A MEETING OF THE FAYETTEVILLE CITY COUNCIL

A meeting of the Fayetteville City Council was held on Tuesday, January 20, 1998, at 6:30 p.m., in the Council Room of the City Administration Building, 113 W. Mountain, Fayetteville, Arkansas.

PRESENT: **Aldermen Kit Williams, Len Schaper, Heather Daniel, Cyrus Young, Randy Zurcher, Trent Trumbo, Donna Pettus, and Stephen Miller; City Attorney Jerry Rose; City Clerk/Treasurer Traci Smith; staff; press; and audience.**

ABSENT: **Mayor Hanna**

Alderman Williams, acting as Assistant Mayor, called the meeting to order with eight aldermen present.

NOMINATIONS FROM THE NOMINATING COMMITTEE

Alderman Daniel moved to nominate Matt Lawrence to the Library Board and Matt Charboneau and O.E. Luttrell to the Parks & Recreation Board.

Alderman Daniel reported that the two nominations to the Parks & Recreation Board were forwarded to the Nominating Committee from the Youth Center Board. It is a requirement that two Youth Center Board members sit on the Parks Board. She stated the Nominating Committee decided to open up the nominations for the remaining Parks Board membership. The one remaining Parks Board position will be advertised for again.

Alderman Pettus seconded the motion.

Alderman Daniel explained that the Fayetteville Housing Authority Board of Commissioners' nomination has not come before the Nominating Committee yet.

Upon roll call, the motion carried on a vote of 8 to 0.

CONSENT AGENDA

Alderman Williams introduced consideration of items which may be approved by motion or contracts and leases which can be approved by resolution and which may be grouped together and approved simultaneously under a consent agenda:

A. Minutes of the January 6 regular City Council meeting;

Alderman Schaper moved the consent agenda. Alderman Miller seconded. Upon roll call, the motion carried on a vote of 8 to 0.

OLD BUSINESS

ANNEXATION RZA97-17 & REZONING RZ97-20

Alderman Williams introduced ordinances annexing and rezoning 76.95 acres located north of Mission Blvd. and east of Blue Mesa Drive as submitted by Marc Crandall on behalf of Gary Atha. Request is to annex the property and rezone it from A-1, Agricultural, to R-1, Low Density Residential. These ordinances were left on second reading at the January 6 Council meeting.

Alderman Miller moved to suspend the rules and go to the third reading for the annexation. Alderman Daniel seconded. Upon roll call, the motion carried on a vote of 8 to 0.

City Attorney Rose read the annexation ordinance for the third time.

Alderman Trumbo moved to amend the ordinance to propose that the annexation, at the request of those being annexed, is made expressly contingent upon the success of rezoning application RZ97-20 and should such rezoning be denied, this annexation shall be null and void. Alderman Daniel seconded.

City Attorney Rose confirmed this was proper procedure.

Alderman Trumbo elaborated that this would tie the two ordinances together. If it is not rezoned R-1, the annexation would be null and void. It would not be annexed into the city.

Alderman Williams stated the developer wants this development or he does not want to be annexed.

There were no public comments regarding the amendment.

Alderman Zurcher had concerns about development in the county not being done to City standards.

Upon roll call, the amendment carried on a vote of 7 to 1, with Alderman Zurcher voting no.

Alderman Trumbo disclosed he lives in a subdivision contiguous to this site and that Mr. Cozart has a depository account at Merrill Lynch. He stated City Attorney Rose found no conflict of interest in either of these situations.

Alderman Trumbo moved to suspend the rules and place the rezoning on third reading. Alderman Miller seconded. Upon roll call, the motion carried on a vote of 8 to 0.

City Attorney Rose read the rezoning ordinance for the third time.

Marc Crandall spoke on behalf of Gary Atha and went through the history of this annexation and rezoning. In the beginning, the Planning Department's requirements seemed simple and straight forward, that they needed a property map and a written paragraph explaining what is planned for the property and how it fits. When it went to the Planning Commission, more specific questions came up. The Planning Commission forwarded this to the Council recommending annexation and rezoning. The Commission felt the basic requirements had been met. They recognized a lot of money was spent to answer questions regarding sewage, traffic, etc.; and they realized that by annexing and rezoning the property they would have more control over the project. He stated the Council has expressed the same concerns the Planning Commission had. It wasn't until it reached this level that neighbors became involved. In reaction to this, they'd met with the neighbors to answer questions and make clear what is planned. Coming out of that meeting, three problems have been identified.

Mr. Crandall stated one concern is the density of the development. He stated they have offered to give a bill of assurance that this property will be developed to a maximum of 169 lots.

Mr. Crandall stated another concern is with the type of housing. He stated they are willing to give a bill of assurance that the minimum house size required in the covenants will be a 2,000 sq. ft. house.

Mr. Crandall stated the third concern is access. He stated this is a Planning Commission decision at this point, but the developer is willing to bear the cost of putting in the Township extension if that is the access required. He stated they would install the Township extension as part of their development. He stated their engineers have looked at it and met with City engineers and the estimates are close.

Alderman Williams asked if the three bills of assurance--not to exceed 169 units, 2,000 sq. ft. homes, and the expense of building the Township extension--were in writing.

Mr. Crandall replied they are written and signed by Mr. Atha. He was not sure they are legal.

City Attorney Rose stated these are enough to enforce in the sense that if what is given is not forthcoming, the City will take away what it has done in reliance upon those assertions. He stated he would have no problem with Mr. Crandall bringing the proper bills of assurance after the Council votes.

Alderman Pettus asked if the Township extension would meet requirements for ingress, egress, connectivity, and all other issues.

Alett Little responded that the standard the Planning Commission looks for is two ways of ingress/egress. That does not mean there won't be stubouts in other directions; they do expect that to occur.

David Glasser, University of Arkansas Community Design Center, stated he has never met a developer as responsive as this one. The proposal before the Council shows this responsiveness. The participation of the Design Center implies quality of design and integrity of intentions. He noted this annexation does not extend the city as much as fills in a present gap. Annexing and rezoning this will put the City in control and assure a certain quality will be maintained.

Mr. Glasser commented on the alley design. He stated this is about 30% of the scheme. These developers believe there is a serious market for this kind of historic-based community planning. They are attempting to develop a scheme that has nine different neighborhoods; only one has a rear-alley access.

Alett Little stated the City does not have a subdivision formally submitted to it. This has to wait until the zoning is in place. The Planning Commission has not worked on any subdivision layout.

Alderman Zurcher asked what assurances there are that this will be a historic-based development, as mentioned.

Mr. Glasser agreed there is no legal assurance. He stated there would have to be some trust. A lot of the development in this area has been done by people who don't live here. These developers are neighbors. There will be another public meeting when this goes to large scale development. If altered, these people would want to know why. He reiterated the assurances.

Dan Turney, Brookbury Homeowners Association, read excerpts from the Planning Commission minutes regarding a bill of assurance for density, traffic, infrastructure, school capacity, condemnation, justified rezoning, and needed market study. He stated resolutions pertaining to these issues are needed before this development could be allowed. He asked if this development is needed. He stated he'd obtained copies of a quick market study of lots available to build on done by Mr. Crandall. They noticed the numbers for Brookbury Woods did not match up with what was submitted to the Council. He stated they'd asked two realtors to research this. They showed 150 lots available in the surrounding subdivisions. The market analysis submitted to the Council is an exaggeration of 400%. He questioned whether the infrastructure could support all the subdivisions when completed.

Mr. Turney stated that by petition submitted to Alderman Trumbo, they are opposed to the annexation and rezoning and are adamantly against any development at this time being proposed through Brookbury Crossing.

David Mix, real estate broker and resident of Brookbury Woods, presented facts concerning Mrs. Brown's 20-acre tract and the adjoining Terminella property. He stated Brookbury and Savanna rank as the fastest growing subdivisions and have cul-de-sac popularity. The market dictates this is the type of housing needed and wanted. The residents of Brookbury Woods have thought that Brookbury Crossing was stubbed out to Mrs. Brown's 20-acre tract as a final phase. The increased traffic flow will automatically cut through Brookbury Woods. The main street is not designed to safely carry the additional traffic. He stated he'd given the Council pictures that show the entry and exit are designed for safety and beauty. Residents walk, ride bikes, and play throughout the subdivision. It is not designed for road tractors and heavy machinery needed to put the new subdivision in. If access is condemned through Brookbury, the new development will use it to go to the mall, Springdale, restaurants and shopping to the north, and Locomotion and to return. Brookbury residents will have no need to go through the new development at all. This is not connectivity. Skillern Road will need to be widened, curbed, and guttered to handle drainage and traffic. Access to Skillern will only increase the traffic on Old Wire and Highway 265. With increased traffic, property values in Brookbury Woods will decline. The developer has said he is willing to put money towards the Brookbury condemnation as an alternative route to extend Township. Mr. Mix encouraged the City to take advantage of this offer. He stated if Mrs. Brown's property and the Terminella property is condemned, it also condemns Brookbury Crossing. The public's demand for this type of neighborhood will mean nothing. Mr. Mix asked the Council to recommend to the Planning Commission the developer's new proposal.

Richard Greene spoke on behalf of a number of Savanna property owners. He stated they have infrastructure concerns which would be addressed at large scale development but need to be considered now. This property in question just came for sale a couple of years ago and was bought at an expensive price. The existing subdivisions raised its value. Its highest and best use must be realized to recoup the investment. As long as the infrastructure problems are taken care of responsibly, most of the Savanna residents would not have a problem if the subdivision were compatible and at least a look-a-like to what the other three subdivisions are. In addition to the infrastructure questions, there is a question of size and density. Savanna has lots of .79 acres. Brookbury has half-acre lots. The proposed annexation will have .4-acre lots. He stated the cost of the Township extension will come from an increased number of lots. Adjacent property owners are concerned about the design of the subdivision. This design would fit wonderfully in an inner-city or central-city setting. He asked why this would be put on the fringe of the city, contributing to urban sprawl. He compared this to Har-Ber Meadows in Springdale, which has been discontinued in its original concept. He stated there are 150 lots available within one mile of this annexation/rezoning. Each subdivision except Savanna and Boardwalk has only one entrance. There are 202 houses for sale in the northeast quadrant of the city, 40% of all houses for sale in the city. The average marketing days is about 184. The question is do we need 162 more building lots. We need to give ourselves time to catch up the infrastructure.

Alderman Schaper stated this is no longer the fringe of town. There is commercial infrastructure within half a mile of this neighborhood. The school system is building a school a thousand feet from the development. He stated he has come to favor this annexation.

Mr. Greene stated he and the property owners of Savanna are going on record as being against the annexation and against the development of the property as proposed, primarily to maintain property values.

Jill Salazar, Brookbury Woods, stated many people are relocating here because of the great schools, great community, and good economy. She stated property values are an issue in relocating. There is low crime, the University, and a lot of energy here. She stated she is concerned with sprawling. She would like to avoid empty subdivisions, which have a detrimental effect on everyone's property. She stated the schools in the area are bordering on capacity now. If growth is not managed, our schools will be rezoned so often our children will not know what school they really go to. She stated she would like to see the offer to develop and extend Township in writing. She referred to a City street department traffic projection done on Skillern Road in 1997. It shows 3,035 trips on Skillern alone every 24 hours. Savanna and Brookbury add another 1,066 trips. Splitting the trips generated by the new development in half would add 826 trips, if another access would be Brookbury; and there is a blind spot when you pull out of Brookbury to the right.

Alderman Williams stated he does not think the City Council is seriously considering sending the traffic through Brookbury at this point in time. The Council is well aware of the situation.

Alderman Trumbo stated the school district is entertaining building the middle schools to absorb the capacity and allow kids already enrolled to continue to stay in those schools. If they have to redistrict the lines, they will do that at a later date.

Alderman Williams stated Dr. New, Superintendent, has appeared before the City Council and said that with the passage of the most recent millage and after building the two middle schools, we will be ahead. The school board is doing their job and the Council needs to consider just what the City needs to do.

Ms. Salazar stated storm runoff is a concern. Building on more land means fewer places for water to go.

Alderman Williams responded that the new drainage ordinances should prevent a problem.

A resident of Brookbury Woods discussed the implications of this development on the City's sewer system. The once-ample infrastructure has reached its limits. The sewage system is nearing capacity. It takes huge sums of money and many years to expand capacity. The City has acknowledged the impending capacity shortfall. Citizens voted nearly 2 to 1 against expansion. Approving all development creates future liability for taxpayers. He implored the Council to heed the will of the citizens and reject this development as unnecessary extension of scarce resources.

Alderman Zurcher agreed the sewage system cannot take a whole lot more. Regarding streets and the added burden, he stated cul-de-sacs have created a lot of the bottle necks.

Alderman Schaper noted that Highway 265 will be widened, which will substantially reduce congestion.

Alderman Trumbo stated that last year there was less flow to the plant caused by new hook-ups as opposed to the decrease in inflow through our infiltration system because of on-going rehabilitation.

Dan Bennett, Ward 3 resident, encouraged the Council to pass the subdivision. He is convinced it follows the letter and spirit of the 2020 Plan. It forces community activity onto the sidewalks by narrowing the streets and slowing traffic down and putting people in front of their houses instead of isolated in backyards. He stated this design has been particularly successful in the South.

Allen Crouch, of Brookbury Woods and representing owners there, stated many issues have been raised and not answered. There is a need for clarity of what is going to go in there. Things need to be put in writing. He stated the Brookbury homeowners are opposed to this annexation at this time.

Alderman Williams stated the three bills of assurance offered are more than usually ever heard by the Council. A lot more questions than usual have been answered at this point.

Max Brown, representing Josephine Brown, stated Ms. Brown is not opposed to this annexation, but she will not sell and does not want a street cut across her land. This land has been in her family since the 1860s. She wants her property left as is.

Alderman Williams stated one more speaker would be heard before returning the discussion to the Council.

Joshua Brown, adjacent property owner, stated there may be more pluses than minuses concerning this development. He made a public appeal for the Council to make trails and pathways to connect this development and others to the schools and commercial centers.

Alderman Young asked if there are any other large annexations coming through.

Alett Little, Planning Director, stated there are two separate annexations, one with 200 acres on the west side of town and possibly as much as 75 acres on the east side of town off Highway 45.

Alderman Young asked if there would be stream studies someday.

Kevin Crosson, Public Works Director, stated they should be ready for the Water & Sewer Committee to discuss by the end of this month.

Alderman Daniel reminded the Council the Planning Commission voted 7 to 0 in favor of the annexation and rezoning. She stated she has confidence they will look at this closely.

Alderman Miller stated one argument that does not hold water with him is people worried about smaller houses next to theirs. He agreed there are a couple problems with the infrastructure. He does not believe this subdivision will be involved in a sewer lift station; it is a straight shot to the plant. He granted there is a problem with sewer capacity. The main problem is getting it to the plant. People on Highway 45 often have trouble with water pressure. The City will put a water tank out there this year to alleviate that problem. Ingress and egress is another problem. This Council believes in connectivity. The offer to connect to Township is a huge expense for the developer.

Alderman Trumbo stated the City has not done a growth study, something that may need to be looked into doing. He stated he does not consider this urban sprawl. He would favor having City control over development here. He appreciated the developer involving the University in this.

Alderman Zurcher stated he has worked with Mr. Glasser and has faith in his style of city planning. He stated the present subdivisions place an unneeded burden on the infrastructure. We may not need more housing in the city now, but this is a good example of how to do a subdivision compared to what could go in there otherwise. He, too, appreciated the developer's effort to do something good on the edge of town.

Alderman Pettus stated her main objection regarding connectivity has been answered by the developer. It is hard to turn down the Township extension.

Alderman Williams was also influenced by the response of the developer to the City. He stated he'd been opposed to using City money to provide a connection for a developer to develop his property. The cheapest way, through Brookbury, would not be satisfactory. Extending Township can help the current situation. He stated it is open to dispute whether this annexation is needed. The bills of assurance answered some of the citizens' concerns. He stated this is good for Fayetteville as it closes up the borders but does not extend them. With the Township extension, it provides good connectivity, access to a City park, and better access to the school.

Alderman Schaper stated property values are more influenced by the current soft market than any subdivision. In this case, no traffic will be routed through any adjacent subdivisions. Given the design principles embodied and the fact that it squares up the city, he would vote for it.

Alderman Daniel stated the deciding factor for her was the offer to extend Township.

Alderman Trumbo stated he would ask the Mayor to appoint him to a committee to look at the cost of a third-party growth study and capacity of the wastewater treatment plant.

Alderman Young stated what he's heard from citizens is they want a subdivision similar to theirs. He suspects the decline in acreage is due to land costs. Everything else is about the same. He stated the Planning Commission would be very aware of citizen interest in this and the developer should be, too.

Alderman Williams called for the vote on the annexation.

Upon roll call, RZA97-17 passed on a vote of 8 to 0.

ORDINANCE 4073 AS RECORDED IN THE CITY CLERK'S OFFICE.

Alderman Williams called for the vote on the rezoning.

Upon roll call, RZ97-20 passed on a vote of 8 to 0.

ORDINANCE 4074 AS RECORDED IN THE CITY CLERK'S OFFICE.

ANNEXATION RZA97-24 AND REZONING RZ97-25

Alderman Williams introduced ordinances annexing and rezoning 1.68 acres located at 4015 East Huntsville Road as submitted by William Greenhaw on behalf of Wanda Sims. Request is to annex the property and rezone it from A-1, Agricultural, to R-1, Low Density Residential. These ordinances were left on second reading at the January 6 Council meeting.

Alderman Schaper moved to suspend the rules and go to the third and final reading of the annexation. Alderman Daniel seconded. Upon roll call, the motion carried on a vote of 7 to 0, with Alderman Trumbo absent for the vote.

City Attorney Rose read RZA97-24 for the third time.

Mr. Greenhaw, petitioner, stated this property is a little more than an acre and a half that was left out of the annexation of other property. The land around this property is in the city and is zoned R-1. This proposal is to make this property consistent with what the owner already has and consistent with neighboring properties. All adjoining property owners have been notified. No one appeared in opposition at the Planning Commission and he has not been contacted regarding any opposition. It was approved unanimously at the Planning Commission.

There were no comments from the audience.

Alderman Daniel moved the annexation. Upon roll call, the motion carried on a vote of 8 to 0.

ORDINANCE 4075 AS RECORDED IN THE CITY CLERK'S OFFICE.

Alderman Miller moved to suspend the rules and go to the third reading of the rezoning. Alderman Schaper seconded. Upon roll call, the motion carried on a vote of 8 to 0.

City Attorney Rose read RZ97-25 for the third time.

There being no comments, Alderman Williams called for the vote.

Upon roll call, the ordinance passed on a vote of 8 to 0.

ORDINANCE 4076 AS RECORDED IN THE CITY CLERK'S OFFICE.

ALDERMEN/STAGGERED TERMS

Alderman Williams introduced an ordinance providing a method to stagger the four-year aldermanic terms required by statute when a Mayor-Council city reaches a population of 50,000 or more. This ordinance was left on second reading at the January 6 council meeting.

Alderman Zurcher moved to suspend the rules and go to the third reading. Alderman Miller seconded. Upon roll call, the motion carried on a vote of 8 to 0.

City Attorney Rose read the ordinance for the third time.

Alderman Zurcher proposed an amendment on behalf of Jim Bemis. He stated the amendment was in a handout.

Alderman Zurcher moved to make the following amendment, the last whereas statement, "Whereas it is in the best interest of democracy that the qualified electors of the City of Fayetteville

decide which ward position shall be for two years and which ward position shall be for four years" and in Section 3, "The determination of whether position one in all wards shall be four years or position two in all wards shall be four years shall be made by the qualified electors of the City of Fayetteville at the 1998 general election which shall be placed on the ballot in substantially the following form:. . . "

Alderman Zurcher stated it goes on to give the voters a choice.

Alderman Trumbo seconded the motion.

Alderman Schaper stated that according to this, the determination would apply city wide. He thought it would apply on a ward by ward basis.

Alderman Williams thought this would be confusing to the voters. He stated people ought to know whether the candidate is running for a two-year or four-year term. Normally, this is decided by the governing body or by lot. He favored the original proposal, which would decide by lot.

Alderman Schaper thought it would be simple from the point of view of the voter in the individual ward. The problem with specifying it in advance is that the cost of a campaign makes a two-year term unattractive.

Alderman Miller stated he would rather go into the election knowing how long his term would be.

Alderman Pettus stated this is for just one election. She stated she spent a lot of money on her campaign because she had three opponents and a big ward. This was for a two-year term, so she is not worried about people being willing to run for a two-year term. She felt Mr. Bemis's suggestion has merit. She stated she does not have a problem not knowing how long her term would be.

Alderman Young thought this would take the focus off the candidates.

Jim Bemis, author of the proposed amendment, stated he does not like the idea of flipping coins. The concept is contrary to what it ought to be. He suggested the more democratic way is to vote on it. He stated he would like to see this discussed in public.

Alderman Schaper stated the issue is, if this ordinance is passed, do we determine at the next meeting which position is two years and which is four years or do we let the voters determine this.

Alderman Zurcher stated this adds an extra step of competition. This is a one-time deal and we have the resources to explain it to the voters.

Alderman Williams reiterated this would cause confusion and is a simple decision for the Council to make.

Alderman Daniel stated she would want to know what her term would be. Ballots need to be kept simple.

Alderman Trumbo stated that in principle he would like for the voters to decide, but with personal and professional considerations, he would want to know whether he was running for two or four years, in order to plan ahead.

City Attorney Rose read the amendment, which adds: "Whereas it is in the best interest of democracy that the qualified electors of the City of Fayetteville decide which ward position in their ward shall be for two years and which ward position in their ward shall be for four years." Section 3 of the original ordinance has been eliminated. The new Section 3 in the amendment will now read: "The determination of whether position one in each ward shall be four years or position two in each ward shall be four years shall be made by the qualified electors of the City of Fayetteville in each ward at the 1998 general election, which shall be placed on the ballot in substantially the following form: Vote on the position in your ward that you prefer to receive the four year term by placing an X in the square opposite the position, either ward position one or ward position two: I vote for ward position one in this ward to receive a four-year term. I vote for ward position two in this ward to receive a four-year term."

Alderman Williams called for the vote on the amendment.

Upon roll call, the amendment failed on a vote of 3 to 5, with Aldermen Williams, Daniel, Young, Trumbo, and Miller voting no.

Alderman Williams stated the Council is now considering the second drafted ordinance, which says this will be decided by lot at the next Council meeting, one position will be two years and one will be four years city wide.

Alderman Williams called for the vote.

Upon roll call, the ordinance passed on a vote of 8 to 0.

ORDINANCE 4077 AS RECORDED IN THE CITY CLERK'S OFFICE.

NEW BUSINESS

CURBSIDE BIN RECYCLING

Alderman Williams introduced a resolution approving a proposal to change the method in which recyclable materials are collected in the residential sector.

Alderman Miller explained that the City is committed to recycling. We have a successful blue-bag program. Fulton Sanitation, who takes the blue bags, is going to quit on us sometime this summer. We will no longer do blue bags. Many other systems were looked at. There have been several meetings and a public hearing about this. Buying the trucks for this program is in the CIP. This passed the Environmental Concerns Committee unanimously. We are trying to make the bins just as easy to use as the blue bags. All recyclables will go into the bins and will be sorted at curbside. An advantage is that the recycling streams are very pure and clean, which is what buyers look for. This has worked well in other cities. It is efficient and not as expensive as running a picking line.

Alderman Schaper reminded the Council they'd discussed doing mixed paper.

Alderman Zurcher stated that according to material about the truck in the CIP, it can separate up to 15 items. He asked what the chances are of taking all those things on a regular basis.

Alderman Miller stated he had a concern about the size of the bin for paper in the truck being too small.

Cheryl Zotti, Environmental Affairs Administrator, stated the City currently does not collect mixed paper. This will be added to the list of what will be collected, which will please a lot of people. The truck has been modified to accommodate that. We will ask citizens to keep this separated in their bin.

Alderman Young asked about newspaper inserts and was told anything that comes with the newspaper can be put in with newspapers.

Alderman Schaper asked what the plan for educating the public is.

Zotti replied there will be videos. The City will work with the Four-County District, which this year will complete a school curriculum, part of which will be specifically for Fayetteville. The City will also go into classrooms. There will be civic group presentations. Channel 3 will be used.

Alderman Miller stated the process is pretty much unchanged, just moved from bags to bins.

Alderman Trumbo stated the bins will have lids. Households will have one bin and it will have rollers.

Kevin Crosson, Public Works Director, stated this is a two-pronged proposal. The second part is for the Council to make a decision whether to increase rates to pay for the new program or to go to volume based rates.

Alderman Miller stated the Environmental Concerns Committee would have a recommendation after its next meeting.

Anne Murphy, Friends for Fayetteville, stated they are excited about this. She encouraged the public education to be as proactive as possible. She asked the Council to consider any plan incomplete that does not include commercial recycling.

Crosson explained what the City is doing for commercial recycling.

Alderman Miller moved the resolution. Alderman Pettus seconded. Upon roll call, the motion carried on a vote of 8 to 0.

RESOLUTION 9-98 AS RECORDED IN THE CITY CLERK'S OFFICE.

CONSTRUCTION MATERIALS

Alderman Williams introduced a resolution awarding bids for construction materials utilized by various City departments.

Kevin Crosson, Public Works Director, stated this is basically our annual purchase of bulk materials for the asphalt overlay program.

Randy Allen, Street Maintenance Superintendent, stated approximately 20,000 tons of asphalt would be used. This is a factor of the number of streets overlaid. The larger streets would have lane striping, turn lanes, arrows, railroad crossings, and ADA curb ramps. The 1998 list has not been done yet. This bid goes out every year to give the flexibility to move money between different types of construction materials. Our goal is to try to pave as many streets as possible.

Alderman Williams moved the resolution. Alderman Young seconded. Upon roll call, the resolution passed on a vote of 8 to 0.

RESOLUTION 10-98 AS RECORDED IN THE CITY CLERK'S OFFICE.

PROPERTY ACQUISITION & SALE

Alderman Williams introduced a resolution approving the sale of 20.6 acres located at the southeast quadrant of the intersection of Cato Springs Rd. and Razorback Rd., approving the acquisition of 14.02 acres of land near the City's Happy Hollow operations facility, and approval of a budget adjustment recognizing the sale of the land, the acquisition of land, and a commitment for the replacement of current facilities.

City Attorney Rose stated there are a couple of minor changes in the offer and acceptance contract. In paragraph 11, March 12, 1997, has been changed to May 15, 1998. Paragraph 15 will now read 10 months from May 15, 1998. In paragraph 19, the closing date will change from April 12, 1998, to May 29, 1998.

Alderman Miller stated Arkansas State Code 14-54-302 states the Mayor and City Clerk will enter into a contract to sell or lease property and a majority of the Council must okay it. Bids are not required under State law, Attorney General opinion 96-251.

Ben Mayes, Administrative Services Director, stated the City was approached by Mark Brewer on behalf of D. J. Hammond and Associates of Texas to acquire this 20.6 acres. We negotiated a bit on the price. They offered $1.1 million for the 20.6 acres contingent on their ability to obtain an R-2 rezoning, which is spelled out in the contract, for 162 units. Staff felt this was significant enough to bring to the Council.

Mayes stated we need to consider that the Children's House facility is on this 20.6 acres. There are also City facilities that house our water and sewer operations and our meter operations. It had been staff's intent to look at moving our water and sewer operations to our Happy Hollow facility. We had $1.4 million in our CIP to build a new facility there in 2001. If this property is sold, additional property would have to be acquired to facilitate the relocation of the water and sewer and meter operations facility. On that property is an existing metal building which will need to be remodeled. We will need to build an additional 5,000 sq. ft. building just to keep even. There are three owners of this property.

Mayes stated a budget adjustment is asked for to allow the City to make offers on the land. Appraisals have been prepared on the three tracts of property adjacent to the Happy Hollow facility. Considering the cost of relocating Children's House, relocating water and sewer, buying the property that is needed, this sale is about a wash. The City would come out a little ahead. When staff comes to Council to replace our facilities, we will take this money plus add additional funds to expand our water and sewer and meter operations, which is something intended and that needs to be done now.

Mayes stated an ad was taken out in the paper to see if there are any other potential buyers. He has heard from two adjacent property owners. One endorses it and the other's property is currently listed more per acre than this sale.

A representative of Children's House stated they are not opposed to relocation with the commitment of the City to replace the building. It opens up opportunity for expansion at a less secluded site. She stated they hoped to be centrally located. A primary concern is disruption of services. This is not just a child care issue. It is an issue of safety for children.

Kevin Crosson, Public Works Director, stated that from a water and sewer standpoint the recommendation is to move forward with the acquisitions on Happy Hollow, regardless of what is done on the sale, to begin relocating.

Alderman Schaper stated section 19 states, ". . .funding of the purchase price shall not occur until Seller has vacated the property. . ." We have to replace these facilities before we receive money. He asked how this would be funded.

Mayes replied the money would probably be put in an escrow account. They are not willing to release the funds ten months ahead of receiving the property. This property is currently held in the water and sewer fund. We would expend the money out of our fund balance and then be reimbursed at the end of the contract.

Crosson added this would only replace what is there and we will be looking at expanding those facilities, so we probably will be looking at some budget adjustments because we are taking this opportunity now instead of in 2002.

Mayes stated the City of Fayetteville owns the Children's House facility. It was built with community development block grant funds. The City's community development block grant coordinator is aware of the sale and has said there are no strings attached from HUD's point of view. We know we will not sell the property unless we replace Children's House and make them whole. One location that has been discussed is a rock house on Highway 265 with approximately 2 acres. One-half acre is required for right of way. Other locations would be looked at. He stated it is D.

J. Hammond's desire to get access to portions of the property before the ten months. We may allow them to do that. In return, they may be willing to give us an additional month or two for relocation. This would be after closing.

Mark Brewer, representing D. J. Hammond & Associates, stated this will be a facility with 9.5' ceilings, lots of crown, fireplaces, swimming pools, volley ball courts, tether ball courts, and garages. There will be a great amount of greenspace, walking paths, and as much preserved foliage as possible. They are looking for the entrance into Fayetteville. It is important to the company to have the Razorback Road address. Hopefully, these units will be tied into the University's mainframe for student use. He stated there could be from 162 to 175 or up towards 200 units. Not knowing what the rents would be, he guessed one-bedroom units would rent for around $450 and three-bedroom units would be around $650-$700. They are high-end units geared for students.

Alderman Williams stated this would be a good entryway for Fayetteville and a way to assure it will not be commercial.

Alderman Young disagreed that the price is right for the City. When the highway opens up, the land will be worth a lot more than $5,000 an acre.

Mr. Brewer stated the adjacent landowner, whose land is listed higher, has it valued higher than it appraised at.

Mayes stated the City had an appraisal done to determine the value. When it came back at $855,000 and the offer was more than that, it was worth carrying forward to Council. We don't have to sell the land. It has always been our intent to relocate the facilities there. The R-2 zoning for approximately 162 seemed attractive, a down zoning from what the property currently is and maybe slightly less than what it is in the Master Land Plan. The recent study done by the University said there is need for more student housing on the south side of Fayetteville.

Alderman Zurcher stated the public interest is not based on the bottom line. He does not see a need for 162 units of up-scale student housing.

Alderman Williams stated this would be good for Ward 1, where a better mix of property is needed. This way a developer would spend the money to beautify an entryway and ensure it not be a commercial area. We will still have to relocate our shop.

Alderman Schaper agreed. This is a golden opportunity to relocate our shops and Children's House and do some redevelopment.

Alderman Pettus asked if the analysis took into consideration future highway development, etc.

Mayes could not answer this. He stated it looks at highest and best use and considered commercial development. He stated they are aware of the future highway plans but he did not know if it was considered. He stated this was not meant to be rushed through. It was held until the agenda session to give time to inform Children's House and City employees.

Alderman Williams asked Mr. Brewer if tabling this for two weeks would cause any problems.

Mr. Brewer stated two weeks would not be a problem but they are looking at the spring of 1999 school year and any delay brings weather concerns regarding construction.

Alderman Trumbo thought another appraisal for comparison purposes would be a worthwhile expense. He thought in the final analysis it is a win-win situation for the City.

Alderman Daniel moved to table this to the next meeting. Alderman Pettus seconded. Upon roll call, the motion carried on a vote of 8 to 0.

NEW STEP RATES

Alderman Williams introduced a resolution adopting new step rates for civil service, fire, and police pay ranges as recommended by staff effective with 1998 payroll No. 2 beginning December 29, 1997.

Ben Mayes, Administrative Services Director, reminded the Council that a pay plan was presented to the Council in December, 1997. It was passed for non-civil service. The Council asked staff to go back and adjust the calculation and revise the surveys to Step G based compensation. The result of the surveys were included in the agenda packet.

Mark Stevens, President of the Fayetteville Firefighters Association, stated they are prepared to accept the 5%, 2% and 1% increases should the Council go with that survey.

Alderman Miller noted that the original was 5%, 3%, and 5%. The police officers go from 3%, 3%, 4%, and 3% to 3%, 1%, 2%, and 2%.

Alderman Millerw wondered why the firefighters are willing to accept the lower pay. He stated going back to the first survey would lock us into the 20-year top out and never using the G rate again.

Mr. Stevens stated their problem with the longevity was the way it was implemented. Most departments get their longevity no matter what the rank. In our department, a person collecting longevity could get promoted and no longer collect it until they top out and are ten years plus in that rank.

Alderman Miller stated the City could be looking at two different ways of evaluating the police and firefighters.

Alderman Williams asked if the firefighters were prepared to accept the first survey, which he understood was more objective and easier to complete and so more accurate.

Mr. Stevens asked about changing the policy on how longevity is distributed, instead of going time and rank, going time with the City. It is the same amount; the difference is when you can collect it.

Alderman Schaper stated this is a separate issue and not on the table. It needs more study.

Mr. Stevens stated if the Council did go with the first one, they would like to discuss how the longevity is implemented.

Alderman Trumbo suggested a compromise between the two surveys, keeping the firefighter increase at 5%; the fire captain at 3%; the battalion chief at 3%; police officer at [illegible]; police sergeant at 3%; and police lieutenant at 4%.

Kevin Crosson, Public Works Director, stated he represents 350 other employees who would like to negotiate up their percentages as well. We are talking about making a level playing field, using a factually-based survey.

Alderman Williams stated if he voted to put the first way in, he would not want to change it or have it challenged every two years. We need to settle on a fair system.

Alderman Zurcher supported going with the new.

Alderman Miller stated the problem with that is we evaluate our non-civil service people one way and civil service people another way.

Mayes stated this is not necessarily correct. Civil service are the only ones on a step and grade scale. Others are on a merit system. The original way is the simplest. This way is probably more accurate but takes more time. Both are fair and factual.

Alderman Trumbo moved to go with his compromise, which changes battalion chief to 3%.

There was no second.

Mr. Stevens stated the second survey excluded more than just the longevity.

Alderman Williams stated getting more in depth gets more complicated. He favored the objective and simpler test, which was the old plan.

Stevens reiterated they are willing to accept the second survey, since it was done.

Alderman Young asked if what the Council accepts will be it, or will staff come up with something else two years from now.

Alderman Williams hoped it would be resolved.

Alderman Schaper stated the reason we do these surveys is to be fact based. We should stick with one version.

Stevens stated they didn't know the method had changed until it was done. It would have been better to have known when the process was started and then understood the reason for it or some common ground reached.

Mayes apologized for not disclosing this more fully. He stated they had said if the survey was done, they expected the rates to stay the same or go down slightly, as it happened.

Alderman Williams stated the police officers did not come before the Council and ask for the survey to be redone. He would be hard pressed to vote to reduce the pay increases the initial survey found for the police, especially since he feels that was the most fair way to determine the pay scale.

Alderman Young moved to accept the newest plan. Alderman Zurcher seconded.

Alderman Schaper asked for the net annual financial impact of the difference between these two.

Mayes stated they did not re-run the numbers. They had run the numbers based on the original survey, which was included in the budget that was passed. Then they re-ran the numbers to see what the impact was if we used Step G and had not redone the survey. They decided the way to fund that was to delay all hiring in the general fund by two months. That is what is being enforced now. This is budgeted. The first one is in the budget and the second one is less than that. Mayes did not know the exact figure but said it is less than $100,000.

Alderman Zurcher stated he'd thought the Council had decided in voting for the second survey that way was the more thorough and fair way.

Mickey Jackson, Fire Chief, stated the motion bothered him because of the effect it has on the police department. They are innocent victims of something done solely for and at the request of fire department employees.

Don Bailey, Personnel Director, stated either method would be judged practical and fair by any compensation company. It is the end objective that is important. The initial survey looks at other forms of compensation besides base pay. That is why it is higher, particularly in the higher ranks. He stated the first method is the more objective method because of the widely differing ways fire pay is presented; it better recognizes the complete compensation package out there. The second survey can be done. The real concern is to be consistent.

There were no comments from the public.

Alderman Williams stated the motion is to accept the newer pay ranges found in the second survey.

Upon roll call, the motion failed on a vote of 1 to 7, with Alderman Young voting yes.

Alderman Williams moved to adopt the original pay plan. Alderman Miller seconded. Upon roll call, the motion carried on a vote of 8 to 0.

RESOLUTION 11-98 RECORDED IN THE CITY CLERK'S OFFICE.

ANNOUNCEMENTS & ADJOURNMENT

Alderman Miller announced an Environmental Concerns Committee meeting.

Alderman Schaper asked about the hillside ordinance revisions.

Alderman Williams stated the Council needs to look at redistricting of the wards. They would discuss this after the next agenda session.

Ben Mayes announced a change in the Town Center meeting date to February 4.

Alderman Williams adjourned the meeting at 10:40 p.m.