trustee for more fully and certainly vesting in such successor the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor trustee, any and all such instruments in writing shall, on request, be executed, acknowledged, and delivered by the City.

Section 1011. Reliance Upon Instruments. The resolutions, opinions, certificates and other instruments provided for in this Indenture may be accepted and relied upon by the Trustee as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Trustee for its actions taken hereunder.

Section 1012. Appointment of Co-Trustee. The City and the Trustee shall have power to appoint, and upon the request of the Trustee the City shall for such purpose join with the Trustee in the execution of all instruments necessary or proper to appoint, another corporation or one or more Persons approved by the Trustee, either to act as co-trustee or co-trustees jointly with the Trustee of all or any of the property subject to the lien hereof, with such powers as may be provided in the instrument of appointment and to vest in such corporation or Person or Persons as such co-trustee any property, title, right or power deemed necessary or desirable. In the event that the City shall not have joined in such appointment within fifteen (15) days after the receipt by it of a request so to do, the Trustee alone shall have the power to make such appointment. Should any deed, conveyance or instrument in writing from the City be required by the co-trustee so appointed for more fully and certainly vesting in and confirming to such co-trustee such properties, rights, powers, trusts, duties and obligations, any and all such deeds, conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the City. Every such co-trustee shall, to the extent permitted by law, be appointed subject to the following provisions and conditions, namely:

(1) The Bonds shall be authenticated and delivered, and all powers, duties, obligations and rights conferred upon the Trustee in respect of the custody of all money and securities pledged or deposited hereunder, shall be exercised solely by the Trustee; and

(2) The Trustee, at any time by an instrument in writing, may remove any such separate Trustee or co-trustee.

Every instrument, other than this Indenture, appointing any such co-trustee shall refer to this Indenture and the conditions of this Article X expressed, and upon the acceptance in writing by such co-trustee, the co-trustee shall be vested with the estate or property specified in such instrument, jointly with the Trustee (except insofar as local law makes it necessary for any separate trustee to act alone), subject to all the trusts, conditions and provisions of this Indenture. Any such co-trustee may at any time, by an instrument in writing, constitute the Trustee as the co-trustee's agent or attorney-in-fact with full power and authority, to the extent authorized by law, to do all acts and things and exercise all discretion authorized or permitted by the co-trustee, for and on behalf of the co-trustee and in the co-trustee's name. In case any co-trustee shall die, become incapable of acting, resign or be removed, all the estate, properties, rights, powers,

trusts, duties and obligations of said co-trustee shall vest in and be exercised by the Trustee until the appointment of a new trustee or a successor to such co-trustee.

Section 1013. Designation and Succession of Paying Agents. The Trustee and any other banks or trust companies designated as Paying Agent or Paying Agents in any Supplemental Indenture or in an instrument appointing a successor Trustee shall be the Paying Agent or Paying Agents for the Bonds.

Any bank or trust company with which or into which any Paying Agent may be merged or consolidated, or to which the assets and business of such Paying Agent may be sold, shall be deemed the successor of such Paying Agent for the purposes of this Indenture. If the position of Paying Agent shall become vacant for any reason, the City shall, within thirty (30) days thereafter, appoint such bank or trust company as shall be specified by the City as such Paying Agent to fill such vacancy; provided, however, that, if the City shall fail to appoint such Paying Agent within said period, the Trustee shall make such appointment.

The Paying Agents shall enjoy the same protective provisions in the performance of its duties hereunder as are specified in Section 1001 hereof with respect to the Trustee insofar as such provisions may be applicable.

ARTICLE XI

SUPPLEMENTAL INDENTURES

Section 1101. Supplemental Indentures Not Requiring Consent of Bondholders. The City and the Trustee may, from time to time and at any time, without the consent of or notice to the Bondholders, enter into Supplemental Indentures as follows:

- (a) to cure any formal defect, omission, inconsistency or ambiguity in this Indenture;
- (b) to grant to or confer or impose upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers, authority, security, liabilities or duties which may lawfully be granted, conferred or imposed and which are not contrary to or inconsistent with this Indenture as theretofore in effect, provided that no such additional liabilities or duties shall be imposed upon the Trustee without its consent;
- (c) to add to the covenants and agreements of, and limitations and restrictions upon, the City in this Indenture other covenants, agreements, limitations and restrictions to be observed by the City which are not contrary to or inconsistent with this Indenture as theretofore in effect;
- (d) to confirm, as further assurance, any pledge under, and the subjection to any claim, lien or pledge created or to be created by, this Indenture, of the Trust Estate or of any other moneys, securities or funds;

(e) to comply with the requirements of the Trust Indenture Act of 1939, as from time to time amended;

(f) to authorize the issuance and sale of one or more series of Additional Bonds;

(g) to make such additions, deletions or modifications as may be necessary to assure compliance with Section 148(f) of the Code relating to required rebate to the United States or otherwise as may be necessary to assure exemption from federal income taxation of interest on the Bonds; or

(h) to modify, alter, amend or supplement this Indenture in any other respect which is not materially adverse to the Bondholders and which does not involve a change described in clause (a), (b), (c), (d), (e) or (f) of Section 1102 hereof and which, in the judgment of the Trustee, is not to the prejudice of the Trustee.

Section 1102. Supplemental Indentures Requiring Consent of Bondholders. Subject to the terms and provisions contained in this Section, and not otherwise, the Holders of not less than 2/3 in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to consent to and approve the execution by the City and the Trustee of such indenture or indentures supplemental hereto as shall be deemed necessary and desirable by the City for the purpose of modifying, altering, amending, adding to, or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any Supplemental Indenture; provided, however, that nothing herein contained shall permit or be construed as permitting (a) an extension of the maturity (or mandatory redemption date) of the principal of or the interest on any Bond issued hereunder, or (b) a reduction in the principal amount of or redemption premium or rate of interest on any Bond issued hereunder, or (c) the creation of any lien on the Trust Estate or any part thereof, except as hereinbefore expressly permitted, or (d) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (e) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Indenture, or (f) deprive the Holder of any Bond then Outstanding of the lien hereby created on the Trust Estate. Nothing herein contained, however, shall be construed as making necessary the approval of Bondholders of the execution of any Supplemental Indenture as provided in Section 1101 of this Article XI.

If, at any time the City shall request the Trustee to enter into any Supplemental Indenture for any of the purposes of this Section, the Trustee shall, at the expense of the City, cause notice of the proposed execution of such Supplemental Indenture to be mailed by first class mail to each registered owner of the Bonds. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the principal office of the Trustee for inspection by Bondholders. The Trustee shall not, however, be subject to any liability to any Bondholder by reason of its failure to mail such notice, and any such failure shall not affect the validity of such Supplemental Indenture when consented to and approved as provided in this Section 1102. If the Holders of not less than 2/3 in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such Supplemental Indenture shall have consented to and approved the execution thereof as herein provided, no Holder of any Bond

shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the City from executing the same or from taking any action pursuant to the provisions thereof.

Section 1103. Effect of Supplemental Indentures. Upon the execution of any Supplemental Indenture entered into pursuant to Section 1101 or 1102 hereof, this Indenture shall be deemed to be modified and amended in accordance therewith.

ARTICLE XII

MISCELLANEOUS

Section 1201. Consents, etc. of Bondholders. Any request, direction, objection or other instrument required by this Indenture to be signed and executed by the Bondholders may be in any number of concurrent writings of similar tenor and may be signed or executed by such Bondholders in person or by agent appointed in writing. Proof of the execution of any such request, direction, objection or other instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken by it under such request or other instrument, namely:

(a) The fact and date of the execution by any Person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the Person signing such writing acknowledged before such officer the execution thereof, or by an affidavit of any witness to such execution.

(b) The fact of ownership of Bonds and the amount or amounts, numbers and other identification of such Bonds, and the date of holding the same shall be proved by the registration books of the City maintained by the Trustee, as Bond registrar.

Section 1202. Notices. Except as otherwise provided in this Indenture, all notices, certificates or other communications shall be sufficiently given and shall be deemed given when mailed by registered or certified mail, postage prepaid, to the City or the Trustee. Notices, certificates or other communications shall be sent to the following addresses:

City:	City of Fayetteville City Administration Building 113 West Mountain Fayetteville, Arkansas 72701 Attention: Mayor
Trustee:	Simmons First Trust Company, N.A. 501 Main Street Pine Bluff, Arkansas 71601 Attention: Glenda L. Dean, Corporate Trust

Any of the foregoing may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 1203. Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Indenture, or the Bonds issued hereunder, is intended or shall be construed to give to any person or company other than the parties hereto, and the Holders of the Bonds secured by this Indenture any legal or equitable rights, remedy, or claim under or in respect to this Indenture or any covenants, conditions, and provisions hereof being intended to be and being for the sole exclusive benefit of the parties hereto and the Holders of the Bonds hereby secured as herein provided.

Section 1204. Severability. If any provisions of this Indenture shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions or in all cases because it conflicts with any provisions or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses or paragraphs in this Indenture contained shall not affect the remaining portions of this Indenture or any part thereof.

Section 1205. Applicable Provisions of Law. This Indenture shall be considered to have been executed in the State of Arkansas and it is the intention of the parties that the substantive law of the State of Arkansas govern as to all questions of interpretation, validity and effect.

Section 1206. Counterparts. This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 1207. Successors and Assigns. All the covenants, stipulations, provisions, agreements, rights, remedies and claims of the parties hereto in this Indenture contained shall bind and inure to the benefit of their successors and assigns.

Section 1208. Captions. The captions or headings in this Indenture are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Indenture.

Section 1209. Photocopies and Reproductions. A photocopy or other reproduction of this Indenture may be filed as a financing statement pursuant to the Uniform Commercial Code, although the signatures of the City and the Trustee in such reproduction are not original manual signatures.

Section 1210. Bonds Owned by the City . In determining whether Bondholders of the requisite aggregate principal amount of the Bonds have concurred in any direction, consent or waiver under this Indenture, Bonds which are owned by the City shall be disregarded and

deemed not to be Outstanding for the purpose of any such determination, except that, for the purpose of determining whether the Trustee shall be protected in relying on any such direction, consent or waiver, only Bonds which the Trustee knows are so owned shall be so disregarded. Bonds so owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Bonds and that the pledgee is not the City. In case of a dispute as to such right, any decision by the Trustee taken upon the advice of counsel shall be full protection to the Trustee.

IN WITNESS WHEREOF, the City has caused these presents to be signed in its name and behalf by its Mayor and to be attested by its City Clerk, and to evidence its acceptance of the trust hereby created, the Trustee has caused these presents to be signed in its behalf by its duly authorized officers.

CITY OF FAYETTEVILLE, ARKANSAS

By: _____
Mayor

ATTEST:

City Clerk

SIMMONS FIRST TRUST COMPANY, N.A.,
as Trustee

By: _____
Title:

ATTEST:

By: _____
Title:

ACKNOWLEDGMENT

STATE OF ARKANSAS)
) ss.
COUNTY OF WASHINGTON)

Before me a Notary Public, duly commissioned, qualified and acting within and for the State and county aforesaid, appeared in person the within named Lioneld Jordan and Sondra Smith, Mayor and City Clerk, respectively, of the City of Fayetteville, Arkansas, to me personally known, who stated that they were duly authorized in their respective capacities to execute the foregoing instrument for and in the name of the City, and further stated and acknowledged that they had signed, executed and delivered the foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this _____ day of December, 2011.

Notary Public

My Commission expires:

(SEAL)

[ACKNOWLEDGEMENT TO TRUST INDENTURE]

ACKNOWLEDGMENT

STATE OF ARKANSAS)
) ss.
COUNTY OF JEFFERSON)

Before me a Notary Public, duly commissioned, qualified and acting within and for the State and county aforesaid, appeared in person the within named _____ and _____, the _____ and the _____, respectively, of Simmons First Trust Company, N.A., to me personally known, who stated that they were duly authorized in their respective capacities to execute the foregoing instrument for and in the name of the trust company and further stated and acknowledged that they had signed, executed and delivered the foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this _____ day of December, 2011.

Notary Public

My Commission expires:

(SEAL)

[ACKNOWLEDGEMENT TO TRUST INDENTURE]

EXHIBIT A TO TRUST INDENTURE

Form of Series 2011 Bond

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the City or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by the authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), any transfer, pledge or other use hereof for value or otherwise by or to any person is wrongful inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R11-_____ \$ _____

**UNITED STATES OF AMERICA
STATE OF ARKANSAS
CITY OF FAYETTEVILLE, ARKANSAS
PARKING REVENUE IMPROVEMENT BOND,
SERIES 2011**

Interest Rate: _____% Maturity Date: December 1, 20__

Date of Bond: December 1, 20__ CUSIP: _____

Registered Owner: CEDE & CO.

Principal Amount: _____ Dollars

KNOW ALL MEN BY THESE PRESENTS:

That the City of Fayetteville, Arkansas, a municipality and political subdivision organized and existing by virtue of the laws of the State of Arkansas (the "City"), for value received, promises to pay to the Registered Owner shown above, or registered assigns, on the Maturity Date shown above, but solely from the source and in the manner hereinafter set forth, the Principal Amount shown above, and in like manner to pay interest on said amount from the date hereof until payment of such Principal Amount has been made or duly provided for, at the Interest Rate per annum shown above, such interest to be payable semiannually on June 1 and December 1 of each year, commencing on the June 1 or December 1 next succeeding the date of this bond shown above, except as the provisions hereinafter set forth with respect to redemption of this bond prior to maturity may become applicable hereto. The principal of and premium, if any, on this bond are payable in lawful money of the United States of America upon the presentation and surrender hereof at the principal corporate trust office of Simmons First Trust Company, N.A., Pine Bluff, Arkansas, or its successor or successors, as trustee (the "Trustee"). So long as Cede & Co. or another nominee of DTC is the registered owner of this bond, payment of interest hereon shall be made by wire transfer of immediately available funds by the Trustee to the Registered Owner as of the fifteenth day of the calendar month preceding the calendar month in which such interest payment date shall fall (the "Record Date"). At any time thereafter, payment of interest hereon shall be made by check or draft of the Trustee to the Registered

Owner as of the applicable Record Date, at the owner's address as it appears on the bond registration books of the City kept by the Trustee.

This bond, designated "City of Fayetteville, Arkansas Parking Revenue Improvement Bond, Series 2011," is a series of bonds in the aggregate original principal amount of \$ _____ (the "Series 2011 Bonds"), issued for the purpose of (i) financing costs of acquiring, constructing and equipping parking deck facilities and related roadway and other improvements (collectively, the "Project"), (ii) funding a debt service reserve, and (iii) paying expenses of issuing the Series 2011 Bonds.

The Series 2011 Bonds are issued under and are secured and entitled to the protection given by a Trust Indenture dated as of December 1, 2011 (the "Indenture"), by and between the City and the Trustee, which Indenture is available for inspection at the principal corporate trust office of the Trustee.

The Series 2011 Bonds are not general obligations of the City, but are limited and special obligations payable solely from and secured by a pledge of net revenues (after provision for operation and maintenance expenses, including previous debt for parking equipment) attributable to parking fees, leases, rents, fines, charges and other revenues collected by the City with respect to its meters, lots and other parking facilities, and including net revenues to be generated with respect to the Project and net revenues with respect to City management of parking facilities owned by third parties (the "Net Parking Revenues"), as specified in, and in accordance with the provisions of, the Indenture.

The Indenture provides that the City may hereafter issue Additional Bonds from time to time under certain terms and conditions contained in the Indenture and, if issued, such Additional Bonds will rank on a parity of security with the Series 2011 Bonds and be equally and ratably secured by and entitled to the protection of the Indenture. Reference is hereby made to the Indenture and to all indentures supplemental thereto for the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the City, the Trustee and the registered owners of the Series 2011 Bonds, and the terms upon which the Series 2011 Bonds are issued and secured.

The City has covenanted that the fees, leases, rents, fines and charges generating the Parking Revenues will not be reduced from current levels while any of the Series 2011 Bonds are Outstanding unless there is obtained from a Qualified Accountant a certificate to the effect that Net Parking Revenues in the then current and immediately succeeding fiscal years, with the reduced fees, leases, rents, fines or charges, will be at least equal to (i) 125% of the Annual Debt Service on all Bonds and Subordinate Obligations for the then current and immediately succeeding fiscal years, and (ii) the amount, if any, needed to make required deposits to the Debt Service Reserve Fund. The City has further covenanted that the fees, leases, rents, fines and charges generating the Parking Revenues shall, if and when necessary, from time to time, be increased in such a manner as will produce Net Parking Revenues in the then current and immediately succeeding fiscal years at least equal to (i) 125% of the Annual Debt Service on all Bonds and Subordinate Obligations for the then current and immediately succeeding fiscal years, and (ii) the amount, if any, needed to make required deposits to the Debt Service Reserve Fund.

The Series 2011 Bonds are issued pursuant to and in full compliance with the Constitution and laws of the State of Arkansas, including particularly Amendment 65 to the Constitution and Arkansas Code Annotated (1998 Repl. & 2011 Supp.) §§14-164-401 *et seq.* (the "Act"), and pursuant to Ordinance No. _____ of the City adopted on _____, 2011. The Series 2011 Bonds do not constitute an indebtedness of the City within the meaning of any constitutional or statutory limitation and the Series 2011 Bonds shall never constitute an obligation or charge against the general credit or taxing powers of the City.

The holder of this Series 2011 Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Series 2011 Bonds and Additional Bonds, if any, issued under the Indenture and then outstanding may be declared and may become due and payable before the stated maturity thereof, together with accrued interest thereon.

Modifications or alterations of the Indenture, or of any indenture supplemental thereto, may be made only to the extent and in the circumstances permitted by the Indenture.

The Series 2011 Bonds will be subject to redemption prior to maturity as follows:

(a) The Series 2011 Bonds are subject to redemption prior to maturity, at the option of the City, on and after December 1, 2016, in whole or in part at any time and in any order of maturity directed by the City, from funds from any source, at a redemption price equal to one hundred percent (100%) of the principal amount of the Series 2011 Bonds being redeemed, plus accrued interest to the date of redemption.

(b) The Series 2011 Bonds shall be redeemed prior to maturity, in whole or in part, on any interest payment date, in inverse order of maturity, at a redemption price equal to one hundred percent (100%) of the principal amount of the Series 2011 Bonds being redeemed, plus accrued interest to the date of redemption, from unexpended proceeds of the Series 2011 Bonds (if such unexpended proceeds equal or exceed \$100,000) not needed for paying costs of the Project Costs.

(c) The Series 2011 Bonds maturing on December 1, 20__, are subject to mandatory sinking fund redemption prior to maturity in part, on December 1 in the years and amounts set forth below at a redemption price equal to the principal amount thereof plus accrued interest to the date of redemption, without premium;

Year	Principal Amount
20__	\$
20__	\$
20__	\$
20__	\$
20__ (maturity)	\$

(d) The Series 2011 Bonds maturing on December 1, 20__, are subject to mandatory sinking fund redemption prior to maturity in part, on December 1 in the years and amounts set forth below at a redemption price equal to the principal amount thereof plus accrued interest to the date of redemption, without premium; and

Year	Principal Amount
20__	\$
20__	\$
20__	\$
20__	\$
20__ (maturity)	\$

(e) The Series 2011 Bonds maturing on December 1, 20__, are subject to mandatory sinking fund redemption prior to maturity in part, on December 1 in the years and amounts set forth below at a redemption price equal to the principal amount thereof plus accrued interest to the date of redemption, without premium.

Year	Principal Amount
20__	\$
20__	\$
20__	\$
20__ (maturity)	\$

At its option, to be exercised on or before the 45th day next preceding any mandatory sinking fund redemption date for any Series 2011 Bonds, the City may deliver to the Trustee for cancellation Series 2011 Bonds of the appropriate maturity, or portions thereof (\$5,000 or any integral multiple thereof), in any aggregate principal amount desired. Each such Series 2011 Bond, or portion thereof, so delivered or previously redeemed (otherwise than through mandatory sinking fund redemption) and canceled by the Trustee shall be credited by the Trustee at 100% of the principal amount thereof on the obligation of the City on such mandatory sinking fund redemption date, and any excess over such amount shall be credited on future mandatory sinking fund redemption obligations of that maturity in chronological order, and the principal amount of such Series 2011 Bonds so to be redeemed shall be accordingly reduced.

This Series 2011 Bond may be transferred on the books of registration kept by the Trustee by the registered owner or by his duly authorized attorney upon surrender hereof, together with a written instrument of transfer duly executed by the registered owner or his duly authorized attorney.

The Series 2011 Bonds are issuable as registered bonds without coupons in denominations of \$5,000 and any integral multiple thereof. Subject to the limitations and upon payment of the charges provided in the Indenture, Series 2011 Bonds may be exchanged for a like aggregate principal amount of Series 2011 Bonds of other authorized denominations.

No recourse shall be had for the payment of the principal of or premium, if any, or interest on any of the Series 2011 Bonds or for any claim based thereon or upon any obligation,

covenant or agreement contained in the Series 2011 Bonds or the Indenture against any past, present or future alderman, officer or employee of the City, or any successor, as such, either directly or through the City or any successor of the City, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such alderman, officer or employee as such is hereby expressly waived and released as a condition of and consideration for the issuance of any of the Series 2011 Bonds.

[The Series 2011 Bonds have been designated by the City as “qualified tax-exempt obligations” within the meaning of Section 265(b) of the Internal Revenue Code of 1986, as amended.]

This Series 2011 Bond is issued with the intent that the laws of the State of Arkansas will govern its construction.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the Series 2011 Bonds do exist, have happened and have been performed in due time, form and manner as required by law; that the indebtedness represented by the Series 2011 Bonds, together with all obligations of the City, does not exceed any constitutional or statutory limitation; and that the revenues pledged to the payment of the principal of and premium, if any, and interest on the Series 2011 Bonds as the same become due and payable will be sufficient in amount for that purpose.

This Series 2011 Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, the City of Fayetteville, Arkansas has caused this Series 2011 Bond to be executed by its Mayor and City Clerk, thereunto duly authorized (by their manual or facsimile signatures), and its corporate seal to be affixed or imprinted hereon, all as of the date hereof shown above.

CITY OF FAYETTEVILLE, ARKANSAS

ATTEST:

By: _____
Mayor

By: _____
City Clerk

(S E A L)

(Form of Trustee's Certificate)

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This bond is one of the Series 2011 Bonds of the issue described in and issued under the provisions of the within mentioned Indenture.

Attached hereto is the complete text of the opinion of Kutak Rock LLP, a signed original of which is on file with the undersigned, delivered and dated the date of the original delivery of and payment for the Series 2011 Bonds.

SIMMONS FIRST TRUST COMPANY, N.A.,
as Trustee

By: _____
Authorized Signature

(Form of Assignment)

ASSIGNMENT

FOR VALUE RECEIVED, _____, hereby sells, assigns, and transfers unto _____, the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ as attorney to transfer the within Bond on the books kept for registration thereof with full power of substitution in the premises.

DATE: _____, 20__.

Transferor

GUARANTEED BY:

NOTICE: Signature(s) must be guaranteed by an institution satisfactory to the Trustee or other transfer agent

EXHIBIT B TO TRUST INDENTURE

REQUISITION

City of Fayetteville, Arkansas
Series 2011 Parking Revenue Improvement Bonds

Date: _____
Requisition No.: _____

TO: Simmons First Trust Company, N.A., as Trustee

Pursuant to the provisions of Section 502 of the Trust Indenture dated as of December 1, 2011 (the "Indenture"), by and between the City of Fayetteville, Arkansas (the "Issuer") and you, as trustee, you are authorized to make the following described payment directly to the Payee named below from the Project Fund:

Name and Address of Payee: _____

Amount of Payment: \$ _____

General Classification of
the Expenditures:

The undersigned hereby certifies that he is authorized to deliver this Requisition on behalf of the Issuer.

The amount requested hereunder has not been the basis for any previous Requisition by the Issuer and is justly due and owing to the person(s) named herein as a proper payment or reimbursement of a Project Cost.

No Event of Default exists under the Indenture and, to the knowledge of the undersigned, no event has occurred and continues which with notice or lapse of time or both would constitute an Event of Default under the Indenture.

CITY OF FAYETTEVILLE, ARKANSAS

By: _____
Authorized Representative

Parking Revenue Bonds
Parking Deck
Entertainment District

CROSSLAND
CONSTRUCTION COMPANY, INC.

1800 S. 52nd Street, Suite 300

Rogers, Arkansas 72758

tel 479.464.7077

fax 479.464.7050

RE: City of Fayetteville Parking Garage

Option One – SE Deck

General Information

- Site to be the southeast corner of the intersection of Spring Street and West Ave.
- Cast-in-place structure utilizing post tensioning.
- Deep foundation will be required.
- Exterior skin to be architectural treatment such as brick
- Approx. 290 spaces, 230 net gain (Spacing and layout could produce more spaces)

Cost

- Approx. \$5,365,000, or \$18,500 per space
- Cost does not include any design fees
- Cost does not include any rock excavation beyond what is reasonably expected for foundation work

Site Information and Challenges

- Small site, will need to use grassy area across Spring Street for construction lay down area
- Inefficient size. To construct a six story deck on such a small site will cause the cost of each space to be greater than normal.
- Presence of ground water in the area of the site
- Presence of rock in area of the site will increase the cost of the foundation work
- Time: In order to construct this structure safely with such limited access to, in, and around the site will cause the project schedule to be around 15 to 19 months.
- Possible disruption of local utilities
- May require the addition of a traffic signal at the intersection (not included in cost)
- Would disrupt a relatively few amount of existing parking spaces
- Would require coordination with adjacent property owners
- Could require land acquisition of land from adjacent properties

CROSSLAND

CONSTRUCTION COMPANY, INC.

1800 S. 52nd Street, Suite 300

Rogers, Arkansas 72758

tel 479.464.7077

fax 479.464.7050

Option Two – WAC Lot

General Information

- Excavate existing approx. 290 space surface lot at the south west corner of West Ave. and Dickson Streets to accommodate an additional approx. 260 subterranean spaces.
- Structure will be cast in place foundation and basement walls with a precast concrete structure supporting new parking at or slightly above the level of the existing surface lot grade. New upper level will be approx. 305 spaces
- Approx. 565 spaces, 275 net gain (Spacing and layout could produce more spaces)

Cost

- Approximately 5,085,000, or \$9,000 per space
- Cost does not include any design fees
- Cost does not include any rock excavation beyond what is reasonably expected for foundation work

Site Information and Challenges

- Will require the disruption of major parking lot in the entertainment district
- Knowledge of existing conditions via as-built drawing of existing parking lot makes fewer unknowns about the site and subsurface conditions.
- Modification of existing Storm Sewer system will be required
- Creates opportunity to construction a permanent/semi-permanent stage or performance platform.
- Very efficient structure, creates additional parking at a much less than normal parking deck cost because of larger surface area of the site which makes constructing the required parking spaces possible without building a tall structure.
- Structure can be designed so that additional levels (probably one or two) could be added in the future as need arises.
- Not building a multi-level above grade structure eliminates the need for additional architectural finished on the exterior, which in turn lowers the cost.
- Time: This project could be constructed in approx. 9 to 12 months
- May require the addition of a traffic signal at the intersection (not included in cost)

City of Fayetteville Staff Review Form

B. 2
Sales Tax Capital Fund
Page 1 of 8City Council Agenda Items
and
Contracts, Leases or Agreements

11/1/2011

City Council Meeting Date
Agenda Items Only

Paul A Becker

Submitted By

Finance and Internal Services

Division

Finance and Internal Services

Department

Action Required:

This is a request for the City Council to formally establish the Sales Tax Capital Fund. This would allow the City to continue to budget and report the Sales Tax Capital Fund in the City Financial Statements under newly defined generally accepted accounting principles.

N/A

Cost of this request

\$

Category / Project Budget

Program Category / Project Name

\$

Account Number

Funds Used to Date

Program / Project Category Name

\$

Project Number

Remaining Balance

Fund Name

Budgeted Item

Budget Adjustment Attached

Paul A. Becker
Department Director

10-18-2011
Date

Previous Ordinance or Resolution #

[Signature]
City Attorney

10-18-11
Date

Original Contract Date:

Original Contract Number:

Paul A. Becker
Finance and Internal Services Director

10-18-2011
Date

Received in City Clerk's Office 10-19-11 P01:47 RCVD

[Signature]
Chief of Staff

10-19-11
Date

Received in
Mayor's Office

[Signature]
Mayor

10/19/11
Date

Comments:



THE CITY OF FAYETTEVILLE, ARKANSAS
DEPARTMENT CORRESPONDENCE

www.accessfayetteville.org

CITY COUNCIL AGENDA MEMO

To: Mayor Jordan and Members of the Fayetteville City Council

Thru: Don Marr, Chief of Staff

From: Paul A Becker, Finance Director P.A.B.

Date: October 17, 2011

Subject: Request for an Ordinance Formally Establishing The Sales Tax Capital Fund

Background:

The Governmental Accounting Standards Board (GASB) is the standard setting body for generally accepted principles for governmental accounting (GAP). Once established these rules must be followed to receive an unqualified opinion from a CPA firm on the City Financial Statements. In other words, they set the rules in the world of governmental accounting.

The City of Fayetteville is required to have an annual audit performed under generally accepted accounting principles by a CPA firm and an opinion rendered on the City's Financial Statements.

Periodically, the GASB establishes or changes accounting principles and/ or reporting requirements. This is done through the issuance of GASB Statements. Recently GASB has issued Statement 54 which primarily addresses a new classification method of funds balance, but also touches on what is required to establish and account for separate funds.

Issues:

Since 1993 when the one cent sales tax was approved by the voters of Fayetteville, the portion of the City sales tax used for capital and capital related projects has been accounted for and reported in a separate fund. Although over the years the percentages allocated between general operations and capital has changed, the City Council has continued to allocate a portion of the sales taxes collected to capital and capital related projects. The current allocation is 60% to general operations and 40% to sales tax capital expenditures. In June of 2002 a resolution was passed by the City Council (87-02) which established a minimum of 30% of the sales tax collections be devoted to capital or capital related improvements. Although previous resolutions indicated the intent of the City to account for these expenditures separately, I can find no record of the City Council formally

creating the Sales Tax Capital Fund. Because of the requirements of GASB 54 it is necessary for the Council to formally establish said Sales Tax Capital Fund to continue to account for and report this program separately in the annual audited financial statements. Therefore, I request the City Council establish by ordinance the Sales Tax Capital Fund to account for that portion of the city one cent sales tax allocated to capital and capital related expenditures as determined and identified by the City Council in the annual budget of the City. To continue the City's current policy, I also request the City Council specify that at least 30% of the city sales tax collections be allocated to this fund for capital and capital related projects as determined by the City Council during the annual budget process.

BUDGET IMPACT:

There is no additional cost to this request. It would codify the City's' past accounting and budgeting practices.

ORDINANCE NO. _____

**AN ORDINANCE TO ENACT §34.09 SALES TAX CAPITAL FUND OF
THE CODE OF FAYETTEVILLE**

WHEREAS, the Government Accountings Standards Board sets general accounting principles and requires that cities account for certain revenues by placing them in separate funds; and

WHEREAS, the City Council has determined to recognize and establish a separate Sales Tax Capital Fund.

**NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE
CITY OF FAYETTEVILLE, ARKANSAS:**

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby enacts §34.09 **Sales Tax Capital Fund** of the Code of Fayetteville as shown below.

“§34.09 Sales Tax Capital Fund

“(A) The Sales Tax Capital Fund is recognized and established as a separate fund to be used exclusively for capital and capital related projects and purchases as authorized and appropriated by the City Council.

(B) At least forty percent (40%) of the revenue derived from the city one percent operating sales and use tax shall be deposited into the Sales Tax Capital Fund in 2012. The City Council when adopting budgets for 2013 and thereafter may lower this minimum percentage for the Sales Tax Capital Fund, but not more than five percent (5%) per year to an absolute minimum division of thirty percent (30%) for the Sales Tax Capital Fund and seventy percent (70%) for operations as was approved by City Council Resolution No. 87-02 in 2002.”

PASSED and **APPROVED** this 1st day of November, 2011.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA E. SMITH, City Clerk/Treasurer

RESOLUTION NO. 87-02

**A RESOLUTION EXPRESSING THE CITY'S INTENT AS
TO THE USE OF COLLECTIONS OF THE PROPOSED
RENEWAL OF THE CITY WIDE SALES TAX AND USE TAX**

WHEREAS, the City Council of the City of Fayetteville, Arkansas (the "City") has passed on June 4, 2002, Ordinance No. 4397 providing for continuing the levy of a 1% Sales and Use tax within the City (the "Tax") if approved by the voters; and

WHEREAS, the Tax will continue to be levied under Title 26, Chapter 75, subchapter 2 of the Arkansas Code of 1987 Annotated and may be used by the City for any purpose for which the City's general funds may be used, and;

WHEREAS, after public hearings and a vote of the City Council, the City updates yearly a five year plan of capital improvements which lists the specific capital improvement goals of the City and prioritizes the need for such capital improvement projects, and;

WHEREAS, the purpose of this resolution is to clarify for the Fayetteville voters some of the purposes for which the City Council expects to finance and/or maintain with tax collections.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF
THE CITY OF FAYETTEVILLE, ARKANSAS:**

Section 1: The City hereby expresses its intent to utilize 50% of Tax collections in each calendar year through December 31, 2006 for the financing of capital improvements as set forth in the City's five year Capital Improvement Program. It is the City's further intent that these funds be accounted for separately and used only for capital improvement projects.

Section 2: The City hereby further expresses its intent to utilize the remaining 50% of tax collections in each calendar year for City operations and maintenance and, should such collections exceed any need for such purpose, the remaining amounts may be used for financing capital improvements.



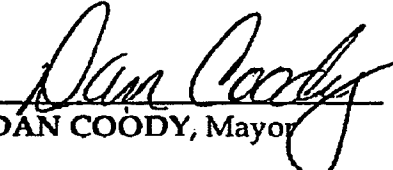
Rés. '87-02

Section 3: The City Council shall reexamine the revenue needs of the City in reference to both capital improvements and operating expenses and needs for budget year 2006 and thereafter and may adjust the division of the sales tax collections between capital improvements and operating expenses as needed. However, no yearly adjustment may exceed ten percent (10%) from the division existing in the previous year and the amount devoted to capital improvements shall never drop below thirty percent (30%).

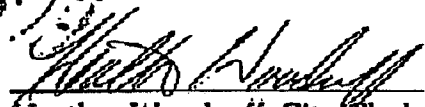
Section 4: It is the City's intent to finance these capital improvements on a pay-as-you-go basis without the necessity of a bond issue.

PASSED and APPROVED this the 4th day of June, 2002.

APPROVED:

By: 
DAN COODY, Mayor



By: 
Heather Woodruff, City Clerk

City of Fayetteville Staff Review Form

C. 1
Amend Chapter 92
Page 1 of 14

**City Council Agenda Items
and
Contracts, Leases or Agreements**

11/15/11
~~10/18/2011~~

City Council Meeting Date
Agenda Items Only

Justine Middleton

Submitted By

Animal Services

Division

Community Services

Department

Action Required:

Approval of proposed replacement of the pet licensing ordinance with a microchipping ordinance and alteration of current animal sheltering impoundment fees.

_____	\$ _____	_____
Cost of this request	Category / Project Budget	Program Category / Project Name
_____	\$ _____	_____
Account Number	Funds Used to Date	Program / Project Category Name
_____	\$ _____	_____
Project Number	Remaining Balance	Fund Name

Budgeted Item ☐

Budget Adjustment Attached ☐

Department Director

Date

Previous Ordinance or Resolution # _____

Original Contract Date: _____

City Attorney

Date

Original Contract Number: _____

Finance and Internal Services Director

Date

Received in City Clerk's Office

Chief of Staff

Date

Received in Mayor's Office

Mayor

Date

Comments:

CITY COUNCIL AGENDA MEMO

To: City Council

Thru: Yolanda Field, Dir. Community Services; Jeremy Pate, Dir. Community Development

From: Justine Middleton, Animal Services Superintendent

Date: October 25, 2011

Subject: Approval of proposed changes to the pet licensing and shelter impoundment fee ordinances

PROPOSAL:

The Animal Services Advisory Board recommended that the possibility of mandatory microchipping, as opposed to the current city licensing program, be explored for the city of Fayetteville. The benefits of microchipping are extensive. If an animal control officer finds a stray animal, he/she will scan the animal. If the animal is chipped, the officer is able to immediately have the name, address, and phone number(s) of the owner and often an emergency contact is listed as well. Being able to get the animal home directly, without ever having to come to the Shelter, reduces the workload of the staff and also is much less stressful for the pet. It also reduces the cost to the City by bypassing the need to vaccinate the animal upon intake and care for and feed the pet until the owner is able to come claim the pet. So far in 2011, we have been able to return 164 more pets to their owners than we did at this time last year. This is at least partly due to the increase in use of microchipping.

Both staff and board members spent considerable time looking at data concerning the effectiveness and the compliance rate with mandatory chipping. It was determined that more citizens already have their pets chipped than have them current on their city licenses in Fayetteville. In addition, microchips cannot be lost or misplaced like collars and tags.

The proposed ordinance changes were modeled partly on the city of Springdale's successful mandatory chipping ordinance and partly on other similar cities as well as what staff felt like would work best for Fayetteville. In addition to switching to mandatory microchipping, there are proposed changes to the animal redemption fees. These changes will help to target the animals that are the biggest concern for animal control, which are pets that are out running loose in the streets. The Shelter takes in between 4,500 and 5,000 pets each year and although many are returned to their owners or adopted, not all of them are. We want to encourage city residents to follow the leash law and keep their pets safe.

The ordinance requires that the information stored on the microchip be kept up to date both with the City and with the microchip company. In order to register a microchip with the City, a citizen will be required to fill out a simple one page form which requests the same basic information that is stored by the microchip company at the national level (name, contact information, breed of animal, etc). There are two main reasons for keeping the

information at the City level as well as the national level. One, in case a microchip company was ever to stop operating the City would still have all the required information in their software system. In addition, having the information stored in the Shelter's software system allows staff to easily access the information and get the pet home in a more timely manner. It can take several minutes to place a call to a microchip company and relay information to them so they will release the owner's information to staff. Currently Animal Control Officers do not carry City issued cell phones with them, so having the information stored in our own system will also prevent that added cost.

Although there may be an initial increased workload for staff to get the newly registered microchips in the system, the workload should drop off steeply after the first rush. The information, once entered, is good for the life of the pet unless someone moves or changes phone numbers. These updates are very simple to do in our system. Updating information with a microchip company is also a simple process that can be done online or over the phone depending on what company issues the chip. The chip the Shelter uses is 24 Hour Petwatch which allows you to update the information stored on the chip at no cost online.

There is a higher charge for the first impoundment with a chip that does not have up to date information. A chip is only as good as the information stored on it. If the address or phone number is incorrect, staff time must be spent trying alternative ways to track down the owner and those efforts are not always successful.

The current city licensing ordinance provides citizens a strong incentive to have their pets spayed or neutered. A city tag for a neutered pet is only \$5 whereas a tag for an unneutered pet is \$75—this is a yearly expense. Because microchips can be installed at any vet clinic, it does not make sense for the ordinance requiring microchipping to have any price discrepancy based on whether the pet has been neutered. Instead, staff and the Advisory Board felt it made more sense to target those incentives towards the pets that were really causing issues—those which are found running loose. This is the reasoning behind changing the redemption fee schedule. Those citizens who have pets that are found running loose are charged higher fees on the first impoundment, but with the option to have the fees drastically reduced if they choose to have their pet neutered at a reduced cost (currently \$30). If they do not choose to have their pet neutered, they may pay the higher fee. On the second impoundment, neutering will be mandatory. Any subsequent impoundments will be subject to the lower fees for neutered pets.

It is very important to remember that we only have three animal control officers for a city of over 75,000 people. If we catch a pet running loose multiple times, it only stands to reason that there are many other times that the pet is out loose when we are not there. We are still dealing with a pet overpopulation issue. Despite our best efforts, we still euthanize approximately 30% to 40% of the pets that come through our doors every year. We also take several calls daily about pets that have been hit by cars on our busy streets. It is important for pet owners to take responsibility for their pets.

Unless it is a habitual problem, every effort will be made to return the pet to the owner without the pet ever even entering our Shelter. The redemption fees are set up as a strong deterrent for those pet owners who are constantly letting their pets run loose.

RECOMMENDATION:

Staff, the Animal Services Advisory Board, and the Ordinance Review Committee recommends approval of the proposed changes to the above mentioned ordinances to go into effect on January 1, 2012.

BUDGET IMPACT:

N/a

ORDINANCE NO. _____

AN ORDINANCE AMENDING SECTION 92.01 **DEFINITIONS**, REPEALING AND REPLACING SECTION 92.20 **ANNUAL LICENSE AND TAG**, AMENDING SECTION 92.24 **REDEMPTION OF ANIMALS**, REPEALING SECTION 92.33 **ANIMAL HOBBYIST PERMIT** OF CHAPTER 92: **ANIMALS** OF THE CODE OF FAYETTEVILLE TO REMOVE ANIMAL LICENSING REQUIREMENTS AND ENACT ANIMAL MICROCHIPPING REQUIREMENTS, AND PROVIDING FOR AN EFFECTIVE DATE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1. That the City Council of the City of Fayetteville, Arkansas hereby amends §92.01 Definitions of the Code of Fayetteville by deleting the definitions of Hobbyist and License and inserting, in alphabetical order location, the following definitions:

Microchip. An identifying integrated circuit placed under the skin of a dog or cat for purposes of identifying the owner of the animal.

Sterilize means to surgically alter an animal so that it cannot reproduce.

Section 2. That the City Council of the City of Fayetteville, Arkansas hereby repeals §92.20 Annual License and Tag of the Code of Fayetteville, and enacts a replacement §92.20 Microchipping and Registration Required, as presented in the attached Exhibit “A”, which is incorporated herein as if set out word for word.

Section 3. That the City Council of the City of Fayetteville, Arkansas hereby amends §92.24 Redemption of Animals of the Code of Fayetteville by deleting subsection (A) of the section and replacing it with a new subsection (A), as presented in the attached Exhibit “B”, which is incorporated herein as if set out word for word.

Section 4. That the City Council of the City of Fayetteville, Arkansas hereby amends §92.24 Redemption of Animals of the Code of Fayetteville by deleting subsection (B) of the section and replacing it with a new subsection (B), as presented in the attached Exhibit “C”, which is incorporated herein as if set out word for word.

Section 5. That the City Council of the City of Fayetteville, Arkansas hereby repeals §92.33 Annual Hobbyist Permit of the Code of Fayetteville.

Section 6. That this Ordinance shall not become effective until January 1, 2012.

PASSED and **APPROVED** this _____ day of _____, 2011.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA E. SMITH, City Clerk/Treasurer

92.20 Microchipping and Registration Required

The owner or harbinger of any dog or cat four (4) months old or older living in the City must have an RFID microchip implanted in their dog or cat. The RFID number must be registered with the City's Animal Services Division within thirty (30) days of the animal being brought into the City. The identifying RFID microchip number must be registered with the City Animal Services Division within thirty (30) days of the cat or dog being brought into the City or within thirty (30) days of the dog or cat reaching four (4) months of age. At all times, the owner or harbinger of a dog or cat living in the City must maintain up-to-date contact information, including address and telephone number, with the City Animal Services Division. The fee for any City performed RFID microchip implant shall be \$20.00.



92.24 Redemption Of Animals

- (A) After the expiration of ten (10) days impoundment in the case of a microchipped animal, or the expiration of five (5) days impoundment in the case of an non-microchipped animal, said animal shall become the property of the City, and the City shall be empowered to place for adoption or to destroy and dispose of said animal as provided for in §92.23 (B) above. The animal control officer is hereby authorized to place for adoption or to destroy such animal and dispose of the carcass. For the purpose of this section, the day of taking up shall be counted as the first day of the impoundment.



92.24 Redemption Of Animals

(B) Redemption Fees

(1) Fees for Sterilized Animals

An owner reclaiming a sterilized impounded animal shall pay the cost of such impoundment. Said costs are hereby ascertained to be \$10.00 for the first impoundment if the animal is sterilized and has a microchip currently registered with up-to-date contact information on file with the City Animal Services Division; \$25.00 for the first impoundment if the animal has no microchip or the animal's microchip is not registered with up-to-date contact information on file with the City Animal Services Division. The animal shall be microchipped at the time of redemption at the owner's expense. \$50.00 for the second impoundment of a sterilized and microchipped animal within a twelve (12) month period. \$100.00 for the third impoundment of a sterilized and microchipped animal within a twelve (12) month period. \$200.00 for the fourth impoundment of a sterilized and microchipped animal within a twelve (12) month period.

(2) Fees for Unsterilized Animals

An owner reclaiming an unsterilized impounded animal shall pay the cost of such impoundment. Said costs are hereby ascertained to be \$100.00 for the first impoundment on an unsterilized animal with or without a microchip. The animal shall be microchipped at the time of redemption at the owner's expense. At the time of the first redemption the owner of an unsterilized animal shall be offered spay or neuter services at a reduced cost. If sterilization is performed, the impoundment fee will be reduced to \$10.00 for animals that are already microchipped and \$25.00 for animals that are not microchipped or animals whose microchips are not registered with up-to-date information on file with the City Animal Services Division. \$200.00 for the second impoundment within a twelve (12) month period. At such time the animal will be considered a public nuisance and shall be sterilized at the owner's expense. At such time that a third impoundment occurs, the owner shall be required to pay the fees as set forth for the third impoundment of a sterilized animal.

(3) Boarding Fees

In addition to the impoundment fees as provided in subsections (B)(1) and (B)(2) of this section, a boarding fee of \$10.00 per day per animal shall be charged for each day such animal is impounded in the animal shelter, together with the cost of having an unvaccinated animal vaccinated for rabies.



FAYETTEVILLE CODE OF ORDINANCES
TITLE IX GENERAL REGULATIONS

CHAPTER 92 ANIMALS

ARTICLE I
GENERAL PROVISIONS

92.01 Definitions

For the purpose of this chapter the following definitions shall apply unless the context clearly indicates or requires a different meaning.

Abandon. Any person who knowingly deserts an animal on public or private property.

Animal. Any living creature, domestic or wild.

Animal shelter. Any facility operated by a humane society, municipal agency or its authorized agent(s) for the purpose of impounding or caring for animals held under the authority of this chapter or state law.

At large. Not under the physical control of the animal's owner or harboree, or his authorized representative, either by leash, trolley system, or enclosure. An animal intruding upon or damaging the property of another person or upon public property, trespassing on school grounds, harassing passersby or passing vehicles, or interfering with refuse collection, harassing meter readers and not under the physical control referred to herein shall be deemed "running at large." An animal within an automobile or other vehicle shall not be deemed "running at large" if the animal is physically confined to the vehicle. An animal shall not be considered "at large" when on the premises of the owner or harboree thereof and accompanied by the owner or harboree.

Cat. A feline of either sex, including one neutered or sterilized.

City. City of Fayetteville, Arkansas.

Dangerous Animal. Any animal which, when unprovoked, approaches in a manner of attack any person or domestic animal upon the streets, sidewalks, or any other public ground or place.

Dog. A canine of either sex, including one neutered or sterilized.

Enclosure. A fence or pen, or structure forming or causing an enclosure of sufficient strength or construction to contain the specific animal and prevent the animal from escaping. Owners confining dogs or cats by means of an enclosure must provide a minimum space of 100 square feet (10x10) per dog or cat four (4) months of age or older.

Harbor. For a period of three days or more, to keep and care for an animal or provide a premises to which the animal returns.

Hobbyist means a person whose unsterilized dogs or cats are registered with the American Kennel Club, United Kennel Club, Cat Fanciers' Association, The International Cat Association or similar group and who competes or shows their animals at least annually. A 'hobbyist' is also a person who holds a current Arkansas hunting license and uses his or her dogs to hunt at least annually. A 'hobbyist' may not allow his or her animals to produce more than one total litter annually regardless of the number of unsterilized animals owned. A second litter within a hobbyist's property within a twelve month period shall invalidate the hobbyist's permit for twelve months.

Kennel means a structure or facility used for the purpose of breeding two or more litters of puppies or kittens within any twelve month period. A facility used for commercially boarding more than three dogs or cats or combination thereof at any time shall be considered a 'Kennel'.

License. A permit and animal tag issued by the city to indicate that an animal is vaccinated against rabies in accordance with city ordinance and that the owner or harboree has remitted to the city the levied permit fee.

Locked Enclosure. A fence or pen, or structure with all gates or entrances locked with a key or combination device. The structure forming or causing an enclosure of sufficient strength or construction to contain the specific animal and prevent the animal from escaping.

Noisy Animals. Any domestic animal which barks, whines, or howls in an unwarranted, or continuous, or loud, or frequent fashion.

Pet Shop means a commercial establishment or facility which regularly sells pets such as dogs, cats, birds, rodents, reptiles and/or fish to the general public. Pet Shops are only allowed in C-1, C-2, C-3, Downtown Core, Mainstreet Center, Downtown General and by Conditional Use in R-O Districts

Restrained. Any animal secured by leash and under the control of owner or harboree. At public events of 100 persons or more, leashes shall be a maximum length of 6 feet. The animal must be within 4 feet of the owner or harboree.

Special Event. A specified or designated public occurrence, affair, or event at which more than three

to
be

removed

FAYETTEVILLE CODE OF ORDINANCES
TITLE IX GENERAL REGULATIONS

92.04 Sale Of Diseased Animals; Kennel And Pet Shop Regulation

(A) It shall be unlawful for any person, pet shop, or kennel to sell, offer to sell, or expose any diseased or poisonous animal or any animal the sale of which is prohibited by federal law.

(B) Every place used as a kennel or pet shop shall be kept in a clean and sanitary condition, and no refuse or waste materials shall be allowed to remain thereon for more than 24 hours. The owner or operator of a kennel or pet shop shall properly treat any diseased animal and shall properly isolate those animals having a disease contagious to animal or human life; provided, any animal which is diseased past recovery shall be destroyed. All animals in a kennel or pet shop shall be humanely treated and properly nourished. Animals shall not be confined in one area in such numbers that access to food and water is not readily available.

(Ord. No. 3588, §2, 1-21-92; Code 1991, §92.04; Ord. 5002, 4-17-07)

Cross reference(s)—Penalty, §92.99.

92.05 Noisy Animals Restricted

It shall be unlawful for any person to keep on his premises or under his control any noisy animal which shall disturb the peace and quiet of any person who may reside within reasonable proximity of the place where such animal is kept. An owner or harbinger violating this section may be required to train the animal with a humane "bark collar" or other devices for noise control. The owner or harbinger shall be notified of the opportunity to appeal this requirement within 10 days upon issuance of such requirements to the Animal Services Superintendent.

(Ord. No. 3588, §2, 1-21-92; Code 1991, §92.05; Ord. 5002, 4-17-07)

Cross reference(s)—Penalty, §92.99.

92.06 Animal Waste, Offensive Odors Prohibited

(A) The owner of an animal shall be responsible for the removal of any excreta deposited by his animal(s) on public walks, recreation areas, public parks, or private property.

(B) It shall be unlawful for any person keeping or harboring any animal to fail to keep the premises where such animal is kept free from offensive odors to the extent that such odors are disturbing to any person residing within a reasonable proximity of

said premises; and it shall be unlawful to allow the premises where any animal is kept to become unclean and a threat to the public health by failing to diligently and systematically remove all waste material from the premises.

(Ord. No. 3588, §1, 1-21-92; Code 1991, §92.06; Ord. 5002, 4-17-07)

Cross reference(s)—Penalty, §92.99.

92.07-92.19 Repealed

92.20 Annual License And Tag

(A) Levy and amount of license. There is hereby levied and there shall be collected an animal licensing fee in the amount hereinafter provided on each dog or cat owned or kept within the city. Said fee shall be paid to the city or to a licensed veterinarian. It shall be the duty of any licensed veterinarian collecting a fee under the provisions of this section to remit such fee to the city by the 10th of the month next following the month in which said fee is collected. The issuing veterinarian shall be permitted to keep twenty percent (20%) of the licensing fee collected as a handling fee.

(1) For each neutered male or spayed female the levied fee shall be in the amount of \$5.00 annually. The fee for each unspayed female or unneutered male shall be \$75.00, with exceptions for any animal under six months of age, the fee shall be \$5.00 or the unspayed or unneutered animal is licensed under the hobbyist's permit.

(2) Medical Exemption of Spay and Neuter Surgery.

If an actively licensed and practicing veterinarian believes it would be unwise to subject the animal to the sterilization procedure for medical reasons, a medical exception will be granted. In this case, the veterinarian who makes this determination must provide a signed statement which:

(a) Describes the medical condition that provides grounds for the medical exemption.

(b) Includes his or her opinion as to whether the medical condition is temporary or permanent.

(c) If the condition is temporary, includes a prognosis of the date on which the sterilization can be performed safely.

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FAYETTEVILLE CODE OF ORDINANCES
TITLE IX GENERAL REGULATIONS

(3) Should a dog or cat be brought into the city, the person owning or keeping such dog or cat shall have 30 days in which to pay the licensing fee levied hereby. Any person failing to pay said fee within such period shall be required to pay an additional fee of \$5.00.

(B) Issuance of license receipt and tag. The city official or a licensed veterinarian to whom the fee levied by subsection (A) above is paid shall issue a receipt therefore and shall issue to each person paying said fee a metal tag indicating that said fee has been paid; provided a tag for any dog or cat shall not be issued unless a certificate from a licensed veterinarian is presented which indicates that said dog or cat has been vaccinated for rabies according to state law.

(C) License period. A license, if not revoked, shall be valid for one year from the date of issue. A new license shall be obtained each year by every owner and a new fee paid. An owner shall have 30 days from the date the license expires to obtain a new license without penalty. Any person failing to obtain a license within such period shall be required to pay an additional fee of \$5.00.

(D) Tag to be attached to animal in a reasonable manner. It shall be the duty of the owner or keeper of every dog or cat within the city to attach the tag provided for in subsection (B) to said dog or cat in a reasonable manner.

(E) Nothing in this section shall be construed to apply to any dog or cat under the age of three months, or to dogs or cats brought to the city on a temporary basis for show or exhibition.

(Ord. No. 3588, §2, 1-21-92; Code 1991, §92.20; Ord. 5002, 4-17-07)

Cross reference(s)--Penalty, §92.99.

92.21 Rabies Vaccination Required

(A) All dogs and cats in the city and other pets which are subject to rabies shall be vaccinated against rabies according to state law by an accredited veterinarian. A metal tag evidencing such vaccination shall be attached to the harness or collar of every dog in the city, and shall be attached to every cat in the city by a reasonable method. Any person who shall keep any pet which is subject to rabies in the city without first having such pet vaccinated for rabies, at least once a year, shall be guilty of a misdemeanor.

(B) In case a tag for the animal licensing fee or rabies vaccination required by this chapter is lost or

destroyed, a duplicate shall be issued by the city upon presentation of a receipt or other verification showing payment of said fee or receipt of such duplicate tag. No tag shall be transferable from one animal to another. No refunds shall be made on any fee from one animal to another. No refunds shall be made on any fee because of the death of the animal or because the owner leaves the city before the expiration of the license period.

(Ord. No. 3557, 7-16-91; Ord. No. 3588, §2, 1-21-92; Code 1991, §92.21; Ord. 5002, 4-17-07)

Cross reference(s)--Penalty, §92.99.

State law reference(s)--"Rabies Control Act", A.C.A. §20-19-301 et seq; Vaccination dogs & cats required, A.C.A. §20-19-305.

92.22 Running At Large Prohibited

(A) It shall be unlawful for the owner or person in charge of any horse, mule, colt, sheep, cow, calf, bull, jack, jenny, goat, hog, or swine of any kind to permit or suffer the same to run at large within the corporate limits of the city at any time.

(B) It shall be unlawful for any person owning or having control of any chickens, turkeys, or other fowl to permit the same to run at large within the city.

(C) It shall be unlawful for the owner or person having charge of any dog or cat to permit or allow such dog or cat to run at large within the corporate limits of the city at any time.

(D) It shall be unlawful for the owner or person having charge of any dog or cat to permit or allow such dog or cat to be without proper restraint at a public event.

(E) The term "permit" shall include the failure of the owner or person having charge of said animal to physically restrain the animal. The animal control officer shall be authorized to enter onto private property for the purpose of impounding an animal found running at large.

(F) Every female dog or cat in heat or estrous shall be confined in a building or secure enclosure in such a manner that such female dog or cat cannot come into contact with another animal except for planned breeding.

(Ord. No. 3588, §2, 1-21-92; Code 1991, §92.22; Ord. 5002, 4-17-07)

Cross reference(s)--Penalty, §92.99.

92.23 Impoundment

removed & replaced

FAYETTEVILLE CODE OF ORDINANCES
TITLE IX GENERAL REGULATIONS

- (A) The Fayetteville Animal Shelter is authorized to accept from the animal control officer or any private citizen, and to impound, any dog or cat found running at large in violation of this subchapter. The animal control officer shall not be required to respond to requests to pick up unconfined cats until the person making the request has confined or restrained the animal so that it can readily be taken into custody by the animal control officer. The animal control officer may use humane animal traps or tranquilizers to assist in confining the cat.
- (B) Whenever any animal in the animal shelter bears a city tag, it shall be the duty of the animal control officer to notify the owner or the person to whom the tag was issued, if such person or owner can be found, that the animal has been taken up and placed in the animal shelter and will be destroyed or placed for adoption within 10 days unless the fee hereinafter prescribed is paid. If the owner or person to whom the tag was issued cannot be found, the animal control officer shall, by registered mail sent to said person's last known address, notify said person that the animal has been impounded at the animal shelter, and will be destroyed or placed for adoption within 10 days if the fee hereinafter prescribed is not paid. For the purpose of this section, the first day of taking up shall be counted as the first day of the impoundment period provided herein.

(Ord. No. 3588, §2, 1-21-92; Code 1991, §92.23; Ord. 5002, 4-17-07)

92.24 Redemption Of Animals

- (A) After the expiration of 10 days impoundment in the case of a licensed animal, or the expiration of five days' impoundment in the case of an unlicensed animal, said animal shall become the property of the city, and the city shall be empowered to place for adoption or to destroy and dispose of said animal as provided for in §92.23 (B) above. The animal control officer is hereby authorized to place for adoption or to destroy such animal and dispose of the carcass. For the purpose of this section, the day of taking up shall be counted as the first day of the impoundment.
- (B) An owner reclaiming an impounded animal shall pay the cost of such impoundment. Said costs are hereby ascertained to be \$10.00 for the first impoundment if the animal has a rabies vaccination and is currently licensed in the city with current city license and rabies tags attached; \$25.00 for the first impoundment if the animal is not currently vaccinated and licensed in accordance with this chapter; animal shall be microchipped at time of

CD92:7

redemption at the owner's expense. \$50.00 for the second impoundment for the same animal within a 12 month period; at the time of the 1st or 2nd redemption the owner of an intact animal shall be offered spay or neuter services at a reduced cost. If sterilization is performed, the city licensing fee will be reduced to \$5 at the first impound. \$100.00 fee for the third impoundment for the same animal within a 12 month period; and at such time an intact animal shall be considered a public nuisance and shall be spayed/neutered at the time of redemption at the owner's expense; and \$200.00 for the fourth and subsequent impoundments of the same animal within a 12 month period. In addition to the impoundment fees, a boarding fee of \$10.00 per day per animal shall be charged for each day such animal is impounded in the animal shelter, together with the licensing fee for such animal, if the same has not been paid, plus the cost of having an unvaccinated animal vaccinated for rabies.

- (C) The owner of an impounded animal who refuses to reclaim his animal may be proceeded against for abandonment under the provisions of §92.02.
- (D) No unclaimed dog or cat shall be released for adoption without being sterilized, or without a written agreement from the adopter guaranteeing that such animal will be sterilized, and after the adoption fee has been paid. A voucher will be issued to the adopter and said voucher may be used at the time the animal is sterilized. An adopter who fails to comply with the sterilization provision of the agreement shall be guilty of a misdemeanor.

(Ord. No. 3588, §2, 1-21-92; Code 1991, §92.24; Ord. 5002, 4-17-07)

92.25 Confinement When Person Bitten

Any animal suspected of biting a human shall be quarantined in accordance with the provisions of A.C.A. 20-19-301 (The Rabies Control Act).

(Ord. 5002, 4-17-07)

92.26 Vicious Animals Restricted

- (A) Once a citation has been issued by an Animal Services Officer or a complaint has been filed in the district court against the owner or harbinger of an animal for violation of this section, the animal shall be relinquished by the owner or harbinger to the animal services officer and kept at the animal shelter, the animal shall not be released except on order of the court, which order may also direct the owner or harbinger to pay a fine, all impoundment fees, and/or obtain liability insurance in amount to be determined. Upon a finding that such animal is a

removed & replaced

City of Fayetteville Staff Review Form

City Council Agenda Items
and
Contracts, Leases or Agreements

11/15/2011

City Council Meeting Date
Agenda Items Only

Leif Olson
Submitted By

Sustainability and Strategic Planning
Department

Action Required:

ADM 11-3932: (UDC Chapter 178: Outdoor Vendors): Submitted by CITY PLANNING STAFF. The proposal is to amend Chapter 178: Outdoor Vendors to clarify and modify language regarding sidewalk and mobile vendors.

Cost of this request	\$ -	Category / Project Budget	Program Category / Project Name
Account Number	\$ -	Funds Used to Date	Program / Project Category Name
Project Number	\$ -	Remaining Balance	Fund Name

Budgeted Item ☐

Budget Adjustment Attached ☐

Department Director

10/28/11
Date

Previous Ordinance or Resolution #

Original Contract Date:

City Attorney

10/31/11
Date

Original Contract Number:

Finance and Internal Services Director

10-31-2011
Date

10-27-11 P01:44 RCVD
Received in City
Clerk's Office

Chief of Staff

10-31-11
Date

Received in
Mayor's Office

Mayor

11/1/11
Date



Comments:



www.accessfayetteville.org

C. 2

Amend Chapter 178 (ADM 11-3932
UDC Chapter 178 Outdoor Vendors)

Page 2 of 10

THE CITY OF FAYETTEVILLE, ARKANSAS
DEPARTMENT CORRESPONDENCE

CITY COUNCIL AGENDA MEMO

To: Mayor Jordan, City Council

Thru: Don Marr, Chief of Staff
Jeremy Pate, Development Services Director
John Coleman, Sustainability and Strategic Planning Director

From: Leif Olson, Planner

Date: October 18, 2011

Subject: ADM 11-3932 Outdoor Vendors Ordinance Amendments

RECOMMENDATION

Staff and the Planning Commission recommends approval of an ordinance amending Chapter 178: Outdoor Vendors.

BACKGROUND

In 2008 the City adopted Chapter 178: Outdoor Vendors and in the subsequent years has approved numerous sidewalk and mobile truck vendors to operate in the City. In 2010 the ordinance was amended to include a process for an applicant to request a conditional use permit to operate in locations not pre-approved by the City, for carts that do not meet the size requirements, or to vend arts and crafts products. Staff believes that the outdoor vendor ordinance has been very successful. Staff has observed some recurrent issues regarding the language of the ordinance as it pertains to the permitted size and measurements of the cart. In order to better administer the ordinance staff proposes amendments related to cart size and inspections and the approval process for increases in cart size. Additionally, the Fire Marshall requests adding language to section 178.04 Outdoor Mobile Vendors Located on Private Property that requires commercial kitchen exhaust hoods for outdoor mobile vendors that cook foods that produce grease vapors

DISCUSSION

On September 12, 2011 the Planning Commission voted 6-1-0 in favor of a recommendation of approval for ADM 11-3932 Outdoor Vendor Ordinance Amendments.

BUDGET IMPACT

None.

ORDINANCE NO. _____

**AN ORDINANCE TO AMEND §178.03 SIDEWALK VENDORS OF THE
UNIFIED DEVELOPMENT CODE TO CLARIFY CART REQUIREMENTS**

WHEREAS, Planning Staff and the Fire Marshall's office have recommended modifications to §178.03 **Sidewalk Vendors** to clarify food cart requirements and to require exhaust hoods for enclosed carts; and

WHEREAS, the Planning Commission has unanimously recommended these amendments.

**NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE
CITY OF FAYETTEVILLE, ARKANSAS:**

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby repeals all of §178.03 **Sidewalk Vendors** and enacts a replacement §178.03 **Sidewalk Vendors** with the recommended amendments as attached as Exhibit A.

PASSED and APPROVED this 15th day of November, 2011.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA E. SMITH, City Clerk/Treasurer

178.03 Sidewalk Vendors

- (A) *Purpose.* Public rights-of-way are designed for free and unobstructed travel. However, the City of Fayetteville recognizes that certain development patterns with wide sidewalks are unique and that certain public amenities are not inconsistent with the underlying dedication for the public right-of-way, as long as they do not impede travel or interfere with the public safety. This ordinance is designed to regulate open air vending of goods on public rights-of-way.
- (B) *Sidewalk Vendor Authorization.* The Zoning and Development Administrator may issue a permit for a sidewalk vendor to use a specific sidewalk or plaza location for specified hours to sell specified goods for up to a one year period. In addition to the general use requirements, the Zoning and Development Administrator shall ensure that no permit is granted unless:
- (1) The applicant has obtained all necessary permits from State or County authorities, including any Transient Merchant permit requirements.
 - (2) The applicant has submitted a sales and use tax number, sales tax remittance forms and an affidavit that the applicant has fully paid all sales and use taxes during the previous twelve months, if applicable.
 - (3) The applicant has filed a HMR tax remittance form with the City of Fayetteville, when applicable.
 - (4) The applicant has notified all adjacent property owners, by certified mail, of the application.
- (C) *Permit Application.* Each application for a permit to conduct business on a sidewalk shall be accompanied by a \$100 application and permit fee. Permits issued after July 1st shall be accompanied by a \$50 application and permit fee. Each permit will expire at 3 a.m. on January 1st following the year issued. The permit fee shall be collected prior to issuance of the permit
- (1) Application for a sidewalk vendor permit shall include the following items in a format acceptable to the Zoning and Development Administrator:
 - (a) Name, address and contact information.
 - (b) Type of items sold or services rendered.
 - (c) A valid copy of all necessary permits required by State and County health authorities.
 - (d) Proof of application for remittance of HMR tax to the City of Fayetteville.
 - (e) Means to be used in conducting business, including but not limited to, a description of any mobile container or device to be used for transport or to display approved items or services.
 - (f) A site plan indicating the location and dimensions of the proposed use and device or pushcart.
 - (g) A detailed scale drawing, picture or diagram and material specifications of the device or pushcart to be used.
 - (2) The permit issued shall not be transferable in any manner.
 - (3) The permit is valid for one sidewalk vending location only.
- (D) *Permitted Vending Products and Goods.*
- (1) The City of Fayetteville permits the following types of goods for street vending in approved locations:
 - (a) Cut Flowers
 - (b) Food and Beverage
 - (c) Arts and Crafts: Only objects of art or craft produced and sold by a local artist or craft person may be sold by street vendors.
 - (2) All goods being sold from sidewalk vendors shall:
 - (a) Be located within the permitted area and be attended at all times. Sidewalk vendors shall not conduct transactions with vehicular traffic located in the right-of-way.
 - (b) Not lead to or cause congestion or blocking of pedestrian traffic on the sidewalk.

- (c) Involve a short transaction period to complete the sale or render the service.
 - (d) Not cause undue noise or offensive odors.
 - (e) Be easily carried by pedestrians.
- (E) *Location Requirements.* Sidewalk vendors are permitted in specific locations in Fayetteville as a use by right. These locations have been determined by the City Council to have adequate sidewalk width, pedestrian traffic flow, and they minimize potential conflicts with existing businesses. Sidewalk vendors are not permitted to operate on days / times associated with special events, unless they have been approved and granted a Special Events Permit from the organization coordinating the special event. Maps of approved locations are available in the Planning Division. The locations where street vending is allowed as a permitted use are:
- (1) North and West sidewalks in front of the Walton Arts Center. Sidewalk vendors may locate along West Avenue and Dickson St. in front of the Walton Arts Center
 - (2) Inside of the Fayetteville Square. Sidewalk vendors may locate along sidewalks on all sides of the interior of the downtown Fayetteville Square. On days / times that the Farmers' Market or other special events operate, sidewalk vendors shall only be permitted if approved through the Farmers' Market or Special Event Permit process.
- (F) *Conditional Use Permit.* If an applicant wishes to operate as a sidewalk vendor in a location other than those specifically approved by the City Council, a conditional use permit must be obtained. Upon receipt of a conditional use permit application, the Planning Commission shall review the proposed permit operating area to determine if the said area is suitable for street vending in accordance with this chapter. In making this determination, the Planning Commission shall consider the following criteria:
- (1) The application meets all other criteria established herein for a sidewalk vendor, with the exception that the applicant may request that the cart, and/or operating area, may be larger than the dimension required in this chapter.
- (2) The number of permits issued for the street vending location shall not exceed the capacity of the area in terms of maintaining the use of the sidewalk as a public right-of-way. The Planning Commission shall consider the width of sidewalk, the proximity and location of existing street furniture, including, but not limited to: signposts, lamp posts, parking meters, bus shelters, benches, phone booths, street trees and newsstands, as well as the presence of bus stops, truck loading zones, or taxi stands to determine whether the proposed use would result in pedestrian or street congestion.
- (G) *Requirements.* Sidewalk vendors conducting business on the sidewalks of the City of Fayetteville with a valid permit issued under this Chapter may transport and/or display approved goods upon the approved mobile device or pushcart, under or subject to the following conditions:
- (1) The operating area shall not exceed 40 square feet of sidewalk, which shall include the area of the mobile device, operator and trash receptacle. The Planning Division will provide a map of approved vendor locations.
 - (2) The length of the mobile device or cart shall not exceed 6 7 feet, **including the cart's trailer tongue or hitch that is not removed or collapsible, and any propane tanks or other attachments to the mobile device.** The width shall not exceed 3 4 feet, including the carts wheel wells or tires, **and any accessory components of the cart such as retractable or collapsible sinks or shelves.**
 - (3) The height of the mobile device or pushcart, excluding canopies, umbrellas, or transparent enclosures, shall not exceed 5 feet.
 - (4) No permanent hardware shall be affixed to the sidewalk or adjacent buildings.
 - (5) Mobile generators are prohibited.
 - (6) No sidewalk vendor may conduct business on a sidewalk in any of the following places:
 - (a) Within 10 feet of the intersection of the sidewalk with any other sidewalk. Sidewalk intersections

shall be kept clear for pedestrian safety.

- (b) Within 10 feet of any handicapped parking space, or access ramp.
 - (c) Within 15 feet of a fire hydrant.
 - (d) Within 15 ft. of an entrance to a building.
- (7) Street vending facilities shall be removed from the public right-of-way when not in use. Sidewalk vendors are only allowed to operate between the hours of 5 a.m. and 3 a.m. All carts shall be removed from the public right-of-way during non-operational hours.
- (8) **Prior to final approval, Planning Staff shall inspect the sidewalk vendor set up in the proposed location. The applicant shall make an appointment between the hours of 8 a.m. to 5 p.m. in which Planning Staff will inspect the cart and all proposed accessories such as coolers, trash receptacle, chairs, etc. that the applicant is proposing for the site. Upon approval, sidewalk vendors shall display in a prominent and visible manner the permit issued by the Planning Division.**
- (9) The Fire Marshal shall inspect and approve any food and beverage pushcart to assure the conformance of all cooking or heating apparatus with the provisions of the City Fire Code.
- (10) Sidewalk vendors who sell food and beverage are required to be permitted, and receive approval, through the Arkansas Department of Health and Human Services for food related establishments. A copy of the permit issued by the State, and inspected and approved by the Washington County Health Department, shall be supplied to the Planning Division prior to Planning Division approval.
- (11) **Sidewalk vendors are required to provide a trash receptacle for public use located within their permitted operating space. All sidewalk vendors must pick up and properly dispose of all paper, cardboard, metal, plastic or other litter in any form (including cigarette butts) within the sidewalk area assigned to the vendor within thirty minutes of the end of daily operations. Failure to**

completely remove all such litter from the authorized sidewalk location shall constitute a violation of the permit approval.

- (12) No sidewalk vendor shall solicit, berate or make any noise of any kind by vocalization or otherwise, for the purpose of advertising or attracting attention to his wares. No audible amplified music shall be permitted.
- (H) *Signage.* Sidewalk vendors shall obtain a sign permit from the Planning Division prior to the issuance of a permit to operate. Sidewalk vendors are permitted a total of one (1) A-frame sandwich/menu board subject to Ch. 174 Signs regulating these types of signs. The menu board shall list the products and prices for the items being vended. Only products or services available at the vending location shall be displayed.
- (I) *Revocation of the Sidewalk Vendor Permit.* The Zoning and Development Administrator is authorized to revoke a sidewalk vendor's permit if it is determined that a violation of the requirements of the Unified Development Code has occurred.

(Ord. 5185, 10-7-08; Ord. 5321, 5-18-10)

178.04 Outdoor Mobile Vendors Located On Private Property

- (A) *Purpose.* To permit outdoor mobile vendors, also known as transient merchants, to operate on private property while preserving and protecting the health, safety and welfare of citizens.
- (B) *Requirements.* Transient merchants located on private property shall meet the following requirements and submittals prior to approval:
- (1) **Permit Application.** Each application for a permit to conduct a transient merchant business shall be accompanied by a \$50 permit review and processing fee.
 - (2) **Application for a permit to conduct a transient merchant business shall include the following items in a format acceptable to the Zoning and Development Administrator:**
 - (a) Name, address and contact information.
 - (b) Type of items sold or services rendered. A change in product or

service will require a new permit to be issued.

- (c) A valid copy of all necessary permits required by State and County health authorities.
 - (d) Proof of application for remittance of HMR tax to the City of Fayetteville.
 - (e) Means to be used in conducting business including but not limited to a description of any mobile device to be used for transport or to display approved items or services.
 - (f) A detailed site plan and written description illustrating the type, location, and dimensions of the mobile vendor business including parking.
 - (g) Written authorization, signed by the property owner or legal representative of record, stating that the transient merchant business is permitted to operate on the subject property.
- (3) The permit issued shall not be transferable in any manner.
 - (4) The permit is valid for one mobile vendor location only.
 - (5) The proposed use shall be a permitted use-by-right within the underlying zoning district in order to be permitted.
 - (6) A Temporary Certificate of Zoning Compliance (90 days) shall be approved by the Planning Division.
 - (7) Outdoor mobile vendors are allowed on a temporary basis (90 days), by nature of their temporary occupancy, in one location over a one-year (twelve month) timeframe. Outdoor mobile vendors may move to a different location after

this 90-day period has expired. However, a new Outdoor Mobile Vendor Application will have to be reviewed and approved by the Planning Division for a new location.

- (8) Outdoor mobile vendors shall be in compliance with parking lot requirements for any existing and the proposed business. The number of required parking spaces is determined by the use and size of the proposed transient merchant business, and by the use and size of the existing business. Parking spaces on the property where the outdoor mobile vendor is located shall be paved and striped in order to be utilized. The use of parking for an outdoor mobile vendor may not reduce the number of spaces necessary for other uses occurring on the property. An adequate number of parking spaces for the existing businesses and the outdoor mobile vendor must be provided onsite. The location of the outdoor mobile vendor shall not impede traffic flow or create a dangerous traffic condition, as determined by Planning Division upon review of the site plan.
- (9) The Fayetteville Fire Marshall shall inspect and approve all permitted outdoor mobile vendors that are set up to cook food and shall require a Type I hood at or above all commercial cooking appliances and domestic cooking appliances used for commercial purposes that produce grease vapors. Commercial kitchen exhaust hoods shall comply with the requirements of the International Mechanical Code.

Commercial cooking appliances required to have a Type I hood shall be provided with an approved automatic fire suppression system complying with the Arkansas Fire Prevention Code, Volumes I and II.

*Planning Commission
September 26, 2011
Page 4 of 18*

Old Business:

ADM 11-3932 Administrative Item (AMENDMENTS TO CHAPTER 178: Outdoor Vendors) Submitted by THE CITY OF FAYETTEVILLE PLANNING DIVISION to clarify Sidewalk Vendor requirements and to add hood vent requirements for Outdoor Mobile Vendors that serve food.

Andrew Garner, Senior Planner, gave the staff report indicating that this item was tabled at the previous meeting and that the City Fire Marshal was present to answer questions regarding the proposed changes to the vent hood regulations for mobile vendors.

Terry Lawson, Fire Marshal, discussed the background of the request.

No public comment was presented.

Commissioner Chesser asked when vent hoods would be required.

Lawson explained that the vent hoods and fire suppression system would be required when cooking items that generate grease or smoke such as deep friers or a flat-top grill.

Commissioner Hoskins asked for details about the vent system.

Lawson explained the hood system and options for mobile situations.

Hoskins asked about vendors for the BBQ festival.

Lawson explained the difference between the standard 90-day outdoor mobile vendor permit that is inspected by the fire department and the BBQ festival vendors that are not inspected by the fire department.

Commissioner Hoskins asked about monitoring and inspecting these types of vendors.

Lawson explained that the fire department inspects sidewalk vendors and other food vendors such as the food trucks and vans.

Commissioner Hoskins discussed that he agrees with the concerns about vapors and smoke discussed by the fire marshal. He discussed that ceiling fans and exhaust fans should be adequate for these types of small applications such as in a food van. Ventilation makes sense, but requiring a hood and Ansul fire suppression system is very expensive and not necessary.

Commissioner Chesser agreed with Commissioner Hoskins. Do other municipalities require this?

Lawson stated that he was not sure.

Commissioner Cabe discussed that in these small applications such as a food van he could picture an inexperienced high school or college student cooking food and a grease fire that could be made worse without the suppression system. He fully agrees with the proposed code changes.

Motion:

Commissioner Chesser made a motion to forward ADM 11-3932 as recommended by staff. **Commissioner**

Planning Commission
September 26, 2011
Page 5 of 18

Cook seconded the motion. Upon roll call the motion passed with a vote of 6-1-0 (Commissioner Hoskins voted 'no').

City of Fayetteville Staff Review Form

C. 3
CH2M Hill Engineers, Inc.
Amendment No. 2
Page 1 of 24

**City Council Agenda Items
and
Contracts, Leases or Agreements**

15-Nov-11

City Council Meeting Date
Agenda Items Only

David Jurgens

Submitted By

Wastewater Treatment

Division

Utilities

Department

Action Required:

Approval of Contract Amendment 2 with CH2M Hill Engineers, Inc. for \$6,656,934 for operation, maintenance, management and engineering services for the City's wastewater treatment facilities and systems in 2012, and approving a \$70,000 contingency.

6,726,934

Cost of this request

6,765,224

Category / Project Budget

Wastewater Treatment

Program Category / Project Name

5400.5100.5328.00 - 5400.5140.5328.00

Account Number

\$

-

Funds Used to Date

Wastewater Treatment

Program / Project Category Name

08048

Project Number

6,765,224

Remaining Balance

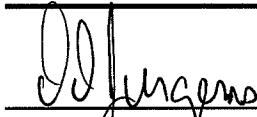
Water/Sewer

Fund Name

Budgeted Item

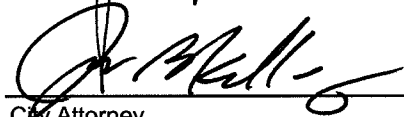
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Budget Adjustment Attached

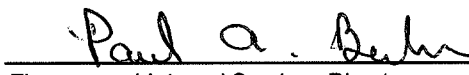
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Department Director
28 Oct 11
Date

Previous Ordinance or Resolution # 256-09

Original Contract Date: 12/15/2009


City Attorney
10-31-11
Date

Original Contract Number: 2113


Finance and Internal Services Director
10-31-2011
DateReceived in City
Clerk's Office

10-23-11 P01:59 RCVD


Chief of Staff
10-31-11
DateReceived in
Mayor's Office

Mayor
11/1/11
Date

Comments:

To: Fayetteville City Council

Thru: Mayor Lioneld Jordan
Don Marr, Chief of Staff

From: David Jurgens, Utilities Director
Fayetteville Water and Sewer Committee

Date: October 28, 2011

Subject: Contract Amendment 2 with CH2M Hill Engineers, Inc. for \$6,656,934 for operation, maintenance, management and engineering services for the City's wastewater treatment facilities and systems

RECOMMENDATION

Staff recommends approving Contract Amendment 2 with CH2M Hill Engineers, Inc. for \$6,656,934 for operation, maintenance, management and engineering services for the City's wastewater treatment facilities and systems, and approving a \$70,000 contingency.

BACKGROUND

When the Noland WWTP upgrade was completed in 1987, the City contracted with OMI (now CH2M Hill-OMI) for WWT services. The scope of services provided by OMI include: (1) operate and maintain the Noland and West Side Wastewater Treatment Plants (WWTP); (2) operate and maintain 45 wastewater pump station sites; (3) administer the City's NPDES discharge, air, stormwater, and other permits; (4) manage the City's biosolids disposal program; (5) manage the City's industrial pretreatment program; (6) support the SCADA (supervisory control and data acquisition system) network that monitors water and wastewater facilities; (7) pursue operation economies, efficiencies, and permit compliance; and (8) participate in the construction and post-construction work of the Wastewater System Improvement Project (WSIP). In late 2009, the City underwent a rigorous selection process with three competitive proposals. The selection committee selected CH2M Hill for a five year contract, which expires December 31, 2014.

DISCUSSION

The 2012 contract amendment updates the scope of services from the 2011 contract, with evolutionary changes reflecting biosolids drying, updated regulatory requirements, and wastewater treatment related engineering services. To encourage cost saving operations, the contract contains an incentive provision whereby budget savings are distributed 87.5% to the City and 12.5% to CH2M HILL. The 2012 contract amendment reflects a \$108,290 cost reduction from 2011, primarily due to reduced operations expenses from biosolids processing. The contingency is requested to allow for potential expenses due to increased regulatory requirements with the new NPDES permits. Highlights of changes are below:

- 1) New USPEA NPDES discharge permits for both wastewater plants.
- 2) Biosolids drying process coming on line, reducing hauling and landfilling costs and possibly creating a new revenue stream.
- 3) Beaver Water District sludge land application process coming on line, increasing operating costs that are covered in full by the charges for the service.
- 4) Lake Sequoyah dredging pilot program.

BUDGET IMPACT

The \$6,656,934 contract and \$70,000 contingency costs are included in the proposed 2012 Budget. Execution of this contract is contingent on approval of the 2012 budget.

RESOLUTION NO. _____

A RESOLUTION APPROVING CONTRACT AMENDMENT NO. 2 WITH CH2M HILL ENGINEERS, INC. IN THE AMOUNT OF \$6,656,934.00 FOR OPERATION, MAINTENANCE, MANAGEMENT AND ENGINEERING SERVICES FOR CITY WASTEWATER TREATMENT FACILITIES AND SYSTEMS, AND APPROVING A \$70,000.00 CONTRACT CONTINGENCY

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1. That the City Council of the City of Fayetteville, Arkansas hereby approves Contract Amendment No. 2 with CH2M Hill Engineers, Inc., a copy of which is attached as Exhibit "A", in the amount of \$6,656,934.00 for operation, maintenance, management and engineering services for city wastewater treatment facilities and systems.

Section 2. That the City Council of the City of Fayetteville, Arkansas hereby approves a \$70,000.00 contract contingency.

PASSED and APPROVED this 15th day of November, 2011.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA E. SMITH, City Clerk/Treasurer

AMENDMENT NO. 2 TO AGREEMENT
For
OPERATIONS, MAINTENANCE, AND MANAGEMENT SERVICES
Between
CITY OF FAYETTEVILLE, ARKANSAS
And
CH2M HILL ENGINEERS, INC.

THIS AMENDMENT NO. 2 to the Agreement for Operations, Maintenance and Management Services between the City of Fayetteville, Arkansas, Wastewater Treatment Facilities and its pertinent systems dated December 15, 2009 (the "Agreement"), is made effective on the 1st day of January, 2012, by and between City of Fayetteville, Arkansas, acting by and through its Mayor (hereinafter "City of Fayetteville") and CH2M HILL Engineers, Inc., (hereinafter "CH2M HILL")

NOW THEREFORE, the City and CH2M HILL hereby amend the Agreement as follows:

1. Appendix B is deleted in its entirety and replaced with the attached Appendix B.
2. Appendix C is deleted in its entirety and replaced with the attached Appendix C.
3. Appendix D is deleted in its entirety and replaced with the attached Appendix D.
4. Appendix E is deleted in its entirety and replaced with the attached Appendix E.
5. Appendix F is deleted in its entirety and replaced with the attached Appendix F.
6. Appendix G is deleted in its entirety and replaced with the attached Appendix G.
7. Appendix H is deleted in its entirety and replaced with the attached Appendix H.

This Amendment No. 2, together with the Agreement, constitutes the entire agreement between the Parties and supersedes all prior oral and written understandings with respect to the subject matter set forth herein. Unless specifically stated all other terms and conditions of the Agreement shall remain in full force and effect. Neither this Amendment nor the Agreement may be modified except in writing signed by an authorized representative of the Parties.

The Parties, intending to be legally bound, indicate their approval of the Amendment by their signatures below.

Officer have made and executed this Agreement as of the day and year first above written.

CH2M HILL ENGINEERS, INC.

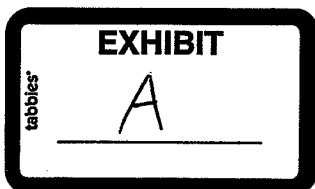
By: Natalie L. Eldredge
Name: Natalie L. Eldredge
Title: Senior Designated Manager
Date: 10/27/11

CITY OF FAYETTEVILLE, ARKANSAS

By: _____
Name: Lioneld Jordan, Mayor
Title: Mayor
Date: _____

ATTEST:

By: _____
Name: Sondra Smith
Title: City Clerk
Date: _____



Appendix A

LIST OF APPENDICES

Appendix A – List of Appendices

Appendix B – Definitions

Appendix C – Scope of Services

Appendix D – Compensation for Services

Appendix E – Location of Project

Appendix F – Environmental Permits and Project Characteristics

Appendix G – Industrial Waste Discharges and Monitoring Program

Appendix H – Vehicle and Mobile Equipment Description (Rolling Stock)

Appendix I – Base Fee Adjustment

Appendix B

DEFINITIONS

- B.1 "Adequate Nutrients" means plant influent nitrogen, phosphorus and iron contents proportional to BOD₅ in the ratio of five (5) parts nitrogen, one (1) part phosphorus, and one half (0.5) part iron for each one hundred (100) parts BOD₅.
- B.2 "Base Fee" means all costs within the scope of the contract, on an annual basis, including direct costs, labor, utilities, and other allocated costs.
- B.3 "Biologically Toxic Substances" means any substance or combination of substances contained in the plant influent in sufficiently high concentrations so as to interfere with the biological processes necessary for the removal of the organic and chemical constituents of the wastewater required to meet the discharge requirements of City of Fayetteville's NPDES permit. Biologically toxic substances include but are not limited to heavy metals, phenols, cyanides, pesticides, and herbicides.
- B.4 "Capital Expenditures" means any expenditures for (1) the purchase of new equipment or facility items that cost more than Ten Thousand Dollars (\$10,000); or (2) major repairs which significantly extend equipment or facility service life and cost more than Ten Thousand Dollars (\$10,000); or (3) expenditures that are planned, non-routine and budgeted by City of Fayetteville.
- B.5 "Cost" means the total of all costs determined on an accrual basis in accordance with generally accepted accounting principles including but not limited to direct labor, insurance, labor overhead, chemicals, materials, supplies, utilities, equipment, maintenance, repair, and outside services.
- B.6 "Electrical Evaluation" will be limited to amperage draws, winding resistance measurements, thermographic evaluations, and current and voltage imbalance.
- B.7 "Fixed Asset" means any tangible property that has a value of Five Thousand Dollars (\$5,000) or more and is depreciable. This excludes the repair/replacement parts that are components of a greater fixed asset.
- B.8 "Maintenance" means the cost of those routine and/or repetitive activities required or recommended by the equipment or facility manufacturer or CH2M HILL to maximize the service life of the equipment, vehicles, and facilities as listed in Appendix E.
- B.9 "Out of scope" services will include "capital expenditures" (definition B.2 of this Appendix), added or modified regulatory requirements (that are not contained in the applicable permits), changes to improve efficiency and/or generate income, or other services not described in the contract and requested by the City of Fayetteville. These services shall be performed as stated in Appendix C. Should "Out of Scope Services" become a permanent and ongoing requirement, CH2M HILL will submit a change of scope request within a reasonable amount of time in accordance with Paragraph 1.6 of the Agreement.
- B.10 "Project" means all equipment, vehicles, grounds and facilities described in Appendix E and where appropriate, the management, operations and maintenance of such.
- B.11 "Repairs" means the cost of those non-routine/non-repetitive activities required for operational continuity, safety, and performance generally due to failure or to avert a failure of the equipment, sewer, vehicle, or facility or some component thereof; cost less than ten thousand dollars

(\$10,000); and are not included in definition B.2 of this Appendix. "Repairs" exclude cost of repair parts caused by storm damage to the supervisory control and data acquisition (SCADA) system.

Appendix C

SCOPE OF SERVICES

C.1 SCOPE OF SERVICES – CH2M HILL

- C.1.1 Perform professional services in connection with the Project as hereinafter stated.
- C.1.2 Operate and maintain all facilities over a 24-hour per day, 7-day per week period, under full service contract operations and maintenance. Operations may be performed with on site staff and/or remote monitoring/on-call services for all or portions of this time.
- C.1.3 Within the design capacity and capability of the Project, manage, operate, and maintain the Project so that effluent discharged from the Project meets the requirements specified in Appendix F.
- C.1.4 Operate and maintain the present Industrial Pretreatment Program including all monitoring, inspections, sampling, testing, reporting, and record keeping as described in Appendix G. Results of all industrial sampling and testing shall be made available to City of Fayetteville as requested.
- C.1.5 Provide all Maintenance for the Project. Document as required to continue existing maintenance program and to provide City of Fayetteville requested reporting, including but not limited to updated preventative maintenance schedules. City of Fayetteville shall have full access to preventative maintenance records.
- C.1.6 Pay all costs incurred within the scope of normal Project operations as defined in this Agreement.
- C.1.7 Staff the Project with a minimum of three (3) Arkansas Class IV Wastewater licensed operators.
- C.1.8 Prepare all NPDES permit reports, letters, or other correspondence, and submit these to City of Fayetteville for signature and approval. Transmittal to appropriate agencies shall be done by CH2M HILL, except for electronic reporting via NETDMR. Any fines levied because of late reports as a result of CH2M HILL's failure to complete and allow sufficient time for City of Fayetteville's signature and transmittal shall be paid by CH2M HILL. Submittal to the City of Fayetteville by the 15th of the month following the reporting period shall be considered timely.
- C.1.9 Provide for proper disposal of screening, scum, grit, and biosolids in compliance with permit and regulatory requirements, as long as a suitable location for such disposal is reasonably available. Should regulations and/or disposal/application options significantly change, projected costs will be revised by mutual agreement.
- C.1.10 Provide all manufacturers' warranties on new equipment purchased by the City of Fayetteville and assist the City of Fayetteville in enforcing existing equipment warranties and guarantees.
- C.1.11 Be responsible for all laboratory testing and sampling presently required by the NPDES permits, stormwater permits, "no discharge" permits, and other related requirements.
- C.1.12 Provide an inventory of vehicles and equipment (rolling stock) that are being used at the Project at the beginning of each contract year.
- C.1.13 Provide twenty four (24) hour per day access to Project for City of Fayetteville's personnel. Visits may be made at any time by any of City of Fayetteville's employees so designated by City of Fayetteville's representative. Keys for Project shall be provided to City of Fayetteville by CH2M

HILL. All visitors to the Project shall comply with CH2M HILL's operating and safety procedures.

- C.1.14 Provide for the maintenance of existing City of Fayetteville rolling stock such as dump trucks, tractors, and trailers that are necessary for the operations and maintenance of the facilities.
- C.1.15 Provide training for personnel in areas of operation, maintenance, safety, supervisory skills, laboratory, and energy management. Continue the current project safety program with updates as necessary.
- C.1.16 Provide computerized maintenance, process control, and laboratory management systems.
- C.1.17 Comply with the requirements of City of Fayetteville regarding affirmative action provisions for minority hiring.
- C.1.18 Provide City of Fayetteville with a full accounting of all expenditures at intervals and in sufficient detail as may be determined by City of Fayetteville and assist City of Fayetteville in preparation of annual operating budgets. City of Fayetteville shall be allowed to conduct or have conducted audits of all accounting records related to the direct contract operations of this Agreement at times to be determined by City of Fayetteville.
- C.1.19 Provide City of Fayetteville with full documentation that preventative maintenance is being performed on all City of Fayetteville equipment in accordance with manufacturer's recommendations at intervals and in sufficient detail as may be determined by City of Fayetteville. Maintenance program shall include documentation of corrective and preventive maintenance and a spare parts inventory.
- C.1.20 Provide for repairs as described in the Appendix B.5.
- C.1.21 Maintain the SCADA system as described in Appendix E, to include ongoing updates and upgrades of the software and hardware to ensure operational continuity and in accordance with initiatives as agreed upon by the City of Fayetteville and CH2M HILL.
- C.1.22 Verify the capacity and efficiency of each sewer lift station once a year.
- C.1.23 Provide recommendations for Capital Improvements Program (CIP) with a schedule for improvements and expenditures as requested by the City of Fayetteville. A five (5) year schedule will be presented for all capital improvements and ten (10) year projections will be made for major improvements. These recommendations will be based on requirements determined from facility operations and does not include detailed engineering studies. In addition, CH2M HILL will prepare the required forms and documentation required during budget and capital improvements budget preparation time each year. Except for the improvements requiring an engineering study, the following will be included for each project:
 - Improvement needed
 - Justification of improvements
 - Cost of improvements
 - Any projected increase or decrease in O&M costs created by the CIP
 - Proposed expenditure schedule
 - Proposed capital recovery schedule
 - Impact of early termination

- C.1.24 Perform other services that are related to but not part of the Scope of Services upon written notification by City of Fayetteville. Such services will be invoiced to City of Fayetteville at CH2M HILL's cost plus eighteen percent (18%).
- C.1.25 At the direction of the City of Fayetteville, CH2M HILL is authorized to act in emergency situations outside this Scope of Services, at CH2M HILL's discretion. The costs related to emergency services are not included in the compensation set forth in this Agreement. CH2M HILL will notify City of Fayetteville as soon as reasonably possible, and shall be compensated by City of Fayetteville for any such emergency work at CH2M HILL's costs for the emergency work plus twenty-two percent (22%).
- C.1.26 Provide City of Fayetteville with oral and written reports as requested.
- C.1.27 Operate and maintain all existing wastewater lift station facilities including buildings, grounds, backup power generators, and certain other appurtenances within the site fenced area. However, maintenance of inlet and outlet pipeworks shall terminate at the wall of lift station. Should the City of Fayetteville add in excess of three (3) additional lift stations, from the prior contract year's number of sites, a corresponding change of scope will be negotiated.
- C.1.28 Conduct annual electrical evaluations of electrical units of 25 horsepower or more which operate at supply voltages of 480V or less to ground.
- C.1.29 CH2M HILL will comply with present federal, state, and local laws in performing their obligations under the terms of this Agreement. CH2M HILL and City of Fayetteville will work cooperatively regarding the application and impact of potential changes in law, including the potential cost impact on the scope of work, and mutually revise this Agreement as applicable.
- C.1.30 Coordinate and schedule the use of training rooms at both wastewater treatment facilities.
- C.1.31 Conduct community outreach and education activities including cooperative efforts with the University of Arkansas as appropriate.
- C.1.32 Maintain compliance with other existing environmental permits as described in Appendix F.
- C.1.33 Maintain the industrial surcharge program and provide for monitoring and control of septage deliveries, as provided for in the City of Fayetteville's Code of Ordinances, Discharge and Pretreatment Regulations.
- C.1.34 The parties contemplate that minor design/engineering services may be provided by CH2M HILL from time to time. The scope and compensation for such services shall be mutually negotiated by the parties prior to the commencement of work.
- C.1.35 Operate and maintain the ongoing nutrient removal efforts at the City of Fayetteville's Biosolids Management Site, including managing harvesting and marketing the hay produced on the site. Biosolids Management Site maintenance shall also include compliance with the current "no discharge" permit.
- C.1.36 Operate and maintain existing onsite power generators at all existing sites, including maintaining compliance with off-peak power rate structure monitoring and generation requirements.
- C.1.37 Operate and maintain the biosolids drying operation, which includes 6 solar houses and a thermal biosolids dryer.

- C.1.38 Coordinate the marketing and/or disposal of the dried biosolids produced from the drying operations as appropriate.
- C.1.39 Coordinate the application of alum sludge from Beaver Water District and invoicing for the services as appropriate.

C.2 SCOPE OF SERVICES – CITY OF FAYETTEVILLE

- C.2.1 Provide for all Capital Expenditures except for the Projects that City of Fayetteville may authorize CH2M HILL to implement subject to mutually agreeable terms and conditions of repayment.
- C.2.2 Maintain all existing and necessary Project warranties, guarantees, easements, permits, and licenses that have been granted to City of Fayetteville with the proviso that CH2M HILL remains primarily responsible to ensure that the wastewater plants are efficiently, properly and professionally operated so that they will not suffer a loss of permits or licenses.
- C.2.3 Pay all property or other taxes or franchise fees associated with the Project. This excludes taxes to be borne by CH2M HILL for equipment owned by CH2M HILL.
- C.2.4 May provide CH2M HILL within a reasonable time after request any piece of City of Fayetteville's heavy equipment, subject to availability, so that CH2M HILL may fulfill its obligations under this Agreement in the most cost-effective manner.
- C.2.5 Provide all licenses for vehicles used in connection with the Project.
- C.2.6 Provide for CH2M HILL's use all vehicles and equipment presently in use at the Project, including the vehicles described in Appendix H.
- C.2.7 Pay for all wastewater lift station utilities, with the exception of electricity.
- C.2.8 Pay for all gasoline, diesel, and propane for backup power generators and all rolling stock provided by City of Fayetteville, except for the biosolids semi-tractors.
- C.2.9 Pay for all regulatory fees.

Appendix D

COMPENSATION FOR SERVICES

- D.1 CH2M HILL estimates that Base Fee for services, on an annual basis, under this Agreement for 2012 shall be **\$6,656,934**. Details of said cost are shown in D.4 below. The Base Fee shall be negotiated each year. Should City of Fayetteville and CH2M HILL fail to agree, the Base Fee will be determined by the application of the Base Fee adjustment formula shown in Appendix I. Upon each contract year renegotiation, CH2M HILL shall continue to invoice City of Fayetteville at the previous amount until the new contract year price is agreed upon. Upon written notice, agreement between the parties as to the new contract year Base Fee, CH2M HILL shall issue an invoice retroactively adjusting the previous Base Fee amount. Should the actual expenditures exceed the total estimated annual expenditures by more than Twenty Thousand Dollars (\$20,000), in any year of this Agreement, specific approval will be obtained from the City of Fayetteville prior to CH2M HILL incurring additional costs.
- D.2 An administrative fee of fifteen percent (15%) will be added to personnel services and ten percent (10%) to all other direct costs excluding electricity. An annual fixed management fee of \$116,391 shall be billed in equal monthly installments and adjusted annually in relation to the Base Fee.
- D.3 In order to provide an incentive for CH2M HILL to operate in a manner that will result in actual costs below estimated cost, City of Fayetteville will pay CH2M HILL an additional fee when actual costs are below estimated cost. Said fee will be twelve and one half percent (12.5%) of the amount of actual cost are below estimated cost.
- D.4 **Cost Detail** - The annualized estimated costs for calendar year 2012 are listed in Table D-1.

Table D-1, Cost Detail

Category Description	Wastewater Division Administration & SCADA	Noland WWTP O&M (incl. land application site)	West Side WWTP O&M (incl. wetlands mitigation site)	Lab & Industrial Pretreatment Program	Lift Station Maintenance	Totals
Direct Labor	\$ 503,685	\$ 1,066,770	\$ 467,111	\$ 304,809	\$ 125,910	\$ 2,468,285
Labor Markup, 15%	\$ 75,553	\$ 160,016	\$ 70,067	\$ 45,721	\$ 18,887	\$ 370,244
Direct Expense	\$ 277,964	\$ 1,356,682	\$ 405,442	\$ 118,294	\$ 252,950	\$ 2,411,332
Expense Markup, 10%	\$ 27,796	\$ 135,668	\$ 40,544	\$ 11,829	\$ 25,295	\$ 241,132
Electricity		\$ 471,096	\$ 303,600		\$ 274,854	\$ 1,049,550
Fixed Fee	\$ 116,391					\$ 116,391
Totals	\$ 1,001,389	\$ 3,190,232	\$ 1,286,764	\$ 480,653	\$ 697,896	\$ 6,656,934

Appendix E

LOCATION OF PROJECT

E.1 CH2M HILL agrees to provide the services necessary for the management, operation and maintenance of the following:

E.2 All equipment, vehicles, grounds and facilities now existing within the present property boundaries of or being used to operate the City of Fayetteville's Noland Wastewater Treatment Plant located at:

1400 North Fox Hunter Road
Fayetteville, Arkansas 72701

E.3 All equipment, vehicles, grounds and facilities now existing within the present property boundaries of or being used to operate the City of Fayetteville's West Side Wastewater Treatment Plant located at:

15 South Broyles Avenue
Fayetteville, Arkansas 72704

E.4 All equipment, grounds, and facilities now existing within the present property boundaries of wastewater lift stations described as follows:

SCADA NODE	LOCATION	Generator	Site Maintenance Only
WW1	978 E Zion Rd (Lowe's – Zion PS)	YES	
WW2	3500 E Mission Blvd (Timbercrest PS)	YES	
WW3	2805 N Salem Rd (Crystal Springs PS - ABANDONED)		YES
WW4	691 W Poplar St (Poplar PS - ABANDONED)		YES
WW5	3896 N Gregg Ave (Gregg Ave PS)	YES	
WW6	3021 N Old Wire Rd (Old Wire PS)		
WW7	2065 N Sunshine Rd (Hamestring PS)	YES	
WW8	729 W North Street (North Street PS –ABANDONED)		YES
WW9	1336 N Porter Rd (Porter Rd PS)		
WW10	716 N Futrall Dr (Futrall Dr PS)	YES	
WW11	4412 W 6th Street (Farmington East PS –ABANDONED)		YES
WW12	571 N Double Springs Road (Farmington West PS)	YES	
WW13	878 S Dead Horse Mountain Rd (Stonebridge PS)	YES	
WW14	1820 S Armstrong Ave (Industrial Park PS)	YES	
WW16	516 W Ernest Lancaster Dr (Airport North PS)	YES	
WW18	202 N Sandy (Greenland PS)		
WW19	5716 E Norman Murphy Rd (Mally Wagon PS)	YES	
WW20	3212 N Highway 112 – (Trucker's Drive PS - ABANDONED)		YES
WW22	630 N Double Springs Rd (Owl Creek PS)	YES	

SCADA NODE	LOCATION	Generator	Site Maintenance Only
WW23	440 E Fairway Ln (Masters PS)		
WW24	265 W Ernest Lancaster Dr (Airport East PS)	YES	
WW25	551 W Aster Ave (Willow West PS - Farmington)	YES	
WW27	1031 River Meadows Dr (Stonebridge Meadow Phase I PS)	YES	
WW28	1603 Plantation Ave (Heritage Village PS)	YES	
WW29	390 N Cato Springs Rd (Bohannon PS - Greenland)		
WW32	478 N Durango Place (Silverthorne PS)	YES	
WW33	4644 N Crossover Rd (Stonewood PS - Copper Creek)	YES	
WW34	4572 S School Ave (Airport South PS)	YES	
WW35	3083 W 6th St (Lowe's - 6th St PS)	YES	
WW36	1642 N Willowbrook Dr (Skyler Place PS)	YES	
WW37	3848 W Edgewater Dr (Clabber Creek PS - ABANDONED)		YES
WW38	3710 E Zion Rd (Copper Creek Phase II PS)	YES	
WW39	2392 N Kenswick Ave (Crofton Manner PS)	YES	
WW40	1811 S Cherry Hills Dr (Stone Bridge Meadow Phase II PS)	YES	
WW41	1608 S Springlake Dr (Crescent Lake PS)	YES	
WW42	2588 N Firefly Catch Dr (Clabber Creek Phase 3 PS - ABANDONED)		YES
WW43	196 S Woodsprings (Timber Trails PS)		
WW44	10 Dot Tipton Rd (Legacy Pointe Phase 4 PS)		
WW45	4451 N Waterside Ct (Timberlake Office Park PS)	YES	
WW46	3788 E Spyglass Hill Dr (Stonebridge Meadows Phase V PS)	YES	
WW47	3601 E Albright Rd (Embry Acres PS)	YES	
WW48	2435 S Dead Horse Mountain Rd (McDonald PS)		
WW49	3393 E Goff Farm Rd (Meadows PS)		
WW52	485 N Broyles Ave (Broyles Ave PS)	YES	
WW53	1396 Zion Rd (Office Park PS)	YES	

- E.5 All equipment, grounds, and facilities now existing within the present property boundaries of or being used to operate the City of Fayetteville's Biosolids Management Site located east of the Noland Wastewater Treatment Plant across the White River.
- E.6 All equipment, grounds, and facilities associated with or being used to complete routine O&M activities for the City of Fayetteville's Mitigated Wetlands Site now existing within the present property boundaries located north of the West Side Wastewater Treatment Plant. The service includes limited herbicide application and site monitoring but excludes burning.

E.7 The potable water SCADA system at the following locations:

SCADA NODE	LOCATION	DESCRIPTION
W1	215 W 24th St (South Mountain)	Pump Station
W2	844 N Crossover Rd (Hyland Park)	Pump Station
W4	1016 E Ash St	Pump Station
W5	707 E Rogers Dr	Pump Station
W6	456 E Baxter Ln	Ground Storage Tank (2 each)
W7	707 E Rogers Dr	Ground Storage Tank (2 each)
W8	133 N Sang Ave	Elevated Storage Tank
W9	1170 E South Skyline Dr	Elevated Storage Tank (Mt. Sequoyah)
W10	1044 E Township Rd	Elevated Storage Tank
W11	3280 W Judge Cummins Rd	Ground Storage Tank (2 ea) (Kessler Mountain)
W12	7001 E Mission (Highway 45 Valve	Pressure-Reducing Valve Station)
W13	1589 Fire Tower Road (Goshen)	Pump Station and Ground Storage Tank
W14	17301 Lake Sequoyah Rd (Round Mtn)	Pump Station
W15	14360 Round Mt Comm Church Rd	Stand Pipe County Rd #55 (Round Mountain)
W16	22032 Fire Tower Rd County Rd 4343	Stand Pipe (Benson Mountain)
W17	3265 N Gulley Rd	Elevated Storage Tank
W18	3788 N Gulley Rd	Pump Station
W19	3370 S Coach Rd	Pump Station
W20	2098 Woodcliff Rd (Springdale)	Surge Tank
W21	2210 N Old Wire Rd	Valve
W22	2800 N Old Missouri Rd	Flow Meter
W23	3385 N Par Ct	Valve
W24	3023 E Joyce Blvd	Valve
W25	2567 E Robinson (Springdale)	Valve
W27	17385 Blue Springs Rd (Goshen)	Pump Station
W28	17970 Lake Sequoyah Rd	Pump Station
W29	Beaver Water District	SCADA Interface
WSOPC	2435 S Industrial Dr	Water & Sewer Ops Center
MTROB	12141 Ed Edwards Rd	Mt. Robinson Tower Site

E.8 Installation of the necessary Remote Terminal Units (RTUs) and equipment to acquire flow information from the collection system via SCADA. Flow monitoring devices (up to 17 remote locations) are scheduled to be installed by the City's Water and Sewer Division in 2012.

E.9 Responsible for the maintenance of Mt. Robinson Tower Site, excluding the road; which includes mowing and maintenance of the backup power generator, building, ground, and collision lamps. Perform annual inspection of guy wire and visual inspection of the tower.

Appendix F

ENVIRONMENTAL PERMITS AND PROJECT CHARACTERISTICS

F.1 CH2M HILL will operate Project so that effluent will meet the requirement of NPDES permit No. AR0020010 and AR0050288. CH2M HILL shall be responsible for meeting the effluent quality requirements of City of Fayetteville's NPDES permit unless one or more of the following occurs:

- The Project influent does not contain Adequate Nutrients to support operation of Project biological processes;
- Contains Biologically Toxic Substances which cannot be removed by the existing process and facilities;

The influent flow, influent BOD₅, and/or suspended solids exceeds the Project design parameters which are:

	Noland WWTP		West Side WWTP	
	Annual Average	Maximum Monthly Average	Annual Average	Maximum Monthly Average
Flow (MGD)	11.2	16.9	10.0	17.8
BOD (lbs/d)	26,370	27,960	14,595	18,853
TSS (lbs/d)	20,620	22,210	14,595	18,853

F.2 In the event any one of the Project influent characteristics, suspended solids, BOD₅, or flow, exceeds the parameters listed above, CH2M HILL shall return the plant effluent to the characteristics required by the NPDES permit in accordance with the following schedule after Project influent characteristics return to within design parameters.

Characteristics Exceeding Listed Parameters By	Recovery Period Maximum
10% or Less	5 days
> 10% but < 20%	10 days
20% and Above	30 days

Notwithstanding the above schedule if the failure to meet effluent quality limitations is caused by the presence of Biologically Toxic Substances or the lack of Adequate Nutrients in the influent, then CH2M HILL will have a thirty (30) day recovery period after the influent is free from said substances or contains Adequate Nutrients.

F.3 CH2M HILL shall not be responsible for fines or legal action as a result of discharge violations within the period that influent exceeds design parameters, does not contain Adequate Nutrients, contains Biologically Toxic Substances (that exceed process inhibiting levels or creates concentrations exceeding application or discharge limitations), and the subsequent recovery period.

F.5 The estimate Costs for services under this Agreement are based upon the following Project characteristics:

Annual Average	Noland WWTP	West Side WWTP
Flow (MGD)	5.6	5.6
BOD (lbs/d)	10,985	9,679
TSS (lbs/d)	9,869	11,630

The above characteristics are the actual twelve (12) months average prior to the date services are first provided under this Agreement. Any change of 10 percent (10%) or more in any of these characteristics, based upon a twelve (12) month moving average, may constitute a change in scope.

F.6 The current applicable environmental permits are as follows:

Permit	AFIN No.	Permit No.	Expiration Date
NPDES - Noland	72-00102	AR0020010	05/31/11
NPDES - West Side	72-01033	AR0050288	11/30/10
No Discharge Permit - Noland	72-00829	4748-WR-1	12/31/13
No Discharge Permit - West Side	72-01033	5028-W	06/30/14
Air - Hamstring	72-01873	2179-A	N/A
Air - West Side	72-01033	2178-A	N/A
Stormwater No Exposure Certification (NEC) - Noland	72-00102	Tracking No. ARR00C377	06/30/14
Stormwater No Exposure Certification (NEC) - West Side	72-01033	Tracking No. ARR000390	06/30/14

Appendix G

INDUSTRIAL WASTE DISCHARGES AND MONITORING PROGRAM

- G.1 CH2M HILL shall: Administer the Industrial Pretreatment Program in accordance with 40 CFR 403. Administration shall include:
- G.1.1 Maintain the industrial waste sampling and analysis program for pretreatment and surcharge, as described in G.3.
 - G.1.2 Monitor the compliance status of the current Significant Industrial Users (SIU's) through sampling, analysis, inspection, and record reviews. Recommend appropriate enforcement action to City of Fayetteville.
 - G.1.3 Receive, review and act upon reports and notification from industrial users.
 - G.1.4 Prepare notice of violations and other enforcement documentation for City of Fayetteville signature in accordance with the Enforcement Response Plan in the State approved Industrial Pretreatment Program.
 - G.1.5 Track, determine, and publish industrial users in significant noncompliance.
 - G.1.6 Issue, revise, and renew industrial waste discharge permits for the SIU's for City of Fayetteville signature.
 - G.1.7 Conduct an Industrial Waste Survey periodically to identify new, or significant, industrial users in Fayetteville and in cities with which Fayetteville has interjurisdictional agreements for waste treatment.
 - G.1.8 Assist City of Fayetteville with review and revision of local limits, the sewer use ordinances, the pretreatment program, and interjurisdictional agreements.
 - G.1.9 Prepare for City of Fayetteville signature and submit the Industrial Pretreatment annual report.
 - G.1.10 Maintain all industrial monitoring records for at least three (3) years.
 - G.1.11 Maintain open communication with the SIU's.
 - G.1.12 Keep City of Fayetteville informed of pretreatment activities and changes in regulatory requirements.
- G.2 Significant costs due to new or changed Federal, State or local regulations shall cause a change of contract scope.
- G.3 Industrial Waste Dischargers and Monitoring Program in City of Fayetteville, AR:

Industry	Parameters Analyzed
Ayrshire Electronics, LLC 1101 S. Beechwood Fayetteville, AR 72701	Copper, lead, zinc
Custom Powder Coating Services, Inc. 1629 W. Farmington St. Fayetteville, AR 72701	Cadmium, chromium, copper, lead, nickel, silver, zinc, cyanide

Industry	Parameters Analyzed
Elkhart Products Corporation 3265 Highway 71 South Fayetteville, AR 72701	Chromium, copper, lead, nickel, zinc, oil & grease
Hiland Dairy Company 301 E. 15 th Street Fayetteville, AR 72701	Biochemical oxygen demand, total suspended solids, phosphorus, pH, oil & grease
Marshalltown Tools 2200 Industrial Drive Fayetteville, AR 72701	Cadmium, chromium, copper, lead, nickel, silver, zinc, cyanide
Pinnacle Foods Corporation 1100 W, 15 th Street Fayetteville, AR 72701	Biochemical oxygen demand, total suspended solids, phosphorus, pH, oil & grease
Superior Industries International Arkansas, LLC 1901 Borick Drive Fayetteville, AR 72701	Cadmium, chromium, copper, lead, nickel, silver, zinc, cyanide
Tyson Foods, Inc. 2615 S. School Fayetteville, AR 72701	Biochemical oxygen demand, total suspended solids, phosphorus, pH, oil & grease

Appendix H

VEHICLE AND MOBILE EQUIPMENT DESCRIPTION (ROLLING STOCK)

Unit #	Unit Description	Location	Year
320	Ford F350 Super Duty/Crane, Crew Cab	West Side	1999
324	Ford F350 Super Duty/Crane, Reg. Cab	Paul R Noland	1999
325	Ford F350 Super Duty, Reg. Cab	Paul R Noland	2000
339	Ford F-350, Flatbed	Biosolids Management Site	2002
340	Ford F-350	Biosolids Management Site	2002
551	Ford 3930 Tractor Brushhog	Biosolids Management Site	1995
564	Ford/New Holland 8160 Load Tractor	Biosolids Management Site	1999
570	New Holland 8670 Tractor	Biosolids Management Site	2000
581	New Holland TS100A Front End Loader	Biosolids Management Site	2004
582	New Holland 1412 Discbine Mower Conditioner	Biosolids Management Site	2004
583	New Holland 740 Round Baler	Biosolids Management Site	2001
588	New Holland B940A Large Square Baler	Biosolids Management Site	2005
589	New Holland 1412 Discbine Mower Conditioner	Biosolids Management Site	2005
644	New Holland 575E Backhoe/Loader	Maintenance	2000
695	Bobcat Skidsteer Loader	Biosolids Management Site	2011
727	Dump Truck	Paul R Noland	1995
741	Mack Tractor	Biosolids Management Site	1996
751	Sterling LT9500 Truck	West Side	2006
753	Kenworth Semi Tractor	Paul R Noland	1999
754	Kenworth T800 Semi Tractor	West Side	1999
755	Kenworth T800 Semi Tractor	Paul R Noland	2000
806	Case 1150G Bulldozer	Biosolids Management Site	1995
818	Caterpillar P5000LP Forklift	West Side	2008
927	Parker 24' Gooseneck Trailer	Biosolids Management Site	1991
959	Bush Hog 2620 Cutter	Biosolids Management Site	1995
966	P.J. Trailer, 18FT	Biosolids Management Site	1996
969	LO-Boy 25T-36FT Trailer	Biosolids Management Site	1996
988	Hesston Wheel Rake	Biosolids Management Site	1998
989	M&W Wheel Rake	Biosolids Management Site	1998
992	ATV - Polaris Sportsman 4X4	Paul R Noland	1998
1052	Ford Explorer	Biosolids Management Site	1999
1092	Ford Explorer XLT	Paul R Noland	2002
2004	Ford 4X4 Ranger XLT	Paul R Noland	1997
2007	Ford 4X4 Ranger XLT	West Side	1997
2103	Ford 4X4 F150 Extended Cab	West Side	2006
3820	2006 Kawasaki Mule 4x4	West Side	2006

VEHICLE AND MOBILE EQUIPMENT DESCRIPTION (ROLLING STOCK)

Unit #	Unit Description	Location	Year
4318	2006 Kawasaki Mule 4x4	Paul R Noland	2006
5000	New Holland 1412 Discbine	Biosolids Management Site	2006
5001	John Deere 6615 Tractor	Biosolids Management Site	2007
5002	John Deere 6615 Tractor	Biosolids Management Site	2007
5003	New Holland 740 Round Baler	Biosolids Management Site	2007
5012	NHT6030	Biosolids Management Site	2009
5022	4X4 Tractor with Loader	Biosolids Management Site	2011
5023	H&S Spreader	Biosolids Management Site	2011
5024	35' Mobile Litter Conveyor	Biosolids Management Site	2011
5025	35' Mobile Litter Conveyor	Biosolids Management Site	2011
5030	New Holland H5920 Hay Rake	Biosolids Management Site	2011
9021	Volvo Penta 400 KW - Trailer Mounted Generator	Lift Station12N	2001
9025	Volvo Penta 400 KW - Trailer Mounted Generator	Lift Station22	2001
9034	Yale 5000# Fork Lift	Paul R Noland	2002
9083	Lufkin ULD-38 Trailer	West Side	1999
9088	Lufkin ULD-38 Trailer	West Side	2006
9104	Lufkin ULD-38 Trailer	West Side	2004
9105	Lufkin ULD-38 Trailer	Paul R Noland	2004
9106	Lufkin ULD-38 Trailer	Paul R Noland	2004
9111	Clement Star-Lite Trailer	Paul R Noland	2009
9124	Thompson 6" Diesel Power Pump/Trailer	Paul R Noland	2009
9142	42' Belted Trailer	Biosolids Management Site	2011

Appendix I

BASE FEE ADJUSTMENT

- I.1 Electrical costs will be adjusted by actual increases from power supplier.
- I.2 The Base Fee adjustment formula is as follows:

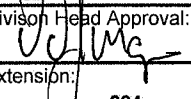
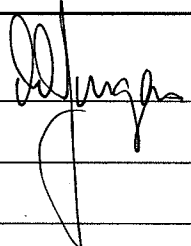
$$ABF = BF \times (1 + AF)$$

Where:

- BF = Base Fee specified in Appendix D
- ABF = Adjusted Base Fee
- AF = Adjustment Factor as determined by the formula:

$$AF = .5 (ECI + CPI)$$

- ECI = The twelve month percent change (from the third quarter of the prior year to the third quarter in the current year) in the Employment Cost Index for Total Compensation for Civilian Workers, Not Seasonally Adjusted as published by U. S. Department of Labor, Bureau of Labor Statistics in the Detailed Report Series ID: CIU101000000000A.
- CPI = The twelve month percent change (from October of the prior year to October of the current year) in the Consumer Price Index for All Urban Consumers, Not Seasonally Adjusted as published by U.S. Department of Labor, Bureau of Labor Statistics in the CPI Detailed Report Series Id: CUUR000SA0.

City Of Fayetteville (Not a Purchase Order)						Requisition No.: P.O Number:	Date: 12/31/2011 Expected Delivery Date: 1/1/2012	C. 3 CH2M Hill Engineers, Inc. Amendment No. 2 Page 24 of 24	
Vendor #: 20708		Vendor Name: CH2M Hill Engineers, Inc.				Mail Yes: _____ No: _____			
Address: Department 1267					Job Point: Fayetteville, AR		Taxable Yes: _____ No: _____		
City: Denver		State: CO		Zip Code: 80291-1267		Ship to code: _____		Quotes Attached Yes: _____ No: _____	
Requester: Cheryl Partain					Requester's Employee #: 2548		Division Head Approval: 		
					Extension: 224				
Item	Description	Quantity	Unit of Issue	Unit Cost	Extended Cost	Account Numbers	Project/Subproject #	Inventory #	Fixed Asset #
1	2012 Contract for Management of the City's Wastewater Treatment Facilities- Adminstration and SCADA Contract# 2113	12	Job	73,749.83	\$884,998.00	5400.5100.5328.00	08048-0510		
2	Noland WWTP O & M	12	Job	265,852.67	\$3,190,232.00	5400.5110.5328.00	08048-0511		
3	West Side WWTP O & M	12	Job	107,230.33	\$1,286,764.00	5400.5120.5328.00	08048-0512		
4	Lab & Industrial Pretreatment	12	Job	40,054.42	\$480,653.00	5400.5130.5328.00	08048-0513		
5	Lift Station Utility and Maintenance	12	Job	58,158.00	\$697,896.00	5400.5140.5328.00	08048-0514		
6	Fixed Fee	12	Job	9,699.25	\$116,391.00	5400.5100.5328.00	08048-0510		
7					\$0.00				
8					\$0.00				
9					\$0.00				
10					\$0.00				
	Shipping/Handling		Lot		\$0.00				
Special Instructions: _____						Subtotal: \$6,656,934.00 Tax: _____ Total: \$6,656,934.00			
Approvals:									
Mayor: _____		Department Director: 				Purchasing Manager: _____			
Finance & Internal Services Director: _____		Budget Manager: _____				IT Manager: _____			
Dispatch Manager: _____		Utilities Manager: _____				Other: _____			

City of Fayetteville Staff Review Form

C. 4
AT&T Arkansas Plexar
Telephone Line Services
Page 1 of 14

City Council Agenda Items
and
Contracts, Leases or Agreements

11/15/2011

City Council Meeting Date
Agenda Items Only

Sharon Waters

Submitted By

Parking & Telecommunications

Division

Transportation Services

Department

Action Required:

An Ordinance to waive competitive bidding and award a contract for Plexar line services to AT&T in the amount of \$91,200.00.

\$ 91,200.00

Cost of this request

\$ 114,000.00

Category / Project Budget

Telephone Expense

Program Category / Project Name

1010-1380-5310-01

Account Number

\$ -

Funds Used to Date

Telephone Line Services

Program / Project Category Name

\$ 114,000.00

Remaining Balance

General

Fund Name

Budgeted Item

☒

Budget Adjustment Attached

☐

Tracy 2 Gulley
Department Director

10/28/11
Date

Previous Ordinance or Resolution #

Dr. B. Kell
City Attorney

10-31-11
Date

Original Contract Date:

Original Contract Number:

Paul a. Behn
Finance and Internal Services Director

10-31-2011
Date

Received in City

Clerk's Office 10-23-11P12:02 RCVD

Donny Man
Chief of Staff

10-31-11
Date

Received in
Mayor's Office



Frederick Jordan
Mayor

11/1/11
Date

Comments:

CITY COUNCIL AGENDA MEMO

To: Mayor and City Council

Thru: Terry Gulley, Transportation Services Director *TJG*

From: Sharon Waters, Parking & Telecommunications Manager *SW*

Date: October 28, 2011

Subject: AT&T Contract for Plexar Line Services

PROPOSAL:

The City of Fayetteville has been utilizing Plexar services with AT&T since 1989. The Plexar system is a Central Office based switching system that provides telephone landlines that service all City of Fayetteville offices and facilities. The Plexar system is the only system where such service and switching equipment is based in the central office of the company providing the service (AT&T), thus making it a sole source product.

RECOMMENDATION:

Staff recommends approving a one-year contract continuation with AT&T for Plexar service, and waive competitive bidding due to sole source provisions. Only a one year contract is recommended while our I.T. Assessment Group (Plante & Moran) evaluate our complete telecommunications infrastructure to determine our future plans for telecommunications services.

BUDGET IMPACT:

Various funding sources and budget programs cover this expenditure, allocated proportionately to their usage of the service. The total budget impact city wide is \$91,200.00.

ORDINANCE NO. _____

**AN ORDINANCE WAIVING COMPETITIVE BIDDING AND APPROVING
A CONTRACT WITH AT&T ARKANSAS IN THE AMOUNT OF \$91,200.00
FOR PLEXAR TELEPHONE LINE SERVICES**

WHEREAS, the City has been utilizing Plexar telephone line services from AT&T since 1989; and

WHEREAS, the Plexar system is a central office based switching system which provides telephone landlines that service all City offices and facilities; and

WHEREAS, the Plexar system is the only system where such service and switching equipment is based in the central office of the company providing the service, thus eliminating the need for the City to provide facilities to house this type of switching equipment; and

WHEREAS, the City is undergoing an Information Technology Assessment by Plante & Moran to determine future plans for telecommunications services for the City, so a one year contract continuation is sufficient;

**NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE
CITY OF FAYETTEVILLE, ARKANSAS:**

Section 1. That the City Council of the City of Fayetteville, Arkansas hereby determines the facts above constitute an exceptional situation in which competitive bidding is not deemed practical or feasible and therefore waives formal competitive bidding and approves an agreement with AT&T Arkansas in the amount of \$91,200.00 for Plexar telephone line services.

PASSED and APPROVED this 15th day of November, 2011.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA E. SMITH, City Clerk/Treasurer

SOLE SOURCE JUSTIFICATION

PURPOSE:

This form, with one or more categories completed, must accompany purchase requisitions for the sole source procurement of equipment, services or supplies exceeding \$1000 (purchased from State Contract vendors excepted). The purpose of sole source justification is to show that competitive bidding is impractical because only one product or service provider can meet a specific need. Therefore, an equitable evaluation of comparable products or services must be made and documented by the requester who shows that rejection of other products or services is based solely on their failure to meet that need. In cases where no other comparable source can be identified, a technical description of the product requested and a listing of those companies which were considered as alternative sources must be provided. Quality can be a subjective evaluation based upon opinion. Municipal (public) procurement law requires price considerations be evaluated via competitive quoting or bidding.

While all sole source justifications are subject to review, sole source justified purchases of \$20,000.00 or more must be publicly bid or a bid waiver approved by Council. Justifications must contain clear, in-depth, and accurate information in order to avoid protests and the possibility of delaying the procurement.

INSTRUCTIONS:

1. Please type or print legible in ink.
2. Complete all categories and sections that apply.
3. Provide full explanation, complete descriptions, and/or list all relevant reasons where space has been provided. Sole Source Justification forms lacking sufficient detail cannot be approved.
4. Sign and date the form in the space provided for "signature".
5. Improperly completed, and/or unsigned forms will be returned to the sender.

TO: Purchasing Division Date: October 28, 2011
FROM: Sharon Waters Dept: Parking & Telecommunications
SUBJECT: Names of Requisitioner and Dept. Head
Sole Source Justification
Purchase Requisition _____ (attached)
Proposed Vendor AT&T
Product Description Plexar System for landline telecommunications services.

STATEMENT

I am aware that Fayetteville Code of Ordinances, Title III Administration, Chapter 34, Article II mandates that the procurement of services, materials, equipment and supplies be via competitive quotes whenever the amount is over \$1,000.00. However, I am requesting sole source procurement based on the following criteria. (Attach additional sheets as necessary):

1. The requested product is an integral repair part or accessory compatible with existing equipment. (please state the manufacturer and model number of existing equipment):
-

2. The requested product has special design/performance features which are essential to my needs.

Both A and B portions of this category must be completed.

- A. These features are:

The Plexar System is a Central Office based switching system that provides telephone landlines that service all City of Fayetteville offices and facilities. This is the only system where such service and switching equipment is based in the central office of the company providing the service, and thus eliminating the need to provide facilities of our own to house this type of switching equipment.

- B. In addition to the product requested, I have contacted other suppliers and considered their product of similar capabilities. I find their product unacceptable for the following reasons (identify companies contacted, individuals contacted, model number and specific technical deficiency).

The City of Fayetteville has hired an I.T. Assessment Group, Plante & Moran to do an extensive study of our telecommunications systems and evaluate our infrastructure to determine our future plans for telecommunications services. Staff recommends only approving a one-year contract continuation with AT&T for Plexar service in order to give Plante & Moran ample time to complete their study.

3. I have standardized the requested product/service; the use of another would require considerable time and money to evaluate.

Explain: _____

4. The requested product is one which I (or my staff) have specialized training and/or extensive experience. Retraining would incur substantial cost in money and/or time.

Explain: _____

5. Please consider sole source approval for this reason(s) (e.g. trade-in allowance; availability of services, parts and maintenance; product is a prototype; inventory of parts are maintained, etc.):

Authorization:

Full Name and Title of Requisitioner Sharon Waters, Parking and Telecom Manager
(typed or printed in ink)

Signature Sharon Waters Date 10-28-11

Full Name of Division Head Sharon Waters
(typed or printed in ink)

Signature Sharon Waters Date 10-28-11



AT&T ILEC Plexar® ("Service")
Custom Service SW-4325B

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AT&T Arkansas Plexar
20111024-0236
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Pricing Schedule / Service Agreement

- ☐ Pricing Schedule to AT&T Agreement Reference No. _____
☒ Service Agreement

If neither box above is checked then this document is a standalone Service Agreement.

* This document may be used as a Pricing Schedule only if attached to an Agreement referred to internally at AT&T as a UA MSA, UA MA or UA SSTC.

Customer ("Customer")	AT&T ("AT&T")
City of Fayetteville 140 W Rock St Fayetteville AR 72701 USA	For purposes of this Pricing Schedule/Service Agreement, AT&T means the Service Provider specifically identified herein.
Customer Contact (for notices)	AT&T Sales Contact Information and for Contract Notices ☐ Primary Sales Contact
Name: First Last Title: Telephone: Fax: E-mail: <u>Address for notices, if different from above:</u> Street Address City State Zip Code USA	Account Rep Name: Mick Maggi Title: Account Manager Telephone: 479 571-6660 Fax: Email: rx090a@att.com Street Address: 114 N East Ave City: Fayetteville State: AR Zip Code: 72701 <u>With a copy to:</u> AT&T Corp. One AT&T Way, Bedminster, NJ 07921-0752 Attn: Master Agreement Support Team E-mail: <u>mast@att.com</u>
AT&T Authorized Agent or Representative Information (if applicable) ☐ Primary Sales Contact	
Name: Company Name: Agent Street Address: City: State: Zip Code: Telephone: Fax: Email: Agent Code	

Customer agrees to purchase Service in the quantities and according to the prices and terms and conditions set forth in this Pricing Schedule/Service Agreement and the applicable Tariff(s) and Guidebook(s). If this document serves as a Service Agreement (as indicated above), the Service Agreement is subject to: (a) the terms of the applicable Tariff, if the Service is offered pursuant to Tariff; or (b) the AT&T Business Service Agreement (BSA), if the Service is not offered pursuant to Tariff. Tariffs, Guidebook(s) and the BSA can be found at www.att.com/servicepublications. Service is provided by the AT&T Incumbent Local Exchange Carrier (ILEC) Affiliate identified below as the Service Provider. To the extent this Pricing Schedule/Service Agreement relates to Services provided in Texas, Customer acknowledges the possibility of purchasing the Services provided hereunder from other providers. Throughout the remainder of this document, this document shall be referred to as the "Pricing Schedule".

Customer (by its authorized representative)	AT&T (by its authorized representative)
By: _____	By: <i>Terr Watson-Wright</i>
Printed or Typed Name: _____	Printed or Typed Name: <i>Terr Watson-Wright</i>
Title: _____	Title: <i>Contract Specialist - Mar</i>
Date: _____	Date: <i>10-25-11</i>

AT&T And Customer Confidential Information



AT&T ILEC Plexar® ("Service")
Custom Service SW-4325B

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AT&T Arkansas Plexar
Telephone Line Services
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Pricing Schedule / Service Agreement

This Pricing Schedule outlines Individual Case Basis Terms & Conditions for Plexar® - Custom Service. This Pricing Schedule is effective on the date of last signature ("Effective Date"), unless the rules of a regulatory authority having jurisdiction respecting the Service would require a later date, or an applicable tariff or guidebook ("Tariff") filing would require a later date, then the Effective Date of this Pricing Schedule shall be in accordance with such rules. AT&T and Customer are sometimes referred to in this Pricing Schedule collectively as the "Parties" or individually as a "Party."

The term "Pricing Schedule" refers to this Pricing Schedule, associated Attachment (SW-4325C), or other attachments, and any applicable Tariff. All material changes to this Pricing Schedule, including any new or revised Attachment and/or other attachments, must be signed by Customer and AT&T.

1. SERVICE PROVIDER AND TARIFF OR GUIDEBOOK: (Check only one.)

☒	Southwestern Bell Telephone Company d/b/a AT&T Arkansas – General Exchange Tariff, Section 22
☐	Southwestern Bell Telephone Company d/b/a AT&T Missouri – General Exchange Tariff, Section 45
☐	Southwestern Bell Telephone Company d/b/a AT&T Kansas – General Exchange Tariff, Section 45
☐	Southwestern Bell Telephone Company d/b/a AT&T Oklahoma – General Exchange Tariff, Tab 25
☐	Southwestern Bell Telephone Company d/b/a AT&T Texas – General Exchange Tariff, Section 5

2. SCOPE OF SERVICE

Plexar-Custom Service ("Service") is a central-office based business communications system, which serves customers with a minimum of 75 stations within a single serving office.

The Service is provided by AT&T utilizing existing AT&T facilities and equipment, construction of new facilities, the purchase of new central office equipment, or any combination thereof. The Service is provided by an arrangement of station lines, switching equipment, customer facility groups, and other facilities located on AT&T's premises.

To the extent this Pricing Schedule relates to Services provided in Texas, Customer acknowledges the possibility of purchasing the Services provided hereunder from other providers.

3. TERM AND EFFECTIVE DATES

A. Term and Term Start Date: The Term is specified in the Attachment; the Term begins ("Term Start Date") when the Service is first provisioned or otherwise available for Customer's use at any single Site at the rates provided in an Attachment. If regulatory approval is required to initiate the Service, then in no event shall the Term Start Date occur before the date of final approval by the regulatory agency with jurisdiction over the Service. No rates or discounts shall be applied before the Term Start Date. Upon the expiration of the Term, any rates or discounts provided under this Pricing Schedule will no longer apply.

B. Effective Date of Rates and Discounts: Term Start Date

C. Term of this Pricing Schedule: This Pricing Schedule shall be effective from the Effective Date and shall remain in effect until Service provided under any associated Attachment expires or is otherwise terminated.

4. GENERAL PROVISIONS

A. Service will be provided to Customer for a Term as specified on AT&T Plexar-Custom Service Arrangement Attachment, Services Covered, SW-4325C attached and made a part of this Pricing Schedule. The Service is intended for the administrative use by Customer only and should not be used by or resold to any other entity.

B. This Pricing Schedule shall be subject to all applicable Federal, State, and Local laws, ordinances, and regulations. If Federal or State law prohibits Customer from executing any agreement that extends beyond Customer's fiscal year, then the term of the Pricing Schedule shall be deemed to be through Customer's fiscal year, and automatically renewable at the beginning of each fiscal year throughout the Term. If, after the first fiscal year of Service under this Pricing Schedule, funds are not appropriated to continue paying for a particular Service in a subsequent fiscal year, then Customer may terminate that particular Service effective the last day for which funds were duly appropriated ("Date of Termination"), without being subject to termination charges; provided, however, that (i) Customer shall be obligated to pay all charges incurred through the Date of Termination, plus any

AT&T And Customer Confidential Information



**AT&T ILEC Plexar® ("Service")
Custom Service SW-4325B**

C. 4
AT&T Arkansas Plexar
Telephone Line Services
Page 9 of 14

Pricing Schedule / Service Agreement

unpaid, non-recurring charges that may be owed AT&T on the Date of Termination; (ii) Customer shall use its best efforts to obtain funding for that particular Service; (iii) Customer agrees not to obtain substantially similar service and/or equipment to replace those provided under this Pricing Schedule for a period equal to the remainder of the Term as of the Date of Termination; and (iv) Customer may exercise such right to terminate upon delivery to AT&T of a 30-day written notice setting forth the reason for termination and, within 30 days following the delivery of such written notice, Customer shall provide AT&T a legal opinion of Customer's counsel certifying that no funds have been appropriated or otherwise made available for payments due under the Pricing Schedule and that funds have not been made available for the acquisition of substantially similar service and/or equipment to replace those provided under this Pricing Schedule. In Oklahoma, this Pricing Schedule is subject to the provisions of the Oklahoma Constitution pertaining to public indebtedness, and Title 15 O.S. §§213, 214, and 215; and, the rates and charges, terms, and conditions of this Pricing Schedule, including form SW-4325C, are subject to the review and/or approval by the regulatory authorities of the state of Oklahoma.

C. Items specified in the attached SW-4325C will be provided at the rates and charges shown.

5. CUSTOMER SERVICE LOCATION(S) & PLEXAR STATION QUANTITIES

- A. Service shall be provided to Customer at the locations specified and at the quantities for Plexar station types (Digital, Basic, Off-Premises and/or Non-Working Plexar Stations) shown on SW-4325C attached.
- B. Installation of Off-Premises stations will be subject to charges set out in the SW-4325C, charges in applicable sections of AT&T's tariffs, and all other terms and conditions of this Pricing Schedule.

6. FIXED PAYMENT PLAN PROVISIONS

- A. The Fixed Payment Plan provides that Customer shall pay a monthly rate for Service over the Term, beginning on Term Start Date.
- B. Installation and Non-recurring Charges shown for this Service may be deferred over the Term. For Service Components added after Term Start Date ("Additions"), Customer may elect to defer installation and Non-recurring Charges over the remaining Term based on the discount rate referenced on the SW-4325C. Installation and Non-recurring Charges will be applied each and every time services are installed or reinstalled.
- C. Service rates are not subject to increases initiated by AT&T during the Term.
- D. Services not specified in the attached SW-4325C, including tariffed exchange access services and/or trunk services and miscellaneous service offerings, are subject to AT&T-initiated rate changes.
- E. The rates and quantities specified in the attached SW-4325C are applicable to Additions made during the period of the Term. Charges for monthly Additions begin at installation of the Addition and end at the end of the Term.

7. PROVISIONS FOR DISCONNECTION'S OR MOVES

A. Disconnection of Plexar Stations

If Customer disconnects Plexar stations before the expiration of this Pricing Schedule, the Customer shall pay a termination fee. Termination fee is applicable only on those Plexar stations disconnected that result in a reduction in the number of remaining in-service Plexar stations below 65% of the Existing Quantity (plus all other Term Start Date station quantities resulting from subsequent system additions during the Term). The termination fee is the present worth of the sum of the station rates for the unexpired portion of the Term for the number of Plexar stations determined above. In addition, the present worth of any installation and Non-recurring Charges that have been deferred must be paid in full. AT&T will use the discount rate shown on the attached SW-4325C to determine the present worth of these charges.

B. Complete Disconnection of Service

If Customer disconnects Service in its entirety, the Customer shall pay a termination fee. The termination fee is the present worth of the sum of the station rates for the unexpired portion of the Term for the number of stations determined in paragraph 6.A above or 65% of the Existing Quantity (plus all other Term Start Date station quantities resulting from subsequent system additions during the duration of the Term), whichever is greater. In addition, the present worth of any installation and Non-recurring Charges that have been deferred must be paid in full. AT&T will



AT&T ILEC Plexar® ("Service")
Custom Service SW-4325B

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AT&T Arkansas Plexar
Telephone Line Services
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Pricing Schedule / Service Agreement

use the discount rate shown on the attached SW-4325C to determine the present worth of these charges. Previously disconnected Plexar stations, for which termination liability has already been incurred by Customer, shall not be included in calculating station termination liability for a complete disconnection of service.

C. Moves of Service to Different Customer Locations

Where facilities permit, Customer may move the Service and other AT&T services from one Customer location to another, subject to the appropriate installation, Non-recurring, and recurring charges associated with the move; and subject to regulatory approval, where applicable. Monthly rates for Plexar stations at the new location will be based on the then-existing rate and will be set out in an Attachment to this Pricing Schedule. Fixed monthly rates for features affected by the move will also be established by an Attachment to this Pricing Schedule at the time of the request. A termination fee may apply if the 65% condition of paragraph 6.A above is met. These charges shall become due and immediately payable upon termination.

8. MISCELLANEOUS PROVISIONS

Any subsequent Attachment shall be coterminous with the original contract period unless the Customer initially requests a shorter term.

One primary directory listing will be furnished with this Service in accordance with the regulations set forth in the Directory Listings section of AT&T's Tariff.

The assignment of telephone numbers for this Service shall be in accordance with the Rules and Regulations Applying to All Customers' Contracts section of AT&T's Tariff.

At the specified locations, Customer shall furnish to AT&T sufficient floor space and the necessary wiring, outlets, and commercial power for the operation of the Service; the Customer will be responsible for the safe condition of such floor space, wiring, outlets, and power.

Service Connection Charges that apply to the Service are listed in the attached SW-4325C. Service Connection Charges included may be in the form of Plexar-Custom Establishment Charges, subsequent Station and/or System Change Charges. Subsequent Station and/or System Change Charges may apply should Customer change a feature on a station after the initial installation of such feature. The Service Connection Charges listed in SW-4325C do not include Simulated Access Line Charges, which may also apply.

Should Customer elect to add the Optional Features listed in the attached SW-4325C, the monthly rates in the SW-4325C will apply.

Monthly End User Common Line Charges will be billed to Customer for each Plexar-Custom station as prescribed by the Federal Communications Commission and set forth in AT&T's Access Tariff.

9. ENTIRE AGREEMENT

This is a Pricing Schedule for Plexar Service, as that Service is offered in the applicable, filed State Tariff(s) or Guidebook. This supersedes all prior representations, warranties, or agreements, whether oral or written, express or implied. This Pricing Schedule, including AT&T form SW-4325C and any other Attachments, and the Tariff constitute the entire agreement of the Parties for the provision and use of the Service and can be amended only by a writing signed by both of the Parties.

<i>For internal use only</i>	
Billing Telephone Number for Existing service, if applicable:	479 521-7700
Program Code:	

End of Document

AT&T And Customer Confidential Information



AT&T ILEC PLEXAR-CUSTOM SERVICE ARRANGEMENT ATTACHMENT
Services Covered SW-4325C

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AT&T Arkansas Plexar
Telephone Line Services
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Page: 1 of 4

Date: _____

Issued: _____

Service Order Number: _____

Customer: City of Fayetteville

Telephone
Number: 479-521-7700

Type of Service: Plexar® Custom

Term: 12 months

Contract ICB PS#: 261460

Existing Quantity	New/Add'l Quantity	USOC Code	Description	Unit Monthly Recurring Rates	Unit Non-recurring Charges	Total Monthly Recurring Rates	Total Non-Recurring Charges
<u>450</u>		<u>SHWCF</u>	<u>Basic Plexar Station, per station /DMS</u>	<u>\$7.80</u>	<u>\$46.00</u>	<u>3510.00</u>	<u>\$0.00</u>
	<u>Growth</u>	<u>SWZCV</u>	<u>Business set misc - Business set CF</u>	<u>\$0.10</u>	<u>3.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
	<u>Growth</u>	<u>SHWCB</u>	<u>Selective Call Forwarding per station</u>	<u>\$0.50</u>	<u>\$2.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
	<u>Growth</u>	<u>SWZL4</u>	<u>Caller ID Name & Number per station</u>	<u>\$1.60</u>	<u>\$14.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
	<u>Growth</u>	<u>SW8LC</u>	<u>Loop conditioning per Voice station</u>	<u>\$6.50</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>

Notes: Service Connection Charges and subsequent Station/System Change Charges, if applicable, are listed on page 2 of this Attachment.

Optional Features, if applicable, are listed on page 4 (and on additional pages if needed) of this Plexar-Custom Service Arrangement Attachment.

Initial installation discount rate: 0.00%

- To be used in determining the present worth of Termination Liability pursuant to Paragraph 7 of the Agreement.
- To be used in determining the Annuity Factor for Deferral of initial installation and/or non-recurring charges pursuant to Paragraph 6 of the Agreement.

Customer elects to defer the following amount
of installation and Non-Recurring Charges over
the Plexar-Custom Contract Period \$ 0.00

This Attachment may be reissued, as required, to reflect service changes ordered by the Customer.

✓
Date
✓
Customer Authorized
Date

✓
Customer Signature
AT&T

2011/02/24-0226

AT&T and Customer Confidential Information



AT&T ILEC PLEXAR-CUSTOM SERVICE ARRANGEMENT ATTACHMENT
Services Covered SW-4325C

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AT&T Arkansas Plexar
Telephone Line Services
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Page: 2 of 4

Contract ICB PS#: 261460

II. **SERVICE CONNECTION CHARGES**

A. **Establishment Charges** (if applicable) .

Description – Service Components	USOC	Non-Recurring Rate each
Establishment Charges - When initiating or adding Plexar-Custom service, AT&T will assess Customer an Establishment Charge per host central office to establish Plexar-Custom service in any host and/or its associated remote offices unless the Customer already has Plexar II, Plexar-Custom, or Centrex III service in the affected host and/or associated remote offices. Central Office Type (Check all that apply.) ☒ DMS100 ☐ 5ESS ☐ 1AESS		\$212.00

B. **Station/System Change Charges** (if applicable)

Description – Service Components	USOC	Non-recurring Rate each
Station Change Charge One charge per station applies for 5 features or fewer per service order.	SOWSQ	\$4.50
System Change Charge One charge applies for any system change. (per technology) Central Office Type (Check all that apply.) ☒ DMS100 ☐ 5ESS ☐ 1A ESS	SOWSW	13.50

Date

Customer Initials

AT&T and Customer Confidential Information

City of Fayetteville Staff Review Form

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AT&T Arkansas Managed
Internet Services
Page 1 of 20

**City Council Agenda Items
and
Contracts, Leases or Agreements**

11/15/2011

**City Council Meeting Date
Agenda Items Only**

Sharon Waters

Submitted By

Parking & Telecommunications

Division

Transportation Services

Department

Action Required:

An Ordinance to waive competitive bidding and award a contract for Managed Internet Services to AT&T in the amount of \$22,548.00.

\$ 22,548.00

Cost of this request

\$ 22,912.00

Category / Project Budget

Telephone Expense

Program Category / Project Name

1010-1380-5310-01

Account Number

\$ -

Funds Used to Date

Internet Services

Program / Project Category Name

\$ 22,912.00

Remaining Balance

General

Fund Name

Budgeted Item

☒

Budget Adjustment Attached

☐

[Signature]
Department Director

10-28-11

Date

Previous Ordinance or Resolution #

[Signature]
City Attorney

10-31-11

Date

Original Contract Date:

Original Contract Number:

Paul A. Buehner
Finance and Internal Services Director

10-31-2011

Date

Received in City

Clerk's Office 10-23-11 P12:02 RCV

[Signature]
Chief of Staff

10-31-11

Date

Received in
Mayor's Office



[Signature]
Mayor

11/1/11

Date

Comments:



www.accessfayetteville.org

CITY COUNCIL AGENDA MEMO

To: Mayor and City Council

Thru: Terry Gulley, Transportation Services Director *TGG*

From: Sharon Waters, Parking & Telecommunications Manager *SW*

Date: October 28, 2011

Subject: AT&T Contract for Managed Internet Services

PROPOSAL:

The City of Fayetteville has been utilizing Managed Internet Services (MIS) with AT&T since 2006. The MIS provides internet services to all City of Fayetteville offices and facilities.

RECOMMENDATION:

Staff recommends approving a two-year contract continuation with AT&T for Managed Internet Services. Our I.T. Assessment Group (Plante & Moran) is currently evaluating our complete telecommunications infrastructure to determine our future plans for telecommunications and data services. Until this study is complete, the City must continue a contract for MIS services. A one-year contract was not available with AT&T, thus we are recommending waiving competitive bidding and approval a two-year contract with AT&T for this service.

BUDGET IMPACT:

This service was budgeted in the General Fund budget and will cost \$22,548.00.

SOLE SOURCE JUSTIFICATION

PURPOSE:

This form, with one or more categories completed, must accompany purchase requisitions for the sole source procurement of equipment, services or supplies exceeding \$1000 (purchased from State Contract vendors excepted). The purpose of sole source justification is to show that competitive bidding is impractical because only one product or service provider can meet a specific need. Therefore, an equitable evaluation of comparable products or services must be made and documented by the requester who shows that rejection of other products or services is based solely on their failure to meet that need. In cases where no other comparable source can be identified, a technical description of the product requested and a listing of those companies which were considered as alternative sources must be provided. Quality can be a subjective evaluation based upon opinion. Municipal (public) procurement law requires price considerations be evaluated via competitive quoting or bidding.

While all sole source justifications are subject to review, sole source justified purchases of \$20,000.00 or more must be publicly bid or a bid waiver approved by Council. Justifications must contain clear, in-depth, and accurate information in order to avoid protests and the possibility of delaying the procurement.

INSTRUCTIONS:

1. Please type or print legible in ink.
2. Complete all categories and sections that apply.
3. Provide full explanation, complete descriptions, and/or list all relevant reasons where space has been provided. Sole Source Justification forms lacking sufficient detail cannot be approved.
4. Sign and date the form in the space provided for "signature".
5. Improperly completed, and/or unsigned forms will be returned to the sender.

TO: Purchasing Division Date: October 28, 2011
FROM: Sharon Waters Dept: Parking & Telecommunications
Names of Requisitioner and Dept. Head
SUBJECT: Sole Source Justification
Purchase Requisition _____ (attached)
Proposed Vendor AT&T
Product Description Managed Internet Services

STATEMENT

I am aware that Fayetteville Code of Ordinances, Title III Administration, Chapter 34, Article II mandates that the procurement of services, materials, equipment and supplies be via competitive quotes whenever the amount is over \$1,000.00. However, I am requesting sole source procurement based on the following criteria. (Attach additional sheets as necessary):

1. The requested product is an integral repair part or accessory compatible with existing equipment. (please state the manufacturer and model number of existing equipment):

2. The requested product has special design/performance features which are essential to my needs.

Both A and B portions of this category must be completed.

A. These features are:

B. In addition to the product requested, I have contacted other suppliers and considered their product of similar capabilities. I find their product unacceptable for the following reasons (identify companies contacted, individuals contacted, model number and specific technical deficiency).

3. I have standardized the requested product/service; the use of another would require considerable time and money to evaluate.

Explain: _____

The City of Fayetteville has been utilizing this Managed Internet Services with AT&T since 2006. This service provides internet access to all City facilities. The City of Fayetteville has hired an I.T. Assessment Group, Plante & Moran to do an extensive study of our telecommunications, data and network services. Staff recommends approving a two-year contract (one-year option not available) with AT&T for this service in order to give Plante & Moran ample time to complete their study. This service will be sent out for formal bids at that time.

4. The requested product is one which I (or my staff) have specialized training and/or extensive experience. Retraining would incur substantial cost in money and/or time.

Explain: _____

5. Please consider sole source approval for this reason(s) (e.g. trade-in allowance; availability of services, parts and maintenance; product is a prototype; inventory of parts are maintained, etc.):

Authorization:

Full Name and Title of Requisitioner Sharon Waters, Parking and Telecom Manager
(typed or printed in ink)

Signature Sharon Waters Date 10-28-11

Full Name of Division Head Sharon Waters
(typed or printed in ink)

Signature Sharon Waters Date 10-28-11

ORDINANCE NO. _____

**AN ORDINANCE WAIVING COMPETITIVE BIDDING AND APPROVING
A CONTRACT WITH AT&T ARKANSAS IN THE AMOUNT OF \$22,548.00
FOR MANAGED INTERNET SERVICES**

WHEREAS, the City has been utilizing managed internet services from AT&T since 2006; and

WHEREAS, the City is undergoing an Information Technology Assessment by Plante & Moran to determine future plans for telecommunications services for the City, so a continuation of existing services pending this assessment is warranted; and

WHEREAS, the City cannot obtain a contract extension for managed internet services from AT&T Arkansas for a period of less than two years;

**NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE
CITY OF FAYETTEVILLE, ARKANSAS:**

Section 1. That the City Council of the City of Fayetteville, Arkansas hereby determines the facts above constitute an exceptional situation in which competitive bidding is not deemed practical or feasible and therefore waives formal competitive bidding and approves an agreement with AT&T Arkansas in the amount of \$22,548.00 for managed internet services.

PASSED and APPROVED this 15th day of November, 2011.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA E. SMITH, City Clerk/Treasurer



AT&T Managed Internet Service
Pricing Detail
City of Fayetteville
10/13/2011
AT&T Managed Router
EaMIS Pricing Options
Prices valid for 30 days from above date.

Version 11.1

TOTALS

Monthly

1,878.63

One-time Charges

City	State	Comment	No. of Circuits	Private Line Access Speed	NPA/NXX	MIS Port Speed	Access Net	MIS Port Net	Private Network Transport Net	Class of Service Net	Total Site	One-time Charges
Fayetteville	AR	24m	1	0	479575	20 Mbps	886.13	992.50	-	-	1,878.63	-
	0	0	0	0	0	0	-	-	-	-	-	-
	0	0	0	0	0	0	-	-	-	-	-	-

AT&T MA Reference No. _____



CSM111018164451

**AT&T Managed Internet Service
Pricing Schedule**

Customer	AT&T	AT&T Sales Contact ☐ Primary Contact
City of Fayetteville, Arkansas 113 W Mountain Fayetteville, AR 72701 USA	AT&T Corp.	DOYLE B REEVES 114 N EAST AVE FAYETTEVILLE, AR 72701 Telephone: 4794421938 Fax: 479-782-5841 Email: dr278k@us.att.com Branch Manager: Ken Carpio Sales Strata: Small Business Market Sales Region: Central
Customer Contact (for notices)	AT&T Contact (for notices)	AT&T Solution Provider or Representative Information (if applicable)
Name: Sharon Crosson Title: Purchasing 113 W Mountain Fayetteville, AR 72701 United States Telephone: 4795758277 Fax: Email: scrosson@ci.fayetteville.ar.us Customer Account Number or Master Account Number:	114 N EAST AVE FAYETTEVILLE, AR 72701 With a copy to: AT&T Corp. One AT&T Way Bedminster, NJ 07921-0752 ATTN: Master Agreement Support Team Email: mast@att.com	Name: Company Name: Telephone: Fax: Email: Agent Code:

The promotional pricing in this Pricing Schedule applies only to the MIS Service(s) ordered at the following Site and shall not apply to any subsequent orders for additional MIS Service(s) to any other Customer locations. Additional orders for Service(s) to additional Customer locations will require AT&T and Customer to sign a new Pricing Schedule for MIS Service.

Site Address
113 W Mountain, Fayetteville, AR 72701

Customer (by its authorized representative)	AT&T (by its authorized representative)
By:	By:
Name:	Name:
Title:	Title:
Date:	Date:

Pre Sig to follow.
Michael

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This Pricing Schedule and any promotional discounts listed herein shall apply to the Service ordered at only one (i.e., the initial) Customer Site, and only for those Service speeds eligible for such promotional discounts, and shall not apply to subsequent orders for additional Services. In the event Customer wishes to order additional Services to Site(s) other than the initial Site Customer will be required to execute a new AT&T Managed Internet Service Pricing Schedule for any additional Sites.

1. SERVICES

- AT&T Managed Internet Service
- AT&T Private Network Transport (PNT) Service is an option of MIS and can be ordered as an MPLS PNT feature under Tables 30 and 31.
 - AT&T's Acceptable Use Policy is located at <http://www.att.com/aup> or such other AT&T-designated location.

Service	Service Publication Location
AT&T MIS Service	http://new.serviceguide.att.com/portal/sqportal.portal?nfob=true&pageLabel=mis_page
AT&T Bandwidth Services	http://new.serviceguide.att.com/index.jsp?sq=bws

The rate and the discount for each channel ordered under this Pricing Schedule shall be stabilized as of the date of order for the remaining Term of the Pricing Schedule.

2. PRICING SCHEDULE TERM AND EFFECTIVE DATES

Pricing Schedule Term	Term Start Date
24 Months	Effective Date of this Pricing Schedule
Effective Date of Rates and Discounts	Effective Date of this Pricing Schedule

AT&T may discontinue providing a Service upon 12 months' notice, or a Service Component upon 120 days' notice, but only where AT&T generally discontinues providing the Service or Service Component to similarly-situated customers.

3. MINIMUM PAYMENT PERIOD

Portion of Monthly Service Fees Applicable to Minimum Payment Period	Service Components	Minimum Payment Period

Portion of Monthly Service Fees Applicable to Minimum Payment Period	Service Components	Minimum Payment Period
50%	All Service Components	Until end of Pricing Schedule Term, but not less than 12 months per component

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4. RATES (US Mainland, HI and Alaska[†] only)

[†] Service in Alaska requires a separate AT&T Addendum for Service in Alaska. The rates stated in this Pricing Schedule apply to Service locations and/or Service Components in Alaska only in the event that a Service Component and/or Service location is not listed in the Addendum for Service in Alaska. In the event of the conflict between this Pricing Schedule and the Addendum for Service in Alaska, the Addendum for Service in Alaska controls.

NOTE 1: MIS w/ Managed Router Option 2 available only as described in the Service Guide.

NOTE 2: If Customer orders the MPLS PNT feature under Section I, Tables 30 and 31 as part of the MIS service, Customer will be billed for PNT transport and uplifts and all applicable taxes will be stated on the Customer's invoice.

NOTE 3: The charges for the Class of Service (CoS) feature set forth in Section I, Table 25 through 27 are waived for Sites at which Customer also maintains AT&T Business Voice over IP (VoIP) Service.

(*) = not available with MPLS PNT

ICB = available only on an Individual Case Basis.

N/A = Not Available

Section I: AT&T Managed Internet Service Access Bandwidth -

Table 1: Tiered T-1, NxT-1, E-1 And Frame - Flat Rate Billing Option

Access Method	Speed	MIS Monthly Service Fee List Price	MIS w/ Managed Router Monthly Service Fee List Price	MIS w/ Managed Router Option 2 Monthly Service Fee List Price	Discount
N/A	56/64 Kbps	\$190	\$260	N/A	N/A
T-1	128 Kbps	\$225	\$295	\$285	N/A
T-1	256 Kbps	\$280	\$350	\$340	N/A
T-1	384 Kbps	\$335	\$405	\$395	N/A
T-1	512 Kbps	\$390	\$460	\$450	N/A
T-1	768 Kbps	\$410	\$480	\$470	N/A
T-1 – Frame*	1024 Kbps	\$425	\$495	\$485	N/A
T-1	T-1	\$470	\$540	\$530	N/A
E-1*	E-1	\$470	\$540	N/A	N/A
2xT-1	3 Mbps	\$850	\$1,145	N/A	N/A
3xT-1	4.5 Mbps	\$1,100	\$1,395	N/A	N/A
4xT-1	6 Mbps	\$1,250	\$1,545	N/A	N/A
5xT-1	7.5 Mbps	\$1,480	\$2,380	N/A	N/A
6xT-1	9 Mbps	\$1,715	\$2,595	N/A	N/A
7xT-1	10.5 Mbps	\$1,915	\$2,795	N/A	N/A
8xT-1	12 Mbps	\$2,190	\$3,070	N/A	N/A

v.2.3.06

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Table 2: – MIS N x 10 Gig Ethernet - Flat Rate Billing Option

Speed	MIS Monthly Service Fee List Price	Discount
2x -10.0 Gbps	\$1,500,000	N/A
3x -10.0 Gbps	\$2,220,000	N/A
4x -10.0 Gbps	\$2,920,000	N/A

v.6.1.09

Table 3: Burstable T-1

Discount: N/A

Sustained Usage	Undiscounted MIS Monthly Service Fee	Undiscounted MIS w/Managed Router Monthly Service Fee	Undiscounted MIS w/Managed Router Option 2 Monthly Service Fee
up to 128kbps	\$270	\$340	\$330
128.01 - 256 Kbps	\$340	\$410	\$400
256.01 - 384 Kbps	\$405	\$475	\$465
384.01 - 512 Kbps	\$470	\$540	\$530
512.01 Kbps - 1.544 Mbps	\$565	\$635	\$625

v.2.3.06

ATM*	3 Mbps	\$850	\$1,145	\$1,100
ATM*	4 Mbps	\$1,075	\$1,370	\$1,325
ATM*	5 Mbps	\$1,125	\$1,420	\$1,375
ATM*	6 Mbps	\$1,250	\$1,545	\$1,500
ATM*	7 Mbps	\$1,415	\$2,295	\$2,000
ATM*	8 Mbps	\$1,565	\$2,445	\$2,150
ATM*	9 Mbps	\$1,715	\$2,595	\$2,300
ATM*/T-3	10 Mbps	\$1,840	\$2,720	\$2,425
ATM*/T-3	15 Mbps	\$2,465	\$3,345	\$3,050
ATM*/T-3	20 Mbps	\$3,090	\$3,970	\$3,675
ATM*/T-3	25 Mbps	\$3,725	\$4,605	\$4,310
ATM*/T-3	30 Mbps	\$4,350	\$5,230	\$4,935
ATM*/T-3	35 Mbps	\$4,990	\$5,870	\$5,575
ATM*/T-3	40 Mbps	\$5,615	\$6,495	\$6,200
T-3	45 Mbps	\$6,250	\$7,130	\$6,835

v.2.3.06

Table 4: DNS Services

Option	Monthly Service Fee
Additional Primary DNS (available in increments of up to 15 zones with a maximum of 150 Kilobytes of zone file data)	\$100 per DNS increment
Additional Secondary DNS (available in increments of up to 15 zones with a maximum of 150 Kilobytes of zone file data)	\$100 per DNS increment

v.07.01.04

Table 5: ATM And Tiered T-3

Discount: N/A

Access Method	Speed	MIS Monthly Service Fee List Price	MIS w/Managed Router Monthly Service Fee List Price	MIS w/Managed Router Option 2 Monthly Service Fee List Price
ATM*	2 Mbps	\$590	\$885	\$840

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Table 6: Burstable T-3

Discount: N/A

Sustained Usage	Undiscounted MIS Monthly Service Fee	Undiscounted MIS w/Managed Router Monthly Service Fee	Undiscounted MIS w/Managed Router Option 2 Monthly Service Fee
up to 6.0 Mbps	\$1,515	\$1,810	\$1,765
6.01 - 7.5 Mbps	\$1,790	\$2,670	\$2,375
7.51 - 9.0 Mbps	\$2,065	\$2,945	\$2,650
9.01 - 10.5 Mbps	\$2,290	\$3,170	\$2,875
10.51 - 12.0 Mbps	\$2,515	\$3,395	\$3,100
12.01 - 13.5 Mbps	\$2,740	\$3,620	\$3,325
13.51 - 15.0 Mbps	\$2,965	\$3,845	\$3,550
15.01 - 16.5 Mbps	\$3,150	\$4,030	\$3,735
16.51 - 18.0 Mbps	\$3,340	\$4,220	\$3,925
18.01 - 19.5 Mbps	\$3,525	\$4,405	\$4,110
19.51 - 21.0 Mbps	\$3,715	\$4,595	\$4,300
21.01 - 45.0 Mbps	\$7,515	\$8,395	\$8,100

v.2.3.06

Table 7: Flexible Bandwidth Billing Option - Burstable T-3

Discount applied to MIS, MIS w/Managed Router, & MIS w/Managed Router Option 2: N/A			Incremental Usage Fee Discount: N/A	
Tiered Bandwidth Minimum Commitment	MIS Undiscounted Monthly Fee	MIS w/Managed Router Undiscounted Monthly Fee	MIS w/Managed Router Option 2 Undiscounted Monthly Fee	Undiscounted Incremental Usage Fee Per Mbps
2 Mbps	\$590	\$885	\$840	\$355
3 Mbps	\$850	\$1,145	\$1,100	\$340
4 Mbps	\$1,075	\$1,370	\$1,325	\$325
5 Mbps	\$1,125	\$1,420	\$1,375	\$270
6 Mbps	\$1,250	\$1,545	\$1,500	\$250
7 Mbps	\$1,415	\$2,295	\$2,000	\$245
8 Mbps	\$1,565	\$2,445	\$2,150	\$235
9 Mbps	\$1,715	\$2,595	\$2,300	\$230
10 Mbps	\$1,840	\$2,720	\$2,425	\$225
15 Mbps	\$2,465	\$3,345	\$3,050	\$200
20 Mbps	\$3,090	\$3,970	\$3,675	\$190
25 Mbps	\$3,725	\$4,605	\$4,310	\$180
30 Mbps	\$4,350	\$5,230	\$4,935	\$175
35 Mbps	\$4,980	\$5,870	\$5,575	\$175
40 Mbps	\$5,615	\$6,495	\$6,200	\$170
45 Mbps	\$6,250	\$7,130	\$6,835	N/A

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Table 8: MIS Access Redundancy Option (MARO) - Burstable T-1 with Shadow Billing Option

Discount: N/A

Sustained Usage	MIS w/Managed Router Undiscounted Monthly Service Fee	MIS w/Managed Router Option 2 Undiscounted Monthly Service Fee
Up to 56 Kbps For MARO Redundant Link Service Only (Shadow Billing)	\$170	\$180
up to 128kbps	\$340	\$330
128.01 - 256 Kbps	\$410	\$400
256.01 - 384 Kbps	\$475	\$465
384.01 - 512 Kbps	\$540	\$530
512.01 Kbps - 1.544 Mbps	\$635	\$625

v.2.20.06

Table 9: MARO Burstable T-3 with Shadow Billing Option

Discount: N/A

Sustained Usage	MIS w/Managed Router Monthly Service Fee	MIS w/Managed Router Option 2 Monthly Service Fee
Up to 56 Kbps For MARO Redundant Link Service Only (Shadow Billing)	\$800	\$790
up to 6.0 Mbps	\$1,810	\$1,765
6.01 - 7.5 Mbps	\$2,670	\$2,375
7.51 - 9.0 Mbps	\$2,945	\$2,650
9.01 - 10.5 Mbps	\$3,170	\$2,875
10.51 - 12.0 Mbps	\$3,395	\$3,100
12.01 - 13.5 Mbps	\$3,620	\$3,325
13.51 - 15.0 Mbps	\$3,845	\$3,550
15.01 - 16.5 Mbps	\$4,030	\$3,735
16.51 - 18.0 Mbps	\$4,220	\$3,925
18.01 - 19.5 Mbps	\$4,405	\$4,110
19.51 - 21.0 Mbps	\$4,595	\$4,300
21.01 - 45.0 Mbps	\$8,395	\$8,100

v.10.31.05

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Table 10: MARO Features - Monthly Service Fees

Option	Monthly Service Fee List Price	Service Component Discount
Alternate Backbone Node Option - additional charges via Private Line, per Service Component	T-1: \$500	N/A
	NxT1: \$500 per T-1	
	T3: \$5,000	
	OC-3: \$12,000	
CPE Redundant Configuration Option - Per Service Component	T-1: \$120	N/A
	NxT1: \$350	
	T3: \$540	
	OC-3: \$2,435	
Backbone Node Redundancy Option - additional charges via Private Line, per Redundant Link	\$500 per T-1 Redundant Link	N/A
	\$5,000 per T-3 Redundant Link	
	\$12,000 per OC-3 Redundant Link	
Outbound Load Balancers (2) (Dual Managed Customer Routers)	T1 & NxT1: \$350	N/A
	T3 & OC3: \$875	

v.2.3.06

Table 11: MIS and MARO Features - Installation Fees (ICB Only)

Discount: 0.0 %

Option	Undiscounted Installation Fee List Price MIS, MIS w/Managed Router, & MIS w/ Managed Router Option 2
MARO - Outbound Load Balancers (2) (Dual Managed Customer Routers)	\$1000

v.2.6.06

Table 12: MIS Tele – Installation

Discount: 100.0 %

MIS Speed	Undiscounted MIS	Undiscounted MIS w/ Managed Router	Undiscounted MIS w/ Managed Router Option 2
56 Kbps	\$1,000	\$1,000	\$1,000
128 Kbps - 1.5 Mbps	\$1,000	\$1,000	\$1,000
NxT-1	\$2,500	\$2,500	\$2,500
Tiered/Full T-3	\$5,000	N/A	N/A
Tiered OC-3, OC-12, OC-48	\$10,000	N/A	N/A
Ethernet	\$1,500	\$1,500*	N/A
10 Gig Ethernet	\$10,000	\$10,000**	\$10,000**

*Available for MIS speeds of 100 Mbps and below and with electrical interfaces only.

** Subject to availability
v.10.01.08

Table 13: On-Site Installation

Discount: 0.0 %

MIS Speed	Undiscounted MIS w/ Managed Router Only	Undiscounted MIS w/ Managed Router Option 2 Only
56 Kbps	\$999	\$999
128 Kbps - 1.5 Mbps	\$999	\$999
NxT-1	\$999	\$999
Tiered/Full T-3	\$1,000	\$1,000
Tiered OC-3, OC-12, OC-48	\$10,000	\$10,000
Ethernet	\$1,500	N/A

v.11.08.08

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Table 14: ATM and Tiered OC-3 (ICB Only)*

Discount: N/A

Speed	Undiscounted MIS Monthly Service Fee	Undiscounted MIS w/Managed Router Monthly Service Fee	Undiscounted MIS w/Managed Router Option 2 Monthly Service Fee
2 Mbps	\$590	\$885	\$840
3 Mbps	\$850	\$1,145	\$1,100
4 Mbps	\$1,075	\$1,370	\$1,325
5 Mbps	\$1,125	\$1,420	\$1,375
6 Mbps	\$1,250	\$1,545	\$1,500
7 Mbps	\$1,415	\$2,295	\$2,000
8 Mbps	\$1,565	\$2,445	\$2,150
9 Mbps	\$1,715	\$2,595	\$2,300
10 Mbps	\$1,840	\$2,720	\$2,425
15 Mbps	\$2,465	\$3,345	\$3,050
20 Mbps	\$3,090	\$3,970	\$3,675
25 Mbps	\$3,725	\$4,605	\$4,310
30 Mbps	\$4,350	\$5,230	\$4,935
35 Mbps	\$4,990	\$5,870	\$5,575
40 Mbps	\$5,615	\$6,495	\$6,200
60 Mbps	\$7,825	\$9,005	\$8,450
155 Mbps (not available with ATM)	\$17,800	\$18,980	\$18,425

v.2.3.06

Table 15: Burstable OC-3 (ICB Only)

Discount: N/A

Sustained Usage	Undiscounted MIS Monthly Service Fee	Undiscounted MIS w/Managed Router Monthly Service Fee	Undiscounted MIS w/Managed Router Option 2 Monthly Service Fee
Up to 35.0 Mbps	\$5,990	\$6,870	\$6,575
35.01 to 45.0 Mbps	\$7,515	\$8,395	\$8,100
45.01 to 55.0 Mbps	\$8,765	\$9,945	\$9,390
55.01 to 65.0 Mbps	\$10,025	\$11,205	\$10,650
65.01 to 75.0 Mbps	\$11,290	\$12,470	\$11,915
75.01 to 85.0 Mbps	\$12,550	\$13,730	\$13,175
85.01 to 100.0 Mbps	\$14,440	\$15,620	\$15,065
100.01 to 125.0 Mbps	\$17,590	\$18,770	\$18,215
125.01 to 155.0 Mbps	\$21,385	\$22,545	\$21,990

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Table 16: Flexible Bandwidth Billing Option - Burstable OC-3 (ICB Only)

Discount applied to MIS, MIS w/Managed Router, & MIS w/ Managed Router Option 2: N/A				Incremental Usage Fee Discount: N/A
Tiered Bandwidth Minimum Commitment	Undiscounted MIS Monthly Fee	Undiscounted MIS with Managed Router Monthly Fee	Undiscounted MIS with Managed Router Option 2 Monthly Fee	Undiscounted Incremental Usage Fee Per Mbps
35 Mbps	\$4,990	\$5,870	\$5,575	\$175
40 Mbps	\$5,615	\$6,495	\$6,200	\$170
45 Mbps	\$6,250	\$7,130	\$6,835	\$170
60 Mbps	\$7,825	\$9,005	\$8,450	\$180
70 Mbps	\$8,875	\$10,055	\$9,500	\$155
80 Mbps	\$9,925	\$11,105	\$10,550	\$150
90 Mbps	\$10,975	\$12,155	\$11,600	\$150
100 Mbps	\$12,025	\$13,205	\$12,650	\$145
120 Mbps	\$14,125	\$15,305	\$14,750	\$145
144 Mbps	\$16,225	\$17,405	\$16,850	\$140
155 Mbps	\$17,800	\$18,980	\$18,425	N/A

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Table 17: Tiered OC-12 (ICB Only)

Discount: N/A

Speed	Undiscounted MIS Monthly Service Fee	Undiscounted MIS w/Managed Router Monthly Service Fee
622 Mbps	\$50,700	\$52,505

v.2.3.06

Table 18: Burstable OC-12 (ICB Only)

Discount: N/A

Speed	Undiscounted MIS Monthly Service Fee	Undiscounted MIS w/Managed Router Monthly Service Fee
Up to 75.0 Mbps	\$11,290	\$12,470
75.01 to 150.0 Mbps	\$18,750	\$19,930
150.01 to 225.0 Mbps	\$26,215	\$27,395
225.01 to 300.0 Mbps	\$33,665	\$35,470
300.01 to 375.0 Mbps	\$40,040	\$41,845
375.01 to 450.0 Mbps	\$46,415	\$48,220
450.01 to 525.0 Mbps	\$52,715	\$54,520
525.01 to 622.0 Mbps	\$60,850	\$62,655

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Table 19: Flexible Bandwidth Billing Option - Burstable OC-12 (ICB Only)

Discount applied to MIS & MIS w/Managed Router: N/A			Incremental Usage Fee Discount: N/A
Tiered Bandwidth Minimum Commitment	Undiscounted MIS Monthly Fee	Undiscounted MIS with Managed Router Monthly Fee	Undiscounted Incremental Usage Fee Per Mbps
70 Mbps	\$8,875	\$10,055	\$155
80 Mbps	\$9,925	\$11,105	\$150
90 Mbps	\$10,975	\$12,155	\$150
100 Mbps	\$12,025	\$13,205	\$145
120 Mbps	\$14,125	\$15,305	\$145
144 Mbps	\$16,225	\$17,405	\$140
155 Mbps	\$17,800	\$18,980	\$140
200 Mbps	\$20,975	\$22,780	\$130
250 Mbps	\$24,515	\$26,320	\$120
300 Mbps	\$28,050	\$29,855	\$115
350 Mbps	\$31,600	\$33,405	\$110
400 Mbps	\$35,140	\$36,945	\$110
450 Mbps	\$38,675	\$40,480	\$105
500 Mbps	\$42,215	\$44,020	\$105
550 Mbps	\$45,750	\$47,555	\$100
600 Mbps	\$49,290	\$51,095	\$100
622 Mbps	\$50,700	\$52,505	N/A

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Table 20: Tiered OC-48 (ICB Only)

Discount: N/A

Speed	Undiscounted MIS Monthly Service Fee	Undiscounted MIS w/Managed Router Monthly Service Fee
2.5 Gbps	\$196,000	\$199,055

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Table 21: Burstable OC-48 (ICB Only)

Discount: N/A

Sustained Usage	Undiscounted MIS Monthly Service Fee	Undiscounted MIS w/Managed Router Monthly Service Fee
Up to 1250 Mbps	\$121,500	\$124,555
1251 to 1350 Mbps	\$130,975	\$134,030
1351 to 1450 Mbps	\$140,450	\$143,505
1451 to 1550 Mbps	\$149,925	\$152,980
1551 to 1650 Mbps	\$159,400	\$162,455
1651 to 1750 Mbps	\$168,875	\$171,930
1751 to 1850 Mbps	\$178,350	\$181,405
1851 to 1950 Mbps	\$187,825	\$190,880
1951 to 2050 Mbps	\$197,300	\$200,355
2051 to 2150 Mbps	\$206,775	\$209,830
2151 to 2250 Mbps	\$216,250	\$219,305
2251 to 2350 Mbps	\$225,725	\$228,780
2351 to 2450 Mbps	\$235,200	\$238,255

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Table 22: Flexible Bandwidth Billing Option - Burstable OC-48 (ICB Only)

Discount applied to MIS & MIS w/Managed Router: N/A			Incremental Usage Fee Discount: N/A
Tiered Bandwidth Minimum Commitment	Undiscounted MIS Monthly Fee	Undiscounted MIS with Managed Router Monthly Fee	Undiscounted Incremental Usage Fee Per Mbps
600 Mbps	\$49,290	\$51,095	\$100
622 Mbps	\$50,700	\$52,505	\$100
700 Mbps	\$56,365	\$58,170	\$100
800 Mbps	\$63,440	\$65,245	\$100
1250 Mbps	\$101,250	\$104,305	\$100
1550 Mbps	\$125,000	\$128,055	\$100
1850 Mbps	\$148,750	\$151,805	\$100
2150 Mbps	\$172,500	\$175,555	\$100
2450 Mbps	\$196,000	\$199,055	N/A

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Table 23: Flexible Bandwidth Billing Option - Ethernet

Discount applied to MIS & MIS w/Managed Router: 75.0 %			Incremental Usage Fee Discount: 75.0 %
Tiered Bandwidth Minimum Commitment	MIS Undiscounted Monthly Fee	MIS with Managed Router Undiscounted Monthly Fee	Undiscounted Incremental Usage Fee Per Mbps
0.5 Mbps	\$390	\$460	\$940
1.0 Mbps	\$425	\$495	\$510
1.5 Mbps	\$470	\$540	\$380
2 Mbps	\$590	\$885	\$355
3 Mbps	\$650	\$1,145	\$340
4 Mbps	\$1,075	\$1,370	\$325
5 Mbps	\$1,125	\$1,420	\$270
6 Mbps	\$1,250	\$1,545	\$250
7 Mbps	\$1,415	\$2,295	\$245
8 Mbps	\$1,565	\$2,445	\$235
9 Mbps	\$1,715	\$2,595	\$230
10 Mbps	\$1,840	\$2,720	\$225
15 Mbps	\$2,465	\$3,345	\$200
20 Mbps	\$3,090	\$3,970	\$190
25 Mbps	\$3,725	\$4,605	\$180
30 Mbps	\$4,350	\$5,230	\$175
35 Mbps	\$4,990	\$5,870	\$175
40 Mbps	\$5,615	\$6,495	\$170
45 Mbps	\$6,250	\$7,130	\$170
50 Mbps	\$6,770	\$7,815	\$165
60 Mbps	\$7,825	\$9,005	\$160
70 Mbps	\$8,875	\$10,055	\$155
75 Mbps	\$9,410	\$10,595	\$155
80 Mbps	\$9,925	\$11,105	\$150
90 Mbps	\$10,975	\$12,155	\$150
100 Mbps	\$12,025	\$13,205	\$145
120 Mbps	\$14,125	\$15,305	\$145
144 Mbps	\$16,225	\$17,405	\$140
150 Mbps	\$17,065	\$18,250	\$140
155 Mbps	\$17,800	\$18,980	\$140
200 Mbps	\$20,975	\$22,780	\$130
250 Mbps	\$24,515	\$26,320	\$120
300 Mbps	\$28,050	\$29,855	\$115
350 Mbps	\$31,600	\$33,405	\$110
400 Mbps	\$35,140	\$36,945	\$110
450 Mbps	\$38,675	\$40,480	\$105
500 Mbps	\$42,215	\$44,020	\$105
550 Mbps	\$45,750	\$47,555	\$100
600 Mbps	\$49,290	\$51,095	\$100
622 Mbps	\$50,700	\$52,505	\$100
700 Mbps	\$56,365	\$58,170	\$100
800 Mbps (ICB)	\$63,440	\$65,245	\$100
900 Mbps (ICB)	\$70,875	\$73,930	\$100
1000 Mbps (ICB)	\$78,250	\$81,305	N/A

v.10.01.08

Table 24: Flexible Bandwidth Billing Option – MIS 10 Gig Ethernet

Discount applied to MIS: N/A		Incremental Usage Fee Discount: N/A
Tiered Bandwidth Minimum Commitment	MIS Undiscounted Monthly Fee	Undiscounted Incremental Usage Fee Per Mbps
5 Gbps	\$42,215	\$84.43
1.0 Gbps	\$78,250	\$78.25
1.5 Gbps	\$119,625	\$79.75
2.0 Gbps	\$161,000	\$80.50
2.5 Gbps	\$196,000	\$80.25
3.0 Gbps	\$240,000	\$80.00
3.5 Gbps	\$279,125	\$79.75
4.0 Gbps	\$318,000	\$79.50
4.5 Gbps	\$356,625	\$79.25
5.0 Gbps	\$390,000	\$78.00
5.5 Gbps	\$433,125	\$78.75
6.0 Gbps	\$471,000	\$78.50
6.5 Gbps	\$508,625	\$78.25
7.0 Gbps	\$538,000	\$77.00
7.5 Gbps	\$583,125	\$77.75
8.0 Gbps	\$620,000	\$77.50
8.5 Gbps	\$656,625	\$77.25
9.0 Gbps	\$684,000	\$76.00
9.5 Gbps	\$719,625	\$75.75
10.0 Gbps	\$755,000	\$75.50

v.10.01.08

Table 25: Class Of Service Option - Tiered T-1, T-3 and Burstable Service - Monthly Service Fees

Discount: N/A	
Speed	Class of Service Monthly Fee – List Price (w/ or w/out Managed Router, Including Managed Router Option 2, except as indicated)
56 Kbps†	\$225
128 Kbps†	\$225
256 Kbps†	\$225
384 Kbps†	\$225
512 Kbps†	\$225
768 Kbps	\$225
1024 Kbps*	\$225
1.5 Mbps	\$225
2xT-1 (3 Mbps)	\$225
3xT-1 (4.5 Mbps)	\$225
4xT-1 (6 Mbps)	\$225
5xT-1 (7.5 Mbps)	\$225
6xT-1 (9 Mbps)	\$225
7xT-1 (10.5 Mbps)	\$225
8xT-1 (12 Mbps)	\$225
10 Mbps	\$825

AT&T and Customer Confidential Information

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AT&T Managed Internet Service – Pricing Schedule

AT&T MA Reference No. _____

CSM111018164451

15 Mbps	\$1,075
20 Mbps	\$1,325
25 Mbps	\$1,575
30 Mbps	\$1,825
35 Mbps	\$2,100
40 Mbps	\$2,350
45 Mbps	\$2,750
155 Mbps†	\$2,750

(†) no real-time class available
(‡) unmanaged only
v.6.1.06

Table 26: Class Of Service Option - Flexible Bandwidth Billing Option - Monthly Service Fees
Discount: N/A

Speed	Undiscounted MIS w/ or w/out Managed Router including Managed Router Option 2 Monthly Service Fee *
Up to 1.5 Mbps	\$225
2.0 Mbps	\$285
2.01 - 3.0 Mbps	\$360
3.01 - 4.0 Mbps	\$435
4.01 - 5.0 Mbps	\$510
5.01 - 6.0 Mbps	\$575
6.01 - 7.0 Mbps	\$640
7.01 - 8.0 Mbps	\$705
8.01 - 9.0 Mbps	\$765
9.01 to 10.0 Mbps	\$825
10.01 to 15.0 Mbps	\$1,075
15.01 - 20.0 Mbps	\$1,325
20.01 - 25.0 Mbps	\$1,575
25.01 - 30.0 Mbps	\$1,825
30.01 - 35.0 Mbps	\$2,100
35.01 - 40.0 Mbps	\$2,350
40.01 - 45.0 Mbps	\$2,750
45.01 - 155 Mbps	\$5,000
200 - 250 Mbps	\$5,400
300 - 350 Mbps	\$5,800
400 - 600 Mbps	\$6,200
622 Mbps	\$7,000
700 - 1000 Mbps	\$7,800
1.5 Gbps	\$7,900
2.0 Gbps	\$8,000
2.5 Gbps	\$8,100
3.0 Gbps	\$8,200
3.5 Gbps	\$8,300
4.0 Gbps	\$8,400
4.5 Gbps	\$8,500
5.0 Gbps	\$8,600
5.5 Gbps	\$8,700
6.0 Gbps	\$8,800
6.5 Gbps	\$8,900
7.0 Gbps	\$9,000
7.5 Gbps	\$9,100
8.0 Gbps	\$9,200
8.5 Gbps	\$9,300
9.0 Gbps	\$9,400
9.5 Gbps	\$9,500
10.0 Gbps	\$9,600

*Subject to availability
v.10.01.08

AT&T and Customer Confidential Information
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AT&T Managed Internet Service – Pricing Schedule

AT&T MA Reference No. _____

CSM111018164451

Table 27: Class Of Service Option - Installation Fees

Discount: N/A

Class of Service Undiscounted Installation Fee	\$1,000
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v.2.3.06

Table 28: MIS+NCS Option (ICB Only)

Discount: N/A

Feature	Undiscounted Monthly Service Fee MIS Only
MIS + NCS Site License Fee (3 yr)	\$1,200
MIS + NCS Site License Fee (5 yr)	\$1,050
MIS + NCS Tier 1 Support	\$100

v.04.29.02

Table 29: MIS + NCS
Installation Fees (ICB Only)
Discount: 0.0 %

Feature	Undiscounted Installation Fee List Price MIS
MIS + NCS Site Preparation Fee	\$2,500

v.2.3.06

Table 30: MPLS PNT Feature

Discount: N/A

Access Method	Speed	Undiscounted Monthly Service Fee MIS, MIS w/Managed Router, and MIS w/ Managed Router Option 2
Private Line Fractional T-1 (56K – 768K)**	Fractional T-1 (56K – 768K)**	\$200
Private Line NxT-1 (2 through 8)	Private Line NxT-1 (3 Mbps – 12 Mbps)	\$200
Private Line T1	T-1 (1.54 Mbps)	\$200
Private Line T3	2 Mbps (Hi-Cap Flex T3)	\$1,000
Private Line T3	3 Mbps (Hi-Cap Flex T3)	\$1,000
Private Line T3	4 Mbps (Hi-Cap Flex T3)	\$1,000
Private Line T3	5 Mbps (Hi-Cap Flex T3)	\$1,000
Private Line T3	6 Mbps (Hi-Cap Flex T3)	\$1,000
Private Line T3	7 Mbps (Hi-Cap Flex T3)	\$1,000
Private Line T3	8 Mbps (Hi-Cap Flex T3)	\$1,000
Private Line T3	9 Mbps (Hi-Cap Flex T3)	\$1,000
Private Line T3	10 Mbps (Hi-Cap Flex T3)	\$1,000
Private Line T3	15 Mbps (Hi Cap Flex T3 or Fractional T3)	\$1,000
Private Line T3	20 Mbps (Hi-cap Flex T3, or Fractional T3)	\$2,000
Private Line T3	25 Mbps (Hi-cap Flex T3, or Fractional T3)	\$2,000
Private Line T3	30 Mbps (Hi-cap Flex T3, or Fractional T3)	\$2,000
Private Line T3	35 Mbps (Hi-cap Flex T3, or Fractional T3)	\$2,000
Private Line T3	40 Mbps (Hi-cap Flex T3, or Fractional T3)	\$2,000
Private Line T3	45 Mbps (Full T3)	\$2,000
Private Line T3	6-45 Mbps (Burstable T3)	\$2,000
Private Line OC3	OC-3 (35-155 Mbps) Flat rate, Burstable, or Hi-Cap flex	\$5,000
Private Line OC12	OC-12 (70-622 Mbps) Flat rate, Hi-Cap Flex, or Burstable	\$10,000
Private Line OC48	OC-48 (600-2500 Mbps) Flat rate, Hi-Cap Flex or Burstable	\$20,000
Ethernet	512Kbps - 1.5 Mbps	\$200
Ethernet	2 - 15 Mbps	\$1,000
Ethernet	15.01 – 45 Mbps	\$2,000
Ethernet	45.01 - 155 Mbps	\$5,000
Ethernet	155.01 - 622 Mbps	\$10,000
Ethernet	622.01 - 1000 Mbps	\$20,000

** (1024K not available with MPLS PNT)

v.10.12.07

AT&T and Customer Confidential Information

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AT&T Managed Internet Service – Pricing Schedule

AT&T MA Reference No. _____

CSM111018164451

Table 31: MPLS PNT UniLink Feature

Discount: N/A

Access Method	Speed	Undiscounted Monthly Service Fee MIS PNT and MIS PNT with Managed Router
Private Line T-1	T-1 (1.54 Mbps) Burstable T1	\$200
Private Line T-3	2- 45 Mbps (Flat Rate, Hi-Cap Flex or Burstable T3)	\$2,000
Private Line OC-3	OC-3 (35-155 Mbps) Flat rate, Burstable, or Hi-Cap flex	\$5,000
Private Line OC-12	OC-12 (70-622 Mbps) Flat rate, Hi-Cap Flex, or Burstable	\$10,000
Private Line OC-48	OC-48	\$20,000
Ethernet	512 Kbps – 1.5 Mbps	\$200
Ethernet	2 - 45 Mbps	\$2,000
Ethernet	45.01-155 Mbps	\$5,000
Ethernet	155.01-622 Mbps	\$10,000
Ethernet	622.01-1000 Mbps	\$20,000

v.10.12.07

Table 32: MultiCast Monthly Service Fee

N/A

MultiCast Monthly Service Fee	ICB
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Table 33: MultiCast Installation

N/A

MultiCast Installation Fee	ICB
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Section II: AT&T Business in a BoxSM

Table 1: Service Component Replacement – Next Business Day Shipped (5x8) Monthly Charges

Discount: N/A

Service Component/Device	Undiscounted Monthly Service Charge
Base Unit 12 Port	\$50
Base Unit 24 Port	\$70
8 Port POE Add-On	\$30
24 Port POE Add-On	\$75
8 Port Analog Module Add-On	\$35

v.5.14.09

Table 2: On-Site Maintenance (24X7X4) Monthly Charges

Discount: N/A

Option	Undiscounted Monthly Service Charge
Base Unit 12 Port	\$75
Base Unit 24 Port	\$95

AT&T and Customer Confidential Information

Page 12 of 12

eCRM ID - 1-KNYFBH
1110 rs6341 EaMIS II/IGLOO 101311 REZ

8 Port POE Add-On	\$35
24 Port POE Add-On	\$85
8 Port Analog Module Add-On	\$40

v.5.14.09

Table 3: Life-Cycle Management Charges - Service Charges

Discount: N/A

Per Site / Per Occurrence during Standard Business Hours (Monday- Friday, 8:00 am- 5:00 pm, local time)	Undiscounted Service Charge List Price
Move, Addition, Change to Service	\$260
Delete Service	\$500

v. 5.14.09

Table 4: Class Of Service Option - when ordered with AT&T BVoIP Services only

Discount: 100%

Class of Service Monthly Service Fee	\$225
--------------------------------------	-------

v.1.9.09

Section III: Additional Service Fees

Moving Fee (during hours)	\$1,000 per location
Additional Moving Fee (outside standard operating hours – 8:00 a.m. to 5:00 p.m. Monday through Friday)	Additional \$500 per location

v.07/01/04

Section IV: Local Access Pricing

NPA/ NXX	Location	Access Bandwidth	Local Access Non-Recurring Charge	Local Access Net Monthly Recurring Charge
479-442	Fayetteville, AR	Ethernet 20 Mbps	\$0.00	\$886.13

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v.03/07/11

City of Fayetteville Staff Review Form

C. 6
Ambulance Services
Interlocal Agreement
Page 1 of 24

**City Council Agenda Items
and
Contracts, Leases or Agreements**

November 15, 2011
City Council Meeting Date
Agenda Items Only

<u>David Dayringer</u>	<u>Fire</u>	<u>Fire</u>
Submitted By	Division	Department

Action Required:

A resolution approving an amendment to Article 3(b) of the Interlocal Agreement for Ambulance Services by and with the City of Fayetteville, Washington County, Elkins, Farmington, Goshen, Greenland, Lincoln, Prairie Grove, West Fork, Winslow, and Johnson for emergency and non-emergency ambulance services as approved by City Council with Res. No. 68-08 on March 18, 2008.

<u>None</u>	<u></u>	<u></u>
Cost of this request	Category / Project Budget	Program Category / Project Name
<u></u>	<u></u>	<u></u>
Account Number	Funds Used to Date	Program / Project Category Name
<u></u>	<u>\$ -</u>	<u></u>
Project Number	Remaining Balance	Fund Name
<u></u>	<u></u>	<u></u>

Budgeted Item ☐ Budget Adjustment Attached ☐

<u><i>David Dayringer</i></u>	<u>10-28-11</u>	Previous Ordinance or Resolution # <u></u>
Department Director	Date	

<u><i>John Kelly</i></u>	<u>10-31-11</u>	Original Contract Date: <u></u>
City Attorney	Date	Original Contract Number: <u></u>

<u><i>Paul A. Barber</i></u>	<u>10-31-2011</u>
Finance and Internal Services Director	Date

Received in City Clerk's Office *LD*
10-23-11 A11:07 RCVD

<u><i>Nan Mann</i></u>	<u>10-31-11</u>
Chief of Staff	Date

Received in Mayor's Office **ENTERED**
10/31/11

<u><i>Lionel J. Jester</i></u>	<u>11/1/11</u>
Mayor	Date

Comments:



THE CITY OF FAYETTEVILLE, ARKANSAS
DEPARTMENT CORRESPONDENCE

www.accessfayetteville.org

CITY COUNCIL AGENDA MEMO

To: Mayor and City Council

From: David Dayringer, Fire Chief *DC*

Date: November 15, 2011

Subject: A resolution approving an amendment to Article 3(b) of the interlocal agreement for ambulance services by and with the City of Fayetteville, Washington County, Elkins, Farmington, Goshen, Greenland, Lincoln, Prairie Grove, West Fork, Winslow, and Johnson.

PROPOSAL:

City Council approved Res. 68-08 on March 18, 2008, approving an Interlocal Agreement for Ambulance Services with the City of Fayetteville, Washington County, Elkins, Farmington, Goshen, Greenland, Lincoln, Prairie Grove, West Fork, Winslow, and Johnson and to establish the Ambulance Authority and Central Emergency Medical Services as the exclusive emergency and non-emergency ambulance service within the cities.

RECOMMENDATION:

Staff recommends approving the attached amendment to Article 3(b) of the original Interlocal Agreement for Ambulance Services. This amendment provides for all parties to continue to pay the same dollar amount as each paid in 2010 throughout the second five year term of the renewal. It removes the use of the federal census to establish the per capita fee for each city and county unincorporated population.

BUDGET IMPACT:

Approval of the proposed amendment to the Interlocal Agreement for Ambulance Services will result in a fixed \$270,000.00 annual subsidy and prevent any rate increase or decrease throughout the second five year term of renewal (2012-2016). Funds for ambulance services are included each year in the Annual Budget and Work Program.

RESOLUTION NO. _____

**A RESOLUTION APPROVING AN AMENDMENT TO THE INTERLOCAL
AGREEMENT FOR AMBULANCE SERVICES**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF
FAYETTEVILLE, ARKANSAS:**

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby approves an amendment to the Interlocal Agreement for Ambulance Services. A copy of the amendment is attached to this Resolution as Exhibit "A".

PASSED and APPROVED this 15th day of November, 2011.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA E. SMITH, City Clerk/Treasurer

FIRST AMENDMENT TO INTERLOCAL AGREEMENT FOR AMBULANCE SERVICES

WHEREAS, the parties entered into an Interlocal Agreement on or about May 21, 2008; and,

WHEREAS, the parties are desirous of amending such in light of the 2010 census as contemplated in Article 4; and,

WHEREAS, as a result of said census, some of the parties have gained or lost population but regardless, may now receive a lower percentage of the county-wide one percent sales tax; and,

WHEREAS, per Article 4, said Agreement renews for an additional five year period unless the party notifies the Authority in writing of its refusal to participate.

NOW, THEREFORE, IT IS AGREED:

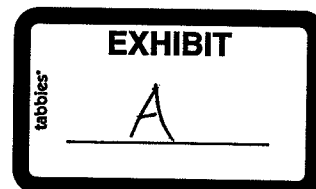
(1) Article 3(b) is hereby amended as follows:

1. All parties shall continue to pay the same dollar amount as each paid in 2010 throughout the second five year term of this renewal.

	2000 Census or Special	Subsidy 2009- 2011	Subsidy 2012- 2016
Farmington	3,605	\$14,420	\$14,420
Prairie Grove	3,367	\$13,468	\$13,468
Elkins	2,223	\$8,892	\$8,892
Johnson	3,326	\$6,652	\$6,652
Goshen	752	\$3,008	\$3,008
Greenland	947	\$3,788	\$3,788
Lincoln	2,059	\$8,236	\$8,236
Winslow	399	\$1,596	\$1,596
West Fork	2,042	\$8,168	\$8,168
Fayetteville	67,158	\$270,000	\$270,000
County-Rural	37,201	\$561,000	\$561,000
Total		\$899,228	\$899,228

2. The effective date of this Amended Agreement shall be when approved and signed by all parties in accordance with law.

3. All other provisions of said Interlocal Agreement remain unchanged and in effect.



First Amendment to Interlocal Agreement for Ambulance Services

LIONELD JORDAN, FAYETTEVILLE MAYOR

DATE

SONDRA SMITH, FAYETTEVILLE CITY CLERK

First Amendment to Interlocal Agreement for Ambulance Services

MARILYN EDWARDS, WASHINGTON COUNTY JUDGE

DATE

KAREN BEEKS, QUORUM COURT COORDINATOR/REPORTER

First Amendment to Interlocal Agreement for Ambulance Services

BRUCE LEDFORD, ELKINS MAYOR

DATE

ELKINS CITY CLERK

First Amendment to Interlocal Agreement for Ambulance Services

BILL GROOM, GREENLAND MAYOR

DATE

RECORDER/TREASURER

First Amendment to Interlocal Agreement for Ambulance Services

ROB HULSE, LINCOLN MAYOR

DATE

LINCOLN CITY CLERK

First Amendment to Interlocal Agreement for Ambulance Services

ERNIE PENN, FARMINGTON MAYOR

DATE

FARMINGTON CITY CLERK

First Amendment to Interlocal Agreement for Ambulance Services

SONNY HUDSON, PRAIRIE GROVE MAYOR

DATE

CAROL PAIR, PRAIRIE GROVE CITY CLERK

First Amendment to Interlocal Agreement for Ambulance Services

FRANCIS HIME, WEST FORK MAYOR

DATE

WEST FORK CITY CLERK

First Amendment to Interlocal Agreement for Ambulance Services

JOE BENSON, GOSHEN MAYOR

DATE

GOSHEN CITY CLERK

First Amendment to Interlocal Agreement for Ambulance Services

LONNIE BARRON, JOHNSON MAYOR

DATE

JOHNSON CITY CLERK

First Amendment to Interlocal Agreement for Ambulance Services

RANDY JARNAGAN, WINSLOW MAYOR

DATE

MARY BROMLEY, WINSLOW CITY CLERK

RESOLUTION NO. 68-08

A RESOLUTION TO APPROVE AN INTERLOCAL AGREEMENT FOR AMBULANCE SERVICE BY AND WITH THE CITY OF FAYETTEVILLE, WASHINGTON COUNTY, ELKINS, FARMINGTON, GOSHEN, GREENLAND, LINCOLN, PRAIRIE GROVE, WEST FORK, WINSLOW AND JOHNSON, AND TO ESTABLISH THE AMBULANCE AUTHORITY AND CENTRAL EMERGENCY MEDICAL SERVICES AS THE EXCLUSIVE EMERGENCY AND NON-EMERGENCY AMBULANCE SERVICE WITHIN THE CITIES

WHEREAS, A.C.A. § 14-14-910, and § 14-266-102 and § 25-20-101 authorize cities and counties to enter into interlocal contracts to provide services such as emergency and non-emergency ambulance services; and

WHEREAS, the above cities and Washington County have determined that the continued provision of ambulance service is necessary for the health, safety and welfare of the residents of said cities and Washington County; and

WHEREAS, Washington County, the City of Fayetteville and all other cities listed in the Resolution's title agree that the creation of an Ambulance Authority or similar entity as provided for in A.C.A. § 14-266-100 *et seq.* is in the best interests of all parties and their citizens; and

WHEREAS, the Ambulance Authority should be established pursuant to the Agreement For Ambulance Services interlocal agreement attached as Exhibit A to this Resolution; and

WHEREAS, in order to save taxpayer money and to reduce the need for taxpayer revenue to subsidize the furnishing of emergency ambulance service to our citizens, the Ambulance Authority and CEMS should be designated the exclusive provider of emergency and non-emergency ambulance service within all cities that are parties to this agreement.

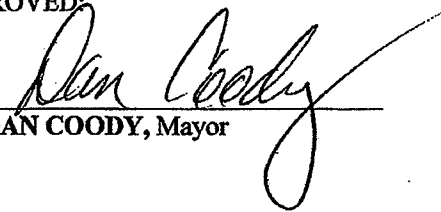
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby approves the Interlocal Agreement For Ambulance Services attached as Exhibit A, authorizes Mayor Coody to sign this agreement, and designates the Ambulance Authority created by this agreement to operate Central Emergency Medical Services as the exclusive emergency and non-emergency ambulance services provider throughout Fayetteville and every other city which is a party to this agreement as broadly as authorized in A.C.A. § 14-266-102 and 105.

PASSED and APPROVED this the 18th day of March, 2008.

APPROVED:

By:


DAN COODY, Mayor

ATTEST:

By:


SONDRA E. SMITH, City Clerk/Treasurer





JERRY HUNTON
County Judge

280 North College, Suite 500
Fayetteville, AR 72701

WASHINGTON COUNTY, ARKANSAS
County Courthouse

May 27, 2008

RECEIVED

MAY 30 2008

CITY OF FAYETTEVILLE
MAYOR'S OFFICE

Mayor Dan Coody
City of Fayetteville
113 W. Mountain
Fayetteville, AR 72701

RECEIVED

JUN 02 2008

CITY OF FAYETTEVILLE
CITY CLERK'S OFFICE

RE: Ambulance Service -- Interlocal Agreement

Dear Mayor:

Please find enclosed for your records a signed copy of the interlocal agreement between Washington County and other cities in the County regarding ambulance service.

Thank you for your help in this matter.

Sincerely,

A handwritten signature in cursive script, appearing to read "Karen".

Karen Beeks, Secretary
County Judge's Office

/kb

Encl.

cc w/encl: Kit Williams, City Attorney

AGREEMENT
FOR AMBULANCE SERVICES

THIS INTERLOCAL AGREEMENT FOR AMBULANCE SERVICES ("Agreement") is made and entered into by and between WASHINGTON COUNTY, ARKANSAS, ("County") and the cities of ELKINS, FARMINGTON, FAYETTEVILLE, GOSHEN, GREENLAND, LINCOLN, PRAIRIE GROVE, WEST FORK, WINSLOW and JOHNSON ("Cities").

WHEREAS, A.C.A. §14-14-910, A.C.A. §25-20-101, and A.C.A. §14-266-102 authorize cities and counties to enter into contracts to co-operate or join with each other to provide emergency and non-emergency medical services and to specify the responsibilities of all parties; and,

WHEREAS, all parties acknowledge that the continued provision of ambulance service is crucial for the continued health and safety of the residents of the named Cities and the County; and,

WHEREAS, the County and Cities mutually agree that the creation of an Ambulance Authority or similar entity as provided for in A.C.A. §14-14-910, A.C.A. §25-20-101 and A.C.A. §14-266-101 et. seq is in the best long-term interests of the parties; and,

WHEREAS, said Authority should consist of representatives of the above named Cities and the County; and,

WHEREAS, all parties acknowledge that the formation of such an Authority will demand close and continued cooperation of all parties.

NOW, THEREFORE, IT IS AGREED:

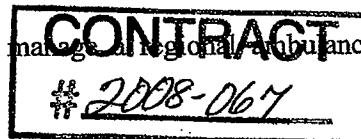
ARTICLE 1. AUTHORITY ORGANIZATION.

(a) One individual selected by each entity shall represent said entity on the Board of Directors of the Authority to be known as the Washington County Regional Ambulance Authority.

- (1) Each Board member shall serve a term of three (3) years and be eligible to serve two (2) consecutive terms.
- (2) The initial term of each Board member shall be determined by the drawing of lots or similar method so as to provide staggered terms.

(b) The Board shall meet on no less than on a quarterly basis to transact all business associated with the powers and responsibilities conferred upon it. However, the Board shall reserve to itself the right to meet on whatever basis it determines is appropriate.

(c) The Board shall employ an executive director to manage the Regional Ambulance system.



(d) In order to ensure maximum efficiency and effectiveness of the operation, an executive committee shall be formed to be charged with the oversight of the day-to-day operation of the system. The members of said executive committee shall be as follows:

- (1) The County board appointee who shall reside in the unincorporated service area.
- (2) The Fayetteville City Council appointee;
- (3) A second Fayetteville appointee (Both City Council appointees shall serve at the pleasure of the City Council and can be removed and replaced by different representatives by City Council Resolution.);
- (4) A small city appointee to be chosen by the aforesaid cities, excluding the City of Fayetteville;
- (5) A Nursing Home or medical profession representative who shall reside in the City of Fayetteville to be chosen by the County appointee; the Fayetteville appointees, and the small city appointee.
- (6) A Hospital representative who shall reside in the City of Fayetteville to be chosen by the County appointee; the Fayetteville appointees, and the small city appointee.
- (7) A representative of the financial community residing in the service area to be chosen by the County appointee, the Fayetteville appointees and the small city appointee.

ARTICLE 2. PURPOSES, POWERS, RIGHTS, OBLIGATIONS AND RESPONSIBILITIES OF THE CREATED ENTITY.

(a) All parties acknowledge that the need to create an entity to own, operate and manage an ambulance service is necessary and appropriate.

(b) The Authority created herein shall have the following powers:

- (1) To provide advanced life support emergency ambulance service in the designated area;
- (2) To provide emergency medical dispatch including pre-arrival instructions in accordance with approved dispatch protocols;
- (3) To set ambulance user fees;
- (4) To own system revenues;
- (5) To provide exclusive emergency and non-emergency (within the cities only) ambulance service;

- (6) To enter into mutual aid and automatic aid agreements with neighboring ambulance services for emergency services;
- (7) Comprehensive regulatory powers over the ambulance system performance;
- (8) Ownership of or access to key components of the system infrastructure;
- (9) Centralize medical direction and clinical oversight of the ambulance system to the extent deemed necessary;
- (10) To promulgate rules and regulations to further effectuate the purposes of this agreement;
- (11) To own and dispose of real and personal property;
- (12) To adopt and oversee comprehensive system performance on an annual basis to include periodic revisions to comply with emerging technologies and changes in clinical and operational standards.

(c) Washington County Regional Ambulance Authority's Specific Duties.

The Authority created herein shall have the following specific duties and responsibilities in addition to the statutory and administrative requirements of §14-266-109, the Arkansas Medical Practices Act, and any other government or professional standards.

- (1) Minimum Standards Continue. The Authority shall continue to meet all existing minimum performance standards within Fayetteville as stated in the current City of Fayetteville Contract For Emergency Medical Transport Services with CEMS except as to quarterly reports to the City of Fayetteville. (A copy of this contract is attached as Exhibit A.)
- (2) Reporting Requirements.
 - (A) Fayetteville. On the third Tuesday of July each year, the Washington County Regional Ambulance Authority by the two Fayetteville representatives on the Executive Committee shall appear before the Fayetteville City Council to present:
 - (i) The written annual, audited report of the previous year's financial and response data reports;
 - (ii) A written report of the financial and response data for the first half of the current year;
 - (iii) Plans and projections to replace or enlarge capital property and equipment within the next 18 months;

- (iv) Plans and justifications for any personnel increases within the next 18 months; and
- (v) Revenue/expense projections for the next 18 months.

(B) Any Other Member Of This Authority. Upon written request by any other member of this Authority, the Board Member representing that entity shall provide the full written and oral report referred to in (A) to that City or to the County during its regular July or August meeting.

ARTICLE 3. FINANCING; TRAINING; COMPLIANCE WITH A.C.A. §20-13-301 ET. SEQ.

(a) All parties acknowledge that the need for a guaranteed revenue source independent of and in addition to fees for service is necessary in order to ensure the continued viability of said service.

(b) The annual regional ambulance service-funding source for all parties of this Agreement shall be based upon the most recent Federal Census including any special Census.

(1) All Cities shall pay \$4.00 per capita except that only those citizens of Johnson within CEMS's territory shall be counted for the per capita fees. The City of Fayetteville shall maintain at least its minimum annual contribution of \$270,000.00 through the end of 2011.

(2) Washington County shall pay \$15.50 per capital for the unincorporated population served by CEMS with at least a minimum annual contribution of \$550,000.00 through the end of 2011.

(c) The Authority shall continue to seek a sustainable funding source with the goal of reducing subsidies proportionately across the board.

(d) Except as stated above, no party to this Agreement may be financially obligated without the approval of its governing body.

(e) All governing bodies party to this agreement must approve any increases in subsidy.

(f) A percentage of these funds shall be set aside for replacement of capital items.

(g) The ambulance service owned or under contract with the Authority shall be required to provide, at no additional charge, the Arkansas Department of Health 24 hour basic refresher course to all EMT certified firefighters that act as first responders with said ambulance service.

(h) The financing provided by the parties hereto shall be from general revenues; furthermore, the financing and this agreement are contingent upon compliance with A.C.A. §20-13-301 et. seq. by the County and all the parties will cooperate to the

extent necessary in complying with such. The parties shall receive credit for payments already made to CEMS in 2008 for this year's annual subsidy commitment.

ARTICLE 4. TERM.

This initial term of this agreement shall be from the date that all parties have agreed to this interlocal agreement through December 31, 2011. This agreement shall be automatically renewed with possible changes to **Article 3 Financing** for an additional five-year term unless any party notifies the Authority in writing of its refusal to participate in the Authority and this Agreement by September 1, 2011. All parties agree to consider the effects of the 2010 Decennial Federal Census upon the division of the County Sales Tax between the County and the Cities and the proportional changes of the populations of the Cities and the unincorporated portions of Washington County and make any adjustment or amendments advisable and necessary to **Article 3** to ensure financial viability of the Authority and fairness for all parties. A second automatic renewal shall occur on December 31, 2016 unless any party notifies the Authority in writing of its refusal to participate in the Authority and this Agreement by September 1, 2016. A substantial review of the financial status of the Authority and all parties should occur in 2021 after the 2020 Federal Decennial Census and prior to further renewals of this Agreement.

Notwithstanding the above terms, all parties to this Agreement may withdraw from this agreement upon six months' written notice to the Authority and shall only be responsible to pay its per capita fee for that portion of the year.

ARTICLE 5. TRANSFER OF OWNERSHIP OF EQUIPMENT TO WASHINGTON COUNTY REGIONAL AMBULANCE AUTHORITY.

Property currently owned by any party that is transferred to the Washington County Regional Ambulance Authority shall be returned to that party or purchased from that party at its fair market value if such party terminates its membership from the Authority and withdraws from this Agreement by July 1, 2011, after giving its six month notice. All property and resources of the Washington County Regional Ambulance Authority purchased during its existence or owned by it on July 2, 2011, or thereafter shall remain the Authority's exclusive property throughout the Authority's existence.

ARTICLE 6. SEVERABILITY.

The provisions of this Agreement are declared to be severable. If any provision hereof shall be held to be invalid or to be inapplicable to any person or circumstance, such holdings shall not affect the ability or the applicability of the remainder hereof.

ARTICLE 7. EFFECTIVE DATE.

This Agreement shall not be effective until approved and signed by all parties in accordance with the law.

APPENDIX TO AGREEMENT

APPENDIX DEFINITION OF TERMS WHEN AND IF USED.

Ambulance Authority: Quasi-governmental entity created to oversee and deliver ambulance service in a specified geographical service area.

Ambulance Service: Means emergency and non-emergency transport services offered by the Authority, including management, supervision, mass gathering and community events.

Exclusivity: Sole provider emergency and non-emergency ambulance rights granted by ordinance or resolution by each party to the extent allowed by State Law.

Per Capita: Funding structure set forth by this Agreement based on population. Cities contribute at \$4.00 per capita due to the increased number of calls generated within their city limits. The County contributes at \$15.50 per capita due to the increased coverage area and decreased density of call volume in the unincorporated areas of the County. No reduction of any entity's gross subsidy shall occur during first term of this agreement.

Subsidy: Government funds requested by the Authority to provide ambulance service.

User Fees: Fees charged to patients treated or transported by the ambulance service, or fees charged to an individual or an organization for ambulance standby coverage.

City of Fayetteville Staff Review Form

C. 7
Community Access Television, Inc.
Page 1 of 26

**City Council Agenda Items
and
Contracts, Leases or Agreements**

11/15/2011

City Council Meeting Date
Agenda Items Only

Lindsley Smith

Submitted By

Communication

Division

General Government

Department

Action Required:

A Resolution to renew a contract with Community Access Television, Inc., to provide public access services and operate the Public Access Television channel throughout 2012 for \$93,000.

\$93,000

Cost of this request

\$93,000.00

Category / Project Budget

Services & Charges

Program Category / Project Name

1010.6600.5713.00

Account Number

\$

-

Funds Used to Date

Miscellaneous

Program / Project Category Name

\$

93,000.00

Remaining Balance

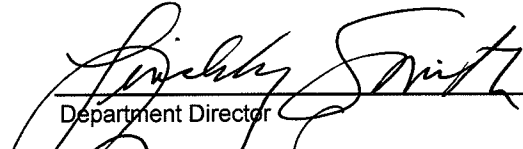
General

Fund Name

Budgeted Item

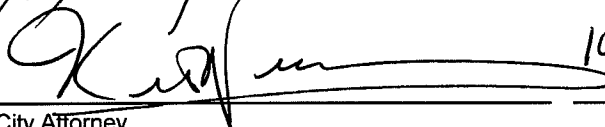
☒

Budget Adjustment Attached

☐

Department Director

 10-28-11
Date

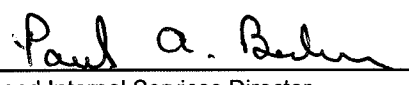
Previous Ordinance or Resolution #


City Attorney

 10-31-11
Date

Original Contract Date:

Original Contract Number:


Finance and Internal Services Director

 10-31-2011
Date

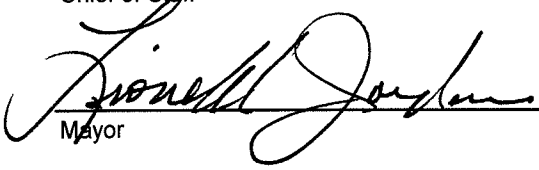
 Received in City
Clerk's Office

10-23-11 P03:48 RCVD


Chief of Staff

 10-31-11
Date

 Received in
Mayor's Office


Mayor

 11/1/11
Date

Comments:



www.accessfayetteville.org

CITY COUNCIL MEMO

TO: Mayor Lioneld Jordan and City Council

FROM: Lindsley Smith, Communication Director *LS*

DATE: October 28, 2011

SUBJECT: Community Access Television, Inc., (dba as Your Media) Contract for 2012

RECOMMENDATION

Approval of the attached contract between the City of Fayetteville and Community Access Television, Inc. (now doing business as Your Media) in the amount of \$93,000 to operate the Public Access Channel from January 1, 2012, through December 31, 2012.

BACKGROUND

Community Access Television, Inc. (doing business as Your Media), was selected to be the City's public access provider and was awarded a five-year contract in 2011 with required annual renewals. This is a request for the annual contract renewal for January 1 through December 31 of 2012.

DISCUSSION

Over the last year, Fritz Gisler, City of Fayetteville Television Center Manager, and Anne Shelley, Director of Your Media, met several times throughout the year on methods to strengthen effective Public Access Channel services, which included tracking and determining any tweaks that might be needed in the Public Access Television services contract. As a result of their collaboration to strengthen both the services and the contract, minor changes were made to improve the existing contract. The Telecommunications Board reviewed the contract and has recommended this contract for approval by the City Council.

BUDGET IMPACT

The total cost of this contract is \$93,000. This amount is included in the proposed 2012 Budget to be approved by the City Council.

RESOLUTION NO. _____

A RESOLUTION TO RENEW WITH SLIGHT MODIFICATIONS THE SECOND YEAR OF THE CONTRACT WITH COMMUNITY ACCESS TELEVISION, INC. IN THE AMOUNT OF \$93,000.00 TO OPERATE THE PUBLIC ACCESS CHANNEL THROUGHOUT 2012

WHEREAS, last year Community Access Television, Inc. was selected to be Fayetteville's public access provider and a contract was negotiated with Community Access Television, and approved by the City Council; and

WHEREAS, this one year contract was renewable four more times and so could continue for five years; and

WHEREAS, the City Administration recommends this contract be renewed for its second year with slight modifications which have been accepted by Community Access Television, Inc.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby approves the attached contract with Community Access Television, Inc. in the amount of \$93,000.00 for public access channel services throughout 2012 and authorizes Mayor Jordan to sign this contract.

PASSED and APPROVED this 15th day of November, 2011.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA E. SMITH, City Clerk/Treasurer

**CONTRACT BETWEEN CITY OF FAYETTEVILLE, ARKANSAS
AND
COMMUNITY ACCESS TELEVISION
dba Your Media
A 501-C-3 NONPROFIT ORGANIZATION**

AGREEMENT

This Agreement is made this 1st day of January, 2012, by and between the City of Fayetteville, a municipal corporation ("City"), and Community Access Television, Inc., a nonprofit corporation, dba Your Media ("Your Media") who agree as follows:

PURPOSE AND INTENT

1. The purpose of Public Access Television in Fayetteville is to provide training for residents of Fayetteville in the techniques of video production for Public Access Television and to provide an opportunity for residents of Fayetteville to provide programming in a first-come, first-served, content-neutral, non-discriminatory manner, in accordance with the First Amendment.
2. The City of Fayetteville is accorded a Public Access Television channel by television services providers with which it holds agreements.
3. The City of Fayetteville desires to provide support for the operation of Public Access Television in Fayetteville.
4. This contract for Public Access Television services is contingent upon the City retaining agreements with television services providers, such as they continue to provide the City with a Public Access Television channel.
5. The City has determined it will provide support for the operation and programming of its Public Access Television channel and it will provide physical space and equipment at the City of Fayetteville Television Center, located at 101 W. Rock Street, Fayetteville.
6. The City of Fayetteville provides financial support through General Fund Revenue allocations for operational contract services, building and facilities, approximately 3,000 square feet of space, utilities, repairs, maintenance, custodial services and capital expenditures for facilities, studios and equipment.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the parties agree as follows:

SECTION 1. DEFINITIONS

For the purposes of this contract, the following definitions will be established:

Resident of Fayetteville: An individual who resides within the city limits of Fayetteville. Residency may be documented by producing a current City of Fayetteville utility bill, a rental contract, a driver's license, or a government-issued photo ID that contains name and address.

Television: Video programming that is distributed through any one or more wide-area distribution methods, such as Video On Demand, Web site embedding, cable, IPTV, Web streaming, over-the-air broadcast, etc.

Public Access Outsourced Provider: An organization that provides certain Public Access Television services, such as education, telecasting and management, to the residents of Fayetteville under contract with the City of Fayetteville.

Curriculum: A documented plan of teaching in which subject matter and class sessions are described in a detailed syllabus, including specific topics, teaching methods, schedules and methods of student evaluation.

Class: An organized, regularly scheduled, interactive teaching session that is focused on a particular subject and lead by an employee qualified to teach the subject.

Workshop: An organized, non-regular interactive teaching session which covers a particular topic of interest to the participants, usually lead by an expert in the subject matter.

Programming: Video and/or audio material that is organized in a particular fashion as determined by a producer and distributed through one or more means to an audience.

Producer: An individual who creates, owns, controls or is responsible for the content of a television program.

Trainee: A resident of Fayetteville who is currently enrolled in one of the three (3) core classes required to obtain status as a Candidate Producer.

Candidate Producer: A resident of Fayetteville who has completed the required training and/or been evaluated at an acceptable skill level and is allowed to utilize Television Center equipment as designated by their evaluation, solely for the use of producing a program to obtain status as a Certified Producer. As a Candidate Producer, an individual may be required, based on their continued demonstration of proficiency, to re-take any or all classes leading to their candidate status, if deemed necessary by either the public access outsourced provider staff or the Television Center Manager.

Certified Producer: A resident of Fayetteville or an existing active certified producer as of December 31, 2011 who has completed ALL requirements of certification, including the submission of at least one (1) telecast quality program for telecast on the Public Access Television channel. Certified Producers are allowed to utilize Television Center equipment as designated by their area of qualification.

Program Requestor: A resident of Fayetteville who requests a program to be telecast on the Public Access Television channel.

Local Program: A program produced by an individual utilizing Television Center equipment.

Outside Program: A program produced by an individual not utilizing Television Center equipment.

Inside Program: A program produced internally by the public access outsourced provider staff.

Imported Program: A program requested by a resident that is not produced or owned by that individual.

SECTION 2: GENERAL PROVISIONS

All services described in this contract and provided to the public by the public access outsourced provider will be provided free of charge to residents of Fayetteville and students of the Fayetteville Public School System. The public access outsourced provider will not require, solicit or accept any compensation of any kind, beyond that agreed upon in this contract and provided by the City, in return for providing the services described herein, unless otherwise stipulated in this contract.

The public access outsourced provider shall not provide any services or engage in any activity not described in this contract, with or without compensation, that utilizes equipment, facilities or resources owned or controlled by the City of Fayetteville, without the expressed written consent of the City, or as stipulated in this contract.

The public access outsourced provider may charge a fee for the following activities utilizing equipment, facilities or resources owned or controlled by the City of Fayetteville:

1. Citizens of Washington County, Arkansas, who are not residents of Fayetteville may be charged a fee for attending workshops conducted by the public access outsourced provider.
2. Workshops other than those stipulated in this contract as being provided at no charge that are conducted utilizing City of Fayetteville resources.
3. The sale of blank recording media.
4. Transfer and/or duplication services.
5. The public access outsourced provider may provide video production services for a fee. If production services are provided, the following conditions apply:
 - a. These services and activities will be referred to as "contract production".
 - b. All programming produced through contract production activity must be telecast on the Public Access Television channel.
 - c. Contract production activities may include field production, editing, studio production and their related activities, including pre- and post-production activity.
 - d. Contract production services may only be provided in Washington and Benton Counties in Arkansas.
 - e. The public access outsourced provider shall charge industry-competitive rates. The public access outsourced provider will conduct a rate survey annually to include video production providers in a 100 mile radius of Fayetteville. Service rates will be reviewed and approved by the Television Center Manager.
 - f. The public access outsourced provider will utilize a standard contract document for each agreement to provide contract production services. This contract document will be approved by the Television Center Manager.
 - g. All fees charged for providing contract production services will be collected at the point the public access outsourced provider delivers the final product for which it was contracted.
 - h. All monies collected for providing production services will be utilized to support Fayetteville Public Access services or capital improvements as approved by the City Council and following applicable City of Fayetteville policies and procedures.

6. In addition to charging a fee for services described above, the public access outsourced provider may generate revenue utilizing equipment, facilities or resources owned or controlled by the City of Fayetteville through:
 - a. Fundraising activities designed to raise funds to support the operations or capital improvements of the Public Access channel.
 - b. Acquisition of grants or awards dedicated to support the operations or capital improvements of the Public Access channel.

If the public access outsourced provider generates or collects any revenue through activities as allowed in this contract, or otherwise approved by the City, utilizing equipment, facilities or resources owned or controlled by the City of Fayetteville, the public access outsourced provider will ensure:

1. All monies collected for such services will be deposited into and all checks shall be made payable to the "Trust Account of Community Access Television, Inc." which shall contain only those funds.
2. Community Access Television, Inc.'s manager shall ensure proper accounting of all such revenues collected and shall report such accounting monthly to the Television Center Manager.
3. All funds within the "Trust Account of Community Access Television, Inc." may only be expended after the City Council Resolution is passed authorizing the particular expenditure except that any normal bank fees related directly to the use of this trust account may be paid with trust account funds.
4. Proper accounting and records of services provided, fees charged and monies collected for services will be kept by the public access outsourced provider, in a manner approved by the Television Center Manager.

The City of Fayetteville provides the services described herein as a public service to the residents of Fayetteville for non-commercial use. The public access outsourced provider will not allow any equipment, facilities or resources owned or controlled by the City to be used to generate revenue for any private company, group, organization or individual with the following exceptions:

1. The public access outsourced provider may produce, or allow to be produced, televised fund-raising programs or activities for Fayetteville-based, 501(c)3, non-profit organizations.
2. The public access outsourced provider may produce one (1) televised fund-raising program or activity for itself.
3. Televised fund-raising programs or activities may not exceed twenty-four (24) hours of continuous programming, or, if not continuous programming, exceed seven (7) contiguous days of duration.
4. Fund-raising messages may not be displayed over other programming without the expressed written consent of the program owner.
5. The on-air bulletin/message board and the Short Takes program may be used by 501(c)3 non-profit organizations to announce or publicize activities of their organizations that generate revenue for their organizations or programs.

Ownership title to all capital acquisition, supplies, material or any other property purchased with funds received under this Contract is vested with the City, and possession of such property shall, upon termination of the Contract, revert to the City unless otherwise provided for by the City in writing. Any equipment secured through fund-raising efforts to benefit the Public Access Television channel shall remain the property of the City's Television Center. Any funds or revenue secured through fund-raising efforts to benefit the Public Access Television channel shall be remitted to the City.

All policies, procedures, information and execution of the services and responsibilities described in this contract shall be subject to approval by the Television Center Manager. The public access outsourced provider will not make changes or revisions to any policy, procedure or method of work directly related to the services described herein without the prior approval of the Television Center Manager.

In exchange for the funding provided by the City to the public access outsourced provider, pursuant to this Agreement, the public access outsourced provider shall provide the following services and report progress in each area to the Telecommunications Board and the City as defined in this contract:

SECTION 3: SCOPE OF SERVICES

EDUCATE FAYETTEVILLE RESIDENTS IN THE PRODUCTION AND DISTRIBUTION OF NON-COMMERCIAL TELEVISION PROGRAMMING

The public access outsourced provider will provide training and technical support for residents of Fayetteville so they may learn the techniques and details of video production and television programming distribution.

The public access outsourced provider will:

1. Create and implement a training curriculum that emphasizes technical proficiency and production quality. The curriculum will contain at least 4 core classes in the subjects of:
 - a. Orientation
 - b. Basic Field Production
 - c. Basic Studio Production
 - d. Basic Video Editing

The syllabus for each class will be available on the Fayetteville Public Access Television web site.

2. Offer a minimum of six (6) free classes a week taught by the public access outsourced provider staff in various disciplines of video production and programming distribution. At least three (3) classes each week must be in the core subjects.
3. Create student evaluation criteria and methods that allow students to demonstrate proficiency in training both in writing and through practical application.
4. Require a minimum level of proficiency, as approved by the Television Center Manager, to achieve a passing grade in classes.
5. Maintain records of student performance and evaluations.
6. Provide training and development resources, and technical support, in addition to regular classes, to residents of Fayetteville while they are engaged in training or production activities.
7. Provide technical and production consultation to residents of Fayetteville who are producing outside programs.
8. Recruit and train a minimum of 48 new people who are Fayetteville residents to complete at least three (3) of the basic core classes at a proficiency level required to achieve status as a **candidate producer**. The required number of people trained will be distributed throughout the year as 12 in each quarter.
9. Require a passing grade in a minimum of three (3) core classes for a student to achieve the status of **candidate producer**.
10. Require each **candidate producer** to produce at least one new telecast quality program to gain status as a **certified producer**. If candidate producers do not meet this requirement during the term of the contract, the public access outsourced provider shall determine and report on the reasons that candidate producers did not complete the program for certification.
11. Require each **certified producer** to produce at least one new telecast quality program per year to maintain status as a **certified producer**.
12. Maintain a record for each **certified producer** that contains, at a minimum, their name, address, telephone number, the area in which they are certified, and the expiration date of their certification. Unless a **certified producer** performs the minimum requirements to

- maintain certification, their certification will expire one (1) year after the date their certification became valid.
13. Provide one (1) free workshop each month for residents of Fayetteville on various topics related to video production or television distribution lead by subject matter experts. Such instructors must be approved in advance by the Television Center Manager.
 14. Offer training in the use of all available methods of television programming distribution.
 15. Ensure that instructors maintain a minimum level of competence in the operation of equipment, as approved by the Television Center Manager. This can be demonstrated through industry certification or actual demonstration of skills to the Television Center Manager or their designee. If an instructor fails to meet a minimum level of competence, they will be prohibited from teaching any classes or workshops until such time as they have demonstrated to the Television Center Manager, or his/her designee, they have achieved that level.
 16. Create and publish a monthly schedule of classes and workshops, a minimum of 30 calendar days prior to conducting the classes. The schedule will, at a minimum, be published in the following media:
 - a. The Public Access Television channel's on-air bulletin board.
 - b. The Public Access Television channel's web site.
 - c. A publicly accessible bulletin board at the Television Center.
 - d. The public access outsourced provider's email address list that is maintained as an opt-in list in the central records database.
 - e. Made available for publication in other media that wish to do so.
 17. Ensure the public access outsourced provider staff stays current with emerging technologies through professional development that includes technical training.
 18. Provide reports on training and education activity as required by the City.

PROVIDE EQUITABLE CHANNEL AVAILABILITY AND PROGRAMMING SERVICES TO FAYETTEVILLE RESIDENTS ON A FIRST-COME, FIRST-SERVED, CONTENT-NEUTRAL, AND NON-DISCRIMINATORY BASIS.

The City of Fayetteville provides airtime on the Public Access Television channel as a public service to the residents of Fayetteville. The public access outsourced provider will not require, solicit or accept any compensation of any kind, beyond that agreed upon in this contract and provided by the City, in return for telecasting any programming on the Public Access Television channel.

The public access outsourced provider will:

1. Maintain a process whereby residents of Fayetteville may request programming to be telecast on the Public Access Television channel. This process is subject to approval by the Television Center Manager.
2. Ensure individuals requesting programs to be telecast by the public access outsourced provider on the Public Access Television channel are residents of Fayetteville, as defined in Section 1.
3. Require requestors to sign an affidavit warranting that the program they are requesting to be telecast does not contain:

- a. any violation of any Federal, State or local statute or ordinance relating to obscenity; and
- b. any material that is an unlawful invasion of privacy; and
- c. any use of material which violates copyright law;

Such a statement does not relieve the public access outsourced provider of its duty to prevent further telecast of programming that does not meet the stipulations contained herein, as such programming comes to its knowledge.

- 4. Ensure programming is not commercial in nature. Commercial programming is defined as: "Programming that contains direct appeals to purchase commercial goods or services; promotes the activities of for-profit groups, organizations or individuals; contains any call to action or solicitation to purchase a product or patronize a business; any use of superlatives in describing a product, service or business; any direct comparison to other products, or direct comparisons to unnamed products; any price or value information; or any inducements to buy."
- 5. Require program requestors to provide the public access outsourced provider with expressed, written consent of the program's owner for the program to be telecast on Fayetteville's Public Access Television channel. The public access outsourced provider will maintain a copy of all such permissions on file.
- 6. Produce and telecast a weekly program ("Short Takes") of no less than 30 minutes and no more than one hour in length that provides an open-studio opportunity for residents of Fayetteville to express their views, present information or perform, not to exceed five minutes per person.
 - a. The "Short Takes" program is owned and controlled by the City of Fayetteville.
 - b. The public access outsourced provider will conduct two (2) separate studio sessions of one (1) hour each during which residents of Fayetteville may record their "Short Takes" segments. The schedule of studio sessions is subject to approval of the Television Center Manager.
 - c. All participants and residents appearing on the "Short Takes" program will be provided a document that informs them that what is presented on the Short Takes program must conform to all guidelines for other programming telecast on the Public Access Television channel.
- 7. Produce and telecast an electronic community bulletin/message board for residents to announce events or other information.
- 8. Telecast a disclaimer at random times during the program schedule, no fewer than six (6) times per day, that contains the following message in both video and audio format: "Fayetteville Public Access Television is a public service provided by the City of Fayetteville to help residents exercise their First Amendment Rights. The views and opinions expressed on this channel are not necessarily those of the staff or management of Fayetteville Public Access Television or the City of Fayetteville."
- 9. Maintain a decision-making process and criteria for the scheduling of programming that will ensure the protection of 1st Amendment rights of program requestors while ensuring programming does not violate Federal, State or local laws or ordinances. The process and criteria are subject to approval by the Television Center Manager. At a minimum, the process and criteria will:

- a. Utilize program type definitions as included in Section 1 and define other program types as necessary (i.e. one-time, series, date-sensitive, etc.).
 - b. Define scheduling priority of program types.
 - c. Define a priority conflict-resolution process.
 - d. Establish criteria for defining "mature-audience"-type programming.
 - e. Ensure program requestors are informed of "mature-audience"-type programming criteria and sign an affidavit categorizing a requested program as "mature-audience"-type programming if appropriate.
 - f. Define day-parts of the programming schedule that are appropriate for "mature-audience"-type programming.
 - g. Define the program scheduling process.
10. Program the automated telecast system to ensure the telecast of programming on the Public Access Television channel 24 hours per day/7 days per week.
 11. Manage the program scheduling process in such a manner that ensures no more than seven (7) days elapse between the submission of a new program and its first scheduled telecast.
 12. Manage the program scheduling process in such a manner that the on-air bulletin/message board constitutes no more than 15% of the total weekly air time.
 13. Publish and distribute to the public a current program schedule weekly. The schedule will, at a minimum, be published in the following media:
 - a. The Public Access Television channel's on-air bulletin/message board.
 - b. The Public Access Television channel's web site.
 - c. A publicly accessible bulletin board at the Television Center.
 - d. The public access outsourced provider's email address list that is maintained as an opt-in list in the central records database.
 - e. Made available for publication in other media that wish to do so.
 14. The public access outsourced provider will manage a procedure whereby residents can communicate their views or complaints regarding the programming or operations of the Public Access Television channel to the public access outsourced provider and the City. All complaints or comments, from whatever source or however communicated, must be immediately communicated to the Television Center Manager. After a resident makes a complaint, either verbally or in writing, the public access outsourced provider manager, or designee, will follow this procedure:
 - a. Document the complaint, recording:
 - i. Date.
 - ii. Time.
 - iii. Nature of the complaint.
 - iv. As many details as possible to facilitate the investigation of the complaint
 - v. Contact information of the complainant, if available.
 - b. Immediately communicate the complaint to the City of Fayetteville Television Center Manager and the Television Center Manager.
 - c. Immediately communicate to the complainant their complaint is being investigated, and they will receive a determination, in writing, regarding their complaint within 3 business days.
 - d. Provide a written response to the complainant detailing the investigation of their complaint, any findings thereof, and any action taken by the management of the

public access outsourced provider in response to the complaint. The response will also contain a statement that the complainant may appeal, in writing, any determination or action to the City of Fayetteville Telecommunications Board, c/o City of Fayetteville Television Center, 101 W. Rock Street, Fayetteville.

- e. Provide a copy of all correspondence and other pertinent materials to the Television Center Manager.

The public access outsourced provider will not:

1. Exercise any control of the content of programming, with the following exceptions:
 - a. Programs that are produced solely by the public access outsourced provider staff for the purposes of communicating information about the Public Access Television channel or itself.
 - b. Portions of "open-studio" program content produced by the public access outsourced provider (i.e. opens, closes, bumpers, etc.).
 - c. The on-air bulletin/message board.
2. Schedule for further telecast any programming that has been found to violate any Federal, State or local statute or ordinance. The public access outsourced provider staff will bring any possible violations immediately to the attention of the Executive Director and the Television Center Manager as they become known to them, either through complaint or observation. The Television Center Manager will make an initial determination regarding the status of the programming. An email message is sufficient for notification. Questions regarding the legality of any programming should initially be directed to the Television Center Manager.
3. Schedule for further telecast any programming that has been found in violation of any policy of the public access outsourced provider or the City, including, but not limited to, a violation of the affidavit of copyright; the affidavit of ownership; the affidavit of redistribution rights; or the affidavit of "mature audience" content; each of which is included in the telecast request process. The public access outsourced provider staff will bring any possible violations immediately to the attention of the Executive Director and the Television Center Manager as these violations become known to them, either through complaint or observation. The Television Center Manager will make an initial determination regarding the status of the programming. An email message is sufficient for notification.

The City reserves the right to approve the content of any program telecast on the Public Access Television channel that in any way indicates or implies it has originated directly from the Public Access Television channel or its management. The Television Center Manager will determine if programming meets such criteria.

PROGRAM SPONSORSHIP

Program producers and owners may accept sponsors for programming they produce for telecast on the Public Access Television channel. Program sponsorship must adhere to the following:

1. The following may be identified as a program sponsor:
 - a. Corporations or Divisions or Subsidiaries of Corporations
 - b. Endowments and Foundations

- c. Individuals
- 2. General Rules for Acceptability
 - a. The sponsor may not exercise editorial control over the content of any portion of programming telecast on the Public Access Television channel.
 - b. The public must not perceive that the sponsor has editorial control over the content of any portion of programming telecast on the Public Access Television channel.
 - c. The public must not conclude that any programming on the Public Access Television channel promotes sponsors' products, services or other business interests.
- 3. Rules for Display of Sponsor Credits
 - a. All sponsor credits must identify the sponsor by name and/or logo.
 - b. Sponsor credits may not include:
 - i. Any call to action or solicitation to purchase a product, i.e. any use of "you" or "your"; or slogans such as "Get Met. It Pays."
 - ii. Superlatives, i.e. "...the most intelligent car ever built."
 - iii. Direct comparisons, i.e. "...when a Cadillac just isn't good enough."
 - iv. Price or value information
 - v. Inducements to buy, i.e. "six months free service when you buy"
 - c. Toll-free numbers or Web site addresses are acceptable if their purpose is only for the viewer to receive more information, and not to solicit sales.
 - d. Sponsor credits may not exploit or take unfair advantage of the child audience for children's programming.
 - e. Sponsor credits may not create the perception that there is a connection between the program content and the sponsor's products or services.
 - f. Sponsor credits may only be displayed at the beginning or end of a program.
 - g. Program content may not be interrupted to provide sponsor credit.
 - h. No one sponsor credit may exceed fifteen 15 seconds in length. No single program may have a sequence of sponsor credits that exceeds sixty (60) seconds in length.
 - i. Credits for in-kind goods and/or services are acceptable but they must appear in context with normal production credits and may not incorporate brands or logos.

PROGRAM LIBRARY AND ARCHIVE/PROGRAM RIGHTS

The City is committed to the preservation of Fayetteville's culture, history and legacy. This is demonstrated, in part, by support of the preservation of the programs and material telecast on the Public Access Television channel.

Producers will retain all rights to any program material or programming they create. All producers requesting their program to be telecast on the Public Access Television channel must sign a statement granting the City of Fayetteville non-exclusive rights for distribution and re-distribution of the program, either in whole or in part, as the City determines necessary. In the case of a resident who requests telecast of a program, either in whole or in part, to which they do not hold the copyright, the resident will provide expressed, written consent from the program's

owner granting the City of Fayetteville non-exclusive rights for distribution and re-distribution of the program, either in whole or in part, as the City determines necessary.

The public access outsourced provider will create and maintain the necessary documentation, affidavits and statements, subject to the approval of the Television Center Manager, to be included in any forms used to document the request for the telecast of programming.

1. The public access outsourced provider will maintain a program library and program library database of all programs telecast on the Public Access Television channel.
2. The public access outsourced provider will ensure the library and program library database are maintained in an easily accessible manner.
3. Physical recording media containing programming for telecast on the Public Access Television channel shall become property of the City.
4. The public access outsourced provider will ensure programs are archived on DVD media, unless otherwise determined by the Television Center Manager.
5. Under no circumstances will the public access outsourced provider remove, or allow to be removed, any program materials or media from the Public Access Television channel program library or program library database.

PROVIDE EQUAL ACCESS TO TELEVISION PRODUCTION EQUIPMENT AND FACILITIES TO ALL RESIDENTS OF FAYETTEVILLE ON A FIRST-COME, FIRST-SERVED, CONTENT-NEUTRAL, NON-DISCRIMINATORY BASIS.

The City of Fayetteville provides video production equipment and facilities as a public service to the residents of Fayetteville so they may learn and apply the skills and techniques of television production. The public access outsourced provider will not require, solicit or accept any compensation of any kind, beyond that agreed upon in this contract and provided by the City, in return for the opportunity for residents to use any video production equipment or facilities provided by the City of Fayetteville.

The City of Fayetteville Television Center Manager is responsible for the use designation of equipment and facilities within the Television Center. The public access outsourced provider is responsible for the management of equipment and facilities designated for use by the public and designated for use by the public access outsourced provider staff in the execution of the services described herein.

The public access outsourced provider will:

1. Maintain accurate and detailed inventory records of all equipment designated for use by the public and use by the public access outsourced provider staff.
2. Assist City staff in maintaining accurate and detailed inventory records of all equipment in the Television Center.
3. Maintain accurate and detailed records of the identification and use of all equipment that is designated for use by the public.

4. Maintain accurate and detailed records and identification of residents of Fayetteville who check-out or utilize equipment designated for use by the public. A photocopy of the documentation of residency must be included.
5. Maintain a reservation system and procedure for residents to be able to reserve the use of equipment and facilities designated for public use.
6. Maintain check-in and check-out procedures for equipment and facilities designated for public use.
7. Design and utilize procedures and checklists that will ensure equipment is checked for full functionality upon return by a user. Records will be kept of the condition of equipment on check-out and return.
8. Perform minor repairs, maintenance and upkeep of equipment and facilities as directed by City staff.
9. Actively monitor the use of editing and studio facilities.
10. Ensure that a staff member who is fully qualified in the operation of all equipment or facilities available for public use is present and available at all times to any resident who is using, or wishes to use, any equipment or facilities designated for public use.

The public access outsourced provider will not:

1. Allow, or continue to allow, the use of any equipment or facilities owned or controlled by the City of Fayetteville and provided for the use of the public or the public access outsourced provider under this contract to be utilized in any way that may violate any Federal, State or local law regarding copyrighted material.

OUTREACH AND COMMUNICATION WITH THE PUBLIC

1. The management, staff or members of the Board of Directors of the public access outsourced provider will not identify the Public Access Television channel in any way, either expressed or implied, as belonging to, owned by or controlled by the public access outsourced provider.
2. The management, staff or members of the Board of Directors of the public access outsourced provider will not identify the City of Fayetteville Television Center, or the equipment contained therein, or any portion thereof, in any way, either expressed or implied, as belonging to, owned by or controlled by the public access outsourced provider.
3. The management, staff or members of the Board of Directors of the public access outsourced provider will not identify themselves or their organization in any way, either expressed or implied, as "The City of Fayetteville" or as representing the City of Fayetteville.
4. In all communication from the public access outsourced provider, the Public Access Television channel will be referred to and identified as "Fayetteville Public Access Television".
5. In all communication from the public access outsourced provider, the entire production facility will be referred to as "The City of Fayetteville Television Center" or "The Television Center", as appropriate.

6. The public access outsourced provider will maintain a process for effective communication with, and coordination among, all affected City programs, City staff, and the Telecommunications Board.
7. The public access outsourced provider will conduct a consistent community outreach program designed to recruit new producers and trainees. The effectiveness of such program will be measured by meeting goals as stated herein.
8. The public access outsourced provider will provide information to the entire community about the nature and role of public access television; educate the community about the opportunities available for training, production and programming; and encourage groups and individuals to participate in training classes and production experiences.
9. The public access outsourced provider will maintain a Fayetteville Public Access Television-branded web site for the promotion of Public Access Television services and the education of the public that includes, at a minimum, current information regarding program, production and class schedules; policies and procedures; class syllabi; and an internet forum for exchange of information between the City, the public access outsourced provider, producers and trainees. The public access outsourced provider may include a link to their organization's web site.
10. The City will provide one (1) bulletin board in a publicly accessible area of the Television Center for the use of the public access outsourced provider. Information posted on the bulletin board must meet at least one of the following criteria:
 - a. It is information from the City or public access operator regarding policies, procedures or regulations
 - b. It is a request by a producer to recruit help for video productions
 - c. It is a request to recruit producers for specific video production projects
 - d. It is information directly related to the programming of the public access channel
 - e. It is information directly related to opportunities for training and development in television production
 - f. It is information that promotes:
 - i. The City of Fayetteville
 - ii. A non-profit, 501(c)3 organization that serves the citizens of Fayetteville
 - iii. A government organization that serves the citizens of Fayetteville
 - g. It is information that informs the public of an event or program sponsored by:
 - i. The City of Fayetteville
 - ii. A non-profit, 501(c)3 organization that serves the citizens of Fayetteville
 - iii. A government organization that serves the citizens of Fayetteville

Information shall not be posted on bulletin boards unless it meets all of the following criteria:

- a. It shall not contain any type of direct appeal to purchase commercial goods or services, or promote the for-profit activities of individuals, groups or organizations
- b. It shall not contain any depiction of libelous, obscene, indecent or violent material
- c. It shall not be information campaigning for or in support of any political candidate or ballot issue
- d. It shall be no larger than standard "letter" sized paper, 8 ½" x 11"
- e. It shall be legible

- f. It shall not be a personal message or communication

All other bulletin boards in the Television Center are reserved for use by employees of the City or the public access outsourced provider.

GENERAL ADMINISTRATION AND COMMUNICATION

The public access outsourced provider will administer the activities and responsibilities described herein in compliance with all applicable Federal, State or local laws, ordinances, rules and regulations; within the parameters of the franchise agreements between the City and television services providers; and within any and all agreements, rules or regulations of any other television programming distribution service or provider utilized to perform the activities or responsibilities described herein.

All communication between the City and the public access outsourced provider with regard to contractual matters or operations of the Television Center will be directed through the Television Center Manager, or any other such representative as may be appointed by the City, and the public access outsourced provider's duly appointed representative.

1. The public access outsourced provider will develop, maintain, and enforce operational policies that assure for staff and users decorum and a professional working environment at the City of Fayetteville Television Center consistent with other City offices.
2. The public access outsourced provider will abide by and enforce all policies, rules and regulations regarding the use of the Television Center. The Television Center Manager is responsible for developing and publishing policies, procedures, rules and regulations regarding the use of the Television Center facility and equipment. The Television Center Manager will make available to all users of the facility a reference manual that will contain all policies, procedures, rules and regulations regarding the operation of the Public Access Television channel and the City of Fayetteville Television Center. The City reserves the right to exclude users or staff of the public access outsourced provider from the Television Center for violations of policies, procedures, rules and regulations.
3. The City shall make three telephone lines available for the public access outsourced provider's business use.
4. The public access outsourced provider shall be responsible for reimbursing the City for its own long distance telephone calls.
5. The City is not required to provide hardware and/or software for the establishment or maintenance of systems for the purpose of public internet access.
6. The public access outsourced provider shall be responsible for the maintenance and repair of the hardware or software of computers installed for the office use of the public access outsourced provider.
7. The City shall provide access to the Internet for the public access outsourced provider at the same level provided to the Television Center. The public access outsourced provider will be responsible for any access requirements above the level provided to the Television Center.
8. The City shall be responsible for the payment of the Television Center utilities, routine building and grounds maintenance and maintenance of the structure.

9. The public access outsourced provider may use the City's current copier/printer at the Television Center for a charge of \$.039 per page. If the City upgrades the copier/printer located in the Television Center, the public access outsourced provider shall pay an adjusted charge per page, up to, but not to exceed the standard rate charged to City Departments and Divisions as determined annually.
10. Copier/printer maintenance costs will be paid by the City.
11. All business conducted and information maintained by the public access outsourced provider or the public access outsourced provider Board of Directors in the execution of this contract is subject to the terms of the Arkansas Freedom of Information Act (FOIA).
12. The public access outsourced provider will create an operations, training and production schedule that maintains convenient business hours as well as a class schedule that allows producers to become certified through a combination of day, evening and weekend classes. At a minimum the public access outsourced provider will:
 - a. Provide service to the residents of Fayetteville a minimum of forty (40) hours per week through a minimum of five (5) days of operation.
 - b. Create a schedule that provides service for a minimum of four (4) hours per scheduled operation day.
 - c. Provide a staff member in the lobby to greet the public whenever the Television Center is open to the public.
 - d. Observe all City Holiday closings and follow City of Fayetteville policies regarding closing for inclement weather.

The public access outsourced provider and the Television Center Manager will agree upon the operations schedule and the public access outsourced provider will not vary from the agreed upon schedule without prior approval of the Television Center Manager.

13. The public access outsourced provider shall submit monthly, quarterly and annual reports, as defined by the Television Center Manager, on the execution of the activities and responsibilities described herein. Monthly reports shall be due by the 10th of the following month, or the next business day following the 10th. No contract payments will be made to the public access outsourced provider while any required report is incomplete or overdue.
14. The public access outsourced provider agrees to provide the City with a monthly financial report, due by the 10th of the following month, detailing:
 - a. Expenditures of funds provided the public access outsourced provider from the City
 - b. Sources and amounts of other revenue generated from Public Access service activity
 - c. Any other expenditures related to Public Access service activityThe report shall be prepared by an independent certified public accountant, based on a modified accrual or cash basis method, summarizing activity during the preceding month and year to date. Said report shall include income and balance sheet statements.
15. Quarterly reports shall contain, but not be limited to:
 - i) Financial reports, detailing:
 - (a) Expenditures of funds provided the public access outsourced provider from the City

- (b) Sources and amounts of other revenue generated from Public Access service activity
 - (c) Any other expenditures related to Public Access service activity
- ii) Training reports, detailing:
 - (a) Training activity provided residents
 - (b) Training activity for staff
 - (c) Class and workshop activity
- iii) Certification activity
 - (a) Certification of residents
 - 1. Number of new trainees
 - 2. Number of new candidate producers
 - 3. Number of new certified producers
 - 4. Number of new outside producers
 - (b) Certification of staff
- iv) Production activity
 - (a) Production activity of residents
 - (b) Production activity of staff
- v) Equipment Utilization
- vi) Feedback and Complaints
- vii) Programming reports
 - (a) Itemization of programs telecast by:
 - 1. Local programs
 - 2. Outside programs
 - 3. Imported programs
 - 4. Inside programs
 - (b) Itemization of program requestors by:
 - 1. Local programs
 - 2. Outside programs
 - 3. Imported programs
 - 4. Inside programs
 - (c) Quantity of new and repeat local programs
 - (d) Quantity of new and repeat outside programs
 - (e) Quantity of new and repeat imported programs
 - (f) Quantity of new and repeat inside programs
 - (g) Quantity of new program requestors
- viii) Details of activity engaged in by the public access outsourced provider to promote Fayetteville Public Access Television

16. In addition to the monthly, quarterly and annual reports, the following special reports and information shall be provided to the Television Center Manager:

- a. Reports of stolen, missing or damaged equipment within one (1) working day of learning of each occurrence; and
- b. Requests for changes in any policies or procedures that affect any services described herein; and

- c. All corporate documents, including but not limited to the public access outsourced provider's by-laws, policies, articles of incorporation, certification of compliance with affirmative action plan and EEO standards, and a list of Board members; and
- d. At any reasonable time and as often as the Telecommunications Board or the City may deem necessary, the public access outsourced provider shall make available to them, or any of their authorized representatives, within three (3) business days, all of the public access outsourced provider's records related to all matters covered by this Agreement and shall permit the Telecommunications Board or the City to audit, examine, make excerpts and copies of such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to or deemed pertinent to matters covered by this Contract; and
- e. During the term of this Contract, the public access outsourced provider shall cause to be delivered to the Telecommunications Board and the City copies of all notices of meetings of its Board of Directors, setting forth the time and place thereof. Such notice shall be delivered in a timely manner to give adequate notice and shall also include an agenda; and
- f. Minutes of all meetings, if taken, and materials distributed in meetings of the public access outsourced provider's Board of Directors, or committees thereof, shall be submitted to the Telecommunications Board and the City; and

The public access outsourced provider will, upon request of the City, make available all supporting documentation and data relating to any reports required by this Contract or requested by the City.

PERFORMANCE EVALUATION

- 1. A performance evaluation will be conducted quarterly by the Television Center Manager to assess the public access outsourced provider's effectiveness in providing the services described herein.
- 2. The City and the public access outsourced provider may agree upon periodic performance measures. These measures will be documented as Addendum A of this contract.
- 3. The public access outsourced provider will provide a method for receiving feedback, comments, input and suggestions from the public. This communication will be made available to the Television Center Manager as part of the quarterly evaluation process.
- 4. The Television Center Manager will immediately communicate to the public access outsourced provider any violations of this contract as may come to his/her attention so that the public access outsourced provider may have an opportunity to correct such violations in a timely manner.
- 5. Quarterly evaluations will be communicated to the Telecommunications Board, consistent with the process for oversight as specified in the Telecommunications Ordinance.

CONTRACT PERIOD

The contract period will be from January 1, 2012 until December 31, 2012. Either party may cancel this contract at any time with a thirty (30) day written notice.

FUNDING

The City hereby agrees to pay the public access outsourced provider the monthly sum of \$7,750 for services performed under the terms of this contract. Each monthly payment will be remitted on or before the 15th day of each month, beginning January 15, 2012, unless the public access outsourced provider fails to comply with the expressed terms of this contract. The City will make no contract payments to the public access outsourced provider unless the public access outsourced provider is deemed in full compliance with the contract or until all contract violations are corrected.

LEGAL AUTHORITY

The public access outsourced provider assures and guarantees that it possesses the legal authority to enter into this Agreement. Further, that the person or persons signing and executing this Agreement on behalf of the public access outsourced provider have been fully authorized by the public access outsourced provider to execute this Agreement. That such authority is evidenced pursuant to a proper, appropriate and official motion and resolution, which was passed and approved specifically to enter into this Agreement and shall legally bind the public access outsourced provider to all the terms, performances, and provisions here set forth. A copy of such resolution shall be provided upon execution of this Agreement. The City may exercise its right to either temporarily suspend or permanently terminate this Agreement if there is a dispute as to the legal authority of the public access outsourced provider or the person signing the Agreement. The City shall not be obligated to pay the public access outsourced provider for any performance of the provisions of this Agreement after the City has suspended or terminated this Agreement as provided in this Section.

PERSONNEL

The public access outsourced provider shall adequately staff the public access operation to meet the services and duties outlined in this agreement. Both City staff and the public access outsourced provider staff will be expected to work together in a cooperative manner within the Television Center. Personnel policies shall be established by the public access outsourced provider and shall be available for examination by the City.

Upon termination of any employee from either the City or the public access outsourced provider, it is understood that any violation of policy or procedure serious enough to require termination is also grounds for exclusion from the Television Center.

EQUAL OPPORTUNITY

The public access outsourced provider shall comply with all applicable equal opportunity, affirmative action, and ADA laws or regulations, including those of the City of Fayetteville.

INSURANCE

The public access outsourced provider shall obtain and keep in force during the term of this agreement a policy of public liability and property damage insurance. The public access outsourced provider shall provide continued proof of coverage in its quarterly reports. The coverage, at a minimum, shall be in the following amounts:

General Liability

1. General Aggregate	\$1,000,000
2. Products/Completed Oper. Aggr.	\$1,000,000
3. Each Occurrence	\$100,000
4. Fire Damage (any one fire)	\$50,000
5. Medical Expense (any one person)	\$5,000

Worker's Compensation for all employees as required by Arkansas Statute.

Bonding: The public access outsourced provider shall obtain a fidelity bond covering all persons handling funds received or disbursed and/or signing or co-signing checks to disburse funds under this agreement, within 10 days of the contract execution. The fidelity bond shall be in an amount equal to 10% of the city grant award or \$5,000, whichever is less. The public access outsourced provider shall furnish the city proof of an adequate fidelity bond prior to the first payment of funds under this agreement.

POLITICAL/SECTARIAN ACTIVITY

The public access outsourced provider shall not initiate or sponsor political or religious programming. The public access outsourced provider shall not engage in any political activity. The public access outsourced provider shall not directly produce any programs nor participate in any activities that establish or promote any religion or prohibit the free exercise thereof.

HOLD HARMLESS

It is expressed, understood and agreed by both parties that the City is contracting with the public access outsourced provider as an independent contractor and that as such, the public access outsourced provider shall save and hold the City, its officers, agents and employees harmless from all liability of any nature of any kind, including costs and expenses for, or on account of, any claims, audit exceptions, demands, suits or damages of any character whatsoever resulting from injuries or damages sustained by persons or property, resulting in whole or in part from the performance or omission of any employee, agent or representative of the public access outsourced provider. This Agreement shall not be construed in any manner or form as a waiver of that Tort Immunity as set out under Arkansas Law.

CONFLICT OF INTEREST

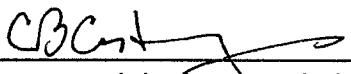
The public access outsourced provider covenants that neither it nor any member of its Board of Directors currently has any interest or shall acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. The public access outsourced provider further covenants that in the performance of this Agreement no person having such interest shall be employed or appointed as a member of its Board of Directors.

The public access outsourced provider further covenants that no member of its Board of Directors or its staff or employees shall possess any interest in or use their position for a purpose that is or gives the appearance of being motivated by desire for private gain for themselves or others, particularly those with which they have family, business, or other ties.

CORPORATE RESOLUTION FOR CONTRACT NEGOTIATION AND EXECUTION WITH THE CITY OF FAYETTEVILLE

The Your Media Board of Directors empowers the Your Media Executive Director Anne Shelley and Board Chair Bruce Castleberry to negotiate and execute the contract with the City of Fayetteville for Your Media to provide the services for Fayetteville Public Access Television over the term of the agreement.

The above resolution was passed by the Your Media Board of Directors at its meeting on September 28, 2011, as noted in the below excerpt from the Board Meeting Minutes and sworn by:


Bruce Castleberry, Board Chair


Molly Jensen, Board Treasurer

From page 2 of the Board Minutes of September 28, 2011:

Resolution for Motion

- Anne explained that the City requires an official resolution approved by the board that empowers Anne and/or Bruce to negotiate and sign the contract on behalf of the nonprofit. Here is the suggested language of the official resolution:

The Your Media Board of Directors empowers the Your Media Executive Director Anne Shelley and Board Chair Bruce Castleberry to negotiate and execute the contract with the City of Fayetteville for Your Media to provide the services for Fayetteville Public Access Television over the term of the agreement.

After discussion a motion was made and passed to approve the resolution and all changes to the contract, including the proposed hours of operation, though not explicitly stated in the contract, for 2011.

Board of Directors

Bruce Castleberry
Board Chair

Molly Jensen, Ph.D.
Treasurer

Maribel Albarran
Board Member

Carmen Coustaut, M.F.A., M.A.
Board Member

Todd Daniels
Board Member

Bertha Gutierrez
Board Member

Peggy James
Board Member

Dave Johnston
Board Member

Dennis Kirkpatrick, M.A.
Board Member

Jan McCormick, Ed.D.
Board Member

Isiah Reese, M.B.A.
Board Member

Rose Sparrow
Board Member

Katherine Shurlds, M.A., J.D.
Advisor to the Board

Your Media
provides the way
for you to freely
express yourself
through media.

Create What the Community Watches

City of Fayetteville Staff Review Form

C. 8
2012 Annual Budget
and Work Program
Page 1 of 4

City Council Agenda Items
and
Contracts, Leases or Agreements

11/15/2011

City Council Meeting Date
Agenda Items Only

Kevin Springer

Submitted By

Budget & Research

Division

Finance & Internal Services

Department

Action Required:

Approve a resolution adopting the Proposed 2012 Annual Budget & Work Program.

N/A

Cost of this request

\$

-

Category / Project Budget

Program Category / Project Name

\$

-

Account Number

Funds Used to Date

Program / Project Category Name

\$

-

Project Number

Remaining Balance

Fund Name

Budgeted Item

☐

Budget Adjustment Attached

☐

Paul A. Buhner
Department Director

10-27-2011
Date

Previous Ordinance or Resolution #

Joe Kelly
City Attorney

10-27-11
Date

Original Contract Date:

Original Contract Number:

Paul A. Buhner
Finance and Internal Services Director

10-27-2011
Date

Received in City Clerk's Office 10-27-11 P01:07 RCVD

Don M. King
Chief of Staff

10-31-11
Date

Received in Mayor's Office



Lionel Jordan
Mayor

10/31/11
Date

Comments:



www.accessfayetteville.org

TO: Mayor Jordan and City Council

THRU: Don Marr, Chief of Staff

FROM: Paul A. Becker, Finance Director
Kevin Springer, Budget Director

DATE: November 8, 2011

SUBJECT: **Proposed 2012 Annual Budget & Work Program**

Recommendation:

Consider the Proposed 2012 Annual Budget & Work Program for adoption by the December 6, 2011 City Council meeting.

Discussion:

The Proposed 2012 Annual Budget & Work Program will be distributed to City Council on Tuesday, November 8, 2011. Listed below is a schedule of hearing dates for the Proposed 2012 Annual Budget & Work Program.

Date	Budget Meeting / Location
Tuesday, November 8, 2011	City Council Agenda Meeting, Room 326
Tuesday, November 15, 2011	City Council Meeting, Room 219
Saturday, November 19, 2011	Budget Discussion Meeting, Room 326
Tuesday, November 29, 2011	City Council Agenda Meeting, Room 326
Tuesday, December 6, 2011	City Council Meeting, Room 219
<i>Additional meetings to be scheduled if needed.</i>	

If you have any questions concerning the Proposed 2012 Annual Budget & Work Program, please feel free to contact either Paul A. Becker at 575-8330 or Kevin Springer at 575-8226. Thank you for your attention to this matter.

RESOLUTION NO. _____

**A RESOLUTION ADOPTING THE 2012 ANNUAL BUDGET AND WORK
PROGRAM**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF
FAYETTEVILLE, ARKANSAS:**

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby adopts the 2012 Annual Budget and Work Program. A copy of the Budget, marked Exhibit "A", is attached hereto and made a part hereof.

PASSED and APPROVED this 15th day of November, 2011.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA E. SMITH, City Clerk/Treasurer

AGENDA REQUEST

FOR: COUNCIL MEETING OF NOVEMBER 15, 2011

FROM:

ALDERMAN BOBBY FERRELL and ALDERMAN MARK KINION

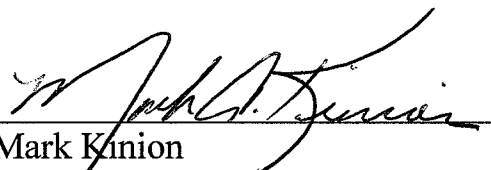
ORDINANCE OR RESOLUTION TITLE AND SUBJECT:

ADM 11-3782: (Cottage Housing Development): An Ordinance to Adopt
ADM 11-3782 Cottage Housing Development

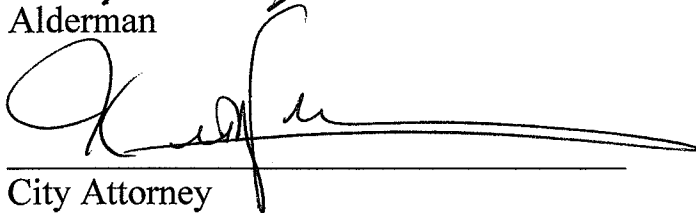
APPROVED FOR AGENDA:

Bobby Ferrell
Alderman

Date

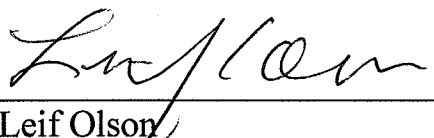

Mark Kinion
Alderman

11-01-2011
Date


City Attorney
(as to form)

10-31-2011
Date

Packet Prepared by:


Leif Olson
Associate Planner

10-31-2011
Date

CITY COUNCIL AGENDA MEMO

To: Mayor Jordan, City Council

Thru: Don Marr, Chief of Staff
Jeremy Pate, Development Services Director
John Coleman, Sustainability and Strategic Planning Director

From: Leif Olson, Planner *LO*

Date: September 23, 2011

Subject: ADM 11-3782 Cottage Housing Development Ordinance

RECOMMENDATION

Staff and the Planning Commission recommends approval of an ordinance amending Chapter 164: Supplementary Zoning Regulations of the Unified Development Code by adopting ADM 11-3782 Cottage Housing Development.

BACKGROUND

In 2010 City Staff began the process of updating the City's long range comprehensive plan, City Plan 2030, which resulted in a complete update with identified action steps related to the six goals. One of the action steps related to the goal "Create opportunities for attainable housing" was to draft and adopt a cottage housing development ordinance.

Cottage housing development is defined as "a cluster of detached single family homes, restricted in size and of high architectural quality, oriented around common open space." Cottage housing development is modeled after traditional housing development patterns that existed in the past. Cities in the Pacific Northwest region of the U.S. began developing innovative cottage housing ordinances a decade ago as a solution for the lack of attainable housing in their communities. Small in scale, cottage housing developments fit well into existing neighborhoods on vacant or underutilized land; for this reason they are an effective tool for infill and revitalization. As the median family size continues to decline, 2.2 people per household in according to the 2010 Census, this form of housing will be in high demand by a fast growing demographic, most notably singles, families of 3 or less and retirees. Fee simple or condominium ownership of individual cottage housing units promotes neighborhood stability. In these ways, cottage housing developments can promote infill, reduce sprawl, and create opportunities for attainable housing.

Staff anticipates that the majority of cottage housing development proposals will be infill situations on sites that have access to existing infrastructure such as streets, water and sewer service. Therefore, it is imperative that

cottage housing development be compatible with the existing built environment. This ordinance is purposely intended to be very prescriptive in terms of how and where cottage housing development is designed and constructed. The draft ordinance has been reviewed and amended by Planning, Engineering, Solid Waste and Fire Department staff.

Specifically, the ordinance would address the following City Plan 2030 goals:

Goal 1 - We will make appropriate infill and revitalization our highest priorities.

Goal 2 - We will discourage suburban sprawl.

Goal 6 - We will create opportunities for attainable housing.

The Cottage Housing Development ordinance is proposed to be inserted into Chapter 164: Supplementary District Regulations. The following are some of the important standards and regulations to ensure that Cottage Housing Developments are compatible with adjoining land uses:

- Permitted as a use by right in multi-family zoning districts and as conditional use in all single-family zoning districts.
- Review process dependent on the size and scale of the project – small projects (> 1 acre) processed as Site Improvement Plans – large projects (< 1 acre) processed as Large Scale Developments.
- A minimum of 4 cottage housing units and a maximum of 12 cottage housing units in a Cottage Housing Development.
- A minimum separation of 1,000 linear feet between Cottage Housing Developments.
- Cottage Housing Developments in multi-family zoning districts are limited to the density of the underlying zoning district – Cottage Housing Developments in single family zoning districts are restricted to no more than two times the underlying density allowed.
- The lot are minimum is 750 sq.ft. This would allow for a small 500 sq. ft. dwelling with 250 sq. ft. of private open space.
- Building setbacks are set by the underlying zoning district – with the exception that separation requirements between structures are a minimum of 10 feet.
- Cottages are limited to a maximum of 1,100 sq. ft. of conditioned living space.
- Cottages shall be oriented towards the street or around a common open space.
- A minimum of 300 sq. ft. of common open space and 250 sq. ft. of private open space is required for each cottage.
- Adequate and appropriate parking shall be provided for each cottage, through though the parking may be clustered together.
- Fire Department access is required for all structures – Sprinkler systems are required for cottages located 150 ft. or more from the designated Fire Department access area.
- All Cottage Housing Developments are required to obtain a drainage permit and perform any drainage studies or detention requirements according to UDC Ch. 170: Stormwater Management, Drainage and Erosion Control.
- Solid Waste service should be primarily residential (trash carts and recycling bins). Exceptions may be allowed for Cottage Housing Developments located in primarily commercial areas of the City.
- Architectural standards apply to all structures within a Cottage Housing Development in order to ensure quality design and compatibility with the surrounding neighborhood.

- The applicant may request a variance from the minimum 1,000 ft. separation requirement between Cottage Housing Developments and from the maximum number of units allowed.

DISCUSSION

On September 12, 2011 the Planning Commission voted 6-3-0 in favor of a recommendation of approval for ADM 11-3782 Cottage Housing Development Ordinance.

BUDGET IMPACT

None.

ORDINANCE NO. _____

**AN ORDINANCE TO ENACT §164.22 COTTAGE HOUSING
DEVELOPMENT INTO THE UNIFIED DEVELOPMENT CODE**

WHEREAS, the City of Fayetteville has long sought to increase the availability of quality affordable housing for its citizens; and

WHEREAS, the City of Fayetteville has an established policy to encourage in-fill development and the mixture of different types and sizes of single family housing within neighborhoods; and

WHEREAS, providing for a properly planned clustering of small, high quality, detached single family houses (cottages) within a neighborhood of larger lots and homes can provide attractive, compatible and affordable housing for our citizens.

**NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE
CITY OF FAYETTEVILLE, ARKANSAS:**

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby enacts §164.22 **Cottage Housing Development** (as shown on Exhibit A) into the Unified Development Code of Fayetteville.

PASSED and APPROVED this 15th day of November, 2011.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA E. SMITH, City Clerk/Treasurer

Exhibit "A"

164.22 Cottage Housing Development

- (A) *Purpose.* The purpose of the cottage development ordinance is to encourage innovation and variety in housing while ensuring compatibility with established neighborhoods, and to provide opportunities for ownership of detached single-family dwellings for a population diverse in age, income and household size.
- (B) *Applicability.* Cottage housing development is permitted to be located as identified in Chapter 161: Zoning Regulations of the Unified Development Code, however, zoning and development regulations such as density, bulk and area, building area, street frontage requirements, lot splits and other standards for cottage housing development shall follow the criteria adopted in this chapter.
- (C) *Development Review Process.* For the purpose of development review cottage housing developments less than one acre shall be processed as a Site Improvement Plan. Cottage housing development on lots larger than one acre shall be processed as a Large Scale Development. If individual cottage housing unit lots are created the cottage housing development shall be processed through the subdivision platting process.
- (D) *Cottage Housing Development Size, Separation Requirements and Existing Structures.*
- (1) *Number of Cottage Housing Units Permitted.* Cottage housing development shall contain a minimum of four and a maximum of 12 cottages located in a cluster, on no less than one half acre.
 - (2) *Cottage Housing Development Separation Requirement.* Cottage housing developments shall have a minimum separation from other cottage housing developments of not less than 1,000 feet.
 - (3) *Existing Nonconforming Structures.* On a lot to be used for a cottage housing development, existing detached single-family residential structures, which may be nonconforming with respect to the standards of this section, shall be permitted to remain, but the extent of the nonconformity may not be increased. Such nonconforming dwelling units shall be included in the maximum permitted cottage density.
- (E) *Zoning Regulations.* The parent tract prior to development shall conform to the zoning criteria of the underlying zoning district.
- (1) *Density.* Zoning Districts that allow cottage housing development as a Use by Right shall conform with the density requirement of the underlying zoning district. Zoning districts that allow cottage housing developments as a Conditional Use shall be allowed a density not to exceed two times the maximum density allowed in the underlying zoning district.
 - (2) *Lot Width Minimum.* There is no lot width requirement for individual cottage housing units.
 - (3) *Lot Area Minimum.* The lot area minimum for cottage housing unit lots is 750 square feet.
 - (4) *Land Area per Dwelling Unit.* The land area per dwelling unit requirement is 750 sq. ft.
 - (5) *Setback Requirements.*
 - (a) All structures shall have a minimum separation of ten feet, measured from edge of eave to edge of eave, from other structures or cottages within the cottage housing development.
 - (b) The setback from the exterior property lines of the original parent tract shall be set by the underlying zoning district.
 - (6) *Building Height Regulations.* The height for all structures in a cottage development shall not exceed the permitted height requirement of the underlying zoning district.
 - (7) *Building Area.* There is no minimum building area requirement for individual cottage housing unit lots.

- (8) *Accessory Dwelling Units.* Accessory dwelling units are not permitted in cottage housing developments.
- (F) *Common Property Maintenance.* Community buildings, parking areas and common open space shall be owned and maintained commonly by the cottage housing development residents, through a condominium associations, a homeowners' association or a similar mechanism, and shall not be dedicated to the City.
- (G) *Development Standards.* All cottage developments are subject to the following standards:
- (1) *Floor Area.* The total conditioned space floor area of each cottage shall not exceed 1,100 square feet.
- (a) Cottages shall have a maximum first floor area or footprint of no more than 900 sq. feet, excluding covered or attached porches.
- (b) Future additions to any cottage housing unit shall meet the requirements of this chapter.
- (c) Floor area that does not count towards the total conditioned space floor area permitted for a cottage housing unit includes:
- (i) Architectural projections such as utility closets no greater than eighteen inches in depth and six feet in width, bay windows and fireplaces.
- (ii) Spaces with a ceiling height of six feet or less measured to the exterior walls, such as interior attic eaves.
- (2) *Cottage Orientation.* The fronts of all cottage housing units shall be oriented around the common open space or towards the street, with the following exception:
- (a) A maximum of 1 cottage in a cottage housing development is allowed to be located in an area that does not front onto the common open space or street right of way. These units shall be located within 25 feet of the common open space and shall have direct pedestrian access to the common open space and the street.
- (3) *Open space.*
- (a) The required common open space shall be provided in one contiguous parcel.
- (b) A minimum of 300 square feet of common open space shall be provided per cottage housing unit. Common open space with a dimension of less than 20 feet shall not be included in the calculation.
- (c) Each cottage housing unit shall be provided with a private open space of 250 square feet with no dimension of less than 10 feet. Private open space should be contiguous to each cottage, for the exclusive use of the cottage resident.
- (d) Parking areas, driveways and common pedestrian access shall not be counted as open space.
- (4) *Fences.* Fencing in cottage housing development should be respectful of the context of the surrounding neighborhood and should accentuate the common and private open spaces.
- (a) Fencing located between a cottage housing unit and a public street or the common open space shall not exceed 48" in height.
- (5) *Parking Requirements and Standards.* Parking areas should be located within the cottage housing development in such a way as to maintain the character along the public street and to minimize the noise and light impacts on private residences and public spaces. Reductions in parking space allowances are not permitted in cottage housing developments. Permitted on-street parking spaces adjacent to a projects frontage may count towards the parking requirements of the development subject to approval by the Zoning and Development Administrator. Parking standards for cottage housing developments shall be as follows:
- (a) The required number of parking spaces for each cottage shall be determined according to the square footage of the cottage housing unit.

- (i) Cottages less than 1,000 sq. ft. shall have 1.5 parking spaces provided.
 - (ii) Cottages over 1,000 sq. ft. shall have 2 parking spaces provided.
- (b) Parking lots containing five or more parking spaces shall comply with the parking lot construction and design standards located in Chapter 172: Parking and Loading of the City's Unified Development Code.
- (c) Parking lots shall be located a minimum of 25' back from the public right-of-way.
- (d) Shared covered parking shall be designed to be similar and compatible to the design, materials and roof pitches used for the cottage housing units.
- (e) Parking space dimensions shall comply with Chapter 172: Parking and Loading of the Unified Development Code.
- (6) *Bicycle Parking.* Bicycle parking should be located in a common area and preferably be covered to protect the long term storage of bicycles. It is recommended that cottage housing developments should provide one unsheltered bicycle rack or the equivalent sheltered space to store two bicycles per cottage housing unit.
- (7) *Fire Department Access.* Fire department access shall be determined at the time of development review. Any part of structure in a cottage housing development that is located more than 150 feet from Fire Department vehicle access, as measured by an approved route around the exterior of the buildings or facilities, shall have a fire department approved sprinkler system.
- (8) *Pedestrian Connectivity.* All buildings and common spaces shall be served by a pedestrian circulation system that connects to an existing or planned sidewalk or trail system.
- (9) *Utilities.* Individual cottage housing units shall have a unique connection to the main water and sewer lines. Main water and sewer lines on private property servicing cottage housing unit developments shall be located in a dedicated easement.
- (10) *Community Buildings.* Community buildings and common pavilions less than 2,000 sq. ft. are permitted by right in cottage housing development. These structures shall be architecturally integrated with the architectural style of the cottage housing development.
- (11) *Stormwater/Grading.* Cottage housing developments shall comply with the grading, drainage and stormwater provisions set forth in the Unified Development Code Chapter 169 and 170. A drainage permit application shall contain sufficient information and plans to allow the City Engineer to determine whether the project complies with these requirements.
- (12) *Solid Waste Service.* For the purposes of solid waste collection cottage housing developments are considered a residential use and should receive residential solid waste service (individual carts and recycling bins). In certain instances, it may be necessary to service cottage housing developments with commercial solid waste collection equipment (dumpsters). This may occur when a project is located in a predominately commercial area serviced by commercial solid waste pick up. It is incumbent on the developer to design solid waste service into the cottage housing development plan early in the process. The final determination of solid waste service and pick-up areas will be made at the time of development review. Specific requirements for residential and commercial solid waste pick-up shall be as follows:
 - (a) Residential solid waste service requires a designated location adjacent to the street curb for trash carts and recycling bins. This location shall be kept clear of obstructions on the designated solid waste pick-up day. If this location is also used for on-street parking it shall be clearly marked and a sign posted restricting use for the designated solid waste pick-up day. A minimum linear distance of 9 ft. is required to accommodate each cottage housing unit's trash cart and recycling bin.

- (b) Commercial solid waste service requires a dumpster location that is freely accessible for front end loading and screened from public view.
 - (c) Solid waste facilities shall be located behind the front building setback line and shall be screened from the right-of-way and adjacent property owners by either architectural treatments or vegetative screening.
- (H) *Building Design Standards.* Building design shall provide variety and visual interest in order to provide compatibility with the character of the surrounding neighborhood. These standards are intended to avoid the repetitive use of the same building design, structural features, detailing or finishes within the cottage housing development.
- (1) *Variety in Cottage Housing Units Floor Plans and Architectural Treatments.* In cottage housing developments no two structures shall be identical in terms of exterior finishes. All cottage housing units shall differ from each other by utilizing at least two of the following options:
- (a) Variations in building material finishes such as clapboard, shake shingles, stone, brick, etc., and building color;
 - (b) Variations in adjacent cottage housing unit floor plans that alter the location of exterior windows and doors;
 - (c) Variations in the size of main floor area and/or building height of adjacent structures; or
 - (d) A front porch with a minimum width no less than 50% of the front building façade. Front porches shall have a minimum depth of 6 feet. No structurally identical front porches shall be located on adjacent cottage housing units.
- (2) *Required Architectural Elements.* A cottage housing unit with a front porch that is credited for meeting the requirements of section 164.22(H)(1) above shall not be credited with meeting the requirements of this section. All cottage housing units in a cottage housing development shall contain a minimum of two of the following building features or treatments:
- (a) Porch.
 - (b) Variations in roof shapes or gables between adjacent structures.
 - (c) Roof brackets.
 - (d) Bay windows.
 - (e) Dormers.
 - (f) Chimneys.
 - (g) Other similar features or treatments as approved by the Zoning and Development Administrator.
- (I) *Variances from the minimum Cottage Housing Development Requirements.* An applicant may request a variance for specific requirements of the cottage housing development ordinance from the Planning Commission. Notification of adjoining and adjacent property owners shall conform to the requirements of Chapter 157: Notification and Public Hearings of the City's Unified Development Code. A variance of the following standards of the cottage housing development ordinance may be requested:
- (1) *Number of cottage housing units permitted.*
 - (2) *Cottage housing development separation requirement.*

ADM 11-3782: Administrative Item (UDC CH. 164: SUPPLEMENTARY DISTRICT REGULATIONS – COTTAGE HOUSING DEVELOPMENT): Submitted by THE CITY OF FAYETTEVILLE PLANNING DIVISION. The request is to amend Chapter 164 of the Unified Development Code (UDC) to permit cottage housing development.

Leif Olson, Planner, gave the staff report and outlined the key points of the Cottage Housing Ordinance with a power point presentation.

Commissioner Cabe opened the floor for public comment.

Rob Sharp addressed the commission and expressed his support of the ordinance. Sharp commented on the fact that the ordinance was very prescriptive in order to achieve a high quality product. **Sharp** discussed the need in Fayetteville for smaller housing units to serve the growing demographic of singles, couples, retirees, etc.

Commission Cabe closed the floor for public comment.

Commissioner Chesser asked if the architectural requirements would preclude modern architectural styles.

Leif Olson stated that the ordinance is not prescriptive in regard to architectural style.

Commissioner Chesser commented that he felt that the Cottage Housing Ordinance should be permitted by right in single family zoning districts.

Commissioner Chesser stated that he would have a hard time supporting this ordinance if it did not allow CHD's in single family zoning districts by right.

Commissioner Earnest stated his support of the ordinance.

Commission Cabe asked if existing non-conforming structures would count as a housing unit in the total number of housing units permitted in the development.

Leif Olson stated that an existing structure that would remain on the property after the development was completed would count as one of the housing units allowed in the development.

Commission Cabe asked if any other cities permitted well done parking areas to count in the square footage of open space required per dwelling unit.

Leif Olson indicated that none of the twenty or so CHD ordinances that staff looked at allowed parking areas to count for the required open space requirement.

Commissioner Cabe asked if the language regarding the inclusion of bicycle racks or designated bike storage should be strengthened to a requirement instead of a recommendation.

Leif Olson indicated that staff removed the requirement for bike storage because a City Council sponsor of the ordinance requested that change. Olson stated that the City does require bike racks for commercial projects but not for any single family type projects but that staff would encourage developers to include bike storage facilities in their design.

Commissioner Cabe asked if a variance could be added in order to allow for less variation in the architectural requirements.

Leif Olson stated that the ordinance could be amended in order to allow for that possibility.

Commissioner Hoskins asked if there is anything in the ordinance that would preclude someone from having a garage attached to a cottage housing unit.

Leif Olson stated that the requirement is that the footprint of the home shall not exceed 900 square feet.

Commissioner Hoskins asked if staff had seen any of these developments that had garages attached to the cottages.

Leif Olson and Andrew Garner both indicated that they had not found examples with garages attached.

Commissioner Hoskins asked about the square foot requirement for the cottages and whether the City should allow for units larger than 1,100 square feet. Hoskins asked staff about the square footage requirements of peer cities that had adopted CHD.

Leif Olson stated that of the approximately 20 peer cities ordinances reviewed the square footage was typically limited to 1,000 to 1,300 square feet.

Commissioner Hoskins asked if it would make sense to allow for cottage housing units that are larger than 1,100 square feet. **Hoskins** stated that the 1,100 sq. ft. would limit the market for these housing units. **Hoskins** discussed the various demographic trends and what buyers are looking for.

Leif Olson stated that the limited square footage requirement is in place for the purposes of scale and compatibility and that once you get up over a certain square footage it is no longer a cottage but a house. **Olson** stated that staff felt strongly that 1,100 sq. ft. was appropriate to ensure that the units were small enough in scale.

Commissioner Hoskins indicated that he felt 1,100 sq. ft. is too small and that the inconvenience of parking and walking to a cottage unit may turn off some potential buyers. **Hoskins** stated that it would be very difficult to locate a garage in a unit with a maximum first floor footprint of 900 sq. ft.

Leif Olson stated that the cottage housing ordinance is designed to be very prescriptive and that it is a very specific tool that will not appeal to all developers or potential buyers. **Olson** discussed the fact that this type of development would appeal to a niche market that would not necessarily see the fact that the housing unit did not have a garage as a negative.

Commissioner Hoskins stated that he thought it was a great ordinance and he thanked staff for bringing it forward.

Commissioner Chesser discussed the square footage requirement and suggested that some flexibility might be desirable. **Chesser** suggested allowing a percentage overage of the maximum sq. ft. allowed.

Leif Olson discussed the ability for the developer to do fee simple or condominium ownership and that the incentive for the developer was to be able to create individual lots for each cottage that did not have to have street frontage so long as the parent tract met the requirements of the underlying zoning district. **Olson** stated that the prescriptive requirements of the ordinance such as the 1,100 sq. ft. maximum are intended to ensure that the

housing built would be small in scale and not a cluster of large homes without street frontage.

Commissioner Hoskins stated that his issue with the ordinance was that the footprint was limited to 900 sq. ft. and the limited ability to have a garage within that area.

Commissioner Cabe stated that he felt that the ability for each cottage housing unit to have direct car access would be limited due to the cost of providing private streets in such a small cluster of size limited homes. **Cabe** discussed the CHD ordinance as a tool that will be used as an alternative development pattern and that we shouldn't try to shoehorn this ordinance in order to meet what is the perceived current real estate market. **Cabe** indicated that he thought these developments would be tucked into vacant and underutilized land in the core of Fayetteville instead of on the fringe of the City. Discussion followed regarding carports and garages.

Rob Sharp stated that a garage is not necessarily integral to a housing unit and the fact that the social interactions that take place walking is viewed as a positive aspect of these developments. **Sharp** also discussed that he felt it was important to get a few of these built and then come back and revisit the ordinance to see what was and wasn't working.

Commissioner Earnest pointed out that this is only a tool to help meet the changing demographics. **Earnest** acknowledged that the PZD process existed for developers to do innovative projects and that variations of these type of projects can still be approved with the PZD.

Motion:

Commissioner Earnest made a motion to forward ADM 11-3782 to the City Council with a recommendation for approval. **Commissioner Bunch** seconded the motion. **Upon roll call the motion passed with a vote of 6-3-0 (Commissioners Chesser, Honchell, and Hoskins voting 'no').**

Agenda Session 11/8/11

Mayor Lioneld Jordan

City Attorney Kit Williams

City Clerk Sondra Smith



Aldermen

Ward 1 Position 1 – Adella Gray
Ward 1 Position 2 – Brenda Boudreaux
Ward 2 Position 1 – Mark Kinion
Ward 2 Position 2 – Matthew Petty
Ward 3 Position 1 – Justin Tennant
Ward 3 Position 2 – Robert Ferrell
Ward 4 Position 1 – Rhonda Adams
Ward 4 Position 2 – Sarah E. Lewis

**Tentative Agenda
City of Fayetteville Arkansas
City Council Meeting
November 15, 2011**

A meeting of the Fayetteville City Council will be held on November 15, 2011 at 6:00 PM in Room 219 of the City Administration Building located at 113 West Mountain Street, Fayetteville, Arkansas.

Call to Order

Roll Call

Pledge of Allegiance

Mayor's Announcements, Proclamations and Recognitions:

City Council Meeting Presentations, Reports and Discussion Items:

Agenda Additions:

A. Consent:

- ✓ 1. Approval of the November 1, 2011 City Council meeting minutes.
- ✓ 2. **Bid #11-57 Diamond International:** A resolution awarding Bid #11-57 and approving a contract with Diamond International of Lowell in the amount of \$94,703.40 for the purchase of one (1) 2012 International 7300 diesel truck with belly plow and dump body for the use by the Transportation Division.
- ✓ 3. **Bid #11-61 Associated Fiberglass Enterprise:** A resolution awarding Bid #11-61 and approving a contract with Associated Fiberglass Enterprise in the amount of \$23,814.16 for the purchase of a 6,000 gallon alum storage tank for the Noland Wastewater Treatment Facility.

4. **2011 Bulletproof Vest Partnership Program:** A resolution authorizing acceptance of a fifty percent (50%) matching grant award from the 2011 Bulletproof Vest Partnership Program in the amount of \$4,550.00 for the replacement of fifteen (15) body armor vests, and approving a budget adjustment.
5. **Fayetteville Police Department Policies:** A resolution approving Fayetteville Police Department Policies 1.1.1 Law Enforcement Agency Role, 1.2.2 Warrantless Detention, Search and Seizure, and 1.2.4 Domestic Violence.
6. **Prism Education Center:** A resolution approving a lease with Prism Education Center for property located at 2190 South Razorback Road pursuant to the Community Development Block Grant Public Facility Lease Program.
7. **Wilson Park Bench Donation:** A resolution to approve the donation of a public bench in Wilson Park and to thank Jimmy and Jeanie Hill for this donation.

B. Unfinished Business:

1. **Parking Revenue Improvement Bonds:** An ordinance authorizing the issuance and sale of not to exceed \$6,500,000 of Parking Revenue Improvement Bonds by the City of Fayetteville, Arkansas for the purpose of financing all or a portion of the costs of acquisition, construction and equipping of a parking deck facility, authorizing the execution and delivery of a trust indenture pursuant to which the bonds will be issued and secured; authorizing the execution and delivery of an official statement pursuant to which the bonds will be offered; authorizing the execution and delivery of a bond purchase agreement providing for the sale of the bonds; authorizing the execution and delivery of a continuing disclosure agreement; and prescribing other matters relating thereto. *This ordinance was left on the First Reading at the November 1, 2011 City Council meeting.*

Left on the First Reading

2. **Sales Tax Capital Fund:** An ordinance to enact §34.09 Sales Tax Capital Fund of the Code of Fayetteville. *This ordinance was left on the Second Reading at the November 1, 2011 City Council meeting.*

Left on the Second Reading

C. New Business:

pull from agenda add to next mtg.

Amend Chapter 92: An ordinance amending Section 92.01 Definitions, repealing and replacing Section 92.20 Annual License and Tag, amending Section 92.24 Redemption of Animals, repealing Section 92.33 Animal Hobbyist Permit of Chapter 92: Animals of the Code of Fayetteville to remove animal licensing requirements and enact animal microchipping requirements, and providing for an effective date.

2. **Amend Chapter 178 (ADM 11-3932 UDC Chapter 178 Outdoor Vendors):** An ordinance to amend §178.03 Sidewalk Vendors of the Unified Development Code to clarify cart requirements.

- ✓ 3. **CH2M Hill Engineers, Inc. Amendment No. 2:** A resolution approving contract Amendment No. 2 with CH2M Hill Engineers, Inc. in the amount of \$6,656,934.00 for operation, maintenance, management and engineering services for city wastewater treatment facilities and systems, and approving a \$70,000.00 contract contingency.
- ✓ 4. **AT&T Arkansas Plexar Telephone Line Services:** An ordinance waiving competitive bidding and approving a contract with AT&T Arkansas in the amount of \$91,200.00 for Plexar Telephone line services.
- ✓ 5. **AT&T Arkansas Managed Internet Services:** An ordinance waiving competitive bidding and approving a contract with AT&T Arkansas in the amount of \$22,548.00 for managed internet services.
- ✓ 6. **Ambulance Services Interlocal Agreement:** A resolution approving an amendment to the Interlocal agreement for Ambulance Services.
- ✓ 7. **Community Access Television, Inc.:** A resolution to renew with slight modifications the second year of the contract with Community Access Television, Inc. in the amount of \$93,000.00 to operate the public Access Channel throughout 2012.
- ✓ 8. **2012 Annual Budget and Work Program:** A resolution adopting the 2012 Annual Budget and Work Program.
- ✓ 9. **ADM 11-3782 Cottage House Development:** An ordinance to enact §164.22 Cottage Housing Development into the Unified Development Code.

D. City Council Agenda Session Presentations:

City Council Tour:

Announcements:

Adjournment:

NOTICE TO MEMBERS OF THE AUDIENCE

All interested parties may appear and be heard before the City Council. If you wish to address the City Council on an agenda item please queue behind the podium when the Mayor asks for public comment. Once the Mayor recognizes you, go to the podium and give your name and address. Address your comments to the Mayor, who is the presiding officer. The Mayor will direct your comments to the appropriate elected official, staff member or others for response. Please keep your comments brief, to the point and relevant to the agenda item being considered so that everyone has a chance to speak.

Interpreters or TDD for hearing impaired are available for all City Council meetings, a 72 hour advance notice is required. For further information or to request an interpreter, please call 575-8330.

As a courtesy please turn off all cell phones and pagers.

A full copy of the City Council agenda is available at accessfayetteville.org or in the office of the City Clerk, 113 West Mountain, Fayetteville, Arkansas.

Pre-Agenda Meeting

Mayor Lioneld Jordan
City Attorney Kit Williams
City Clerk Sondra Smith



Aldermen

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1. Approval of the ^{November 1,} ~~October 18,~~ 2011 City Council meeting minutes.
2. **Bid #11-57 Diamond International:** A resolution awarding Bid #11-57 and approving a contract with Diamond International of Lowell in the amount of \$94,703.40 for the purchase of one (1) 2012 International 7300 diesel truck with belly plow and dump body for the use by the Transportation Division.
3. **Bid #11-61 Associated Fiberglass Enterprise:** A resolution awarding Bid #11-61 and approving a contract with Associated Fiberglass Enterprise in the amount of \$23,814.16 for the purchase of a 6,000 gallon alum storage tank for the Noland Wastewater Treatment Facility.

- 4/ **2011 Bulletproof Vest Partnership Program:** A resolution authorizing acceptance of a fifty percent (50%) matching grant award from the 2011 Bulletproof Vest Partnership Program in the amount of \$4,550.00 for the replacement of fifteen (15) body armor vests, and approving a budget adjustment.
- 5/ **Fayetteville Police Department Policies:** A resolution approving Fayetteville Police Department Policies 1.1.1 Law Enforcement Agency Role, 1.2.2 Warrantless Detention, Search and Seizure, and 1.2.4 Domestic Violence.
- 6/ **Prism Education Center:** A resolution approving a lease with Prism Education Center for property located at 2190 South Razorback Road pursuant to the Community Development Block Grant Public Facility Lease Program.
- 7/ **Wilson Park Bench Donation:** A resolution to approve the donation of a public bench in Wilson Park and to thank Jimmy and Jeanie Hill for this donation.

B. Unfinished Business:

- 1/ **Parking Revenue Improvement Bonds:** An ordinance authorizing the issuance and sale of not to exceed \$6,500,000 of Parking Revenue Improvement Bonds by the City of Fayetteville, Arkansas for the purpose of financing all or a portion of the costs of acquisition, construction and equipping of a parking deck facility, authorizing the execution and delivery of a trust indenture pursuant to which the bonds will be issued and secured; authorizing the execution and delivery of an official statement pursuant to which the bonds will be offered; authorizing the execution and delivery of a bond purchase agreement providing for the sale of the bonds; authorizing the execution and delivery of a continuing disclosure agreement; and prescribing other matters relating thereto. *This ordinance was left on the First Reading at the November 1, 2011 City Council meeting.*

Left on the First Reading

- 2/ **Sales Tax Capital Fund:** An ordinance to enact §34.09 Sales Tax Capital Fund of the Code of Fayetteville. *This ordinance was left on the Second Reading at the November 1, 2011 City Council meeting.*

Left on the Second Reading

C. New Business:

- 1/ **Amend Chapter 178 (ADM 11-3932 UDC Chapter 178 Outdoor Vendors):** An ordinance to amend §178.03 Sidewalk Vendors of the Unified Development Code to clarify cart requirements.
- 2/ **CH2M Hill Engineers, Inc. Amendment No. 2:** A resolution approving contract Amendment No. 2 with CH2M Hill Engineers, Inc. in the amount of \$6,656,934.00 for operation, maintenance, management and engineering services for city wastewater treatment facilities and systems, and approving a \$70,000.00 contract contingency.

3/ **AT&T Arkansas Plexar Telephone Line Services:** An ordinance waiving competitive bidding and approving a contract with AT&T Arkansas in the amount of \$91,200.00 for Plexar Telephone line services.

4/ **AT&T Arkansas Managed Internet Services:** An ordinance waiving competitive bidding and approving a contract with AT&T Arkansas in the amount of \$22,548.00 for managed internet services.

5/ **Ambulance Services Interlocal Agreement:** A resolution approving an amendment to the Interlocal agreement for Ambulance Services.

NB #1 (6) **Amend Chapter 92:** An ordinance amending Section 92.01 Definitions, repealing and replacing Section 92.20 Annual License and Tag, amending Section 92.24 Redemption of Animals, repealing Section 92.33 Animal Hobbyist Permit of Chapter 92: Animals of the Code of Fayetteville to remove animal licensing requirements and enact animal microchipping requirements, and providing for an effective date.

17/ **Community Access Television, Inc.:** A resolution to renew with slight modifications the second year of the contract with Community Access Television, Inc. in the amount of \$93,000.00 to operate the public Access Channel throughout 2012.

18/ **2012 Annual Budget and Work Program:** A resolution adopting the 2012 Annual Budget and Work Program.

Kit will be adding — Cottage House Development
D. **City Council Agenda Session Presentations:**

City Council Tour:

Announcements:

Adjournment:

NOTICE TO MEMBERS OF THE AUDIENCE

All interested parties may appear and be heard before the City Council. If you wish to address the City Council on an agenda item please queue behind the podium when the Mayor asks for public comment. Once the Mayor recognizes you, go to the podium and give your name and address. Address your comments to the Mayor, who is the presiding officer. The Mayor will direct your comments to the appropriate elected official, staff member or others for response. Please keep your comments brief, to the point and relevant to the agenda item being considered so that everyone has a chance to speak.

Interpreters or TDD for hearing impaired are available for all City Council meetings, a 72 hour advance notice is required. For further information or to request an interpreter, please call 575-8330.

As a courtesy please turn off all cell phones and pagers.

A full copy of the City Council agenda is available at accessfayetteville.org or in the office of the City Clerk, 113 West Mountain, Fayetteville, Arkansas.

Lisa Branson - Re: Announcement to put on agenda

From: Sondra Smith
To: Broyles, Lana
Date: 11/3/2011 5:42 PM
Subject: Re: Announcement to put on agenda
CC: Branson, Lisa
Attachments: Sondra Smith.vcf

Good Morning Lana

Lisa already had the Tentative Agenda completed for November 15. I have added this to the Final Agenda for November 15.

Sondra E. Smith CAMC, CMC
City Clerk Treasurer
City of Fayetteville
113 West Mountain
Fayetteville, AR 72701
(479) 575-8323
ssmith@ci.fayetteville.ar.us

TDD (Telecommunications Device for the Deaf): (479) 521-1316



>>> Lana Broyles 11/3/2011 4:24 PM >>>

The mayor would like to make an announcement at the November 15 meeting regarding the City's receiving the Digital Cities Award. Could we put this under the announcement section of the agenda for that meeting?

Thanks

lana

Lana Broyles
Mayor's Office Administrator
City of Fayetteville
479-575-8331
479-575-8257 (fax)
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479-521-1316

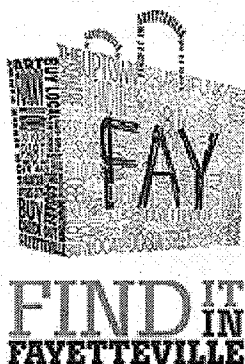
Lisa Branson - Re: Animal Microchipping Ordinance

From: Don Marr
To: Branson, Lisa
Date: 11/4/2011 11:33 AM
Subject: Re: Animal Microchipping Ordinance

Lisa - This is email confirmation regarding the request to move the Animal Microchipping Ordinance off of the current agenda, and delayed until the next city council meeting in December due to key staff being out of the office and available during the time the agenda item will be in front of City Council.. Jeremy Pate will pull this item at the agenda session and explain why at that time. .

Thanks,
Don

Don Marr



Chief of Staff for Mayor Jordan
113 W Mountain Street
Fayetteville, AR 72701
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Website: www.accessfayetteville.org

>>> Lisa Branson 11/4/2011 10:24 AM >>>
All,

After speaking with Don regarding the Animal Microchipping Ordinance, I have pulled the agenda packet from the November 15, 2011 agenda folder and placed it in the December 6, 2011 agenda folder. Don will ask that the item be removed from the agenda at the November 8, 2011 City Council Agenda Session. Please let me know if you have any questions.

Have a nice day!

Lisa~

*Lisa Branson
Deputy City Clerk*

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