

**Little Rock Board of Directors Meeting
May 7, 2019
6:00 PM**

The Board of Directors of the City of Little Rock, Arkansas, met in a regular meeting with Mayor Frank Scott, Jr., presiding. City Clerk Susan Langley called the roll with the following Directors present: Hendrix; Richardson; Webb; Peck; Hines; Wright; Fortson; Kumpuris; Adcock; Vice-Mayor Wyrick; and Mayor Scott. Director Lance Hines delivered the invocation followed by the Pledge of Allegiance.

PRESENTATIONS

Building Safety Month Proclamation

ADDITIONS:

M-1 RESOLUTION NO. 14,990: To authorize the Mayor and City Clerk to execute any documents necessary to convey approximately 73.6 acres of property located at Zueber Road at Fletcher Road on the south port site to CZ-USA for economic development; and for other purposes. *Staff recommends approval.*

Director Adcock made the motion, seconded by Director Hines, to add Item M-1 to the Consent Agenda. By unanimous voice vote of the Board Members present, **Item M-1 was added to the Consent Agenda.**

The Mayor asked that Item 19 be read separately.

19. RESOLUTION NO. 14,989: To authorize the expenditure of \$500,000.00 in Economic Development Funds to assist with the improvements of Zueber Road within the Little Rock Port; and for other purposes. *Staff recommends approval.*

Director Adcock made the motion, seconded by Director Hines, to approve the resolution. By voice vote of the Board Members present, with Director Webb voting in opposition, **the resolution was approved.**

Director Adcock asked that Items 5 and 18 be read separately.

5. RESOLUTION NO. 14,975: To authorize the City Manager to enter into an agreement with JCON, Inc., in an amount not to exceed \$135,055.00, for Construction Services for the Bike Polo Court at MacArthur Park; and for other purposes. *(Funding from the 2012 3/8-Cent Capital Improvement Sales Tax) Staff recommends approval.*
Synopsis: Approval of a resolution authorizing the City Manager to execute a Construction Contract with JCON, Inc., for Construction Services for the Bike Polo Court at MacArthur Park.

Parks & Recreation Director John Eckart stated that a bid had been issued for construction of the Pike Polo Court at MacArthur Park. Mr. Eckart stated that staff had worked with the Mac Park Group, as well as the local Bike Polo Community, and would

the funds would be paid for out of the 3/8-Cent Capital Improvement Sales Tax Funds. Director Webb asked about the number of individuals that participated in Bike Polo and if it was a good use of tax dollars given the fact that the Parks & Recreation Department would be having to cut a portion of its budget as a result of the proposed Budget Amendment. Mr. Eckart stated that the funding was for capital improvements only and could not be utilized for operations; and stated that there was a very active group that would utilize the facility. Director Adcock stated that she felt there were other parks that had more pressing needs such as new/upgraded playground equipment, new restrooms, etc., and she did not think that the construction of a Bike Polo Court should take priority over those more important needs. Mr. Eckart stated that as a result of the sales tax, both MacArthur Park and Otter Creek were allotted \$500,000 for improvements, and Western Hills and Crump Park were allotted \$1,000,000. City Manager Bruce Moore stated that the dollars would not be taken from the overall Parks Budget. City Manager Moore stated that with each park that was designated for funds, staff worked with the Neighborhood Associations and any interested groups. City Manager Moore stated that the Bike Polo Court was at the top of the list of the neighborhood individuals that were involved.

Director Hines made the motion, seconded by Director Wright, to approve the resolution. By roll call vote, the vote was as follows: Ayes: Peck; Hines; Wright; Kumpuris; Fortson; and Vice-Mayor Wyrick. Nays: Hendrix; Richardson; Webb; and Adcock. By a vote of six (6) ayes and four (4) nays, **the resolution was approved.**

18. RESOLUTION NO. 14,988: To amend Little Rock, Ark., Resolution No. 14,967 (April 2, 2019) to extend the agreement between the City and The First Tee of Central Arkansas for a period of ninety (90) days as to the operations and funding of the Jack Stephens Youth Golf Academy; and for other purposes. *Staff recommends approval.*

Director Richardson stated that it was his understanding that until the Golf Study was received in its final form, along with recommendations, that no additional funds would be provided to The First Tee. Mayor Scott stated that while decisions regarding the golf courses had not been finalized, The First Tee continued to operate the program and would need to continue to receive funds for building maintenance. Mayor Scott stated that the proposed resolution would only provide operating funds for an additional ninety (90) days and not programming funds.

Jodie Carter, 5921 Timberview Road: Stated that he was not against The First Tee Program; however, he was against continuing to provide funds to a program that operated with a deficit on a yearly basis.

Director Richardson asked if Director Hines would have to recuse from voting on the item. Directors Hines stated that he had resigned from The First Tee Board of Directors in December 2018.

Director Hines made the motion, seconded by Vice-Mayor Wyrick, to approve the resolution. By voice vote of the Board Members present, with Director Adcock voting in opposition, **the resolution was approved.**

CONSENT AGENDA (Items 1 – 4, Items 6 – 17 and Item M-1)

1. MOTION: To approve the minutes of the March 19, 2019, April 2, 2019, and April 16, 2019, Little Rock City Board of Directors Meetings.

2. RESOLUTION NO. 14,972: To set May 21, 2019, as the date for a public hearing regarding the sources and uses of funds provided in the 2019 CDBG, HOME and HOPWA Funds from the United States Government; and for other purposes. *Staff recommends approval.*

Synopsis: As a regulatory requirement, a public hearing must be conducted regarding proposed uses of 2019 CDBG, HOME and HOPWA Funding, which the City expects to receive from the U.S. Department of Housing and Urban Development.

3. RESOLUTION NO. 14,973: To authorize the City Manager to enter into a contract with Lewis Ford Sales, Inc., in an amount not to exceed \$95,511.00, for the purchase of three (3) Ford F-350 Crew Cab 4x4 One (1)-Ton Trucks for the Public Works Department Street Operations Division; and for other purposes. *Staff recommends approval.*

Synopsis: Approval of a resolution authorizing the City Manager to enter into a contract with Lewis Ford Sales, Inc., for the purchase of three (3) Ford F-350 Crew Cab 4x4 One (1)-Ton Trucks for the Public Works Department Street Operations Division.

4. RESOLUTION NO. 14,974: To authorize the City Manager to enter into a contract with Clark Machinery, in an amount not to exceed \$194,412.43, for the purchase of one (1) LeeBoy 8520 Street Paver for the Public Works Department Street Operations Division; and for other purposes. *Staff recommends approval.*

Synopsis: Approval of a resolution authorizing the City Manager to enter into a contract with Clark Machinery for the purchase of one (1) LeeBoy 8520 Street Paver for the Public Works Department Street Operations Division.

6. RESOLUTION NO. 14,976: To authorize the City Manager to enter into an agreement with Musco Sports Lighting LLC, in an amount not to exceed \$136,000.00, and an agreement with Pilgreen Electric, in an amount not to exceed \$45,000.00, to provide Sports Field Lighting for one (1) Soccer Field at Otter Creek Park; and for other purposes. *(Funding from the 2012 3/8-Cent Capital Improvement Sales Tax) Staff recommends approval.*

Synopsis: A resolution authorizing the City Manager to execute a contract with Musco Sports Lighting, LLC, for Sports Field Lighting for (1) Soccer Field at Otter Creek Park.

7. RESOLUTION NO. 14,977; G-25-233: To change the name of Morgan Keegan Drive, located east of Riverfront Drive to River Bluff Drive; and for other purposes.

Planning Commission: 9 ayes; 0 nays; and 2 absent. Staff recommends approval.

Synopsis: The applicant, Michael K. Guswami of Rose Law Firm, is requesting that the name of Morgan Keegan Drive be changed to River Bluff Drive.

Michael Guswami, 120 East 4th Street: Stated that he was representing the applicant and thanked the Board from considering the name change.

8. RESOLUTION NO. 14,978: To amend Little Rock, Ark., Resolution No. 14,900 (December 3, 2018), to allow for the purchase of additional License Agreements for the Motorola's PremierOne CAD and PremierOne Mobile System for the Little Rock Police Department; and for other purposes. *Staff recommends approval.*

Synopsis: The Little Rock Police Department is requesting an amendment to Resolution No. 14,900, for the purchase of a Computer-Aided Dispatch (CAD) System in order to ensure proper disbursement of funds and to expedite the system installation.

9. RESOLUTION NO. 14,979: To authorize the Mayor and City Clerk to execute any documents necessary to purchase the property located at 2124 Romine Road for an amount not to exceed \$82,500.00, utilizing HOME Investment Partnership Program Funds; and for other purposes. *Staff recommends approval.*

Synopsis: In an effort maximize the revitalization efforts, the Housing and Neighborhood Programs Community Development Division would like to purchase the property for revitalization in the Twin Lakes Neighborhood for affordable housing to be sold to an eligible low-to-moderate income buyer. The current median market price for comparable homes in the area is \$100,000.00. The structure is approximately 1,316 square-feet and is on an 8,487 square-foot lot.

10. RESOLUTION NO. 14,980: To authorize the Mayor and City Clerk to execute any documents necessary to purchase the property located at 9712 Kensington Drive for an amount not to exceed \$108,000.00, utilizing HOME Investment Partnership Program Funds; and for other purposes. *Staff recommends approval.*

Synopsis: In an effort maximize the revitalization efforts, the Housing and Neighborhood Programs Community Development Division would like to purchase the property for revitalization in the Kensington Subdivision for affordable housing to be sold to an eligible low-to-moderate income buyer. The current median market price for comparable homes in the area is \$130,000.00. The structure is approximately 1,639 square-feet and is located on a 7,772 square-foot lot.

11. RESOLUTION NO. 14,981: To authorize the donation of properties located at 2016, 2020 and 2022 South Pulaski Street to Houseaboutit Community and Economic Agency, to be utilized for affordable housing; and for other purposes. *Land Bank: 8 ayes, 0 nays and 2 absent. Staff recommends approval.*

Synopsis: In an effort maximize the Land Bank's revitalization efforts, the Land Bank Commission and staff would like to donate the properties located at 2016 South Pulaski Street, 2020 South Pulaski Street and 2022 South Pulaski Street. The three (3) undeveloped parcels are vacant lots being donated to Houseaboutit Community and Economic Agency, a non-profit organization.

12. RESOLUTION NO. 14,982: To authorize the Mayor and City Clerk to execute any documents necessary to accept a donation of property located at 7909 Mann Road; and for other purposes. *Land Bank: 8 ayes, 0 nays and 2 absent. Staff recommends approval.*

Synopsis: In an effort maximize the Land Bank's revitalization efforts, the Land Bank Commission and staff would like to accept the donation of the property located at 7909 Mann Road. This is a commercial property with six (6) office units, the building size is 2,628 square-feet, the lot size is 16,240 square-feet. The Pulaski County Assessor has the property assessed appraised value of \$106,450.

13. RESOLUTION NO. 14,983: To authorize the Mayor and City Clerk to execute any documents necessary to sell property located at 6200 Mablevale Cutoff to the Assembly of Believers Baptist Church as a function of the Land Bank Commission; and for other purposes. *Land Bank: 10 ayes and 0 nays. Staff recommends approval.*

Synopsis: In an effort maximize the Land Bank's revitalization efforts, the staff and Land Bank Commission would like sell the property located at 6200 Mablevale Cutoff, for \$2,000.00 to Assembly of Believers Baptist Church. The property was donated to the City on December 8, 2017, and the City has maintained the property since that time. Nathanael Palmer, Pastor of Assembly of Believers Baptist Church intends to build a Church on this property. This property has been approved by the Planning Commission for conditional use permit to allow a church development on the R-2, Single-Family District, zoned property. The property is a vacant lot that is buildable on 1.11 +/- acres.

14. RESOLUTION NO. 14,984: To appoint Friday, Eldredge & Clark, LLP, as Legal Counsel for the proposed 2019 Short-Term Financing Note; and for other purposes. *Staff recommends approval.*

Synopsis: Approval of a resolution authorizing the appointment of Friday, Eldredge & Clark, LLP, as Legal Counsel for the Proposed 2019 Short-Term Financing of Fire and Police Equipment, Building Improvements, and a Computer-Aided Dispatch System.

15. RESOLUTION NO. 14,985: To appoint Edward T. Jordan as a new Commissioner to the Board of Improvement for the Twin Lakes Recreation Improvement District No. 1 of the City of Little Rock, Arkansas; and for other purposes. *Staff recommends approval.*

16. RESOLUTION NO. 14,986: To appoint Jim Keet to the Little Rock Advertising & Promotion Commission; and for other purposes. *Staff recommends approval.*

Synopsis: Appointment of Jim Keet to serve his first four (4)-year Industry Term, said term to expire on May 1, 2023.

17. RESOLUTION NO. 14,987: To certify Local Government Endorsement of CZ MFG, Inc./CZ-US Holdings, Inc., located at the southeast quadrant of the intersection of Zueber Road and Fletcher Road, Pulaski County, Little Rock, Arkansas, to participate in the Arkansas Tax Back Program, as authorized by Ark. Code Ann. § 15-4-2706(D) of the Consolidated Incentive Act of 2003; and for other purposes. *Staff recommends approval.*

M-1 RESOLUTION NO. 14,990: To authorize the Mayor and City Clerk to execute any documents necessary to convey approximately 73.6 acres of property located at Zueber Road at Fletcher Road on the south port site to CZ-USA for economic development; and for other purposes. *Staff recommends approval.*

Director Adcock made the motion, seconded by Director Wright, to approve the Consent Agenda. By unanimous voice vote of the Board Members present, **the Consent Agenda was approved.**

CITIZEN COMMUNICATION

Shayla Hooks, 3320 Elam Street: Police LRPD.

Antonio Davila, 10275 Layton Lane: Youth Development.

GROUPED ITEMS (Items 20- 22 and Item 24)

Mayor Scott stated that Item 23 had inadvertently been placed in the Grouped Items; however, due to the fact that it was a Public Hearing, it would need to be read separately.

20. ORDINANCE NO. LU19-25-01: To amend the Land Use Plan in the Port Planning District, east of Fourche Dam Pike between Interstate and 440 and East Port Drive from Commercial to Industrial; and for other purposes. *Planning Commission: 10 ayes; 0 nays; and 1 absent. Staff recommends approval.*

Synopsis: To approve Land Use Plan amendments in the Port Planning District east of Fourche Dam Pike between Interstate 440 and East Port Drive from Commercial (C) to Industrial (I). (Located Ward 1)

21. ORDINANCE NO. 21,725; Z-9396: To reclassify property located in the City of Little Rock, Arkansas, amending the Official Zoning Map of the City of Little Rock, Arkansas; and for other purposes. *Planning Commission: 9 ayes; 0 nays; and 2 absent. Staff recommends approval.*

Synopsis: The owner of the 3.552-acre property located at the northeast corner of Fourche Dam Pike and Interstate 440 is requesting that the property be reclassified from C-3, General Commercial District, to I-2, Light Industrial District. (Located in Ward 1)

22. ORDINANCE NO. 21,726: To condemn certain structures in the City of Little Rock, Arkansas, as structural, fire and health hazards; to provide for summary abatement procedures; to direct the City Staff to take such action as is necessary to raze and remove said structures; **to declare an emergency**; and for other purposes. *Staff recommends approval.*

Synopsis: Four (4) residential structures are in a severely dilapidated, deteriorated and/or burned condition causing a negative environmental impact on the residential neighborhoods in which they are located. All Notices have been mailed in accordance with Arkansas State Law.

Lance Levi: Questioned if the City or the contractor was responsible for paying the Dump Fee.

Housing & Neighborhood Programs Code Enforcement Manager Ed Garland stated that the Dump Fee was separate from the cost of the demolition of a structure, and the owner was sent an invoice for the Dump Fee.

Mr. Levi asked how the four (4) particular properties were included on the condemnation ordinance. Mr. Garland stated that currently there were over 500 structures in the City of Little Rock that had been declared unsafe and vacant, and as a result of code enforcement surveys and enforcement action, determination was made by staff regarding which properties posed the biggest threat.

24. ORDINANCE NO. 21,728: To amend Little Rock, Ark., Ordinance No. 20,778 (August 27, 2013) pursuant to Little Rock, Arkansas, Ordinance No. 21,684 (December 19, 2018); to amend Little Rock, Ark., Ordinance No. 20,788 (August 27, 2013), as necessary for other issues; to accomplish these amendments in order to have proper provisions in the DB2014 Retirement Plan for the City; **to declare an emergency**; and for other purposes. *Staff recommends approval.*

Synopsis: On December 18, 2018, the Board of Directors passed Ordinance No. 21,684 outlying the benefits approved for the Mayor and directed that the Defined Benefit 2014 Pension Plan be amended accordingly.

The ordinances were read the first time. Director Adcock made the motion, seconded by Director Hines, to read the ordinances a second time. By unanimous voice vote of the Board Members present, the ordinances were read a second time. Director Adcock made the motion, seconded by Director Hines, to suspend the rules and place the ordinances on third reading. By unanimous voice vote of the Board Members present, the rules were suspended and the ordinances were read a third time. By unanimous voice vote of the Board Members present, **the ordinances were approved**. By unanimous voice vote of the Board Members present, **the emergency clause for Item 22 was approved**. By unanimous voice vote of the Board Members present, **the emergency clause for Item 24 was approved**.

PUBLIC HEARINGS (Item 23)

23. ORDINANCE NO. 21,727: To authorize the issuance of an Industrial Development Revenue Bond under the authority of Act 9 of 1960, as amended, for the purpose of securing and developing industry near the City; authorizing the execution and delivery of a Bond Purchase Agreement providing for the sale of the Bond; authorizing the execution and delivery of a Trust Indenture securing the Bond; authorizing the execution and delivery of a Lease Agreement between the City, as lessor, and CZ MFG, Inc., as lessee; authorizing the execution and delivery of an agreement of payments in lieu of taxes; authorizing the execution and delivery of other documents relating to the issuance of the Bond; prescribing other matters relating there to; **to declare an emergency**; and for other purposes. *Staff recommends approval.*

Mayor Scott opened the public hearing.

The ordinance was read the first time. Director Adcock made the motion, seconded by Director Richardson, to read the ordinance a second time. By unanimous voice vote of the Board Members present, the ordinance was read a second time. Director Adcock made the motion, seconded by Director Richardson, to suspend the rules and place the ordinance on third reading. By unanimous voice vote of the Board Members present, the rules were suspended and the ordinance was read a third time.

Mayor Scott asked if there were individuals present that wished to speak for or against the item. There being none present, Mayor Scott closed the public hearing.

By unanimous voice vote of the Board Members present, **the ordinance was approved**.
By unanimous voice vote of the Board Members present, **the emergency clause was approved**.

Director Hines made the motion, seconded by Director Wright, for the Board to take a fifteen (15) minute recess. By unanimous voice vote of the Board Members present, **the Board took a fifteen (15) minutes recess**.

PRESENTATIONS (Item 25)

25. PRESENTATION: 2019 Budget Amendment Presentation

Finance Director Sara Lenehan stated that the purpose of the Budget Adjustment was to pro-rate annual adjustments to recommend a Budget Amendment to be in effect by July 1, 2019, and that the Board would be discussing two (2) recommendations.

Budget Recommendation A:

- Adjusted the General Fund Budget by approximately 2.5% - \$5,336,853.
- Excluded debt service, insurance, actuarially determined pension contributions and other fixed General Government expenditures.
- Included anticipated revenue increases associated with Act 822 and increased membership and attendance at Jim Dailey Fitness & Aquatics Center.

- Included adjustments to outside agencies and special projects and utilized a targeted adjustment approach, preserving the most critical services.

Revenue Adjustments	
Increased Sales Tax Forecast for Act 822	\$780,000
Increase Revenues at Jim Dailey Fitness & Aquatics Center	\$118,000
Total Revenue Increases	\$898,000
Expenditure Adjustments	
Reclassification of a portion of the Rock Region Metro allocation to the Street Fund	\$500,000
Reduction of funding to the Museum of Discovery	\$115,000
Reduction of funding to The Downtown Partnership	\$50,000
Total	\$665,000
Departmental Adjustments	
General Administration - Chamber of Commerce	\$150,000
Community Programs Department	\$68,420
City Attorney's Office	\$232,566
Finance Department	\$79,100
Human Resources Department	\$55,597
Planning & Development Department	\$46,229
Housing & Neighborhood Programs Department	\$347,572
Parks & Recreation Department	\$1,670,727
Little Rock Zoo	\$92,000
Little Rock Fire Department	\$107,287
Little Rock Police Department	\$114,355
Total Decreases in Department Expenditures	\$2,963,853
Transfers Out	\$810,000
Total Increases in Revenue and Decreases in Expenditures	\$5,336,853

Budget Recommendation A Summary:

- The net impact to nearly all Department would be reduced in comparison to Budget Recommendation B, with more strategic Program adjustments.
- Would utilize the Golf Study results and repurpose two (2) golf courses.
- No anticipated impact to the accreditation of Parks, Zoo, Fire or Police.
- The overall net reduction would be approximately \$2 million less than Budget Recommendation B.

Budget Recommendation B:

- Reduced the General Fund Budget by 3.5% - \$7,371,816.
- Excluded debt service, insurance, actuarially determined pension contributions and other fixed General Government expenditures.
- Limited impact to Fire and Police to \$250,000 and \$500,000 respectively.
- Excluded Courts and Information Technology from reductions.
- Included adjustments to Special Projects and Outside Agency funding of \$1.5 million.
- Allocated remaining \$5,121,816 to Departments ratably based on Adopted Budget (December 18, 2018) – Net impact to remaining Departments would be 12.08%

Budget Recommendation B Concerns & Risks:

- The ratable allocation does not adequately prioritize required or critical services.
- The allocation of over \$800,000 to the Zoo would require the closure of certain exhibits and would likely put accreditation at risk.
- In several Departments, the 12.08% allocation exceeds 50% of the total operating expenditure budget, requiring a higher number of staffing reductions than a more targeted approach.
- Fire and Police staffing costs exceed 91% of the Department budgets. While the proposed reduction amounts represent a small percentage of the overall budgets, they have a negative impact on required operating expenses.

Comparison of Annual Budget Recommendations:

- Both recommendations address concerns with the Original 2019 Adopted Budget (December 18, 2018) that were included in the Board Budget Discussion on April 16, 2019.
 - The estimated \$2.2 million consolidated General Fund/General Fund Special Project loss anticipated in the Adopted 2019 Budget.
 - The estimated non-recurring transfers in and temporary expenditure reductions utilized in the 2019 Adopted Budget of approximately \$4.9 million.
- Neither recommendation included funding for new initiatives.
- Departmental reductions in Recommendation A would total \$2,963,853 (48 positions) as opposed to \$5,871,816 (80 positions) in Recommendation B.

As a result of the presentation, there were numerous questions and follow-up regarding some of the proposed budget cuts. Mayor Scott stated that he would ask for a motion to recess the meeting until the following week (May 15, 2019), to provide staff with adequate time to answer many of the questions asked.

Director Fortson made the motion, seconded by Director Wright, to recess the meeting until May 15, 2019, for the purpose of further discussion of the proposed Budget Amendment. By unanimous voice vote of the Board Members present, **the meeting was recessed until May 15, 2019.**

ATTEST:

APPROVED:

Susan Langley, City Clerk

Frank Scott, Jr., Mayor