AGENDA

FORT SMITH BOARD OF DIRECTORS
REGULAR MEETING

June 21, 2011 ~ 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 & PLEDGE OF ALLEGIANCE

ROLL CALL

PRESENTATION BY MEMBERS OF THE BOARD OF DIRECTORS OF ANY ITEMS OF BUSINESS NOT ALREADY ON THE AGENDA FOR THIS MEETING
(Section 2-37 of Ordinance No. 24-10)

APPROVE MINUTES OF THE JUNE 7, 2011 REGULAR MEETING

ITEMS OF BUSINESS:

1. Presentation:

    - Proclamation to Cecil Perkins for being selected to referee an Olympic-qualifying boxing tournament

2. Ordinance amending Ordinance No. 53-10 authorizing the issuance and sale of Airport Refunding Revenue Bonds; establishing the maturity schedule for the bonds; ratifying and confirming the sale of the bonds; prescribing other matters relating thereto; and declaring an emergency

3. Ordinance ordering the owners of certain dilapidated and substandard structures to demolish same, authorizing the City Administrator to cause the demolition of such structures to occur, and for other purposes *(2501 South Independence Street, 2223 North 31st Street and 103 North 16th Street - garage only)*

4. Resolution of the Board of Directors of the City of Fort Smith certifying city government endorsement of business to participate in the Tax Back Program (as authorized by Section 15-4-2706(d) of the Consolidated Incentive Act of 2003)

5. Consent Agenda

   A. Resolution urging the federal government to continue metropolitan planning organizations for urbanized areas under 200,000 population

   B. Resolution approving the reduction of the overtime threshold for non-exempt uniformed police officers from 43 hours per work week to 42 hours per work week

   C. Resolution to accept the bids and authorize contracts for the construction of Street Overlays/Reconstruction, Project No. 11-03-D ($1,751,418.72)

   D. Resolution to accept the bids and authorize contracts for the construction of Street Overlays Reconstruction, Project No. 11-03-A ($3,262,740.44)

   E. Resolution accepting bids for the re-roofing of Fire Station No. 6 ($49,030.00)

   F. Resolution authorizing Change Order Number Six with Crossland Heavy Contractors, Inc. for construction of the Lake Fort Smith Water Treatment Plant – Contract 3 ($155,516.00)

   G. Resolution accepting the bid of and authorizing the Mayor to execute a contract with M. Phillips Construction, Inc. for the 27-Inch Transmission Line Replacement – Lancaster Place ($189,420.00)

   H. Resolution accepting the bid of and authorizing the Mayor to execute a contract with Terra Renewal, LLC, for Lee Creek Water Treatment Plant Residuals Lagoon Cleaning ($320,120.00)

   I. Resolution authorizing the Mayor to execute an agreement with Hawkins-Weir Engineers, Inc. for providing engineering services for the Mill Creek Force Main Evaluation ($91,000.00)

   J. Resolution authorizing the Mayor to execute an agreement with Camp Dresser & McKee, Inc. for the design of Wastewater Pump Station Standby Power Improvements ($77,700.00)

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

A. Mayor

B. Directors

C. City Administrator

EXECUTIVE SESSION

- Appointments: Oak Cemetery Commission (1), Fort Smith Municipal Employees Benevolent Fund Board of Advisors (1), Historic District Commission (2), Port Authority (2), Transit Advisory Commission (1)

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

ORDINANCE NO. _____

2

AN ORDINANCE AMENDING ORDINANCE NO. 53-10 AUTHORIZING THE ISSUANCE AND SALE OF AIRPORT REFUNDING REVENUE BONDS; ESTABLISHING THE MATURITY SCHEDULE FOR THE BONDS; RATIFYING AND CONFIRMING THE SALE OF THE BONDS; PRESCRIBING OTHER MATTERS RELATING THERETO; AND DECLARING AN EMERGENCY.

WHEREAS, pursuant to Ordinance No. 53-10, adopted November 2, 2010 ("Ordinance No. 53-10"), the Board of Directors of the City of Fort Smith, Arkansas (the "City") has authorized the issuance of the City's Airport Refunding Revenue Bonds (the "Bonds") in the maximum aggregate principal amount of $3,350,000 for the purpose of refunding the City's Airport Refunding and Improvement Revenue Bonds, Series 1999 (the "1999 Bonds"); and

WHEREAS, the Board of Directors of the City has determined that the refunding will result in a net present value debt service savings of 8.006% of the principal amount of the 1999 Bonds being refunded, which savings are in excess of the amount required by Ordinance No. 53-10; and

WHEREAS, the City has made arrangements for the sale of $3,205,000 in aggregate principal amount of the Bonds to Stephens Inc. (the "Underwriter"), pursuant to a Bond Purchase Agreement between the Underwriter and the City (the "Agreement"), which has been approved by Ordinance No. 53-10; and

WHEREAS, the Bonds will be dated the date of issuance and delivery to the Underwriter rather than December 1, 2010 as set forth in Ordinance No. 53-10, and the first interest payment on the Bonds must be delayed until October 1, 2011; and

WHEREAS, the Agreement provides an average coupon rate, maturity schedule and purchase price for the Bonds, which are within the parameters set by Ordinance No. 53-10; and

WHEREAS, the Bonds will need to be designated "Series 2011" instead of "Series 2010" because the Bonds are being issued in the year 2011; and

WHEREAS, the interest on the Bonds will be fully taxable for federal income tax purposes instead of excludable from gross income for federal income tax purposes as contemplated by Ordinance No. 53-10;

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

Section 1. The sale of the Bonds to the Underwriter at a price of 98.25% of par is hereby approved, ratified and confirmed.

Section 2. Ordinance No. 53-10 is hereby amended by changing "Series 2010" to "Series 2011" in all places that "Series 2010" appears.

Section 3. The first paragraph of Section 6 of Ordinance No. 53-10 is hereby amended to read as follows:

> "Under the authority of the Constitution and laws of the State of Arkansas, including particularly Arkansas Code of 1987 Annotated, Title 14, Chapter 360, Subchapter 3 and Title 14, Chapter 164, Subchapter 4, City of Fort Smith, Arkansas Airport Refunding Revenue Bonds, Series 2011 are hereby authorized and ordered issued in the aggregate principal amount of $3,205,000 for the purpose of accomplishing, along with other available funds, the Refunding, funding a debt service reserve and paying necessary expenses incidental thereto and to the authorization and issuance of the Series 2011 Bonds. The Series 2011 Bonds shall be dated the date of issuance and delivery to the Purchaser, with interest payable semiannually on April 1 and October 1 of each year, commencing October 1, 2011, shall be numbered consecutively from 1 upward, in order of issuance, and shall be in the denomination of $5,000 or an integral multiple thereof. Principal of the Series 2011 Bonds shall be payable on October 1 of each year, commencing in 2012. The Series 2011 Bonds shall have a final maturity of October 1, 2026 and shall have an average coupon rate not greater than 5.40%."

Section 4. The Bonds shall be issued in the principal amount of $3,205,000 and shall bear interest at the rates and shall mature on October 1 in the amounts and in the years as follows:

Year (October 1)	Principal Amount	Interest Rate (%)
2012	$175,000	1.50
2013	175,000	1.80
2014	180,000	1.90
2015	180,000	2.95
2016	190,000	3.30
2017	195,000	3.60
2018	200,000	3.90
2019	210,000	4.40
2020	215,000	4.65
2021	225,000	4.80
2022	240,000	4.90
2023	250,000	5.00
2024	260,000	5.10
2025	275,000	5.25
2026	235,000	5.35

Section 5. Section 6 of Ordinance No. 53-10 is hereby amended by changing "December 1, 2010" in the seventh paragraph to "the dated date of the Series 2011 Bonds."

Section 6. The form of Bond contained in Ordinance No. 53-10 shall be amended according to the terms of this Ordinance.

Section 7. Section 12(b) of Ordinance No. 53-10 is hereby amended to read as follows:

> "(b) There shall be paid into the Bond Fund until all outstanding Bonds, with interest thereon, have been paid in full or provision made for such payment, on the first business day of each month, a sum equal to 1/6 of the next installment of interest plus 1/12 of the installment of principal due during the then next twelve months (either at maturity or in accordance with any mandatory redemption provisions) on all outstanding Bonds, plus an amount sufficient to provide for Trustee's fees, on all outstanding Bonds; provided, however, that approximately level payments shall be made for the interest payment due October 1, 2011 and principal installments shall not commence until October 2011 for the principal payment due October 1, 2012. If additional bonds are issued, payments into the Bond Fund shall be increased to provide for monthly amortization of such additional bonds. The City shall receive a credit against monthly payments from the Airport Revenue Fund to the extent of deposits from other sources and interest earnings."

Section 8. The first paragraph of Section 22 of Ordinance No. 53-10 is hereby amended to read as follows:

> "Any Bond shall be deemed to be paid within the meaning of this Ordinance when payment of the principal of and interest on such Bond (whether at maturity or upon redemption as provided herein, or otherwise), either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for by irrevocably depositing with the Trustee, in trust and irrevocably set aside exclusively for such payment (1) cash sufficient to make such payment and/or (2) direct obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America ("Investment Securities"), maturing as to principal and interest in such amounts and at such times as will provide sufficient moneys to make such payment, and all necessary and proper fees, compensation and expenses of the Trustee shall have been paid or the payment thereof provided for to the satisfaction of the Trustee."

Section 9 Section 25 of Ordinance No. 53-10 is hereby amended to read as follows:

"Section 25. When the Series 2011 Bonds have been executed and sealed as herein provided, they shall be delivered to the Trustee. The Trustee shall authenticate the Series 2011 Bonds and deliver them to or at the direction of the Purchaser upon payment of the purchase price as set forth in the Agreement. A sufficient amount of the sale proceeds, along with other available funds appropriated hereby, shall be deposited with the trustee for the Refunded Bonds and used to accomplish the Refunding. The amount necessary to fund the Debt Service Reserve at the Required Level shall be deposited into the Debt Service Reserve. The expenses of issuing the Series 2011 Bonds as set forth in the delivery instructions to Trustee signed by the Mayor and City Clerk shall also be paid from the sale proceeds. The remainder of the sale proceeds, if any, shall be deposited into a special account in the name of the City in the Trustee designated "Cost of Issuance Fund". The moneys in the Cost of Issuance Fund shall be disbursed solely in payment of the costs of issuing the Series 2011 Bonds. Disbursements shall be on the basis of requisitions which shall contain at least the following information: the person to whom payment is being made; the amount of the payment; and the purpose by general classification of the payment. Each requisition must be signed by the Manager or such other person or persons designated by the Commission.

If moneys remain in the Cost of Issuance Fund on September 30, 2011, any remaining balance shall be transferred by the Trustee to the Commission for deposit into the Bond Fund."

Section 10. Section 28 of Ordinance No. 53-10 is hereby deleted and Sections 29, 30 and 31 are hereby renumbered 28, 29 and 30.

Section 11. This Ordinance shall supplement Ordinance No. 53-10 in authorizing the issuance of the Bonds.

Section 12. The provisions of this Ordinance are separable and in the event that any section or part hereof shall be held to be invalid, such invalidity shall not affect the remainder of this Ordinance.

Section 13. Ordinance No. 53-10, as amended hereby, shall be and remain in full force and effect.

Section 14. It is hereby ascertained and declared that the refunding of the 1999 Bonds to be refunded must be accomplished as soon as possible in order to take advantage of low interest rates and achieve a substantial debt service savings for the Airport. It is, therefore, declared that an emergency exists and this Ordinance being necessary for the immediate preservation of the public peace, health and safety shall take effect and be in force from and after its passage.

PASSED: _____, 2011.

APPROVED:

ATTEST:

_____
Mayor

_____
City Clerk

(SEAL)

CERTIFICATE

The undersigned, City Clerk of the City of Fort Smith, Arkansas (the "City"), hereby certifies that the foregoing pages are a true and correct copy of Ordinance No. _____, passed at a regular session of the Board of Directors of the City, held at the regular meeting place of the Board of Directors at _____ o'clock p.m. on the _____ day of _____, 2011, and that the Ordinance is of record in Ordinance Record Book No. ____, now in my possession.

GIVEN under my hand and seal this _____ day of _____, 2011.

_____
City Clerk

(SEAL)

The City of Fort Smith ARKANSAS

MEMORANDUM

June 15, 2011

TO: Mayor and Board of Directors

FROM: Ray Gosack, City Administrator

SUBJECT: Airport Bonds

Last year, the airport commission identified the potential to reduce its annual debt service payments by refunding its outstanding bonds. The bonds were issued in 1999 for the terminal project at a time when interest rates were higher than they are now. Today's lower interest rates will save the airport $517,210 over the remaining life of the bonds.

Following last year's discussion, the board of directors passed an ordinance (attached) approving issuance of the bonds if certain savings thresholds were met. The bond market has recently moved in a favorable direction, and those thresholds have been met.

Attached is an ordinance amending the previous ordinance which provides for the particulars of the new issuance. The airport is solely responsible for the repayment of the bonds. However, Arkansas law requires that the board of directors approve the issuance of the bonds.

The staff recommends approval of the attached amending ordinance. This will allow the airport to lower its debt service payments by an average of $32,326 a year over the remaining life of the bonds.

Attachments

cc: John Parker, Fort Smith Regional Airport
Dennis Hunt, Stephens Inc.
Shep Russell, Friday Eldredge & Clark

Stephens

Dennis R. Hunt
Senior Vice President and Manager
Stephens Inc.

Jackson T. Stephens, 1923-2005
Chairman Emeritus in Perpetuity

June 15, 2011

Mr. Ray Gosack
City Administrator
City of Fort Smith
P.O. Box 1908
Fort Smith, AR 72902

Re: $3,205,000 City of Fort Smith, Arkansas Airport Refunding Revenue Bonds, Series 2011

Dear Mr. Gosack:

On behalf of Stephens, I am pleased to advise you that we have committed to underwriter the above referenced refunding issue for the City of Fort Smith.

The bond issue will refund the City's outstanding Series 1999 Airport Revenue Bonds. This refunding will result in a net savings to the Airport of approximately $517,210 and a net present value benefit of 8.006%.

Although the Fort Smith Board of Directors ("Board") has previously approved an ordinance authorizing this refunding, an amending ordinance to make minor revisions to the original ordinance will be prepared by bond counsel for the Board's consideration at its June 21st meeting.

Unfortunately, I will be out of town next Tuesday and not be able to join you for this meeting. However, Shep Russell with the Friday Law Firm will attend the meeting and address any questions the Board may have regarding the amending ordinance.

I deeply appreciate the opportunity to assist the Airport Commission on this financing and our long term relationship with the City of Fort Smith.

If you have any questions concerning this refunding and the associated significant savings, please feel free to contact me.

Sincerely,

Dennis Hunt

Cc: John Parker
Kathey Boze
Kara Bushkul
Shep Russell

3425 North Futrall Drive
Suite 201
Fayetteville, AR 72703

479-718-7400 t
479-718-7490 f
800-205-8613

dhunt@stephens.com
www.stephens.com

Final

City of Fort Smith, Arkansas

Taxable Airport Revenue Refunding Bonds

Series 2011

Sources & Uses

Dated 08/02/2011 | Delivered 08/02/2011

Sources Of Funds	
Par Amount of Bonds	$3,205,000.00
Transfers from Prior Issue DSR Funds	406,871.47
Transfers from Prior Issue Debt Service Funds	177,429.05
Total Sources	**$3,789,300.52**

Uses Of Funds	
Deposit to Current Refunding Fund	3,383,575.91
Deposit to Debt Service Reserve Fund (DSRF)	305,657.50
Total Underwriter's Discount (1.750%)	56,087.50
Costs of Issuance	40,000.00
Rounding Amount	3,979.61
Total Uses	**$3,789,300.52**

Final

City of Fort Smith, Arkansas

Taxable Airport Revenue Refunding Bonds

Series 2011

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
10/1/2012	Serial Coupon	1.500%	1.500%	175,000.00	100.000%	175,000.00
10/1/2013	Serial Coupon	1.800%	1.800%	175,000.00	100.000%	175,000.00
10/1/2014	Serial Coupon	1.900%	1.900%	180,000.00	100.000%	180,000.00
10/1/2015	Serial Coupon	2.950%	2.950%	180,000.00	100.000%	180,000.00
10/1/2016	Serial Coupon	3.300%	3.300%	190,000.00	100.000%	190,000.00
10/1/2017	Serial Coupon	3.600%	3.600%	195,000.00	100.000%	195,000.00
10/1/2018	Serial Coupon	3.900%	3.900%	200,000.00	100.000%	200,000.00
10/1/2019	Serial Coupon	4.400%	4.400%	210,000.00	100.000%	210,000.00
10/1/2020	Serial Coupon	4.650%	4.650%	215,000.00	100.000%	215,000.00
10/1/2021	Serial Coupon	4.800%	4.800%	225,000.00	100.000%	225,000.00
10/1/2022	Serial Coupon	4.900%	4.900%	240,000.00	100.000%	240,000.00
10/1/2023	Serial Coupon	5.000%	5.000%	250,000.00	100.000%	250,000.00
10/1/2024	Serial Coupon	5.100%	5.100%	260,000.00	100.000%	260,000.00
10/1/2025	Serial Coupon	5.250%	5.250%	275,000.00	100.000%	275,000.00
10/1/2026	Serial Coupon	5.350%	5.350%	235,000.00	100.000%	235,000.00
Total	-	-	-	**$3,205,000.00**	-	**$3,205,000.00**

Bid Information

Par Amount of Bonds	$3,205,000.00
Gross Production	$3,205,000.00
Total Underwriter's Discount (1.750%)	$(56,087.50)
Bid (98.250%)	3,148,912.50
Total Purchase Price	$3,148,912.50
Bond Year Dollars	$28,090.26
Average Life	8.765 Years
Average Coupon	4.6428086%
Net Interest Cost (NIC)	4.8424774%
True Interest Cost (TIC)	4.8371057%

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City of Fort Smith, Arkansas

Taxable Airport Revenue Refunding Bonds

Series 2011

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
10/1/2011	-	-	21,332.19	21,332.19
10/1/2012	175,000.00	1.500%	130,162.50	305,162.50
10/1/2013	175,000.00	1.800%	127,537.50	302,537.50
10/1/2014	180,000.00	1.900%	124,387.50	304,387.50
10/1/2015	180,000.00	2.950%	120,967.50	300,967.50
10/1/2016	190,000.00	3.300%	115,657.50	305,657.50
10/1/2017	195,000.00	3.600%	109,387.50	304,387.50
10/1/2018	200,000.00	3.900%	102,367.50	302,367.50
10/1/2019	210,000.00	4.400%	94,567.50	304,567.50
10/1/2020	215,000.00	4.650%	85,327.50	300,327.50
10/1/2021	225,000.00	4.800%	75,330.00	300,330.00
10/1/2022	240,000.00	4.900%	64,530.00	304,530.00
10/1/2023	250,000.00	5.000%	52,770.00	302,770.00
10/1/2024	260,000.00	5.100%	40,270.00	300,270.00
10/1/2025	275,000.00	5.250%	27,010.00	302,010.00
10/1/2026	235,000.00	5.350%	12,572.50	247,572.50
Total	**$3,205,000.00**	**-**	**$1,304,177.19**	**$4,509,177.19**

Yield Statistics

Bond Year Dollars	$28,090.26
Average Life	8.765 Years
Average Coupon	4.6428086%
Net Interest Cost (NIC)	4.8424774%
True Interest Cost (TIC)	4.8371057%
Bond Yield for Arbitrage Purposes	4.5823285%
All Inclusive Cost (AIC)	5.0228207%

IRS Form 8038

Net Interest Cost	4.6428086%
Weighted Average Maturity	8.765 Years

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City of Fort Smith, Arkansas

Taxable Airport Revenue Refunding Bonds

Series 2011

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
8/2/2011	-	-	-	-	-
10/1/2011	-	-	21,332.19	21,332.19	-
12/31/2011	-	-	-	-	21,332.19
4/1/2012	-	-	65,081.25	65,081.25	-
10/1/2012	175,000.00	1.500%	65,081.25	240,081.25	-
12/31/2012	-	-	-	-	305,162.50
4/1/2013	-	-	63,768.75	63,768.75	-
10/1/2013	175,000.00	1.800%	63,768.75	238,768.75	-
12/31/2013	-	-	-	-	302,537.50
4/1/2014	-	-	62,193.75	62,193.75	-
10/1/2014	180,000.00	1.900%	62,193.75	242,193.75	-
12/31/2014	-	-	-	-	304,387.50
4/1/2015	-	-	60,483.75	60,483.75	-
10/1/2015	180,000.00	2.950%	60,483.75	240,483.75	-
12/31/2015	-	-	-	-	300,967.50
4/1/2016	-	-	57,828.75	57,828.75	-
10/1/2016	190,000.00	3.300%	57,828.75	247,828.75	-
12/31/2016	-	-	-	-	305,657.50
4/1/2017	-	-	54,693.75	54,693.75	-
10/1/2017	195,000.00	3.600%	54,693.75	249,693.75	-
12/31/2017	-	-	-	-	304,387.50
4/1/2018	-	-	51,183.75	51,183.75	-
10/1/2018	200,000.00	3.900%	51,183.75	251,183.75	-
12/31/2018	-	-	-	-	302,367.50
4/1/2019	-	-	47,283.75	47,283.75	-
10/1/2019	210,000.00	4.400%	47,283.75	257,283.75	-
12/31/2019	-	-	-	-	304,567.50
4/1/2020	-	-	42,663.75	42,663.75	-
10/1/2020	215,000.00	4.650%	42,663.75	257,663.75	-
12/31/2020	-	-	-	-	300,327.50
4/1/2021	-	-	37,665.00	37,665.00	-
10/1/2021	225,000.00	4.800%	37,665.00	262,665.00	-
12/31/2021	-	-	-	-	300,330.00
4/1/2022	-	-	32,265.00	32,265.00	-
10/1/2022	240,000.00	4.900%	32,265.00	272,265.00	-
12/31/2022	-	-	-	-	304,530.00
4/1/2023	-	-	26,385.00	26,385.00	-
10/1/2023	250,000.00	5.000%	26,385.00	276,385.00	-
12/31/2023	-	-	-	-	302,770.00
4/1/2024	-	-	20,135.00	20,135.00	-
10/1/2024	260,000.00	5.100%	20,135.00	280,135.00	-
12/31/2024	-	-	-	-	300,270.00
4/1/2025	-	-	13,505.00	13,505.00	-
10/1/2025	275,000.00	5.250%	13,505.00	288,505.00	-
12/31/2025	-	-	-	-	302,010.00
4/1/2026	-	-	6,286.25	6,286.25	-
10/1/2026	235,000.00	5.350%	6,286.25	241,286.25	-
12/31/2026	-	-	-	-	247,572.50
Total	**$3,205,000.00**	-	**$1,304,177.19**	**$4,509,177.19**	-

Yield Statistics

Bond Year Dollars	$28,090.26
Average Life	8.765 Years
Average Coupon	4.6428086%
Net Interest Cost (NIC)	4.8424774%
True Interest Cost (TIC)	4.8371057%
Bond Yield for Arbitrage Purposes	4.5823285%
All Inclusive Cost (AIC)	5.0228207%

IRS Form 8038

Net Interest Cost	4.6428086%
Weighted Average Maturity	8.765 Years

File | FT SMITH (AIRPORT).SF | 6/14/2011 | 2:20 PM

Stephens

Capitalize on Independence™

Final

City of Fort Smith, Arkansas

Taxable Airport Revenue Refunding Bonds

Series 2011

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
12/31/2011	-	-	21,332.19	21,332.19
12/31/2012	175,000.00	1.500%	130,162.50	305,162.50
12/31/2013	175,000.00	1.800%	127,537.50	302,537.50
12/31/2014	180,000.00	1.900%	124,387.50	304,387.50
12/31/2015	180,000.00	2.950%	120,967.50	300,967.50
12/31/2016	190,000.00	3.300%	115,657.50	305,657.50
12/31/2017	195,000.00	3.600%	109,387.50	304,387.50
12/31/2018	200,000.00	3.900%	102,367.50	302,367.50
12/31/2019	210,000.00	4.400%	94,567.50	304,567.50
12/31/2020	215,000.00	4.650%	85,327.50	300,327.50
12/31/2021	225,000.00	4.800%	75,330.00	300,330.00
12/31/2022	240,000.00	4.900%	64,530.00	304,530.00
12/31/2023	250,000.00	5.000%	52,770.00	302,770.00
12/31/2024	260,000.00	5.100%	40,270.00	300,270.00
12/31/2025	275,000.00	5.250%	27,010.00	302,010.00
12/31/2026	235,000.00	5.350%	12,572.50	247,572.50
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IRS Form 8038

Net Interest Cost	4.6428086%
Weighted Average Maturity	8.765 Years

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City of Fort Smith, Arkansas

Taxable Airport Revenue Refunding Bonds

Series 2011

Gross Debt Service Comparison

Date	Principal	Coupon	Interest	New D/S	OLD D/S	Savings
10/1/2011	-	-	21,332.19	17,352.58	54,584.70	37,232.12
10/1/2012	175,000.00	1.500%	130,162.50	305,162.50	336,617.50	31,455.00
10/1/2013	175,000.00	1.800%	127,537.50	302,537.50	333,497.50	30,960.00
10/1/2014	180,000.00	1.900%	124,387.50	304,387.50	335,015.00	30,627.50
10/1/2015	180,000.00	2.950%	120,967.50	300,967.50	335,870.00	34,902.50
10/1/2016	190,000.00	3.300%	115,657.50	305,657.50	335,640.00	29,982.50
10/1/2017	195,000.00	3.600%	109,387.50	304,387.50	334,790.00	30,402.50
10/1/2018	200,000.00	3.900%	102,367.50	302,367.50	333,320.00	30,952.50
10/1/2019	210,000.00	4.400%	94,567.50	304,567.50	336,230.00	31,662.50
10/1/2020	215,000.00	4.650%	85,327.50	300,327.50	333,210.00	32,882.50
10/1/2021	225,000.00	4.800%	75,330.00	300,330.00	334,570.00	34,240.00
10/1/2022	240,000.00	4.900%	64,530.00	304,530.00	335,000.00	30,470.00
10/1/2023	250,000.00	5.000%	52,770.00	302,770.00	334,375.00	31,605.00
10/1/2024	260,000.00	5.100%	40,270.00	300,270.00	332,812.50	32,542.50
10/1/2025	275,000.00	5.250%	27,010.00	302,010.00	335,312.50	33,302.50
10/1/2026	235,000.00	5.350%	12,572.50	247,572.50	281,562.50	33,990.00
Total	**$3,205,000.00**	**-**	**$1,304,177.19**	**$4,505,197.58**	**$5,022,407.20**	**$517,209.62**

PV Analysis Summary (Gross to Gross)

Gross PV Debt Service Savings	540,054.85
Transfers from Prior Issue Debt Service Fund	(177,429.05)
Transfers from Prior Issue DSR Fund	(406,871.47)
Amount deposited into new DSR Fund	305,657.50
Contingency or Rounding Amount	3,979.61
Net Present Value Benefit	$265,391.44
Net PV Benefit / $3,315,000 Refunded Principal	8.006%
Net PV Benefit / $3,205,000 Refunding Principal	8.281%

Refunding Bond Information

Refunding Dated Date	8/02/2011
Refunding Delivery Date	8/02/2011

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City of Fort Smith, Arkansas

Taxable Airport Revenue Refunding Bonds

Series 2011

Current Refunding Escrow

Date	Rate	Receipts	Disbursements	Cash Balance
8/2/2011	-	3,383,575.91	3,383,575.91	-
Total	-	**$3,383,575.91**	**$3,383,575.91**	-

Investment Parameters

Investment Model [PV, GIC, or Securities]	Securities
Default investment yield target	Unrestricted
Cash Deposit	3,383,575.91
Total Cost of Investments	$3,383,575.91
Target Cost of Investments at bond yield	$3,383,575.91
Yield to Receipt	-
Yield for Arbitrage Purposes	4.5823285%

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City of Fort Smith, Arkansas

Airport Revenue Bonds

Series 1999

Debt Service To Maturity And To Call

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
8/2/2011	3,315,000.00	68,575.91	3,383,575.91	-	-	-	-
10/1/2011	-	-	-	130,000.00	5.700%	102,013.75	232,013.75
4/1/2012	-	-	-	-	-	98,308.75	98,308.75
10/1/2012	-	-	-	140,000.00	5.800%	98,308.75	238,308.75
4/1/2013	-	-	-	-	-	94,248.75	94,248.75
10/1/2013	-	-	-	145,000.00	5.850%	94,248.75	239,248.75
4/1/2014	-	-	-	-	-	90,007.50	90,007.50
10/1/2014	-	-	-	155,000.00	5.900%	90,007.50	245,007.50
4/1/2015	-	-	-	-	-	85,435.00	85,435.00
10/1/2015	-	-	-	165,000.00	6.200%	85,435.00	250,435.00
4/1/2016	-	-	-	-	-	80,320.00	80,320.00
10/1/2016	-	-	-	175,000.00	6.200%	80,320.00	255,320.00
4/1/2017	-	-	-	-	-	74,895.00	74,895.00
10/1/2017	-	-	-	185,000.00	6.200%	74,895.00	259,895.00
4/1/2018	-	-	-	-	-	69,160.00	69,160.00
10/1/2018	-	-	-	195,000.00	6.200%	69,160.00	264,160.00
4/1/2019	-	-	-	-	-	63,115.00	63,115.00
10/1/2019	-	-	-	210,000.00	6.200%	63,115.00	273,115.00
4/1/2020	-	-	-	-	-	56,605.00	56,605.00
10/1/2020	-	-	-	220,000.00	6.200%	56,605.00	276,605.00
4/1/2021	-	-	-	-	-	49,785.00	49,785.00
10/1/2021	-	-	-	235,000.00	6.200%	49,785.00	284,785.00
4/1/2022	-	-	-	-	-	42,500.00	42,500.00
10/1/2022	-	-	-	250,000.00	6.250%	42,500.00	292,500.00
4/1/2023	-	-	-	-	-	34,687.50	34,687.50
10/1/2023	-	-	-	265,000.00	6.250%	34,687.50	299,687.50
4/1/2024	-	-	-	-	-	26,406.25	26,406.25
10/1/2024	-	-	-	280,000.00	6.250%	26,406.25	306,406.25
4/1/2025	-	-	-	-	-	17,656.25	17,656.25
10/1/2025	-	-	-	300,000.00	6.250%	17,656.25	317,656.25
4/1/2026	-	-	-	-	-	8,281.25	8,281.25
10/1/2026	-	-	-	265,000.00	6.250%	8,281.25	273,281.25
Total	**$3,315,000.00**	**$68,575.91**	**$3,383,575.91**	**$3,315,000.00**	**-**	**$1,884,836.25**	**$5,199,836.25**

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	8/02/2011
Average Life	8.809 Years
Average Coupon	6.2193686%
Weighted Average Maturity (Par Basis)	8.809 Years

Refunding Bond Information

Refunding Dated Date	8/02/2011
Refunding Delivery Date	8/02/2011

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City of Fort Smith, Arkansas

Airport Revenue Bonds

Series 1999

Total Refunded Debt Service

Date	Principal	Coupon	Interest	Total P+I
10/1/2011	130,000.00	5.700%	102,013.75	232,013.75
10/1/2012	140,000.00	5.800%	196,617.50	336,617.50
10/1/2013	145,000.00	5.850%	188,497.50	333,497.50
10/1/2014	155,000.00	5.900%	180,015.00	335,015.00
10/1/2015	165,000.00	6.200%	170,870.00	335,870.00
10/1/2016	175,000.00	6.200%	160,640.00	335,640.00
10/1/2017	185,000.00	6.200%	149,790.00	334,790.00
10/1/2018	195,000.00	6.200%	138,320.00	333,320.00
10/1/2019	210,000.00	6.200%	126,230.00	336,230.00
10/1/2020	220,000.00	6.200%	113,210.00	333,210.00
10/1/2021	235,000.00	6.200%	99,570.00	334,570.00
10/1/2022	250,000.00	6.250%	85,000.00	335,000.00
10/1/2023	265,000.00	6.250%	69,375.00	334,375.00
10/1/2024	280,000.00	6.250%	52,812.50	332,812.50
10/1/2025	300,000.00	6.250%	35,312.50	335,312.50
10/1/2026	265,000.00	6.250%	16,562.50	281,562.50
Total	**$3,315,000.00**	-	**$1,884,836.25**	**$5,199,836.25**

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	8/02/2011
Average Life	8.809 Years
Average Coupon	6.2193686%
Weighted Average Maturity (Par Basis)	8.809 Years

Refunding Bond Information

Refunding Dated Date	8/02/2011
Refunding Delivery Date	8/02/2011

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City of Fort Smith, Arkansas

Taxable Airport Revenue Refunding Bonds

Series 2011

Proof Of Bond Yield @ 4.5823285%

Date	Cashflow	PV Factor	Present Value	Cumulative PV
8/2/2011	-	1.0000000x	-	-
10/1/2011	21,332.19	0.9926023x	21,174.38	21,174.38
4/1/2012	65,081.25	0.9703696x	63,152.86	84,327.24
10/1/2012	240,081.25	0.9486348x	227,749.42	312,076.67
4/1/2013	63,768.75	0.9273868x	59,138.30	371,214.96
10/1/2013	238,768.75	0.9066148x	216,471.28	587,686.24
4/1/2014	62,193.75	0.8863080x	55,122.82	642,809.06
10/1/2014	242,193.75	0.8664561x	209,850.25	852,659.31
4/1/2015	60,483.75	0.8470488x	51,232.69	903,892.00
10/1/2015	240,483.75	0.8280762x	199,138.87	1,103,030.87
4/1/2016	57,828.75	0.8095286x	46,814.03	1,149,844.89
10/1/2016	247,828.75	0.7913964x	196,130.78	1,345,975.67
4/1/2017	54,693.75	0.7736703x	42,314.93	1,388,290.60
10/1/2017	249,693.75	0.7563413x	188,853.70	1,577,144.30
4/1/2018	51,183.75	0.7394004x	37,845.29	1,614,989.59
10/1/2018	251,183.75	0.7228390x	181,565.41	1,796,555.00
4/1/2019	47,283.75	0.7066485x	33,412.99	1,829,967.99
10/1/2019	257,283.75	0.6908207x	177,736.94	2,007,704.93
4/1/2020	42,663.75	0.6753474x	28,812.85	2,036,517.78
10/1/2020	257,663.75	0.6602206x	170,114.92	2,206,632.71
4/1/2021	37,665.00	0.6454327x	24,310.22	2,230,942.93
10/1/2021	262,665.00	0.6309760x	165,735.31	2,396,678.24
4/1/2022	32,265.00	0.6168431x	19,902.44	2,416,580.69
10/1/2022	272,265.00	0.6030268x	164,183.09	2,580,763.78
4/1/2023	26,385.00	0.5895199x	15,554.48	2,596,318.26
10/1/2023	276,385.00	0.5763156x	159,284.98	2,755,603.24
4/1/2024	20,135.00	0.5634070x	11,344.20	2,766,947.44
10/1/2024	280,135.00	0.5507876x	154,294.87	2,921,242.31
4/1/2025	13,505.00	0.5384508x	7,271.78	2,928,514.09
10/1/2025	288,505.00	0.5263903x	151,866.23	3,080,380.32
4/1/2026	6,286.25	0.5146000x	3,234.90	3,083,615.23
10/1/2026	241,286.25	0.5030737x	121,384.77	3,205,000.00
Total	**$4,509,177.19**	-	**$3,205,000.00**	-

Derivation Of Target Amount

Par Amount of Bonds	$3,205,000.00
Original Issue Proceeds	$3,205,000.00

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ORDINANCE NO. 53-10

AN ORDINANCE AUTHORIZING THE ISSUANCE OF AIRPORT REFUNDING REVENUE BONDS; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; AND PRESCRIBING OTHER MATTERS RELATING THERETO.

WHEREAS, the Fort Smith Airport Commission (the "Commission") owns and operates an airport known as the "Fort Smith Regional Airport," together with related properties and facilities (the "Airport") on behalf of the City of Fort Smith, Arkansas (the "City"); and

WHEREAS, pursuant to Ordinance No. 60-99, adopted September 21, 1999 (the "1999 Ordinance"), the City has issued its Airport Refunding and Improvement Revenue Bonds, Series 1999 in the outstanding principal amount of $3,315,000 (the "Refunded Bonds"); and

WHEREAS, the Commission and the Board of Directors of the City have determined that it is in the best interest of the City to refund the Refunded Bonds; and

WHEREAS, the City can obtain the necessary funds to accomplish the refunding of the Refunded Bonds (the "Refunding"), fund a debt service reserve and pay costs of issuing bonds by issuing its Airport Refunding Revenue Bonds, Series 2010 (the "Series 2010 Bonds"), and by appropriating funds of the City held pursuant to the 1999 Ordinance; and

WHEREAS, the City is making arrangements for the sale of the Series 2010 Bonds to Stephens Inc. (the "Purchaser") pursuant to a Bond Purchase Agreement (the "Agreement") which has been presented to and is before this meeting; and

WHEREAS, the Preliminary Official Statement offering the Series 2010 Bonds for sale (the "Preliminary Official Statement") has been presented to and is before this meeting; and

WHEREAS, the Continuing Disclosure Agreement between the City and BancorpSouth Bank, Stuttgart, Arkansas, as Dissemination Agent (the "Disclosure Agreement"), providing for the ongoing disclosure obligations of the City with respect to the Series 2010 Bonds, has been presented to and is before this meeting;

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

Section 1. The Refunding is hereby authorized so long as the present value debt service savings is at least 7.5% of the principal amount of the Refunded Bonds outstanding. The Mayor and other officials of the City are hereby authorized to take, or cause to be taken, all action necessary to accomplish the Refunding and to execute all required contracts. The Refunded Bonds shall be called for redemption on the earliest practical date after the Series 2010 Bonds are issued.

Section 2. The Preliminary Official Statement is hereby approved and the use of the Preliminary Official Statement by the Purchaser in connection with the sale of the Series 2010 Bonds is hereby in all respects approved, and the Mayor is hereby authorized and directed, for and on behalf of the City, to execute the Preliminary Official Statement and the final Official Statement in the name of the City for use in connection with the sale of the Series 2010 Bonds.

Section 3. The Disclosure Agreement, in substantially the form submitted to this meeting, is approved, and the Mayor is hereby authorized and directed to execute and deliver the Disclosure Agreement on behalf of the City. The Mayor and the Manager of the Airport (the "Manager") are authorized and directed to take all action required on the part of the City to fulfill the City's obligations under the Disclosure Agreement.

Section 4. The sale of the Series 2010 Bonds to the Purchaser at an underwriter's discount not in excess of 2.0% of the par amount of the Series 2010 Bonds is hereby approved. The Bond Purchase Agreement is hereby approved and the Mayor is authorized, upon meeting the terms and conditions of Sections 1 and 6 hereof, to execute and deliver it on behalf of the City and to take all action required on the part of the City to fulfill the City's obligations under the Bond Purchase Agreement.

Section 5. It is understood and agreed that the Commission, acting for and on behalf of the City, has custody of and control over the Airport, owns, operates, maintains and repairs the Airport and collects and handles Airport Revenues. Therefore, it is understood and agreed that even though there are some express references to the Commission, all references herein to the City shall, when appropriate in view of the authority and responsibility of the Commission, be construed to mean and include the Commission.

Section 6. Under the authority of the Constitution and laws of the State of Arkansas, including particularly Arkansas Code of 1987 Annotated, Title 14, Chapter 360, Subchapter 3 and Title 14, Chapter 164, Subchapter 4, City of Fort Smith, Arkansas Airport Refunding Revenue Bonds, Series 2010 are hereby authorized and ordered issued in the maximum aggregate principal amount of $3,350,000 for the purpose of accomplishing, along with other

available funds, the Refunding, funding a debt service reserve and paying necessary expenses incidental thereto and to the authorization and issuance of the Series 2010 Bonds. The Series 2010 Bonds shall be dated December 1, 2010, with interest payable semiannually on April 1 and October 1 of each year, commencing April 1, 2011, shall be numbered consecutively from 1 upward, in order of issuance, and shall be in the denomination of $5,000 or an integral multiple thereof. Principal of the Series 2010 Bonds shall be payable on October 1 of each year. The Series 2010 Bonds shall have a final maturity of October 1, 2026 and shall have an average coupon rate not greater than 5.40%.

Payment of each installment of interest shall be made to the person in whose name the Series 2010 Bond is registered on the registration books of the City maintained by BancorpSouth Bank, Stuttgart, Arkansas, as Trustee (the "Trustee"), at the close of business on the fifteenth day of the month (whether or not a business day) next preceding each interest payment date (the "Record Date"), irrespective of any transfer or exchange of any such Bond subsequent to such Record Date and prior to such interest payment date.

The Series 2010 Bonds shall be registered initially in the name of Cede & Co., as nominee for the Depository Trust Company ("DTC"), which shall be considered to be the registered owner of the Series 2010 Bonds for all purposes under this Ordinance, including, without limitation, payment by the City of principal of, redemption price, premium, if any, and interest on the Series 2010 Bonds, and receipt of notices and exercise of rights of registered owners. There shall be one certificated, typewritten Series 2010 Bond for each stated maturity date which shall be immobilized in the custody of DTC with the beneficial owners having no right to receive the Series 2010 Bonds in the form of physical securities or certificates. DTC and its participants shall be responsible for maintenance of records of the ownership of beneficial interests in the Series 2010 Bonds by book-entry on the system maintained and operated by DTC and its participants, and transfers of ownership of beneficial interests shall be made only by DTC and its participants, by book-entry, the City having no responsibility therefor. DTC is expected to maintain records of the positions of participants in the Series 2010 Bonds, and the participants and persons acting through participants are expected to maintain records of the purchasers of beneficial interests in the Series 2010 Bonds. The Series 2010 Bonds as such shall not be transferable or exchangeable, except for transfer to another securities depository or to another nominee of a securities depository, without further action by the City.

If any securities depository determines not to continue to act as a securities depository for the Series 2010 Bonds for use in a book-entry system, the City may establish a securities depository/book-entry system relationship with another securities depository. If the City does not or is unable to do so, or upon request of the beneficial owners of all outstanding Series 2010 Bonds, the

City and the Trustee, after the Trustee has made provision for notification of the beneficial owners by the then securities depository, shall permit withdrawal of the Series 2010 Bonds from the securities depository, and authenticate and deliver Series 2010 Bond certificates in fully registered form (in denominations of $5,000 or integral multiples thereof) to the assigns of the securities depository or its nominee, all at the cost and expense (including costs of printing definitive Series 2010 Bonds) of the City, if the City fails to maintain a securities depository/book-entry system, or of the beneficial owners, if they request termination of the system.

Prior to issuance of the Series 2010 Bonds, the City shall have executed and delivered to DTC a written agreement (the "Representation Letter") setting forth (or incorporating therein by reference) certain undertakings and responsibilities of the City with respect to the Series 2010 Bonds so long as the Series 2010 Bonds or a portion thereof are registered in the name of Cede & Co. (or a substitute nominee) and held by DTC. Notwithstanding such execution and delivery of the Representation Letter, the terms thereof shall not in any way limit the provisions of this Section or in any other way impose upon the City any obligation whatsoever with respect to persons having interests in the Series 2010 Bonds other than the registered owners, as shown on the registration books kept by the Trustee. The Trustee shall take all action necessary for all representations of the City in the Representation Letter with respect to the Trustee to at all times be complied with.

The authorized officers of the Trustee and the City shall do or perform such acts and execute all such certificates, documents and other instruments as they or any of them deem necessary or advisable to facilitate the efficient use of a securities depository for all or any portion of the Series 2010 Bonds; provided that neither the Trustee nor the City may assume any obligations to such securities depository or beneficial owners of Series 2010 Bonds that are inconsistent with their obligations to any registered owner under this Ordinance.

Each Series 2010 Bond shall bear interest from the payment date next preceding the date on which it is authenticated unless it is authenticated on an interest payment date, in which event it shall bear interest from such date, or unless it is authenticated prior to the first interest payment date, in which event it shall bear interest from December 1, 2010, or unless it is authenticated during the period from the Record Date to the next interest payment date, in which case it shall bear interest from such interest payment date, or unless at the time of authentication thereof interest is in default thereon, in which event it shall bear interest from the date to which interest has been paid.

Only such Series 2010 Bonds as shall have endorsed thereon a Certificate of Authentication substantially in the form set forth in Section 8

hereof (the "Certificate") duly executed by the Trustee shall be entitled to any right or benefit under this Ordinance. No Series 2010 Bond shall be valid and obligatory for any purpose unless and until the Certificate shall have been duly executed by the Trustee, and the Certificate upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance. The Certificate on any Series 2010 Bond shall be deemed to have been executed if signed by an authorized officer of the Trustee, but it shall not be necessary that the same officer sign the Certificate on all of the Series 2010 Bonds.

In case any Series 2010 Bond shall become mutilated or be destroyed or lost, the City shall, if not then prohibited by law, cause to be executed and the Trustee may authenticate and deliver a new Series 2010 Bond of like date, maturity and tenor in exchange and substitution for and upon cancellation of such mutilated Bond, or in lieu of and in substitution for such Series 2010 Bond destroyed or lost, upon the owner paying the reasonable expenses and charges of the City and Trustee in connection therewith, and, in the case of a Series 2010 Bond destroyed or lost, his filing with the Trustee evidence satisfactory to it that such Series 2010 Bond was destroyed or lost, and of his ownership thereof, and furnishing the City and Trustee with indemnity satisfactory to them. The Trustee is hereby authorized to authenticate any such new Series 2010 Bond. In the event any such Series 2010 Bond shall have matured, instead of issuing a new Series 2010 Bond, the City may pay the same without the surrender thereof. Upon the issuance of a new Series 2010 Bond under this Section, the City may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

The City shall keep, or cause to be kept, books for the registration and for the transfer of the Series 2010 Bonds as provided herein and in the Series 2010 Bonds. The Trustee shall act as the bond registrar. Each Series 2010 Bond is transferable by the registered owner thereof or by his attorney duly authorized in writing at the principal office of the Trustee. Upon such transfer a new fully registered Series 2010 Bond or Bonds of the same maturity, of authorized denomination or denominations, for the same aggregate principal amount will be issued to the transferee in exchange therefor.

No charge shall be made to any owner of any Series 2010 Bond for the privilege of transfer or exchange, but any owner of any Series 2010 Bond requesting any such transfer or exchange shall pay any tax or other governmental charge required to be paid with respect thereto. Except as otherwise provided in the immediately preceding sentence, the cost of preparing each new Series 2010 Bond upon each exchange or transfer and any other expenses of the City or the Trustee incurred in connection therewith shall

be paid by the City. The City shall not be required to transfer or exchange any Series 2010 Bonds selected for redemption in whole or in part.

The person in whose name any Series 2010 Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal or premium, if any, or interest of any Series 2010 Bond shall be made only to or upon the order of the registered owner thereof or his legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Series 2010 Bond to the extent of the sum or sums so paid.

In any case where the date of maturity of interest on or principal of the Series 2010 Bonds or the date fixed for redemption of any Series 2010 Bonds shall be a Saturday or Sunday or shall be in the State a legal holiday or a day on which banking institutions are authorized by law to close, then payment of interest or principal (and premium, if any) need not be made on such date but may be made on the next succeeding business day with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest shall accrue for the period after the date of maturity or date fixed for redemption.

Section 7. The Series 2010 Bonds shall be executed on behalf of the City by the Mayor and City Clerk and shall have impressed or imprinted thereon the seal of the City. The Series 2010 Bonds may be signed by the facsimile signatures of the Mayor and the City Clerk. The Series 2010 Bonds, together with interest thereon, are secured by and are payable solely from all revenues derived from the operation of the Airport (the "Airport Revenues"). Airport Revenues include particularly, without limitation, airline revenues (including landing fees and terminal rent), gasoline sales, fuel flowage fees, landing fees paid by non-scheduled airlines, office, hangar and other space rentals, operators' fees, parking lot concessions and passenger facilities charges). Airport Revenues are hereby pledged and mortgaged for the equal and ratable payment of the Series 2010 Bonds. The term "Bonds" herein refers to the Series 2010 Bonds and any additional bonds issued on a parity of security with the Series 2010 Bonds pursuant to Section 19 hereof.

The Series 2010 Bonds shall not constitute an indebtedness of the City within any constitutional or statutory limitation.

Section 8. The Series 2010 Bonds shall be in substantially the following form and the Mayor and City Clerk are hereby expressly authorized and directed to make all recitals contained therein:

(Form of Bond)

REGISTERED REGISTERED

No. ____ $_____

UNITED STATES OF AMERICA
STATE OF ARKANSAS
COUNTY OF SEBASTIAN
CITY OF FORT SMITH
AIRPORT REFUNDING REVENUE BOND
SERIES 2010

Interest Rate: _____% Maturity Date: October 1, _____
Dated Date: December 1, 2010
Registered Owner: _____
Principal Amount: _____ Dollars
CUSIP No.: _____

KNOW ALL MEN BY THESE PRESENTS:

That the City of Fort Smith, Arkansas (the "City"), for value received, hereby promises to pay, but solely from the source as hereinafter provided and not otherwise, to the Registered Owner shown above, upon the presentation and surrender hereof at the principal corporate office of BancorpSouth Bank, in Stuttgart, Arkansas, or its successor or successors, as Trustee (the "Trustee"), on the Maturity Date shown above, the Principal Amount shown above, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts and to pay by check or draft interest thereon, but solely from the source as hereinafter provided and not otherwise, in like coin or currency, at the Interest Rate per annum shown above, payable semiannually on the first days of April and October of each year, commencing April 1, 2011, until payment of such principal sum or, if this bond or a portion hereof shall be duly called for redemption, until the date fixed for redemption, and to pay interest on overdue principal and interest (to the extent legally enforceable) at the rate borne by this bond. Payment of each installment of interest shall be made to the person in whose name this bond is registered on the registration books of the City maintained by the Trustee at the close of business on the fifteenth day of the month (whether or not a business day) next preceding each interest payment date (the "Record Date"), irrespective of any transfer or exchange of this bond subsequent to such Record Date and prior to such interest payment date. Interest on this bond is payable from the interest payment date next preceding the date on which this bond is authenticated unless this bond is authenticated on an interest payment date, in which case it shall bear interest from such date, or unless this bond is authenticated prior to April 1, 2011, in which case it shall bear interest from the Dated Date shown above, or unless this bond is authenticated during the period from the Record Date to the next

interest payment date, in which case it shall bear interest from such interest payment date, or unless at the time of authentication of this bond interest is in default hereon, in which case it shall bear interest from the date to which interest has been paid.

Unless this bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Trustee for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is required by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

This bond is one of an issue of City of Fort Smith, Arkansas Airport Refunding Revenue Bonds, Series 2010, aggregating _____ _____ Dollars ($_____) in principal amount (the "Series 2010 Bonds"), and is issued for the purpose of refunding the City's outstanding Airport Refunding and Improvement Revenue Bonds, Series 1999, which financed, along with available funds, the costs of the acquisition, construction and equipping of additions and improvements to the municipal airport, together with related properties and facilities (the "Airport"), funding a debt service reserve and paying necessary expenses incidental thereto and to the authorization and issuance of the Series 2010 Bonds.

THE SERIES 2010 BONDS ARE ISSUED PURSUANT TO AND IN FULL COMPLIANCE WITH THE CONSTITUTION AND LAWS OF THE STATE OF ARKANSAS, INCLUDING PARTICULARLY TITLE 14, CHAPTER 360, SUBCHAPTER 3 AND TITLE 14, CHAPTER 164, SUBCHAPTER 4 OF THE ARKANSAS CODE OF 1987 ANNOTATED AND PURSUANT TO ORDINANCE NO. _____, DULY ADOPTED ON _____, 2010, AS SUPPLEMENTED BY ORDINANCE NO. _____, DULY ADOPTED ON _____, 2010 (COLLECTIVELY, THE "AUTHORIZING ORDINANCE"), AND DO NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY WITHIN ANY CONSTITUTIONAL OR STATUTORY LIMITATION. The Series 2010 Bonds are not general obligations of the City but are special obligations payable solely from the revenues derived from the operation of the Airport as described in the Authorizing Ordinance ("Airport Revenues"). An amount of Airport Revenues sufficient to pay the principal of and interest on the Series 2010 Bonds has been duly pledged and set aside into the Airport Revenue Bond Fund established by the Authorizing Ordinance. Reference is hereby made to the Authorizing Ordinance for a detailed statement of the terms and conditions upon which the Series 2010 Bonds are issued, of the nature and extent of the security for the Series 2010 Bonds, the reservation of the power to

issue additional (parity) bonds, and the rights and obligations of the City, the Trustee and the owners of the Series 2010 Bonds.

The Series 2010 Bonds shall be subject to redemption at the option of the City, from funds from any source, in whole at any time or in part on any interest payment date on and after October 1, 2020, at a redemption price equal to the principal amount being redeemed plus accrued interest to the redemption date. If fewer than all of the Series 2010 Bonds shall be called for redemption, the particular maturities to be redeemed shall be selected by the City in its discretion. If fewer than all of the Series 2010 Bonds of any one maturity shall be called for redemption, the particular Series 2010 Bonds or portion thereof to be redeemed from such maturity shall be selected by lot by the Trustee.

Notice of redemption identifying the Series 2010 Bonds or portions thereof (which shall be $5,000 or a multiple thereof) to be redeemed shall be given by the Trustee, not less than 30 nor more than 60 days prior to the date fixed for redemption, by mailing a copy of the redemption notice by first class mail, postage prepaid; or by other standard means, including facsimile transmissions and electronic communications, to all registered owners of Series 2010 Bonds to be redeemed. Failure to mail an appropriate notice or any such notice to one or more registered owners of Series 2010 Bonds to be redeemed shall not affect the validity of the proceedings for redemption of other Series 2010 Bonds as to which notice of redemption is duly given in proper and timely fashion. All such Series 2010 Bonds or portions thereof thus called for redemption and for the retirement of which funds are duly provided in accordance with the Authorizing Ordinance prior to the date fixed for redemption will cease to bear interest on such redemption date. With respect to notice of redemption of the Series 2010 Bonds, unless moneys sufficient to pay the principal of an premium, if any , and interest on the Series 2010 Bonds to be redeemed shall have been received by the Trustee prior to the giving of such notice, such notice shall state that such redemption shall be conditional upon the receipt of such moneys by the Trustee on or prior to the date fixed for such redemption.

The City and the Trustee may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and premium, if any, hereon and interest due hereon and for all other purposes, and neither the City nor the Trustee shall be affected by any notice to the contrary.

The Series 2010 Bonds are issuable only as fully registered bonds in the denomination of $5,000, and any integral multiple thereof. Subject to the limitations and upon payment of the charges provided in the Authorizing Ordinance, Series 2010 Bonds may be exchanged for a like aggregate principal

amount of Series 2010 Bonds of the same maturity of other authorized denominations.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the Series 2010 Bonds do exist, have happened and have been performed in due time, form and manner as required by law; that the indebtedness represented by the Series 2010 Bonds, together with all obligations of the City, does not exceed any constitutional or statutory limitation; and that the above referred to Airport Revenues pledged to the payment of the principal of and premium, if any, and interest on the Series 2010 Bonds as the same become due and payable will be sufficient in amount for that purpose.

This Series 2010 Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Authorizing Ordinance until the Certificate of Authentication hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, the City of Fort Smith, Arkansas has caused this bond to be executed by its Mayor and City Clerk, thereunto duly authorized, and its corporate seal to be impressed or imprinted on this bond, all as of the Dated Date shown above.

CITY OF FORT SMITH, ARKANSAS

ATTEST:

By _____
Mayor

_____
City Clerk

(SEAL)

(Form of Trustee's Certificate)

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds designated Airport Refunding Revenue Bonds, Series 2010, in and issued under the provisions of the within mentioned Authorizing Ordinance.

BANCORPSOUTH BANK
TRUSTEE

By _____
Authorized Signature

Date of Authentication: _____

(A Form of Assignment shall be
attached to each Series 2010 Bond.)

Section 9. The City covenants that it will cause the Airport to be operated as a revenue producing undertaking and that the rates, rents and charges for services at the Airport shall be fixed in amount from time to time that will produce Net Revenues at least equal to 110% of the aggregate average annual principal and interest requirements on all outstanding bonds payable from Airport Revenues ("Airport Bonds"). "Net Revenues" shall mean Airport Revenues less the amounts required to pay the costs of operation, maintenance and repair, including all expense items properly attributable to the operation and maintenance of the Airport in accordance with generally accepted accounting principles, excluding depreciation and interest expenses.

Section 10. The Treasurer of the Commission shall be custodian of the Airport Revenues and shall give bond for the faithful discharge of his or her duties as such custodian, in such amount as is fixed and approved by the Commission. All Airport Revenues and proceeds of the Bonds received by the Commission Treasurer shall be deposited by him or her in such depository or depositories for the Commission as may be lawfully designated from time to time; subject, however, to the giving of security as now or hereafter may be required by law, and provided that such depository or depositories shall hold membership in the Federal Deposit Insurance Corporation ("FDIC") or any successor entity. All deposits shall be in the name of the Commission and shall be so designated as to indicate the particular fund to which the Airport Revenues or proceeds belong. Any deposit in excess of the amount insured by the FDIC shall be secured by direct or fully guaranteed obligations of the United States of America or other securities authorized by Arkansas law to secure public deposits, unless invested as herein authorized.

Section 11. All Airport Revenues shall be deposited into a special fund designated "Airport Revenue Fund," in a bank selected by the Commission that is a member of the FDIC. Airport Revenues in the Airport Revenue Fund are pledged and shall be applied to the payment of the principal of and interest on the Bonds, to the maintenance of debt service reserves at required levels, to the payment of the reasonable and necessary expenses of operation and maintenance of the Airport and otherwise as described herein.

Section 12. (a) There shall first be transferred and paid from the Airport Revenue Fund into a special fund designated "Airport Revenue Bond Fund" (the "Bond Fund") in a bank selected by the Commission that is a member of the FDIC, the sums in the amounts and at the times described below.

(b) There shall be paid into the Bond Fund until all outstanding Bonds, with interest thereon, have been paid in full or provision made for such payment, on the first business day of each month, a sum equal to 1/6 of the next installment of interest plus 1/12 of the installment of principal due during the then next twelve months (either at maturity or in accordance with any mandatory redemption provisions) on all outstanding Bonds, plus an amount sufficient to provide for Trustee's fees, on all outstanding Bonds; provided, however, that approximately level payments shall be made for the interest payment due in April 1, 2011 and for the principal payment due October 1, 2011. If additional bonds are issued, payments into the Bond Fund shall be increased to provide for monthly amortization of such additional bonds. The City shall receive a credit against monthly payments from the Airport Revenue Fund to the extent of deposits from other sources and interest earnings.

(c) There is established and shall be maintained within the Bond Fund a "Debt Service Reserve," initially funded with Series 2010 Bond proceeds in an amount equal to the Required Level (defined below). If additional bonds are issued on a parity with the Bonds, the Debt Service Reserve must be increased upon the issuance of such additional bonds, so that the amount thereof is equal to the Required Level. The Debt Service Reserve shall be established and maintained in an amount equal to the least of (1) 10% of the original proceeds of the Bonds, (2) the maximum annual debt service on all Bonds or (3) 1.25 times the average annual debt service on all Bonds outstanding (the "Required Level").

The Debt Service Reserve shall be valued by the Trustee, at market value, no less frequently than annually, and any surplus therein (in excess of the Required level) shall be promptly transferred to the Bond Fund and used as a credit against monthly payments from the Airport Revenue Fund. Any deficiency in the Debt Service Reserve on account of the value thereof shall be corrected by the deposit therein from the Airport Revenue Fund of monthly

amounts equal to not less than the amounts sufficient to cure such deficiency in twelve equal deposits.

(d) If the Airport Revenues are insufficient to make the required payment on the first business day of any month into the Bond Fund, the amount of any such deficiency in the payment made shall be added to the amount otherwise required to be paid into the Bond Fund on the first business day of the next month.

(e) If for any reason there shall be a deficiency in the payments made into the Bond Fund so that there are unavailable sufficient moneys therein to pay the principal of and interest on the Bonds as the same become due, any sums then held in the Debt Service Reserve shall be used to the extent necessary to pay such principal and interest.

(f) If a surplus shall exist in the Bond Fund over and above the amount required for making all principal and interest payments during the next succeeding twelve month period and in excess of the Required Level of the Debt Service Reserve, such surplus shall be applied, at the direction of the Commission, to the payment of the principal of and interest on the Bonds that may be called for redemption prior to maturity or shall be deposited into the Airport Revenue Fund. Otherwise, moneys in the Bond Fund shall be used solely for the payment of principal, premium, if any, and interest on the Bonds, Trustee's fees and otherwise as described herein.

(g) The Treasurer of the Commission shall withdraw from the Bond Fund and deposit with the Trustee at least one business day before the due date of any Bond or interest payable therefrom, at maturity or redemption prior to maturity, an amount equal to the amount of such Bond or interest payment for the sole purpose of paying the same, together with the Trustee's fee.

(h) The Bonds shall be specifically secured by a pledge of all Airport Revenues. This pledge in favor of the Bonds is hereby irrevocably made according to the terms of this Ordinance, and the City and the Commission and their officers and employees shall execute, perform and carry out the terms hereof in strict conformity with the provisions of this Ordinance.

Section 13. After the required payments have been made into the Bond Fund, there shall be paid from the Airport Revenue Fund into a fund designated "Airport Operation and Maintenance Fund" (the "Operation and Maintenance Fund"), on the first business day of each month, an amount sufficient to pay the reasonable and necessary monthly expenses of operation, repair and maintenance of the Airport for such month and from which disbursements shall be made only for those purposes. Fixed annual charges such as insurance premiums and the cost of major repair and maintenance

expenses may be computed and set upon an annual basis, and one-twelfth (1/12) of the amount thereof may be paid into the Operation and Maintenance Fund each month.

If in any month for any reason there shall be a failure to transfer and pay the required amount into the Operation and Maintenance Fund, the amount of the deficiency shall be added to the amount otherwise required to be transferred and paid into the fund the next succeeding month. If in any fiscal year a surplus shall be accumulated in the Operation and Maintenance Fund over and above the amount which shall be necessary to defray the reasonable and necessary costs of operation and maintenance during the remainder of the then current fiscal year and the next ensuing fiscal year, such surplus may be transferred into the Airport Revenue Fund.

Section 14. The City hereby expressly pledges, and covenants to use, all Airport Revenues to make all required deposits under this Ordinance into the Bond Fund and the Operation and Maintenance Fund. Any surplus in the Airport Revenue Fund, after making all required disbursements and making full provision for required funds, may be used, at the option of the Commission, for the redemption of Bonds; for constructing additions and improvements to the Airport; or for the maintenance or operation of the Airport.

Section 15. It is hereby covenanted and agreed by the City with the owners of the Bonds that the City and the Commission will faithfully and punctually perform all duties with reference to the Airport required by the Constitution and laws of the State and by this Ordinance, including the charging and collecting of sufficient rates and charges for the use of the Airport, as herein specified and covenanted, the segregating of the Airport Revenues pledged hereby and the applying of the Airport Revenues to the respective funds created hereby.

Section 16. The City will cause the Commission to keep proper books of accounts and records (separate from all other records and accounts) in which complete and correct entries shall be made of all transactions relating to the operation of the Airport, and such books shall be available for inspection by the registered owner of any of the Bonds at reasonable times and under reasonable circumstances. The City agrees that the Commission will have these records audited by an independent certified public accountant not in the regular employ of the City that is selected by the Commission ("Accountant") at least once each year, which audit may be a part of the annual audit of the financial records of the City, and a copy of the audit shall be delivered to the Trustee and made available to registered owners requesting the same in writing. In the event that the Commission fails or refuses to make the audit, the Trustee or any registered owner of the Bonds may have the audit made, and the cost thereof shall be charged against the Operation and Maintenance Fund.

Section 17. The City covenants that it will cause the Commission to maintain the Airport in good condition and operate the same in an efficient manner and at reasonable cost. While any of the Bonds are outstanding, the City agrees that, to the extent that comparable protection is not otherwise provided to the satisfaction of the Trustee, it will cause the Commission to keep the properties of the Airport insured against loss or damage, in an amount and against such risks as are usually insured against in connection with similar facilities and undertakings as the Airport. The City further covenants, to the extent comparable protection is not otherwise provided to the satisfaction of the Trustee, that it will cause the Commission to maintain adequate fidelity insurance or bonds on all officers or employees responsible for handling funds of the Airport. All insurance required by this Ordinance (unless comparable protection is provided) shall be effected with reputable insurance companies selected by the Commission, which usually insure risks similar in nature and monetary exposure. Satisfactory evidence of insurance is to be placed in the custody of the Trustee. In the event of loss, the proceeds of such insurance shall be applied solely toward the reconstruction, replacement or repair of the Airport, and in such event the City will, with reasonable promptness, cause to be commenced and completed the reconstruction, replacement and repair work. If such proceeds are more than sufficient for such purposes, the balance remaining shall be deposited to the credit of the Airport Revenue Fund, and if such proceeds shall be insufficient for such purposes the deficiency shall be supplied first from moneys in the Operation and Maintenance Fund and second from surplus moneys in the Airport Revenue Fund.

Section 18. So long as any of the Bonds are outstanding, the Commission shall not mortgage, pledge or otherwise encumber the Airport, or any part thereof essential to the proper operation of the Airport or to the maintenance of Airport Revenues. The City will not create, or permit the creation of, any pledge, lien, charge or encumbrance upon the Airport Revenues except as permitted hereby. The City will not sell or otherwise dispose of all or any substantial portion of the Airport. Nothing in this Section shall be construed to prohibit the City from leasing its properties or from disposing of worn out or obsolete properties or from disposing of properties not being used and not useful in the operation of the Airport, provided that all revenues derived from the disposition of such properties shall be deposited in the Airport Revenue Fund.

Section 19. (a) So long as any Bonds are outstanding, the City shall not issue or attempt to issue any bonds claimed to be entitled to a priority of lien on Airport Revenues over the lien securing the Bonds.

(b) The City reserves the right to issue additional bonds, to finance or refinance the cost of constructing any future extensions or improvements to the Airport secured by a pledge of Airport Revenues ranking,

with respect to Airport Revenues, on a parity with the Bonds, provided that there shall have been procured and filed with the Trustee a statement by an Accountant reciting the opinion, based upon necessary investigation, that (i) Net Revenues of the Airport for the fiscal year immediately preceding the fiscal year in which it is proposed to issue such additional bonds shall equal not less than 125% of the maximum annual principal and interest requirements on all the then outstanding Airport Bonds, and the additional bonds then proposed to be issued, or (ii) Net Revenues of the Airport for each of the two fiscal years next succeeding the fiscal year in which the proposed project to be funded is completed shall equal not less than 130% of the maximum annual principal and interest requirements on all the then outstanding Airport Bonds and the additional bonds then proposed to be issued.

In addition, the City may also issue additional bonds for any extensions or improvements to the Airport secured by Airport Revenues so long as the lien and pledge in favor of such bonds is subordinate to the lien and pledge in favor of the Bonds.

Section 20. (a) Moneys held for the credit of the Bond Fund shall be continuously invested and reinvested pursuant to the direction of the Commission in direct obligations, or obligations the principal and interest on which are unconditionally guaranteed by the United States of America ("Government Securities") and certificates of deposit of banks which are members of FDIC, all of which shall mature, or which shall be subject to redemption by the holder thereof, at the option of such holder, not later than (i) seven (7) years after the date of investment or the final maturity date of the Bonds, whichever is earlier in the case of the Debt Service Reserve and (ii) the date the moneys will be needed for the payment of principal and interest in case of other moneys in the Bond Fund.

(b) Moneys held for the credit of any other fund shall be continuously invested and reinvested pursuant to the direction of the Commission in Government Securities or other investments as may, from time to time, be permitted by law, which shall mature, or which shall be subject to redemption by the holder thereof, at the option of such holder, not later than the date or dates when the moneys held for the credit of the particular fund will be required for the purposes intended.

(c) Obligations so purchased as an investment of moneys in any fund shall be deemed at all times to be a part of such fund and the interest accruing thereon and any profit realized from such investments shall be credited to such fund, and any loss resulting from such investment shall be charged to such fund; provided, however, that earnings on the Debt Service Reserve in excess of the Required Level shall be credited against the City's monthly payment obligations into the Bond Fund.

(d) Moneys so invested in Government Securities or in certificates of deposit of banks to the extent insured by FDIC, need not be secured by the depository bank or banks.

Section 21. The Series 2010 Bonds shall be subject to redemption prior to maturity in accordance with the terms set out in the bond form.

Section 22. Any Bond shall be deemed to be paid within the meaning of this Ordinance when payment of the principal of and interest on such Bond (whether at maturity or upon redemption as provided herein, or otherwise), either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for by irrevocably depositing with the Trustee, in trust and irrevocably set aside exclusively for such payment (1) cash sufficient to make such payment and/or (2) direct obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America ("Investment Securities") (provided that such deposit will not affect the tax exempt status of the interest on any of the Bonds or cause any of the Bonds to be classified as "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code")), maturing as to principal and interest in such amounts and at such times as will provide sufficient moneys to make such payment, and all necessary and proper fees, compensation and expenses of the Trustee shall have been paid or the payment thereof provided for to the satisfaction of the Trustee.

On the payment of any Bonds within the meaning of this Ordinance, the Trustee shall hold in trust, for the benefit of the owners of such Bonds, all such moneys and/or Investment Securities.

When all the Bonds shall have been paid within the meaning of this Ordinance, and if the Trustee has been paid its fees and expenses, the Trustee shall take all appropriate action to cause (i) the pledge and lien of this Ordinance to be discharged and cancelled, and (ii) all moneys held by it pursuant to this Ordinance and which are not required for the payment of such Bonds to be paid over or delivered to or at the direction of the City. In determining the sufficiency of the deposit of Investment Securities there shall be considered the principal amount of such Investment Securities and interest to be earned thereon until the maturity of such Investment Securities.

Section 23. If there be any default in the payment of the principal of or interest on any of the Bonds, or if the City defaults in any Bond Fund requirement or in the performance of any of the other covenants contained in this Ordinance, the Trustee may, and upon the written request of the registered owners of not less than 10% in principal amount of the then outstanding Bonds, shall, by proper suit, compel the performance of the duties of the officials of the City under the laws of Arkansas. And in the case of a

default in the payment of the principal of and interest on any of the Bonds, the Trustee may and upon written request of the registered owners of not less than 10% in principal amount of the then outstanding Bonds, shall apply in a proper action to a court of competent jurisdiction for the appointment of a receiver to administer the Airport on behalf of the Commission and the registered owners of the Bonds with power to charge and collect (or by mandatory injunction or otherwise to cause to be charged and collected) rates sufficient to provide for the payment of the expenses of operation, maintenance and repair and to pay any Bonds and interest outstanding and to apply Revenues in conformity with the laws of Arkansas and with this Ordinance. When all defaults in principal and interest payments have been cured, the custody and operation of the Airport shall revert to the Commission.

No registered owner of any of the outstanding Bonds shall have any right to institute any suit, action, mandamus or other proceeding in equity or at law for the protection or enforcement of any power or right unless such owner previously shall have given to the Trustee written notice of the default on account of which such suit, action or proceeding is to be taken, and unless the registered owners of not less than 10% in principal amount of the Bonds then outstanding shall have made written request of the Trustee after the right to exercise such power or right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted to the Trustee, or to institute such action, suit or proceeding in its name, and unless, also, there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby and the Trustee shall have refused or neglected to comply with such request within a reasonable time. Such notification, request and offer of indemnity are, at the option of the Trustee, conditions precedent to the execution of any remedy. No one or more registered owners of the Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Ordinance, or to enforce any right thereunder except in the manner herein described. All proceedings at law or in equity shall be instituted, had and maintained in the manner herein described and for the benefit of all registered owners of the outstanding Bonds.

No remedy conferred upon or reserved to the Trustee or to the registered owners of the Bonds is intended to be exclusive of any other remedy or remedies, and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Ordinance or by law.

The Trustee may, and upon the written request of the registered owners of not less than 50% in principal amount of the Bonds then outstanding shall, waive any default which shall have been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted under the provisions of this Ordinance or before the completion of the

enforcement of any other remedy, but no such waiver shall extend to or affect any other existing or any subsequent default or defaults or impair any rights or remedies consequent thereon.

All rights of action under this Ordinance or under any of the Bonds enforceable by the Trustee, may be enforced by it without the possession of any of the Bonds, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all the registered owners of such Bonds, subject to the provisions of this Ordinance.

No delay or omission of the Trustee or of any registered owners of the Bonds to exercise any right or power accrued upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Ordinance to the Trustee and to the registered owners of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

In any proceeding to enforce the provisions of this Ordinance any plaintiff Bondholder shall be entitled to recover from the City all costs of such proceeding, including reasonable attorneys' fees.

Section 24. (a) The terms of this Ordinance shall constitute a contract between the City and the registered owners of the Bonds and no variation or change in the undertaking herein set forth shall be made while any of the Bonds are outstanding, except as hereinafter set forth in subsections (b) and (c).

(b) The Trustee may consent to any variation or change in this Ordinance to cure any ambiguity, defect or omission in this Ordinance or any amendment hereto or any other change that the Trustee determines is not to the material prejudice of the Bondholders or the Trustee without the consent of the owners of the outstanding Bonds.

(c) The owners of not less than 75% in aggregate principal amount of the Bonds then outstanding shall have the right, from time to time, anything contained in this Ordinance to the contrary notwithstanding, to consent to and approve the adoption by the City of such ordinance supplemental hereto as shall be necessary or desirable for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Ordinance or in any supplemental ordinance; provided, however, that nothing contained in this Section shall permit or be construed as permitting (a) an extension of the maturity of the principal of or the interest on any Bond, or (b) a reduction in the principal amount of any Bond or the rate of interest thereon, or (c) the creation of a lien or pledge superior to the lien and pledge created by this Ordinance, or (d) a

privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (e) a reduction in the aggregate principal amount of the Bonds required for consent to such supplemental ordinance.

Section 25. When the Series 2010 Bonds have been executed and sealed as herein provided, they shall be delivered to the Trustee. The Trustee shall authenticate the Series 2010 Bonds and deliver them to or at the direction of the Purchaser upon payment of the purchase price as set forth in the Agreement. The accrued interest shall be deposited into the Bond Fund. A sufficient amount of the sale proceeds, along with other available funds appropriated hereby, shall be deposited with the trustee for the Refunded Bonds and used to accomplish the Refunding. The amount necessary to fund the Debt Service Reserve at the Required Level shall be deposited into the Debt Service Reserve. The expenses of issuing the Series 2010 Bonds as set forth in the delivery instructions to Trustee signed by the Mayor and City Clerk shall also be paid from the sale proceeds. The remainder of the sale proceeds, if any, shall be deposited into a special account in the name of the City in the Trustee designated "Cost of Issuance Fund". The moneys in the Cost of Issuance Fund shall be disbursed solely in payment of the costs of issuing the Series 2010 Bonds. Disbursements shall be on the basis of requisitions which shall contain at least the following information: the person to whom payment is being made; the amount of the payment; and the purpose by general classification of the payment. Each requisition must be signed by the Manager or such other person or persons designated by the Commission.

If moneys remain in the Cost of Issuance Fund on January 31, 2011, any remaining balance shall be transferred by the Trustee to the Commission for deposit into the Bond Fund.

Section 26. The Trustee shall only be responsible for the exercise of good faith and reasonable prudence in the execution of its trust. The recitals in this Ordinance and in the face of the Bonds are the recitals of the City and not of the Trustee. The Trustee shall not be required to take any action as Trustee unless it shall have been requested to do so in writing by the registered owners of not less than 10% in principal amount of the Bonds then outstanding and shall have been offered reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby. The Trustee may resign at any time by 60 days' notice in writing to the City Clerk and to the registered owners of the Bonds, and the majority in value of the registered owners of the outstanding Bonds or the City, if it is not in default hereunder, at any time, with or without cause, may remove the Trustee. In the event of a vacancy in the office of Trustee, either by resignation or by removal, the City shall appoint a new Trustee, such appointment to be evidenced by a written instrument or instruments filed with the City Clerk. The original Trustee and any successor Trustee shall file a written acceptance and agreement to execute the trust imposed upon it or them by this Ordinance, but

only upon the terms and conditions set forth in this Ordinance and subject to the provisions of this Ordinance, to all of which the respective registered owners of the Bonds agree. Such written acceptance shall be filed with the City Clerk and a copy thereof shall be placed in the Bond transcript. Every successor Trustee shall be a trust company or bank duly authorized to exercise trust powers and subject to examination by federal or state authority, having a reported capital and surplus of not less than $10,000,000. Any successor Trustee shall have all the powers herein granted to the original Trustee. The Trustee's resignation shall not become effective until the acceptance of the trusts by the successor trustee.

Section 27. In the event the office of Mayor, City Clerk, Commission, Manager, Commission Treasurer or Board of Directors shall be abolished, or any two or more of such offices shall be merged or consolidated, or in the event the duties of a particular office shall be transferred to another office or officer, or in the event of a vacancy in any such office by reason of death, resignation, removal from office or otherwise, or in the event any such officer shall become incapable of performing the duties of his office by reason of sickness, absence from the City or otherwise, all powers conferred and all obligations and duties imposed upon such office or officer shall be performed by the office or officer succeeding to the principal functions thereof, or by the office or officer upon whom such powers, obligations and duties shall be imposed by law.

Section 28. (a) The City covenants that it shall not take any action or suffer or permit any action to be taken or condition to exist which causes or may cause the interest payable on the Series 2010 Bonds to be subject to federal income taxation. Without limiting the generality of the foregoing, the City represents and covenants that the proceeds of the Series 2010 Bonds and Airport Revenues will not be used directly or indirectly in such manner as to cause the Series 2010 Bonds to be treated as "arbitrage bonds" within the meaning of Section 148 of the Code.

(b) The City covenants that it will take no action which would cause the Series 2010 Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code. Nothing in this Section shall prohibit investments in bonds issued by the United States Treasury.

(c) The City covenants that it will submit to the Secretary of the Treasury of the United States, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Series 2010 Bonds are issued, the statement required by Section 149(e) of the Code.

(d) The City covenants that it will, in compliance with the requirements of Section 148(f) of the Code, pay with moneys in the Airport Revenue Fund to the United States Government in accordance with the

requirements of Section 148(f) of the Code, from time to time, an amount equal to the sum of (1) the excess of (A) the amount earned on all Nonpurpose Investments (as therein defined) attributable to the Series 2010 Bonds, other than investments attributable to such excess over (B) the amount which would have been earned if such Nonpurpose Investments attributable to the Series 2010 Bonds were invested at a rate equal to the Yield (as defined in the Code) applicable to the Series 2010 Bonds, plus (2) any income attributable to the excess described in (1), subject to the exceptions set forth in Section 148 of the Code. The City further covenants that in order to assure compliance with its covenants herein, it will employ a qualified consultant to advise the City in making the determination required to comply with this subsection. Anything herein to the contrary notwithstanding, this provision may be modified or rescinded if in the opinion of Bond Counsel such modification or rescission will not affect the tax-exempt status of the Series 2010 Bonds for federal income tax purposes.

(e) Not less than 95% of the net proceeds (within the meaning of Section 144(a) of the Code and regulations thereunder) from the sale of the Refunded Bonds were used to provide an "airport" within the meaning of Section 142(a) of the Code. An "airport" includes storage and training facilities which are directly related and ancillary to an airport (determined without regard to this clause). An "airport" includes office space only if all but a de minimis amount (less than 5%) of the functions to be performed at such office are directly related to the day-to-day operations at such airport and such office space is located on the premises of such airport.

(f) The facilities financed by the Refunded Bonds (the "Improvements") will, so long as the Series 2010 Bonds are outstanding, be owned by the Commission. In this regard, any lease of the Improvements will be within the following terms:

(i) the lessee shall make an irrevocable election (binding on the lessee and all successors in interest under the lease) not to claim depreciation or an investment credit with respect to such property;

(ii) the lease term (as defined in section 168(i)(3) of the Code) will be not more than 80 percent of the reasonably expected economic life of the Improvements (as determined under section 147(b) of the Code), and

(iii) the lessee shall have no option to purchase the property other than at fair market value (as of the time such option is exercised).

(g) The Improvements have not and will not include any of the following to be used in a private business use (as defined in Section 141(b)(6) of the Code):

(i) any lodging facility;

(ii) any retail facility (including food and beverage facilities) in excess of a size necessary to serve passengers and employees at the Airport;

(iii) any retail facility (other than parking) for passengers or the general public located outside the Airport terminal;

(iv) any office building for individuals who are not employees of the City or the Commission; and

(v) any industrial park or manufacturing facility.

(h) The average maturity of the Series 2010 Bonds (within the meaning of Section 147(b) of the Code) will not exceed 120% of the average reasonably expected remaining economic life of the Improvements (within the meaning of Section 147(b) of the Code), determined with respect to any facility as of the date on which the Series 2010 Bonds are issued.

(i) No more than 25% of the proceeds of the Refunded Bonds have been or will be used to provide (A) land or (B) a facility the primary purpose of which is one of the following: retail, food and beverage services, automobile sales or service, or the provision of recreation or entertainment.

(j) No portion of the proceeds of the Refunded Bonds have been or will be used, to provide or acquire any of the following: (i) any private or commercial golf course, country club, massage parlor, tennis club, skating facility (including roller skating, skateboard and ice skating), racquet sports facility (including any handball or racquetball court), hot tub facility, suntan facility, racetrack, airplane, skybox or other private luxury box, health club facility, facility primarily used for gambling, store the principal business of which is the sale of alcoholic beverages for consumption off premises; (ii) land to be used for farming purposes; or (iii) residential real property for family units.

(k) No portion of the proceeds of the Refunded Bonds were applied to acquire or install previously used property, the first use of which was not solely with the City within the meaning of Section 147(d) of the Code.

(l) No portion of the Series 2010 Bond proceeds in excess of 2% of the proceeds of the Series 2010 Bonds will be used to finance costs of issuance of the Series 2010 Bonds.

Any provision of this Section may be modified or rescinded in the event that there is delivered to the Trustee an opinion of nationally recognized municipal bond counsel acceptable to the Trustee, to the effect that such modification or rescission (A) is necessary to preserve the exclusion from gross income of interest on the Series 2010 Bonds for federal income tax purposes or (B) will not adversely affect such exclusion from gross income.

The provisions of this Section shall remain in full force and effect notwithstanding the payment or defeasance of the Series 2010 Bonds hereunder.

Section 29. All moneys in the Airport Revenue Bond Fund established by the 1999 Ordinance are hereby appropriated and shall be used for the accomplishment of the Refunding.

Section 30. The provisions of this Ordinance are hereby declared to be separable and if any provision shall for any reason be held illegal or invalid, such holding shall not affect the validity of the remainder of this Ordinance.

Section 31. All ordinances and resolutions or parts thereof, in conflict herewith are hereby repealed to the extent of such conflict.

PASSED: November 2, 2010.

ATTEST:

City Clerk

APPROVED:

Mayor

(SEAL)

CERTIFICATE

The undersigned, City Clerk of the City of Fort Smith, Arkansas, hereby certifies that the foregoing pages are a true and correct copy of Ordinance No. 53-10, adopted at a regular session of the Board of Directors of the City, held at the regular meeting place of the Board of Directors in the City at 6:00 p.m., on the 2nd day of November, 2010, and that said Ordinance is of record in Ordinance Record Book No. _____, Page _____, now in my possession.

GIVEN under my hand and seal this 2d day of November, 2010.

Cindy Rensler
City Clerk

(SEAL)

3

ORDINANCE NO._____

AN ORDINANCE ORDERING THE OWNERS OF CERTAIN DILAPIDATED AND SUBSTANDARD STRUCTURES TO DEMOLISH SAME, AUTHORIZING THE CITY ADMINISTRATOR TO CAUSE THE DEMOLITION OF SUCH STRUCTURES TO OCCUR, AND FOR OTHER PURPOSES.

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

WHEREAS, certain owners of real property have caused or allowed certain tracts of real property to deteriorate to the condition that such tracts of real property and the improvements thereon are now, and for several months prior hereto have been dilapidated, unsightly, unsafe, unsanitary, noxious and detrimental to the public welfare, and

WHEREAS, the condition of such tracts of property and the improvements located thereon are in violation of the City Ordinances and the statutes of the State of Arkansas.

NOW, THEREFORE,

SECTION 1: It is the opinion of the Board of Directors that the hereinafter described tracts of real property, and the improvements located there, are dilapidated, unsafe and otherwise detrimental to the public health and constitute structural, fire and health hazards:

STREET ADDRESS:

2501 S INDEPENDENCE STREET - LOT 15, BLOCK M ; VANTAGE VIEW ADDITION

2223 NORTH 31ST STREET - LOTS 9 & 10, BLOCK 3; FAIRGROUND ADDITION

103 NORTH 16TH STREET (REAR GARAGE ONLY) - SW ½ LOT 11, ALL LOT 12, BLOCK 18; FITZGERALD ADDITION

SECTION 2: The owners of the tracts of real property described in Section 1 are hereby ordered to remove or raze the improvements located on the said tracts of property and to remedy the unsightly and unsanitary conditions otherwise located on said tracts of real property within thirty (30) days from the date of this

Approved as to form
JSC
Publish 1 time

ordinance.

SECTION 3: With reference to said tracts of real property and improvements located there for which the order contained in Section 2 of this ordinance has not been complied with within thirty (30) calendar days from the date of passage of this ordinance, the City Administrator is hereby authorized to execute a contract, based on the bid(s) accepted on the date of this action or at a later date, for the removal or razing of the described improvements on the tracts of real property in order to remedy the unsightly and unsanitary conditions located on said tracts of property.

SECTION 4: The provisions of this ordinance are hereby declared to be severable to the extent that a decision by any court of competent jurisdiction determining that any portion of this ordinance or any application thereof is unconstitutional, invalid or otherwise illegal shall not affect the constitutionality, validity or legality of the other provisions and/or applications of the ordinance.

SECTION 5: Emergency Clause. It is hereby found and declared by the Board of Directors that the dilapidated, unsanitary condition of the tracts of real property and improvements described herein constitute an immediate menace to the health, welfare and safety of the citizens of the City so that an emergency is hereby declared and that this ordinance shall be effective from and after the date of its passage.

PASSED AND APPROVED this _____day of_____2011.

APPROVED:

_____

Mayor

ATTEST:

_____

City Clerk

The City of Fort Smith ARKANSAS

MEMORANDUM

Building Safety Division

TO: Ray Gosack, City Administrator

FROM: Jimmie Deer, Building Official

DATE: June 15, 2011

SUBJECT: Unsafe Structures

The following structures have been damaged and/or deteriorated to a condition that has caused the Building Department to condemn them. The property and the improvements, thereon are now, and for several months prior hereto, have been dilapidated, unsafe, unsightly, unsanitary, obnoxious and detrimental to the public welfare and are found to be in violation of the Ordinances of the City of Fort Smith.

The property descriptions and owners are:

2501 S. Independence Street - Lot 15, Block M; Vantage View Addition

Owners: Richard R. & Martha Y. Ehlen.
3601 Morris Drive
Fort Smith, AR 72904

2223 North 31st Street - Lots 9 & 10, Block 3; Fitzgerald Addition

Owners: Ozzie & Charlene Whitfield
2222 N. 31st Street
Fort Smith, AR 72902

103 North 16th Street (REAR GARAGE ONLY) - SW ½ Lot 11, All Lot 12, Block 18; Fitzgerald Addition

Owners: Rena L. Westbrook & David L. Dunagin
P. O. Box 1266
Fort Smith, AR 72902-1266

Simmons First National Bank
P. O. Box 2890
Fort Smith, AR 72913-2890

The owners of these properties have been notified according to the procedures outlined in Section 16-88 of the Fort Smith Municipal Code. The property owners were notified by certified mail and posting the same letters on the buildings. The letter or notice contains information concerning the appeal procedure outlined in Section 16-91 of the Municipal Code. The Code specifies that they must file any appeals

within fifteen (15) days from the date of service. The owner(s) of the subject properties did not file an appeal within the fifteen (15) day period nor have they requested an appeal hearing since that deadline has passed.

2801 South Independence Street - The structure burnt on September 18, 2010 and has been without water service since October 28, 2010. We received complaints from the neighborhood. The property was posted and unsafe notices were sent to the owners on April 26, 2011 and one notice came back unclaimed and the other notice was signed for on May 16, 2011. As of today the owners have taken no action to repair or demolish the structure.

2223 North 31st Street - The structure has been without water since before 2000. We received complaints from the neighboring property owners. The property was posted and unsafe notices were sent to the owners on May 2, 2011 and the notices were signed for on May 5, 2011. As of today the owners have taken no action to repair or demolish the structure.

103 North 16th Street (REAR GARAGE ONLY) - Staff continues to receive complaints on the main structure and the garage. We are attempting to have the house repaired with an enforcement action using the Property Maintenance Code. The case is currently being reviewed by the District Court. The condition of the garage is so bad that we are asking for the Board of Directors to issue an order to demolish. The garage was posted and unsafe notices were sent to the owners on May 5, 2011 and the post office delivered the letters to the P. O. Box on May 6, 2011. As of today, the owners have not attempted any repairs or progress to demolish the garage.

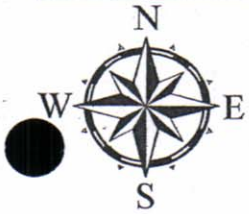
Therefore, I am recommending this matter be referred to the Board of Directors for their review. An Ordinance will be prepared that will order the property owners to demolish or repair the buildings within thirty (30) calendar days and if such work has not occurred, the staff will be authorized to have the structures removed.

Please contact me if you have any questions or if we need to discuss this matter in more detail.

Therefore, I am recommending this matter be referred to the Board of Directors for their review. An Ordinance will be prepared that will order the property owners to demolish or repair the buildings within thirty (30) calendar days and if such work has not occurred, the staff will be authorized to have the structures removed.

Please contact me if you have any questions or if we need to discuss this matter in more detail.

CC: Wally Bailey



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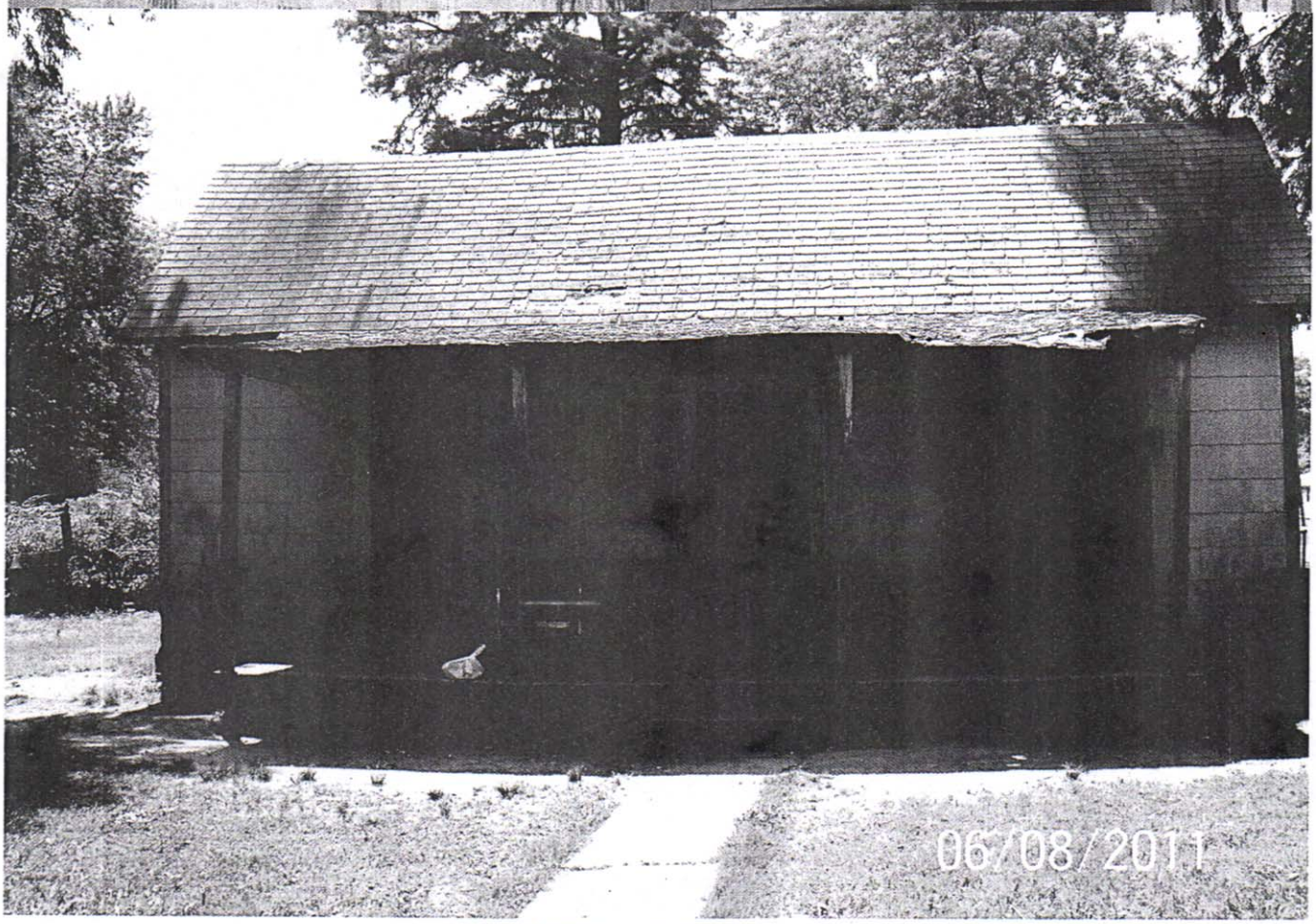

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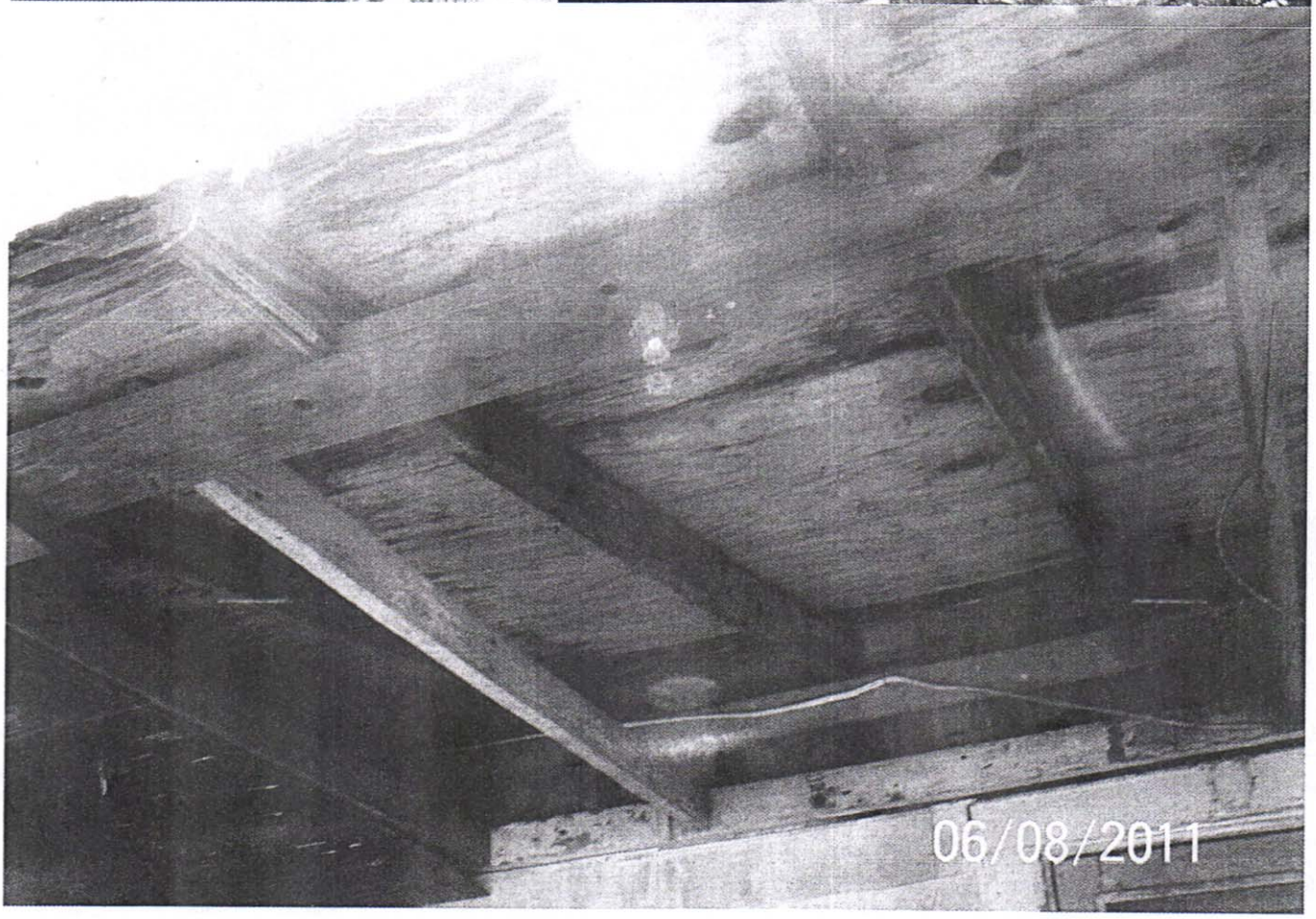

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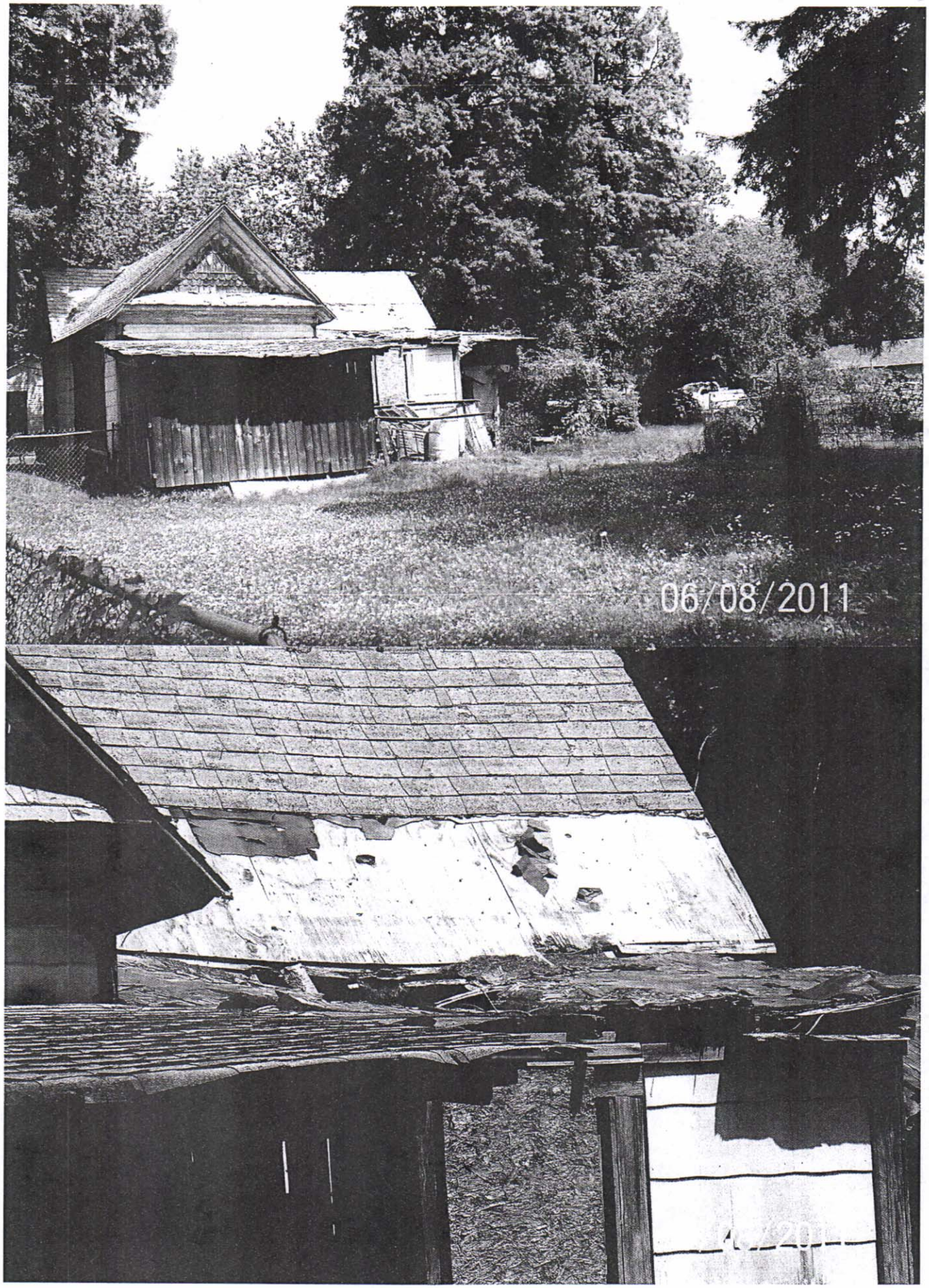

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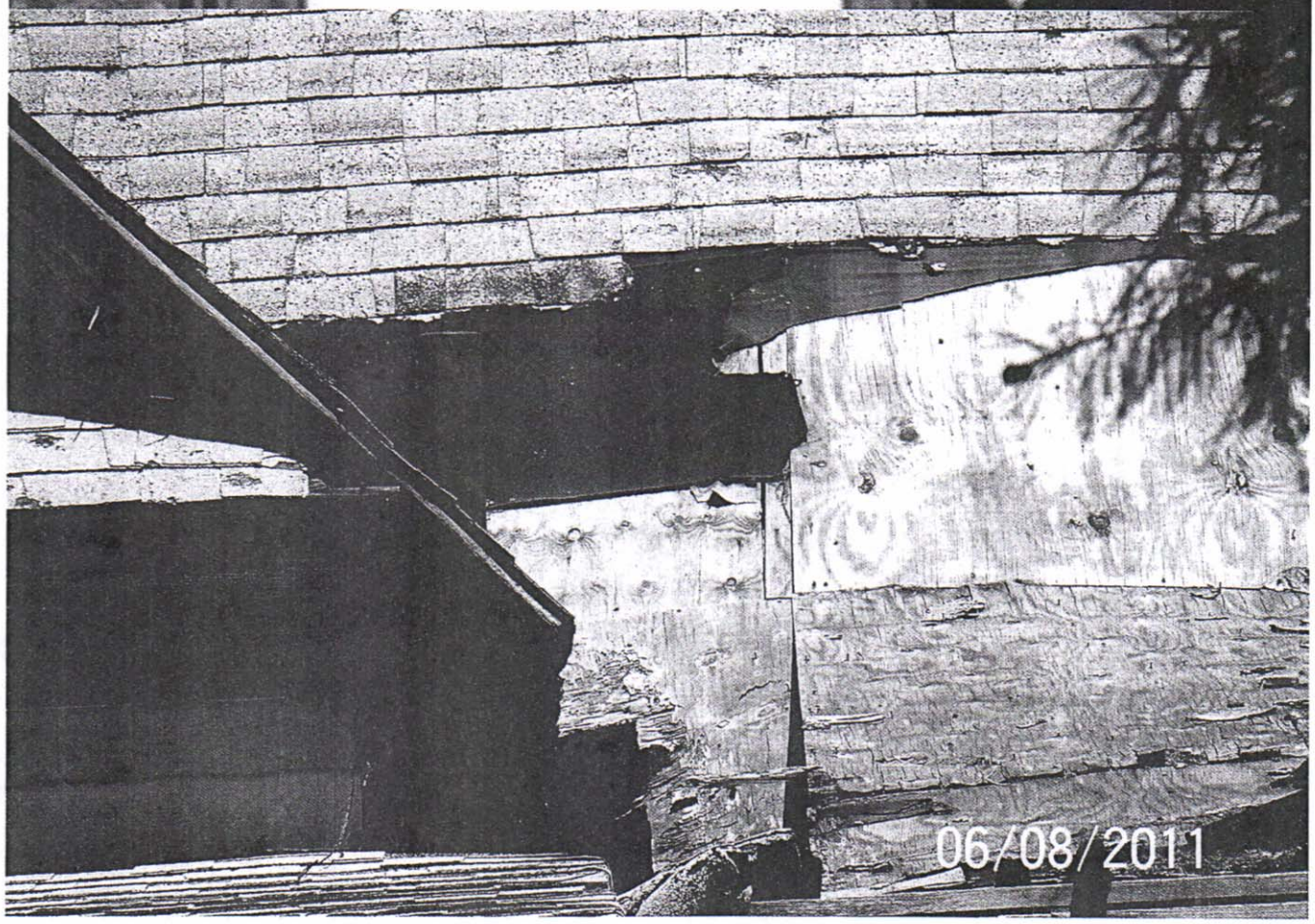

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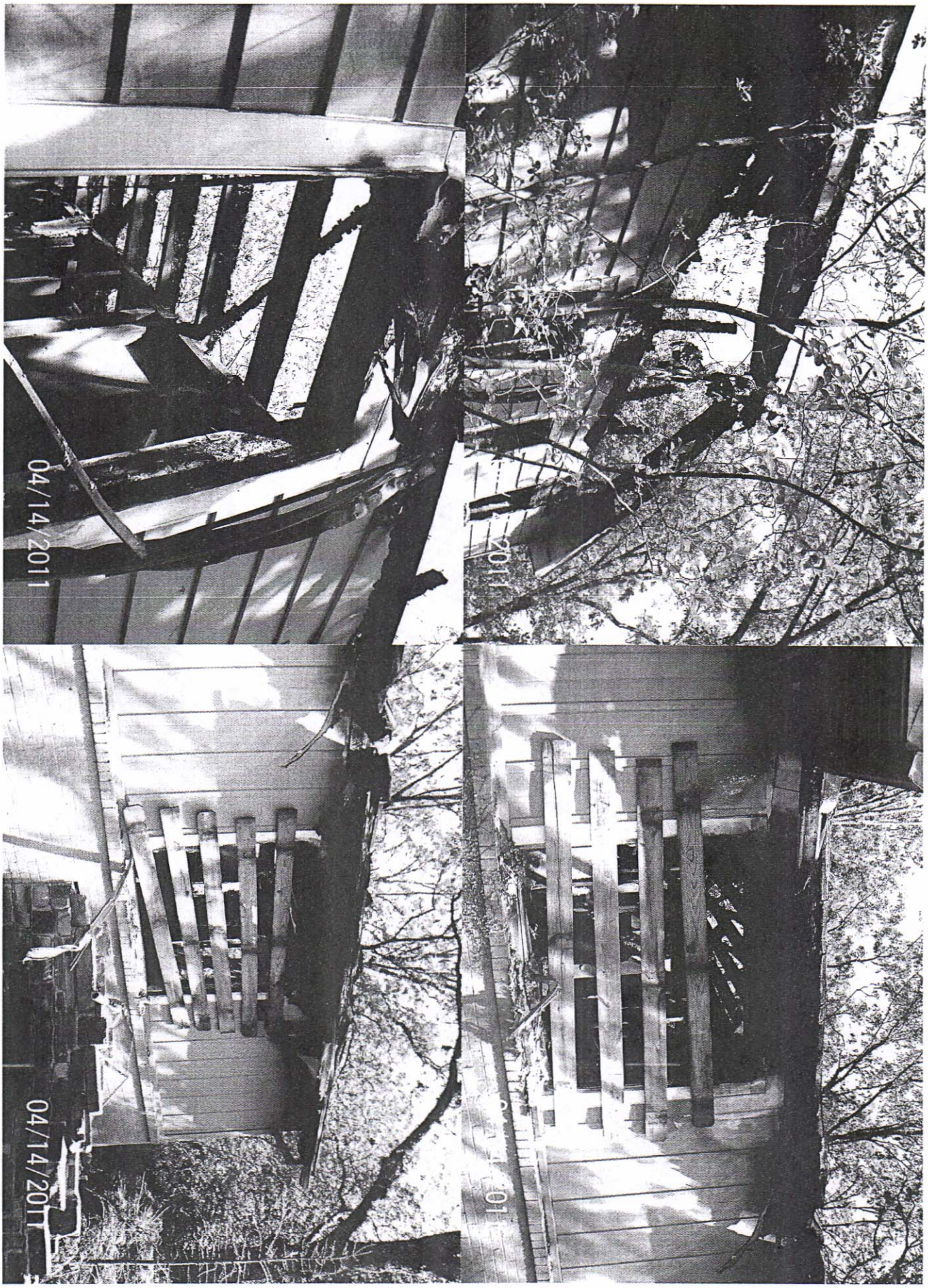

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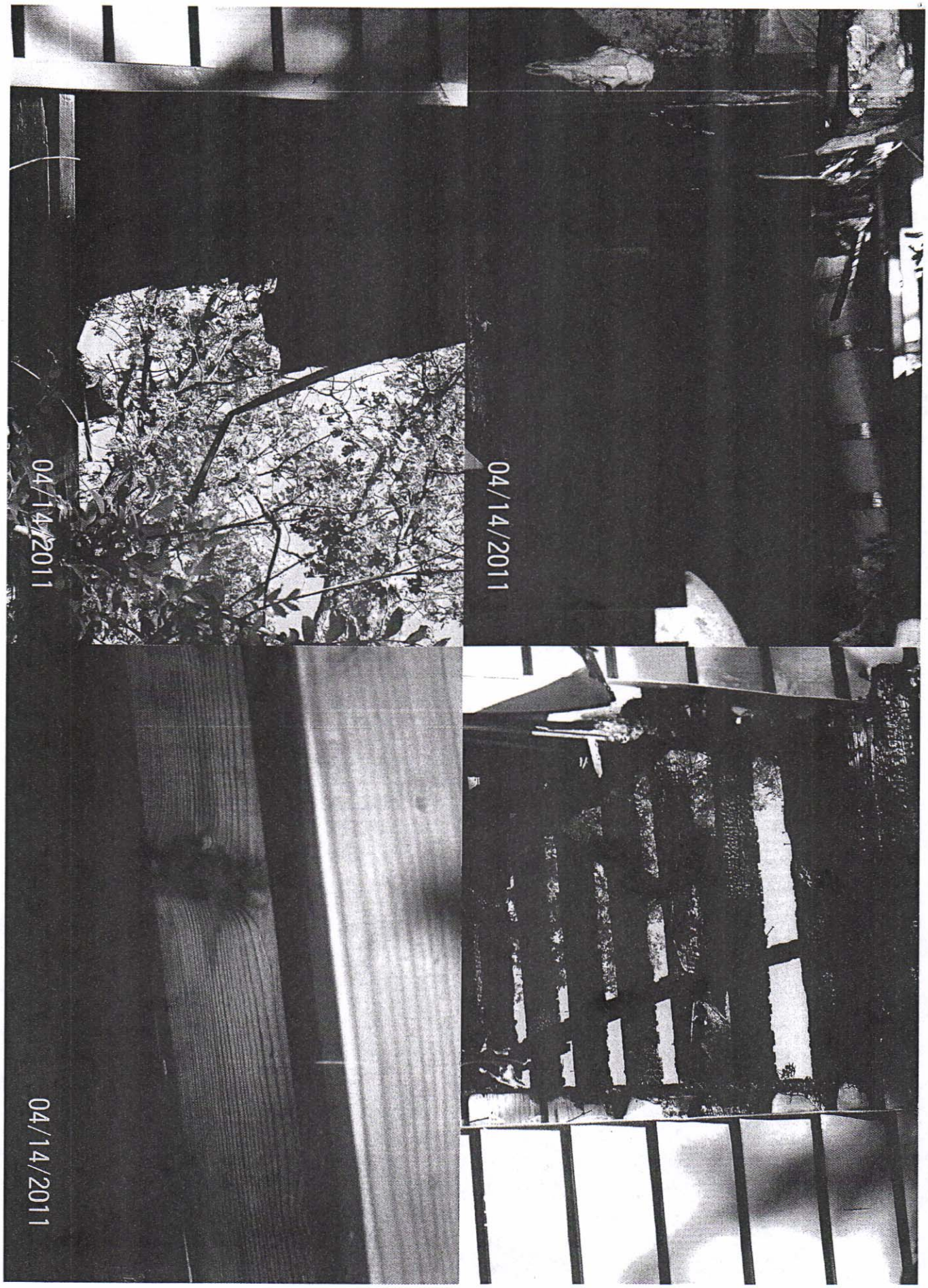

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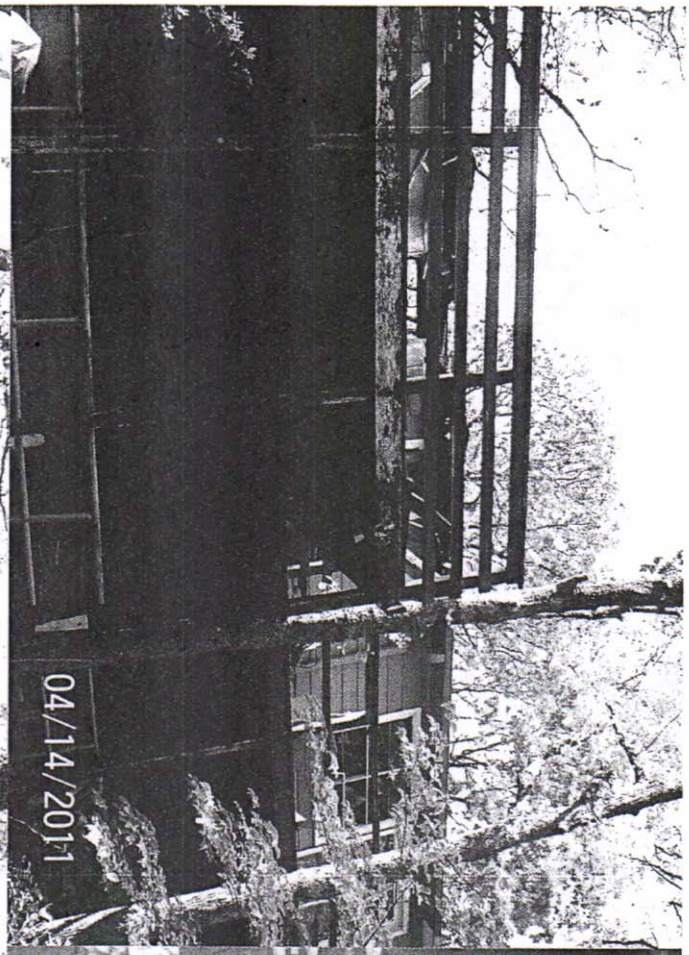

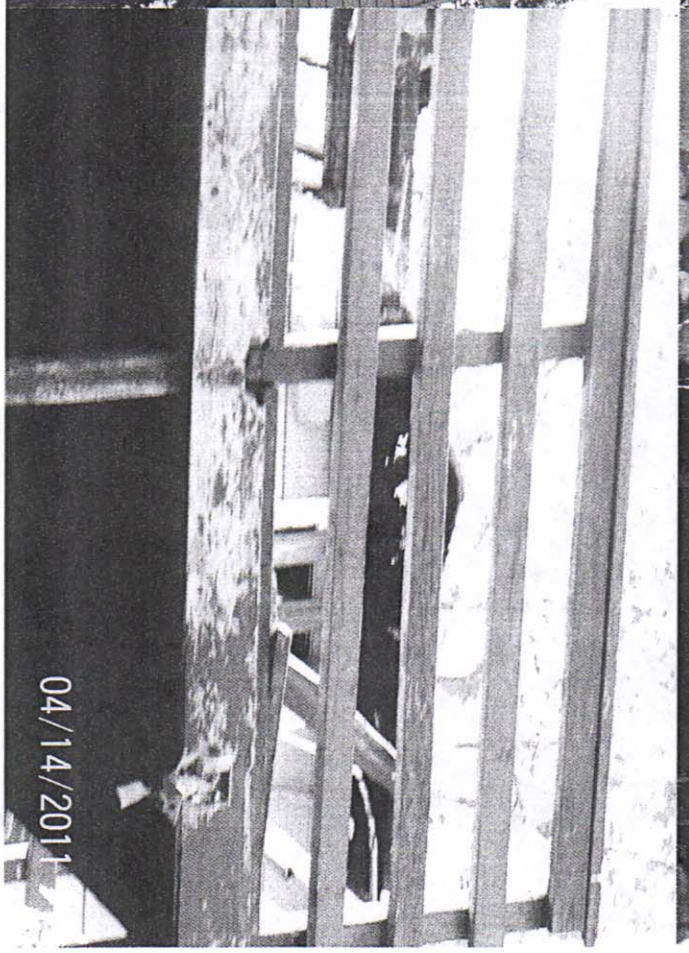

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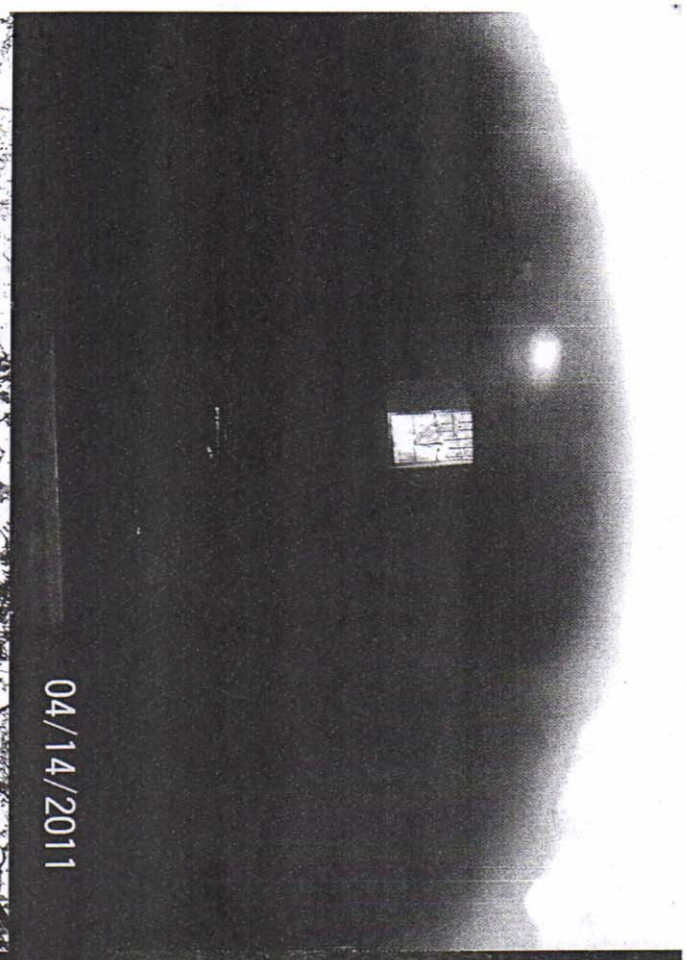

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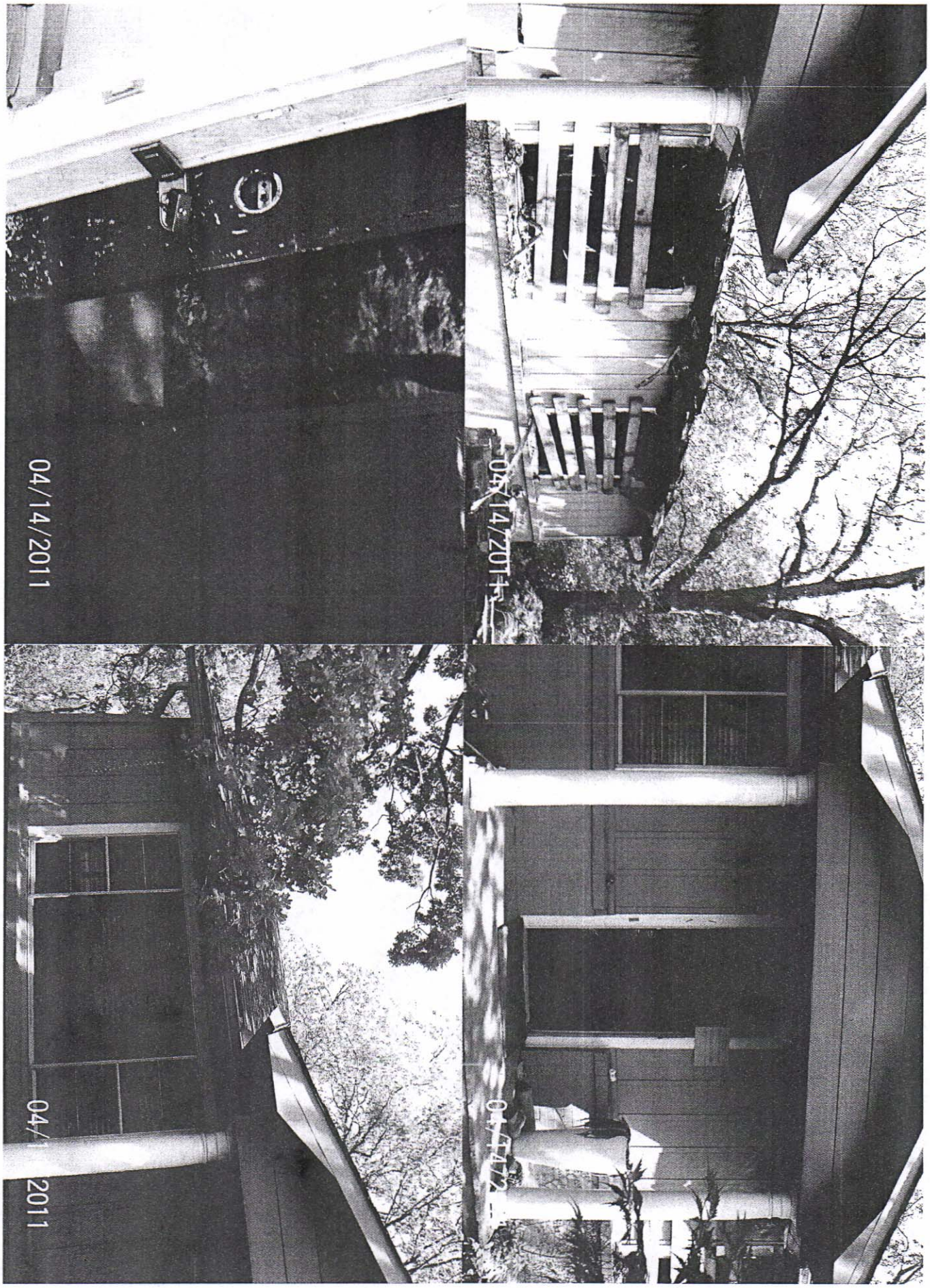

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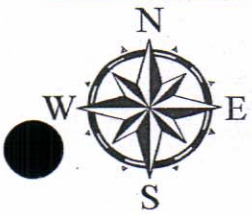

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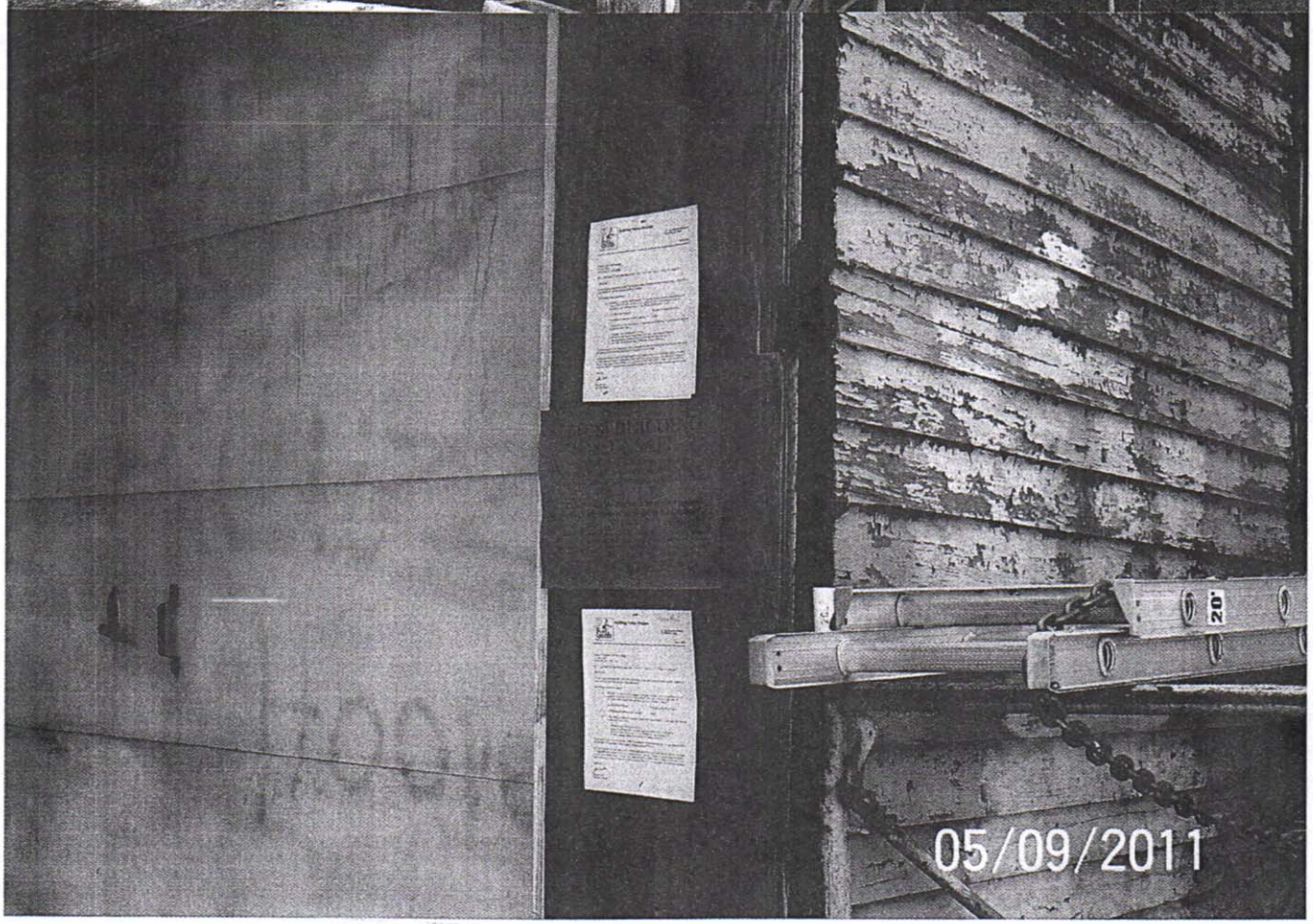

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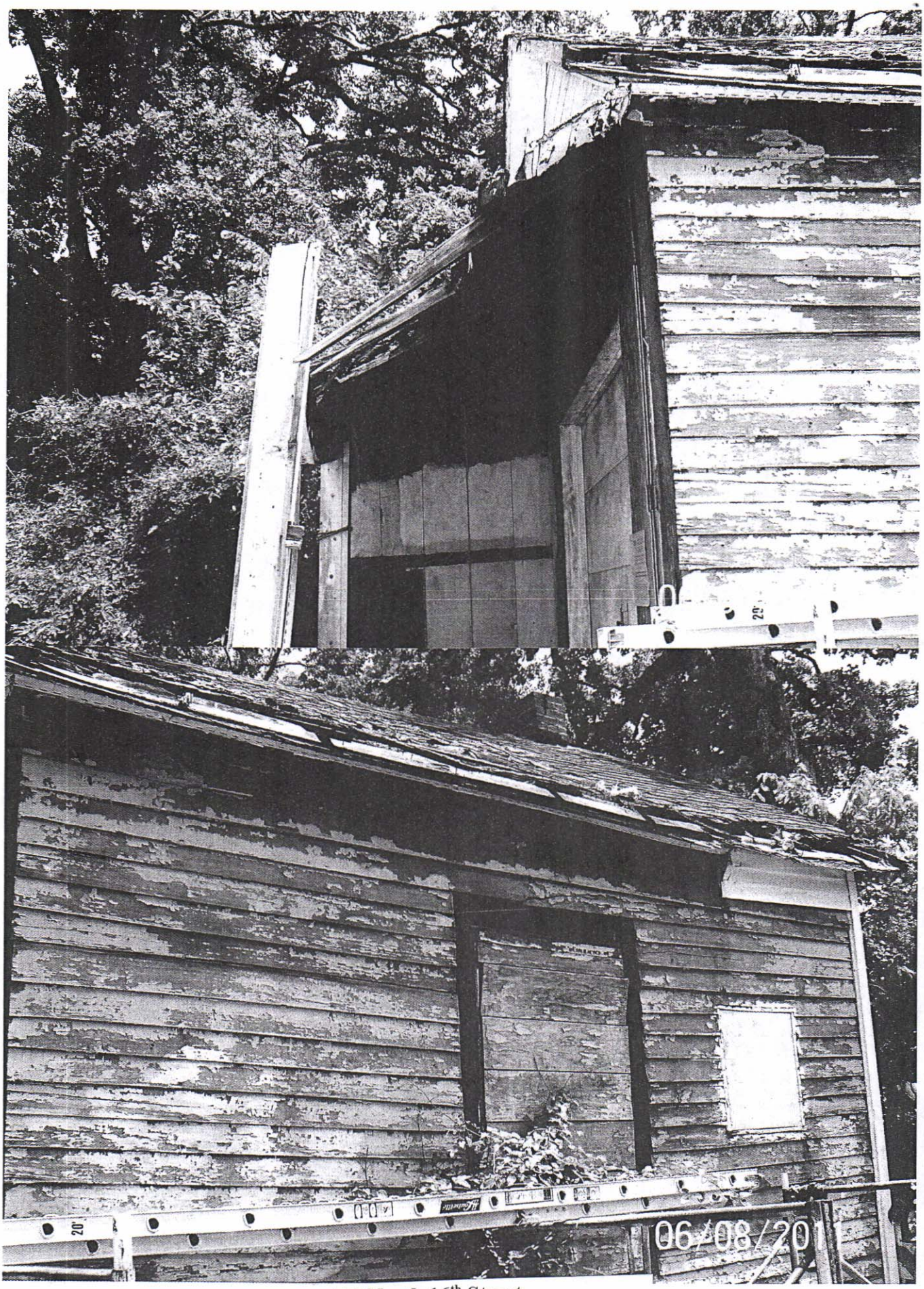

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Tax Back

4

ARKANSAS

RESOLUTION No. _____

RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH CERTIFYING CITY GOVERNMENT ENDORSEMENT OF BUSINESS TO PARTICIPATE IN THE TAX BACK PROGRAM (AS AUTHORIZED BY SECTION 15-4-2706(d) OF THE CONSOLIDATED INCENTIVE ACT OF 2003).

WHEREAS, in order to be considered for participation in the Tax Back Program, the local government must endorse a business to participate in the Tax Back Program and benefit from the sales and use tax refunds as provided in the Consolidated Incentive Act of 2003; and

WHEREAS, said endorsement must be made on a specific form available from the Arkansas Department of Economic Development; and

WHEREAS, GGNSC Administrative Services, LLC (Golden Living). currently at 1000 Fianna Way, Fort Smith, Arkansas has sought to participate in the program and more specifically has requested benefits accruing from construction at the specific facility; and

WHEREAS, GGNSC Administrative Services, LLC (Golden Living) has agreed to furnish the local government all necessary information for compliance.

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

1. GGNSC Administrative Services, LLC (Golden Living) be endorsed by the **BOARD OF DIRECTORS OF FORT SMITH** for benefits from the sales & use tax refunds as provided by Section 15-4-2706(d) of the Consolidated Incentive Act of 2003.

2. **The Department of Finance and Administration is authorized to refund city sales and use taxes to GGNSC Administrative Services, LLC (Golden Living).**

3. This resolution shall take effect immediately.

_____
MAYOR

Date Passed: _____

Attest: _____
City Clerk

Approved as to form
JSC
No publication required

The City of Fort Smith ARKANSAS

MEMORANDUM

June 15, 2011

TO: Mayor and Board of Directors

FROM: Ray Gosack, City Administrator

SUBJECT: Sales Tax Refund for Expanding Business

We've received a request from the Arkansas Economic Development Commission and the Fort Smith Regional Chamber of Commerce for participation in the state *tax back* program by Golden Living. This program allows a new or expanding business to request refunds of sales taxes paid on building materials and other eligible expenses.

The current request is for Golden Living, who plans to add 200 new employees and invest $5.7 million at its Fianna Way location. Golden Living will be constructing a new parking lot, undertaking building renovations, purchasing work stations, and adding IT equipment.

The sales tax refund is a state and local incentive to attract business growth to Arkansas. The incentive will apply to only initial capital purchases, not to ongoing purchases. The majority of the incentive will be derived from the state sales tax rate. However, in order to participate in the program, the local governments must also agree to the sales tax refund.

Attached is a resolution supporting the participation of Golden Living in the *tax back* program. The staff recommends approval. This action will support one of the board's top goals: economic development and jobs creation.

Ray

Attachment

cc: Cheryl Garner, Fort Smith Regional Chamber of Commerce

5A

RESOLUTION NO. _____

A RESOLUTION URGING THE FEDERAL GOVERNMENT

TO CONTINUE METROPOLITAN PLANNING ORGANIZATIONS

FOR URBANIZED AREAS UNDER 200,000 POPULATION

WHEREAS, in May 2011, the Frontier Metropolitan Planning Organization (MPO) was designated by the Governors of Arkansas and Oklahoma to conduct transportation planning and programming for the Fort Smith Region; and

WHEREAS, the Frontier Metropolitan Planning Organization Policy Board is represented by the chief elected officials of the region; and

WHEREAS, the City of Fort Smith is the second largest city in Arkansas and the region is forecasted to continue to experience growth in population and employment due to planned major transportation investments (I-49) and industries (Chaffee Crossing); and

WHEREAS, the Fort Smith Region is located on the Arkansas River McClellan and Kerr Navigation System and is designated as a America's Marine Highway Corridor; and

WHEREAS, a seamless transportation system that provides connectivity between modes of transportation for people and freight is critical to the economic development of the Fort Smith Region of Arkansas and Oklahoma, and the United States; and

WHEREAS, the next Surface Transportation Reauthorization should continue transportation planning, programming, and decision making at the local level and under the direction of local elected officials for urbanized areas; and

WHEREAS, the federal government should allow existing Metropolitan Planning Organizations (MPOs) to be responsible for a continuing, comprehensive, and coordinated (3-C) transportation planning process to develop multimodal transportation programs in cooperation with state transportation departments, public transportation agencies, local jurisdictions, and through the public participation process; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the City of Fort Smith, Arkansas that the City of Fort Smith encourages Congress to consider

approved as to form
JBE
No publication required

grandfathering and funding existing MPOs under a new Surface Transportation Reauthorization Bill to allow a voice for regional elected officials to plan and program transportation projects for the region.

This Resolution passed this _____ day of June, 2011.

_____

Mayor

ATTEST:

_____

City Clerk

The City of Fort Smith ARKANSAS

MEMORANDUM

June 15, 2011

TO: Mayor and Board of Directors

FROM: Ray Gosack, City Administrator

SUBJECT: Metropolitan Planning Organization

The Fort Smith region's transportation planning needs have been coordinated through a local metropolitan planning organization (MPO) for many decades. The MPO provides local planning for regional transportation projects and programs. It also seeks federal and state funding for those projects and programs. The MPO encourages intergovernmental cooperation among local governments in a region.

Congress is currently drafting re-authorization of surface transportation legislation. This legislation could potentially change the population threshold for MPO's from 50,000 to 200,000 in an urbanized area. The population for our MPO area is approximately 117,000.

If the proposed population threshold is increased to 200,000, the Fort Smith region will lose its MPO and its voice in the federal and state transportation planning process. This would result in the planning for our regional transportation projects being left entirely to AHTD, meaning there would be less local input into the planning of transportation projects.

Attached is a resolution urging the federal government to continue MPO's for areas with populations under 200,000. Upon passage, the resolution will be sent to the Arkansas congressional delegation. The staff recommends approval of the resolution so that our position of supporting local involvement in regional transportation planning is on record.

Ray

Attachments

cc: Tim Conklin, Frontier Metropolitan Planning Organization

Association of Metropolitan Planning Organizations

To: **AMPO Members**
From : **AMPO Staff**
Re: **Talking Points on MPO Importance and Ensuring the Grandfathering of Existing MPOs**

Current Climate in Washington

In the wake the 2010 election, Republicans in the House of Representatives gained 63 seats, causing Democrats to lose their majority. In the Senate, the Democrats retained control, but losing 5 seats to Republicans weakens their ability to pass legislation. Beyond simply a new party in power in the House, the 2010 elections have introduced more than 90 new members to the House and 16 to the Senate. This creates a challenging new environment, as well as an opportunity to educate the freshman about MPOs.

Combining these Congressional changes with increasing concern over the growing Federal debt, federal policymakers have taken a different budgetary approach this year. Based on discussions with key lawmakers and staff in Congress, it is apparent that many MPO priorities are under the gun in the coming authorization bill. Furthermore, Republican leaders are advocating large spending cuts taking the Federal budget back to FY 2008 levels. Some more conservative groups, namely the Republican Study Group, have pushed for even stiffer cuts, including reducing or removing New Starts, Amtrak, and high speed rail.

Looking to the Future

President Obama has kept the focus of infrastructure investments on the policy landscape and Chairman Mica of the House Transportation and Infrastructure Committee had placed a comprehensive authorization bill as a high priority. *However, it is important to note that as of yet, no official authorization bills have been introduced in Congress this session.* Draft bills are expected to be released in both the House and Senate later this month. AMPO will post any bill made public on our website. With all this potential activity, 2011 represents an important year to the transportation community. It is therefore incumbent upon MPOs to get the word out about their vital place in the policy process. While AMPO continues to work in D.C., below are steps that MPOs may take at the local level that will be even more important for ensuring the future of MPOs:

1. **Now is the time to call and write your Representative and Senator in Washington D.C. on behalf of MPOs.** If you are able and do not receive only federal source funds, use this information, in addition to what was provided on AMPO conference calls, to take action. Telephone calls are the quickest and most direct method of making your voice heard in Washington. Unless you have a prior relationship with a staffer or your member(s) of Congress, simply ask to speak to the staffer responsible for transportation policy when calling.

   Letters to individual Congressional offices are also effective means of communication. But due to security precautions and the volume of mail that offices receive, letters are not as efficient phone calls. Nonetheless, written documentation of policy positions is an important part of the legislative process. *When sending a letter, the best method is to email it as a follow up to your phone conversation with the staffer in charge of transportation issues.* AMPO will distribute a template letter that can be adapted to your individual MPO and sent to your local Congressional leader. This letter will include more in depth discussion of the following points, which are also useful talking-points for your phone calls:

   - <u>While some states have many MPOs, new threshold limits, without a grandfather clause, could severely reduce or eliminate MPOs in certain states.</u>
   - Decision-making power must be kept at the local level and under the purview of local elected officials. Removing this authority will take away the voice of regional officials.
   - Public participation is a key, and mandated, requirement of metropolitan planning. Removing the MPOs' connection through public participation will lead to decisions made without actual citizen involvement.

2. **Showcase local and regional project success stories.** Especially when the political climate in Washington is so challenging, it is vital that we show tangible results at the local and regional level. Any authorization bill will undoubtedly attempt reduce the spending power of the Federal government, which will in turn place a greater burden at the state, regional, and local levels. Therefore, we need to demonstrate to legislators in Washington the benefits of allowing MPO's to implement projects using their planning expertise.

3. **Develop a 1-2 page professional document that summarizes successful MPO projects in your area.** This great way to showcase success stories can be easily distributed to your local, state, and Congressional representatives even if you can't make it to Washington D.C. for a face to face meeting. Furthermore, executive summaries can be adapted when new projects are implemented or political conditions change.

4. **Coordinating with fellow MPO's and State associations** will only make your message stronger, especially if you share a U.S. Representative with another group.

5. **Follow AMPO updates on Federal policy and pending legislation.** Here at AMPO, we will do our best to keep you informed of any major changes in U.S. DOT policy or in Congress. Be sure to read our emailed policy updates to stay informed.

6. **Let us know who you know.** With so much turnover in the 112th Congress, we would love to discover new contacts that you might have in Washington. Be sure to pass along any existing relationships, especially in the committees listed below.

For your reference, here is the leadership and new members of certain House and Senate Committees:

House Transportation and Infrastructure Committee

Congressman John Mica (R-FL) is the Chairman of the House Transportation and Infrastructure (T&I) Committee. Listed below are the full Committee members, as well as the members of the subcommittee on Highways and Transit. The House T&I Committee has jurisdiction over the authorization of highway and transit titles. An asterisk means the member is new to the committee.

Republican members on full Committee:

- *John Mica (R-FL), Chairman*
- Don Young (R-AK)
- Thomas E. Petri (R-WI)
- Howard Coble (R-NC)
- John J. Duncan, Jr. (R-TN)
- Frank A. LoBiondo (R-NJ)
- Gary Miller (R-CA)
- Timothy V. Johnson (R-IL)
- Sam Graves (R-MO)
- Bill Shuster (R-PA)
- Shelley Moore Capito (R-WV)
- Jean Schmidt (R-OH)
- Candice Miller (R-MI)
- Duncan Hunter (R-CA)
- Andy Harris (R-MD)*
- Rick Crawford (R-AR)*
- Jaime Herrera Beutler (R-WA)*
- Frank Guinta (R-NH)*
- Randy Hultgren (R-IL)*
- Lou Barletta (R-PA)*
- Chip Cravaack (R-MN)*
- Blake Farenthold (R-TX)*
- Larry Bucshon (R-IN)*
- Billy Long (R-MO)*
- Bob Gibbs (R-OH)*
- Patrick Meehan (R-PA)*
- Richard Hanna (R-NY)*
- Jeff Landry (R-LA)*
- Steve Southerland (R-FL)*
- Jeff Denham (R-CA)*
- James Lankford (R-OK)*
- Reid Ribble (R-WI)*

On the Democratic side, Congressman Nick Rahall (D-WV) is the Ranking Member of the House T&I Committee.

Democratic members on full Committee:

- *Nick Rahall (D-WV), Ranking*
- Peter A. DeFazio (D-OR)
- Jerry F. Costello (D-IL)
- Eleanor Holmes Norton (D-DC)
- Jerrold Nadler (D-NY)
- Corrine Brown (D-FL)
- Bob Filner (D-CA)
- Eddie Bernice Johnson (D-TX)
- Elijah E. Cummings (D-MD)
- Leonard Boswell (D-IA)
- Tim Holden (D-PA)
- Rick Larsen (D-WA)
- Michael E. Capuano (D-MA)
- Timothy H. Bishop (D-NY)
- Michael H. Michaud (D-ME)
- Russ Carnahan (D-MO)
- Grace Napolitano (D-CA)
- Daniel Lipinski (D-IL)
- Mazie Hirono (D-HI)
- Jason Altmire (D-PA)
- Timothy J. Walz (D-MN)
- Heath Shuler (D-NC)
- Steve Cohen (D-TN)
- Laura A. Richardson (D-CA)
- Albio Sires (D-NJ)*
- Donna F. Edwards (D-MD)*

Republican members of the Subcommittee on Highways and Transit:

- *John J. Duncan, Jr. (R-TN), Chairman*
- Don Young (R-AK)
- Thomas E. Petri (R-WI)
- Howard Coble (R-NC)
- Frank LoBiondo (R-NJ)
- Gary G. Miller (R-CA)
- Timothy V. Johnson (R-IL)
- Sam Graves (R-MO)
- Bill Shuster (R-PA)
- Shelley Moore Capito (R-WV)
- Jean Schmidt (R-OH)
- Candice S. Miller (R-MI)
- Andy Harris (R-MD)
- Rick Crawford (R-AR)
- Jaime Herrera Beutler (R-WA)
- Frank Guinta (R-NH)
- Lou Barletta (R-PA)
- Blake Farenthold (R-TX)
- Larry Bucshon (R-IN)
- Billy Long (R-MO)
- Bob Gibbs (R-OH)
- Richard Hanna (R-NY), Vice Chairman
- Steve Southerland (R-FL)

Democratic members of the Subcommittee on Highways and Transit:

- *Peter A. DeFazio (D-OR), Ranking*
- Jerrold Nadler (D-NY)
- Bob Filner (D-CA)
- Leonard Boswell (D-IA)
- Tim Holden (D-PA)
- Michael E. Capuano (D-MA)
- Michael H. Michaud (D-ME)
- Grace F. Napolitano (D-CA)
- Mazie K. Hirono (D-HI)
- Jason Altmire (D-PA)
- Timothy J. Walz (D-MN)
- Heath Shuler (D-NC)
- Steve Cohen (D-TN)
- Laura Richardson (D-CA)
- Albio Sires (D-NJ)
- Donna F. Edwards (D-MD)
- Eddie Bernice Johnson (D-TX)
- Elijah E. Cummings (D-MD)

Senate Environment and Public Works Committee

Senator Barbara Boxer (D-CA) is the chairman of the Senate EPW Committee. This committee has jurisdiction over the highway title.

Democratic members of the full EPW Committee:

- *Barbara Boxer (D-CA), Chairman*
- Max Baucus (D-MT)
- Thomas R. Carper (D-DE)
- Frank R. Lautenberg (D-NJ)
- Benjamin L. Cardin (D-MD)
- Bernard Sanders (D-VT)
- Sheldon Whitehouse (D-RI)
- Tom Udall (D-NM)
- Jeff Merkley (D-OR)
- Kirsten Gillibrand (D-NY)

Republican members of the full EPW Committee:

- *James M. Inhofe (R-OK), Ranking*
- David Vitter (R-LA)
- John Barrasso (R-WY)
- Jeff Sessions (R-AL)*
- Mike Crapo (R-ID)
- Lamar Alexander (R-TN)
- Mike Johanns (R-NE)*
- John Boozman (R-AR)*

Senate Appropriations Subcommittee on Transportation and HUD

Senator Patty Murray (D-WA) is the chairman of the Senate Appropriations Subcommittee on Transportation and HUD, which has jurisdiction over the transit title.

Majority Leader of full Committee: Daniel Inouye (D-HI)
Ranking Member of full Committee: Thad Cochran (R-MS)

Democratic members of the Subcommittee on Transportation and HUD:

- *Patty Murray (D-WA), Chairman*
- Barbara Mikulski (D-MD)
- Herb Kohl (D-WI)
- Richard Durbin (D-IL)
- Patrick Leahy (D-VT)
- Tom Harkin (D-IA)
- Dianne Feinstein (D-CA)
- Tim Johnson (D-SD)
- Frank Lautenberg (D-NJ)
- Mark Pryor (D-AR)*

Republican members of the Subcommittee on Transportation and HUD:

- *Susan Collins (R-ME), Ranking Member**
- Richard Shelby (R-AL)
- Kay Bailey Hutchison (R-TX)
- Lamar Alexander (R-TN)
- Mark Kirk (R-IL)*
- Dan Coats (R-IN)*
- Jerry Moran (R-KS)*
- Roy Blunt (R-MO)*
- Ron Johnson (R-WI)*

5B

RESOLUTION NO._____

A RESOLUTION APPROVING THE REDUCTION OF THE OVERTIME THRESHHOLD FOR NON-EXEMPT UNIFORMED POLICE OFFICERS FROM 43 HOURS PER WORK WEEK TO 42 HOURS PER WORK WEEK

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

SECTION 1: Effective July 11, 2011, the overtime threshold for non-exempt uniformed police officers shall be reduced from 43 hours per work week to 42 hours per work week.

SECTION 2: The City Administrator or his designee is hereby authorized to make the necessary administrative changes to the payroll system to enact this change.

This Resolution adopted this _____day of June 2011.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

Approved as to form
June 24
Asst City Attorney

The City of Fort Smith ARKANSAS

2

MEMORANDUM

June 10, 2011

TO: Mayor and Board of Directors

FROM: Ray Gosack, City Administrator

SUBJECT: Overtime Pay for Police Officers

The police chief and I are recommending a change to the threshold at which police officers are paid time and one-half for overtime hours worked. The change is being recommended to eventually bring the overtime pay practice for police officers in line with other city employees.

Police officers are currently paid time and one-half for hours worked in excess of 43 hours in a week. For the first 43 hours in a week, police officers are paid straight time hourly rates. By comparison, most other city employees who are eligible for overtime pay receive time and one-half for hours worked in excess of 40 hours in a week.

The higher threshold for police officers is allowed by the federal Fair Labor Standards Act (FLSA). When FLSA became applicable to local governments in the mid 1980's, the labor dept. drafted regulations that allowed for a "longer" workweek for police officers.

The recommendation is to gradually lower the overtime threshold for police officers by 1 hour per year, beginning in July of this year. Funds are available in this year's police dept. budget to make the change. Subsequent reductions in 2012 and 2013 would be dependent on funding availability in those budget years. The estimated cost for making the total reduction (from 43 hours to 40 hours) is $365,100 annually. The estimated cost for making the 1 hour reduction (from 43 hours to 42 hours) for the second half of 2011 is $53,100.

If the board concurs with implementing this change, we'll prepare a resolution which makes the change for 2011 effective

with the July 11, 2011 pay period. This will begin moving the overtime pay practice for police officers closer to parity with other similarly-situated city employees.

Ray

Attachment

5C

RESOLUTION _____

A RESOLUTION TO ACCEPT THE BIDS AND AUTHORIZE CONTRACTS FOR THE CONSTRUCTION OF STREET OVERLAYS/RECONSTRUCTION
PROJECT NO. 11-03-D

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

SECTION 1: The bid of Forsgren, Inc., received June 7, 2011, for the construction of Street Overlays/Reconstruction, Project No. 11-03-D, in the amount of $1,745,373.72 be accepted.

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

SECTION 3: The bid of Data Testing, Inc., received June 7, 2011, for quality control testing services for the construction of Street Overlays/Reconstruction, Project No. 11-03-D, in the amount of $6,045.00 be accepted.

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

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

This resolution adopted this _____ day of June, 2011.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

Approved as to Form

_____

☑ No Publication Required
☐ Publish ____ Times

INTER-OFFICE MEMO

TO: Ray Gosack, City Administrator

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

DATE: June 14, 2011

SUBJECT: Street Overlays/Reconstruction
Project No. 11-03-D

The above subject project consists of asphalt street overlays, reconstruction and minor drainage improvements to the streets listed on the attached sheet and shown on the attached exhibit. The total length of streets to be improved is approximately 2.8 miles.

Construction plans and specifications were prepared by Morrison-Shipley Engineers, Inc., Fort Smith, Arkansas. An advertisement was published and bids were received on June 7, 2011. Six contractors requested plans and specifications and four bids were received which are summarized as follows:

CONTRACTOR	AMOUNT	CONTRACTOR	AMOUNT
1. Forsgren, Inc. Fort Smith, AR	$1,745,373.72	3. Steve Beam Construction Barling, AR	$1,944,164.06
2. Goodwin & Goodwin Fort Smith, AR	$1,927,540.25	4. Township Builders, Inc. Little Rock, AR	$2,089,859.00
	Engineer's Estimate	$1,700,000	

I recommend that the lowest bid be accepted and that the construction contract be awarded to Forsgren, Inc. The estimated notice to proceed date for this contract is July 18, 2011. Based on the contract duration of 210 days, the estimated completion date would be February 13, 2012.

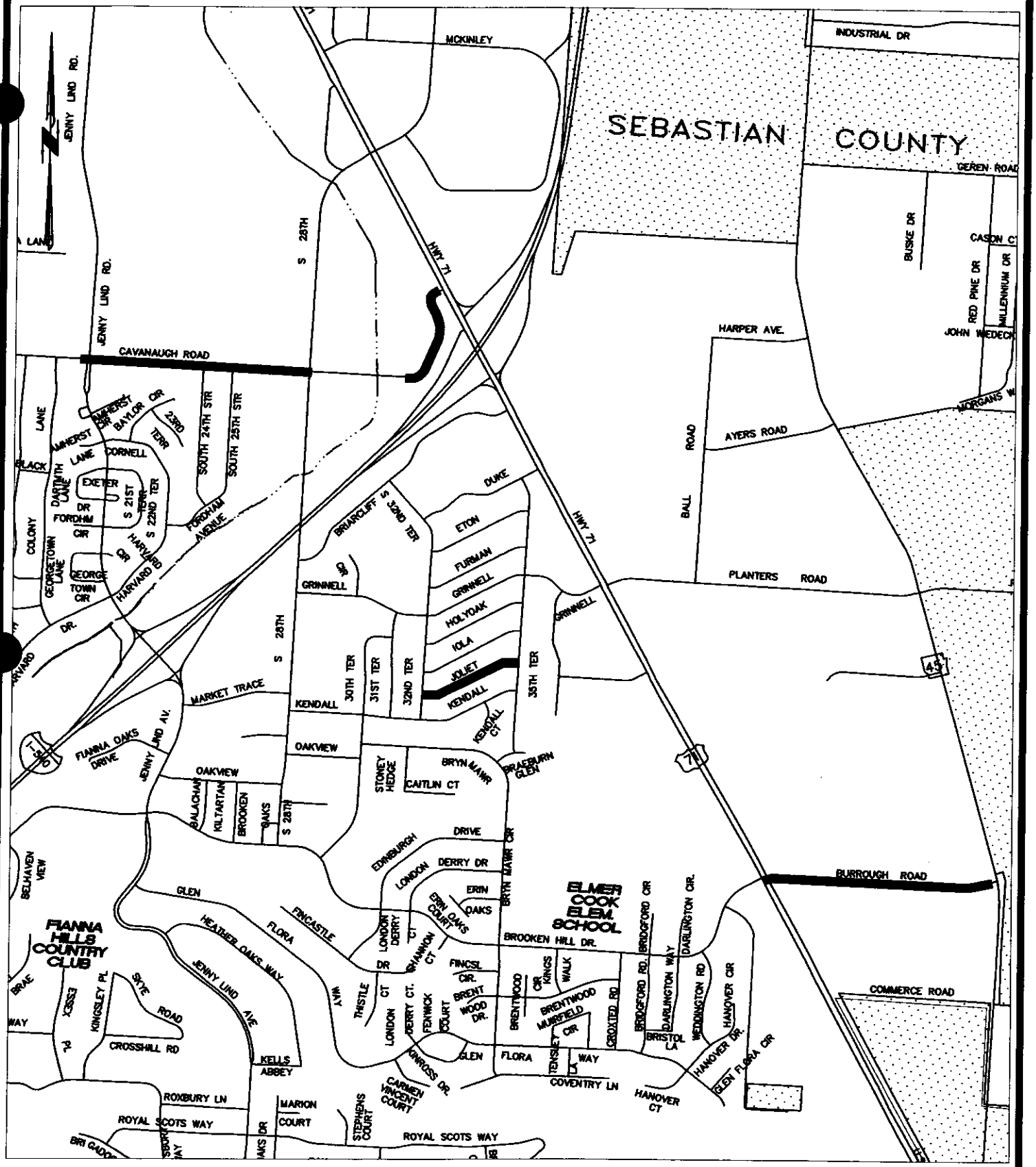
Also, two bids were received on June 7, 2011, for project quality assurance testing. They are summarized as the follows:

TESTING FIRM	AMOUNT
Data Testing, Inc. Fort Smith, AR	$6,045.00
Ark-Con Testing, Inc. Van Buren, AR	$6,815.00

I recommend that the quality assurance testing contract be awarded to Data Testing, Inc., in the amount of $6,045.00. Attached is a Resolution to accomplish the above two recommendations. Funds are available in the Sales Tax Program (1105) for the construction and testing.

2011 CAPITAL IMPROVEMENTS PROGRAM
STREET OVERLAYS/RECONSTRUCTION
PROJECT NO. 11-03-D

STREET	FROM	TO	LENGTH
CAVANAUGH RD.	JENNY LIND RD.	US HWY. 71	3769
BURROUGH RD.	US HWY. 71	ST HWY. 45	2,514
JOLIET AVE.	32ND TER.	35TH TER.	1,142
UTICA ST.	28TH ST.	END OF ROAD	747
32ND ST.	SAVANNAH ST.	QUINCY ST.	597
21ST ST.	PHOENIX AVE.	LOUISVILLE ST.	1,311
SOUTH W ST.	17TH ST.	JENNY LIND RD.	881
SOUTH X ST.	16TH ST.	JENNY LIND RD.	1,227
SOUTH Y ST.	16TH ST.	17TH ST.	349
SOUTH Z ST.	16TH ST.	17TH ST.	351
16TH ST.	BOSTON ST.	SOUTH W ST.	2,100
			14,988



11-03-D SOUTH

RBR

06/15/11-13:55

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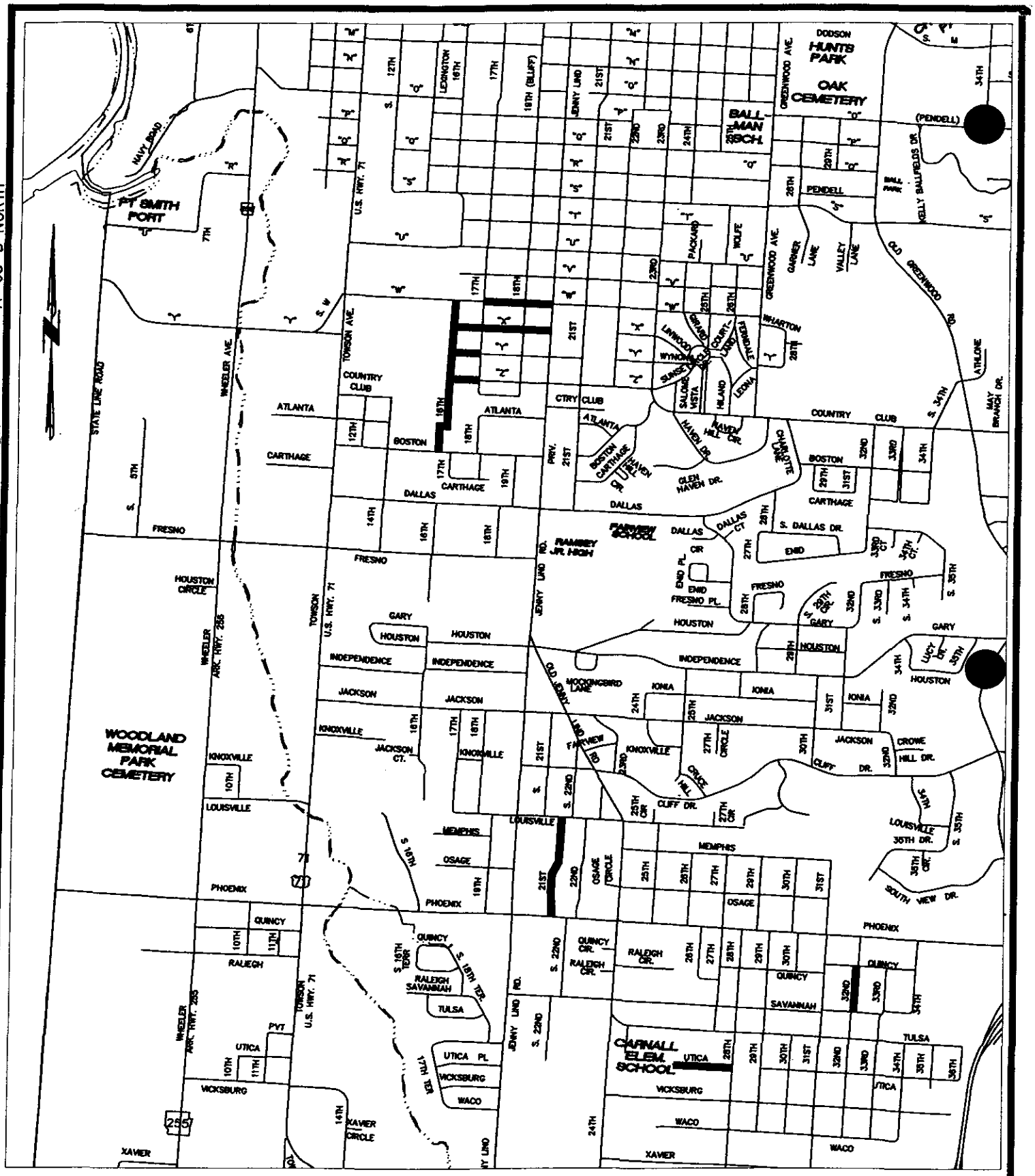
2011 CAPITAL IMPROVEMENTS PROGRAM

STREET OVERLAYS/RECONSTRUCTION

The City of Fort Smith Arkansas

Project:	11-03-D
Date:	OCT. 2010
Scale:	NONE
Drawn By:	RBR



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2011 CAPITAL IMPROVEMENTS PROGRAM

STREET OVERLAYS/RECONSTRUCTION

The City of Fort Smith ARKANSAS

Project:	11-03-D
Date:	OCT. 2010
Scale:	NONE
Drawn By:	RBR

5D

RESOLUTION _____

A RESOLUTION TO ACCEPT THE BIDS AND AUTHORIZE CONTRACTS FOR THE CONSTRUCTION OF STREET OVERLAYS/RECONSTRUCTION
PROJECT NO. 11-03-A

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

SECTION 1: The bid of Forsgren, Inc., received June 14, 2011, for the construction of Street Overlays/Reconstruction, Project No. 11-03-A, in the amount of $3,251,445.44 be accepted.

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

SECTION 3: The bid of Data Testing, Inc., received June 14, 2011, for quality control testing services for the construction of Street Overlays/Reconstruction, Project No. 11-03-A, in the amount of $11,295.00 be accepted.

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

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

This resolution adopted this _____ day of June, 2011.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

Approved as to Form

_____

☑ No Publication Required
☐ Publish ____ Times

INTER-OFFICE MEMO

TO: Ray Gosack, City Administrator

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

DATE: June 15, 2011

SUBJECT: Street Overlays/Reconstruction
Project No. 11-03-A

The above subject project consists of asphalt street overlays and reconstruction to the streets listed on the attached sheet and shown on the attached exhibit. The project also includes a significant amount of concrete shoulder construction and roadside drainage culvert replacement. The total length of streets to be improved is approximately 3.4 miles.

Construction plans and specifications were prepared by McGuire Engineering, Inc., Fort Smith, Arkansas. An advertisement was published and bids were received on June 14, 2011. Seven contractors requested plans and specifications and four bids were received which are summarized as follows:

CONTRACTOR	AMOUNT	CONTRACTOR	AMOUNT
1. Forsgren, Inc. Fort Smith, AR	$3,251,445.44	3. Goodwin & Goodwin Fort Smith, AR	$3,524,418.40
2. Steve Beam Constr. Barling, AR	$3,310,543.20	4. Township Builders, Inc. Little Rock, AR	$3,631,176.00
	Engineer's Estimate	$3,400,000	

I recommend that the lowest bid be accepted and that the construction contract be awarded to Forsgren, Inc. The estimated notice to proceed date for this contract is July 18, 2011. Based on the contract duration of 210 days, the estimated completion date would be February 13, 2012.

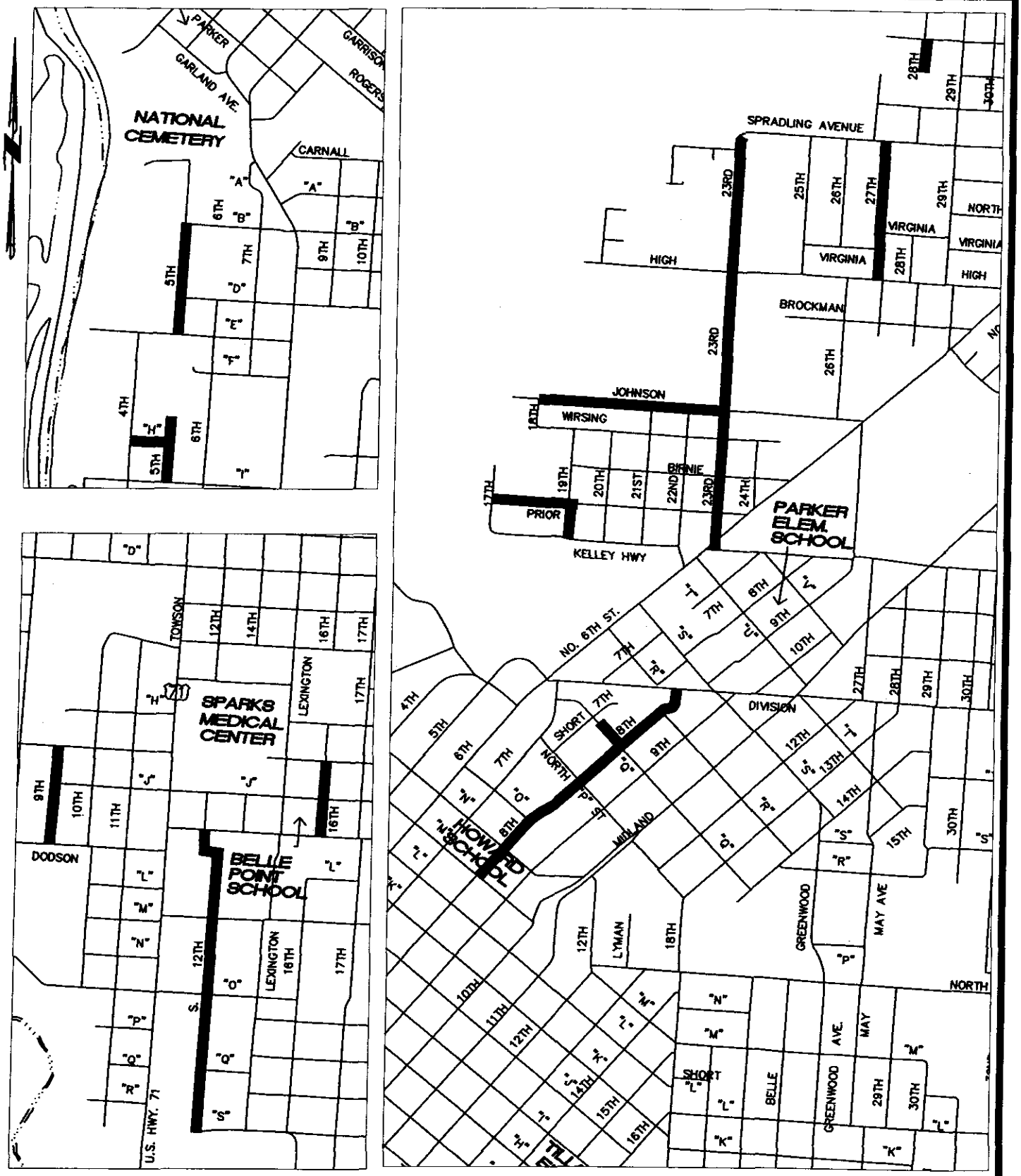
Also, two bids were received on June 14, 2011, for project quality assurance testing. They are summarized as the follows:

TESTING FIRM	AMOUNT
Data Testing, Inc. Fort Smith, AR	$11,295.00
Ark-Con Testing, Inc. Van Buren, AR	$12,640.00

I recommend that the quality assurance testing contract be awarded to Data Testing, Inc., in the amount of $11,295.00. Attached is a Resolution to accomplish the above two recommendations. Funds are available in the Sales Tax Program (1105) for the construction and testing.

2011 CAPITAL IMPROVEMENTS PROGRAM
STREET OVERLAYS/RECONSTRUCTION
PROJECT NO. 11-03-A

STREET	FROM	TO	LENGTH
19TH ST.	KELLEY HWY.	PRYOR AVE.	334
PRYOR AVE.	17TH ST.	19TH ST.	700
28TH ST.	END OF ROAD	NEIS ST.	301
JOHNSON ST.	18TH ST.	23RD ST.	1,678
8TH ST.	NORTH M ST.	DIVISION ST.	2,564
NORTH Q ST.	SHORT 7TH ST.	8TH ST.	352
23RD ST.	6TH ST.	SPRADLING AVE.	4,085
27TH ST.	HIGH ST.	SPRADLING ST.	1,327
5TH ST.	SOUTH B ST.	SOUTH E ST.	1,051
5TH ST.	SOUTH I ST.	END OF ROAD	597
SOUTH H ST.	4TH ST.	5TH ST.	341
9TH ST.	DODSON AVE.	SOUTH I ST.	920
12TH ST.	DODSON AVE.	SOUTH S ST.	2,980
16TH ST.	DODSON AVE.	SOUTH I ST.	702
			17,932



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2011 CAPITAL IMPROVEMENTS PROGRAM

STREET OVERLAYS/RECONSTRUCTION

The City of Fort Smith Arkansas

Project:	11-03-A
Date:	OCT. 2010
Scale:	NONE
Drawn By:	RBR

5E

RESOLUTION NO. _____

A RESOLUTION ACCEPTING BIDS FOR THE
RE-ROOFING OF FIRE STATION #6

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

The bid, as indicated on the attached Bid Tabulation No. **06-02-11BA** for the re-roofing of Fire Station No. 6 by Dale Crampton Company for $49,030, is accepted.

This Resolution adopted this _____ day of June, 2011.

APPROVED:

_____
MAYOR

ATTEST:

_____
CITY CLERK

Approved as to form:

☑ No Publication Required

☐ Publish ____ Times

The City of Fort Smith ARKANSAS

FORT SMITH FIRE DEPARTMENT

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

Mike Richards
Fire Chief

Memo

To: Ray Gosack, City Administrator

From: Mike Richards, Fire Chief

Date: June 15, 2011

Re: Re-Roof of Fire Station #6

The roof of Fire Station #6, located at 3124 Massard Road, needs to be completely replaced. It has several significant leaks that are beyond minor repair or patching. The leaks have already ruined several ceiling tiles, some insulation, and could cause a mold problem if not replaced immediately.

As mentioned in Purchasing Manager Alie Bahsoon's memo, we contracted the services of Guest Reddick Architects to review and oversee the project. This was done to ensure consistency in the design and review process and to make sure the project is completed to meet specifications. During the review, it was determined that the poor drainage system on the roof was the major problem area of leakage.

Though we did not budget for a roof replacement in the 2011 budget, we will be able to pay for the project without a budget adjustment. As it became evident earlier this year that we would have to replace the roof, we have reduced our spending in other account codes to offset the shortage in our 4802-208 (Repair of Buildings) account. We intend to use a combination of funds from 4802-202 (Small Equipment), 4802-207 (Repair of Equipment), and 4802-208 to pay for the project.

Please feel free to contact me if you have any questions.

pc: Alie Bahsoon, Purchasing Manager

Interoffice Memorandum

TO: Ray Gosack, City Administrator

COPY TO: Mike Richards, Fire Chief

FROM: Alie Bahsoon, Purchasing Manager AB

SUBJECT: Re-Roof of Fire Station No. 6 Bid Tabulation

DATE: June 15, 2011

BID TAB: **06-02-11BA**

Attached you will find the bid tabulation for the re-roofing of Fire Station No. 6, located at 3124 Massard Road.

Due to the age, poor condition of the roof, and lack of proper drainage, this project necessitated the expertise of an architectural firm. We acquired the services of Guest Reddick Architects to provide architectural services including the structural review, design, construction & specification documentation, and inspections necessary to oversee the project. With their assistance, bids were solicited for this project which consisted of complete removal and replacement of the existing roof and flashing with a complete new roofing and insulation system of approximately 5,400sf.

Two bid proposals were submitted per the attached bid tabulation and the bid proposal of $49,030 from Dale Crampton Company meets our specifications and requirements and I am recommending that we proceed with the approval of the enclosed resolution. You will also find attached a memorandum from Chief Mike Richards regarding this project and the funding sources. In an effort to save paper, the specifications are not attached but are available in my office should you or any of the board members wish to view them.

Please let me know if you should have any questions.

Tabulation of Bids - City of Fort Smith Re-Roof of Fort Smith Fire Station #6 Bid Tab #06-02-11BA		
Contractor		**COST**
Harness Roofing, Inc. Fort Smith, AR		$58,933.00
Dale Crampton Company Fort Smith, AR		$49,030.00 ✔

✔ Awarded Bid

Date Advertised: 05-15-11 & 05-22-11
Bid Opening Date: 06-02-11

Re-Roofing Fire Station No. 6
City of Fort Smith, Arkansas
Plan No. 3516

TABULATION OF BIDS
June 02, 2011
2:00 P.M.

Guest+Reddick Architects
Fort Smith, Arkansas

CONTRACTOR	Dale Crampton Company	Harness Roofing Inc.				
Bid Security Certified Check Cashier's Check Bidder's Bond	5% Bid Bond Brown Hiller Clark & Associates	5% Bid Bond Employers Mutual Casualty Company				
Base Bid Proposal	$49,030.00	$58,933.00				
Calendar Days	120	30				
Unit Prices To replace existing metal decking, if required. Add - Per Square Foot	$10.00/SF	$6.00/SF				
Addendum Receipt #1	Yes	Yes				
Sub-Contractors: Plumbing Work HVAC Work Electrical Work	 Blaylock Blaylock Trotter	 Blaylock Blaylock Matlock				

Bid Validity - 60 Days

I hereby certify this is a true and correct Tabulation of Bids for this project.

Guest+Reddick Architects By: _____

Date: June 3, 2011

5 F

RESOLUTION NO. _____

RESOLUTION AUTHORIZING CHANGE ORDER NUMBER SIX 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 Six in the amount of $155,516.00 with Crossland Heavy Contractors, Inc., for Lake Fort Smith Water Treatment Plant - Contract 3, Project Number 07-09-C3, adjusting the contract amount to $32,022,418.00 and adding 45 calendar days to the contract time, is hereby approved.

This Resolution adopted this _____ day of June 2011.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____ npr

INTER-OFFICE MEMO

TO: Ray Gosack, City Administrator **DATE:** June 7, 2011

FROM: Steve Parke, Director of Utilities

SUBJECT: Lake Fort Smith Water Treatment Plant
Contract 3 Plant Improvements

The current contract for the Lake Fort Smith water treatment plant did not include any work related to the existing 3 MG clearwell. However, with completion of the new 4 MG clearwell and other plant improvements it became evident that cleaning and re-coating of the 3 MG clearwell should be examined. This clearwell was originally constructed in 1970 and modified in 1992 with the addition of interior wall partitions to eliminate dead zones by improving water circulation through the structure. Minor leakage through one area of the wall had been subsequently addressed by exterior injection of an epoxy product. No other defects were noted at that time. Internal inspection since the time of that work was not practical due to limited clearwell storage at the plant prior to construction of the new 4 MG clearwell. On October 21, 2010, structural engineers with Burns & McDonnell conducted a structural assessment of the existing 3 MG clearwell. This assessment was recommended as a first step in determining if an exterior re-coating system might be available for use on this structure.

Following completion of the October 21 assessment, three 4-inch diameter cores were taken from the clearwell exterior wall and sent off for pertrographic examination. On January 26, 2011, Burns & McDonnell issued a final report of their assessment. Their findings included:

- Significant areas of interior concrete spalling at the top slab and wall intersection.
- The bearing seat at the top of all 24 interior, perimeter columns are cracked and deteriorated.
- The exterior wall is in poor condition with significant spalling, calcium deposits and mold and in need of repair.
- The exterior clearwell top slab is in good condition but with two locations that appear to have been damaged as a result of lightning strikes.
- The joint sealant around the top slab center cap and between roof panels appears heavily weathered and damaged in various locations.
- The interior top slab was found to be in good condition although two support corbels supporting the removable access panels are in very poor condition and in need of repair.
- The base slab did not show signs of deterioration.
- Testing of exterior wall core samples revealed good concrete compression strength and only appeared to have deteriorated at the exterior surface due to freeze/thaw cycles of the saturated concrete.

Following further consultation with Burns & McDonnell it was concluded that moderate rehabilitation would extend the life of this structure. At the city's request Burns & McDonnell

prepared specifications and drawings detailing rehabilitation procedures. Proposed repairs were divided into eight items of work with quantities estimated based upon the October 21 inspection. These documents were provided to Crossland Construction for review and preparation of a proposal for completing this work as a part of the ongoing Contract 3 plant improvements project. Crossland has submitted a detailed change order proposal in the amount of $155,516.00 and an additional 45 calendar days for completing this work. Burns & McDonnell has examined Crossland's proposal and recommend acceptance. The cost for rehabilitation of this structure works out to be around $52.00 per 1,000 gallons of storage as compared to $535.00 per 1,000 gallons spent on constructing the new 4 MG clearwell. The 3 million gallons of storage provided by this structure are needed for meeting peak day water system demands.

I have attached a Resolution authorizing Change Order Number 6 with Crossland Construction in the amount of $155,516.00, adjusting the contract amount to $32,022,418.00, and adding 45 calendar days to the contract time. Funds for this work are available from the revenue bonds issued for construction of the Lake Fort Smith water treatment plant improvements.

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

attachment

pc: Jeff Dingman

Project Summary

Project status: Underway

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

Today's date: June 7, 2011

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: February 10, 2012

	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	
Change Order No. 4	$70,237.00	
Change Order No. 5	$62,859.00	9
Change Order No. 6 (pending)	$155,516.00	45
Total change orders	$381,418.00	117
Adjusted contract	$32,022,418.00	902
Payments to date (as negative):	$-25,059,135.03	
Amount of this payment (as negative)	N/A	
Retainage held	$1,590,202.15	
Contract balance remaining	$6,993,282.97	
Amount over as a percentage	1.00%	

Final comments:

Photo 1: Exterior Clearwell Wall – Spalling & Deterioration

Photo 2: Exterior Clearwell Wall – Cracks & Calcium Deposits

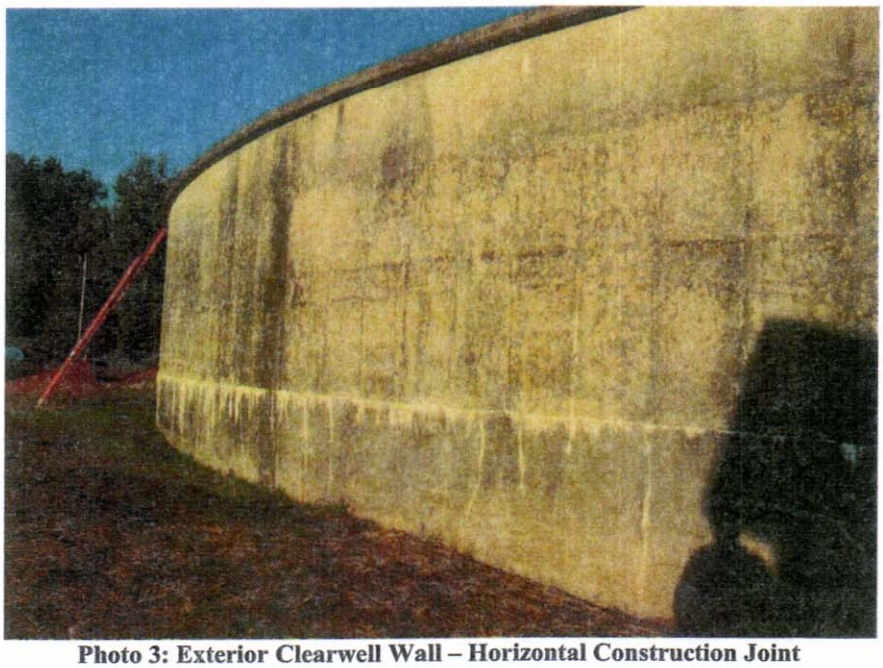


Photo 3: Exterior Clearwell Wall – Horizontal Construction Joint

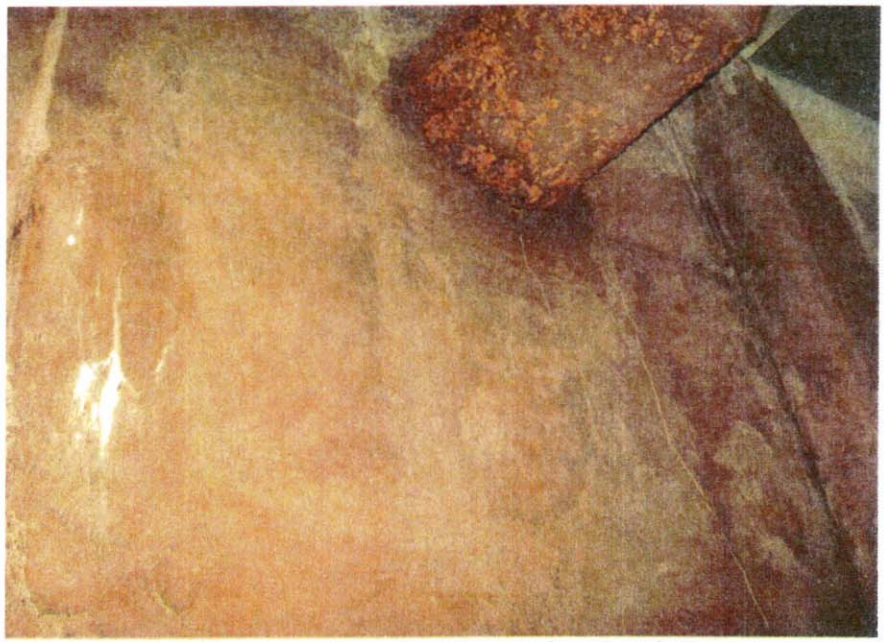


Photo 4: Interior Clearwell Wall – Previous Repair Product

Photo 5: Interior Clearwell Wall – Spalling at Top Slab & Wall Intersection

Photo 6: Clearwell Top Slab – Lightning Strike in Center Roof Cap

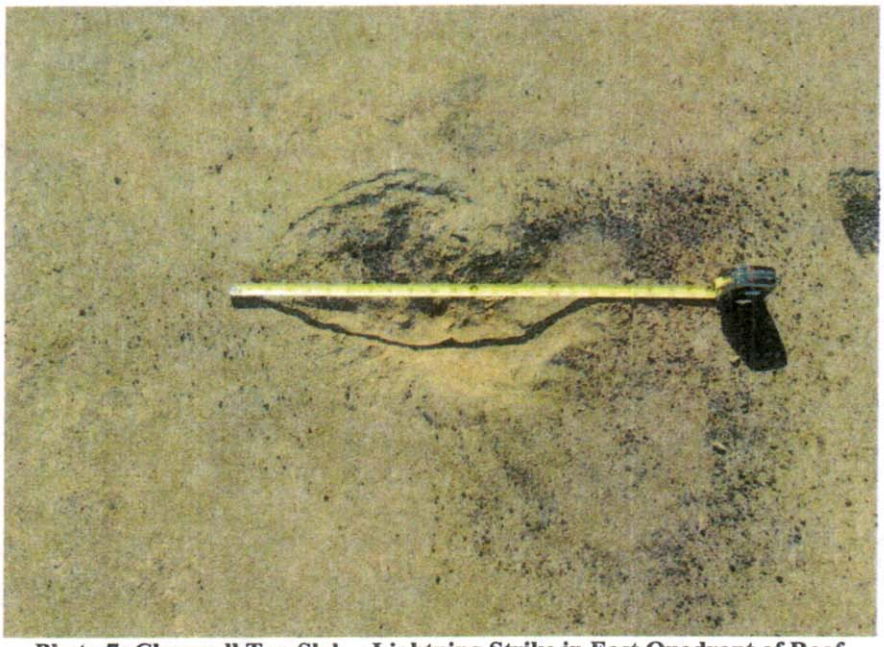


Photo 7: Clearwell Top Slab – Lightning Strike in East Quadrant of Roof

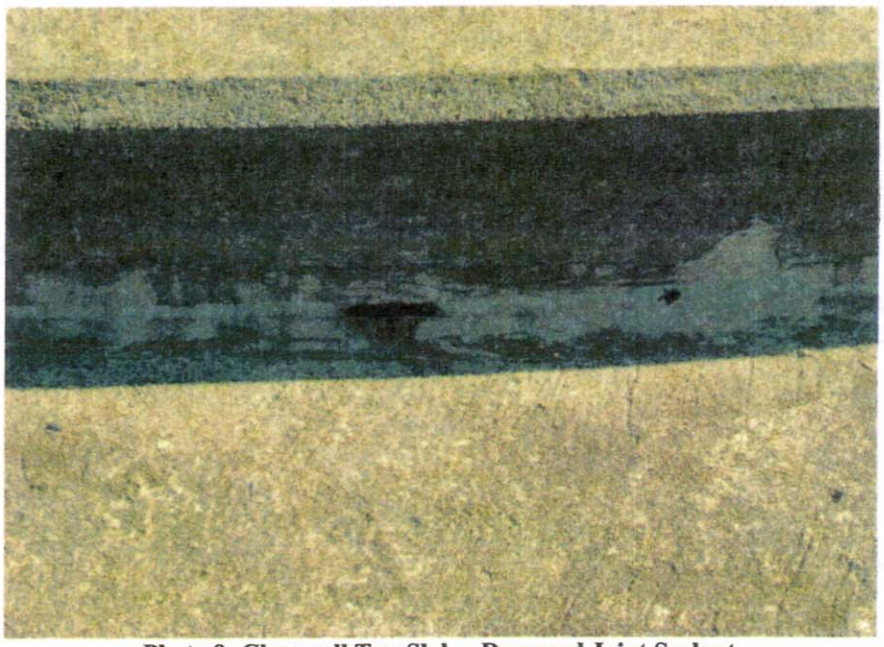


Photo 8: Clearwell Top Slab – Damaged Joint Sealant

Photo 9: Clearwell - Top Slab South Support Corbel at Access Panel

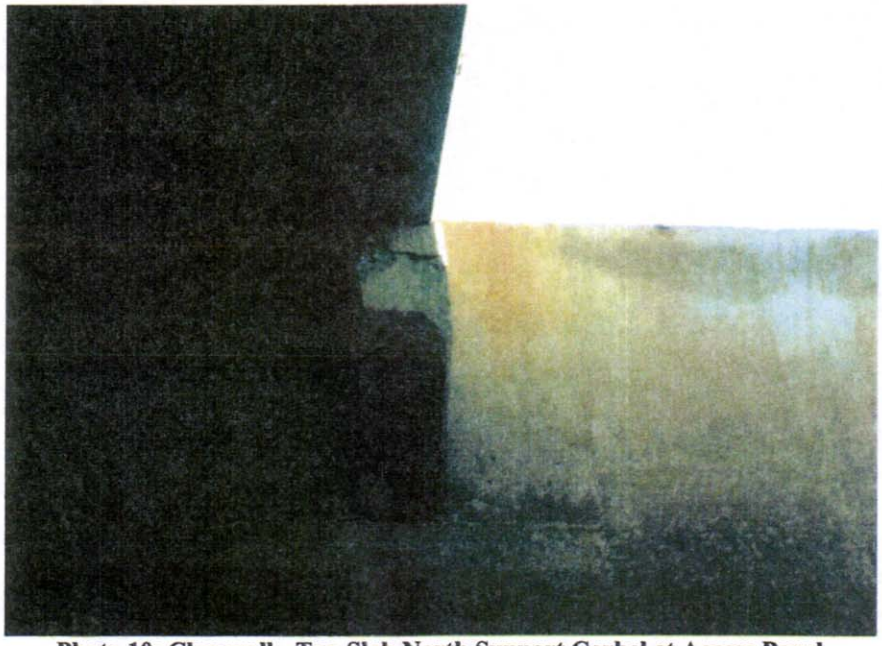


Photo 10: Clearwell - Top Slab North Support Corbel at Access Panel

Photo 11: Clearwell Perimeter Columns – Typical Deteriorated Concrete

Photo 12: Clearwell Perimeter Columns – 6" of Concrete Missing

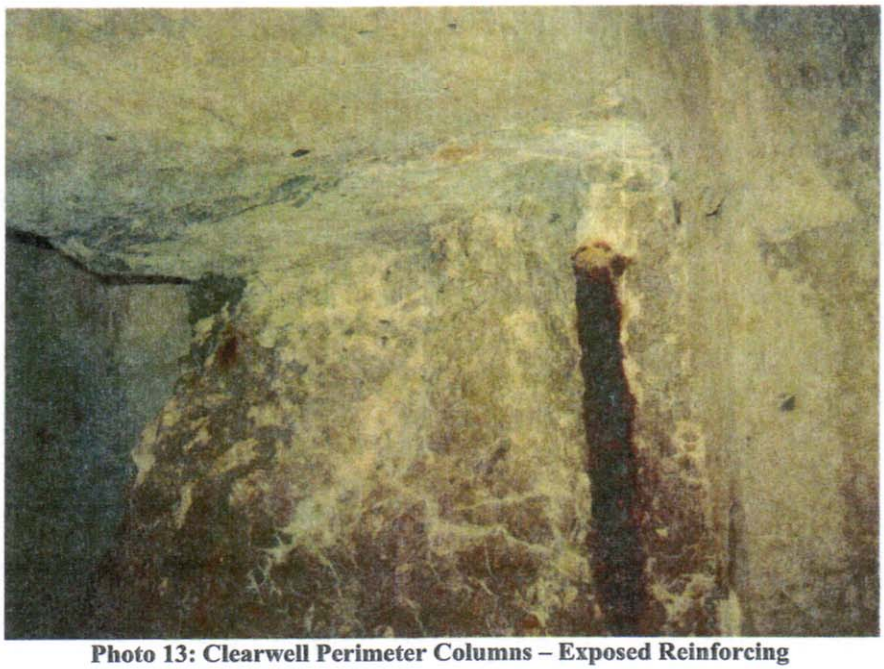


Photo 13: Clearwell Perimeter Columns – Exposed Reinforcing

RESOLUTION NO. _____ 5 G

RESOLUTION ACCEPTING THE BID OF AND AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT WITH M. PHILLIPS CONSTRUCTION, INC., FOR THE 27-INCH TRANSMISSION LINE REPLACEMENT - LANCASTER PLACE

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

SECTION 1: The bid of M. Phillips Construction, Inc., for the performance of the 27-Inch Transmission Line Replacement - Lancaster Place, Project Number 11-05-C1, is hereby approved.

SECTION 2: The Mayor is hereby authorized to execute a contract with M. Phillips Construction, Inc., for an amount of $189,420.00, for performing said services.

This Resolution adopted this _____ day of June 2011.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____npr

INTER-OFFICE MEMO

TO: Ray Gosack, City Administrator **DATE:** June 10, 2011

FROM: Steve Parke, Director of Utilities

SUBJECT: 27-Inch Transmission Line Replacement - Lancaster Place
Project Number 11-05-C1

The 27-inch water transmission line from the Lake Fort Smith treatment plant was constructed in 1936. The recent spring flooding in Frog Bayou has changed the course of the stream and exposed a portion of the transmission line. This project consists of replacing approximately 390 feet of the line with 30-inch ductile iron pipe at a lower elevation to avoid damage or failure of the line during future flood events. The attached exhibit shows the location of the project.

The low bid for the project was submitted by M. Phillips Construction, Inc., in the amount of $189,420.00. A bid tabulation showing the bidders and their bid amounts is attached. Funds are available within the department's capital improvements program for this project.

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

attachment

pc: Jeff Dingman

Tabulation of Bids Received

Project Name

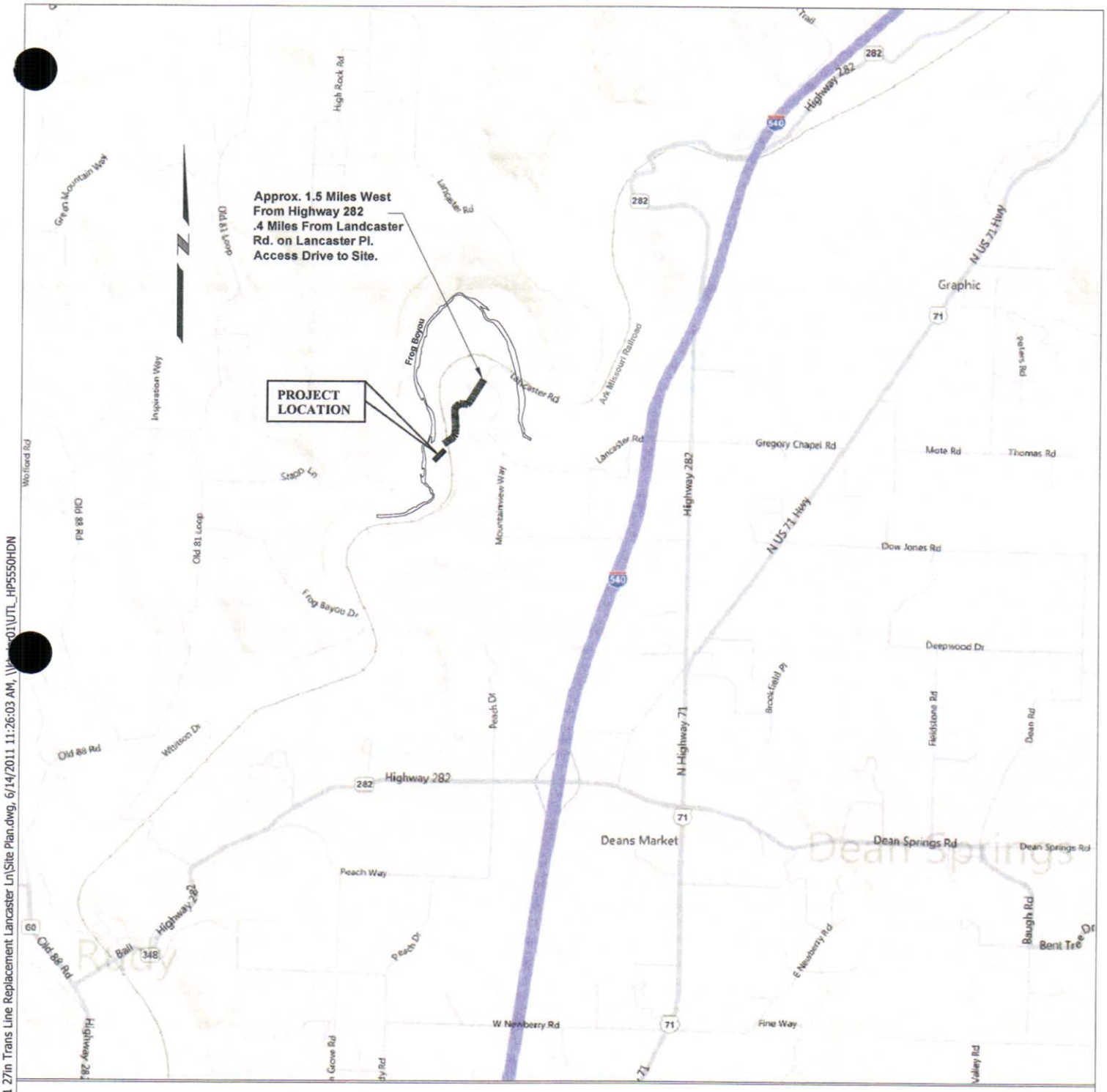
27-Inch Transmission Line Replacement - Lancaster Place
Project No. 11-05-C1

Bid Opening

June 7, 2011
2:00 PM.

Bids Received

M Phillips Construction Magazine, AR	$ 189,420.00
Goodwin & Goodwin Fort Smith, AR	$ 271,360.00
Forsgren, Inc. Fort Smith, AR	$ 459,636.00
Reed Construction Data Norcross, GA	$ No bid
Harris Company Fort Smith, AR	$ No bid



27" TRANSMISSION LINE REPLACEMENT

LANCASTER LANE

PROJECT # 11-05-C1
VICINITY MAP

The City of Fort Smith ARKANSAS

O:\UtilityDept_General\DWG DATA\Exhibits\JJ\11-05-C1 27in Trans Line Replacement Lancaster Ln\Site Plan.dwg, 6/14/2011 11:26:03 AM, \\[illegible]01\UTL_HP5550HDN

5 H

RESOLUTION NO. _____

RESOLUTION ACCEPTING THE BID OF AND AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT WITH TERRA RENEWAL, LLC, FOR LEE CREEK WATER TREATMENT PLANT RESIDUALS LAGOON CLEANING

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

SECTION 1: The bid of Terra Renewal, LLC, for the performance of the Lee Creek Water Treatment Plant Residuals Lagoon Cleaning, Project Number 11-03-C1, is hereby accepted.

SECTION 2: The Mayor is hereby authorized to execute a contract with Terra Renewal, LLC, in the amount of $320,120.00, for performing said services.

This Resolution adopted this _____ day of June 2011.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____ npr

INTER-OFFICE MEMO

TO: Ray Gosack, City Administrator **DATE:** June 10, 2011

FROM: Steve Parke, Director of Utilities

SUBJECT: Lee Creek Water Treatment Plant Residuals Lagoon Cleaning
Project Number 11-03-C1

The Lee Creek water treatment plant has two lagoons with accumulated treatment residuals which need to be removed. This project includes the removal and disposal of approximately 11,000 cubic yards of material.

The lowest bid was submitted by Terra Renewal, LLC, in the amount of $320,120.00. A bid tabulation showing the bidders and their bid amounts is attached. Funds are available within the operating budget to pay for these services.

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

attachment

pc: Jeff Dingman

Tabulation of Bids Received

Project Name

Lee Creek Water Treatment Plant Residuals Lagoon Cleaning
Project No. 11-03-C1

Bid Opening

June 7, 2011
2:30 P.M..

Bids Received

Reed Construction Data Norcross, GA	$ No bid
Terra Renewal Russellville, AR	$ 320,120.00
Nebo Residuals Services Quitman, AR	$ No bid
Fluid Technology, Inc. Oxford, OH	$ No bid
Goodwin & Goodwin, Inc. Fort Smith, AR	$ No bid
Merrill Bros., Inc. Kokomo, IN	$ No bid
M Phillips Construction Magazine, AR	$ No bid
Gro America Grand Rapids, MI	$ 339,790.00
Oros & Busch Defiance, MO	$ No bid
Harris Company Fort Smith, AR	$ No bid

RESOLUTION NO. _____ 5 I

RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH HAWKINS-WEIR ENGINEERS, INC., FOR PROVIDING ENGINEERING SERVICES FOR THE MILL CREEK FORCE MAIN EVALUATION

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

SECTION 1: The Agreement with Hawkins-Weir Engineers, Inc., providing engineering services for the Mill Creek Force Main Evaluation, Project Number 11-10-E1, is hereby approved.

SECTION 2: The Mayor is hereby authorized to execute the Agreement in the amount of $91,00.00, for providing said services.

This Resolution adopted this _____ day of June 2011.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____ npr

INTER-OFFICE MEMO

TO: Ray Gosack, City Administrator **DATE:** June 13, 2011

FROM: Steve Parke, Director of Utilities

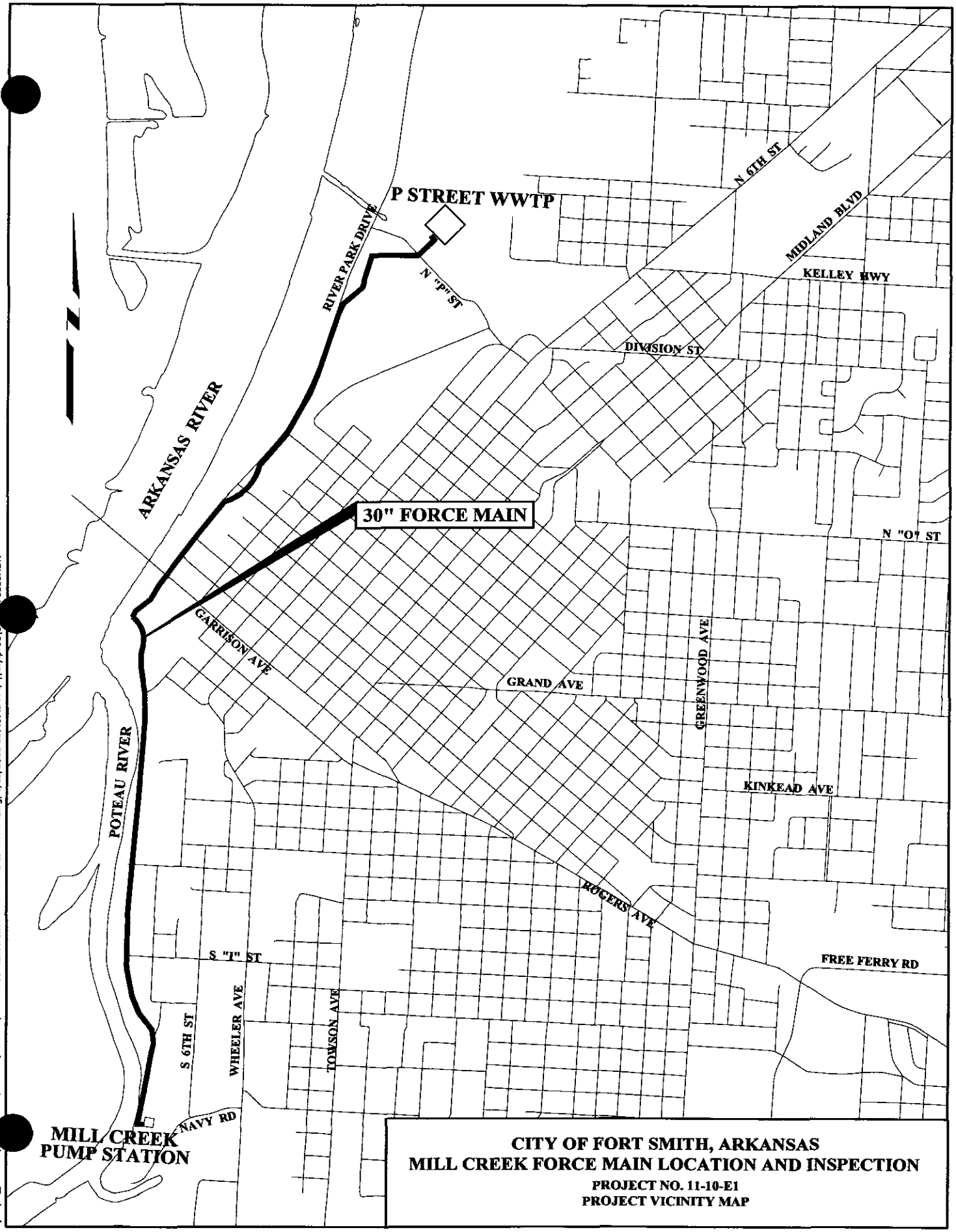
SUBJECT: Mill Creek Force Main Evaluation
Project Number 11-10-E1

This project consists of physically locating the force main connecting the Mill Creek pump station to the "P" Street wastewater treatment plant and determining its condition. Hawkins-Weir Engineers, Inc., will survey the force main alignment and record its location and elevation. Non-destructive testing techniques will be utilized for determining the pipe condition. Because the force main closely approaches the bank of the Arkansas and Poteau Rivers at various locations, any area needing erosion prevention will be identified along with cost estimates for the protective measures. Included in the scope is the identification of property owners along the route, existing easements and recommendations for additional easements or rights of entry. The attached exhibit shows the project area. The contract proposal for accomplishing this work is $91,000.00.

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

attachment

pc: Jeff Dingman



CITY OF FORT SMITH, ARKANSAS
MILL CREEK FORCE MAIN LOCATION AND INSPECTION
PROJECT NO. 11-10-E1
PROJECT VICINITY MAP

O:\UtilityDept_General\DWG_DATA\Exhibits\CAllison\30In Force Main from Mill Creek PS to WWTP.dwg, 6/13/2011 11:48:48 AM, \\khyipr01\UTI_HP5550HDN

5 J

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH CAMP DRESSER & MCKEE, INC., FOR THE DESIGN OF WASTEWATER PUMP STATION STANDBY POWER IMPROVEMENTS

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

SECTION 1: An Agreement with Camp Dresser & McKee, Inc., for engineering services associated with the design of Wastewater Pump Station Standby Power Improvements, Project Number 11-14-E1, is hereby approved.

SECTION 2: The Mayor is hereby authorized to execute an Agreement, for an amount of $77,700.00, for performance of said services.

This Resolution adopted this _____ day of June 2011.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____ npr

INTER-OFFICE MEMO

TO: Ray Gosack, City Administrator **DATE:** June 15, 2011

FROM: Steve Parke, Director of Utilities

SUBJECT: Wastewater Pump Station Standby
Power Improvements Project No. 11-14-E1

As part of the EPA and Department of Justice review of the progress the city is making to improve its wastewater collection system, they have identified the lack of standby power systems for each of our wastewater pump stations as a proposed enforcement issue. Having standby power available allows the pump stations to remain operational during power outages and prevent system overflows and bypasses. The city has 26 pumping stations in its collection system. That number includes the influent pump stations at each of the two treatment plants. There are only four of those stations which currently have standby power systems. Three more pump stations are currently under design for capacity improvements and one of those projects will consolidate two stations into a single station. Standby power systems will be included as part of those construction projects. This leaves 18 pump stations without provisions underway for standby power.

As providing standby power will ultimately be required for each of our pump stations, and in order to avoid the possible inclusion of this issue as part of the Consent Decree, staff has asked Camp Dresser & McKee (CDM) to prepare bid documents for purchase of the needed equipment. The installation of the equipment will be made separately through a combination of contracts and in-house personnel depending on the size and complexity of each pump station location. The Massard wastewater treatment plant is the largest facility requiring the addition of a standby power system. In addition to evaluating a stand alone power generation system, CDM will also evaluate the feasibility and cost for having OG&E provide a second electrical feeder to serve this facility. The remaining 17 pump station locations do not have a power demand large enough to make a second electrical feeder from OG&E cost effective and will require a properly sized engine driven power generators.

The attached Resolution authorizes the Mayor to execute an agreement with CDM for the needed engineering design services in the amount of $77,700.00. It is my recommendation that this matter be presented to the Board for their consideration at their next regularly scheduled meeting.

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

attachment

pc: Jeff Dingman

The City of Fort Smith ARKANSAS

MEMORANDUM

TO: Mayor and Board of Directors

FROM: Wendy Beshears, Administrative Assistant

DATE: June 15, 2011

SUBJECT: Fort Smith Municipal Employees Benevolent Fund Board of Advisors

The terms of Ms. Marcie Salamone of the Fort Smith Municipal Employees Benevolent Fund Board of Advisors will expire June 30, 2011. Ms. Salamone does not wish to be reappointed to this commission.

The applicant available at this time is:

Mary C. Moore 3424 North 27 Street

Appointments are **by the Board of Directors.** One appointment is needed; the term will expire June 30, 2014.

623 Garrison Avenue
P.O. Box 1908
Fort Smith, Arkansas 72902
(479) 785-2801
Administrative Offices FAX (479) 784-2430

Printed on 100% Recycled Paper

The City of Fort Smith ARKANSAS

MEMORANDUM

TO: Mayor and Board of Directors

FROM: Wendy Beshears, Administrative Assistant

DATE: June 14, 2011

SUBJECT: Historic District Commission

The terms of Mr. Graham Sharum and Ms. Clara Jane Rubarth of the Historic District Commission will expire July 31, 2011. Mr. Sharum and Ms. Rubarth would like to be reappointed to this commission.

There are no other applicants available at this time.

Appointments are **by the Mayor confirmed by the Board of Directors.** Two appointments are needed; the term will expire July 31, 2014.

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Fort Smith, Arkansas 72902
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The City of Fort Smith ARKANSAS

MEMORANDUM

TO: Mayor and Board of Directors

FROM: Wendy Beshears, Administrative Assistant

DATE: June 15, 2011

SUBJECT: Oak Cemetery Commission

Mr. Jerry Akins of the Oak Cemetery Commission has resigned his position effective May 13, 2011.

The applicant available at this time is:

Charles Girard 7510 Westminister Place

Appointments are **by the Board of Directors.** One appointment is needed; the term will expire November 30, 2012.

623 Garrison Avenue
P.O. Box 1908
Fort Smith, Arkansas 72902
(479) 785-2801
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The City of Fort Smith ARKANSAS

MEMORANDUM

TO: Mayor and Board of Directors

FROM: Wendy Beshears, Administrative Assistant

DATE: June 14, 2011

SUBJECT: Port Authority

The term of Mr. Eddie Norman of the Port Authority will expire July 31, 2011. Mr. Norman would like to be reappointed to this board. Ms. Easterling has resigned her position effective June 8, 2011, her position will need to be appointed.

The applicant available at this time is:

Larry J. Combs 3016 Royal Scots Way

Appointments are **by the Mayor.** Two appointments are needed; one term will expire July 31, 2016 (Regular term) and the other on July 31, 2015. (Resigned term)

623 Garrison Avenue
P.O. Box 1908
Fort Smith, Arkansas 72902
(479) 785-2801
Administrative Offices FAX (479) 784-2430

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The City of Fort Smith ARKANSAS

MEMORANDUM

TO: Mayor and Board of Directors

FROM: Wendy Beshears, Administrative Assistant

DATE: June 14, 2011

SUBJECT: Transit Advisory Commission

The term of Mr. Charles Mills of the Transit Advisory Commission will expire July 15, 2011. Mr. Mills would like to be reappointed to this commission.

The applicants available at this time are:

Diane L. Burl	5200 Wilson Road
Orval Smith	4922 Hardscrabble Way

Appointments are **by the Mayor confirmed by the Board of Directors.** One appointment is needed; the term will expire July 15, 2014.

623 Garrison Avenue
P.O. Box 1908
Fort Smith, Arkansas 72902
(479) 785-2801
Administrative Offices FAX (479) 784-2430

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MINUTES OF THE BOARD OF DIRECTORS REGULAR MEETING

TUESDAY ~ JUNE 21, 2011 ~ 6:00 P.M.

FORT SMITH PUBLIC SCHOOLS SERVICE CENTER

The meeting was called to order by Mayor Sandy Sanders, presiding. Invocation was given by Director Don Hutchings, followed by the Pledge of Allegiance. On roll call the following members of the Board were present: Directors Steve Tyler, Andre' Good, Don Hutchings, George Catsavis, Pam Weber, Kevin Settle and Phillip H. Merry, Jr. The Mayor declared a quorum present.

The Mayor inquired if any Board member had any item of business to present that was not already on the agenda. There was none presented.

The minutes of the June 7, 2011 regular meeting were presented for approval. Settle, seconded by Weber, moved approval of the minutes as written. The members all voting aye, the Mayor declared the motion carried.

Mayor Sanders urged all those who wish to address the Board of Directors during the meeting to promptly complete a speakers card and submit to the City Clerk. He further advised those who address the Board need only provide their name and city of residence.

With regard to the time limit policy for persons wishing to address the Board, the Mayor communicated that five (5) minutes per side would be granted for controversial items with three (3) minutes for rebuttal per side. Two (2) minutes will be allotted for consent agenda items and for those participating in the citizens forum.

Item No. 1 consisted of Mayor Sanders presenting a proclamation to Mr. Cecil Perkins proclaiming June 21, 2011 as *"Cecil Perkins Day"*. Such is in honor of recently being selected to referee a "last-chance" Olympic-qualifying boxing tournament in Cincinnati, Ohio in July 2011. Mr. Perkins is a 27-year employee of the Sanitation

Department, started boxing in Fort Smith at the age of 15 and maintains an impressive boxing career.

Item No. 2 was an ordinance amending Ordinance No. 53-10 authorizing the issuance and sale of Airport Refunding Revenue Bonds; establishing the maturity schedule for the bonds; ratifying and confirming the sale of the bonds; prescribing other matters relating thereto; and declaring an emergency.

City Administrator Ray Gosack briefed the Board on the item. In 1999, bonds were issued for improvements to the Fort Smith Municipal Airport terminal. At that time, the interest rates were much higher; however, last year, the Airport Commission identified the potential to reduce its annual debt service by refinancing the bonds. The Board of Directors passed Ordinance No. 53-10 on November 2, 2010, which authorized issuance of the bonds provided certain saving thresholds were met. No bonds have not been issued to date; however, the bond market has recently moved in a favorable direction and the required thresholds have now been met. Due to such, the proposed item amends the previous ordinance which provides for the particulars of the new issuance. The airport is solely responsible for the repayment of the bonds; however, Arkansas law requires approval by the governing body to issue the bonds.

The following individual was present to address the Board:

- Eric Arthur
  Fort Smith, Arkansas

  Re: Questioned if the proposed bond maintains a flexible interest rate, as well as other existing municipal bonds.

  Mr. Gosack clarified the proposed revenue bond, as well as other municipal bonds, maintain a fixed interest rate and do not fluctuate. The difference is due to the different interest rates and maturity dates.

Settle, seconded by Merry, moved to suspend the rule to allow the three (3) full readings of the ordinance to be by caption and for the readings to occur on the same date. The members all voting affirmatively, the Mayor declared the motion carried; therefore, the City Clerk the ordinance for its readings. Settle, seconded by Hutchings, moved adoption of the ordinance. The members all voting affirmatively, the Mayor declared the motion carried. Weber, seconded by Good, moved adoption of Section 14 the emergency clause. The members all voting affirmatively, the Mayor declared the motion carried and the ordinance and emergency clause were adopted and given No. 44-11.

Item No. 3 was an ordinance ordering owners of certain dilapidated and substandard structures to demolish same, authorizing the City Administrator to cause the demolition of such structures to occur, and for other purposes *(2501 South Independence Street, 2223 North 31st Street, and 103 North 16th Street - garage only)*

Administrator Gosack briefed the Board on the item advising the structures have been determined to be unsafe and detrimental to the public welfare; therefore, he recommended approval.

The following individuals were present to address the Board:

- Martha Ehlen, owner of 2501 Independence
  Fort Smith, Arkansas

  Re: Simply advised she is awaiting settlement with the insurance company to repair the structure.

  At the request of Mayor Sanders, Building Official Jimmie Deer advised the owners are currently in litigation with the insurance company. Due to a conversation today with the owners attorney, Mr. Chip Sexton, a settlement is expected within the next couple of weeks.

Director Good inquired if the owner plans to renovate or demolish the structure.

Ms. Ehlen noted she wishes to rebuild, but fears she will not obtain the necessary insurance funds to accomplish such.

- Rena Westbrook, owner of 103 North 16th Street
  Fort Smith, Arkansas

  Re: Conveyed no opposition to demolition of the structure and advised she recently obtained a demolition permit to accomplish such.

At the request of Director Good, Mr. Deer advised that upon approval of the ordinance, the owners will have thirty (30) days to demolish the structures. If such is not accomplished, the City will proceed with demolition and bill the property owner for reimbursement. The owners may contact the City Clerk and make payment arrangements for the reimbursement. Upon approval, he clarified if the owner initiates substantial action to either demolish or repair the structures prior to the City proceeding with demolition, staff will work with the owners to allow them to complete such.

Tyler, seconded by Settle, moved adoption of the ordinance. The motion included suspending the rule to allow the three (3) full readings of the ordinance to be by caption and for the readings to occur on the same date. The City Clerk read the ordinance for its readings and the members all voting affirmatively, the Mayor declared the motion carried. Weber, seconded by Catsavis, moved adoption of Section 5 the emergency clause. The members all voting affirmatively, the Mayor declared the motion carried and the ordinance and emergency clause were adopted and given No. 45-11.

Item No. 4 was a resolution of the Board of Directors of the City of Fort Smith certifying city government endorsement of business to participate in the Tax Back Program

(As authorized by Section 15-4-2706(d) of the Consolidated Incentive Act of 2003)

Administrator Gosack briefed the Board on the item advising Golden Living wishes to participate in the Tax Back Program, which allows a new or expanding business to request refunds of sales taxes paid on building materials and other eligible expenses. Golden Living plans to construct a new parking lot, undertake building renovations, purchase work stations and add IT equipment at their Fort Smith location on Fianna Way. The total investment is estimated at $5.7 million, along with the addition of 200 new employees. Participation in the program requires local government endorsement; therefore, he recommended approval of the proposed resolution citing such supports one of the Board of Directors top goals to encourage economic development.

Hutchings, seconded by Merry, moved adoption of the resolution. The members all voting affirmatively, the Mayor declared the motion carried. Merry, seconded by Weber, moved adoption of Section 3 the emergency clause. The members all voting affirmatively, the Mayor declared the motion carried and the resolution and emergency clause were adopted and given No. R-111-11.

The Consent Agenda (Item No. 5) was introduced for consideration, the items being as follows:

A. Resolution urging the federal government to continue metropolitan planning organizations for urbanized areas under 200,000 population

B. Resolution approving the reduction of the overtime threshold for non-exempt uniformed police officers from 43 hours per work week to 42 hours per work week

C. Resolution to accept the bids and authorize contracts for the construction of Street Overlays/Reconstruction, Project No. 11-03-D ($1,751,418.72)

D. Resolution to accept the bids and authorize contracts for the construction of Street Overlays/Reconstruction, Project No. 11-03-A ($3,262,740.44)

E. Resolution accepting bids for the re-roofing of Fire Station No. 6 ($49,030.00)

F. Resolution authorizing Change Order Number Six with Crossland Heavy Contractors, Inc. for construction of the Lake Fort Smith Water Treatment Plant - Contract 3 ($155,516.00)

G. Resolution accepting the bid of and authorizing the Mayor to execute a contract with M. Phillips Construction, Inc. For the 27-Inch Transmission Line Replacement - Lancaster Place ($189,420.00)

H. Resolution accepting the bid of and authorizing the Mayor to execute a contract with Terra Renewal, LLC for Lee Creek Water Treatment Plant Residuals Lagoon Cleaning ($320,120.00)

I. Resolution authorizing the Mayor to execute an agreement with Hawkins-Weir Engineers, Inc. for providing engineering services for the Mill Creek Force Main Evaluation ($91,000.00)

J. Resolution authorizing the Mayor to execute an agreement with Camp Dresser & McKee, Inc. for the design of Wastewater Pump Station Standby Power Improvements ($77,700.00)

Regarding Item No. 5B, the following individual was present to address the Board:

- Eric Arthur
  Fort Smith, Arkansas

  Re: Noted that according to the National Police Chiefs Association, the City of Fort Smith should maintain 144 police officers (alleging the City maintains too many officers). Due to the cost, he conveyed no opposition to the item citing police officers should work 40 hours per week.

  With regard to the number of police officers, Director Settle conveyed disagreement with such citing he feels additional officers are needed in Fort Smith.

Director Tyler expressed concern with adoption of Item No. 5B due to recent notice that additional contributions into the Arkansas Local Police and Fire Retirement System (LOPFI) will be required in the near future. Due to such, he recommended the item be tabled for thirty (30) days to allow input from the Audit Committee regarding the matter.

Director Settle questioned if the resolution could be adopted retroactively if the resolution is tabled for thirty (30) days as recommended. He further conveyed no opposition to the item and requested Administrator Gosack comment on the matter.

Mr. Gosack confirmed increased contributions into LOPFI is an issue that must be considered, and unless such is accomplished in the near future, the Finance Department projects the LOPFI Fund will be "upside-down" by 2018. With regard to the recommended postponement and the ability to adopt retroactively, he conveyed much assurance that such can be done if the Board so desires.

Tyler, seconded by Settle, moved to table consideration of Item No. 5B for thirty (30) days. Prior to the vote, Director Merry spoke in opposition to the proposed postponement citing the issue must be addressed and spoke in favor of its adoption.

The motion remaining on the floor, the members voted as follows: ayes - Tyler, Good, Settle; nays - Hutchings, Catsavis, Weber and Merry. The Mayor declared the motion defeated and announced the item would remain on the consent agenda for consideration.

Regarding Item No. 5C and 5D, the following individual was present to address the Board:

- Reverend Lorenzo Lee
  Fort Smith, Arkansas

Re: Questioned if either project includes the construction of sidewalks whereby Administrator Gosack simply responded "no".

With regard to Item No. 5F, Director Settle questioned if the Board was previously advised or provided notice that the proposed change order would be forthcoming whereby Director of Utilities Steve Parke responded "no". Due to such, he requested advance notice be provided to the Board prior to consideration of such significant change orders in the future.

Regarding Item No. 5H, Director Catsavis questioned how often lagoon cleanings are scheduled and requested the estimated cost for the City to purchase the necessary equipment to perform the cleaning in-house.

Mr. Parke advised such are scheduled annually; however, due to lack of funding, lagoon cleanings have not been accomplished in some time. The City has reviewed the cost of performing the cleaning in-house in the past; however, it was determined to be financially unfeasible.

Hutchings, seconded by Settle, moved adoption of all consent agenda items. The members all voting affirmatively, with the exception of Director Tyler voting "no" on Item No. 5B and Director Settle voting "no" on Item No. 5F , the Mayor declared the motion carried and the resolutions were adopted and numbered R-112-11 through R-121-11 respectively.

Relative to Consent Agenda Item No. 5B, Director Tyler requested staff prepare an employee cost comparison and offered a motion that such be presented at an upcoming study session in the near future. The motion was seconded by Director Weber; therefore, since placement of an item on an agenda requires two (2) directors, Mayor Sanders advised such will be scheduled as requested.

June 21, 2011 Regular Meeting

Mayor Sanders opened the Officials Forum with the following comment offered:

- Director Merry

  Re: Requested an update regarding the Van Buren water reimbursement be provided by the next study session.

An executive session was held and after reconvening, Mayor Sanders announced the following appointment nominations:

FORT SMITH MUNICIPAL EMPLOYEES BENEVOLENT FUND BOARD OF ADVISORS
(Appointed by the Board of Directors)
Mary C. Moore
Term expires June 30, 2014

HISTORIC DISTRICT COMMISSION
(Appointed by the Mayor, confirmed by the Board of Directors)
Graham Sharum (reappointment)
Clara Jane Rubarth (reappointment)
Terms expire July 31, 2014

OAK CEMETERY COMMISSION
(Appointed by the Board of Directors)
Charles Girard
(to fill the unexpired term of Jerry Akins who resigned)
Term expires November 30, 2012

PORT AUTHORITY
(Appointed by the Mayor)
Eddie Norman (reappointment)
Term expires July 31, 2016

Larry J. Combs
(to fill the unexpired term of Stephanie Harper Easterling who resigned)
Term expires July 31, 2015

TRANSIT ADVISORY BOARD
(Appointed by the Mayor, confirmed by the Board of Directors)
Charles Mills (reappointment)
Term expires July 15, 2014

Hutchings, seconded by Weber, moved acceptance of all appointment nominations which require confirmation by the Board of Directors. The members all voting aye, the Mayor declared the motion carried.

Prior to opening the Citizens Forum, Mayor Sanders reminded all in attendance that the Citizens Forum is an opportunity for citizens to address the Board with issues not already on the agenda. Two (2) minutes are allotted for each individual wishing to speak and such is not transferrable to other individuals. In order to maintain a civil meeting decorum, he encouraged the manner of speech be respectful to the Board, as well as others in attendance.

Mayor Sanders then opened the Citizens Forum with the following individuals present to address the Board:

- Jerry Hamel
  Fort Smith, Arkansas

  Re: Alleged according to "corporate law", speakers may yield their time to another individual and requested a "ruling" on the matter for meetings of the Board of Directors.

  Mayor Sanders advised such will be provided.

- Eric Arthur
  Fort Smith, Arkansas

  Re: Simply conveyed the Chamber of Commerce should more actively pursue business to come to Fort Smith.

- Randy Amon
  Fort Smith, Arkansas

  Re: Advised he's been watching the board meetings on the City's Access Channel for approximately six (6) months and simply came to convey his appreciation to the Mayor and Board for their service.

- Louis Vincent
  Fort Smith, Arkansas

  Re: Expressed discontent with members of the Board; therefore, he conveyed anticipation for the next election.

- Elizabeth Mayo
  Fort Smith, Arkansas

  Re:
  1. Alleged the proposed pet ordinances, which were tabled at the April 5, 2011 regular meeting, are ineffective and do not address important issues.

  2. Identified multiple businesses that have relocated out of the city and alleged the population of Fort Smith has scarcely increased in thirty-seven (37) years.

There being no further business to come before the Board, Good moved that the meeting adjourn. The motion was seconded by Tyler, and the members all voting aye, the Mayor declared the motion carried and the meeting stood adjourned at 7:20 p.m.

APPROVED:

Mayor

ATTEST:

City Clerk