



# ***AGENDA***

## **FORT SMITH BOARD OF DIRECTORS REGULAR MEETING**

***JUNE 15, 2010 ~ 6:00 P.M.***

**FORT SMITH PUBLIC SCHOOLS  
SERVICE CENTER  
3205 JENNY LIND ROAD**

***THIS MEETING IS BEING TELECAST LIVE ON THE CITY CABLE ACCESS CHANNEL 6***

**INVOCATION AND PLEDGE OF ALLEGIANCE**

**ROLL CALL**

**PRESENTATION BY MEMBERS OF THE BOARD OF DIRECTORS OF ANY ITEMS OF  
BUSINESS NOT ALREADY ON THE AGENDA FOR THIS MEETING**

*(Section 2-37 of Ordinance No. 24-10)*

**APPROVE MINUTES OF THE JUNE 1, 2010 REGULAR MEETING**

**ITEMS OF BUSINESS:**

1. Items relative to the Mitsubishi wind energy manufacturing plant
  - A. Resolution authorizing the execution of a local incentive definitive agreement regarding an economic development project at Chaffee Crossing
  - B. Resolution designating a recovery zone pursuant to the American Recovery and Reinvestment Tax Act of 2009 for the purpose of issuing recovery zone economic development bonds and recovery zone facility bonds
  - C. Resolution authorizing the entry into an agreement to issue bonds for the purpose of assisting in the financing of industrial facilities within or near the city of Fort Smith, Arkansas, to be leased to Mitsubishi Power Systems Americas, Inc, pursuant to the authority of the laws of the State of Arkansas, including particularly Amendment No. 65 to the Arkansas Constitution and the municipalities and counties industrial development revenue bond law

- D. Resolution authorizing street and drainage improvements and engineering services agreement for the Chad Colley Boulevard Extension, Project No. 10-00-A (\$148,500.00)
2. Consideration of Mayor's veto of Resolution No. R-106-10 supporting the Fort Smith Housing Authority and its efforts to use New Market Tax Credits to stimulate development and redevelopment in low-to-moderate income areas of Fort Smith
3. Ordinance amending Chapter 2 of the Fort Smith Code of Ordinances to add a provision regarding removal of an appointed member of a board, commission or committee
4. Resolution thanking the Convention Center Ad Hoc Committee and accepting its final report
5. Consent Agenda
  - A. Resolution authorizing a time extension for the construction of 2009 Sidewalk Program, Project No. 09-20-A
  - B. Resolution accepting completion of and authorizing final payment for the construction of 2009 Sidewalk Program, Project No. 09-20-A (\$7,234.00)
  - C. Resolution authorizing a time extension for the construction of Texas Road Improvements, Project No. 05-00-B
  - D. Resolution accepting completion of and authorizing final payment for the construction of Texas Road Improvements, Project No. 05-00-B (\$74,117.98)
  - E. Resolution to accept the bids and authorize contracts for the construction of Street Overlays/Reconstruction, Project No. 10-03-A (\$1,725,676.87)
  - F. Resolution to accept the bids and authorize contracts for the construction of Street Overlays/Reconstruction, Project No. 10-03-B (\$1,349,853.45)
  - G. Resolution accepting bid for the purchase of foam trailers (\$130,184.00)
  - H. Resolution authorizing the Mayor to execute an Agreement and Authorization Number One for engineering services with McGuire Engineering, Inc. for the Neighborhood Sewer Improvements ~ Zero Street Basin (\$121,220.00)
  - I. Resolution authorizing partial payment to Branco Enterprises, Inc. for construction of the Phase II "P" Street Wastewater Treatment Plant Wet Weather Improvements ~ Schedule 2 (\$866,762.04)

- J. Resolution accepting the bid of and authorizing the Mayor to execute a contract with Utility Service Company for Fianna Hills elevated storage tank painting (\$214,600.00)
- K. Resolution authorizing the Mayor to execute easements with Oklahoma Gas & Electric Company and Century Link for services in connection with Lake Fort Smith State Park
- L. Resolution authorizing the City Administrator to accept an offer made by property owner for the acquisition of real property interests for the Highway 45 and Zero Street Water and Sewer Line Relocation Project (\$21,377.20)
- M. Resolution authorizing partial payment to Crossland Heavy Contractors, Inc. for construction of the Lake Fort Smith Water Treatment Plant ~ Contract 3 (\$3,463,428.45)
- N. Resolution accepting the project as complete and authorizing final payment to KAJACS Contractors, Inc. for the construction of Neighborhood Water Systems Improvements (\$98,902.65)
- O. Resolution authorizing an amendment to the agreement with Mickle Wagner Coleman Engineers, Inc. for engineering services associated with the Zero Street Outfall Sewer Improvements Phase I (\$35,000.00)
- P. Resolution accepting the project as complete and authorizing final payment to Insituform Technologies, Inc. for the Walnut Street 30-Inch Sewer Rehabilitation (\$116,146.80)
- Q. Resolution accepting the construction of the Lake Shepherd Springs recreational area paving and parking lots as complete
- R. Resolution accepting the project as complete and authorizing final payment to Goodwin & Goodwin, Inc. for the Sunnymede Relief Sanitary Sewer Line Improvements (\$156,470.35)

**OFFICIALS FORUM ~ presentation of information requiring no official action**  
*(Section 2-36 of Ordinance No. 24-10)*

- A. Mayor
- B. Directors
- C. City Administrator

## **EXECUTIVE SESSION**

Appointments: Civil Service Commission (1), Convention Center Commission (1), Historic District Commission (1), Port Authority (1) and Property Owners Appeals Board (2)

**CITIZENS FORUM ~ presentation of information by citizens ~ an opportunity for citizens to present matters to the Mayor and Board of Directors which involve the city government and are not directly related to items considered on the agenda for this meeting. *Presentations are limited to 2 minutes for each citizen***  
*(Section 2-44(b) of Ordinance No. 24-10)*

**ADJOURN**

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION AUTHORIZING THE EXECUTION OF A  
LOCAL INCENTIVES DEFINITIVE AGREEMENT REGARDING  
AN ECONOMIC DEVELOPMENT PROJECT AT CHAFFEE CROSSING**

BE IT RESOLVED by the Board of Directors of the City of Fort Smith, Arkansas that:

The Mayor and City Clerk are hereby authorized to execute a Local Incentives Definitive Agreement with Mitsubishi Power Systems Americas, Sebastian County, the Fort Chaffee Redevelopment Authority Public Trust, and the Fort Smith Regional Chamber of Commerce for the development of new manufacturing facilities at Chaffee Crossing.

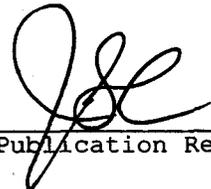
This Resolution passed this \_\_\_\_\_ day of June, 2010.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:



\_\_\_\_\_  
No Publication Required

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION DESIGNATING A RECOVERY ZONE PURSUANT TO THE AMERICAN RECOVERY AND REINVESTMENT TAX ACT OF 2009 FOR THE PURPOSE OF ISSUING RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS AND RECOVERY ZONE FACILITY BONDS.

WHEREAS, the City of Fort Smith, Arkansas (the "City"), has received an allocation of the national Recovery Zone Economic Development Bonds limitation in the amount of \$2,467,000 and an allocation of the national Recovery Zone Facility Bonds limitation in the amount of \$3,700,000 pursuant to the American Recovery and Reinvestment Tax Act of 2009, codified in Title 26 of the United States Code and Internal Revenue Service, Notice 2009-50, issued on June 12, 2009 (together, the "ARRA"), and anticipates that it may also be reallocated further allocations of waived volume cap in accordance with the ARRA and Executive Order EO 09-13, signed by Governor Mike Beebe on October 13, 2009, which authorized the establishment of procedures within the State of Arkansas for implementing the reallocation of Recovery Zone bond authority under the American Recovery and Reinvestment ARRA of 2009 (collectively, the "Allocations"); and

WHEREAS, the City understands that the Allocations are to be used for the issuance of Recovery Zone Economic Development Bonds and Recovery Zone Facility Bonds pursuant to Section 1400U-2 or 1400U-3, respectively, of the Internal Revenue Code of 1986, as amended (the "Code"), such bonds referred to collectively as "Recovery Zone Bonds"; and

WHEREAS, the City understands that Recovery Zone Bonds are to be issued with respect to or to finance certain expenditures located in or attributable to an area within the jurisdiction of the City that the City determines has a significant level of one or more of the following factors: poverty, unemployment, home foreclosures, or general distress (such factors referred to herein as the "Distress Factors"); and

WHEREAS, the Fort Chaffee Redevelopment Authority (the "FCRA") has requested that the City designate and the City desires to designate the area described in

1 Section 3 hereof as a "Recovery Zone" to provide for the possible issuance of Recovery  
2 Zone Bonds (such area being referred to herein as the "Recovery Zone").

3 **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF**  
4 **THE CITY OF FORT SMITH, ARKANSAS that:**

5 **Section 1. Underlying Condition of Distress.** At the request of the FCRA, the  
6 Board of Directors of the City hereby finds and determines that the Recovery Zone  
7 identified in Section 3 has experienced economic distress by reason of the closure or  
8 realignment of a military installation pursuant to the Defense Base Closure and  
9 Realignment Act of 1990 (the "Underlying Condition of Distress");

10 **Section 2. Distress Factors.** At the request of the FCRA, the Board of Directors  
11 of the City hereby finds and determines that, as a result of the Underlying Condition of  
12 Distress, the Recovery Zone has experienced a significant level of one or more of the  
13 Distress Factors (i.e. poverty, unemployment, home foreclosures, or general distress);

14 **Section 3. Designation of Recovery Zone.** Based upon the findings and  
15 determinations of the Underlying Condition of Distress and the resulting Distress  
16 factors, and at the request of the FCRA, the Board of Directors of the City hereby  
17 designates that portion of the area within the boundaries of Fort Chaffee generally  
18 described as Section 8, Township 7 North, Range 31 West, Fort Smith, Sebastian County,  
19 Arkansas, as the "Recovery Zone" for the City;

20 **Section 4. Further Action.** The appropriate staff and officers of the City are  
21 authorized and directed to take all necessary steps to identify appropriate projects for  
22 which the issuance of bonds will further the goals established for Recovery Zone Bonds  
23 in order to cure the Distress Factors within the Recovery Zone; to identify other  
24 economic development incentives and programs that may be available under Federal or  
25 Arkansas laws for such projects that will further the goals established for Recovery Zone  
26 Bonds; and to work with the Arkansas Economic Development Commission to plan for  
27 the issuance of Recovery Zone Bonds for identified purposes.

1 PASSED: \_\_\_\_\_, 2010

2 ATTEST:

APPROVED:

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5 Cindy Remler, City Clerk

C. Ray Baker, Jr., Mayor

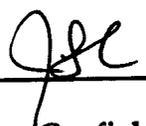
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8 APPROVED AS TO LEGAL FORM:

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\_\_\_\_\_

Jerry Canfield, City Attorney

*no publication required*

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## RESOLUTION NO. \_\_\_\_\_

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3 A RESOLUTION AUTHORIZING THE ENTRY INTO AN AGREEMENT  
4 TO ISSUE BONDS FOR THE PURPOSE OF ASSISTING IN THE  
5 FINANCING OF INDUSTRIAL FACILITIES WITHIN OR NEAR THE CITY  
6 OF FORT SMITH, ARKANSAS, TO BE LEASED TO MITSUBISHI POWER  
7 SYSTEMS AMERICAS, INC., PURSUANT TO THE AUTHORITY OF THE  
8 LAWS OF THE STATE OF ARKANSAS, INCLUDING PARTICULARLY  
9 AMENDMENT 65 TO THE ARKANSAS CONSTITUTION AND THE  
10 MUNICIPALITIES AND COUNTIES INDUSTRIAL DEVELOPMENT  
11 REVENUE BOND LAW.  
12

13 WHEREAS, the City of Fort Smith, Arkansas, is authorized under the provisions  
14 of Amendment 65 to the Arkansas Constitution and the Municipalities and Counties  
15 Industrial Development Revenue Bond Law, Ark. Code Ann. §§ 14-164-201 to -224 (the  
16 "Act"), to own, acquire, construct, equip, and lease facilities to secure and develop  
17 industry and to assist in the financing thereof by the issuance of bonds payable from the  
18 revenues derived from such facilities; and

19 WHEREAS, Mitsubishi Power Systems Americas, Inc., a Delaware corporation  
20 authorized to do business in the state of Arkansas (the "Company"), has evidenced its  
21 interest in acquiring, constructing, and equipping an industrial facility within the City if  
22 the permanent financing can be provided through the issuance of bonds under the  
23 authority of the Act;

24 WHEREAS, the Company has also evidenced its interest in acquiring,  
25 constructing, and equipping an industrial facility within the City if the permanent  
26 financing can be provided through the issuance of bonds designated by the City as  
27 "Recovery Zone Facility Bonds" under the authority of Section 1401 of Title I of Division  
28 B of the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, 123 Stat.  
29 115(2009) (the "ARRA"), which added Sections 1400U-1 thorough 1400U-3 to the  
30 Internal Revenue Code authorizing state and local governments to issue Recovery Zone  
31 Facility Bonds; and



1 (the "ARRA") and Sections 1400U-1 thorough 1400U-3 to the Internal Revenue Code  
2 (the "Code") to designate and issue Recovery Zone Facility Bonds;

3       **WHEREAS**, the City and the Company desire to cooperate in the acquisition,  
4 constructing, and equipping of the Project and to have the costs of the Project financed  
5 from the proceeds of revenue bonds of the City, which shall also be designated by the  
6 City as "Recovery Zone Facility Bonds" within the meaning of the ARRA (the "Bonds"),  
7 to be issued pursuant to the Act in an aggregate principal amount now estimated not to  
8 exceed \$50,000,000 (excluding any bonds issued to refund the Bonds); and

9       **WHEREAS**, the City and the Company, or such other entity designated by the  
10 Company, intend to enter into a Lease Agreement (the "Lease") of the real and personal  
11 property constituting the Project, which shall contemplate that the Project will be leased  
12 to the Company or to the Company's designee, in which case the Company shall  
13 sublease the real and personal property constituting the Project from such designee,  
14 with an option to purchase for a nominal price, and the rental payments therefor  
15 together with other moneys available shall be sufficient to pay debt service on the Bonds  
16 and all related costs;

17       **NOW, THEREFORE**, in consideration of the premises and other good and  
18 valuable consideration under the mutual benefits, covenants, and agreements herein  
19 expressed, the City and the Company agree as follows:

20       **1. Proceedings; Designation of Bonds.** All proceedings in connection with the  
21 issuance of the Bonds shall be consistent with the requirements of the Act and the  
22 ARRA. The Bonds are hereby designated by the City as "Recovery Zone Facility Bonds"  
23 within the meaning of the ARRA and Section 1400U-3 to the Internal Revenue Code (the  
24 "Code"). All references contained herein to the issuance of the Bonds shall be subject to  
25 compliance with the formalities of the Act and the ARRA when the facts required to do  
26 so are determined.

27       **2. Acquisition, Construction, and Equipping.** The City and the Company will  
28 cooperate in causing to be commenced and continued the required acquisition,  
29 construction, and equipping of the Project, and the Company may provide, or cause to  
30 be provided, the necessary interim financing to permit work on the Project to commence  
31 and continue expeditiously pending the issuance of Bonds. Not later than the date of

1 issuance of the Bonds, the Company will convey and transfer or cause to be conveyed  
2 and transferred to the City, the Project or portions thereof theretofore acquired,  
3 constructed, and equipped. There shall also be conveyed to the City any easements and  
4 rights-of-way necessary to permit construction, equipping, installation, operation, and  
5 maintenance of the Project.

6       **3. Lease.** The City and the Company shall enter into the Lease under which the  
7 Company will lease or sub-lease the Project, with an option to purchase for a nominal  
8 price, from the City and will agree to make rental payments sufficient to pay the  
9 principal of and premium, if any, and interest on the Bonds. The Lease term for the real  
10 property and improvements will be equal to twenty (20) years and the Lease term for  
11 the personal property will be equal to twelve (12) years.

12       **4. Sale of Bonds, Security.** The City will take such steps as are necessary to issue,  
13 sell, and deliver the Bonds, pursuant to the terms of the Act and the ARRA, for the  
14 purposes of financing the costs of the Project, in each case only upon receipt of the  
15 written designation by the Company of the purchaser(s) or underwriter(s) thereof, such  
16 Bonds to be in such principal amount, to mature in such amount and times, to bear  
17 interest at such rate or rates, to be payable on such dates, and to have such optional and  
18 mandatory redemption features and prices as are determined by the City and approved  
19 in writing by the Company. The City further agrees that it will enter into the Lease and  
20 a mortgage with the purchaser of the Bonds, for the purpose of providing rental  
21 payments sufficient, with other amounts available from the Company or directly or  
22 indirectly from the proceeds of the Bonds, to pay the principal of and premium, if any,  
23 and interest on the Bonds as they become due, and pledging and otherwise securing the  
24 payment of such rental payments for the benefit of the holder(s) of the Bonds. The  
25 Lease, the mortgage, other related documents, and the Bonds shall contain such terms  
26 and conditions as are agreed upon by the City and the Company. The City will  
27 cooperate in consummating the transactions so contemplated.

28       **5. Bonds to be Special Obligations.** The City shall have no financial  
29 responsibility with respect to the Project, the Bonds, or the costs associated with either,  
30 and the Bonds shall be special obligations of the City and shall never constitute a  
31 general obligation, indebtedness, or pledge of the credit of the City within the meaning

1 of any constitutional or statutory provision and shall never be paid in whole or in part  
2 out of any funds raised or to be raised by taxation or any other revenues or other funds  
3 of the City except those (including unexpended Bond proceeds) derived from or in  
4 connection with the sale or lease of the Project as provided for herein.

5 **6. Conditions of Issuance.** The Bonds may be issued either at one time or in  
6 several series from time to time, in such aggregate principal amount or amounts as the  
7 Company shall request in writing; provided, however, that all conditions of the Act and  
8 the ARRA shall have been met.

9 **7. Costs to be Financed.** The costs of the Project may include any costs  
10 permissible under the Act and the ARRA, including but not limited to reasonable and  
11 necessary costs, expenses, and fees incurred by the City in connection with the issuance  
12 of the Bonds or in connection with the Project; fees and out-of-pocket expenses of  
13 Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C.; recording costs; rating agency's  
14 fees, if any; and printing costs; provided, however, that such costs shall not exceed the  
15 cap on such fees and expenses set forth in Section 1400U-3(b) of the Code. The City will  
16 upon request provide or cause to be provided any data or information that may be  
17 reasonably required to verify any of the costs, expenses, and fees enumerated above.

18 **8. Termination.** In the event that the Bonds shall not be sold before January 1,  
19 2011, this Agreement shall automatically terminate. The Company may unilaterally  
20 terminate this Agreement without liability to the City (except for any amounts due and  
21 owing by the Company to the City arising out of the transactions occurring on or before  
22 the time of such termination, which shall be promptly paid by the Company to the City)  
23 by giving notice by ordinary mail, postage prepaid, to the City specifying therein the  
24 date of termination, which may be the date of the notice.

25 **9. Protection to the City.** The Company shall pay all of the City's costs and  
26 expenses reasonably and necessarily incurred in connection with this Agreement or any  
27 other related document or instrument. The Company will at all times indemnify and  
28 hold harmless the City against any and all losses, costs, damages, expenses, and  
29 liabilities of whatsoever nature directly or indirectly resulting from, arising out of, or  
30 related to matters in connection with this Agreement.



1 MITSUBISHI POWER SYSTEMS  
2 AMERICAS, INC.

3  
4 By: \_\_\_\_\_

5 Name: \_\_\_\_\_

6 Title:  
7 \_\_\_\_\_

8 **Section 2. Bond Proceeds.** The proceeds of the Bonds may be used for all costs  
9 for which proceeds on such Bonds may be used under the Act and the Code, including,  
10 but not limited to, reimbursement of the Company for such costs incurred subsequent to  
11 the date hereof. This Resolution shall be deemed to constitute a declaration of the City's  
12 official intent pursuant to Treasury Regulation Section 1.150-2 to permit the Company to  
13 be reimbursed from proceeds of the Bonds for all qualified expenditures for the Project  
14 paid during the period beginning sixty (60) days prior to the date hereof until the date of  
15 issuance of the Bonds.

16 **Section 3. Effect.** This Resolution shall be in full force and effect from and after  
17 its adoption

18 **Section 4. Severability.** In the event any title, section, paragraph, item, sentence,  
19 clause, phrase, or word of this resolution is declared or adjudged to be invalid or  
20 unconstitutional, such declaration or adjudication shall not affect the remaining portions  
21 of this resolution, which shall remain in full force and effect as if the portion so declared  
22 or adjudged invalid or unconstitutional was not originally a part of this resolution.

23 **Section 5. Repealer.** All ordinances or resolutions of the City in conflict herewith  
24 are hereby repealed to the extent of such conflict.

25 **PASSED:** \_\_\_\_\_, 2010

26 **ATTEST:**

**APPROVED:**

27  
28 \_\_\_\_\_

\_\_\_\_\_

29 **Cindy Remler, City Clerk**

**C. Ray Baker, Jr., Mayor**

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3 **APPROVED AS TO LEGAL FORM:**

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\_\_\_\_\_

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**Jerry Canfield, City Attorney**

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*no publication required*

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION AUTHORIZING STREET AND DRAINAGE IMPROVEMENTS  
AND AN ENGINEERING SERVICES AGREEMENT FOR THE  
CHAD COLLEY BOULEVARD EXTENSION  
PROJECT 10-00-A**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, THAT:

SECTION 1: The City Administrator is hereby authorized to proceed with the planning, engineering, development and construction of the Chad Colley Boulevard Extension at an approximate cost of \$1,400,000.00 for roadway construction and \$300,000.00 for drainage improvements.

SECTION 2: The Mayor is authorized to execute an engineering services agreement for the design of the Chad Colley Boulevard Extension (Project No. 10-00-A) with Hawkins Weir Engineers, Inc. for a maximum fee of \$148,500.00.

SECTION 3: Payment for the planning, engineering, development and construction authorized by Sections 1 and 2 is hereby authorized from the Sales Tax Fund (1105). The award of the construction contract is subject to further approval by the Board of Directors.

This Resolution adopted this \_\_\_\_\_ day of June, 2010.

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

Approved as to Form

*JSC*

No Publication Required  
 Publish \_\_\_\_\_ Times

## INTER-OFFICE MEMORANDUM

**To:** Dennis Kelly, City Administrator

**From:** Stan Snodgrass, P.E., Director of Engineering *SS*

**Subject:** **Chad Colley Boulevard Extension**  
**Project No. 10-00-A**

**Date:** June 8, 2010

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This project will extend Chad Colley Boulevard from its current terminus adjacent to Umarex south 2000 feet to tie to Custer Boulevard. The extension will serve the new Mitsubishi Arkansas Wind Turbine Plant. The project will also include radius improvements at the intersection of Chad Colley Boulevard and Frontier Boulevard to accommodate the turning movements of the large trailers associated with the wind turbine plant. The project will also include concrete lining the bottom of the large earthen channel west of Chad Colley Boulevard and south of Roberts Boulevard. The project location is shown on the attached map.

The professional services qualifications on file were reviewed and the firm of Hawkins Weir Engineers was selected for the design contract. A copy of the consultant selection form is attached. The Engineering Department has negotiated an engineering services fee with Hawkins Weir Engineers for a maximum not to exceed fee of \$148,500. Payment for the engineering services will be based on hourly rates for the actual hours worked on the project plus direct costs. The design work should take approximately 6 months with construction following. The completion of construction for Phase 2 is scheduled for August 31, 2011. The design will also include the final link (Phase 3) of Chad Colley Boulevard between Custer Boulevard and Massard Road which we anticipate to be constructed in the next couple of years.

Attached hereto is a Resolution to authorize the street extension, drainage improvements and authorize the Mayor to execute the engineering services contract. I recommend that the Resolution be adopted by the Board at the next regular meeting.

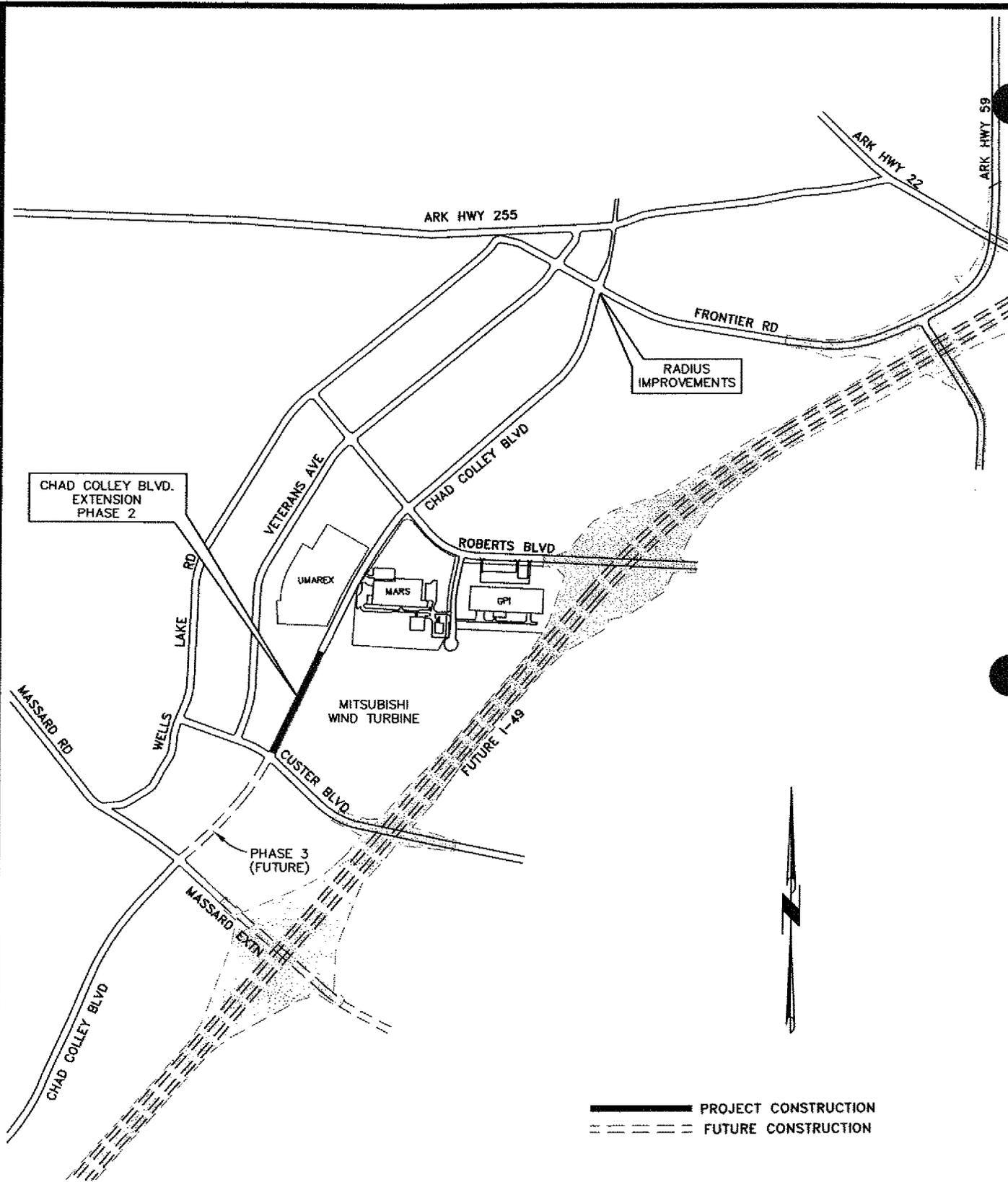
Enclosure

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The City of Fort Smith Arkansas  
Engineering Department  
623 Garrison Avenue • P.O. Box 1908  
Fort Smith, Arkansas 72902  
Phone: 479-784-2225 • Fax: 479-784-2245

C:\City of Ft. Smith\Engineering\Snodgrass\Chad Colley EXT\ CC-149-REV5.dwg\_06/08/10-08:15 RBR EXHIBIT



CHAD COLLEY EXTENSION  
 PHASE II  
 FORT SMITH, ARKANSAS



————— PROJECT CONSTRUCTION  
 - - - - - FUTURE CONSTRUCTION

Project:	10-00-A
Date:	JUNE 2010
Scale:	NONE
Drawn By:	RBR

**Consultant Selection Form**

Project Name and Number: Project No. 10-00-A

Chad Colley Boulevard Extension

Project Description:

This project will extend Chad Colley Boulevard from its current terminus adjacent to Umarex south 2000 feet to tie to Custer Boulevard. The extension will serve the new Mitsubishi Arkansas Wind Turbine Plant.

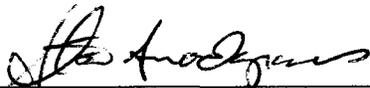
Consultants Reviewed:

Hawkins Weir  
Mickle Wagner Coleman  
Morrison Shipley

Selected Consultant:

Hawkins Weir was selected. Determination of the selected firm based upon review of consultant qualifications statements on file in the City Clerk's office, considering experience with respect to the type of services required, capacity and capability to perform the work, past record of performance and familiarity with the area in which the project is located.

Reviewer's Signature:

  
Name

  
Name

  
Name



## MEMORANDUM

June 10, 2010

**TO:** Dennis Kelly, City Administrator

**FROM:** Ray Gosack, Deputy City Administrator

**SUBJECT:** Mitsubishi Wind Energy Project at Chaffee Crossing

Last year, Mitsubishi Power Systems Americas announced its decision to construct its first U.S. wind energy manufacturing plant in Fort Smith. Mitsubishi considered several other locations before choosing Fort Smith and Chaffee Crossing. The wind energy manufacturer will construct the nacelle component of windmills in Fort Smith in a 200,000 square foot facility. The investment in the Fort Smith project is estimated to be \$100 million. Mitsubishi expects to employ 335 persons.

The city, county, Fort Chaffee Redevelopment Authority, University of Arkansas Fort Smith, Arkansas Economic Development Commission and Fort Smith Regional Chamber of Commerce worked jointly to make the Chaffee Crossing location attractive for Mitsubishi. The city's commitments include:

- Roadway construction including the extension of Chad Colley Blvd. along the Mitsubishi site frontage to Custer Blvd.; and improvements at the intersection of Chad Colley Blvd. and Frontier Ave. to accommodate the turning movements of the oversized trucks. Estimated cost: \$1,400,000
- Extension of a public water main and public sewer main to the project site boundary. Estimated cost: \$133,000
- Waiver of building permit fees and water/sewer connection fees. Estimated cost: \$93,000
- Refund of local sales taxes on the purchases of construction materials and manufacturing equipment. (No estimate of value is available.)
- Issuance of industrial revenue development bonds up to

\$75 million. Mitsubishi will make payments in lieu of taxes equal to 50% of the normal property taxes for 20 years on the building improvements and for 12 years on the personal property/manufacturing equipment. The use of IRB's will reduce the annual property tax payments by an estimated \$224,000 the first year. This savings will decrease each year as the value of the plant equipment depreciates.

Benefits of this investment are job growth, increased sales tax and franchise fee revenue from purchases made by the company, and new property tax revenue (an estimated \$224,000 the first year).

Attached are the following four resolutions:

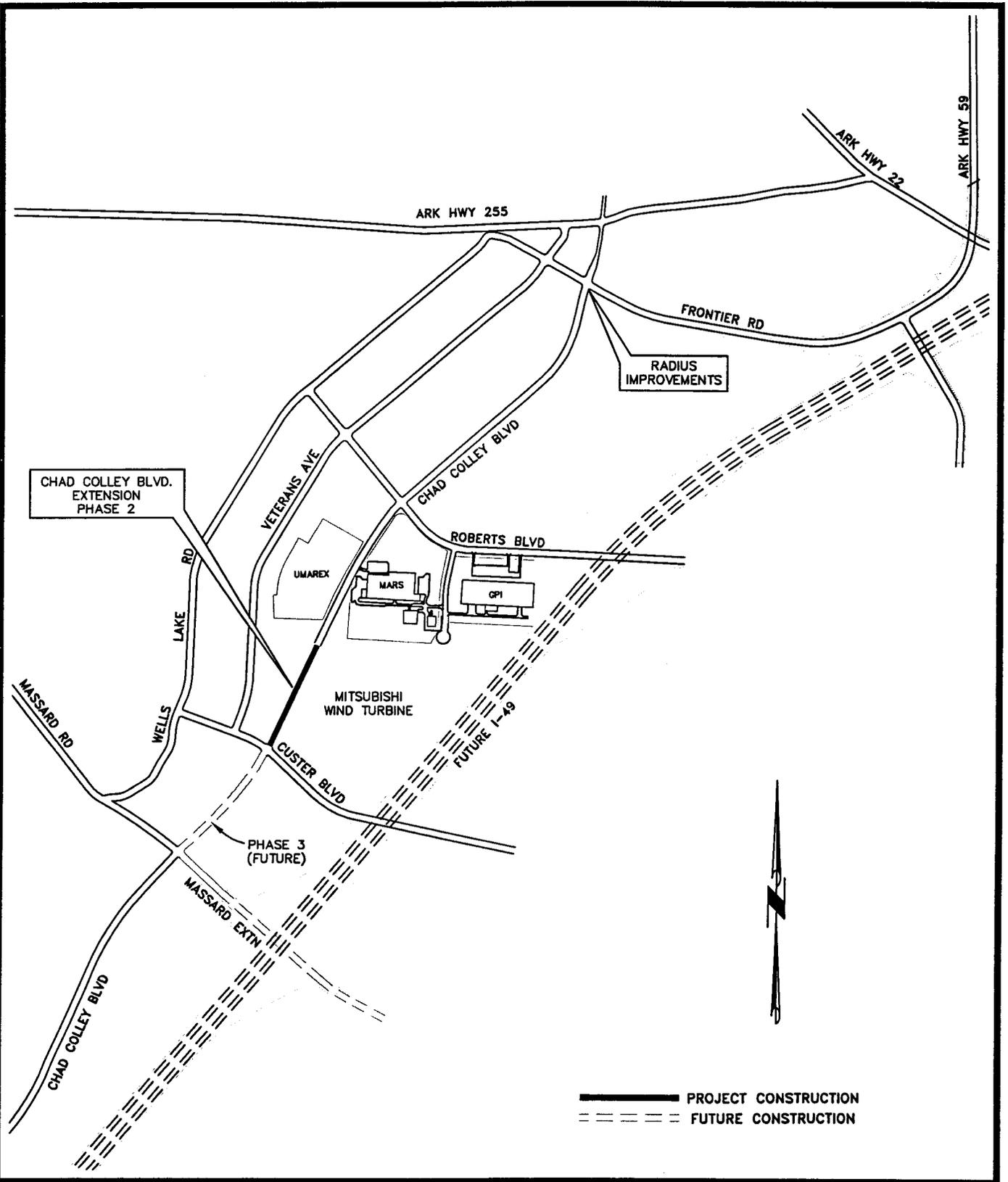
- ✓ Resolution A approves the definitive agreement which sets forth the incentives and Mitsubishi's obligations.
- ✓ Resolution B creates a recovery zone for Mitsubishi. The designation of Mitsubishi's site as a recovery zone will allow Mitsubishi to apply for tax-exempt financing for the project. This is an economic stimulus incentive provided by the American Recovery and Reinvestment Act. The incentive encourages capital investment by qualified businesses to stimulate the economy.
- ✓ Resolution C states the city's intent to issue industrial development revenue bonds for the Mitsubishi project.
- ✓ Resolution D authorizes the staff to proceed with engineering work for designing the roadway improvements.

The Mitsubishi project supports one of the board's top priorities: economic development and jobs creation. The staff recommends approval of the resolutions.

*Ray*

Attachments

cc: Jonathan Wang, Mitsubishi Power Systems Americas  
Cheryl Garner, Fort Smith Regional Chamber of Commerce  
Ivy Owen, Fort Chaffee Redevelopment Authority  
Jill Drewyor, Mitchell Williams law firm (bond counsel)



CHAD COLLEY BLVD.  
EXTENSION  
PHASE 2

RADIUS  
IMPROVEMENTS

PHASE 3  
(FUTURE)

————— PROJECT CONSTRUCTION  
- - - - - FUTURE CONSTRUCTION

CHAD COLLEY EXTENSION  
PHASE II  
FORT SMITH, ARKANSAS



Project:	10-00-A
Date:	JUNE 2010
Scale:	NONE
Drawn By:	RBR

**LOCAL INCENTIVES  
DEFINITIVE AGREEMENT**

THIS LOCAL INCENTIVES DEFINITIVE AGREEMENT (“**Agreement**”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2010, by and between Mitsubishi Power Systems Americas, Inc. (“**Company**”), with a Headquarters address of 100 Colonial Center Parkway, Lake Mary, Florida 32746 and with the address for the Renewable Energy offices of 100 Bayview Circle, Newport Beach, California 92660; the City of Fort Smith, Arkansas (“**City**”), with an address of 623 Garrison Avenue, Fort Smith, Arkansas 72901; Sebastian County (“**County**”) with an address of 35 South Sixth Street, Fort Smith, Arkansas 72901; the Fort Chaffee Redevelopment Authority (“**FCRA**”), with an address of 7020 Taylor Avenue, Fort Smith, Arkansas 72916; and the Fort Smith Regional Chamber of Commerce (“**Chamber**”), with an address of 612 Garrison Avenue, Fort Smith, Arkansas 72901. The Company, the City, the County, the FCRA, and the Chamber may be referred to, collectively, as the “**Parties**”. The City, the County, the FCRA, and the Chamber may be referred to, collectively, as the “**Agencies**”.

**WITNESSETH:**

**WHEREAS**, the Parties to this Agreement desire that the Company locate and operate a turbine nacelle assembly and manufacturing facility, more particularly described in Section IV. below (“**Project**”), on certain real property located at 8201 Chad Colley Boulevard, Fort Smith, Sebastian County, Arkansas 72916, and generally depicted and described on Exhibit A (“**Property**”); and

**WHEREAS**, the Company has requested the Agencies to make certain financial, tax and other commitments for the benefit of the Project, which commitments are more particularly described in Section V of this Agreement (“**Incentives**”); and

**WHEREAS**, the Agencies have requested the Company to make certain job creation and capital investment commitments to proceed with this Project; and

**WHEREAS**, the Agencies are authorized to enter into this Agreement pursuant to applicable state laws and governance requirements, and the Company is authorized to enter into this Agreement pursuant to normal and customary business governance requirements.

**NOW, THEREFORE**, for and in consideration of mutual benefits and the public interest and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows, intending to be legally bound:

**AGREEMENT:**

**I. Recitals.** The foregoing recitations are true and correct and are incorporated herein by reference. All exhibits to this Agreement are hereby deemed a part hereof.

**II. Agreement.**

The purpose of this Agreement is to establish the material terms of the Project and the related Incentives. This Agreement shall be deemed to create legally binding obligations on the Parties subject to completion of the Company's continued due diligence with respect to the Project site (e.g. flood, wetlands, survey, title, environmental, etc.) (the "**Site Review**").

**III. Authority.**

The Agencies have entered into this Agreement under the authority of their general powers, including, without limitation, those conferred upon cities, counties, and redevelopment authority public trusts by statute and otherwise. Each agency acknowledges that it possesses all the requisite power and authority or will take all such action necessary to deliver all of the terms and conditions in this Agreement, including the Incentives for the Project to the Company. Each Agency represents and warrants that the Incentives offered by it hereunder have been approved and, except as

contemplated by this Agreement, require no further vote or decision by any legislative body or authority.

**IV. Property Ownership and Development.** A. Company acknowledges and represents to the Agencies that it will be either the owner or the lessee of the Property, that it is empowered to enter into this Agreement, and that the Company approves moving forward with the Project, subject to the Company's Site Review. Company shall provide to the Agencies a resolution adopted by the Company's Board that approves moving forward with the Project pursuant to the terms and conditions herein with regard to the Project.

B. If the Company chooses to finance the Project through an issuance of revenue bonds (the "**Bonds** ") under Arkansas Code Title 14, Chapter 164, Subchapter 2 ("**Act 9 Financing**"), as further discussed below, then the City, as issuer of the Bonds, will acquire the Property from FCRA together with any buildings and equipment, if desired by the Company, constructed or placed thereon ("**Project Assets**") (and upon the satisfaction of the Bonds, convey ownership to the Company) and, for the term of the Bonds, will lease the Project Assets to the Company under one or more leases; provided that all obligations of the Company under this Agreement shall remain the sole and absolute obligations of the Company, and further provided that the Company may grant a security interest in the Project Assets as security for its obligations related to the Bonds. Upon the conclusion of the lease term, the City will convey the Project Assets and the Property to the Company at no cost, which shall be more particularly set forth in the lease agreement. Any conveyance of the Property shall be by special warranty deed. If the Company chooses to forego the Act 9 Financing, then the Company will become the owner of all the Project Assets, and the Property shall be transferred to the Company at no cost; provided that the Company may

further assign such Project Assets if required by the Company's lenders for the purpose of facilitating the Company's financing of the Project, provided that all obligations of the Company under this Agreement shall remain the sole and absolute obligations of the Company and shall not be assigned.

C. The FCRA is currently the owner of the Property (See definition of Property in Article V, A, 1.).

D. In order to allow the Company to begin construction and development of the Project, the FCRA, the City and the Company will, among other things, proceed so that the City obtains title to the Property, if the Company elects, in its sole discretion, to proceed with Act 9 Financing. Otherwise, the FCRA shall convey title to the Property directly to the Company, and the Company may further assign an interest in the Property as may be required by the Company's lenders for the purpose of facilitating the Company's financing of the Project, as set forth in Section IV (B) above.

**V. Project Description.**

Subject to Company's Site Review, the Company will:

A. Construct and operate a wind energy nacelle manufacturing facility in an approximately 200,000 square foot building to be constructed on the Property, a site of approximately ninety (90) acres, with facility expansion capabilities thereafter if the Company so desires.

B. Expend, as presently contemplated and estimated, approximately Forty-One Million Dollars (\$41,000,000) in buildings and leasehold improvements and Twenty-Two Million Dollars (\$22,000,000) in equipment that will comprise the Project Assets, including,

but not limited to, an overhead crane, by no later than June 30, 2012. Other future facility and equipment additions may be considered thereafter.

C. Employ approximately three hundred thirty five (335) but no less than three hundred (300) net, new, full-time permanent employees (as defined in Ark. Code Ann. § 15-4-2703(20)(A) and (B) as now in effect) in the Project as defined in the State of Arkansas Consolidated Incentive Act (“**Project Employees**”), who earn an average hourly wage including overtime pay of not less than Eighteen Dollars (\$18) per hour, by December 31, 2014 or four (4) years from the date on which product is first produced for sale at the Project, whichever occurs first.

**VI. Obligations of the Agencies; Incentives.**

A. FCRA.

1. As set forth in Sections IV (B) through (D) above, FCRA will deed the Property to the Company (or its designee for financing purposes) or the City, as applicable, at no cost to the Company.

2. FCRA will provide the Company with an ALTA survey and legal description of the Property at FCRA’s cost (the “**Survey**”), which shall be used in the Company’s Site Review process.

3. FCRA will provide the Company with an extended coverage lessee’s title insurance policy, with such exceptions as the Company shall approve, insuring title to the Property in the amount of \$25,000 per acre, which policy shall be provided at FCRA’s cost; provided, that if the Company takes ownership of the Property, rather than leasing the same, then such policy shall be an owner’s policy (the “**Title Policy**”).

4. The Property will not be encumbered by any liens or encumbrances not identified in the Survey and Title Policy and approved by the Company, nor any liens or encumbrances that would affect the intended use by the Company, and the Property shall be appropriately zoned for the Company's intended use.

In addition, FCRA will abandon any street rights of way that have been platted but not constructed across the Property, and will abandon any easements and execute or issue any necessary easements, right of way agreements, licenses, permits or other documents necessary to ensure that the Company can at all times operate the Project in a competitive, cost-efficient manner. FCRA will (a) execute such amendments to the Bill of Assurances and Protective Covenants of Fort Chaffee Industrial Park No. 1 and to all other documents or restrictions filed of record and that impact the Property and (b) approve any and all variances granted by the Architectural Control Committee from any restrictions filed of record which burden or affect the Property, and reverse any denials of variances that would restrict the Company from operating the Project or any aspect thereof (and all ancillary support functions associated therewith) in a competitive, cost-efficient manner. The intent of this provision is to ensure that the FCRA will enable the Company to develop, operate and maintain the Project on the Property and enable the Company to fully utilize all roadways, utility corridors and other services or facilities associated with the Property now or in the future. With respect to the granting of permits or variances, this provision shall be given the widest, most liberal interpretation possible and the Bill of Assurances and Protective Covenants shall be presumptively construed in favor of the Company.

5. FCRA shall provide the Company with a current Phase I environmental report on the Property, together with such other existing environmental and subsurface reports (including unexploded ordinance) as may be available, including without limitation, all environmental assessments, evaluations, surveys, analyses, studies, sampling and testing concerning, or that might reasonably be anticipated to be a concern and which shall include, but is not limited to, a determination as to whether any portion of the Property constitutes a "wetlands" under applicable state or federal laws. FCRA shall indemnify and hold the Company harmless from any and all environmental or wetlands liabilities on the Property deemed to have existed on or prior to the date the Company takes title to or leases the Property, including, but not limited to, all surface, subsurface, and unexploded ordinance issues.

6. The FCRA agrees to provide dirt and shale to the Company from time to time to assist in its site development efforts.

7. The FCRA agrees to relocate the drainage canal at the Southern end of the Property to be aligned along the Southern boundary parallel to Custer Boulevard. The FCRA agrees to commence relocation upon written notice from the Company that development of the Southern area of the property is imminent and to indemnify and hold the Company, its contractors, sub-contractors and all agents acting on behalf of them harmless from and against any liability, claim, expense, fine or cost associated with such actions.

8. FCRA and the Company reserve the right to designate certain portions of the Property to be used for rail and road rights of way in order to accommodate future transportation needs of the Company and adjacent industrial prospects.

B. City.

1. The City agrees to extend Chad Colley Boulevard to Custer Boulevard, following a mutually agreed upon path, and make turning radius improvements at the intersection of Chad Colley Boulevard and Frontier Avenue, and to complete said road construction by August 31, 2011 at its cost.

2. The City agrees to extend the water and sewer mains to the site boundary of the Project by October 31, 2010 at its cost.

3. The City will waive all building permit fees, inspection fees and water and sewer connection fees for the Project.

4. The City will provide an endorsement resolution to provide a refund of local sales and use taxes for eligible construction costs of the Project. Specific terms and conditions of the eligibility issues are contained within the Tax Back Program legislation.

5. The City agrees to participate as issuer in Act 9 Financing, subject to bond counsel approval, in an amount not to exceed Seventy-Five Million Dollars (\$75,000,000) for this Project, provided that the Company chooses to proceed with such financing. It is contemplated that the Act 9 Financing would occur at the time or before the Company is ready to begin operations at the Project. The City and the Company will enter into an agreement that will provide the general terms of the Act 9 Financing, including the negotiated terms of the Payment in Lieu of Taxes

(“PILOT”) Agreement. The PILOT Agreement will provide, among other things, for payments in lieu of property taxes representing a fifty percent (50%) reduction in all applicable property taxes for a twelve (12) year period for equipment related expenditures and a twenty (20) year period for permanent improvement related expenditures, from the date of issuance of the Bonds or until the Company ceases to occupy the Property, whichever occurs first. The City will obtain from the City’s Board of Directors a resolution expressing the City’s intent to issue the Bonds and to approve the PILOT Agreement and the lease agreement between the City and the Company or the Company’s designee, as applicable, prior to the time the Company begins developing the Project, although the PILOT Agreement and the lease agreement will not take effect until the Act 9 Financing is completed and the title to the Project Assets are transferred to the City. At the appropriate time, the City will also obtain from the City’s Board of Directors an ordinance authorizing the issuance of the Bonds.

D. County.

1. The County will provide an endorsement resolution to provide a refund of applicable local sales and use taxes for eligible construction costs of the Project. Specific terms and conditions of the eligibility issues are contained within the Tax Back Program legislation.

2. The County will designate its entire \$3,700,000 volume cap allocation for federal recovery zone facility bonds to the Company for use in the Act 9 Financing, and the Company has made the appropriate state agencies aware of its election to so designate its allocated portion of the recovery zone facility volume cap.

E. Chamber.

1. The Chamber will provide an economic development grant to the Company in the amount of \$500,000 for eligible costs and expenditures as follows:

(a) \$166,667 upon groundbreaking;

(b) \$166,667 upon “ribbon cutting” or opening of the manufacturing facility located on the Property; and

(c) \$166,666 upon reaching Full Employment of at least 300 employees as set forth in Subsection IV (C) above.

2. The Chamber will provide a grant to the Company in the amount of \$85,000 to be utilized as follows, with such Incentives being provided by individual members of the Chamber and payments for such Incentives being made directly from the Chamber to such members:

(a) Temporary/short-term office space for key employees to begin typical start-up activities for the Project;

(b) Temporary housing for key employees for re-location; and

(c) Corporate Hardscrabble Country Club membership for one year.

All obligations of the Agencies to provide the Incentives are contingent upon the Company’s compliance with the Project requirements set forth in Article V above.

**VII. Rights And Remedies With Respect To Non-Compliance.**

In the event the Company has failed to meet its obligations under this Agreement, the Agencies will be entitled to a return of any cash Incentives received from the Agencies. In the event that the Company has met its obligations under this Agreement and any Agency fails to honor its

respective obligations under this Agreement and the Company has notified the relevant Agency of the material breach and such breach has not been cured within thirty (30) days of receipt of such notice, then the Company may pursue all rights and remedies at law or in equity against the breaching Agency, as it deems necessary.

No party shall be liable to any other for special, indirect, compensatory, special, punitive, or consequential damages resulting from or arising out of this Agreement, including but not limited to strict liability, negligence, contract or tort, law or equity, including, without limitation, loss of opportunity, however same may be caused.

**VIII. Assignment Provision By The Company.**

None of the Parties may assign this Agreement, or any rights, interests or obligations hereunder, without the prior written consent of all the other Parties; provided, however, that the Company shall be entitled to assign its interest in the Property or the Project Assets as it deems necessary to facilitate financing of the Project; provided further that all obligations of the Company under this Agreement shall remain the sole and absolute obligations of the Company and shall not be assigned. Subject to the foregoing, this Agreement shall be binding upon, and inure to the benefit of the Parties hereto and their respective successors, administrators, trustees, and assigns.

**IX. Amendments.**

No provision of this Agreement may be amended without the prior written consent of the Parties described in or affected by the provision to be changed.

**X. Notices.**

Any notices required for this Agreement shall be given in writing, and shall be deemed delivered when received by U.S. certified mail, United Parcel Service, or Federal Express, at the

following addresses (telephone numbers are listed for convenience purposes; not for notice purposes):

- If to the City - City Administrator, City of Fort Smith  
623 Garrison Ave. Suite 315, P.O. Box 1908  
Fort Smith, AR 72902  
(P) 479-784-2201
  
- If to the FCRA - Executive Director  
Fort Chafee Redevelopment Authority  
P.O. Box 11165  
Fort Smith, AR 72917  
(P) 479-452-4554
  
- If to the County - \_\_\_\_\_, Sebastian County  
35 South Sixth Street  
Fort Smith, AR 72901  
(P) 479-\_\_\_\_\_
  
- If to the Chamber - President and CEO  
Fort Smith Regional Chamber of Commerce  
Paul H. Harvel  
612 Garrison Ave.  
Fort Smith, AR 72901  
(P) 479-783-3111
  
- If to the Company - Tsuneo Nakano  
Senior Vice President  
Mitsubishi Power Systems Americas, Inc.  
100 Bayview Circle, Suite 6000  
Newport Beach, CA 92660  
(P) (949) 856-8400
  
- With a copy to - General Counsel  
Mitsubishi Power Systems Americas, Inc.  
100 Bayview Circle, Suite 6000  
Newport Beach, CA 92660  
(P) (949) 856-8400

**XI. Entire Agreement.**

This Agreement, including Exhibits, and the resolutions adopted by governmental authorities, contain all agreements and obligations among the Parties and each Party hereto represents and warrants that it has the authority to enter in this Agreement.

**XII. Headings and Construction.**

The headings used for the Articles, Sections, and Paragraphs of this Agreement are for convenience and reference purposes only and shall not affect the meaning or interpretation of any provision hereunder. This Agreement has been reviewed and negotiated by the Parties and shall not be interpreted more strongly for or against any Party based upon the source of draftsmanship. All Dollar (\$) amounts listed in this Agreement are in U.S. Dollars.

**XIII. Counterparts.**

This Agreement may be executed by facsimile or electronically exchanged signature pages and/or in any number of counterparts, each of which when so executed shall be deemed an original, but all of which together shall constitute one and the same instrument.

**XIV. Severability.**

In the event that any clause, sentence, paragraph or provision of this Agreement shall be determined to be voidable, void or unenforceable, such voidableness, voidness or unenforceability shall not affect the validity or enforceability of the remainder of this Agreement. The Parties shall make a good faith effort to replace any such provisions with a valid one to reflect the original intent of the Parties.

**XV. Choice of Law.**

This Agreement shall be governed by and construed in accordance with the substantive laws of the state of Arkansas, without regard to its conflict of laws principles.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the dates set forth:

THE COMPANY:

**MITSUBISHI POWER SYSTEMS AMERICAS, INC.**  
a Delaware corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_, 2010

IN WITNESS WHEREOF, the Parties have executed this Agreement on the dates set forth:

THE CITY:

**CITY OF FORT SMITH**

By: \_\_\_\_\_  
C. Ray Baker, Jr. Mayor

Date: \_\_\_\_\_, 2010

ATTEST:

\_\_\_\_\_  
Cindy Remler, City Clerk

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates set forth:

THE FCRA:

**FORT CHAFFEE REDEVELOPMENT AUTHORITY**

By: \_\_\_\_\_  
Ivy Owen, Executive Director

Date: \_\_\_\_\_, 2010

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates set forth:

THE COUNTY:

**SEBASTIAN COUNTY, ARKANSAS**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_, 2010

ATTEST:

\_\_\_\_\_  
\_\_\_\_\_

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates set forth:

THE CHAMBER:

**FORT SMITH REGIONAL CHAMBER OF COMMERCE**

By: \_\_\_\_\_  
Paul Harvel, Executive Director and CEO

Date: \_\_\_\_\_, 2010

## Exhibits

Exhibit	Identification
A	Property Legal Description

## EXHIBIT A-1

### PROPERTY LEGAL DESCRIPTION

Part of the Southeast Quarter of the Northwest Quarter, part of the Southwest Quarter of the Northeast Quarter, part of the Northwest Quarter of the Southeast Quarter; part of the Northeast Quarter of the Southwest Quarter, part of the Northwest Quarter of the Southwest Quarter, and part of the Southwest Quarter of the Northwest Quarter, all in Section 8, Township 7 North, Range 31 West, Fort Smith, Sebastian County, Arkansas, being more particularly described as follows:

Commencing at the Northwest Corner of said Southeast Quarter of the Northwest Quarter; Thence  $S86^{\circ}47'18''E$ , 213.99 feet along the North Line of said Southeast Quarter of the Northwest Quarter, Thence  $S03^{\circ}12'42''W$ , 72.92 feet to the Point of Beginning; Thence  $S86^{\circ}49'41''E$ , 308.90 feet to the southwest corner of Lot 1, Mars Petcare at Chaffee Crossing; Thence continuing  $S86^{\circ}49'41''E$ , 1230.08 feet along the south line of said Lot 1 to the southeast corner of said Lot 1; Thence continuing  $S86^{\circ}49'41''E$ , 97.22 feet; Thence  $S02^{\circ}36'14''W$ , 188.11 feet; Thence  $S40^{\circ}11'50''W$ , 1463.50 feet; Thence  $S49^{\circ}48'10''E$ , 814.44 feet to a point on the westerly right of way of the relocated Highway 71; Thence  $S44^{\circ}33'17''W$ , 337.13 feet along said westerly right of way; Thence  $S39^{\circ}07'26''W$ , 533.84 feet along said right of way; Thence  $S88^{\circ}06'21''W$ , 185.43 feet along said right of way; Thence  $N74^{\circ}47'45''W$ , 455.62 feet along said right of way; Thence  $S30^{\circ}50'16''W$ , 43.78 feet along said right of way to a point on the northerly right of way of Custer Boulevard; Thence 315.17 feet along the arc of a curve to the right in said northerly right of way, said curve having a radius of 1410.00 feet and being subtended by a chord having a bearing of  $N52^{\circ}39'49''W$  and a distance of 314.52 feet; Thence  $N46^{\circ}15'36''W$ , 779.44 feet along said right of way; Thence 206.94 feet along the arc of a curve to the left in said right of way, said curve having a radius of 1740.00 feet and being subtended by a chord having a bearing of  $N49^{\circ}40'02''W$  and a distance of 206.81 feet; Thence 73.22 feet along the arc of a curve to the right in said right of way, said curve having a radius of 50.00 feet and being subtended by a chord having a bearing of  $N11^{\circ}07'29''W$  and a distance of 66.85 feet to a point on the easterly right of way of Chad Colley Boulevard; Thence  $N30^{\circ}49'29''E$ , 1365.98 feet along said easterly right of way; Thence 345.80 feet along the arc of a curve to the left in said right of way, said curve having a radius of 3050.00 feet and being subtended by a chord having a bearing of  $N27^{\circ}36'30''E$  and a distance of 345.62 feet; Thence  $N24^{\circ}23'31''E$ , 101.23 feet along said right of way to the Point of Beginning, containing 90.0 acres, more or less.

**EXHIBIT A-2**  
**PROPERTY DEPICTION**

Attached.



2.

**MEMORANDUM**  
**June 10, 2010**

**TO:** Dennis Kelly, City Administrator

**FROM:** Cindy Remler, City Clerk

CR

**RE:** Mayor's Veto of Resolution No. R-106-10

On June 4, 2010, Mayor Baker vetoed Resolution No. R-106-10 supporting the Fort Smith Housing Authority and its efforts to use new market tax credits to stimulate development and redevelopment in low-to-moderate income areas of Fort Smith. The resolution was adopted by the city board of directors at the June 1, 2010 regular meeting.

A copy of the resolution and the mayor's veto statement is attached. To override the veto requires the affirmative vote of five (5) or more members of the board.

RESOLUTION NO. R-106-10

**A RESOLUTION SUPPORTING THE FORT SMITH HOUSING AUTHORITY  
AND ITS EFFORTS TO USE NEW MARKET TAX CREDITS  
TO STIMULATE DEVELOPMENT AND REDEVELOPMENT  
IN LOW-TO-MODERATE INCOME AREAS OF FORT SMITH**

WHEREAS, the use of new market tax credits offered by the U.S. Treasury Department can stimulate development and redevelopment projects in low-to-moderate income areas which might not otherwise benefit from such projects; and

WHEREAS, the revitalization of residential and commercial neighborhoods are goals of the City of Fort Smith's Comprehensive Plan adopted in 2002; and

WHEREAS, the use of new market tax credits would support those goals of the comprehensive plan, particularly in areas of Fort Smith which might not otherwise prosper from development and redevelopment projects; and

WHEREAS, the Fort Smith Housing Authority has proposed that it prepare a redevelopment plan and seek to become a certified community development entity eligible to apply for new market tax credits; and

WHEREAS, Arkansas Code 14-169-604 provides housing authorities with the authority to undertake development projects to reduce slum and blighted conditions subject to municipal approval of a redevelopment plan as required by Arkansas Code 14-169-606;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the City of Fort Smith, Arkansas that:

The City of Fort Smith endorses and supports the proposal by the Fort Smith Housing Authority to prepare a redevelopment plan and to become a certified community development entity in order to pursue the use of new market tax credits to stimulate development and redevelopment projects in low-to-moderate income areas of Fort Smith,

This Resolution passed this \_\_\_\_\_ day of June, 2010.

*Vetoed!*  
*Mayor R. Beale*  
Mayor  
6-4-10

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

*[Signature]*  
\_\_\_\_\_  
No publication required

## VETO STATEMENT

The Resolution from the Fort Smith Housing Authority requesting that they be the agency to apply for New Market Tax Credits is an important Resolution that will affect all the citizens of our community as well as large tracts of land.

While I applaud the Housing Authority for bringing the New Market Tax Credits to the attention of the City Administration and Board of Directors, I am not comfortable with the request.

The program needs to be done, but not by the Housing Authority who already has their hands full with housing development projects.

The fact that a large area of our city is in the area requested for tax credits even more makes it important that the right agency or organization be in charge.

I am very disappointed that the City Administrator or his staff did not bring this item to the attention of the Board of Directors.

We have a paid Administrator and staff whose responsibility it is to be up on such programs.

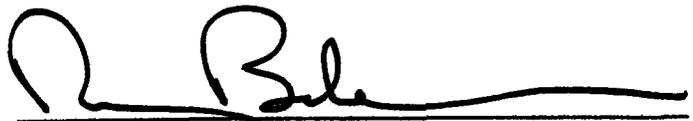
The city, through either its Economic Development Department or Community Development Department, is very capable of handling the New Market Credit Program.

The Housing Authority selects the members subject to the approval of the Board, but in years past no nomination has been denied while the Board of Directors is elected by all citizens of the city.

The city should take a fresh approach to the matter and with gusto and vigor go after the programs sponsored by the U.S. Treasury Department.

I urge the Board and City Administration to actively become a part of this program and not wait for projects that will be brought to the Board for approval, thus continuing to benefit only a few.

With these feelings, I thus veto this Resolution.



Mayor Ray Baker

June 4, 2010

Date



*This memo was included in June 1 Meeting Packet*

## MEMORANDUM

May 26, 2010

**TO:** Dennis Kelly, City Administrator

**FROM:** Ray Gosack, Deputy City Administrator

**SUBJECT:** New Market Tax Credits

At the May 11<sup>th</sup> study session, the board reviewed a proposal to utilize new market tax credits in Fort Smith. New market tax credits are an economic development tool to stimulate development and redevelopment in low-to-moderate income areas of Fort Smith. The proposal entails the Fort Smith Housing Authority acting as the community development entity. Possible projects wouldn't be limited to housing, and may include commercial, retail, office, and institutional uses.

Attached is a resolution of support for the Fort Smith Housing Authority to pursue the use of new market tax credits and to become a certified community development entity. The resolution will enhance the chances of receiving an allocation of new market tax credits from the U.S. Department of the Treasury.

One of the housing authority's next steps will be to prepare a redevelopment plan. The housing authority will undertake public involvement in the preparation of this plan. The plan will be reviewed by the planning commission and approved by the board of directors.

The staff recommends approval of the attached resolution. The use of new market tax credits will support the neighborhood revitalization goals of the city's comprehensive plan.

Attachment

cc: Ken Pyle, Fort Smith Housing Authority

*Ray*

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AMENDING CHAPTER 2 OF THE FORT SMITH CODE OF ORDINANCES TO ADD A PROVISION REGARDING REMOVAL OF AN APPOINTED MEMBER OF A BOARD, COMMISSION OR COMMITTEE

BE IT ORDAINED AND ENACTED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS that:

SECTION 1: The Fort Smith Municipal Code is amended by adding Section 2-48 to read as follows:

Section 2-48. Removal of Members of Appointed Boards, Commissions or Committees.

(a) Members of boards, commissions and committees, except as otherwise specifically provided by state law or this Code, may be removed by a two-thirds' vote of the entire board of directors. Procedurally, the issue of potential removal of a member of a board, commission or committee shall first be discussed in an executive session of the board of directors. If formal removal of a member of a board, commission or committee is then contemplated, the board of directors shall state the cause(s) for the contemplated removal and the matter shall be placed on the agenda for the board of directors' next regular meeting, and the affected board or committee member or commissioner shall be notified of the contemplated removal and cause(s) therefor and given an opportunity, personally, to address the board of directors concerning the removal. Grounds for removal, although not deemed exclusive, may be that the member:

- 1) Lacks at any time during the member's term of appointment any qualifications for the board or commission membership prescribed by law; or
- 2) Is absent from three consecutive regular meetings. The determination of whether a member's absence is excused or unexcused shall be made by the other members of the same board, commission or committee; or
- 3) For cause (cause shall include, but not necessarily be limited to, misfeasance, malfeasance or

nonfeasance).

(b) A board, commission or committee membership becomes vacant, except as otherwise specifically provided by state law or this Code, on the happening of any of the following events before expiration of the term: (i) the death of the appointee, (ii) his or her incompetence as determined by final judgment or final order of a court of competent jurisdiction, (iii) his or her resignation, (iv) his or her removal from office, (v) his or her conviction of a felony or of any offense involving a violation of his or her official duties, (vi) failure to maintain residency in Fort Smith, unless allowed by state law, (vii) failure to be a qualified elector, or (viii) his or her conviction of a felony (conviction includes pleas of guilty or nolo contendere as well as findings of guilt after trial by bench or jury) or of violating the substance abuse laws of the state.

SECTION 2: Emergency Clause. The immediate effectiveness of this Ordinance establishing procedures for the removal of members of boards, commissions and committees is required to provide for the orderly conducting of the affairs of the governing body and the City. Therefore, an emergency is declared, and this Ordinance shall be in full force and effect immediately upon its passage and approval.

This Ordinance adopted this \_\_\_\_\_ day of June, 2010.

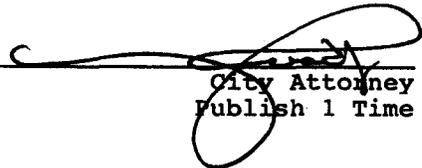
APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Attorney  
Publish 1 Time



## *MEMORANDUM*

June 10, 2010

**TO:** Dennis Kelly, City Administrator

**FROM:** Ray Gosack, Deputy City Administrator

**SUBJECT:** Boards, Commissions and Committees

Attached for the board of directors consideration is the ordinance which creates a process for removing appointed members of boards, commissions and committees. The ordinance was adopted last October after thorough review by the board of directors. The ordinance was inadvertently repealed when chapter 2 of the municipal code (board meeting procedures) was revised and adopted last month. In order to make the removal ordinance effective, it will need to be re-adopted.

The attached ordinance is in the same form as the one adopted last fall with two exceptions. The new provision had to be given a different section number in the municipal code because of the extensive changes made to chapter 2 of the code. The attached ordinance also includes an emergency clause. Other than that, the attached ordinance is identical to the one passed last fall.

The staff recommends approval of the attached ordinance. This will correct the oversight of inadvertently repealing the ordinance adopted last fall.

*Ray*

2 Attachments

# 6A

ORDINANCE NO. 83-09

AN ORDINANCE AMENDING CHAPTER 2 OF THE FORT SMITH CODE OF ORDINANCES TO ADD A PROVISION REGARDING REMOVAL OF AN APPOINTED MEMBER OF A BOARD, COMMISSION OR COMMITTEE

---

BE IT ORDAINED AND ENACTED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS that:

The Fort Smith Municipal Code is amended by adding Section 2-46 to read as follows:

Section 2-46. Removal of Members of Appointed Boards, Commissions or Committees.

(a) Members of boards, commissions and committees, except as otherwise specifically provided by state law or this Code, may be removed by a two-thirds' vote of the entire board of directors. Procedurally, the issue of potential removal of a member of a board, commission or committee shall first be discussed in an executive session of the board of directors. If formal removal of a member of a board, commission or committee is then contemplated, the board of directors shall state the cause(s) for the contemplated removal and the matter shall be placed on the agenda for the board of directors' next regular meeting, and the affected board or committee member or commissioner shall be notified of the contemplated removal and cause(s) therefor and given an opportunity, personally, to address the board of directors concerning the removal. Grounds for removal, although not deemed exclusive, may be that the member:

- 1) Lacks at any time during the member's term of appointment any qualifications for the board or commission membership prescribed by law; or
- 2) Is absent from three consecutive regular meetings. The determination of whether a member's absence is

excused or unexcused shall be made by the other members of the same board, commission or committee; or

3) For cause (cause shall include, but not necessarily be limited to, misfeasance, malfeasance or nonfeasance).

(b) A board, commission or committee membership becomes vacant, except as otherwise specifically provided by state law or this Code, on the happening of any of the following events before expiration of the term: (i) the death of the appointee, (ii) his or her incompetence as determined by final judgment or final order of a court of competent jurisdiction, (iii) his or her resignation, (iv) his or her removal from office, (v) his or her conviction of a felony or of any offense involving a violation of his or her official duties, (vi) failure to maintain residency in Fort Smith, unless allowed by state law, (vii) failure to be a qualified elector, or (viii) his or her conviction of a felony (conviction includes pleas of guilty or nolo contendere as well as findings of guilt after trial by bench or jury) or of violating the substance abuse laws of the state.

This Ordinance adopted this 6<sup>th</sup> day of October, 2009.

APPROVED:

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Attorney  
Publish 1 Time

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION THANKING THE CONVENTION CENTER  
AD HOC COMMITTEE AND ACCEPTING ITS FINAL REPORT**

WHEREAS, Resolution No. R-60-10 created the convention center ad hoc committee to examine the feasibility of implementing a 1 percent prepared food tax to support the operation of the convention center and the feasibility of conveying operation of the convention center to the Advertising and Promotion Commission or to private operators; and

WHEREAS, the convention center ad hoc committee met 7 times to review a multitude of financial and operating data and practices of other cities; to identify and analyze options; and to make recommendations and prepare a report; and

WHEREAS, the convention center ad hoc committee presented its final report to the Mayor and Board of Directors at the May 8, 2010 study session;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the City of Fort Smith, Arkansas that:

SECTION 1: The board of directors hereby expresses its thanks and appreciation to the convention center ad hoc committee members - George Moschner, Craig Rivaldo, Tom Calderera, George McGill, Kevin Moran, Ben Shipley and Lavon Morton - for their time and dedication in serving on the committee.

SECTION 2: The board of directors hereby accepts the final report submitted by the convention center ad hoc committee.

This Resolution passed this \_\_\_\_\_ day of June, 2010.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

*Jsc*  
\_\_\_\_\_  
No Publication Required

**REPORT OF CONVENTION CENTER  
AD HOC COMMITTEE  
June 8, 2010**

The City of Fort Smith board of directors created a convention center ad hoc committee on April 6, 2010 (authorizing resolution attached) to examine future financing for the continued operation of the Fort Smith Convention Center. This report provides background information about the funding issue, the options considered by the committee, and the committee's recommendations to the board of directors.

***BACKGROUND***

The Fort Smith Convention Center operated as a part of the City's General Fund prior to 2004. Convention center operating income is less than half of the center's operating costs. Prior to 2004, the city's General Fund subsidized this operating deficit.

In 2004, the City began using tourism turnback revenue from the State of Arkansas to finance the operations of the convention center and some capital improvement projects of the convention center. The tourism turnback revenue has been slightly less than \$1.8 million per year. This revenue source ends on June 30, 2010.

The operating deficit of the convention center is approximately \$1.1 million per year excluding any capital improvements. Capital maintenance funds should be provided to regularly fund major maintenance, replacement, and upgrades at the center.

With the looming convention center operating deficit facing the City, the board of directors created this committee to examine the feasibility of implementing a 1 percent prepared food tax to support the operation of the convention center. The committee was also tasked with examining the feasibility of conveying operation of the convention center to the Advertising and Promotion (A & P) Commission or to private operators. The prepared food tax can only be collected by the A & P Commission, and state law defines allowable expenditures of these funds.

The ad hoc committee, comprised of 7 members, met 6 times to gather information, identify and analyze options, and make recommendations. All meetings were open to the public and attended by the press.

***COMMITTEE MEMBERS***

George Moschner, Chairman  
Craig Rivaldo  
Tom Calderera  
George McGill  
Kevin Moran  
Ben Shipley  
Lavon Morton

## ***OPTIONS***

The committee requested and received a variety of operating and financial data about the operations of the convention center and the A & P Commission. A high level, general review of the information was conducted by the committee. The information, much of which is attached to this report, included:

- A history of the convention center and its expansion in 2000-2001
- Operating budgets for the convention center and the A & P Commission
- Staffing levels of both organizations
- Operating income generated by the convention center
- General Fund revenue, expenditure, and fund balance information
- Uses of state turnback funds
- Past uses of convention center operating income
- Utilization data of the convention center
- Sales and marketing activities
- Operating and financial comparisons of convention centers and funding sources in other cities, including other Arkansas cities that use a prepared food tax.
- Opportunities for generating additional revenue from convention center operations

The committee also reviewed and discussed:

- Information from past discussions by the board of directors about convention center funding and operations, and about funding for various quality of place projects
- The mechanics of how various revenue sources work
- The City's 5-year budget for street and drainage work financed by a 1 percent sales tax
- Legal considerations. The assistant city attorney was present for this discussion.
- Private operation of the convention center. Representatives of 2 local hotels participated in this discussion.

Staff from City administration, convention center, finance and the A & P Commission provided information for the committee.

Through the gathering of information, the committee identified various financing options and alternatives for the operation of the convention center. The financing options included:

- ▶ Do Nothing
- ▶ Prepared Food Tax
- ▶ Business License Fee
- ▶ Reallocation of Street & Drainage Sales Tax Revenue

The operating alternatives included:

- ▶ Contract with a private operator
- ▶ Provide more services in-house to generate additional income
- ▶ Contract the operation of the convention center to the Advertising and Promotion Commission

A brief discussion and the advantages and disadvantages of each alternative are identified in the attached table. This analysis helped form the reasoning for the committee's recommendations.

### ***RECOMMENDATIONS***

The committee makes the following recommendations by a vote of 7 in favor and none opposed.

1. The committee believes that the *Do Nothing* and the *Business License Fee* options are not viable. The committee concluded that the convention center is a valuable asset to the region, provides a positive and significant economic impact on the region, and that its operations should continue and expand.
2. A prepared food tax of 1 percent is the best alternative for assuring the continued operation of the Fort Smith Convention Center. This source is the most equitable method, is commonly used by other cities to support the operation of their convention centers and other tourism/entertainment venues (Fort Smith is the only city in Arkansas with a publicly-owned convention center that doesn't have a prepared food tax to support the convention center's operation), and won't negatively affect the provision of vital city services. In support of this recommendation, committee members noted that an estimated 50%-60% of this revenue would be paid by non-residents to help support a regional asset, the tax doesn't apply to grocery purchases, and that dining out may be considered as discretionary spending. Committee members noted further that allowable expenditures of the prepared food tax revenue are mandated by state law, and that the revenues are under the control of the A & P Commission.

3. Reallocation of 10% of the street and drainage sales tax is a distant alternative to the prepared food tax. The committee believes that the best policy is to not adjust the uses of this sales tax. Members were concerned that a reallocation could jeopardize future public approval of the tax in 2015. The committee also believes that good roads are important for curb appeal, for economic development and for quality of place.
4. The operation of the convention center should be merged with the A & P Commission. The committee further recommends that the goals and purposes of the convention center be defined, operating performance benchmarks be established, and the two operations be integrated in a way that maximizes the synergies of joint operation. A contract should be executed between the city and the A & P Commission that includes, among other things, these provisions for convention center operations, and should clearly define how the prepared food tax revenue will be expended. The 2 City board members who serve on the A & P Commission should monitor and at least quarterly report to the board of directors the convention center's operations and the progress towards achieving revenue increases and cost decreases.

Based on the opinions offered by city management and the committee's general, high level review of the city's General Fund finances, the committee recognizes the financial pressure the city's General Fund appears to be under. The committee could find no evidence that the General Fund budget can currently support additional significant programs such as the convention center operations without dramatic cuts in critical programs including police and fire department operations. The committee further concluded that the business license fee is not an appropriate mechanism for financing convention center operations, and recommends that the board of directors not consider this option.

The committee recommends that the entity which operates the convention center now and in the future undertake a review of the following to reduce the gap between operating income and expenses:

1. Convention center management and commission members should perform an extensive analysis of operating costs for the sole purpose of significantly reducing personnel and other operating expenses.
2. The convention center provide more services exclusively such as ticketing and pipe and drape in order to generate additional revenue. This should be independently examined and analyzed to further assure that there's an adequate payback on the investments needed to provide these services. Such investments should be made only if a proper payback can be reasonably expected.

3. There should be a more reliable method of verifying the accuracy of commissions paid to the convention center by caterers and others including possibly requiring, by contract, that convention center users report to the city or to the A & P Commission the gross amounts the users paid to caterers and other service providers.
  
4. Consider the possibility of contracting the convention center operation to a private entity. The committee recognized that this option might lower the operating deficit, but would likely not completely eliminate the deficit because the City would continue to be responsible for some costs including utilities, maintenance and capital expenditures. This option does have impacts which may be viewed as adverse, such as eliminating open catering and possibly affecting the rates paid by local nonprofit organizations.

If the board of directors determines to proceed with a referendum to use the prepared food tax, the committee encourages the board to undertake a vigorous and thorough public education effort. The committee recognizes that some restaurant owners and others may oppose the initiation of a prepared food tax, and that current economic conditions may complicate the passage of a tax. However, the committee believes that if citizens are provided information about the value of the convention center, how the center benefits citizens, and the options for financing its operations, voters will be more likely to support the use of a prepared food tax.

The committee does not make any recommendations regarding the other proposed uses for the prepared food tax revenue. The committee has limited its recommendations to those involving the convention center because that was the purpose of the resolution creating the committee.

### *CONCLUSION*

The ad hoc committee believes that the Fort Smith Convention Center is an important component of the region's quality of place and generates a significant positive economic impact for the region, including the direct or indirect support of a number of jobs within the region. A public investment to support the continued operation of the convention center assures the community of having a viable venue source for arts and entertainment performances and for attracting statewide and regional events and conventions to Fort Smith. The convention center enhances the prosperity of the region. An investment in its continued operation should provide a significant rate of return for the region.

The committee members appreciate all of the timely support, cooperation and

information received during this process from the City management, convention center and A & P Commission staffs.

Respectfully submitted by the  
Convention Center Ad Hoc Committee,



George Moschner  
Chairman

RESOLUTION NO. R-100-10

7E

A RESOLUTION ESTABLISHING A SPECIAL AD HOC COMMITTEE TO EXAMINE THE FEASIBILITY OF A RESTAURANT TAX AND TO MAKE RECOMMENDATIONS RELATED TO OPERATION OF THE FORT SMITH CONVENTION CENTER

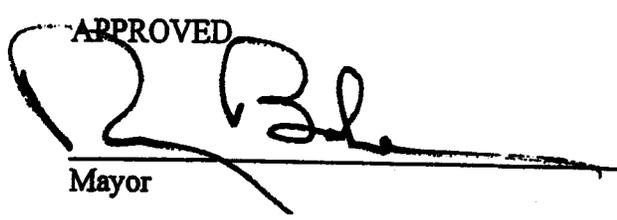
BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, that:

SECTION 1: A Special Ad Hoc Committee, consisting of no less than five (5) and no more than seven (7) members, who are to be appointed by the Board of Directors, is established for the purpose of examining the feasibility of implementing and applying a 1% restaurant tax subject to approval of same by the voters of Fort Smith.

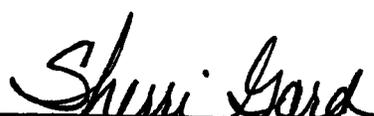
SECTION 2: The aforementioned Committee, in addition to examining the feasibility of the implementation of and the application of a potential restaurant tax, shall also assess and make a recommendation to the Board of Directors regarding the economic feasibility of conveying operation of the Fort Smith Convention Center to the Advertising and Promotion Commission or to private operators.

SECTION 3: Because time is of the essence, the Special Ad Hoc Committee shall, no later than four (4) weeks from date of establishment of the Committee and appointment of its members, provide a written report to the Board of Directors of its findings and recommendations.

THIS RESOLUTION adopted this 10<sup>th</sup> day of April, 2010.

APPROVED  
  
Mayor

ATTEST:

  
City Clerk *acting*

APPROVED AS TO FORM:

  
City Attorney npr

**FORT SMITH CONVENTION CENTER**  
Funding and Operating Options

<b>OPTION</b>	<b>BACKGROUND INFO</b>	<b>ADVANTAGES</b>	<b>DISADVANTAGES</b>
Do Nothing	Provide no new funding source for convention center operations	Requires no additional public resources	<p>Could curtail operating days/hours of convention center</p> <p>Could reduce other General Fund services -- police, fire, and parks</p>
Prepared Food Tax	<p>1 percent tax is estimated to generate \$1.8 million annually</p> <p>Can be implemented either by ordinance adopted by the board of directors or by referendum</p> <p>Funds are controlled by the A &amp; P Commission. City and A &amp; P may enter into an agreement regarding use of the funds</p> <p>May be desirable to have a 10-year sunset on the tax so that voters are assured they have to approve its continuation</p>	<p>Funding source provided by state law for convention and tourism facilities</p> <p>An estimated 50% - 60% of revenue is paid by non-residents</p> <p>The tax is collected by a business sector (restaurants) that benefits directly from convention center activity</p> <p>Funding source used by other publicly-owned convention centers in Arkansas</p> <p>Impact on consumers is modest -- 10¢ on a \$10 meal or 50¢ on a \$50 meal</p> <p>Funding could help other quality of place projects</p> <p>Allows for open catering to continue</p>	<p>Imposes a new tax</p> <p>Some restaurant owners will likely oppose</p> <p>Current economic conditions may weaken chances of voter approval</p>

<b>OPTION</b>	<b>BACKGROUND INFO</b>	<b>ADVANTAGES</b>	<b>DISADVANTAGES</b>
Business License Fee	<p>Fee is estimated to generate \$1.8 million annually</p> <p>Fee existed from 1970's through 1994</p> <p>May be implemented by board of directors</p>	<p>Residents don't pay the fee (at least not directly)</p> <p>A common revenue source used by cities across the country</p>	<p>Fee was eliminated to gain support for the approval of the county-wide sales tax in 1994. Resurrecting the fee may be viewed by some as breaking a promise.</p> <p>If used for the convention center, the business license fee revenue wouldn't be available for other general government purposes such as improving fire protection (which benefits business' insurance rates)</p> <p>Little or no connection between those who pay the fee (the general business community) and the benefits of the convention center</p>
Reallocation of Street Sales Tax	<p>10% reallocation is estimated to be \$1.9 million annually</p> <p>Reallocation must be approved by the voters</p> <p>The entire tax is up for voter renewal in 2015</p>	<p>Would not require the implementation of a new tax</p>	<p>Fewer neighborhood street and drainage projects would be completed</p> <p>Funds wouldn't be available for other quality of place projects such as aquatics center and softball fields at Ben Geren Park, River Park promenade, and trails</p>

<b>OPTION</b>	<b>BACKGROUND INFO</b>	<b>ADVANTAGES</b>	<b>DISADVANTAGES</b>
<p>Turn Operations Over to a Private Entity</p>	<p>Convention center would be operated by a private entity</p> <p>An open, competitive process would have to be used to select a private operator</p>	<p>Could reduce subsidy required to operate center</p> <p>Easier for event planners – they work with only one entity rather than many to plan an event</p>	<p>Access by multiple restaurants, caterers and others to serve events at the convention center would cease. Local businesses would be harmed.</p> <p>Local organizations may have to pay higher rates to use the convention center</p> <p>Service problems (e.g., food quality, event service, etc.) would be more difficult to address</p> <p>Users wouldn't have a choice of providers as they do now</p>
<p>Bring More Services Under the Convention Center's Authority</p>	<p>Food and beverage service, ticketing, pipe and drape, decorating could be provided directly by the convention center rather than third parties</p>	<p>Opportunity to generate more revenue to reduce the deficit</p> <p>Easier for event planners – they work with few organizations</p>	<p>Would require a significant capital investment in kitchen facilities, storage, tableware, etc.</p> <p>Some groups may expect preferential rates from the city, thereby reducing the revenue-generating potential</p> <p>Convention center users would lose the flexibility of choosing service providers</p>

<b>OPTION</b>	<b>BACKGROUND INFO</b>	<b>ADVANTAES</b>	<b>DISADVANTAGES</b>
Merge Convention Center Operations with the A & P Commission	Would involve a pre-nup agreement between board of directors and A & P Commission	<p>All convention marking and operating responsibilities are under one umbrella</p> <p>Easier for event planners – they work with fewer orgizations</p> <p>Easier to network anlearn from other convention ceirs' experiences becauseany convention centers crate under this arrangement</p>	A & P operations are not subject to control of a publicly-elected board

City of Fort Smith, Arkansas  
 Convention Center Fund  
 Statement of Revenues, Expenditures, and Change in Fund Balances  
 For the Fiscal Years Ended December 31, 2001 - 2009  
 and for the Fiscal Year Ending December 31, 2010

	2001	2002	2003	2004	2005
<b>Revenues</b>					
State Tourism Turnback	\$ 2,657,575	\$ 1,710,644	\$ 1,734,186	\$ 1,758,065	\$ 1,782,552
Interest Earned	-	-	8,291	9,154	18,549
<b>Total Revenues</b>	<b>2,657,575</b>	<b>1,710,644</b>	<b>1,742,477</b>	<b>1,767,219</b>	<b>1,801,101</b>
<b>Expenditures</b>					
Personnel	-	-	-	579,777	598,449
Operating	-	-	94,088	533,487	638,745
Capital	-	-	880,143	836,960	518,673
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>974,231</b>	<b>1,950,224</b>	<b>1,755,867</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>2,657,575</b>	<b>1,710,644</b>	<b>768,246</b>	<b>(183,005)</b>	<b>45,234</b>
<b>Other Financing Uses:</b>					
Transfer to Debt Service Fund	(2,657,575)	(1,710,644)	-	-	-
<b>Net Changes in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>768,246</b>	<b>(183,005)</b>	<b>45,234</b>
<b>Fund balances, January 1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>768,246</b>	<b>585,241</b>
<b>Fund balances, December 31</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 768,246</b>	<b>\$ 585,241</b>	<b>\$ 630,475</b>

City of Fort Smith, Arkansas  
Convention Center Fund  
Statement of Revenues, Expenditures, and Change in Fund Balances  
For the Fiscal Years Ended December 31, 2001 - 2009  
and for the Fiscal Year Ending December 31, 2010  
(Continued)

	2006	2007	2008	2009	2010
<b>Revenues</b>					
State Tourism Turnback	\$ 1,795,545	\$ 1,795,984	\$ 1,796,050	\$ 1,786,637	\$ 888,723
Interest Earned	35,400	41,284	26,790	11,734	15,000
<b>Total Revenues</b>	<b>1,830,945</b>	<b>1,837,268</b>	<b>1,822,840</b>	<b>1,798,371</b>	<b>903,723</b>
<b>Expenditures</b>					
Personnel	652,179	704,597	757,042	772,391	803,150
Operating	644,626	892,658	734,585	855,715	742,150
Capital	168,922	281,701	-	27,132	35,000
<b>Total Expenditures</b>	<b>1,465,727</b>	<b>1,878,956</b>	<b>1,491,627</b>	<b>1,655,238</b>	<b>1,580,300</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>365,218</b>	<b>(41,688)</b>	<b>331,213</b>	<b>143,133</b>	<b>(676,577)</b>
<b>Other Financing Uses:</b>					
Transfer to Debt Service Fund	-	-	-	-	-
<b>Net Changes in Fund Balance</b>	<b>365,218</b>	<b>(41,688)</b>	<b>331,213</b>	<b>143,133</b>	<b>(676,577)</b>
<b>Fund balances, January 1</b>	<b>630,475</b>	<b>995,693</b>	<b>954,005</b>	<b>1,285,218</b>	<b>1,428,351</b>
<b>Fund balances, December 31</b>	<b>\$ 995,693</b>	<b>\$ 954,005</b>	<b>\$ 1,285,218</b>	<b>\$ 1,428,351</b>	<b>\$ 751,774</b>

Note 1: The source for the 2001 through 2008 data is from the CAFR for each applicable year. Please note that the Convention Center Fund was not established until 2003. The information included for 2001 and 2002 was excerpted from the 1997 Sales and Use Tax Bond Fund financial statements included in the 2001 and 2002 CAFRs. This is the treatment for the transfer of the funds to pay debt service if the funds had been transferred each year from a special revenue fund, i.e., the Convention Center Fund, to the debt service fund, i.e., the 1997 Sales and Use Tax Bond Fund. The actual treatment for the tourism turnback revenue received in 2001 and 2002 was to deposit the funds directly into the debt service fund as an intergovernmental revenue. The principal and interest payments reported for 2001 totaled \$9,220,000 and \$1,391,728, respectively, and the principal and interest payments reported for 2002 totaled \$8,165,000 and \$937,122, respectively.

Note 2: The source for the 2009 numbers is the CAFR draft that is under examination now and for the 2010 estimate is the 2010 budget.

Note 3: The capital amounts reflect those assets that were capitalized by the City for each year. If the expenditure was less than \$5,000 per unit or if the expenditure was for an asset not owned by the City, e.g., parking lot expenditure of \$200,000 during 2007 for the County Courthouse, then those expenditures are presented as operating costs.

Note 4: The Convention Center Fund is a special revenue fund that is used to account for the state tourism turnback received by the City to be used for the operations and capital asset acquisition for the convention center. The turnback is restricted for tourism related expenditures.

City of Fort Smith, Arkansas  
General Fund

Convention Center Rental Revenue & Expenditures  
For the Fiscal Years Ended December 31, 2003 - 2009  
and for the Fiscal Year Ending December 31, 2010

	2003	2004	2005	2006	2007	2008	2009	2010
Rental Revenue	\$ 439,264	\$ 496,834	\$ 522,898	\$ 605,625	\$ 624,106	\$ 676,970	\$ 615,029	\$ 700,000
Expenditures								
General Fund Programs	-	-	-	-	-	-	-	700,000
Additional Library Funding	-	240,000	240,000	240,000	240,000	165,000	150,000	-
Parks Programs/Projects	315,764	72,307	-	84,846	144,172	320,939	303,174	-
Senior Service Programs:								
SRCA, Inc.	113,500	133,327	180,398	178,279	137,434	88,531	79,355	-
Area Agency on Aging	10,000	50,000	100,000	100,000	100,000	100,000	80,000	-
Project Compassion	-	1,200	2,500	2,500	2,500	2,500	2,500	-
Total Expenditures	\$ 439,264	\$ 496,834	\$ 522,898	\$ 605,625	\$ 624,106	\$ 676,970	\$ 615,029	\$ 700,000



City of Fort Smith, Arkansas  
State Turnback for Tourism  
For the Fiscal Years Ended December 31, 2001 through 2009  
and for the Fiscal Year Ending December 31, 2010

Funds Received:	
2001	\$ 2,657,575
2002	1,710,644
2003	1,734,186
2004	1,758,065
2005	1,782,552
2006	1,795,545
2007	1,795,984
2008	1,796,051
2009	1,786,637
Funds to be Received:	
2010	<u>888,723</u>
Total	<u>\$ 17,705,962</u>

Note: The 2001 and 2002 turnback funds were used to pay principal and interest payments on the 1997 Sales & Use Tax Bonds which funded the Convention Center remodel and construction costs.

**Convention Center Fund (1115)  
Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Actual at 12/31/08 and 12/31/09 and Projected  
for 12/31/10**

	<u>2008 Actual</u>	<u>2009 Actual</u>	<u>2010 Projection</u>
<b>Revenues</b>			
State Tourism Turnback	\$ 1,796,050	\$ 1,786,637	\$ 888,723
Interest Earned	26,790	11,734	15,000
<b>Total Revenues</b>	<u>\$ 1,822,840</u>	<u>\$ 1,798,371</u>	<u>\$ 903,723</u>
<b>Expenditures</b>			
Program 6203 -			
Personnel	757,042	772,391	803,150
Operating	734,585	855,715	742,150
Capital Outlay	-	27,132	35,000
<b>Total Expenditures</b>	<u>\$ 1,491,627</u>	<u>\$ 1,655,238</u>	<u>\$ 1,580,300</u>
Excess Revenues Over Expenditures	331,213	143,133	(676,577)
Fund Balance, January 1,	<u>954,005</u>	<u>1,285,218</u>	<u>1,428,351</u>
<b>Fund Balance, December 31,</b>	<u><u>\$ 1,285,218</u></u>	<u><u>\$ 1,428,351</u></u>	<u><u>\$ 751,774</u></u>

**Operation Services  
Convention Center**

**Program 6203**

	Actual 2008	Budget 2009	Estimated 2009	Budget 2010
<b>Personnel</b>				
101 Regular Salaries	498,148	516,700	525,323	512,590
102 Overtime	1,730	3,580	2,050	3,890
103 Retirement	48,959	54,870	50,669	53,450
104 Social Security	36,614	41,680	36,684	40,320
105 Insurance	118,619	129,030	121,073	129,070
106 Longevity	781	970	967	1,090
107 Medical Expenses	60	60	45	70
108 Other	50,572	65,400	30,808	67,000
111 Workers' Compensation	1,560	1,640	1,640	1,730
<b>Total</b>	<b>757,043</b>	<b>813,930</b>	<b>769,259</b>	<b>809,210</b>
<b>Operating</b>				
201 Office Supplies	622	1,500	874	1,500
202 Small Equipment	7,664	8,000	4,859	10,000
203 Fuel, Oil, Lube	570	850	524	700
204 Clothing	7,395	8,200	7,045	8,050
205 Custodial Equipment & Supplies	8,260	9,350	14,431	15,000
206 Materials	2,656	2,600	1,682	2,800
207 Repair of Equipment	9,734	10,500	5,083	10,500
208 Repair of Buildings	42,262	157,738	410,280	100,000
209 Merchandise/Program Participation	53,202	70,000	40,204	100,000
210 Communications	22,761	32,000	19,588	25,000
211 Utilities	379,539	500,000	256,754	350,000
212 Bonds, Insurance, Licenses	50,039	60,000	54,601	52,000
213 Postage	1,199	1,300	911	1,400
214 Advertising, Printing, Photo	23,824	28,000	17,948	28,000
215 Travel	26,226	28,000	28,024	28,000
216 Education, Memberships, Subscriptions	2,372	3,500	3,217	3,500
217 Lease, Rent, Taxes	4,382	4,200	4,182	4,500
219 Other - Pest Control, Convention Center Commission	953	1,300	6,798	1,200
<b>Total</b>	<b>643,660</b>	<b>927,038</b>	<b>877,005</b>	<b>742,150</b>
<b>Capital Outlay</b>	<b>90,924</b>	<b>147,500</b>	<b>35,651</b>	
301 Ticketing System				35,000
<b>Total</b>				<b>35,000</b>
<b>Convention Center Total</b>	<b>1,491,627</b>	<b>1,888,468</b>	<b>1,681,915</b>	<b>1,586,360</b>

**Convention Center  
(continued)**

**Program 6203**

Schedule of Personnel	Pay Grade	Actual 2008	Budget 2009	Estimated 2009	Budget 2010
Director	20	1	1	1	1
Operation Supervisor	11	1	1	1	1
Sales Director	9	2	2	2	2
Lead Engineer	8	1	1	1	1
Events Coordinator	7	1	1	1	1
Administrative Secretary	7	1	1	1	1
Building Engineer	6	2	2	2	2
Maintenance Person	3	4	4	4	4
Parking Deck Attendant	2	1	1	1	0
Laborer (Seasonal)	1	0	1	1	0.5
Employee Positions		14	15	15	13.5

**Funding Allocation:**

100% Convention Center Fund

# Advertising and Promotion Fund

## Convention and Visitors Bureau

## Program 6870

PERSONNEL	Actual 2008	Budget 2009	Estimated 2009	Budget 2010
101 Regular Salaries	217,480	228,330	227,113	230,987
102 Overtime	0	212	0	210
103 Retirement	22,605	24,643	23,127	24,926
104 Social Security	16,597	18,083	15,512	17,737
105 Insurance	46,546	47,830	43,903	49,950
106 Longevity	480	490	505	670
108 Other-Car Allowance, Contract Labor	5,400	5,400	5,841	5,400
111 Workers' Compensation	410	440	440	470
Total	309,518	325,428	316,441	330,350
OPERATING				
201 Office Supplies	6,256	5,500	6,740	6,000
202 Small Equipment	5,526	6,300	7,171	2,550
204 Clothing	403	0	111	150
205 Custodial Equipment & Supplies	0	0	0	200
206 Materials	0	100	0	100
207 Repair of Equipment	1,634	3,000	1,681	2,700
208 Repair of Buildings	5,436	23,540	13,883	7,040
210 Communications	36,594	38,370	13,265	23,130
211 Utilities	9,544	9,000	5,859	9,000
212 Bonds, Insurance, Licenses	1,481	1,850	683	1,850
213 Postage	13,684	23,000	14,597	23,000
214 Advertising, Printing, Photo	29,809	66,700	24,977	37,500
215 Travel	58,549	67,735	67,553	56,130
216 Education, Memberships, Subscriptions	16,590	14,165	16,873	12,635
217 Lease, Rent, Taxes	2,658	5,000	2,945	5,000
219 Other - Public Relations	12,406	33,500	17,926	47,800
230 Print Media Advertising-Newspapers	7,660	6,680	7,780	6,980
231 Print Media Advertising-Magazines	108,502	114,886	116,595	76,915
234 Agency Costs	8,104	10,000	10,269	10,000
235 Volunteer Programs	6,988	14,118	14,538	12,200
236 Gifts and Donations	7,863	11,500	5,717	10,000
237 Convention/Meeting Marketing Contingency	550	5,000	4,924	4,700
238 Group Traveler Marketing Contingency	1,724	5,000	450	4,700
239 Casual Traveler Marketing Contingency	3,193	5,000	7,590	4,700
240 Special Events	101,143	166,065	214,372	174,875
241 Hog Rally	36,842	0	0	0
245 Hail Damage	0	69,970	16,469	0
002 Collection Fee	23,748	24,554	23,000	24,554
Total	506,887	730,533	615,968	564,409
Convention and Visitors Bureau Total	816,405	1,055,961	932,409	894,759

**Convention and Visitors Bureau  
(continued)**

**Program 6870**

Schedule of Personnel	Pay Grade	Actual 2008	Budget 2009	Estimated 2009	Budget 2010
Executive Director	21	1	1	1	1
Administrative Coordinator/Sales	9	1	1	1	1
Convention Sales & Service	8	1	1	1	1
Communication/Services					
Coordinator	7	1	1	1	1
Secretary	5	1	1	1	1
Employee Positions		5	5	5	5

Note 1: This program is not included in the Operating Funds as funds are allocated from the Advertising and Promotion Fund. Employees are under the direction of the Advertising and Promotion Commission. The Mayor and one Board member serve on this Commission.

Funding Allocation:  
100% Advertising and Promotion Fund

**City of Fort Smith  
 Combined Program Budgets  
 A&P Commission and Convention Center  
 2010**

	A&P 6870 Budget 2010	Conv. Ctr. 6203 Budget 2010	Combined Programs Budget 2010	Integrated Management Budget 2010
<b>Personnel</b>				
101 Regular Salaries	230,987	512,590	743,577	743,577
102 Overtime	210	3,890	4,100	4,100
103 Retirement	24,926	53,450	78,376	78,376
104 Social Security	17,737	40,320	58,057	58,057
105 Insurance	49,950	129,070	179,020	179,020
106 Longevity	670	1,090	1,760	1,760
107 Medical Expenses	-	70	70	70
108 Other-Car Allowance, Contract Labor	5,400	67,000	72,400	72,400
111 Workers' Compensation	470	1,730	2,200	2,200
<b>Total</b>	<b>330,350</b>	<b>809,210</b>	<b>1,139,560</b>	<b>1,139,560</b>
<b>Operating</b>				
201 Office Supplies	6,000	1,500	7,500	7,500
202 Small Equipment	2,550	10,000	12,550	12,550
203 Fuel, Oil, Lube	-	700	700	700
204 Clothing	150	8,050	8,200	8,200
205 Custodial Equipment & Supplies	200	15,000	15,200	15,200
206 Materials	100	2,800	2,900	2,900
207 Repair of Equipment	2,700	10,500	13,200	13,200
208 Repair of Buildings	7,040	100,000	107,040	107,040
209 Merchandise/Program Participation	-	100,000	100,000	0
210 Communications	23,130	25,000	48,130	48,130
211 Utilities	9,000	350,000	359,000	359,000
212 Bonds, Insurance, Licenses	1,850	52,000	53,850	53,850
213 Postage	23,000	1,400	24,400	24,400
214 Advertising, Printing, Photo	37,500	28,000	65,500	47,500
215 Travel	56,130	28,000	84,130	58,130
216 Education, Memberships, Subscriptions	12,635	3,500	16,135	13,635
217 Lease, Rent, Taxes	5,000	4,500	9,500	9,500
219 Other - Public Relations, Conv. Ctr. Comm.	47,800	1,200	49,000	47,800
230 Print Media Advertising-Newspapers	6,980	-	6,980	6,980
231 Print Media Advertising-Magazines	76,915	-	76,915	76,915
234 Agency Costs	10,000	-	10,000	10,000
235 Volunteer Programs	12,200	-	12,200	12,200
236 Gifts and Donations	10,000	-	10,000	10,000
237 Convention/Meeting Marketing Contingency	4,700	-	4,700	4,700
238 Group Traveler Marketing Contingency	4,700	-	4,700	4,700
239 Casual Traveler Marketing Contingency	4,700	-	4,700	4,700
240 Special Events	174,875	-	174,875	174,875
002 Collection Fee	24,554	-	24,554	24,554
<b>Total</b>	<b>564,409</b>	<b>742,150</b>	<b>1,306,559</b>	<b>1,158,859</b>
<b>Capital Outlay</b>				
301 Ticketing System	-	35,000	35,000	-
<b>Total</b>	<b>894,759</b>	<b>1,586,360</b>	<b>2,481,119</b>	<b>2,298,419</b>

Schedule of Personnel

Pay Grade

Executive Director	21	1.0	-	1.0	1.0
Director	20	-	1.0	1.0	1.0
Operation Supervisor	11	-	1.0	1.0	1.0
Sales Director	9	-	2.0	2.0	2.0
Administrative Coordinator/Sales	9	1.0	-	1.0	1.0
Convention Sales & Service	8	1.0	-	1.0	1.0
Lead Engineer	8	-	1.0	1.0	1.0
Events Coordinator	7	-	1.0	1.0	1.0
Communication/Services				-	-
Coordinator	7	1.0	-	1.0	1.0
Administrative Secretary	7	-	1.0	1.0	1.0
Building Engineer	6	-	2.0	2.0	2.0
Secretary	5	1.0	-	1.0	1.0
Maintenance Person	3	-	4.0	4.0	4.0
Laborer (Seasonal)	1	-	0.5	0.5	0.5
<b>Employee Positions</b>		<b>5.0</b>	<b>13.5</b>	<b>18.5</b>	<b>18.5</b>

**Operation Services  
Convention Center**

**Program 6203**

<b>Personnel</b>	<b>Actual 2008</b>	<b>Actual 2009</b>	<b>Budget 2010</b>	<b>1/1/2010 - 3/31/2010</b>
101 Regular Salaries	498,148	528,086	512,590	109,281
102 Overtime	1,730	2,083	3,890	693
103 Retirement	48,959	52,075	53,450	11,418
104 Social Security	36,614	38,603	40,320	7,857
105 Insurance	118,619	121,484	129,070	29,865
106 Longevity	781	914	1,090	194
107 Medical Expenses	60	30	70	0
108 Other	50,572	27,476	67,000	4,630
111 Workers' Compensation	1,560	1,640	1,730	1,730
<b>Total</b>	<b>757,043</b>	<b>772,391</b>	<b>809,210</b>	<b>165,668</b>
<b>Operating</b>				
201 Office Supplies	622	859	1,500	268
202 Small Equipment	7,664	7,289	10,000	2,296
203 Fuel, Oil, Lube	570	394	700	101
204 Clothing	7,395	7,113	8,050	1,306
205 Custodial Equipment & Supplies	8,260	11,761	15,000	3,953
206 Materials	2,656	1,590	2,800	409
207 Repair of Equipment	9,734	3,522	10,500	2,331
208 Repair of Buildings				
Hailstorm Repairs, net of Insurance & FEMA Reimbursements	(67,061)	336,867	0	0
Repair of Buildings	109,323	67,183	100,000	16,343
209 Merchandise/Program Participation				
Program Participation	42,643	35,979	90,000	15,554
Merchandise	10,559	5,212	10,000	5,055
210 Communications	22,761	19,713	25,000	3,317
211 Utilities				
Electric	233,019	177,137	231,000	27,083
Natural Gas	146,520	72,404	119,000	32,443
212 Bonds, Insurance, Licenses	50,039	54,618	52,000	14,253
213 Postage	1,199	970	1,400	193
214 Advertising, Printing, Photo	23,824	16,582	28,000	4,352
215 Travel	26,226	22,279	28,000	5,200
216 Education, Memberships, Subscriptions	2,372	2,650	3,500	1,430
217 Lease, Rent, Taxes	4,382	4,933	4,500	1,421
219 Other - Pest Control, Convention Center Commission	953	6,662	1,200	197
<b>Total</b>	<b>643,660</b>	<b>855,717</b>	<b>742,150</b>	<b>137,505</b>
<b>Capital Outlay</b>	<b>90,924</b>	<b>27,132</b>		
301 Ticketing System			35,000	0
<b>Total</b>			<b>35,000</b>	<b>0</b>
<b>CONVENTION CENTER TOTAL</b>	<b>1,491,627</b>	<b>1,655,240</b>	<b>1,586,360</b>	<b>303,173</b>

**Convention Center  
(continued)**

**Program 6203**

Schedule of Personnel	Pay Grade	Actual 2008	Actual 2009	Budget 2010	1/1/2010 - 3/31/2010
Director	20	1	1	1	1
Operation Supervisor	11	1	1	1	1
Sales Director	9	2	2	2	2
Lead Engineer	8	1	1	1	1
Events Coordinator	7	1	1	1	1
Administrative Secretary	7	1	1	1	1
Building Engineer	6	2	2	2	2
Maintenance Person	3	4	4	4	4
Parking Deck Attendant	2	1	1	0	0
Laborer (Seasonal)	1	0	1	0.5	0.5
<b>Employee Positions</b>		<b>14</b>	<b>15</b>	<b>13.5</b>	<b>13.5</b>

Funding Allocation:  
100% Convention Center Fund

Note: The breakdowns between hailstorm repairs and the reimbursements are as follows:

Expenditures	1,202,407	336,867	-	-
FEMA and Insurance	(1,269,468)	-	-	-
	<u>(67,061)</u>	<u>336,867</u>	<u>-</u>	<u>-</u>

# Advertising and Promotion Fund

## Convention and Tourism Bureau

## Program 6870

Personnel	Actual 2008	Actual 2009	Budget 2010	1/1/2010 - 3/31/2010
101 Regular Salaries	217,480	229,271	230,987	46,911
102 Overtime	0	0	210	0
103 Retirement	22,605	23,739	24,926	5,101
104 Social Security	16,597	17,570	17,737	3,577
105 Insurance	46,546	44,177	49,950	11,571
106 Longevity	480	434	670	83
108 Other-Car Allowance, Contract Labor	5,400	5,400	5,400	1,246
111 Workers' Compensation	410	440	470	470
<b>Total</b>	<b>309,518</b>	<b>321,031</b>	<b>330,350</b>	<b>68,959</b>
<b>Operating</b>				
201 Office Supplies	6,256	6,034	6,000	(383)
202 Small Equipment	5,526	4,953	2,550	165
204 Clothing	403	161	150	0
205 Custodial Equipment & Supplies	0	0	200	0
206 Materials	0	0	100	0
207 Repair of Equipment	1,634	1,626	2,700	399
208 Repair of Buildings	5,436	21,588	7,040	2,095
210 Communications	36,594	10,424	23,130	3,230
211 Utilities	9,544	6,023	9,000	1,876
212 Bonds, Insurance, Licenses	1,481	683	1,850	0
213 Postage	13,684	13,046	23,000	2,192
214 Advertising, Printing, Photo	29,809	33,301	37,500	7,722
215 Travel	58,549	59,613	56,130	17,923
216 Education, Memberships, Subscriptions	16,590	13,037	12,635	3,465
217 Lease, Rent, Taxes	2,658	3,295	5,000	685
219 Other - Public Relations	12,406	11,950	47,800	4,500
230 Print Media Advertising-Newspapers	7,660	8,456	6,980	190
231 Print Media Advertising-Magazines	108,502	105,690	76,915	11,275
234 Agency Costs	8,104	7,806	10,000	749
235 Volunteer Programs	6,988	11,729	12,200	3,081
236 Gifts and Donations	7,863	4,121	10,000	144
237 Convention/Meeting Marketing Contingency	550	3,283	4,700	1,562
238 Group Traveler Marketing Contingency	1,724	300	4,700	106
239 Casual Traveler Marketing Contingency	3,193	8,460	4,700	2,158
240 Special Events	101,143	168,330	174,875	25,908
241 Hog Rally	36,842	0	0	0
245 Hail Damage	0	75,739	0	0
002 Collection Fee	23,748	20,198	24,554	2,894
<b>Total</b>	<b>506,887</b>	<b>599,846</b>	<b>564,409</b>	<b>91,936</b>
<b>Convention and Tourism Bureau Total</b>	<b>816,405</b>	<b>920,877</b>	<b>894,759</b>	<b>160,895</b>

**Convention and Tourism Bureau  
(continued)**

**Program 6870**

Schedule of Personnel	Pay Grade	Actual 2008	Actual 2009	Budget 2010	1/1/2010 - 3/31/2010
Executive Director	21	1	1	1	1
Administrative Coordinator/Sales	9	1	1	1	1
Convention Sales & Service	8	1	1	1	1
Communication/Services					
Coordinator	7	1	1	1	1
Secretary	5	1	1	1	1
Employee Positions		5	5	5	5

Note 1: This program is not included in the Operating Funds as funds are allocated from the Advertising and Promotion Fund. Employees are under the direction of the Advertising and Promotion Commission. The Mayor and one Board member serve on this Commission.

**Funding Allocation:**

100% Advertising and Promotion Fund

4 B

City of Fort Smith  
FY10  
Budget Comparison Summary-General Fund

	Estimated FY09	Budget FY10	Increase (Decrease)	Projected FY11
<b>Revenues</b>				
Intergovernmental	\$ 5,510,852	\$ 3,238,456	\$ (2,272,396)	\$ 3,364,556
Taxes and Assessments	28,277,951	28,667,125	389,174	29,617,070
Court Fines and Forfeitures	1,776,860	1,850,000	73,140	1,875,000
Licenses and Permits	1,310,737	1,378,000	67,263	1,383,000
Service Charges and Fees	1,179,133	1,251,850	72,717	1,277,300
Miscellaneous	1,030,597	1,151,945	121,348	1,245,058
Transfers	2,409,360	2,529,150	119,790	3,375,941
<b>Total</b>	<b>\$ 41,495,490</b>	<b>\$ 40,066,526</b>	<b>\$ (1,428,964)</b>	<b>42,137,925</b>
<b>Expenditures</b>				
Policy and Administration				
Services	\$ 3,047,436	\$ 3,016,627	\$ (30,809)	\$ 3,382,056
Management Services	2,618,785	2,720,708	101,923	2,880,259
Development Services	2,552,574	2,653,410	100,836	2,911,150
Police Services	15,056,772	16,555,610	1,498,838	19,564,830
Fire Services	10,130,318	10,105,170	(25,148)	12,423,870
Operation Services	7,450,118	4,990,990	(2,459,128)	7,913,251
Non-Departmental	2,982,559	2,473,414	(509,145)	2,500,000
<b>Total</b>	<b>\$ 43,838,562</b>	<b>\$ 42,515,929</b>	<b>\$ (1,322,633)</b>	<b>\$ 51,575,416</b>
<b>Excess (Deficiency)</b>				
Revenues Over Expenditures	\$ (2,343,072)	\$ (2,449,403)	\$ (106,331)	\$ (9,437,491)
<b>Fund Balance, Beginning of Year</b>	<b>7,732,222</b>	<b>5,389,150</b>	<b>(2,343,072)</b>	<b>2,939,747</b>
<b>Fund Balance, End of Year</b>	<b>\$ 5,389,150</b>	<b>\$ 2,939,747</b>	<b>\$ (2,449,403)</b>	<b>\$ (6,497,744)</b>

12.3%      6.9%

# General Fund Statement of Revenue Comparisons

	Actual FY08	Budget FY09	Estimated FY09	Budget FY10	Projected FY11
<b>Intergovernmental</b>					
State Turnback - General	\$ 1,386,747	\$ 1,344,489	\$ 1,444,824	\$ 1,364,556	\$ 1,364,556
Transit Reimbursement	1,529,040	2,463,984	3,918,028	1,723,900	1,850,000
Airport Security Reimbursement	149,983	160,000	148,000	150,000	150,000
Federal Funded Fire Improvements	38,878	-	-	-	-
Miscellaneous Grants	157,375	-	-	-	-
<b>Taxes and Assessments</b>					
Franchise	7,386,814	7,585,900	6,815,900	6,952,200	7,091,200
Ad Valorem	5,518,765	5,508,900	6,021,679	6,199,500	6,385,400
County Sales Tax	16,610,714	16,076,311	15,433,259	15,510,425	16,135,470
Gasoline Tax Refund-Transit	8,755	5,000	7,113	5,000	5,000
Court Fines and Forfeitures	2,045,824	1,900,000	1,776,880	1,850,000	1,875,000
<b>Licenses and Permits</b>					
Privilege	23,581	20,000	33,278	28,000	28,000
Construction	1,110,187	738,000	653,936	720,000	720,000
Alcohol	553,998	506,000	546,243	550,000	550,000
Other	156,641	125,000	77,280	80,000	85,000
<b>Service Charges and Fees</b>					
Convention Center	676,970	720,000	677,088	700,000	710,000
Community Center	30,776	30,000	35,340	36,000	38,000
Fire Protection Contracts	70,997	72,462	71,282	71,300	71,300
Port Authority	36,876	12,000	12,000	12,000	12,000
Parks/Swim Pools	150,295	105,000	111,237	115,000	115,000
The Park at West End	-	-	-	25,550	26,000
Oak Cemetery	51,409	51,500	54,876	55,000	55,000
Animal Pound	4,052	6,000	3,432	4,000	4,000
False Alarm Fees	15,578	6,000	5,316	6,000	6,000
Mobile Data Support Fees	-	-	25,560	32,000	45,000
Transit System	214,939	236,500	182,992	195,000	195,000
<b>Miscellaneous</b>					
Reimbursement from Airport	3,163	3,164	3,164	3,164	3,164
Interest Earned	161,418	280,000	75,612	90,000	100,000
Sebastian County Participation	476,836	583,520	542,674	614,781	695,894
Reimbursement from Enhanced 9-1-1 Fund	257,420	250,730	250,730	255,000	255,000
Reimbursement from FSPS for SRO's	-	50,400	-	39,000	41,000
Other	146,142	180,000	158,417	150,000	150,000
<b>Transfers</b>					
Sales Tax Fund	2,111,250	2,164,000	2,164,000	2,272,200	2,385,810
A&P Fund	23,748	22,000	21,710	22,200	22,800
Convention Center Fund	-	-	-	-	720,851
Street Maintenance Fund	71,000	74,550	74,550	78,250	82,160
Water and Sewer Operating Fund	71,000	74,550	74,550	78,250	82,160
Sanitation Operating Fund	71,000	74,550	74,550	78,250	82,160
<b>Total</b>	<b>\$ 41,301,981</b>	<b>\$ 41,410,510</b>	<b>\$ 41,495,480</b>	<b>\$ 40,066,526</b>	<b>\$ 42,137,925</b>

See pages 165-167 for an explanation of each revenue source.

**Distribution of Appropriations to the Operating Funds  
FY10 Budget**



	<u>Total Funds</u>	<u>General Fund</u>	<u>Street Maintenance Fund</u>	<u>Water and Sewer Operating Fund</u>	<u>Sanitation Operating Fund</u>
<b>Policy and Administration Services Division</b>					
4100 Mayor	\$ 246,330	\$ 105,922	\$ 19,706	\$ 91,142	\$ 29,560
4101 Board of Directors	116,710	50,185	9,337	43,183	14,005
4102 City Administrator	789,370	339,429	63,149	292,067	94,725
4111 Economic Development	504,610	504,610	0	0	0
4201 District Court	1,530,260	1,530,260	0	0	0
4202 Prosecutor	185,100	185,100	0	0	0
4203 Public Defender	77,870	77,870	0	0	0
4204 City Attorney	237,000	118,500	59,250	0	59,250
4206 District Court-Seb. Co.	54,940	54,940	0	0	0
4405 Internal Audit	115,840	49,811	9,267	42,861	13,901
<b>Total Policy and Administration Services Division</b>	<b>\$ 3,858,030</b>	<b>\$ 3,016,627</b>	<b>\$ 160,709</b>	<b>\$ 469,253</b>	<b>\$ 211,441</b>
<b>Management Services Division</b>					
4104 Human Resources	\$ 511,190	\$ 322,050	\$ 35,783	\$ 107,350	\$ 46,007
4105 City Clerk	391,360	168,285	31,309	144,803	46,963
4301 Finance	1,173,360	504,545	93,869	434,143	140,803
4303 Collections	415,220	178,544	33,218	153,632	49,826
4304 Utility Billing/Cust Service	1,830,250	91,512	91,512	1,372,688	274,538
4306 Purchasing	554,600	238,478	44,368	205,202	66,552
4401 Info. & Tech. Services	1,872,760	1,217,294	93,638	374,553	187,275
<b>Total Management Services Division</b>	<b>\$ 6,748,740</b>	<b>\$ 2,720,708</b>	<b>\$ 423,697</b>	<b>\$ 2,792,371</b>	<b>\$ 811,964</b>
<b>Development Services Division</b>					
4103 Engineering	\$ 1,477,990	\$ 1,256,291	\$ 73,900	\$ 147,799	\$ 0
4106 Planning and Zoning	682,270	579,929	0	102,341	0
4108 Building Safety	817,190	817,190	0	0	0
<b>Total Development Services Division</b>	<b>\$ 2,977,450</b>	<b>\$ 2,653,410</b>	<b>\$ 73,900</b>	<b>\$ 250,140</b>	<b>\$ 0</b>
<b>Police Services Division</b>					
4701 Administration	\$ 1,001,050	\$ 1,001,050	\$ 0	\$ 0	\$ 0
4702 Support Services	4,662,880	4,662,880	0	0	0
4703 Criminal Investigations	2,823,660	2,823,660	0	0	0
4704 Patrol Operations	7,390,010	7,390,010	0	0	0
4705 Radio Communications	475,260	475,260	0	0	0
4706 Airport Security	202,750	202,750	0	0	0
<b>Total Police Services Division</b>	<b>\$ 16,555,610</b>	<b>\$ 16,555,610</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>



**Distribution of Appropriations to the Operating Funds  
FY10 Budget (Continued)**

	↓				
	GENERAL	STREET	WATER	SANITATION	
	FUND	MAINTENANCE	AND SEWER	OPERATING	
	TOTAL	FUND	OPERATING	FUND	
	FUNDS	FUND	FUND	FUND	FUND
<b>Operation Services Division -</b>					
<b>Parks and Community Services</b>					
6101 Health	\$ 204,850	\$ 204,850	\$ 0	\$ 0	\$ 0
6201 Parks Maintenance	1,763,090	1,472,180	290,910	0	0
6202 Oak Cemetery	181,770	181,770	0	0	0
6204 Community Centers	208,820	208,820	0	0	0
6205 Aquatics	213,940	213,940	0	0	0
6206 Riverfront	301,200	301,200	0	0	0
6207 The Park at West End	45,800	45,800	0	0	0
<b>Total Parks and Community Services</b>	<b>\$ 2,919,470</b>	<b>\$ 2,628,560</b>	<b>\$ 290,910</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Operation Services Division -</b>					
<b>Sanitation</b>					
6301 Administration	\$ 583,824	\$ 0	\$ 0	\$ 0	\$ 583,824
6302 Residential Collection	2,844,170	0	0	0	2,844,170
6303 Commercial Collection	1,230,790	0	0	0	1,230,790
6304 Fleet & Grounds Maintenance	888,340	0	0	0	888,340
6305 Sanitary Landfill	3,425,930	0	0	0	3,425,930
6306 Debt Service	1,103,220	0	0	0	1,103,220
6307 Roll-Off Collection	1,047,070	0	0	0	1,047,070
<b>Total Sanitation</b>	<b>\$ 11,123,344</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 11,123,344</b>
<b>Operation Services Division -</b>					
<b>Transit</b>					
6550 Public Transit	\$ 2,362,430	\$ 2,362,430	\$ 0	\$ 0	\$ 0
<b>Total Operation Services Division</b>	<b>\$ 56,913,647</b>	<b>\$ 4,990,990</b>	<b>\$ 5,934,494</b>	<b>\$ 34,864,819</b>	<b>\$ 11,123,344</b>
<b>Non-Departmental</b>					
6600 Non-Departmental	\$ 5,587,964	\$ 2,473,414	\$ 351,050	\$ 468,250	\$ 2,295,250
<b>Total Appropriations</b>	<b>\$ 102,746,611</b>	<b>\$ 42,515,929</b>	<b>\$ 6,943,850</b>	<b>\$ 38,844,833</b>	<b>\$ 14,441,999</b>

**CITY OF FORT SMITH**

**Five-Year Capital Improvement Program for Streets Bridges and Drainage (2010-2014) and Sidewalk Program (2010)**

9/17/09

	2009	2010	2011	2012	2013	2014
<b>Beginning Balance</b>	31,364,192	18,015,042	4,924,578	6,474,584	2,232,069	1,037,805
Current Year Revenues						
Sales Tax	19,085,960	19,276,820	19,662,356	20,153,915	20,657,763	21,174,207
Grants/Other Participation	1,090,108	2,590,000	6,025,000	1,200,000	200,000	200,000
Interest	394,193	339,009	168,461	128,670	48,323	25,769
Total - Current Year Revenues	20,570,261	22,205,829	25,855,817	21,482,585	20,906,086	21,399,976
<b>Total Funds Available</b>	<b>51,934,453</b>	<b>40,220,871</b>	<b>30,780,394</b>	<b>27,957,169</b>	<b>23,138,155</b>	<b>22,437,781</b>
1 Neighborhood Overlays & Reconstruction	10,670,764	11,362,196	7,000,000	7,000,000	7,000,000	7,000,000
2 Neighborhood Drainage Improvements	1,248,862	1,863,147	1,000,000	1,000,000	1,000,000	1,000,000
3 Town Branch - North 9th Street Drainage	0	150,000	750,000	750,000	0	0
4 Briarcliff Drainage	286,904	0	0	0	0	0
5 Mill Creek Drainage / 28th Street	1,100,000	3,400,000	0	0	0	0
6 Intersection and Signal Improvements	101,500	350,000	300,000	300,000	300,000	300,000
7 Hwy 45 - Phoenix to Zero	1,851,250	5,748,750	0	0	0	0
8 Rogers Avenue Turn Lane (Cliff Dr to I-540)	517,535	0	0	0	0	0
9 Jenny Lind - Zero to Cavanaugh	60,000	2,800,000	6,000,000	7,800,000	3,900,000	0
10 Jenny Lind - Dodson to Dallas	2,600,000	0	0	0	0	0
11 Greenwood Ave. - Country Club to Midland	5,000,000	500,000	0	0	0	0
12 Chad Colley Ext - Massard to Rye Hill	1,096,336	0	0	0	0	0
13 Spradling Ave. - Clayton Expwy. eastward	0	0	0	0	500,000	700,000
14 Kelley Highway Bridge at I-540	100,037	0	0	0	0	0
15 Arterial Street Overlays	1,290,875	1,400,000	1,200,000	1,200,000	1,200,000	1,200,000
16 May Branch Drainage Project	20,000	1,000,000	1,000,000	3,000,000	4,000,000	7,200,000
17 Levee Certification & Repair	180	400,000	600,000	600,000	0	0
18 Garrison Avenue Streetscape	170,545	200,000	2,500,000	0	0	0
19 Texas Road - Cavanaugh to south	2,000,000	1,750,000	0	0	0	0
20 North Pointe (FSHA) Street & Drainage	1,082,992	0	0	0	0	0

**CITY OF FORT SMITH**

**Five-Year Capital Improvement Program for Streets Bridges and Drainage (2010-2014) and Sidewalk Program (2010)**

9/17/09

	2009	2010	2011	2012	2013	2014
21 Overlays by Sireet Department	150,000	150,000	150,000	150,000	150,000	150,000
22 Traffic Studies	32,285	20,000	20,000	20,000	20,000	20,000
23 Sidewalk Program	674,000	630,000	200,000	200,000	200,000	200,000
24 FCRA Development	1,748,396	1,100,000	1,000,000	1,000,000	1,000,000	1,000,000
25 Engineering Dept. and Other Depts.	2,111,250	2,272,200	2,385,810	2,505,100	2,630,350	2,761,860
26 Contingency	5,700	200,000	200,000	200,000	200,000	200,000
<b>TOTAL</b>	<b>33,919,411</b>	<b>35,296,293</b>	<b>24,305,810</b>	<b>25,725,100</b>	<b>22,100,350</b>	<b>21,731,860</b>
<b>Ending Balance</b>	<b>18,015,042</b>	<b>4,924,578</b>	<b>6,474,584</b>	<b>2,232,069</b>	<b>1,037,805</b>	<b>705,921</b>

**Grants/Other Participation**

Jenny Lind Road	48,000	2,240,000	3,800,000	1,000,000	0	0
Kelley Bridge at I-540 - Walmart/Tapp	347,979	0	0	0	0	0
Texas Road Payback - Developer	0	50,000	0	0	0	0
Garrison Avenue Streetscape	0	0	1,950,000	0	0	0
Car Mart Drainage Culvert	182,000	0	0	0	0	0
CDBG-R Sidewalk	212,129	0	0	0	0	0
Building Permit Fees for Sidewalks	300,000	300,000	275,000	200,000	200,000	200,000
<b>TOTAL</b>	<b>1,090,108</b>	<b>2,590,000</b>	<b>6,025,000</b>	<b>1,200,000</b>	<b>200,000</b>	<b>200,000</b>

City County Tourist Facilities  
Debt Service/Expense Schedule

Year	War Memorial	Fayetteville	Fort Smith	Texarkana	Hot Springs	Little Rock	State Fair	Pina Bluff	Total
2001	\$ 800,056	\$ 287,202	\$ 1,824,501	\$ 337,438	\$ 2,377,022	\$ 1,946,174	\$ 480,000	\$ 700,000	\$ 8,762,393
2002	\$ 791,600	\$ 296,978	\$ 1,823,745	\$ 337,438	\$ 2,380,882	\$ 1,941,105	\$ 480,000	\$ 700,000	\$ 8,751,859
2003	\$ 789,400	\$ 285,859	\$ 1,822,318	\$ 248,448	\$ 2,380,734	\$ 1,941,710	\$ 480,000	\$ 700,000	\$ 8,659,569
2004	\$ 789,600	\$ 284,182	\$ 1,820,480	\$ 235,836	\$ 2,380,120	\$ 1,936,022			\$ 7,458,252
2005		\$ 295,560	\$ 1,818,588	\$ 235,836	\$ 2,378,836	\$ 1,831,571			\$ 6,661,974
2006			\$ 1,813,619	\$ 235,836	\$ 2,377,260	\$ 1,831,973			\$ 6,358,680
2007			\$ 1,813,837	\$ 236,836	\$ 2,379,724	\$ 1,925,037			\$ 6,354,438
2008			\$ 1,614,437	\$ 235,836	\$ 2,408,832	\$ 1,909,699			\$ 6,428,907
2009			\$ 1,814,123	\$ 235,836	\$ 2,454,230	\$ 1,905,034			\$ 6,409,226
2010			\$ 1,795,531	\$ 210,636	\$ 2,453,230	\$ 1,895,239			\$ 6,354,639
2011					\$ 2,484,770	\$ 1,890,302			\$ 4,345,072
2012					\$ 2,454,430	\$ 1,881,542			\$ 4,335,972
2013						\$ 1,873,997			\$ 1,873,997
2014						\$ 1,863,224			\$ 1,863,224
2015						\$ 1,856,634			\$ 1,856,634
2016						\$ 1,845,637			\$ 1,845,637
<b>Total</b>	<b>\$ 3,170,656</b>	<b>\$ 1,478,892</b>	<b>\$ 18,162,156</b>	<b>\$ 2,549,984</b>	<b>\$ 28,941,162</b>	<b>\$ 30,474,888</b>	<b>\$ 1,440,000</b>	<b>\$ 2,100,000</b>	<b>\$ 88,318,780</b>

Source: Arkansas State Treasury  
12/5/2000/ccdddb1ALC.

# SUMMARY

YEAR	TOTAL REVENUE	ADDITIONAL REVENUES GENERATED	NUMBER OF EVENTS	MOVE-IN MOVE-OUT DAYS	TOTAL EVENT DAYS	TOTAL ATTENDEES	TOTAL CATERED EVENTS	TOTAL EXPENDITURES
2009	\$590,739.52	\$22,791.56	349	98	359	153,055	96	\$1,655,238.47
2008	\$630,160.96	\$27,760.39	231	143	231	119,532	106	\$1,491,636.81
2007	\$615,871.64	\$39,023.12	432	92	531	160,760	112	\$1,878,956.32
2006	\$587,974.56	\$26,776.16	435	89	435	138,696	116	\$1,465,727.37

4B

# Fort Smith Convention Center

All references and totals are based on 2009 figures.

\*\*\*Within any booking there can be multiple events going on at the same time.

TYPE OF EVENT	NUMBER OF EVENTS	TOTAL REVENUE
Large Center Programs(Events utilizing 30,000 square feet or more)	42	\$148,157.50
Exhibits/Tradeshows	64	\$145,899.00
State Conventions/Meetings/Events	21	\$49,344.00
Regional/National Conventions/Meetings/Events	37	\$29,163.90
Local Area Banquets/Meetings/Events	84	\$67,514.50
Theatre Events	101	\$150,660.62
<b>Total Number Events &amp; Revenue for 2009</b>	<b>349</b>	<b>\$590,739.52</b>

ADDITIONAL REVENUE GENERATED	
10% Commissions on Catered Events	\$20,538.16
Concessions	\$1,856.00
Vending	\$394.00
Misc. Income (Washer/Dryer/Fax/Copies)	\$3.40
<b>Total Additional Revenue Generated</b>	<b>\$22,791.56</b>

TOTAL MOVE-IN/MOVE-OUT DAYS	TOTAL EVENT DAYS	TOTAL ATTENDEES	TOTAL CATERED EVENTS
1 <sup>st</sup> Quarter	23	37,313	22
2 <sup>nd</sup> Quarter	29	70,383	25
3 <sup>rd</sup> Quarter	9	14,678	19
4 <sup>th</sup> Quarter	37	30,681	30
<b>Total</b>	<b>98</b>	<b>153,055</b>	<b>96</b>

CONVENTION CENTER EXPENSES	
<b>OPERATING COSTS</b>	\$517,148.00 *Hail Storm Damages additional \$338,567.18 added to Operating Costs reimbursable by insurance.
<b>PERSONNEL</b>	\$772,391.41
<b>Total Capital Expenditures</b>	\$27,131.88
<b>Total Convention Center Expenditures</b>	<b>\$1,655,238.47</b>

# Fort Smith Convention Center

All references and totals are based on 2008 figures.

\*\*\*Within any booking there can be multiple events going on at the same time.

TYPE OF EVENT	NUMBER OF EVENTS	TOTAL REVENUE
Large Center Programs(Events utilizing 30,000 square feet or more)	26	\$159,667.96
Exhibits/Tradeshows	45	\$171,631.81
State Conventions/Meetings/Events	24	\$34,414.50
Regional/National Conventions/Meetings/Events	27	\$51,474.95
Local Area Banquets/Meetings/Events	59	\$68,117.00
Theatre Events	50	\$144,854.74
<b>Total Number Events &amp; Revenue for 2008</b>	<b>231</b>	<b>\$630,160.96</b>

ADDITIONAL REVENUE GENERATED	
10% Commissions on Catered Events	\$26,040.77
Concessions	\$650.51
Vending	\$987.11
Misc. Income (Washer/Dryer/Fax/Copies)	\$82.00
<b>Total Additional Revenue Generated</b>	<b>\$27,760.39</b>

	TOTAL MOVE-IN/MOVE-OUT DAYS	TOTAL EVENT DAYS	TOTAL ATTENDEES	TOTAL CATERED EVENTS
1 <sup>st</sup> Quarter	45	59	46,914	22
2 <sup>nd</sup> Quarter	51	64	28,683	36
3 <sup>rd</sup> Quarter	17	43	15,697	18
4 <sup>th</sup> Quarter	30	65	28,229	30
<b>Total</b>	<b>143</b>	<b>231</b>	<b>119,532</b>	<b>106</b>

CONVENTION CENTER EXPENSES	
OPERATING COSTS	\$643,660.54
PERSONNEL	\$757,042.31
Total Capital Expenditures	\$90,923.96
<b>Total Convention Center Expenditures</b>	<b>\$1,491,626.81</b>

# Fort Smith Convention Center

All references and totals are based on 2007 figures.

\*\*\*Within any booking there can be multiple events going on at the same time.

TYPE OF EVENT	NUMBER OF EVENTS	TOTAL REVENUE
Large Center Programs(Events utilizing 30,000 square feet or more)	58	\$187,378.85
Exhibits/Tradeshows	59	\$106,457.50
State Conventions/Meetings/Events	34	\$36,594.00
Regional/National Conventions/Meetings/Events	29	\$24,166.00
Local Area Banquets/Meetings/Events	149	\$130,862.20
Theatre Events	103	\$130,413.09
<b>Total Number Events &amp; Revenue for 2007</b>	<b>432</b>	<b>\$615,871.64</b>

ADDITIONAL REVENUE GENERATED	
10% Commissions on Catered Events	\$35,583.97
Concessions	\$2,068.71
Vending	\$1,260.44
Misc. Income (Washer/Dryer/Fax/Copies)	\$110.00
<b>Total Additional Revenue Generated</b>	<b>\$39,023.12</b>

TOTAL MOVE-IN/MOVE-OUT DAYS	TOTAL EVENT DAYS	TOTAL ATTENDEES	TOTAL CATERED EVENTS
1 <sup>st</sup> Quarter	26	42,354	25
2 <sup>nd</sup> Quarter	27	33,388	39
3 <sup>rd</sup> Quarter	12	15,731	17
4 <sup>th</sup> Quarter	27	39,287	31
<b>Total</b>	<b>92</b>	<b>130,760</b>	<b>112</b>

CONVENTION CENTER EXPENSES	
<b>OPERATING COSTS</b>	<b>\$569,693.21 + \$200,000 that City paid to County</b>
<b>PERSONNEL</b>	<b>\$704,596.71</b>
<b>Total Capital Expenditures</b>	<b>\$404,666.40</b>
<b>Total Convention Center Expenditures</b>	<b>\$1,878,956.32</b>

# Fort Smith Convention Center

All references and totals are based on 2006 figures.

\*\*\*Within any booking there can be multiple events going on at the same time.

TYPE OF EVENT	NUMBER OF EVENTS	TOTAL REVENUE
Large Center Programs(Events utilizing 30,000 square feet or more)	48	\$156,265.84
Exhibits/Tradeshows	55	\$97,749.15
State Conventions/Meetings/Events	42	\$39,506.35
Regional/National Conventions/Meetings/Events	42	\$27,643.63
Local Area Banquets/Meetings/Events	168	\$144,828.07
Theatre Events	80	\$121,981.52
<b>Total Number Events &amp; Revenue for 2006</b>	<b>435</b>	<b>\$587,974.56</b>

ADDITIONAL REVENUE GENERATED	
10% Commissions on Catered Events	\$24,089.34
Concessions	\$1,998.96
Vending	\$333.94
Misc. Income (Washer/Dryer/Fax/Copies)	\$353.92
<b>Total Additional Revenue Generated</b>	<b>\$26,776.16</b>

TOTAL MOVE-IN/MOVE-OUT DAYS	TOTAL EVENT DAYS	TOTAL ATTENDEES	TOTAL CATERED EVENTS
1 <sup>st</sup> Quarter	33	61,007	26
2 <sup>nd</sup> Quarter	20	24,205	26
3 <sup>rd</sup> Quarter	8	15,886	33
4 <sup>th</sup> Quarter	28	37,598	31
<b>Total</b>	<b>89</b>	<b>138,696</b>	<b>116</b>

CONVENTION CENTER EXPENSES	
<b>OPERATING COSTS</b>	<b>\$530,839.83</b>
<b>PERSONNEL</b>	<b>\$652,178.73</b>
<b>Total Capital Expenditures</b>	<b>\$282,708.81</b>
<b>Total Convention Center Expenditures</b>	<b>\$1,465,727.37</b>

### 2009 Percentage of Utilization

January 1, 2009 - December 31, 2009

Location: EXHIBIT HALLS

	Total Used Days	Total Events	Total Revenue	Utilization
Totals:	252	186	\$403,304.00	69.04%

Location: MEETING ROOM, PRE-FUNCTION LOBBY, ROTUNDAS, COURTYARD/AMPHITHEATER

	Total Used Days	Total Events	Total Revenue	Utilization
Totals:	43	42	\$12,989.00	11.78%

Location: AR BEST PERFORMING ARTS CENTER, BOX OFFICE, LOBBY

	Total Used Days	Total Events	Total Revenue	Utilization
Totals:	113	111	\$155,973.52	30.96%

Location: ANNEX 1ST FLOOR, ANNEX 2ND FLOOR

	Total Used Days	Total Events	Total Revenue	Utilization
Totals:	29	20	\$18,074.00	7.95%

### Maximum Total Revenue Capability

**Exhibit Hall Maximum Total Revenue \$13,000 x 61 = 793,000.00\***

\* Average of event revenue from actual invoiced events with a total average revenue of \$13,000 multiplied by 61 Events with an event average of 6 days per event (3 Days Set up/Move In/Tear Down & 3 Day Event).

**Meeting Room Maximum Total Revenue \$160.00 x 182 x 8 = \$232,960.00\***

\* Average of event revenue from actual invoiced events with a total average revenue of \$160.00 per room multiplied by 182 Events with an event average of 2 days per event (1 Days Set up/Move In/Tear Down & 1 Day Event) multiplied by 8 Meeting Rooms.

**Theater Maximum Total Revenue \$4100.00 x 121 = 496,100.00\***

\* Average of event revenue from actual invoiced events with a total average revenue of \$4,100 multiplied by 121 Events with an event average of 3 days per event (2 Days Set up/Move In/Tear Down & 1 Day Event).

### Center Maximum Total Revenue

**\$1,522,060.00**

In regards to the usage of the Exhibit Hall and Theater type events. 80% of requests for events days are Friday, Saturday and Sunday requests. Being that there is 52 Weekends a year limits the availability of Maximum Total Revenue.

A & P Survey 1/8/2008

\*Note: all collections are reflected for 10 months (January - October, 2007)

City/A&P	AACVB Member	2008 Budget	2007 Budget	2007 Hotel %	2007 Restaurant %	2007 Gift Shop %	2007 Attractions %	*2007 Hotel \$	*2007 Restaurant \$	*2007 Gift Shop \$	*2007 Attractions \$	Total \$
Alma												
Benton	Y	\$793,196.00	\$747,425.00	1.5	1.5	1		\$39,212.00	\$666,688.00	\$0.00	\$0.00	\$751,636.00
Bentonville	Y	\$1,260,000.00	\$1,206,000.00	2	2	1	0	\$460,000.00	\$733,000.00	\$0.00		\$1,220,000.00
Blytheville	Y			1	0							
Brinkley				2	2							
Cabot	Y	N/A	N/A	1.5	1.5	2		\$11,457.00	\$493,507.25	\$0.00	\$0.00	\$504,964.25
Camden	Y	\$277,600.00	\$280,100.00	3	1	0	0	\$65,351.00	\$135,486.00	\$0.00	\$0.00	\$200,838.00
Clarksville				1	1							
Conway****	Y	\$603,000.00	\$490,000.00	2	2	0	0	\$234,916.00	\$1,902,664.00	\$0.00	\$0.00	\$2,137,580.00
**** Allocation 1 3/4% of restaurant tax goes to parks and 1/4% goes to A & P budget. 2% of lodging tax goes to A & P budget.												
Dumas				2	2							
El Dorado	Y			3	0							
Eureka Springs**	Y	\$1,140,000.00	\$1,075,000.00	3	3	0	2	\$488,357.00	\$395,818.00	\$155,970.00	\$17,203.00	\$1,057,348.00
**Eureka Springs changed amounts collected on hotel and restaurants from 2% to 3% in July, 2007. They dropped the 2% gift shop tax at that same time. They added a 2% attractions tax that previous didn't exist.												
Farfield Bay				3	0							
Fayetteville***	Y	\$2,164,463.00	\$2,154,912.79	2	2	0	0	\$229,838.52	\$1,707,785.82	\$0.00	\$0.00	\$2,030,913.00
***Fayetteville collects a one percent hotel and restaurant for Parks as well as the one percent on hotels and restaurants for A & P. That amount is not included in the money numbers but the total percentages are reflected.												
Forrest City				1	1							
Fort Smith	Y	\$901,888.00	\$780,690.00	3	0	0	0	\$605,132.00	\$0.00	\$0.00		\$605,132.00
Greenwood				0	1							
Harrison	Y	\$498,000.00	\$498,000.00	3	1	0	0	\$140,000.00	\$358,000.00	\$0.00		\$498,000.00
Heber Springs				2	0							
Helena/West Helena				2	2							
Hope	Y			1	1							
Hot Springs	Y	\$6,896,055.00	\$6,832,760.00	3	3	0	0	\$950,224.00	\$2,930,927.00	\$0.00	\$0.00	\$3,921,587.00
Jacksonville	Y	\$619,900.00	\$87,250.00	2	2	0	0	\$61,913.00	\$59,840.00	\$0.00	\$0.00	\$121,753.00
Jonesboro	Y			3	0							
Little Rock	Y			2	2							
Lonoke				2	2							
Mena	Y			4	1							\$9,800,000.00
North Little Rock***	Y	\$613,000.00	\$787,700.00	3	3	0	0	\$462,539.00	\$3,935,648.00	\$0.00	\$0.00	\$4,398,187.00
****North Little Rock collects 2% on hotel AND restaurant for A & P and 1% on both for Parks. The money is the total of all 3% for both hotel and restaurant.												
Ozark				1	1							
Pine Bluff	Y			3	2							
Rogers	Y	\$705,000.00	\$55,000.00	2	0	0	0	\$501,000.00	\$0.00	\$0.00		\$501,000.00
Russellville	Y			3	0							
Sherwood	Y			2	2							
Siloam Springs				2	0							
Springdale	Y	\$295,000.00	\$308,000.00	1.5	0	0	0	\$265,000.00	\$0.00	\$0.00	\$0.00	\$265,000.00
Texarkana	Y			3	1							
Van Buren	Y	\$489,019.00	\$478,941.00	1	1	0	0	\$49,770.00	\$336,037.00	\$0.00	\$0.00	\$385,807.00
West Memphis	Y			2	2							

COMPARISONS OF OTHER CONVENTION CENTERS - FISCAL YEAR ENDING DECEMBER 31, 2009

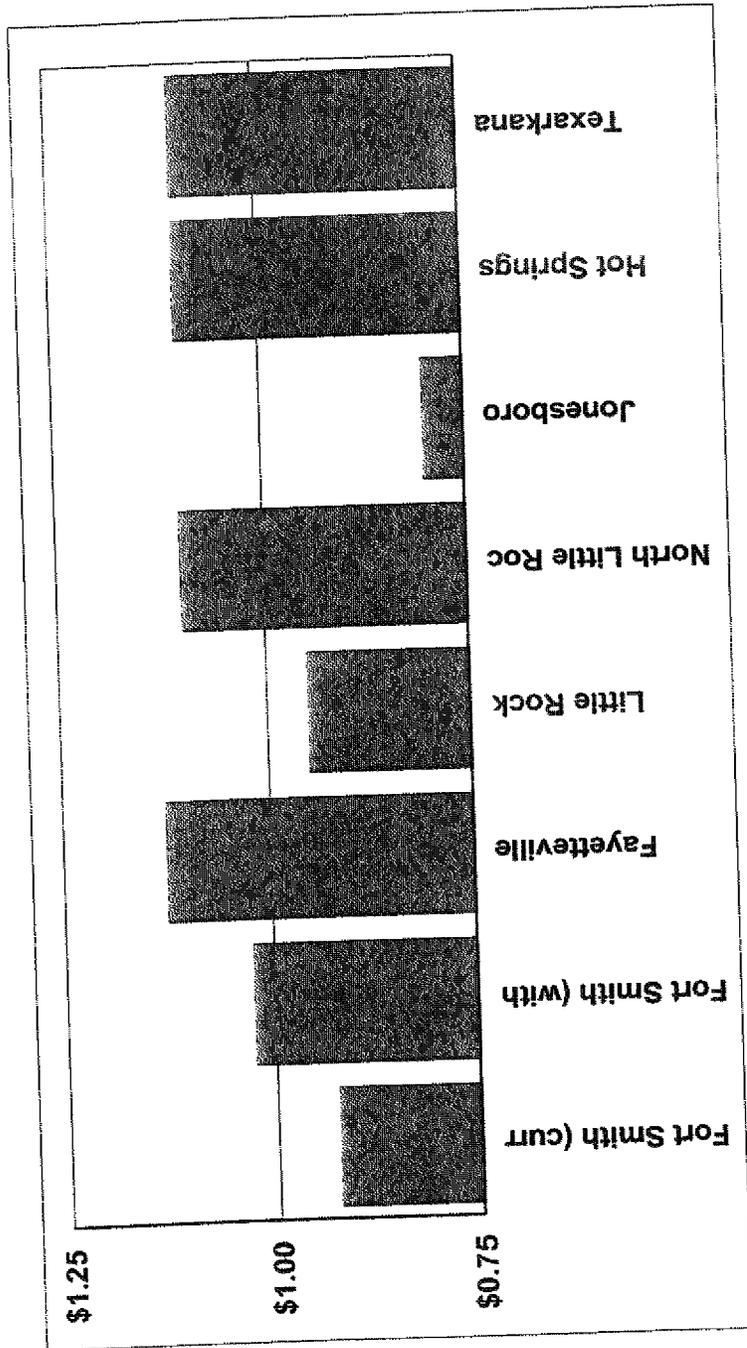
	<u>HOT SPRINGS</u>	<u>FAYETTEVILLE</u>	<u>PINE BLUFF</u>	<u>WEST MEMPHIS</u>	<u>EUREKA SPRINGS</u>
REVENUES:					
Rental Revenue:	1,124,494	397,407	130,994	31,000	
EXPENDITURES:					
Personnel	1,881,903	176,378	756,660	289,412	
Operating	1,352,838	230,072	728,578	75,588	
Capital			<u>80,000</u>	<u>43,000</u>	
TOTAL EXPENDITURES:	<u>3,234,741</u>	<u>406,450</u>	<u>1,565,238</u>	<u>408,000</u>	
Deficiency of Revenues	<b>(2,110,247)</b>	<b>(9,043)</b>	<b>(1,434,244)</b>	<b>(377,000)</b>	<b>(145,000)*</b>

\* Eureka Springs was only willing to share their deficit.

# TAXES ON MEALS IN ARKANSAS CITIES

Assumes a \$10.00 Meal

<u>City</u>	<u>Sales Tax</u>	<u>Restaurant Tax</u>	<u>Total Taxes</u>
Fort Smith (current)	\$0.93	\$0.00	\$0.93
Fort Smith (with 1-cent restaurant tax)	\$0.93	\$0.10	\$1.03
Fayetteville	\$0.93	\$0.20	\$1.13
Little Rock	\$0.75	\$0.20	\$0.95
North Little Rock	\$0.80	\$0.30	\$1.10
Jonesboro	\$0.80	\$0.00	\$0.80
Hot Springs	\$0.80	\$0.30	\$1.10
Texarkana	\$1.00	\$0.10	\$1.10





2 B

**TO: Dennis Kelly, Administrator  
City of Fort Smith**

**FROM: Claude Legris** *CLL*  
**Executive Director**  
**Fort Smith Advertising & Promotion (A & P) Commission**

**COPY: Advertising and Promotion Commission Members  
Ray Gosack, Deputy Administrator  
Frankie Hamilton, Convention Center Director**

**DATE: April 28, 2010**

**REGARDING: Operating Procedures—Hot Springs/Pine Bluff/Fort Smith**

You will recall that A & P Chairman Mayor Ray Baker established a Task Force last August to develop information in order to explore the possibility of the A & P assuming operation of the Fort Smith Convention Center. The recommendations of that Task Force (delivered to the City Directors in January of this year), were reached after consideration of an in depth study of both the Convention & Visitor Bureau and Convention Center operations in Hot Springs, Pine Bluff and Fort Smith.

At your request for use by the current Ad Hoc Committee, is a summary of the primary findings of the research referenced above. Additional results and numerous attachments can be made available at request of the Committee.

The Advertising and Promotion Commission executives from both of these destinations have indicated that they would be happy to attend any future meeting in Fort Smith to provide further guidance and answer any questions the Committee members might have.

I hope these findings are useful as the Ad Hoc Committee continues their work and I would be happy to arrange for visits by my colleagues.

Thank you.

Attachment

**Fort Smith Convention & Visitors Bureau**

2 North B Street • Fort Smith, Arkansas 72901  
479-783-8888 • 1-800-637-1477 • Fax 479-784-2421  
E-Mail: [tourism@fortsmith.org](mailto:tourism@fortsmith.org) • URL: <http://www.fortsmith.org>

## SUMMARY COMPARISON OF CVB/CONVENTION CENTER OPERATIONS IN PINE BLUFF, HOT SPRINGS & FORT SMITH

Data compiled by the Fort Smith Convention Center & Convention & Visitors Bureau Merger Task Force, 2009  
Additional attachments and expanded reports available by request.

Destination	Population
Pine Bluff	55,000
Hot Springs	37,000 (80,000 MSA)
Fort Smith	85,000 (300,000+ MSA)

### BACKGROUND

<b>Year A&amp;P Established</b>	
Pine Bluff	1979
Hot Springs	1965
Fort Smith	1989
<b>What were the circumstances surrounding the establishment of your A&amp;P Commission?</b>	
Pine Bluff	3 year old building – Source to fund operations – 1% vote on both.
Hot Springs	'65, '76, '81 1% all through referendum independent of city
Fort Smith	2% lodging to market destination
<b>Successes of campaign?</b>	
Pine Bluff	Referendum – Strong educational campaign
Hot Springs	½ cent citywide to build and then expand. Each was “sunsetting”
Fort Smith	Establishment and increase to 3% all by ordinance, no challenge.
<b>When the funding source was put into place, was it by ordinance or referendum?</b>	
Pine Bluff	Referendum
Hot Springs	One attempt that was challenged to referendum & approved
Fort Smith	Referendum
<b>What was the initial distribution of your tax funding?</b>	
Pine Bluff	Majority for Convention Center operations
Hot Springs	Advertise & promote city. Need Convention Center operations too.
Fort Smith	Advertise & promote city

### CURRENT A&P ORGANIZATION

<b>What is your current CVB staffing level?</b>	
Pine Bluff	4 including two sales
Hot Springs	15 including 3 building sales
Fort Smith	5 including 2 sales
<b>What percentage of A&amp;P funding is utilized for your CVB function?</b>	
Pine Bluff	30% - \$440,000
Hot Springs	41% - \$1,841,310
Fort Smith	89% - 781,476

<b>What is your current Convention Center staffing level?</b>	
Pine Bluff	13
Hot Springs	34
Fort Smith	14
<b>What percentage of A&amp;P funding is utilized for your Convention Center function?</b>	
Pine Bluff	70% - 1.1 million
Hot Springs	59% - 2.6 million
Fort Smith	11.3% for event rentals are 100,000 + annual

#### **CURRENT FUNDING**

<b>What is the current makeup of your A&amp;P revenues and how much from which sources?</b>	
Pine Bluff	\$1.5 million – 2% food (83% of total), 2% lodging (17% of total)
Hot Springs	\$4.4 million – 3% food & lodging (65% of total), Convention Center (24% of total), Tower (11% of total)
Fort Smith	3% lodging (100%)
<b>How is your A&amp;P revenue utilized?</b>	
Pine Bluff	20% for CVB & 80% for Convention Center
Hot Springs	23% for CVB & 77% for Convention Center
Fort Smith	89% for CVB & 11% for Convention Center rental

#### **MARKET ANALYSIS**

<b>How many total hotel rooms are in your market?</b>	
Pine Bluff	1,500
Hot Springs	3,574
Fort Smith	2,631
<b>Approximate number of restaurants in the metro market?</b>	
Pine Bluff	180
Hot Springs	229 collect food tax
Fort Smith	204

#### **CONVENTION CENTER OPERATION**

<b>What are your facility funding sources (i.e. rental, utilities, food/beverage) and their % of your revenue mix?</b>	
Pine Bluff	Rental 130,000; Food & Beverage 8,000
Hot Springs	Rental 56%; Equipment rental 11%; Food & Beverage 25%; Electric 6%; Signs 2%
Fort Smith	Rental 83%; Food & Beverage 4%; Utility 6%; Staffing 7%
<b>How are your capital improvements funded?</b>	
Pine Bluff	Emergency basis
Hot Springs	Savings account from turnback funding. \$4 million balance
Fort Smith	State turnback since 2004

<b>Have there been major changes in either your funding or expense mix in the past three years?</b>	
Pine Bluff	Turnback rolled out 2004
Hot Springs	None
Fort Smith	None
<b>Structure of compensation?</b>	
Pine Bluff	Flat salary
Hot Springs	Flat plus bonus on review
Fort Smith	Flat plus 5% on sales gross vs. prior fiscal year

**CONVENTION BUREAU OPERATION**

<b>What are your bureau funding sources and their % of your revenue mix (i.e. membership, A&amp;P funds)?</b>	
Pine Bluff	100% from 2% food and 3% lodging
Hot Springs	100% A&P. 76% prepared food 24% lodging
Fort Smith	100% from 3% room tax
<b>What are your bureau expense classifications and their % of your expense mix (i.e. personnel, facilities, advertising, public relations, travel, etc.)?</b>	
Pine Bluff	Personnel 37.5%; Marketing 43%; Center support 19.5%
Hot Springs	Personnel 57%; Marketing 21.8%; Administration 21.2%
Fort Smith	Personnel 33.6%; Marketing 52.6%; Operations/Administration 13.8%

**FACILITY DISCOUNTING**

<b>Do you have an established policy/procedure for the discounting of Convention Center rental?</b>	
Pine Bluff	No official policy, discretion of sales professionals
Hot Springs	Based on A&P tax impact; negotiated and absorbed
Fort Smith	Grant program at A&P based on trackable economic impact
<b>The high points of that policy/procedure:</b>	
Pine Bluff	Based on A&P tax impact – substantiated in advance
Hot Springs	See previous. Not following comp trends in FS & LR
Fort Smith	Based on impact, must be substantiated by client following event.

**MISCELLANEOUS ITEMS**

<b>How frequently do you hold hard and fast to "top of card?"</b>	
Pine Bluff	Not for political, for profit, ticketed
Hot Springs	50% of time
Fort Smith	65% of time
<b>How often do you revisit your rental rates?</b>	
Pine Bluff	Annually
Hot Springs	Annually based on market conditions
Fort Smith	Semi-annually

<b>What is the methodology utilized for these rate study considerations?</b>	
Pine Bluff	Cost of Living and inflation
Hot Springs	Charge per square foot
Fort Smith	Price point comparison with competitive set
<b>Discuss your Food/Beverage arrangement and its importance to your bottom line.</b>	
Pine Bluff	Preferred list with discretion of Executive Director
Hot Springs	Exclusive with Turf catering – 25% of revenue, full kitchen
Fort Smith	Approved list – Catering kitchen only
<b>Discuss your ticketing arrangement and its importance to your bottom line.</b>	
Pine Bluff	TicketMaster
Hot Springs	TicketMaster
Fort Smith	None. In-house soon?

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION AUTHORIZING A TIME EXTENSION  
FOR THE CONSTRUCTION OF  
2009 SIDEWALK PROGRAM  
PROJECT NO. 09-20-A**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, THAT:

SECTION 1: A time extension with Knierim Enterprises, Inc., dba D.K. Construction, for the 2009 Sidewalk Program, Project No. 09-20-A, which increases the contract time by 4 calendar days, is hereby approved.

This Resolution adopted this \_\_\_\_\_ day of June, 2010.

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

Approved as to Form

*Jsl*

\_\_\_\_\_  
 No Publication Required  
 Publish \_\_\_\_\_ Times

RESOLUTION \_\_\_\_\_

**A RESOLUTION ACCEPTING COMPLETION OF AND  
AUTHORIZING FINAL PAYMENT FOR THE CONSTRUCTION OF  
2009 SIDEWALK PROGRAM  
PROJECT NO. 09-20-A**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, THAT:

SECTION 1: The City of Fort Smith hereby accepts the construction of the 2009 Sidewalk Program, Project No. 09-20-A, as complete.

SECTION 2: Final payment is hereby authorized in the amount of \$7,234.80 to the contractor, Knierim Enterprises, Inc., dba D.K. Construction, for the 2009 Sidewalk Program, Project No. 09-20-A.

This Resolution adopted this \_\_\_\_\_ day of June, 2010.

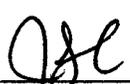
APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

Approved as to Form

  
\_\_\_\_\_  
 No Publication Required  
 Publish \_\_\_\_\_ Times

## INTER-OFFICE MEMO

**TO:** Dennis Kelly, City Administrator  
**FROM:** Stan Snodgrass, P.E., Director of Engineering *SS*  
**DATE:** June 7, 2010  
**SUBJECT:** 2009 Sidewalk Program  
Project No. 09-20-A

The above subject project consisted of the reconstruction of sidewalks at the locations shown on the attached maps.

The project was substantially complete on April 12, 2010. The contractor requested an additional 4 days beyond the April 8, 2010 contract completion date due to weather delays during this project. Staff concurs that the 4 days are warranted.

Attached are Resolutions to authorize a time extension, accept the project as complete and authorize final payment to the contractor. I recommend that these Resolutions be accepted by the Board at the next regular meeting.

Enclosures

# SUMMARY SHEET

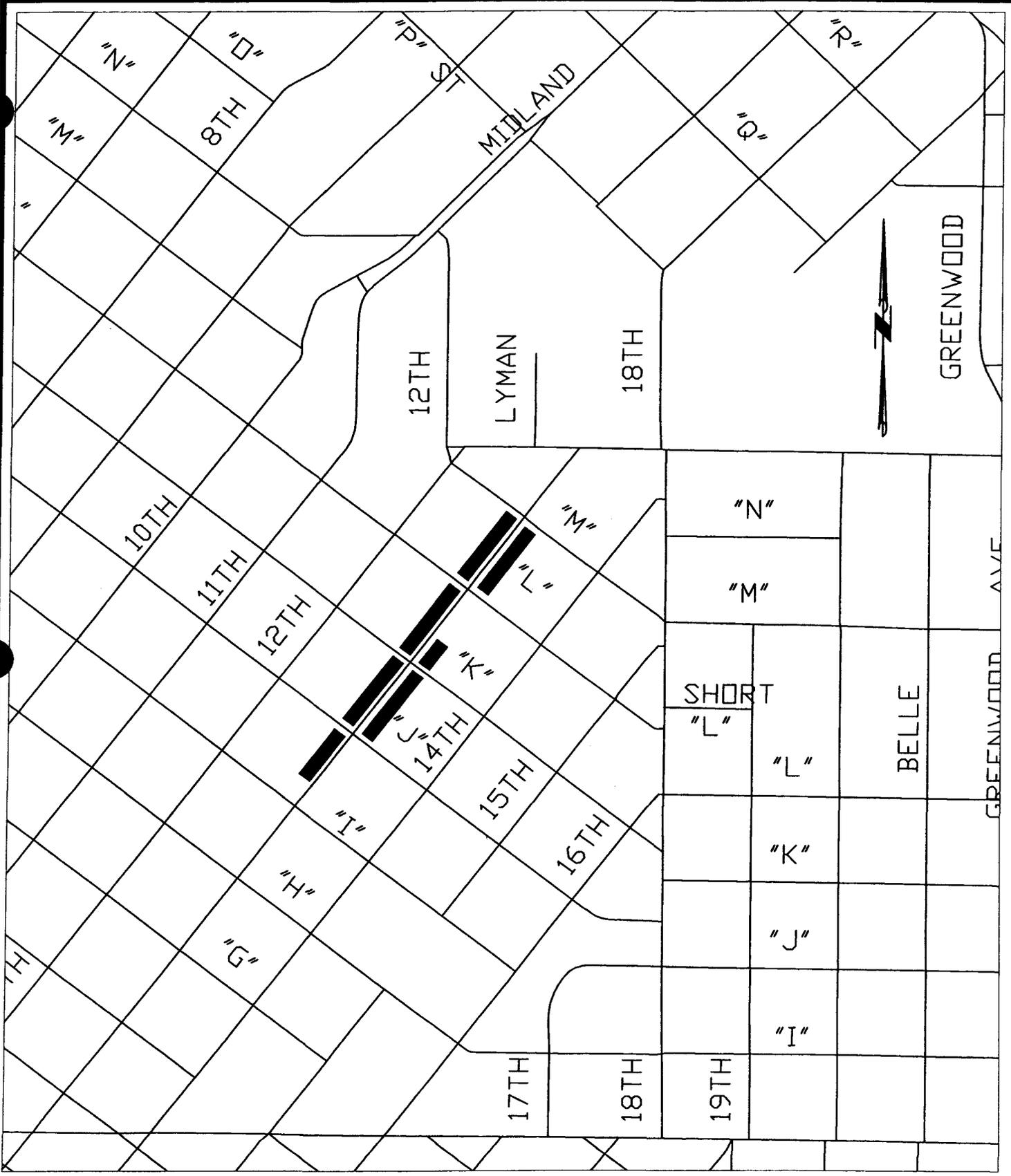
City of Fort Smith  
Project Status: Complete  
Today's Date: 6/7/2010  
Staff contact name: Stan Snodgrass  
Staff contact phone: 784-2225  
Contract time (no of days): 150  
Notice to proceed issued: 11/9/2009

Project name: 2009 Sidewalk Program  
Project number: 09-20-A  
Project engineer: City of Fort Smith  
Project contractor: D.K. Construction

	Dollar Amount	Bid Date	Contract Completion Date
Original bid award			
	\$380,287.60	9/15/2009	4/8/2010
Change orders:			
1			
2			
3			
Adjusted contract amount	<u>\$380,287.60</u>		
Payments to date (as negative):	\$354,505.19		
Amount of this payment	\$7,234.80		
Contract balance remaining	\$18,547.61		
Retainage held	0.00%		
Final payment	\$7,234.80		
Amount under original contract as a percentage	4.9%		

Final Comments:

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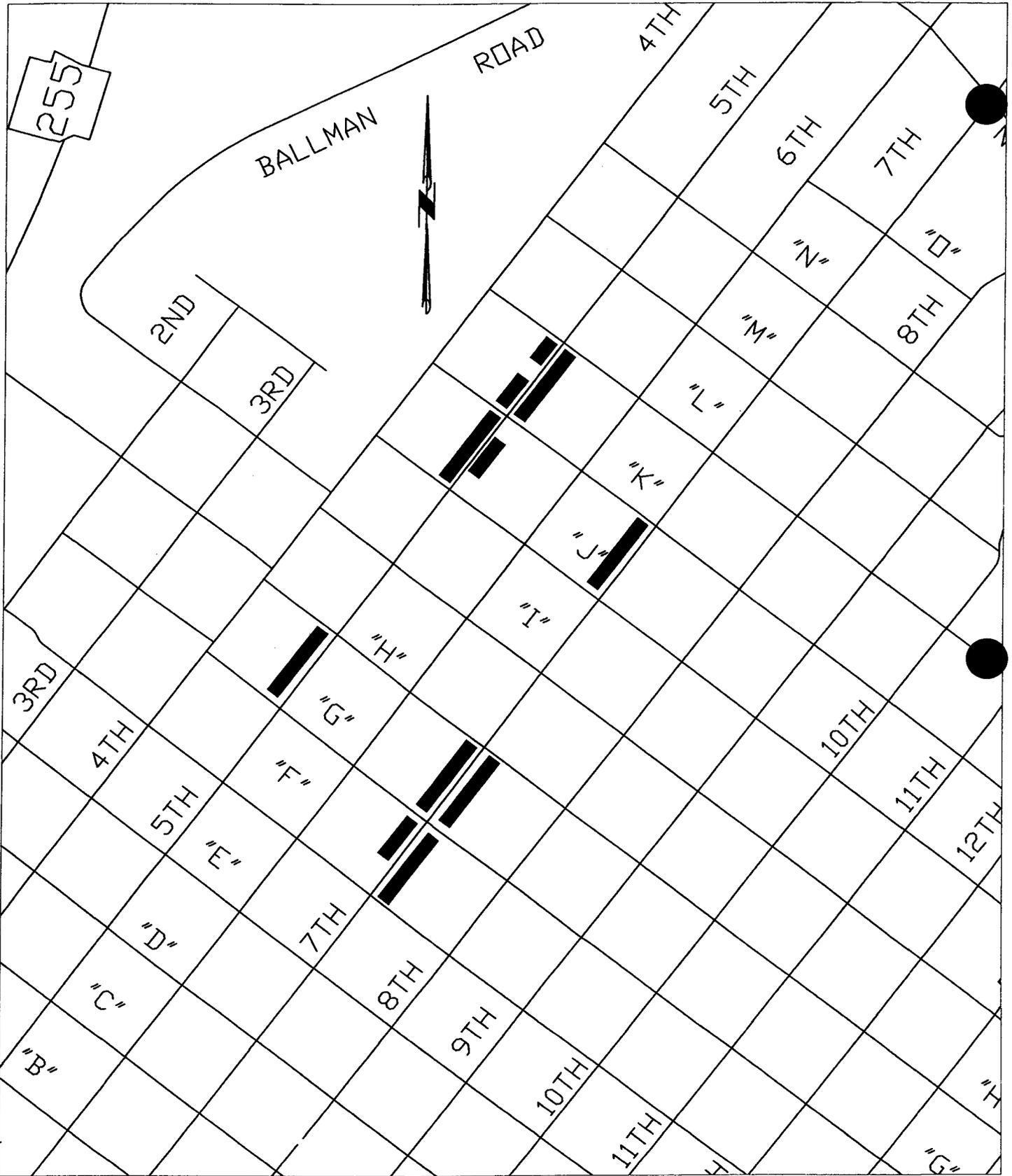


2009 SIDEWALK PROGRAM



Project:	09-20-A
Date:	SEPT. 2009
Scale:	NONE
Drawn By:	RBR

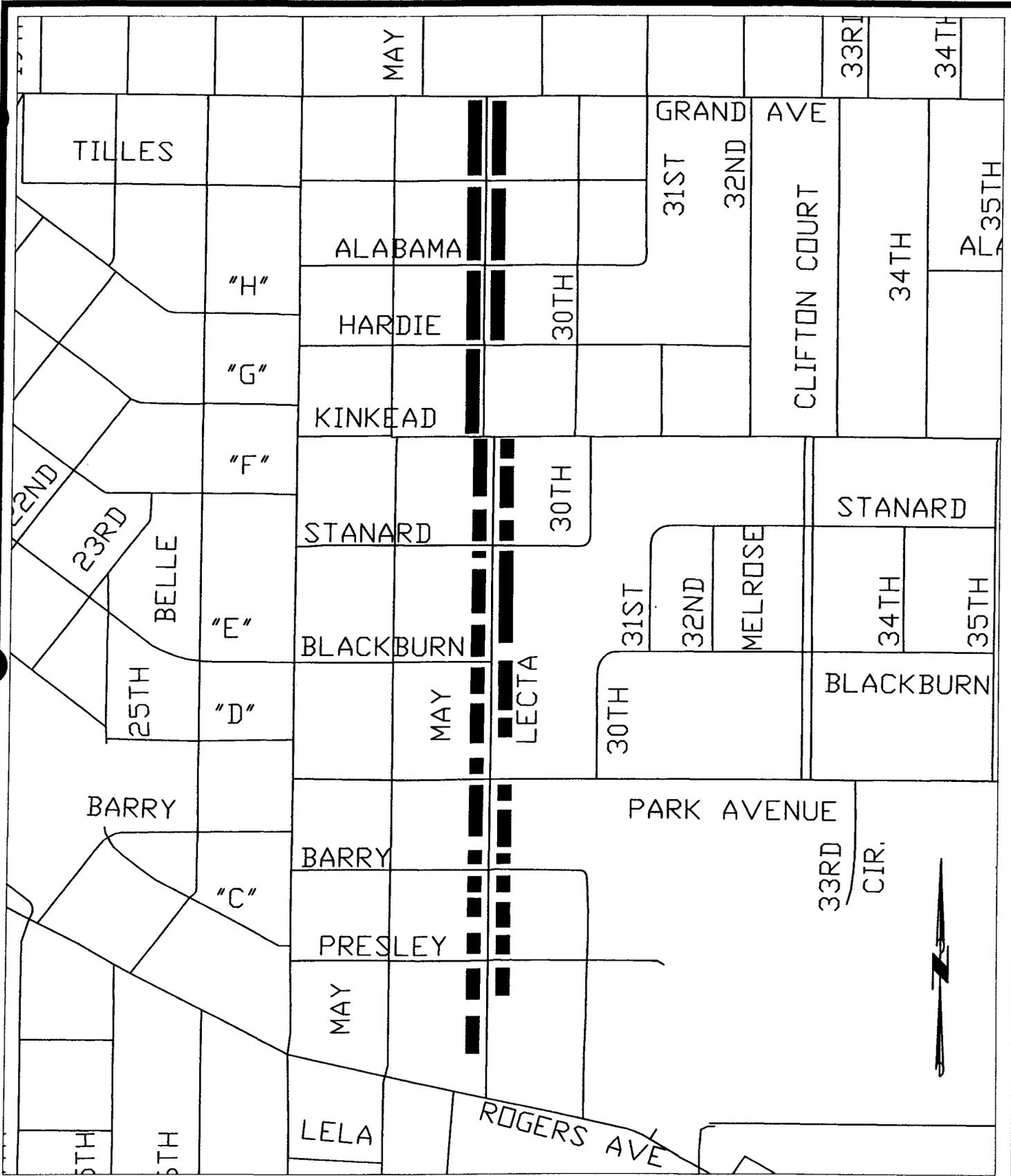
G:\DRAWINGS\CIP\00-00\_CIPALL\2009\CIPALL 2009.dwg 09/29/09-14:04 RBR 5TH-7TH SW



2009 SIDEWALK PROGRAM



Project:	09-20-A
Date:	SEPT. 2009
Scale:	NONE
Drawn By:	RBR



2009 SIDEWALK PROGRAM



Project:	09-20-A
Date:	SEPT. 2009
Scale:	NONE
Drawn By:	RBR

RESOLUTION \_\_\_\_\_

**A RESOLUTION AUTHORIZING A TIME  
EXTENSION FOR THE CONSTRUCTION OF  
TEXAS ROAD IMPROVEMENTS  
PROJECT NO. 05-00-B**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, THAT:

SECTION 1: A time extension with Wilson Brothers Construction Co., Inc., for the Texas Road Improvements, Project No. 05-00-B, which increases the contract time by 57 calendar days, is hereby approved.

This Resolution adopted this \_\_\_\_\_ day of June, 2010.

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

Approved as to Form

*JSC*  
\_\_\_\_\_  
 No Publication Required  
 Publish \_\_\_\_\_ Times

5D

RESOLUTION \_\_\_\_\_

**A RESOLUTION ACCEPTING COMPLETION OF AND  
AUTHORIZING FINAL PAYMENT FOR THE CONSTRUCTION OF  
TEXAS ROAD IMPROVEMENTS  
PROJECT NO. 05-00-B**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, THAT:

SECTION 1: The City of Fort Smith hereby accepts the construction of the Texas Road Improvements, Project No. 05-00-B, as complete.

SECTION 2: Final payment is hereby authorized in the amount of \$74,117.98 to the contractor, Wilson Brothers Construction Co., Inc., for the Texas Road Improvements, Project No. 05-00-B.

This Resolution adopted this \_\_\_\_\_ day of June, 2010.

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

Approved as to Form

*JSC*  
\_\_\_\_\_  
 No Publication Required  
 Publish \_\_\_\_\_ Times

## INTER-OFFICE MEMO

**TO:** Dennis Kelly, City Administrator

**FROM:** Stan Snodgrass, P.E., Director of Engineering 

**DATE:** June 7, 2010

**SUBJECT:** Texas Road Improvements  
Project No. 05-00-B

This Project consisted of the reconstruction and widening of Texas Road to a collector curb and gutter street section with sidewalks on both sides from Cavanaugh Road south to Torrington Way. Texas Road from Torrington Way extending to just north of Rutgers Road was widened by approximately 8 feet and a sidewalk was constructed on the west side. The project also included a sidewalk on the west side of Texas Road north of Cavanaugh Road extending to Hillside Drive.

The project was substantially complete on April 21, 2010. The contractor requested an additional 57 days beyond the February 23, 2010 contract completion date due to significant weather delays during this project. Staff concurs that the 57 days are warranted.

Attached are Resolutions to authorize a time extension, accept the project as complete and authorize final payment to the contractor. I recommend that these Resolutions be accepted by the Board at the next regular meeting.

Enclosures

# SUMMARY SHEET

City of Fort Smith

Project Status: Complete

Today's Date: 6/7/2010

Staff contact name: Stan Snodgrass

Staff contact phone: 784-2225

Contract time (no of days): 365

Notice to proceed issued: 2/23/2009

Project name: Texas Road Improvements

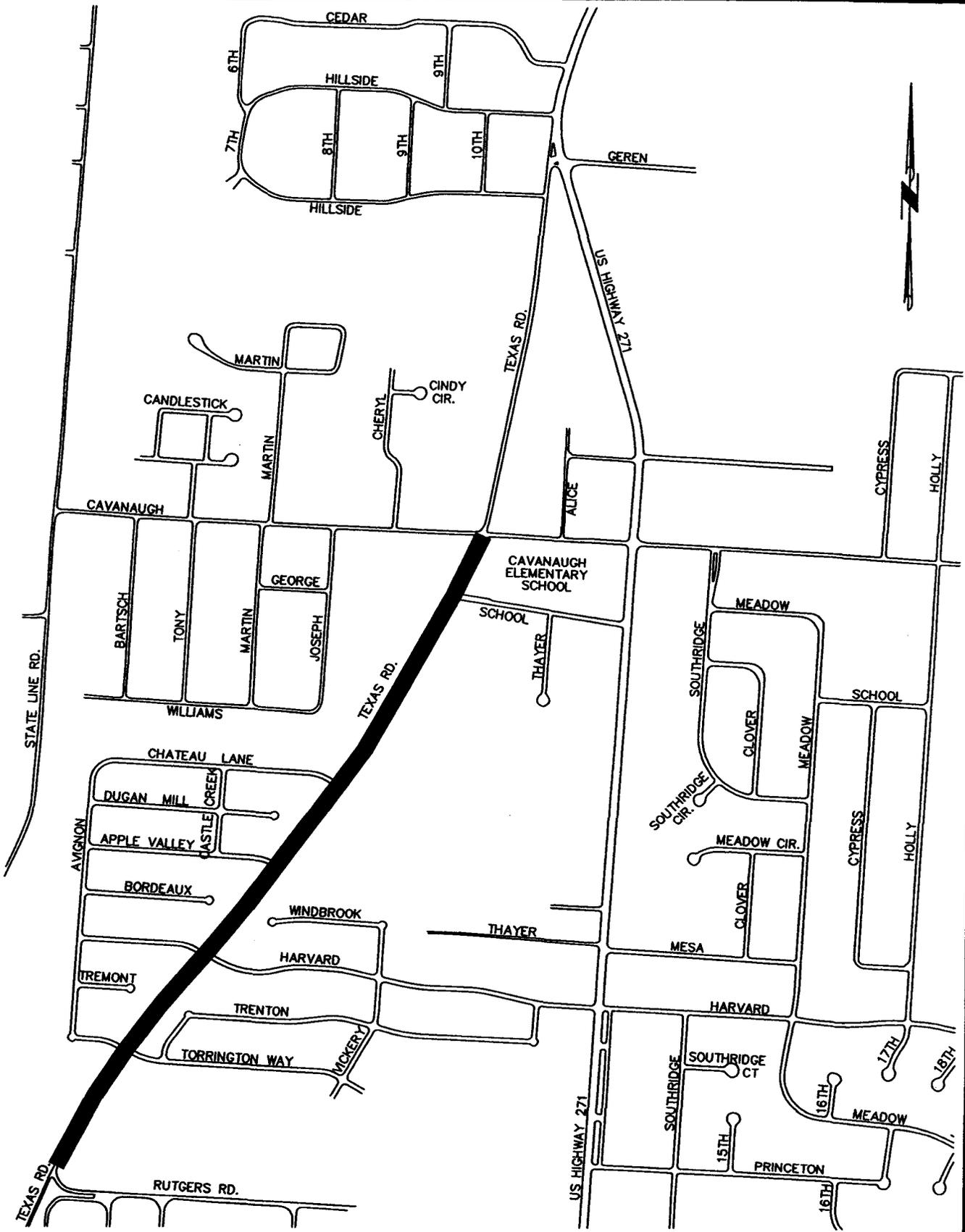
Project number: 05-00-B

Project engineer: Morrison-Shiple

Project contractor: Wilson Brothers

	Dollar Amount	Bid Date	Contract Completion Date
Original bid award	\$3,728,756.00	1/13/2009	2/23/2010
Change orders:			
1			
2			
3			
Adjusted contract amount	<u>\$3,728,756.00</u>		
Payments to date (as negative):	\$3,302,327.63		
Amount of this payment	\$74,117.98		
Contract balance remaining	\$352,310.39		
Retainage held	0%		
Final payment	\$74,117.98		
Amount under original contract as a percentage	9.4%		

Final Comments:



PROJECT VICINITY MAP  
 TEXAS ROAD IMPROVEMENTS  
 FORT SMITH, ARKANSAS



Project:	05-00-B
Date:	JANUARY 2009
Scale:	NONE
Drawn By:	RBR

RESOLUTION \_\_\_\_\_

**A RESOLUTION TO ACCEPT THE BIDS AND AUTHORIZE  
CONTRACTS FOR THE CONSTRUCTION OF  
STREET OVERLAYS/RECONSTRUCTION  
PROJECT NO. 10-03-A**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, THAT:

SECTION 1: The bid of Forsgren, Inc., received June 8, 2010, for the construction of Street Overlays/Reconstruction, Project No. 10-03-A, in the amount of \$1,719,911.87 be accepted.

SECTION 2: The Mayor is authorized to execute a contract with Forsgren, Inc., subject to the terms set forth in Section 1 above.

SECTION 3: The bid of Data Testing, Inc., received June 8, 2010, for quality control testing services for the construction of Street Overlays/Reconstruction, Project No. 10-03-A, in the amount of \$5,765.00 be accepted.

SECTION 4: The Mayor is authorized to execute a contract with Data Testing, Inc., subject to the terms set forth in Section 3 above.

SECTION 5: Payment for construction authorized by Section 1 and Section 3 is hereby authorized from the Sales Tax Fund (1105).

This resolution adopted this \_\_\_\_\_ day of June, 2010.

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

Approved as to Form

*JSC*  
\_\_\_\_\_  
 No Publication Required  
 Publish \_\_\_\_\_ Times

**INTER-OFFICE MEMO**

**TO:** Dennis Kelly, City Administrator

**FROM:** Stan Snodgrass, P.E., Director of Engineering *SS*

**DATE:** June 8, 2010

**SUBJECT:** Street Overlays/Reconstruction  
Project No. 10-03-A

The above subject project consists of asphalt street overlays, reconstruction and minor drainage improvements to the streets listed on the attached sheet and shown on the attached exhibit. The total length of streets to be improved is approximately 2.2 miles.

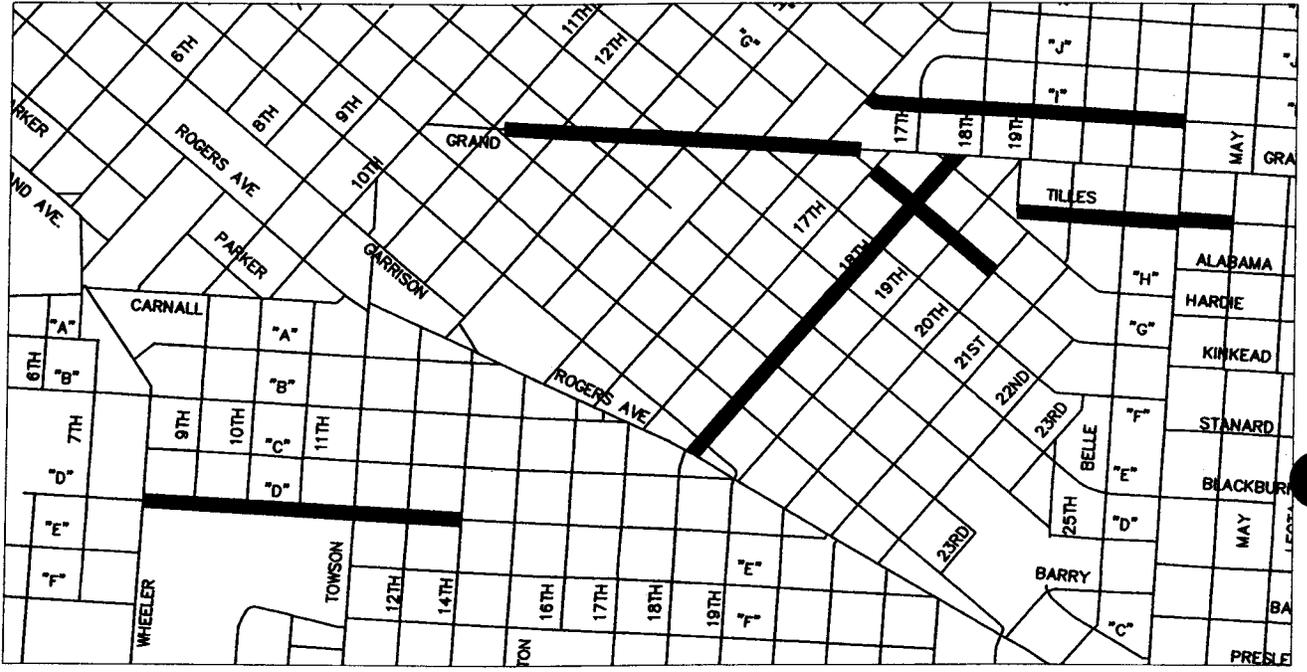
Construction plans and specifications were prepared by Sivell Engineering Services, Inc. of Rudy, Arkansas. An advertisement was published and bids were received on June 8, 2010. Five contractors requested plans and specifications and three bids were received which are summarized as follows:

<b>CONTRACTOR</b>	<b>AMOUNT</b>	<b>CONTRACTOR</b>	<b>AMOUNT</b>
1. Forsgren, Inc. Fort Smith, AR	\$1,719,911.87	3. Township Builders Little Rock, AR	\$2,279,968.00
2. Wilson Brothers Co., Inc. Alma, AR	\$1,822,218.49	Engineer's Estimate	\$2,200,000.00

I recommend that the lowest bid be accepted and that the construction contract be awarded to Forsgren, Inc. The estimated notice to proceed date for this contract is July 1, 2010. Based on the contract duration of 210 days, the estimated completion date would be January 27, 2011.

Also, one bid was received on June 8, 2010, for project quality assurance testing from Data Testing, Inc. of Fort Smith, in the amount of \$5,765.00. I recommend that the quality assurance testing contract be awarded to Data Testing, Inc.

Attached is a Resolution to accomplish the above recommendations. Funds are available in the Sales Tax Program (1105) for the construction and testing.



2010 CAPITAL IMPROVEMENTS PROGRAM  
STREET OVERLAYS/RECONSTRUCTION



Project:	10-03-A
Date:	OCT. 2009
Scale:	NONE
Drawn By:	RBR

**2010 CAPITAL IMPROVEMENTS PROGRAM  
STREET OVERLAYS/RECONSTRUCTION  
PROJECT NO. 10-03-A**

<b>STREET</b>	<b>FROM</b>	<b>TO</b>	<b>LENGTH</b>
GRAND AVE.	11TH ST.	E. OF 16TH ST.	2,300
18TH ST.	ROGERS AVE.	GRAND AVE.	2,561
NORTH G ST.	17TH ST.	20TH ST.	1,049
NORTH I ST.	16TH ST.	GREENWOOD AVE.	2,091
TILLES AVE.	20TH ST.	MAY AVE.	1,498
SOUTH D ST.	WHEELER AVE.	14TH ST.	2,094

RESOLUTION \_\_\_\_\_

**A RESOLUTION TO ACCEPT THE BIDS AND AUTHORIZE  
CONTRACTS FOR THE CONSTRUCTION OF  
STREET OVERLAYS/RECONSTRUCTION  
PROJECT NO. 10-03-B**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, THAT:

SECTION 1: The bid of Forsgren, Inc., received June 9, 2010, for the construction of Street Overlays/Reconstruction, Project No. 10-03-B, in the amount of \$1,346,246.95 be accepted.

SECTION 2: The Mayor is authorized to execute a contract with Forsgren, Inc., subject to the terms set forth in Section 1 above.

SECTION 3: The bid of Data Testing, Inc., received June 9, 2010, for quality control testing services for the construction of Street Overlays/Reconstruction, Project No. 10-03-B, in the amount of \$3,606.50 be accepted.

SECTION 4: The Mayor is authorized to execute a contract with Data Testing, Inc., subject to the terms set forth in Section 3 above.

SECTION 5: Payment for construction authorized by Section 1 and Section 3 is hereby authorized from the Sales Tax Fund (1105).

This resolution adopted this \_\_\_\_\_ day of June, 2010.

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

Approved as to Form

*J&L*  
\_\_\_\_\_

No Publication Required

Publish \_\_\_ Times

**INTER-OFFICE MEMO**

**TO:** Dennis Kelly, City Administrator  
**FROM:** Stan Snodgrass, P.E., Director of Engineering  
**DATE:** June 9, 2010  
**SUBJECT:** Street Overlays/Reconstruction  
Project No. 10-03-B

The above subject project consists of asphalt street overlays, reconstruction and minor drainage improvements to the streets listed on the attached sheet and shown on the attached exhibit. The total length of streets to be improved is approximately 2.1 miles.

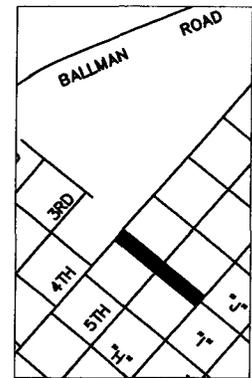
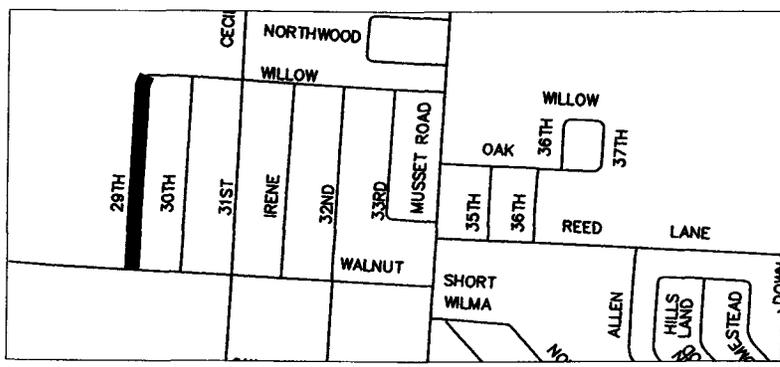
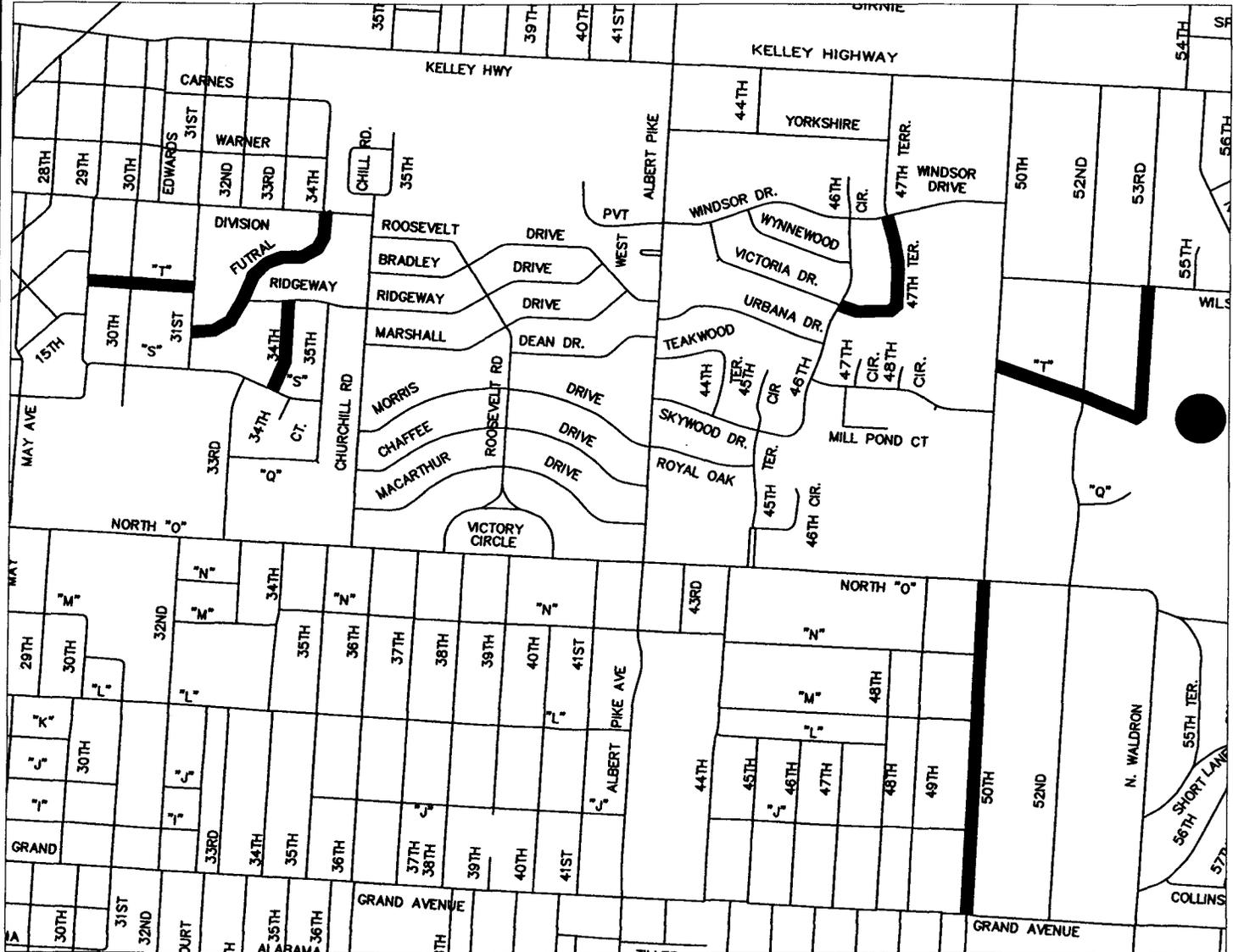
Construction plans and specifications were prepared by McGuire Engineering Services, Inc. of Fort Smith, Arkansas. An advertisement was published and bids were received on June 9, 2010. Five contractors requested plans and specifications and three bids were received which are summarized as follows:

<b>CONTRACTOR</b>	<b>AMOUNT</b>	<b>CONTRACTOR</b>	<b>AMOUNT</b>
1. Forsgren, Inc. Fort Smith, AR	\$1,346,246.95	3. Township Builders Little Rock, AR	\$1,796,330.00
2. Wilson Brothers Co., Inc. Alma, AR	\$1,373,830.43	Engineer's Estimate	\$1,900,000.00

I recommend that the lowest bid be accepted and that the construction contract be awarded to Forsgren, Inc. The estimated notice to proceed date for this contract is July 1, 2010. Based on the contract duration of 210 days, the estimated completion date would be January 27, 2011.

Also, one bid was received on June 9, 2010, for project quality assurance testing from Data Testing, Inc. of Fort Smith, in the amount of \$3,606.50. I recommend that the quality assurance testing contract be awarded to Data Testing, Inc.

Attached is a Resolution to accomplish the above recommendations. Funds are available in the Sales Tax Program (1105) for the construction and testing.



2010 CAPITAL IMPROVEMENTS PROGRAM  
STREET OVERLAYS/RECONSTRUCTION



Project:	10-03-B
Date:	JUNE. 2010
Scale:	NONE
Drawn By:	RBR

**2010 CAPITAL IMPROVEMENTS PROGRAM  
STREET OVERLAYS/RECONSTRUCTION  
PROJECT NO. 10-03-B**

<b>STREET</b>	<b>FROM</b>	<b>TO</b>	<b>LENGTH</b>
29TH ST.	WALNUT ST.	WILLOW ST.	1,341
FUTRAL DR.	31ST ST.	DIVISION ST.	1,200
NORTH T ST.	29TH ST.	31ST ST.	829
34TH ST.	NORTH S ST.	RIDGEWAY DR.	732
47TH TER.	VICTORIA DR.	WINDSOR DR.	759
VICTORIA DR.	46TH ST.	47TH ST.	440
NORTH T ST.	50TH ST.	53RD ST.	1,177
53RD ST.	NORTH T ST.	WILSON RD.	1,043
50TH ST.	GRAND AVE.	NORTH O ST.	2,661
NORTH J ST.	4TH ST.	6TH ST.	741

5G

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION ACCEPTING BID FOR THE PURCHASE OF  
FOAM TRAILERS

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY  
FORT SMITH, ARKANSAS, THAT:

The bids, as indicated on the attached Bid Tabulation No. 4802-10-05-25BA  
for the purchase of firefighting trailers and foam for the Fort Smith Fire  
Department, from Casco Industries for \$130,184, is accepted.

This Resolution adopted this \_\_\_\_\_ day of June, 2010.

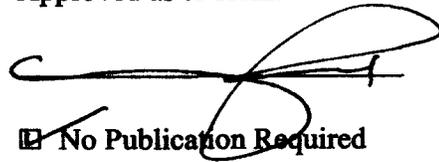
APPROVED:

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

Approved as to form:



No Publication Required

Publish \_\_\_ Times

## Interoffice Memorandum

**TO:** Dennis Kelly, City Administrator

**COPY TO:** Mike Richards, Fire Chief

**FROM:** Alie Bahsoon, Purchasing Manager *AB*

**SUBJECT:** Foam Trailers Bid Tabulation

**DATE:** June 8, 2010

**BID TAB:** 4802-10-05-25BA



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Bids were advertised on May 15 & 16, 2010 for the purchase of 2 (two) dual tote firefighting trailers and eight (8) 330 gallon totes of firefighting foam for use by the City of Fort Smith Fire Department. You will find attached the bid tabulation for this purchase.

As indicated in the enclosed memorandum from Chief Richards, this equipment is partially being funded by a FEMA grant.

I recommend that the bid from CASCO Industries as noted by enclosure on the attached bid tabulation, be accepted.

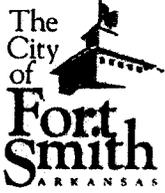
Please let me know if you should have any questions.

**Tabulation of Bids - City of Fort Smith  
FOAM TRAILERS  
Fire Department  
Bid Tab #4802-10-05-25BA**

<b>Vendor</b>	<b>Each</b>	<b>Total</b>	<b>Total Bid</b>
<b>CASCO Industries Inc. Shreveport, LA</b>			
Tote Trailer as per specifications (qty. 2)	\$33,100.00	\$66,200.00	
330 Gallon Foam Tote (qty. 8)	\$7,998.00	\$63,984.00	
			<b>\$130,184.00 ✓</b>
<b>Pro-Fire Equipment Conway, AR</b>			
Tote Trailer as per specifications (qty. 2)	\$31,857.00	\$63,714.00	
330 Gallon Foam Tote (qty. 8)	\$8,509.00	\$68,072.00	
			<b>\$131,786.00</b>

✓ Awarded Bid

Date Advertised: 05-15-10 & 05-16-10  
 Bid Opening Date: 05-28-10



## FORT SMITH FIRE DEPARTMENT

200 NORTH FIFTH STREET  
FORT SMITH, ARKANSAS 72901  
479-783-4052



Mike Richards  
Fire Chief

### Memo

**To:** Dennis Kelly, City Administrator  
**From:** Mike Richards, Fire Chief *MR*  
**Date:** June 4<sup>th</sup>, 2010  
**Re:** Purchase of Firefighting Foam Trailers

Earlier this year, the Fort Smith Fire Department was awarded a grant from the Federal Emergency Management Agency (FEMA) to purchase two (2) firefighting foam trailers and eight (8) 330 gallon totes of firefighting foam.

This equipment will allow the fire department to respond to and adequately attack fires involving large quantities of hydrocarbons, such as gasoline and diesel fuel, along with flammable liquids such as ethanol and alcohol based products. We did not have this capability before we were awarded the grant.

The total purchase price of the equipment is \$130,184.00. The Federal share of this grant is \$95,458.00. The City's share of this grant will be \$34,726.00. We have the funds available in our 4802-219 account.

We have reviewed the two bids we have received and recommend the acceptance of the low bid from CASCO Industries in the amount of \$130,184.00.

Please contact me if you have any questions.



CITY OF FORT SMITH

Purchasing Department
P.O. Box 1908
Fort Smith, AR 72902-1908

Bid No. 4802-10-05-25BA

REQUEST FOR PROPOSAL

Closing Date:
Friday, May 28, 2010 @ 2:00 p.m.

Subject: TWO (2) DUAL TOTE FIREFIGHTING TRAILERS AND
EIGHT (8) 330 GALLON TOTES OF AR-AFF FIREFIGHTING FOAM

Company Name
Federal Tax I.D. No. Signature\*
Street Address Title
City Date
State Zip Code
Tel. No. Fax No.
E-Mail

SUBMITTED BIDS MUST HAVE AN ORIGINAL SIGNATURE.

FOR CONSIDERATION AS A RESPONSIVE RFP, THE FOLLOWING IS REQUIRED:

- 1. Bid must be submitted on official City bid forms (this bid document).
2. All information on this Request for Proposal (RFP) page must be completed.
3. This cover page must be signed with an original signature.
4. Bid must be submitted on or before the exact closing date and time. Bids received after the exact closing date and time will NOT be considered.

For Further Information Concerning This Bid Document, Please Contact:
Mr. Mike Richards, Fire Chief
Phone: (479) 784-2370

## **I. SPECIFIC PROVISIONS**

### **A. SCOPE**

This Request For Proposal (RFP) is being issued by The City of Fort Smith Fire Department ("City") from potential bidders ("Bidder") to provide for the purchase the necessary equipment in order to provide firefighting capabilities in incidents involving flammable liquids including petroleum and alcohol based products. The list of equipment requested is as follows:

- Two (2) Dual Tote Firefighting Trailers, as per the RFP Specifications
- Eight (8) 330 gallon Totes of AR-AFFF firefighting foam, as per the RFP Specifications
- OPTIONAL ITEM: Eight (8) 275 gallon Totes of AR-AFFF firefighting foam, as per Bid Specifications

All items requested shall comply with most recent National Fire Protection Association (NFPA 1901) standards, where applicable. Bidders shall provide a list of all part numbers for the items proposed and shall include the price list.

### **B. AWARD**

The City reserves the right to reject any or all Bids, to waive informalities, and to accept all or any part of any Bid as they may deem to be in the best interest of the City. Award of bid is not made at the bid opening. All bids are subject to final review and acceptance by City Staff before any award may be made. Receipt of bids by the City shall not be construed as authority to bind the City into purchasing the trailers requested.

### **C. AWARD NOTIFICATION**

The City will notify all Bidders, via Email, of its intent to award the bid.

### **D. SUBMITTALS**

Bids shall be returned in a sealed envelope by mail or via hand delivery to the Purchasing Department prior to 2:00 p.m., Friday, May 28, 2010 and to the following address:

Alie Bahsoon, Purchasing Manager  
623 Garrison Avenue, Suite 522  
P.O. Box 1908  
Fort Smith, AR 72902-1908

### **E. ANTI-COLLUSION CERTIFICATION**

The Bidder certifies that this bid is made without prior understanding, agreement, or connection with any corporation, firm, or person submitting a bid for the same product and that this bid is in all respects bona fide, fair and not the result of any act of fraud or collusion with another person or firm engaged in the same line of business or commerce. The Bidder understands collusive bidding is a violation of

Federal Law and that any false statement hereunder constitutes a felony and can result in fines, imprisonment, as well as civil damages. The Bidder also understands that failure to sign this statement will make the bid non-responsive and unqualified for award.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

**F. DELIVERY**

Trailers shall be delivered F.O.B. to 200 North 5<sup>th</sup> Street, Fort Smith, AR (72901) within 30 days of the issuance of a City Purchase Order. The time of delivery may be considered in determining the successful bidder if greater than 30 days.

**II. TRAILER SPECIFICATIONS** (NOTE: A copy of the bidder's specifications for these trailers shall be submitted with the bid. The bidder shall attach to this bid, if necessary, a separate sheet of paper labeled "Exception(s) to Bid Conditions and Specifications," listing any/all variations from or exceptions to the conditions and specifications of this bid.)

<b><u>TRAILER MINIMUM SPECIFICATIONS</u></b>		
<p><b><u>Basic Dimensions</u></b></p> <ul style="list-style-type: none"> <li>• Maximum length 18'</li> <li>• Maximum width 84"</li> <li>• Maximum height 88"</li> </ul>		
<p><b><u>Frame</u></b></p> <ul style="list-style-type: none"> <li>• Shall be equipped with an eight-inch formed channel steel frame</li> <li>• Frame assembly shall be welded for strength and rigidity</li> <li>• Cross members shall be 4" "C" channel on 24" centers</li> </ul>		
<p><b><u>Decking</u></b></p> <ul style="list-style-type: none"> <li>• Shall be quarter-inch steel plate welded to frame at 12" intervals</li> <li>• Front operator's deck shall be 0.25" steel grate</li> <li>• Draw-bar floor shall be 0.25" steel grate</li> </ul>		
<p><b><u>Axles</u></b></p> <ul style="list-style-type: none"> <li>• Two tubular 5,000 lb. Dexter, TorqFlex or equal axles shall be provided for a combined capacity of 10,000 lbs.</li> <li>• Both axles shall have cab operated electric brakes</li> </ul>		
<p><b><u>Suspension</u></b></p> <ul style="list-style-type: none"> <li>• Springless, torsion axles shall be provided</li> </ul>		
<p><b><u>Wheels and tires</u></b></p> <ul style="list-style-type: none"> <li>• Four highway tread, radial tires mounted on six lug drop center, stamped steel disc wheels shall be provided</li> <li>• Combined wheel and tire load rating shall match the axle capacity</li> </ul>		

<p><b><u>Brakes</u></b></p> <ul style="list-style-type: none"> <li>• Electric drum-type self-adjusting brakes</li> <li>• Shall include control unit for installation on towing vehicle</li> <li>• Braking system is actuated automatically by an electrical interface with the towing vehicle braking system</li> <li>• Accidental breakaway protection shall be provided by an automatic switch connected to the trailer hitch</li> <li>• A 12 volt battery backup and trickle charge receptacle shall be mounted on the trailer to provide backup for the breakaway safety system</li> </ul>		
<p><b><u>Hitch</u></b></p> <ul style="list-style-type: none"> <li>• Heavy duty 2-5/16", 10,000 lb. ball hitch including two safety chains shall be mounted on the drawbar</li> </ul>		
<p><b><u>Fender Assemblies</u></b></p> <ul style="list-style-type: none"> <li>• Two fender storage assemblies shall be constructed of 0.25" aluminum tread plate, installed over the left and right wheels</li> <li>• Fenders shall form closed hose bins with lift out end panels</li> <li>• All sub-structure shall be steel</li> </ul>		
<p><b><u>Steps</u></b></p> <ul style="list-style-type: none"> <li>• Shall be aggressive grip strut (expanded metal) on steel sub-structures</li> </ul>		
<p><b><u>Operator's Platform</u></b></p> <ul style="list-style-type: none"> <li>• Non-slip, quarter steel plate shall be covered with 3/8" non slip rubber mat</li> <li>• Platform shall be provided ahead of front tank, behind drawbar extensions</li> <li>• An additional 1/4" plate shall be set under drawbar</li> </ul>		
<p><b><u>Grab Rails</u></b></p> <ul style="list-style-type: none"> <li>• Grab-rail bar (per NFPA1901) shall be provided for safety in mounting and dismounting at operator's station in front of forward tote tank</li> </ul>		
<p><b><u>Highway Lighting/Reflectors</u></b></p> <ul style="list-style-type: none"> <li>• Shall be equipped with rear lights, marker lights, and reflectors in accordance with U.S. Federal Motor Vehicle Safety Standards</li> <li>• Emergency warning lights shall be furnished</li> </ul>		
<p><b><u>Ground &amp; Operating Station Lights</u></b></p> <ul style="list-style-type: none"> <li>• 6" twelve volt LED lights shall be located on front tote, frame rails, (over each step) and two to the rear as back-up lighting</li> <li>• Shall be powered from the tow vehicle, or on-board battery</li> </ul>		
<p><b><u>Electrical Connector</u></b></p> <ul style="list-style-type: none"> <li>• A 7-pin polarized (RV) connector is located at the hitch for connecting the trailer lights and brakes to the towing vehicle</li> </ul>		

<p><b><u>Wiring</u></b></p> <ul style="list-style-type: none"> <li>• Shall be water-proof, heat-shrink, but-spliced in loom and steel conduit</li> </ul>		
<p><b><u>Jack Stands</u></b></p> <ul style="list-style-type: none"> <li>• Two twelve volt, top wind screw type 8,000 lb capacity rear stabilization jacks shall be provided</li> </ul>		
<p><b><u>Paint and Finish</u></b></p> <p><b><u>Primer</u></b></p> <ul style="list-style-type: none"> <li>• All ferrous metal parts shall be prepared &amp; primed before assembly</li> </ul>		
<p><b><u>Finish</u></b></p> <ul style="list-style-type: none"> <li>• Frame/Axle/Wheels - Dark Red polyurethane enamel</li> </ul>		
<p><b><u>Safety Tread Plate</u></b></p> <ul style="list-style-type: none"> <li>• Steel platform, red polyurethane enamel (farm implement UV rated)</li> </ul>		
<p><b><u>Aluminum</u></b></p> <ul style="list-style-type: none"> <li>• Mill finish</li> </ul>		
<p><b><u>Manuals</u></b></p> <ul style="list-style-type: none"> <li>• One Operation/Maintenance &amp; Parts manual shall be supplied with each trailer and shall be in the English language</li> <li>• One CD containing all manual components shall also be included</li> </ul>		
<p><b><u>Nameplates</u></b></p> <ul style="list-style-type: none"> <li>• Laminated plastic furnished per NFPA on all valves and controls as required for operation of the trailer</li> <li>• Shall be in English</li> </ul>		
<p><b><u>Reflective Stripe</u></b></p> <ul style="list-style-type: none"> <li>• Shall be applied to the sides and rear of the trailer as required by U.S. Federal Motor Vehicle Safety Standards and applicable NFPA standards.</li> </ul>		
<p><b><u>Threads</u></b></p> <ul style="list-style-type: none"> <li>• Shall be U.S. National Standard Hose Thread</li> </ul>		
<p><b><u>Liquid Foam Tanks</u></b></p> <p><b><u>Capacity</u></b></p> <ul style="list-style-type: none"> <li>• 660 U.S. Gallons: (2) 330 gallon, (with an option of 550 U.S. Gallon: (2) 275 gallon)</li> <li>• Intermediate Bulk Containers (tote)</li> <li>• Front tank shall have affixed an 8" x 11" laminated, foam appliance firefighting performance tables</li> </ul>		
<p><b><u>Tank Venting</u></b></p> <ul style="list-style-type: none"> <li>• Totes shall have automatic pressure/vacuum vents capable of 60 gpm draw-down with no deformation of the containers</li> </ul>		

<p><b><u>Vinyl Tote Tank Cover(s)</u></b></p> <ul style="list-style-type: none"> <li>• Vinyl Tote Tank Covers shall be provided for each tote</li> </ul>		
<p><b><u>Tote Tank Lock Down System</u></b></p> <ul style="list-style-type: none"> <li>• Bolt-down tank retaining plates or a bar style lock down system shall be provided for rapid load and unloading of tote from the trailer using a forklift or crane</li> <li>• Retaining plates or lock-bars are designed to hold the tote in place during transport, while offering quick release pull pins that release steel lock-bars for unloading</li> <li>• Tote tank retaining assembly shall have two, 2" x 3/16" stainless steel runners to accommodate sliding of loaded tanks into final locked position</li> </ul>		
<p><b><u>Hose/Storage Bins</u></b></p> <ul style="list-style-type: none"> <li>• Two closed-end storage bins, each with a removable end shall be provided and incorporated into the fender assemblies on each side of the trailer</li> <li>• Hose/storage shall be 0.25" mill-finish, aluminum diamond plate</li> <li>• Bins shall have black vinyl safety edging</li> <li>• Hose storage capacity shall be a minimum of 200 ft of 1-3/4" double jacketed hose, nozzle, &amp; foam attachment in each bin</li> </ul>		
<p><b><u>Water and Foam Concentrate Plumbing –Per NFPA 1901</u></b></p> <ul style="list-style-type: none"> <li>• Bolt-down, 5" transverse, square tube manifold and center riser, located at front most top deck immediately behind draw-bar</li> <li>• Manifold and riser shall be capable of 1200 lb. nozzle thrust at 40" off deck</li> <li>• Plumbing shall be proof-pressure tested to 1200 psi with accompanying certification</li> </ul>		
<p><b><u>Water Intakes</u></b></p> <ul style="list-style-type: none"> <li>• Two (2) 5" storz intakes with cap and cable shall be mounted on both the left and right sides of the trailer</li> </ul>		
<p><b><u>Firefighting Riser Discharges</u></b></p> <ul style="list-style-type: none"> <li>• Three, 2 1/2" capped discharges shall be provided on riser midway between the deck and monitor operating valve</li> <li>• There shall be one forward looking and one each on the right and left side of the riser</li> </ul>		

<p><b><u>Foam Concentrate Manifold</u></b></p> <ul style="list-style-type: none"> <li>• Front and rear foam tanks shall be interconnected by use of two-inch suction rated hose</li> <li>• Tote valves and related concentrate hoses shall have 2” cam-lock fittings</li> <li>• Three, one-inch male cam-lock foam concentrate connections shall be located in front of water riser</li> <li>• All plumbing, hoses and valves in contact with foam concentrate shall be of a material which is impervious to Class A, AFFF, and AR-AFFF foam concentrates</li> <li>• Valves shall be brass or stainless steel</li> <li>• All hose connections shall be securely fastened using stainless steel clamps</li> </ul>		
<p><b><u>Flush Provision</u></b></p> <ul style="list-style-type: none"> <li>• A fresh water flush system must be incorporated in foam concentrate supply manifold.</li> </ul>		

- A. Fire Fighting Equipment – Per NFPA 1964 Foam/Water Monitor:** TFT Hurricane or equal Station Monitor shall be mounted center, front of platform. Monitor shall be equipped with locking swivel and stainless steel gear drive, vertical actuation. A pressure gauge (liquid filled, 0-300 psi) shall be provided on monitor top as well as on riser tube, forward facing, below monitor operating valve. Monitor valve shall be slow close, screw gate type.

**Nominal Discharge Flow:** 1250 GPM  
**Discharge Flow Rate:** 100 to 1250 GPM  
**Valve Type:** 4” Gate Valve – ANSI 150 Flange  
**Valve Closure:** Slow close gate  
**Nozzle Connection:** 2.5” Male NH

**Foam Nozzle:** One (1) NF Gladiator Tri-Flow 500/750/1000 GPM self-educting monitor nozzle or equal shall be provided.

- B. Training**  
 One (1) day training shall be conducted at the customer’s facility. Training includes, but is not limited to:
- Trailer safety: loading, hitching, towing, and stabilizing.
  - Foam firefighting equipment operation, care and maintenance.
  - PowerPoint presentation and video on safe operating practices where trailer is deployed.

- C. Manual**  
 A total of four ring binders containing operation, care and maintenance for all supplied firefighting equipment and related accessories shall be provided. Additionally, the binder(s) shall contain:

- Compact Disk (CD) containing all manual and media elements PowerPoint operations program
- One full set operators slide notes
- One Operator's video
- One laminated, step-by-step set-up guide
- One spare, laminated foam educator distance and firefighting capability table
- One foam/water requirement calculator
- Condition of sale and warranty documents for trailer and all supplied equipment

**D. Warranty**

Trailer: Materials and workmanship shall be 24 months excluding normal wear on brakes, drums, and tires. Supplied equipment shall be covered by individual manufacturer's warranty.

Though not anticipated, in the event that an addendum to this solicitation is necessary, it will be posted no later than 3 (days) days prior to the bid opening date on the City of Fort Smith website ([www.fortsmithar.gov](http://www.fortsmithar.gov)), under the Purchasing Department found under the "Department and Services" heading. It shall be the Bidder's responsibility to check the website and to ensure that the Bidder has a complete and up-to-date package.

**III. FOAM SPECIFICATIONS:** A quantity of EIGHT (8) 330-Gallon (with an option of 275 gallon totes) IBC Reusable Tote Tanks of AR-AFFF, equal to National Foam Universal Gold 1% / 3% AR-AFFF environmentally responsible foam concentrate.

<b>SPECIFICATIONS FOR ALCOHOL-RESITANT AQUEOUS FILM FORMING FOAM (AR-AFFF)</b>		
<ul style="list-style-type: none"> <li>• Shall have passed UL-162 - 7<sup>th</sup> Edition test criteria for use at 1% or 3% concentration on hydrocarbons and 3% on polar solvents using both fresh and sea water</li> </ul>		
<ul style="list-style-type: none"> <li>• Shall have the approvals and listings from the following agencies:               <ul style="list-style-type: none"> <li>➤ Underwriters Laboratories Inc. (UL)</li> <li>➤ Factory Mutual System</li> <li>➤ United States Coast Guard (USCG)</li> <li>➤ Last Fire – Level 1 Pass</li> </ul> </li> </ul>		

<ul style="list-style-type: none"> <li>• Shall have a full complement of listings on oxygenated and reformulated gasoline fuel blends including: <ul style="list-style-type: none"> <li>➤ MTBE/gasoline blends with both Type II and Type III discharge devices</li> <li>➤ Ethanol/gasoline blends</li> <li>➤ Biodiesel</li> <li>➤ All polar solvent categories recognized by Underwriters Laboratories</li> </ul> </li> </ul>		
<ul style="list-style-type: none"> <li>• Shall contain no ingredients reportable under the Superfund Amendments and Reauthorization Act (SARA) Title III, Section 313 of 40 CFR-372 or the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) as of July 1<sup>st</sup>, 1995</li> </ul>		
<ul style="list-style-type: none"> <li>• Shall be biodegradable</li> </ul>		

**PRICE LIST**

The undersigned, having an integral understanding of the objectives/scope, terms and conditions, specifications and responsibilities as stated in this RFP, does hereby propose the following pricing in accordance with the RFP requirements and bid specifications:

	<u>Cost per Unit</u>	<u>Total Cost</u>
Tote Trailer as per bid specifications		
Eight (8) 330 gallon Totes of AR-AFFF firefighting foam, as per the RFP Specifications		
<b><u>OPTIONAL ITEM</u></b>		
Eight (8) 275 gallon Totes of AR-AFFF firefighting foam, as per Bid Specifications		

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

Company Name: \_\_\_\_\_

### Conditions for Bidding

1. Submit bid on this bid form in compliance with all conditions listed.
2. Address bids to: City of Ft. Smith Purchasing, PO Box 1908, 623 Garrison Ave # 522, Ft. Smith, AR 72902.
3. Do not include Federal Excise Tax in bid.
4. State Manufacturer, Brand Name, Model, etc. for each item where applicable.
5. Samples of items, when required, must be furnished free, and, if not called for within 30 days from date of bid opening will be disposed of by City.
6. Bids received after stated date and time will not be considered.
7. Be sure to read all conditions and verify amounts before submitting bids.
8. Guarantees and warranties should be attached as a part of the bid as they may be a consideration in awarding a contract.
9. Delivery and contract completion dates are to be shown as these dates may, where time is of the essence, determine the contract award. The City may nullify a contract award for non-compliance.
10. SIGNATURE REQUIRED. This bid MUST be signed with the firm name and by an authorized officer, employee, or agent.
11. Deviations from specifications and alternate bids must be clearly shown with complete information. They may or may not be considered.
12. ~~SALES TAX. List sales tax separately, unless noted otherwise. Any bid not showing the amount of sales tax separately will be considered as "TAX INCLUDED IN BID PRICE".~~
13. Freight and other delivery charges to destination at designated City facility must be included in bid. Charges may not be added after the bid is opened.
14. DISCOUNTS. Show rate, total amount, and latest day any discount will be allowed after receipt of article and invoice; otherwise City will deduct allowed discount when payment is made.
15. If unit prices and extensions thereof do not coincide, the City will accept the unit price.
16. All prices quoted will remain firm for at least 90 days after date of the bid opening, unless otherwise specified by the City or bidder.
17. In the event of two or more identical low bids, the contract may be awarded arbitrarily or for any reason to any of such bidders or split in any proportion between said two or more bidders at discretion of City.
18. Any ambiguity in any bid as the result of omission, error, lack of clarity or non-compliance by the bidder with specifications, instructions, and all conditions of bidding shall be construed in the light most favorable to the City.
19. "All or None" bid must be considered only when bidder states on bid form. "All or None" bidding is considered an "alternate".
20. All contracts shall produce NEW commodities, fresh stock, latest model and design. Re-conditioned or re-manufactured items will not be accepted.
21. Latest specifications, drawings, sketches or other descriptive literature containing detailed information as to design, construction and operation shall be included.
22. All necessary parts, accessories and tools for satisfactory operations of the units shall be furnished whether or not they specifically mentioned in these specifications. Bidder shall submit a list of tools and equipment they propose to furnish.
23. Any protest of specifications or bidding process must be received in writing by the Purchasing Department at least five (5) days prior to the specified bid opening date.
24. Any protest of bid award must be in writing and received by the Purchasing Department no later than three (3) days after notice of intent to award has been made. If said item requires Board of Directors approval, written protest must be received by the Purchasing Department no later than five (5) days prior to the next Board of Directors meeting at which the recommended bid award will be considered.
25. The City will not be responsible for lost or misplaced bids due to vendor omission of bid item and/or bid opening date information on the outside of the sealed bid envelope. Failure by vendor to note said information on the bid envelope may result in the bid not being considered.

**THE CITY RESERVES THE RIGHT TO ACCEPT PART OR ALL OF ANY SPECIFIC BID OR BIDS AND TO ACCEPT ANY BID OR BIDS WITH OR WITHOUT TRADE-IN. THE CITY FURTHER RESERVES THE RIGHT TO REJECT ALL BIDS, OR PART OR ALL OF ANY SPECIFIC BID OR BIDS.**

RESOLUTION NO. \_\_\_\_\_

RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT AND AUTHORIZATION NUMBER ONE FOR ENGINEERING SERVICES WITH McGUIRE ENGINEERING, INC., FOR THE NEIGHBORHOOD SEWER IMPROVEMENTS - ZERO STREET BASIN

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, that:

SECTION 1: The Agreement for engineering services with McGuire Engineering, Inc., for the Neighborhood Sewer Improvements - Zero Street Basin, is hereby approved.

SECTION 2: Authorization Number One providing design and bidding phase services under the Agreement, Project No. 10-11-E1, is hereby approved.

SECTION 3: The Mayor is hereby authorized to execute the Agreement and Authorization Number One, for performance of said service, in an amount of \$121,220.00.

This Resolution adopted this \_\_\_\_\_ day of June 2010.

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
npr

**INTER-OFFICE MEMO**

**TO:** Dennis Kelly, City Administrator

**DATE:** May 28, 2010

**FROM:** Steve Parke, Director of Utilities

**SUBJECT:** Neighborhood Sewer Improvements - Zero Street Basin  
Engineering Services Agreement  
Project No. 10-11-E1

Utility personal have identified approximately 5,100 feet of 6 through 10-inch diameter concrete sewer lines at various locations within the Zero Street Basin, which are failing and have a high frequency of maintenance. The replacement of these lines will compliment collection system improvements that are currently under design in the area further reducing sanitary sewer overflows during storm events. See the attached exhibit for the project locations.

Following a review of the qualification statements submitted to the City Clerk's office, McGuire Engineering, Inc., was selected to provide engineering services for the design of the project. The services to be provided include design, preparation of plans and specifications and bidding phase services. A Resolution authorizing the Mayor to execute an Agreement and Authorization Number One with McGuire Engineering for an amount of \$121,220.00 is attached. Funds for these services are available from the bonds issued for wet weather sewer improvements.

Should you or members of the board have any questions or need additional information, please let me know.

attachment

pc: Ray Gosack



HWY 271

BRAZIL AVE

ZERO ST

S 28TH ST

I-540

MCKINLEY AVE

HWY 71

JENNY LIND RD

CAVANAGH RD

HERMITAGE DR

I-540

THISLE CT

GLEN FLORA WAY

O:\UtilityDept\General\DATA\Exhibits\2010 Sewer Project 10-11-E1\10-11-E1.dwg, 6/8/2010 12:01:43 PM, \\kny\pr01\UTL\_HP5550HPM

**CITY OF FORT SMITH, ARKANSAS**  
**2010 NEIGHBORHOOD SEWER IMPROVEMENTS - ZERO STREET BASIN**  
**PROJECT NO. 10-11-E1**  
**PROJECT VICINITY MAP**

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION AUTHORIZING PARTIAL PAYMENT TO BRANCO ENTERPRISES, INC., FOR CONSTRUCTION OF THE PHASE II "P" STREET WASTEWATER TREATMENT PLANT WET WEATHER IMPROVEMENTS - SCHEDULE 2**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, that:

Partial payment number twenty-three to Branco Enterprises, Inc., in the amount \$866,762.04 for the construction of the Phase II "P" Street Wastewater Treatment Plant Wet Weather Improvements - Schedule 2, Project Number 05-14-C1, is hereby approved.

This Resolution adopted this \_\_\_\_\_ day of June 2010.

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
npr

**INTER-OFFICE MEMO**

**TO:** Dennis Kelly, City Administrator

**DATE:** May 27, 2010

**FROM:** Steve Parke,  Director of Utilities

**SUBJECT:** Phase II "P" Street Wastewater Treatment Plant  
Wet Weather Improvements - Schedule 2  
Project Number 05-14-C1

Branco Enterprises, Inc., has submitted partial pay request number twenty-three in the amount of \$866,762.04 for work completed on the Phase II "P" Street Wastewater Treatment Plant Wet Weather Improvements - Schedule 2. Work is progressing at the scheduled rate. A project summary sheet is attached for your information.

The attached Resolution authorizes payment to Branco Enterprises. Should you or members of the Board have any questions or desire additional information, please let me know.

attachment

pc: Ray Gosack

## Project Summary

Today's Date: May 27, 2010

Project name: Wet Weather Improvements, P Street  
Wastewater Treatment Plant Phase II -  
Schedule 2

Staff contact name: Steve Parke

Project number: 05-14-C1

Staff contact phone: 784-2231

Project engineer: Hawkins-Weir Engineers, Inc.

Notice to proceed issued: July 21, 2008

Project contractor: Branco Enterprises, Inc.

Completion date: September 25, 2010

Project Status: In progress

	Dollar Amount	Contract Time (Days)
Original contract	\$31,840,000.00	750
Change orders:		
Number One	\$48,626.00	31
Number Two	\$36,561.14	35
Total change orders	\$85,187.14	<u>66</u>
Adjusted contract	<u>\$31,925,187.14</u>	<u>816</u>
Payments to date (as negative):	\$ (24,467,503.32)	76.6%
Amount of this payment (as negative)	\$ (866,762.04)	2.7%
Retainage held	\$1,596,259.36	
Contract balance remaining	\$6,590,921.78	20.6%
Amount Over (under) as a percentage	0.3%	

Final Comments:

5 J

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION ACCEPTING THE BID OF AND AUTHORIZING THE MAYOR  
TO EXECUTE A CONTRACT WITH UTILITY SERVICE COMPANY FOR  
FIANNA HILLS ELEVATED STORAGE TANK PAINTING**

**BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT  
SMITH, ARKANSAS, that:**

**SECTION 1: The bid of Utility Service Company for the construction of Fianna Hills  
Elevated Storage Tank Painting, Project Number 09-06-C1, is hereby accepted.**

**SECTION 2: The Mayor is hereby authorized to execute a contract with Utility Service  
Company for an amount of \$214,600.00, for performing said contract.**

This Resolution adopted this \_\_\_\_\_ day of June 2010.

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
npr

**INTER-OFFICE MEMO**

**TO:** Dennis Kelly, City Administrator

**DATE:** May 27, 2010

**FROM:** Steve Parke, Director of Utilities

**SUBJECT:** Fianna Hills Elevated Storage Tank Painting  
Project Number 09-06-C1

This project consists of painting the Fianna Hills 250,000 gallon elevated water storage tank and replacing its cathodic protection system. The project also includes the safe removal and proper disposal of the lead based paint.

The low bid for the work was submitted by Utility Service Company in the amount of \$214,600.00. This includes \$12,000.00 for placing the golf ball graphic back on the tank. A bid tabulation sheet showing the bidders and their bid sheets is attached. Should the Board determine that it is not cost effective, or not the city's obligation to pay the additional money for the golf ball graphic, staff will prepare a change order to remove that work from the project. Funds are available for this work from the tank painting account established within the Water and Wastewater Capital Improvements Fund. It is my recommendation that the contract be awarded to the Utility Service Company.

Should you or members of the Board have any questions or desire additional information, please let me know.

attachment

pc: Ray Gosack

## Tabulation of Bids

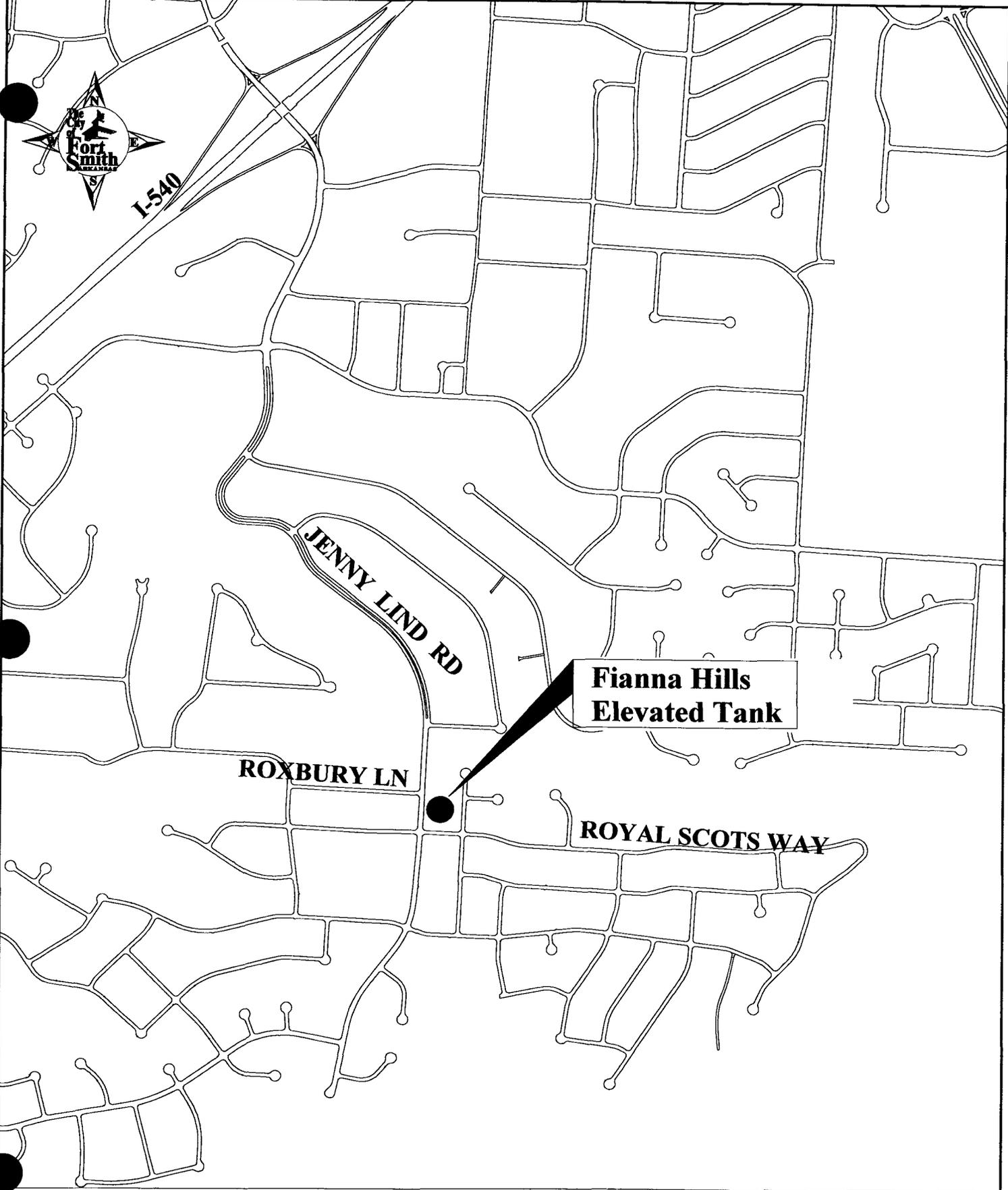
**Project Name**

Fianna Hills Elevated Storage Tank Repainting  
Project Number 09-06-C1

**Bid Opening**

May 25, 2010  
2:00 P.M.

<b><u>Bidder</u></b>	<b><u>Total Base Bid</u></b>	<b><u>Golf Ball Graphic</u></b>
Utility Service Company Perry, GA	\$214,600.00	\$12,000.00
Leher Painting Enterprises Mayflower, AR	\$228,777.00	\$30,000.00
Classic Protective Coatings Menomonie, WI	\$270,358.00	\$20,000.00
Protective Linings & Coatings Alexander, AR	\$283,500.00	\$25,000.00
TMI Coatings St. Paul, MN	\$320,100.00	\$12,000.00



O:\UtilityDept\General\DATA\Exhibits\09-06-C1\Fianna Hills Elev Tank Painting Site Plan 09-06-C1.dwg, 6/9/2010 8:11:31 AM, \\kny\paul\ITL\_HP5550HDN

**CITY OF FORT SMITH, ARKANSAS**  
**FIANNA HILLS ELEVATED TANK PAINTING**  
**PROJECT NO. 09-06-C1**  
**PROJECT VICINITY MAP**

RESOLUTION NO. \_\_\_\_\_

5 K

**RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE EASEMENTS WITH  
OKLAHOMA GAS & ELECTRIC COMPANY AND CENTURY LINK FOR  
SERVICES IN CONNECTION WITH LAKE FORT SMITH STATE PARK**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT  
SMITH, ARKANSAS that:

Section 1: The Mayor is hereby authorized to execute an easement to the Oklahoma Gas  
& Electric Company and Century Link for the installation of underground electric and telephone  
facilities in connection with the Lake Fort Smith State Park.

Section 2: The Mayor is hereby authorized to execute an easement to the Oklahoma Gas  
& Electric Company for the installation of an overhead electric transmission line to serve the  
facilities in connection with the Lake Fort Smith State Park.

This resolution adopted this \_\_\_\_ day of June 2010.

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
npr

**INTER-OFFICE MEMO**

**TO:** Dennis Kelly, City Administrator

**DATE:** June 11, 2010

**FROM:** Steve Parke, Director of Utilities

**SUBJECT:** Easement to Oklahoma Gas & Electric Company  
and Century Link for the Lake Fort Smith State Park  
Facilities in Mountainburg, Arkansas

The Lake Fort Smith State Park required the construction of an off-site overhead electric line along with several underground electric lines, transformers, telephone cables and pedestals for services within the park lease boundary. The off-site overhead primary electric line was constructed from an existing electric line on city property off Boston Mountain Road, easterly across city property to the park.

Oklahoma Gas & Electric Company and Century Link require an easement for the installation of the facilities and are requesting the city to execute the necessary easements. Copies of the two easements are attached along with a exhibit drawings depicting the easement areas.

Should you or members of the Board have any questions or desire additional information, please let me know.

attachment

pc: Ray Gosack

OG&E underground electric  
& telephone

THIS INSTRUMENT WAS PREPARED BY  
LAND MANAGEMENT  
AFTER RECORDING RETURN TO SAME @:  
OG&E ELECTRIC SERVICES  
ATTN: RIGHT OF WAY DEPT. - M/C AF90  
7200 HIGHWAY 45  
FORT SMITH, ARKANSAS 72916

## EASEMENT

Work Order # \_\_\_\_

KNOW ALL MEN BY THESE PRESENTS: THAT, THE CITY OF FORT SMITH, ARKANSAS, a municipal corporation, the STATE OF ARKANSAS, ARKANSAS DEPARTMENT OF PARKS AND TOURISM, GRANTOR, in consideration of the sum of Ten or more dollars in hand paid, the receipt of which is hereby acknowledged, and other good and valuable consideration, does hereby grant and warrant unto:

**OKLAHOMA GAS AND ELECTRIC COMPANY**, an Oklahoma corporation, Grantee, its successors and assigns, as to the easement areas described below as Easement Areas A, B, C, C1, C3, D, E, F and G, and **CENTURY LINK, formerly known as CENTURY TEL**, Grantee, its successors and assigns, as to the easement areas described below as Easement Areas A, B, C, C3 and G, the right, privilege and authority to enter upon and install, erect, operate, maintain and reconstruct underground and/or above ground a system of conduits, wires, cables, vaults, junction boxes, switches, fuses, transformers, service connection boxes and other fixtures for the transmission and distribution of electrical current and communication messages, including the right of ingress and egress to and from said system across adjoining lands of, upon and across the following real property and premises, situated in Crawford County, State of, to wit:

### EASEMENT AREA A

Part of the NW 1/4 of the NW 1/4 and Part of the NE 1/4 of the NW 1/4 of Section 30, Part of the SW 1/4 of the SW 1/4 of Section 19, all in Township 12 North, Range 29 West, Crawford County, Arkansas, being more particularly described as follows:

COMMENCING at the Southwest Corner of said Section 19; Thence along the West Line of said Section 30, S 02°31'35" W, 704.5 feet; Thence leaving said West Line, S 75°22'00" E, 36.3 feet to the POINT OF BEGINNING and centerline; Thence along said centerline the following courses and distances:

LINE	LENGTH	DIRECTION	COORDINATES
			N 123556.2, E 115413.4 (POB)
L1	37.3'	S 75°22'00" E	
			N 123546.8, E 115449.5
L2	159.0'	N 86°03'10" E	

			N 123557.8, E 115608.1
L3	43.7'	S 82°24'14" E	
			N 123552.0, E 115651.4
L4	364.9'	N 67°19'18" E	
			N 12392.7, E 115988.1
L5	104.3'	S 49°53'27" E	
			N 123625.5, E 116067.8
L6	131.1'	S 46°48'11" E	
			N 123535.0, E 116162.6
L7	103.5'	S 73°13'46" E	
			N 123505.1, E 116261.7
L8	138.4'	S 81°37'50" E	
			N 123485.0, E 116398.6
L9	147.0'	S 44°18'14" E	
			N 123380.6, E 116502.2
L10	138.2'	N 86°14'20" E	
			N 123389.7, E 116640.1
L11	48.5'	N 70°01'44" E	
			N 123406.3, E 116685.7
L12	78.7'	N 25°20'44" W	
			N 123477.4, E 116652.0
L13	331.2'	N 20°17'49" W	
			N 123788.0, E 116537.1
L14	338.7'	N 13°02'17" W	
			N 124118.0, E 116460.7
L15	169.1'	N 16°41'44" W	
			N 124279.9, E 116412.1

Containing 0.60 acres, more or less.

EASEMENT AREA B

Part of the NE 1/4 of the SE 1/4 and Part of the SE 1/4 of the SE 1/4 of Section 24, Township 12 North, Range 30 West, Part of the SW 1/4 of the SW 1/4 of Section 19, Township 12 North, Range 29 West, Crawford County, Arkansas, being more particularly described as follows:

COMMENCING at the Southwest Corner of said Section 19; Thence along the West Line of said Section 19, N 02°55'00" E, 1277.4 feet; Thence leaving said West Line, N 87°05'00" W, 111.1 feet to the POINT OF BEGINNING and centerline; Thence along said centerline the following courses and distances:

LINE	LENGTH	DIRECTION	COORDINATES
			N 125550.7, E 115363.4 (POB)
L16	100.1'	S 46°40'18" E	
			N 125482.0, E 115436.1
L17	40.4'	S 56°51'21" E	
			N 125459.9, E 115470.0
L18	89.1'	S 43°02'58" E	
			N 125394.8, E 115530.8

L19	91.7'	S 52°49'35" E	
			N 125339.4, E 115603.9
L20	154.8'	S 83°32'01" E	
			N 125322.0, E 115757.6

Containing 0.16 acres, more or less.

EASEMENT AREA C

Part of the NW 1/4 of the SE 1/4, Part of the SW 1/4 of the SE 1/4 , and Part of the SE 1/4 of the SW 1/4, all in Section 19, Township 12 North, Range 29 West, Crawford County, Arkansas, being more particularly described as follows:

COMMENCING at the Southwest Corner of said Section 19; Thence S87°26'31"E, along the South line of said SW1/4 of Section 19, 100.00 feet; Thence N02°55'00"E, parallel with the West line of said SW1/4 of Section 19, 1871.33 feet; Thence N72°13'43"E, 1343.73 feet to a point on the southerly right of way of Shepherd Springs Road; Thence along said right of way and along the arc of a curve to the left 122.88 feet, said curve having a radius of 1180.00 feet and being subtended by a chord having a bearing of S28°37'00"E and a length of 122.82 feet, to the point of tangency of said curve; Thence S31°36'00"E, 77.44 feet along said right of way; Thence N58°24'00"E, 10.00 feet along said right of way; Thence S31°36'00"E, 453.33 feet along said right of way; Thence N58°24'03"E, 30.00 feet along said right of way; Thence S31°36'00"E, 190.17 feet along said right of way to the point of curvature of a curve to the left; Thence along said right of way and along the arc of said curve 757.97 feet, said curve having a radius of 440.00 feet and being subtended by a chord having a bearing of S80°57'01"E and a length of 667.66 feet, to the point of tangency of said curve; Thence N49°41'58"E, 215.07 feet along said right of way to the point of curvature of a curve to the right; Thence along said right of way and along the arc of said curve to the right 252.10 feet, said curve having a radius of 260.00 feet and being subtended by a chord having a bearing of N77°28'39"E and a length of 242.34 feet, to the point of tangency of said curve; Thence S74°44'41"E, 136.81 feet along said right of way; Thence leaving said right of way, N 59°09'13"W, 50.7 feet to the POINT OF BEGINNING and centerline; Thence along said centerline the following courses and distances:

LINE	LENGTH	DIRECTION	COORDINATES
			N 125918.9, E 118503.3 (POB)
L21	162.5'	N 78°13'07" W	
			N 125952.1, E 118344.2
L22	89.2'	S 75°21'28" W	
			N 125929.6, E 118257.9
L23	98.6'	S 36°03'08" W	
			N 125849.8, E 118199.9
L24	138.4'	S 51°20'45" W	
			N 125763.4, E 118091.8
L25	168.7'	S 18°24'27" E	
			N 125603.4, E 118145.1
L26	62.3'	S 89°51'52" E	
			N 125603.2, E 118207.4

Thence continuing 107.8 feet along said centerline and along the arc of a curve to the right, said curve having a radius of 52.0 feet and being subtended by a chord having a bearing of S 30°31'11" E, and a distance of 89.5 feet to the point tangency (PT); Thence continuing along said centerline the following courses and distances:

LINE	LENGTH	DIRECTION	COORDINATES
			N 25526.1, E 118252.8 (PT)
L27	54.7'	S 31°18'07" W	
			N 125479.3, E 118224.4
L28	140.5'	S 18°26'05" W	
			N125346.1, E 118180.0
L29	83.1'	S 70°12'36" W	
			N 125317.9, E 118101.8
L30	75.2'	N 88°30'12" W	
			N 125319.9, E 118026.6
L31	16.3'	S 73°40'45" W	
			N 125315.3, E 118011.0
L32	80.5'	S 73°40'45" W	
			N 125292.7, E 117933.7
L33	106.0'	S 35°21'05" W	
			N 125206.2, E 117872.4
L34	130.0'	S 44°50'13" W	
			N 125114.0, E 117780.7
L35	140.7'	N 75°53'50" W	
			N 125148.3, E 117644.3
L36	89.9'	N 32°29'58" W	
			N 125224.1, E 117596.0

Containing 0.60 acres, more or less

EASEMENT AREA C1

Part of the SW 1/4 of the SE 1/4 and Part of the SE 1/4 of the SW 1/4, Section 19, Township 12 North, Range 29 West, Crawford County, Arkansas, being more particularly described as follows:

COMMENCING at the Southwest Corner of said Section 19; Thence S87°26'31"E, along the South line of said SW1/4 of Section 19, 100.00 feet; Thence N02°55'00"E, parallel with the West line of said SW1/4 of Section 19, 1871.33 feet; Thence N72°13'43"E, 1343.73 feet to a point on the southerly right of way of Shepherd Springs Road; Thence along said right of way and along the arc of a curve to the left 122.88 feet, said curve having a radius of 1180.00 feet and being subtended by a chord having a bearing of S28°37'00"E and a length of 122.82 feet, to the point of tangency of said curve; Thence S31°36'00"E, 77.44 feet along said right of way; Thence N58°24'00"E, 10.00 feet along said right of way; Thence S31°36'00"E, 453.33 feet along said right of way; Thence N58°24'03"E, 30.00 feet along said right of way; Thence S31°36'00"E,

190.17 feet along said right of way to the point of curvature of a curve to the left; Thence along said right of way and along the arc of said curve 757.97 feet, said curve having a radius of 440.00 feet and being subtended by a chord having a bearing of S80°57'01"E and a length of 667.66 feet, to the point of tangency of said curve; Thence N49°41'58"E, 215.07 feet along said right of way to the point of curvature of a curve to the right; Thence along said right of way and along the arc of said curve to the right 252.10 feet, said curve having a radius of 260.00 feet and being subtended by a chord having a bearing of N77°28'39"E and a length of 242.34 feet, to the point of tangency of said curve; Thence S74°44'41"E, 136.81 feet along said right of way; Thence leaving said right of way, N 59°09'13"W, 50.7 feet; Thence the following courses and distances: N 78°13'07" W, 162.5 feet; S 75°21'28" W, 89.2 feet; S 36°03'08" W, 98.6 feet; S 51°20'45" W, 138.4 feet; S 18°24'27" E, 168.7 feet; S 89°51'52" E, 62.3 feet; Thence 107.8 feet along the arc of a curve to the right, said curve having a radius of 52.0 feet and being subtended by a chord having a bearing of S 30°31'11" E, and a distance of 89.5 feet to the point tangency; S 31°18'07" W, 54.7 feet; S 18°26'05" W, 140.5 feet; S 70°12'36" W, 83.1 feet; N 88°30'12" W, 75.2 feet; S 73°40'45" W, 16.3 feet; S 73°40'45" W, 80.5 feet; S 35°21'05" W, 106.0 feet; S 44°50'13" W, 130.0 feet; N 75°53'50"W, 140.7 feet to the POINT OF BEGINNING and centerline; Thence along said centerline the following courses and distances:

LINE	LENGTH	DIRECTION	COORDINATES
			N 125148.3, E 117644.3 (POB)
L37	3.6'	S 75°53'50" E	
			N 125149.2, E 117640.8
L38	25.3'	S 32°29'58" E	
			N 125127.9, E 117654.4
L39	90.7'	S 43°10'56" E	
			N 125061.7, E 117716.4
L40	64.9'	S 03°27'12" W	
LINE	LENGTH	DIRECTION	COORDINATES
			N 124997.0, E 117712.5
L41	61.2'	S 55°14'20" E	
			N 124962.1, E 117762.8
L42	159.8'	S 85°57'16" E	
			N 124950.8, E 117922.1
L43	28.1'	N 71°16'03" E	
			N 124959.8, E 117948.7
L44	261.1'	S 84°32'25" E	
			N 124935.0, E 118208.6
L45	100.3'	S 57°38'06" E	
			N 124881.3, E 118293.4
L46	34.6'	S 12°39'45" W	
			N 124847.5, E 118285.8
L47	230.2'	S 54°10'53" W	
			N 124712.8, E 118099.1
L48	195.9'	N 89°54'51" W	
			N 124713.1, E 117903.2
L49	75.7'	N 80°58'28" W	
			N 124724.9, E 117828.4
L50	44.3'	S 09°01'32" W	

			N 124681.2, E 117821.5
--	--	--	------------------------

Containing 0.32 acres, more or less

EASEMENT AREA C3

Part of the SE 1/4 of the SW 1/4, Section 19, Township 12 North, Range 29 West, Crawford County, Arkansas, being more particularly described as follows:

COMMENCING at the Southwest Corner of said Section 19; Thence S87°26'31"E, along the South line of said SW1/4 of Section 19, 100.00 feet; Thence N02°55'00"E, parallel with the West line of said SW1/4 of Section 19, 1871.33 feet; Thence N72°13'43"E, 1343.73 feet to a point on the southerly right of way of Shepherd Springs Road; Thence along said right of way and along the arc of a curve to the left 122.88 feet, said curve having a radius of 1180.00 feet and being subtended by a chord having a bearing of S28°37'00"E and a length of 122.82 feet, to the point of tangency of said curve; Thence S31°36'00"E, 77.44 feet along said right of way; Thence N58°24'00"E, 10.00 feet along said right of way; Thence S31°36'00"E, 453.33 feet along said right of way; Thence N58°24'030"E, 30.00 feet along said right of way; Thence S31°36'00"E, 190.17 feet along said right of way to the point of curvature of a curve to the left; Thence along said right of way and along the arc of said curve 757.97 feet, said curve having a radius of 440.00 feet and being subtended by a chord having a bearing of S80°57'01"E and a length of 667.66 feet, to the point of tangency of said curve; Thence N49°41'58"E, 215.07 feet along said right of way to the point of curvature of a curve to the right; Thence along said right of way and along the arc of said curve to the right 252.10 feet, said curve having a radius of 260.00 feet and being subtended by a chord having a bearing of N77°28'39"E and a length of 242.34 feet, to the point of tangency of said curve; Thence S74°44'41"E, 136.81 feet along said right of way; Thence leaving said right of way, N 59°09'13"W, 50.7 feet; Thence the following courses and distances: N 78°13'07" W, 162.5 feet; S 75°21'28" W, 89.2 feet; S 36°03'08" W, 98.6 feet; S 51°20'45" W, 138.4 feet; S 18°24'27" E, 168.7 feet; S 89°51'52" E, 62.3 feet; Thence 107.8 feet along the arc of a curve to the right, said curve having a radius of 52.0 feet and being subtended by a chord having a bearing of S 30°31'11" E, and a distance of 89.5 feet to the point tangency; S 31°18'07" W, 54.7 feet; S 18°26'05" W, 140.5 feet; S 70°12'36" W, 83.1 feet; N 88°30'12" W, 75.2 feet; S 73°40'45" W, 16.3 feet to the POINT OF BEGINNING and centerline; Thence N 16°19'15" W, 38.8 feet along said centerline to the point of termination of said centerline, containing 0.01 acres, more or less

EASEMENT AREA D

Part of the NW 1/4 of the SE 1/4 of Section 19, Township 12 North, Range 29 West, Crawford County, Arkansas, being more particularly described as follows:

COMMENCING at the Southwest Corner of said Section 19; Thence along the West Line of said Section 30, N 2°55'00" E, 2568.3 feet; Thence continuing along said West Line, N 02°14'25" E, 74.82 feet to the Northwest Corner of the Southwest 1/4 of said Section 19; Thence leaving said West Line, S 87°34'52" E, 2578.3 feet along the North Line of said Southwest 1/4 to the Northeast Corner of said Southwest 1/4; Thence S 87°34'52" E, 1018.7 feet along the North Line of the Southeast 1/4 of said Section 19; Thence leaving said North Line, S 23°58'47" W, 23.3 feet to the POINT OF BEGINNING and centerline; Thence along said centerline, S 23°58'47" W, 46.6 feet; Thence S 19°56'22" W, 159.6 feet along said centerline;

Thence S 04°59'53" W, 24.1 feet along said centerline to the point of termination of said centerline, containing 0.08 acres, more or less.

EASEMENT AREA E

Part of the NE 1/4 of the SE 1/4 of Section 19, Township 12 North, Range 29 West, Crawford County, Arkansas, being more particularly described as follows:

COMMENCING at the Southwest Corner of said Section 19; Thence along the West Line of said Section 30, N 2°55'00" E, 2568.3 feet; Thence continuing along said West Line, N 02°14'25" E, 74.82 feet to the Northwest Corner of the Southwest 1/4 of said Section 19; Thence leaving said West Line, S 87°34'52" E, 2578.3 feet along the North Line of said Southwest 1/4 to the Northeast Corner of said Southwest 1/4; Thence S 87°34'52" E, 1310.4 feet along the North Line of the Southeast 1/4 of said Section 19; Thence leaving said North Line, S 02°34'34" W, 547.8 feet; Thence S 63°45'30" E, 56.5 feet to the POINT OF BEGINNING and centerline; Thence along said centerline the following courses and distances:

LINE	LENGTH	DIRECTION	COORDINATES
			N 126172.6, E 119454.3 (POB)
L55	74.5'	S 42°20'41" E	
			N 126117.6, E 119504.4
L56	118.9'	S 25°20'57" E	
			N 126010.1, E 119555.3
L57	76.8'	S 24°39'15" W	
			N 125940.3, E 119523.3
L58	104.7'	S 09°16'09" E	
			N 125837.0, E 119540.1
L59	66.1'	S 17°09'34" E	
			N 125773.9, E 119559.6
L60	107.6'	S 52°28'33" E	
			N 125708.4, E 119644.9
L61	51.4'	S 43°31'08" E	
			N 125671.1, E 119680.3
L62	66.4'	S 46°29'45" E	
			N 125625.4, E 119728.5
L63	41.9'	S 56°48'34" E	
			N 125602.5, E 119763.6

Containing 0.24 acres, more or less.

EASEMENT AREA F

Part of the SE 1/4 of the NE 1/4 of Section 19, Township 12 North, Range 29 West, Crawford County, Arkansas, being more particularly described as follows:

COMMENCING at the Southwest Corner of said Section 19; Thence along the West Line of said Section 30, N 2°55'00" E, 2568.3 feet; Thence continuing along said West Line, N 02°14'25" E, 74.82 feet to the

Northwest Corner of the Southwest 1/4 of said Section 19; Thence leaving said West Line, S 87°34'52" E, 2578.3 feet along the North Line of said Southwest 1/4 to the Northeast Corner of said Southwest 1/4; Thence S 87°34'52" E, 1757.5 feet along the North Line of the Southeast 1/4 of said Section 19; Thence leaving said North Line, N 02°25'08" E, 81.2 feet to the POINT OF BEGINNING and centerline; Thence along said centerline the following courses and distances:

LINE	LENGTH	DIRECTION	COORDINATES
			N 126807.1, E 119878.9 (POB)
L64	77.2'	N 61°06'14" E	
			N 126844.4, E 119946.0
L65	52.0'	N 26°28'40" W	
			N 12680.9, E 119922.8
L66	113.1'	N 08°45'54" E	
			N 127002.7, E 119940.0
L67	95.1'	N 39°18'00" E	
			N 127076.3, E 120000.3
L68	42.6'	N 16°43'59" E	
			N 127117.1, E 120012.5
L69	65.1'	N 40°11'43" E	
			N 127166.7, E 120054.5
L70	50.5'	N 01°32'25" E	
			N 127217.2, E 120055.8

Containing 0.11 acres, more or less.

Easement G

Part of the NW 1/4 of the NW 1/4 of Section 30, Township 12 North, Range 29 West, Crawford County, Arkansas, being more particularly described as follows:

COMMENCING at the Northwest Corner of said Section 30; Thence along the West Line of said Section 30, S 02°31'35" W, 704.5 feet; Thence leaving said West Line, S 75°22'00" E, 73.6 feet; Thence N86°03'10"E, 159.0 feet; Thence S82°24'14"E, 43.7 feet; Thence N67°19'18"E, 339.7 feet to the POINT OF BEGINNING and centerline; Thence along said centerline N36°12'55"E, 200.4 feet to the point of termination of said centerline.

Containing 0.06 acres, more or less.

As shown on the Exhibits attached hereto as for Utility Easements, A, B, C, C1, C3, D, E, F and G.

**The centerline of this easement shall be along the actual route of the line as installed and shall include any additional easement area needed for downguys or anchors.**

Grantor further covenants and agrees that no building or other structure shall ever be erected nor shall any excavation or other removal of soil, so as to change the grade of terrain, be accomplished by heirs or assigns, within the above described easement area unless the written consent of the Grantee is first

obtained. the requirements of (One-call statute).

The rights and privileges above granted to continue so long as same are used or needed for the transmission and distribution of electric current or communication messages; but should the Grantee remove its property from the premises and abandon the right of way herein granted, then the rights granted in this easement shall terminate.

Signed and delivered this \_\_\_\_\_ day of , 2010

ATTEST:

City of Fort Smith, Arkansas

\_\_\_\_\_  
City Clerk

CORPORATE SEAL

By: \_\_\_\_\_  
Title: Mayor

**CORPORATION ACKNOWLEDGMENT**

STATE OF Arkansas

COUNTY OF Sebastian

Before me, the undersigned, a Notary Public, in and for Said County and State, on this \_\_\_\_\_ day of , 2010 personally appeared Ray Baker and Cindy Remler, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its Mayor and City Clerk, and acknowledged to me that he/she executed the same as his/her free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

My Commission Expires:

\_\_\_\_\_

\_\_\_\_\_

Notary Public

Approved by the Arkansas State Parks, Recreation, and Travel Commission on this

15<sup>th</sup>  
Day of APRIL, 2010.

ARKANSAS DEPARTMENT OF  
PARKS AND TOURISM

BY:   
Richard W. Davies, Executive Director

AND  
BY   
Gregg Butts, Director State Parks Division

**CORPORATION ACKNOWLEDGMENT**

STATE OF Arkansas

COUNTY OF Sebastian

Before me, the undersigned, a Notary Public, in and for Said County and State, on this 26<sup>th</sup>  
day of APRIL, 2010 personally appeared Richard Davies and Gregg Butts  
Directors, to me known to be the identical person who  
subscribed the name of the maker thereof to the foregoing instrument as its  
and acknowledged to me that he/she executed  
the same as his/her free and voluntary act and deed of such corporation, for the uses and  
purposes therein set forth.

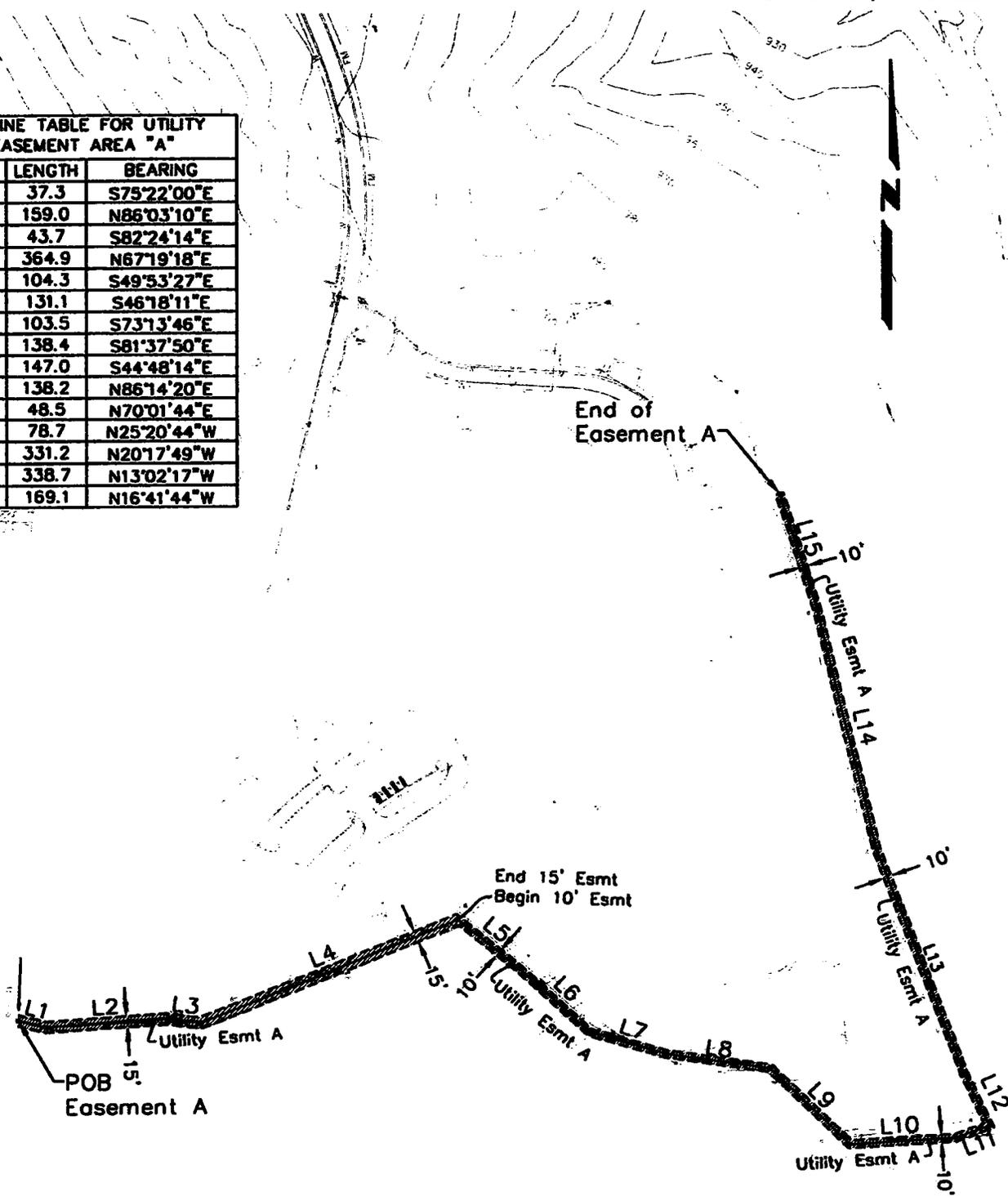
My Commission Expires: 4-12-15



**MICKLE-WAGNER-COLEMAN, INC.**  
 Engineers Consultants Surveyors

3434 Country Club Avenue  
 P.O. Box 1507  
 Fort Smith, Arkansas 72902

LINE TABLE FOR UTILITY EASEMENT AREA "A"		
LINE	LENGTH	BEARING
L1	37.3	S75°22'00"E
L2	159.0	N86°03'10"E
L3	43.7	S82°24'14"E
L4	364.9	N67°19'18"E
L5	104.3	S49°53'27"E
L6	131.1	S46°18'11"E
L7	103.5	S73°13'46"E
L8	138.4	S81°37'50"E
L9	147.0	S44°48'14"E
L10	138.2	N86°14'20"E
L11	48.5	N70°01'44"E
L12	78.7	N25°20'44"W
L13	331.2	N20°17'49"W
L14	338.7	N13°02'17"W
L15	169.1	N16°41'44"W

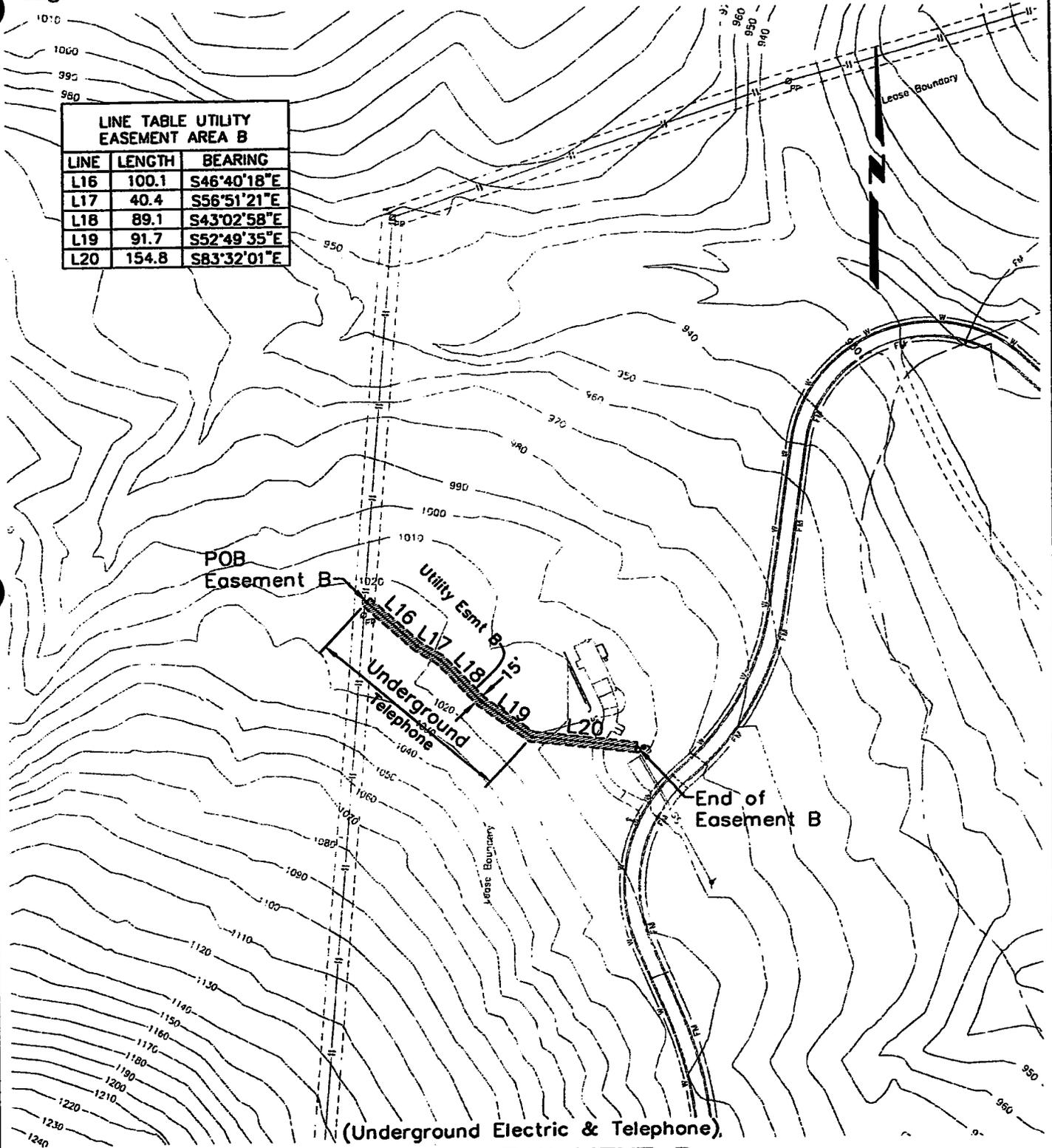


(Underground Electric & Telephone)  
**UTILITY EASEMENT A**  
 Scale 1"=200'  
**LAKE FORT SMITH STATE PARK**

**MICKLE-WAGNER-COLEMAN, INC.**  
 Engineers Consultants Surveyors

3434 Country Club Avenue  
 P.O. Box 1507  
 Fort Smith, Arkansas 72902

LINE TABLE UTILITY EASEMENT AREA B		
LINE	LENGTH	BEARING
L16	100.1	S46°40'18"E
L17	40.4	S56°51'21"E
L18	89.1	S43°02'58"E
L19	91.7	S52°49'35"E
L20	154.8	S83°32'01"E



(Underground Electric & Telephone)

**UTILITY EASEMENT B**

Scale 1"=200'

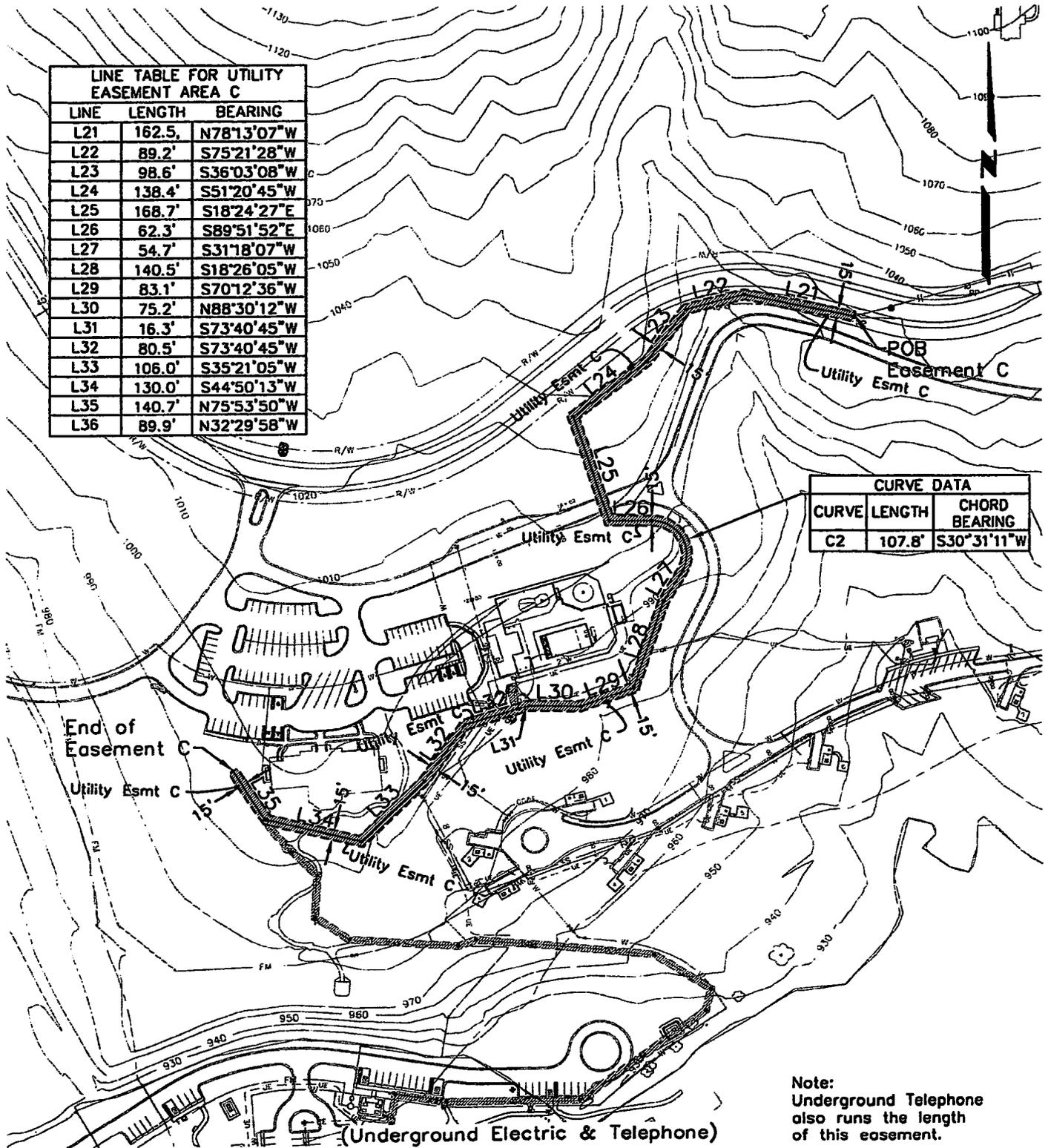
**LAKE FORT SMITH STATE PARK**

**MICKLE-WAGNER-COLEMAN, INC.**  
 Engineers Consultants Surveyors

3434 Country Club Avenue  
 P.O. Box 1507  
 Fort Smith, Arkansas 72902

LINE TABLE FOR UTILITY EASEMENT AREA C		
LINE	LENGTH	BEARING
L21	162.5'	N78°13'07"W
L22	89.2'	S75°21'28"W
L23	98.6'	S36°03'08"W
L24	138.4'	S51°20'45"W
L25	168.7'	S18°24'27"E
L26	62.3'	S89°51'52"E
L27	54.7'	S31°18'07"W
L28	140.5'	S18°26'05"W
L29	83.1'	S70°12'36"W
L30	75.2'	N88°30'12"W
L31	16.3'	S73°40'45"W
L32	80.5'	S73°40'45"W
L33	106.0'	S35°21'05"W
L34	130.0'	S44°50'13"W
L35	140.7'	N75°53'50"W
L36	89.9'	N32°29'58"W

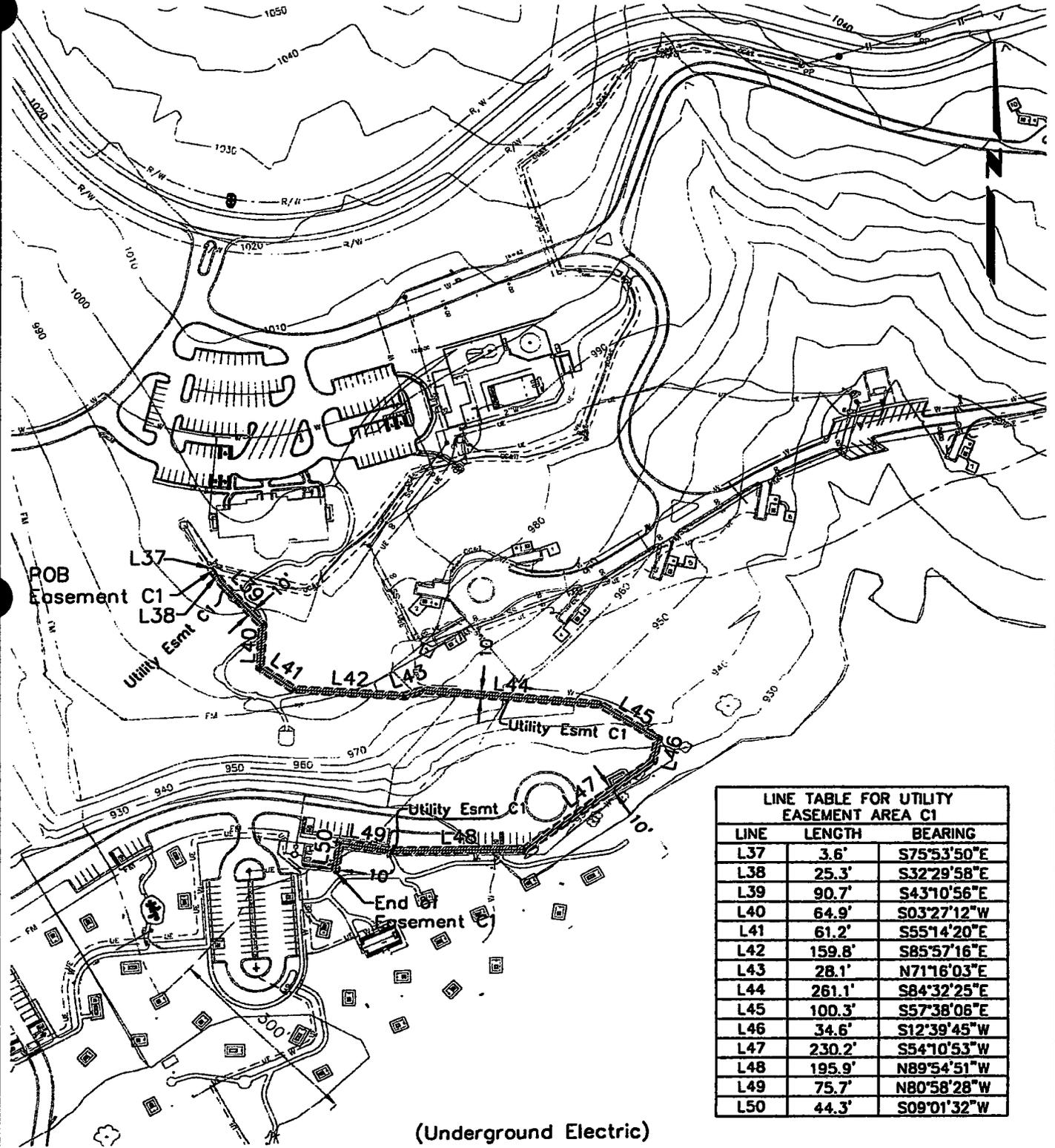
CURVE DATA		
CURVE	LENGTH	CHORD BEARING
C2	107.8'	S30°31'11"W



**UTILITY EASEMENT C**  
 Scale 1"=200'  
 LAKE FORT SMITH STATE PARK

**MICKLE-WAGNER-COLEMAN, INC.**  
 Engineers Consultants Surveyors

3434 Country Club Avenue  
 P.O. Box 1507  
 Fort Smith, Arkansas 72902

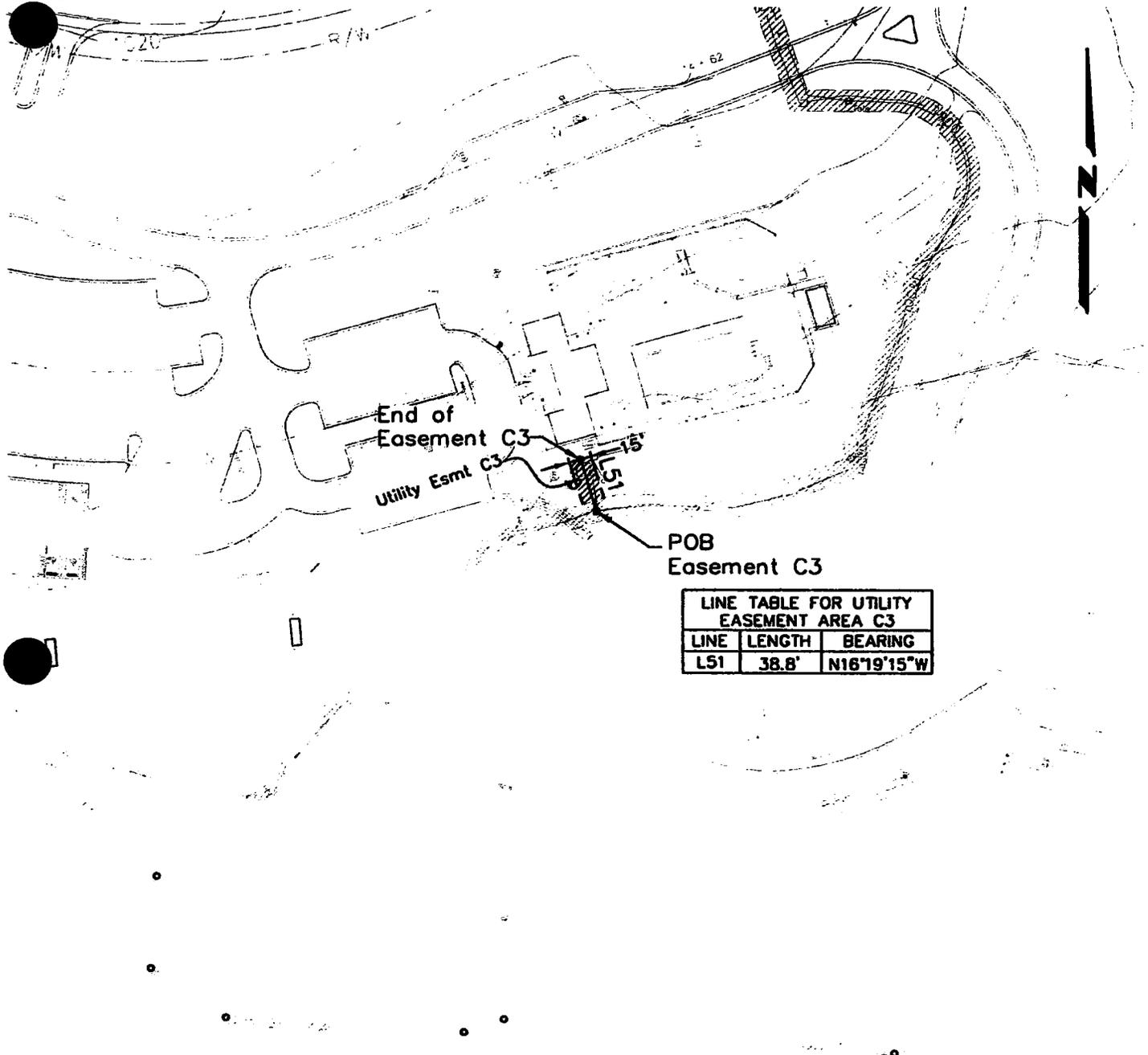


LINE TABLE FOR UTILITY EASEMENT AREA C1		
LINE	LENGTH	BEARING
L37	3.6'	S75°53'50"E
L38	25.3'	S32°29'58"E
L39	90.7'	S43°10'56"E
L40	64.9'	S03°27'12"W
L41	61.2'	S55°14'20"E
L42	159.8'	S85°57'16"E
L43	28.1'	N71°16'03"E
L44	261.1'	S84°32'25"E
L45	100.3'	S57°38'06"E
L46	34.6'	S12°39'45"W
L47	230.2'	S54°10'53"W
L48	195.9'	N89°54'51"W
L49	75.7'	N80°58'28"W
L50	44.3'	S09°01'32"W

(Underground Electric)  
**UTILITY EASEMENT C1**  
 Scale 1"=200'  
**LAKE FORT SMITH STATE PARK**

**MICKLE-WAGNER-COLEMAN, INC.**  
Engineers Consultants Surveyors

3434 Country Club Avenue  
P.O. Box 1507  
Fort Smith, Arkansas 72902



LINE TABLE FOR UTILITY EASEMENT AREA C3		
LINE	LENGTH	BEARING
L51	38.8'	N16°19'15"W

(Underground Electric & Telephone)

**UTILITY EASEMENT C3**

Scale 1"=100'

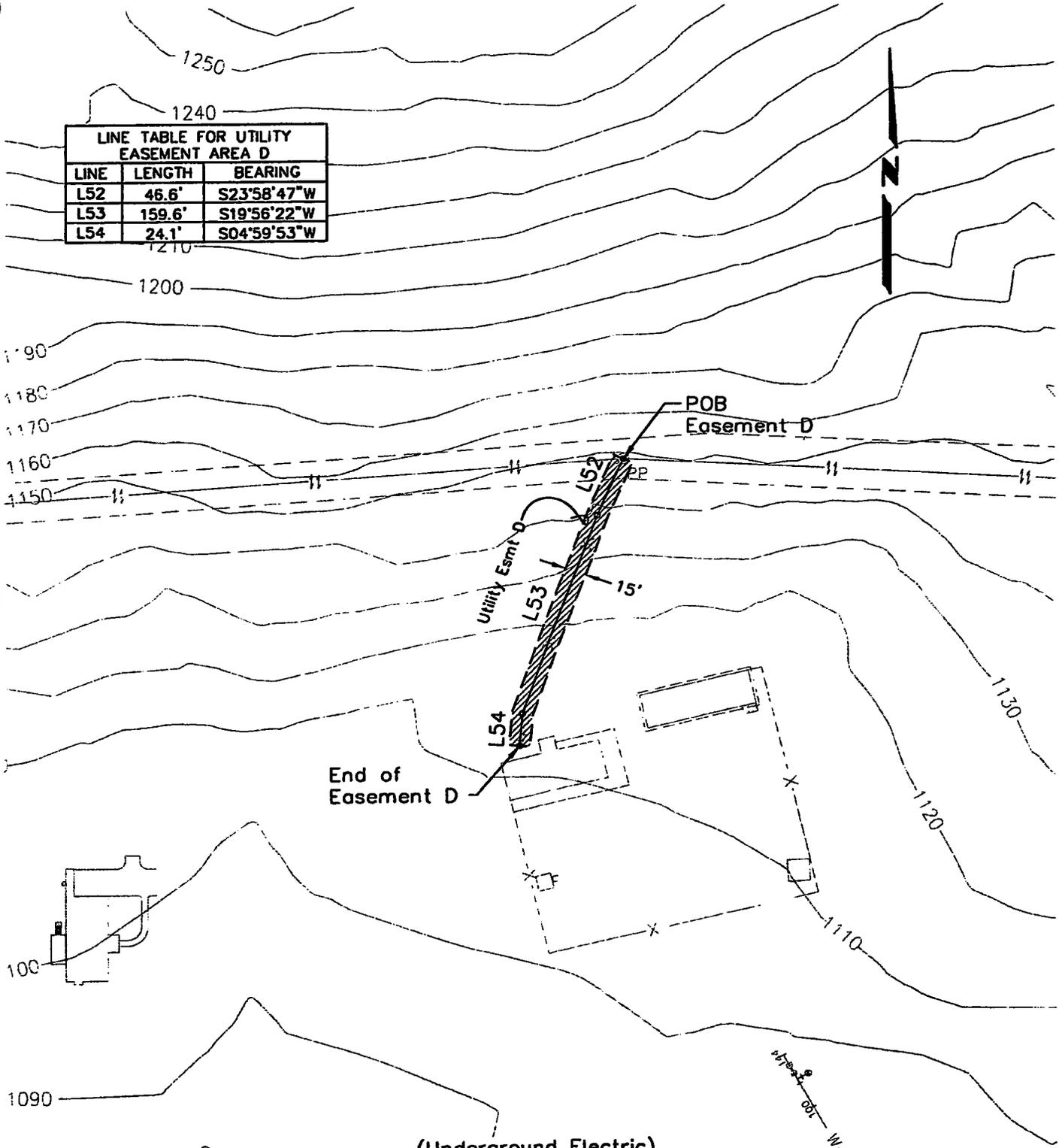
**LAKE FORT SMITH STATE PARK**

Note:  
Underground Telephone  
also runs the length  
of this easement.

**MICKLE-WAGNER-COLEMAN, INC.**  
 Engineers Consultants Surveyors

3434 Country Club Avenue  
 P.O. Box 1507  
 Fort Smith, Arkansas 72902

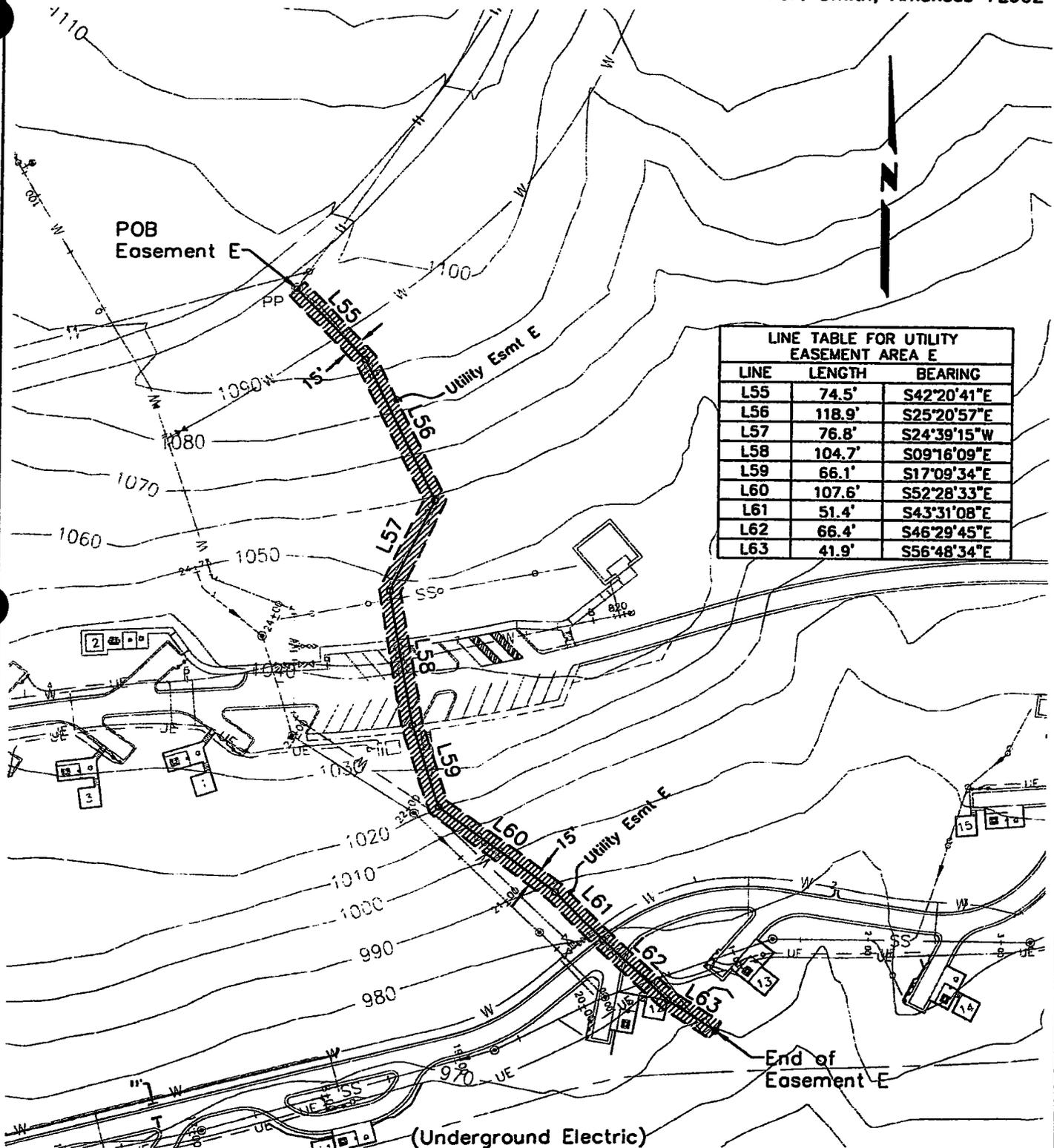
LINE TABLE FOR UTILITY EASEMENT AREA D		
LINE	LENGTH	BEARING
L52	46.6'	S23°58'47"W
L53	159.6'	S19°56'22"W
L54	24.1'	S04°59'53"W



(Underground Electric)  
**UTILITY EASEMENT D**  
 Scale 1"=100'  
**LAKE FORT SMITH STATE PARK**

**MICKLE-WAGNER-COLEMAN, INC.**  
**Engineers Consultants Surveyors**

3434 Country Club Avenue  
 P.O. Box 1507  
 Fort Smith, Arkansas 72902



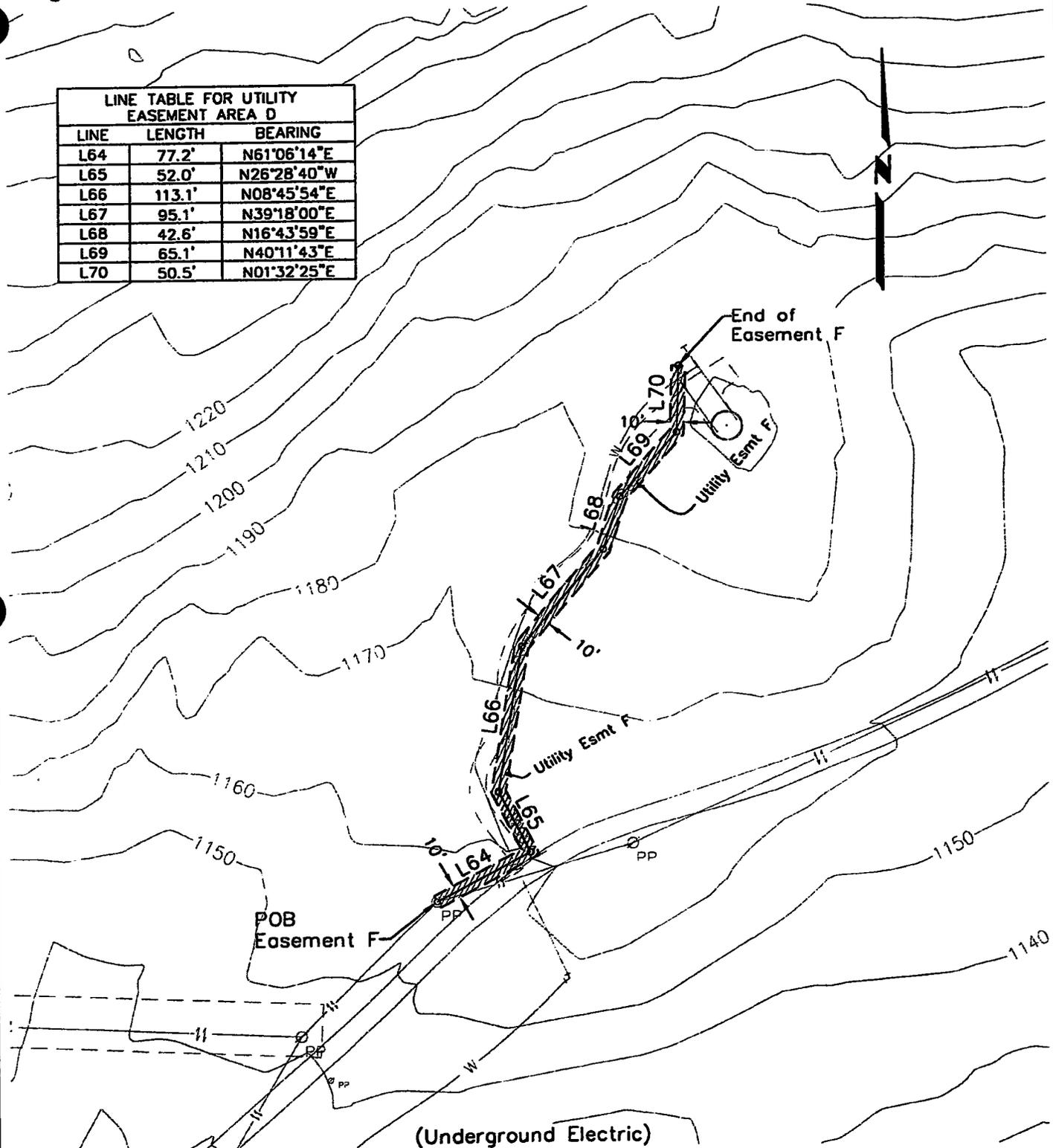
LINE TABLE FOR UTILITY EASEMENT AREA E		
LINE	LENGTH	BEARING
L55	74.5'	S42°20'41"E
L56	118.9'	S25°20'57"E
L57	76.8'	S24°39'15"W
L58	104.7'	S09°16'09"E
L59	66.1'	S17°09'34"E
L60	107.6'	S52°28'33"E
L61	51.4'	S43°31'08"E
L62	66.4'	S46°29'45"E
L63	41.9'	S56°48'34"E

(Underground Electric)  
**UTILITY EASEMENT E**  
 Scale 1"=100'  
**LAKE FORT SMITH STATE PARK**

**MICKLE-WAGNER-COLEMAN, INC.**  
 Engineers Consultants Surveyors

3434 Country Club Avenue  
 P.O. Box 1507  
 Fort Smith, Arkansas 72902

LINE TABLE FOR UTILITY EASEMENT AREA D		
LINE	LENGTH	BEARING
L64	77.2'	N61°06'14"E
L65	52.0'	N26°28'40"W
L66	113.1'	N08°45'54"E
L67	95.1'	N39°18'00"E
L68	42.6'	N16°43'59"E
L69	65.1'	N40°11'43"E
L70	50.5'	N01°32'25"E



(Underground Electric)  
**UTILITY EASEMENT F**  
 Scale 1"=100'  
**LAKE FORT SMITH STATE PARK**

**MICKLE-WAGNER-COLEMAN, INC.**  
 Engineers Consultants Surveyors

3434 Country Club Avenue  
 P.O. Box 1507  
 Fort Smith, Arkansas 72902

LINE TABLE FOR UTILITY EASEMENT AREA "G"		
LINE	LENGTH	BEARING
L71	200.4	N36°12'55"E



Group Lodge 4  
 (Future)

Group Lodge B

End-Esmt G

Group Lodge 2  
 (Future)

Utility Esmt G

Wild Turkey Lodge A

Dining Hall

POB  
 Easement G

(Underground Electric & Telephone)

**UTILITY EASEMENT G**

Scale 1"=100'

**LAKE FORT SMITH STATE PARK**

K:\Fort Smith\1-06 FSILFS PARK-P1032C\dwg\EXHIBIT\SSRA LEASE EASEMENT G\_3/28/2010 11:04:39 AM.dwg, Letter, 1:1

THIS INSTRUMENT PREPARED BY AND  
AFTER RECORDING RETURN TO:  
OG&E ELECTRIC SERVICES  
ATTN: LAND MANAGEMENT SERVICES  
P. O. BOX 321, MAIL CODE M109  
OKLAHOMA CITY, OK 73101-0321

**EASEMENT**

WORK ORDER NO. \_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS:

THAT, THE CITY OF SMITH ARKANSAS, a municipal corporation, Grantor, in consideration of Ten or more dollars, in hand paid, the receipt of which is hereby acknowledged, and other good and valuable consideration, **does** hereby grant and warrant unto **OKLAHOMA GAS AND ELECTRIC COMPANY**, an Oklahoma corporation, hereinafter referred to herein as Grantee, and Grantee's successors and assigns, the right and authority to enter upon, erect, operate, repair and maintain a system of poles, metal towers, wires, anchors, guywires, and other fixtures for the transmission of electric current and communication messages upon, over, under and across the following-described real property, situated in Crawford\_\_ County, State of Arkansas, and described as follows:

Part of the SE ¼ of the SE ¼ and Part of the NE ¼ of the SE ¼ of Section 24, Township 12 North, Range 30 West, Part of the NW ¼ of the SW ¼, Part of the NE ¼ of the SW ¼, Part of the NW ¼ of the SE ¼, and Part of the NE ¼ of the SE ¼ of Section 19, Township 12 North, Range 29 West, Crawford County, Arkansas, being more particularly described as follows:

- A. Commencing at the Southwest Corner of said Section 19; Thence along the East Line of said Section 24, S 02°31'35" W, 25.8 feet to the POINT OF BEGINNING and centerline; Thence leaving said East Line and running along said centerline, N 87°07'28" W, 144.9 feet; Thence N 04°16'19" E, 1900.4 feet along said centerline; Thence N 71°01'39" E, 615.1 feet along said centerline ; Thence N 73°56'49" E, 419.8 feet along said centerline; Thence N 39°26'16" E, 484.6 feet along said centerline; Thence S 89°44'06" E, 379.7 feet along said centerline; Thence S 74°44'08" E, 283.4 feet along said centerline; Thence S 61°37'00" E, 473.5 feet along said centerline; Thence N 50°49'49" E, 352.6 feet along said centerline;

Thence S 74°55'58" E, 292.2 feet along said centerline; Thence N 86°07'59" E, 805.9 feet along said centerline; Thence S 87°15'21" E, 668.5 feet along said centerline to the point of termination of said centerline, containing 4.81 acres, more or less.

As shown on Easement A Pages 1 & 2 attached hereto.

And

- B. Commencing at the Southwest Corner of said Section 19; Thence along the East Line of said Section 24, S 02°31'35" W, 25.8 feet; Thence leaving said East Line, N 87°07'28" W, 160.0 feet to the POINT OF BEGINNING and centerline; Thence N 87°07'28" W, 766.8 feet along said centerline; Thence S 85°27'36" W, 311.1 feet along said centerline; Thence N 87°07'28" W, 80.4 feet along said centerline to the point of termination of said centerline, containing 0.80 acres, more or less.

As shown on Easement B attached hereto.

And

- C. Commencing at the Southwest Corner of said Section 19; Thence along the West Line of Section 30, Township 12 North, Range 29 West, S 02°31'35" W, 25.8 feet to the POINT OF BEGINNING and centerline; Thence S 87°07'28" E, 19.4 feet along said centerline; Thence S 02°25'45" W, 1078.9 feet along said centerline; Thence S 75°22'02" E, 737.7 feet along said centerline; Thence S 04°27'10" E, 23.2 feet along said centerline; Thence S 48°11'53" E, 70.7 feet along said centerline to the point of termination of said centerline, containing 1.30 acres, more or less.

As Shown on Easement C attached hereto.

(hereinafter referred to as the "Easement Property"), together with the right to re-enter upon the Easement Property for the purpose of reconstructing, resetting, and making improvements to said system, and together with such right of ingress and egress across **Grantor's** lands adjacent to or adjoining the Easement Property as may be necessary to accomplish the purposes herein set forth.

Grantor further covenants and agrees that Grantee, in Grantee's sole discretion, shall have the right, privilege, and authority to enter upon, cut, trim and keep trimmed, remove, and control the growth of any brush and trees that may, in Grantee's sole judgment, interfere with or endanger the construction, operation, and maintenance of said system hereinafter constructed on the Easement Property. Grantor hereby consents to permit Grantee to trim and keep trimmed any trees and foliage on Grantor's real property immediately adjacent to the Easement Property to promote the health of the trees involved.

Grantor further covenants and agrees that within the Easement Property, no building, sign, billboard, or other structure will be erected by the Grantor unless the written consent of the Grantee is first obtained. Grantor further covenants and agrees that Grantor shall not accomplish or permit any

excavation or other removal of soil, so as to change the grade of terrain of the Easement Property, without the prior express written consent of Grantee.

The consideration which has been paid to Grantor for this Easement represents full and complete compensation for all damages which Grantor has sustained and may hereafter sustain by reason of the exercise by Grantee of the rights and privileges granted hereunder, except that actual damage to the grass and planted crops, exclusive of trees, caused during and by the construction or reconstruction of said electric system, or improvements thereto, will be paid after completion of the work and the extent of said damage has been determined.

The rights and privileges above granted shall continue as long as same are used or needed for the transmission of electric current or communication messages; but should Grantee remove its facilities from the Easement Property and abandon the right-of-way herein granted, then the rights granted in this Easement shall terminate.

Signed and delivered this \_\_\_\_\_ day of \_\_\_\_\_ 2008.

ATTEST:

CITY OF FORT SMITH ARKANSAS

\_\_\_\_\_  
Corporate Secretary

By: \_\_\_\_\_

\_\_\_\_\_  
CORPORATE SEAL

Title: Mayor of City of Fort Smith

**CORPORATION ACKNOWLEDGMENT**

STATE OF ARKANSAS

§

COUNTY OF SEBASTIAN

Before me, the undersigned, a Notary Public, in and for Said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, 2008, personally appeared Ray Baker and Cindy Remler, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its Mayor

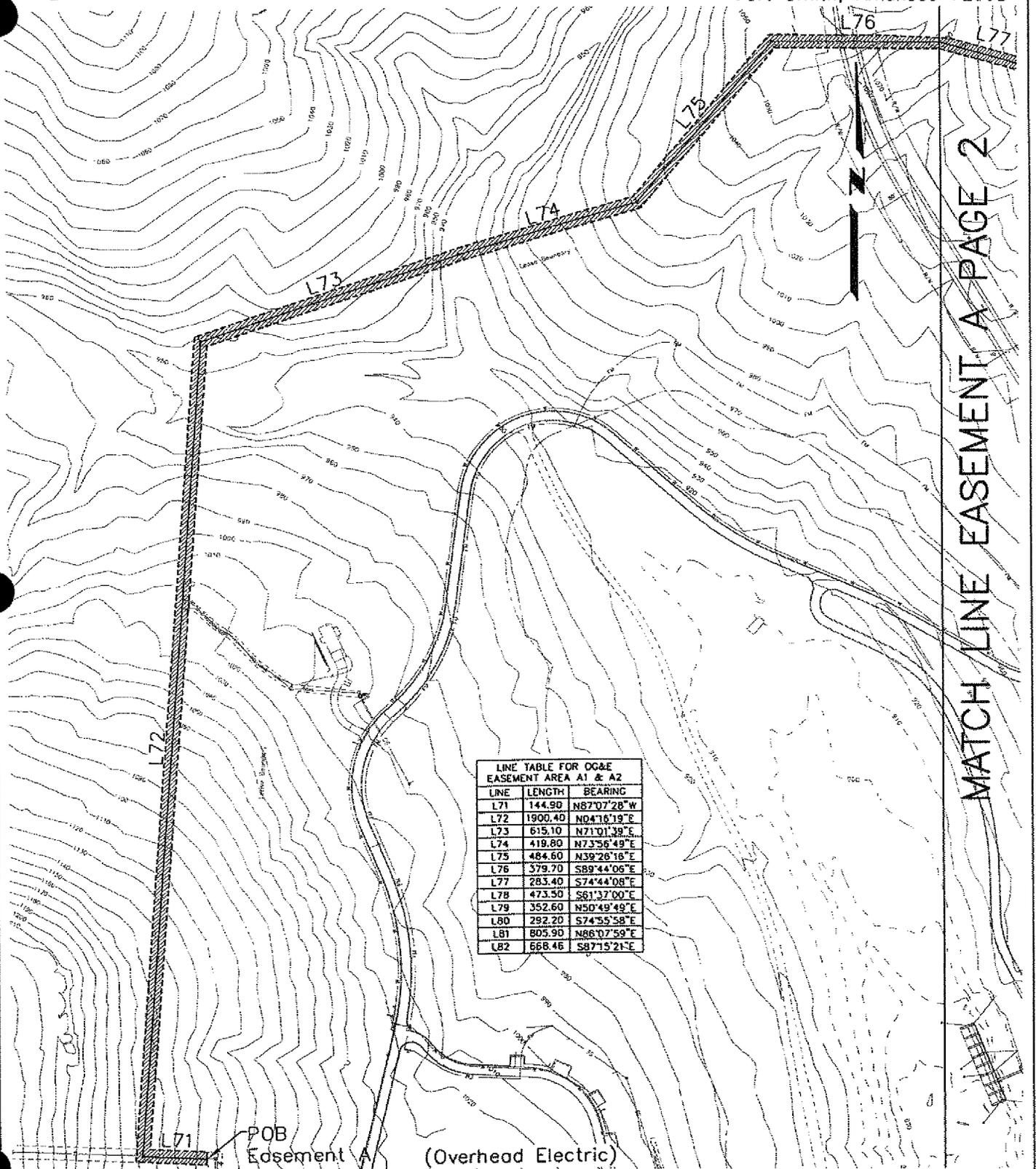
and City Clerk, and acknowledged to me that they executed the same as their free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

My Commission Expires:

\_\_\_\_\_

\_\_\_\_\_  
Notary Public

(Draft No. \_\_\_\_\_) R/W File No.  
Form 468 (Rev 7/2003) ARK\_OH-C2.DOT Atlas Sheet No.



LINE TABLE FOR OG&E  
 EASEMENT AREA A1 & A2

LINE	LENGTH	BEARING
L71	144.80	N87°07'28"W
L72	1900.40	N04°16'19"E
L73	615.10	N71°01'38"E
L74	418.80	N73°56'49"E
L75	484.60	N39°26'18"E
L76	379.70	S89°44'08"E
L77	283.40	S74°44'08"E
L78	473.50	S61°37'00"E
L79	352.60	N50°49'49"E
L80	292.20	S74°55'58"E
L81	805.90	N86°07'59"E
L82	668.46	S87°15'21"E

MATCH LINE EASEMENT A PAGE 2

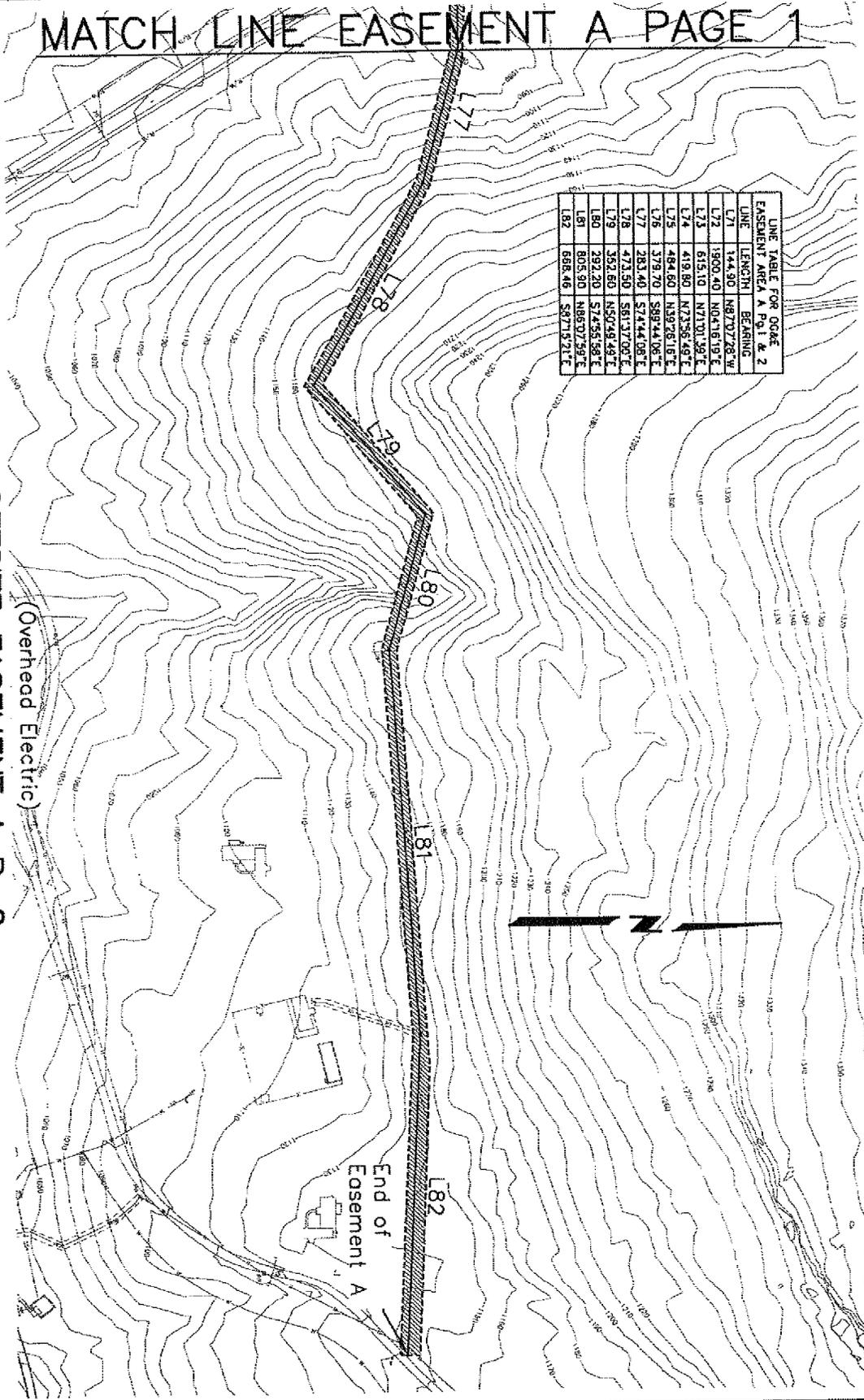
OFFSITE EASEMENT A Pg.1  
 Scale 1"=300'  
 LAKE FORT SMITH STATE PARK

MICKLE-WAGNER-COLEMAN, INC.  
 Engineers Consultants Surveyors

3434 Country Club Avenue  
 P.O. Box 1507  
 Fort Smith, Arkansas 72902

# MATCH LINE EASEMENT A PAGE 1

LINE	LENGTH	BEARING
L71	144.30	N87°07'28"W
L72	1900.40	N04°16'19"E
L73	615.10	N71°01'39"E
L74	419.80	N73°56'49"E
L75	484.60	N10°26'16"E
L76	378.70	S89°44'08"E
L77	283.40	S74°44'08"E
L78	473.50	S61°37'00"E
L79	352.60	N50°48'49"E
L80	292.20	S74°55'58"E
L81	805.90	N86°07'59"E
L82	656.46	S87°15'21"E



**OFFSITE EASEMENT A Pg.2**

Scale 1" = 300'  
 LAKE FORT SMITH STATE PARK

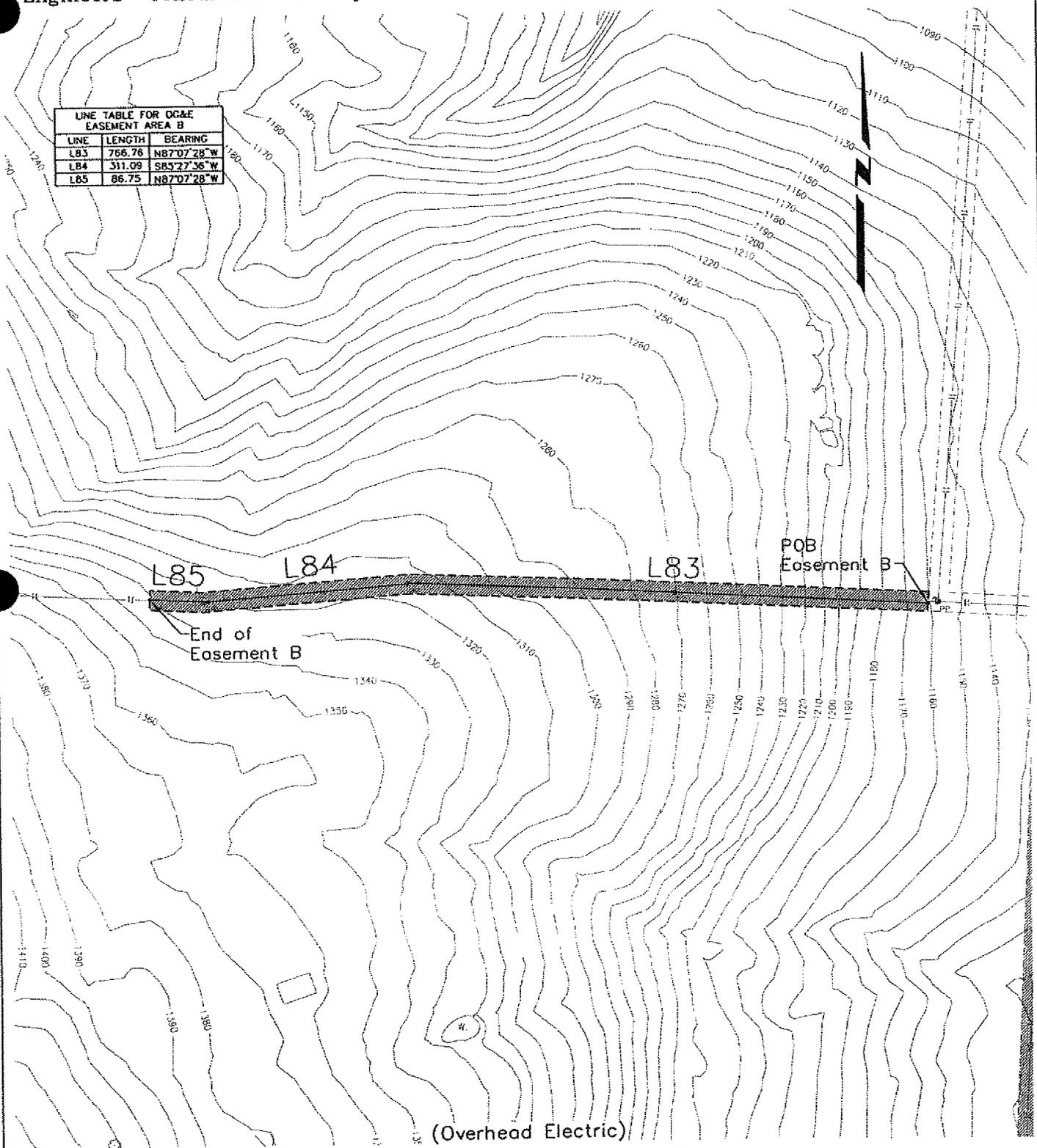
(Overhead Electric)

End of Easement A

**MICKLE-WAGNER-COLEMAN, INC.**  
 Engineers Consultants Surveyors

3434 Country Club Avenue  
 P.O. Box 1507  
 Fort Smith, Arkansas 72902

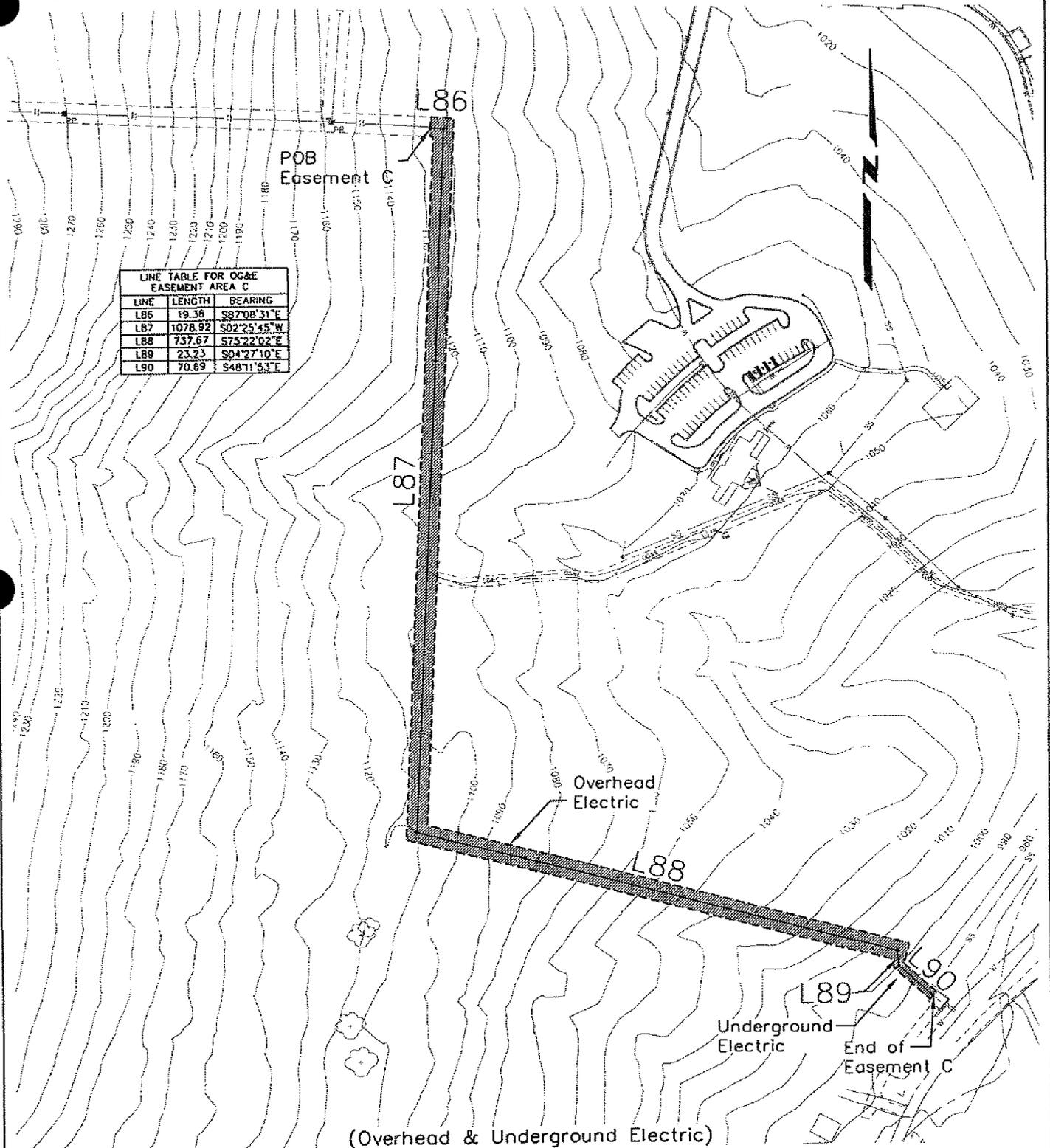
LINE TABLE FOR DC&E EASEMENT AREA B		
LINE	LENGTH	BEARING
L83	756.76	N87°07'28"W
L84	311.09	S85°27'36"W
L85	86.75	N87°07'28"W



(Overhead Electric)  
**OFFSITE EASEMENT B**  
 Scale 1"=200'  
**LAKE FORT SMITH STATE PARK**

MICKLE-WAGNER-COLEMAN, INC.  
 Engineers Consultants Surveyors

3434 Country Club Avenue  
 P.O. Box 1507  
 Fort Smith, Arkansas 72902



LINE TABLE FOR OG&E EASEMENT AREA C		
LINE	LENGTH	BEARING
L86	19.36	S87°08'31"E
L87	1078.92	S02°25'45"W
L88	737.67	S75°22'02"E
L89	23.23	S04°27'10"E
L90	70.69	S48°11'53"E

(Overhead & Underground Electric)  
**OFFSITE EASEMENT C**

Scale 1"=200'  
 LAKE FORT SMITH STATE PARK

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO ACCEPT AN OFFER MADE BY PROPERTY OWNER FOR THE ACQUISITION OF REAL PROPERTY INTERESTS FOR THE HIGHWAY 45 AND ZERO STREET WATER AND SEWER LINE RELOCATION PROJECT**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS that:

The City Administrator is hereby authorized to execute an offer and acceptance made by the following property owner:

<u>Tract Number</u>	<u>Property Owner</u>	<u>Appraised Value</u>
Tract 6	Steven D. Riggs	\$21,377.20

and to make payment for same, in connection with the acquisition of a water and sewer utility easement for the Highway 45 and Zero Street Water and Sewer Line Relocation, Project 09-13-C1, said property being located at the intersection of Phoenix Avenue and Old Greenwood Road, Fort Smith, Arkansas.

This Resolution adopted this \_\_\_\_ day of June 2010.

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
npr

**INTER-OFFICE MEMO**

**TO:** Dennis Kelly, City Administrator

**DATE:** June 8, 2010

**FROM:** Steve Parke, Director of Utilities

**SUBJECT:** Hwy 45 and Zero Street Water and Sewer Line Relocation  
Project 09-13-C1

The Arkansas State Highway and Transportation Department has a project to widen a section of Highway 45 (Old Greenwood Road) from Phoenix Avenue to Highway 255 (Zero Street). Their project requires the relocation of 800 feet of 20-inch water transmission line, 500 feet of 12-inch water line and 900 feet of 8-inch sanitary sewer line to accommodate the highway construction. The Arkansas State Highway and Transportation Department will reimburse the city for engineering and construction costs. The attached exhibits depict the project area.

The project will require the city to purchase six easements, one of which is from Mr. Steven D. Riggs. Mr. Riggs owns the commercial property consisting of a large convenience store and retail beverage outlet on the northwest corner of Phoenix Avenue and Old Greenwood Road. At the Board's April 20 meeting staff was authorized to extend an offer to Mr. Riggs of \$18,210.00 which was the appraised value of the water and sewer easement. An exhibit showing the easement area required from this property is attached.

Mr. Riggs believes that the city's offer should be paid on the same land value basis as that of what the Highway Department paid him for acquiring their additional highway right-of-way. Based upon the highway department's appraised valuation, Mr. Riggs made the city a counter offer of \$21,377.20 for the easement. A comparison table of the city's appraised amount along with those values adjusted based upon the highway department's appraised values is attached.

Staff believes that the administrative costs associated with acquiring the easement through other means warrants consideration of Mr. Riggs' counter offer. A Resolution authorizing the acceptance of Mr. Rigg's counter offer is attached and staff recommends that it be submitted to the Board for their consideration at its next scheduled meeting.

Should you or members of the Board have any questions or desire additional information, please let me know.

attachment

pc: Ray Gosack

Legend

- Proposed Water Relocation
- Proposed Sewer Relocation



**PROJECT AREA**

COCA-COLA

FORT SMITH REGIONAL AIRPORT

**PROJECT AREA**

ZERO ST

RHEEM

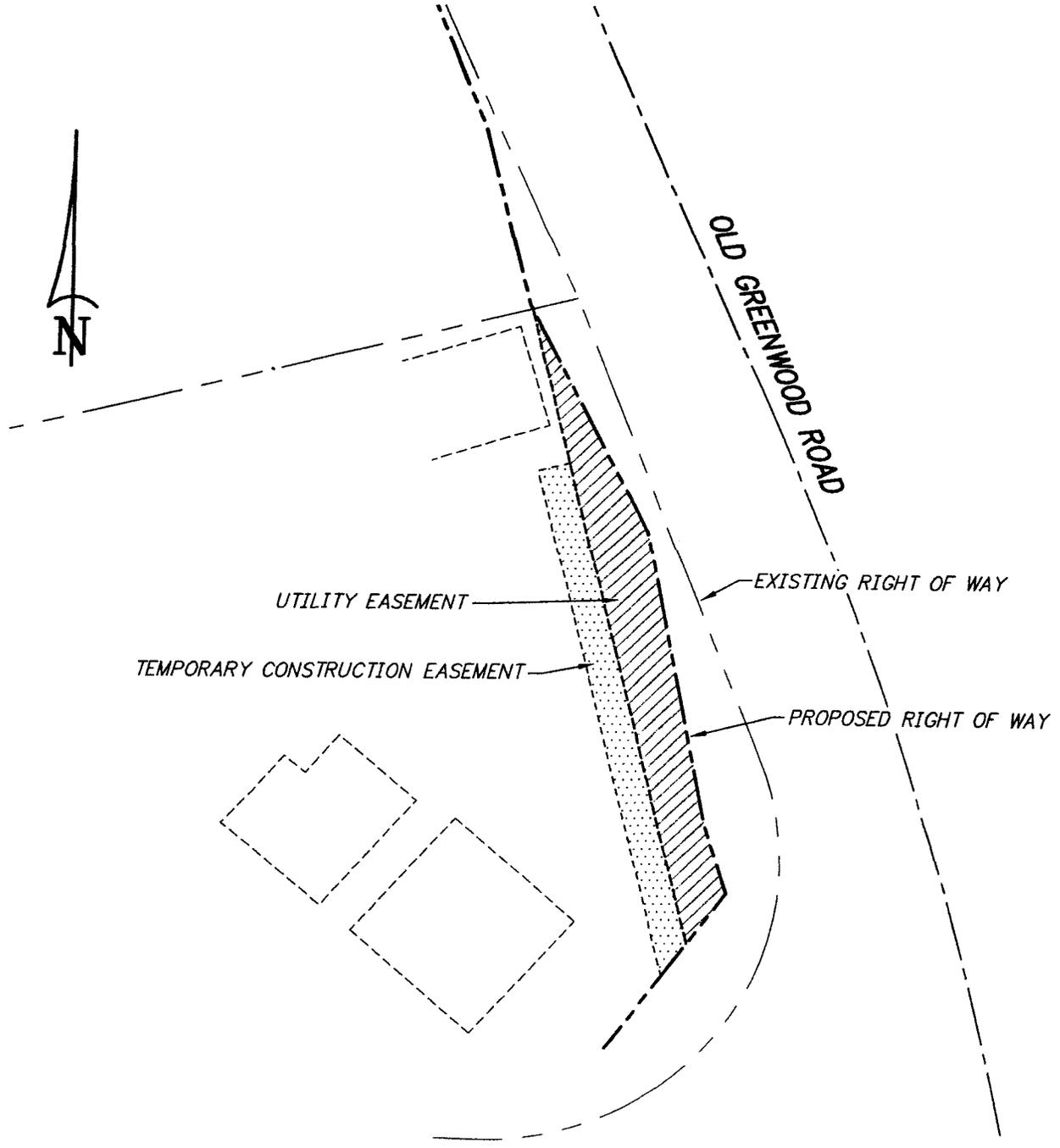
AR HWY 45

REGIONS PARK DR

**WATER AND SEWER RELOCATIONS  
HWY 45 AND ZERO  
PROJECT NO. 09-13-C1  
PROJECT VICINITY MAP**

O:\UtilityDept\General\DWG\_DATA\Exhibits\SPARKE\HWY 45 & Zero Wtr&Svr Relocation\09-13-C1.dwg, 4/14/2010 12:43:34 PM, \\KHYLPRD\UTL\_HPLJ8150\_01

U:\DRAWING\PROJECTS\2009\09-13-E1 HWY 45 AND ZERO EASEMENTS\RIGGS.DWG, 2/9/2010 2:01 PM SH, LAYOUT1



PHOENIX AVENUE

OLD GREENWOOD ROAD

UTILITY EASEMENT

TEMPORARY CONSTRUCTION EASEMENT

EXISTING RIGHT OF WAY

PROPOSED RIGHT OF WAY



Hawkins-Weir Engineers, Inc.  
Engineers Surveyors Consultants

110 SOUTH. 7th ST • VAN BUREN, ARKANSAS • 72956  
PH. 479 474-1227 • FAX 479 474-8531  
www.hawkins-weir.com

UTILITY EASEMENT

STEVEN D. RIGGS

02/04/2010

1" = 50'

09-13-E1

May 21, 2010

Highway 45 and Zero Street Water /Sewer Line Relocation Project No. 09-22-E1-Tract 6

Steven D. and La Beth Riggs Easement Acquisition:

<b>City of Fort Smith Acquisition</b>	<b>City Appraisal Value</b>	<b>Rigg's Appraisal Value</b>
Permanent Easement and TCE	\$16,458.00	\$20,377.20
Landscaping Damages	\$ 1,000.00	\$ 1,000.00
<b>Total Appraisal Values</b>	<b>\$18,210.00</b>	<b>\$21,377.20</b>

---

\*Counter offer is 17% above city appraisal. Mr. Rigg's appraisal values and counter offer are based on State of Arkansas Appraisal of his property for additional street right of way for the widening project.

5 M

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION AUTHORIZING PARTIAL PAYMENT TO CROSSLAND  
HEAVY CONTRACTORS, INC., FOR CONSTRUCTION OF THE LAKE  
FORT SMITH WATER TREATMENT PLANT - CONTRACT 3**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT  
SMITH, ARKANSAS, that:

Partial payment number nine to Crossland Heavy Contractors, Inc., in the amount of  
\$3,463,428.45, for construction of the Lake Fort Smith Water Treatment Plant - Contract 3,  
Project Number 07-09-C3, is hereby approved.

This Resolution adopted this \_\_\_\_\_ day of June 2010.

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
npr

**INTER-OFFICE MEMO**

**TO:** Dennis Kelly, City Administrator

**DATE:** June 3, 2010

**FROM:** Steve Parke, Director of Utilities

**SUBJECT:** Lake Fort Smith Water Treatment Plant Improvements  
Project Number 07-09-C3

Crossland Heavy Contractors, Inc., has submitted partial pay request number nine in the amount of \$3,463,428.45 for work completed on the Lake Fort Smith Water Treatment Plant Improvements - Contract 3. A project summary sheet is attached for your information. The quality of Crossland's work continues to be very good and they are still on schedule to complete the project by the contract completion date. Major items of work completed during the time period covered by this pay request are as follows:

- Site Piping
- Site Electrical
- Clarification Facility
- Clarification Flow Splitter Structure
- Filter Flow Splitter Structure
- Main Electrical Building
- Backwash Pump Station

The attached Resolution authorizes payment to Crossland. Should you or members of the Board have any questions or desire additional information, please call.

attachments

pc: Ray Gosack

## Project Summary

Project Status: In progress

Project name: Lake Fort Smith Water Treatment Plant  
Improvements - Contract 3

Today's Date: June 3, 2010

Project number: 07-09-C3

Staff contact name: Steve Parke

Project engineer: Burns & McDonnell, Inc.

Staff contact phone: 784-2231

Project contractor: Crossland Heavy Contractors, Inc.

Notice to proceed issued: August 31, 2009

Completion Date: December 27, 2011

	Dollar Amount	Contract Time (Days)
Original contract	\$31,641,000.00	785
Change orders:		
Change Order No. 1	\$22,902.00	14
Change Order No. 2	\$89,078.00	49
Total change orders	\$111,980.00	<u>63</u>
Adjusted contract	<u>\$31,752,980.00</u>	<u>848</u>
Payments to date (as negative):	\$-8,099,743.26	
Amount of this payment (as negative)	\$-3,463,428.45	
Retainage held	\$1,284,796.86	
Contract balance remaining	\$21,474,605.15	
Amount Over as a percentage	1.00%	

Final Comments:

To date contractor has completed 26.1% of project. (Does not include payment for materials stored)

5 N

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION ACCEPTING THE PROJECT AS COMPLETE AND AUTHORIZING FINAL PAYMENT TO KAJACS CONTRACTORS, INC., FOR CONSTRUCTION OF NEIGHBORHOOD WATER SYSTEMS IMPROVEMENTS**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, that:

SECTION 1: The construction of the Neighborhood Water System Improvements, North 50th and North "N" Street Service Area, Project 08-06-C1, is accepted as complete.

Section 2: Final payment to KAJACS Contractors, Inc., in the amount of \$98,902.65, is hereby approved.

This Resolution adopted this \_\_\_\_\_ day of June 2010.

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
npr

**INTER-OFFICE MEMO**

**TO:** Dennis Kelly, City Administrator

**DATE:** June 15, 2010

**FROM:** Steve Parke, Director of Utilities

**SUBJECT:** Neighborhood Water System Improvements  
North 50th and North "N" Street Service Area  
Project Number 08-06-C1

KAJACS Contractors, Inc. has submitted final pay request in the amount of \$98,902.65 for work completed on the Neighborhood Water System Improvements, Project Number 08-06-C1. An exhibit showing the location of the work and a project summary sheet are attached for your information.

The attached Resolution authorizes the final payment to KAJACS Contractors. Should you or the members of the Board have any questions or need additional information, please let me know.

attachment

pc: Ray Gosack

## Project Summary

Project status: Completed

Project name: Neighborhood Water System Improvements,  
North 50th and North "N" Street Service Area

Today's date: June 8, 2010

Project number: 08-06-C1

Staff contact name: Steve Parke

Project engineer: Morrison-Shipley Engineers, Inc.

Staff contact phone: 784-2231

Project Contractor: KAJACS Contractors, Inc.

	Dollar Amount	Contract Time (Days)
Original contract	895,958.70	180
Change orders:		
1		
2		
Subtotal:	<u>0.00</u>	
Final contract amount:	<u><u>895,958.70</u></u>	
Total work completed:	807,092.89	
Payments to date (as negative):	-708,190.24	
Final payment:	98,902.65	
Retainage held:	0.00	
Contract balance remaining:	88,865.81	
Amount over (under) original as a percentage:	-9.92%	



NEIGHBORHOOD WATER SYSTEM  
IMPROVEMENTS 50th & N SERVICE AREA  
PROJECT NO. 08-06-C1

RESOLUTION NO. \_\_\_\_\_

RESOLUTION AUTHORIZING AN AMENDMENT TO THE AGREEMENT WITH MICKLE WAGNER COLEMAN ENGINEERS, INC., FOR ENGINEERING SERVICES ASSOCIATED WITH THE ZERO STREET OUTFALL SEWER IMPROVEMENTS PHASE I

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, that:

SECTION 1: Amendment Number One to the Agreement with Mickle Wagner Coleman Engineers, Inc., for engineering services associated with the Zero Street Outfall Sewer Improvements Phase I, Project No. 09-18-E1, is hereby approved.

SECTION 2: The Mayor is hereby authorized to execute Amendment Number One to the Agreement, for an amount of \$35,000.00 and adjusting the Agreement to \$162,838.00, for performance of said design services.

This Resolution adopted this \_\_\_\_\_ day of June 2010.

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
npr

**INTER-OFFICE MEMO**

**TO:** Dennis Kelly, City Administrator

**DATE:** June 7, 2010

**FROM:** Steve Parks, Director of Utilities

**SUBJECT:** Zero Street Outfall Sewer Improvements Phase I  
Engineering Services Agreement - Amendment Number One  
Project Number 09-18-E1

This project is the first phase of the Zero Street outfall sewer line improvements that were proposed by Camp Dresser & McKee Inc., to improve line capacities to transport sanitary sewer flows to the Zero Street pump station. This Amendment provides for design of an additional 1,700 feet of 18-inch sewer line that will allow the flexibility of sending dry weather sewer flows and draining of the proposed flow equalization facility to the "P" Street treatment plant instead of the Massard treatment plant. The attached map shows the locations of the improvements.

A Resolution for Amendment Number One to the engineering services agreement with Mickle Wagner Coleman providing additional compensation for design services in an amount of \$35,000.00 is attached. Amendment Number One adjusts the overall amount of the agreement to \$162,838.00. Funds are available for this work from the Water and Wastewater Capital Improvement Fund.

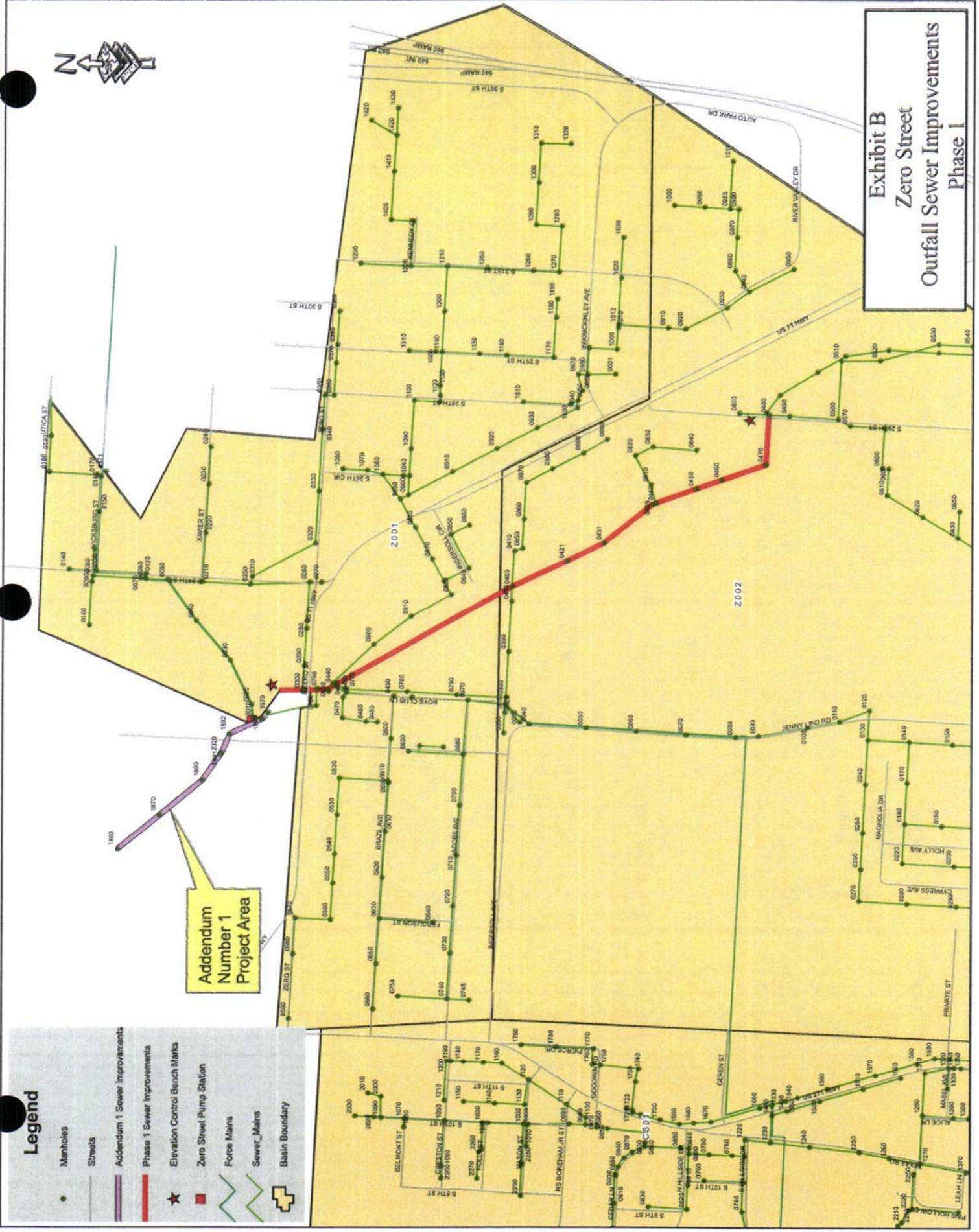
Should you or members of the Board have any questions or desire additional information, please let me know.

attachment

pc: Ray Gosack



# Exhibit B Zero Street Outfall Sewer Improvements Phase I



## Legend

- Manholes
- Streets
- Addendum 1 Sewer Improvements
- Phase 1 Sewer Improvements
- ★ Elevation Control Bench Marks
- ★ Zero Street Pump Station
- Force Mains
- Sewer\_Mains
- ⊕ Basin Boundary

RESOLUTION NO. \_\_\_\_\_

RESOLUTION ACCEPTING THE PROJECT AS COMPLETE, AND AUTHORIZING FINAL PAYMENT TO INSITUFORM TECHNOLOGIES, INC., FOR THE WALNUT STREET 30-INCH SEWER REHABILITATION

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, that:

SECTION 1: The construction of the Walnut Street 30-inch Sewer Rehabilitation, Project Number 09-15-C1, is accepted as complete.

SECTION 2: Final payment to Insituform Technologies, Inc., in the amount of \$116,146.80, is hereby approved.

This Resolution adopted this \_\_\_\_\_ day of June 2010.

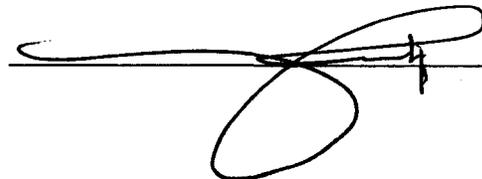
APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
npr

**INTER-OFFICE MEMO**

**TO:** Dennis Kelly, City Administrator

**DATE:** June 7, 2010

**FROM:** Steve Parke, Director of Utilities

**SUBJECT:** Walnut Street 30-Inch Sewer Rehabilitation  
Project Number 09-15-C1

This project consists of relining 2,400 feet of 30-inch and 105 feet of 36-inch sewer line which flows to the sewer lift station at the west end Walnut Street. This project was intended to avoid emergency repairs such as those that occurred in 2008 and 2009. During the course of the work an additional subsidence occurred and the Board authorized a change order in the amount of \$180,250.00 based on replacing approximately 100 feet of the sewer line and two manholes by open cut. While making the repair it was found that the damage to the sewer line was not as extensive as originally thought. The actual repair cost was \$94,350.00. The attached map shows the locations of the improvements.

Insituform Technologies, Inc. has completed the project and a Resolution accepting the project as complete and authorizing final payment in the amount of \$116,146.80 is attached. It is my recommendation that the project be accepted as complete.

Should you or members of the Board have any questions or need additional information, please let me know.

attachment

pc: Ray Gosack



## Project Summary

Project Status: Complete

Project name: Walnut Street 30-Inch Sewer Rehabilitation

Today's Date: June 7, 2010

Project number: 09-15-C1

Staff contact name: Steve Parke

Project engineer: Utility Department

Staff contact phone: 784-2231

Project contractor: Havens Construction Company

Notice to proceed issued: March 15, 2010

Completion date: June 13, 2010

	Dollar Amount	Contract Time (Days)
Original contract	\$437,500.00	55
Change orders: Number One	\$180,250.00	35
Total change orders	\$180,250.00	<u>35</u>
Adjusted contract	<u>\$617,750.00</u>	<u>90</u>
Payments to date (as negative):	\$-414,139.20	67.0%
Amount of this payment (as negative)	\$-116,146.80	18.8%
Retainage held	\$0.00	
Contract balance remaining	\$87,464.00	14.2%
Amount Over (under) as a percentage	21.2%	

Final Comments:

5 Q

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION ACCEPTING THE CONSTRUCTION OF  
THE LAKE SHEPHERD SPRINGS RECREATIONAL AREA  
PAVING AND PARKING LOTS AS COMPLETE**

**BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT  
SMITH, ARKANSAS, that:**

The construction of the Lake Shepherd Springs Recreational Area Paving and Parking  
Lots Project Number 99-01-C17 is hereby accepted as complete for a total construction amount  
of \$1,978,603.88.

This Resolution adopted this \_\_\_\_\_ day of June 2010.

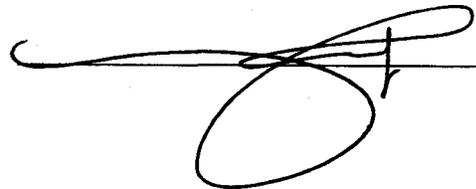
APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
npr

**INTER-OFFICE MEMO**

**TO:** Dennis Kelly, City Administrator

**DATE:** June 9, 2010

**FROM:** Steve Parke, Director of Utilities

**SUBJECT:** Lake Shepherd Springs Recreational Area  
Paving and Parking Lots Project No. 99-01-C17

During a recent review of the Lake Fort Smith State Park relocation files it was found that the above captioned project had not been presented to the Board for final acceptance. The project was for the asphalt paving of the roads and parking lots within the state park lease area along with the final overlay of Lake Shepherd Springs Road. Although Lake Shepherd Springs Road was considered an off-site project and not part of the shared expenses for the state park relocation, the asphalt paving work for both inside the park and the off-site road were combined under one project bidding to receive better pricing.

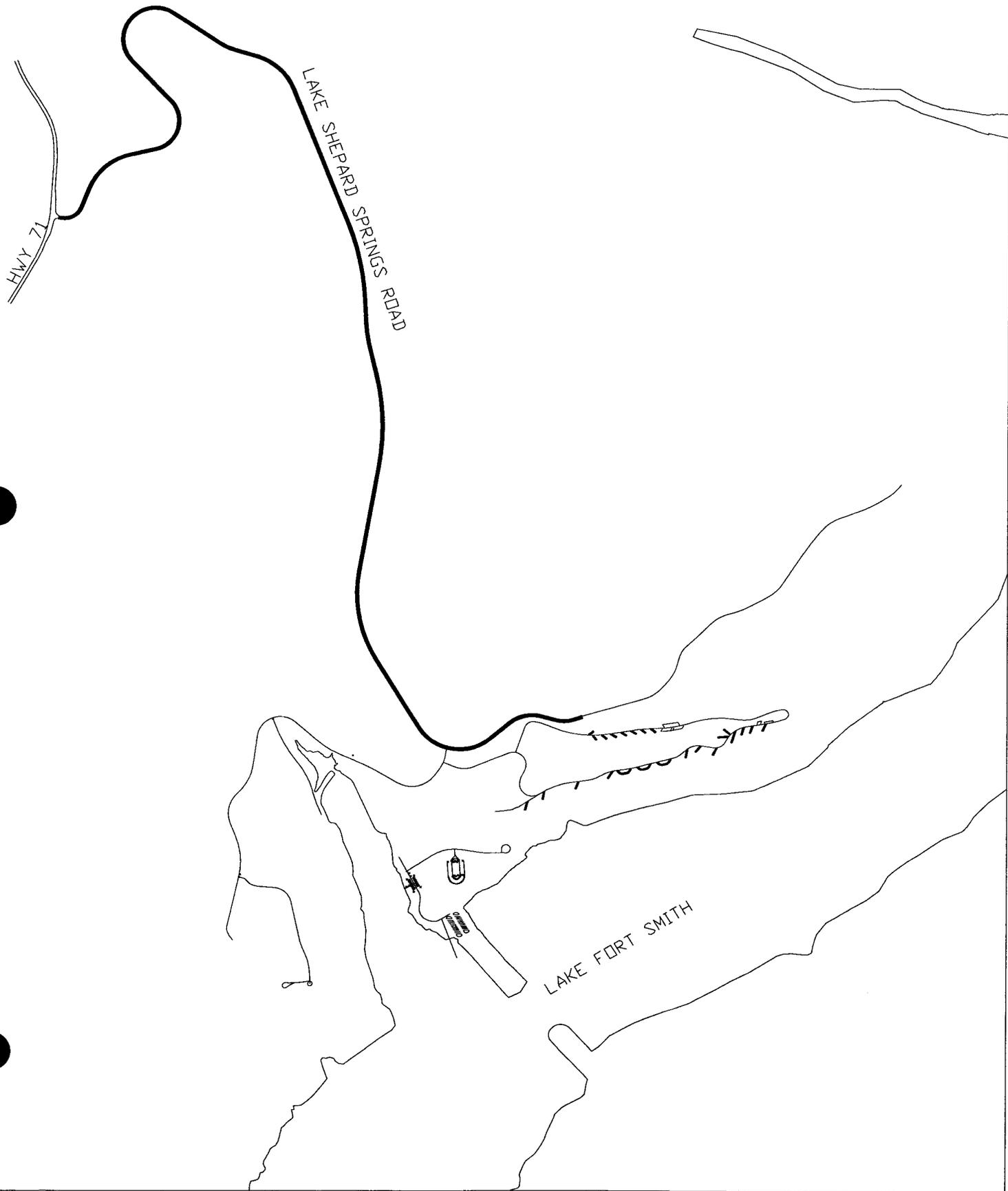
As Lake Shepherd Springs Road is an off-site entrance road to the park, the Arkansas State Highway Department agreed to accept it into their system for maintenance. That is a typical arrangement between Arkansas State Parks and the highway department. For that reason, the city used the state highway specifications for the asphalt paving.

The paving and parking lot project was performed by Forsgren and their work was substantially complete on November 21, 2007. The work was completed within the required contract period. The testing performed on the final asphalt overlay showed that the asphalt densities in certain areas were less than that specified, but were within the range which allowed for acceptance by the highway department specifications with the application of a price reduction. Forsgren performed additional testing which they believe supported that there was less area subject to the price reduction. After a period of negotiation and further testing it was agreed that the remaining unpaid contract balance of \$10,000 represented a fair price reduction for the allowable, lower asphalt densities. Therefore, there would not be any further payment to the contractor. I feel that it was the time delay needed for the additional testing and negotiation period, along with the fact that no additional payment would be made to the contractor, resulted in this matter not being presented to the Board for final acceptance.

Although there is not any payment due Forsgren at this time, a Resolution is attached which provides the acknowledgment that the Board accepts the project as complete to meet the requirements for closing out the project. Should you or members of the Board have any questions or desire additional information, please let me know.

attachment

pc: Ray Gosack



RESOLUTION NO. \_\_\_\_\_

5 R

**RESOLUTION ACCEPTING THE PROJECT AS COMPLETE AND  
AUTHORIZING FINAL PAYMENT TO GOODWIN & GOODWIN, INC.,  
FOR THE SUNNYMEDE RELIEF SANITARY SEWER LINE IMPROVEMENTS**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT  
SMITH, ARKANSAS, that:

SECTION 1: The construction of the Sunnymede Relief Sanitary Sewer Line  
Improvements, Project Number 06-11-C3A, is accepted as complete.

SECTION 2: Final payment to Goodwin & Goodwin, Inc., in the amount of  
\$156,470.35, is hereby approved.

This Resolution adopted this \_\_\_\_\_ day of June 2010.

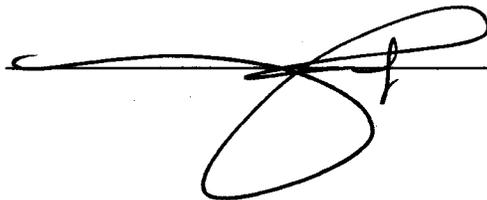
APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

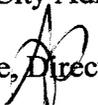
APPROVED AS TO FORM:

 npr

**INTER-OFFICE MEMO**

**TO:** Dennis Kelly, City Administrator

**DATE:** June 8, 2010

**FROM:** Steve Parke,  Director of Utilities

**SUBJECT:** Sunnymede Relief Sanitary Sewer Line Improvements  
Project Number 06-11-C3A

This project was the last portion of the Sunnymede relief sewer line improvements proposed by Camp Dresser & Mckee to improve line capacities to transport sanitary sewer flows to the Sunnymede pump station. This project consisted of installing approximately 2,404 feet of sewer lines ranging in size of 8-inch to 24-inches in diameter. The attached map shows the location of this project.

Goodwin & Goodwin, Inc., has completed the project and a Resolution accepting the project as complete and authorizing final payment in the amount of \$156,470.35 is attached. It is my recommendation that the Resolution be approved.

Should you or members of the Board have any questions or need additional information, please let me know.

attachment

pc: Ray Gosack

## Project Summary

Project Status: Complete

Project name: Sunnymede Relief Sanitary Sewer  
Line Improvements

Today's Date: June 8, 2010

Project number: 06-11-C3A

Staff contact name: Steve Parke

Project engineer: Morrison Shipley Engineers, Inc.

Staff contact phone: 784-2231

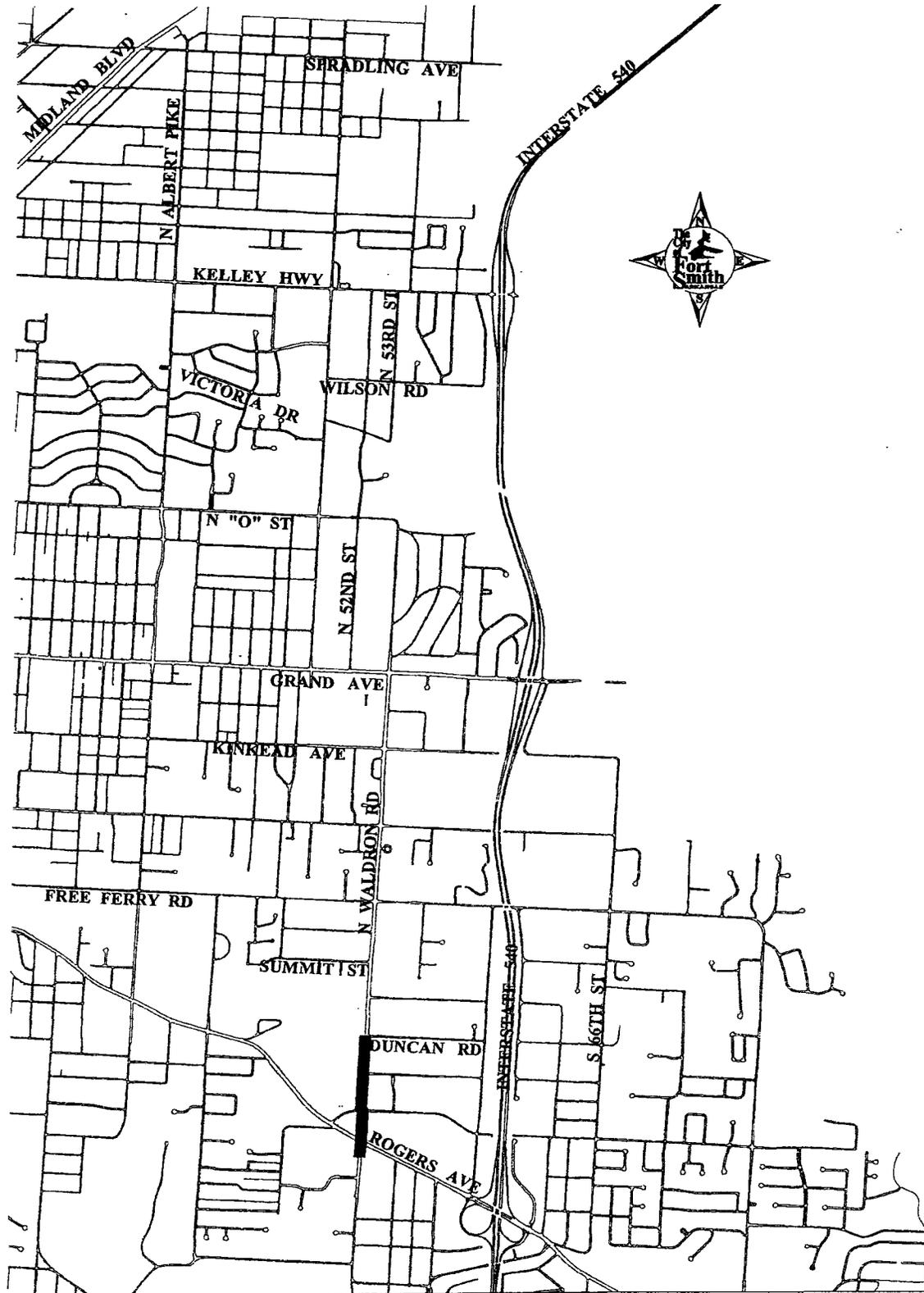
Project contractor: Goodwin & Goodwin, Inc.

Notice to proceed issued: August 10, 2009

Completion date: March 12, 2010

	Dollar Amount	Contract Time (Days)
Original contract	\$1,467,065.00	214
Change orders: Number One	\$0.00	0
Total change orders	\$0.00	<u>0</u>
Adjusted contract	<u>\$1,467,065.00</u>	<u>214</u>
Payments to date (as negative):	\$-1,262,046.27	86.0%
Amount of this payment (as negative):	\$-156,470.35	10.7%
Retainage held:	\$0.00	
Contract balance remaining:	\$48,548.38	3.3%
Amount <del>Over</del> (under) as a percentage	-3.3%	

Final Comments:



**SUNNYMEDE BASIN  
RELIEF SEWER LINE IMPROVEMENTS  
PROJECT 06-11-C3A**





MEMORANDUM

TO: Mayor and Board of Directors  
FROM: Wendy Beshears, Administrative Assistant  
DATE: June 10, 2010  
SUBJECT: Civil Service Commission

Mr. Patrick Jacobs of the Civil Service Commission has resigned effective May 5, 2010.

The applicants available at this time are:

Megan Raynor	504 Lecta Avenue
Sam (Chip) Sexton	12612 Dunston Drive
Eugenia S. Smith	2121 South W Street
William Tyler Lamon	5200 North O Street
John Huffman	8301 Clover Drive
Charles R. Ledbetter	1 Riverlyn Terrace
Jerry Tomlin	4524 South 21 Street

Appointments are by the Board of Directors. One appointment is needed; the term will expire March 31, 2015.



MEMORANDUM

TO: Mayor and Board of Directors  
FROM: Wendy Beshears, Administrative Assistant  
DATE: June 10, 2010  
SUBJECT: Historic District Commission

The term of Ms. Joan Mawn of the Historic District Commission will expire July 31, 2010. Ms. Mawn would like to be reappointed.

The applicants available at this time are:

Andrew Smith	9225 Rosewood Drive
William Oberste	716 North 6 Street
Thomas Howard Jr.	3121 Jackson Street
Megan Raynor	504 Lecta Avenue

Appointments are **by the Mayor confirmed by the Board of Directors**. One appointment is needed; the term will expire July 31, 2013.



MEMORANDUM

TO: Mayor and Board of Directors  
FROM: Wendy Beshears, Administrative Assistant  
DATE: June 10, 2010  
SUBJECT: Port Authority

The term of Mr. Larry J. Combs of the Port Authority will expire July 31, 2010. Mr. Combs would like to be reappointed.

The applicant available at this time is:

Stephanie Harper Easterling

Appointments are by the Mayor confirmed by the Board of Directors. One appointment is needed; the term will expire July 31, 2015.



MEMORANDUM

TO: Mayor and Board of Directors  
FROM: Wendy Beshears, Administrative Assistant  
DATE: June 10, 2010  
SUBJECT: Property Owners Appeals Board

The terms of Ms. Karen Lewis and Ms. Margaret Duncan of the Property Owners Appeals Board will expire July 14, 2010. Ms. Lewis would like to be reappointed. Ms. Duncan does not want to be reappointed.

The applicants available at this time are:

Karen Lewis	5620 Free Ferry Road
Joe Hardin	1524 Rockhurst Drive
Andrew Smith	9225 Rosewood Drive
Megan Raynor	504 Lecta Avenue

Appointments are by the Board of Directors. Two appointments are needed; the term will expire July 14, 2015.

# **AGENDA** ~ **Summary**

## **FORT SMITH BOARD OF DIRECTORS REGULAR MEETING**

**JUNE 15, 2010 ~ 6:00 P.M.**

**FORT SMITH PUBLIC SCHOOLS  
SERVICE CENTER  
3205 JENNY LIND ROAD**

***THIS MEETING IS BEING TELECAST LIVE ON THE CITY CABLE ACCESS CHANNEL 6***

### **INVOCATION AND PLEDGE OF ALLEGIANCE**

### **ROLL CALL**

**All present, except Director Gary Campbell**

### **PRESENTATION BY MEMBERS OF THE BOARD OF DIRECTORS OF ANY ITEMS OF BUSINESS NOT ALREADY ON THE AGENDA FOR THIS MEETING**

***(Section 2-37 of Ordinance No. 24-10)***

**Information available by viewing rebroadcast of the meeting on City Access Channel 6 or City website**

### **APPROVE MINUTES OF THE JUNE 1, 2010 REGULAR MEETING**

**Unanimously approved as written**

### **ITEMS OF BUSINESS:**

1. Items relative to the Mitsubishi wind energy manufacturing plant
  - A. Resolution authorizing the execution of a local incentive definitive agreement regarding an economic development project at Chaffee Crossing  
**Approved 6 in favor, 0 opposed / Resolution No. R-108-10**
  - B. Resolution designating a recovery zone pursuant to the American Recovery and Reinvestment Tax Act of 2009 for the purpose of issuing recovery zone economic development bonds and recovery zone facility bonds  
**Approved 6 in favor, 0 opposed / Resolution No. R-109-10**

- C. Resolution authorizing the entry into an agreement to issue bonds for the purpose of assisting in the financing of industrial facilities within or near the city of Fort Smith, Arkansas, to be leased to Mitsubishi Power Systems Americas, Inc, pursuant to the authority of the laws of the State of Arkansas, including particularly Amendment No. 65 to the Arkansas Constitution and the municipalities and counties industrial development revenue bond law  
**Approved 6 in favor, 0 opposed / Resolution No. R-110-10**
- D. Resolution authorizing street and drainage improvements and engineering services agreement for the Chad Colley Boulevard Extension, Project No. 10-00-A (\$148,500.00)  
**Approved 6 in favor, 0 opposed / Resolution No. R-111-10**
- 2. Consideration of Mayor's veto of Resolution No. R-106-10 supporting the Fort Smith Housing Authority and its efforts to use New Market Tax Credits to stimulate development and redevelopment in low-to-moderate income areas of Fort Smith  
**Veto overridden by vote of 5 in favor, 1 opposed (Tyler)**
- 3. Ordinance amending Chapter 2 of the Fort Smith Code of Ordinances to add a provision regarding removal of an appointed member of a board, commission or committee  
**Approved 6 in favor, 0 opposed / Ordinance No. 28-10**
- 4. Resolution thanking the Convention Center Ad Hoc Committee and accepting its final report  
**Approved 6 in favor, 0 opposed / Resolution No. R-112-10**
- 5. Consent Agenda
  - A. Resolution authorizing a time extension for the construction of 2009 Sidewalk Program, Project No. 09-20-A  
**Approved 6 in favor, 0 opposed / Resolution No. R-113-10**
  - B. Resolution accepting completion of and authorizing final payment for the construction of 2009 Sidewalk Program, Project No. 09-20-A (\$7,234.00)  
**Approved 6 in favor, 0 opposed / Resolution No. R-114-10**
  - C. Resolution authorizing a time extension for the construction of Texas Road Improvements, Project No. 05-00-B  
**Approved 6 in favor, 0 opposed / Resolution No. R-115-10**
  - D. Resolution accepting completion of and authorizing final payment for the construction of Texas Road Improvements, Project No. 05-00-B (\$74,117.98)  
**Approved 6 in favor, 0 opposed / Resolution No. R-116-10**

- E. Resolution to accept the bids and authorize contracts for the construction of Street Overlays/Reconstruction, Project No. 10-03-A (\$1,725,676.87)  
Approved 6 in favor, 0 opposed / Resolution No. R-117-10
- F. Resolution to accept the bids and authorize contracts for the construction of Street Overlays/Reconstruction, Project No. 10-03-B (\$1,349,853.45)  
Approved 6 in favor, 0 opposed / Resolution No. R-118-10
- G. Resolution accepting bid for the purchase of foam trailers (\$130,184.00)  
Approved 6 in favor, 0 opposed / Resolution No. R-119-10
- H. Resolution authorizing the Mayor to execute an Agreement and Authorization Number One for engineering services with McGuire Engineering, Inc. for the Neighborhood Sewer Improvements ~ Zero Street Basin (\$121,220.00)  
Approved 6 in favor, 0 opposed / Resolution No. R-120-10
- I. Resolution authorizing partial payment to Branco Enterprises, Inc. for construction of the Phase II "P" Street Wastewater Treatment Plant Wet Weather Improvements ~ Schedule 2 (\$866,762.04)  
Approved 6 in favor, 0 opposed / Resolution No. R-121-10
- J. Resolution accepting the bid of and authorizing the Mayor to execute a contract with Utility Service Company for Fianna Hills elevated storage tank painting (\$214,600.00)  
Approved 6 in favor, 0 opposed / Resolution No. R-122-10
- K. Resolution authorizing the Mayor to execute easements with Oklahoma Gas & Electric Company and Century Link for services in connection with Lake Fort Smith State Park  
Approved 6 in favor, 0 opposed / Resolution No. R-123-10
- L. Resolution authorizing the City Administrator to accept an offer made by property owner for the acquisition of real property interests for the Highway 45 and Zero Street Water and Sewer Line Relocation Project (\$21,377.20)  
Approved 6 in favor, 0 opposed / Resolution No. R-124-10
- M. Resolution authorizing partial payment to Crossland Heavy Contractors, Inc. for construction of the Lake Fort Smith Water Treatment Plant ~ Contract 3 (\$3,463,428.45)  
Approved 6 in favor, 0 opposed / Resolution No. R-125-10
- N. Resolution accepting the project as complete and authorizing final payment to KAJACS Contractors, Inc. for the construction of Neighborhood Water Systems Improvements (\$98,902.65)  
Approved 6 in favor, 0 opposed / Resolution No. R-126-10

- O. Resolution authorizing an amendment to the agreement with Mickle Wagner Coleman Engineers, Inc. for engineering services associated with the Zero Street Outfall Sewer Improvements Phase I (\$35,000.00)  
*Approved 6 in favor, 0 opposed / Resolution No. R-127-10*
- P. Resolution accepting the project as complete and authorizing final payment to Insituform Technologies, Inc. for the Walnut Street 30-Inch Sewer Rehabilitation (\$116,146.80)  
*Approved 6 in favor, 0 opposed / Resolution No. R-128-10*
- Q. Resolution accepting the construction of the Lake Shepherd Springs recreational area paving and parking lots as complete  
*Approved 6 in favor, 0 opposed / Resolution No. R-129-10*
- R. Resolution accepting the project as complete and authorizing final payment to Goodwin & Goodwin, Inc. for the Sunnymede Relief Sanitary Sewer Line Improvements (\$156,470.35)  
*Approved 6 in favor, 0 opposed / Resolution No. R-130-10*

**OFFICIALS FORUM ~ presentation of information requiring no official action**  
*(Section 2-36 of Ordinance No. 24-10)*

- A. Mayor
- B. Directors
- C. City Administrator

*Information available by viewing rebroadcast of the meeting on City Access Channel 6 or City website*

**EXECUTIVE SESSION**

Appointments: **Civil Service Commission**  
Sam Chip Sexton  
Term expires March 31, 2015

**Convention Center Commission**  
*Jim Kolettis (to fill the unexpired term of Leon Bormaster who resigned)*  
Term expires August 31, 2012

**Historic District Commission**  
Joan Mawn (reappointment)  
Term expires July 31, 2013

**Port Authority**  
Stephanie Haper Easterling  
Term expires July 31, 2015

**Property Owners Appeals Board**

Karen Lewis (reappointment)

Megan Raynor

Terms expire July 14, 2015

**CITIZENS FORUM ~ presentation of information by citizens ~ an opportunity for citizens to present matters to the Mayor and Board of Directors which involve the city government and are not directly related to items considered on the agenda for this meeting. *Presentations are limited to 2 minutes for each citizen***

*(Section 2-44(b) of Ordinance No. 24-10)*

Information available by viewing rebroadcast of the meeting on City Access Channel 6 or City website

**ADJOURN**

## **MINUTES OF BOARD OF DIRECTORS REGULAR MEETING**

**TUESDAY ~ JUNE 15, 2010 ~ 6:00 P.M.**

### **FORT SMITH PUBLIC SCHOOLS SERVICE CENTER**

The meeting was called to order by Mayor Ray Baker, presiding. Invocation was given by Director Cole Goodman, followed by the Pledge of Allegiance. On roll call the following members of the Board were present: Directors Steve Tyler, Andre' Good, Don Hutchings, Bill Maddox, Kevin Settle, and Cole Goodman; absent - Director Gary Campbell. A quorum was declared present.

Mayor Baker inquired if any Board member had an item of business to present that was not already on the agenda. There was none presented.

The minutes of the June 1, 2010 regular meeting were presented for approval. Hutchings, seconded by Maddox, moved approval of the minutes as written. The members present all voting aye, the Mayor declared the motion carried.

With regard to the time limit policy for persons wishing to address the Board, Mayor Baker communicated that five (5) minutes per side would be extended on controversial items with three (3) minutes for rebuttal per side.

Item No. 1 consisted of the following:

- A. Resolution authorizing the execution of a local incentive definitive agreement regarding an economic development project at Chaffee Crossing
- B. Resolution designating a recovery zone pursuant to the American Recovery and Reinvestment Tax Act of 2009 for the purpose of issuing recovery zone economic development bonds and recovery zone facility bonds
- C. Resolution authorizing the entry into an agreement to issue bonds for the purpose of assisting in the financing of industrial facilities within or near the city of Fort Smith, Arkansas, to be

leased to Mitsubishi Power Systems Americas, Inc., pursuant to the authority of the laws of the State of Arkansas, including particularly Amendment No. 65 to the Arkansas Constitution and the municipalities and counties industrial development revenue bond law

- D. Resolution authorizing street and drainage improvements and engineering services agreement for the Chad Colley Boulevard Extension, Project No. 10-00-A (\$148,500.00)

Administrator Kelly spoke to the importance of the items and acknowledged all who were instrumental in making the Chaffee Crossing location attractive for Mitsubishi. He also introduced Mitsubishi officials who were in attendance.

Deputy Administrator Gosack briefed the members on the items. Last year, Mitsubishi Power Systems Americas, Inc. announced its decision to construct its first U.S. wind energy manufacturing plant in Fort Smith. Mitsubishi considered several other locations before choosing Fort Smith and Chaffee Crossing. The wind energy manufacturer will construct the nacelle component of windmills in Fort Smith in a 200,000 square foot facility. The investment in the Fort Smith project is estimated to be \$100 million. Mitsubishi expects to employ 335 persons. Mr. Gosack outlined the city's commitments to the project that include items A-D, roadway construction including extension of Chad Colley Blvd., extension of public water/sewer utilities, waiver of building permit fees and water/sewer connection fees (est. \$93,000), and refund of local sales taxes on the purchases of construction materials and manufacturing equipment.

The following individuals were present to address the items:

- ◆ John Alan Lewis  
Mitchell Williams Law Firm ~ Bond counsel

Expressed appreciation to the City of Fort Smith for its

involvement in the project, and advised that he was prepared to respond to any questions.

- ◆ Sonya Williams  
Mitsubishi Power Systems Americas, Inc.  
Extended appreciation on behalf of Mitsubishi Power Systems Americas, Inc. and announced that the company is moving forward with its multi-million state of the art facility in Fort Smith that will contribute to this country's energy independence.

- ◆ Louis Vincent  
28 Courtland Street

Questioned if Mitsubishi will hire local residents/workers.

Mr. Lewis responded that Mitsubishi will be working with UA Fort Smith to make sure there's training for local people. While some of the management will be from out of town, they have every intention of hiring people in Fort Smith and the surrounding area.

- ◆ Eric Arthur  
815 North B Street

Expressed concern about a pending patent litigation and how such might affect the Mitsubishi project.

Ms. Williams responded that Mitsubishi plans to move forward with its Fort Smith project.

Settle, seconded by Tyler, moved adoption of item 1A. The members present all voting affirmatively, the Mayor declared the motion carried, and the resolution was adopted and numbered R-108-10.

Goodman, seconded by Good, moved adoption of item 1B. The members present all voting affirmatively, the Mayor declared the motion carried, and the resolution was adopted and numbered R-109-10.

Hutchings, seconded by Maddox, moved adoption of item 1C. The members

present all voting affirmatively, the Mayor declared the motion carried, and the resolution was adopted and numbered R-110-10.

Settle, seconded by Hutchings, moved adoption of item 1D. The members present all voting affirmatively, the Mayor declared the motion carried, and the resolution was adopted and numbered R-111-10.

Item No. 2 was consideration of Mayor's veto of Resolution No. R-106-10 supporting the Fort Smith Housing Authority and its efforts to use New Market Tax Credits to stimulate development and redevelopment in low-to-moderate income areas of Fort Smith. ~ *the resolution was adopted at the June 1, 2010 regular meeting and vetoed by Mayor Baker on June 4, 2010 ~*

Administrator Kelly addressed the item and advised that to override the veto requires the affirmative vote of five (5) or more members of the Board. Mr. Kelly also referenced his email sent to the Board on June 14<sup>th</sup> in response to the Mayor's veto statement.

The following individuals were present to address the item:

- ◆ Ken Pyle, Executive Director  
Fort Smith Housing Authority

He extended appreciation to the Board for approving the resolution at the June 1<sup>st</sup> meeting, and restated the goal of the housing authority (in partnership with the City) to use the New Market Tax Credits for redevelopment of areas in the city. He reminded that the housing authority withdrew its previous request for power of eminent domain and will leave such power to the City of Fort Smith. Mr Pyle requested that the veto be overridden.

- ◆ Eric Arthur  
815 North B Street

He expressed concern for the power the housing authority will have through the tax credit program.

Mr. Pyle responded to several questions from the Board, and following discussion, Settle moved to override the Mayor's veto. The motion was seconded by Good, and the members present voted as follows: ayes - Good, Hutchings, Maddox, Settle, and Goodman; nays - Tyler. The Mayor declared the motion carried, and the veto, therefore, was overridden.

Item No. 3 was an ordinance amending Chapter 2 of the Fort Smith Code of Ordinances to add a provision regarding removal of an appointed member of a board, commission or committee.

Deputy Administrator Gosack briefed the members on the item. The ordinance was inadvertently repealed when Chapter 2 of the municipal code (board meeting procedures) was revised and adopted at the May 18, 2010 regular meeting. In order to make the ordinance effective, it will need to be re-adopted.

Hutchings, seconded by Goodman, moved adoption of the ordinance. The motion included suspending the rule to allow the three (3) full readings of the ordinance to be by caption and for the readings to occur on the same date. The City Clerk read the ordinance for its readings, and the members present all voting affirmatively, the Mayor declared the motion carried. Settle, seconded by Good, moved adoption of Section 2, the emergency clause. The members present all voting affirmatively, the Mayor declared the motion carried, and the ordinance and emergency clause was adopted and given No. 28-10.

Item No. 4 was a resolution thanking the Convention Center Ad-Hoc Committee and accepting its final report.

The following individual was present to address the item:

- ◆ Eric Arthur  
815 North B Street

He spoke in support of reallocating a portion of the one cent street tax for convention center operations, and also suggested that the convention center be sold to a private operator.

Director Settle questioned what the next step by the Board should be once the ad-hoc committee report is accepted.

Administrator Kelly recommended that the Board continue its discussion of the convention center funding at the June 29 study session.

In reference to the comments by Eric Arthur, Director Maddox reminded that to reallocate any portion of the street sales tax would take a vote of the citizens.

Mayor Baker called attention to the third paragraph of the resolution and noted that the correct date is June 8, 2010, rather May 8 as shown.

Maddox, seconded by Goodman, moved adoption of the resolution. The members present all voting affirmatively, the Mayor declared the motion carried, and the resolution was adopted and numbered R-112-10.

The Consent Agenda (Item No. 5) was introduced for consideration, the items being as follows:

- A. Resolution authorizing a time extension for the construction of 2009 Sidewalk Program, Project No. 09-20-A
- B. Resolution accepting completion of and authorizing final payment for the construction of 2009 Sidewalk Program, Project No. 09-20-A (\$7,234.00)

- C. Resolution authorizing a time extension for the construction of Texas Road Improvements, Project No. 05-00-B
- D. Resolution accepting completion of and authorizing final payment for the construction of Texas Road Improvements, Project No. 05-00-B (\$74,117.98)
- E. Resolution to accept the bids and authorize contracts for the construction of Street Overlays/Reconstruction, Project No. 10-03-A (\$1,725,676.87)
- F. Resolution to accept the bids and authorize contracts for the construction of Street Overlays/Reconstruction, Project No. 10-03-B (\$1,349,853.45)
- G. Resolution accepting bid for the purchase of foam trailers (\$130,184.00)
- H. Resolution authorizing the Mayor to execute an agreement and Authorization No One for engineering services with McGuire Engineering, Inc., for the Neighborhood Sewer Improvements ~ Zero Street Basin (\$121,220.00)
- I. Resolution authorizing partial payment to Branco Enterprises, Inc., for construction of the Phase II "P" Street Wastewater Treatment Plant Wet Weather Improvements ~ Schedule 2 (\$866,762.04)
- J. Resolution accepting the bid of and authorizing the Mayor to execute a contract with Utility Service Company for Fianna Hills elevated storage tank painting (\$214,600.00)
- K. Resolution authorizing the Mayor to execute easements with Oklahoma Gas & Electric Company and Century Link for services in connection with lake Fort Smith State Park
- L. Resolution authorizing the City Administrator to accept an offer made by property owner for the acquisition of real property interests for the Highway 45 and Zero Street Water and Sewer Line Relocation Project (\$21,377.20)
- M. Resolution authorizing partial payment to Crossland Heavy Contractors, Inc., for construction of the Lake Fort Smith Water Treatment Plant ~ Contract 3 (\$3,463,428.45)

- N. Resolution accepting the project as complete and authorizing final payment to KAJACS Contractors, Inc., for the construction of Neighborhood Water Systems Improvements (\$98,902.65)
- O. Resolution authorizing an amendment to the agreement with Mickle Wagner Coleman Engineers, Inc., for engineering services associated with the Zero Street Outfall Sewer Improvements Phase I (\$35,000.00)
- P. Resolution accepting the project as complete and authorizing final payment to Insituform Technologies, Inc., for the Walnut Street 30-inch Sewer Rehabilitation (\$116,146.80)
- Q. Resolution accepting the construction of the Lake Shepherd Springs recreational area paving and parking lots as complete
- R. Resolution accepting the project as complete and authorizing final payment to Goodwin & Goodwin, Inc., for the Sunnymede Relief Sanitary Sewer Line Improvements (\$156,470.35)

There were brief questions regarding items A, B, E, and F.

The following was present to ask questions regarding items A and B:

- ◆ Eric Arthur  
815 North B Street

Requested clarification for reason of the change orders. Mr. Kelly responded that both were due to weather delays during the projects.

Director Maddox addressed items E and F, and asked how many of the streets included in each project had not been previously resurfaced.

Director of Engineering Stan Snodgrass responded. Regarding item E, 45% of the streets have not been resurfaced; 55% were resurfaced in the first years of the sales tax (1987/1988). Regarding item F, 7% have not been resurfaced; 93% were resurfaced

during years 1990/1991. Notably, those resurfaced 20+ years ago are now needing maintenance.

Maddox, seconded by Hutchings, moved adoption of the Consent Agenda. The members all voting affirmatively, the Mayor declared the motion carried, and the resolutions were adopted and numbered R-113-10 thru R-130-10 respectively.

Mayor Baker opened the Officials Forum with the following comments offered:

- ◆ Director Settle called attention to the many events scheduled in the city and downtown area, noting the success of the Juneteenth Celebration held this past weekend at the river front. The Fort Smith Classic, Blues Festival, and Mayor's 4<sup>th</sup> of July Celebration are the upcoming events over the next several weekends.

An executive session was held and after reconvening, the Mayor announced the following appointment nominations:

**CIVIL SERVICE COMMISSION**

Sam Chip Sexton  
term expires March 31, 2015

**CONVENTION CENTER COMMISSION**

Jim Kolettis  
term expire August 31, 2012  
(completing term of Leon Bormaster who resigned May 1, 2010)

**HISTORIC DISTRICT COMMISSION**

Joan Mawn -reappointment  
term expires July 31, 2013

**PORT AUTHORITY**

Stephanie Harper Easterling  
term expires July 31, 2015

**PROPERTY OWNERS APPEAL BOARD**

Karen Lewis - reappointment  
Megan Raynor  
terms expire July 14, 2015

Hutchings, seconded by Maddox, moved acceptance of the appointment nominations. The members present all voting aye, the Mayor declared the motion carried.

With regard to the time limit policy for persons wishing to address the Board, Mayor Baker communicated that two (2) minutes will be allotted for those participating in the Citizens Forum.

Mayor Baker opened the Citizens Forum with the following individuals present to address the Board:

- ◆ Louis Vincent  
28 Courtland Street  
  
Commented regarding budget shortfalls and suggested less spending by city officials
- ◆ Tammy Trouillon  
8000 Holly Avenue  
  
Spoke in support of an ordinance requiring fencing for dogs
- ◆ Paul Speer  
27910 Hwy. 22  
Charleston AR  
  
Suggested that by adoption of a resolution, the Board can transfer monies from the street sales tax fund to other city funds.
- ◆ Eric Arthur  
815 North B Street  
  
Stated that under the city administrator form of government, the directors should set policy, not micro manage.

There being no further business to come before the Board, Maddox moved that the

meeting adjourn. The motion was seconded by Tyler, and the members present all voting aye, the Mayor declared the motion carried, and the meeting stood adjourned.

**APPROVED:**

A handwritten signature in black ink, appearing to read "Ray Baker", written over a horizontal line.

**MAYOR**

**ATTEST:**

A handwritten signature in black ink, appearing to read "Emily Remler", written over a horizontal line.

**CITY CLERK**