Mayor Lioneld Jordan

City Attorney Kit Williams

City Clerk Sondra Smith

Aldermen

Ward 1 Position 1 – Adella Gray
Ward 1 Position 2 – Sarah Marsh
Ward 2 Position 1 – Mark Kinion
Ward 2 Position 2 – Matthew Petty
Ward 3 Position 1 – Justin Tennant
Ward 3 Position 2 – Martin W. Schoppmeyer, Jr.
Ward 4 Position 1 – Rhonda Adams
Ward 4 Position 2 – Alan T. Long

Final Agenda
City of Fayetteville Arkansas
City Council Meeting
February 05, 2013

A meeting of the Fayetteville City Council will be held on February 05, 2013 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:

1. **Dr. Martin Luther King Brotherhood Award for 2013 Presentation** – Presented by Kit Williams

2. **4th Quarter Financial Report 2012**

Agenda Additions:

A. Consent:

1. Approval of the January 15, 2013 City Council meeting minutes. **APPROVED**

2. **CH2M Hill Engineers, Inc.:** A resolution approving a revision to an out-of-scope agreement with CH2M Hill Engineers, Inc. in the amount of $154,550.00 to continue work on a Use Attainability Analysis (UAA) for the White River, maintaining the existing $50,000.00 contingency, and approving a budget adjustment.

   P**ASSED AND SHALL BE RECORDED AS RESOLUTION NO. 19-13**

3. **Gulf Coast High Intensity Drug Trafficking Area:** A resolution approving a budget adjustment in the amount of $115,608.00 recognizing revenue from the office of National Drug Control Policy Gulf Coast High Intensity Drug Trafficking Area.

   P**ASSED AND SHALL BE RECORDED AS RESOLUTION NO. 20-13**

4. **McClelland Consulting Engineers, Inc. Amendment No. 2:** A resolution approving Amendment No. 2 to the contract with McClelland Consulting Engineers, Inc. for Airport Engineering Services.

   P**ASSED AND SHALL BE RECORDED AS RESOLUTION NO. 21-13**

5. **T-Hangar Lease Agreements:** A resolution to approve T-Hangar lease agreements in 2013 and through 2014 at the current rental rate or as adjusted upward by the Airport Board for all T-Hangars rented at the Fayetteville Executive Airport.

   P**ASSED AND SHALL BE RECORDED AS RESOLUTION NO. 22-13**

6. **Animal Shelter Donation Revenue:** A resolution approving a budget adjustment in the total amount of $18,626.00 representing donation revenue to the Animal Services Division for the fourth quarter of 2012 and including a grant award from the ASPCA in the amount of $4,500.00 to fund the animal shelter's transport program for 2013.

   P**ASSED AND SHALL BE RECORDED AS RESOLUTION NO. 23-13**

7. **Old Square, Inc.:** A resolution approving a two-year lease agreement with Old Square, Inc., for the annual rental amount of $9,000.00 to lease approximately 3,500 square feet for document storage.

   P**ASSED AND SHALL BE RECORDED AS RESOLUTION NO. 24-13**

8. **Sales Tax Collection Information Support:** A resolution stating the support of the City of Fayetteville to state statutory amendments authorizing improvements in the information provided to local governments by the State related to collections of local sales and use taxes.

   P**ASSED AND SHALL BE RECORDED AS RESOLUTION NO. 25-13**

B. Unfinished Business:

1. **Kum & Go, L.C.:** A resolution to authorize Mayor Jordan to sell about two acres of the Tyson Factory Property on Huntsville Road for $900,000.00 to Kum & Go, L.C., to agree to cost share with Kum & Go roads or driveways within the Tyson Property adjoining this two acre parcel and the demolition of the factory, and to recommend rezoning this parcel to Neighborhood Commercial or other zoning district satisfactory to Kum & Go, L.C. *This item was tabled at the January 15, 2013 City Council meeting to the February 5, 2013 City Council meeting.*

   P**ASSED AND SHALL BE RECORDED AS RESOLUTION NO. 26-13**

C. New Business:

1. **Amend Section 33.361 Departments, Boards, Commissions, and Authorities:** An ordinance amending Section 33.361 Composition of Chapter 33: Departments, Boards, Commissions, and Authorities of the Code of Fayetteville to change the structure of City and University appointments to the Town and Gown Advisory Committee.

   P**ASSED AND SHALL BE RECORDED AS ORDINANCE NO. 5564**

2. **Amend 2013 City Budget:** A resolution amending the 2013 city budget by reappropriating up to $48,086,200.00 in bonded or ongoing capital projects, outstanding obligations and grant-funded items previously appropriated in the 2012 city budget but not completed or delivered in 2012.

   P**ASSED AND SHALL BE RECORDED AS RESOLUTION NO. 27-13**

3. **Woolsey Aviation Inc. DBA Million Air of Fayetteville:** A resolution approving the termination of the fixed-base airport operations contract with Woolsey Aviation Inc. DBA Million Air of Fayetteville, approving a budget adjustment in the amount of $1,786,452.00 for the implementation and funding of a city-operated fixed-base airport operation, and further approving the addition of 6.6 full-time equivalent employee positions in the Aviation Division for the operation.

   P**ASSED AND SHALL BE RECORDED AS RESOLUTION NO. 28-13**

D. City Council Agenda Session Presentations:

E. City Council Tour:

F. Announcements:

Adjournment: 8:09 p.m.

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>
> **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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> **Old business and new business.**
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>
> **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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City Council Meeting: **February 5, 2013** **Adjourn:** 8:09 pm

Subject:	**Roll**				
9-0	**Petty**	✓			
	Tennant	✓			
	Schoppmeyer	✓			
	Adams	✓			
	Long	✓			
	Gray	✓			
	Marsh	✓			
	Kinion	✓			
	Mayor Jordan	✓			

9-0

Subject:					
Motion To:					
Motion By:					
Seconded:					
	Petty				
	Tennant				
	Schoppmeyer				
	Adams				
	Long				
	Gray				
	Marsh				
	Kinion				
	Mayor Jordan				

City Council Meeting: **February 5, 2013**

Subject:	**Consent**				
Motion To:		Approve			
Motion By:		Gray			
Seconded:		Tennant			
Minutes Approved	**Petty**	✓			
	Tennant	✓			
passed	**Schoppmeyer**	✓			
	Adams	✓			
	Long	✓			
	Gray	✓			
19-13	**Marsh**	✓			
thru	**Kinion**	✓			
25-13	**Mayor Jordan**				

8-0

Subject:					
Motion To:					
Motion By:					
Seconded:					
	Petty				
	Tennant				
	Schoppmeyer				
	Adams				
	Long				
	Gray				
	Marsh				
	Kinion				
	Mayor Jordan				

City Council Meeting: **February 5, 2013**

Subject:	**Kum & Go, L.C.**		Casey's General Store $1,156,000 Kum & Go $1,115,001 LEED Certified		
Motion To:		Amend to Kum & Go	Approve		
Motion By:		Petty	Petty		
Seconded:		Schoppmeyer	Tennant		
B. 1 Unfinished Business Kum & Go approved passed 26-13	**Petty**	✓	✓		
	Tennant	✓	✓		
	Schoppmeyer	✓	✓		
	Adams	✓	N		
	Long	✓	N		
	Gray	✓	✓		
	Marsh	✓	N		
	Kinion	✓	✓		
	Mayor Jordan				
		8-0	5-3		

Subject:					
Motion To:					
Motion By:					
Seconded:					
	Petty				
	Tennant				
	Schoppmeyer				
	Adams				
	Long				
	Gray				
	Marsh				
	Kinion				
	Mayor Jordan				

City Council Meeting: **February 5, 2013**

Subject:	**Amend Section 33.361 Departments, Boards, Commissions, and Authorities**				
Motion To:		2nd Read	3rd Read	Pass	
Motion By:		Long	Tennant		
Seconded:		Adams	Gray		
C. 1 New Business	**Petty**	✓	✓	✓	
	Tennant	✓	✓	✓	
	Schoppmeyer	✓	✓	✓	
	Adams	✓	✓	✓	
Passed	**Long**	✓	✓	✓	
	Gray	✓	✓	✓	
	Marsh	✓	✓	✓	
	Kinion	✓	✓	✓	
5564	**Mayor Jordan**				
		8-0	8-0	8-0	

Subject:	**Amend 2013 City Budget**				
Motion To:		Approve			
Motion By:		Gray			
Seconded:		Tennant			
C. 2 New Business	**Petty**	✓			
	Tennant	✓			
	Schoppmeyer	✓			
	Adams	✓			
passed	**Long**	✓			
	Gray	✓			
	Marsh	✓			
	Kinion	✓			
27-13	**Mayor Jordan**				
		8-0			

City Council Meeting: **February 5, 2013**

Subject:	**Woolsey Aviation Inc. DBA Million Air of Fayetteville**				
Motion To:		Approve			
Motion By:		Petty			
Seconded:		Long			
C. 3 New Business	**Petty**	✓			
	Tennant	✓			
	Schoppmeyer	✓			
	Adams	✓			
	Long	✓			
passed	**Gray**	✓			
	Marsh	✓			
	Kinion	✓			
28-13	**Mayor Jordan**				

8-0

Subject:					
Motion To:					
Motion By:					
Seconded:					
	Petty				
	Tennant				
	Schoppmeyer				
	Adams				
	Long				
	Gray				
	Marsh				
	Kinion				
	Mayor Jordan				

Fayetteville ARKANSAS
www.accessfayetteville.org

Departmental Correspondence

LEGAL DEPARTMENT

Kit Williams
City Attorney
Jason B. Kelley
Assistant City Attorney

TO: **Mayor Jordan**

THRU: **Sondra Smith, City Clerk**

FROM: **Kit Williams**, City Attorney

DATE: **February 6, 2013**

RE: **Passed ordinances and resolutions for February 5, 2013 meeting**

1. **CH2M Hill Engineers, Inc.:** A resolution approving a revision to an out-of-scope agreement with CH2M Hill Engineers, Inc. in the amount of $154,550.00 to continue work on a Use Attainability Analysis (UAA) for the White River, maintaining the existing $50,000.00 contingency, and approving a budget adjustment.

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6. **Old Square, Inc.:** A resolution approving a two-year lease agreement with Old Square, Inc., for the annual rental amount of $9,000.00 to lease approximately 3,500 square feet for document storage.

7. **Sales Tax Collection Information Support:** A resolution stating the support of the City of Fayetteville to state statutory amendments authorizing improvements in the information provided to local governments by the State related to collections of local sales and use taxes.

8. **Kum & Go, L.C.:** A resolution to authorize Mayor Jordan to sell about two acres of the Tyson Factory Property on Huntsville Road for $1,115,001.00 to Kum & Go, L.C., to agree to cost share with Kum & Go for roads or driveways within the Tyson Property adjoining this two acre parcel and the demolition of the factory and all other terms of the Land Sale Agreement and its Addendum, and to recommend rezoning this parcel to Neighborhood Commercial or other zoning district satisfactory to Kum & Go, L.C.

9. **Amend Section 33.361 Departments, Boards, Commissions, and Authorities:** An ordinance amending Section 33.361 Composition of Chapter 33: Departments, Boards, Commissions, and Authorities of the Code of Fayetteville to change the structure of City and University appointments to the Town and Gown Advisory Committee.

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LEASE

On this _____ day of February, 2013, Old Square, Inc. (Lessor) and the City of Fayetteville (Tenant) agree as follows:

Old Square, Inc. agrees to lease the north end of the basement of 26 West Center (approximately 3,500 square feet) to the City of Fayetteville for an annual rent of **Nine Thousand Dollars ($9,000.00)** to be paid monthly at the first business day of each month beginning March 1, 2013 in the amount of **Seven Hundred Fifty Dollars ($750.00)**

The City of Fayetteville agrees to lease approximately 3,500 square feet in the north end of the basement of 26 West Center from Old Square, Inc. and pay an annual rent of **Nine Thousand Dollars ($9,000.00)** to be paid monthly on the first business day of each month beginning March 1, 2013, in the amount **Seven Hundred Fifty Dollars ($750.00)**.

Old Square, Inc. shall be responsible to pay all building utilities. The City of Fayetteville agrees that the space it has rented will be used as storage space for City of Fayetteville records or property. Old Square, Inc. agrees to allow access to the City of Fayetteville records or property as needed by City personnel.

The City of Fayetteville shall not sublet any of this space without the prior written approval of Old Square, Inc.

The initial term of this Lease shall be two years (from March 1, 2013 until February 28, 2015). The City of Fayetteville shall have the right to renew this Lease for up to two additional years, but the annual rental (to be paid in future equal monthly payments) shall be increased to Nine Thousand Six Hundred Dollars ($9,600.00).

In Agreement with all the promises, terms and conditions stated above, Old Square, Inc. by Lee Ward and the City of Fayetteville by Mayor Lioneld Jordan sign their names below.

OLD SQUARE, INC.

By: Lee Ward
LEE WARD

Owner
Corporate Title

CITY OF FAYETTEVILLE, ARKANSAS

By: _____
LIONELD JORDAN, Mayor

ATTEST:

By: _____
SONDRA E. SMITH, City Clerk

SUMMIT AVIATION

01/25/2013

To: City of Fayetteville, City Council Members:
Adella Gray, Sarah Marsh, Mark Kinion, Matthew Petty, Justin Tennant, Martin Schoppmeyer, Rhonda Adams, Alan Long

CC: Mayor Lioneld

Dear Commission Members,

I am writing you to ask that you do not vote to move to a City operated, Fixed Base Operation, at the Fayetteville Executive Airport as a reaction to the current Fixed Base Operator's poor performance, lack of fiscal control and contract violations without thoroughly considering my own company, Summit Aviation. Choosing to operate as a "City run" airport, without receiving proposals from other qualified operators would be making a decision without knowledge of your options. This may lead to the wrong long term decision and will certainly at the very least cost the City a significant amount of resources and effort.

First let me introduce myself, I am the principal owner and manager of Summit Aviation; we operate the Fixed Base Operations (FBO) at both the Springdale and Bentonville Airports. We currently provide full service FBO operations at both locations, operate two charter operations with 5 aircraft (3 of which are turbine aircraft), operate one of only two Cessna Service Centers in Arkansas and provide flight training in both Springdale and Bentonville with 11 aircraft and 7 instructors. We have a history of success and responding to needs quickly. I have operated in Bentonville for over six years, taking over under critical conditions when a tornado had damaged the airport and the existing operator had effectively "called it quits" after not paying the City it's flowage and lease fees and could not maintain fuel on the field. At Springdale we have been in operation for over two years, successfully transitioning the operation to a profitable model and partnering with the City to grow and provide increased value to our customers.

In building both operations I have focused our leadership team on ensuring safe operations, building relationships with our customers to understand their needs, having strong processes and partnering with the Cities of Springdale and Bentonville to grow successfully with aligned visions.

SUMMIT AVIATION

As your own accounting manager for the airport reports every month, Summit has provided much more value to customers in fuel pricing month after month than Millionaire has been able to provide in Fayetteville. In addition to lower everyday pricing, we provide volume discounts to both based and transient customers beyond the favorable posted prices.

In this operation margins are not huge and both the City and the FBO must have a win-win relationship, not a combative one. Using this approach, the Bentonville Airport was just named the Airport of the Year for Arkansas. Over the years Summit Aviation has invested over $500,000 in these airports, all the while paying all lease agreements, flowage fees and payroll on time. We have also continued to invest in our people with all Line personnel now NATA certified. These operations require sound financial management, very controlled overhead and no mistakes to be successful. I would also add that I believe you need an operation that is focused on being involved in Northwest Arkansas and not have a "fly-in" management style operation; success is driven locally through honest investment and work.

My appeal to you at this stage is to ask you to take the time to consider Summit as your provider for the Fayetteville Executive Airport; we can provide the following benefits as your chosen provider:

- Immediately lower fuel prices to your customers with better discount programs
- Save the City from the following investments:
  - $100,000 in start-up equipment cost
  - Hiring 6-7 more city employees with benefits creating an ongoing liability
  - Prevent the City from having to float accounts receivable and fuel inventories at an estimated $150,000
  - Training costs of new employees and ongoing responsibility
  - Risk of Operations
- Proven leadership in NWA, my commitment is local and immediate, we can begin immediately
- The synergy across three airports would allow the efficiencies to be passed to the customer for additional improvements. Additionally this allows flexibility to move employees to cover special events and promotions at the airport efficiently.
- Bring restaurant operations back to the field

SUMMIT AVIATION

Operating the fixed base operations require qualified people and training but most of all it requires flexibility at a moment's notice to meet the changing needs of a customer or to make decisions quickly when something is requested out of the norm from standard operations. Typical City operated airports usually fall short in these areas, not because of lack of desire but from normal processes established by city requirements and process. Ultimately the customer sees this as an organization not able to meet their needs. Finally I would ask you to consider risk in your decision; the current budget proposal presented at the last Airport Board meeting recognized a projected "profit" beyond an externally operated FBO arrangement of just under $30,000. I would submit to you this is a significant investment of a small gain, that any variation in the projected income or margin or expense could eliminate the gain. Further any mistake made by an employee, such as moving an aircraft at night and striking a wall of a hangar is risk to be considered. I challenge you to consider if the benefit is worth the investment.

While I will list a few references, I would encourage you to ask your counterparts in Springdale or Bentonville how we have done and if they have confidence in us.

References:

- Bob McCasslin – City of Bentonville, Mayor
- Wyman Morgan – City of Springdale, Mayors Assistant
- Warren Jones - Director Arkansas Air Museum
- Dick Trammel – Arvest Exec Vice President
- Rob Brothers – Walton Family Foundation
- John Lea – Retired Tyson

Thank you for your time and consideration.

Sincerely,

Dave Powell

David Powell
Summit Aviation - Owner

Elected Officials
Mayor Lioneld Jordan
City Attorney Kit Williams
City Clerk Sondra Smith

Aldermen
Ward 1 Position 1 – Adella Gray
Ward 1 Position 2 – Sarah Marsh
Ward 2 Position 1 – Mark Kinion
Ward 2 Position 2 – Matthew Petty
Ward 3 Position 1 – Justin Tennant
Ward 3 Position 2 – Martin W. Schoppmeyer, Jr.
Ward 4 Position 1 – Rhonda Adams
Ward 4 Position 2 – Alan T. Long

City of Fayetteville Arkansas
City Council Meeting Minutes
January 15, 2013

A meeting of the Fayetteville City Council was held on January 15, 2013 at 6:00 p.m. in Room 219 of the City Administration Building located at 113 West Mountain Street, Fayetteville,

Mayor Jordan called the meeting to order.

PRESENT: Alderman Adella Gray, Sarah Marsh, Mark Kinion, Matthew Petty, Justin Tennant, Martin Schoppmeyer, Rhonda Adams, Alan Long, Mayor Lioneld Jordan, City Attorney Kit Williams, City Clerk Treasurer Sondra Smith, Staff, Press, and Audience.

Alderman Sarah Marsh arrived at 6:20 p.m.

Pledge of Allegiance

Mayor's Announcements, Proclamations and Recognitions: None

City Council Meeting Presentations, Reports and Discussion Items:

State of the City Address – Mayor Lioneld Jordan

Mayor Jordan presented the State of the City Address. A copy is attached.

Agenda Additions: None

Consent:

Approval of the January 03, 2013 City Council meeting minutes.

Approved

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Bid #12-57 Williams Tractor: A resolution pursuant to Bid #12-57 authorizing a contract with Williams Tractor, Inc. in the amount of $24,900.00 for the purchase of one (1) round baler for use at the Noland Wastewater Treatment Facility, and approving a budget adjustment.

Resolution 03-13 as recorded in the office of the City Clerk.

Bid #12-63, Hilbilt Sales Corporation-Arkansas: A resolution pursuant to Bid #12-63 authorizing a contract with Hilbilt Sales Corporation-Arkansas in the amount of $39,690.00 for the purchase of one (1) end-dump hauler trailer for use at the Noland Wastewater Treatment Facility, and approving a budget adjustment.

Resolution 04-13 as recorded in the office of the City Clerk.

Bid #12-77, Terex Equipment Services: A resolution pursuant to Bid #12-77 authorizing a contract with Terex Equipment Services in the total amount of $83,284.00 for the purchase of two (2) Ford F-250 crew cab pickup trucks for use by the Fire Department.

Resolution 05-13 as recorded in the office of the City Clerk.

Bid #13-02, Reflectorized Paint Markings: A resolution awarding Bid #13-02 and authorizing the purchase from Asphalt Striping Service, LLC of reflectorized paint markings, in variable amounts, for the Transportation Division as needed through the end of calendar year 2013.

Resolution 06-13 as recorded in the office of the City Clerk.

Bid #13-03, Construction – Curb and Gutter: A resolution awarding Bid #13-03 and authorizing the purchase of curb and gutter construction from Sweetser Construction, Inc. as a primary supplier and Tomlinson Asphalt Co., Inc. as secondary supplier, in variable amounts, and authorizing the use of other bidders based on price and availability, as needed through the end of calendar year 2013.

Resolution 07-13 as recorded in the office of the City Clerk.

Bid #13-04, Hillside Gravel: A resolution awarding Bid #13-04 and authorizing the purchase of hillside gravel from Les Rogers, Inc. for variable unit prices, and authorizing the use of other bidders based on price and availability, as needed through the end of calendar year 2013.

Resolution 08-13 as recorded in the office of the City Clerk.

Bid #13-05, Concrete: A resolution awarding Bid #13-05 and authorizing the purchase of concrete from Tune Concrete Company as a primary supplier and Beaver Lake Concrete, Inc. as secondary supplier, in variable amounts, and authorizing the use of other bidders based on price and availability, as needed through the end of calendar year 2013.

Resolution 09-13 as recorded in the office of the City Clerk.

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Bid #13-06, Truck Hauling Services: A resolution awarding Bid #13-06 and authorizing the purchase of truck hauling services from Les Rogers, Inc. and S&R Trucking, in equal amounts, for variable unit prices, and authorizing the use of other bidders based on price and availability, as needed through the end of calendar year 2013.

Resolution 10-13 as recorded in the office of the City Clerk.

Bid #13-07, Aggregate Materials: A resolution awarding Bid #13-07 and authorizing the purchase of aggregate materials for varying unit prices from various vendors, as needed through the end of calendar year 2013.

Resolution 11-13 as recorded in the office of the City Clerk.

Bid #13-09, Drainage Pipe: A resolution awarding Bid #13-09 and authorizing the purchase of drainage pipe for varying unit prices from various vendors, as needed through the end of calendar year 2013.

Resolution 12-13 as recorded in the office of the City Clerk.

Bid #13-10, Crushed Rock Salt: A resolution awarding Bid #13-10 and authorizing the purchase of crushed rock salt from North American Salt Company in the amount of $73.76 per ton, and authorizing the use of other bidders based on price and availability, as needed through the end of calendar year 2013.

Resolution 13-13 as recorded in the office of the City Clerk.

Bid #13-11, Screened Topsoil: A resolution awarding Bid #13-11 and authorizing the purchase of topsoil from Les Rogers, Inc. in the amount of $10.74 per cubic yard, in variable amounts, and authorizing the use of other bidders based on price and availability, as needed in calendar year 2013.

Resolution 14-13 as recorded in the office of the City Clerk.

Landers Toyota of Little Rock: A resolution authorizing the purchase of three (3) Toyota Tacoma Compact pickup trucks in a total amount of $69,875.00, pursuant to a state procurement contract, from Landers Toyota of Little Rock for use by the Water and Sewer Division, and approving a budget adjustment.

Resolution 15-13 as recorded in the office of the City Clerk.

Bale Chevrolet of Little Rock: A resolution authorizing the purchase of seven (7) police package Chevrolet Tahoes in a total amount of $245,651.00, pursuant to a state procurement contract, from Bale Chevrolet of Little Rock for use by the Police Department.

Resolution 16-13 as recorded in the office of the City Clerk.

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Ozarks Electric Cooperative Corporation: A resolution authorizing the transfer of an easement interest to Ozarks Electric Cooperative Corporation on certain city-owned property in Veterans Park to provide for a relocation of electrical utility service.

Resolution 17-13 as recorded in the office of the City Clerk.

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

Unfinished Business: None

New Business:

2012 Arkansas Department of Environmental Quality E-Waste Grant: A resolution authorizing acceptance of a 2012 Arkansas Department of Environmental Quality E-Waste Grant of $25,000.00 for an e-waste coupon redemption program, and approving a budget adjustment.

Brian Pugh, Waste Reduction Coordinator: This is not a matching grant. The industry calls it E-Waste, I would prefer to call it E-Scrap, E-Waste has a negative meaning to it that you can throw it away because it is not useful. There is use in this E-Waste. We want computers, cell phones, televisions and stereos. It is important to keep these items out of the landfill. There is lead, mercury and other contaminates that over time will leach into the soil. We need programs in place to recycle these items. There is a lot of value in E-Waste.

Alderman Adams thanked Brian for his worked in solid waste. A program like this has to come from the top and Brian's work in solid waste has been noticed. Mayor Jordan and Don have led this but so have our citizens. They have pushed us to be educated and aware of what happens to our electronic waste and they have pushed our recycling program to be the best it can be.

Brian Pugh: We have a lot of education and marketing plans for this year that we will be bringing forward.

Alderman Kinion: This came before the Water and Sewer Committee and was unanimously supported. Thank you for the work that you have done.

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

Resolution 18-13 as recorded in the office of the City Clerk.

Asphalt Materials: An ordinance waiving the requirements of formal competitive bidding during calendar year 2013 for the purchase of asphalt materials for use by the Transportation Division but requiring informal quarterly bids or quotes.

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City Attorney Kit Williams read the ordinance.

Terry Gulley, Transportation Services Director: This is a continuation of a program that we have done for the past three or four years. We were bidding this once a year and the asphalt companies would honor those prices. A few years ago, with the volatility, in the market the bidders were coming back to us wanting to change the prices. By doing this they are more likely to bid. We suspend the formal bidding but receive informal bids on a quarterly basis. This allows us to do that through Purchasing without having to come back for approval four times during the year. We still take the low bidder each quarter.

Alderman Kinion 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.

Alderman Kinion 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 5561 as Recorded in the office of the City Clerk.

Refurbished Hazmat Truck: An ordinance waiving the requirements of formal competitive bidding and approving a contract with Beverage Body and Trailer Service in the total amount of $65,974.00 to purchase a refurbished hazmat truck for the Fire Department, and approving a budget adjustment.

City Attorney Kit Williams read the ordinance.

Fire Chief Dayringer explained why this truck was needed. He stated this purchase has been approved by the Equipment Committee.

Alderman Kinion moved to suspend the rules and go to the second reading. Alderman Long 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.

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

Ordinance 5562 as Recorded in the office of the City Clerk.

Amend §173.08 Energy Conservation Code: An ordinance to adopt the 2011 Arkansas Energy Code for new building construction for Commercial and High-Rise Residential Construction projects including thermal and lighting efficiency standards as required by A.C.A. §15-10-205 by amending §173.08 Energy Conservation Code of the Fayetteville Code.

City Attorney Kit Williams read the ordinance.

Peter Nierengarten, Director Sustainability and Strategic Planning: In July the city adopted the 2009 International Energy Conservation Code for residential construction. Passage of this ordinance will bring us in compliance with state statute. It would also bring our commercial and high rise residential construction requirements up to the same standard that our residential construction standards are for compliance with that 2009 International Energy Conservation Code.

Mayor Jordan: The state passed this and we are mandated to pass it.

Peter Nierengarten: That is accurate.

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

City Attorney Kit Williams read the ordinance.

Alderman Petty moved to suspend the rules and go to the third and final reading. Alderman Schoppmeyer 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 7-0. Alderman Marsh was absent.

Ordinance 5563 as Recorded in the office of the City Clerk

Kum & Go, L.C.: A resolution to authorize Mayor Jordan to sell about two acres of the Tyson Factory Property on Huntsville Road for $900,000.00 to Kum & Go, L.C., to agree to cost share with Kum & Go roads or driveways within the Tyson Property adjoining this two acre parcel and

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the demolition of the factory, and to recommend rezoning this parcel to Neighborhood Commercial or other zoning district satisfactory to Kum & Go, L.C.

Paul Becker, Finance Director: The city brought this property at 1851 East Huntsville Road for $1.1 million. The property had approximately 11.2 acres. The property was purchased primarily because the city needed right of way for the expansion of Highway 16. We also built a fire station on that property. We have approximately 10.4 acres left. We were approached by Kum & Go to purchase a portion of that property. We felt the offer was good enough to bring to the Council for consideration. We have received another offer from Casey's General Store, Inc. We would have approximately seven acres left if we sell a portion of this property and demolish the old building.

City Attorney Kit Williams: You can not pass the resolution that was in your packet because we now have two offers one from Kum and Go and one from Casey's General Store. Mr. Williams gave the Council a copy of both offers. He stated this is a blighted area.

Alderman Petty asked City Attorney to describe the options the City Council has regarding the property.

City Attorney Kit Williams: You can accept the Kum and Go offer of $1 million, or approve the Casey's General Store offer of $1 million. We have two fairly identical offers. Both of these corporations are well known and respected corporations that do quality developments. That makes a difficult situation when you have identical offers. You might want to table the resolution and authorize both parties to provide a sealed offer before the next City Council meeting. This offer would be opened at the next City Council meeting. We should not allow any language in the offer to the effect that the company will match or equal the other company's final offer. The citizens deserve the very best final offer that these corporations are willing to make. If a third party wants to get involved they must notify the Mayor's office no later than 4:30 p.m. on January 28 with a signed land sale agreement in the same form as Kum and Go and Casey's General Store.

Alderman Marsh: If we went with option three and tabled the resolution would we, after seeing the final offers, have the ability to turn them all down?

City Attorney Kit Williams: Certainly.

Alderman Kinion: I think it is important for us to consider tabling this. This is an important piece of property and there is evidence that there is interest. This is an important piece of property that is owned by the city and it is a liability for the city.

Rob Wadle, Kum and Go thanked the staff, Planning Commission, and City Council for the awesome site that they helped them design on Martin Luther King and Hill Street. We build LEED certified stores. We are a family owned company that gives 10% of our profits back to the community. We have been working on this project for approximately one and a half years. Mr. Wadle reviewed the LEED certified stores that they have built.

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Alderman Marsh: On your LEED certification do you pursue sustainable sites credit eight which is lighting pollution reduction. I would also be interested in storm water run off as well.

Rob Wadle: I will get that information for you. We can work on screening and landscape screening as well.

Alderman Petty: I can tell that you are making a good faith effort to meet our community's needs and desires. Can you be more specific about the 10% of the profit that goes to the community? Does that mean that 10% of the local stores profits go to the community in which it resides?

Rob Wadle: I don't know the answer to that.

Alderman Petty: That would make a difference for me if you can guarantee that 10% of your stores profits went back to Fayetteville.

Rob Wadle: We have a local general contractor that does our work and 80% of the building cost goes to local contractors.

Alderman Adams: Can you talk a little about your employment practices.

Rob Wadle: We hire between 15 and 20 staff, half are full time and half are part time. We have a manager on site and a sales manager as well. We try to keep everything brand standard. Our inside sells in Northwest Arkansas match the cost that we sell outside.

Larry McCredy attorney for Casey's General Store apologized for their late entry into this process. Casey's found out about this opportunity last week. Casey's is a Fortune 500 company. It had about $5.1 billion in total sales in 2012. It has about 1,700 stores nationwide and started in Iowa. It entered the Arkansas market in 2011. Casey's hires full time and part time employees. They focus on foods that are prepared on sight.

Alderman Marsh: Do you purchase local food products for the food preparation area of the stores?

Larry McCredy: I can get that information to you.

Alderman Adams: When you come back, if we decide to table this, can you talk about the buffering you would do as well.

Johnny Walker a resident of Fayetteville: I have mixed feelings about this. If you go to sealed bids and they decide to not submit a sealed bid are these offers still good?

City Attorney Kit Williams: Until the offer is accepted by the City Council they have the option to not go forward.

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Johnny Walker: Are these 24 hour seven days a week establishments?

Larry McCredy: Yes we are.

Larry McCredy: They anticipate this would be a 24/7 location. Casey's has no intention to withdraw from the process if this is tabled.

Alderman Marsh voiced her concern with a 24/7 operation and the peace and quiet of the neighbors.

Rob Wiley: We can control when we drop fuel and deliveries. We can not control when trash is picked up because that service is probably provided by the city.

Larry McCredy: Casey's is open to reservations or concerns that the Council might have.

Alderman Kinion moved to table the resolution to the February 5, 2012 City Council meeting. Alderman Adams seconded the motion. Upon roll call the motion passed unanimously.

This resolution was tabled to the February 5, 2012 City Council meeting.

City Council Agenda Session Presentations: None

City Council Tour: Monday, January 14, 2013 at 4:30 p.m. City property known as the Tyson factory located at 1851 East Huntsville Road.

Announcements:

Adjournment: 7:45 p.m.

_____ _____

Lioneld Jordan, Mayor **Sondra E. Smith, City Clerk/Treasurer**

UNOFFICIAL

Memo handed out for the 2/5/13 CC mtg.

Fayetteville ARKANSAS

Departmental Correspondence

www.accessfayetteville.org

LEGAL DEPARTMENT

Kit Williams
City Attorney

Jason B. Kelley
Assistant City Attorney

TO: **Mayor Jordan**
City Council

CC: **Don Marr**, Chief of Staff
Paul Becker, Finance Director

FROM: **Kit Williams**, City Attorney

DATE: **February 4, 2013**

RE: **Considerations relevant to the offers to purchase the two acre parcel**

Exactly two months after I had assumed the duties as Fayetteville City Attorney, I had to advise the Mayor and City Council that a Resolution passed by the City Council and signed by Mayor Hanna the previous year was unconstitutional. This Resolution promised to pay about $2.3 Million of property taxes to the Boys and Girls Club to match an over $10 Million grant from the Donald W. Reynolds Foundation to build a new Boys and Girls Club in Fayetteville. My opinion was so disliked that an Attorney General's Opinion was immediately sought by Aldermen. In Opinion No. 2001-135, Attorney General Pryor confirmed that I had been correct. More important now were the Attorney General's comments that **a city can consider more than just money when considering a conveyance of city property**.

> "With respect to the issue of consideration, it is well established that a municipal corporation may convey public property or an interest therein based upon consideration other than money."

The Attorney General then quoted from an earlier Opinion concerning what type of non-monetary consideration could be appropriate:

> "The Arkansas Supreme Court has held that even non-monetary consideration can be adequate if a 'public advantage' will result from the lease."

CONCLUSION

Therefore, I believe that the City Council may consider any "public advantage" in conjunction with the monetary offers made by Kum & Go and Casey's General Store. My advice is that the principal consideration by far should be the amount of money actually offered by the businesses. However, if the monetary offers from both stores are relatively close, then the City Council may consider other "public advantages" that one or the other of the two businesses could offer and be received by the City and our citizens.

Handed out at the 2/5/13 City Council meeting

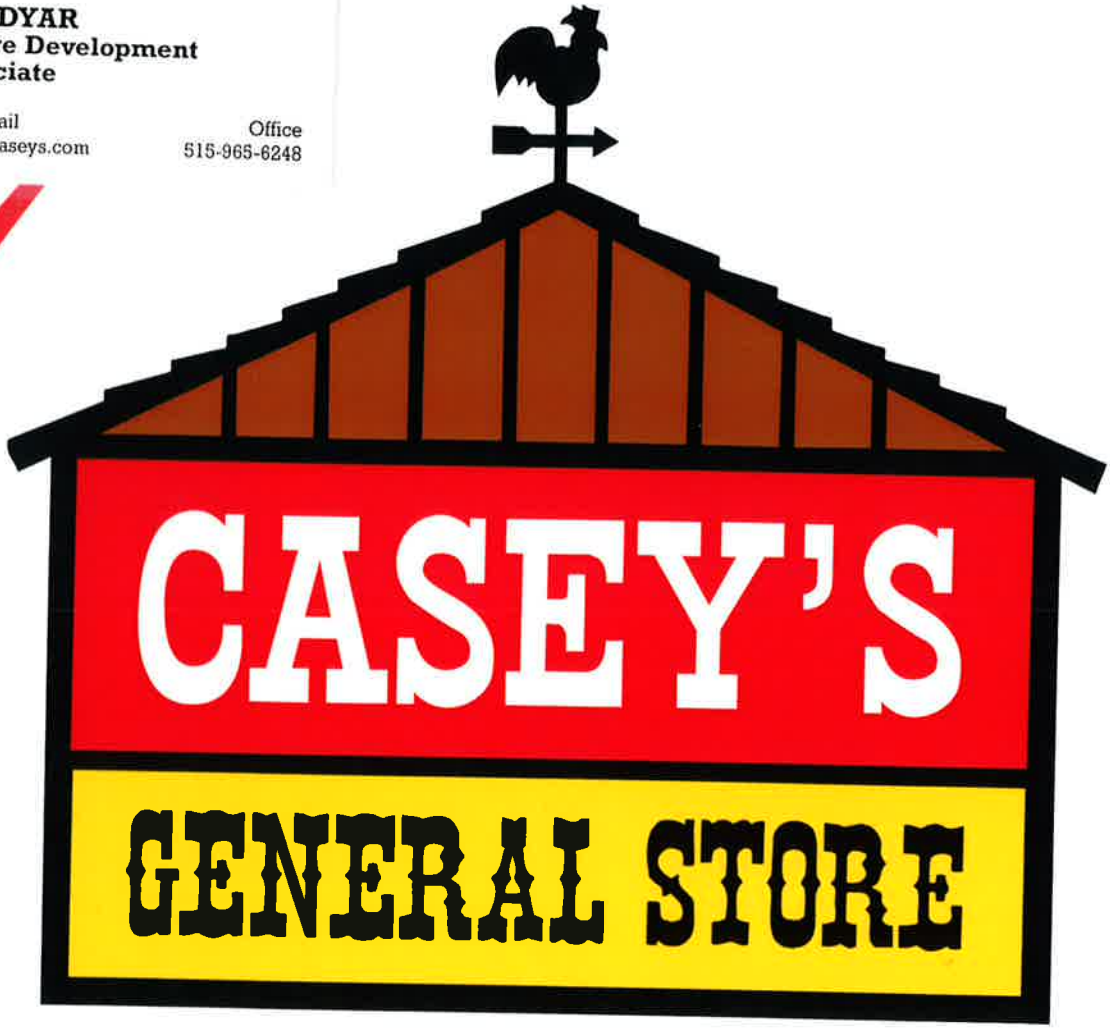
Casey's General Stores, Inc.
One Convenience Blvd.
Ankeny, Iowa 50021
www.caseys.com

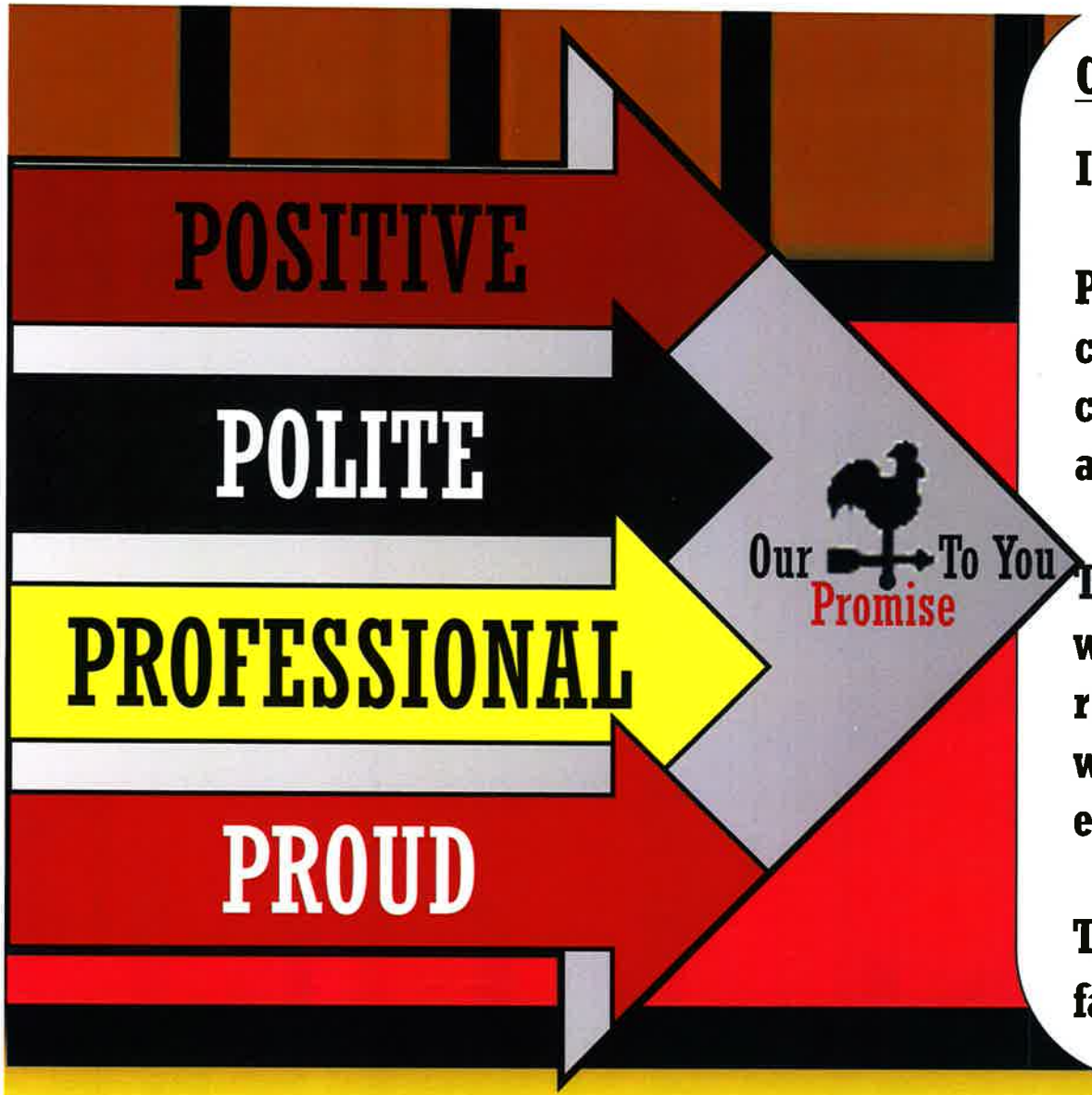
JONI DYAR
Real Estate/Store Development Associate

Cell 515-490-7908
FAX 515-965-6107

E-mail
joni.dyar@caseys.com

Office
515-965-6248





Casey's Mission Statement:

It is Casey's Mission to:

Provide quality products at competitive prices with courteous service in clean stores at convenient locations.

To provide a work environment where employees are treated with respect, dignity, and honesty, and where high performance is expected and rewarded.

To provide shareowners with a fair return on investment.

Casey's Values: Our values are the same for all employees, regardless of position, and are refined through experience and appointment to positions of greater responsibility. They are the foundation of our character and are at the core of what makes us great as a team. Our values support Casey's Business Code of Conduct and Ethics, as they bind all members into a team dedicated to serving each other, our customers, our shareholders and the community.

Positive: The Casey's attitude and passion to achieve excellence. This can-do, enthusiastic spirit energizes every member of the company's team. Our positive personal demeanor defines our working environment everyday, fuels motivation and encourages others on the team do their best to accomplish our mission.

Polite: Live the Golden Rule--Treat others as you want to be treated. Casey's consistently fosters a climate of service in which our most precious resources; customers and employees, are treated with dignity and respect. Fostering a balanced and dignified climate at every level in Casey's begins with our leaders' personal example.

Proud: Take pride in our profession to improve the customer experience at Casey's General Stores across the Midwest. Believe in yourself, your contribution to the Casey's Team and your community. We do make a positive difference in the community; strive to be the best you can and know that everyday you are having an impact on our team and our customers.

Professional: Our passion, self-discipline and integrity to know and do what is right. Know your job, adhere to the Casey's Code of Business Conduct and Ethics and other policies, consistently strive to do your very best, be passionate and enthusiastic about your job on the team. As a leader, set the standard with words, daily actions, personal conduct and appearance.

CASEY'S
GENERAL STORE
SUPER UNL
PREMIUM
DIESEL
3.72⁹ 4.02⁹ 3.93⁹
CASEY'S
CASEY'S

CASEY'S
GENERAL STORE
SUPER UNL
PREMIUM
DIESEL
3.72⁹
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CASEY'S
CASEY'S

CASEY'S

CASEY'S
General Store

COFFEE BAR
DELI
DAIRY
JUICE
SODA
Marlboro
TACO
PIZZA
Prepaid Center

FRESH SUBS TO GO!
HOMEMADE
TO GO!
SUBS
Hungry?
Doritos
Cheetos

CASEY'S GENERAL STORES, INC.

P.O. Box 3001 • One Convenience Blvd., Ankeny, Iowa 50021-8045 • 515-965-6100

Casey's General Stores has a lot of different energy initiatives, listed below are some of them:

- All of our newly constructed stores use 100 percent high efficiency LED lighting. Also, when we perform a major remodel of an existing store, we replace the fluorescent lighting with LED lighting.
- New canopies over the fuel pumps are being installed with both time systems and photo eyes to help control the canopy lighting in a more efficient manner.
- High efficiency natural gas heating and cooling units are installed in all newly constructed stores, along with tankless water heaters.
- Separate electrical and exhaust systems are installed for the kitchen in new stores, which enable them to be completely shut-down when the rest of the store is open and reduces the amount of temperature-controlled air that escapes our stores.

Casey's General Stores are committed to delivering value and the initiatives we have in place make good business sense, as well as a positive environmental and social impact.

DRAWING NO. 02	PROJECT NO. 13-027	Bates & Associates, Inc. www.batesassoc.com Civil Engineering & Surveying 91 W. Cobb Square Dr. Suite 3 Fayetteville, Arkansas 72703 Phone - 479.442.9350 Fax 479.521.9350	CASEY'S GENERAL STORE SITE PLAN CASEY'S GENERAL STORE FAYETTEVILLE, ARKANSAS	REVISIONS / DATE	DRAWN BY: JJ ENGINEER: S. BATES ARKANSAS REGISTERED PROFESSIONAL ENGINEER

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Handed out at the 2/5/13 City Council Meeting.

February 5, 2013

To: The Honorable Mayor Lioneld Jordan, and Fayetteville City Council Members

From: Lorel Hoffman

Regarding: Proposed development of City owned property on 1851 E. Huntsville Road, the former Tyson Complex.

Ladies and Gentlemen:

I am writing in opposition of the sale of city owned land, and development of the two competing proposals for gas stations and convenience stores to be built on the referenced City owned site. As I understand it, the competing offers are from Kum & Go, and The Country Market.

As a longtime Fayetteville resident and former Planning Commission Chair, I feel compelled to urgently request that this course of action be immediately abandoned, until a more suitable use of this valuable asset is presented.

This location is located on a major traffic corridor leading to central Fayetteville, the University of Arkansas, and the technology park. During my tenure on the PC, great care was taken to insure that traffic gateway roads were developed in a responsible and appropriate manner. Cato Springs Road, just to the South of this location, is a prime example. In addition, I can find no support of this type of development on either the 2030 Plan, the City's own "Tyson Building Best Use and Financial Alternatives Report", or in any scenario of responsible and sustainable urban planning common practice.

The arguments against such development are many:

- A new mega gas station and convenience store will force the two existing locally owned businesses, located within less than one block of the site, to close.
- The proposed use is not sustainable in any way, and further encourages the use of the automobile and its associated waste stream.
- The location, in the midst of a low to moderate income neighborhood, perpetuates, actually increases a food desert condition where no healthy, locally grown food is available in the immediate vicinity.
- A convenience store is a magnet for crime. Many residents in the area have expressed fear of increased traffic, crime, the sale of beer and wine in a residential area, loitering, and fumes.
- This type of development will produce a domino effect of undesirable commercial development; fast food establishments purveying more junk food come first to mind.

The only favorable argument that I can see is that the City of Fayetteville makes some money on the sale of the land. While this may appear good in the very short term, one needs only to look at the Mayor's 2013 State of the City address. According to Mayor Jordan, the City coffers are full thanks to his careful stewardship of financial resources during the recession. Why, then must the City sell an asset to a development which sets such a poor standard?

In summary, Fayetteville has so many great opportunities, natural beauty, and is poised to be recognized on a national level for raising the bar of sustainable, responsible urban planning. Please don't take us backwards. Thank you for your time.

Lorel Hoffman

Mayor Lioneld Jordan

City Attorney Kit Williams

City Clerk Sondra Smith

Aldermen

Ward 1 Position 1 – Adella Gray
Ward 1 Position 2 – Sarah Marsh
Ward 2 Position 1 – Mark Kinion
Ward 2 Position 2 – Matthew Petty
Ward 3 Position 1 – Justin Tennant
Ward 3 Position 2 – Martin W. Schoppmeyer, Jr.
Ward 4 Position 1 – Rhonda Adams
Ward 4 Position 2 – Alan T. Long

Tentative Agenda
City of Fayetteville Arkansas
City Council Meeting
February 05, 2013

A meeting of the Fayetteville City Council will be held on February 05, 2013 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:

1. **Dr. Martin Luther King Brotherhood Award for 2013 Presentation** – Presented by Kit Williams

2. **4th Quarter Financial Report 2012**

Agenda Additions:

A. Consent:

1. Approval of the January 15, 2013 City Council meeting minutes.

2. **CH2M Hill Engineers, Inc.:** A resolution approving a revision to an out-of-scope agreement with CH2M Hill Engineers, Inc. in the amount of $154,550.00 to continue work on a Use Attainability Analysis (UAA) for the White River, maintaining the existing $50,000.00 contingency, and approving a budget adjustment.

3. **Gulf Coast High Intensity Drug Trafficking Area:** A resolution approving a budget adjustment in the amount of $115,608.00 recognizing revenue from the office of National Drug Control Policy Gulf Coast High Intensity Drug Trafficking Area.

4. **McClelland Consulting Engineers, Inc. Amendment No. 2:** A resolution approving Amendment No. 2 to the contract with McClelland Consulting Engineers, Inc. for Airport Engineering Services.

5. **T-Hangar Lease Agreements:** A resolution to approve T-Hangar lease agreements in 2013 and through 2014 at the current rental rate or as adjusted upward by the Airport Board for all T-Hangars rented at the Fayetteville Executive Airport.

6. **Animal Shelter Donation Revenue:** A resolution approving a budget adjustment in the total amount of $18,626.00 representing donation revenue to the Animal Services Division for the fourth quarter of 2012 and including a grant award from the ASPCA in the amount of $4,500.00 to fund the animal shelter's transport program for 2013.

7. **Old Square, Inc.:** A resolution approving a two-year lease agreement with Old Square, Inc., for the annual rental amount of $9,000.00 to lease approximately 3,500 square feet for document storage.

B. Unfinished Business:

1. **Kum & Go, L.C.:** A resolution to authorize Mayor Jordan to sell about two acres of the Tyson Factory Property on Huntsville Road for $900,000.00 to Kum & Go, L.C., to agree to cost share with Kum & Go roads or driveways within the Tyson Property adjoining this two acre parcel and the demolition of the factory, and to recommend rezoning this parcel to Neighborhood Commercial or other zoning district satisfactory to Kum & Go, L.C. *This item was tabled at the January 15, 2013 City Council meeting to the February 5, 2013 City Council meeting.*

C. New Business:

1. **Amend Section 33.361 Departments, Boards, Commissions, and Authorities:** An ordinance amending Section 33.361 Composition of Chapter 33: Departments, Boards, Commissions, and Authorities of the Code of Fayetteville to change the structure of City and University appointments to the Town and Gown Advisory Committee.

2. **Sales Tax Collection Information Support:** A resolution stating the support of the City of Fayetteville to state statutory amendments authorizing improvements in the information provided to local governments by the State related to collections of local sales and use taxes.

3. **Amend 2013 City Budget:** A resolution amending the 2013 city budget by reappropriating up to $48,086,200.00 in bonded or ongoing capital projects, outstanding obligations and grant-funded items previously appropriated in the 2012 city budget but not completed or delivered in 2012.

4. **Woolsey Aviation Inc. DBA Million Air of Fayetteville:** A resolution approving the termination of the fixed-base airport operations contract with Woolsey Aviation Inc. DBA Million Air of Fayetteville, approving a budget adjustment in the amount of $1,786,452.00 for the implementation and funding of a city-operated fixed-base airport operation, and further approving the addition of 6.6 full-time equivalent employee positions in the Aviation Division for the operation.

D. City Council Agenda Session Presentations:

E. City Council Tour:

F. Announcements:

Adjournment:

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.

All cell phones must be silenced and may not be used within the City Council Chambers.

Below is a portion of the **Rules of Order and Procedure of the Fayetteville City Council** pertaining to City Council meetings:

> **Agenda additions.** A new item which is requested to be added to the agenda at a City Council meeting should only be considered if it requires immediate City Council consideration and if the normal agenda setting process is not practical. The City Council may only place such new item on the City Council meeting's agenda by suspending the rules by two-thirds vote. Such agenda addition shall be heard prior to the Consent Agenda.
>
> **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.
>
> **Old business and new business.**
>
> > **Presentations by staff and applicants.** Agenda items shall be introduced by the Mayor and, if an ordinance, read by the City Attorney. City staff shall then present a report. An agenda applicant (city contractor, rezoning or development applicant, etc.) may present its proposal only during this presentation period, but may be recalled by an alderman later to answer questions. Staff and applicants may use electronic visual aids in a City Council meeting as part of their presentation.
> >
> > **Public comments.** Public comment shall be allowed for all members of the audience on all items of old and new business and subjects of public hearings. No electronic visual aid presentations shall be allowed, but the public may submit photos, petitions, etc. to be distributed to the City Council. If a member of the public wishes for the City Clerk to distribute materials to the City Council before its meeting, such materials should be supplied to the City Clerk office no later than 9:00 a.m. on the day of the City Council meeting. Any member of the public shall first state his or her name and address, followed by a concise statement of the person's position on the question under discussion. Repetitive comments should be avoided; this applies to comments made previously either to the City Council or to the Planning Commission when those Planning Commission minutes have been provided to the Aldermen. All remarks shall be addressed to the Mayor or the City Council as a whole and not to any particular member of the City Council. No person other than the Aldermen and the person having the floor shall be permitted to enter into any discussions without permission of the Mayor. No questions shall be directed to an Alderman or city staff member except through the Mayor.
>
> **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.

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.

A copy of the complete City Council agenda is available at accessfayetteville.org or in the office of the City Clerk, 113 W. Mountain, Fayetteville, Arkansas.

City of Fayetteville Staff Review Form

City Council Agenda Items and Contracts, Leases or Agreements

05-Feb-13
City Council Meeting Date
Agenda Items Only

David Jurgens	Wastewater Treatment	Utilities
Submitted By	**Division**	**Department**

Action Required:

Approval of an revision to the Out of Scope Agreement with CH2M Hill Engineers, Inc. for $154,550 to continue work on the Use Attainability Analysis (UAA) for the White River, maintaining the existing approved $50,000 contingency, and approve a budget adjustment.

$204,550.00	$ 67,400.00	Wastewater Treatment
Cost of this request	Category / Project Budget	Program Category / Project Name
5400.5700.5315.00	$ -	Wastewater Treatment
Account Number	Funds Used to Date	Program / Project Category Name
11014-1101	$ 67,400.00	Water/Sewer
Project Number	Remaining Balance	Fund Name

Budgeted Item XX **Budget Adjustment Attached** XX

Department Director — 10 JAN 13 — Date

City Attorney — 1-14-13 — Date

Previous Ordinance or Resolution # 48-11

Original Contract Date: 3/15/2011

Original Contract Number: 2113

Finance and Internal Services Director — 1-15-2013 — Date

Received in City Clerk's Office 1-14-13 P01:43 RCVD

Chief of Staff — 1-15-13 — Date

Mayor — 1/15/13 — Date

Received in Mayor's Office ENTERED 1/14/13

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: January 7, 2013

Subject: Out of Scope Agreement Revision, CH2M Hill Engineers, White River Use Attainability Analysis

RECOMMENDATION

Staff recommends approving a revision to the Out of Scope Agreement with CH2M Hill Engineers, Inc. for $154,550 to continue work on the Use Attainability Analysis (UAA) for the White River, maintaining the existing approved $50,000 contingency, and approve a budget adjustment.

BACKGROUND

ADEQ informed the City that the Noland WWTF National Pollutant Discharge Elimination System (NPDES) permit, currently nearing final publication by ADEQ and was scheduled for issuance in May 2011, will contain limits on total dissolved solids (TDS), and minerals, specifically chloride (Cl^-), and sulfate ($SO_4^=$). The segment of the White River where the Noland plant discharges is on the 303(d) impaired streams list for turbidity (sediment), TDS, Cl^-, and $SO_4^=$. Concentrations measured in the White River exceeded the current site specific water quality standards (WQS) of: Cl^- -20 mg/l; $SO_4^=$ -20 mg/l; and TDS -160mg/l.

The City began the least cost and most common solution, as recommended by ADEQ and successfully completed by several other Arkansas entities, to make a third party petition to the Arkansas Pollution Control and Ecology Commission (APCEC) requesting an amendment to Regulation 2 modifying the site specific water quality standards. In March 2011 we executed a $265,000 out of scope agreement with CH2M Hill Engineers for the project, supported by FTN Associates. We also executed related contracts with Mitchell-Williams law firm for $48,000 and $19,600 with the United States Geological Survey as team members in this work. The combined consultant-staff team has developed the Use Attainability Analysis (UAA), which evaluates aspects of the river with respect to the designated uses of the stream. The White River has designated uses of aquatic life and drinking water. The latter has the water quality standards of Cl^- - 250 mg/l; $SO_4^=$ - 250 mg/l; and TDS - 500mg/l. The draft report was submitted to ADEQ in August 2012. We are now working with ADEQ to answer questions, develop the final report, and submit our petition to the APCEC. Once the APCEC makes a determination, it is submitted to the USEPA Region 6 for final approval. The remaining process could take 18 months.

DISCUSSION

This amendment covers work estimated to be required to carry this process through EPA Region 6 approval, completing the third party rulemaking process. Due to circumstances beyond the control of the City and the consultant team, the project has taken longer and required more work than expected. While the science is relatively definable, the regulatory questions and actions required to meet evolving requirements are less easy to define. ADEQ requested additional field activities beyond the work that had been performed in similar studies. Also, the project was delayed eight months due to extreme flooding in April and May 2011, which was when we were to conduct spring season White River water quality sampling. This amendment includes:

- researching and responding to numerous technical questions from ADEQ and/or EPA
- researching and responding to technical and non-technical questions from the APCEC and public comments
- attending numerous public and technical calls or meetings with stakeholders, ADEQ, EPA, and APCEC

BUDGET IMPACT

$67,400 is available in this project; the remaining $137,150 is proposed to be moved from Wastewater Treatment/Water Quality Improvements project 13018, established to provide additional funding for this and other related projects.

RESOLUTION NO. _____

A RESOLUTION APPROVING A REVISION TO AN OUT-OF-SCOPE AGREEMENT WITH CH2M HILL ENGINEERS, INC. IN THE AMOUNT OF $154,550.00 TO CONTINUE WORK ON A USE ATTAINABILITY ANALYSIS (UAA) FOR THE WHITE RIVER, MAINTAINING THE EXISTING $50,000.00 CONTINGENCY, 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 approves an out-of-scope agreement with CH2M Hill Engineers, Inc. in the amount of $154,550.00 to continue work on a use attainability analysis (UAA) for the White River and maintains the existing $50,000.00 contingency.

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".

PASSED and **APPROVED** this 5th day of February, 2013.

APPROVED:

By: _____
LIONELD JORDAN, Mayor

ATTEST:

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

City of Fayetteville, Arkansas
Budget Adjustment Form

Budget Year	Division: Water & Sewer Maintenance Department: Utilities Director	Request Date	Adjustment Number
2013		1/8/2013	

BUDGET ADJUSTMENT DESCRIPTION / JUSTIFICATION

A BA for $137,150 is needed for a revision to the Out of Scope Agreement with CH2M Hill Engineers, Inc. to continue work on the Use Attainablility Analysis (USAA) for the White River (Revision of Res 48-11). This amendment includes researching and responding to numerous technical questions from ADEQ and/or EPA, researching and responding to technical and non-technical questions from the APCEC and public comments and attending numberous public and technical calls or meeting with stakeholders, ADEQ, EPA and APCEC.

Division Head		Date
Budget Director	1-10-13	Date
Department Director	9 JAN 13	Date
Finance Director	1-15-2013	Date
Chief of Staff	1-15-13	Date
Mayor	1/22/13	Date

Prepared By: Cheryl Partain
cpartain

Reference:

Budget & Research Use Only

Type: A B C (D) E P

General Ledger Date

Posted to General Ledger — Initial — Date

Checked / Verified — Initial — Date

TOTAL BUDGET ADJUSTMENT - -

Account Name	Account Number		Increase / (Decrease) Expense	Increase / (Decrease) Revenue	Project.Sub Number
Contract services	5400.5700.5315.00	⇉	137,150	-	11014 . 1101
Waste water plant improve	5400.5800.5818.00	⇉	(137,150)		13018 . 1

EXHIBIT
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CH2M HILL
9189 South Jamaica Street
Englewood, CO 80112-5946
Tel 303.771.0900
Fax 720.286.9250

CH2MHILL

January 4, 2013

Mr. David Jurgens
City of Fayetteville
113 West Mountain Street
Fayetteville, AR 72701

Subject: Out of Scope Letter Agreement Revisions

Dear David:

Previously, we agreed to have CH2M HILL Engineers, Inc. (CH2M HILL) provide certain Out of Scope services in a letter dated March 4, 2011 and as per the Operations, Maintenance and Management Agreement dated December 15, 2009, executed between the Parties. Under that Out of Scope Letter dated March 4, 2011, the parties needed to agree in writing when CH2M HILL had revisions to the approved ADEQ work plan or to the price.

CH2M HILL respectfully requests a change order in the amount of $154,550 for the completion of the Use Attainability Analysis (UAA) on the White River segment that the City of Fayetteville's Paul R. Noland Wastewater Treatment Plant (WWTP) discharges into. The UAA addresses the current Arkansas site-specific criteria for minerals (chloride, sulfate, and total dissolved solids).

The field studies and data collection outlined in the agency approved UAA Study Plan, dated May 2011, have been completed. The UAA draft report was submitted to the Arkansas Department of Environmental Quality (ADEQ) on August 27, 2012. The City received written comments from ADEQ on October 22, 2012. The City provided ADEQ an initial response to comments on November 21, 2012; however, additional work is required to complete the UAA process as outlined below.

Final report review and preparation of the response to the October 22, 2012 comments submitted by ADEQ is anticipated to require additional work estimated to cost $62,550 (see Task 1 below). Work associated with the third-party rulemaking process was not included in the original UAA scope of work or cost estimate, but it has been included below under Tasks 2 and 3. The level of effort anticipated to provide technical support during the third-party rulemaking process is estimated to be $92,000 (see Tasks 2 and 3 below).

Task 1: Address ADEQ comments on the UAA and revise the report for ADEQ approval.

Estimate to complete task: $62,550

Key assumptions and caveats:

- Assumes currently anticipated review of report will be adequate to support future activities
- Assumes up to three (3) one-hour internal team conference calls pertaining to technical issues.
- Assumes up to three (3) one-hour internal team conference calls pertaining to regulatory/policy strategy issues.
- Assumes up to two (2) one-hour conference calls with ADEQ pertaining to technical issues.
- Assumes up to two (2) meetings with ADEQ pertaining to regulatory/policy strategy issues.
- Assumes the extent of ADEQ comments to be addressed under this task will be limited to those dated October 22, 2012.
- Assumes no additional field sampling or data collection will be required.
- Assumes technical analyses pertaining to nutrient enrichment will not be required.
- Clearance to proceed with the third-party rulemaking petition requires approval of the UAA by ADEQ, which is anticipated but cannot be guaranteed.

Task 2: Address potential EPA and stakeholder comments prior to initiation of the third-party rulemaking process.

Estimate to complete task: $32,000

Key assumptions and caveats:

- Significant comments from EPA are not anticipated until their formal, 90-day review period begins after final approval of the proposed rulemaking by APCEC (see Task 3).
- The cost estimate for Task 2 does not include addressing EPA comments that may originate during their formal, 90-day review period; those comments will be addressed under Task 3.
- Assumes no additional analyses or significant report amendments will be required to address the findings of the USGS report pertaining to the Beaver Lake water quality model when it is published by the USGS.
- Assumes up to two (2) one-hour internal team conference calls for planning and coordination.
- Assumes up to two (2) conference calls with EPA, of which one (1) will be a teleconference from the ADEQ headquarters building.
- Assumes up to two (2) conference calls and one (1) meeting with stakeholders.
- Assumes up to two (2) conference calls with ADEQ to maintain coordination with the lead agency.

- Assumes limited revisions to the report may be required under this task, but no reproduction of report hardcopies.

Task 3: Initiate and complete the third-party rulemaking process.

Estimate to complete task: $60,000

Key assumptions and caveats:

- Assumes up to two (2) one-hour internal team conference calls for planning and coordination.
- Assumes participation of two (2) technical staff in five (5) meetings: the initial APCEC meeting (initiation of rulemaking); one public hearing; two legislative committee hearings; and the final APCEC meeting.
- Assumes up to two (2) conference calls with stakeholders.
- Assumes up to two (2) conference calls with EPA, of which one (1) will be teleconference from the ADEQ headquarters building.
- Assumes up to two (2) conference calls with ADEQ to maintain coordination with the lead agency.
- Assumes all written technical clarification will be transmitted via technical memorandums and no revisions or reproduction of the UAA report (as developed under Tasks 1 and 2) will be required.

When it is being provided:	Services are expected to be initiated in January 2013 by first meeting with ADEQ to discuss the comments they provided on October 22, 2012. It is possible that such a meeting could occur in December 2012, but it is not anticipated given the approaching holidays. The initial goal is to obtain ADEQ approval of the minerals UAA with clearance to proceed with the Third-Party Rulemaking. If approval were granted in March 2013, it is estimated that the rulemaking process would be complete during the first quarter of 2014. Refer to Attachment 1 for an outline of the estimated schedule for Third-Party Rulemaking.
Price of services:	To be billed at CH2M HILL's actual cost plus 18% as per Section 3.2 and Appendix C.1.25 of our Agreement upon completion of the services. Documentation of actual costs shall be provided with invoices.
Increased Estimate of costs:	Estimated at approximately $154,550*

Payment terms: Due upon receipt of CH2M HILL's invoice and payable within thirty (30) calendar days as per Section 5.2 of our Agreement.

*Note that the City will be alerted immediately if ADEQ requires work beyond the scope outlined above or other circumstances cause the estimated costs of the project to exceed this number. No work will be performed above this price until such work is approved in writing by the City.

All other terms and conditions of the Agreement dated December 15, 2009, as amended November 16, 2010, and November 15, 2011, between CH2M HILL and The City of Fayetteville remain in full force and effect.

If these terms are agreeable to you, please sign both copies of this letter. We will return one fully executed original for your files.

CH2M HILL appreciates the opportunity to provide these additional services to the City of Fayetteville.

Sincerely,

Duyen Tran
Project Manager

Both parties indicate their approval of the above-described services by their signature below.

Authorized CH2M HILL:

Name: Natalie L. Eldredge
Title: Senior Designated Manager
Date: 1/7/13

1-7-2013

Authorized City of Fayetteville, Arkansas

Name: Lioneld Jordan
Title: Mayor
Date: _____

City of Fayetteville Staff Review Form

City Council Agenda Items and Contracts, Leases or Agreements

2/5/2013
City Council Meeting Date
Agenda Items Only

Greg Tabor	Drug Enforcement	Police
Submitted By	**Division**	**Department**

Action Required:

Approval of a budget adjustment to recognize federal funding from the Gulf Coast High Intensity Drug Trafficking Area in the amount of $115,608.

$ 115,608.00	$ -	2013 WAMDT
Cost of this request	Category / Project Budget	Program Category / Project Name
2930-2960-5120.00		
2930-2960-5120.00/5379.07/5802.00	$ -	Drug Enforcement
Account Number	Funds Used to Date	Program / Project Category Name
08070.1302	$ -	Drug Enforcement
Project Number	Remaining Balance	Fund Name

Budgeted Item [ ] **Budget Adjustment Attached** [X]

Department Director — 1-15-13 Date

City Attorney — 1-15-13 Date

Finance and Internal Services Director — 1-23-2013 Date

Chief of Staff — 1-23-2013 Date

Mayor — 1/23/13 Date

Previous Ordinance or Resolution # _____

Original Contract Date: _____

Original Contract Number: _____

Received in City Clerk's Office 01-15-13 P02:54 RCVD

Received in Mayor's Office ENTERED 1/16/13

Comments:

Fayetteville
ARKANSAS
www.accessfayetteville.org

THE CITY OF FAYETTEVILLE, ARKANSAS
DEPARTMENT CORRESPONDENCE

CITY COUNCIL AGENDA MEMO

To: Mayor Lioneld Jordan and City Council Members

From: Greg Tabor, Chief of Police

Date: January 17, 2012

Subject: **Approval of a Budget Adjustment for federal funding from the Gulf Coast High Intensity Drug Trafficking Area**

PROPOSAL:

The Gulf Coast High Intensity Drug Trafficking Area (HIDTA) provides federal funding from the Office of National Drug Control Policy to multi-jurisdictional drug enforcement initiatives throughout Arkansas, Louisiana, Mississippi, Alabama, and Tennessee. The Fayetteville Police Department has partnered with Washington County Sheriff's Office, Springdale Police Department, Prairie Grove Police Department, and the local Drug Enforcement Administration office to create the Western Arkansas Mobile Deployment Team (WAMDT) initiative with Washington County being the fiduciary agency.

WAMDT's mission is to infiltrate and disrupt drug trafficking organizations (DTOs) at the street level. The Gulf Coast HIDTA funds overtime for investigator activity, buy money for the purchase of evidence/purchase of information (PEPI), and vehicle allowances. The Gulf Coast HIDTA has approved 2013 funding for the Fayetteville Police Department in the amount of $115,608. This amount represents overtime funding for four (4) investigators at $17,202 each including benefits, PEPI in the amount $30,000, and two vehicle allowances at $8,400 each annually. This funding has a two year life span and must be spent by December 31, 2014. WAMDT is currently preparing their 2014 funding request to the Gulf Coast HIDTA, however, future allocations are contingent upon congressional approval.

RECOMMENDATION:

Staff recommends approval of the budget adjustment to recognize federal funding from the Gulf Coast HIDTA in the amount of $115,608. If you should have any comments or question regarding this federal funding award, please contact me at extension 500.

BUDGET IMPACT:

Increase in budgeted revenue equal to the increase in budgeted expense. No matching funds required.

RESOLUTION NO. _____

A RESOLUTION APPROVING A BUDGET ADJUSTMENT IN THE AMOUNT OF $115,608.00 RECOGNIZING REVENUE FROM THE OFFICE OF NATIONAL DRUG CONTROL POLICY GULF COAST HIGH INTENSITY DRUG TRAFFICKING AREA

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 budget adjustment in the amount of $115,608.00 recognizing revenue from the Office of National Drug Control Policy Gulf Coast High Intensity Drug Trafficking Area. A copy of the budget adjustment is attached to this Resolution as Exhibit "A".

PASSED and **APPROVED** this 5th day of February, 2013.

APPROVED:

By: _____
LIONELD JORDAN, Mayor

ATTEST:

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

City of Fayetteville, Arkansas
Budget Adjustment Form

Budget Year	Division: Police Department: Police	Request Date	Adjustment Number
2013		2/7/2013	

BUDGET ADJUSTMENT DESCRIPTION / JUSTIFICATION

Establish revenue and expense budgets in Project Accounting to track federal funding from the Gulf Coast High Intensity Drug Trafficking Area (HIDTA) Initiative for Fayetteville's portion of the Western Arkansas Mobile Deployment Team (WAMDT).

Division Head	Date
Budget Director	1/22/13 Date
Department Director	1-15-13 Date
Paul A. Becker	1-22-2013 Date
Finance Director	
Paul A. Becker for Don Marr	1-23-2013 Date
Chief of Staff	
Mayor	1/23/13 Date

Prepared By: Willie Newman
Willie Newman

Reference:

Budget & Research Use Only

Type: A B C D E P

General Ledger Date

Posted to General Ledger — Initial — Date

Checked / Verified — Initial — Date

TOTAL BUDGET ADJUSTMENT 115,608 115,608

Account Name	Account Number	Increase / (Decrease) Expense	Increase / (Decrease) Revenue	Project.Sub Number
Federal Grant-Operational	2930.0993.4309.01		115,608	08070 . 1302
Personnel Svcs - Contra	2930.2960.5120.00	68,808		08070 . 1302
Confidential-HIDTA PEPI	2930.2960.5379.07	30,000		08070 . 1302
Vehicles and equipment	2930.2960.5802.00	16,800		08070 . 1302

EXHIBIT
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FAYETTEVILLE PD
WA-MDT
G13GC0004A

CATEGORY	BUDGET	PREV. EXP.		TOT. EXP.	BALANCE
PERSONNEL				$0.00	$0.00
FRINGE				$0.00	$0.00
OVERTIME	$68,808.00			$0.00	$68,808.00
TRAVEL				$0.00	$0.00
FACILITIES				$0.00	$0.00
SERVICES	$16,800.00			$0.00	$16,800.00
EQUIPMENT				$0.00	$0.00
SUPPLIES				$0.00	$0.00
OTHER	$30,000.00			$0.00	$30,000.00
TOTAL	$115,608.00	$0.00	$0.00	$0.00	$115,608.00

City of Fayetteville Staff Review Form

City Council Agenda Items and Contracts, Leases or Agreements

2/5/2013
City Council Meeting Date
Agenda Items Only

Ray M. Boudreaux	Aviation	Transportation
Submitted By	**Division**	**Department**

Action Required:

Action Required: A Resolution to approve Amendment No. 2 to the Agreement with McClelland Consulting Engineers, Inc. for Airport engineering services. Contact info: Wayne Jones, P.E., PO Box 1229, Fayetteville AR 72702-1229, 479-443-2377, Fax 479-443-9241, wjones@mcclelland-engrs.com.

-0-		
Cost of this request	Category / Project Budget	Program Category / Project Name
	$ -	
Account Number	Funds Used to Date	Program / Project Category Name
	$ -	Airport
Project Number	Remaining Balance	Fund Name

Budgeted Item ☐ **Budget Adjustment Attached** ☐

Department Director — 1-17-13 Date

City Attorney — 1-22-13 Date

Previous Ordinance or Resolution # 101-09 62-12

Original Contract Date: 5/5/2009

Original Contract Number:

Finance and Internal Services Director — 1-22-2013 Date

Received in City Clerk's Office — 01-18-13 P03:00 RCVD

Chief of Staff — 1-23-2013 Date

Received in Mayor's Office — ENTERED 1/22/13

Mayor — 1/23/13 Date

Comments:

City Council Meeting of: February 5, 2013
Agenda Item Number:

Fayetteville
ARKANSAS

AVIATION DIVISION
FAYETTEVILLE EXECUTIVE AIRPORT • DRAKE FIELD

CITY COUNCIL AGENDA MEMO/STAFF CONTRACT REVIEW MEMO

TO: Mayor Jordan

THRU: Chief of Staff

THRU: Staff/Contract Review Committee

THRU: Terry Gulley, Transportation Director

FROM: Ray M. Boudreaux, Aviation Director

DATE: January 14, 2013

SUBJECT: Approval of Amendment No. 2 to the Agreement for Engineering Services Fayetteville Executive Airport between the City of Fayetteville and McClelland Consulting Engineers.

RECOMMENDATION: Approve one year extension of the Engineering Services Agreement for Fayetteville Executive Airport with McClelland Consulting Engineers through Amendment No. 2 to the original agreement. This is the final extension to the original contract.

BACKGROUND: The FAA requires that airports contract with airport consulting engineering firms to provide engineering services for airport projects. McClelland Consulting Engineers was awarded the contract in 2009 for three years with two one-year extensions. This will be the final extension to the contract which will be re-bid next year. MCE has held the contract for Airport Engineering Services for more than 24 years.

BUDGET IMPACT: None. There is no retainer with this contract. Expenses are approved separately by the City Council through Task Orders.

Attachments: Staff Review
Amendment 2 (4 cys)

RESOLUTION NO. _____

A RESOLUTION APPROVING AMENDMENT NO. 2 TO THE CONTRACT WITH MCCLELLAND CONSULTING ENGINEERS, INC. FOR AIRPORT ENGINEERING 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 Amendment No. 2 to the contract with McClelland Consulting Engineers, Inc. for airport engineering services.

PASSED and **APPROVED** this 5th day of February, 2013.

APPROVED:

By: _____
LIONELD JORDAN, Mayor

ATTEST:

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

McCLELLAND CONSULTING ENGINEERS, INC.
DESIGNED TO SERVE
50TH ANNIVERSARY
Integrity. Community. Excellence.

P.O. Box 1229
Fayetteville, AR 72702
P. (479) 443-2377
F. (479) 443-9241
www.mcclelland-engrs.com

January 14, 2013

Mr. Ray Boudreaux
Airport Manager,
Fayetteville Executive Airport
4500 S. School Suite F
Fayetteville, AR 72701

Re: Amendment 2 to 2009 Basic Agreement
Fayetteville Executive Airport

Dear Mr. Boudreaux:

Please find four (4) copies of our Amendment 2 to the Basic Agreement for 2009 extending the contract through May 2014.

Please advise if you need further information regarding this Amendment.

Sincerely,

McCLELLAND CONSULTING ENGINEERS, INC.

R. Wayne Jones, P.E.
Vice President

Enclosure: Amendment 2 to Basic Agreement 2009 (4 copies)

AMENDMENT NO. 2
TO
May 2009
AGREEMENT FOR ENGINEERING SERVICES
FAYETTEVILLE EXECUTIVE AIRPORT

STATE OF ARKANSAS

COUNTY OF WASHINGTON

The basic agreement entitled CITY OF FAYETTEVILLE, AGREEMENT FOR ENGINEERING SERVICES, is hereby amended. The referenced basic agreement pertains to proposed improvements to Fayetteville Executive Airport, Drake Field. This Amendment entered into and executed on the date indicated beneath the signature blocks, by and between the City of Fayetteville and McClelland Consulting Engineers (ENGINEER) extends the duration of the contract for the fifth of five years, as allowed in the first paragraph on page 1 of the basic agreement. This action is taken to allow the ENGINEER to undertake design and construction administration services beyond contract expiration date of May 5, 2013. As a result, the amended contract expiration date becomes May 5, 2014.

SECTION I - PROJECT DESCRIPTION

The types of projects to be undertaken by the ENGINEER during this extended period include the type of projects listed in Section II of the Basic Agreement and any additional services related to the Fayetteville Executive Airport as may be included by the City of Fayetteville.

SECTION II - BASIC AGREEMENT IN EFFECT:

Except as amended specifically herein, the basic AGREEMENT FOR ENGINEERING SERVICES shall remain in full force as originally approved and executed.

IN WITNESS WHEREOF, the parties hereto have caused this AGREEMENT to be duly executed as of the date and year first herein written.

FOR THE CITY OF FAYETTEVILLE:

By: _____ Attest: _____
Mayor

Date: _____

FOR McCLELLAND CONSULTING ENGINEERS, INC.:

By: R Wayne Dover Attest: _____
Vice-President

Date: 1-8-13

City of Fayetteville Staff Review Form

City Council Agenda Items and Contracts, Leases or Agreements

2/5/2013
City Council Meeting Date
Agenda Items Only

Ray M. Boudreaux	Aviation	Transportation Services
Submitted By	**Division**	**Department**

Action Required:

A resolution to approve T-Hangar lease agreements throughout 2013-2014 at the current rental rate or as adjusted upward by the Airport Board for all T-Hangars rented at the Fayetteville Executive Airport.

$ -	$ -	Rental on T-Hangars
Cost of this request	Category / Project Budget	Program Category / Project Name
5550.0955.4453.00	$ -	Airport Revenue
Account Number	Funds Used to Date	Program / Project Category Name
	$ -	Airport
Project Number	Remaining Balance	Fund Name

Budgeted Item ☐ **Budget Adjustment Attached** ☐

Terry D. Gulley — Department Director — 1-18-13 Date

Previous Ordinance or Resolution # 10-12

Original Contract Date:

Original Contract Number:

[signature] — City Attorney — 1-22-13 Date

Paul A. Becker — Finance and Internal Services Director — 1-22-2013 Date

Received in City Clerk's Office 01-13-13P02:59 RCVD

Paul A. Becker for Don Marr — Chief of Staff — 1-23-2013 Date

Received in Mayor's Office ENTERED 1/22/13

[signature] — Mayor — 1/23/13 Date

Comments:

City Council Meeting of: February 5, 2013
Agenda Item Number:

Fayetteville
ARKANSAS

AVIATION DIVISION
FAYETTEVILLE EXECUTIVE AIRPORT ▪ DRAKE FIELD

CITY COUNCIL AGENDA MEMO/STAFF CONTRACT REVIEW MEMO

TO: Mayor Jordan

THRU: Chief of Staff

THRU: Staff/Contract Review Committee

THRU: Terry Gulley, Transportation Director TG

FROM: Ray M. Boudreaux, Aviation Director

DATE: January 14, 2013

SUBJECT: Approval of T Hangar lease agreements at Fayetteville Executive Airport, Drake Field for processing through the Staff Review process and Signature of the Mayor

RECOMMENDATION: Approve standard T hangar leases at the airport for processing through the staff review process for execution by the Mayor through 2014.

BACKGROUND: Pilots lease T Hangars to store aircraft at the airport. The forms are standard forms and have open terms. Tenants must give 30 day notice to terminate the lease and must comply with the Airport Minimum Standards to remain on the Airport. The purpose of this item is to obtain blanket approval for the Mayor to sign the leases without City Council action on each one.

BUDGET IMPACT: None. Each lease requires rent payments by the tenant. Rates are established by the Airport Board and reviewed every two years for increase. They rates have not been raised since 2009 for the following year. We reviewed the rate recently and the Board decided not to increase the rates. The next review will be November 2013.

Attachments: Staff Review
T Hangar Lease

RESOLUTION NO. _____

A RESOLUTION TO APPROVE T-HANGAR LEASE AGREEMENTS IN 2013 AND THROUGH 2014 AT THE CURRENT RENTAL RATE OR AS ADJUSTED UPWARD BY THE AIRPORT BOARD FOR ALL T-HANGARS RENTED AT THE FAYETTEVILLE EXECUTIVE AIRPORT

WHEREAS, the City through its Aviation Director Ray Boudreaux has constructed numerous T-Hangars at the Fayetteville Executive Airport to serve pilots based at our airport and to provide revenue to the City's Aviation Division so that it has not had to be subsidized from the City's general revenues as other City Departments are funded; and

WHEREAS, the Airport Board working with the City's Aviation Division has set the reasonable rental rates for all such T-Hangar rentals for many years; and

WHEREAS, the lease contracts should be approved by City Council Resolution prior to the Mayor's signature pursuant to state law; and

WHEREAS, it is appropriate to approve the numerous standard lease contracts for the numerous T-Hangers as a group in 2013 through 2014.

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 all T-Hangar leases if in the standard form and for the existing (or increased by the Airport Board) amount that come up for renewal or begin in 2013 through 2014 and authorize Mayor Jordan or his designee to execute the T-Hangar leases.

PASSED and **APPROVED** this 5th day of February, 2013.

APPROVED: ATTEST:

By: _____
LIONELD JORDAN, Mayor

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

HANGAR RENTAL AGREEMENT
Fayetteville Executive Airport, Drake Field
Lease Application and Accounting Information Form

Name: Company/Leaseholder/Individual:

Name: Corporate Representatives(s):

Home Address:

Mailing Address (if different):

State of Corporation as incorporated:
(Provide Copy of Incorporation Paperwork)

Business and/or Services to Be Provided: Please provide a brief description

Phone/Work: - - Phone/Cell: - -
Phone/Home: - - Email:
Emergency Contact Name: Emerg Phone: - -
Social Security or Tax I.D No. Date of Birth:

Hangar Number: Aircraft Number: N

Effective Date: Aircraft Make/Model/Year:

Monthly Rental: $ Aircraft Color Scheme:

Aircraft Type: Single Engine Airplane

Person conducting the business and/or providing the service if different from above:
Name: Phone: - - E-mail:

Description of tools, equipment, services and inventory required to conduct proposed business and /or service: Please provide a description of the type of tools and equipment used, how services will be delivered to the customer, and types/amounts of materials to be stored including potentially hazardous materials

Hours of Operation: Ex: 8 am-5 pm M-F Total Number of Employees:

I, _____., agrees to provide the Airport with changes to current address, telephone, aircraft, and insurance information.

Would you like to be included in a T-Hangar Tenant Directory? Yes Please check the information you would like to include in the Directory:

☐ Name	☐ Email	☐ Address
☐ T-Hangar number	☐ Tail number	☐ Aircraft type
☐ Telephone # (home)	☐ Telephone # (work)	☐ Telephone # (cell)

LEASE AGREEMENT

The City of Fayetteville, Fayetteville Executive Airport, Drake Field hereby leases to ., a hangar for the above described aircraft on the following terms and conditions. This lease is intended for the private storage of an aircraft. It is not intended to be used for aircraft maintenance, storage of hazardous materials or storage of non-aviation materials.

1. AIRPORT RULES AND ACCESS:

A. _____. shall abide by "The Minimum Standards for Fayetteville Executive Airport, Drake Field", City of Fayetteville codes and ordinances, county, state, federal Statutes, Federal Aviation Regulations, and environmental laws.

B. Hazardous activities such as, but not limited to: smoking, welding, use of spark producing devices (i.e. grinders), painting, doping, open fuel lines or the application of hazardous substances are expressly prohibited.

C. _____. shall keep the aircraft storage space clean and free of grease, oil, paper and other debris. All flammables must be stored in a metal container with a tight fitting lid with sump capability at minimum or any other approved containment device. Combustible liquids such as lube oil may be stored in small quantities. (See Airport's Minimum Standards). No additional label is necessary if company label already indicates flammable liquid or type liquid contained. Flammable storage (other than inside the aircraft fuel storage tank) is limited to a maximum of 10 gallons in each Hangar unit. The premises covered by this Agreement shall not be used for the storage of explosive substances or items.

D. Aircraft shall be removed from a hangar for any activity involving fueling or defueling.

E. The Airport and its designated agents may enter hangars at any time for inspection. Only locks provided by the Airport may be used on hangar doors.

F. Flying Clubs shall provide copies of the flying club bylaws, current insurance documents, and current membership roster to be submitted annually to the Airport Administration Office.

2. RENT:

A. The hangar rent is invoiced in advance and shall be due on the first day of each month. _____. further agrees to pay upon demand any excise or other tax on the leasehold interest.

B. The non-payment of rent may be grounds for termination of this Agreement. . will also be subject to a late fee for delinquent rental payment. Delinquent accounts will be sent to a collection agency in accordance with City of Fayetteville's collection/termination policies after 90 days.

C. The rent stated above is subject to periodic adjustment by the Airport Board. Notice of increase shall be sent out at least thirty days prior to the increase.

3. STRUCTURAL MODIFICATIONS:

A. No structural or electrical modifications, painting, or alterations will be made to the storage space without the prior written approval of the Airport Director.

B. _____. shall not attach any hoisting, winching or holding mechanism to any part of the storage space, or pass any such mechanism over the beams or braces thereof.

4. ELECTRICAL APPLIANCES:

A. Limited electrical appliances are allowed in a hangar including portable fans, televisions, refrigerators, radios, dehumidifiers, engine heaters, powered tow bars, battery trickle chargers, and small air compressors. Prohibited appliances include, but are not limited to, air conditioners, electric heaters, hot plates, heat lamps, and stoves. Any appliance not having an explosion-proof motor which generates a glow, flame, or spark must be elevated at least eighteen (18) inches above the floor. No appliances, except refrigerators, dehumidifiers, battery trickle chargers and engine heaters, may remain connected to any electrical receptacle when the hangar is not occupied.

B. _____. shall not overload electrical circuits. Hangar electrical circuits are designed for 20 amps.

5. MOTOR VEHICLES:

A. Vehicles shall be driven on the airport only by a licensed driver in accordance with policy established in the Airport's Minimum Standards. _____. shall maintain currency of registration as well as limits of liability and property damage insurance, as mandated by the State of Arkansas, on its vehicle. _____. will exercise all controls and restraints necessary as to its employees, agents, and invitees so as to comply with this Agreement.

B. Vehicles must be located so as not to block aircraft access route between any hangars, as per the Airport's Minimum Standards. Vehicles will be parked in accordance with the airport parking plan, signage and pavement markings.

6. ENGINE OPERATION: No aircraft engine shall be operated inside a hangar or in a negligent manner so that the propeller or exhaust blast may cause injury to persons or damage to property.

7. PROPERTY DAMAGE/PERSONAL INJURY: Aircraft and other personal property are stored at _____.'s sole risk. Any insurance protecting _____.'s personal property against fire, theft or damage must be provided by _____. _____. agrees to save the Airport Harmless from any and all liability by reason of the storage or maintenance of said aircraft upon the Fayetteville Executive Airport, Drake Field, or from injury or damage caused to any persons or property by reason of the operations of said aircraft. Insurance requirement shall be in accordance with the Airport's Minimum Standards and a current Certificate of Insurance shall be on file at the Airport Administration Office. This clause shall not be construed to waive that tort immunity as set forth under Arkansas Law.

8. AIRCRAFT MAINTENANCE: Maintenance repair work that requires open flame, use of spark producing devices (i.e. grinders), welding, or the use of flammable liquids is not in this Aircraft Storage Hangar. Opening fuel cells and fuel lines is not permitted in a storage hangar.

9. NO COMMERCIAL ACTIVITY: No commercial or revenue-producing activities shall be conducted or permitted from any aircraft storage space without written approval of the Airport Director.

10. NO ASSIGNMENT: The aircraft storage space designated above is rented on a month-to-month basis for aircraft storage only. Such space may not be sublet, assigned or otherwise transferred without the prior written approval of the Airport Director. Only the aircraft identified in this Agreement may be stored in this hangar.

11. TERMINATION:

A. This Agreement shall be deemed a "month-to-month" tenancy and may be terminated by either party upon giving thirty (30) days notice to the other in writing, prior to the end of any such rental period.

B. This Agreement may be terminated by the Airport upon ten (10) days written notice for any violation of the terms or conditions of this Agreement.

12. NOTICE: Any Notice or consent required by this Agreement shall be sufficient if sent by Certified Mail, return receipt requested, postage paid, to the following address for the City/Airport, or for the tenant, the last known address or copy thereof may be posted upon the entryway door of the above mentioned hangar.

CITY OF FAYETTEVILLE

Airport Administration Office
4500 S. School Ave., Suite F
Fayetteville, AR 72701
Phone: 479-718-7642

13. If _____. fails to make any payment due hereunder within ten (10) days of the date on which such payment is due, the City of Fayetteville may, at its option, terminate this agreement and take possession of such of _____. personal property as is reasonably necessary to secure payment of the amount due and unpaid.

14. Upon expiration or other termination of this lease, _____.'s rights to use of the demised premises shall cease, and _____. shall vacate the premises without unreasonable delay.

All fixtures, improvements, equipment, and other property brought, installed, erected or placed by _____. on the demised premises shall be deemed to be personalty and shall remain the property of _____. _____. shall have the right at any time during the term of this agreement, to remove any or all of such property from the Airport, subject, however, to _____.'s obligations to repair all damages, if any, resulting from such removal. Any and all property not removed by _____. prior to the expiration of this lease shall thereupon become the property of the City of Fayetteville and title thereto shall thereupon vest in the City of Fayetteville.

15. All covenants, conditions and provisions in this agreement shall extend to and bind the legal representatives, successors and assigns of the respective parties hereto.

_____.: I have received a copy of "The Minimum Standards for the Fayetteville Municipal Airport Drake Field" _____. (initial)

Mandatory Acknowledgment "By signing this application, acknowledge that I am ultimately responsible for the payment of any and all sums of money arising as a result of this grant of temporary credit."

Signature of Responsible Party	**Title**	**Date**

APPROVED:

Ray Boudreaux, Airport Director Date

THE CITY OF FAYETTEVILLE:

Lioneld Jordan, Mayor Date

ATTEST:

Sondra Smith,
City Clerk and Treasurer

Attachment "A" to Hangar Rental Agreement
For Execution by Partners in Aircraft

I agree to be bound by the terms and conditions of the hangar Rental Agreement

Effective _____(day/month/year) for Hangar # _____

Lessee Name:_____

Partner #1: _____

Address _____

_____

Signature: _____

Partner #2: _____

Address _____

_____

Signature: _____

Partner #3: _____

Address _____

_____

Signature: _____

Partner #4 _____

Address _____

_____

Signature: _____

RESOLUTION NO. 10-12

A RESOLUTION TO APPROVE T-HANGAR LEASE AGREEMENTS THROUGHOUT 2012 AT THE CURRENT RENTAL RATE OR AS ADJUSTED UPWARD BY THE AIRPORT BOARD FOR ALL T-HANGARS RENTED AT THE FAYETTEVILLE EXECUTIVE AIRPORT

WHEREAS, the City through its Aviation Director Ray Boudreaux has constructed numerous T-Hangars at the Fayetteville Executive Airport to serve pilots based at our airport and to provide revenue to the City's Aviation Division so that it has not had to be subsidized from the City's general revenues as other City Departments are funded; and

WHEREAS, the Airport Board working with the City's Aviation Division has set the reasonable rental rates for all such T-Hangar rentals for many years; and

WHEREAS, the lease contracts should be approved by City Council Resolution prior to the Mayor's signature pursuant to state law; and

WHEREAS, it is appropriate to approve the numerous standard lease contracts for the numerous T-Hangers as a group for all of 2012.

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 all T-Hangar leases if in the standard form and for the existing (or increased by the Airport Board) amount that come up for renewal or begin in 2012 and authorize Mayor Jordan or his designee to execute the T-Hangar leases.

PASSED and **APPROVED** this 17th day of January, 2012.

APPROVED:

By: _____
LIONELD JORDAN, Mayor

ATTEST:

By: Sondra E. Smith
SONDRA E. SMITH, City Clerk/Treasurer

CITY CLERK/TREASURER CITY OF FAYETTEVILLE ARKANSAS WASHINGTON COUNTY

City of Fayetteville Staff Review Form

City Council Agenda Items and Contracts, Leases or Agreements

2/5/2013
City Council Meeting Date
Agenda Items Only

Justine Lentz	Community Services	Development Services
Submitted By	**Division**	**Department**

Action Required:

Recognize donation revenue to Animal Services for the 4th quarter of 2012. Approval of a Budget Adjustment in the total amount of $ 18,626.00.00 including a grant from the ASPCA in the amount of $4,500 to fund the Shelter's transport program in 2013.

$18,626	$ -	Animal Services Donations
Cost of this request	Category / Project Budget	Program Category / Project Name
see attached detail	$ -	Animal Services Project
Account Number	Funds Used to Date	Program / Project Category Name
see attached detail	$ -	General
Project Number	Remaining Balance	Fund Name

Budgeted Item [x] **Budget Adjustment Attached** [x]

Andrea Harmon for Jeremy Pate — 01-18-2013
Department Director — Date

Previous Ordinance or Resolution # _____

Original Contract Date: _____

Original Contract Number: _____

City Attorney — 1-22-13
Date

Paul A. Buhr — 1-23-2013
Finance and Internal Services Director — Date

Received in City Clerk's Office: 01-18-13 A09:36 RCVD

Chief of Staff — Date

Received in Mayor's Office: ENTERED 1/24/13

Mayor — 1/23/13
Date

Comments: Staff recommends approval of the budget adjustment in the amount of $18,626.00

Fayetteville ARKANSAS
www.accessfayetteville.org

THE CITY OF FAYETTEVILLE, ARKANSAS
DEPARTMENT CORRESPONDENCE

CITY COUNCIL AGENDA MEMO

To: City Council

Thru: Yolanda Field, Dir. Community Services; Jeremy Pate, Dir. Community Development amg for Jeremy Pate

From: Justine Lentz, Animal Services Superintendent

Date: January 8, 2013

Subject: Approval of a Budget Adjustment for Animal Services Division

PROPOSAL:

Animal Services would like to recognize donation revenue from the fourth quarter of 2012. These funds are donated by private citizens and organizations to benefit the animals cared for by Animal Services. This includes a grant from the ASCPA in the amount of $4,500 to fund the shelter's transport program for 2013.

RECOMMENDATION:

Staff recommends approval of a budget adjustment to budget the Animal Services Donation Revenue for the fourth quarter of 2012.

BUDGET IMPACT:

Recognize Animal Shelter Donations in the amount of $18,626.00

RESOLUTION NO. _____

A RESOLUTION APPROVING A BUDGET ADJUSTMENT IN THE TOTAL AMOUNT OF $18,626.00 REPRESENTING DONATION REVENUE TO THE ANIMAL SERVICES DIVISION FOR THE FOURTH QUARTER OF 2012 AND INCLUDING A GRANT AWARD FROM THE ASPCA IN THE AMOUNT OF $4,500.00 TO FUND THE ANIMAL SHELTER'S TRANSPORT PROGRAM FOR 2013

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 budget adjustment, a copy of which is attached as Exhibit "A", in the total amount of $18,626.00 representing donation revenue to the Animal Services Division for the fourth quarter of 2012 and including a grant award from the ASPCA in the amount of $4,500.00 to fund the animal shelter's transport program for 2013.

PASSED and **APPROVED** this 5th day of February, 2013.

APPROVED:

By: _____
LIONELD JORDAN, Mayor

ATTEST:

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

City of Fayetteville, Arkansas
Budget Adjustment Form

Budget Year	Division: Animal Services Department: Development Services	Request Date	Adjustment Number
2013		1/8/2013	

BUDGET ADJUSTMENT DESCRIPTION / JUSTIFICATION

Recognize and allocate donation revenue for the 4th quarter of 2012 and a 2012 grant from the ASPCA to fund the transport program in 2013 in the amount of $4,500.

EXHIBIT A

Division Head		Date	
Budget Director		1-22-2013 Date	
Department Director		01-23-2013 Date	
Finance Director		1-23-2013 Date	
Chief of Staff		1-23-2013 Date	
Mayor		1/23/13 Date	

Prepared By: *Fell, Barbara*

Reference:

Budget & Research Use Only

Type: A B C (D) E P

General Ledger Date

Posted to General Ledger — Initial — Date

Checked / Verified — Initial — Date

TOTAL BUDGET ADJUSTMENT 18,626 18,626

Account Name	Account Number	Increase / (Decrease) Expense	Revenue	Project.Sub Number
Building & grounds maint	1010.2740.5400.00	12,634		03048 . 1
Use of Prior Fund Balance	1010.0001.4999.97		12,634	.
Veterinary supplies	1010.2740.5200.03	1,404	-	03049 . 1
Use of Prior Fund Balance	1010.0001.4999.97		1,404	.
Special projects	1010.2740.5342.01	4,500		10026 . 1
Use of Prior Fund Balance	1010.0001.4999.97		4,500	.
Building & grounds maint	1010.2740.5400.00	88		03048 . 1
Donations-Animal Shelter	1010.0001.4808.00		88	.
				.
				.

City of Fayetteville Staff Review Form

City Council Agenda Items and Contracts, Leases or Agreements

2-5-2013
City Council Meeting Date
Agenda Items Only

Larry Rennie	Building Maintenance	Finiance
Submitted By	**Division**	**Department**

Action Required:

Approve Resolution authorizing the Mayor to renew a two year contract in the amount of $9,000 annually with Old Square, Inc. for lease space of approximately 3,500 sq. ft. to be used for document storage.

$18,000	$ * 18,000 -	
Cost of this request	Category / Project Budget	Program Category / Project Name
1010-6600-5308.00	$ -	
Account Number	Funds Used to Date	Program / Project Category Name
	$ -	
Project Number	Remaining Balance	Fund Name

Budgeted Item [X] **Budget Adjustment Attached** [ ]

Paul a. Becker — 1-18-2013
Department Director — Date

Previous Ordinance or Resolution # _____

Original Contract Date: _____

Original Contract Number: _____

[signature] — 1-23-13
City Attorney — Date

Paul a. Becker — 1-23-2013
Finance and Internal Services Director — Date

Received in City Clerk's Office 01-18-13P02:35 RCVD
Kim J.

Paul a. Becker for Don Marr — 1-23-2013
Chief of Staff — Date

[signature] — 1/23/13
Mayor — Date

Received in Mayor's Office ENTERED 1/24/13

Comments:

Fayetteville ARKANSAS
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THE CITY OF FAYETTEVILLE, ARKANSAS
DEPARTMENT CORRESPONDENCE

CITY COUNCIL AGENDA MEMO

To: City Council

Thru: Paul Becker / Mayor Jordan

From: Larry Rennie Building Maintenance Supt. LR

Date: 1/18/2013

Subject: Old Square lease

PROPOSAL:

Renew 2 year lease for a total cost of $18,000 with Old Square Inc.with additional two year option for approximately 3500 sq. ft. of secure storage space located on the corner of Block and Center Streets. This cost includes all utilities.

RECOMMENDATION:

Approve resolution authorizing the Mayor to execute the contract with Old Square Inc.

BUDGET IMPACT:

This is a budgeted item

RESOLUTION NO. _____

A RESOLUTION APPROVING A TWO-YEAR LEASE AGREEMENT WITH OLD SQUARE, INC., FOR THE ANNUAL RENTAL AMOUNT OF $9,000.00 TO LEASE APPROXIMATELY 3,500 SQUARE FEET FOR DOCUMENT STORAGE

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 two-year Lease Agreement with Old Square, Inc., for the annual rental amount of $9,000.00 to lease approximately 3,500 square feet for document storage. A copy of the Lease Agreement, marked Exhibit "A," is attached hereto and made a part hereof.

PASSED and **APPROVED** this 5th day of February, 2013.

APPROVED:

By: _____
LIONELD JORDAN, Mayor

ATTEST:

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

LEASE

On this _____ day of February, 2013, Old Square, Inc. (Lessor) and the City of Fayetteville (Tenant) agree as follows:

Old Square, Inc. agrees to lease the north end of the basement of 26 West Center (approximately 3,500 square feet) to the City of Fayetteville for an annual rent of **Nine Thousand Dollars ($9,000.00)** to be paid monthly at the first business day of each month beginning March 1, 2013 in the amount of **Seven Hundred Fifty Dollars ($750.00)**

The City of Fayetteville agrees to lease approximately 3,500 square feet in the north end of the basement of 26 West Center from Old Square, Inc. and pay an annual rent of **Nine Thousand Dollars ($9,000.00)** to be paid monthly on the first business day of each month beginning March 1, 2013, in the amount **Seven Hundred Fifty Dollars ($750.00)**.

Old Square, Inc. shall be responsible to pay all building utilities. The City of Fayetteville agrees that the space it has rented will be used as storage space for City of Fayetteville records or property. Old Square, Inc. agrees to allow access to the City of Fayetteville records or property as needed by City personnel.

The City of Fayetteville shall not sublet any of this space without the prior written approval of Old Square, Inc.

The initial term of this Lease shall be two years (from March 1, 2013 until February 28, 2015). The City of Fayetteville shall have the right to renew this Lease for up to two additional years, but the annual rental (to be paid in future equal monthly payments) shall be increased to Nine Thousand Six Hundred Dollars ($9,600.00).

In Agreement with all the promises, terms and conditions stated above, Old Square, Inc. by Lee Ward and the City of Fayetteville by Mayor Lioneld Jordan sign their names below.

OLD SQUARE, INC.

By: _____
LEE WARD

_____
Corporate Title

CITY OF FAYETTEVILLE, ARKANSAS

By: _____
LIONELD JORDAN, Mayor

ATTEST:

By: _____
SONDRA E. SMITH, City Clerk

City of Fayetteville Staff Review Form

City Council Agenda Items and Contracts, Leases or Agreements

1/15/2013
City Council Meeting Date
Agenda Items Only

Paul A Becker	Finance and Internal Services	Finance and Internal Services
Submitted By	**Division**	**Department**

Action Required:

The City has received an offer for the purchase 1.87 acres of City Property known as the old Tyson Property at 1851 E. Huntsville Road. Kum & Go L.C. has made an offer to purchase said property for $900,000 .They also have agreed to reimburse the City for the costs of demolition of the existing structure including the foundation, footings and pavement removal. Kum & Go L.C. proposes to construct a convenience store that sells petroleum on the property. The City administration recommends acceptance of this offer.

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 1-2-2012
Department Director — Date

1-22-13
City Attorney — Date

Previous Ordinance or Resolution # _____

Original Contract Date: _____

Original Contract Number: _____

Paul a Becker 1-2-2013
Finance and Internal Services Director — Date

1-2-13
Chief of Staff — Date

1/2/13
Mayor — Date

Received in City Clerk's Office 01-02-13P12:36 RCVD
Kim G.

Received in Mayor's Office ENTERED 1/2/13 PM

Comments:

Tabled to the February 5, 2013 City Council mtg.

Fayetteville ARKANSAS
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: Paul A Becker

Date: January 2, 2013

Subject: Sale of 1.87 acres of the former Tyson Property to Kum & Go L.C.

PROPOSAL: The Tyson Property was purchased by the City in 2004 for $1.1 million. The total parcel was 11.17 acres. In addition to property required for right of way for Highway 16 widening, the City constructed a fire station on a portion of the property.

The City has received an offer to purchase 1.87 acres of the remaining property from Kum & Go L.C.for $900,000 and 25% (up to $100,000) of the costs of demolition of the existing structure including the foundation, footings and pavement removal.

If the City Council chooses to accept this offer, the City would receive enough to tear down and remove a hazardous structure. Still retain in excess of 8 acres of the property and after road improvement costs still have some cash for future appropriation. An additional benefit would be a new business on the tax rolls.

RECOMMENDATION: The City administration recommends the City Council accept the purchase offer from Kum & Go.

BUDGET IMPACT: The City would receive sufficient funds to remove the old Tyson building and hopefully has some left over for future appropriation..

Fayetteville ARKANSAS
www.accessfayetteville.org

Departmental Correspondence

LEGAL DEPARTMENT

Kit Williams
City Attorney

Jason B. Kelley
Assistant City Attorney

TO: **Mayor Jordan**
City Council

CC: **Don Marr**, Chief of Staff
Paul Becker, Finance Director
Jeremy Pate, Development Services Director

FROM: **Kit Williams**, City Attorney

DATE: **December 18, 2012**

RE: **Tyson Property Purchase and Proposed Sale of 2 Acres**

On November 16, 2004, Mayor Coody and Finance Director Steve Davis presented an Offer and Acceptance Contract and a Donation Contract to purchase 11.17 acres on Highway 16 East and Happy Hollow Road for $1,100,000.00 to the Fayetteville City Council. I could find no memo from the administration supporting this purchase in the City Clerk's Agenda packet file, but have attached the City Council minutes in which the purchase was partially justified as a potential savings of $100,000.00 in right-of-way costs for the widening of Highway 16 East, as well as to eliminate the land costs for a new fire station. There was some talk about being able to use the Tyson Mexican Original taco/corn chip factory building for fire, police or other city services, but that later proved not feasible. I believe that the only thing that factory was put to use for was warehousing of Hurricane Katrina donations.

The City Council voted almost unanimously to purchase this 11 acres and later built Fire Station Five on a western portion of this land. After reductions for the land to build the fire station and right-of-way dedications slightly more than ten acres remains. However, the

Tyson/Mexican Original Factory became an eyesore and has been vandalized and stripped of its valuable metals by thieves. Our police frequently have been called to the site for ongoing problems and safety issues. Mayor Jordan and many aldermen have expressed the need to demolish the building so the site could eventually be attractively developed. Strategic Planning even presented scenarios for site development on this ten acres. One major problem was always money – full building and foundation demolition and all pavement removal cost was roughly estimated at $475,000.00 by the contractor who built our Courts/Prosecutor building. With the City Budget cut over Two Million Dollars, wages frozen and more than twenty previously budgeted city positions left vacant, there was no extra money for a demolition project.

A few months ago, Kum & Go, L.C. representatives spoke to Mayor Jordan and senior staff about acquiring a building site for one of their convenience store/gas stations on the Tyson Property. Kum & Go, L.C. has rapidly expanded into Washington and Benton Counties opening or constructing more than a dozen new and attractive stores the last few years. Mayor Jordan said he would certainly entertain such proposal which could help Fayetteville demolish the old factory.

Kum & Go, L.C. initially proposed to buy the entire remaining 10 acres for $985,000.00 which would be reduced by about $40,000.00 for their realtor's fee. All required rights-of-way, green space, etc. would further reduce the amount paid to the City for all of our property. There were other terms in this initial offer that the City could not accept.

Rather than simply rejecting this first proposal, the Mayor authorized me to develop a counterproposal for his approval. I obtained the actual amounts Kum & Go, L.C. had paid for its many new acquisitions for its new stores in Washington and Benton Counties. I analyzed these acquisition costs on a per square foot, per acre, and per store basis. This data showed that we had been offered much less per acre than what had been paid to every other seller. I do not fault or criticize Kum & Go, L.C. for this. Businesses always seek to get the best deal possible. It is **our** responsibility to ensure our taxpayers get fair value for their assets.

Mayor Jordan, in consultation with Chief of Staff Don Marr and Finance Director Paul Becker then authorized me to convey a counterproposal to Kum & Go, L.C. in which we would sell them either a single two acre lot or both two acre lots (at a less per acre cost) that front Highway 16 East, cost share the demolition expense of the Tyson factory, and cost share a street entry into this 10 acre parcel from the signaled intersection.

Kum & Go, L.C. graciously worked with us and chose to purchase the two acre lot on the East side of the property. After further negotiation, Kum & Go, L.C. agreed to pay $900,000.00 for this 1.87 acre lot, cost share 50/50 with the City to build the center street from the signaled intersection to the intersection with the street running along the southern portion of this lot to Ray Avenue. We hope these streets when completed will help the neighborhood served by Ray to more easily go East on Martin Luther King or Highway 16 during the morning rush hour.

Kum & Go L.C. also agreed to pay 25% of the costs (to be capped at $100,000.00) for the demolition of the old Tyson factory, its foundation and footings and all pavement removal. I believe the Mayor and many Aldermen will be glad that we can finally remove the unattractive hulk and return some of this property into productive use.

If the City Council agrees to this sale, then the City will be able to demolish the factory, build needed streets, net several hundred thousand dollars, be able to sell a very commercially viable two acre lot fronting Highway 16 East and keep a 4.7 acre lot on the South side of the lot for City uses (Police, Parks and Recreation HQ, Transportation, etc.).

I want to thank Mayor Jordan for his leadership and determination during this negotiation. He has ensured that our citizens will receive fair value for their property while remaining fair and friendly to Kum & Go.

RESOLUTION NO. 183-04

A RESOLUTION APPROVING AN OFFER AND ACCEPTANCE CONTRACT BETWEEN THE CITY OF FAYETTEVILLE AND TYSON FOODS, INC. FOR THE PURCHASE OF PROPERTY LOCATED AT 1851 EAST HUNTSVILLE ROAD IN THE AMOUNT OF $1,100,000.00 AND A DONATION CONTRACT; AND APPROVING A BUDGET ADJUSTMENT IN THE AMOUNT OF $4,000.00 TO COVER APPRAISAL AND CLOSING COSTS.

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 Offer and Acceptance contract between the City of Fayetteville and Tyson Foods, Inc. for the purchase of property located at 1851 East Huntsville Road in the amount of $1,100,000.00, and a Donation contract. Copies of the Offer and Acceptance contract marked Exhibit "A," and the Donation contract marked Exhibit "B," are attached hereto and made a part hereof.

Section 2. That the City Council of the City of Fayetteville, Arkansas hereby approves a Budget Adjustment in the amount of $4,000.00 to cover appraisal and closing costs.

PASSED AND APPROVED this 16th day of November 2004.

APPROVED:

By: _____
DAN COODY, Mayor

ATTEST:

By: _____
SONDRA SMITH, City Clerk

CITY CLERK/TREASURER CITY OF FAYETTEVILLE ARKANSAS WASHINGTON COUNTY

RESOLUTION NO. _____

A RESOLUTION TO AUTHORIZE MAYOR JORDAN TO SELL ABOUT TWO ACRES OF THE TYSON FACTORY PROPERTY ON HUNTSVILLE ROAD FOR $900,000.00 TO KUM & GO, L.C., TO AGREE TO COST SHARE WITH KUM & GO ROADS OR DRIVEWAYS WITHIN THE TYSON PROPERTY ADJOINING THIS TWO ACRE PARCEL AND THE DEMOLITION OF THE FACTORY, AND TO RECOMMEND REZONING THIS PARCEL TO NEIGHBORHOOD COMMERCIAL OR OTHER ZONING DISTRICT SATISFACTORY TO KUM & GO, L.C.

WHEREAS, the City of Fayetteville used portions of the Tyson factory's lot obtained in 2004 for Highway 16 East right-of-way needs and for the construction of a new fire station; and

WHEREAS, now Kum & Go, L.C. has offered to purchase about two acres of the remaining ten acres to be used for a Kum & Go gas station/convenience store; and

WHEREAS, the City Administration and Kum & Go, L.C. have worked out a proposed agreement in which Kum & Go, L.C. would pay $900,000.00 for this two acre parcel and the City and Kum & Go would cost share 50/50 for the streets or driveways within the ten acre parcel on the west and south sides of the two acre parcel, Kum & Go would cost share 25% (up to $100,000.00) for the demolition of the old factory and both parties would agree to the broad terms of the Concept Plat submitted by Kum & Go, L.C.

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 has determined that for the purposes of this proposed sale to Kum & Go, L.C., the parcel of about two acres should be rezoned to Neighborhood Commercial or other zoning district agreeable to Kum & Go, L.C. prior to its conveyance.

Section 2: That the City Council of the City of Fayetteville, Arkansas hereby authorizes Mayor Jordan to sign a Land Sale Agreement with Kum & Go, L.C. for the parcel shown on the concept plat (slightly less than two acres) for $900,000.00 and sign the deed conveying such parcel to Kum & Go, L.C.

Section 3: That the City Council of the City of Fayetteville, Arkansas hereby agrees: to cost share 50/50 with Kum & Go, L.C. for streets or driveways running from the intersection of Happy Hollow and Huntsville through the property (on the west side of the two acre lot) and along the southern border of this parcel to Ray Avenue; to cost share 75/25 (up to $100,000.00)

for the demolition and removal of the Tyson factory; to agree not to sell any other city-owned property within one mile of this parcel for use of another convenience store/gas station, liquor store or tobacco store; and to agree to the development of this parcel in the general form shown in the Concept Plat attached to the Land Sale Agreement.

PASSED and **APPROVED** this 15th day of January, 2013.

APPROVED:

By: _____
LIONELD JORDAN, Mayor

ATTEST:

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

REAL ESTATE DEPARTMENT
Direct Tel: 515.457.6162
Direct Fax: 515.457.1595
E-mail: REW@kumandgo.com

REVISED LETTER OF INTENT

December 14, 2012

To: City of Fayetteville, Fayetteville AR

In response to the City of Fayetteville's letter, dated December 5, 2012, the purpose of this letter (the "**Letter**") is to set forth certain nonbinding understandings between City of Fayetteville ("**Seller**"), and KUM & GO, L.C., an Iowa limited liability company ("**Buyer**").

This Letter reflects our mutual understanding of the matters described in it, but each party acknowledges that the provisions of this Letter are not intended to create or constitute any legally binding obligation between Seller and Buyer, and neither party shall have any liability to the other party with respect to this Letter unless or until a definitive agreement has been executed and delivered by and between the parties. If a definitive agreement is not executed and delivered by and between the parties for any reason, no party to this Letter shall have any liability to the other based upon, arising from, or relating to the provisions set forth in this Letter.

Premises:	Locally known as 1851 E. Huntsville Rd, Fayetteville, Arkansas. Approximately +/- 81,612 sf (1.87± acres) as shown as Lot 1 on the visual depiction is attached hereto on Exhibit "A." The actual legal description shall be substituted herein following receipt by Buyer of a title commitment for the Premises.
Purchase Price:	The Purchase Price of the Premises shall be $ $900,000.
Closing:	One-hundred and eighty (180) days from execution of purchase agreement with Buyer having 3 options to extend the Closing Date by 60 days each, upon the exercise of each such option, 1/3 of the Escrow Deposit shall become non-refundable to Buyer, but shall be applicable to the Purchase Price.
Conveyance:	Seller shall convey marketable and insurable title to the Premises by general warranty deed, free and clear of all liens, restrictions and encumbrances except as provided in the Purchase Agreement.

Buyer's Due Diligence / Inspections:	Buyer shall have until the Closing Date in order to conduct its "due diligence" inspections and to determine the suitability of the Premises for Buyer's intended use and/or development. During such period, Buyer shall be entitled to enter upon the Premises to conduct such testing/inspections as Buyer deems necessary for Buyer's intended use of the Premises. Buyer shall be permitted to terminate the purchase agreement by notice to Seller at any time until the closing, as it may be extended. Further, in the event that more than sixty (60) days have elapsed since the Closing Date and Buyer has not terminated the agreement or otherwise elected to proceed to closing as provided therein, then at any time thereafter Seller may, by written notice to Buyer, cancel and terminate the agreement, unless Buyer within ten (10) days of such notification waives the conditions precedent in writing and elects to proceed with the closing.
Environmental:	Seller warrants to the best of its knowledge and belief that (i) there are no abandoned wells, solid waste disposal sites, hazardous wastes or substances, or underground storage tanks located on the Premises, (ii) the Premises does not contain levels of radon gas, asbestos, or urea-formaldehyde foam insulation which require remediation under current governmental standards, and (iii) Seller has done nothing to contaminate the Premises with hazardous wastes or substances. Seller warrants that the property is not subject to any local, state, or federal judicial or administrative action, investigation or order, as the case may be, regarding wells, solid waste disposal sites, hazardous wastes or substances, or underground storage tanks.
Abstract/Title Insurance:	Seller shall provide Buyer with its most recent abstract and/or title commitment. Buyer shall order a title commitment on the Premises, as soon as practicable following the full execution of the purchase agreement contemplated by this letter of intent, through Escrow Agent for an ALTA Form B owner's policy (2006 version, if available), with extended coverage, or a comparable form, from a title insurance company approved by Buyer in the amount of the purchase price, covering the date of this Agreement, and shall provide to Buyer the basic owner's title insurance commitment within twenty (20) days of the effective date. If the

	report on title, binder or commitment discloses any defects in title (other than liens or encumbrances of a definite or ascertainable amount which may be paid at closing from the proceeds due Seller), Seller shall have thirty (30) days from the date of Buyer's notice of such defects to make a good faith effort to cure such defects and to furnish a report showing the defects cured or removed. If such defects are not cured within thirty (30) days, Buyer may terminate this agreement or may, at its election, take title subject to any such defects. The cost of the title commitment and the cost of the owner's title policy shall be borne by Seller. The cost of any lender's title policy and extended owner's title insurance coverage shall be borne by the Buyer.
Escrow Deposit:	Within ten (10) days after the date of the signature of the full execution of the purchase agreement contemplated by this letter of intent, Buyer shall deposit with the Escrow Agent the sum of SEVEN THOUSAND FIVE HUNDRED DOLLARS ($7,500) ("Escrow Deposit").
Escrow Agent/Title Company:	Waco Title, Fayetteville, Arkansas
Use Restriction:	Seller and its affiliates shall restrict the use of any and all real estate owned or controlled by Seller and its affiliates within one mile of the Premises for a period of twenty (20) years from being used for the following uses: a. A gasoline station, including any type of business that sells diesel fuel, ethanol fuel, bio-fuel or any other type of fuel used to power motorized vehicles designed primarily for use on public streets and highways. b. A convenience store. c. A cigar, tobacco or pipe shop. d. A business that generates more than fifty percent (50%) of its gross revenue from the sale of beer or liquor products for off premise consumption.

Real Estate Brokers/Commissions:	CBRE | NW Arkansas, David Erstine, represents Buyer as Buyer's Broker. Buyer's broker commission to be paid by Buyer at closing (or pursuant to a separate agreement).
Seller's Work:	Seller, at Seller's cost and expense not to exceed one-half (50%), shall construct or contribute funds for the construction of adequate streets, per the design standards of the City of Fayetteville, along the western and southern boundaries of Lot 1, including the intersection of the two planned streets, as shown on Exhibit "A". Buyer shall be responsible for the cost and expense of the remaining one-half (50%) of the street construction costs excluding any land cost; Prior to Closing, Seller, at Seller's cost and expense, shall raze any existing building and site improvements on the Premises. At the later of Closing or the completion of such work, Buyer shall reimburse the lesser of twenty-five (25%) or $100,000 to the City for such work;
Buyer's Work:	Buyer shall, at Buyer's sole cost and expense, complete any such City required street improvements, as typically required, on the eastern boundary of Lot 1 and as shown on Exhibit "A", along Ray Avenue; Buyer shall, at Buyer's sole cost and expense, complete the construction of the Regional Detention Pond ("Pond") as shown on Exhibit "A". Said Pond shall serve Lots 1 & 2 as shown on Exhibit "A". The Pond shall meet City design requirements and include a low impact development design.
Purchase Agreement:	Within ten (10) days of the full execution of this letter of intent, Buyer shall prepare and present to Seller a draft of a binding purchase agreement on a form substantially similar to Exhibit "B" attached hereto, as altered by the terms and conditions set forth herein.

Very truly yours,

KUM & GO, L.C.

By: _____
Real Estate Development Rep.

Agreed and accepted this _____day of _____, 20___.

City of Fayetteville

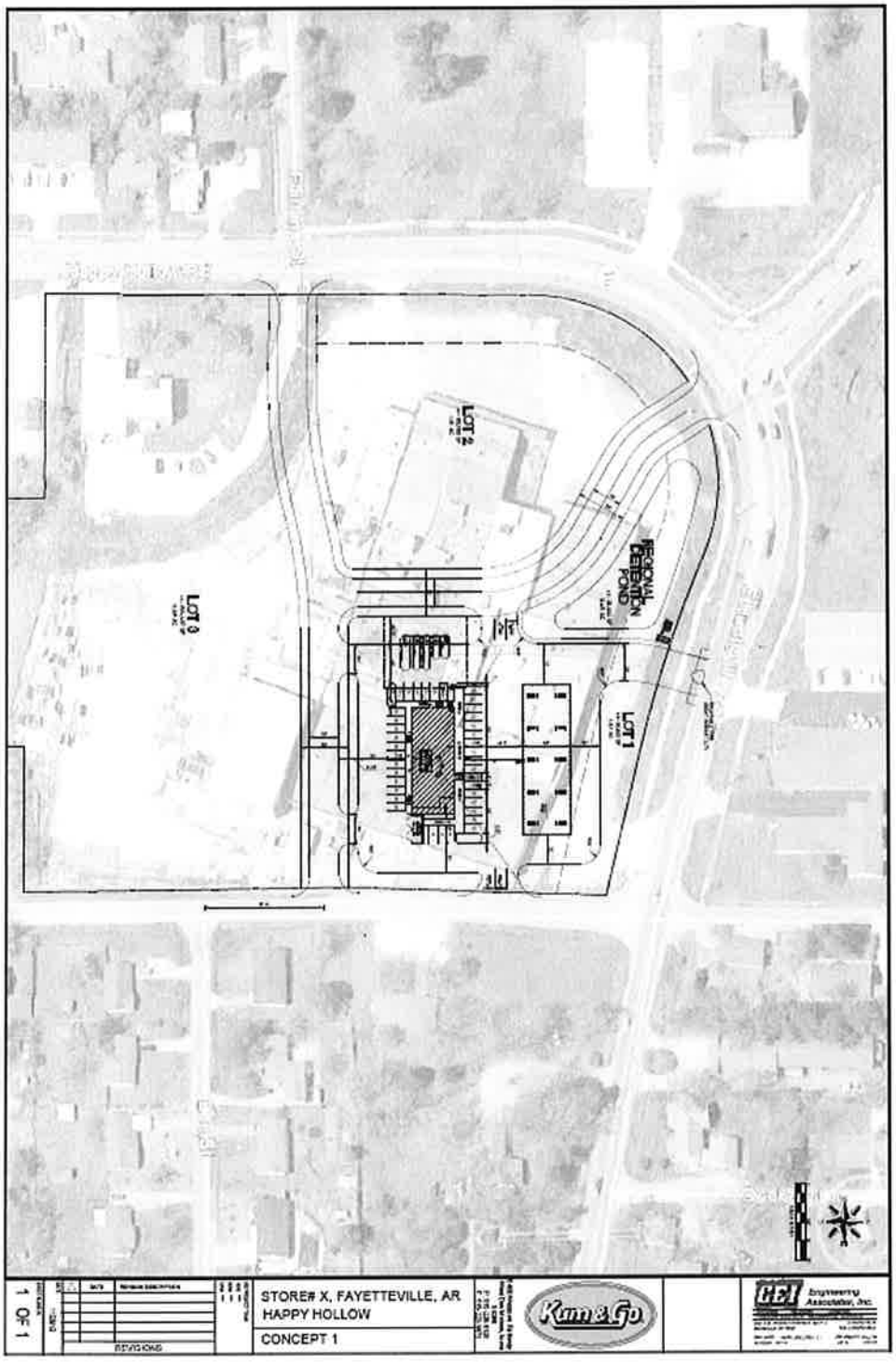
By:_____

Print:_____

Its: _____

EXHIBIT "A"

VISUAL DEPICTION



Fayetteville ARKANSAS
www.accessfayetteville.org

Departmental Correspondence

LEGAL DEPARTMENT

Kit Williams
City Attorney

Jason B. Kelley
Assistant City Attorney

TO: **Mayor Jordan**
City Council

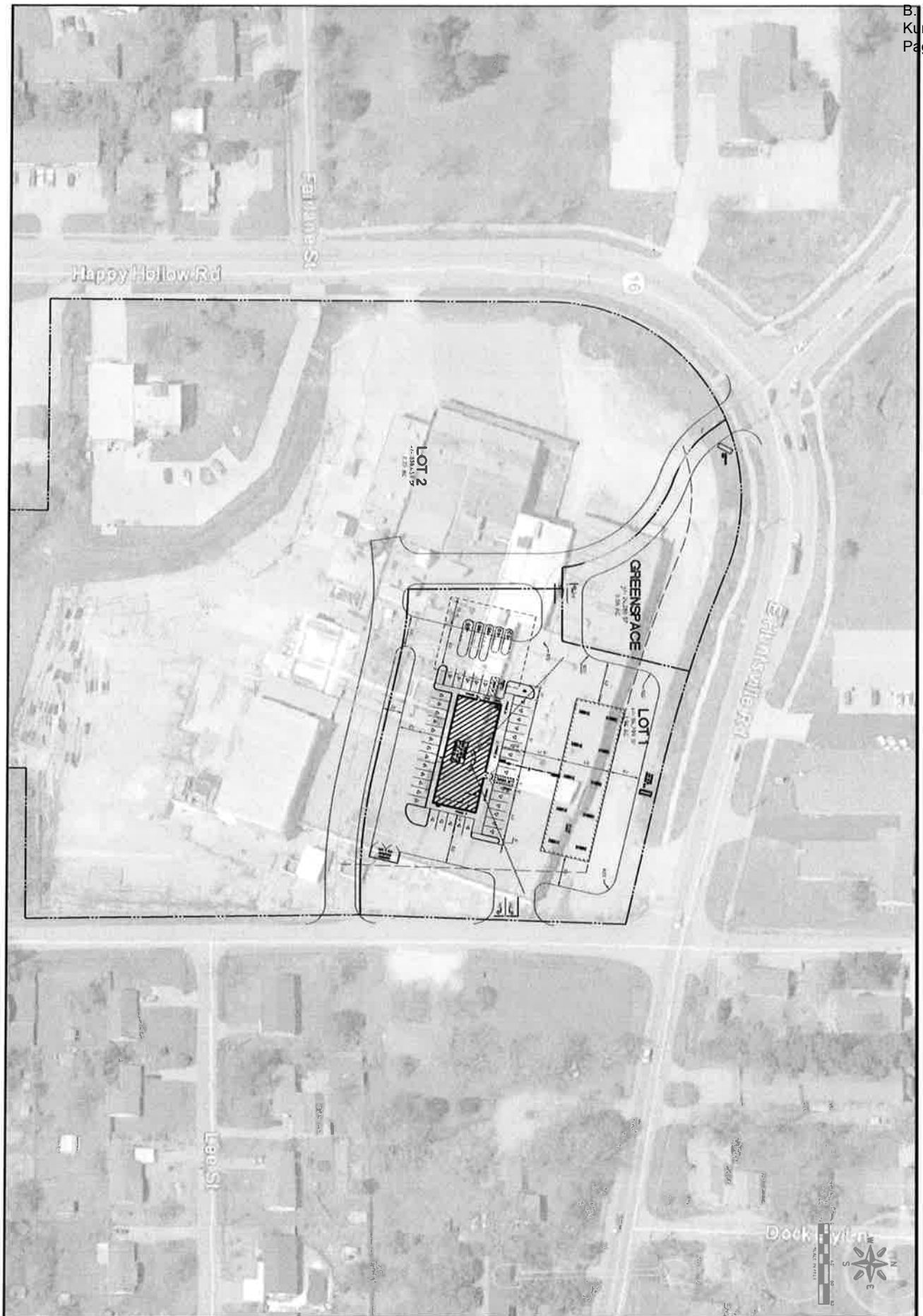
FROM: **Kit Williams**, City Attorney

DATE: **January 8, 2013**

RE: **Concept Plat from CEI for Kum & Go**

Attached please find "Concept 4" for the Lot proposed to be sold to Kum & Go, L.C. It has agreed to remove the direct driveway access onto Huntsville and eliminate one of the curb cuts onto the southern drive or street. The lot is still less than 2 acres, but is now shown to be about 1.94 acres.

One thing that needs to be clarified is that **only City of Fayetteville owned property** within a mile of this site would be restricted from being sold to be used as a convenience store/gas station. **There would be no such restrictions for privately owned property**. This restriction would primarily affect the other possible commercial lot along Happy Hollow (Highway 16 East) which is part of the 10 acre Tyson factory parcel.



1 OF 1

11/26/12

REVISIONS

STORE XXX, FAYETTEVILLE, AR
HAPPY HOLLOW

CONCEPT 4

Kum & Go.

Engineering Associates, Inc.

Handed out at the 1-15-13 CC mtg.

Fayetteville ARKANSAS
www.accessfayetteville.org

Departmental Correspondence

LEGAL DEPARTMENT

Kit Williams
City Attorney
Jason B. Kelley
Assistant City Attorney

TO: **Mayor Jordan**
City Council

CC: **Don Marr**, Chief of Staff
Paul Becker, Finance Director

FROM: **Kit Williams**, City Attorney

DATE: **January 15, 2013**

RE: **Resolution to Accept $1,000,000.00 Offer From Casey's Marketing Company, Inc.**

Since we have received a signed original offer from Casey's Marketing Company, Inc. d/b/a Casey's General Store in the amount of **ONE MILLION DOLLARS** ($1,000,000.00) for the two acre parcel of the old Tyson factory property, I have prepared the attached Resolution for the City Council's consideration and use if the City Council determines this is the best offer to purchase the two acre parcel.

If an Alderman wishes to propose that Casey's million dollar offer be accepted, the Alderman should move to amend the Resolution in your Agenda Packet which I drafted when the only offer was one for $900,000.00 from Kum & Go, L.C. to the Resolution attached to this memo.

RESOLUTION NO. _____

A RESOLUTION TO AUTHORIZE MAYOR JORDAN TO SELL ABOUT TWO ACRES OF THE TYSON FACTORY PROPERTY ON HUNTSVILLE ROAD FOR $1,000,000.00 TO CASEY'S MARKETING COMPANY, INC., TO AGREE TO COST SHARE WITH CASEY'S MARKETING COMPANY, INC. ROADS OR DRIVEWAYS WITHIN THE TYSON PROPERTY ADJOINING THIS TWO ACRE PARCEL AND THE DEMOLITION OF THE FACTORY, AND TO RECOMMEND REZONING THIS PARCEL TO NEIGHBORHOOD COMMERCIAL OR OTHER ZONING DISTRICT SATISFACTORY TO CASEY'S MARKETING COMPANY, INC.

WHEREAS, the City of Fayetteville used portions of the Tyson factory's lot obtained in 2004 for Highway 16 East right-of-way needs and for the construction of a new fire station; and

WHEREAS, now Casey's Marketing Company, Inc. has offered to purchase about two acres of the remaining ten acres to be used for a Casey's Marketing Company, Inc. gas station/convenience store; and

WHEREAS, the City Administration and Casey's Marketing Company, Inc. have worked out a proposed agreement in which Casey's Marketing Company, Inc. would pay $1,000,000.00 for this two acre parcel and the City and Casey's Marketing Company, Inc., would cost share 50/50 for the streets or driveways within the ten acre parcel on the west and south sides of the two acre parcel, Casey's Marketing Company, Inc., would cost share 25% (up to $100,000.00) for the demolition of the old factory and both parties would agree to the broad terms of the Concept Plat submitted by Casey's Marketing Company, 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 has determined that for the purposes of this proposed sale to Casey's Marketing Company, Inc., the parcel of about two acres should be rezoned to Neighborhood Commercial or other zoning district agreeable to Casey's Marketing Company, Inc. prior to its conveyance.

Section 2: That the City Council of the City of Fayetteville, Arkansas hereby authorizes Mayor Jordan to sign the attached Land Sale Agreement with Casey's Marketing Company, Inc. for the parcel shown on the concept plat (about two acres) for $1,000,000.00 and sign the deed conveying such parcel to Casey's Marketing Company, Inc.

Section 3: That the City Council of the City of Fayetteville, Arkansas hereby agrees: to cost share 50/50 with Casey's Marketing Company, Inc. for streets or driveways running from the intersection of Happy Hollow and Huntsville through the property (on the west side of the two acre lot) and along the southern border of this parcel to Ray Avenue; to cost share 75/25

(up to $100,000.00) for the demolition and removal of the Tyson factory; to agree not to sell any other city-owned property within one mile of this parcel for use of another convenience store/gas station, liquor store or tobacco store; and to agree to the development of this parcel in the general form shown in the Concept Plat attached to the Land Sale Agreement.

PASSED and **APPROVED** this 15th day of January, 2013.

APPROVED:

By: _____
LIONELD JORDAN, Mayor

ATTEST:

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

Kit Williams handed out at the 1-15-13 CC mtg

CASEY'S GENERAL STORES, INC.

P.O. Box 3001 • One Convenience Blvd., Ankeny, Iowa 50021-8045 • 515-965-6100

Sender's Direct-Dial Telephone Number: 515-965-6284

E-mail Address: doug.beech@caseys.com

Fax Number: 515-965-6160

January 14, 2013

Via Overnight Mail

City of Fayetteville
Attn: Kit Williams, City Attorney
113 West Mountain
Fayetteville, AR 72701

RE: Land Sale Agreement

Dear Kit:

Please find enclosed the original Land Sale Agreement that has been signed on behalf of Casey's Marketing Company. If the Agreement is approved by the City, please have it signed and return it back to my attention at Casey's.

If you have any questions, please feel free to contact me. Thank you.

Very truly yours,

Douglas M. Beech
Legal Counsel

DMB/slc
Enclosure
pc: Kirk Haworth/Melani Samora

t:\doug\real estate\fayetteville ar\williams-ltr 1-14-13.docx

Emailed to Aldermen for the 1-15-13 CC Mtg.

Fayetteville
ARKANSAS
www.accessfayetteville.org

Departmental Correspondence

LEGAL DEPARTMENT

Kit Williams
City Attorney

Jason B. Kelley
Assistant City Attorney

TO: **Mayor Jordan**
City Council

CC: **Don Marr**, Chief of Staff
Paul Becker, Finance Director

FROM: **Kit Williams**, City Attorney

DATE: **January 14, 2013**

RE: **Offer from Casey's Marketing Company, Inc. d/b/a/ Casey's General Store**

This afternoon I received the attached Land Sale Agreement signed by Casey's Marketing Company, Inc. for the two acre parcel of the old Tyson factory property that is also sought by Kum & Go, L.C. Casey's has raised Kum & Go's offer of $900,000.00 (plus other agreements) by $100,000.00 to $1,000,000.00 (plus the same agreements) for this property.

Casey's offer will be able to be considered along with Kum & Go's proposal at tomorrow night's meeting.

LAND SALE AGREEMENT

This Land Sale Agreement is made and entered into by and between the City of Fayetteville, Arkansas, a municipal corporation of the State of Arkansas (hereinafter "City" or "Fayetteville") and Casey's Marketing Company, an Iowa corporation authorized to do business in Arkansas (hereinafter "Casey's").

The City of Fayetteville agrees to sell an approximate 2 acre parcel it owns which is a northeastern portion of the about 10 acre parcel of the old Tyson factory site at 1851 East Huntsville Road, Fayetteville, Arkansas to Casey's for $1,000,000.00 and to perform the other terms and conditions of this Agreement for this $1,000,000.00 and Casey's performance of all of the terms and promises set forth later in this Agreement.

Casey's agrees to pay to the City of Fayetteville $1,000,000.00 for this approximate 2 acre parcel and to perform all of the terms set forth later in this Agreement for the City's performance of all of its required terms and conditions.

TERMS AND CONDITIONS

1. *Sale*

Subject to existing easements and rights of way and subject to the terms and conditions, mutual promises and covenants of this Agreement, the City of Fayetteville agrees to sell a northeastern parcel of approximately 2 acres (hereinafter "**Development Site**") of the 10.05 acre parcel located at 1851 East Huntsville Road, Fayetteville, Arkansas (after it has been split or subdivided from the larger tract) by warranty deed to Casey's for the amount of One Million Dollars ($1,000,000.00). This Development Site shall be approximately 2 acres. The parties hereby agree that at this time there is no existing survey or plat of the Development Site. The parties acknowledge that the Development Site being conveyed to Casey's is a portion of a larger existing real estate parcel of which the City does not have a current legal description. The parties agree that the Development Site will be approximately located as set forth on Exhibit "A" attached hereto and incorporated herein by reference.

The parties agree that a new metes and bounds legal description of the Development Site will be determined and created pursuant to a survey and a lot split procedure for the Development Site. Casey's shall be responsible for the cost of any required survey of the Development Site.

2. *Purchase*

Subject to the terms and conditions, mutual promises and covenants of this Agreement, Casey's agrees to buy the Development Site for $1,000,000.00 to be paid to the City of Fayetteville on or before the Closing Date.

3. *Demolition Of Tyson Factory*

A. The City of Fayetteville agrees to demolish or pay a reputable contractor to demolish and remove unsalvageable debris of the old Tyson Factory to include removing its foundation, footings and slab within four months of both parties' execution of this Agreement.

B. In addition to the purchase price, Casey's agrees to reimburse the City the lesser of 25% of the demolition and removal costs of the factory or $100,000.00 within thirty (30) days after the City notifies Casey's that the demolition is complete. Such payment is not refundable unless the City materially breaches this Agreement.

4. *Cost Shares for Streets/Driveways*

The City of Fayetteville and Casey's agree to cost share 50/50 (both to pay equal amounts) of the design and construction expenses (including the reasonable value of City professional or construction activities) of a street or driveway from the intersection of Happy Hollow and Huntsville Road to the southwest corner of the Development Site and from that point to Ray Avenue along the southern border of the Development Site. The City will not charge Casey's for the property used for the roadway and the roadway shall remain City property, but the City shall grant Casey's and the public a full access easement to use these streets/driveways. Such street construction and cost share shall not occur until the Development Site has received formal development approval and actual construction by Casey's has commenced.

5. *Landscaped Area*

An agreed upon area northwest of the Development Site and east of the road from the Happy Hollow intersection with Huntsville Road to the southwest corner of the Development Site shall be retained or easement granted for the City's use. Casey's shall pay to have this property landscaped with a sufficient and prominent space left for a City sculpture, monument, sign or piece of art as determined appropriate by the City Council. Casey's and the City shall jointly work on the landscaping plan which will not include items that would unduly block the view of Casey's store from the Happy Hollow/Huntsville intersection. Casey's will pay for installation of necessary irrigation, but the City will be responsible for maintenance of this landscaped area once fully and properly installed. Parts of this area may be used for future Highway 16 right-of-way needs, including a possible roundabout to replace the current intersection.

6. *Escrow Deposit*

Within ten days after the execution of this Land Sale Agreement, Casey's will deposit with Waco Title Company, Fayetteville, Arkansas ("Escrow Agent") the sum of Fifteen Thousand Dollars ($15,000.00) as the escrow deposit to be held, administered and disbursed in accordance with the terms of this Agreement.

7. *Closing Date and Place*

Closing shall occur within 180 days following the date this Agreement has been executed by both parties. The Closing shall occur at 113 West Mountain Street, Fayetteville, Arkansas in a room supplied by the City of Fayetteville. Casey's shall have the option to extend the Closing date by up to two (2) consecutive sixty (60) day periods by notifying the City of Casey's exercise of each such extension option. Upon the exercise of the first such extension option, $5,000.00 of the Escrow Deposit shall become non-refundable to Casey's but applicable to the purchase price at Closing. Upon the exercise of the last extension option, $5,000.00 of the Escrow Deposit shall also become non-refundable to Casey's, but applicable to the purchase price at Closing.

8. *Date of Possession*

Possession of the Development Site shall be delivered to Casey's on the Closing date free of any tenancies or other third party possessory rights.

9. ***Title Insurance***

The City of Fayetteville shall order a title commitment on the Development Site, as soon a practicable following the full execution of this Agreement, through a title insurance company selected by the City and acceptable to Casey's, for an ALTA Form B owner's policy, with extended coverage, or a comparable form, from a title insurance company in the amount of the purchase price, covering the date of this Agreement, and said title insurance company shall provide to Casey's the basic owner's title insurance commitment within twenty (20) days of the signing of the Agreement. If the report on title, binder or commitment discloses any defects in title (other than liens or encumbrances of a definite or ascertainable amount which may be paid at closing from the proceeds due the City), the City shall have thirty (30) days from the date of Casey's notice of such defects to make a good faith effort to cure such defects and to furnish a report showing the defects cured or removed. If such defects are not cured within thirty (30) days, Casey's may terminate this agreement or may, at its election, take title subject to any such defects. The cost of the title commitment and the cost of the owner's title policy shall be borne by the City of Fayetteville. The cost of any lender's title policy and extended owner's title insurance coverage shall be borne by Casey's.

10. ***Deed and Other Documents***

On the Closing date, the City of Fayetteville shall convey marketable and insurable title to the premises by general warranty deed, free and clear of all liens, restrictions, and encumbrances except as provided in this Agreement, subject only to current real estate taxes (to be apportioned between the parties) and existing easements. Casey's and the City of Fayetteville shall equally share the cost a reasonable closing fee imposed by the closing agent employed by parties provided however that Casey's shall be responsible for any revenue stamps resulting from this transaction and all recordings fees for the deed and other documents that need to be filed.

11. ***Use Restriction***

At Closing the City of Fayetteville shall restrict the use when sold to a third party of any and all real estate owned by the City of Fayetteville within one mile of the Development Site for a period of twenty (20) years by placing within any deed conveying such City owned property to a third party during the next 20 years

a prohibition of the use of such property until 2033 for a gas station, convenience store, tobacco store, or business that generates more than 50% of its revenue from the sale of alcoholic beverages for off-premises consumption.

12. *Real Estate Taxes*

Real estate taxes shall be prorated in customary fashion to date of possession.

13. *Risk of Loss*

Risk of loss as to the Development Site shall remain with the City of Fayetteville until the Closing date.

14. *Environmental Matters*

The City warrants to the best of its knowledge and belief that (i) there are no abandoned wells, solid waste disposal sites, hazardous wastes or substances, or underground storage tanks located on the Development Site, (ii) the Development Site does not contain levels of radon gas, asbestos, or urea-formaldehyde foam insulation which require remediation under current governmental standards, and(iii) the City had done nothing to contaminate the Development Site with hazardous wastes or substances. The City warrants that the Development Site is not subject to any local, state, or federal judicial or administrative action, investigation or other, regarding wells, solid waste disposal sites, hazardous wastes or substances, or underground storage tanks. Casey's shall be responsible for the costs of any Phase I or Phase II environmental site assessment for the Development Site, and for the costs of other customary third party due diligence reports.

15. Casey*'s Due Diligence*

Casey's may enter upon the Development Site to conduct any surveying, testing or inspection it deems necessary to ensure the Development Site will be appropriate for the construction and use for a Casey's gas station/convenience store. If Casey's discovers any problems that would adversely impact its development and use of the Development Site for its store, Casey's shall notify the City which is granted sixty (60) days to remediate any problem. The City may also terminate this Agreement without penalty rather then remediating any problem or issue discovered by Casey's.

16. ***Large Scale Development Approval***

Casey's shall, at its sole cost and expense, prepare a Large Scale Development plat of the Development Site and obtain any and all approvals necessary for Casey's intended use of the Development Site as a gas station/convenience store. The City shall reasonably cooperate with Casey's in Casey's request for development approval of a gas station and convenience store. Casey's must present its development proposal through the normal City process and follow the Unified Development Code requirements.

17. ***Casey's Conditions Precedent***

Casey's obligation to close this transaction is expressly conditioned upon each of the following:

(a) City shall have performed and complied in all material respects with all agreements, terms, and conditions required by this agreement to be performed by and complied with by City on or before the Closing date.

(b) All representations, warranties and covenants of City contained in this Agreement shall be true and correct in all material respects as of the Closing date.

(c) Casey's has obtained final approval of its Large Scale Development proposal to construct a gas station/convenience store on the Development Site.

If any of Casey's conditions precedent have not been satisfied or complied with prior to the Closing date, Casey's may, by written notice to City within seven (7) days of the Closing date cancel and terminate this Agreement. In the event that this Agreement is terminated by Casey's as permitted by this Section, neither party shall retain any rights or obligations under this Agreement, except that the Escrow Deposit shall be returned to Casey's, except any portion thereof that has become non-refundable to Casey's and the 25% of demolition costs up to $100,000.00 must still be paid to the City and not be refundable to Casey's unless the City has refused to grant reasonable development rights to Casey's after its good faith application for such development rights. Notwithstanding the foregoing, Casey's, in its sole discretion, may waive any conditions precedent in its favor and elect to proceed with the closing by the Closing date.

18. ***Broker***

Casey's has been represented by Steve Fineberg & Associates, Inc. during this sale and will be responsible to pay their brokerage fee.

19. ***Notices***

Notices required by this Agreement shall be in writing and shall be delivered to:

Casey's General Stores, Inc.
ATTN: Kirk Haworth
One S.E. Convenience Blvd.
P.O. Box 3001
Ankeny, IA 50021 or by FAX (515) 965-6107

or to:

City of Fayetteville
ATTN: Mayor's Office
113 W. Mountain Street
Fayetteville, AR 72701 72701-6083 or by FAX (479) 575-8257.

20. ***Authority***

Each of the undersigned individuals represent and warrant that they are authorized to enter into this Agreement on behalf of their respective entities and that execution hereof will bind the entities to this Agreement.

21. ***Counterparts***

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same agreement.

22. ***Facsimile***

For purposes of executing this Agreement, a facsimile signature shall be as effective an as actual signature.

23. ***Applicable Law***

This Agreement shall be construed and enforced in accordance with the laws and public policies of the State of Arkansas.

24. ***Survival***

The representations, warranties, and agreements of the parties contained herein shall survive the closing date.

25. ***No Waivers***

The waiver by either party hereto of any condition or the breach of any term, covenant or conditions herein contained shall not be deemed to be a waiver of any other condition or of any subsequent breach of the same or of any other term, covenant or condition herein contained.

26. ***Time of Essence***

Time is of the essence in this Agreement.

27. ***Invalidity***

If for any reason any term or provision of this Agreement shall be declared void and unenforceable by any court of law or equity it shall only affect such particular term or provision of this Agreement and the balance of this Agreement shall remain in full force and effect and shall be binding upon the parties hereto.

28. ***Complete Agreement***

All understandings and agreements heretofore existing between the parties are merged into this Agreement that alone fully and completely expresses their agreement. This Agreement may be changed only in writing signed by both of the parties hereto and shall apply to and bind the successors and assigns of each of the parties hereto and shall not merge with the deed delivered to Casey's at closing.

BUYER:

Date: 1/14/13

CASEY'S MARKETING COMPANY

By: _____
SAM J. BILLMEYER
Vice President

Witness:

By: _____

Fed. I.D. No.: 42-1435913
FAX No.: (515) 965-6107
Address: One S.E. Convenience Blvd.
P.O. Box 3001
Ankeny, IA 50021

SELLER:

Date: _____

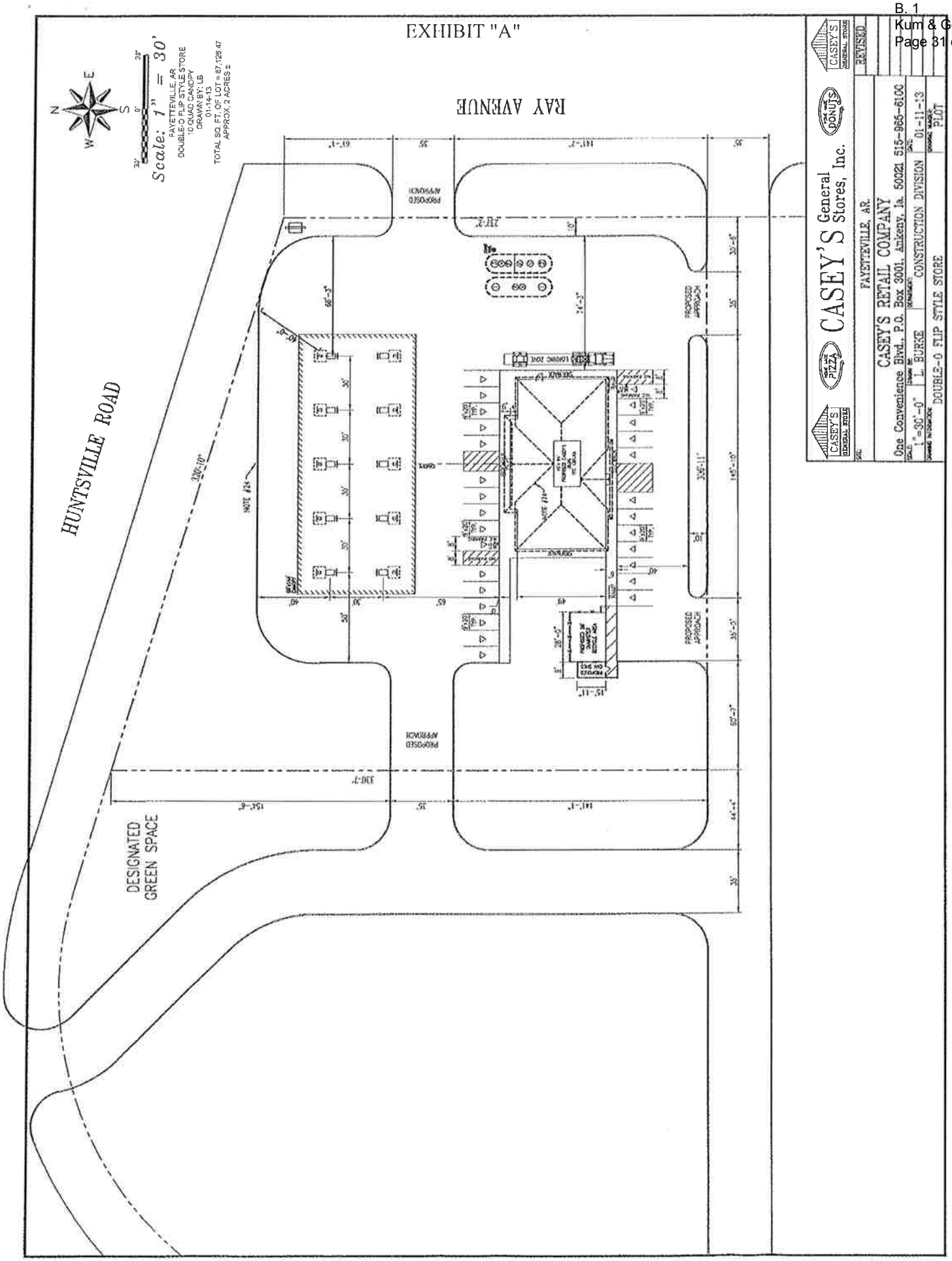
CITY OF FAYETTEVILLE, ARKANSAS

By: _____
LIONELD JORDAN
Mayor

ATTEST:

By: _____
Sondra E. Smith, City Clerk

EXHIBIT "A"


Scale: 1" = 30'
FAYETTEVILLE, AR
DOUBLE-O FLIP STYLE STORE
10 QUAD CANOPY
DRAWN BY: LB
01-14-13
TOTAL SQ. FT. OF LOT = 87,126.47
APPROX. 2 ACRES ±
RAY AVENUE
HUNTSVILLE ROAD
DESIGNATED GREEN SPACE
PROPOSED APPROACH
CASEY'S General Stores, Inc.
CASEY'S RETAIL COMPANY
One Convenience Blvd., P.O. Box 3001, Ankeny, Ia. 50021 515-965-6100
FAYETTEVILLE, AR.
REVISED
1"=30'-0"
L. BURKE
CONSTRUCTION DIVISION
01-11-13
PLOT
DOUBLE-O FLIP STYLE STORE

Emailed to alderman for the 1-15-13 CC mtg

From: "Amy Mills" <amy@arkrealestate.com>
To: "Kit Williams" <kwilliams@ci.fayetteville.ar.us>
Date: 1/15/2013 12:25 PM
Subject: Casey's Photo
Attachments: Caseys exterior 3.jpg; caseys exterior 1.jpg; Caseys exterior.jpg

Thank you Kit.

I am attaching a few photos of some other Casey's in Northwest Arkansas. We currently have 9 open stores in Northwest Arkansas and 6 more under construction. Hopefully you have visited one of our locations in Arkansas but if you haven't you will be surprised to see that the stores offer many features including home made to go items including subs, pizza and cookies.

If I can provide any other details about Casey's stores to help familiarize you and the council with Casey's stores let me know how I can help.

Amy

Amy Mills, CCIM
Executive Broker
Commercial Sales & Leasing
Steve Fineberg & Associates, Inc.
479-271-4161 (Office) 479-685-8875 (Cell)
www.arkrealestate.com

-----Original Message-----
From: Kit Williams [mailto:kwilliams@ci.fayetteville.ar.us]
Sent: Tue 1/15/2013 10:58 AM
To: Amy Mills
Subject: RE: Attached Image

Amy,
We received and distributed Casey's better offer to the City Council. I will have a substitute Resolution ready to accept this offer if that is what the City Council wants to do tonight.
Kit

Kit Williams, Fayetteville City Attorney
(479) 575-8313
FAX (479) 575-8315
113 West Mountain
Fayetteville, AR 72701

>>> "Amy Mills" <amy@arkrealestate.com> 1/15/2013 9:37 AM >>>
Hi Kit,

Wanted to let you know that the client I called about earlier this month is Casey's as they disclosed in their offer to you yesterday.

I will be at the city council meeting tonight and look forward to meeting you.

If you need anything from me or Casey's before the meeting please let us

know.

Amy

Amy Mills, CCIM
Executive Broker
Commercial Sales & Leasing
Steve Fineberg & Associates, Inc.
479-271-4161 (Office) 479-685-8875 (Cell)
www.arkrealestate.com

-----Original Message-----
From: Kit Williams [mailto:kwilliams@ci.fayetteville.ar.us]
Sent: Friday, January 04, 2013 3:58 PM
To: Lioneld Jordan
Subject: Fwd: Attached Image

Mayor,
Pursuant to their request, I am forwarding the proposed Land Sale Agreement to representatives of the other entities which might want to make an offer to buy the 1.87 acre parcel from the Tyson property.
Kit

Kit Williams, Fayetteville City Attorney
(479) 575-8313
FAX (479) 575-8315
113 West Mountain
Fayetteville, AR 72701

3075 W Pleasant Grove- Rogers, AR

Hwy 265 & Don Tyson- Springdale, AR

Hwy 265 & Don Tyson- Springdale, AR

Handed out at the 1-15-13 C.C. Mtg.

Fayetteville
ARKANSAS
www.accessfayetteville.org

Departmental Correspondence

LEGAL DEPARTMENT

Kit Williams
City Attorney
Jason B. Kelley
Assistant City Attorney

TO: **Mayor Jordan**
City Council

CC: **Don Marr**, Chief of Staff
Paul Becker, Finance Director

FROM: **Kit Williams**, City Attorney

DATE: **January 15, 2013**

RE: **Resolution to Accept $1,000,000.00 Offer From Kum & Go, L.C.**

We have received a signed original offer from Kum & Go, L.C. in the amount of **ONE MILLION DOLLARS** ($1,000,000.00) for the two acre parcel of the old Tyson factory property. I have prepared the attached Resolution for the City Council's consideration and use if the City Council determines this is the best offer to purchase the two acre parcel.

If an Alderman wishes to propose that Kum & Go's million dollar offer be accepted, the Alderman should move to amend the Resolution in your Agenda Packet which I drafted when the only offer was one for $900,000.00 from Kum & Go, L.C. to the Resolution attached to this memo.

RESOLUTION NO. _____

A RESOLUTION TO AUTHORIZE MAYOR JORDAN TO SELL ABOUT TWO ACRES OF THE TYSON FACTORY PROPERTY ON HUNTSVILLE ROAD FOR $1,000,000.00 TO KUM & GO, L.C., TO AGREE TO COST SHARE WITH KUM & GO ROADS OR DRIVEWAYS WITHIN THE TYSON PROPERTY ADJOINING THIS TWO ACRE PARCEL AND THE DEMOLITION OF THE FACTORY, AND TO RECOMMEND REZONING THIS PARCEL TO NEIGHBORHOOD COMMERCIAL OR OTHER ZONING DISTRICT SATISFACTORY TO KUM & GO, L.C.

WHEREAS, the City of Fayetteville used portions of the Tyson factory's lot obtained in 2004 for Highway 16 East right-of-way needs and for the construction of a new fire station; and

WHEREAS, now Kum & Go, L.C. has offered to purchase about two acres of the remaining ten acres to be used for a Kum & Go gas station/convenience store; and

WHEREAS, the City Administration and Kum & Go, L.C. have worked out a proposed agreement in which Kum & Go, L.C. would pay $1,000,000.00 for this two acre parcel and the City and Kum & Go would cost share 50/50 for the streets or driveways within the ten acre parcel on the west and south sides of the two acre parcel, Kum & Go would cost share 25% (up to $100,000.00) for the demolition of the old factory and both parties would agree to the broad terms of the Concept Plat submitted by Kum & Go, L.C.

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 has determined that for the purposes of this proposed sale to Kum & Go, L.C., the parcel of about two acres should be rezoned to Neighborhood Commercial or other zoning district agreeable to Kum & Go, L.C. prior to its conveyance.

Section 2: That the City Council of the City of Fayetteville, Arkansas hereby authorizes Mayor Jordan to sign a Land Sale Agreement with Kum & Go, L.C. for the parcel shown on the concept plat (about two acres) for $1,000,000.00 and sign the deed conveying such parcel to Kum & Go, L.C.

Section 3: That the City Council of the City of Fayetteville, Arkansas hereby agrees: to cost share 50/50 with Kum & Go, L.C. for streets or driveways running from the intersection of Happy Hollow and Huntsville through the property (on the west side of the two acre lot) and along the southern border of this parcel to Ray Avenue; to cost share 75/25 (up to $100,000.00)

for the demolition and removal of the Tyson factory; to agree not to sell any other city-owned property within one mile of this parcel for use of another convenience store/gas station, liquor store or tobacco store; and to agree to the development of this parcel in the general form shown in the Concept Plat attached to the Land Sale Agreement.

PASSED and **APPROVED** this 15th day of January, 2013.

APPROVED:

By: _____
LIONELD JORDAN, Mayor

ATTEST:

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

LAND SALE AGREEMENT

This Land Sale Agreement is made and entered into by and between the City of Fayetteville, Arkansas, a municipal corporation of the State of Arkansas (hereinafter "City" or "Fayetteville") and Kum & Go, L.C., an Iowa limited liability company authorized to do business in Arkansas (hereinafter "Kum & Go").

The City of Fayetteville agrees to sell about a 1.96 acre parcel it owns which is a northeastern portion of the about 10 acre parcel of the old Tyson factory site at 1851 East Huntsville Road, Fayetteville, Arkansas to Kum & Go, L.C. for $1,000,000.00 and to perform the other terms and conditions of this Agreement for this $1,000,000.00 and Kum & Go's performance of all of the terms and promises set forth later in this Agreement.

Kum & Go, L.C. agrees to pay to the City of Fayetteville $1,000,000.00 for this 1.96 acre parcel and to perform all of the terms set forth later in this Agreement for the City's performance of all of its required terms and conditions.

TERMS AND CONDITIONS

1. *Sale*

Subject to existing easements and rights of way and subject to the terms and conditions, mutual promises and covenants of this Agreement, the City of Fayetteville agrees to sell a northeastern parcel of about 1.96 acres (hereinafter "**Development Site**") of the 10.05 acre parcel located at 1851 East Huntsville Road, Fayetteville, Arkansas (after it has been split or subdivided from the larger tract) by warranty deed to Kum & Go, L.C. for the amount of One Million Dollars ($1,000,000.00). This Development Site of about 1.96 acres shall be as shown on the plat attached at Exhibit A and as more particularly described on Exhibit B (to be provided).

The parties agree that a new metes and bounds legal description of the Development Site will be determined and created pursuant to a survey and a lot split procedure for the Development Site. Kum & Go shall be responsible for the cost of any required survey of the Development Site.

2. *Purchase*

Subject to the terms and conditions, mutual promises and covenants of this Agreement, Kum & Go, L.C. agrees to buy the Development Site for $1,000,000.00 to be paid to the City of Fayetteville on or before the Closing Date.

3. *Demolition Of Tyson Factory*

A. The City of Fayetteville agrees to demolish or pay a reputable contractor to demolish and remove unsalvageable debris of the old Tyson Factory to include removing its foundation, footings and slab within four months of both parties' execution of this Agreement.

B. In addition to the purchase price, Kum & Go, L.C. agrees to reimburse the City the lesser of 25% of the demolition and removal costs of the factory or $100,000.00 within thirty (30) days after the City notifies Kum & Go that the demolition is complete. Such payment is not refundable unless the City materially breaches this Agreement.

4. *Cost Shares for Streets/Driveways*

The City of Fayetteville and Kum & Go agree to cost share 50/50 (both to pay equal amounts) of the design and construction expenses (including the reasonable value of City professional or construction activities) of a street or driveway from the intersection of Happy Hollow and Huntsville Road to the southwest corner of the Development Site and from that point to Ray Avenue along the southern border of the Development Site. The City will not charge Kum & Go for the property used for the roadway and the roadway shall remain City property, but the City shall grant Kum & Go and the public a full access easement to use these streets/driveways. Such street construction and cost share shall not occur until the Development Site has received formal development approval and actual construction by Kum & Go has commenced.

5. *Landscaped Area*

The area northwest of the Development Site and east of the road from the Happy Hollow intersection with Huntsville Road to the southwest corner of the Development Site shall be retained as City property. Kum & Go shall pay to have this property landscaped with a sufficient and prominent space left for a City

sculpture, monument, sign or piece of art as determined appropriate by the City Council. Kum & Go and the City shall jointly work on the landscaping plan which will not include items that would unduly block the view of Kum & Go's store from the Happy Hollow/Huntsville intersection. Kum & Go will pay for installation of necessary irrigation, but the City will be responsible for maintenance of this landscaped area once fully and properly installed. Parts of this area may be used for future Highway 16 right-of-way needs, including a possible roundabout to replace the current intersection.

6. *Escrow Deposit*

Within ten days after the execution of this Land Sale Agreement, Kum & Go will deposit with Waco Title Company, Fayetteville, Arkansas ("Escrow Agent") the sum of Fifteen Thousand Dollars ($15,000.00) as the escrow deposit to be held, administered and disbursed in accordance with the terms of this Agreement.

7. *Closing Date and Place*

Closing shall occur within 180 days following the date this Agreement has been executed by both parties. The Closing shall occur at 113 West Mountain Street, Fayetteville, Arkansas in a room supplied by the City of Fayetteville. Kum & Go shall have the option to extend the Closing date by up two (2) consecutive sixty (60) day periods by notifying the City of Kum & Go's exercise of each such extension option. Upon the exercise of the first such extension option, $5,000.00 of the Escrow Deposit shall become non-refundable to Kum & Go but applicable to the purchase price at Closing. Upon the exercise of the second such extension option, $5,000.00 of the Escrow Deposit shall become non-refundable to Kum & Go, but applicable to the purchase price at Closing.

8. *Date of Possession*

Possession of the Development Site shall be delivered to Kum & Go on the Closing date free of any tenancies or other third party possessory rights.

9. *Title Insurance*

The City of Fayetteville shall order a title commitment on the Development Site, as soon a practicable following the full execution of this Agreement, through a title insurance company selected by the City and acceptable to Kum & Go, for an ALTA Form B owner's policy, with extended coverage, or a comparable form,

from a title insurance company in the amount of the purchase price, covering the date of this Agreement, and said title insurance company shall provide to Kum & Go the basic owner's title insurance commitment within twenty (20) days of the effective date. If the report on title, binder or commitment discloses any defects in title (other than liens or encumbrances of a definite or ascertainable amount which may be paid at closing from the proceeds due the City), the City shall have thirty (30) days from the date of Kum & Go's notice of such defects to make a good faith effort to cure such defects and to furnish a report showing the defects cured or removed. If such defects are not cured within thirty (30) days, Kum & Go may terminate this agreement or may, at its election, take title subject to any such defects. The cost of the title commitment and the cost of the owner's title policy shall be borne by the City of Fayetteville. The cost of any lender's title policy and extended owner's title insurance coverage shall be borne by Kum & Go.

10. ***Deed and Other Documents***

On the Closing date, the City of Fayetteville shall convey marketable and insurable title to the premises by general warranty deed, free and clear of all liens, restrictions, and encumbrances except as provided in this Agreement, subject only to current real estate taxes (to be apportioned between the parties) and existing easements. Kum & Go and the City of Fayetteville shall equally share the cost a reasonable closing fee imposed by the closing agent employed by parties provided however that Kum and Go shall be responsible for any revenue stamps resulting from this transaction and all recordings fees for the deed and other documents that need to be filed.

11. ***Use Restriction***

At Closing the City of Fayetteville shall restrict the use when sold to a third party of any and all real estate owned by the City of Fayetteville within one mile of the Development Site for a period of twenty (20) years by placing within any deed conveying such City owned property to a third party during the next 20 years a prohibition of the use of such property until 2033 for a gas station, convenience store, tobacco store, or business that generates more than 50% of its revenue from the sale of alcoholic beverages for off-premises consumption.

12. ***Real Estate Taxes***

Real estate taxes shall be prorated in customary fashion to date of possession.

13. ***Risk of Loss***

Risk of loss as to the Development Site shall remain with the City of Fayetteville until the Closing date.

14. ***Environmental Matters***

The City warrants to the best of its knowledge and belief that (i) there are no abandoned wells, solid waste disposal sites, hazardous wastes or substances, or underground storage tanks located on the Development Site, (ii) the Development Site does not contain levels of radon gas, asbestos, or urea-formaldehyde foam insulation which require remediation under current governmental standards, and(iii) the City had done nothing to contaminate the Development Site with hazardous wastes or substances. The City warrants that the Development Site is not subject to any local, state, or federal judicial or administrative action, investigation or other, regarding wells, solid waste disposal sites, hazardous wastes or substances, or underground storage tanks. Kum & Go shall be responsible for the costs of any Phase I or Phase II environmental site assessment for the Development Site, and for the costs of other customary third party due diligence reports.

15. ***Kum & Go's Due Diligence***

Kum & Go may enter upon the Development Site to conduct any surveying, testing or inspection it deems necessary to ensure the Development Site will be appropriate for the construction and use for a Kum & Go gas station/convenience store. If Kum & Go discovers any problems that would adversely impact its development and use of the Development Site for its store, Kum & Go shall notify the City which is granted sixty (60) days to remediate any problem. The City may also terminate this Agreement without penalty rather then remediating any problem or issue discovered by Kum & Go.

16. ***Large Scale Development Approval***

Kum & Go shall, at its sole cost and expense, prepare a Large Scale Development plat of the Development Site and obtain any and all approvals necessary for Kum & Go's intended use of the Development Site as a gas station/convenience store. The City shall reasonably cooperate with Kum & Go in Kum & Go's request for development approval of a gas station and convenience

store. Kum & Go must present its development proposal through the normal City process and follow the Unified Development Code requirements.

17. ***Kum & Go's Conditions Precedent***

Kum & Go's obligation to close this transaction is expressly conditioned upon each of the following:

(a) City shall have performed and complied in all material respects with all agreements, terms, and conditions required by this agreement to be performed by and complied with by City on or before the Closing date.

(b) All representations, warranties and covenants of City contained in this Agreement shall be true and correct in all material respects as of the Closing date.

(c) Kum & Go has obtained final approval of its Large Scale Development proposal to construct a gas station/convenience store on the Development Site.

If any of Kum & Go's conditions precedent have not been satisfied or complied with prior to the Closing date, Kum & Go may, by written notice to City within seven (7) days of the Closing date cancel and terminate this Agreement. In the event that this Agreement is terminated by Kum & Go as permitted by this Section, neither party shall retain any rights or obligations under this Agreement, except that the Escrow Deposit shall be returned to Kum & Go, except any portion thereof that has become non-refundable to Kum & Go and the 25% of demolition costs up to $100,000.00 must still be paid to the City and not be refundable to Kum & Go unless the City has refused to grant reasonable development rights to Kum & Go after its good faith application for such development rights. Notwithstanding the foregoing, Kum & Go, in its sole discretion, may waive any conditions precedent in its favor and elect to proceed with the closing by the Closing date.

18. ***Broker***

Kum & Go has been represented by David Erstine of CBRE | NW Arkansas during this sale and will be responsible to pay his brokerage fee.

19. ***Notices***

Notices required by this Agreement shall be in writing and shall be delivered to:

Kum & Go, L.C.
ATTN: Real Estate Development
c/o Rob Wadle (or successor)
6400 Westown Parkway
W. Des Moines, Iowa 50266 or by FAX (515) 226-1595

or to:

City of Fayetteville
ATTN: Mayor's Office
113 W. Mountain Street
Fayetteville, AR 72701 72701-6083 or by FAX (479) 575-8257.

20. ***Authority***

Each of the undersigned individuals represent and warrant that they are authorized to enter into this Agreement on behalf of their respective entities and that execution hereof will bind the entities to this Agreement.

21. ***Counterparts***

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same agreement.

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For purposes of executing this Agreement, a facsimile signature shall be as effective an as actual signature.

23. ***Applicable Law***

This Agreement shall be construed and enforced in accordance with the laws and public policies of the State of Arkansas.

24. ***Survival***

The representations, warranties, and agreements of the parties contained herein shall survive the closing date.

25. ***No Waivers***

The waiver by either party hereto of any condition or the breach of any term, covenant or conditions herein contained shall not be deemed to be a waiver of any other condition or of any subsequent breach of the same or of any other term, covenant or condition herein contained.

26. ***Time of Essence***

Time is of the essence in this Agreement.

27. ***Invalidity***

If for any reason any term or provision of this Agreement shall be declared void and unenforceable by any court of law or equity it shall only affect such particular term or provision of this Agreement and the balance of this Agreement shall remain in full force and effect and shall be binding upon the parties hereto.

28. ***Complete Agreement***

All understandings and agreements heretofore existing between the parties are merged into this Agreement that alone fully and completely expresses their agreement. This Agreement may be changed only in writing signed by both of the parties hereto and shall apply to and bind the successors and assigns of each of the parties hereto and shall not merge with the deed delivered to Kum & Go at closing.

Date: 11/15/2013

KUM & GO, L.C.

By: Niki DePhillips

Title: SVP, Store Development

Witness:

By: Stacie Hatch

Fed. I.D. No.: 42-1352663
FAX No.: (515) 457-6179
Address: 6400 Westown Parkway, West
Des Moines, IA 50266

STACIE HATCH
Commission Number 748258
My Commission Expires
August 6, 2013
NOTARIAL SEAL IOWA

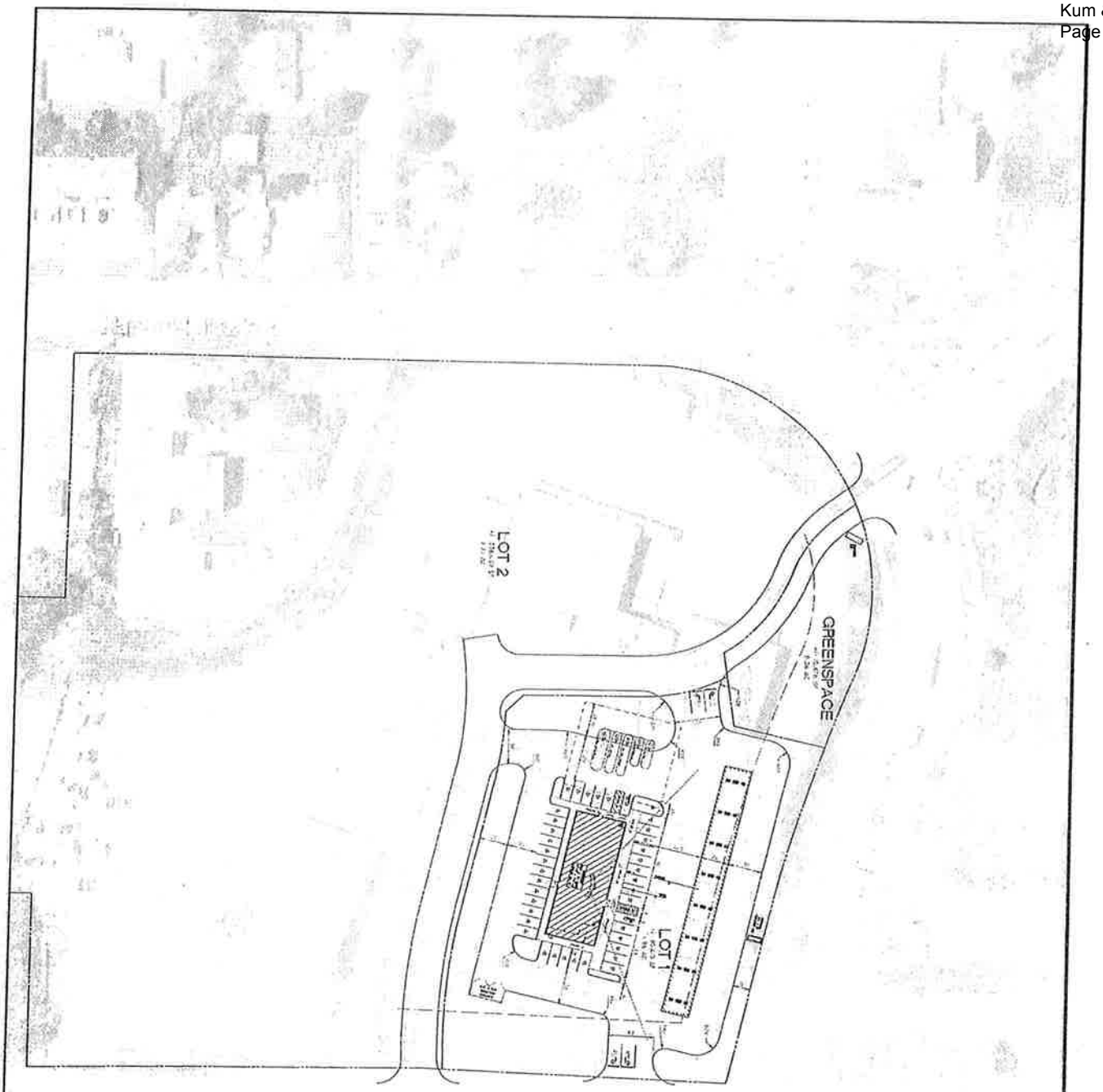
Date: _____

CITY OF FAYETTEVILLE, ARKANSAS

By: _____
LIONELD JORDAN
Mayor

ATTEST:

By: _____
Sondra E. Smith, City Clerk



1 OF 1

11/2012

REVISIONS

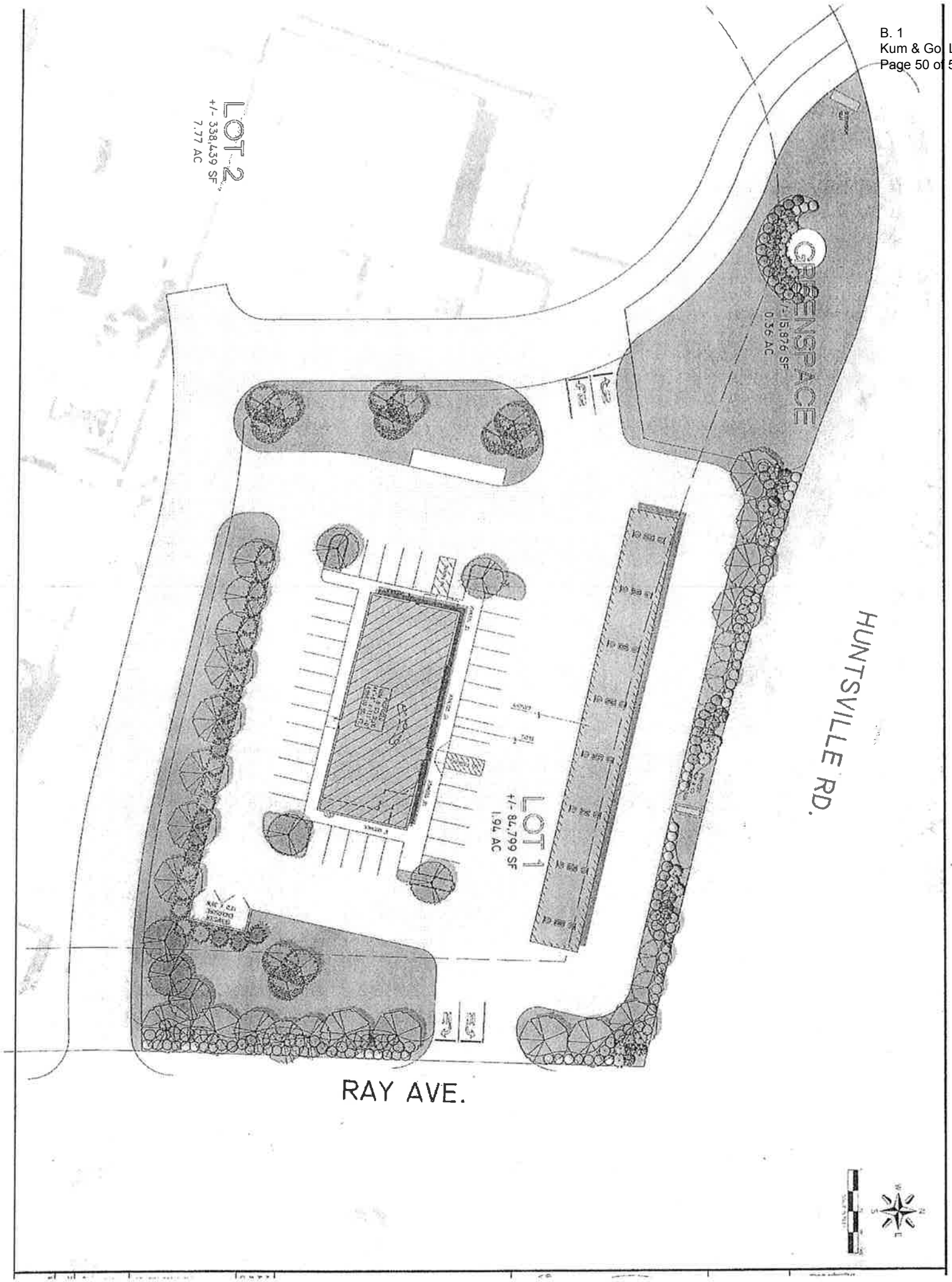
STORE XXX, FAYETTEVILLE, AR
HAPPY HOLLOW

CONCEPT 5-A

6400 Westown Parkway
West Des Moines, Iowa
50266
P 515-225-5125
F 515-224-2593

Kum & Go

CEI Engineering Associates, Inc.


LOT 2
+/- 338,439 SF
7.77 AC
GREENSPACE
+/- 15,876 SF
0.36 AC
LOT 1
+/- 84,799 SF
1.94 AC
HUNTSVILLE RD.
RAY AVE.

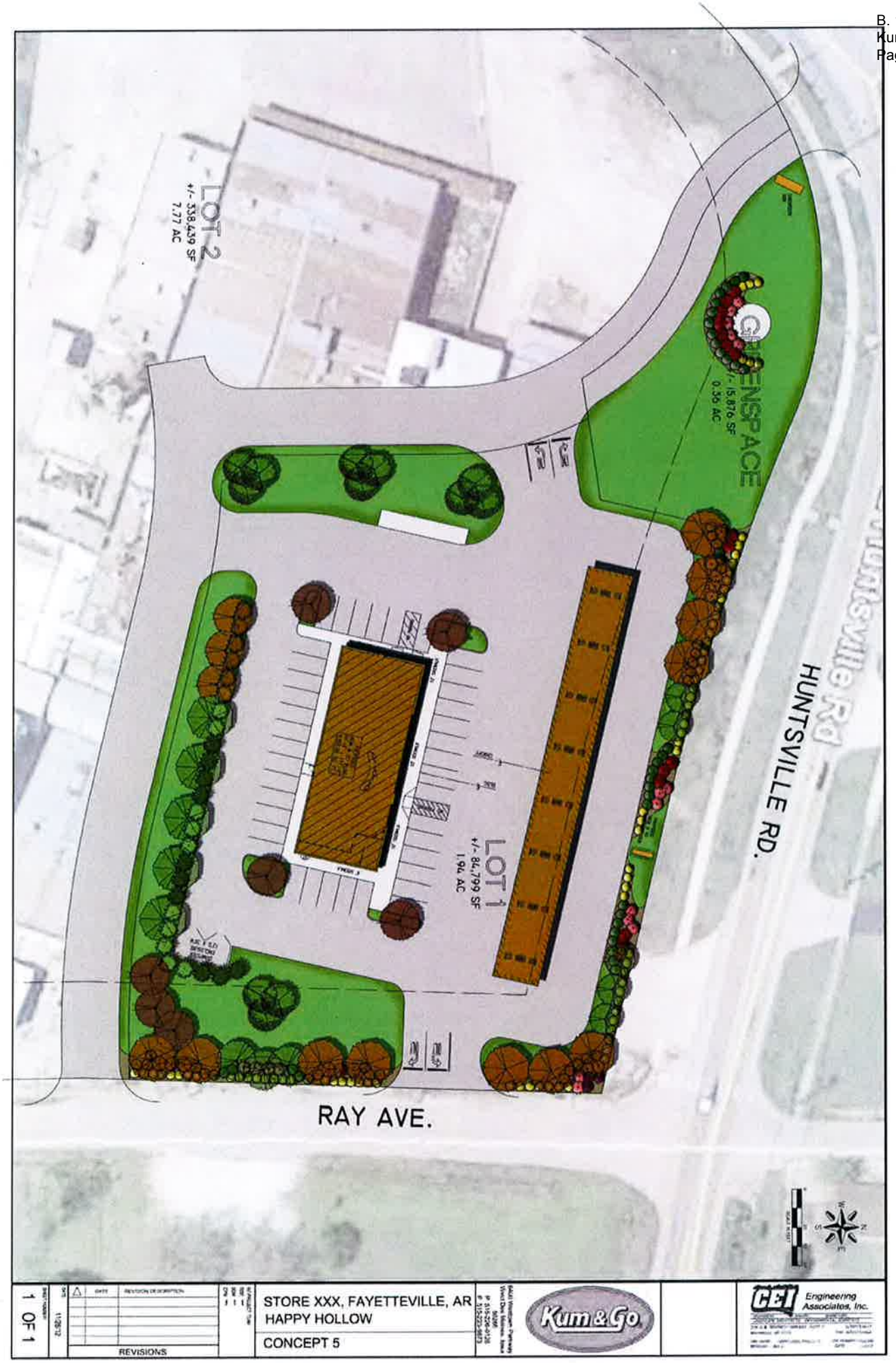
Emailed to Alderman for the 1-15-13 CC mtg.

From: Jesse Fulcher
To: Branson, Lisa
CC: Garner, Andrew; Williams, Kit
Date: 1/15/2013 2:25 PM
Subject: Kum & Go concept plan and building elevations
Attachments: Kum & Go concept plan overall site.pdf; Kum & Go concept plan close up.pdf; Kum & Go Elevations.pdf

I've attached the concept site plans (close up and overall site) and the proposed building elevations.

Jesse

Happy Hollow Rd
Ray Ave
LOT 2
LOT 1
SEASPACE
REVISIONS
STORE XXX, FAYETTEVILLE, AR
HAPPY HOLLOW
CONCEPT 5 - OVERALL
Kum & Go
CEI Engineering Associates, Inc.
1 OF 1



1 OF 1	REVISIONS	STORE XXX, FAYETTEVILLE, AR HAPPY HOLLOW CONCEPT 5	Kum & Go		CEI Engineering Associates, Inc.

KUM & GO FAYETTEVILLE, ARKANSAS
HUNTSVILLE AND HAPPY HOLLOW

SHIFFLER ASSOCIATES ARCHITECTS, P.L.C.

Handed out at the City Council meeting
01-15-13

Fayetteville ARKANSAS
www.accessfayetteville.org

Departmental Correspondence

LEGAL DEPARTMENT

Kit Williams
City Attorney
Jason B. Kelley
Assistant City Attorney

TO: **Mayor Jordan**
City Council

FROM: **Kit Williams**, City Attorney

DATE: **January 15, 2013**

RE: **Options**

OPTIONS FOR THE CITY COUNCIL

Regarding Proposed Land Sale Agreement For Two Acre Parcel

I believe that the City Council has at least the following options regarding the proposed sale of about two acres of the ten acre Tyson factor site:

(1) **Approve the sale to Kum & Go, L.C.** for One Million Dollars, plus up to $100,000.00 in demolition costs of the old factory and other terms with the Land Sale Agreement Kum & Go has provided. This would be accomplished by amending the old Resolution in your Agenda Packet to the new one handed out tonight and passing it.

(2) **Approve the sale to Casey's Marketing Company, Inc**. for One Million Dollars, plus up to $100,000.00 in demolition costs of the old factory and other terms with the Land Sale Agreement Kum & Go has provided. This would be accomplished by amending the old Resolution in your Agenda Packet to the new one handed out tonight and passing it.

(3) **Table the Resolution** and authorize both parties to provide a sealed offer to sweeten or improve their offer so that the decision of which purchase offer is best for our citizens and City is made at the next (February 5, 2013) City Council meeting. This sealed offer to improve the current offer should be delivered to me in sealed envelope by 4:00 p.m. on February 5, 2013 and not opened until the City Council reaches the Old Business section for the Land Sale Agreement. I would

then publicly open and read such sealed offer to the City Council and provide it to City Clerk Sondra Smith for our records.

This sealed offer would only include whatever enhancements in price over and above the current offers that either Kum & Go or Casey's General Store would wish to make. This can be zero or any amount of additional money that the company wishes to make. No language to the effect that the company would match or equal the other company's final offer will be considered or have any operative effect. Only an actual amount of dollars increasing its current offer of $1,000,000.00 will be considered.

The City Council will then consider both final offers and determine which is the most advantageous for the citizens and City of Fayetteville. No further offers to increase or match a competitor's bid will be considered.

If another party wished to submit its offer for this property, it must notify the Mayor's Office no later than 4:30 p.m. on January 28, 2013 by providing a signed Land Sale Agreement in the form as agreed to by both Kum & Go, L.C., and Casey's Marketing Company, Inc. in an amount of at least $1,000,000.00. If the City determines that this is a valid and proper offer from a company that has established its financial and commercial ability to develop a good business on this parcel, this business will also be allowed to submit a final sealed improvement offer to the City Attorney's Office by 4:00 p.m. on February 5, 2013.

(4) The City Council may reject all offers to purchase this two acre site for $1,000,000.00, plus another $100,000.00 for the demolition of the old factory.

City of Fayetteville Staff Review Form

City Council Agenda Items and Contracts, Leases or Agreements

2/5/2013
City Council Meeting Date
Agenda Items Only

Lindsley Smith		Communications & Volunteer Serv
Submitted By	**Division**	**Department**

Action Required:

Approve an Ordinance Amendment changing the City of Fayetteville Town and Gown Advisory Committee Ordinance section on Mayor and Chancellor appointment structure.

$ -	$ -	
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** ☐

Lindsley Smith 1-15-13
Department Director Date

Previous Ordinance or Resolution # _____

Original Contract Date: _____

Original Contract Number: _____

1-15-13
City Attorney Date

Paul a. Beck 1-17-2013
Finance and Internal Services Director Date

Received in City Clerk's Office
01-15-13P03:55 RCVD

Paul a. Beck for Don Marr 1-23-2013
Chief of Staff Date

Received in Mayor's Office
ENTERED 1/16/13

1/23/13
Mayor Date

Comments:

Fayetteville ARKANSAS
www.accessfayetteville.org

THE CITY OF FAYETTEVILLE, ARKANSAS
DEPARTMENT CORRESPONDENCE

CITY COUNCIL AGENDA MEMO

To: Mayor Jordan and City Council

Thru: Lioneld Jordan, Mayor LJ
Don Marr, Chief of Staff DM

From: Lindsley Smith, Communication Director LS

Date: January 15, 2013

Subject: Town and Gown Advisory Committee Ordinance Appointment Structure Amendment

PROPOSAL:

To amend Article XXIV, section 33.361, which provides Committee composition for the City of Fayetteville Town and Gown Advisory Committee to provide the Mayor and the University of Arkansas greater flexibility in staff appointments to the Committee by removing the existing Ordinance's requirements for only specific City and University staff appointments to this Committee.

BACKGROUND:

The Town and Gown Advisory Committee was created by Ordinance 551 on July 3, 2012. This Committee is a forum for collaboration between the City of Fayetteville and the University of Arkansas and their stakeholders (students, other residents, etc) on mutually-relevant issues. The Committee is empowered only to advise and make recommendations on a periodic basis to both the City Council and the University of Arkansas. Members of the Fayetteville community appointed by the City Council shall serve a two-year term; however, members appointed by the Mayor shall serve at the pleasure of the Mayor, and members appointed by the University of Arkansas shall serve for such period as to be determined by the Chancellor or their designee. As the Ordinance currently exists, both the Mayor and University are limited in their ability to appoint staff that each entity knows would best serve the purposes of the Committee, City, or University as envisioned in the purpose and establishment section of the existing Ordinance.

RECOMMENDATION:

Staff recommends approval of an Ordinance change to increase flexibility in appointments for this committee, still providing for individuals at each entity to be in a decision-making capacity within their staff positions, but not restricting the ability of appointments due to Ordinance-set designated staff members at either the City of Fayetteville or University of Arkansas.

BUDGET IMPACT:

There is no budget impact.

ORDINANCE NO. _____

AN ORDINANCE AMENDING **SECTION 33.361 COMPOSITION OF CHAPTER 33: DEPARTMENTS, BOARDS, COMMISSIONS, AND AUTHORITIES** OF THE CODE OF FAYETTEVILLE TO CHANGE THE STRUCTURE OF CITY AND UNIVERSITY APPOINTMENTS TO THE TOWN AND GOWN ADVISORY COMMITTEE

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 Section 33.361 Composition of Chapter 33: Departments, Boards, Commissions, and Authorities of the Code of Fayetteville, so that after amendment, it shall read presented in the attached Exhibit "A", which is incorporated into this Ordinance as if set out word for word.

PASSED and **APPROVED** this 5th day of February, 2013.

APPROVED: ATTEST:

By: _____
LIONELD JORDAN, Mayor

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

33.361 Composition

The Town and Gown Advisory Committee shall be comprised of twenty-one (21) voting members, consisting of the following:

(A) One (1) member of the Committee shall be a member of the City Council appointed by the Mayor;

(B) One (1) member shall be a resident of Ward 1 appointed by the City Council;

(C) One (1) member shall be a resident of Ward 2 appointed by the City Council;

(D) One (1) member shall be a resident of Ward 3 appointed by the City Council;

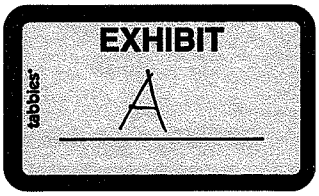
(E) One (1) member shall be a resident of Ward 4 appointed by the City Council;

(F) One (1) member shall be a business owner in the City or a representative of the City development community appointed by the City Council;

(G) One (1) member shall be a University of Arkansas student living in the City appointed by the City Council;

(H) Seven (7) members shall be City staff appointed by the Mayor; and

(I) Seven (7) members shall be representatives from the University of Arkansas, to be selected by the Chancellor or the Chancellor's designee.



33.355 Selection Process

The City Council shall appoint the private citizen members through the normal Nominating Committee process. All other members of the Active Transportation Advisory Committee shall be appointed by their respective organizations.

(Ord. 5343, 8-3-10)

33.356-33.359 Reserved

ARTICLE XXIV
TOWN AND GOWN ADVISORY COMMITTEE

33.360 Purpose and Establishment

There is hereby established the Town and Gown Advisory Committee. This Committee shall be a forum for collaboration between the City of Fayetteville and the University of Arkansas on mutually relevant issues including, but not limited to, campus expansions, the need for student housing both on and off campus, and parking and noise in areas adjacent to or nearby the campus. The Committee is empowered only to advise and make recommendations on a periodic basis to both the City Council and the University of Arkansas on such issues, and to adopt rules for the conduct of its own business.

(Ord. 5511, 7-3-12)

33.361 Composition

The Town and Gown Advisory Committee shall be comprised of twenty-one (21) voting members, consisting of the following:

(A) One (1) member of the Committee shall be a member of the City Council appointed by the Mayor;

(B) One (1) member shall be a resident of Ward 1 appointed by the City Council;

(C) One (1) member shall be a resident of Ward 2 appointed by the City Council;

(D) One (1) member shall be a resident of Ward 3 appointed by the City Council;

(E) One (1) member shall be a resident of Ward 4 appointed by the City Council;

(F) One (1) member shall be a business owner in the City or a representative of the City development community appointed by the City Council;

(G) One (1) member shall be a University of Arkansas student living in the City appointed by the City Council;

(H) Seven (7) members shall be City staff appointed by the Mayor, and shall include one (1) representative of the Mayor's office, one (1) representative of Development Services-Current Planning, one (1) representative of Development Services-Community Services, one (1) representative of Police, one (1) representative of Fire, one (1) representative of Parking, and one (1) representative from either Transportation or Utilities.

(I) Seven (7) members shall be representatives from the University of Arkansas, to be selected by the Chancellor or the Chancellor's designee, and shall include one (1) representative of the Chancellor's Office, one (1) representative of Government Relations, one (1) representative from the Division of Student Affairs, one (1) representative of Parking and Transit, one (1) representative of Athletics, one (1) representative of Facilities Management, and the current Associated Student Government President.

(Ord. 5511, 7-3-12)

33.362 Terms Of Office

Members appointed by the City Council shall serve a two (2) year term,. Members appointed by the Mayor, with the exception of the City Council member appointed by the Mayor, shall serve at the pleasure of the Mayor. Members appointed from the University of Arkansas shall serve for such period as to be determined by the University.

(Ord. 5511, 7-3-12)

33.363 Officers And Quorum

At the first regularly scheduled Committee meeting of each calendar year, the members of the Committee shall elect from among themselves a Chairperson and a Secretary, who shall operate as Vice-Chair. A majority of the whole number of members shall constitute a quorum to conduct business, and a majority vote of those present shall be sufficient to approve or deny any matter before the Committee.

(Ord. 5511, 7-3-12)

Current version

33.364 Meetings

The Town and Gown Advisory Committee shall meet at least once per quarter to conduct regular business, at a time and place that is mutually convenient to the membership. The Town and Gown Advisory Committee may meet more frequently if needed.

(Ord. 5511, 7-3-12)

XXV AUDIT COMMITTEE AND INTERNAL AUDITOR

33.365 Establishment and Purpose

The Audit Committee which was established by Resolution No. 134-00 remains established pursuant to this Article. Its purpose remains to serve in an advisory capacity between the City Council, the independent auditor, the Internal Auditor and City Administration concerning financial accounting and reporting, audit functions, internal controls and compliance with governmental regulations. The Audit Committee shall ensure the independence of the independent auditor, the ability and responsibility of the Internal Auditor to report any concerns about finances or accounting to the Audit Committee, Administration and City Council, the integrity of the Administration and the adequacy of public disclosures. The Audit Committee shall, in conjunction with the external auditors, review the City's financial reports and information, the City's system of internal financial and accounting controls, and the City's compliance with governmental laws and regulations regarding financial matters.

(Ord. 5522, 9-4-12)

33.366 Composition and Term

The Audit Committee shall include one City Council member appointed by the Mayor and three citizens of Fayetteville, at least one of which shall be a Certified Public Accountant. The three citizens shall serve three year terms of office.

(Ord. 5522, 9-4-12)

33.367 Meetings

The Audit Committee shall meet at least three times annually, one of which must be with the independent auditor, Internal Auditor, and Administration to discuss the independent auditor's report and findings following its audit of the City.

(Ord. 5522, 9-4-12)

33.368 Responsibilities and Duties

To fulfill its responsibilities and duties the Audit Committee shall:

(A) Review the Charter periodically and update as conditions dictate;

(B) Serve on the review committee to select the independent auditors. On an annual basis, the committee should review and discuss with the auditors all significant relationships the auditors have with the City to determine the auditor's independence. The annual independence review should include a review of all non-audit related consulting fees for nature of services and effect on independence; a review of any and all relationships between members of the audit firm and employees of the City; the obtaining of a formal written statement from the auditors as to their compliance with professional guidelines relating to independence; and discussion with the auditors regarding the firm's own internal controls over monitoring independence;

(C) Review the City's annual financial statements and related financial information, including any certification, report, opinion, or review rendered by the independent auditors and any changes in accounting principles or the application thereof;

(D) Review the performance of the independent auditors. Annually, clarify with the independent auditors that the auditors are ultimately accountable to the City Council and that the City Council has ultimate power in the appointment or removal of the independent auditors;

(E) Periodically consult with the independent auditors, outside the presence of management, regarding internal controls and the completeness and accuracy of the organization's financial statements and related disclosures;

(F) In conjunction with the external auditors, review with financial and accounting personnel and the Internal Auditor the adequacy and effectiveness of the accounting and financial controls of the City, including controls over data processing activities and functions. Approve recommendations for the improvement of such internal control procedures;

(G) Establish regular reporting to the Audit Committee by management, the Internal Auditor

Current version

City of Fayetteville Staff Review Form

City Council Agenda Items and Contracts, Leases or Agreements

2/5/2013
City Council Meeting Date
Agenda Items Only

Don Marr & Paul Becker	Chief of Staff/Finance	Chief of Staff/Finance Internal Serv
Submitted By	**Division**	**Department**

Action Required:

Approving a Resolution supporting legislation to Improve Sales Tax Collection information from the Arkansas Department o Finance & Administration

$ No Cost	$ Not Applicable	
Cost of this request	Category / Project Budget	Program Category / Project Name
	$ Not Applicable	
Account Number	Funds Used to Date	Program / Project Category Name
	$ -	
Project Number	Remaining Balance	Fund Name

Budgeted Item ☐ **Budget Adjustment Attached** ☐

Department Director — 1-3-13 Date

City Attorney — 1-3-13 Date

Previous Ordinance or Resolution # _____

Original Contract Date: _____

Original Contract Number: _____

Paul a. Becker — 1-3-2013 Date
Finance and Internal Services Director

Chief of Staff — 1-3-13 Date

Mayor — 1/4/13 Date

Received in City Clerk's Office 01-03-13 A11:45 RCVD

Received in Mayor's Office ENTERED 1/3/13

Comments:

Fayetteville
ARKANSAS

City Council Meeting Date:
February 5, 2013

City Council Agenda Memo

To: Mayor and Members of the City Council

From: Don Marr, Chief of Staff
Paul Becker, Chief Financial Officer PAB

Thru: Mayor Jordan LJ

Date: January 3, 2013

Subject: Resolution Supporting Legislation to Improve Sales Tax Collection Information

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Recommendation:

The City Staff and Administration recommend on behalf of the Mayor's office that the City Council of the City of Fayetteville, AR pass a resolution in support of the State Legislators passing legislation that would allow the Arkansas Department of Finance & Administration to provide details & totals that will agree or reconcile to the related tax collections distributed by the State Treasure to a local government and will provide updated details to subsequent adjustments due to refunds, rebates, additional tax payments. We believe this will provide all cities useful data to successfully monitor, evaluate, budget and project local tax collections.

Background:
The Arkansas Municipal League contacted all cities in Arkansas including the City of Fayetteville, seeking support for amendments to Arkansas laws to authorize and require sales tax information by individual business to be provided to the Mayor or his designate that would permit cities to fully and successfully monitor, evaluate, budget and project local tax collections.

Neighboring states (Oklahoma, Missouri, Texas) currently authorize and require the release of information that is satisfactory to serve the needs of local governments by providing tax collections identified by specific taxpayer.

Currently the State of Arkansas only provides a single payment of taxes, with no details by specific tax payer, specific rebates/refund details late payments, etc.

The State of Arkansas Department Finance & Administration currently withholds an administrative fee of 3% from local tax collections to fund the cost of such service.

Budget Impact:

There is no anticipated impact to the City's Budget. The fees paid and detailed collections are already in place, and would only provide that DF&A provide those details to an asigned individual at the City.

RESOLUTION NO. _____

A RESOLUTION STATING THE SUPPORT OF THE CITY OF FAYETTEVILLE TO STATE STATUTORY AMENDMENTS AUTHORIZING IMPROVEMENTS IN THE INFORMATION PROVIDED TO LOCAL GOVERNMENTS BY THE STATE RELATED TO COLLECTIONS OF LOCAL SALES AND USE TAXES

WHEREAS, the Arkansas Department of Finance and Administration (DF&A) collects sales and use taxes levied by cities and counties in Arkansas under the same tax administration system that is uses to collect State sales and use taxes, and as such, local taxes are "piggy backed" along with the collection of State sales and use taxes; and

WHEREAS, the State withholds an administrative fee of three percent (3%) from local sales and use tax collections to fund the cost of such collection service which totaled approximately thirty million dollars ($30,000,000.00) in 2011; and

WHEREAS, all taxing entities are entitled to have information about the collections produced by the taxes levied in order to monitor, evaluate, budget and project the sales and use tax collections they are entitled to receive; and

WHEREAS, existing State law does not authorize or require DF&A to provide information to local governments that is useful and satisfactory to monitor, evaluate, budget and project local sales and use tax collections; and

WHEREAS, laws in neighboring states authorize and require the release of information that is satisfactory to serve the needs of local governments which includes sales and use tax collections identified by the specific taxpayer, and that experience in such states demonstrates that related procedures and reports can be efficiently administered and produced, and that similar laws can be adopted and administered in this State;

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 supports amendments to Arkansas state law which will authorize and require information to be provided to the Mayor or the Mayor's representative that will permit the City to fully and successfully monitor, evaluate, budget and project local sales and use tax collections, that any information attributable to a specific taxpayer should only be released following an agreement to keep such information confidential, and that specific taxpayer information should be exempt from release under the Arkansas Freedom of Information Act.

Section 2. That the City Council of the City of Fayetteville, Arkansas hereby determines that any information provided which can be identified to a specific taxpayer should be made available for the monthly collection and calendar year to date by regular mail, email or by a dedicated online account at the option of the local government in an electronic worksheet or PDF format, not later than thirty (30) days following the most recent monthly tax distribution. The information should include details and totals that agree or reconcile to the related sales and use tax collections distributed by the State Treasurer to a local government for each given month, and the information should be updated as required by subsequent adjustments due to refunds, rebates, additional sales and use tax payments or any other matter affecting the sales and use tax collected for a particular period.

PASSED and **APPROVED** this 5th day of February, 2013.

APPROVED:

By: _____
LIONELD JORDAN, Mayor

ATTEST:

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

Local Sales Tax Collection Information: Part 3

Some information is made available by the state, but it is simply not satisfactory to serve the legitimate interests of local governments. Good management of city revenues requires that city officials be able to monitor local sales tax collections and understand trends. This article—the third in a three-part series—makes recommendations for improvement.

By Paul Young, League staff

Cities have expressed for many years a need for detailed, historic sales tax collection information as a basis for budgeting future revenues. Also, many have experienced great frustration when they are faced with significant fluctuations in monthly collections without satisfactory explanation or a means of understanding the cause. Since local sales tax collections are "piggy backed" on the state sales tax system, cities have no part in the collection process and therefore have no access to taxpayer information. For the cost of administration, the state withholds 3 percent of total collections before the funds are remitted to cities and counties. The total amounted to almost $28 million for 2011.

When I was previously working in public finance and handling sales tax bond issues for cities, I would often be asked by a rating agency for a list of the top 10 sources of sales tax receipts for a city. The question was intended to identify the overall economic stability of the tax and any risk inherent in the pledged revenue stream associated with concentration in a few sources. Cities have a similar interest in evaluating the reliability of tax revenues to support ongoing operations, but unfortunately no such information is currently available.

In the January and February issues of *City & Town*, we provided an overview of information available to cities (and counties) from the Department of Finance and Administration (DF&A) about local sales tax collections. The January issue provided a listing of specific information that cities can access online or by request, as well as specific staff contacts who are available to provide assistance. In the February issue, we provided an overview of information available from DF&A on a quarterly basis that provides a listing of local sales tax collections by business code according to the North American Industry Classification System (NAICS). This information has been provided as an accommodation by DF&A for the past 10 years but is not governed by written policy or procedures.

Sales tax revenues currently produce a significant portion of city revenues. As such, we believe that cities levying local sales taxes are entitled to satisfactory information about their tax collections. That goal is currently not possible due to unnecessarily restrictive statutory provisions that prevent anyone outside DF&A from receiving tax information that can be specifically identified with a particular taxpayer. Additionally, DF&A does not currently have dedicated staff or information resources necessary to do the job. Staff members that currently assist cities with the business code listing do so on the basis of time available. In fact, individuals other than those previously provided by DF&A and mentioned in the January article have responded to inquiries since that time. Without specific procedures for the preparation of the listing of business code information, it tends to be prepared in an inconsistent manner. And a taxpayer's business code is not required for the state collection system and therefore not subject to procedures to insure accuracy. The impact of these problems is compounded by the lack of dedicated staffing and resources for this activity.

The solution to this problem will require statutory changes to modify the existing confidentiality restrictions while protecting the legitimate business interests of confidentiality. We recommend the following guidelines for specific information that should be available monthly in electronic worksheet or other suitable format to the chief executive officer or designee of a county, city or town that levies a local sales and use tax:

1. A schedule of net sales and use tax collections with totals for each taxpaying or collecting entity identified by account identification number, accurate NAICS code, legal name, business name and reporting address;
2. A schedule of sales and use tax rebates and refunds with totals for each taxpaying entity identified by account identification number, accurate NAICS code, legal name, business name and reporting address;
3. A schedule of tax collected related to automobiles and other personal property when the tax is paid by the purchaser when registered with the state in one amount for each separate category of personal property;
4. The combined totals of tax collections per the schedules above plus totals for any other collection source or expense for any month should agree or reconcile to—and provide supporting details for—the related total tax collections distributed by the State Treasurer to the particular county, city or town for that particular month;
5. A schedule of total collections grouped by an accurate NAICS code category that agrees with the total reflected on the schedule described in item 4;
6. Taxpayers with no tax due may be excluded from the report; and
7. The above schedules will be updated as required by subsequent adjustments due to refunds, rebates, additional tax payments and any other adjustments to the tax collected for a particular period.

As illustrated by the accompanying table, authority exists in neighboring states (Missouri, Oklahoma and Texas) that would satisfy most of the goals and objectives listed above. We believe the Oklahoma model best serves our needs with two levels of information available. The initial level of information is similar to what is currently in place in Arkansas but more accurate and reliable. The higher level fully supports the goals listed above, including the ability to support and reconcile with actual receipts as described in item 4, and is available if taxpayer specific information is kept confidential. The Oklahoma state tax structure is also similar to Arkansas's, which will likely make implementation easier. And their system is governed by an ongoing cooperative effort between the Oklahoma Tax Commission and the Oklahoma Municipal League. A similar arrangement in Arkansas should help the system work more successfully over time.

As stated in our previous articles, the ultimate goal would be to produce information that is reliable and informative, permitting the user to understand what generates tax revenues and monitor trends, as well as facilitate a sound basis for budgeting future collections. Also, it should be consistently prepared in a useful format.

Thanks to Cindy Frizzell of our staff whose experience in multi-state tax administration was invaluable in obtaining information about how neighboring states deal successfully with this issue. We welcome your comments and suggestions, as well as indication of your support for the legislative changes that will be required.

Paul Young is the League's Finance Director. Contact Paul at 501-374-3484 Ext. 125, or email pyoung@arml.org.

Sales Tax Reporting for Local Governments
Arkansas compared to surrounding states

	Admin Fees	Information Format	Reconciliation Process	Frequency	Confidentiality Agreement Required	Confidentiality violation	Actual Business Details	Local Caps	Miscellaneous
Arkansas (CURRENT)	3%	Electronic Spreadsheet	No	Quarterly - Upon Request	Not required - Current law severely restricts access to information	N/A	No details- Grouped by NAICS Codes but not reliable or complete	Local cap of purchases over $2,500 causes reporting issue of subsequent rebate payments	No staff or technology resources dedicated to support information for local governments
Arkansas (PROPOSED)	3%	Electronic Spreadsheet or other useful format	Yes - Total Collections	Monthly	Yes, if agree to confidentiality - like Oklahoma	Oklahoma and Texas provide guidance for what would be appropriate.	Dependent upon whether a public report (no) or confidential report (yes) like Oklahoma	No change	Dedicated staff and resources to perform necessary tasks.
Oklahoma - Public Reports	1%	Available on Public Website in table format	Yes - Total Collections	Monthly	No	N/A	No details - Grouped by SIC* codes by local Governments	No local caps, thus, no issue on reporting of subsequent rebate payments	Similar to current Arkansas info but reliable and useful
Oklahoma - Confidential Reports	1%	Electronic Spreadsheet	Yes - Total Collections	Monthly	Yes	Removed from office/job; fine and/or imprisonment	Business name, account number, address, SIC*, collections	No local caps, thus, no issue on reporting of subsequent rebate payments	No serious breaches of confidentiality noted to date
Missouri	1%	CD	Yes - Total Collections	Upon Request - Annually Free/Available Monthly for fee	Yes	Felony Conviction	Business name, account number, address, SIC*, collections	No local caps, thus, no issue on reporting of subsequent rebate payments	A local government has access to all tax records
Texas	None	Electronic Spreadsheet	No - Only includes businesses that annually remit more than $5,000	Monthly	Yes	Misdemeanor Conviction	Business name, account number, address, SIC*, collections	At the point of sales tax collection, a maximum of 2% local tax is applied. No subsequent rebate payment to consider.	State tax structure relies heavily on property taxes. No serious breaches of confidentiality noted to date.

*SIC means Standard Industry Code which is in the process of being replaced by NAICS.

City of Fayetteville Staff Review Form

City Council Agenda Items
and
Contracts, Leases or Agreements

2/5/2013
City Council Meeting Date
Agenda Items Only

Kevin Springer	Budget & Research	Finance & Internal Services
Submitted By	**Division**	**Department**

Action Required:

A resolution to amend the 2013 Adopted Budget by reappropriating $48,086,200 in bonded or on-going capital projects and outstanding obligations and grant funded items.

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 X **Budget Adjustment Attached** X

Paul A. Becker — Department Director — 1-18-2013 — Date

Previous Ordinance or Resolution # ____

Original Contract Date: ____

Original Contract Number: ____

[signature] — City Attorney — 1-22-13 — Date

Paul A. Becker — Finance and Internal Services Director — 1-22-2013 — Date

01-22-13 A08:52 RCVD
Received in City Clerk's Office [signature]

Paul A. Becker for Don Mayo — Chief of Staff — 1-23-2013 — Date

Received in Mayor's Office — ENTERED 1/22/13

[signature] — Mayor — 1/23/13 — Date

Comments:

Fayetteville ARKANSAS
www.accessfayetteville.org

CITY OF FAYETTEVILLE, ARKANSAS
BUDGET & RESEARCH DIVISION
113 West Mountain • Fayetteville, AR 72701
P (479) 575-8347

TO: Mayor Jordan and City Council

THRU: Don Marr, Chief of Staff
Paul A. Becker, Director of Finance PAB.

FROM: Kevin Springer, Budget Director

DATE: January 22, 2013

SUBJECT: **2013 Budget Reappropriation Request**

PROPOSAL:
A resolution to amend the 2013 Adopted Budget by reappropriating $48,086,200 in bonded or on-going capital projects and outstanding obligations and grant funded items.

BACKGROUND / RECOMMENDATION:
Budget appropriations for 2012 expired December 31, 2012. Equipment and supplies or services must have been received by December 31 in order to be charged to the 2012 Budget. Some departments have items or services that were budgeted in 2012 but were not delivered or complete by year-end. In these cases, unspent amounts for those projects and items need to be re appropriated, since they were not included in the 2013 Budget. In the case of capital improvement projects, unspent funds are added to any amounts appropriated in the 2013 Budget.

Because of the need for project continuation, staff recommends approval of the attached reappropriation budget request at the February 5, 2013 City Council meeting. In addition, staff is recommending approval of any changes to this request that may arise due to finalizing the 2012 year end which would result in a decrease in the total authorized budget. City Council is requested to amend the 2013 Adopted Budget by re-authorizing up to $48,086,200 for purchase commitments and capital improvements as follows:

	Obligated	Non-Obligated	Total
Bonded Capital Projects	$ 2,352,945	$ 2,242,229	$ 4,595,174
Grant/Donations/Reimbursements	-	1,580,370	1,580,370
Outstanding Operational Obligations	143,813	46,058	189,871
Capital Projects	12,629,542	29,091,243	41,720,785
	$ 15,126,300	$ 32,959,900	$ 48,086,200

A finalized listing of the capital project reappropriations will be submitted to City Council as an informational item during the First Quarter of 2013.

Please find attached a schedule of capital projects by Improvement Type which were included in the 2012 Budget that were not fully expended during the 2012 fiscal year. The 2012 estimated unreserved fund balance/retained earnings for the respective funds reflected the cost of the requested reappropriation. These re-budgeted items, therefore, do not impact the estimated fund balance amounts which were forecasted in the 2013 Budget.

The re-authorization of prior year's appropriated projects and items are normal budget operating procedures and are generally for one-time expenses. Approval of this request will allow the 2013 Budget to be increased to reflect the attached information. Several of the requested re-authorizations include revenue offset in the form of grant revenues.

Total requested re-budgets for all funds are in the attached worksheet. These amounts will require City Council action. For your information, a summary by Funding Source and Improvement Type is included following this memo. The reappropriation amounts are broken out into two separate categories:

- Obligated: These items have Contracts/Purchase Orders already issued on them during 2012 and the City will not receive the item and/or service until 2013.
- Unobligated: These items did not have any Contracts/Purchase Orders issued on them as of 2012.

BUDGET IMPACT:
The estimated fund balance for the 2013 Budget was based on the assumption that these 2012 funds would be either spent in 2012 or be reappropriated. The funds do not increase the use of operating reserves and this request simply retains project funding for identified and scheduled capital improvements for the current fiscal year.

If you have any questions concerning the attachment or the procedure, please feel free to contact either Paul A. Becker (575-8330) or Kevin Springer (575-8226). Thank you for your attention to this request.

RESOLUTION NO. _____

A RESOLUTION AMENDING THE 2013 CITY BUDGET BY REAPPROPRIATING UP TO $48,086,200.00 IN BONDED OR ONGOING CAPITAL PROJECTS, OUTSTANDING OBLIGATIONS AND GRANT-FUNDED ITEMS PREVIOUSLY APPROPRIATED IN THE 2012 CITY BUDGET BUT NOT COMPLETED OR DELIVERED IN 2012

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 amends the 2013 city budget by re-appropriating up to $48,086,200.00 in bonded or ongoing capital projects, outstanding obligations and grant-funded items previously appropriated in the 2012 city budget but not completed or delivered by the end of 2012. A copy of these items is attached to this Resolution as Exhibit "A", and incorporated herein.

PASSED and **APPROVED** this 5th day of February, 2013.

APPROVED:

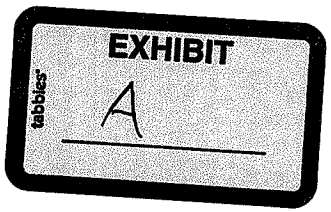
By: _____
LIONELD JORDAN, Mayor

ATTEST:

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

2013 Appropriations (Detail)

CATEGORY	FUNDING SOURCE	OBLIGATED	NON OBLIGATED	TOTAL
1 - BONDED	**4520 - Sales Tax Construction Bond**			
	Street Improvements			
	06035 - Transportation Bond Street Improvements	$ 2,274,534	$ 1,998,826	$ 4,273,360
	5400 - Water & Sewer			
	Street Improvements			
	06035 - Transportation Bond Street Improvements	28,775	94,352	123,127
	Water & Sewer Improvements			
	08072 - Hwy 265 Water/Swr Relocate & 36" Wtr Lin	49,636	149,051	198,687
1 - BONDED Total		**2,352,945**	**2,242,229**	**4,595,174**



2013 Appropriations (Detail)

CATEGORY	FUNDING SOURCE	OBLIGATED	NON OBLIGATED	TOTAL
2 - GRANTS	**1010 - General**			
	Donations			
	03044 - Police Department Donations	-	9,897	9,897
	03045 - PD Law Enforcement State Forfeitures	-	61,907	61,907
	03046 - PD Law Enforcement Federal Forfeitures	-	158,834	158,834
	03047 - Fire Department Act 833/46/Misc Revenue	-	134,287	134,287
	03048 - Animal Services Miscellanous Donations	-	27,421	27,421
	03049 - Animal Low Cost Spay/Neuter Donations	-	2,176	2,176
	03051 - Parks & Recreation Donations	-	16,842	16,842
	06029 - Donations - Fire	-	2,852	2,852
	09012 - District Court Automation	-	361	361
	09024 - Police IRS/Treasury Forfeitures	-	332,228	332,228
	09033 - AR ETS Dispatch Training Reimbursement	-	1,342	1,342
	Fire Improvements			
	12016 - Firewise Grant	-	500	500
	2180 - Community Development Block Grant			
	Donations			
	12003 - CDBG GRANT FUNDING	-	3,625	3,625
	Grants			
	XXXXX - CDBG GRANT FUNDING	-	821,538	821,538
	2240 - Energy Block Grant			
	Tracking Items			
	09011 - Energy Efficiency/Conservation Block Grt	-	6,560	6,560
2 - GRANTS Total		**-**	**1,580,370**	**1,580,370**

2013 Appropriations (Detail)

CATEGORY	FUNDING SOURCE	OBLIGATED	NON OBLIGATED	TOTAL
3 - OPERATIONAL	**1010 - General**			
	Community Development Improvements			
	10033 - Raze and Removals	-	4,875	4,875
	Grants			
	06024 - Historic Preservation Travel & Training	-	2,491	2,491
	Operational Items			
	09027 - Economic Development Services	74,750	38,375	113,125
	XXXXX - Panic Button Notification System	19,917	-	19,917
	XXXXX - Uniforms/Personal Equipment (Fire)	6,090	-	6,090
	XXXXX - Uniforms/Personal Equipment (Police)	4,544	-	4,544
	Tracking Items			
	11022 - Public Access Television Fees	-	317	317
	2250 - Parks Development			
	Operational Items			
	XXXXX - Utility Boxes on the Square (Parks)	901	-	901
	5400 - Water & Sewer			
	Operational Items			
	XXXXX - Wetlands Mitigation (WWTP)	37,611	-	37,611
3 - OPERATIONAL Total		**143,813**	**46,058**	**189,871**

2013 Appropriations (Detail)

CATEGORY	FUNDING SOURCE	OBLIGATED	NON OBLIGATED	TOTAL
4 - PROJECTS	**1010 - General**			
	Grants			
	08067 - Police STEP Grant	-	99,124	99,124
	08070 - High Intensity Drug Trafficking Area	-	18,413	18,413
	09022 - Police JAG - Local Solicitation 2009	-	48,809	48,809
	Police Improvements			
	08071 - Police IRS Reimbursements	-	34,557	34,557
	08077 - Police - JTTF Reimbursement	-	17,202	17,202
	08078 - Police - DEA Reimbursement	-	10,134	10,134
	11026 - EPA Drug Lab Clean Up	-	1,605	1,605
	2100 - Street			
	Citywide Improvements			
	08076 - Radio Simulcast System (Citywide)	2,612	20,078	22,690
	Grants			
	11020 - FEMA Flood Damage (Project Worksheets)	-	66,998	66,998
	Transportation Improvements			
	12014 - Mountain Street Parking & Drainage	-	7,500	7,500
	2130 - Parking			
	Citywide Improvements			
	08076 - Radio Simulcast System (Citywide)	109	545	654
	Transportation Improvements			
	11028 - Entertainment District Parking Facility	-	20,000	20,000

2013 Appropriations (Detail)

CATEGORY	FUNDING SOURCE	OBLIGATED	NON OBLIGATED	TOTAL
	2250 - Parks Development			
	Citywide Improvements			
	08076 - Radio Simulcast System (Citywide)	1,556	9,836	11,392
	Parks & Recreation Improvements			
	02002 - Regional Park Development	-	3,931,966	3,931,966
	02013 - Neighborhood Park Development	-	149,813	149,813
	02014 - Other Park & Safety Improvements	-	32,620	32,620
	02015 - Gordon Long/Red Oak Improvements	-	31,690	31,690
	02043 - Lake Improvements	-	5,588	5,588
	02045 - Forestry, Safety, & ADA Compliance	-	10,915	10,915
	05001 - Gulley Park Improvements	-	19,826	19,826
	08002 - Wilson Park Improvements	-	48,559	48,559
	Trail Improvements			
	03022 - Lake Fayetteville Trails	498	4,623	5,121
	2300 - Impact Fee			
	Citywide Improvements			
	08076 - Radio Simulcast System (Citywide)	16,742	449,292	466,034
	Fire Improvements			
	07003 - Fire Impact Fee Improvements	-	16,837	16,837
	08046 - Fire Traffic Preemption Signals	-	30,000	30,000
	Police Improvements			
	07001 - Police Impact Fee Improvements	-	1,709	1,709
	Wastewater Treatment Improvements			
	07004 - Wastewater Impact Fee Improvements	-	513,548	513,548
	Water & Sewer Improvements			
	07002 - Water Impact Fee Improvements	-	1,944,239	1,944,239

2013 Appropriations (Detail)

CATEGORY	FUNDING SOURCE	OBLIGATED	NON OBLIGATED	TOTAL
	2930 - Drug Law Enforcement			
	Grants			
	08070 - High Intensity Drug Trafficking Area	-	67,946	67,946
	Police Improvements			
	08047 - Police ASP Grant for DTF	-	34,664	34,664
	12015 - 4th DFT Highway Interdiction	-	2,000	2,000
	4270 - Replacement & Disaster Recovery			
	Grants			
	11020 - FEMA Flood Damage (Project Worksheets)	-	630,831	630,831
	Other Capital Improvements			
	04030 - Flood Damage Repair - 2004	-	6,210	6,210
	04038 - Replacement Copier Funds	-	77,769	77,769
	Vehicles & Equipment Improvements			
	05042 - Fleet - Vehicles/Equipment Under $10,000	-	9,885	9,885
	4470 - Sales Tax Capital Improvements			
	Bridge & Drainage Improvements			
	02097 - Stormwater Quality Mgmt/Nutrient Reduct	301,259	68,499	369,758
	02108 - Other Drainage Improvements	-	676,211	676,211
	03005 - State Bridge Cost Sharing Program	-	475,906	475,906
	09025 - Niokaska Creek Stream Restoration Demo	10,000	14,212	24,212
	10014 - Lake Wilson Spillway Repair	-	35,180	35,180
	Fire Improvements			
	02006 - Fire Facility Maintenance	-	8,893	8,893
	03019 - Fire Apparatus Purchases	-	2,951	2,951
	10015 - Fire Mobile Radios	-	11,733	11,733

2013 Appropriations (Detail)

CATEGORY	FUNDING SOURCE	OBLIGATED	NON OBLIGATED	TOTAL
	Grants			
	11020 - FEMA Flood Damage (Project Worksheets)	-	28,664	28,664
	Information Technology Improvements			
	02055 - Geographic Information System (GIS)	-	13,112	13,112
	02056 - Local Area Network (LAN) Upgrades	-	2,039	2,039
	02057 - Microcomputer / Printer Replacements	-	49,423	49,423
	02060 - Printer Replacements	-	27,062	27,062
	02094 - Document Management	-	71,846	71,846
	04027 - AS/400 Computer Upgrades	-	30,392	30,392
	04047 - Accessfayetteville Technical Improvement	-	4,151	4,151
	05055 - Software Upgrades - City Wide	-	14,456	14,456
	08025 - Time and Attendance	-	26,333	26,333
	09031 - Storage Area Network (SAN)	-	2,413	2,413
	10013 - IT Assessment and Project Management	107,177	20,708	127,885
	12001 - Data Center Upgrade	-	51,260	51,260
	99021 - Municipal Management System	-	19,630	19,630
	In-House Pavement Improvements			
	02052 - In-House Pavement Improvements	72,870	140,108	212,978
	In-House Sidewalk Improvements			
	02053 - Sidewalk Improvements	-	940,186	940,186

2013 Appropriations (Detail)

CATEGORY	FUNDING SOURCE	OBLIGATED	NON OBLIGATED	TOTAL
	Other Capital Improvements			
	02046 - Building Improvements	-	680,072	680,072
	02061 - P.E.G. Television Center - Equipment	-	9,375	9,375
	04001 - Telecommunication Systems Upgrades	-	46,223	46,223
	07010 - Budgeting & Planning Software System	-	42,120	42,120
	11004 - Parking Lot Rehab (City Employee Lot)	-	60,000	60,000
	12005 - On-Screen Graphics Generator Upgrade	-	9,973	9,973
	12008 - Studio Camera & Lighting Upgrades/Replac	-	4,725	4,725
	Parks & Recreation Improvements			
	02001 - Lights of the Ozarks	-	6,276	6,276
	02014 - Other Park & Safety Improvements	-	4,839	4,839
	02045 - Forestry, Safety, & ADA Compliance	-	88,083	88,083
	08001 - Tree Escrow	-	153,036	153,036
	Police Improvements			
	02047 - Police Building Improvements	-	3,324	3,324
	02062 - Police Specialized Equipment	-	66,399	66,399
	06002 - Police Technology Improvements	-	80,048	80,048
	06003 - Police Unmarked Vehicles	-	28,772	28,772
	08013 - Police Tandburg Video Arraignment System	-	18,000	18,000
	11005 - Police Bicycle Replacement	-	10,000	10,000
	11006 - Police Equipment Replacement	-	7,650	7,650
	11008 - Police Digital Media Management System	-	50,000	50,000

2013 Appropriations (Detail)

CATEGORY	FUNDING SOURCE	OBLIGATED	NON OBLIGATED	TOTAL
	Street Improvements			
	02116 - Street ROW / Intersection / Cost Sharing	-	332,293	332,293
	04017 - Township Widening - Gregg to N College	-	189,010	189,010
	06005 - Duncan/California/Harmon Intersections	-	67,656	67,656
	06008 - Rupple Road - Wedington to Mt. Comfort	-	298,213	298,213
	06035 - Transportation Bond Street Improvements	8,606,272	445,568	9,051,840
	10011 - Old Wire Road-Mission to Crossover	-	564,358	564,358
	11027 - AHTD Reimbursements Highway 16 East	-	11,212	11,212
	12010 - Zion Road - Vantage to Crossover	-	150,000	150,000
	Trail Improvements			
	02016 - Trail Development	56,666	988,363	1,045,029
	Transportation Improvements			
	02063 - Traffic Signal Improvements	-	309,181	309,181
	11021 - Drainage Maintenance	-	57,723	57,723
	5400 - Water & Sewer			
	Citywide Improvements			
	08076 - Radio Simulcast System (Citywide)	4,483	18,263	22,746
	09028 - Fiber Optic Cable	-	56,490	56,490
	Grants			
	11020 - FEMA Flood Damage (Project Worksheets)	37,540	5,999	43,539
	Street Improvements			
	06035 - Transportation Bond Street Improvements	219,811	137,335	357,146

2013 Appropriations (Detail)

CATEGORY	FUNDING SOURCE	OBLIGATED	NON OBLIGATED	TOTAL
	Wastewater Treatment Improvements			
	02032 - W.W.T.P. Building Improvements	-	70,000	70,000
	02068 - Upgrade/Replace Lift Stations - W.W.T.P.	67,003	43,799	110,802
	02069 - Plant Pumps and Equipment - W.W.T.P.	-	16,940	16,940
	10008 - UV Disinfection System Replacement	-	1,159,000	1,159,000
	10027 - Phosphorus Standards Management	-	19,856	19,856
	Water & Sewer Improvements			
	01023 - Mount Sequoyah W&S System Upgrade	-	107,450	107,450
	02017 - Sanitary Sewer Rehabilitation	821,167	2,616,637	3,437,804
	02067 - Water and Sewer Cost Sharing	-	223,472	223,472
	03018 - 36" Waterline Replacement & Protection	-	53,731	53,731
	04020 - Water Line Projects As Needed	12,500	428,172	440,672
	04036 - Mount Sequoyah Pressure Plane Impvs	-	90,686	90,686
	04039 - Water Impact Fee Cost Sharing Projects	-	45,594	45,594
	08072 - Hwy 265 Water/Swr Relocate & 36" Wtr Lin	611,192	322,046	933,238
	10005 - South Mtn Pump Station Repair & Replace	-	102,986	102,986
	10006 - Benson Mountain Pressure Plane Upgrade	-	325,000	325,000
	10007 - W/S Improvements Defined by Study	340,820	616,146	956,966
	10010 - Sewer Replace - Elkins Outfall Line	-	235,094	235,094
	10020 - Broyles Road Gravity Lines & Force Main	-	88,379	88,379
	11010 - Irrigation Reels - WWTP	-	93,318	93,318
	11011 - W/S Relocations for Street Bond Projects	-	251,415	251,415
	11012 - Waterline - Huntsville (265 - Van Hoose)	81,117	818,440	899,557
	11013 - Wetlands Bank Construction	-	350,000	350,000
	11014 - White River NPDES UAA and APCEC Action	48,919	68,074	116,993
	12009 - Water System Rehabilitation/Replacement	-	143,000	143,000

2013 Appropriations (Detail)

CATEGORY	FUNDING SOURCE	OBLIGATED	NON OBLIGATED	TOTAL
	Water & Sewer Services Improvements			
	02064 - Water & Sewer Rate/Operations Study	-	140,078	140,078
	02065 - Water Meters	-	21,038	21,038
	02066 - Backflow Prevention Assemblies	-	53,190	53,190
	03038 - Business Office Improvements	-	66,164	66,164
	5500 - Solid Waste			
	Citywide Improvements			
	08076 - Radio Simulcast System (Citywide)	3,210	24,658	27,868
	09028 - Fiber Optic Cable	-	106,788	106,788
	Solid Waste Improvements			
	03016 - Recycling Improvements	-	22,620	22,620
	07012 - Materials Recovery Facility Improvements	-	198,898	198,898
	09013 - Transfer Station Improvements	-	16,875	16,875
	09019 - Recycling Containers ADEQ Grant Purchase	-	2,043	2,043
	10001 - Solid Waste Compactors	20,801	210,067	230,868
	10002 - Compost Site Slab Expansion	-	95,069	95,069
	10003 - Westside Recycling Drop Off Facility	28,937	269,070	298,007
	10004 - Solid Waste Commercial Rate Study	-	110,000	110,000
	12004 - Recycling Drop Off Facl (North/Central)	-	455,000	455,000
	5550 - Airport			
	Aviation Improvements			
	05046 - Airport Expansion Equipment (AIP#21 REV)	-	40,018	40,018
	09021 - Airport Hangar Fire	-	28,660	28,660
	12011 - Executive Hangar Office Addition	6,030	348,212	354,242
	Grants			
	11020 - FEMA Flood Damage (Project Worksheets)	-	877	877

2013 Appropriations (Detail)

CATEGORY	FUNDING SOURCE	OBLIGATED	NON OBLIGATED	TOTAL
	9700 - Shop			
	Citywide Improvements			
	08076 - Radio Simulcast System (Citywide)	659	3,900	4,559
	Other Capital Improvements			
	07032 - Transfers to Shop Fund (9700)	-	80,832	80,832
	12007 - Shop Improvements	-	295,000	295,000
	Vehicles & Equipment Improvements			
	02078 - Fleet - Light/Medium Utility Vehicles	133,140	110,870	244,010
	02079 - Fleet - Heavy Utility Vehicles	-	95,724	95,724
	02080 - Fleet - Other Vehicles/Equipment	-	24,940	24,940
	02081 - Fleet - Police/Passenger Vehicles	-	298,587	298,587
	02082 - Fleet - Solid Waste Vehicles/Equipment	1,016,452	1,523,595	2,540,047
	02083 - Fleet - Tractor/Mower	-	13,627	13,627
	06012 - Fleet - Automatic Vehicle Wash System	-	34,330	34,330
4 - PROJECTS Total		**12,629,542**	**29,091,243**	**41,720,785**
Grand Total		**$ 15,126,300**	**$ 32,959,900**	**$ 48,086,200**

2013 Appropriations (Summary by Fund)

FUNDING SOURCE	OBLIGATED	NON OBLIGATED	TOTAL
1010 - General	$ 105,301	$ 1,024,549	$ 1,129,850
2100 - Street	2,612	94,576	97,188
2130 - Parking	109	20,545	20,654
2180 - Community Development Block Grant	-	825,163	825,163
2240 - Energy Block Grant	-	6,560	6,560
2250 - Parks Development	2,955	4,245,436	4,248,391
2300 - Impact Fee	16,742	2,955,625	2,972,367
2930 - Drug Law Enforcement	-	104,610	104,610
4270 - Replacement & Disaster Recovery	-	724,695	724,695
4470 - Sales Tax Capital Improvements	9,154,244	7,517,860	16,672,104
4520 - Sales Tax Construction Bond	2,274,534	1,998,826	4,273,360
5400 - Water & Sewer	2,360,574	9,031,195	11,391,769
5500 - Solid Waste	52,948	1,511,088	1,564,036
5550 - Airport	6,030	417,767	423,797
9700 - Shop	1,150,251	2,481,405	3,631,656
Grand Total	**$ 15,126,300**	**$ 32,959,900**	**$ 48,086,200**

City of Fayetteville Staff Review Form

City Council Agenda Items and Contracts, Leases or Agreements

2/5/2013
City Council Meeting Date
Agenda Items Only

Ray M. Boudreaux	Aviation	Transportation
Submitted By	**Division**	**Department**

Action Required:

Action Required: A resolution to approve a Budget Adjustment in the amount of $1,786,452 for the implementation and funding of the operation of the Drake Field Fixed Base Operation. Approve the addition of 6.6 Full Time Equivalent positions in the Aviation Division. Approve the Termination of the Contract with Woolsey Aviation Inc., DBA Million Air Fayetteville, for FBO services at Drake Field.

$ 1,786,452.00	$ -	ALL
Cost of this request	Category / Project Budget	Program Category / Project Name
5550.3955.VARIOUS	$ -	Airport Operations
Account Number	Funds Used to Date	Program / Project Category Name
	$ -	Airport
Project Number	Remaining Balance	Fund Name

Budgeted Item [ ] **Budget Adjustment Attached** [X]

Department Director — 1-18-13 Date

City Attorney — 1-22-13 Date

Previous Ordinance or Resolution # _____

Original Contract Date: _____

Original Contract Number: _____

Finance and Internal Services Director — 1-23-2013 Date

Chief of Staff — 1-23-2013 Date

Mayor — 1/23/13 Date

Received in City Clerk's Office 01-18-13P02:59 RCVD Kim J.

Received in Mayor's Office ENTERED 1/22/13

Comments:

City Council Meeting of: February 5, 2013
Agenda Item Number:

Fayetteville
ARKANSAS

AVIATION DIVISION
FAYETTEVILLE EXECUTIVE AIRPORT • DRAKE FIELD

CITY COUNCIL AGENDA MEMO/STAFF CONTRACT REVIEW MEMO

TO: Mayor Jordan

THRU: Chief of Staff

THRU: Staff/Contract Review Committee

THRU: Terry Gulley, Transportation Director TG 1/14

FROM: Ray M. Boudreaux, Aviation Director

DATE: January 14, 2013

SUBJECT: **Approval of Termination of FBO Contract with Woolsey Aviation INC., DBA Million Air of Fayetteville and approval of City staff operation of the FBO in house. Approve a Budget Adjustment.**

RECOMMENDATION: Approve termination of the contract with Woolsey Aviation Inc., DBA Million Air of Fayetteville for FBO services. Approve a budget adjustment for a City run FBO to create the budget necessary to run the FBO, including 6.6 FTE new employees.

BACKGROUND: Woolsey Aviation Inc. has been the FBO at Fayetteville Executive Airport since 2005. The initial five year agreement was renewed in 2010 for an additional ten years. Million Air has performed well until the most recent past when several operational difficulties caused disruption in service. Due to these issues, the Airport Board at their November meeting voted to issue a letter of Termination to Million Air for the good of the parties. Million Air President, Roger Woolsey met with the airport staff and the City Chief of Staff to talk over the potential for the letter to be withdrawn. The Airport Board at their January meeting recommended that the City continue the termination and that the City run the FBO in house. Million Air has struggled to meet the provisions of the contract. Staff believes that termination of the contract is in the best interest of the citizens. Operating in house will maximize the City's opportunity to grow the Airport Fund for airport maintenance and to match grants.

BUDGET IMPACT: The attached Budget Adjustment requests new expenses of $1,786,452 and revenues to cover the expenses. Revenues are generated from the sale of fuel, hangar fees, and handling fees. New expenses will be totally supported by the revenue. Revenue and expense budgets are very conservative estimates based on the current expenses experienced by Million Air and our experience from 2002 to 2005. The budget includes a personnel budget to support 6.6 FTE.

Attachments:
- Staff Review
- Budget Adjustment
- Organizational Chart
- Budget

RESOLUTION NO. _____

A RESOLUTION APPROVING THE TERMINATION OF THE FIXED-BASE AIRPORT OPERATIONS CONTRACT WITH WOOLSEY AVIATION INC. DBA MILLION AIR OF FAYETTEVILLE, APPROVING A BUDGET ADJUSTMENT IN THE AMOUNT OF $1,786,452.00 FOR THE IMPLEMENTATION AND FUNDING OF A CITY-OPERATED FIXED-BASE AIRPORT OPERATION, AND FURTHER APPROVING THE ADDITION OF 6.6 FULL-TIME EQUIVALENT EMPLOYEE POSITIONS IN THE AVIATION DIVISION FOR THE OPERATION

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 termination of the fixed-base airport operations contract with Woolsey Aviation Inc. dba Million Air of Fayetteville.

Section 2: That the City Council of the City of Fayetteville, Arkansas hereby approves a budget adjustment, a copy of which is attached to this Resolution as Exhibit "A", in the amount of $1,786,452.00 for the implementation and funding of a city-operated fixed-base airport operation.

Section 3: That the City Council of the City of Fayetteville, Arkansas hereby approves the addition of 6.6 full-time equivalent employee positions in the Aviation Division for the operation.

PASSED and **APPROVED** this 5th day of February, 2013.

APPROVED:

By: _____
LIONELD JORDAN, Mayor

ATTEST:

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

C. 4 V12.0724
Woolsey Aviation Inc. DBA
Million Air of Fayetteville
Page 1 of 2

City of Fayetteville, Arkansas
Budget Adjustment Form

Budget Year	Division: Aviation Department: Transportation Services	Request Date	Adjustment Number
2013		2/5/2013	

BUDGET ADJUSTMENT DESCRIPTION / JUSTIFICATION

Funding for implementation of the Airport Fixed Base Operation (FBO) Program including the addition of 6.6 Full Time Equivalent positions in the Aviation Division.

EXHIBIT
tabbies
A

Division Head	1/23/13 Date	Prepared By:	Fell, Barbara
Budget Director	1-23-2013 Date	Reference:	
Department Director	Paul a. Becker for Jerry Hurley 1-23-2013 Date	Budget & Research Use Only	
Finance Director	Paul a. Becker 1-23-2013 Date	Type: A B C (D) E P	
Chief of Staff	Paul a. Becker for Don Marr 1-23-2013 Date	General Ledger Date	
Mayor	1/23/13 Date	Posted to General Ledger	Initial / Date
		Checked / Verified	Initial / Date

		TOTAL BUDGET ADJUSTMENT	1,786,452	1,786,452	
			Increase / (Decrease)		
Account Name	Account Number		Expense	Revenue	Project.Sub Number
Rent	5550.0955.4450.00			25,000	.
AVGAS rvenues	5550.0955.4456.01		-	208,888	.
Jet Fuel revenues	5550.0955.4456.02			1,422,144	.
FBO sales tax	5550.0955.4456.03			140,066	.
87MoGas Revenue	5550.0955.4456.04			12,835	.
FBO Accessory Rev	5550.0955.4995.00			4,000	.
Miscellaneous revenue	5550.0955.4999.00			2,083	.
Use of fund balance	5550.0955.4999.99			(28,564)	.
Salaries and wages	5550.3955.5100.00		143,855		.
Overtime	5550.3955.5103.00		1,836		.
FICA taxes	5550.3955.5105.00		11,122		.
Life insurance	5550.3955.5107.00		389		.
Health insurance	5550.3955.5108.00		19,937		.
LTD insurance	5550.3955.5108.01		402		.
ADD insurance	5550.3955.5108.02		33		.
Workers' comp insurance	5550.3955.5111.00		3,327		.

City of Fayetteville, Arkansas
Budget Adjustment Form

Budget Year	Division: Aviation	Request Date	Adjustment Number
2013	Department: Transportation Services	2/5/2013	

Office supplies/printing	5550.3955.5200.00	500		.	
Copies and lease	5550.3955.5200.01	833		.	
Cleaning supplies	5550.3955.5203.00	300		.	
Chemicals	5550.3955.5204.00	600		.	
Software	5550.3955.5209.00	150		.	
Minor equipment	5550.3955.5210.00	100		.	
ADDGasoline	5550.3955.5213.00	12,272		.	
Jet fuel	5550.3955.5213.02	1,126,496		.	
AVGAS	5550.3955.5213.03	182,528		.	
ADDFuel	5550.3955.5213.04	1,250		.	
Parts, oil, accessories	5550.3955.5214.00	5,190		.	
Public notification	5550.3955.5301.00	5,000		.	
Uniforms/personal equip	5550.3955.5302.00	1,167		.	
Publications & dues	5550.3955.5303.00	800		.	
Travel & training	5550.3955.5304.00	2,000		.	
Equipment rental	5550.3955.5308.03	46,000		.	
Utilities	5550.3955.5310.00	5,000		08051 .	0800
Telephone expense	5550.3955.5310.01	360		.	
Insurance-vehicles/bldgs	5550.3955.5311.00	10,000		.	
Professional services	5550.3955.5314.00	10,000		.	
Contract services	5550.3955.5315.00	2,617		.	
Bad debt expense	5550.3955.5319.00	1,000		.	
Credit Card Service Charg	5550.3955.5320.02	50,657		.	
Employee recognition	5550.3955.5329.00	100		.	
Promotional activities	5550.3955.5342.00	3,500		.	
Inventory adjustments	5550.3955.5346.00	1,250		.	
Motor pool charges	5550.3955.5331.00	1,500		.	
Replacement charges	5550.3955.5331.01	5,080		.	
Shop Overhead Charges	5550.3955.5331.02	607		.	
ADDShop Overhead Insurance	5550.3955.5331.03	49		.	
Cost allocation	5550.3955.5399.00	16,667		.	
Building & grounds maint	5550.3955.5400.00	6,250		.	
Radio maintenance	5550.3955.5402.00	458		.	
Vehicle & machine maint	5550.3955.5403.00	5,833		.	
Small equipment maint	5550.3955.5407.00	1,000		.	
				.	
				.	
	ONE TIME START UP EXPENSE				
ADDVehicles and equipment	5550.3955.5802.00	98,437		51301 .	1
				.	
				.	

CITY OF FAYETTEVILLE
FAYETTEVILLE EXECUTIVE AIRPORT
BUDGET ADJUSTMENT DETAIL BACKUP

ACCOUNT NAME	ACCOUNT NUMBER		INCREASE / DECREASE EXPENSE	INCREASE / DECREASE REVENUE	PERCENT YEAR	ANNUAL BUDGET
Rent - FBO Hangar	5550.0955.4450.00	4450.00		25,000	83%	30000
AVGASRev	5550.0955.4456.01	4456.01		208,888	83%	250667
JetFuelrev	5550.0955.4456.02	4456.02		1,422,144	83%	1706580
FBOsalestx	5550.0955.4456.03	4456.03		140,066	83%	168080
87MoGas	5550.0955.4456.04	4456.04		12,835	83%	15401.7
FBOAccess	5550.0955.4995.00	4995.00		4,000	83%	4800
Misc Rev	5550.0955.4999.00	4999.00		2,083	83%	2500
Use of Fund Balance	5550.0955.4999.99	4999.99		(28,564)	100%	
Sal/Wages	5550.3955.5100.00	5100.00	143,855		83%	172627
Overtime	5550.3955.5103.00	5103.0	1,836		100%	1836
FICA Taxes	5550.3955.5105.00	5105.00	11,122		83%	13346
Life Ins	5550.3955.5107.00	5107.00	389		83%	467
Health Ins	5550.3955.5108.00	5108.00	19,937		83%	23925
LTD Ins	5550.3955.5108.01	5108.01	402		83%	482
ADD Ins	5550.3955.5108.02	5108.02	33		83%	40
Workers' C	5550.3955.5111.00	5111.00	3,327		83%	3993
OffSupPrnt	5550.3955.5200.00	5200.00	500		100%	500
Copies&lea	5550.3955.5200.01	5200.01	833		83%	1000
CleanSuply	5550.3955.5203.00	5203.00	300		100%	300
Chemicals	5550.3955.5204.00	5204.00	600		100%	600
Software	5550.3955.5209.00	5209.00	150		100%	150
MinorEquip	5550.3955.5210.00	5210.00	100		100%	100
Gasoline	5550.3955.5213.00	5213.00	12,272		83%	14,727
Jet fuel	5550.3955.5213.02	5213.02	1,126,495		83%	1351800
AVGAS	5550.3955.5213.03	5213.03	182,527		83%	219033
Fuel	5550.3955.5213.04	5213.04	1,250		83%	1500
PartsOilAc	5550.3955.5214.00	5214.00	5,190		100%	5190
PublNotifi	5550.3955.5301.00	5301.00	5,000		100%	5000
Uniforms/P	5550.3955.5302.00	5302.00	1,167		83%	1400
Pubs/Dues	5550.3955.5303.00	5303.00	800		100%	800
Travel/Trn	5550.3955.5304.00	5304.00	2,000		100%	2000
Equip Rent	5550.3955.5308.03	5308.03	46,000		83%	55200
Utilities	5550.3955.5310.00	5310.00	5,000		83%	6000
Telephone	5550.3955.5310.01	5310.01	360		83%	432
InsVehBldg	5550.3955.5311.00	5311.00	10,000		100%	10000
Prof Serv	5550.3955.5314.00	5314.00	10,000		100%	10000
CntrctServ	5550.3955.5315.00	5315.00	2,617		83%	3140
BadDebtExp	5550.3955.5319.00	5319.00	1,000		100%	1000
CrCardChgs	5550.3955.5320.02	5320.02	50,657		83%	60,789
EmpleRecog	5550.3955.5329.00	5329.00	100		100%	100
PromoActiv	5550.3955.5342.00	5342.00	3,500		100%	3500
InventryAd	5550.3955.5346.00	5346.00	1,250		83%	1500
Motor Pool	5550.3955.5331.00	5331.00	1,500		83%	1800
ReplaceChg	5550.3955.5331.01	5331.01	5,080		83%	6096
ShOverhead	5550.3955.5331.02	5331.02	607		83%	729
ShOverheadIns	5550.3955.5331.03	5331.03	49		83%	59
Cost Allocation	5550.3955.5399.00	5399.00	16,667		83%	20000
BldgGrndMt	5550.3955.5400.00	5400.00	6,250		83%	7,500
RadioMaint	5550.3955.5402.00	5402.00	458		83%	550
Veh/MachMt	5550.3955.5403.00	5403.00	5,833		83%	7,000
SmEquipMt	5550.3955.5407.00	5407.00	1,000		83%	1,200
FBO Startup - Capital	5550.3960.	Various	98,437		100%	98,437
			1,786,452	1,786,452		

FBO OPERATION ANNUAL BUDGET

EXPENSE

Acct Numb	Acct Name	
ACCOUNT CLASSIFICATION EX10 - Personnel Services		
		6.6 FTE
5100	Sal/Wages	172,627
5100.01	SalConting	
5103	Overtime	1,836
5105	FICA Taxes	13,346
5107	Life Ins	467
5108	Health Ins	23,925
5108.01	LTD Ins	482
5108.02	ADD Ins	40
5109.06	RetireSavP [1]	-
5111	Workers' C	3,993
5120	PersSvcCon	-
	TOTALS :	216,716
ACCOUNT CLASSIFICATION EX20 - Materials and Supplies		
		300Jet/45Av
5200	OffSupPrnt	500
5200.01	Copies&lea	1,000
5202	ShopSupply	-
5203	CleanSuply	300
5204	Chemicals	600
5209	Software	150
5210	MinorEquip	100
5212	Signs	-
5213	Gasoline	14,727
5213.02	Jet fuel [2]	1,351,800
5213.03	AVGAS [2]	219,033
5213.04	Fuel	1,500
5214	PartsOilAc	5,190
5214.01	Tires [3]	-
	TOTALS :	1,594,900
ACCOUNT CLASSIFICATION EX30 - Services and Charges		
5301	PublNotifi	5,000
5302	Uniforms/P	1,400
5303	Pubs/Dues	800
5304	Travel/Trn	2,000
5304.99	T&T Advnce	-
5307	Audit Exp	-
5308	Rent	-
5308.03	Equip Rent	55,200
5309	Lease Exp	-
5310	Utilities	6,000
5310.01	Telephone	432
5311	InsVehBldg	10,000
5311.01	InsCityVeh	-
5314	Prof Serv	10,000
5315	CntrctServ	3,140
5319	BadDebtExp	1,000
5320.02	CrCardChgs	60,789
5329	EmpleRecog	100
5342	PromoActiv	3,500
5346	InventryAd	1,500
5372	SlsTaxInvn	-
	TOTALS :	160,861
ACCOUNT CLASSIFICATION EX33 - Motorpool Charges		
5331	Motor Pool	1,800
5331.01	ReplaceChg	6,096
5331.02	ShOverhead	729
5331.03	ShOverheadIns	59
	TOTALS :	8,684
ACCOUNT CLASSIFICATION EX39 - Cost allocation		
5399	Cost Alloc	20,000
	TOTALS :	20,000
ACCOUNT CLASSIFICATION EX40 - Maintenance		
5400	BldgGrndMt	7,500
5401	OffMachMt	-
5402	RadioMaint	550
5403	Veh/MachMt	7,000
5407	SmEquipMt	1,200
	TOTALS :	16,250
	TOTAL ALL	2,017,411
	REVENUE	2,178,028
	NET	160,618
	Minus Current Rent Rcvd	75,584
	Minus Flow Fees	34,500
	Net Difference AP Fund	50,534

REVENUE

Acct Number	Acct Name	Proposed
ACCOUNT CLASSIFICATION RE40 - Charges for services		
		300Jet/45Av
4450	Rent - FBO Hangar	30000
4456.01	AVGASRev	250667
4456.02	JetFuelrev	1706580
4456.03	FBOsalestx	168080
4456.04	87MoGas	15402
4995	FBOAccess	4800
4999	Misc Rev	2500
	TOTALS :	2178028

STARTUP CAPITAL EXPENSE - NOT INCLUDED

	28.5V GPU	7500
	Used Tug	7500
	De-icing Rig	5000
	Towbars	5000
	Lav Cart	3200
	Boarding Stairs	17262
	Belt Loader	16500
	Golf Cart	10000
Signs	Banner / Misc	1000
Minor Equip	24V Bat Chgr	300
Minor Equip	Fueling Mats	125
Minor Equip	Ladders	350
Minor Equip	Fire Extinguish	500
Minor Equip	Marshaling Wa	200
Minor Equip	HAZMAT Matrl	450
Minor Equip	Chocks	2500
Minor Equip	Air Radios	1200
Minor Equip	Cell phone	100
Minor Equip	Road cones	400
Minor Equip	Fuel Test Equip	1000
Minor Equip	Computers (3)	2000
Minor Equip	POS Device	100
Minor Equip	Vacuum Clnr	100
Minor Equip	Sofas	1200
Minor Equip	ArmChairs	900
Minor Equip	Tables	500
Minor Equip	Decorative Iten	350
Minor Equip	Electronics	3200
Prof Serv	Marketing	10000
	TOTALS :	98437

Footnotes:

1 No retirement benefit expense in first year. Estimated in future years: $20,751

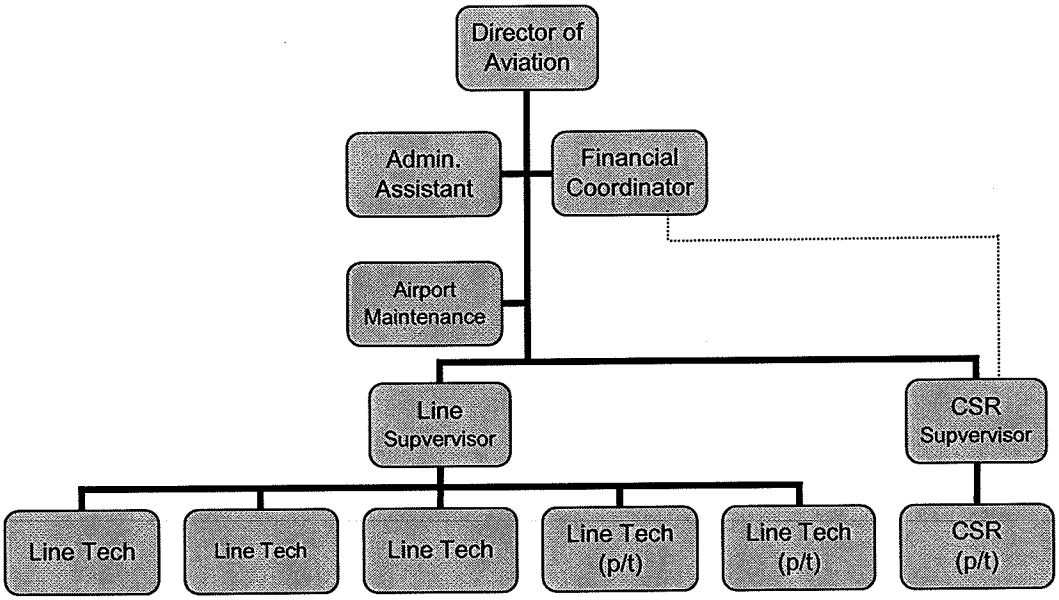
2 Wholesale fuel cost based on market at 12/12/12. Expense includes delivered cost plus 0.10 flowage fee & Sales Tax liability at resale.

3 Tire expense for refueler trucks. Not included in 2013 budget year. Future year operational expense: $2500

PRORATED 10 MOS 2013 3/1-12/31 (Not Inc Capital)

	1688015
	1815016
	127,001
	62,984.15
	28,748.85
	35,268

AIRPORT ORGANIZATION CHART



JOB DESCRIPTIONS:

Flight Line Operations Supervisor (1 FT):
Supervise the Flight Line operation and the Line Technicians in the servicing of aircraft with fuel, oil, air, and the cleaning of windows and interiors. Supervise towing operations, aircraft parking and hangaring, and Line parking schemes.

Flight Line Technician (3 FT and 2 PT):
Park, fuel, hangar and tie down aircraft. Provide service for the aircraft to include ice, catering, restroom service, baggage loading and unloading. Operate the parking layout to insure safety of aircraft and passengers. Assist passengers and crewmembers.

Customer Service Supervisor (1 FT):
Supervise the customer service team insuring the highest level of customer care. Meet passengers and care for their needs to include rental cars, catering, hotel arrangements and reservations at destinations. Prepare invoices and receive payments. Input charges and receipts into the accounting system and tract all sales. Insure customer amenities are fully stocked.

Customer Service Representative (1 PT):
Meet passengers and welcome them to Fayetteville. Care for their needs to include rental cars, catering, hotel arrangements and reservations at destinations. Prepare invoices and receive payments.

Agenda Session 01-29-2013

Mayor Lioneld Jordan

City Attorney Kit Williams

City Clerk Sondra Smith

Fayetteville
ARKANSAS

Aldermen

Ward 1 Position 1 – Adella Gray
Ward 1 Position 2 – Sarah Marsh
Ward 2 Position 1 – Mark Kinion
Ward 2 Position 2 – Matthew Petty
Ward 3 Position 1 – Justin Tennant
Ward 3 Position 2 – Martin W. Schoppmeyer, Jr.
Ward 4 Position 1 – Rhonda Adams
Ward 4 Position 2 – Alan T. Long

Tentative Agenda
City of Fayetteville Arkansas
City Council Meeting
February 05, 2013

A meeting of the Fayetteville City Council will be held on February 05, 2013 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:

1. **Dr. Martin Luther King Brotherhood Award for 2013 Presentation** – Presented by Kit Williams
2. **4th Quarter Financial Report 2012**

Agenda Additions:

A. Consent:

1. Approval of the January 15, 2013 City Council meeting minutes.
2. **CH2M Hill Engineers, Inc.:** A resolution approving a revision to an out-of-scope agreement with CH2M Hill Engineers, Inc. in the amount of $154,550.00 to continue work on a Use Attainability Analysis (UAA) for the White River, maintaining the existing $50,000.00 contingency, and approving a budget adjustment.

3. **Gulf Coast High Intensity Drug Trafficking Area:** A resolution approving a budget adjustment in the amount of $115,608.00 recognizing revenue from the office of National Drug Control Policy Gulf Coast High Intensity Drug Trafficking Area.

4. **McClelland Consulting Engineers, Inc. Amendment No. 2:** A resolution approving Amendment No. 2 to the contract with McClelland Consulting Engineers, Inc. for Airport Engineering Services.

5. **T-Hangar Lease Agreements:** A resolution to approve T-Hangar lease agreements in 2013 and through 2014 at the current rental rate or as adjusted upward by the Airport Board for all T-Hangars rented at the Fayetteville Executive Airport.

6. **Animal Shelter Donation Revenue:** A resolution approving a budget adjustment in the total amount of $18,626.00 representing donation revenue to the Animal Services Division for the fourth quarter of 2012 and including a grant award from the ASPCA in the amount of $4,500.00 to fund the animal shelter's transport program for 2013.

7. **Old Square, Inc.:** A resolution approving a two-year lease agreement with Old Square, Inc., for the annual rental amount of $9,000.00 to lease approximately 3,500 square feet for document storage.

B. Unfinished Business:

1. **Kum & Go, L.C.:** A resolution to authorize Mayor Jordan to sell about two acres of the Tyson Factory Property on Huntsville Road for $900,000.00 to Kum & Go, L.C., to agree to cost share with Kum & Go roads or driveways within the Tyson Property adjoining this two acre parcel and the demolition of the factory, and to recommend rezoning this parcel to Neighborhood Commercial or other zoning district satisfactory to Kum & Go, L.C. *This item was tabled at the January 15, 2013 City Council meeting to the February 5, 2013 City Council meeting.*

C. New Business:

1. **Amend Section 33.361 Departments, Boards, Commissions, and Authorities:** An ordinance amending Section 33.361 Composition of Chapter 33: Departments, Boards, Commissions, and Authorities of the Code of Fayetteville to change the structure of City and University appointments to the Town and Gown Advisory Committee.

Consent (2.) **Sales Tax Collection Information Support:** A resolution stating the support of the City of Fayetteville to state statutory amendments authorizing improvements in the information provided to local governments by the State related to collections of local sales and use taxes.

3. **Amend 2013 City Budget:** A resolution amending the 2013 city budget by reappropriating up to $48,086,200.00 in bonded or ongoing capital projects, outstanding obligations and grant-funded items previously appropriated in the 2012 city budget but not completed or delivered in 2012.

4. **Woolsey Aviation Inc. DBA Million Air of Fayetteville:** A resolution approving the termination of the fixed-base airport operations contract with Woolsey Aviation Inc. DBA Million Air of Fayetteville, approving a budget adjustment in the amount of $1,786,452.00 for the implementation and funding of a city-operated fixed-base airport operation, and further approving the addition of 6.6 full-time equivalent employee positions in the Aviation Division for the operation.

D. City Council Agenda Session Presentations:

E. City Council Tour:

F. Announcements:

Adjournment:

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.

All cell phones must be silenced and may not be used within the City Council Chambers.

Below is a portion of the **Rules of Order and Procedure of the Fayetteville City Council** pertaining to City Council meetings:

> **Agenda additions.** A new item which is requested to be added to the agenda at a City Council meeting should only be considered if it requires immediate City Council consideration and if the normal agenda setting process is not practical. The City Council may only place such new item on the City Council meeting's agenda by suspending the rules by two-thirds vote. Such agenda addition shall be heard prior to the Consent Agenda.
>
> **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.
>
> **Old business and new business.**
>
> > **Presentations by staff and applicants.** Agenda items shall be introduced by the Mayor and, if an ordinance, read by the City Attorney. City staff shall then present a report. An agenda applicant (city contractor, rezoning or development applicant, etc.) may present its proposal only during this presentation period, but may be recalled by an alderman later to answer questions. Staff and applicants may use electronic visual aids in a City Council meeting as part of their presentation.
> >
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> **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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Pre-Agenda Meeting 1/23/13

Mayor Lioneld Jordan

City Attorney Kit Williams

City Clerk Sondra Smith

Fayetteville
ARKANSAS

Aldermen

Ward 1 Position 1 – Adella Gray
Ward 1 Position 2 – Sarah Marsh
Ward 2 Position 1 – Mark Kinion
Ward 2 Position 2 – Matthew Petty
Ward 3 Position 1 – Justin Tennant
Ward 3 Position 2 – Martin W. Schoppmeyer, Jr.
Ward 4 Position 1 – Rhonda Adams
Ward 4 Position 2 – Alan T. Long

Tentative Agenda
City of Fayetteville Arkansas
City Council Meeting
February 05, 2013

A meeting of the Fayetteville City Council will be held on February 05, 2013 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:

Bld City Council Meeting Presentations, Reports and Discussion Items:

1. **Dr. Martin Luther King, Brotherhood Award for 2013 Presentation** – Presented by Kit Williams
2. **4th Quarter Financial Report 2012**

Agenda Additions:

A. Consent:

1. Approval of the January 15, 2013 City Council meeting minutes.
2. **CH2M Hill Engineers, Inc.:** A resolution approving a revision to an out-of-scope agreement with CH2M Hill Engineers, Inc. in the amount of $154,550.00 to continue work on a Use Attainability Analysis (UAA) for the White River, maintaining the existing $50,000.00 contingency, and approving a budget adjustment.

3. **Gulf Coast High Intensity Drug Trafficking Area:** A resolution approving a budget adjustment in the amount of $115,608.00 recognizing revenue from the office of National Drug Control Policy Gulf Coast High Intensity Drug Trafficking Area.

4. **McClelland Consulting Engineers, Inc. Amendment No. 2:** A resolution approving Amendment No. 2 to the contract with McClelland Consulting Engineers, Inc. for Airport Engineering Services.

5. **T-Hangar Lease Agreements:** A resolution to approve T-Hangar lease agreements in 2013 and through 2014 at the current rental rate or as adjusted upward by the Airport Board for all T-Hangars rented at the Fayetteville Executive Airport.

6. **Animal Shelter Donation Revenue:** A resolution approving a budget adjustment in the total amount of $18,626.00 representing donation revenue to the Animal Services Division for the fourth quarter of 2012 and including a grant award from the ASPCA in the amount of $4,500.00 to fund the animal shelter's transport program for 2013.

7. Old Square:

B. Unfinished Business:

1. **Kum & Go, L.C.:** A resolution to authorize Mayor Jordan to sell about two acres of the Tyson Factory Property on Huntsville Road for $900,000.00 to Kum & Go, L.C., to agree to cost share with Kum & Go roads or driveways within the Tyson Property adjoining this two acre parcel and the demolition of the factory, and to recommend rezoning this parcel to Neighborhood Commercial or other zoning district satisfactory to Kum & Go, L.C. *This item was tabled at the January 15, 2013 City Council meeting to the February 5, 2013 City Council meeting.*

C. New Business:

Move to C.4

1. **Woolsey Aviation Inc. DBA Million Air of Fayetteville:** A resolution approving the termination of the fixed-base airport operations contract with Woolsey Aviation Inc. DBA Million Air of Fayetteville, approving a budget adjustment in the amount of $1,786,452.00 for the implementation and funding of a city-operated fixed-base airport operation, and further approving the addition of 6.6 full-time equivalent employee positions in the Aviation Division for the operation.

2. **Amend Section 33.361 Departments, Boards, Commissions, and Authorities:** An ordinance amending Section 33.361 Composition of Chapter 33: Departments, Boards, Commissions, and Authorities of the Code of Fayetteville to change the structure of City and University appointments to the Town and Gown Advisory Committee.

3. **Sales Tax Collection Information Support:** A resolution stating the support of the City of Fayetteville to state statutory amendments authorizing improvements in the information provided to local governments by the State related to collections of local sales and use taxes.

4. **Amend 2012 City Budget:** A resolution amending the 2013 City budget by reappropriating up to $48,086,200.00 in bonded or ongoing capital projects, outstanding obligations and grant-funded items previously appropriated in the 2012 city budget but not completed or delivered in 2012.

D. City Council Agenda Session Presentations:

E. City Council Tour:

F. Announcements:

Adjournment:

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.

All cell phones must be silenced and may not be used within the City Council Chambers.

Below is a portion of the **Rules of Order and Procedure of the Fayetteville City Council** pertaining to City Council meetings:

Agenda additions. A new item which is requested to be added to the agenda at a City Council meeting should only be considered if it requires immediate City Council consideration and if the normal agenda setting process is not practical. The City Council may only place such new item on the City Council meeting's agenda by suspending the rules by two-thirds vote. Such agenda addition shall be heard prior to the Consent Agenda.

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.

Old business and new business.

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