Mayor Lioneld Jordan

City Attorney Kit Williams

City Clerk Sondra Smith

Fayetteville
ARKANSAS

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
August 21, 2012

A meeting of the Fayetteville City Council was held on August 21, 2012 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: None

City Council Meeting Presentations, Reports and Discussion Items: None

Agenda Additions: None

Consent:

Approval of the August 7, 2012 City Council meeting minutes.

Approved

2012-2013 Edward Byrne Memorial Justice Assistance Grants: A resolution authorizing acceptance of the 2012-2013 Edward Byrne Memorial Justice Assistance Grants in the total amount of $197,333.59.

Resolution 163-12 as recorded in the office of the City Clerk.

2012 Justice Assistance Grant Local Solicitation Award: A resolution authorizing acceptance of a 2012 Justice Assistance Grant Local Solicitation Award in the amount of $72,707.00 for the Police Department, and approving a budget adjustment.

Resolution 164-12 as recorded in the office of the City Clerk.

Bid #12-57 Williams Tractor: A resolution awarding Bid #12-57 and authorizing the purchase of one (1) round baler from Williams Tractor of Fayetteville in the total amount of $27,203.00 for use by Wastewater Treatment.

Resolution 165-12 as recorded in the office of the City Clerk.

Bid #12-59 Williams Tractor: A resolution awarding Bid #12-59 and authorizing the purchase of two (2) Polaris Rangers with Kimtek transport units from Williams Tractor of Fayetteville in the total amount of $45,276.00 for use by the Fire Department, and approving a budget adjustment.

Resolution 166-12 as recorded in the office of the City Clerk.

Bid #12-63 Hilbilt Sales Corporation-Arkansas: A resolution awarding Bid #12-63 and authorizing the purchase of one (1) end dump trailer from Hilbilt Sales Corporation-Arkansas in the total amount of $43,361.00 for use by Wastewater Treatment, and approving a budget adjustment.

Resolution 167-12 as recorded in the office of the City Clerk.

Bid #12-64 Warrior of Arkansas: A resolution awarding Bid #12-64 and authorizing the purchase of one (1) articulated wheel loader from Warrior of Arkansas, Inc. in the total amount of $119,950.00 for use by Wastewater Treatment, and approving a budget adjustment.

Resolution 168-12 as recorded in the office of the City Clerk.

Solid Waste Agreement Extensions: A resolution approving one (1) year extension agreements with Deffenbaugh Industries, Hog Box and Waste Management of Northwest Arkansas to haul and dispose of solid waste and recycling in the city.

Resolution 169-12 as recorded in the office of the City Clerk.

Animal Services Donation Revenue: A resolution approving a budget adjustment in the amount of $14,655.00 representing donation revenue to Animal Services for the second quarter of 2012.

Resolution 170-12 as recorded in the office of the City Clerk.

Alderman Lewis moved to approve the Consent Agenda as read. Alderman Tennant seconded the motion. Upon roll call the motion passed 7-0. Alderman Gray was absent during the vote.

Unfinished Business:

Amend §154.03 Private Parties/Zoning Amendment: An ordinance to amend §154.03 Private Parties/Zoning Amendment to clarify the powers of the Planning Commission and City Council when a property owner seeks rezoning. ***This ordinance was left on the First reading at the July 17, 2012 City Council meeting. This ordinance was left on the Second reading at the August 7, 2012 City Council meeting.***

Alderman Lewis moved to table the ordinance until an Attorney General opinion is received. Alderman Ferrell seconded the motion. Upon roll call the motion passed 7-0. Alderman Gray was absent during the vote.

Left on the Second Reading and Tabled until an Attorney General opinion is received.

New Business:

Mayor Jordan: I have had a request to move New Business item #7 RZN 12-4166 (South of Brookbury Crossing & East of Candlewood Developments/Riggins) to the first of New Business.

RZN 12-4166 (South of Brookbury Crossing & East of Candlewood Developments/Riggins): An ordinance rezoning that property described in rezoning petition RZN 12-4166, for approximately 20.99 acres, located to the south of Skillern Road from R-A, Residential Agricultural to RSF-0.5, One Half Single-Family Units Per Acre.

Alderman Kinion moved to move this ordinance to New Business #1. Alderman Boudreaux seconded the motion. Upon roll call the motion passed 7-0. Alderman Gray was absent during the vote.

City Attorney Kit Williams: I would suggest that I not read this at this point in time. It's going to come back and there is going to be a request for a different sort of ordinance. You will have to amend it at that point in time but I would just suggest that you table it right now.

Jeremy Pate: The request I believe was to table it to September 18th.

Alderman Ferrell moved to table the ordinance to the September 18, 2012 City Council meeting. Alderman Tennant seconded the motion. Upon roll call the motion passed 7-0. Alderman Gray was absent during the vote.

This ordinance was left on the First Reading and Tabled to the September 18, 2012.

Amerlux Exterior, LLC: An ordinance waiving the requirements of formal competitive bidding and approving an agreement with for the purchase of seventeen (17) streetlight poles and fixtures manufactured by Dynamic Lighting, Inc. in the total amount of $28,415.93 for installation on downtown improvement projects along Mountain Street, College Avenue, Center Street, East Avenue and Meadow Street.

City Attorney Kit Williams read the ordinance.

Terry Gulley, Transportation Services Director gave a brief description of the ordinance.

Alderman Petty: These are metal halide right?

Terry Gulley: It is a continuation of what we already have on that street so it will match. I think those are metal halide.

Alderman Petty: I noticed there was an option for a 38 watt compact fluorescent fixture. That is an energy savings of more than 66%. I wonder, if there is any added expense if it's worth it, because those funds to power these lights come out of the Street fund. I am wondering if there is an added cost can we work out some creative financial solution to pay for the extra out of the Street fund to get that energy savings.

Terry Gulley: We will be happy to look at that. We chose those so there would not be a change in the output of the light as you went down the street. If we can get close to the same lumens down the street then I don't see that being a problem.

Alderman Ferrell: Would there be much difference in the amount of light put out for security reasons between the proposed one and the alternate one?

Terry Gulley: I don't know. I will check on it and report back.

Alderman Petty: I did want to use this item as an opportunity to talk about future lighting decisions. He spoke about a study he had reviewed on lighting options. There may be a potential energy savings with going with another fixture.

Terry Gulley: We do look at that. This is a project that we did a part of it back in 2008. So we are matching these because we are half way down the street. We are looking at LED lights for future projects.

Alderman Petty: I think it is okay to waive the competitive bidding this time. Maybe in the future we can talk about using street funds to have a revolving fund to replace old street lamps with new technology that saves us money.

Alderman Lewis: I appreciate you bringing that up.

Left on the First Reading

Seven Valley's Construction Co.: A resolution awarding Bid #12-58 and authorizing a contract with Seven Valleys Construction Co., Inc. in the amount of $1,368,379.00 for construction of water and sewer improvements along State Highway 265 between Joyce Boulevard and Albright Road, approving a project contingency of $75,000.00 and approving a budget adjustment.

Shannon Jones, Utilities Engineer gave a brief description of the resolution. He stated there was an error in the purchase order request that has since been corrected.

Mayor Jordan: Is the number here correct that I just read?

Shannon Jones: Yes.

Alderman Lewis moved to approve the resolution. Alderman Adams seconded the motion. Upon roll call the resolution passed unanimously.

Resolution 171-12 as recorded in the office of the City Clerk.

Sunbridge Villas Subdivision Private Street Acceptance: A resolution accepting dedication of street right-of-way and maintenance responsibility for streets in the Sunbridge Villas Subdivision from the Sunbridge Villas Property Owners Association, Inc. upon completion of the current private milling and overlay project to City standards as approved by the City Engineer.

Chris Brown, City Engineer gave a brief description of the resolution.

Alderman Lewis: So the detention ponds on another property can manage the quantity of the runoff?

Chris Brown: Because this was a pre-developed site, the impervious area was the same so there was no increase in flow due to the development that has occurred here.

Alderman Ferrell: We have thru streets in most of that subdivision. We really like that connectivity.

City Attorney Kit Williams: The Mayor read the title of the new resolution. The dedication is subject to the approval of the City Engineer. Until the milling and overlay has been approved by the City Engineer the dedication will not be effective. That is the resolution you will be voting on.

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

Resolution 172-12 as recorded in the office of the City Clerk.

Proposed Employee Benefits Renewal: A resolution approving a 2013 employee benefits package.

Missy Leflar, HR Director gave a brief description of the resolution.

Alderman Petty stated I don't like it but I recognize a necessity when we have one. Page 7 & 8 show the monthly cost for city employee's coverage versus other plans, there is a big discrepancy there. I understand we are not proposing to change those and I support that for current employees. I wonder if we are trying to get a handle on our rising healthcare costs why we aren't doing something about changing that percentage for new hires.

Missy Leflar: My understanding is that actually the percentages have altered a little bit.

Alderman Petty: Are we changing them for new hires to be more aligned with our market average?

Missy Leflar: No, new hires are going to be treated the same as all other employees under this proposal.

Alderman Petty: Do you think that is going to get us a handle on rising costs?

Missy Leflar stated I think what is going to help us get a handle on rising costs are the three tiers of premiums that have been proposed. She described the wellness benefits and credits that will be offered to the employees.

Alderman Petty: I love all that but my concern is that they will not be adequate for getting a handle on long term cost increases. I am wondering if we should get that portion of what employees pay closer to the industry average. It seems like a good way to do that would be with new hires.

Missy Leflar: I think every point you made is valid and that was one of the many alternatives that were looked at and discussed with a benefits broker. The reason the decision was made to make these changes was the administration weighed out how much change can be tolerated at once. She pointed out the increase in rates for 2013.

Alderman Petty: That's why I am only asking these questions in the context of hires that we haven't made yet.

Missy Leflar: I know that got looked at. Did the administration consult with the City Attorney on that as well?

Mayor Jordan: We did look at that.

Don Marr, Chief of Staff: If the Council wants to amend the recommendation to go with new hires it can be done. Our key thing was looking at the cost impact for existing employee base. We are heading in that direction even with our current employees cost sharing those particular increases. He explained other options that had been discussed.

Mayor Jordan: We weighed everything but at the end of the day you have so much going out and coming in. He compared our rates to other businesses rates.

Alderman Petty: What I heard was that it would be neutral for new employees and it wouldn't impact recruitment. If we don't think it's going to impact hiring I think we should at least examine that to be sure of that statement.

Mayor Jordan: I don't disagree with you at all.

Alderman Petty: Can staff have another two weeks to look at that aspect of this and come back with a recommendation for a percentage?

Don Marr: We are timed in terms of renewing our current contract. What we would be coming back with would be the two numbers that you looked at as the average. So if you want to say all new hires effective January 1, 2013 for employees only would have an 18% cost share with the City and family would be 24%, those would be the numbers we would go to for new hires instead of 12% and 18%.

Alderman Petty: How often do we renegotiate this contract?

Mayor Jordan: Every year.

Alderman Petty: So next time we renegotiate the contract that would have an affect.

Missy Leflar: I think the percentage that employees contribute is a city decision because the overall amount is what's going to be negotiated with the carriers. They probably don't care what percentage the employer pays. That is going to be a function of the Council and the administration.

Don Marr: The point I would make are how are your rates in comparison when people have multiple choices for purchasing insurance. If our cost is significantly lower than peer organizations, we will get the insured individuals. Our pricing is attractive for people wanting a family plan. Lower people means less risk which could mean lower cost.

Missy Leflar: I would like to suggest that the Council consider that we are going to start our annual enrollment process next month and there are many hours of preparation to make benefits enrollment happen. So we need a certain amount of lead time to keep everything on track. If it were possible to maintain this proposal that is in front of you for the current employees that are hired through the end of this year, then if you would care to amend it to say but those hired as of January 1, 2013 are going to pay more for their share which will be higher to save the City money.

A discussion followed.

Alderman Kinion: Is the utilization review done on a calendar basis and then you get the usage back at the end of the following twelve months?

Missy Leflar explained the utilization data that is provided by the benefits broker. They should provide the utilization data to us quarterly.

Don Marr: We did get a utilization rate from Blue Cross Blue Shield through the cost of the month that which we were quoting business. We received it only once per year. There is a huge advantage in the new program that we are able to look at it quarterly and see our progress. One of the reasons for this increase was the run out of exchange when you leave one insurance carrier and go to the next. So we are hoping that that is part of the overage that we have.

Alderman Ferrell: A number of years ago, when we did the wage survey, it was argued that in municipal government at that time, one of the biggest attractors to employment were benefits and that salaries were not compensable with the private sector. That has changed and we are at least on par with the private industry today. I think this is a wise step and the way to implement it is also a good idea.

Alderman Kinion: So basically what we are looking at is not an adverse selection of future enrollees so we would get a more even utilization.

Missy Leflar replied yes. What is now being proposed is to approve the proposed health insurance changes for current employees and employees that are hired through December 31, 2012 and add an amendment that those hired January 1, 2013 or later their employee contribution on the individual PPO coverage would be 18% and PPO group coverage would be 24%. We also offer a high deducible option that we will need to address also. I think it's highly likely to be competitive with other employers and I don't think it's going to hurt us on recruiting.

City Attorney Kit Williams: That should be an amendment.

Alderman Petty moved to amend the exhibit to the resolution to state: *New employees hired January 1, 2013 and after will have a higher rate for insurance. Individual coverage will be 18% and Group coverage will be 24%. These rates will also apply to the high deductible insurance plan.* Alderman Ferrell seconded the motion.

Alderman Lewis: Within the amendment do we need those numbers or is that a second amendment?

City Attorney Kit Williams: The amendment will be as spoken by Missy Leflar who gave you the numbers. It won't take effect until next year anyway.

Alderman Kinion: So we are looking at the deductible as well as the percentage of contribution, is that the way I understand this?

Missy Leflar: I don't think we were looking at the deductible. She confirmed the amendment. I think you will want to specify that is for the PPO and the high deducible plan.

Upon roll call the motion passed unanimously.

Alderman Lewis moved to approve the resolution. Alderman Tennant seconded the motion. Upon roll call the resolution passed unanimously.

Resolution 173-12 as recorded in the office of the City Clerk.

RZN 12-4146 (4054 W. Starry Night View/Oakbrooke III PZD): An ordinance rezoning that property described in rezoning petition RZN 12-4146, for approximately 1.80 acres, located at 4054 and 4076 West Starry Night View and 1907 North Best Friend Lane from R-PZD 09-3439 Oakbrooke III to RSF-8, Residential Single Family, 8 Units Per Acre.

City Attorney Kit Williams read the ordinance.

Jeremy Pate gave a brief description of the ordinance.

Alderman Petty: Has the Council ever renewed a PZD?

Jeremy Pate: Yes, certainly.

Alderman Lewis: Are you saying that RSF-8 is appropriate but not possible?

Jeremy Pate briefly explained the requirements for zoning areas.

Alderman Lewis: What about the new cottage zoning, would that not work here?

Jeremy Pate: It could perhaps if they chose to look at that and it could also happen under RSF-8 too though. In this area I think the market is more suited for the single family detached home on a smaller lot.

Tracy Hoskins, the developer gave a brief description of the project.

Alderman Lewis 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.

Alderman Lewis: I have not heard anything from Ward 4 residents on this topic.

Alderman Adams: I haven't either. I have been out there and I applaud you for doing a really nice job with these narrow lot single family homes.

Alderman Lewis 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 5517 as Recorded in the office of the City Clerk

RZN 12-4164 (1420 N. Garland Ave./Bonds): An ordinance rezoning that property described in rezoning petition RZN 12-4164, for approximately 0.28 acres, located at 1420 North Garland Avenue from RMF-24, Residential Multi-Family, 24 units Per Acre to NS, Neighborhood Services.

City Attorney Kit Williams read the ordinance.

Jeremy Pate gave a brief description of the ordinance.

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

City Attorney Kit Williams read the ordinance.

Alderman Gray moved to suspend the rules and go to the third and final reading. Alderman Kinion 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 5518 as Recorded in the office of the City Clerk

ADM 12-4171 (Amend UDC Ch. 166: Development): An ordinance amending Title XV: Unified Development Code of the City of Fayetteville §166.24 to amend the applicability of non-residential design standards.

City Attorney Kit Williams read the ordinance.

Jeremy Pate gave a brief description of the ordinance.

Alderman Lewis: I agree and I think it's a good idea. Can you speak to the incentives associated with this?

Jeremy Pate listed the incentives.

Alderman Ferrell 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 Lewis moved to suspend the rules and go to the third and final reading. Alderman Kinion 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 5519 as Recorded in the office of the City Clerk

Announcements:

Adjournment: 7:15 p.m.

Lioneld Jordan

Lioneld Jordan, Mayor

Sondra E. Smith

Sondra E. Smith, City Clerk/Treasurer