

SHERWOOD CITY COUNCIL

November 24, 2014

7:00 P.M.

1. Prayer
2. Pledge of Allegiance
3. Roll Call
4. Approval of minutes of the regular meeting on October 27, 2014, as transcribed.
5. Committees and/or Commissions:
 - Advertising & Promotion Commission**: Alderman Brooks, Chairman
 - Civil Service Commission**: Herb Moore, Chairman
 - Parks & Recreation Committee**: Alderman Harmon, Chairman
 - Personnel Committee**: Alderman Butler, Chairman
 - Planning Commission**: Lucien Gillham, Chairman
 - Senior Citizen Committee**: Jean Harrison, Chairman
 - Sewer Committee**: Amy Sanders, Chairman
 - (a) An ordinance authorizing the City of Sherwood to enter a contract with Utility Service Partners Private Label, Inc. (USP) d/b/a Service Line Warranties of America, to authorize USP to create a solicitation letter, and to offer Sherwood residents an external sewer line repair or replacement program; and for other purposes (Alderman Lilly)
 - (b) An ordinance fixing rates for services furnished by the sewer system of the City of Sherwood, Arkansas; and prescribing other matters pertaining thereto; declaring an emergency (Alderman Lilly)
 - Street Committee**: Alderman Lilly, Chairman
6. An ordinance approving an agreement between the city and Local Government Services, LLC for purposes of an audit to determine cable service franchise fee compliance requirements; appropriating funds for said service and for other purposes (Mayor Young)
7. An ordinance approving the purchase of certain real estate authorizing the mayor to agree to said purchase and appropriating funds for said purchase; and for other purposes (Alderman Keplinger)
8. An ordinance to acknowledge the results of a ballot question placed upon the general election ballot November 4, 2014, regarding the question of the passage of an annual ad valorem tax at the rate of one and three tenths mills (1.3) for acquisition, construction

and equipping of land and capital improvements, which tax shall expire upon payment in full of bonds to which it is pledged; said ad valorem tax to be pledged to an issue or issues of bonds of the City of Sherwood, Arkansas, issued under Amendments 30 and 72 to the Constitution of the State of Arkansas, and Act 920 of 1993, not to exceed \$6,000,000.00 in aggregate principal amount, to finance the costs of acquiring, constructing, and equipping land and additional capital improvements for the public city libraries operated by the City of Sherwood and the Central Arkansas Library System, levying said tax, certifying to the Pulaski County Clerk the rate of taxation to be levied by the City of Sherwood on the taxable real and personal property commencing with tax year 2014; declaring an emergency and for other purposes (Mayor Young)

9. A resolution of the City Council of Sherwood, Arkansas, certifying local 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) (Mayor Young)

10. An ordinance amending Ordinance No. 1079; allowing certain Off-Site Commercial Signage; declaring an emergency and for other purposes (Alderman Harmon)

11. Old Business

12. New Business

13. Announcement(s)

- Enchanted Forest Trail of Holiday Lights, begins December 1 – 30, 2014, 6:00 p.m. – 9:30 p.m. at 1111 West Maryland Avenue
- Festival of Lights 2014, Friday, December 5, 2014, 10:00 a.m. to 9:00 p.m. and Saturday, December 6, 2014, 8:00 a.m. - 12:00 p.m. All proceeds benefit participating Sherwood Elementary Schools
- Sherwood Chamber Annual Christmas Parade, sponsored by Sherwood Advertising and Promotion Commission, Saturday, December 6, 2014, at 2:00 p.m. (Rainout Sunday, December 7, 2014, at 2:00 p.m.). Theme is “A Candy Cane Christmas”
- Breakfast with Santa, Saturday, December 13, 2014, 8:00 – 10:00 a.m., Sherwood Forest, 1111 West Maryland Avenue, Children 6 and under Free; Children 7 and up \$3.00
- Sherwood Animal Shelter “Home for the Holidays” adoption promotion. Receive a free adoption gift bag from Blue Buffalo and free health check from Baeyens Hawk Veterinarian Group
- Sherwood Animal Shelter “Free Fridays”. Adult cats and dogs free with approved application
- Sherwood Animal Shelter Fill the Bowl Project. Information available on Facebook at Sherwood Shelter or call (501) 834-2287

14. Adjourn

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE CITY OF SHERWOOD TO ENTER A CONTRACT WITH UTILITY SERVICE PARTNERS PRIVATE LABEL, INC. (USP), d/b/a SERVICE LINE WARRANTIES OF AMERICA, TO AUTHORIZE USP TO CREATE A SOLICITATION LETTER, AND TO OFFER SHERWOOD RESIDENTS AN EXTERNAL SEWER LINE REPAIR OR REPLACEMENT PROGRAM, AND FOR OTHER PURPOSES.

WHEREAS the City of Sherwood, Arkansas, operates a sewer system within the City of Sherwood; and

WHEREAS many residents of Sherwood, Arkansas, have sewer lines on their property connecting their home to the City collection system; and

WHEREAS residents are responsible for upkeep and repair of lines connecting residences to the City collection system; and

WHEREAS Utility Service Partners Private Label, Inc. (USP), d/b/a Service Line Warranties of America offers a program to service, repair, or replace broken underground lines for residents who purchase the coverage; and

WHEREAS USP will create a citizen solicitation letter at no cost to the City, if the City will authorize entry of a contract between USP and the City, which authorizes the use of City artwork and related addresses with City of Sherwood approval of a Solicitation letter;

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF SHERWOOD, ARKANSAS:

Section 1. The Mayor is authorized to enter a contract with Utility Service Partners Private Label, Inc. (USP), d/b/a Service Line Warranties of America authorizing the creation of a citizen solicitation letter, using City artwork, addresses, and other necessary information indicating City approval of the warranty program.

Section 2. The Mayor is authorized to approve the solicitation letter and help USP obtain necessary information regarding addresses of eligible residents.

Section 3. Implementation of the program will be at no cost to the City of Sherwood, Arkansas.

ADOPTED on this ____ day of **November 2014**.

Virginia R. Young, Mayor

ATTEST:

Angela Nicholson, City Clerk

APPROVED AS TO FORM:

Stephen Cobb, City Attorney

SEWER AND WATER LINE MARKETING LICENSE AGREEMENT BETWEEN THE CITY OF SHERWOOD, ARKANSAS, AND UTILITY SERVICE PARTNERS PRIVATE LABEL, INC. D/B/A SERVICE LINE WARRANTIES OF AMERICA

This SEWER AND WATER LINE MARKETING LICENSE AGREEMENT ("Agreement") entered into as of [_____, 20__] ("Effective Date"), by and between the City of Sherwood, Arkansas ("City"), and Utility Service Partners Private Label, Inc. d/b/a Service Line Warranties of America ("SLWA"), herein collectively referred to singularly as "Party" and collectively as the "Parties".

RECITALS:

WHEREAS, sewer and water line laterals between the mainlines and the connection on residential private property are owned by individual residential property owners ("Residential Property Owner"); and

WHEREAS, City desires to offer Residential Property Owners the opportunity, but not the obligation, to purchase a service line warranty ("Warranty"); and

WHEREAS, SLWA is the administrator of the National League of Cities Service Line Warranty Program and has agreed to provide the Warranty to Residential Property Owners subject to the terms and conditions contained herein; and

NOW, THEREFORE, in consideration of the foregoing recitals, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and with the intent to be legally bound hereby, the Parties agree as follows:

AGREEMENT

1. **Purpose.** City hereby grants to SLWA the right to offer the Warranty to Residential Property Owners subject to the terms and conditions herein.
2. **Grant of License.** City hereby grants to SLWA a non-exclusive license ("License") to use City's name and logo on letterhead, bills and marketing materials to be sent to Residential Property Owners from time to time, and to be used in advertising, all at SLWA's sole cost and expense and subject to City's prior review and approval, which will not be unreasonably conditioned, delayed, or withheld. City agrees that it will not extend a similar license to any competitor of SLWA during the term of this Agreement.

3. Term. The term of this Agreement ("Term") shall be for one (1) year from the Effective Date. The Agreement will automatically renew for additional one (1) year terms ("Renewal Term") unless one of the Parties gives the other written notice at least ninety (90) days prior to end of the Term or of a Renewal Term that the Party does not intend to renew this Agreement. In the event that SLWA is in material breach of this Agreement, the City may terminate this Agreement thirty (30) days after giving written notice to SLWA of such breach, if said breach is not cured during said thirty (30) day period. SLWA will be permitted to complete any marketing initiative initiated or planned prior to termination of this Agreement after which time, neither Party will have any further obligations to the other and this Agreement will terminate. During the Term, SLWA shall conduct a Spring and Fall campaign each year in accordance with the schedules set forth in Exhibit A. The pricing for each such campaign shall be in accordance with Exhibit A attached hereto.

4. Indemnification. SLWA hereby agrees to protect, indemnify, and hold the City, its elected officials, officers, employees and agents (collectively or individually, "Indemnitee") harmless from and against any and all claims, damages, losses, expenses, suits, actions, decrees, judgments, awards, attorneys' fees and court costs (individually or collectively, "Claim"), which an Indemnitee may suffer or which may be sought against or are recovered or obtainable from an Indemnitee, as a result of, or by reason of, or arising out of or in consequence of any act or omission, negligent or otherwise, of the SLWA or its officers, employees, contractors, subcontractors, agents or anyone who is directly or indirectly employed by, or is acting in concert with, the SLWA or its officers, its employees, contractors, subcontractors, or agents in the performance of this Agreement; provided that the applicable Indemnitee notifies SLWA of any such Claim within a time that does not prejudice the ability of SLWA to defend against such Claim. Any Indemnitee hereunder may participate in its, his, or her own defense, but will be responsible for all costs incurred, including reasonable attorneys' fees, in connection with such participation in such defense.

5. Notice. Any notice required to be given hereunder shall be deemed to have been given when notice is (i) received by the Party to whom it is directed by personal service, (ii) telephonically faxed to the telephone number below provided confirmation of transmission is received thereof, or (iii) deposited as registered or certified mail, return receipt requested, with the United States Postal Service, addressed as follows:

To: City:
ATTN: Virginia Hillman
City of Sherwood
2199 E Kiehl Ave
Sherwood, AR 72120-3129
Phone (501) 835-6620

To: SLWA:
ATTN: Vice President, Business Development
Utility Service Partners Private Label, Inc.
11 Grandview Circle, Suite 100
Canonsburg, PA 15317
Phone: (724) 749-1003

6. **Modifications or Amendments/Entire Agreement.** Any and all of the representations and obligations of the Parties are contained herein, and no modification, waiver or amendment of this Agreement or of any of its conditions or provisions shall be binding upon a party unless in writing signed by that Party.

7. **Assignment.** This Agreement and the License granted herein may not be assigned by SLWA without the prior written consent of the City, such consent not to be unreasonably withheld.

8. **Counterparts/Electronic Delivery.** This Agreement may be executed in counterparts, all such counterparts will constitute the same contract and the signature of any Party to any counterpart will be deemed a signature to, and may be appended to, any other counterpart. Executed copies hereof may be delivered by facsimile or e-mail and upon receipt will be deemed originals and binding upon the Parties hereto, regardless of whether originals are delivered thereafter.

9. **Choice of Law/Attorney Fees.** The governing law shall be the laws of the State of Arkansas. In the event that at any time during the Term or any Renewal Term either Party institutes any action or proceeding against the other relating to the provisions of this Agreement or any default hereunder, then the unsuccessful Party shall be responsible for the reasonable expenses of such action including reasonable attorney's fees, incurred therein by the successful Party.

10. **Incorporation of Recitals and Exhibits.** The above Recitals and Exhibit A attached hereto are incorporated by this reference and expressly made part of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the day and year first written above.

SEWER AND WATER LINE MARKETING LICENSE AGREEMENT BETWEEN THE CITY OF SHERWOOD AND UTILITY SERVICE PARTNERS PRIVATE LABEL, INC. D/B/A SERVICE LINE WARRANTIES OF AMERICA

CITY OF SHERWOOD

By: _____

UTILITY SERVICE PARTNERS PRIVATE LABEL, INC.

By: _____

Brad H. Carmichael, Vice President

By: _____

Edwin F. Westfield, III, Chief Financial Officer

Exhibit A
NLC Service Line Warranty Program
City of Sherwood, AR
Term Sheet
October 7, 2014
(Term Sheet valid for 90 days)

- I. Term of agreement
 - a. Initial term
 - i. One year guaranteed (total of 2 campaigns)
- II. License Provisions
 - a. City logo on letterhead, advertising, billing, and marketing materials
 - b. Signature by City official
- III. Products offered
 - a. External sewer line warranty
 - b. External water line warranty
- IV. Scope of Coverage
 - a. External sewer line warranty
 - i. Scope is from the city main tap until line daylights inside home...of which includes the service line under the concrete floor. [Note: **If homeowner responsibility is different than this language, please advise.**]
 - b. External water line warranty
 - i. Scope is from the meter and/or curb box until it daylights inside home...of which includes the service line under the concrete floor. [Note: **If homeowner responsibility is different than this language, please advise.**]
- V. Marketing Campaigns – two seasonal campaigns per year (Spring and Fall)
 - a. 2015 Spring - Sewer
 - b. 2015 Fall - Water
- VI. Campaign Pricing
 - a. Sewer
 - i. Year 1 - \$7.25 per month; \$82.00 annually
 - ii. Year 2 - \$7.25 per month; \$82.00 annually (subject to annual review)
 - iii. Year 3 - \$7.25 per month; \$82.00 annually (subject to annual review)
 - b. Water
 - i. Year 1 - \$5.25 per month; \$58.00 annually
 - ii. Year 2 - \$5.25 per month; \$58.00 annually (subject to annual review)
 - iii. Year 3 - \$5.25 per month; \$58.00 annually (subject to annual review)

ORDINANCE NO. _____

AN ORDINANCE FIXING RATES FOR SERVICES FURNISHED BY THE SEWER SYSTEM OF THE CITY OF SHERWOOD, ARKANSAS; AND PRESCRIBING OTHER MATTERS PERTAINING THERETO, DECLARING AN EMERGENCY AND FOR OTHER PURPOSES.

WHEREAS, it has been found by the City of Sherwood Sewer Committee upon a due and thorough investigation, that the rates charged for services furnished by the City of Sherwood Waste Water Utility treatment works, require adjustment in order to operate the system without deficit, provide needed revenue for repairs to the system and to provide revenue for necessary improvements to the system and to operate the system without violation of environmental laws or covenants entered into regarding operation of the system.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF SHERWOOD, ARKANSAS, THAT:

SECTION 1:

- (a) That the City hereby establishes rates to be charged for services furnished by the system, which the City Council finds and declares to be fair; reasonable and necessary to be charged to all users who contribute wastewater to the system. The proceeds of such charges so derived will be used for the purpose of operating and maintaining the system, including replacement (OM&R). (Replacement is defined as expenditures for obtaining and installing equipment, accessories or appurtenances during the useful life of the system necessary to maintain the capacity and performance for which they were designed and constructed).
- (b) All users of the system shall be charged the following monthly rates per 100 cubic feet (hereinafter CF) or portions thereof of metered water consumption with the following minimum charge for 400 CF. All sewer users shall be classified by the City Council as residential, commercial or industrial:

Inside City Limits of Sherwood		Outside the City Limits of Sherwood	
Per 100 CF	400 CF min	Per 100 CF	400 CF min
\$3.25	\$13.02	\$4.06	\$16.28

- (c) In the case of significant industrial customers (defined as any non-residential customer which normally discharges wastewater to the system in quantities of 25,000 gallons per day or greater or whose wastewater contains or has the potential to contain, toxic pollutants, restricted pollutants, or non-compatible pollutants, when the wastewater characteristics exceed certain parameters), the

following penalties shall apply (which penalties may be in addition to any other penalties permitted by law):

1) Biochemical Oxygen Demand ("BOD"):

\$0.86 per pound of BOD's discharged for wastewater strength concentrations greater than 250 mg/L, $(\text{BOD} - 250) \times (0.00624) \times (100 \text{ CF})$.

2) Total Suspended Solids ("TSS"):

\$0.12 per pound of TSS discharged for waste strength concentrations greater than 250 mg/L, $(\text{TSS} - 250) \times (0.00624 \times (100 \text{ CF}))$.

3) pH:

\$1.23 per 100 CF for all discharges for which the pH is greater than 11 or less than 5, i.e. $(100 \text{ CF}) \times (\$1.23)$.

4) Fats, Oils and Greases (FOG):

\$0.31 per pound of fats, oils and greases for wastewater discharges exceeding 100 mg/L of fats, oils and greases, i.e. $(\text{FOG} - 100) \times (0.00624) \times (100 \text{ CF})$.

5) Other Limited Parameters:

The following parameters are limited in concentration and mass by the City of Sherwood Ordinance 1794 as amended.

Cadmium, Chromium, Copper, Cyanide, Lead, Mercury, Nickel, Silver, Zinc, Arsenic, Selenium, Boron, Molybdenum.

A charge of \$0.12 per 100 CF per parameter shall be made for all wastewater exceeding the local discharge limits set by the Sewer Committee as authorized by ordinance, i.e. $(100 \text{ CF}) \times (0.12)$.

The above charges shall be based on sample test results by the utility. A split of any sample used for the purpose of establishing charges shall be made available to the user upon prior written request.

The payment of the above charges shall not be considered justification for discharges in excess of local discharge limits set by the Sewer Committee or compensation for any damages caused by said excessive discharge.

- (d) Users shall be deemed to be within the city sewer system for the purposes of the rates to be charged (i) when they are physically located within the city limits of Sherwood and (ii) when they are physically connected to the City of Sherwood collection system for transportation and treatment of raw sewage.
- (e) Users that are physically connected to the City of Sherwood waste water collection system but are not physically located within the city limits of Sherwood shall pay 1.25 times the rate as established in Section 1, paragraph b above.
- (f) The following rate schedule shall be applied to the acceptance of petroleum contaminated waters (defined as any water approved by the utility, pursuant to guidelines established by the Sewer Committee), for disposal in the system that is part of the remediation of a gasoline or diesel contaminated site and/or is a temporary short term discharge(s) into the system:

<u>Quantity (Gallons)</u>	<u>Rate (\$/Gal.)</u>
For the first 0-5,000	\$.25
For the next 5,001 – 25,000	.06
For the next 25,001 or above	.006

- (g) In case of customers obtaining water exclusively from the Waterworks System covering the City of Sherwood (“Waterworks System”), the computation shall be based upon the water consumption records of the Waterworks System.
- (h) In the case of customers obtaining water from sources other than the Waterworks System there shall be determined the amount of water obtained by such customers from other sources and the amount so determined shall be used (together with the amount reflected by the Waterworks System records if the customer also obtains water from the Waterworks System) in making the computation.
- (i) For residential customers (defined as single family residences or multi-metered, multi-family residences or apartments all of which utilize meters less than one inch) only, the sewer charge each month will be based on the average monthly consumption for the month of October, November, December, January, February and March (winter month period). In the case of residential users, which were not on a meter during the previous Winter Month Period, the rates shall be computed on actual water usage until such time as an average monthly winter usage can be calculated. In the case of other users not on a metered basis, the City shall establish water consumption based on a comparison of the non-metered users with a metered user of a similar class.
- (j) For commercial and industrial users of the waste water system, a credit on the monthly sewer charge can be obtained for those waters that are not discharged to the sewer system. Examples of nonsewered waters include water added to a product and water lost through evaporation from cooling towers. In order to

receive the credit, the user must install a system to accurately measure the nonsewered waters. This system must have prior approval from the City Engineer and must be operated and reported to the City within guidelines established by the Sewer Committee. This credit is not available for waters used in landscaping activities. A separate water meter for landscaping can be obtained from the Water Works System.

- (k) None of the facilities or services afforded by the system shall be furnished without a charge being made therefore.
- (l) The costs of operation and maintenance for all flows not directly attributable to users (such as Infiltration/Inflow) shall be distributed among users on the same basis as operation and maintenance charges.

SECTION 2:

In the event any special fee or charge is assessed against the utility by any entity or governmental agency or department which fee is assessed on a per customer or per meter basis, then the Sewer Committee, based upon a finding that the assessment of such fee may affect the effective operation of the system in compliance with all applicable laws and regulations that may be applicable to the utility from time to time, may pass the assessment of such fee to the customer as a line item charge stated separately on the customer's monthly bill.

SECTION 3:

Based upon a finding determining the reasonable costs of evaluating and taking action with respect to permits, license applications and connections of facilities to the system; of implementing, inspecting and enforcing the terms and conditions of permits, licenses and variances thereof; and of any depreciation or continuing operations and maintenance expenses incurred or to be incurred by the utility in operating any facilities, the Sewer Committee shall have the power to establish reasonable fees for connection of facilities to the system and for the initial issuance, annual review and modification of discharge permits or other licenses or permits reasonably required by the Sewer Committee to properly operate the system efficiently and effectively in compliance with all laws and regulations that may be applicable to the utility from time to time. The Sewer Committee may require that any fee assessed pursuant to this section shall be paid prior to the issuance of any permit or license or connection to the system.

SECTION 4:

- (a) The City will continuously monitor the revenues of the system, including, specifically, the adequacy of its rates and delinquent billings, and will take

appropriate steps to remedy any delinquent billings or inadequacy of rates. The City will make a review annually of the rates and charges of the system.

- (b) The City shall at all times fix, charge and collect rates and charges for services furnished by the system, including increasing rates and charges as necessary, which shall provide revenues sufficient to at least: (1) pay the City's annual costs of OM&R; (2) pay annual debt service; and (3) provide the necessary bond coverage.

SECTION 5:

Vacant, unoccupied but metered property, whether or not using the system, shall be subject to a service charge equal to the minimum monthly charge for the respective class of properties. Vacant, unoccupied and unmetered property not actually using the system shall not be subject to a charge, but the burden of demonstrating vacancy, non-use and lack of meter to the utility, shall rest upon the owner of the property.

SECTION 6:

- (a) All bills for sewer services shall be rendered monthly. In the event payment in full is not made on or before the 10th day following the original date of billing, a ten percent (10%) penalty shall be added to the bill. If any sewer charge is not paid within thirty (30) days after the same is due, the customer will be notified in writing by the utility which notice shall state where, during which hours of the day, and before whom disputed bills appropriately may be considered. If the user waives the opportunity to be heard, suit may be brought to collect the amount due, together with the expenses of collection and a reasonable attorney's fee, and/or water and/or wastewater services may be discontinued until such bill is paid.
- (b) Any customer who feels that his charge is unjust and inequitable may make written application to the city engineer requesting a review of his charge. Said written request shall, when necessary, show the actual or estimated average flow and/or strength of his wastewater in comparison with the values upon which the charge is based, including how the measurements or estimates were made. Review of the request shall be made by the city engineer and if substantiated, the charges for that customer shall be re-computed based on the revised flow and/or strength data and the new charges shall be applicable to the next billing cycle/period.

SECTION 7:

A financial management system shall be established and maintained by the City to document compliance with federal regulations pertaining to the Revolving Loan. The system will account for all revenues generated and expenditures for OM&R.

The City will review the user charges at least annually and revise the rates as necessary to ensure that adequate revenues are generated to pay the costs of operation and maintenance including replacement and that the system continues to provide for the proportional distribution of operation and maintenance including replacement costs among users and user classes.

SECTION 8:

The provisions of this Ordinance are separable, and if a section, provision, or phrase shall be declared invalid, such declaration shall not affect the validity of the remainder of this Ordinance.

SECTION 9:

Nothing contained herein shall be construed to affect the charges for services for improvement districts or other areas that are subject to a court order.

SECTION 10:

All ordinances and resolutions and parts thereof in conflict herewith, including in particular, Ordinance 75, 93, 210, 336, 449, 894, 1269, 1452, 1580 but without limitation are hereby repealed to the extent of such conflict.

The user charge system shall take precedence over any terms or conditions of agreement or contracts between the City and any of the users, which are inconsistent with applicable Federal regulations regarding user charge systems.

SECTION 11:

The rate change becomes effective January 1, 2015. It has been found and it is hereby declared that the sewer system of the City is in need of additional revenues if operation of the system at a deficit is to be avoided; therefore an emergency is declared to exist and this Ordinance, being immediately necessary to the preservation of the public peace, health, and safety, shall be in full force and effect from and after its passage and approval.

ADOPTED on this ____ day of **November 2014**.

Virginia R. Young, Mayor

ATTEST:

Angela Nicholson, City Clerk

APPROVED AS TO FORM:

Stephen Cobb, City Attorney

Executive Summary

The City of Sherwood last received a rate increase in 2010. That rate increase stopped deficits and allowed the Utility the opportunity to make needed improvements in the operation and maintenance of the wastewater system. Additionally, the use of the sales tax fund for infrastructure repair has lessened the demand on the operations budget. The Utility faces additional challenges in the future and the current rate structure will not fund these challenges. This document is intended to describe some of the future needs of the Utility; compare the current rate structure other municipalities in Arkansas; describe a mechanism for budgeting for medium term capital items (sludge disposal and heavy equipment) and emergencies; and a proposal for a two phase increase in the sewer rates. The first phase addresses increases in operational expenses. An 8.5% increase is proposed for the first phase. The second phase of the increase is tied to obtaining funds for closure of the South Plant and shall be exclusively for debt service. An increase of up to 17.5% may be necessary for the second phase. The final amount of the increase will be determined during the process of obtaining funding. This document was prepared by the Manager with assistance from the staff, Arkansas Rural Water Association (document and math review), Central Arkansas Water (data supplier), and the Arkansas Department of Environmental Quality (regulatory insight).

Rate Analysis

We looked at our rates in comparison with other Arkansas municipalities and how our current rates are distributed across the user classes. We also looked at what are rates are paying for and what they are not paying for. Below are some of the facts we discovered:

- Sherwood's rates are the lowest in Pulaski County of the four (4) major cities (Sherwood, Jacksonville, Little Rock, and North Little Rock) based upon a survey conducted by the Utility staff (see appendix).
- A report from Arkansas Natural Resources Commission³ in August 2013 indicates our base rate of \$12.00 for the first 3000 gallons is below the statewide average municipal sewer rate for 3000 gallons of \$17.23.
- Over half of our households pay \$18.00 or less a month for wastewater. The average bill for all residential customers of \$18.75⁵.
- Sherwood residents that are on the North Little Rock system pay a rate 20% higher than our own customers and North Little Rock has a planned increase coming in 2015.
- Sherwood Wastewater has slightly less than 4800 residential customers (~4500 active accounts). Residential customers represent 95% of the rate payers and 76% of the revenue⁵.
- Sherwood has slightly more than 300 commercial customers. These commercial customers represent 5% of the rate payers and 24% of the revenue⁵. Approximately, 131 of our commercial users pay the minimum of \$12.00 a month, while 54 of our commercial users pay \$100 or more per month. Sherwood's top 10 commercial users produce 8% of the system's revenue.
- Sherwood's current rate structure will most likely only sustain the system for 3 to 4 years if none of the future needs and inflation are funded. After that point, reserve funds will have to be used for daily operations to keep within budget. This could endanger our ability to make emergency repairs or replacement.
- In 2013, the cost to treat 1000 gallons was \$3.94. If you included the money spent out of the sales tax fund on infrastructure in 2013, the cost per 1000 gallons goes to \$4.61. The current rate structure charges \$4.01 per 1000 gallons.
- The rate structure is not designed to fund intermittent expenses such as sludge disposal and additional collection system rehabilitation projects.
- The current rate structure does not pay for all the operational cost of the Utility. Administrative, engineering, and IT support are paid from the city's general fund and not by the rate payers.

- The current rate structure does not consider what has been spent on collection system rehabilitation and improvements to the North Plant. This money came from the sales tax fund. If the \$7.5 million spent out of the sales tax fund is amortized over 20 years and made part of the rate structure, it would add an additional \$6.08 a month per customer (based upon 5125 customers). The completed work is a very good start to our collection system and treatment plant rehabilitation. Our rate structure should be designed to sufficiently continue funding collection system maintenance and rehabilitation.

Based upon the information discovered in the rate analysis, it is clear that the rates are artificially low due to use of the sales tax for large rehabilitation projects and because some support costs are shouldered by the City's General Fund. The proposed increase in rates will not result in rates significantly above the statewide average yet will allow Sherwood Waste Water to continue to make improvements to the system and prepare for future needs. Where possible, the Utility will pay support cost to relieve some of the pressure on the general fund.

Assessment of the Future Needs of the Utility:

The following is a list compiled by the Utility staff. This list contains items we must fund for the future such as sludge disposal and items we believe are necessary to do our jobs safely and efficiently. This list also contains potential expenses if regulatory or infrastructure issue come to bear.

- The consolidation of treatment activities at the North Plant will be a major cost to the Utility over the next three (3) years. Funding the consolidation will require the Utility to borrow up to \$4 million. Debt service could be as high as \$26,000 a month or approximately \$5.00 per customer. This money would be used to acquire right of ways; to construct a force main or other conveyance from the South Plant to the North Plant; to bring the two mothballed reactors at the North Plant online and to close out the South treatment facility.
- Disposal of waste sludge is a periodic cost that occurs every 10 to 15 years. Waste sludge in the storage lagoons will have to be removed and disposed of properly when the storage lagoons reach capacity. Fortunately, Sherwood's sludge can be land applied as a useful benefit which lessens the cost of disposal. Even though Sherwood should be able to dispose of our sludge economically, when it comes time for disposal, it will represent a significant amount of the annual operating budget. Our current estimate is \$20 and \$30 thousand a year will have to be set aside to deal with this issue. These costs could rise significantly, if EPA or ADEQ initiates additional rules and restrictions on disposal, however, at this time we are not aware of any new rules in this area.

We will have the immediate cost of closing the old sludge lagoon at the North Facility, but it has only about 3 to 4 years of material in it limiting the disposal costs. Also, we will have to deal with the disposal cost of sludge at the South Plant after closure.

- The Utility is bereft of facilities to meet our human and equipment needs. Currently, seven employees share a single rest room without a shower or locker room for changing into uniforms. This means the employees have no place to clean up, shower, and change clothes after working in the sewer. There have been several occasions in the past year where employees making a point repair have gotten their uniforms and themselves very dirty. Because we have no place for them to shower and change clothes, some have gone home in contaminated clothing. Additionally, the current set up would not be suitable if we hired a female employee. It is absolutely imperative that we address this issue as soon as possible. In addition to the human needs, we do not have suitable storage facilities for our equipment. Our vacuum truck is unusable for 4 months out of the year for fear of freezing during the evening hours. A heated indoor storage bay in the maintenance building will solve this issue.
- An additional employee will be needed to implement a routine line cleaning program. Our collection system management, operations, and maintenance (CMOM) program requires us to perform routine line cleaning. Sewer line cleaning requires a minimum of a three (3) man crew, more if busy streets are involved. While we can put together a three (3) man crew most of the time, because of sickness, scheduled Monday's off, routine leave, and other assignments, it is almost impossible to have the continuity necessary to systematically clean a drainage basin. When an additional employee is hired, we will transfer one employee to a permanent Wednesday through Sunday shift for operations eliminating scheduled weekend overtime and eliminating rotating Mondays off for the remainder of the crew. This will allow us to target drainage basins for routine cleaning, helping to minimize dry weather SSOs and overtime related to emergency call outs. The additional employee will also eliminate scheduled overtime for Sunday coverage of the treatment operations. Sunday coverage results in over 200 hours of overtime every year.
- Major contract rehabilitation of the wastewater collection system will end in 2014. Beginning in 2015, it will be on the Utility to continue collection system evaluation and rehabilitation as part of our CMOM program. The Utility will have to identify areas that require rehabilitation and schedule the necessary repairs. Our plan is to identify areas that need rehabilitation over a four to five year period and then let a contract for these repairs. Critical repairs will be done as needed. To fund this periodic rehabilitation, we intend to transfer money from the reserve account to the operational account during the normal budgeting process. The Utility must leave sufficient funds in the reserve account for emergencies.

- The Arkansas Department of Environmental Quality has already announced their intention to revise the Arkansas Pollution Control and Ecology Commission Regulation No 2. (“Regulation Establishing Water Quality Standards for Surface Waters of the State of Arkansas”) to include standards for plant nutrients (phosphorous and nitrates). These revisions should occur at the 2016 or 2019 Triennial Review. Once these standards are incorporated into our NPDES Permit we will have three (3) years or less to comply with these standards. While it is not possible at this point in time to know what those permit limits will be; we know that our receiving stream has a dilution flow of zero. This means we will most likely have very tight limits (water quality standards without any dilution flow). To meet these limits, we will have to add some kind of tertiary treatment which will be a significant capital investment. This is one of the primary reasons why closure of the South Treatment Plant makes good long term economic sense. Upgrading both facilities to meet the anticipated plant nutrient limits would be expensive, both from a capital improvement standpoint and from an operational (continuing costs) perspective. While it is difficult for me to give an estimated cost at this time, the standards could require significant capital costs and will increased operational costs.
- While it is impossible to tell at this point, there are scenarios where the City will have to absorb independent waste water systems that operate in the City (Gravel Ridge and Runyon Acres) in the future. Implementation of plant nutrient standards for the other systems could result in their seeking consolidation with our system. These other systems are also showing signs of aging. As these systems continue to age, the citizens may also seek consolidation in lieu of replacement or significant capital improvements. While absorbing these systems will result in additional revenue streams, it is uncertain how much these revenue streams will offset the added costs of operations and maintenance. Additionally, consolidating these systems would require the expansion of the North plant. This will be another significant capital investment.
- The Utility’s information systems (computers) are not linked to a network making it difficult to share data and update databases. All information is currently kept on a single CPU with periodic back up. Establishing an information network and web page for Utility information is needed. Current office set up will not allow for setting up a computer information system, but these needs will be incorporated into the cost of a building for human needs.
- Future equipment needs include an easement machine (~\$40K); a TV camera for larger sewer lines (\$250K), and replacement vehicles (trucks~\$70K) for crew members. Additionally, the UV disinfection system at the North Plant is a discontinued model. At some point in the future, this system will require complete replacement.

Budget Evaluation:

The following is an assessment of income and expenses over the last three budget years. Information related to the 2014 budget was based upon unaudited 2014 budget figures at the end of August 2014.

- **Income** Growth in revenue over the past three (3) years has been very slow and below the average rate of inflation. Income in 2013 was 2.9% less than the income received in 2012. While there was some anticipated growth in 2014, it appears as of May 2014 to be below projections. Income in 2014 is on pace to come in around the same as the income in 2011, meaning no growth in income in four (4) years. While developments in northwest Sherwood will eventually result in additional income, it does not appear this will be sufficient to cover normal inflationary growth. Over 100 new customers would need to be added to the system each year to increase the revenue to meet the average inflation rate. The consumer price index (CPI) during this time period indicated an average inflation rate of 2.27%. The average inflation rate over the past 10 years has been 2.38% which includes the recessionary year of 2009 when it was -0.40%¹. There will be very little income growth without a rate increase.
- **Expenses**
 - Growth in disbursements has been around 5% over the past three (3) years. Energy costs have been a significant contributor to this increase. At the current rate, Utility energy costs will increase approximately 10% in 2014 over 2013 costs.
 - Growth in repair and maintenance costs has been significant over the past three (3) years. The Utility has seen this line item increase by 39% over the past three (3) years. The increase in this line item is due to aging equipment and a more aggressive preventative maintenance program.
 - Labor costs have seen very little growth over the last three (3) years. Salaries in 2013 were only 1.5% higher than 2011 in spite of a 2.5% cost of living increase in 2013 and three (3) employees getting a raise associated with wastewater license upgrades. Salaries have been kept in check by eliminating scheduled overtime on Saturdays through the use of rotating schedules. Additional cuts in scheduled overtime are not possible with current staffing, so growth of 2% to 3% can be expected in 2015 with current staffing. The 2015 budget will be proposed with an additional employee to be added to the staff.
 - Operational budget funds for line repairs, point repairs, and manhole repairs have been held artificially low these past two (2) years due to the extensive contract work being conducted in the city. These line items will see a significant increase in 2015 and beyond.

- Another major area of concern is the costs of the operations of the North Little Rock 5-Mile Creek Plant. The NLR plant is currently undergoing rehabilitation which includes the addition of larger pumps and aerators. This equipment will add to the cost of operation of the facility and consequently the amount we pay North Little Rock for treatment. North Little Rock has done a very good job of controlling cost at this plant. Based upon current projections, our cost to North Little Rock for treatment will have increased an average of only 1% per year over the past four (4) years with over half of that increase coming this year. Next year (2015) will see many of the improvements at North Little Rock come on line so an increase larger than 1% should be expected.

Recommendation to Establish and Manage a Reserve/Emergency Fund

Sherwood Waste Water Utility must have reserve account/emergency fund that is funded not only for emergencies, but will also fund periodic large expenses like sludge disposal, collection system rehabilitation contracts, and certain capital items. The Utility currently has approximately \$1.6 million in the bank. Typically, money for the reserve account comes from funds that are not budgeted during any given year and from budget line items such as repairs that are not fully utilized. It is recommended that this fund be administered in the following manner:

- An average daily balance of at least half of the annual operating expenses (~\$700,000) should be maintained in the account to be used strictly during true emergencies. This seems to be the typical amount set aside by smaller utilities. If funds fall below this goal, there can be no other uses of the fund except true emergencies until the minimum balance is restored. A true emergency is one that requires immediate attention to avoid damage to property and/or to protect human health and the environment.
- All true emergency outlays from the fund will require approval of the Mayor or the Mayor's designee. For these purposes, a true emergency is one that cannot wait until the City Council meets for approval of the outlays and requires immediate attention to avoid damage to property and/or to protect human health and the environment.
- Funds in excess of the floor should be allowed to accumulate to pay for larger operation and maintenance issues that do not occur on a regular basis. Examples of these types of expenditures include disposal of biosolids (sludge) and collection system rehabilitation projects. To ensure management control of the reserve fund, the Utility will propose funding these types of outlays through the normal annual budgeting process. This will ensure prior approval of these outlays and allow for the orderly transfer of the funds to the operations account.

- Large capital equipment can also be funded from the reserve account. Items such as a vacuum truck and TV equipment can cost over a quarter of a million dollars each. The reserve fund should be used to accumulate funds for these types of purchases which would be made through the normal budgeting process.
- For time to time, the Utility experiences unanticipated expenses due to acts of nature or vandalism and the underground and unknown nature of parts of the collection system. When this occurs, money should be allowed to be transferred to restore a line item with the approval from the Mayor and Council.

Rate Increase Recommendation:

The Utility is proposing a two (2) phase rate increase. The first phase of the increase will be to fund an additional employee and to ensure the reserve is properly funded for future needs. The second phase of the increase shall be strictly for debt service for the loan acquired for the closure of the South Plant. This phase of the rate increase should take effect upon execution of loan.

Phase I of the rate increase should be made effective upon approval by the council and Mayor. Based upon current data, a rate increase of 8.5% will be necessary to fund an additional employee, ensure funds for increased maintenance and keep the reserve fund adequately funded. A rate increase of 8.5% will increase the minimum bill by \$1.02 to \$13.02. This will also increase the rate for the excess above the minimum from \$3.00 to \$3.25 per hundred cubic feet. It is estimated this will bring in an additional \$9500 per month or \$113,000 per year. The average residential bill will increase from \$18.75 to \$20.35. The average commercial bill will increase from \$70.00 to \$76.00. It is interesting to note that the CPI has increased 8.4% over the past four (4) years. We have been able to keep costs in check sufficiently that an 8.5% increase will allow us to hire an additional employee and fund increased operational costs.

Phase II of the rate increase should be made effective upon execution of loan for the closure of the South Plant. Based upon an estimate of 4 million dollars borrowed at 4.9% over 20 years, a rate increase of 17.5% will be necessary. This will increase the minimum to \$15.20 per month and the excess above the minimum will increase to \$3.55. The average residential bill will increase from \$20.35 to \$23.80 and the average commercial bill will increase from \$76.00 to \$89.00. If less than \$4 million is required, then the rate increase will be adjusted to reflect the actual amount needed for debt service.

After both rate increases, Sherwood's minimum bill for 400 ft³ (~3000 gallons) of \$15.20 will still be below the statewide average for 3000 gallons of \$17.23.

New rate at 8.5% increase: \$13.02 for first 400 ft³ and \$3.25 per 100 ft³ above the minimum.

New rate at 17.5% increase: \$15.20 for first 400 ft³ and \$3.55 per 100 ft³ above the minimum.

Footnotes:

- ¹ Information related to the Consumer Price Index (CPI) and inflation was taken from the US Department of Labor, Bureau of Labor Statistics web page <http://www.bls.gov/cpi/>.
- ² Rate information from Central Arkansas cities was collected during an informal survey taken by Utility staff in May 2014. The information was gathered by researching web pages for the entities or by contacting the city. The average bill is based upon the average water consumption of a family of four. The actual average bill will likely be lower.
- ³ Arkansas Natural Resource Commission, August 2013, survey of 443 residential rates in cities in Arkansas.
- ⁴ 2014 Budget figures are projections and not actual numbers.
- ⁵ Figures taken from CAW report dated June 24, 2014 on winter consumption averages of residential customers of Sherwood.
- ⁶ Figures taken from CAW report received August 18, 2014 of commercial customers with a six (6) month consumption average.

Other References:

Arkansas Department of Environmental Quality web page (www.adec.state.ar.us). Information relative to Regulation No.2, plant nutrients.
http://www.adec.state.ar.us/water/branch_planning/pdfs/ar_nutrient_plan_update.pdf

Appendix

Income Versus Disbursements 2011 - 2014

	Income	% change	Disbursements	% change	Money for Reserve
2011	\$1,372,635.99		\$1,146,733.82		\$225,902.17
2012	\$1,386,931.49	1.03%	\$1,137,059.87	-0.85%	\$249,871.62
2013	\$1,347,337.78	-2.94%	\$1,199,332.70	5.19%	\$241,380.62
2014 ⁴	\$1,388,500.00	2.96%	\$1,388,500.00	13.62%	\$197,056.00
Totals	\$5,495,405.26	1.14%	\$4,871,626.39	17.41%	\$914,210.41

2013 Cost to Treat Per 1000 Gallons Wastewater

2013 Cost Per 1000 gallons	\$3.94
2013 Cost Per 1000 gallons including 4.1 Mil in improvements	\$4.61

Summary of Sales Tax Expenditures

	Sales Tax Expenditures	Monthly	Per User
2011	\$529,830.78		
2012	\$548,942.10		
2013	\$4,100,271.40		
2014	\$2,300,000.00		
Total	\$7,479,044.28		
If spaced over 20 years	\$373,952.21	\$31,162.68	\$6.08

CPI Annual Inflation Rates

2003	2.30%
2004	2.70%
2005	3.40%
2006	3.20%
2007	2.80%
2008	3.80%
2009	-0.40%
2010	1.60%
2011	3.20%
2012	2.10%
2013	1.50%

Anticipated Loan Amounts and Estimated Payments

Loan Amt	Rate	Term	Monthly Payment	Annual Payment	Cost per user/month (5120)
\$4,000,000.00	4.90%	20	(\$26,177.76)	(\$314,133.14)	(\$5.11)
\$4,000,000.00	2.90%	20	(\$21,984.20)	(\$263,810.40)	(\$4.29)
\$3,000,000.00	4.90%	20	(\$19,633.32)	(\$235,599.86)	(\$3.83)
\$3,000,000.00	2.90%	20	(\$16,488.15)	(\$197,857.80)	(\$3.22)
\$2,000,000.00	4.90%	20	(\$13,088.88)	(\$157,066.57)	(\$2.55)
\$2,000,000.00	2.90%	20	(\$10,992.10)	(\$131,905.20)	(\$2.14)

Anticipated Equipment Needs Next 5 Years

Equipment	Estimated Costs
Easement Sewer Cleaning Machine	\$45,000.00
Two trucks (replacements)	\$70,000.00
New UV Light System (north)	\$300,000.00
Maintenance Building and Locker	\$350,000.00
New Sewer Line Camera Equipment	\$250,000.00

Survey of Waste Water Rates in Central Arkansas²

City	Basic Rate	Basic Rate /1000 gallons	Excessive Rate	Excessive Rate /1000 gal	Average Bill*
Jacksonville	\$16.39/2000 gal	\$8.20	\$5.74/1000 gal	\$5.74	\$47.96
Little Rock***	\$10.29 no use	\$10.29	\$3.57/100 ft ³	\$4.46	\$43.74
NLR	\$14.45/400 ft ³	\$4.83	\$3.64/100 ft ³	\$4.87	\$36.41
Sherwood	\$12.00/400 ft ³	\$4.01	\$3.00/100 ft ³	\$4.01	\$30.08

*Average bill based upon a monthly consumption of 7500 gallons or 250 per day per household. This would be a typical family of four (4). The actual average per household would be lower.

*** Little Rock's volumetric charge is \$1.76 operations and \$1.81 for debt service. Total is \$3.57

Sherwood Wastewater 2011-2013 Budget Line Items			
Description	2011 Spent	2012 Spent	2013 Spent
Treatment Charges	\$272,790.12	\$268,908.66	\$273,592.44
Eng/Professional Fees	\$11,434.00	\$24,825.00	\$11,142.19
Legal Fees	\$6,112.50	\$6,105.00	\$6,365.00
Dues & Subscriptions	\$2,490.65	\$2,956.30	\$3,241.20
Misc	\$17,335.76		
Group Insurance	\$41,510.97	\$39,015.24	\$46,665.50
Insurance	\$7,753.48	\$9,402.15	\$3,621.57
Repair and Maintenance	\$48,597.74	\$41,147.07	\$79,995.56
Wastewater Fees	\$0.00	\$776.69	\$0.00
Uniforms	\$5,131.24	\$4,254.69	\$3,152.56
Salaries	\$320,052.21	\$307,330.44	\$324,821.56
License and Permits	\$5,839.31	\$9,032.80	\$12,192.00
Tools and Equipment	\$2,196.97	\$13,096.77	\$15,819.12
Supplies	\$23,298.75	\$26,743.94	\$28,961.32
Printing	\$249.48	\$0.00	\$95.04
Chemicals	\$0.00	\$351.32	\$6,514.86
Payroll Taxes	\$22,603.61	\$27,530.28	\$30,637.26
Manhole Rehabilitation	\$9,155.91	\$14,405.56	\$1,400.00
Pump Station Improvements	\$50,072.70	\$95,008.49	\$35,489.19
Telephone	\$8,939.73	\$8,885.08	\$10,154.41
Treatment Plant Improvements	\$10,377.97	\$9,632.69	\$10,472.51
Equipment Rental	\$6,174.01	\$313.49	\$1,993.14
Training	\$4,393.25	\$4,618.01	\$2,866.11
Utilities	\$113,571.32	\$104,167.33	\$106,726.15
Vehicle Operations	\$23,359.14	\$16,700.00	\$24,266.97
Capital Disbursements	\$36,167.18	\$64,795.28	\$30,469.73
Point Repairs	\$27,388.39	\$4,338.97	\$4,488.29
Line Replacement	\$54,713.50	\$0.00	\$0.00
Lab Equipment	\$1,363.73	\$2,012.59	\$9,149.22
Lab Testing	\$33,935.71	\$31,540.00	\$23,722.80
Total	\$1,167,009.33	\$1,137,893.84	\$1,108,015.70

Sewer Rate Averages for Cities Compiled by Arkansas Natural Resources Commission³

	1,000	2,000	3,000	4,000	5,000	6,000	7,000	8,000	9,000	10,000	11,000	12,000
Gallons Wastewater	1,34	2.67	4.01	5.35	6.68	8.02	9.36	10.70	12.03	13.37	14.71	16.04
100 Ft ³ equivalent	\$12.76	\$14.56	\$17.23	\$19.88	\$22.48	\$25.04	\$27.71	\$30.37	\$33.04	\$35.71	\$38.34	\$40.96
State Average												

Highlighted in yellow is Sherwood's minimum - 400 ft³

Breakdown of Sherwood Residential Rates⁵

Total Acc.	Zero acc	Minimum	500 ft ³	600 ft ³	700 ft ³	800 ft ³	900 ft ³	1000 ft ³	1100 ft ³	1200 ft ³	1300 ft ³	1400 ft ³	1500 to 2000 ft ³	2100 to 3000 ft ³	<3100 ft ³	Total
4782	387	1386	665	550	483	373	288	198	120	94	64	44	83	33	14	4782
Percentage	8.09%	28.98%	13.91%	11.50%	10.10%	7.80%	6.02%	4.14%	2.51%	1.97%	1.34%	0.92%	1.74%	0.69%	0.29%	100.00%
Monthly Bill		\$12.00	\$15.00	\$18.00	\$21.00	\$24.00	\$27.00	\$33.00	\$33.00	\$36.00	\$39.00	\$42.00	\$48.66	\$60.73	\$144.00	
Monthly Tot.		\$16,632	\$9,875	\$9,900	\$10,143	\$8,952	\$7,776	\$6,534	\$3,960	\$3,384	\$2,486	\$1,846	\$4,039	\$2,004	\$2,016	\$89,659
% of money		19.42%	11.55%	11.56%	11.84%	10.45%	9.08%	7.63%	4.62%	3.95%	2.91%	2.16%	4.72%	2.34%	2.35%	
Yearly		\$199,584	\$119,700	\$118,800	\$121,716	\$107,424	\$93,312	\$78,408	\$47,520	\$40,608	\$29,952	\$22,176	\$48,458	\$24,048	\$24,192	\$1,075,908
		Average Bill per house														
		\$18.75														

Breakdown of Sherwood Residential Rates at 8.5% Increase

Total Acc.	Zero acc	Minimum	500 ft ³	600 ft ³	700 ft ³	800 ft ³	900 ft ³	1000 ft ³	1100 ft ³	1200 ft ³	1300 ft ³	1400 ft ³	1500 to 2000 ft ³	2100 to 3000 ft ³	<3100 ft ³	Total
4782	387	1386	665	550	483	373	288	198	120	94	64	44	83	33	14	4782
Percentage	8.08%	28.98%	13.91%	11.50%	10.10%	7.80%	6.02%	4.14%	2.51%	1.97%	1.34%	0.92%	1.74%	0.69%	0.29%	\$1
Monthly Bill		\$13.02	\$16.28	\$19.53	\$22.79	\$26.04	\$29.30	\$35.81	\$35.81	\$39.06	\$42.32	\$45.57	\$52.89	\$65.89	\$156.24	
Monthly Tot.		\$18,046	\$10,823	\$10,742	\$11,005	\$9,713	\$8,437	\$7,089	\$4,297	\$3,672	\$2,706	\$2,005	\$4,382	\$2,174	\$2,187	\$97,280
% of money		18.55%	11.13%	11.04%	11.31%	9.98%	8.67%	7.29%	4.42%	3.77%	2.78%	2.06%	4.50%	2.24%	2.25%	
Yearly		\$216,549	\$129,875	\$128,898	\$132,062	\$116,555	\$101,244	\$85,073	\$51,559	\$44,060	\$32,488	\$24,061	\$52,588	\$26,092	\$26,248	\$1,167,360
		Average Bill per house														
		\$20.34														

Anticipated Revenue Per Consumption Category Per Month For Residential Customers

	Minimum	500 ft3	600 ft3	700 ft3	800 ft3	900 ft3	1000 ft3	1100 ft3	1200 ft3	1300 ft3	1400 ft3	1500 to 2000 ft3	2100 to 3000 ft3	<3100 ft3	Total
# of Accounts	1386	665	550	483	373	288	186	120	94	64	44	83	33	14	4385
Current Rates	\$16,832	\$9,975	\$9,900	\$10,143	\$8,952	\$7,776	\$6,534	\$3,980	\$3,384	\$2,496	\$1,848	\$4,039	\$2,004	\$2,016	\$89,659
8.5%	\$18,046	\$10,823	\$10,742	\$11,005	\$9,713	\$8,437	\$7,069	\$4,297	\$3,672	\$2,708	\$2,005	\$4,382	\$2,174	\$2,187	\$97,280
Rate at 8.5%	\$13.02	\$16.28	\$19.53	\$22.79	\$26.04	\$29.30	\$35.81	\$35.81	\$39.06	\$42.32	\$45.57	\$52.80	\$65.89	\$156.24	
17.5%	\$21,204	\$12,717	\$12,621	\$12,931	\$11,413	\$9,913	\$8,330	\$5,049	\$4,314	\$3,182	\$2,356	\$5,149	\$2,555	\$2,570	\$114,304
Rate at 17.5%	\$15.30	\$19.12	\$22.95	\$26.77	\$30.60	\$34.42	\$42.07	\$42.07	\$45.90	\$49.72	\$53.54	\$62.04	\$77.42	\$163.58	

Anticipated Revenue Per Consumption Category Per Year For Residential Customers

	Minimum	500 ft3	600 ft3	700 ft3	800 ft3	900 ft3	1000 ft3	1100 ft3	1200 ft3	1300 ft3	1400 ft3	1500 to 2000 ft3	2100 to 3000 ft3	<3100 ft3	Total
Current Rates	\$198,584	\$119,700	\$118,800	\$121,716	\$107,424	\$93,312	\$78,408	\$47,520	\$40,608	\$29,852	\$22,176	\$48,468	\$24,048	\$24,192	\$1,075,906
8.5%	\$216,549	\$129,875	\$128,898	\$132,082	\$116,556	\$101,244	\$85,073	\$51,559	\$44,060	\$32,498	\$24,061	\$52,588	\$26,092	\$26,248	\$1,167,360
17.5%	\$234,511	\$140,646	\$139,590	\$143,016	\$126,223	\$109,642	\$92,129	\$55,836	\$47,714	\$35,194	\$26,057	\$56,950	\$28,256	\$28,426	\$1,264,192

Anticipated Revenue Per Consumption Category Per Month For Commercial Customers

	Minimum	500 ft3	600 ft3	700 ft3	800 ft3	900 ft3	1000 ft3	1100 ft3	1200 ft3	1300 ft3	1400 ft3	1500 to 2000 ft3	2100 to 3000 ft3	3000 ft3 to 4000 ft3	4000 ft3
Number Acc	131	15	14	7	6	10	11	3	5	2	0	22	12	12	45
Current	\$12.00	\$15.00	\$18.00	\$21.00	\$24.00	\$27.00	\$30.00	\$33.00	\$36.00	\$39.00	\$42.00				
Monthly	\$1,572.00	\$225.00	\$252.00	\$147.00	\$192.00	\$270.00	\$330.00	\$96.00	\$180.00	\$78.00	\$0.00	\$1,181.50	\$852.75	\$1,274.70	\$14,524.50
8.50%	\$1,705.62	\$244.13	\$273.42	\$159.50	\$208.32	\$282.95	\$358.05	\$107.42	\$195.30	\$84.63	\$0.00	\$1,292.78	\$925.23	\$1,383.05	\$15,759.08
17.50%	\$2,004.10	\$286.85	\$321.27	\$187.41	\$244.78	\$344.22	\$420.71	\$128.21	\$228.48	\$99.44	\$0.00	\$1,519.01	\$1,087.15	\$1,625.08	\$18,516.92

	Minimum	500 ft3	600 ft3	700 ft3	800 ft3	900 ft3	1000 ft3	1100 ft3	1200 ft3	1300 ft3	1400 ft3	1500 to 2000 ft3	2100 to 3000 ft3	3000 ft3 to 4000 ft3	4000 ft3	Total
	131	15	14	7	8	10	11	3	5	2	0	22	12	12	45	297
Current	\$18,964	\$2,700	\$3,024	\$1,764	\$2,304	\$3,240	\$3,960	\$1,188	\$2,160	\$936	\$0	\$14,288	\$10,233	\$15,296	\$174,294	\$254,281
8.50%	\$20,467	\$2,930	\$3,281	\$1,814	\$2,500	\$3,515	\$4,297	\$1,289	\$2,344	\$1,016	\$0	\$15,513	\$11,103	\$16,597	\$189,109	\$275,874
17.50%	\$24,049	\$3,442	\$3,955	\$2,249	\$2,937	\$4,131	\$5,049	\$1,515	\$2,754	\$1,193	\$0	\$18,228	\$13,046	\$19,501	\$222,203	\$324,152

Sewer Rates Per Category Assuming Rate Increases Are Approved

	Minimum	500 ft3	600 ft3	700 ft3	800 ft3	900 ft3	1000 ft3	1100 ft3	1200 ft3	1300 ft3	1400 ft3	1500 to 2000 ft3	2100 to 3000 ft3	<3100 ft3
Current Rates	\$12.00	\$15.00	\$18.00	\$21.00	\$24.00	\$27.00	\$33.00	\$33.00	\$36.00	\$39.00	\$42.00	\$48.66	\$60.73	\$144.00
Rates at 8.5%	\$13.02	\$16.28	\$19.53	\$22.79	\$26.04	\$29.30	\$35.81	\$35.81	\$39.06	\$42.32	\$45.57	\$52.80	\$65.89	\$156.24
Rates at 17.5%	\$15.30	\$19.12	\$22.95	\$26.77	\$30.60	\$34.42	\$42.07	\$42.07	\$46.90	\$49.72	\$53.54	\$62.04	\$77.42	\$183.58

ORDINANCE NO. _____

AN ORDINANCE APPROVING AN AGREEMENT BETWEEN THE CITY AND LOCAL GOVERNMENT SERVICES, LLC FOR PURPOSES OF AN AUDIT TO DETERMINE CABLE SERVICE FRANCHISE FEE COMPLIANCE REQUIREMENTS, APPROPRIATING FUNDS FOR SAID SERVICE AND FOR OTHER PURPOSES

WHEREAS, the City of Sherwood desires to determine if the local cable company serving the City is in compliance with the applicable local cable ordinance or state issued franchise regarding franchise fee payments remitted to the City, and

WHEREAS, Local Government Services provides franchise management services to assist the City with such compliance review.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF SHERWOOD ARKANSAS;

Section 1. The Mayor is hereby authorized to execute a cable television franchise fee payment compliance agreement on behalf of the City, in substantially the same form as attached as "Exhibit A" and incorporated herein.

Section 2. The sum of \$8,000.00 is hereby appropriated from the General Fund for the payment of these services.

ADOPTED on this ____ day of **November 2014**.

Virginia R. Young, Mayor

ATTEST:

Angela Nicholson, City Clerk

APPROVED AS TO FORM:

Stephen Cobb, City Attorney

APPENDIX A
AGREEMENT BETWEEN
THE CITY OF SHERWOOD, ARKANSAS
AND
LOCAL GOVERNMENT SERVICES, LLC
FOR CABLE TELEVISION FRANCHISE FEE PAYMENT COMPLIANCE SERVICE

WHEREAS, the City of Sherwood desires to determine if the local cable company serving the City is in compliance with the applicable local cable ordinance or state issued franchise regarding franchise fee payments remitted to the City;

WHEREAS, Local Government Services, LLC ("LGS") has available a cable television franchise fee payment compliance service; and,

WHEREAS, the City has a need for such cable television franchise fee compliance service.

THEREFORE, THE CITY AND LGS AGREE AS FOLLOWS:

Section 1. Service options provided to the City of Sherwood

LGS assures that its services will be accomplished in a timely manner with the cooperation and assistance of the City. In this regard, the City agrees to designate a contact whom LGS will contact and who will regularly review, discuss regarding the services provided, the time for performance of the services, and to assist in arranging meetings, conferences, and other arrangements with LGS to facilitate the performance of services by LGS and to ensure that all information and issues required for review by LGS are made available to LGS. LGS agrees to provide, directly or through its agents or subcontractors, the following services:

- a) x Assist the City in performing a franchise fee payment compliance review to determine compliance with City's Cable Television Franchise Ordinance and/or state issued franchise if applicable for the period January 1, 2010 through December 31, 2013. LGS shall also assist the City in enforcing the franchise fee payment provisions of the City's Franchise and/or state issued franchise (LGS is not responsible for cost associated with filing for court action or legal representation in a court proceeding).

In the event that the City at a later date desires to obtain additional services offered by LGS the parties to the agreement may execute an addendum or addenda to this agreement for the City to obtain such services

Section 2. Effective Date, Payment and Termination.

- a) This agreement shall become effective upon the signature by the parties.
- b) The City chooses the following payment option for the franchise fee compliance review service:

_____ Initial payment of \$4,000.00 to assist City in conducting the audit and final payment of \$4,000.00 will only apply if LGS assist City in recovering any franchise fee underpayment plus pre approved out of pocket expenses if applicable.

Out of pocket expenses shall include, but are not limited to postage, transportation, meals and must be approved by the City in advance. LGS shall provide to the City documentation sufficient to substantiate any out of pocket costs.

- c) For the payment option chosen by the City listed in Section 2 b above the City shall pay LGS the initial payment of the total obligation when this Agreement is executed and upon completion of the review the applicable final payment for the option chosen above within fourteen (14) days following the recovery of any franchise fees that are owed to the City. The City agrees to utilize whatever reasonable

enforcement remedies that exist in the City's current cable television franchise ordinance to assist LGS in obtaining the information necessary for LGS to perform the review and to recover any franchise fees due. Failure of the City to enforce its ordinance will relieve LGS from any obligations to the City.

- d) Either party may terminate this agreement at any time upon thirty (30) days written notice to the other party. All fees and costs incurred to the date of receipt of the notice shall be paid to LGS. If LGS fails to perform any work on behalf of the City upon receipt of notice to terminate, LGS shall refund to the City the total obligation of the City.

Section 3. Hold Harmless and Indemnification.

Each party shall bear the responsibility for liability for negligence, errors or omissions of its own officers, agents, employees or subcontractors in carrying out this agreement.

Section 4. Assignment/Transfer

LGS is prohibited from assigning or transferring any of its obligations of this Agreement without obtaining prior approval of the City.

Section 5. Amendments.

This contract may be amended by future written agreements executed on behalf of the City and LGS.

Section 6. Law Applicable.

This agreement shall be construed under the laws of the State of Arkansas.

EXECUTED ON BEHALF OF THE CITY OF SHERWOOD THIS ____ DAY OF _____, 20__.

ATTEST:

Mayor: _____
City of Sherwood

By _____

EXECUTED ON BEHALF OF LOCAL
GOVERNMENT SERVICES, LLC

(SEAL)

By _____
Member

ORDINANCE NO. _____

AN ORDINANCE APPROVING THE PURCHASE OF CERTAIN REAL ESTATE AUTHORIZING THE MAYOR TO AGREE TO SAID PURCHASE AND APPROPRIATING FUNDS FOR SAID PURCHASE, AND FOR OTHER PURPOSES

WHEREAS, The City of Sherwood is nearing completion of the "Round Top" restoration, and

WHEREAS, The current lot containing the restoration project does not have adequate space for parking of City vehicles,

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF SHERWOOD, ARKANSAS

Section 1. The City Council hereby approves the purchase of the property offered for sale by the Richard and Carolyn Smith Trust pursuant to the terms as set forth in Exhibit "A" attached hereto. The Mayor is authorized to enter into a contract for this purchase pursuant to the terms offered in Exhibit "A".

Section 2. The City Council hereby appropriates the sum of \$14,000.00 plus closing expenses from the general fund for the purchase of the subject property.

ADOPTED on this _____ day of **November 2014**.

Virginia R. Young, Mayor

ATTEST:

Angela Nicholson, City Clerk

APPROVED AS TO FORM:

Stephen Cobb, City Attorney

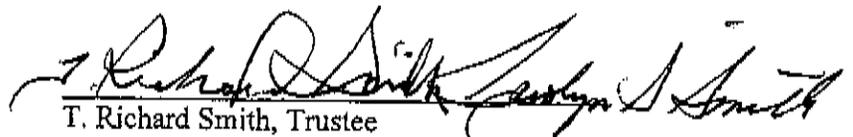
"A"

PROPOSAL TO SELL REAL PROPERTY

I, T. Richard Smith, Trustee of the T. Richard Smith and Carolyn S. Smith Trust ("Seller"), propose to sell to The City of Sherwood ("Buyer") property on Trammell Road, Sherwood, Pulaski County, Arkansas, 72120, which is located across the street from the Sherwood Police Substation on Trammell Road, Sherwood, legally described as:

All of Lot 22 and the Northwesterly one-half
of Lot 23 that lies Southeast of and
adjacent to said Lot 22, Block 2, Trammel
addition now in the City of Sherwood, Pulaski
County, ARKANSAS.

1. Purchase price of Fourteen Thousand Dollars (\$14,000.00).
2. Purchase price to be paid by cashier's check or certified check at closing.
3. Buyer to pay all closing costs, including but not limited to appraisal, survey, inspection, title insurance, recording fees, document or transaction stamps or taxes, attorneys fees, pro-rata property taxes, and any other costs related to the sale.


T. Richard Smith, Trustee
T. Richard Smith and Carolyn S. Smith Trust

Date: 11-10-14

ORDINANCE NO. _____

AN ORDINANCE TO ACKNOWLEDGE THE RESULTS OF A BALLOT QUESTION PLACED UPON THE GENERAL ELECTION BALLOT NOVEMBER 4, 2014, REGARDING THE QUESTION OF THE PASSAGE OF AN ANNUAL AD VALOREM TAX AT THE RATE OF ONE AND THREE-TENTHS MILLS (1.3) FOR ACQUISITION, CONSTRUCTION AND EQUIPPING OF LAND AND CAPITAL IMPROVEMENTS, WHICH TAX SHALL EXPIRE UPON PAYMENT IN FULL OF BONDS TO WHICH IT IS PLEDGED; SAID AD VALOREM TAX TO BE PLEDGED TO AN ISSUE OR ISSUES OF BONDS OF THE CITY OF SHERWOOD ARKANSAS, ISSUED UNDER AMENDMENTS 30 AND 72 TO THE CONSTITUTION OF THE STATE OF ARKANSAS AND ACT 920 OF 1993, NOT TO EXCEED \$6,000,000.00 IN AGGREGATE PRINCIPAL AMOUNT, TO FINANCE THE COSTS OF ACQUIRING, CONSTRUCTING, AND EQUIPPING LAND AND ADDITIONAL CAPITAL IMPROVEMENTS FOR THE PUBLIC CITY LIBRARIES OPERATED BY THE CITY OF SHERWOOD AND THE CENTRAL ARKANSAS LIBRARY SYSTEM, LEVYING SAID TAX, CERTIFYING TO THE PULASKI COUNTY CLERK THE RATE OF TAXATION TO BE LEVIED BY THE CITY OF SHERWOOD ON THE TAXABLE REAL AND PERSONAL PROPERTY COMMENCING WITH TAX YEAR 2014; DECLARING AN EMERGENCY AND FOR OTHER PURPOSES

WHEREAS, The City of Sherwood City Council adopted Ordinance 2027 on June 23rd 2014. Said Ordinance 2027 placed upon the General Election ballot the question of a levy of 1.3 mills on all taxable real and personal property in the City of Sherwood, Arkansas to be pledged to an issue or issues of bonds not to exceed \$6,000,000.00 in principal amount to finance the acquiring, constructing and equipping of land and additional capital improvements for public City libraries owned and operated by the City of Sherwood and Central Arkansas Library System, to provide for a debt service reserve and to authorize the issuance of bonds and to pay the costs associated with the issuance of the bonds on such terms and conditions as shall be approved by the City, and

WHEREAS, The ballot question did appear on the November 4th, 2014 General election ballot, a copy of said ballot is attached hereto and incorporated herein by reference, and

WHEREAS, The ballot Question was passed by the Sherwood voters casting 5,803 "For" and 5,099 "Against" and said results were Certified by the Pulaski County Election Commission on November 14th, 2014,

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF SHERWOOD, ARKANSAS,

Section 1. The Sherwood City Council acknowledges the results of the ballot question having passed by a majority of the votes cast in the 2014 General Election.

Section 2. That the Mayor and City Clerk for and on behalf of the City are authorized to take all necessary steps to implement all actions required to accomplish the stated goals and objectives of Ordinance 2027 and this Ordinance.

Section 3. The City of Sherwood, Arkansas, hereby levies and certifies to the County Clerk of Pulaski, Arkansas, the rates of taxation to be levied by the City of Sherwood, Arkansas, on all taxable real and personal property commencing in 2014, to be the rate of 1.3 Mills.

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

Section 5. Given the acknowledged need for facility improvements and the positive benefits enjoyed by the citizens of Sherwood in the use of libraries, an emergency is hereby declared. This Ordinance shall be effective from and after its passage.

ADOPTED on this ____ day of **November 2014**.

Virginia R. Young, Mayor

ATTEST:

Angela Nicholson, City Clerk

APPROVED AS TO FORM:

Stephen Cobb, City Attorney

D	E	F
<p>LOCAL ISSUES</p> <p>PROPOSED PUBLIC CITY LIBRARY CAPITAL IMPROVEMENTS</p> <p>AUTHORIZATION OF BONDS FOR THE SHERWOOD PUBLIC CITY LIBRARY CAPITAL IMPROVEMENTS PROJECT, TO FINANCE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF LAND AND ADDITIONAL CAPITAL IMPROVEMENTS, AND APPROVAL TO PLEDGE RECEIPTS FROM AN AD VALOREM TAX OF ONE AND THREE TENTHS (1.3) MILLS FOR PAYMENT THEREOF.</p> <p>The issuance of bonds by the City of Sherwood in the aggregate principal amount of up to \$4,000,000 for the purpose of paying the costs of acquiring, constructing and equipping land and additional capital improvements for the public city libraries owned and operated by the City of Sherwood and the Central Arkansas Library System and to authorize the City Council to pledge all of the receipts from an ad valorem tax levied by the City Council of the City at the rate of one and three tenths (1.3) mills on the dollar of the assessed value of all real and personal property subject to taxation in the City which tax shall expire upon payment in full of the bonds, and to pay the principal of and interest on the bonds and all fees and expenses in connection therewith.</p> <p><input type="radio"/> FOR</p> <p><input type="radio"/> AGAINST</p>	<p>MEMBERS OF THE GENERAL ASSEMBLY, ELECTED CONSTITUTIONAL OFFICERS OF THE EXECUTIVE DEPARTMENT, JUSTICES, AND JUDGES; ESTABLISHING THE APPOINTMENT PROCESS FOR MEMBERS OF THE INDEPENDENT CITIZENS COMMISSION, AND PROHIBITING MEMBERS OF THE INDEPENDENT CITIZENS COMMISSION FROM ACCEPTING GIFTS FROM LOBBYISTS; PROHIBITING CERTAIN CONTRIBUTIONS, INCLUDING CONTRIBUTIONS BY CORPORATIONS, TO CANDIDATES FOR PUBLIC OFFICE; PROHIBITING A MEMBER OF THE GENERAL ASSEMBLY FROM REGISTERING AS A LOBBYIST UNTIL TWO (2) YEARS AFTER THE EXPIRATION OF HIS OR HER TERM; AND ESTABLISHING TERM LIMITS FOR MEMBERS OF THE GENERAL ASSEMBLY.</p> <p><input type="radio"/> FOR</p> <p><input type="radio"/> AGAINST</p>	
<p>CONSTITUTIONAL AMENDMENTS REFERRED TO THE PEOPLE BY THE GENERAL ASSEMBLY</p> <p>ISSUE NO. 1</p> <p>Popular Name AN AMENDMENT EMPOWERING THE GENERAL ASSEMBLY TO PROVIDE FOR LEGISLATIVE COMMITTEE REVIEW AND APPROVAL OF STATE AGENCIES' ADMINISTRATIVE RULES</p> <p>Ballot Title AN AMENDMENT TO THE ARKANSAS CONSTITUTION PROVIDING THAT ADMINISTRATIVE RULES PROMULGATED BY STATE AGENCIES SHALL NOT BECOME EFFECTIVE UNTIL REVIEWED AND APPROVED BY A LEGISLATIVE COMMITTEE OF THE GENERAL ASSEMBLY.</p> <p><input type="radio"/> FOR</p> <p><input type="radio"/> AGAINST</p>	<p>CONSTITUTIONAL AMENDMENT PROPOSED BY PETITION OF THE PEOPLE</p> <p>ISSUE NO. 4</p> <p>Popular Name THE ARKANSAS ALCOHOLIC BEVERAGE AMENDMENT</p> <p>Ballot Title A PROPOSED AMENDMENT TO THE ARKANSAS CONSTITUTION TO PROVIDE THAT, EFFECTIVE JULY 1, 2015, THE MANUFACTURE, SALE, DISTRIBUTION AND TRANSPORTATION OF INTOXICATING LIQUORS IS LAWFUL WITHIN THE ENTIRE GEOGRAPHIC AREA OF EACH AND EVERY COUNTY OF THIS STATE; THAT "INTOXICATING LIQUORS" IS DEFINED FOR PURPOSES OF THE AMENDMENT AS ANY BEVERAGE CONTAINING MORE THAN ONE-HALF OF ONE PERCENT (0.5%) OF ALCOHOL BY WEIGHT; THAT THE MANUFACTURE, SALE, DISTRIBUTION AND TRANSPORTATION OF INTOXICATING LIQUORS MAY BE REGULATED, BUT NOT PROHIBITED, BY THE GENERAL ASSEMBLY; AND THAT ALL LAWS WHICH CONFLICT WITH THE AMENDMENT, INCLUDING LAWS PROVIDING FOR A LOCAL OPTION ELECTION (WET-DRY ELECTION) TO DETERMINE WHETHER INTOXICATING LIQUORS MAY BE SOLD OR NOT, ARE REPEALED TO THE EXTENT THAT THEY CONFLICT WITH THE AMENDMENT.</p> <p><input type="radio"/> FOR</p> <p><input type="radio"/> AGAINST</p>	
<p>ISSUE NO. 2</p> <p>Popular Name AN AMENDMENT ALLOWING MORE THAN ONE SIGNATURE ON A STATE-WIDE INITIATIVE OR REFERENDUM PETITION ONLY IF THE SIGNATURES ORIGINALLY FILED COME FROM AT LEAST 75% OF THE VALID SIGNATURES REQUIRED.</p> <p>Ballot Title PROPOSING AN AMENDMENT TO SECTION 5, SECTION 11, OF THE ARKANSAS CONSTITUTION ON CONSTITUTIONAL INITIATIVE AND REFERENDUMS PROVIDING CERTAIN REQUIREMENTS FOR THE CORRECTING OF INSUFFICIENT STATE-WIDE PETITIONS</p> <p><input type="radio"/> FOR</p> <p><input type="radio"/> AGAINST</p>	<p>ISSUE NO. 3</p> <p>Popular Name AN AMENDMENT TO AMEND THE ARKANSAS WAGE ACT</p> <p>Ballot Title AN ACT TO AMEND THE ARKANSAS CODE CONCERNING THE STATE MINIMUM WAGE; THE ACT WOULD RAISE THE CURRENT STATE MINIMUM WAGE FROM SIX DOLLARS AND TWENTY-FIVE CENTS (\$6.25) PER HOUR TO SEVEN DOLLARS AND FIFTY CENTS (\$7.50) PER HOUR ON JANUARY 1, 2017, TO EIGHT DOLLARS (\$8.00) PER HOUR ON JANUARY 1, 2018, AND TO EIGHT DOLLARS AND FIFTY CENTS (\$8.50) PER HOUR ON JANUARY 1, 2017</p> <p><input type="radio"/> FOR</p> <p><input type="radio"/> AGAINST</p>	
<p>ISSUE NO. 3</p> <p>Popular Name AN AMENDMENT REGULATING CONTRIBUTIONS TO CANDIDATES FOR STATE OR LOCAL OFFICE, BARRING GIFTS FROM LOBBYISTS TO CERTAIN STATE OFFICIALS, PROVIDING FOR SETTING SALARIES OF CERTAIN STATE OFFICIALS, AND SETTING TERM LIMITS FOR MEMBERS OF THE GENERAL ASSEMBLY</p> <p>Ballot Title TO AMEND THE ARKANSAS CONSTITUTION CONCERNING ELECTED STATE OFFICIALS; PROHIBITING MEMBERS OF THE GENERAL ASSEMBLY AND ELECTED CONSTITUTIONAL OFFICERS OF THE EXECUTIVE DEPARTMENT FROM ACCEPTING GIFTS FROM LOBBYISTS, AND DEFINING KEY TERMS RELATING TO THAT PROHIBITION; PROHIBITING MEMBERS OF THE GENERAL ASSEMBLY FROM SETTING THEIR OWN SALARIES AND THE SALARIES OF ELECTED CONSTITUTIONAL OFFICERS OF THE EXECUTIVE DEPARTMENT, JUSTICES, AND JUDGES; ESTABLISHING A SEVEN-MEMBER INDEPENDENT CITIZENS COMMISSION TO SET SALARIES FOR</p>		

SAMPLE

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF SHERWOOD, ARKANSAS
CERTIFYING LOCAL 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

WHEREAS, the local government must authorize the refund of local sales and use taxes as provided in the Consolidated Incentive Act of 2003;

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

WHEREAS, Teletch Services Corporation has sought to participate in the program and more specifically has requested benefits accruing from additional employees and equipment of the specific facility; and

WHEREAS, Teletch Services Corporation has agreed to furnish the local government all necessary information for compliance.

**NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF
SHERWOOD, ARKANSAS, THAT:**

1. Teletch Services Corporation be endorsed by the City Council of Sherwood, Arkansas, for benefits from the sales & use tax funds 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 local sales and use taxes to Teletch Services Corporation.
3. This resolution shall take effect immediately.

ADOPTED on this ___ day of **November 2014**.

Virginia R. Young, Mayor

ATTEST:

Angela Nicholson, City Clerk

APPROVED AS TO FORM:

Stephen Cobb, City Attorney

ORDINANCE NO. _____

AN ORDINANCE AMENDING ORDINANCE 1079; ALLOWING CERTAIN OFF-SITE COMMERCIAL SIGNAGE; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SHERWOOD, ARKANSAS THAT:

SECTION 1: Ordinance 1079, as amended, Chapter 8, is hereby amended by adding the following Section 8.4:

8.4 OFF-SITE COMMERCIAL SIGNAGE WITH EASEMENT AGREEMENTS

Notwithstanding anything in this Chapter 8 to the contrary, off-site commercial signage shall also be allowed in areas zoned C-3 and C-4 Commercial in situations where (a) multiple commercial lots are owned separately but are to be developed commercially either as a shopping center complex or as some other similar cooperative, (b) where such lots are contiguous, and (c) where an easement agreement setting out the details for management of the off-site signage, including, but not limited to the allocation of multi-tenant spaces and the maintenance of said sign, is recorded with the property in question.

SECTION 2: All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of the conflict.

SECTION 3: If any part of this ordinance is declared void, it shall not affect the remaining sections hereof.

SECTION 4: That this ordinance is necessary for the proper administration of the signage and zoning regulations of the City of Sherwood as they apply to off-site signage, and to avoid any misunderstanding or confusion with regard thereto, and therefore an emergency is declared to exist, and this Ordinance shall go into effect from and after its passage and approval.

ADOPTED on this ____ day of **November 2014**.

Virginia R. Young, Mayor

ATTEST:

Angela Nicholson, City Clerk

APPROVED AS TO FORM:

Stephen Cobb, City Attorney