AGENDA

FORT SMITH BOARD OF DIRECTORS
REGULAR MEETING

DECEMBER 7, 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 NOVEMBER 16, 2010 REGULAR MEETING

ITEMS OF BUSINESS:

1. Presentations
   - ➢ Good Neighbor Awards

2. Items regarding Metropolitan Planning Organization

   A. Resolution authorizing withdrawal from the Bi-State Metropolitan Planning Organization; authorizing participation in the dissolution of the organization; declaring an emergency thereof; and for other purposes

   B. Ordinance authorizing the formation of a Metropolitan Planning Organization; authorizing an agreement between the City of Fort Smith and other cities and counties and other entities within the State of Arkansas and within the State of Oklahoma; declaring emergency therefore; and authorizing and prescribing other matters thereto

3. Ordinance rezoning identified property and amending the zoning map *(Industrial Light (I-1) to Residential Single Family High Density (RS-4) by classification / 5007,5015, 5019, 5023, 5025, 5029 South 34th Street and 3400 Tulsa Street)*

4. Ordinance amending the 2010 Budget

5. Public hearing and ordinance to adopt the fiscal year 2011 Operating Budget and to provide other matters relating thereto

6. Ordinance establishing salaries and benefits and related procedures for City employees

7. Ordinance amending Ordinance No. 26-07 and Ordinance No. 65-07 for the purpose of establishing rates for water services supplied by the City of Fort Smith and superseding prior rates for such services

8. Introduction of ordinance amending Ordinance No. 25-07 for the purpose of establishing rates for sewer services provided by the City of Fort Smith and superseding prior rates for such services

9. Resolution setting public hearing regarding proposed rates for the sanitary sewer services and authorizing publication of a notice of said public hearing

10. Ordinance accepting the conveyance of the potable water system from the Fort Chaffee Redevelopment Authority to the City of Fort Smith

11. Consent Agenda

    A. Resolution approving a contract with Daily & Woods, P.L.L.C. for general legal services for 2011

    B. Resolution approving claim service, specific excess insurance and aggregate excess insurance for City's workers' compensation coverage

    C. A Resolution authorizing the Chief of Police to accept the FY 2010 Community Oriented Policing Services (COPS) hiring program grant

    D. Resolution authorizing Change Order Number Four with Crossland Heavy Contractors, Inc. for construction of the Lake Fort Smith Water Treatment Plant - Contract 3 ($70,237.00)

    E. Resolution accepting the bid of and authorizing the Mayor to execute a contract with KAJACS Contractors, Inc. for the Zero Street Outfall Sewer Improvements Phase I ($1,228,652.00)

    F. Resolution authorizing the Mayor to execute Authorization Number Two with Mickle Wagner Coleman, Inc. for engineering services associated with the Zero Street Outfall Sewer Improvements Phase I ($102,000.00)

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

A. Mayor

B. Directors

C. City Administrator

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

2A

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING WITHDRAWAL FROM THE BI-STATE METROPOLITAN PLANNING ORGANIZATION; AUTHORIZING PARTICIPATION IN THE DISSOLUTION OF THE ORGANIZATION; DECLARING AN EMERGENCY THEREFORE; AND FOR OTHER PURPOSES.

WHEREAS, the Bi-State Metropolitan Planning Organization was formed in 2006 pursuant to an agreement between certain signatory governmental subdivisions of the State of Arkansas and the State of Oklahoma; and

WHEREAS the Organization was authorized and empowered under the Interlocal Cooperation Act of the State of Arkansas, being Act 430 of 1967, as amended, codified at A.C.A. § 25-20-101 et. seq. and the Interlocal Cooperation Act of the State of Oklahoma, being Title 74, Oklahoma Statutes § 1001 et. seq., as amended; and

WHEREAS paragraph 3 of the Bi-State Metropolitan Planning Organization Agreement authorizes the withdrawal of any party to the Agreement if the party, by resolution, adopted by its governing body, submits in writing to the Policy Board of the Organization a copy of the resolution and such withdrawal request; and

WHEREAS paragraphs 2 and 5(j) contemplate the dissolution of the organization and termination of the agreement forming the organization by its member parties.

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

Section 1. The City Board of Directors hereby finds and determines that it is in the best interest of the City to simultaneously withdraw from the Bi-State Metropolitan Planning Organization and participate in the dissolution of the Organization.

Section 2. The withdrawal from the Organization and dissolution of the Organization shall be contingent upon the formation of a new Metropolitan Planning Organization consisting of substantially the same jurisdictional area of the existing organization, and this dissolution shall be effective simultaneously with the effective date of the new Organization which will be 12:01 a.m. July 1, 2011. Effective upon the dissolution of the existing Metropolitan Planning Organization, all assets, if any, and all

contracts, rights, and liabilities shall be transferred to the new Metropolitan Planning Organization.

Section 3. The Mayor and City Clerk, for and on behalf of the City, are hereby authorized to execute and directed to do any and all things necessary to effect the withdrawal of the City from the Organization and the dissolution of the Organization, and to perform all acts of whatever nature necessary to effect and carry out the authority conferred by this resolution. The Mayor and City Clerk are hereby further authorized and directed, for and on behalf of the City, to execute all papers, documents, certificates, and other instruments that may be required for the carrying out of such withdrawal and dissolution.

Section 4. The City Board of Directors finds that the immediate implementation of this resolution is necessary and that it is in the best interest of the public health, safety, and welfare for this resolution to be effective immediately after its adoption so as to allow for the immediate execution of the efforts to withdraw from the Bi-State Metropolitan Planning Organization and the dissolution of the Organization.

PASSED AND APPROVED THIS _____ DAY OF DECEMBER, 2010.

_____
Mayor

ATTEST:

_____
City Clerk

JPV:afa

Approved as to form!
Asst City Attorney
NPR

2B

CITY OF FORT SMITH ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE FORMATION OF A METROPOLITAN PLANNING ORGANIZATION; AUTHORZING AN AGREEMENT BETWEEN THE CITY OF FORT SMITH AND OTHER CITIES AND COUNTIES AND OTHER ENTITIES WITHIN THE STATE OF ARKANSAS AND WITHIN THE STATE OF OKLAHOMA; DECLARING EMERGENCY THEREFORE; AND AUTHORIZING AND PRESCRIBING OTHER MATTERS THERETO.

WHEREAS, the City of Fort Smith, Arkansas is a member along with other governmental subdivisions of the State of Arkansas and the State of Oklahoma of a Metropolitan Planning Organization formed pursuant to an agreement dated October 24, 2005; and

WHEREAS, the existing Metropolitan Planning Organization will be dissolved contingent upon the formation of a new Metropolitan Planning Organization consisting of substantially the same parties to the existing organization, and this dissolution shall be effective simultaneously with the formation and charter of the new Organization; and

WHEREAS, the formation of a new and reformed Metropolitan Planning Organization is necessary and desirable to cure deficiencies in the previously formed Metropolitan Planning Organization wherein districts of two Oklahoma counties were purported parties to the Agreement to the exclusion of the entire county and other districts within the counties; and

WHEREAS, the entire county must be a party to the Agreement even though the jurisdictional area covered by the Agreement may be a certain and exclusive district within the county; and

WHEREAS, it is necessary and desirable to form a new and reformed Metropolitan Planning Organization in order to set forth with greater specificity the jurisdictional area and parties to be included within the jurisdiction of the Metropolitan Planning Organization; and

WHEREAS, it is desirable to enter into a new Agreement and form a new Organization for the purpose of providing broader, as well as more specific powers and authority in the voting board of the Organization so that the Organization may be managed and operated with greater efficiency and so that the business of the Organization may be performed with greater efficacy; and

WHEREAS, the Interlocal Cooperation Act of the State of Arkansas, being Act 430 of 1967, as amended, codified at A.C.A § 25-20-101, et. seq. and the Interlocal Cooperation Act of the State of Oklahoma, being Title 74, Oklahoma Statutes, § 1001, et. seq., as amended permits and authorizes governmental subdivisions of the State of Arkansas and the State of Oklahoma respectively to form an organization for the discharge of any responsibility that such party may be able to perform by authority of law or its charter; and

WHEREAS, it is proposed that the City join with Crawford County, Sebastian County, City of Alma, City of Barling, City of Bonanza, City of Central City, City of Greenwood, City of Kibler, City of Lavaca, City of Van Buren, Western Arkansas Intermodal Authority, and Fort Smith Regional Airport Commission within the State of Arkansas and with Leflore County, Sequoyah County, City of Arkoma, City of Moffett, and City of Pocola within the State of Oklahoma to form a Metropolitan Planning Organization under the Acts of the State of Arkansas and the State of Oklahoma listed above and to create a Metropolitan Transportation Planning Area and Planning Organization pursuant to U.S. Code at 23 U.S.C. 134, et. seq., as amended; and

WHEREAS, an Agreement for the formation of such an organization has been prepared, a copy of which has been presented to and is before this meeting.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS:

Section 1.

(a) The City Board of Directors hereby finds and determines that it is in the best interest of the City to join with the entities named above in the formation of a Metropolitan Planning Organization: (1) for the purpose of banding together the territory under the jurisdiction of the signatory parties the geographical area specified below, (2) to create greater eligibility for grants, loans, and other consideration under federal legislation including, but not limited to 23 U.S.C. 134, et. seq., as amended, that can be used for the expenses of planning, research and technical assistance to help the organization determine feasible actions that will improve the existing, as well as the future economic and social environment of the territory under the jurisdiction of the signatory parties, and (3) to provide other services and benefits, for which such functions may in many instances be discharged or performed by a common entity to the mutual advantage of all, including the citizens of the planning area.

(b) The Agreement for the formation of the Metropolitan Planning Organization establishes a planning area to be comprised of the area within the geographical boundaries of the following:

Crawford County, Arkansas
Sebastian County, Arkansas
District 1 of Leflore County, Oklahoma, and
District 1 of Sequoyah County, Oklahoma

Section 2. The formation of a Metropolitan Planning Organization pursuant to the Acts mentioned above, to be known as the "Frontier Metropolitan Planning Organization", and the City's participation in the same, are hereby authorized. Upon the dissolution of the existing "Bi-State Metropolitan Planning Organization" and the formation of the new Metropolitan Planning Organization, all assets, if any, and all contractual rights and obligations, as well as any liabilities of the existing Metropolitan Planning Organization shall be transferred to, received by, and assumed by the new Metropolitan Planning Organization.

Section 3. There is hereby authorized the execution and delivery of an Agreement by and between the City and the other governmental subdivisions of the State of Arkansas and Oklahoma mentioned above, and the Mayor and City Clerk are hereby authorized to execute and deliver the Agreement for and on behalf of the City. The Agreement is hereby approved in substantially the form submitted to this meeting, and the Mayor is hereby authorized to confer with the other parties thereto in order to complete the Agreement in substantially the form submitted to this meeting with such changes as shall be proposed by such persons executing the document, their execution to constitute conclusive evidence of such approval. Further, and specifically, if any member entity named herein or in the Agreement form attached should choose to not be a member of the Metropolitan Planning Organization, then the exclusion of that member entity or entities shall have no effect on the authorization established by this Ordinance to enter into the Agreement.

Section 4. The Mayor and City Clerk, for and on behalf of the City, are hereby authorized to execute and directed to do any and all things necessary to effect the execution and delivery of the Agreement, and the performance of all acts of whatever nature necessary to effect and carry out the authority conferred by this Ordinance. The Mayor and City Clerk are hereby further authorized and directed, for and on behalf of the City, to execute all papers, documents, certificates and other instruments that may be required for the carrying out of such authority or to evidence the exercise thereof.

Section 5. The City Clerk is hereby authorized and directed to file in the office of the City Clerk as a part of the minutes of the meeting at which this Ordinance is adopted, for inspection by any interested person a copy of this Agreement, and such document shall be on file for inspection by any interested person.

Section 6. The provisions of this Ordinance are hereby declared to be separable and if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

Section 7: The City Board of Directors finds that the immediate implementation of this ordinance is necessary and that it is in the best interest of the public health, safety, and welfare for this ordinance to be effective immediately after its adoption so as

to allow for the immediate execution of the agreement and the pursuit of the endeavors contemplated therein.

PASSED AND APPROVED THIS _____ DAY OF DECEMBER, 2010.

ATTEST:

_____
Mayor

_____
City Clerk

JPV:afa

Approved as to form
Asst Cty Attorney
Publish 1 Time

The City of Fort Smith ARKANSAS

MEMORANDUM

December 2, 2010

TO: Mayor and Board of Directors

FROM: Ray Gosack, Acting City Administrator

SUBJECT: Metropolitan Planning Organization

At the November 16th study session, the board of directors discussed the dissolution of the Bi-State Metropolitan Planning Organization (MPO) and the creation of a new MPO. The staff report from that study session is attached. The board determined to move forward with these actions. Attached for the board's consideration are:

- A resolution dissolving the Bi-State MPO. The dissolution wouldn't be effective until the new MPO is created. In the event enough cities and counties don't agree to the creation of the new MPO, the existing MPO would continue to serve the region.

- An ordinance approving the creation of the Frontier MPO and authorizing the execution of an agreement with other participants to create the new MPO.

The staff recommends approval of the resolution and ordinance. The new organization will allow the region to meet its transportation planning needs more effectively.

Ray

Attachments

cc: The Honorable Bob Freeman, Van Buren Mayor
Chairman, Bi-State MPO Board

John Guthrie, Western Arkansas Planning & Development Dist.

Tim Conklin, Bi-State MPO

The City of Fort Smith ARKANSAS

1

MEMORANDUM

November 19, 2010

TO: Mayor and Board of Directors

FROM: Ray Gosack, Acting City Administrator

SUBJECT: Metropolitan Planning Organization

Fort Smith and the region have organized the Bi-State Metropolitan Planning Organization (MPO) for many years. An MPO provides local planning for regional transportation projects and programs. It also seeks federal and state funding for those projects and programs.

Federal and state regulations require that most transportation projects be reviewed and approved by an MPO prior to inclusion in state and federal transportation plans. The MPO ensures there's continual, cooperative, and comprehensive planning at the local level for transportation projects and programs.

The Bi-State MPO currently consists of 29 city and county members in Sebastian, Crawford, Leflore and Sequoyah Counties. Many of these members aren't involved, which creates difficulties with obtaining quorums for conducting business. It's recommended that the membership be reduced to the 16 most active entities in the 4-county area, and that the Fort Smith Regional Airport and the Western Arkansas Regional Intermodal Authority (RITA) be included as members.

The federal MPO regulations require the central city in the MPO to approve the enabling agreement. In the case of our MPO, Fort Smith is the central city. Without this approval from the central city, the MPO changes can't move forward. Attached are the following documents:

- A resolution consenting to the dissolution of the Bi-State MPO. This is the current MPO which consists of 29 members.

- An ordinance approving the creation of the *Frontier Metropolitan Planning Organization*, which will consist of 16 local governments from the 4-county area. Those 16 members are: Sebastian County, Crawford County, Leflore County, Sequoyah County, Alma, Arkoma, Barling, Bonanza, Central City, Fort Smith, Greenwood, Kibler, Lavaca, Moffett, Pocola, and Van Buren. The membership would also include the Fort Smith Regional Airport and the Western Arkansas Regional Intermodal Authority. Following Fort Smith's approval, the enabling legislation will be presented to the other participants for their consideration.

- An intergovernmental agreement which provides for the formation of the Frontier Metropolitan Planning Organization among the 18 participants.

The staff recommends these items be scheduled for approval at the December 7th board of directors meeting. The changes will allow the MPO to more reliably hold meetings for the purposes of planning the region's transportation needs and seeking federal and state funds to meet those needs.

-Ray

Attachments

cc: The Honorable Bob Freeman, Van Buren Mayor
Chairman, Bi-State MPO Board

John Guthrie, Western Arkansas Planning & Development Dist.

Tim Conklin, Bi-State MPO

AGREEMENT
FOR THE ORGANIZATION OF
THE FRONTIER METROPOLITAN PLANNING ORGANIZATION

This Agreement, made this _____ day of _____, 2011, between those signatory governmental subdivisions of the State of Arkansas and the State of Oklahoma, does hereby establish subject to the limitations and provisions hereof, for the metropolitan planning organization (MPO) providing transportation planning services for the metropolitan planning area (MPA) of the signatory parties hereto an organization known as the

Frontier Metropolitan Planning Organization

for the purpose herein and hereafter provided with such additional purposes as may hereinafter be adopted.

WHEREAS, the Interlocal Cooperation Act of the State of Arkansas, being Act 430 of 1967, as amended, codified at A.C.A. 25-20-101, et.seq. and the Interlocal Cooperation Act of the State of Oklahoma, being Title 74, Oklahoma Statutes, Sections 1001, et. seq., as amended permits and authorizes the parties hereto to form an organization for the discharge of any responsibility that such party may be able to perform by authority of law or its Charter; and

WHEREAS, in accordance with Title 23 U.S.C. and Title 49 U.S.C. and implementing regulations, the designation of the MPO is being made by this Agreement between the herein listed units of local government and the Governors of the States of Arkansas and Oklahoma; and

WHEREAS, Frontier MPO shall be responsible for the direction, coordination, and administration of the continuing, comprehensive, and cooperative transportation planning process in the Fort Smith, AR Urbanized Area under Title 23 U.S.C. and Title 49 U.S.C., as amended; and

WHEREAS, the objectives of this agreement are to formalize the current cooperative efforts between Frontier MPO, the member jurisdictions, Arkansas State Highway and Transportation Department (AHTD), and the Oklahoma Department of Transportation (ODOT) for the production and execution of the Unified Planning Work Program (UPWP), the Metropolitan Transportation Plan (MTP), the Transportation Improvement Program (TIP), the Annual Listing of Obligated Projects (ALOP), the Public Participation Plan (PPP), and the ongoing transportation planning process in

general; as well as comply with the requirements of the current Federal Transportation Bill, all successors of this Act and subsequent regulations, and all other applicable laws and regulations; and

WHEREAS, the signatory parties hereto, together with such additional parties as may hereinafter become a party to this MPO, recognize that development resulting from but not exclusive to, increasing economic activity, transportation and other infrastructure improvements are expected to occur in the Metropolitan Planning Area under the jurisdiction of the signatory parties hereto within the foreseeable future, and by the formation of an Organization with problems and opportunities common to the geographical territory and characterized by the underutilization of its many and varied natural, physical, capital and human resources; that the complexities and scope of the types of developments expected to occur is above and beyond the capabilities of the individual cities and counties to guide and direct; that by banding together the territory under the jurisdiction of the signatory parties, Metropolitan Planning Area is eligible for grants, loans, and other considerations under Federal legislation including but not limited to Title 23 U.S.C. and 49 U.S.C. and implementing regulations, as amended, that can be used for the expenses of planning, research and technical assistance to help the MPO conduct and implement eligible activities to perform a transportation planning process for the region; and

WHEREAS, notwithstanding any language herein, it is not the intentions of the parties to form a new layer of government, but to organize a voluntary association of local governments and representatives of the local citizenry, in effect of being a horizontal projection of existing powers, functions, duties, and responsibilities of the said cooperating parties hereto, and to thereby seek by mutual agreement solutions to mutual problems and development of mutual opportunities for the benefit of all citizens.

NOW, THEREFORE, in consideration of the covenants herein contained the parties agree:

1. There is hereby formed the

   FRONTIER METROPOLITAN PLANNING ORGANIZATION

   which Organization is formed, financed, organized and shall operate and may be dissolved in accordance with the provisions of this Agreement.

2. The effective date of this Organization shall be July 1, 2011 and the MPO shall remain in effect in perpetuity or until dissolved in the manner prescribed by this Agreement.

3. Any party hereto may withdraw as a member of the Organization by Resolution adopted by its governing body, such withdrawal to be submitted in writing to the Board of the Organization, accompanied by a copy of the Resolution, and such withdrawal shall be effective the next anniversary date of the Organization.

4. To provide for the operation of such an MPO, the parties hereto shall forthwith adopt Bylaws, which shall serve as a form of organization. In the Original or Amended Bylaws of the MPO, the members shall have the power to create various boards and committees, and to therefore set forth the authority and duties of the various boards, to establish the membership of the boards, to establish the manner in which the board members are to be elected, and to establish the terms of office for the board members. The MPO members together shall comprise and be known as the MPO Board.

5. Membership on the board of the MPO shall consist of: representation for each of the below listed units of local government with the representatives being the chief elected officials of these units of local government or his/her designees; representatives of Western Arkansas Intermodal Authority and Fort Smith Regional Airport Commission as designated by those entities; and representatives of the AHTD and representatives of the ODOT as designated by those highway departments. However, in the case of LeFlore County and Sequoyah County, the representative of each county shall be the District 1 Commissioner of the respective county, or in the event the District 1 Commissioner of a county cannot serve or does not serve, for whatever reason, then the representative for the county shall be a designee from the electorate of the jurisdiction's entity as designated by the county. The MPO Board may from time to time change the composition of its Board membership listed below.

In Arkansas:	Crawford County Sebastian County The City of Alma The City of Barling The City of Bonanza The City of Central City The City of Fort Smith The City of Greenwood The City of Kibler The City of Lavaca The City of Van Buren Western Arkansas Intermodal Authority Fort Smith Regional Airport Commission
In Oklahoma:	LeFlore County

Sequoyah County
The City of Arkoma
The City of Moffett
The City of Pocola

The MPO will at a minimum meet bi-annually or on call as set forth by the Bylaws. The MPO Board will be the general governing and superintending body of the MPO hereby created.

a. The term, authority, and responsiblities of office of the Executive Officers of the MPO shall be determined by the Bylaws of the MPO. The Executive Officers shall continue to serve in their capacity until their successors have been duly elected and qualified.

b. The Executive Officers of the Organization shall be its MPO Board Chairman and Vice Chairman. All Executive Officers must be members of the Organization. The term of office of the Executive Officers shall be provided in the Bylaws of the Organization.

c. The Executive Officers specifically designated in Paragraph "b" above, and their successors in office, shall act, and they are hereby empowered to act, as trustees for the benefit of the signatory parties hereto, for the purposes of acquiring, holding, disposing of, transferring, leasing, purchasing, selling, and otherwise managing, administering, and dealing with real and personal property, and in handling and administering funds of the MPO, and for the purposes of contracting with the Federal Government, the various State Governments and subdivisions thereof, and other third persons, and in applying for grants, receiving and expending funds (including, but not limited to, Federal funds) to be used by or for the MPO for the benefit of the signatory parties hereto, and do all other things, perform all acts and to sign all documents necessary and incident thereto. All contracts and other agreements shall be signed by such Executive Officers, and all property acquired and held for the benefit of the MPO and the signatory parties hereto shall be so held in the name of the MPO. The acts of said Executive Officers in managing and administering the property held for the benefit of the MPO, in the entering into contracts and agreements with references thereto, in administering the funds of the Organization, in applying for grants, and otherwise acting on behalf of the Organization, shall be done pursuant to resolution adopted by a quorum majority vote of the Members comprising the MPO.

d. A budget shall be developed by the MPO to cover the effective operation of the MPO and the raising of funds for the budget, and it shall be accomplished in accordance with the methods set out in Paragraph "e" below, after the Executive Officers have obtained any and all financial aid possible from the Federal Government, the States of Arkansas and Oklahoma, political subdivisions thereof, and private contributions.

e. The methods of financing the activities of the MPO shall be accomplished in the following manner. The funds required to match any and all Federal or State grants, including but not limited to those U.S. Department of Transportation planning monies annually appropriated under the authority of Title 23 of the United States Code, shall come, in part, from the annual unrestricted funds received by the Organization from the State of Arkansas Department of Finance and Administration as authorized under Arkansas Act 26 of 1955, as amended and Arkansas Act 118 of 1969, as amended. Additional methods and means of raising local or non-Federal funds to be used as matching funds for Federal and/or State grants may be proposed and prepared by the Executive Officers and shall be presented to the total membership of the MPO, and shall be adopted by a majority vote of all members comprising the MPO.

f. At the Annual Meeting of the Board, a report shall be made on the financial condition of the MPO and adherence to the budget established by the MPO, as well as any other reports and controls as may be called for or required by the Bylaws of the MPO and any and all cooperating Federal and State agencies.

g. In the event of partial or complete termination of this agreement, the property held in the name of the MPO shall be distributed and disposed of according to the rules and regulations of the cooperating Federal and State granting agencies. Other distribution and disposal provisions may be developed upon and after additional local funding mechanisms have been prepared and adopted by the Organization. Absent any other agreement or rule of law, upon dissolution, the properties and assests of the MPO shall be liquidated and distributed to the member entities in direct proportion to the assests contributed to the MPO by the member entities, respectively.

h. A method of amending the Bylaws. Such method shall provide that the amendment shall be by not less than a majority vote (51% or greater) of all voting members of the MPO. Such amendment to the Bylaws, properly adopted, shall not be deemed in violation of any provisions of this Agreement.

i. The name of the organization may be amended or changed in its entirety upon not less than two-thirds (2/3) vote of all members of the MPO.

6. The MPO Policy Board may have such staff, including a director, assistant director, clerical help, consultants, and other advisors as the members shall determine. All common functions of the MPO (such as to overhead, salaries, rent, and common supplies) shall be discharged out of the general fund of the MPO. The MPO may contract with, as it chooses, a third party for staff, administrative and support functions and services.

7. It is contemplated that from time to time the MPO will adopt special projects, activities or operating functions, each of which may or may not be of common interest to all signatory parties hereto. As to such special activities, the same shall be financed by, be for the purposes of, and be utilized by only such members of the MPO as wish to avail themselves thereof.

8. It is contemplated by the signatory parties hereto that from time to time the MPO will apply for, receive, and expend Federal and other funds to provide transportation planning assistance and transportation planning work for the purposes set forth hereinabove; and by their ordinances and resolutions approving and adopting this Agreement, each of the signatory parties hereto does hereby specifically authorize and empower the MPO to undertake and perform such transportation planning, to contract with the United States, the States of Arkansas and Oklahoma, and with other parties for the purposes of receiving and expending Federal funds, to receive and expend Federal funds, to receive and expend State funds, and do all other things necessary and incident to the purposes set forth hereinabove, in accordance with the provisions of this Agreement, with all the powers, privileges and authority that each of the signatory parties hereto could exercise independently.

9. Anything to the contrary notwithstanding, should any member entity named in paragraph 5 above choose to not be a signatory hereto or a member of the MPO, then this Agreement and the MPO shall be and remain in full force and effect despite the exclusion or failure to execute this Agreement by any one or more member entities. In other words, should any one or more entity fail to become or be a party to this Agreement, the Agreement as between all other joining member entities shall be effective and binding.

10. Any member may withdraw its membership in the MPO as set forth in paragraph 3 above. This occurrence will not cause dissolution of the MPO. A complete dissolution shall occur and be effected only upon a majority vote of the then existing members of the MPO. The election by a member to

withdraw from the MPO shall be by resolution adopted by the member's governing body.

11. This Agreement, executed in multiple counterpart, each copy being an original, shall be effective upon July 1, 2011, or upon approval of the Governors and Attorneys General of the States of Arkansas and Oklahoma if after July 1, 2011.

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals as of the day and year first above written.

ATTEST:

CRAWFORD COUNTY, AR

_____
County Clerk

_____
County Judge

ATTEST:

SEBASTIAN COUNTY, AR

_____
County Clerk

_____
County Judge

ATTEST:

CITY OF ALMA, AR

_____
City Clerk

_____
Mayor

ATTEST:

CITY OF BARLING, AR

City Clerk

Mayor

ATTEST:

CITY OF BONANZA, AR

City Clerk

Mayor

ATTEST:

CITY OF CENTRAL CITY, AR

City Clerk

Mayor

ATTEST:

CITY OF FORT SMITH, AR

City Clerk

Mayor

ATTEST:

CITY OF GREENWOOD, AR

City Clerk

Mayor

ATTEST:

CITY OF KIBLER, AR

City Clerk

Mayor

ATTEST:

CITY OF LAVACA, AR

City Clerk

Mayor

ATTEST:

CITY OF VAN BUREN, AR

City Clerk

Mayor

ATTEST:

CITY OF ARKOMA, OK

City Clerk

Mayor

ATTEST:

CITY OF MOFFETT, OK

City Clerk

Mayor

ATTEST:

CITY OF POCOLA, OK

City Clerk

Mayor

BOARD OF COUNTY COMMISIONERS
LEFLORE COUNTY, OKLAHOMA

County Commissioner, District 1

County Commissioner, District 2

County Commissioner, District 3

ATTEST:

County Clerk

BOARD OF COUNTY COMMISIONERS
SEQUOYAH COUNTY, OKLAHOMA

_____
County Commissioner, District 1

_____
County Commissioner, District 2

_____
County Commissioner, District 3

ATTEST:

_____
County Clerk

WESTERN ARKANSAS INTERMODAL AUTHORITY

_____

FORT SMITH REGIONAL AIRPORT COMMISSION

_____

Mike Beebe, Governor of the State of Arkansas

Approved by:

Director, Arkansas State Highway and Transportation Department

_____

_____, Governor of the State of Oklahoma

Approved by:

_____

Director/Secretary, Oklahoma Department of Transportation

3.

ORDINANCE NO.____

AN ORDINANCE REZONING IDENTIFIED PROPERTY AND AMENDING THE ZONING MAP

WHEREAS, the City Planning Commission has heretofore held a public hearing upon request No. 20-11-10 to rezone certain properties hereinafter described, and, having considered said request, recommended on November 9, 2010, that said change be made;

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

SECTION 1: That the following property to-wit:

Lots 1-8, Block 12, Falconer No. 2

More commonly known as 5007, 5015, 5019, 5023, 5025, 5029 South 34th Street and 3400 Tulsa Street, should be, and is hereby rezoned from Industrial Light (I-1) to Residential Single Family High Density (RS-4) by Classification.

The zoning map of the City of Fort Smith is hereby amended to reflect said rezoning.

PASSED AND APPROVED THIS_____DAY OF DECEMBER, 2010.

ATTEST:

_____
City Clerk

APPROVED:

_____
Mayor

Approved as to Form:

_____
City Attorney

Publish time

The City of Fort Smith ARKANSAS

November 30, 2010

Honorable Mayor and Board of Directors
City of Fort Smith, Arkansas

Re: Rezoning #20-11-10; A request by the City of Fort Smith, agent, for a zone change from Industrial Light (I-1) to Residential Single Family High Density (RS-4) by Classification located at 5007, 5015, 5019, 5023, 5025 and 5029 South 34th Street; 3400 Tulsa Street and 3321 South Utica Street.

On November 9, 2010, the City Planning Commission held a public hearing to consider the above rezoning request.

Ms. Maggie Rice read the staff report indicating that the purpose of this zone change is to allow the zoning to accurately reflect how this area has developed and to allow for property owners in the area to alter or expand their use. Ms. Rice noted that the owner of the property located at 3321 Utica Street, which contains an area of approximately 21,000 square feet and is undeveloped, has requested his property be removed from the area to be rezoned. Therefore, the staff is recommending approval of the requested rezoning subject to this property being removed from the requested zone change.

No one was present to speak in opposition to the request.

Following a discussion by the Commission, Chairman Griffin called for the vote on this rezoning request. Motion was then made by Commissioner Lau, seconded by Commissioner Stephens and carried unanimously to amend this request to make approval subject to the removal of the property located at 3321 Utica Street from the rezoning request. Chairman Griffin then called for the vote as amended. The vote was 8 in favor and 0 opposed.

A copy of the draft minutes and staff report to the Planning Commission is enclosed for your review.

The Planning Commission hereby certifies this zoning map amendment to the Board of Directors in accordance with A.C.A. 14-56-422.

Respectfully Submitted,

CITY PLANNING COMMISSION

Steve Griffin, Chairman

SG/lp

cc: File
City Administrator

623 Garrison Avenue
P.O. Box 1908
Fort Smith, Arkansas 72902
(501) 785-2801
Administrative Offices FAX (501) 784-2407

Printed on 100% Recycled Paper

Planning and Zoning

Memo

To: City Planning Commission

From: Planning Staff

Date: November 1, 2010

Subject: Rezoning # 20-11-10; A request by the City of Fort Smith, agent, for Planning Commission consideration of a zone change from Industrial Light (I-1) to Residential Single Family High Density (RS-4) by classification at 5007, 5015, 5019, 5023, 5025, and 5029 South 34th Street, 3400 Tulsa Street, and 3321 South Utica.

LOT LOCATION AND SIZE

The requested rezoning area is on South 34th Street between Utica Street and Tulsa Street. The area to be rezoned includes 8 properties and contains an area of approximately 1.7 acres.

EXISTING ZONING

The existing zoning on this tract is Industrial-1 (Industrial Light). Characteristics of this zone are as follows:

Characteristics of the I-1 zone are as follows:

Purpose: The I-1 zone provides for a mixture of light manufacturing, office park, research and development and limited retail/service retail land uses in an attractive, business park setting. The Industrial Light District may be used as a zoning buffer between mixed uses, commercial uses and heavier industrial uses. The I-1 Zoning District is appropriate with the Office, Research and Light Industrial (ORLI) classification of the Master Land Use Plan.

Uses: Light fabrication and assembly, warehousing and mini-storage, machine and welding shops, contractors shops and yard, boat sales and service, auto repair, convenience stores, restaurants, mini storage warehosues, sports complex.

Area Regulations:

Minimum Lot Size - 20,000 square feet
Front Setback - 25 feet

Density Regulations:

Maximum Lot Coverage - 75%

1A

Side Yard Setback - 10 feet
Street Side Setback - 15 feet
Rear Yard Setback - 10 feet
Separation of Buildings - current building/fire code

REQUESTED ZONING

The requested zoning on this tract is Residential Single Family High Density (RS-4). Characteristics of RS-4 are as follows:

Purpose: To provide very dense single family detached housing as either new or infill development. The RS-4 zoning district is appropriate in higher density residential areas near the downtown, in mixed use/density areas, and as a transitional buffer zone between lower density residential development and multi family or commercial uses. The RS-4 zoning district corresponds to the Residential Detached classification of the Master Land Use Plan as a stand alone district and to the Mixed Use classification in conjunction with other zoning districts provided it is in character with the existing or planned uses of the surrounding districts.

Permitted Uses: Detached dwelling units and family group homes.

Conditional Uses: Schools, churches, utility substations, commercial communication towers, country club, golf course, parks and playgrounds (public and non-public) police stations and police substations, daycare home (12 or less) and home occupations.

Area Regulations:

Lot Area - 5,000 square feet
Minimum Lot Width at building line - 50 feet
Maximum Lot Coverage - 60%
Minimum Street Frontage - 20 feet
Maximum Height - 35 feet (1 + 1)
Front Yard Setback - 20 feet
Side Yard Setback - 5 feet
Side Yard on Street Side of Corner Lot - 20 feet
Rear Yard Setback - 10 feet
Separation of Buildings - 10 feet

Density Requirements:

8.7 dwelling units per acre

SURROUNDING ZONING AND LAND USE

The area to the east and south is zoned Industrial Light (I-1) and is developed as Service Master, warehouses, and other light industrial uses.

The area to the west is zoned Residential Multifamily Medium Density (RM-3) and is developed as single family residences.

Rez # 20-11-10

PETITION FOR CHANGE IN ZONING MAP

Before the Planning Commission of the City of Fort Smith, Arkansas

The undersigned, as owner(s) or agent for the owner(s) of the herein described property, makes application for a change in the zoning map of the City of Fort Smith, Arkansas, pursuant to Ordinance No. 3391 and Arkansas Statutes (1974) 19-2830, representing to the Planning Commission as follows:

1. The applicant is the owner or the agent for the owner(s) of real estate situated in the City of Fort Smith, Sebastian County, Arkansas, described as follows: (Insert legal description)

2. Address of property: 5007, 5015, 5019, 5023, 5025, 5029 South 34th St; 3400 Tulsa Street & 3321 Utica Street

3. The above described property is now zoned: Industrial Light (I-1)

4. Application is hereby made to change the zoning classification of the above described property to Residential Single Family High Density (RS-7) by Classification (Extension or classification).

5. Why is the zoning change requested?

Corrective Rezoning

6. Submit any proposed development plans that might help explain the reason for the request.

Signed:

CITY OF FORT SMITH
~~Owner or~~ Agent Name
(please print)

Owner

PO BOX 1908, FSM, AR, 72902
~~Owner or~~ Agent Mailing Address

or

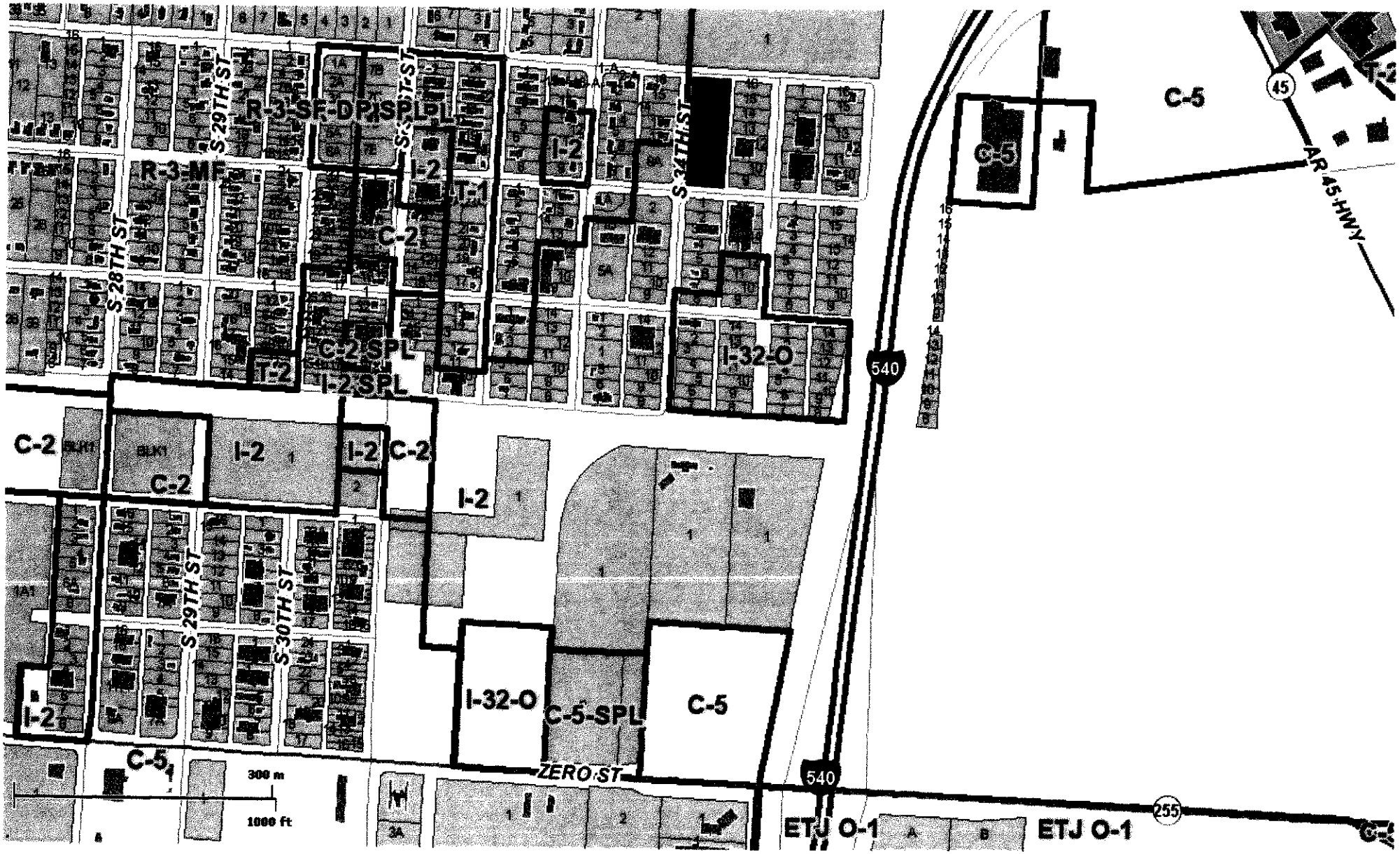
Agent

(479) 784.2216
~~Owner or~~ Agent Phone Number

1D

Rezoning #20-11-10: From Industrial Light (I-1) to Residential Single Family High Density (RS-4)

5007, 5015, 5019, 5023, 5025, 5029 South 34th Street and 3400 Tulsa Street & 3321 Utica Street



2009 City of Fort Smith, AR. Printed on Wed Dec 1 2010 09:58:21 AM.

Master Land Use Plan Map for Rezoning #20-11-10: From Industrial Light (I-1) to Residential Single Family High Density (RS-4)

5007, 5015, 5019, 5023, 5025, 5029 South 34th Street and 3400 Tulsa Street & 3321 Utica Street

Thomas Brown
2 Haven Drive
Fort Smith, AR 72901

Southern Steel & Wire
P. O. Box 6537
Fort Smith, AR 72906

Winford & Patricia Napier
3300 S. Savannah Street
Fort Smith, AR 72903

Maddox & Associates, LLC
8508 Southfield Drive
Fort Smith, AR 72916

Monta & Charlie McGehee
P. O. Box 48
Lavaca, AR 72941

Bulius & Hazel Williams
5115 S. 32nd Street
Fort Smith, AR 72903

Joseph & Patricia Temple
5840 Annie Oakley Drive
Las Vegas, NV 89120

Jorge Fernandez
5038 South 33rd Street
Fort Smith, AR 72903

Johnny Nguyen
7207 Blackjack Drive
Fort Smith, AR 72916

Andy Iames
3214 South Tulsa
Fort Smith, AR 72903

Kristy Thompson
3324 S. Tulsa Street
Fort Smith, AR 72903

Paul & Linda Michler
2001 South 88th Street
Fort Smith, AR 72903

Anh Van Nguyen
3304 S. Tulsa Street
Fort Smith, AR 72903

Donny & Carol Kelly
2607 Southridge Estates
Fort Smith, AR 72916

Alan Craig
5105 South 33rd Street
Fort Smith, AR 72901

Clarence & Scottie Schneider
5115 S. 33rd Street
Fort Smith, AR 72901

Richard Hobbs
5123 S. 33rd Street
Fort Smith, AR 72903

Shanon & Elizabeth Nelke
5017 S. 33rd Street
Fort Smith, AR 72903

Aaron & Louise Davidoff
10339 Kyle Drive
Cedarville, AR 72932

Jay Nolte
5010 S. 34th Street
Fort Smith, AR 72903

Marvin & Matha Matlock
3211 S. 32nd Street
Fort Smith, AR 72903

Gary & Eda Stamps
3817 Marshall Drive
Fort Smith, AR 72904

Don & Linda France
16032 Gregory Avenue
Pocola, OK 74902

Brad Alverson
P. O. Box 6302
Fort Smith, AR 72906

William & Maxine Brown
2 Haven Drive
Fort Smith, AR 72901

Barbara Anhalt Living Trust
934 S. 68th Lane
Fort Smith, AR 72904

T & L Janitorial Service
P. O. Box 180503
Fort Smith, AR 72918

Mic-Ron Tool, Inc.
P. O. Box 6781
Fort Smith, AR 72906

Rebecca Hubbard
3400 S. Tulsa
Fort Smith, AR 72903

Rose Roberson
5119 S. 34th Street
Fort Smith, AR 72903

James & Carolyn Curtis
P. O. Box 6443
Fort Smith, AR 72906

Lois Tuck
5025 S. 34th Street
Fort Smith, AR 72903

Paul & Imogene Gray
6200 Eagle Lane
Fort Smith, AR 72916

Robert & Norma Quinalty
5015 S. 34th Street
Fort Smith, AR 72903

P & J Property Rental LLC
5600 Country Club Avenue
Fort Smith, AR 72903

Johnny & Tammy Williams
5111 S. 34th Street
Fort Smith, AR 72903

Scholarcraft Products, Inc.
5201 S. 34th Street
Fort Smith, AR 72903

Jimmie & Judith Pratt
3705 Maybranch Lane
Fort Smith, AR 72903

Bowman Pattern Works, Inc.
5103 S. 34th Street
Fort Smith, AR 72903

Buford & Kimberly Martin
4015 S. "T" Street
Fort Smith, AR 72903

PLANNING COMMISSION & BOARD OF ZONING ADJUSTMENT
MINUTES
ROSE ROOM
CREEKMORE PARK COMMUNITY CENTER
5:30 P.M.
NOVEMBER 9, 2010

On roll call, the following Commissioners were present: Steve Griffin, Mike Lorenz, Walton Maurras, Keith Lau, Marshall Sharpe, Jennifer Parks, John Huffman and Travis Stephens. Commissioner Weber was absent.

Chairman Griffin then called for the vote on the minutes from the October 12, 2010, Planning Commission meeting. Motion was made by Commissioner Maurras, seconded by Commissioner Parks and carried unanimously to approve the minutes as written.

Mr. Wally Bailey spoke on the procedures.

1. **Rezoning #20-11-10; A request by the City of Fort Smith for a zone change from Industrial Light (I-1) to Residential Single Family High Density (RS-4) located at 5007, 5015, 5019, 5023, 5025, 5029 South 34th Street; 3400 Tulsa Street and 3321 South Utica Street.**

   Ms. Maggie Rice read the staff report indicating that the purpose of this zone change is to allow the zoning to accurately reflect how this area has developed and to allow for property owners in the area to alter or expand their use. Ms. Rice noted that the owner of the property located at 3321 Utica Street, which contains an area of approximately 21,000 square feet and is undeveloped, has requested his property be removed from the area to be rezoned. Therefore, the staff is recommending approval of the requested rezoning subject to this property being removed from the requested zone change.

   No one was present to speak in opposition to this request.

   Motion was then made by Commissioner Lau, seconded by Commissioner Stephens and carried unanimously to amend this request to make approval subject to the removal of the property located at 3321 Utica Street from the rezoning request.

   Chairman Griffin then called for the vote on this rezoning request as amended. The vote was 8 in favor and 0 opposed.

2. **Development Plan – 9500 Highway 271 South – Retail Sales Facility – Jeff Humphreville.**

   Ms. Maggie Rice read the staff report indicating that the purpose of this development plan is to allow for a retail sales and service facility at 9500 Highway 271 South which is

4.

ORDINANCE NO.
AN ORDINANCE AMENDING THE 2010 BUDGET

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

SECTION 1: The revised 2010 revenue estimates as listed for the General Fund and the Street Maintenance Fund on Exhibit 1, and Exhibit 2 are hereby approved.

SECTION 2: There is hereby authorized an appropriation in the amount of $50,000 from the unobligated balance of the General Fund to 6626-000 to provide additional funding for the cleanup program for neighborhood services.

SECTION 3: There is hereby authorized an appropriation in the amount of $50,000 from the unobligated balance of the Sanitation Operating Fund to 6682-000 to provide additional funding for the cleanup program for neighborhood services.

SECTION 4: There is hereby authorized an appropriation of $28,740 to fund a portion of the former administrator's severance pay from the unobligated balance in the four operating funds allocated as follows:

General Fund	$12,358
Street Maintenance Fund	2,299
Water & Sewer Operating Fund	10,634
Sanitation Operating Fund	3,449
	$28,740

Approved as to form
JSC
No publication required

SECTION 5: There is hereby authorized an appropriation up to $400,000 from the Employee Health and Wellness Fund to the Workers' Compensation Fund to provide funding for the remainder of 2010.

THIS ORDINANCE ADOPTED THIS 7th DAY OF DECEMBER ,2010.

APPROVED:

_____

MAYOR

ATTEST:

_____

CITY CLERK

General Fund
Revenue Comparisons
2010

Exhibit 1

	Budget FY 10	Estimated FY 10
Intergovernmental		
State Turnback - General	$ 1,344,489	$ 1,344,489
Transit Reimbursement	1,723,900	3,219,348
Airport Security Reimbursement	150,000	155,500
Taxes and Assessments		
Franchise	6,952,200	6,100,000
Ad Valorem	6,199,500	6,608,600
County Sales Tax	15,741,924	15,100,000
Gasoline Tax Refund - Transit	5,000	4,000
Court Fines and Forfeitures	1,850,000	1,923,447
Licenses and Permits		
Privilege	28,000	18,900
Construction	720,000	616,900
Alcohol	550,000	536,048
Other	80,000	147,624
Service Charges and Fees		
Convention Center	700,000	650,000
Community Centers	36,000	37,113
Fire Protection Contracts	71,300	71,400
Port Authority	12,000	12,000
Parks and Aquatics	115,000	169,450
Oak Cemetery	55,000	55,609
Animal Control	4,000	2,682
False Alarm Fees	6,000	4,660
Mobile Data Support Fees	32,000	40,800
Transit System	195,000	184,000
Miscellaneous		
Reimbursement from Airport	3,164	3,163
Interest Earned	90,000	24,480
Sebastian County Participation	853,032	520,089
Reimbursement from 911 Fund	255,000	255,000
Reimbursement from FSPS for SROs	-	32,851
Other	150,000	174,144
Transfers		
Sales Tax Fund	2,272,200	2,272,200
A & P Fund	22,200	21,070
Street Maintenance Fund	78,250	78,250
Water & Sewer Operating Fund	78,250	78,250
Sanitation Operating Fund	78,250	78,250
Total	$ 40,451,659	$ 40,540,317

Street Maintenance Fund
Revenue Comparisons
2010

Exhibit 2

	Budget FY 10	Estimated FY 10
Intergovernmental		
State Turnback - Gasoline Tax	$ 3,772,596	$ 3,933,132
Taxes and Assessments		
Ad Valorem	1,787,200	1,982,580
Miscellaneous		
Interest Earned	55,000	3,492
Other	5,000	3,500
Total	$ 5,619,796	$ 5,922,704

The City of Fort Smith ARKANSAS

December 1, 2010

Interoffice Memorandum

To: Ray Gosack, Acting City Administrator

From: Kara Bushkuhl, Director of Finance

Re: 2010 Budget Amendment Ordinance

At the end of each year, the city is required to adopt amended revenue estimates for the general government funds for which a legal budget is adopted. The estimated revenues for the General Fund and the Street Maintenance Fund are the figures included in the proposed 2011 Budget. Schedules for these two funds will be attached to the ordinance to meet this accounting requirement.

Additionally, there are some appropriations that need to be made to the 2010 Budget to cover unexpected costs. The following recommended appropriations are:

1. An additional $50,000 from the General Fund and an additional $50,000 from the Sanitation Operating Fund are necessary to provide for the cleanup program for neighborhood services. The collections from cleanup of property have not kept pace with the rising costs for the program.
2. Funds for a portion of the severance pay to the former administrator are needed in Program 4102. The amount is $28,740 allocated among the four operating funds as presented in the ordinance.
3. The additional reserves for workers' compensation claims during 2010 have caused a deficit balance in the Workers' Compensation Fund. The city expects to receive an excess insurance reimbursement from a 1990 claim prior to the end of 2010; however, if the funds are not received prior to the end of the year, then a transfer of up to $400,000 from the Employee Health and Wellness Fund is recommended. If the reimbursement is received, then the transfer will be reduced to the amount necessary to

cover any deficit in the Workers Compensation Fund. Please note that the 2011 Budget includes increased contributions to the Workers' Compensation Fund to try to alleviate this problem for next year.

The attached ordinance provides for these amendments to the 2010 Budget. I recommend approval of the ordinance.

5.

ORDINANCE NO._____

AN ORDINANCE TO ADOPT THE FISCAL YEAR 2011
OPERATING BUDGET AND TO PROVIDE OTHER
MATTERS RELATING THERETO

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

Section 1: The City of Fort Smith fiscal year 2011 Operating Budget is approved and authorized as on file in the City Clerk's office.

Section 2: The City Administrator is hereby authorized to transfer appropriated monies among and within authorized programs.

Section 3: The 2010 year end encumbrances are hereby appropriated in the 2011 Budget.

Section 4: All ordinances and resolutions in conflict with the budget hereby are amended to conform with the budget hereby approved.

PASSED AND APPROVED THIS 7th DAY OF DECEMBER 2010.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

Approved as to form
JSC
Publish 1 time

City of Fort Smith
FY11
Budget Comparison Summary-Operating Funds

	Estimated FY10	Budget FY11	Increase (Decrease)
Revenues			
Intergovernmental	$ 8,652,469	$ 7,074,212	$ (1,578,257)
Taxes and Assessments	29,795,180	30,801,000	1,005,820
Court Fines and Forfeitures	1,923,447	1,950,000	26,553
Licenses and Permits	1,319,472	1,340,000	20,528
Service Charges and Fees	51,527,542	52,458,400	930,858
Miscellaneous	1,155,637	1,186,010	30,373
Transfers	2,528,020	2,653,290	125,270
Total	$ 96,901,767	$ 97,462,912	$ 561,145
Expenditures/Expenses			
Policy and Administration Services	$ 3,722,216	$ 3,586,040	$ (136,176)
Management Services	6,199,290	6,263,890	64,600
Development Services	2,797,023	2,902,850	105,827
Police Services	15,413,266	16,509,000	1,095,734
Fire Services	9,689,166	9,907,760	218,594
Operation Services	54,968,675	54,852,100	(116,575)
Non-Departmental	5,992,638	4,575,124	(1,417,514)
Total	$ 98,782,274	$ 98,596,764	$ (185,510)
Excess (Deficiency) Revenues Over Expenditures/Expenses	$ (1,880,507)	$ (1,133,852)	$ 746,655
Fund Balance/Working Capital, Beginning of Year	12,517,769	10,637,262	(1,880,507)
Fund Balance/Working Capital, End of Year	$ 10,637,262	$ 9,503,410	$ (1,133,852)

The City of Fort Smith ARKANSAS

December 1, 2010

Interoffice Memorandum

To: Ray Gosack, Acting City Administrator

From: Kara Bushkuhl, Director of Finance

Re: 2011 Budget

Following the budget review sessions with the board, the 2011 Proposed Budget has been changed per their direction. The attached schedule enumerates the changes in the beginning balances, revenue estimates, expenditures/expenses, and the ending balances at December 31, 2011 for the four operating funds. The following information has been provided as a synopsis of the changes to the 2011 Proposed Budget.

1. The changes to the beginning balances are a result of the 2010 Budget amendment ordinance. Additionally, the General Fund expenditures were lowered by $70,000 for funds that will not be spent during 2010.
2. The COPS grant award of $117,328 for 2011 has been added to the General Fund revenues. The two (2) additional patrol officers have been added to Program 4704 Police Patrol for 2011. The grant covers the cost for the two positions for 3 years. The city is required to fund the positions in the fourth year.
3. The revenue estimates were adjusted for the Water and Sewer Operating Fund to account for the 5% rate increases that are to become effective for the most part on January 1, 2011.
4. The personnel reductions in the General Fund have been restored and the alternative reductions included in your schedule attached to your November 5, 2010 memorandum, a copy of which is attached, have been implemented. Only those alternative reductions that were not recommended to remain in the 2011 Budget have been inserted. For example, the outside agency funding and the proposed step increases remain in the 2011 Proposed Budget. In addition, the Events Coordinator position has been restored

to the Convention Center Fund, the Meter Enforcement Officer position has been added back to the Parking Authority Fund, and overtime that had been deducted from the Neighborhood Services program has been restored in the Cleanup/Demolition Fund.

5. The amendments to the reductions proposed for the Water and Sewer Operating Fund follow Steve Parke's memorandum dated November 10, 2010 to you, a copy of which is attached. Therefore, the total personnel reduction is 3FTE rather than 9FTE; the cross-connection control program will continue; the odor scrubber operation will continue; testing for wastewater analysis compliance will remain at the current levels; overtime for after-hour service shut-offs and leaks has been restored; the sewer line construction crew has been included in the proposed budget (Program 5612); and the overtime for water service interruptions has been restored.
6. The Board of Directors travel account has been reduced by $4,000 and the membership costs reduced by $3,000.
7. The retirement account in the Mayor's budget has been increased by $5,000 to provide for Mayor Baker's annual benefit. The travel account has been decreased by $4,000 and Convention Center rental has been reduced by $10,000.
8. The publication of the FOCUS newsletter has been reduced from four times per year to three times per year. This results in a reduction in the City Administrator's budget of $30,420.
9. The amount of transfers to the Cleanup/Demolition Fund by the General Fund and the Sanitation Operating Fund has been increased by $90,000 for each fund to provide the needed funds to operate the cleanup program in neighborhood services. Collections from property owners have not kept pace with the cost of the program.

The adjustments to the 2011 Proposed Budget have the effect of increasing the projected December 31, 2011 balances for the General Fund and the Water and Sewer Operating Fund. The 2011 ending balance for the General Fund is projected to be 9.2% and for the Water and Sewer Operating Fund is projected to be 10.7%.

The budget ordinance provided to the board for the December 7, 2010 meeting accounts for the above changes. The amendments to the 2011 proposed documents were made in accordance with the recommendations by the board during their review sessions on November 7, 8, and 15, 2010. I recommend adoption of the ordinance.

Please let me know if you have any questions or require more information.

City of Fort Smith, Arkansas
Schedule of Budget Amendments for the 2011 Budget

Operating Funds:	Total	General Fund	Street Maintenance Fund	W/S Operating Fund	Sanitation Operating Fund
Beginning Balance, 1/1/2011					
Proposed Budget 11/2/2010	10,716,853	5,131,723	2,334,024	1,047,943	2,203,163
Adjustments	(79,591)	(13,210)	(2,300)	(10,632)	(53,449)
Proposed Budget 12/7/2010	10,637,262	5,118,513	2,331,724	1,037,311	2,149,714
	13.60%	12.71%	39.22%	4.84%	20.33%
2011 Revenues					
Proposed Budget 11/2/2010	96,193,784	39,363,854	5,968,730	36,932,700	13,928,500
COPS Grant	117,328	117,328	-	-	-
Water rate increase	651,000	-	-	651,000	-
Sewer rate increase	500,800	-	-	500,800	-
Proposed Budget 12/7/2010	97,462,912	39,481,182	5,968,730	38,084,500	13,928,500
2011 Expenditures/Expenses					
Proposed Budget 11/2/2010	98,335,074	40,990,503	7,029,091	36,654,591	13,660,889
Position Reductions/Alternative Reductions -					
Economic Development	(10,000)	(10,000)	-	-	-
Finance Programs	(4,110)	(1,767)	(329)	(1,522)	(492)
ITS	(19,000)	(12,350)	(950)	(3,800)	(1,900)
Development Services Programs	(19,880)	(16,677)	-	(3,203)	-
Police	166,350	166,350	-	-	-
Fire	(152,600)	(152,600)	-	-	-
Parks Programs	(45,400)	(36,132)	(9,268)	-	-
Transit	(15,000)	(15,000)	-	-	-
Non-Departmental	(70,000)	(70,000)	-	-	-
COPS Grant - 2 positions for police	91,970	91,970	-	-	-
W/S Reductions Reinstated	205,780	-	-	205,780	-
Mayor	(9,000)	(3,870)	(720)	(3,330)	(1,080)
Board of Directors	(7,000)	(3,010)	(560)	(2,590)	(840)
City Administrator	(30,420)	(13,081)	(2,433)	(11,256)	(3,650)
Non-Departmental	180,000	90,000	-	-	90,000
Proposed Budget 12/7/2010	98,596,764	41,004,336	7,014,832	36,834,670	13,742,926
Ending Balance, 12/31/2011					
Proposed Budget 11/2/2010	8,575,563	3,505,074	1,273,663	1,326,052	2,470,774
Adjustments	927,847	90,285	11,959	961,089	(135,486)
Proposed Budget 12/7/2010	9,503,410	3,595,359	1,285,622	2,287,141	2,335,288
	12.17%	9.16%	19.16%	10.69%	21.70%

Adjustments for Other Funds:	
Parking Authority Fund - Meter Enforcement Officer	12,420
Cleanup/Demolition Fund - Overtime	880
Convention Center Fund - Events Coordinator	51,430
W[illegible]onstruction Fund - Program 5612	314,680

The City of Fort Smith ARKANSAS

MEMORANDUM

November 5, 2010

TO: Mayor and Board of Directors

FROM: Ray Gosack, Acting City Administrator

SUBJECT: 2011 Budget

The 2011 budget review workshops with the mayor and board of directors are scheduled for November 8, 9, and 15 at 6:00 p.m. in the police station community room. We'll begin the workshops with an overview of the 2011 budget and the city's financial condition. I suggest we then determine if the alternative budget adjustments to avoid staffing reductions (more information below) are generally acceptable to the board. If they are, we can review each department's adjustments in greater detail when the department's budget is reviewed.

The community room will be arranged so that the mayor and board members (both current and newly-elected) are seated around the table in close proximity. Kara Bushkuhl and I will join you at the table. As each department's budget comes up for review, that department head will join us at the table. This arrangement should be more conducive for discussions between the elected officials.

Attached is the following additional information for the budget reviews.

- A list of possible budget adjustments which are an alternative to the General Fund staffing reductions discussed at the November 2nd board meeting. The department heads have reviewed their budgets and identified operating adjustments which could take the place of staffing reductions. We have identified these operating adjustments as being either temporary or sustainable. Temporary adjustments should be viewed as cuts that can't continue indefinitely. Sustainable adjustments could be continued for several years.

  The adjustments identified by the department heads far-

exceeded the amount of adjustments that were needed. Many of the items are recommended to remain in the budget as shown in the last column of the attached spreadsheet. The board may adjust these items as long as we don't fall below the target of $500,000 in General Fund spending reductions.

- Information on the convention center funding issue. This discussion is planned for the latter part of the November 9th budget review workshop. We should first review all General Fund programs before taking up the convention center funding discussion since the General Fund is one of the financing options.

Preparation of the 2011 budget has been very challenging for the staff. The impacts of the Great Recession are affecting available resources while citizen demand for services remains steady. The department heads have been extremely resourceful in finding ways to keep the spending plan in line with available resources. However, we must recognize that many of our adjustments aren't sustainable over a longer period. Nonetheless, the economic challenges have resulted in a close examination of the services we provide and how we provide them. These adjustments will make us stronger for the long run.

If there's any questions or a need for more information, please contact me.

Ray

Attachment

Possible 2011 Budget Adjustments

Department	Program #	Item #	Amount	Temporary or Sustainable	Comments	Reccomend Remain in Budget
Mayor	4100	214	$4,000	Sustainable	reduces printing Budget from $14,000 to $10,000.	
Mayor	4100	217	$10,000	Sustainable	reduces lease from $36,000 to $26,000.	
Board of Directors	4101	215	$4,000	Temporary	reduces travel budget from $14,000 to $10,000	
Planning/Zoning	4106	230	$50,000	Sustainable	Homeless Coalition - Contract for Personnel	
Planning/Zoning	4106	219	$5,000	Sustainable	Reflects elimination of lunches for Planning Commission and any special planning projects	
Econ Dev/Downtown	4111	219	$ 5,000	Temporary	These funds are most often held in reserve for unforeseen economic development threats or	
Econ Dev/Downtown	4111	230	$ 5,000	Temporary	Reductions in this account impact the department's ability to financially partner with businesses and corporate sponsors for community events downtown.	
District Court	4201	101	$30,000	Temporary	vacant position	YES
Finance	4301	101	$ 2,400.00	Temporary	The person that transferred into the program is below the level of pay from the previous person in the same position. The budget was prepared prior to the filling of this position.	
Finance	4301	107	$ 500	Sustainable	This program has never incurred any charges to this account.	
Finance	4301	212	$ 500	Temporary	This account is budgeted for software license fees and a cut for 2011 will be manageable.	
Finance	4301	215	$ 3,000	Temporary	Only required CPE related travel will be authorized in 2011.	
Finance	4301	219	$ 12,000	Temporary	For 2011 contracts for internal control enhancements will be reduced.	
Finance	4303	101	$ 4,100	Sustainable	Pay vacation for personnel with maximum benefit - no longer authorized.	
Finance	4303	202	$ 4,000	Temporary	scanners for all stations	
Finance	4306	210	$ 5,000	Sustainable	lower costs for services	

Department	Program #	Item #	Amount	Temporary or Sustainable	Comments	Reccomend Remain in Budget
ITS	4401		$19,000	Temporary	**Customized Switched Metro Ethernet (CSME) Recast.** Essentially the CSME is the AT&T physical fiber-optic network (backbone) which connects the various city facilities/offices. We would propose to "turning down" the connection rate or bandwidth capacity of the CSME from 100Mb to 10Mb to nine fire stations. The "turn down" will not have a negative impact on performance or delivery of service for the fire stations. Each of the nine fire stations have only one PC and VOIP phone which use the CSME network.	
ITS	4401		$40,000	Temporary	**Desktop Computer Replacement Program.** ITS would propose to suspend the Desktop Computer Replacement program for 2011 for all but the most-critical instances where a PC requires replacement. We currently still have new PCs in stock from the 2010 BY which could be deployed in these most-critical instances.	YES
Fire	4802	301	$250,000	Temporary	Not replacing a fire pumper in 2011 will leave us three behind in our replacement schedule	
Fire	4802	302	$50,000	Temporary	Removing the matching funds for engineering services would leave us no money available for our match if we were to receive a grant for a new fire station at Chaffee Crossing.	
Fire	4802	303	$21,000	Temporary	Not having a boat capable of rescue operations in swift or shallow water puts our firefighters at great risk	
Fire	4802	304	$6,600	Temporary	Without this sonar, our firefighter/divers would have to enter the water to search for victims under dangerous conditions	
Park Maintenance	6201	108	$15,000	Temporary	Contracted Secretarial Services	
Park Maintenance	6201	201	$1,000	Temporary	Office Supplies	
Park Maintenance	6201	202	$5,000	Temporary	Small Equipment	
Park Maintenance	6201	203	$4,000	Temporary	Fuel, Oil, Lube	

Department	Program #	Item #	Amount	Temporary or Sustainable	Comments	Recommend Remain in Budget
Park Maintenance	6201	205	$2,000	Temporary	Custodial Equipment and Supplies	
Park Maintenance	6201	207	$5,000	Temporary	Repair of Equipment	
Park Maintenance	6201	211	$5,000	Temporary	Utilities - employee suggestion to turn Christmas lights off an hour early, and park & street lights off earlier.	
Park Maintenance	6201	213	$500	Temporary	Postage	
Park Maintenance	6201	216	$2,000	Temporary	Education, Membership, Subscriptions	
Park Maintenance	6201	219	$29,000	Temporary	Recreation Programming, Contract Engineering/Architect	
Park Maintenance	6201	230	$20,000	Temporary	Contract, I-540/Rogers Interchange Maintenance	YES
Park Maintenance	6201	230	$18,000	Temporary	Contract, Downtown, Streetscape Maintenance	YES
Park Maintenance	6201	230	$40,000	Temporary	Contract, Massard/Chad Colley Road Maintenance	YES
Park Maintenance	6201	230	$25,000	Temporary	Contract, Fianna, Sebastian Hills, Health Dept., Etc. Park staff will maintain these streets & medians. Employee suggestion to maintain certain contracted properties instead of staff reductions.	
Oak Cemetery	6202	201	$400	Temporary	Office Supplies	
Oak Cemetery	6202	202	$1,000	Temporary	Small Equipment	
Oak Cemetery	6202	204	$600	Temporary	Clothing	
Oak Cemetery	6202	205	$1,300	Temporary	Custodial Equipment and Supplies	
Oak Cemetery	6202	208	$4,000	Temporary	Repair of Buildings	
Oak Cemetery	6202	213	$100	Temporary	Postage	
Community Centers	6204	201	$500	Temporary	Office Supplies at the meetings this summer, staff recommended ways to lower supplies, small equipment,	
Community Centers	6204	204	$500	Temporary	Clothing	
Aquatics	6205	202	$1,000	Temporary	Small Equipment	
Aquatics	6205	205	$1,000	Temporary	Custodial Equipment and Supplies	
Aquatics	6205	206	$1,000	Temporary	Materials	
Aquatics	6205	211	$2,000	Temporary	Utilities	
Riverfront/Downtown	6206	201	$100	Temporary	street Department has agreed to maintain these roads	
Riverfront/Downtown	6206	204	$1,000	Temporary	Clothing	
Riverfront/Downtown	6206	Capital	$14,000	Temporary	Mower Replacement	
Transit	6550	101	$10,000	Temporary	Limiting demand response additional services that will cause an increase passenger ride times.	YES

Department	Program #	Item #	Amount	Temporary or Sustainable	Comments	Reccomend Remain in Budget
Transit	6550	102	$10,000	Temporary	Limit the number of overall charters that we can provide.	
Transit	6550	207	$20,000	Sustainable	Anticipated reductions attributed to preventive maintenance efficiencies.	
Transit	6550	211	$5,000	Sustainable	Anticipated utilities savings through efficiencies generated by stimulus projects and staff driven energy conservation plans.	
Transit	6550	214	$5,000	Temporary	Will limit the department's program outreach by reducing advertising.	
Non Departmental	6600	6604-6624	$202,700	Sustainable	Outside Agency Funding - reduction could be partial	YES
Non Departmental	6600	6609	$10,000	Sustainable	Youth programs allocation hasn't been used in several years	
Non Departmental	6600	6628	$10,000	Sustainable	reduction to insurance deductible for property damage	
Non Departmental	6600	6635-007	$35,000	Sustainable	Fourth of July celebration	YES
Non Departmental	6600	6635-009	$50,000	Sustainable	U.S. Marshals Museum support	
Step increases for employees below the midpoint	General Fund		$364,571	Temporary	Of the 860 personnel on the Human Resources Schedule for step increases, 377 positions will receive a step increase as proposed in the 2011 budget because they are under the midpoint of their ranges. The remaining 483 positions will not receive a pay increase for the second consecutive year and for the third time in four years. Although the 377 positions need to receive the step increase to help with the pay leven comparisions of other cities, this is an option that may help with the alternatives to layoffs.	YES
Step increases for employees below the midpoint	Other funds		$ 33,300	Temporary	See above	YES
Step increases for employees below the midpoint	Sanitation Operating Fund		$ 57,104	Temporary	See above	YES
Step increases for employees below the midpoint	Street Maintenance Fund		$30,950	Temporary	See above	YES

Department	Program #	Item #	Amount	Temporary or Sustainable	Comments	Recommend Remain in Budget
Step increases for employees below the midpoint	Water & Sewer Operating Fund		$122,415	Temporary	See above	YES

Total $1,697,140

General Fund Portion of Total $ 1,306,871

INTER-OFFICE MEMO

TO: Ray Gosack, Acting City Administrator

DATE: November 10, 2010

FROM: Steve Parke, Director of Utilities

SUBJECT: 2011 Utility Department Operating Budget Reductions

The proposed 2011 utility department operating budget was developed to provide an 8-percent reduction below that of the 2010 budget. It was then further reduced by an additional $1,677,270 in order to meet the minimum 110-percent debt service coverage ratio required by our bond covenants. As part of the discussion during the November 9 budget review session, there was an expressed concern about several of the proposed service level reductions identified to achieve the required debt service coverage. Those items included functions considered to be detrimental to expectations related to water quality, odors from treatment plants, the appearance of city properties and those which would affect the city's ability to meet the requirements of regulatory agencies. Reinstating those functions returned $572,120 of the proposed service reductions and still provides a reduction of $1,105,150 toward meeting the minimum debt service coverage. This would require a 5-percent water and sewer service rate increase effective January 1, 2011, to provide the revenue needed.

The following is the body of the earlier memo to Dennis Kelly showing, by a strikethrough of the text, the items that are being withdrawn from the proposed reductions to meet the $1.67 million required to reach the 110-percent debt service coverage should the proposed water and sewer rate increase be accepted in the alternative. The strikethrough items would remain in the budget:

Program 5501 - Utility Administration - ~~$188,850~~ $131,230

Currently there is one project engineer and one cross-connection technician position vacant. These positions will not be filled during 2011 allowing a reduction of salaries and corresponding benefits. The project engineer position has been vacant for some time as the city's salary offering is not competitive with the marketplace. ~~Holding the cross-connection technician position open will result in the cross-connection control program development to continue to fall short of the requirements of the Arkansas Department of Health's Rules and Regulations for water systems.~~ Additional cost reductions are being realized by eliminating the set aside for vacation buy back for unused vacation time and a reduction in the operating funds for custodial services.

Program 5603 - Sewer Treatment - ~~$809,960~~ $704,000

The reductions within this program include ~~not filling one seasonal/part-time employee position~~, sludge treatment chemicals, ~~odor scrubber operation~~, payment of landfill fees, and sewer treatment fees to be paid to Barling. The seasonal employee position is used to assist with grounds maintenance duties. Quicklime is used for pathogen reduction in the wastewater sludge and to produce a drier product for easier handling. The reduced use of quicklime will still allow a product that will be suitable for disposal in the landfill, but

may have increased odor and require more careful handling. ~~Taking the odor scrubbers at the wastewater treatment plants and pump stations off-line will allow the reduction of operating costs for chemicals, power and maintenance, although it will result in some odors being detected beyond the grounds of those facilities.~~ Currently the utility department reimburses the landfill for their operating cost for placing the wastewater treatment plant sludge into the landfill. Due to the required budget reductions the department will no longer pay that portion of the disposal fee but will still pay that portion which represents the state imposed tipping fee. This may or may not result in a revenue shortfall for the landfill operations. With the completion of the Rye Hill outfall line it was intended to transfer sewer flows from the southern growth area to Barling for treatment through the year 2014. This would allow the sewer line capacity in the area of the Stephens Industrial Park currently being "borrowed" for the sewer pump station in Riley Farms development to be restored for potential industrial development. Maintaining this capacity bottleneck may create an adverse development impact in the area around the industrial park or to residential development in the areas that would otherwise benefit from the construction of the new outfall line.

Program 5604 - Water Treatment - $195,960

These reductions include not filling one seasonal/part-time employee position which assists with grounds maintenance. Currently the utility department reimburses the landfill for their operating cost for placing the backwash lagoon residuals into the landfill. Due to the required budget reductions the department will no longer pay that portion of the disposal fee but will still pay the state imposed tipping fee. This should not result in a revenue shortfall for the landfill operations as these disposal costs are not included as anticipated revenue in the landfill operating budget, however, it will be an increase operations cost that they will be absorbing.

Program 5605 - Laboratory Services - ~~$50,000~~ $0.00

~~The cost savings in this program will be achieved by reducing the use of contract laboratories for testing services which we are unable to perform in-house. For example, this will require reducing the number of tests used for making water treatment process changes to prevent taste and odor occurrences in the finished drinking water. These treatment process changes are based upon seasonal testing of the raw water quality in the reservoirs for increasing, or changing, concentrations of constituents known to cause taste and odors. We will also reduce the number of tests made for wastewater analyses. The additional testing improves the reporting data set by providing more data points to determine regulatory reporting averages. This provides more assurance that our plant discharges are compliant with our federal and state permits. Reduction of this additional testing will increase the risk of non-compliant reports and non-compliance result in additional enforcement actions and possible assessment of administrative penalties.~~

Program 5606 - Wastewater Stationary Equipment Maintenance - ~~$20,960~~ $0.00

~~This represents a cost reduction by not filling the seasonal/part-time employee position utilized during the summer mowing season to help keep the grass and shrubs on the water~~

~~reservoir and water and sewer pump station grounds around the city properly maintained. Not filling this position will likely extend the time between mowing periods.~~

Program 5609 - Industrial Pretreatment - $20,960
This cost reduction is provided by not filling the seasonal/part-time position used in the laboratory to assist with wastewater sampling and laboratory testing functions in the industrial pretreatment program.

Program 5610 - Water Line Maintenance - ~~$8,850~~ $0.00
~~The overtime funds normally attributed to the additional steps taken during scheduled water shutdowns are being reduced. This will likely result in the issuance of additional precautionary water boil orders. Also, main line and meter leaks that are reported after hours and weekends will be investigated. If the repair can be delayed until normal work hours without a water outage, a repair crew may not be called in to make that repair to avoid overtime expense. This will likely result in not meeting the service level customers expect by not addressing them immediately and result in increased complaints.~~

Program 5611 - Sewer Line Maintenance - $20,000
The overtime funds normally attributed to the additional steps taken during wet weather events to monitor sanitary sewer overflows are being reduced. Also, main line problems that are reported after hours and weekends will be investigated. If the repair can be delayed until normal work hours a repair crew may not be called in to make that repair to avoid overtime expense. This will likely result in not meeting the service level customers expect by not addressing them immediately and result in increased complaints.

Program 5612 - Sewer Line Construction - ~~$314,550~~ $0.00
~~The dedicated four person sewer line construction crew that was created to undertake point repairs and short segment sewer main line replacements are being reassigned for 2011 due to the funding shortfall. This repair crew has been completed work that before their existence was deferred until enough needed repairs were identified to be assembled and bid out for correction through a construction contract. The personnel in this program are being absorbed by positions currently vacant within the water line maintenance and metering and transmission line maintenance programs. This will result in one repair crew in the water line maintenance program assigned to work both water and sewer repairs.~~

Program 5613 - Metering & Transmission Line Maintenance - ~~$40,000~~ $30,000
This represents cuts being made to ~~overtime~~, materials and vehicle and equipment repairs account codes. ~~The overtime funds normally attributed to the additional steps taken during scheduled water service interruptions to assist line maintenance crews are being reduced. This will likely result in the issuance of additional precautionary water boil orders.~~ Meter leaks that are reported after hours and weekends will be investigated. However, if the repair can be delayed until normal work hours without a water outage, a repair crew may not be called in to make that repair to avoid overtime expense. This will likely result in not meeting the service level customers expect by not addressing them immediately and result in increased complaints. The materials line code is being reduced

which will result in deferring some service line replacements. Also, we are also reducing the funds identified for repair of vehicles and equipment. Normally, some contingency is maintained in this line item for unexpected repairs.

Program 5616 - Water Stationary Equipment Maintenance - $25,000
The overtime funds normally attributed to the additional steps taken to address treatment plant equipment, pump station and control system problems on weekends and after hours are being reduced. Trouble calls reported during these time periods will be discussed with plant operators and remote locations investigated, however, if the repair appears that it can be delayed until normal work hours, repair personnel may not be called in to make that repair to avoid overtime expense. This may raise the risk for further problems associated with the temporary deferment of operating system redundancy and result in not meeting the service level customers expect by not addressing them immediately and result in increased complaints. We are also reducing the funds identified for repair of vehicles and equipment. Normally, some contingency is maintained in this line item for unexpected repairs.

The above steps bring us to within ~~$34,400~~ $572,120 of reaching the $1.67 million cost reductions. ~~There is one additional maintenance person position being transferred from program 5610 into program 5612 that is yet to be addressed. It will be accomplished through attrition. The department experiences regular turnover in its labor workforce and as soon as an additional maintenance person position becomes vacant this remaining position will be reassigned. If typical, that reassignment will likely occur before the end of the first quarter in 2011. At that time the department's program reductions will have reached the required $1,677,000.~~

Should you have any questions or need additional information, please let me know.

attachment

September 20, 2010
November 10, 2010 (revised)

Utility Department Program Revisions Required for 110% Debt Service Coverage

Program	Code	Item	Employee Positon Status	Net Reduction	11-10-10 Revisons
5501	101	Regular Salaries			
		project engineer	vacant - reduce	84,600	reduce
		cross-connection technician	vacant - reduce	**57,620**	**retain**
		vacation buy back		3,700	reduce
5501	208	Repair of Buildings			
		custodial Services		20,930	reduce
5603	101	Regular Salaries			
		seasonal employee	filled - reduce	**20,960**	**retain**
5603	206	Materials			
		quicklime		300,000	reduce
		odor scrubber chemicals		**85,000**	**retain**
5603	219	Other - Sludge Testing, Biosolids Disposal			
		landfill fees		284,000	reduce
5603	230	Barling Sewer Fees			
		southern growth area sewer treatment service		120,000	reduce
5604	101	Regular Salaries			
		seasonal position	vacant - reduce	20,960	reduce
5604	219	Other - Contract Services / Backwash Lagoon Cleaning			
		landfill fees		175,000	reduce
5605	219	Other - Contract Lab Service			
		contract services		**50,000**	**retain**
5606	101	Regular Salaries			
		seasonal position	vacant - reduce	**20,960**	**retain**
5609	101	Regular Salaries			
		seasonal position	vacant - reduce	20,960	reduce
5610	101	Regular Salaries			
		maintenance person (1)	fill - transfer from 5612	-30,320	n/a
5610	102	Overtime			
		reduce services		**8,850**	**retain**
5611	102	Overtime			
		reduce services		20,000	reduce
5612	100	Salaries, Overtime & Benefits		**177,130**	**retain**
		leadperson	vacant - transfer to 5610		
		equipment operator	filled - transfer to 5613		
		maintenance person	vacant - transfer to 5610		
		maintenance person	vacant - transfer to 5610		
5612	200	All 200 Account Operating Expenses		**137,550**	**retain**
5613	102	Overtime			
		reduce services		**10,000**	**retain**
5613	206	Materials			
		defer maintenance		20,000	reduce
5613	207	Repair of Equipment			
		vehicle & equipment		10,000	reduce
5616	102	Overtime			
		reduce services		15,000	reduce
5616	207	Repair of Equipment			

September 20, 2010
November 10, 2010 (revised)

vehicle & equipment	10,000	reduce
Total Program Reductions	1,642,900	**1,105,150**
Required Program Reduction	1,677,270	1,677,270
Difference (with maintenance person position transfer to program 5610)	-34,370	**572,120**

Notes:

(1) Maintenance person position transferred from 5612 to 5610. This position will be placed in vacant status with through attrition within the line maintenance program at earliest possible time. This will reduce the total program reduction difference from $34,370 to $4,050.

6

ORDINANCE NO._____

AN ORDINANCE ESTABLISHING SALARIES AND BENEFITS AND RELATED PROCEDURES FOR CITY EMPLOYEES

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

SECTION 1: Pay Rates and Salaries

All employees shall be paid based on the salary grade ranges as shown in Appendix A.

A. **For calendar year 2011, an employee whose annualized earning is below the midpoint of their range (Appendix A) are eligible to receive a one step merit increase not to exceed the midpoint for meeting job requirements on their annual performance evaluation. All other merit, performance, step or time in grade pay increases as defined throughout this ordinance are hereby suspended for 2011 for all City employees. However, performance evaluations will continue through 2011 as described in this ordinance.**

B. For non uniformed employees below the midpoint of the salary grade, a pay for performance evaluation will take place shortly before their position anniversary date:

1. If the employee is meeting job requirements, a step increase will be granted on the position anniversary date.

2. An additional step increase may be granted if the employee at times exceeds job requirements (an average of 2.0 or better on the attached performance scale). Should the step increases place the salary at or above the midpoint, any pay increase over the midpoint shall be based on the formula found in Section C(2.) of this Ordinance.

3. Two additional step increases may be granted if the employee consistently exceeds job requirements (an average of 3.0 on the attached performance scale). Should the step increases place the salary at or above the midpoint, any pay increase over the midpoint shall be based on the formula found in Section C(1.) of this Ordinance.

4. No step increase will be granted to an employee evaluated as Progressing to Minimum Requirements. (An average score of less than 1.0 or one or more evaluation category rating of E)

5. The 2010 pay increase will be rescinded if the employee is found to need improvement and a decision about the employee's future with the City will be made no later than the time of the evaluation. (An average score of less than 1.0 and one or more evaluation category rating of E)

C. For non uniformed employees at or above the midpoint of the salary grade, a pay for performance evaluation will take place shortly before their position anniversary date.

Approved as to form
TSC
No publication required

1. Based on the employee's average score, a pay increase of 3% will be granted if the employee consistently exceeds job requirements. The actual percentage will be determined by the attached scale in Appendix B and will be adjusted to either one third or two thirds of the total percentage in Appendix B if the employee's first or second step of the increase otherwise placed them above the midpoint.

2. Based on the employee's average score, a pay increase between 1-3% will be granted if the employee at times exceeds job requirements. The actual percentage will be determined by the attached scale in Appendix B and will be adjusted to one half of the total percentage in Appendix B if the employee's first step of the increase otherwise placed them above the midpoint.

3. No additional pay increases will be granted if the employee is evaluated as Meeting Job Requirements.

4. The 2010 pay increase may be rescinded if the employee is working toward expectations. (An average score of less than 1.0 or one or more evaluation category rating of E)

5. The 2010 pay increase will be rescinded if the employee is found to need improvement and a decision about the employee's future with the City will be made no later than the time of the evaluation. (An average score of less than 1.0 and one or more evaluation category rating of E)

While the preceding steps in SECTION 1. B. & C. are listed to illustrate the effect of the pay decisions based on their performance evaluation, Supervisors and Department Heads are encouraged to engage in periodic evaluation discussions with employees. These discussions can be a method to let employees know if they are meeting or exceeding expectations during the year. Supervisors and Department Heads should also deal with deficient performance issues immediately and not wait until the scheduled evaluation to inform the employee of these problems.

D. For non uniformed employees at or above the maximum salary for the grade, no salary increase will be granted if the employee is meeting expectations. A one time payment that will not become part of the employee's permanent salary may be approved by the City Administrator if the employee consistently exceeds or at times exceeds job requirements. The amount of the one time payment will follow the same percentages found in Section C(1.) & C(2.) of this Ordinance.

E. For Police uniformed employees, a step increase will be granted if the employee is evaluated as satisfactory regardless of their location on the pay grade until the employee has reached the last step. Additional step increases or promotional opportunities will follow the Police Department regulations based on the pay for performance criteria and other promotional and testing criteria.

No pay increases will be granted to any employee if they are found to "need improvement" (a rating of E in the performance evaluation form) in any area of evaluation.

The pay plan outlined assumes that the overall ranking of "at times exceeding job requirements" or "consistently exceeding job requirements" can be attained but will be relatively infrequent and highly documented when granted.

F. For Fire Department uniformed employees, a step increase will be granted if the employee is evaluated as satisfactory regardless of their location on the pay grade until the employee has reached the last step.

No pay increases will be granted, including cost of living, to any employee if they are found to be unsatisfactory in any one evaluation category.

G. Employees designated by their department director as a language interpreter are eligible for language incentive pay of $83.34 per month subject to certain conditions and procedures as follows:

Each employee will be required to pass a certification test verifying their ability to speak, listen or sign at the designated competency level required by their department.

The City will pay for the first two certification tests for the designated employee. If the employee fails to pass the certification test on the first two attempts then it will be the employee's responsibility to pay for any subsequent attempts to achieve certification.

H. Employees designated as an IT user liaison are eligible for incentive pay of $100.00 per month subject to certain conditions and procedures as follows:

Each employee will be required to attend IT user liaison training and pass a certification test verifying their competency. IT user liaisons will spend 5-10 % of their work week supporting IT users and the IT function of the city.

I. All non uniformed employees shall receive longevity pay as follows:

1. After the first five (5) years of continuous and uninterrupted service, the sum of $10.00 shall be added to monthly compensation.

2. After each five (5) year period of continuous and uninterrupted service thereafter, an additional $5.00 per month for each said five year periods shall be added provided however, that $30.00 per month shall be the maximum longevity pay.

J. Employees designated by their department director as a member of the chlorine emergency response team are eligible for incentive pay of $100.00 per month subject to certain conditions and procedures as follows: Each employee will be required to initially complete 40 hours of specialized training to be eligible to participate on the chlorine emergency response team. Then each member will be required to complete a minimum of 8 hours of continuing education each year to remain on the chlorine emergency response team.

K. Employees designated by their position description as a salesperson will be paid a commission of 5% on all sales in excess of their gross sales (excluding "contract labor fees") for the same quarter of the previous year subject to certain conditions and procedures as follows:

SECTION 2: Non-Exempt Non-Uniformed Employees

A. Shift Differential - a Non-Exempt employee assigned to work a second shift shall receive a shift differential of ten (10) cents per hour for each hour worked beginning with a regularly scheduled shift starting time of 2:00 p.m. and ending before 10:00 p.m. A Non-Exempt employee assigned to work a third shift shall receive a shift differential of fifteen (15) cents per hour for each hour worked beginning with a regularly scheduled shift starting time of 10:00 p.m. and ending before 6:00 a.m.

B. Mileage Reimbursement - Employees, who on written instructions, use their personal automobile(s) on City business will be reimbursed at the "Internal Revenue Service Code" rate.

SECTION 3: Exempt Employees Salaries

A. In addition to any other current contributions, a contribution to the International City Managers Association - Retirement Corporation (ICMA-RC) of one-hundred dollars ($100) per month will be made for each department head as listed below:

City Administrator
District Court Clerk
Fire Chief
Director of Development & Construction
Director of Finance
Director of Sanitation
Director of Parks & Recreation
Director of Information & Technology
City Clerk
Deputy City Administrator
Police Chief
Director of Engineering
Director of Human Resources
Director of Utilities
Director of Streets & Traffic Control
Director of Convention Center
Director of Transit
Internal Auditor

SECTION 4: Civil Service (uniformed) employees of the Fire Department shall be paid a rate of pay as set forth in Appendix C. **For calendar year 2011, an employee whose hourly rate of pay is below the midpoint of their range (Appendix A) are eligible to receive a one step merit increase for meeting job requirements on their annual performance evaluation not to exceed the midpoint or the final step for their rank. All other merit, performance, step or time in grade pay increases as defined throughout this ordinance are hereby suspended for 2011 for all City employees. However, performance evaluations will continue through 2011 as described in this ordinance.**

A. All firefighters hired (including rehires) by the City shall initially be placed in Step A in the Firefighter F-1 position. Advancement to Step B shall occur on the first anniversary date of the date of appointment to the position if an employee's performance is found to be satisfactory. Advancement into each step subsequent to Step B shall occur on the respective subsequent anniversary date of the appointment to the position.

B. Drivers, Captain, Battalion Chiefs, Fire Marshals, Training Officer and Assistant Chief are eligible on their position anniversary date for advancement to Step B (in the applicable range) based on merit as determined by a job performance evaluation. Advancement to each step subsequent to Step B shall also be based on merit as

determined by a job performance evaluation on each subsequent promotion anniversary date.

C. All hourly compensated firefighters shall have a work period of fourteen (14) days (106 hours) and shall be subject to the Section 7 (k) exemption of 29 CFR Part 553 application of the Fair Labor Standards Act to Employees of State and Local Governments.

D. All firefighters shall receive compensation for an additional thirteen (13) days paid as legal holidays in accordance with the provisions of Act 501 of 1987. Compensation for holidays is based on the firefighter's daily rate of pay and is in addition to the regular pay schedule. Holiday compensation is included in the rates of pay provided in Appendix C. The thirteen (13) days of holiday equalization pay shall be prorated and paid during the regular payroll periods. "Daily rate of pay" for all hourly compensated firefighters is hereby defined for all budgetary purposes of the City of Fort Smith as being one-tenth of the biweekly base pay for the applicable employment grade and range. The biweekly base pay period for all firefighters shall be based on an average of one-hundred-twelve (112) hours worked biweekly.

E. All firefighters shall be granted annual vacation as follows:

After twelve (12) months of continuous and uninterrupted service, 144 hours.
After six (6) consecutive years of continuous and uninterrupted service, 168 hours.
After ten (10) consecutive years of continuous and uninterrupted service, 192 hours.
After fifteen (15) consecutive years of continuous and uninterrupted service, 216 hours.
After twenty (20) consecutive years of continuous and uninterrupted service, 240 hours.
Annual vacation leave shall not be accumulated from calendar year to calendar year.

F. For administrative convenience, the annual vacation of not less than fifteen (15) days with full pay for Fire Department employees as required by A.C.A. 14-53-107 and provided in Section (E) above is hereafter defined in terms of annual vacation "hours" as provided in this section. Each three days of annual vacation with full pay provided for in A.C.A. 14-53-107 and each three days of additional annual vacation granted by Section (E) above is deemed to be equal to one scheduled working shift of twenty-four (24) hours. For administrative record keeping of the City, the City Administrator and his designated agents are authorized to maintain records regarding annual vacation leave in terms of "scheduled working hours." Using such administrative procedure, the annual vacation provided by Section (E) above shall be provided in terms of three (3) calendar days being equal to one (1) working shift of twenty-four (24) hours. For each hour of vacation leave that a firefighter is away from a regularly scheduled work shift, one hour shall be credited against his annual vacation benefit.

G. The administrative procedures provided in Section (F) shall not be interpreted or construed to enlarge or decrease the current vacation leave benefit provided by A.C.A. 14-53-107 and this ordinance.

H. Sick leave for firefighters shall accumulate at a rate of 360 hours per year beginning with the date of employment and decreasing to 288 hours per year beginning four (4) years after employment. Unused sick leave shall accumulate to firefighters provided

with 360 hours per year and 288 hours per year sick leave to a maximum of 2400 hours. If at the end of his/her term of service, upon death or retirement defined as being eligible to receive normal, early or disability LOPFI retirement pension payments immediately upon separation of employment, any firefighter who has unused accumulated sick leave, he/she shall be paid for such sick leave at the regular rate of pay in effect at the time of retirement provided, however, that payment for unused sick leave upon retirement shall not exceed three (3) months salary as per state law, A.C.A. 14-53-108

I. All Civil Service Fire Department personnel shall receive longevity pay as follows:

1. After the first five (5) years of continuous and uninterrupted service, the sum of $10.00 shall be added to monthly compensation.

2. After each five (5) year period of continuous and uninterrupted service thereafter, an additional $5.00 per month for each said five year periods shall be added provided however, that $30.00 per month shall be the maximum longevity pay.

A. All firefighters, after their first year of probation, shall be eligible for a monthly pay bonus for the completion of certificates awarded by the Arkansas State Fire Academy or the National Fire Academy according to the following schedule.

Certificate	Monthly Pay Bonus
1. Pump Operation/Emergency Driving	$15.00
2. Fire Inspector 1	$15.00
3. First Responder	$15.00
4. Fire Officer 1	$15.00
5. Emergency Medical Technician EMT	$15.00
6. Special Certification Certificate as per Fire Chief	$15.00
7. Arson Investigation	$15.00
8. Hazardous Materials	$15.00
Total possible Certificate pay	$120.00

K. An additional 10%, after their first year of probation, shall be added to the pay rate of a firefighter who becomes a Certified Paramedic. Certification must be maintained or certification pay will be eliminated.

L. All firefighters shall receive an annual physical examination by the City to determine their physical fitness to perform firefighting activities.

M. All firefighters are eligible for educational bonus pay subject to certain conditions and procedures as follows: If the employees hire date is prior to or December 31, 2004 and the employee has entered an educational program then schedule (1) will be followed. If an employee has not entered an educational program prior to January 1, 2005 or the employee hire date is January 1, 2005 or later then schedule (2) will be followed. If an employee who is eligible and receiving bonus pay based on schedule (1) earns a bachelors degree then that employee will be eligible for schedule (2).

Schedule (1)

Educational Program	Percentage of Total Annual Pay Added as Bonus

Entry into the Plan	1%
Completion of 15 semester hours	2%
Completion of 30 semester hours	3%
Completion of 45 semester hours	4%
Completion of 60 semester hours plus	5% attainment of Associates Degree

Schedule (2)

Educational Program	Percentage of Total Annual Pay Added as Bonus
Associates Degree	3%
Bachelors Degree	6%
Masters Degree	7%

N. Firefighters designated by the fire department and certified to maintain and service breathing apparatus are eligible for incentive pay of $100.00 per month.

SECTION 5: Civil Service (uniformed) employees of the Police Department shall be paid a rate of pay as set forth in Appendix D. **For calendar year 2011, an employee whose hourly rate of pay is below the midpoint of their range (Appendix A) are eligible to receive a one step merit increase for meeting job requirements on their annual performance evaluation not to exceed the midpoint or the final step for their rank. All other merit, performance, step or time in grade pay increases as defined throughout this ordinance are hereby suspended for 2011 for all City employees. However, performance evaluations will continue through 2011 as described in this ordinance.**

A. All Police Officers hired (including rehires) by the City shall initially be placed in the Entry Level in the Patrol Officer/Detective P-1 Range. Advancement to subsequent levels of pay shall be based upon an officer's anniversary date as indicated in the schedule in Appendix D.

B. Advancement to the Corporal rank P-1 will occur upon reaching the tenth step of a patrol officer/detective. Advancement to subsequent levels of pay shall be based upon an officer's position anniversary date as indicated on the schedule in Appendix D.

C. All hourly compensated Police Officers shall have a work period of seven (7) days, shall receive overtime pay, and shall be subject to the Section 7 (K) exemption of 29 CFR Part 553 Application of the Fair Labor Standards Act to Employees of State and Local Governments.

D. All Police Officers shall receive compensation for an additional thirteen (13) days as paid legal holidays in accordance with the provisions of Act 501 of 1987. Compensation for holidays is based on the officer's daily rate of pay and is in addition to the base pay schedule. In calculating the holiday pay, the "daily rate of pay" for all hourly compensated Police Officers is hereby defined for budgetary purposes of the City of Fort Smith as being the per hour rate of base pay times (8) hours for the applicable employment grade and range. Holiday compensation is included in the rates of pay provided in Appendix D. Holiday pay is to be prorated and paid during the regular payroll periods.

E. All Police Officers shall be granted annual vacations as follows:

1. After twelve (12) months of continuous and uninterrupted service, fifteen (15) working days.

2. After six (6) consecutive years of continuous and uninterrupted service, seventeen (17) working days.

3. After ten (10) consecutive years of continuous and uninterrupted service, twenty (20) working days.

4. In addition to the foregoing vacation days, each officer will receive one (1) discretionary day off with pay each year after (12) months of continuous service.

Annual vacation leave and the discretionary day shall not be accumulated for more than a twelve month period from the date of accrual for Civil Service Employees.

F. All Police Officers shall accumulate sick leave at the rate of twenty (20) working days (i.e., 28 calendar days) per year beginning one (1) year after the date of employment. Sick leave may be accumulated from year to year to maximum accumulation of one hundred twenty (120) working days (i.e., 168 calendar days) at anyone time. If at the end of his/her term of service, upon death or retirement defined as being eligible to receive normal, early or disability LOPFI retirement pension payments immediately upon separation of employment, any Police Officer has unused accumulated sick leave, he/she shall be paid for such sick leave at the regular rate of pay in effect at the time of retirement or death, provided however, that payment of unused sick leave upon retirement or death shall not exceed (3) months salary for Police Officers in the rank of Captain and above and shall not exceed salary for five hundred twenty (520) hours for Police Officers in the rank of Sergeant and below.

G. All civil service police officers shall receive longevity pay as follows:

1. After the first five (5) years of continuous and uninterrupted service, the sum of $10.00 shall be added to monthly compensation.

2. After each (5) year period of continuous and uninterrupted service thereafter, an additional $5.00 per month for each of said five (5) year periods shall be added, provided, however, that $30.00 per month shall be the maximum longevity pay.

H. All Police Officers, after their first year of probation, shall be eligible for a monthly pay bonus for the completion of the State of Arkansas Law Enforcement Standards and Training Certificates as follows:

1. General Certificate - $20.00 added to monthly compensation
2. Intermediate Certificate - $40.00 added to monthly compensation.
3. Advanced Certificate - $60.00 added to monthly compensation.
4. Senior Certificate - $80.00 added to monthly compensation.

All police officers are eligible for educational bonus pay subject to certain conditions and procedures as follows:

If the employees hire date is prior to or December 31, 2004 and the employee has entered an educational program then schedule (1) will be followed. If an employee has not entered an educational program prior to January 1, 2005 or the employees hire date is January 1, 2005 or

later then schedule (2) will be followed. If an employee who is eligible and receiving bonus pay based on schedule (1) earns a bachelors degree then that employee will be eligible for schedule (2).

Schedule (1)

Educational Program	Percentage of Total Annual Pay Added as Bonus
Entry into the Plan	1%
Completion of 15 semester hours	2%
Completion of 30 semester hours	3%
Completion of 45 semester hours	4%
Completion of 60 semester hours plus	5% attainment of Associates Degree

Schedule (2)

Educational Program	Percentage of Total Annual Pay Added as Bonus
Associates Degree	3%
Bachelors Degree	6%
Masters Degree	7%

SECTION 6: Policy
As to non uniformed employees, in extreme and unusual employment and promotional situations related to business necessity and efficiency, the City Administrator may waive or alter the step increase procedure to fill a position with the most highly qualified candidate and assign the appropriate wage within the job classification.

SECTION 7: All ordinances and parts of ordinances in conflict with this ordinance are hereby repealed.

PASSED AND APPROVED THIS _____ day of December, 2010

APPROVED:

Mayor

ATTEST:

_____
City Clerk

Appendix A

HOURLY PAY GRADE RANGES
BUDGET YEAR 2011
(basis, 8 hrs/day, 5 days/week, 52 weeks/year)

Grade	Entry	Midpoint	Maximum	Step
1	$ 9.08	$ 10.98	$ 12.87	$ 0.38
2	$ 10.15	$ 12.27	$ 14.39	$ 0.42
3	$ 11.21	$ 13.56	$ 15.91	$ 0.47
4	$ 12.29	$ 14.86	$ 17.43	$ 0.51
5	$ 13.37	$ 16.16	$ 18.94	$ 0.56
6	$ 14.43	$ 17.44	$ 20.44	$ 0.60
7	$ 15.49	$ 18.73	$ 21.97	$ 0.65
8	$ 16.55	$ 20.01	$ 23.47	$ 0.69
9	$ 17.63	$ 21.32	$ 25.00	$ 0.74
10	$ 18.70	$ 22.61	$ 26.52	$ 0.78
11	$ 19.76	$ 23.90	$ 28.04	$ 0.83
12	$ 19.78	$ 25.45	$ 31.12	$ 1.13
13	$ 20.81	$ 26.77	$ 32.73	$ 1.19
14	$ 22.03	$ 28.35	$ 34.66	$ 1.26
15	$ 23.05	$ 29.65	$ 36.25	$ 1.32
16	$ 24.33	$ 31.29	$ 38.24	$ 1.39
17	$ 25.34	$ 32.60	$ 39.86	$ 1.45
18	$ 26.37	$ 33.93	$ 41.48	$ 1.51
19	$ 27.41	$ 35.28	$ 43.14	$ 1.57
20	$ 28.44	$ 36.60	$ 44.75	$ 1.63
21	$ 29.49	$ 37.94	$ 46.38	$ 1.69
22	$ 30.49	$ 39.25	$ 48.00	$ 1.75
23	$ 31.54	$ 40.59	$ 49.64	$ 1.81
24	$ 32.58	$ 41.92	$ 51.25	$ 1.87

BI-WEEKLY PAY GRADE RANGES
BUDGET YEAR 2011
(basis, 8 hrs/day, 5 days/week, 52 weeks/year)

Grade	Entry	Midpoint	Maximum	Step
1	$ 726.40	$ 878.40	$ 1,029.60	$ 30.40
2	$ 812.00	$ 981.60	$ 1,151.20	$ 33.60
3	$ 896.80	$ 1,084.80	$ 1,272.80	$ 37.60
4	$ 983.20	$ 1,188.80	$ 1,394.40	$ 40.80
5	$ 1,069.60	$ 1,292.80	$ 1,515.20	$ 44.80
6	$ 1,154.40	$ 1,395.20	$ 1,635.20	$ 48.00
7	$ 1,239.20	$ 1,498.40	$ 1,757.60	$ 52.00
8	$ 1,324.00	$ 1,600.80	$ 1,877.60	$ 55.20
9	$ 1,410.40	$ 1,705.60	$ 2,000.00	$ 59.20
10	$ 1,496.00	$ 1,808.80	$ 2,121.60	$ 62.40
11	$ 1,580.80	$ 1,912.00	$ 2,243.20	$ 66.40
12	$ 1,582.40	$ 2,036.00	$ 2,489.60	$ 90.40
13	$ 1,664.80	$ 2,141.60	$ 2,618.40	$ 95.20
14	$ 1,762.40	$ 2,268.00	$ 2,772.80	$ 100.80
15	$ 1,844.00	$ 2,372.00	$ 2,900.00	$ 105.60
16	$ 1,946.40	$ 2,503.20	$ 3,059.20	$ 111.20
17	$ 2,027.20	$ 2,608.00	$ 3,188.80	$ 116.00
18	$ 2,109.60	$ 2,714.40	$ 3,318.40	$ 120.80
19	$ 2,192.80	$ 2,822.40	$ 3,451.20	$ 125.60
20	$ 2,275.20	$ 2,928.00	$ 3,580.00	$ 130.40
21	$ 2,359.20	$ 3,035.20	$ 3,710.40	$ 135.20
22	$ 2,439.20	$ 3,140.00	$ 3,840.00	$ 140.00
23	$ 2,523.20	$ 3,247.20	$ 3,971.20	$ 144.80
24	$ 2,606.40	$ 3,353.60	$ 4,100.00	$ 149.60

ANNUAL PAY GRADE RANGES
BUDGET YEAR 2011
(basis, 8 hrs/day, 5 days/week, 52 weeks/year)

Grade	Entry	Midpoint	Maximum	Step
1	$ 18,886.40	$ 22,838.40	$ 26,769.60	$ 790.40
2	$ 21,112.00	$ 25,521.60	$ 29,931.20	$ 873.60
3	$ 23,316.80	$ 28,204.80	$ 33,092.80	$ 977.60
4	$ 25,563.20	$ 30,908.80	$ 36,254.40	$ 1,060.80
5	$ 27,809.60	$ 33,612.80	$ 39,395.20	$ 1,164.80
6	$ 30,014.40	$ 36,275.20	$ 42,515.20	$ 1,248.00
7	$ 32,219.20	$ 38,958.40	$ 45,697.60	$ 1,352.00
8	$ 34,424.00	$ 41,620.80	$ 48,817.60	$ 1,435.20
9	$ 36,670.40	$ 44,345.60	$ 52,000.00	$ 1,539.20
10	$ 38,896.00	$ 47,028.80	$ 55,161.60	$ 1,622.40
11	$ 41,100.80	$ 49,712.00	$ 58,323.20	$ 1,726.40
12	$ 41,142.40	$ 52,936.00	$ 64,729.60	$ 2,350.40
13	$ 43,284.80	$ 55,681.60	$ 68,078.40	$ 2,475.20
14	$ 45,822.40	$ 58,968.00	$ 72,092.80	$ 2,620.80
15	$ 47,944.00	$ 61,672.00	$ 75,400.00	$ 2,745.60
16	$ 50,606.40	$ 65,083.20	$ 79,539.20	$ 2,891.20
17	$ 52,707.20	$ 67,808.00	$ 82,908.80	$ 3,016.00
18	$ 54,849.60	$ 70,574.40	$ 86,278.40	$ 3,140.80
19	$ 57,012.80	$ 73,382.40	$ 89,731.20	$ 3,265.60
20	$ 59,155.20	$ 76,128.00	$ 93,080.00	$ 3,390.40
21	$ 61,339.20	$ 78,915.20	$ 96,470.40	$ 3,515.20
22	$ 63,419.20	$ 81,640.00	$ 99,840.00	$ 3,640.00
23	$ 65,603.20	$ 84,427.20	$ 103,251.20	$ 3,764.80
24	$ 67,766.40	$ 87,193.60	$ 106,600.00	$ 3,889.60

Appendix C

City of Fort Smith
Fire Department
Pay Schedule
Budget Year 2011

Rank	Range	Rate	A	B	C	D	E	F	G
Probationary Firefighter & Firefighter	F1	Hourly	$ 9.82	$ 10.61	$ 11.36	$ 12.13	$ 12.86	$ 13.63	$ 14.33
Driver	F2	Hourly	$ 14.88	$ 16.32					
Captain	F3	Hourly	$ 17.75	$ 19.44					
Fire Marshal Battalion Chief Training Officer Assistant Chief	F5	Monthly	$ 5,327.20	$ 5,993.12					

Appendix D

City of Fort Smith
Police Department
Pay Schedule
Budget Year 2011

Rank	Rate	Entry	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9
Patrol	Hourly	$ 15.80	$ 16.30	$ 16.81	$ 17.28	$ 17.79	$ 18.30	$ 18.80	$ 19.32	$ 19.81	$ 20.32
		$ 0.79	$ 0.82	$ 0.84	$ 0.86	$ 0.89	$ 0.92	$ 0.94	$ 0.97	$ 0.99	$ 1.02
		$ 16.59	$ 17.12	$ 17.65	$ 18.14	$ 18.68	$ 19.22	$ 19.74	$ 20.29	$ 20.80	$ 21.34

		Step 10	Step 11	Step 12	Step 13	Step 14	Step 15	Step 16	Step 17	Step 18	Step 19
Corporal	Hourly		$ 20.82			$ 21.36			$ 21.64		
			$ 1.04			$ 1.07			$ 1.08		
			$ 21.86			$ 22.43			$ 22.72		

		Entry	Step 1	Step 2	Step 3	Step 4	Step 5
Sergeant	Hourly	$ 22.44	$ 23.09	$ 23.79	$ 24.45	$ 25.11	$ 25.80
		$ 1.12	$ 1.15	$ 1.19	$ 1.22	$ 1.26	$ 1.29
		$ 23.56	$ 24.24	$ 24.98	$ 25.67	$ 26.37	$ 27.09

		Entry	Step 1	Step 2	Step 3	Step 4	Step 5
Captain	Annually	$ 56,343.54	$ 57,402.02	$ 58,460.50	$ 59,518.96	$ 60,577.44	$ 61,656.07
		$ 2,817.18	$ 2,870.10	$ 2,923.03	$ 2,975.95	$ 3,028.87	$ 3,082.80
		$ 59,160.72	$ 60,272.12	$ 61,383.53	$ 62,494.91	$ 63,606.31	$ 64,738.87

		Entry	Step 1	Step 2	Step 3	Step 4	Step 5
Major	Annually	$ 64,738.90	$ 66,816.76	$ 68,894.63	$ 70,972.49	$ 73,050.35	$ 75,128.21
		$ 3,236.95	$ 3,340.84	$ 3,444.73	$ 3,548.62	$ 3,652.52	$ 3,756.41
		$ 67,975.85	$ 70,157.60	$ 72,339.36	$ 74,521.11	$ 76,702.87	$ 78,884.62

MEMORANDUM

TO: **Ray Gosack, Acting City Administrator**

FROM: Richard B. Jones, Director of Human Resources

DATE: December 2, 2010

SUBJECT: **AN ORDINANCE ESTABLISHING SALARIES AND BENEFITS AND RELATED PROCEDURES FOR CITY EMPLOYEES FOR 2010**

Attached is the annual ordinance establishing salaries and benefits for city employees. The only change from the 2010 ordinance is as follows:

1. Section 1A have the following words inserted: **For calendar year 2011, an employee whose annualized earning is below the midpoint of their range (Appendix A) are eligible to receive a one step merit increase not to exceed the midpoint for meeting job requirements on their annual performance evaluation. All other merit, performance, step or time in grade pay increases as defined throughout this ordinance are hereby suspended for 2011 for all City employees. However, performance evaluations will continue through 2011 as described in this ordinance.**

2. Sections 4 & 5 have the following words inserted: **For calendar year 2011, an employee whose hourly rate of pay is below the midpoint of their range (Appendix A) are eligible to receive a one step merit increase for meeting job requirements on their annual performance evaluation not to exceed the midpoint or the final step for their rank. All other merit, performance, step or time in grade pay increases as defined throughout this ordinance are hereby suspended for 2011 for all City employees. However, performance evaluations will continue through 2011 as described in this ordinance.**

There are no other changes to this ordinance for 2011.

I recommend approval of this ordinance.

ORDINANCE NO. _____

AN ORDINANCE AMENDING ORDINANCE NUMBER 26-07 AND ORDINANCE NUMBER 65-07 FOR THE PURPOSE OF ESTABLISHING RATES FOR WATER SERVICES SUPPLIED BY THE CITY OF FORT SMITH AND SUPERCEDING PRIOR RATES FOR SUCH SERVICES

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

SECTION 1: The water volume charges provided for in Section 4, Paragraph (a), of Ordinance 26-07 are hereby amended and increased to the volume charges below which shall become effective January 1, 2011:

Residential - each ccf of usage	
0-5 ccf of usage	$2.28
6-15 ccf of usage	$2.96
16 and above of usage	$3.35
Commercial - each ccf of usage	$2.40
Industrial customers with usage of at least 500,000 ccf annually and a demand factor of 1.25 or less - each ccf of usage	$2.33
All other industrial customers - each ccf of usage	$2.51
All irrigation accounts - each ccf of usage	$3.35

SECTION 2: The water volume charge provided for in Section 4, Paragraph (b), of Ordinance 26-07 is hereby amended and increased to the volume charge below which shall become effective January 1, 2011:

For each ccf of usage $1.80

SECTION 3: The water volume charges provided for in Section 1 of Ordinance 65-07 is hereby amended and increased to the volume charge below which shall become effective January 17, 2011:

For each ccf of usage $1.44

SECTION 4: The codifier of the City's Ordinances may codify or not codify the provisions of this Ordinance in the codifier's discretion.

SECTION 5: Emergency Clause. An emergency is declared to exist in that the January 1, 2011 (Sections 1 and 2) and January 17, 2011 (Section 3) effective dates for the water volume charges established by this Ordinance are necessary to provide adequate funds for the financing of the water system of the City of Fort Smith. Due to the emergency, and in order to preserve the health, safety and welfare of the City and its inhabitants, this Ordinance shall be in full force and effect as of January 1, 2011.

PASSED AND APPROVED this _____ day of December 2010.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

JSC

_____ publish once

Introduction Only
Not for Adoption

ORDINANCE NO. _____

AN ORDINANCE ESTABLISHING RATES FOR SEWER SERVICES PROVIDED BY THE CITY OF FORT SMITH AND SUPERSEDING PRIOR RATES FOR SUCH SERVICES

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

SECTION 1: The sewer volume charges provided for in Ordinance 25-07, Section 1 are hereby amended and increased to the volume charges below which shall become effective January 1, 2011:

Rate Schedule

User Class	Unit	Dollars
Billing Charge	Per Account	$1.43
Volume Charge		
Residential	ccf	$3.21
Industrial & Commercial	ccf	$3.21
High-Strength Charge (for strengths above 250 mg/l)		
BOD	lb.	$0.1699
TSS	lb.	$0.1295
Monitoring	Actual Cost	Actual Cost
Contract/Wholesale Users	ccf	$1.02
High-Strength Charge (for strengths above 250 mg/l)		
BOD	lb.	$0.1699
TSS	lb.	$0.1295
Monitoring	Actual Cost	Actual Cost

SECTION 2: Ordinance 25-07 is amended to provide for the volume charges adopted by Section 1 above. The other provisions of Ordinance 25-07 are continued in effect.

SECTION 3: Ordinance 29-09 shall remain in full force and effect and shall provide for a supplemental surcharge of $0.12 for each ccf of usage during the period of its effectiveness.

SECTION 4: The codifier of the City's Ordinances may codify or not codify the provisions of this Ordinance in the codifier's discretion.

SECTION 5: Emergency Clause. An emergency is declared to exist in that the January 1, 2011 (Section 1) effective date for the sewer volume charges established by this Ordinance are necessary to provide adequate funds for the financing of the sewer system of the City of Fort Smith. Due to the emergency, and in order to preserve the health, safety and welfare of the City and its inhabitants, this Ordinance shall be in full force and effect as of January 1, 2011.

PASSED AND APPROVED this _____ day of December 2010.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____ publish once

9

RESOLUTION NO. _____

A RESOLUTION SETTING PUBLIC HEARING REGARDING PROPOSED RATES FOR SANITARY SEWER SERVICES AND AUTHORIZING PUBLICATION OF A NOTICE OF SAID PUBLIC HEARING

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

SECTION 1: A public hearing of the Board is hereby scheduled to be held at the Fort Smith Public Schools Service Center, 3205 Jenny Lind Road, Building B, Fort Smith, Arkansas at 6:00 p.m. on Tuesday, December 21, 2010, at which public hearing all users of the sanitary sewer system of the City of Fort Smith and owners of properties served thereby, together with other interested persons, shall have the opportunity to be heard concerning the proposed rates and charges for the services of the sanitary sewer system of the City of Fort Smith.

SECTION 2: The City Administrator and the City Clerk are hereby authorized and directed to cause a notice of the hearing set by Section 1, which notice shall include a schedule of the proposed rates or charges for the sanitary sewer system of the City of Fort Smith, to be published one time in the Times Record at least ten (10) days prior to the public hearing scheduled for December 21, 2010.

This Resolution adopted this 7th day of December 2010.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

Approved as to form
JSC
No publication required

NOTICE OF HEARING

The City of Fort Smith hereby gives notice of its intention to increase rates charged for wastewater (sewer) services of the Fort Smith sanitary sewer system. The Board of Directors of the City of Fort Smith will conduct a public hearing regarding the proposed rates (as set forth below) at their regular meeting on Tuesday, December 21, 2010, at 6:00 p.m., Fort Smith Public Schools Service Center Building B, 3205 Jenny Lind, at which time all interested persons will be heard.

The new rates are proposed as follows:

Rate Schedule
Effective January 1, 2011

User Class	Unit	Dollars
Billing Charge	Per Account	$1.43
Volume Charge		
Residential	ccf	$3.33
Industrial & Commercial	ccf	$3.33
High-Strength Charge (for strengths above 250 mg/l)		
BOD	lb.	$0.1699
TSS	lb.	$0.1295
Monitoring	Actual Cost	Actual Cost
Contract/Wholesale Users	ccf	$1.02
High-Strength Charge (for strengths above 250 mg/l)		
BOD	lb.	$0.1699
TSS	lb.	$0.1295
Monitoring	Actual Cost	Actual Cost

Sherri Gard, City Clerk

PUBLICATION INSTRUCTIONS:
Publish 1 time Saturday, December 11, 2010
P.O. #4105

INTER-OFFICE MEMO

TO: Ray Gosack, Acting City Administrator **DATE:** December 1, 2010

FROM: Steve Parke, Director of Utilities

SUBJECT: Ordinance Amending Rates for Water Services, Introduction of Ordinance Amending Rates for Sewer Services and Resolution Setting Public Hearing

It was determined by the Board during the review of the proposed 2011Utility Department operating budget that the preferred method to meet the required 110-percent bond coverage covenant would include the reduction of operating expenses along with a 5-percent water and sewer rate increase. The attached Ordinances present the amended rates for water and sewer services. The procedural requirements for amending sewer rates differs from those for water rates. Amending sewer rates requires both providing notice and holding a public hearing in advance of any rate adjustment. The introduction of the proposed sewer rate ordinance in advance of the public hearing is required as part of those procedural requirements. The attached Ordinance to amend sewer rates is being presented now to serve as that introduction and will be presented again for adoption on December 21.

The effect of the proposed water and sewer rate changes is presented on the attached billing comparison for monthly usages of 5, 10 and 20 ccf. The water comparison reflects just the residential rate blocks. The sewer comparison reflects residential, commercial and industrial users as they share a common rate block.

A Resolution is also attached which sets the public hearing for the proposed sewer rate change. The public hearing is being scheduled for December 21 and provides an opportunity for sewer system users to provide input on the rate setting process.

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

attachment

Examples of Customer Billing Comparisons of 2010 Water and Sewer Rates

Usage	2010 Rates	5% Increase	Difference
5 ccf water	$17.59	$18.19	$0.60
5ccf sewer	$17.28	$18.08	$0.80
Sanitation (2)	$15.71	$15.71	$0.00
Total (1)	**$50.58**	**$51.98**	**$1.40**
10 ccf water	$32.99	$34.41	$1.42
10 ccf sewer	$33.13	$34.73	$1.60
Sanitation (2)	$15.71	$15.71	$0.00
Total (1)	**$81.83**	**$84.85**	**$3.02**
20 ccf water	$65.82	$68.93	$3.11
20 ccf sewer	$64.83	$68.03	$3.20
Sanitation (2)	$15.71	$15.71	$0.00
Total (1)	**$146.36**	**$152.67**	**$6.31**

Notes:

(1) All taxes and meter charges included in total amount.

(2) Sanitation rates not adjusted with 5% increase

TRUTHS ABOUT WATER & WASTEWATER

NOVEMBER 18, 2010

THE BUSINESS OF WATER AND WASTEWATER – BASICS

Providing clean water to growing populations is one of the primary reasons municipal governments were organized. Fort Smith began its public water system, through a private franchise, in 1884. The system was purchased for operation by the municipality in 1911. The city began its sewer collection system in 1887. That basic system carried untreated sewer flows to the Arkansas and Poteau Rivers until 1965 when wastewater treatment plants were first constructed. It is readily evident that Fort Smith's water and wastewater systems have been the foundations on which the growth of the city, along with much of the surrounding region, has been based.

Public waterworks departments provide clean, safe drinking water reliably and ensure the safe delivery and treatment of wastewater, and protect our nation's lakes, rivers, streams, and tributaries. The better the service and the more plentiful the supply, the more a populous may begin to take the services for granted.

Like other utilities providing basic services, a waterworks utility relies on rates to deliver services, maintain necessary equipment and infrastructure, and to meet a community's growth. Charges for water and sewer services, which include treatment, delivery, collection, and future system replacement depreciation costs, along with fees for turning on service, setting meters, and other customer-related activities are typically set to recover actual costs of performing those services.

Public utilities normally finance large infrastructure projects with revenue bonds. Revenue bonds are supported with rates charged for the services and are typically paid over 20-30 years. Revenue bonds include covenants that a city must follow that include maintenance of the systems and the ability to provide financial assurances to its bondholders.

The water and wastewater systems are "on demand" and operated constantly, every day of every week, all year long. Operations and maintenance personnel are on duty and/or on call 24/7/365 to ensure the delivery of services to the doorsteps of homes and businesses; to meet the demands of the largest manufacturing facility, to assist with fire suppression and public safety and to provide even the smallest drink of water in the middle of the night.

FORT SMITH'S WATER BUSINESS

The Fort Smith Utilities Department is an *enterprise fund.* It is funded through customer usage charges, with the exception of large infrastructure projects which are funded through sales tax bonds, including:

- Lake Fort Smith dam and reservoir expansion project
  - $180 million project completed in 2006[i]
  - Adequate water supply through 2060
- $90.3 million for wet weather sewer improvements presently funded to meet requirements of the Environmental Protection Agency and Department of Justice (sales tax)
- $80 million estimated cost to complete remaining wet weather sewer improvements (funding source undetermined)

The immediate concern

The city has violated its revenue bond covenants by not maintaining minimum debt service coverage of 110%. *The annual debt service coverage calculation is determined by the total revenues less operating expenses divided by the amount of the debt payments.*

The most recent rate increases have supported revenue bonds to provide infrastructure projects such as the Lake Fort Smith water treatment plant rehabilitation and expansion and the extension of sewer services in growth areas of the city.

Rates for operating the system have not been increased in more than five years. Examples of cost increases imposed on the operating budget for chemicals used to treat water and sewer between the years 2005 and 2010 are detailed in the end note.[ii]

Turn over for more information

Revenue sources

Two basic sources for operating revenue have remained flat – water and sewer rates and miscellaneous fees for services performed, i.e. setting meters, industrial waste monitoring, etc.

- No rate increase since 2005
- No increase in basic service fees since 1989

High level of service

The employees of the Fort Smith Utilities Department consistently excel in their professions and their skills and take pride in doing more with less. Among the quality and innovation recognitions earned recently:

- Best tasting drinking water in Arkansas award – 2009
- Partnering in pilot studies which produced patent winning new wastewater treatment process - 2009
- Lake Fort Smith water supply project received national Engineering Excellence award - 2007
- Initiated innovative watershed protection measures for drinking water supply - 1998
- Arkansas Department of Health analytical laboratory certification, 1 of 4 within state, continuously maintained since 1986
- Numerous employee recognitions by national and state organizations

ECONOMIC IMPACT

Fort Smith is a *regional water provider* – to outlying communities whose residents work and shop in Fort Smith. Fort Smith's water system currently serves an estimated population of 150,000 within Sebastian, Crawford, Washington, Franklin, Leflore and Sequoyah counties in Arkansas and Oklahoma. ***The population served by the Fort Smith water system is projected to reach 250,000 to 300,000 by the year 2040.***

With regard to economic development, an abundant water supply is only part of what attracts site selectors to this region. Governor Mike Beebe and Arkansas Economic Development Commission Director Maria Haley have publicly and privately communicated to local leaders around the state that communities *must* operate as a *region* in order to reap the benefits of the governor's quick action closing fund. Selling our water to surrounding communities provides a necessary service to a regional workforce that site selectors find attractive.

A 3 year survey of 26 cities across the United States was released on November 15, 2010. The Gallup/Knight Foundation survey attaches citizens' perceptions about 10 specific community attributes that they believe are necessary for strong levels of community attachment. Of the 10 "drivers," basic services scored significantly higher in 2010 than the health of the local economy.

How we conduct our business also impacts economic development opportunities. Water quality makes no headlines when the service and quality are solid. The business of water makes abundant headlines when our business practices and our product are not sound.

Google "water shortage" and click "news" headlines. Many cities around the globe have no long-term solutions in place for securing a stable, clean water supply.

Our challenge is in funding debt coverage and infrastructure improvements as required for system growth and maintenance, along with those determined by the EPA and Department of Justice to comply with the Federal Clean Water Act and, most importantly, our customers.

---

[i] $50 million for water projects were financed with sales tax bonds with the remaining financing of $130 million provided from revenue bonds.

[ii]

Chemical	$ increase	% increase
Liquid Chlorine	$51,530	42%
Hydrated Lime	$145,840	58%
Ferric Sulfate	$103,420	47%
Quicklime	$221,200	61%
Potassium Permanganate	$378,200	58%

10

ORDINANCE NO._____

AN ORDINANCE ACCEPTING THE CONVEYANCE OF
THE POTABLE WATER SYSTEM FROM
THE FORT CHAFFEE REDEVELOPMENT AUTHORITY
TO THE CITY OF FORT SMITH

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

WHEREAS, the Fort Chaffee Redevelopment Authority ("FCRA") is acknowledged as the public trust for the former Fort Chaffee Military Reservation ("FCMR") and recognized as the local redevelopment authority by the Office of Economic Adjustment on behalf of the Secretary of Defense, with authority to oversee and implement the civilian reuse of the excess portion of FCMR, in accordance with a local-approved reuse plan; and,

WHEREAS, the City of Fort Smith and the Fort Chaffee Redevelopment Authority entered into a Memorandum of Agreement ("MOA") for the purpose of fulfilling their governmental powers and responsibilities toward implementation of the reuse plan; and,

WHEREAS, the MOA recognized and made provision for the transfer of those portions of the existing FCRA potable water system, and subsequently constructed improvements, operated by Fort Smith for FCRA during an interim operating period; and,

WHEREAS, on November 18, 2010, the Fort Chaffee Redevelopment Authority authorized it's Chairman and Secretary to execute a Conveyance and Bill of Sale of the water utility system to the City of Fort Smith:

NOW THEREFORE, the Mayor is hereby authorized to execute necessary documentation to accept the Conveyance of the potable water system from the Fort Chaffee Redevelopment Authority.

PASSED AND APPROVED this _____ day of December 2010.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____ npr

INTER-OFFICE MEMO

TO: Ray Gosack, Acting City Administrator **DATE:** November 29, 2010

FROM: Steve Parke, Director of Utilities

SUBJECT: Fort Chaffee Redevelopment Authority
Conveyance of Water Utility System

On February 27, 2001, the Fort Chaffee Redevelopment Authority (FCRA) and the city entered into a Memorandum of Agreement (MOA) regarding a cooperative effort to implement a redevelopment plan for excess portions of the Fort Chaffee Military Reservation previously conveyed to FCRA by the Department of the Army. Among other provisions, the MOA established an interim operating period during which the city would serve as an independent contractor and agent for FCRA for providing the services of operating and maintaining the existing water system located within the FCRA properties. The MOA contemplated expiration of the interim operating period on September 1, 2005, at which time FCRA would transfer ownership of those portions of the existing FCRA water system, and subsequently constructed improvements, to the city.

The city has been operating and maintaining the FCRA water system since 2001. Any upgrades to the existing system have been made by FCRA with the city and FCRA working together on extensions to serve new industrial clients. With the transfer of the system to the city, the MOA contemplates that FCRA will still hold the primary responsibility for financing upgrades to the existing utility systems from revenues that they may realize from land sales or availability of grants. Once transferred and integrated into the city's overall water system, the city will not operate or upgrade this portion any differently than now provided for the other portions of its system.

On November 18, 2010, the FCRA authorized its Chairman and Secretary to execute a conveyance and bill of sale of the water utility system to the city. That document has been signed and forwarded to the city for final signatures. I have attached an Ordinance authorizing the Mayor to execute the necessary documents related to the conveyance of the FCRA water system.

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

attachment

CONVEYANCE AND BILL OF SALE OF WATER UTILITY SYSTEM

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, The Fort Chaffee Redevelopment Authority ("FCRA") is acknowledged as the public trust for the former Fort Chaffee Military Reservation ("FCMR") under Ark. Code Ann. § 12-63-103 and recognized as the local redevelopment authority for FCMR by the Office of Economic Adjustment on behalf of the Secretary of Defense with authority to oversee and implement the civilian reuse of the excess portion of FCMR, in accordance with a local-approved reuse plan; and

WHEREAS, Fort Smith is a municipal corporation created by the State of Arkansas with delegated authorities and responsibilities with reference to its owned properties and with reference to the real properties and inhabitants within its annexed territories; and

WHEREAS, on February 27, 2001, the FCRA and Fort Smith entered into a Memorandum of Agreement (the "MOA"), said agreement was amended to add thereto an Addendum No. 2 at the time Fort Smith, the City of Barling ("Barling") and FCRA entered into the Agreement to Adjust Municipal Boundaries, Provide Municipal Services and Related Issues pursuant to a Resolution of the governing body of Fort Smith adopted on July 25, 2002 ("Agreement to Adjust Municipal Boundaries"). The MOA and the Agreement to Adjust Municipal Boundaries are supplemented by an Interlocal Agreement Regarding Utilities between the Fort Smith, Barling and FCRA ("Interlocal Agreement Regarding Utilities") as authorized by Resolution No. R-182-02 of the governing body of Fort Smith on July 25, 2002; and

WHEREAS, the MOA, Addendum No. 2 to the MOA, and the Agreement to Adjust Municipal Boundaries all recognized and made provision for the transfer of those portions of the existing FCRA water system, and subsequently constructed improvements, operated by Fort Smith for FCRA during the Interim Operating Period, contemplated to expire September 1, 2005,

NOW THEREFORE, it is agreed as follows:

The Fort Chaffee Redevelopment Authority, an Arkansas Public Trust, Grantor, pursuant to the resolution of its Board of Trustees, in consideration of Ten Dollars ($10.00) and other valuable consideration, the receipt of which is hereby acknowledged, does hereby grant, sell, convey and assign, unto the City of Fort Smith, Arkansas, a municipal corporation, and unto its successors and assigns forever, all of the Grantor's right, title, and interest in and to:

1. All water lines, valves, hydrants, water meters, the Woods pump station and elevated storage tank, and related appurtenances as shown on Exhibit "A,"

– And –

2. A permanent water line easement to the City of Fort Smith, its successors and assigns, fifteen feet (15') in width and centered on all existing water lines shown on Exhibit "A," including by assignment noted areas outside FCRA ownership; provided,

(A) For the eighteen inch (18") water transmission line entering the FCMR along the north boundary with State Highway 255 (Zero Street) and extending along the route shown on Exhibit "A", FCRA grants, sells and conveys (or assigns easement rights conveyed by others) a permanent water line easement twenty five feet (25') in width and centered over said water transmission line shown on Exhibit "A," including noted areas outside FCRA ownership; and,

(B) For the twelve inch (12") water line located along and parallel to the noted east right-of-way of Wells Lake Road, from its connection to the eighteen inch (18") transmission line to Custer Blvd, FCRA grants, sells and conveys a permanent water line easement twenty feet (20') in width except for a segment two hundred sixty feet (260') in length and centered on the Wells Lake discharge culvert, for which segment the easement width is thirty feet (30').

Said water line easements described above are for the construction, operation, and maintenance of public (Fort Smith owned) water utilities with all appurtenances thereto, together with the right to remove trees, brush, undergrowth or other obstructions interfering with construction, operation and maintenance of said water utilities, with rights of ingress and egress across FCRA properties, including those subsequently assigned to others, to and from the same.

To have and to hold said easements unto the City of Fort Smith forever.

FCRA shall have the right to use the surface of the property above described as long as FCRA wishes, provided that FCRA, its successor or assigns, shall not interfere with the use thereof by Fort Smith, shall not erect a permanent building or other structure within any said easement, and shall provide gates acceptable to Fort Smith if any said easement is fenced.

FCRA and Fort Smith also acknowledge the previous conveyance of a water utility easement for that portion of the eighteen inch (18") water transmission line identified in 2(A) above relocated for construction of Route 71 (recorded Document No. 7187930). FCRA and Fort Smith acknowledge the previous conveyance, by special warranty deed, of property on which are located the Woods pump station and elevated storage tank (recorded Document No. 7212850). Also acknowledged are the water line easement for the water line between Woods pump station and storage tank sites (recorded Document No. 7212851) and a temporary access easement to the elevated storage tank site (recorded Document No. 7212852).

IN WITNESS WHEREOF, the Fort Chaffee Redevelopment Authority has caused these presents to be executed by its duly authorized Chairman and Secretary, and Grantee, in acceptance of the covenants, has caused these presents to be executed this ___ day of _____, 2010.

GRANTEE:

CITY OF FORT SMITH, ARKANSAS

_____
Mayor

ATTEST:

_____
City Clerk

GRANTOR:

FORT CHAFFEE REDEVELOPMENT AUTHORITY

By: J Michael Milton
Chairman

ATTEST:

Linda E. Schmidt
Secretary

APPROVED:

Jerry Owen
Executive Director

ACKNOWLEDGMENT

STATE OF ARKANSAS)
) ss.
COUNTY OF SEBASTIAN)

On this 22 day of NOVEMBER, 2010, before me, a Notary Public, duly commissioned, qualified and acting within and for said County and State, appeared in person the within-named J. MICHAEL MILTON AND LINDA E. SCHMIDT ~~Jerry Stewart and Carol Johansen~~, to me personally well known, who stated they are the Chairman and Secretary of the Fort Chaffee Redevelopment Authority, a public trust, and further stated that they had so signed, executed and delivered said foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

IN TESTIMONY WHEREFOR, I have set my hand and official seal this 22 day of NOVEMBER, 2010.

Janet S. Menshek
NOTARY PUBLIC

My Commission Expires:

9/7/20

JANET S. MENSHEK
NOTARY PUBLIC-ARKANSAS
SEBASTIAN COUNTY
COMMISSION NO. 12378277
COMMISSION EXP. 9-7-2020

ACKNOWLEDGMENT

STATE OF ARKANSAS)
) ss.
COUNTY OF SEBASTIAN)

On this ___ day of _____, 2010, before me, a Notary Public, duly commissioned, qualified and acting within and for said County and State, appeared in person the within-named _____ and _____, to me personally well known, who stated they are the Mayor and City Clerk of the City of Fort Smith, Arkansas, a municipal corporation, and further stated that they had so signed, executed and delivered said foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

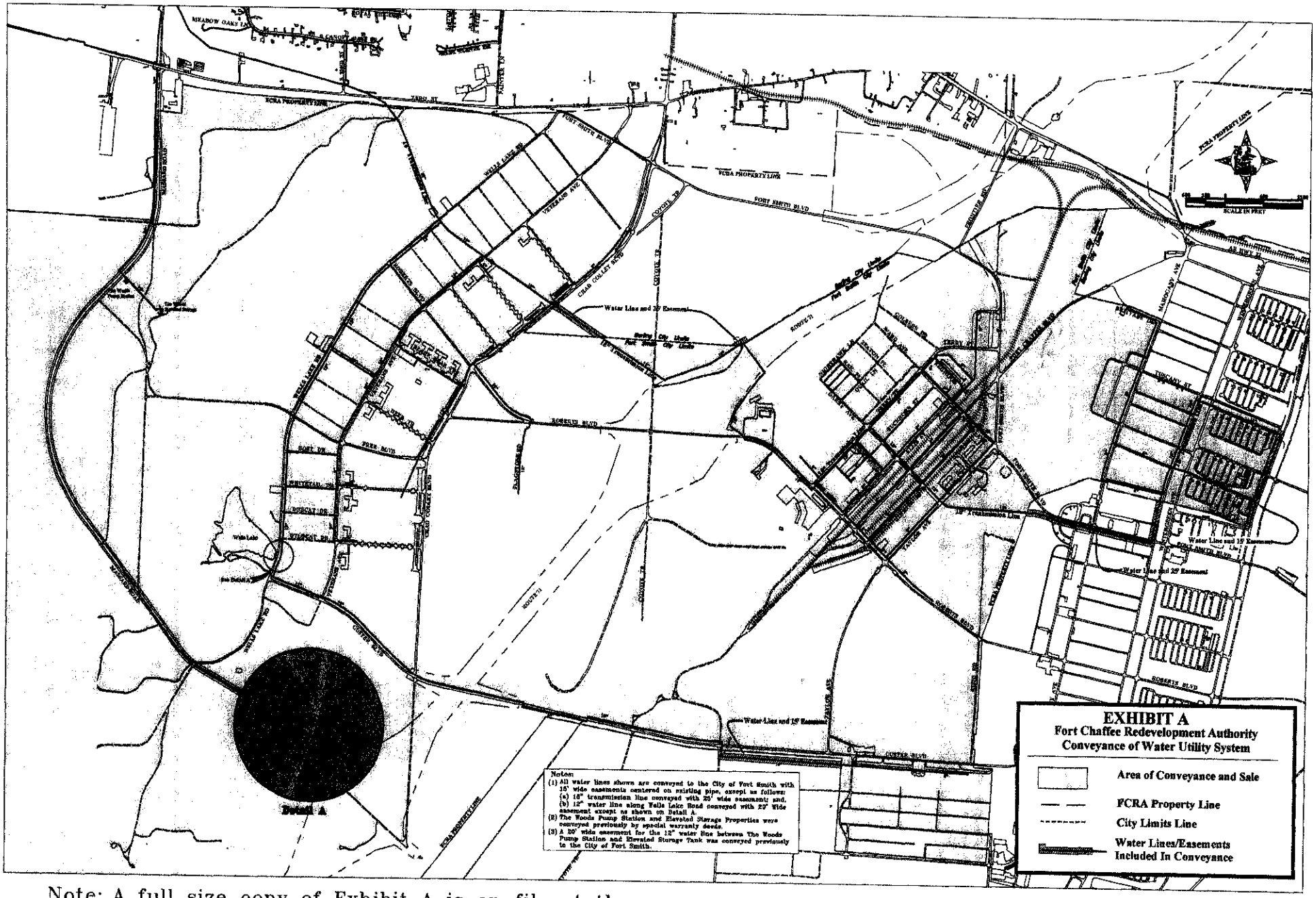
IN TESTIMONY WHEREFOR, I have set my hand and official seal this ___ day of _____, 2010.

_____
NOTARY PUBLIC

My Commission Expires:
_____

Document prepared by:

Jerry L. Canfield
Daily & Woods, P.L.L.C.
P.O. Box 1446
Fort Smith, AR 72902-1446



Note: A full size copy of Exhibit A is on file at the Office of City Clerk, City of Fort Smith, Arkansas

11 A

RESOLUTION NO. _____

A RESOLUTION APPROVING A CONTRACT WITH DAILY & WOODS, P.L.L.C. FOR GENERAL LEGAL SERVICES FOR 2011

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

The legal services agreement with Daily & Woods, P.L.L.C. for general legal services for 2011 attached hereto is hereby approved. The Mayor is hereby authorized to execute said agreement on behalf of the city.

THIS RESOLUTION PASSED THIS ____ DAY OF December, 2010.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

Approved as to form

_____
City Attorney
No Publication Required

The City of Fort Smith ARKANSAS

MEMORANDUM

December 1, 2010

TO: Mayor and Board of Directors

FROM: Ray Gosack, Acting City Administrator

SUBJECT: Legal Services

Attached for the board of directors' consideration is a resolution authorizing a contract for general legal services for 2011. Section 2-112 of the municipal code requires the board to approve a contract for legal services prior to the first of each calendar year.

Proposals for legal services were requested earlier this year. Daily & Woods was the only firm to submit a proposal for general legal services. They have provided legal services to the city for more than 35 years. The staff has negotiated a contract with Daily & Woods for general legal services for 2011. The hourly rate for 2011 is the same as 2010.

The staff recommends approval of the attached resolution. Please contact me if there's any questions or a need for more information.

Ray

Attachment

LEGAL SERVICES AGREEMENT

This Legal Services Agreement made the ___ day of _____, 2010, between the City of Fort Smith, Arkansas, a municipal corporation ("City"), acting by and through its authorized officers, and Daily & Woods, P.L.L.C., of 56 South 6th Street, Fort Smith, Arkansas ("Attorney").

WHEREAS, pertinent portions of Act 636 of the 1989 Acts of Arkansas (also contained within Fort Smith Code of Ordinances § 2-182) require annual notice of solicitation of bids for professional services, including, but not limited to, legal services, and,

WHEREAS, such notice has been duly published and a Statement of Qualifications and Performance Data has been received by the City from all persons or firms who desire to be considered by the City at the time the City enters into any contract for professional legal services throughout the year 2011, and,

WHEREAS, the City, having received and reviewed such Statement of Qualifications and Performance Data from the law firm of Daily & Woods, P.L.L.C., and the City having determined that said firm is the most qualified and capable in handling the legal services for the City, does hereby enter into this Agreement for the use of and compensation of such legal services, to-wit:

SECTION ONE

City retains Daily & Woods, P.L.L.C. to act as attorney for the City and to render to the City and its authorized officers all legal advice and to represent City and its authorized officers as provided in Fort Smith Code of Ordinances §§ 2-112, 2-113, and 2-114.

SECTION TWO

Attorney accepts the compensation schedule as outlined in Exhibit "1" to this Agreement.

SECTION THREE

As compensation in full for all services to be rendered by Attorney under and pursuant to this Agreement, City shall pay to Attorney for Attorneys' services such compensation as is set forth in detail in the letter attached hereto as Exhibit "1" and incorporated herein by reference.

SECTION FOUR

This Agreement shall terminate on December 31, 2011. This Agreement may also be terminated at any time after date of execution of this Agreement after written notice from either party to the other party.

SECTION FIVE

This Agreement shall be governed by, construed, and enforced in accordance with the law of Arkansas.

SECTION SIX

This Agreement constitutes the entire agreement between the parties, and any prior understanding or representation of any kind preceding the date of this Agreement shall not be binding on either party except to the extent incorporated in this Agreement.

SECTION SEVEN

Any modification of this Agreement or additional obligation assumed by either party in connection with this Agreement shall be binding only if in writing signed by each party or an authorized representative of each party.

SECTION EIGHT

The rights of each party under this Agreement are personal to that party and may not be assigned or transferred to any other person, firm, corporation, or other entity without the prior, express, and written consent of the other party.

Each party has caused this Agreement to be executed at Fort Smith, Arkansas, on the date indicated below.

Dated this ___ day of _____, 2010.

City of Fort Smith, Arkansas

By:_____
Mayor

Daily & Woods, P.L.L.C.

By:_____
Authorized Representative

Exhibit 1

DAILY & WOODS

A PROFESSIONAL LIMITED LIABILITY COMPANY
ATTORNEYS AT LAW

JERRY L. CANFIELD, P.A.
THOMAS A. DAILY, P.A.
WYMAN R. WADE, JR., P.A.
DOUGLAS M. CARSON, P.A.
ROBERT R. BRIGGS, P.A. † *
C. MICHAEL DAILY, P.A. †
COBY W. LOGAN*
L. MATTHEW DAVIS†
COLBY T. ROE

* Fayetteville Office
† Also Licensed in Oklahoma
° Certified Mediator

KMW BUILDING
58 SOUTH SIXTH STREET
P.O. BOX 1446
FORT SMITH, AR 72902
TELEPHONE (479) 782-0361
FAX (479) 782-6160

COMMERCE PARK II BUILDING
2049 EAST JOYCE BOULEVARD, SUITE 401
FAYETTEVILLE, AR 72703
TELEPHONE (479) 582-0361
FAX (479) 251-8111

JAMES E. WEST
PHILLIP E. NORVELL*
DALE CARLTON *

OF COUNSEL

HARRY P. DAILY (1886-1965)
JOHN P. WOODS (1886-1976)
JOHN S. DAILY (1912-1987)
BEN CORE (1924-2007)

WRITER'S E-MAIL ADDRESS
JCanfield@DailyWoods.com

November 9, 2010

Ms. Kara Bushkuhl
Director of Finance
623 Garrison Avenue, 5th Floor
Fort Smith, AR 72901

Re: 2011 Budget

Dear Ms. Bushkuhl:

Daily & Woods does not anticipate an increase in our hourly rate for providing general legal services to the City in 2011. The hourly rate is currently $130.00 per hour. Additionally, all actual expenses incurred, e.g., copying, postage, long distance phone calls, travel, etc., are to be reimbursed to Daily & Woods by the City.

Thank you for your attention to this matter.

Very truly yours,

Jerry L. Canfield
cmm

cc: Mr. Ray Gosack

Exhibit "1"

DAILY & WOODS

A PROFESSIONAL LIMITED LIABILITY COMPANY
ATTORNEYS AT LAW

JERRY L. CANFIELD, P.A.
THOMAS A. DAILY, P.A.
WYMAN R. WADE, JR., P.A.
DOUGLAS M. CARSON, P.A.
ROBERT R. BRIGGS, P.A. † *
C. MICHAEL DAILY †
COBY W. LOGAN*
L. MATTHEW DAVIS†
COLBY T. ROE

* Fayetteville Office
† Also Licensed in Oklahoma
* Certified Mediator

KMW BUILDING
58 SOUTH SIXTH STREET
P.O. BOX 1446
FORT SMITH, AR 72902
TELEPHONE (479) 782-0361
FAX (479) 782-6160

COMMERCE PARK II BUILDING
2049 EAST JOYCE BOULEVARD, SUITE 401
FAYETTEVILLE, AR 72703
TELEPHONE (479) 582-0361
FAX (479) 251-8111

JAMES E. WEST
PHILLIP J. NORVELL*
DALE CARLTON *

OF COUNSEL

HARRY P. DAILY (1886-1965)
JOHN P. WOODS (1886-1976)
JOHN S. DAILY (1912-1987)
BEN CORE (1924-2007)

WRITER'S E-MAIL ADDRESS
JCanfield@DailyWoods.com

November 9, 2010

Ms. Cindy Remler
City Clerk
City of Fort Smith
623 Garrison Avenue
Fort Smith, AR 72901

Re: Statement of Qualifications and Performance Data for Legal Services - 2011

Dear Ms. Remler:

We note the City's recent advertisement for receipt of "Statement of Qualifications and Performance Data" for professional services, including legal services, for the year 2011. On behalf of the firm of Daily & Woods, P.L.L.C., we respectfully request that the information in this letter and its attachments be filed as our "Statement of Qualifications and Performance Data" and be considered by the City for the year 2011.

We are enclosing a description of the educational and professional experience of the attorneys in the firm in the form of the most current publication of Martindale-Hubbell Law Directory, a national register of attorneys. All of the attorneys in our office are licensed as attorneys in the State of Arkansas and are actively engaged in the practice of law in the City of Fort Smith. The legal experience of the lawyers in our firm ranges from more than thirty five years of practice to others who have only recently commenced their legal practice. Because of our providing legal services to the City in the immediate past, all of the attorneys in our office have experience in areas of law material to the representation of the City, and some of the lawyers in our office are among those most experienced in the State of Arkansas in the areas of municipal corporation law. Michael Daily joined the firm in 2005, L. Matthew Davis joined the firm in 2007, and Colby Roe joined the firm in 2009.

As you know and as the records of the City reflect, the lawyers of this firm have provided legal services to the City since the adoption of the city administrator form of government in Fort Smith in the late 1960's. Mr. Rick Wade, with the assistance of other lawyers, provided services as District Court prosecutor from January, 1993, until 2007, when the City retained other lawyers to provide that function "in house." Mr. Wade has continued to provide "back up" assistance to the

City's retained prosecutors. We believe that this experience gives us valuable insight to the areas of law with which the City must deal and insight into the ongoing activities of the City. We believe such insight creates substantial efficiencies in our providing legal services for the City. We also note our firm's continued, direct involvement in some of the more significant capital improvements projects undertaken by the City in the past several years. The City continues to expend substantial sums on major capital projects, including streets and major utility facility expansions. We believe our experience from past involvement in said projects makes us uniquely qualified to continue to provide legal services to the City.

We look forward to continued service to the City and an opportunity to discuss and amplify on the information in this letter at your request.

The firm values the City as a very important client. All of our lawyers have the commitment to make ourselves available for the legal needs of the City. Please feel free to have your staff members call on any of the attorneys in the office for the performing of legal services.

So there is certainty regarding responsibility, we do note the following attorneys generally provide the following types of services for the City (again, please feel free to call any of the attorneys):

Jerry L. Canfield - Overall responsibility; general availability for immediate consultation by City staff; attending Board meetings; general litigation;

Wyman R. Wade, Jr. - Supplemental District Court Prosecutor's duties and Police Department civil rights litigation; general availability for immediate consultation by City staff;

Robert R. Briggs and Matt Davis - eminent domain and construction project consultations; employment litigation; general availability for immediate consultation by City staff; and,

Douglas Carson - workers' compensation and employment litigation.

Thank you for your attention to this matter.

Very truly yours,

Jerry L. Canfield
cmm

Enclosure
cc: Mr. Ray Gosack
Ms. Kara Bushkuhl

Print Close Window

Thomas A. Daily, (P.A.)

Thomas A. Daily, (P.A.) [redacted]
Member

Daily & Woods, P.L.L.C.
58 South 6th Street, P.O. Box 1446
Fort Smith, Arkansas 72902
(Sebastian Co.)

Telephone: 479-782-0361
Fax: 479-782-6160
http://www.dailywoods.com

Profile Visibility
#1 in weekly profile views out of 289 lawyers in **Fort Smith, Arkansas**
#1 in weekly profile views out of 1,142,079 total lawyers **Overall**

AV Peer Review Rated

Experience & Credentials Client/Peer Review Ratings™

Practice Areas	Natural Resources; Estate Planning Law; Commercial Law
University	University of the South, B.A., 1967
Law School	University of Arkansas, J.D., with honors, 1970
Admitted	1970, Arkansas
Memberships	Sebastian County, Arkansas (President, 2003-2004) and American Bar Associations.
Born	Fort Smith, Arkansas, January 8, 1946
Biography	Co-Author: "Well Now, Ain't That Just Fugacious, A Basic Primer of Arkansas Oil & Gas Law".
ISLN	908047404

View Client/Peer Review Ratings

Source: Martindale-Hubbell

Print Close Window

Print Close Window

Jerry L. Canfield, (P.A.)

Jerry L. Canfield, (P.A.) [redacted]
Member

Daily & Woods, P.L.L.C.
58 South 6th Street, P.O. Box 1446
Fort Smith, Arkansas 72902
(Sebastian Co.)

Telephone: 479-782-0361
Fax: 479-782-6160
http://www.dailywoods.com

Profile Visibility [i]
#1 in weekly profile views out of 289 lawyers in **Fort Smith, Arkansas**
#1 in weekly profile views out of 1,142,079 total lawyers **Overall**

AV Peer Review Rated

Experience & Credentials Client/Peer Review Ratings™

Practice Areas	Litigation; Appellate Practice; Municipal Law; Insurance Defense Law; Natural Resources Litigation
University	University of Arkansas, B.A. in Arts, 1968
Law School	University of Arkansas (Law, 1968; J.D., with highest honors, 1970)
Admitted	1970, Arkansas
Memberships	Sebastian County, Arkansas and American Bar Associations; Arkansas Association of Defense Counsel.
Born	Fayetteville, Arkansas, May 29, 1946
Biography	Case Editor, Arkansas Law Review, 1969. Instructor, Torts, University of Arkansas at Fayetteville Law School, 1974-1975. City Attorney, Fort Smith, Arkansas, 1974—.
ISLN	908566660

View Client/Peer Review Ratings

Source: Martindale-Hubbell

Print Close Window

Print Close Window

James E. West

James E. West
Of Counsel

Daily & Woods, P.L.L.C.
58 South 6th Street, P.O. Box 1446
Fort Smith, Arkansas 72902
(Sebastian Co.)

Telephone: 479-782-0361
Fax: 479-782-6160
http://www.dailywoods.com

Profile Visibility [i]
#1 in weekly profile views out of 289 lawyers in **Fort Smith, Arkansas**
#1 in weekly profile views out of 1,142,079 total lawyers **Overall**

AV Peer Review Rated

Experience & Credentials Client/Peer Review Ratings™

Practice Areas	Oil and Gas Law; Buying and Selling of Businesses Law; Probate Law
Law School	University of Arkansas, J.D., 1952
Admitted	1952, Arkansas
Memberships	Sebastian County (President, 1961) and Arkansas (President, 1973-1974) Bar Associations.
Born	Greenwood Junction, Oklahoma, May 9, 1928
Biography	Member, Board of Editors, Arkansas Law Review, 1951-1952.
ISLN	902835403

View Client/Peer Review Ratings

Source: Martindale-Hubbell

Print Close Window

Print Close Window

Wyman R. Wade, Jr. (P.A.)

Wyman R. Wade, Jr. (P.A.) [redacted]
Member

Daily & Woods, P.L.L.C.
58 South 6th Street, P.O. Box 1446
Fort Smith, Arkansas 72902
(Sebastian Co.)

Telephone: 479-782-0361
Fax: 479-782-6160
http://www.dailywoods.com

Profile Visibility [i]
#1 in weekly profile views out of 289 lawyers in **Fort Smith, Arkansas**
#1 in weekly profile views out of 1,142,079 total lawyers **Overall**

BV Peer Review Rated

Experience & Credentials Client/Peer Review Ratings™

Practice Areas	Employment Law; Family Law; Collections
University	University of Georgia; Florida State University, B.A., 1969; University of Arkansas, M.A., 1975
Law School	University of Arkansas, J.D., with honors, 1979
Admitted	1979, Arkansas
Memberships	Sebastian County (President, 1993-1994), Arkansas and American Bar Associations; The Association of Trial Lawyers of America; Arkansas Trial Lawyers Association.
Military	With U.S. Air Force, 1970-1973
Born	Jacksonville, Florida, September 7, 1946
Biography	Pi Sigma Alpha; Omicron Delta Kappa; Phi Alpha Delta. Editor-in-Chief, Arkansas Law Review, 1978-1979. Member, Arkansas Board of Bar Examiners, 1989-1995. City Prosecuting Attorney, Fort Smith, Arkansas, 1993-2007. Adjunct Professor, University of Arkansas, Fort Smith, 2005—.
ISLN	903024417

View Client/Peer Review Ratings

Source: Martindale-Hubbell

Print Close Window

Print Close Window

Douglas M. Carson, (P.A.)

Douglas M. Carson, (P.A.) [redacted]
Member

Daily & Woods, P.L.L.C.
58 South 6th Street, P.O. Box 1446
Fort Smith, Arkansas 72902
(Sebastian Co.)

Telephone: 479-782-0361
Fax: 479-782-6160
http://www.dailywoods.com

Profile Visibility [i]
#1 in weekly profile views out of 289 lawyers in **Fort Smith, Arkansas**
#1 in weekly profile views out of 1,142,079 total lawyers **Overall**

BV Peer Review Rated

Experience & Credentials Client/Peer Review Ratings™

Practice Areas	Insurance; Products Liability; Workers Compensation; Employment Discrimination Defense; Commercial Litigation; Natural Resources; Intellectual Property
University	University of Arkansas, B.A., 1979
Law School	University of Arkansas, J.D., 1982
Admitted	1983, Arkansas
Memberships	Sebastian County, Arkansas and American Bar Associations; Defense Research Institute, Inc.; Arkansas Association of Defense Counsel.
Born	Fort Sill, Oklahoma, February 7, 1955
Biography	Member, National Moot Court Team, 1980. Student Works Editor, Arkansas Law Review, 1981-1982. Director, Legal Writing & Appellate Advocacy, University of Arkansas School of Law, 1982-1983.
ISLN	908509179

View Client/Peer Review Ratings

Source: Martindale-Hubbell

Print Close Window

Print Close Window

C. Michael Daily, (P.A.)

C. Michael Daily, (P.A.) [redacted]
Member

Daily & Woods, P.L.L.C.
58 South 6th Street, P.O. Box 1446
Fort Smith, Arkansas 72902
(Sebastian Co.)

Telephone: 479-782-0361
Fax: 479-782-6160
http://www.dailywoods.com

Profile Visibility
#1 in weekly profile views out of 289 lawyers in **Fort Smith, Arkansas**
#1 in weekly profile views out of 1,142,079 total lawyers **Overall**

Experience & Credentials

Practice Areas	Natural Resources; Business Law; Estate Planning
University	Hendrix College, B.A., Economics/Business, 1999; University of Arkansas at Little Rock, M.B.A., 2002
Law School	University of Arkansas at Little Rock, J.D., 2005
Admitted	2005, Arkansas
Memberships	Sebastian County, Arkansas and American Bar Associations.
Born	Fort Smith, Arkansas, March 10, 1977
Biography	Phi Kappa Phi.
ISLN	918809573

Source: Martindale-Hubbell

Print Close Window

Print Close Window

Robert R. Briggs, (P.A.)

Robert R. Briggs, (P.A.) [redacted]
Member

Daily & Woods, P.L.L.C.
58 South 6th Street, P.O. Box 1446
Fort Smith, Arkansas 72902
(Sebastian Co.)

Telephone: 479-782-0361
Fax: 479-782-6160
http://www.dailywoods.com

Profile Visibility [i]
#1 in weekly profile views out of 289 lawyers in **Fort Smith, Arkansas**
#1 in weekly profile views out of 1,142,079 total lawyers **Overall**

Experience & Credentials

Practice Areas	General Practice; Real Estate; Natural Resources; Business Law; Estate Planning; Contract Law; Litigation
University	Providence College, B.A., cum laude, 1992
Law School	University of Arkansas, J.D., 2001
Admitted	2001, Arkansas; 2002, Oklahoma
Memberships	Washington County, Arkansas and Oklahoma Bar Associations; Arkansas Realtor's Association.
Born	Edmond, Oklahoma, October 23, 1966
Biography	Delta Theta Phi. Articles Editor, Arkansas Law Review, 2000-2001. Author: "Aycock Pontiac, Inc. v. Aycock: Express Trust Terms Beware-Implied Reversions are Here," 53 Ark.L.Rev. 885. Adjunct Professor, University of Arkansas, Fort Smith.
ISLN	916493644

Source: Martindale-Hubbell

Print Close Window

Print Close Window

C. Michael Daily, (P.A.)

C. Michael Daily, (P.A.) [redacted]
Member

Daily & Woods, P.L.L.C.
58 South 6th Street, P.O. Box 1446
Fort Smith, Arkansas 72902
(Sebastian Co.)

Telephone: 479-782-0361
Fax: 479-782-6160
http://www.dailywoods.com

Profile Visibility [i]
#1 in weekly profile views out of 289 lawyers in **Fort Smith, Arkansas**
#1 in weekly profile views out of 1,142,079 total lawyers **Overall**

Experience & Credentials

Practice Areas	Natural Resources; Business Law; Estate Planning
University	Hendrix College, B.A., Economics/Business, 1999; University of Arkansas at Little Rock, M.B.A., 2002
Law School	University of Arkansas at Little Rock, J.D., 2005
Admitted	2005, Arkansas
Memberships	Sebastian County, Arkansas and American Bar Associations.
Born	Fort Smith, Arkansas, March 10, 1977
Biography	Phi Kappa Phi.
ISLN	918809573

Source: Martindale-Hubbell

Print Close Window

Print Close Window

L. Matthew Davis, (P.A.)

L. Matthew Davis, (P.A.) [redacted]
Member

Daily & Woods, P.L.L.C.
58 South 6th Street, P.O. Box 1446
Fort Smith, Arkansas 72902
(Sebastian Co.)

Telephone: 479-782-0361
Fax: 479-782-6160
http://www.dailywoods.com

Profile Visibility [i]
#1 in weekly profile views out of 289 lawyers in **Fort Smith, Arkansas**
#1 in weekly profile views out of 1,142,079 total lawyers **Overall**

Experience & Credentials

Practice Areas	Natural Resources; Estate Planning
University	University of Arkansas at Little Rock, B.A., Liberal Arts, 1998; Arkansas Tech University, M.A., 2002
Law School	Oklahoma City University School of Law, J.D., 2006
Admitted	2007, Arkansas; 2008, Oklahoma
Memberships	Sebastian, Arkansas, Oklahoma and American Bar Associations.
Born	Fort Smith, Arkansas, August 14, 1973
Biography	Phi Alpha Delta. Robert J. Turner Inn of Court.
ISLN	919267167

Source: Martindale-Hubbell

Print Close Window

Colby T. Roe

12200 Lynwood Drive
Fort Smith, AR 72916
Phone: (479) 782-0361
croe@dailywoods.com

Education

2006-2009 **University of Arkansas School of Law**—Fayetteville, Arkansas
Juris Doctor, *summa cum laude*

Honors: GPA 3.803; Class Rank: 5/130
Dean's List (6 semesters)
Arkansas Law Review, Associate Editor 2008-2009, Candidate 2007-2008
Charles Pearson Fellowship Recipient (4 semesters)

Activities Phi Alpha Delta
Student Bar Association

2002-2005 **Arkansas Tech University**—Russellville, Arkansas
Bachelor of Arts, *cum laude*, History and Political Science

Honors: GPA 3.68
Dean's List (5 semesters)
Arkansas Tech University Academic Scholarship

Work Experience

Aug. 2009-Present **Daily & Woods, P.L.L.C.**—Fort Smith, Arkansas

- Practice areas: Natural Resources; Estate Planning; Criminal Defense; Appellate Practice; Business Law; Litigation

May 2007-Sep. 2008 **Davis, Wright, Clark, Butt, Carithers PLC**—Fayetteville, Arkansas

- Prepared preliminary legal documents, such as complaints
- Researched and drafted memoranda on topics including estate planning, legal malpractice defense, and insurance defense
- Attended depositions with attorneys
- Assisted in responding to written discovery requests

Sep. 2005-July 2006 **Wholesale Electric Supply**—Little Rock, Arkansas

- Interacted with vendors and customers
- Prepared job quotes
- Entered purchase orders for jobs
- Coordinated deliveries to jobs with warehouse

May 1998-Aug. 2005 **Dickerson Wholesale Supply**—Mulberry, Arkansas

- Received customer orders
- Stocked merchandise and conducted routine inventories
- Assisted in purchasing, pricing, and billing
- Prepared job quotes and marketed merchandise to potential customers

11B

RESOLUTION NO._____

A RESOLUTION APPROVING CLAIM SERVICE, SPECIFIC EXCESS INSURANCE AND AGGREGATE EXCESS INSURANCE FOR CITY'S WORKERS' COMPENSATION COVERAGE

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

SECTION 1: The Renewal Agreement with Regions Insurance to provide Claims Administration, Specific Excess Insurance and Aggregate Excess Insurance for the year 2011 for the Self-Insured Workers' Compensation program for employees of the City of Fort Smith, Arkansas is accepted.

SECTION 2: The City Administrator or his designee is hereby authorized to execute all documents necessary to bind coverage and secure the claims service.

This Resolution adopted this _____day of December 2011.

APPROVED:

_____

Mayor

ATTEST:

_____

City Clerk

Approved as to form
JSC
No publication required

MEMORANDUM

TO: **Ray Gosack, Acting City Administrator**

FROM: Richard B. Jones, Director of Human Resources

DATE: December 2, 2010

SUBJECT: **Workers' Compensation Resolution**

The total fixed cost for our self insured program will be approximately $108,858 for 2011. This includes claims administration and the purchase of specific and aggregate excess insurance. **(Most of the cost of our workers' compensation program is from medical treatment and lost time claims where an employee is unable to work)** The total fixed cost for our self insured program for 2010 will be approximately $104,475 (The final payroll has yet to be applied to the estimated premium). The total fixed cost for our self insured program for *2009 was $98,147 2008 ($95,938), 2007 ($93,973), 2006 ($95,993), 2005 ($101,876), 2004 ($86,629), 2003 ($82,084), and for 2002 ($87,611).*

Regions Insurance formerly Rebsamen Insurance/Crockett Adjustment has provided exceptional service to the City since July 1, 1989. During that time we have developed a close working relationship with all the individuals who service us. They have done an exceptional job keeping the cost of excess insurance and claims administration as low as possible. The claims adjusters working in conjunction with City staff have done an outstanding job of managing our claims as reflected in the attached Management View Report which benchmarks the performance of our Workers Compensation Program. I would recommend approval of the resolution.

REGIONS CLAIMS MANAGEMENT 2011 PRICING PROPOSAL FOR THE CITY OF FORT SMITH

Regions Claims Management submits for your review the following pricing options for administration of your workers compensation self-insurance program for the 01/01/2011 renewal:

One year proposal price with no increase:	$40,375.00 annually
Two year proposal price with a 3% reduction:	$39,163.75 annually

Midwest Employers Casualty Company

Excess Workers Compensation

QUOTATION SHEET

red: City of Fort Smith
Policy #: EWC005749

Policy Effective Date: 01/01/2011
Quote Date: 11/29/2010
Quote Expiration Date: 60 Days

	QUOTE OPTIONS					
POLICY TERMS	**0151816**	**0151745**	**0151746**			
State(s)	AR	AR	AR			
SPECIFIC:						
Specific Limit	STATUTORY	STATUTORY	STATUTORY			
Specific Retention	$400,000	$450,000	$500,000			
Specific Retention - 7710	$450,000	NA	NA			
Specific Retention - 7720	$450,000	NA	NA			
EMPLOYERS LIABILITY:						
Employers Liability Limit	$1,000,000	$1,000,000	$1,000,000			
Employers Liability Retention	See Specific	See Specific	See Specific			
AGGREGATE:						
Aggregate Limit	$1,000,000	$1,000,000	$1,000,000			
Rate as a % of Normal Premium	129.34%	131.44%	139.24%			
Estimated Aggregate Retention	$1,507,387	$1,531,861	$1,622,766			
Minimum Aggregate Retention	$1,477,239	$1,501,224	$1,590,310			
Aggregate Loss Limit	$400,000	$450,000	$500,000			
TING BASE:						
Est. Annual Payroll	$38,162,777	$38,162,777	$38,162,777			
Est. Annual Manual Premium	$1,165,445	$1,165,445	$1,165,445			
Length of Policy Period (Years)	1.000000	1.000000	1.000000			
Est. Policy Prd Normal Premium	$1,165,445	$1,165,445	$1,165,445			
Rate as a % of Normal Premium	5.98%	5.6%	5.03%			
PREMIUM:						
Total Est Policy Prd Premium (including Flat Charges)	$69,694	$65,265	$58,622			
Policy Prd Minimum Premium	$62,724	$58,738	$52,760			
Deposit Premium	$69,694	$65,265	$58,622			
Deposit Flat Charge(s)	NA	NA	NA			
Total Deposit Due	$69,694	$65,265	$58,622			
Terrorism Risk Ins Act of 2002 (incl in Total Deposit Due above)	$2,091.00	$1,958.00	$1,759.00			
Commission	15%	15%	15%			

CONDITIONS / COMMENTS:

* MECC must be notified of any aircraft changes occurring during the policy period.

Midwest Employers Casualty Company
QUOTATION - Endorsement Schedule

Insured Name: City of Fort Smith
Policy Number: EWC005749

Policy Effective Date: 1/1/2011
Quote Date: 10/28/2010
Quote Expiration Date: 60 Days

Quote(s) Include the following Endorsements:

CO-6 (3)	Amending Item 6 - Specific Retention (SIR) (only applies to option 0151816)
CO-11	Amending Item 11 - Classification of Operations
IO-60	Cancellation Notice Changed - Insured NOC 30 Days, MECC NOC 90 Days
IO-66	Definition of Payroll Pertaining to Volunteer Workers
IO-74A	Aircraft - Owned or Leased Coverage Excluded
IO-85	Notice of Terrorism Insurance Coverage
IO-86	Claims Information
IO-ARK	Arkansas

POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM
INSURANCE COVERAGE

Coverage for acts of terrorism, as defined in the Terrorism Risk Insurance Act as amended, (the "Act"), is included in the quote for your ☐ NEW or ☒ RENEWAL policy.

You are hereby notified that under the Act the definition of act of terrorism has changed. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury--in concurrence with the Secretary of State, and the Attorney General of the United States--to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Act.

However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Act contains a $100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds $100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed $100 billion, your coverage may be reduced.

The portion of your annual premium that is attributable to coverage for acts of terrorism as defined in the Act, is 3%, and does not include any charges for the portion of losses covered by the United States government under the Act.

Name of Insurer: Midwest Employers Casualty Company
Name of Insured: City of Fort Smith
Policy Number: EWC005749

Midwest Employers Casualty Company

A W. R. BERKLEY COMPANY

BEST PRACTICES

SERVICE

PARTNERSHIP

STRENGTH

INNOVATION

Management View Report

City of Fort Smith

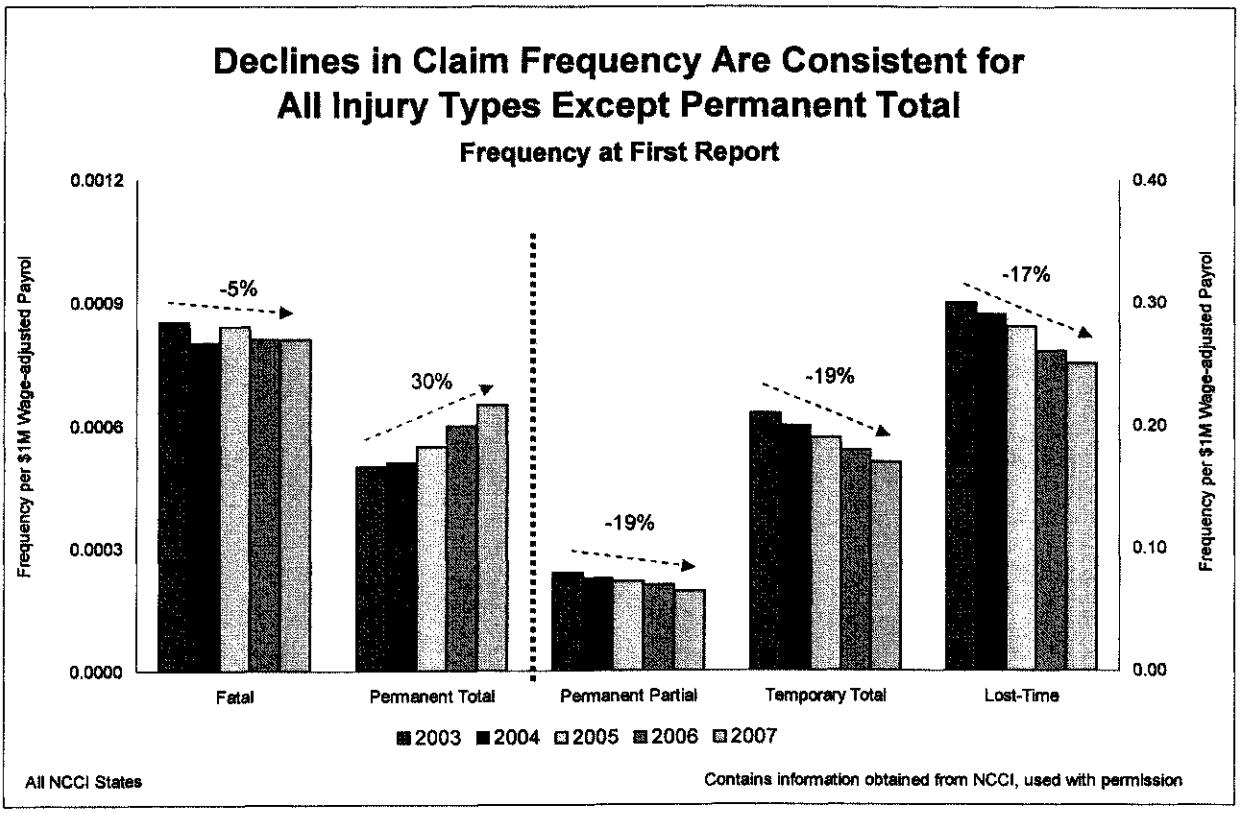
1/1/2005 - 12/31/2009

Workers' Compensation Frequency of Claims by Injury Type

This Management View Report evaluates City of Fort Smith's workers' compensation experience in their retained layer. Workers' Compensation claims behave differently among types of injury. The exhibit below published by the NCCI illustrates claim frequencies are decreasing in recent years for all types of injury except Permanent Total injuries and Fatalities.

The impact of increasing frequency of Permanent Total injuries is limited in the retained layer by the self-insured retention, but is fully realized in the excess layer. Permanent Total injuries comprise half of excess claim dollars.

The retained layer trends in this MVR are different than trends in the excess layer. The MVR focuses on City of Fort Smith's retained layer to faciliate analysis of claim dollars impacting City of Fort Smith's Total Cost of Risk. Claims in an employer's excess layer are typically volatile and unpredictable, thus distort benchmarking results and are exluded from the MVR.



"...the increase in Permanent Total claims was not being driven by any particular market segment. All major industries, geographic regions, and employer sizes have experienced an increase."

Source: NCCI Research Brief, July 2009

City of Fort Smith's Benchmark Expected Losses

MECC has developed a unique benchmarking technique for evaluating workers' compensation programs. Unlike traditional benchmarking approaches, MECC has the ability to compare your loss experience against a composite industry benchmark specific to your state and class code exposure distribution. Our proprietary Benchmark Database contains nearly 20 years of expected claim frequency and loss severity to develop your benchmark according to your particular workers' compensation exposure distribution to class code.

MECC purchases yearly Workers' Compensation exposure and claim data from the NCCI and individual state's Workers' Compensation bureaus. The claim information is

* Dissected and actuarially analyzed by state, class code, type of injury, and benefit
* Trended and developed to its estimated ultimate value when all claims are closed
* Expressed relative to its underlying payroll exposure.

MECC's proprietary Benchmark Database is comprised of these expected losses relative to payroll exposure across class codes, states, and years.

City of Fort Smith's payroll exposure is also assembled by class, state, and year. All job classifications are included, and the largest classes based on payroll volume are:

* 7720 - Police Officers
* 7710 - Firefighters & Drivers
* 8810 - Clerical Office Employees Noc
* 9410 - Municipal Township Empl Noc
* 9403 - Garbage Ashes Refuse Collectng

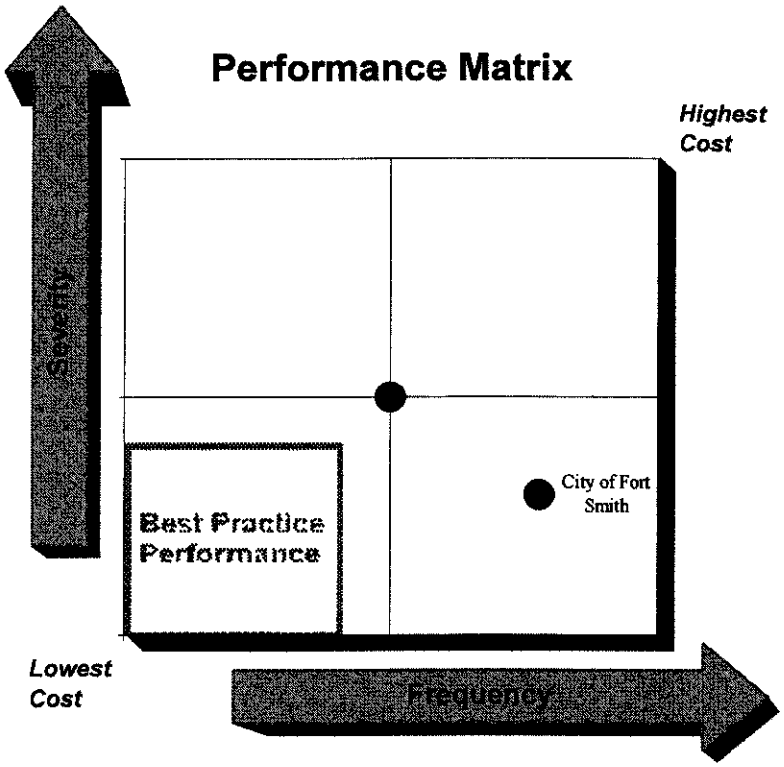
Expected losses relative to payroll from MECC's Benchmark Database are applied to City of Fort Smith's payroll. This is City of Fort Smith's unique Benchmark expected loss.

Note City of Fort Smith is not being compared to any particular company in this Benchmarking process. Rather, City of Fort Smith is compared to the average expected experience for a 'clone' company with the same payroll exposure as City of Fort Smith. This expectation is based on the experience of many other employers. For example, MECC's Benchmark Database contains over $70,000,000 of annual payroll exposure and associated claims in class 7720 in Arkansas, aggregated from many employers with employees classified as 7720.

The last page of the Benchmarking Results section of this Management View Report compares the performance of City of Fort Smith to other similar employers' performance relative to their own unique Benchmark.

Executive Summary

The following matrix shows City of Fort Smith's performance for the period 1/1/2005 - 12/31/2009. MECC recommends self-insurers strive to achieve 20% fewer claims and 20% less cost per claim than their Benchmark; this is the Best Practice Performance Level.



Frequency:
City of Fort Smith is expected to incur 56% more claims than their unique benchmark.

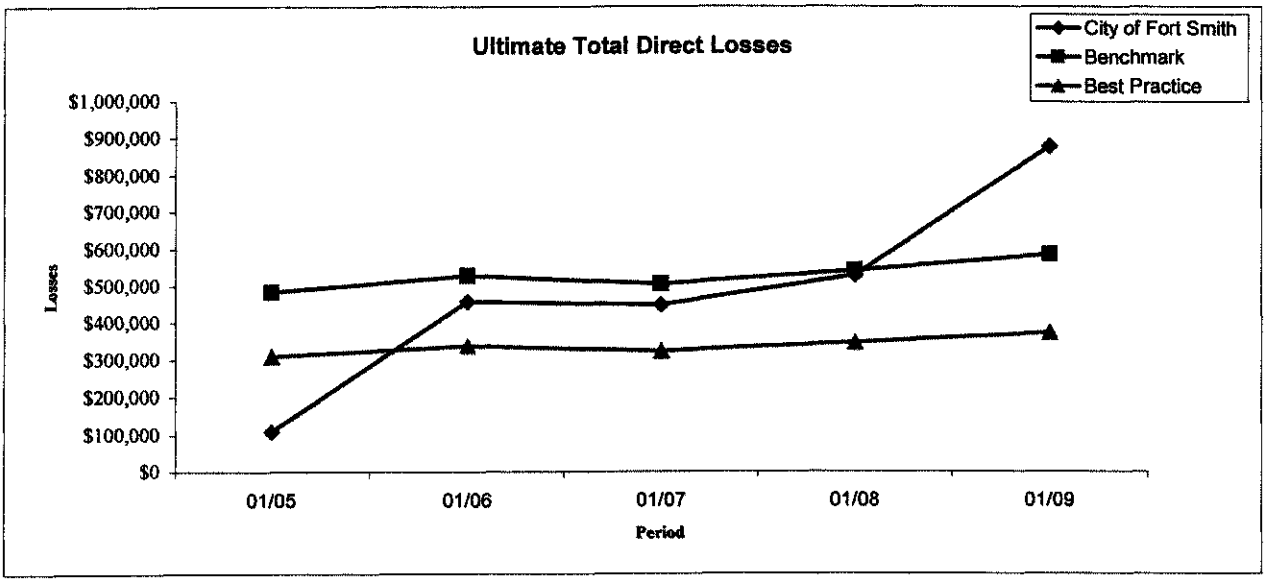
Severity:
City of Fort Smith's average cost per claim is 41% less than their unique benchmark.

Total Cost:
City of Fort Smith's total direct losses are $222,100 less than their unique benchmark, and $731,600 more than the Best Practice Performance Level.

Less than 10% of employers analyzed by MECC perform within the Best Practice area.

Benchmarking Results: Total Direct Losses

MECC analyzed City of Fort Smith's historical performance for the period 1/1/2005 - 12/31/2009. Using data valued as of 8/9/2010, ultimate total losses incurred by policy periods are expected to be:



						Total	Avg.	Diff.
City of Fort Smith	$109,000	$460,000	$449,000	$529,000	$880,000	$2,427,000	$485,400	
Benchmark	$484,827	$529,735	$505,931	$542,133	$586,435	$2,649,061	$529,812	-8%
Best Practice	$310,289	$339,030	$323,796	$346,965	$375,319	$1,695,399	$339,080	43%
Period	1/1/05	1/1/06	1/1/07	1/1/08	1/1/09			

City of Fort Smith is expected to ultimately incur $222,100 less total direct losses than their unique benchmark for the historical period evaluated.

Midwest Employers Casualty Company

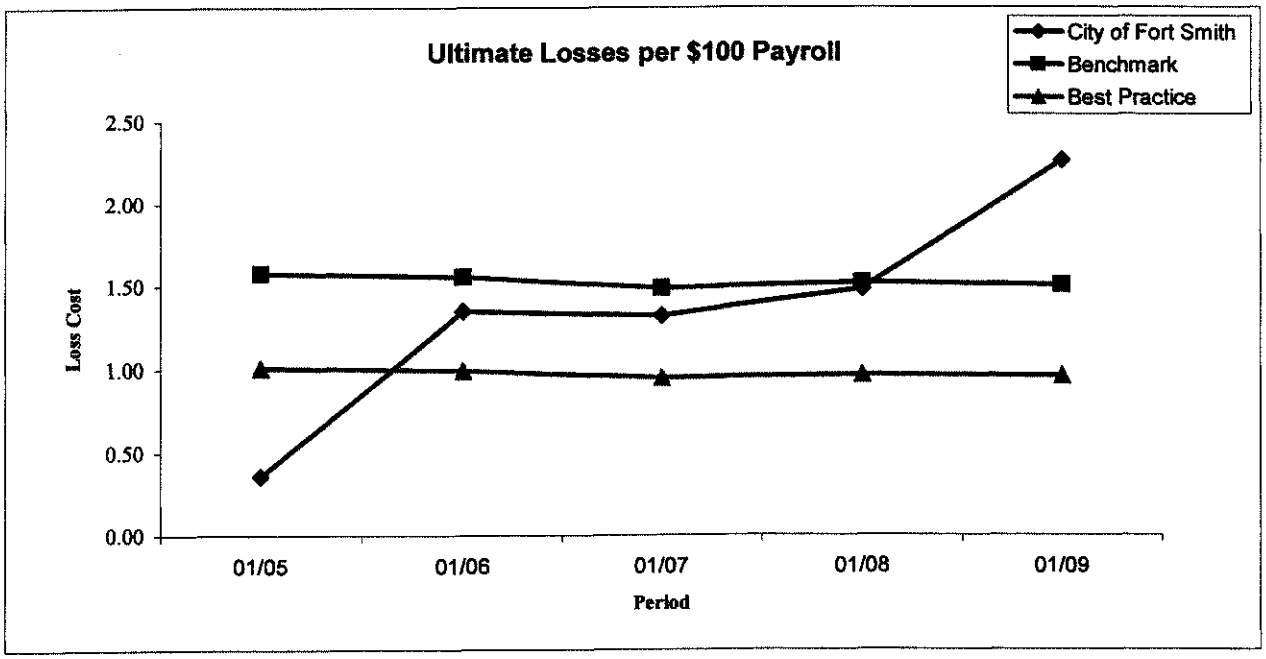
City of Fort Smith's Incurred Large Losses

City of Fort Smith has incurred the following large losses, reflected in their Average Cost per Claim. Individual losses are limited to the self-insured retention in the Benchmarking Results, and do not reflect losses in the excess layer. The retention used for the most recent period is $300K/$350K. The claim values below are unlimited paid and incurred as of the most recent evaluation date, and may not reflect their current nor ultimate value.

Period	Claim Information	Paid Loss	Incurred Loss		
					Annual Total
01/01/03	Robertson - 7/22/03, Lifting, Back Strain	71,689		71,689	
01/01/03	Bahsoon - 8/25/03, Lifting, Back Strain	55,317		55,317	**127,006**
01/01/04	Jones - 12/31/04, Shoulder	60,614		60,614	**60,614**
01/01/06	Qualis - 4/17/06, Lifting, Back Strain	73,285		73,285	
01/01/06	Hartman - 7/20/06, Lifting, Shoulder, Back Strain	98,637		98,637	
01/01/06	Shofner, Chandler, Smith - 11/1/06, MVA, 3 EEs	57,061		57,061	**228,984**
01/01/07	Martinez - 3/23/07, Shot, Fatal	78,464		93,627	
01/01/07	Collins - 4/25/07, Chasing Suspect, Shoulder Strai	45,547		79,008	**172,634**
01/01/08	McClain - 1/3/08, Fighting Fire, Fall, Multiple	122,072		312,581	**312,581**
01/01/09	Teague - 6/17/09, Right Leg	117,386		253,875	
01/01/09	Brammer - 7/12/09, neck	39,653		61,174	
01/01/09	Love - 8/27/09, back	28,002		50,451	
01/01/09	Parsons - 11/1/09, shot four times while conducting	19,366		96,107	**461,608**

Benchmarking Results: Loss Costs per $100 of Payroll

MECC analyzed City of Fort Smith's historical performance for the period 1/1/2005 - 12/31/2009. Using data valued as of 8/9/2010, ultimate loss costs incurred by policy periods are expected to be:



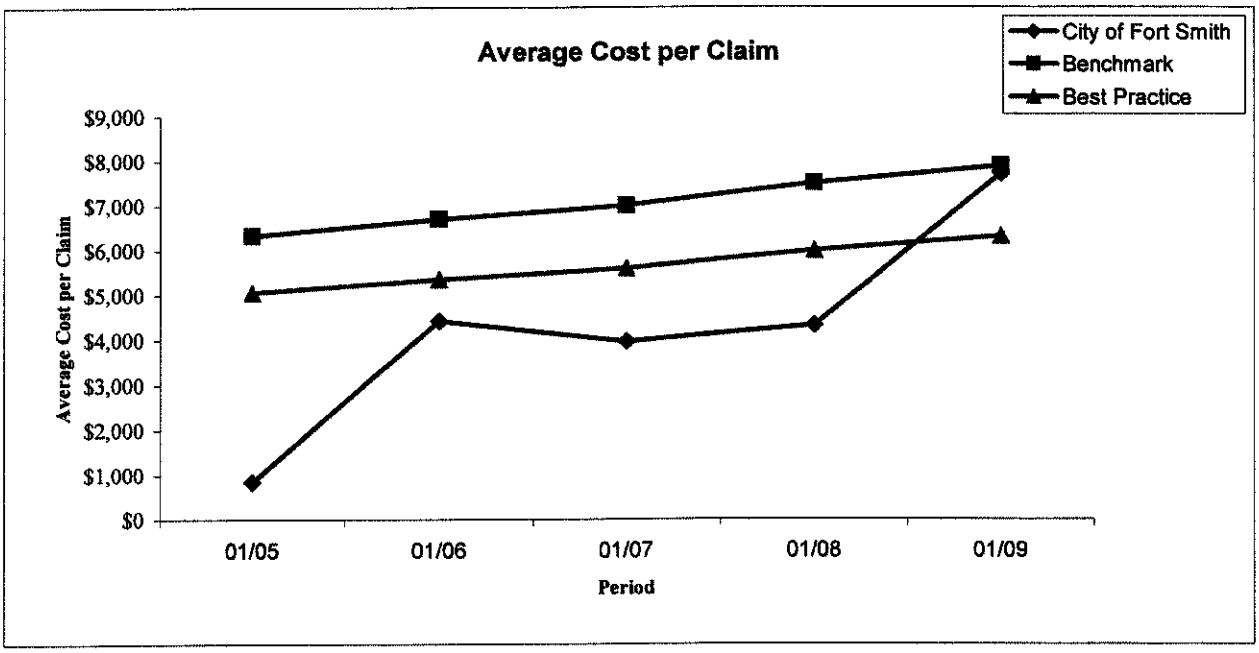
						Avg.	Diff.
City of Fort Smith	0.35	1.35	1.32	1.48	2.26	1.40	
Benchmark	1.58	1.56	1.49	1.52	1.51	1.53	-8%
Best Practice	1.01	1.00	0.95	0.97	0.97	0.98	43%
Period	1/1/05	1/1/06	1/1/07	1/1/08	1/1/09		

Loss costs are defined as [(Ultimate Incurred Losses)/($100 Payroll)]. Because this calculation uses an exposure unit ($100 Payroll), the analysis offers a more conclusive comparison of the total loss dollars incurred over time, regardless of changes in total payroll, or periods that don't follow a standard 12-month duration.

By performing 8% better than their unique benchmark over the historical period evaluated, City of Fort Smith has saved $0.13 per $100 of payroll.

Benchmarking Results: Average Cost per Claim

MECC analyzed City of Fort Smith's historical performance for the period 1/1/2005 - 12/31/2009. Using data valued as of 8/9/2010, expected results for the average cost per claim of injuries are as follows:



						Avg.	Diff.
City of Fort Smith	**$845**	**$4,423**	**$3,973**	**$4,336**	**$7,719**	**$4,170**	
Benchmark	**$6,334**	**$6,709**	**$7,005**	**$7,507**	**$7,903**	**$7,080**	**-41%**
Best Practice	**$5,067**	**$5,367**	**$5,604**	**$6,005**	**$6,323**	**$5,664**	**-26%**
Period	1/1/05	1/1/06	1/1/07	1/1/08	1/1/09		

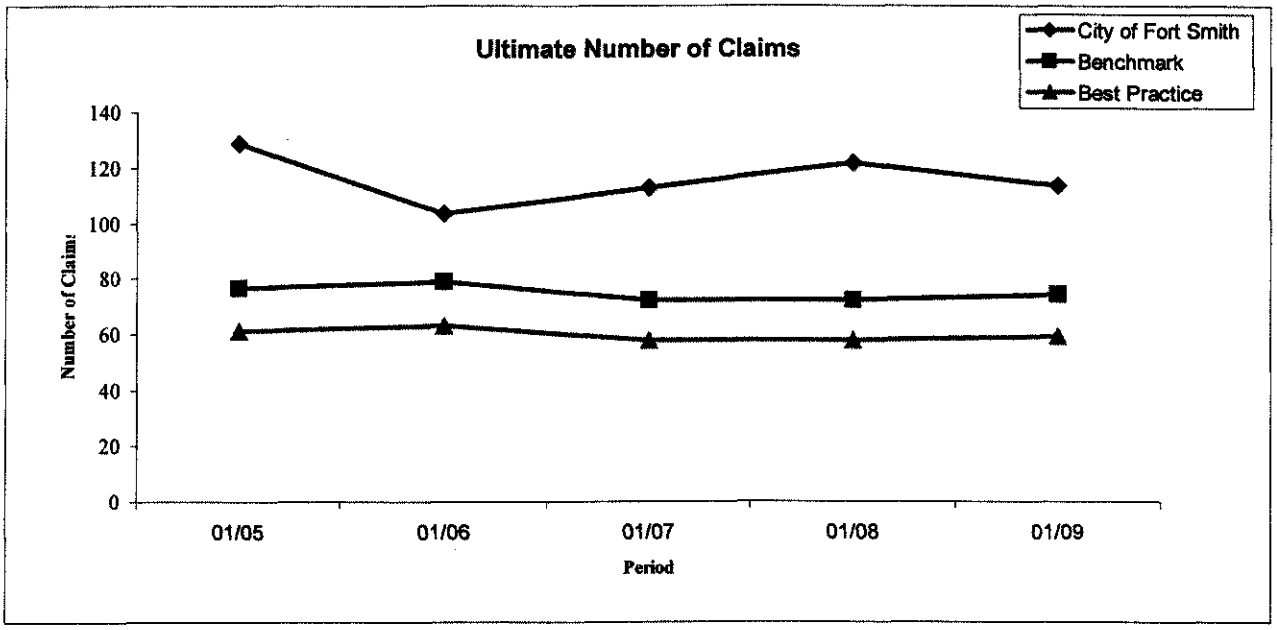
Severity is defined as [(Ultimate Total Losses)/(Ultimate Number of Claims)]. This result is the average

City of Fort Smith is expected to incur $2,910 less loss dollars per claim than their unique benchmark over the entire historical period analyzed.

If a goal of reducing the severity of claims by 5% is applied, City of Fort Smith would save $24,000 per year in direct losses if the number of claims remained constant.

Benchmarking Results: Number of Claims

MECC analyzed City of Fort Smith's historical performance for the period 1/1/2005 - 12/31/2009. Using data valued as of 8/9/2010, expected results for the number of injuries are as follows:



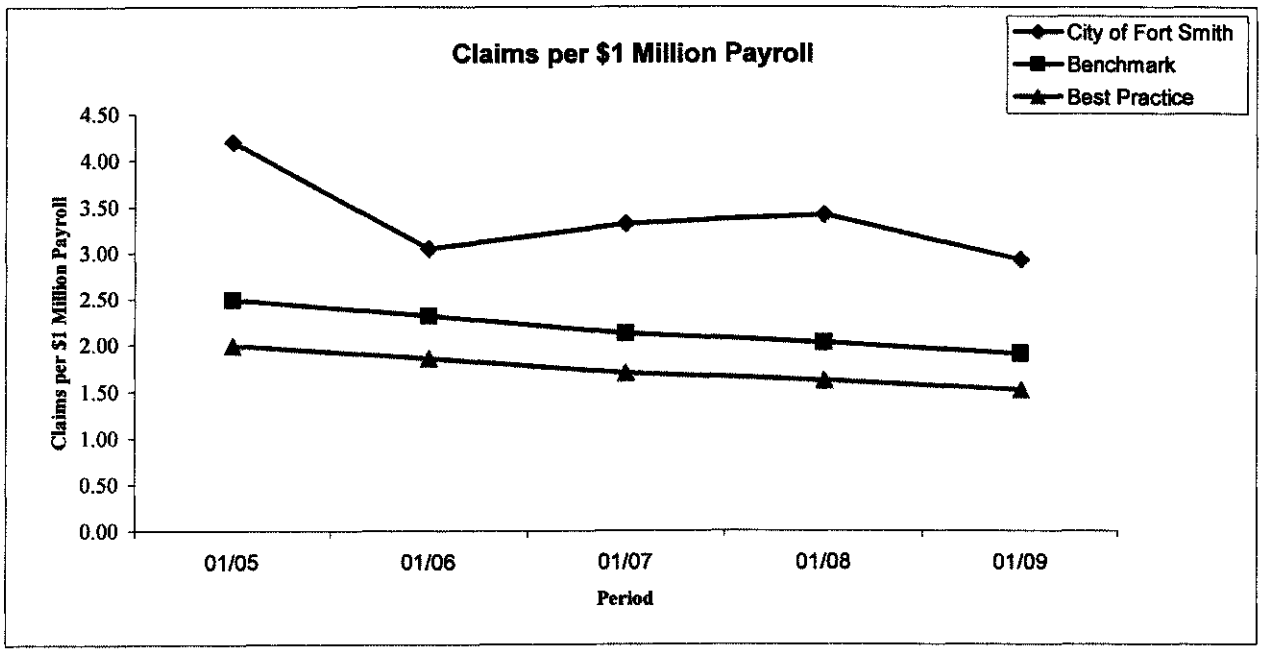
						Total	Avg.	Diff.
City of Fort Smith	129	104	113	122	114	582	116	
Benchmark	77	79	72	72	74	374	75	56%
Best Practice	61	63	58	58	59	299	60	94%
Period	1/1/05	1/1/06	1/1/07	1/1/08	1/1/09			

City of Fort Smith is expected to incur 56% more claims than their unique benchmark over the entire historical period analyzed. Specifically, City of Fort Smith is expected to incur 208 more claims than their unique benchmark.

If a goal of reducing the number of claims to the benchmark level is applied, City of Fort Smith would save $173,000 per year in direct losses if the average cost per claim remained constant.

Benchmarking Results: Claims per $1 Million of Payroll

MECC analyzed City of Fort Smith's historical performance for the period 1/1/2005 - 12/31/2009. Using data valued as of 8/9/2010, expected results for the frequency rate of injuries are as follows:



						Avg.	Diff.
City of Fort Smith	**4.20**	**3.06**	**3.32**	**3.42**	**2.93**	**3.36**	
Benchmark	**2.49**	**2.32**	**2.12**	**2.03**	**1.91**	**2.16**	**56%**
Best Practice	**1.99**	**1.86**	**1.70**	**1.62**	**1.53**	**1.73**	**94%**
Period	1/1/05	1/1/06	1/1/07	1/1/08	1/1/09		

Frequency is defined as [(Number of claims) / ($1M of Payroll)]. Because this calculation uses an exposure unit ($1M payroll), the analysis offers a more conclusive comparison of the number of injuries incurred over time, regardless of changes in total payroll, or periods that don't follow a standard 12-month duration.

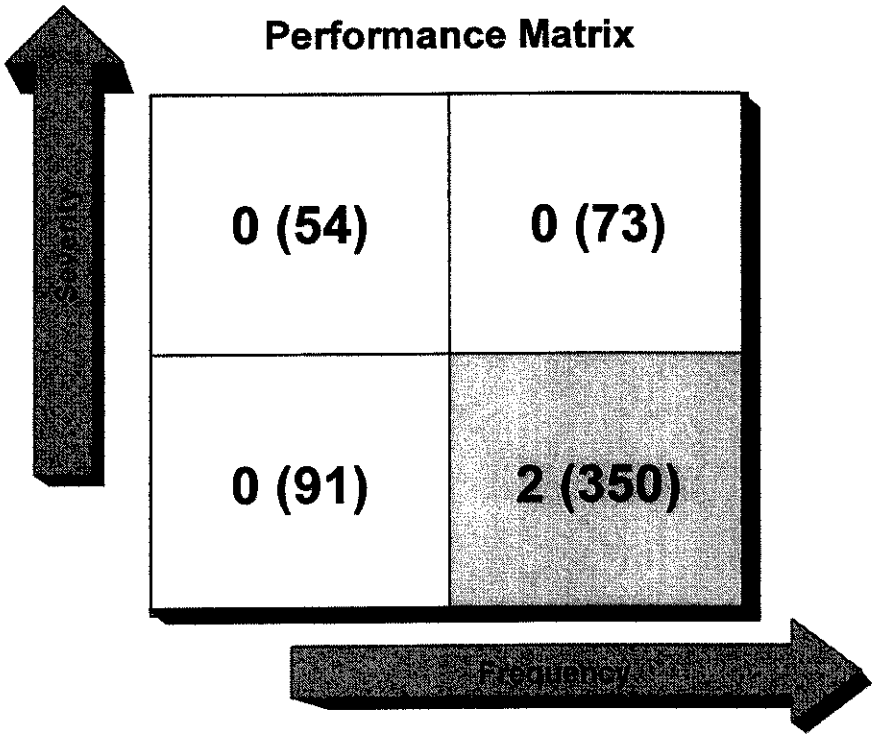
Economic Impact of Workers' Compensation

Historical Average	Benchmark	City of Fort Smith	City of Fort Smith 10% Improvement Goal
Expected Number of Claims	75	116	105
Expected Average Cost Per Claim	$7,080	$4,170	3,753
Expected Total Direct Losses	$529,812	$485,400	436,860
Estimated Total Indirect Losses(1:1 ratio)	$529,812	$485,400	$436,860
TOTAL COST OF RISK (direct costs + indirect costs)	$1,059,624	$970,800	$873,720
POTENTIAL SAVINGS OPPORTUNITY (City of Fort Smith TCOR - Goal TCOR)			$97,080

Benchmarking Results: Comparison to Similar Self-Insured Employers

MECC has analyzed similar Government employer's performance in the state of Arkansas. The Performance Matrix below displays City of Fort Smith's and similar employer's performance by quadrant, using each employer's own unique benchmark.

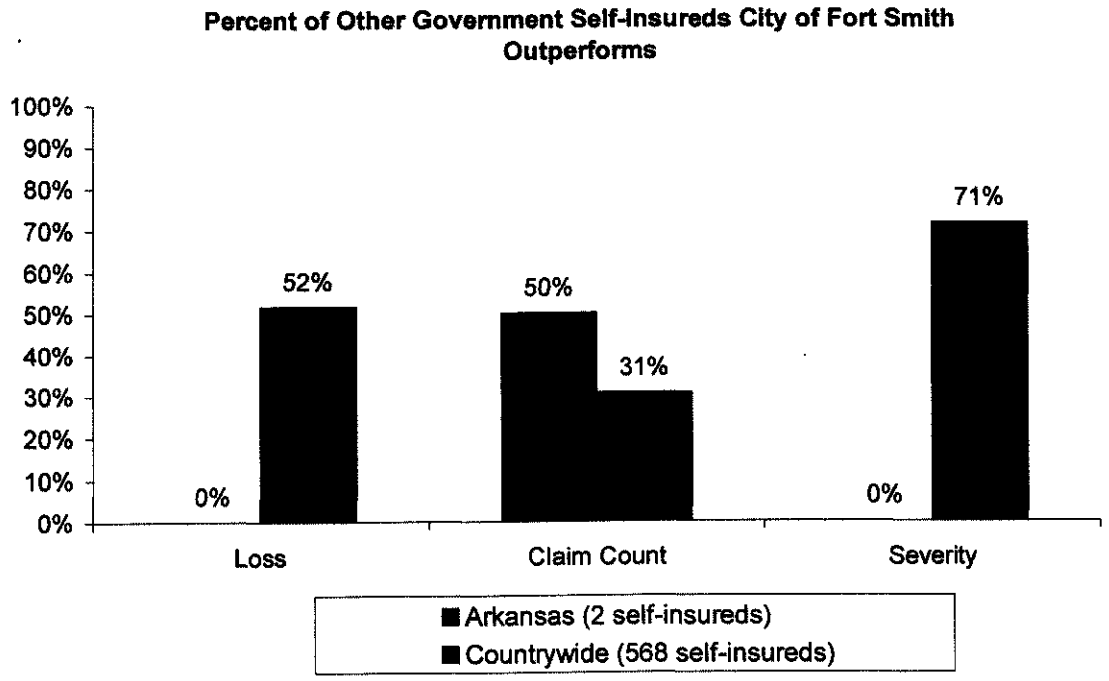
Distribution of Similar Employers Compared to Their Own Benchmark:



Number of Employers in the State and (Countrywide)
Example: 0 Government self-insured employers in Arkansas perform in Quadrant 1

Benchmarking Results: Comparison to Similar Self-Insured Employers

MECC has analyzed similar Government employer's performance in the state of Arkansas. The chart below shows City of Fort Smith's frequency, severity, and total loss (relative to their unique benchmark) compared among their peer's performance (to their respective unique benchmarks).



Example: City of Fort Smith outperforms 0% (0 of 2) government self-insureds in Arkansas (in terms of total losses relative to benchmark)

Midwest Employers Casualty Company

MECC Best-Practice Advisory Team

Dewayne Reeder
Client Services Account Manager
Works closely with you and your staff to identify opportunities for program improvement, establish a plan to enhance your program and assist with reducing Lost Economic Opportunity
Phone: 940.497.3238
Email: dreeder@mwecc.com

Sue Westercamp
Client Trainer and Administrator
Provides training for Safety Cornerstones and other MECC University training courses and resources
Phone: 636.449.7151
Email: swestercamp@mwecc.com

Ryan Fegan
Claims Analyst
Works with your claims administrator and provides consultation on all serious claims
Phone: 636.449.7260
Email: rfegan@mwecc.com

Ryan Fegan
Claims Attorney
Provides legal consultation and resources for claims
Phone: 636.449.7260
Email: rfegan@mwecc.com

Patty Reinecke
Medical Management Consultant
Works directly with you or your claims handler on medical management and cost containment measures, including Medicare Set Aside (MSA) assistance on claims being postured for settlement
Phone: 636.449.7168
Email: preinecke@mwecc.com

Darrell Toenjes
Healthcare Risk Management Consultant
A Certified Healthcare Safety Professional (CHSP) available to assist design, develop and implement best practice programs
Phone: 314.226.9706
Email: dtoenjes@mwecc.com

City of Fort Smith-- Claims data input

Accident	Claim Status	Elec. Detail		08/09/10
Period	or	LL: Complete		Actual
Starting	Name/Description	Counts	Paid	Incurred
-------	----------	CNPs ex.		Complete - Net
01/01/04	**Reported Claims:**	**120**	**266,455**	**266,455**
	Closed Claims:	120		
	Open Claims:	0		
70	Jones - 12/31/04, Shoulder	1	60,614	60,614
	Minor Injuries:	119	205,841	205,841
01/01/05	**Reported Claims:**	**129**	**106,477**	**106,477**
	Closed Claims:	129		
	Open Claims:	0		
75	Large Claim			
	Minor Injuries:	129	106,477	106,477
01/01/06	**Reported Claims:**	**104**	**427,830**	**432,330**
	Closed Claims:	103		
	Open Claims:	1		
75	Thompson - 4/10/06, Leg			
75	Qualis - 4/17/06, Lifting, Back Strain	1	73,285	73,285
75	Hartman - 7/20/06, Lifting, Shoulder, Back Strain	1	98,637	98,637
75	Shofner, Chandler, Smith - 11/1/06, MVA, 3 EEs	1	57,061	57,061
	Minor Injuries:	101	198,847	203,347
01/01/07	**Reported Claims:**	**113**	**339,667**	**389,109**
	Closed Claims:	110		
	Open Claims:	3		
75	**Martinez - 3/23/07, Shot, Fatal**	1	78,464	93,627
75	Collins - 4/25/07, Chasing Suspect, Shoulder Strain	1	45,547	79,008
	Minor Injuries:	111	215,656	216,475
01/01/08	**Reported Claims:**	**122**	**299,047**	**489,557**
	Closed Claims:	121		
	Open Claims:	1		
75	McClain - 1/3/08, Fighting Fire, Fall, Multiple	1	122,072	312,581
	Minor Injuries:	121	176,975	176,975
01/01/09	**Reported Claims:**	**114**	**456,842**	**768,589**
	Closed Claims:	101		
	Open Claims:	13		
80	Teague - 6/17/09, Right Leg	1	117,386	253,875
80	Brammer - 7/12/09, neck	1	39,653	61,174
80	Love - 8/27/09, back	1	28,002	50,451
80	Parsons - 11/1/09, shot four times while conducting	1	19,366	96,107
	Minor Injuries:	110	252,436	306,981
01/01/10	**Reported Claims:**	**86**	**90,457**	**188,597**
	Closed Claims:	27		
	Open Claims:	59		
80	LL			
	Minor Injuries:	86	90,457	188,597

11.C

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE CHIEF OF POLICE TO ACCEPT THE FY 2010 COMMUNITY ORIENTED POLICING SERVICES (COPS) HIRING PROGRAM GRANT

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

The Chief of Police shall be authorized to accept the FY 2010 COPS Hiring Recovery Program Grant, which will fund two additional police officer positions for the City of Fort Smith.

This Resolution passed and approved this _____day of _____, 2010.

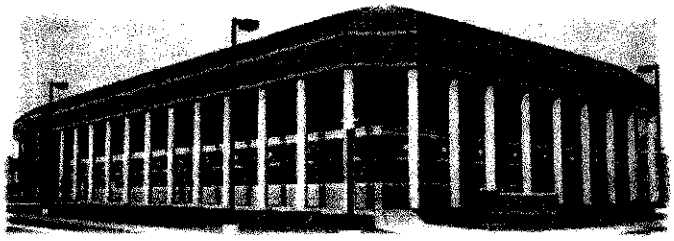
APPROVED:

_____
MAYOR

ATTEST:

_____
CITY CLERK

Approved as to form: _____ npr
City Attorney



Fort Smith Police Department

Kevin Lindsey, Chief of Police

INTERDEPARTMENTAL MEMORANDUM

To: **Ray Gosack, Acting City Administrator**

From: **Kevin Lindsey, Chief of Police**

Subject: **2010 Community Oriented Policing Services (COPS) Hiring Grant**

Date: **November 30, 2010**

Attachment: **2010 COPS Grant Award Letter and Terms/Conditions**

In 2009, as the Fort Smith Police Department was looking for ways to fund our School Resource Officer (SRO) Program, application was made for the 2009 COPS Hiring Program Grant. Ultimately our grant request for funding for two SRO positions was denied by the COPS Office but we were able to secure funding for the SRO positions.

In May of 2010 we received notification from the COPS Office, inviting our department to renew its application for funding to hire new officers. The application was renewed, requesting funding for two new officers to be used in the Tactical Patrol Program, Neighborhood Problem Solving meetings, and possibly on the Bicycle Unit when manpower allows.

The 2010 COPS Hiring Grant will pay salary and benefits for two officers over a period of three years. The City must commit to paying salary and benefits for the officers for a fourth year under the terms and conditions of this grant. The City will be awarded $351,984 to fund the two new officer positions for a period of three years. This amount will not fund any raises the officers might receive in future years. Accepting this grant would allow the department to increase its sworn strength to 170 officers and help to relieve manpower shortages in the Patrol Division due to the current hiring freeze. Initial costs incurred with acceptance of this grant will include initial equipment and uniform issuance, which will be absorbed by the Department within our proposed 2011 budget.

U.S. Department of Justice
Office of Community Oriented Policing Services (COPS)

Office of the Director
1100 Vermont Avenue, N.W.
Washington, DC 20530

September 30, 2010

Chief of Police Kevin Lindsey
City of Fort Smith
100 South 10th Street
Fort Smith, AR 72901

Re: COPS Hiring Program Grant # 2010UMWX0018
ORI#: AR06601

Dear Chief of Police Lindsey:

Once again, I would like to congratulate you on receiving a COPS Hiring Program (CHP) award. Your award is for 2 officer positions and $351,984 in federal funds over a three-year grant period. Your agency may now begin hiring or rehiring officers to fill CHP grant-funded positions.

Enclosed in this package is your grant award. **The Award Document must be signed and returned to the COPS Office within 90 days of the date of this letter to officially accept your grant.** The Frequently Asked Questions (FAQ) document included in this package should be helpful in answering any questions you may have about accepting your award, or requesting additional time to do so. Beginning on the reverse side of your Award Document, you will find a total of two pages of CHP Grant Terms and Conditions. You should read and familiarize yourself with all 16 terms and conditions that apply to your CHP award.

A supplemental online award package for CHP grantees can be found at http://www.cops.usdoj.gov/Default.asp?Item=2367. We strongly encourage you to visit this site immediately to access a variety of important and helpful documents associated with your award, including the CHP Grant Owner's Manual, which specifies the terms, conditions, and requirements of your grant. Also, within a few weeks you should receive an important package from the Office of the Chief Financial Officer, Office of Justice Programs, which will contain the forms and instructions necessary to begin drawing down funds for your grant.

As mentioned at the time of announcement, each CHP application was subject to a thorough review, and some of your application information may have been updated or corrected from the original version submitted to COPS. If you have not yet done so, please access your application at https://www.cops.usdoj.gov, and print and maintain a final copy for your records (if you are unable to print a copy of your application, please contact the COPS Office at 800.421.6770).

The Financial Clearance Memorandum (FCM) and Final Funding Memorandum (FFM) included in this package reflect allowable costs and amounts under your award. The FCM specifies the amount of COPS Hiring Program funds awarded to your agency for officer salaries and approved benefits, while the FFM contains the final officer salary and fringe benefit categories and amounts for which your agency was approved. The Final Funding Memorandum also includes the specific hiring

category(ies) awarded under your CHP grant. Please review both documents carefully, as your agency may only be reimbursed for the amounts and approved cost categories indicated.

As a reminder, under CHP all positions awarded (or an equal number of veteran officers) must initiate or enhance community policing in accordance with the community policing plan as described within Section 6 of your application. If for any reason your agency finds that your community policing plans have significantly changed from those outlined in your application (e.g., because you received fewer officers than originally requested and thus must alter the scope of your community policing plans), please revise the plan accordingly and submit it to the COPS Office for review and approval. You should also contact the COPS Office if, for any reason, you need to modify your grant award. This includes any reallocation of your awarded positions across the three primary hiring categories (i.e., new hires, rehires of officers laid off pre-application, and rehires of officers laid off or scheduled to be laid off post-application).

Finally, please remember that grantees must retain all sworn officer positions awarded under the CHP grant for a minimum of 12 months following the 36-month federal funding period. The retained CHP-funded position(s) should be added to your law enforcement budget with state and/or local funds, over and above the number of locally-funded positions that would have existed in the absence of the grant. In your CHP grant application, your agency was required to affirm that it plans to retain the additional officer positions awarded following the expiration of the grant, and to identify the planned sources of retention funding. If, during the life of the grant, you have questions regarding the retention requirement or your retention funding sources, please contact the COPS Office for assistance.

Once again, congratulations on your CHP award. If you have any questions about your grant, please do not hesitate to call the COPS Office Response Center at 800.421.6770.

Sincerely,

Bernard K. Melekian
Director

U. S. Department of Justice
Office of Community Oriented Policing Services
2010 COPS Hiring Program Grant Terms and Conditions

By signing the Award Document to accept this COPS Hiring Program (CHP) grant, the grantee agrees to abide by the following grant terms and conditions:

1. **Grant Owner's Manual.** The grantee agrees to comply with the terms and conditions in the COPS Hiring Program Grant Owner's Manual; COPS statute (42 U.S.C. §. 3796dd, et seq.); 28 C.F.R. Part 66 or 28 C.F.R. Part 70 as applicable (governing administrative requirements for grants and cooperative agreements); 2 C.F.R. Part 225 (OMB Circular A-87), 2 C.F.R. Part 220 (OMB Circular A-21), 2 C.F.R. Part 230 (OMB Circular A 122) and 48 C.F.R. Part 31.000 et seq. (FAR 31.2) as applicable (governing cost principles); OMB Circular A 133 (governing audits); applicable representations made in the original CHP grant applications; and/or the CHP application update and all other applicable program requirements, laws, orders, regulations, or circulars.

2. **Assurances and Certifications.** The grantee acknowledges its agreement to comply with the Assurances and Certifications forms that were signed as part of its CHP application.

3. **Allowable Costs.** The funding under this project is for the payment of approved full-time entry-level salaries and fringe benefits over three years (for a total of 36 months of funding) for career law enforcement officer positions hired and/or rehired on or after the official grant award start date. Any salary and fringe benefit costs higher than entry-level that your agency pays a CHP-funded officer must be paid with local funds.

Your agency is required to use CHP grant funds for the specific hiring categories awarded. Funding under this program may be used for the following categories:

a. Hiring new officers, which includes filling existing officer vacancies that are no longer funded in your agency's budget due to state, local, or tribal budget cuts;
b. Rehiring officers who had already been laid off at the time of application as a result of state, local, or tribal budget cuts; and/or
c. Rehiring officers who were, at the time of application, scheduled to be laid off on a future date as a result of state, local, or tribal budget cuts. If your agency's local fiscal conditions have changed and your agency needs to change one or more of the funded hiring categories, your agency should request a post-award grant modification to receive prior approval before spending CHP funding under the new category.

The Financial Clearance Memorandum, included in your award package, specifies the amount of COPS Hiring Program funds awarded to your agency for officer salaries and approved benefits. Please note that the salary and benefit costs requested in your original application may have been updated or corrected from the original version submitted to COPS. You should carefully review your Final Funding Memorandum (FFM), which is also included in your award package. The FFM contains the final officer salary and fringe benefit categories and amounts for which your agency was approved. You will note that some costs may have been adjusted or removed. Your agency may only be reimbursed for the approved cost categories that are documented within the FFM, up to the amounts specified in the Financial Clearance Memorandum. **Your agency may not use CHP funds for any costs that are not identified as allowable in the Final Funding Memorandum and Financial Clearance Memorandum.**

Only actual allowable costs incurred during the grant award period will be eligible for reimbursement and drawdown. If your agency experiences any cost savings over the course of the grant (for example, your grant application overestimated the total entry level officer salary and fringe benefits package), your agency may not use that excess funding to extend the length of the grant beyond 36 months. Any funds remaining after an agency has drawn down for the costs of salaries and fringe benefits incurred during the 36-month funding period for each awarded position will be deobligated during the closeout process, and should not be spent by your agency.

4. **Supplementing, Not Supplanting.** State, local, or tribal funds budgeted to pay for sworn officer positions irrespective of the receipt of CHP grant funds may not be reallocated to other purposes or refunded as a result of a CHP grant being awarded. Non-federal funds must remain available for and devoted to that purpose, with CHP funds supplementing those non-federal funds. Funding awarded cannot be obligated until after the grant award start date. This means that CHP funds cannot be applied to any agency cost prior to the award start date. In addition, your agency must take active and timely steps pursuant to its standard procedures to fully fund law enforcement costs already budgeted as well as fill all locally funded vacancies resulting from attrition during the life of the grant.

5. **Retention.** At the time of grant application, your agency committed to retaining all sworn officer positions awarded under the CHP grant with state and/or local funds for a minimum of 12 months following the conclusion of 36 months of federal funding for each position, over and above the number of locally-funded sworn officer positions that would have existed in the absence of the grant. Your agency cannot satisfy the retention requirement by using CHP-funded positions to fill locally-funded vacancies resulting from attrition.

6. **Extensions.** Your agency may request an extension of the grant award period to receive additional time to implement your grant program. Such extensions do not provide additional funding. Only those grantees that can provide a reasonable justification for delays will be granted no-cost extensions. Reasonable justifications may include difficulties in filling COPS-funded positions, officer turnover, or other circumstances that interrupt the 36-month grant funding period. An extension allows your agency to compensate for such delays by providing additional time to complete the full 36 months of funding for each position awarded. Extension requests must be received prior to the end date of the award. Any extension requests received after an award has expired will be approved only under very limited circumstances.

7. **Modifications.** During the CHP grant award period, it may become necessary for an agency to modify its CHP grant award due to changes in an agency's fiscal or law enforcement situation. Modification requests should be submitted to the COPS Office when an agency determines that it will need to shift officer positions awarded in one hiring category into a different hiring category, reduce the total number of positions awarded, shift funds among benefit categories, and/or reduce the entry-level salary and fringe benefit amounts. For example, an agency may have been awarded CHP grant funding for ten new, additional full-time sworn officer positions, but due to severe fiscal distress/constraints, the agency determines it is unable to sustain all ten positions and must reduce its request to five full-time positions; or an agency may have been awarded CHP grant funding for two new, additional sworn officer positions, but due to fiscal distress/constraints the agency must change the hiring category from new hires to rehires to prevent lay-offs. Grant modifications under CHP are evaluated on a case-by-case basis. An agency may implement the modified grant award following written approval from the COPS Office. Please be aware that the COPS Office will not approve any modification request that results in an increase of federal funds.

8. **Evaluations.** The COPS Office may conduct monitoring or sponsor national evaluations of the COPS Hiring Program. The grantee agrees to cooperate with the monitors and evaluators.

9. **Reports.** To assist the COPS Office in the monitoring of your award, your agency will be responsible for submitting quarterly programmatic progress reports and quarterly financial reports.

10. **Grant Monitoring Activities.** Federal law requires that law enforcement agencies receiving federal funding from the COPS Office must be monitored to ensure compliance with their grant conditions and other applicable statutory regulations. The COPS Office is also interested in tracking the progress of our programs and the advancement of community policing. Both aspects of grant implementation—compliance and programmatic benefits—are part of the monitoring process coordinated by the U.S. Department of Justice. Grant monitoring activities conducted by the COPS Office include site visits, office-based grant reviews, alleged noncompliance reviews, financial and programmatic reporting, and audit resolution. As a COPS CHP grantee, you agree to cooperate with and respond to any requests for information pertaining to your grant.

11. **Equal Employment Opportunity Plan (EEOP).** All recipients of funding from the COPS Office must comply with the federal regulations pertaining to the development and implementation of an Equal Employment Opportunity Plan (28 C.F.R. Part 42 subpart E).

12. **Employment Eligibility.** The grantee agrees to complete and keep on file, as appropriate, a Bureau of Citizenship and Immigration Services Employment Eligibility Verification Form (I-9). This form is to be used by recipients of federal funds to verify that persons are eligible to work in the United States.

13. **Community Policing.** Community policing activities to be initiated or enhanced by your agency were identified and described in your original COPS grant application, and/or 2010 CHP application update with reference to each of the following elements of community policing: a) community partnerships and support; b) related governmental and community initiatives that complement your agency's proposed use of CHP funding; and c) how your agency will use the funds to reorient its mission or enhance its commitment to community policing.

The COPS Office defines community policing as a philosophy that promotes organizational strategies, which support the systematic use of partnerships and problem-solving techniques, to proactively address the immediate conditions that give rise to public safety issues such as crime, social disorder, and fear of crime. CHP grants must be used to initiate or enhance community policing activities. All newly hired, additional or rehired officers (or an equal number of redeployed veteran officers) funded under CHP must engage in community policing activities.

14. **Contracts With Other Jurisdictions.** Grantees that provide law enforcement services to another jurisdiction through a contract must ensure that officers funded under this grant do not service the other jurisdiction, but will only be involved in activities or perform services that exclusively benefit the grantee's own jurisdiction. Grantees cannot use CHP funds to pay for a contract to receive law enforcement services from another agency.

15. **False Statements.** False statements or claims made in connection with COPS grants may result in fines, imprisonment, or debarment from participating in federal grants or contracts, and/or any other remedy available by law.

16. **Additional High-Risk Grantee Requirements.** The recipient agrees to comply with any additional requirements that may be imposed during the grant performance period if the awarding agency determines that the recipient is a high-risk grantee (28 C.F.R. Parts 66 and 70).

RESOLUTION NO. _____ 11 D

RESOLUTION AUTHORIZING CHANGE ORDER NUMBER FOUR WITH 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:

Change Order Number Four in the amount of $70,237.00 to the contract with Crossland Heavy Contractors, Inc., for the performance of the Lake Fort Smith Water Treatment Plant - Contract 3, Project Number 07-09-C3, adjusting the contract amount to $31,804,043.00 and adding 11 calendar days to the intermediate substantial completion date, is hereby approved.

This Resolution adopted this _____ day of December 2010.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____ npr

INTER-OFFICE MEMO

TO: Ray Gosack, Acting City Administrator **DATE:** November 30, 2010

FROM: Steve Parke, Director of Utilities

SUBJECT: Lake Fort Smith Water Treatment Plant Improvements - Contract 3
Project Number 07-09-C3, Change Order No. 4

Attached is a Resolution authorizing Change Order Number Four with Crossland Heavy Contractors for the construction of the Lake Fort Smith Water Treatment Plant - Contract 3 in the amount of $70,237.00 for additional work and adding 11 days to the contract time. I have also attached a project summary sheet for your information.

This change order addresses a number of issues regarding conflicts with existing underground facilities, changed/unknown conditions, constructability issues, and project enhancements. The issues are summarized as follows:

1. Changes to 48-inch raw water line no. 2 due to differing locations of existing 20-inch backwash line. Location of existing backwash line differed significantly in location from the record drawings. Addition of $28,099.
2. East filter building electrical conduit repair. Existing underground electrical conduits not shown on any of the drawings. Addition of $6,112.
3. Plant service water pump station bypass line. A 1½" copper bypass line with a normally closed, manually operated ball valve was added to allow bypassing of pumps during low flow conditions. Addition of $1,101.
4. Extension of 1½" compressed air line to the ferric tank pad for use in unloading ferric from tanker delivery. Addition of $2,063.
5. Lowering of 30-inch backwash line. During installation of a 30" backwash line to serve the new filter building the contractor discovered a conflict in planned pipe elevations as shown on the construction drawings requiring the need to install the pipe at a lower elevation. Addition of $5,485.
6. Electrical changes for existing packaged heat pump. Plans called for contractor to upgrade/replace components of existing, roof mounted AC/heat unit as required to meet specified performance requirements. Plans failed to address electrical revisions to circuit serving the heater. Addition of $1,602.
7. Painting of plant service water pump station. Following demolition of equipment from within the existing backwash pump station for conversion to new plant service water pump station it was discovered that plans did not address patching of holes and repainting of walls. Addition of $1,867.
8. Installation of sample line for entry-point sampling in the plant service water pump station. Plans did not include provision for lab personnel to pull permit required, quarterly finished water samples representing entry point to distribution system. Addition of $2,399.
9. Upgrade software used by plant for preparation of all reports through purchase of one

licensed copy of XL Reporter software as utilized at city's other plants. Addition of $3,194.

10. Modifications to site grading, sidewalks and surface treatments in vicinity of the clarification facility flow splitter structure, line silos and ferric storage tanks to address drainage and maintenance issues. Addition of $13,947.
11. Change propane piping from schedule 40 to schedule 80 due to State code requirements. Addition of $4,047.
12. Asbestos inspection and sampling analysis of pipe insulation and floor tile in east filter building prior to contractor demolition activities. Addition of $1,273.
13. Excess submittal review charges to contractor. Contract documents stipulate that contractor will reimburse owner for all costs associated with fourth and all subsequent reviews of each submittal. Deduction of $952.
14. Extension of Intermediate substantial completion date for milestone #1 by 11 days due to supplier delays in deliver of 48-inch check valve needed by contractor to complete installation of 48-inch finished water transmission line. No costs associated with this change order item.

Funding for the change order is available from the 2008 Series Water & Sewer Revenue Bonds. Should you or members of the Board have any questions or desire additional information, please let me know.

attachment

Project Summary

Project Status: Underway

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

Today's date: November 30, 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

Final 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
Change Order No. 3	$-19,174.00	N/A
Change Order No. 4 (pending)	$70,237.00	See Note Below
Total change orders	$163,043.00	63
Adjusted contract	$31,804,043.00	848
Payments to date (as negative):	$-18,374,787.25	
Amount of this payment (as negative)	N/A	
Retainage held	$1,586,690.30	
Contract balance remaining	$13,429,255.75	
Amount Over as a percentage	0.51%	

Final Comments:

(1.) Pending Change Order includes an additional 11 days added to Intermediate Substantial Completion Date (Milestone #1). Does not alter overall project completion date as adjusted by previous change orders.

(2.) Contract balance remaining, as shown above, assumes approval of pending Change Order #4.

RESOLUTION NO. _____ 11 E

RESOLUTION ACCEPTING THE BID OF AND AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT WITH KAJACS CONTRACTORS, INC., FOR 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: The bid of KAJACS Contractors, Inc., for the construction of Zero Street Outfall Sewer Improvements Phase I, Project Number 09-18-C1, is hereby accepted.

SECTION 2: The Mayor is hereby authorized to execute a contract with KAJACS Contractors, Inc., for an amount of $1,228,652.00, for performing said construction.

This Resolution adopted this _____ day of December 2010.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____ npr

RESOLUTION NO. _____ 11 F

RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AUTHORIZATION NUMBER TWO WITH MICKLE WAGNER COLEMAN, INC., FOR ENGINEERING SERVICES ASSOCIATED WITH THE ZERO STREET OUTFALL SEWER IMPROVEMENTS PHASE 1

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

SECTION 1: Authorization Number Two to the Agreement with Mickle Wagner Coleman, Inc., for construction phase engineering services associated with the Zero Street Outfall Sewer Improvements Phase I, Project Number 09-18-E1, is hereby approved.

SECTION 2: The Mayor is hereby authorized to execute Authorization Number Two in the amount of $102,000.00, for performance of construction phase engineering services.

This Resolution adopted this _____ day of December 2010.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____ npr

INTER-OFFICE MEMO

TO: Ray Gosack, Acting City Administrator **DATE:** November 29, 2010

FROM: Steve Parke, Director of Utilities

SUBJECT: Zero Street Outfall Sewer Improvements - Phase I
Project Number 09-18-C1

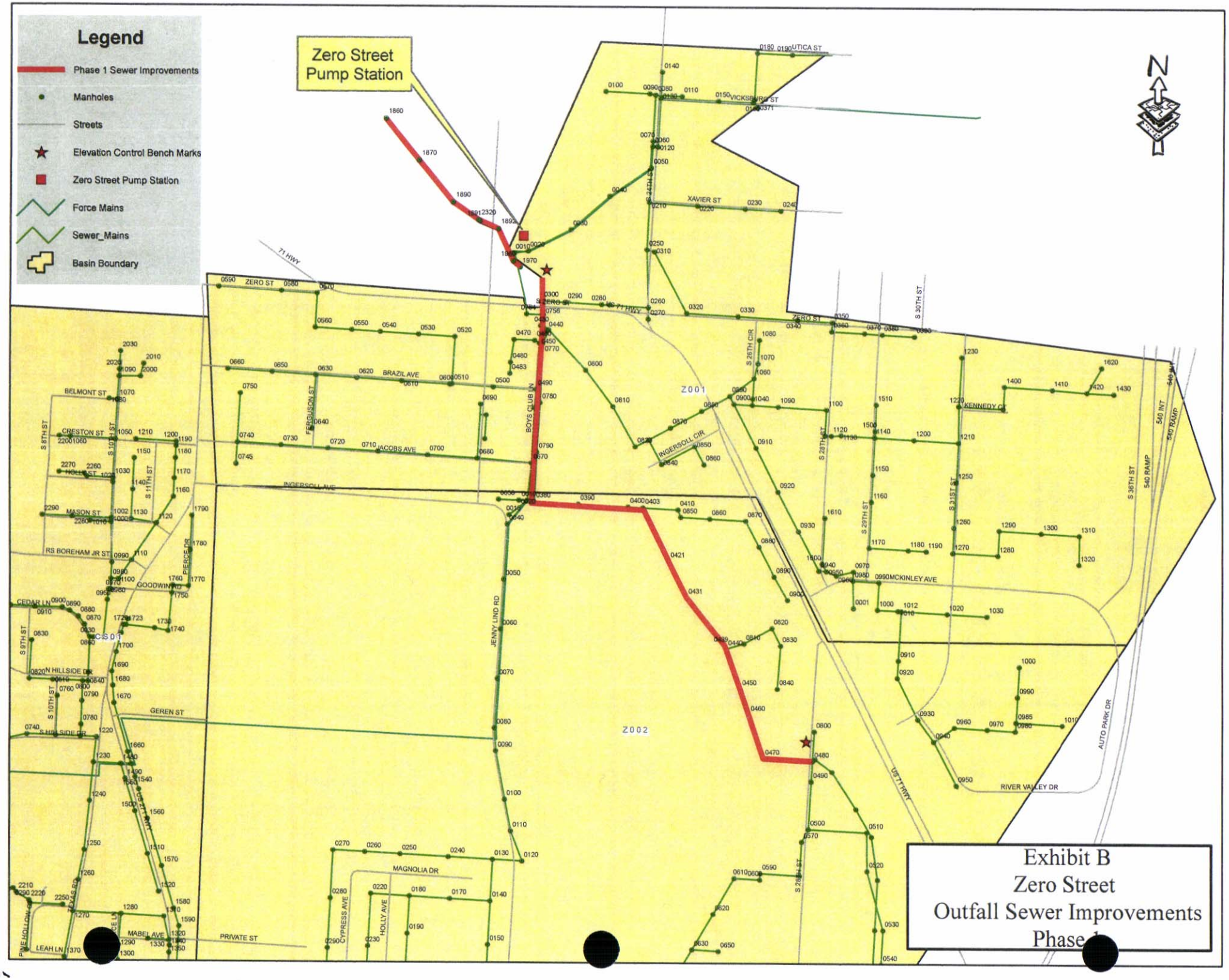
The city's wastewater management plan identifies collection system improvements necessary to address wet weather collection system overflows that occur upstream of the Zero Street pump station. This project is the first of three projects that will improve line capacities to transport sanitary sewer flows to the Zero Street pump station. This project includes the installation of 4,675 feet of 30-inch and 1,629 feet of 18-inch sewer lines. The attached exhibit shows the locations of the improvements.

The low bid for the project was submitted by KAJACS Contractors, Inc., in the amount of $1,228,652.00. A bid tabulation showing the bidders and their bid amounts is attached. A Resolution accepting the bid of and authorizing a contract with KAJACS Contractors is attached.

Also attached is a Resolution authorizing the Mayor to execute Authorization Number Two to the Agreement for engineering services with Mickle Wagner Coleman, Inc., for construction observation in the amount of $102,000.00. Funding for this work is available from the bonds issued for wet weather sewer improvements.

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

attachment


Legend
Phase 1 Sewer Improvements
Manholes
Streets
Elevation Control Bench Marks
Zero Street Pump Station
Force Mains
Sewer_Mains
Basin Boundary
Zero Street
Pump Station
N
Z001
Z002
ZERO ST
BRAZIL AVE
JACOBS AVE
INGERSOLL AVE
BOYS CLUB LN
FERGUSON ST
JENNY LIND RD
XAVIER ST
UTICA ST
VICKSBURG ST
KENNEDY CT
MCKINLEY AVE
RIVER VALLEY DR
AUTO PARK DR
MAGNOLIA DR
PRIVATE ST
BELMONT ST
CRESTON ST
MASON ST
RS BOREHAM JR ST
GOODWIN RD
CEDAR LN
N HILLSIDE DR
GEREN ST
S HILLSIDE DR
MABEL AVE
LEAH LN
71 HWY
US 71 HWY
540 RAMP
540 INT
S 30TH ST
S 36TH ST
S 31ST ST
S 29TH ST
S 26TH CIR
S 8TH ST
S 9TH ST
S 10TH ST
S 11TH ST
Exhibit B
Zero Street
Outfall Sewer Improvements
Phase 1

Tabulation of Bids Received

Project Name

Zero Street Outfall Sewer - Phase 1
Project No. 09-18-C1

Bid Opening

November 23, 2010
10:00 A.M.

Bids Received

KAJACS Contractors, Inc. Popular Bluff, Missouri	$1,228,652.00
NEC, Inc.. Rogers, AR	$1,264,485.72
Goodwin & Goodwin Fort Smith, AR	$1,355,383.00
Forsgren, Inc. Fort Smith, AR	$1,386,776.50
Wilson Brothers Construction Alma, AR	$1,524,065.15