

July 28, 2008

REGULAR MEETING 1

The City Council of the City of Sherwood met for a regular meeting on July 28, 2008, at 7:00 p.m. in the Council Chambers. Those present were Mayor Virginia R. Hillman, City Attorney Steve Cobb, City Clerk Angela Nicholson, Aldermen Vassar, Rankin, Fender, Davis, Sulcer, Henry, Brooks and Harmon.

Tim McMinn, Pastor of Sylvan Hills Community Church, led in prayer, and the Pledge of Allegiance was given to the flag.

Alderman Vassar, seconded by Alderman Brooks, made a motion, to approve the minutes of the regular meeting on June 23, 2008, the special called meetings on June 30, 2008, July 1, 2008, and July 21, 2008, as transcribed. The roll call vote was unanimous.

Alderman Sulcer, Chairman of the Advertising & Promotion Commission, stated the 4th of July celebration was a success. The next Advertising and Promotion meeting will be Wednesday, August 6, 2008, at 3:00 p.m. Mayor Hillman asked Alderman Sulcer to ask the commission to consider funding for the improvement of the North Hills Country Club property. Alderman Sulcer stated she has started work on this to present to the Advertising & Promotion Commission.

Alderman Vassar, Chairman of the Personnel Committee, stated they met and discussed employment with the City of Sherwood.

Ordinance No. 1786, entitled, "AN ORDINANCE DELETING ONE VACANT CASHIER POSITION IN THE POLICE DEPARTMENT AND CREATING ONE ADDITIONAL DISPATCHER/DETENTION OFFICER POSITION; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES" was read. Alderman Sulcer, seconded by Alderman Rankin, made a motion to suspend the rules and place the ordinance on the second reading. The roll call vote was unanimous. The ordinance was read for the second time. Alderman Harmon, seconded by Alderman Davis, made a motion to suspend the rules and place the ordinance on the third and final reading. The roll call vote was unanimous. The ordinance was read for the third time. Alderman Rankin, seconded by Alderman Sulcer, made a motion to adopt the ordinance. The roll call vote was unanimous. The emergency clause passed with a unanimous roll call vote.

Ordinance No. 1787, entitled, "AN ORDINANCE REZONING THE PROPERTY AT LOTS 1-26 AND LOTS 1F-5F, WANDERING RIDGE SUBDIVISION, PULASKI COUNTY, ARKANSAS, FROM R-1 SINGLE FAMILY RESIDENTIAL TO R-2 MULTI FAMILY; AMENDING THE ZONING MAP; AND FOR OTHER PURPOSES" was read. Alderman Sulcer stated she drove out to the property and did not see signs posted from Sherwood on the property. Josh Minton, Agent for property, stated the signs were posted and to his knowledge were still there. Alderman Vassar asked if some of this zoning had gone through Pulaski County before the area was annexed into the City of Sherwood. Mr. Minton stated everything for the property was approved through the county. The rezoning request is because the property was annexed into Sherwood as R-1. The streets and utilities are already in place. Alderman Vassar, seconded by Alderman Rankin, made a motion to suspend the rules and place the ordinance on the second reading. The roll call vote was unanimous. The ordinance was read for the second time. Alderman Rankin, seconded by Alderman Brooks, made a motion to suspend the rules and place the ordinance on the third and final reading. The roll call vote was unanimous. The ordinance was read for the third time. Alderman Davis, seconded by Alderman Harmon, made a motion to adopt the ordinance. The roll call vote was unanimous. The emergency clause passed with a unanimous roll call vote.

Ordinance No. 1788, entitled, "AN ORDINANCE REZONING THE PROPERTY AT PART OF LOTS A-C AND TRACT B, WANDERING RIDGE SUBDIVISION, PULASKI COUNTY, ARKANSAS, FROM R-1 SINGLE FAMILY RESIDENTIAL TO C-3 GENERAL COMMERCIAL; AMENDING THE ZONING MAP; AND FOR OTHER PURPOSES" was read. Alderman Davis asked if this was the property

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located near the landscaping property. Mr. Minton stated one lot includes the Landscape Specialist building and the rest of the property is along Highway 107. Alderman Rankin asked if ran down Hatcher Road. Mr. Minton stated a portion of the property did run between Highway 107 and the entrance on Hatcher Road. Alderman Vassar asked if there was a 50-foot commercial buffer. Mr. Minton stated yes. Alderman Davis, seconded by Alderman Henry, made a motion to suspend the rules and place the ordinance on the second reading. The roll call vote was unanimous. The ordinance was read for the second time. Alderman Rankin, seconded by Alderman Brooks, made a motion to suspend the rules and place the ordinance on the third and final reading. The roll call vote was unanimous. The ordinance was read for the third time. Alderman Harmon, seconded by Alderman Vassar, made a motion to adopt the ordinance. The roll call vote was unanimous. The emergency clause passed with a unanimous roll call vote.

An ordinance entitled, **“AN ORDINANCE REZONING THE PROPERTY AT LOTS ‘A’ AND ‘1-RR’ BLOCK 7, LAKE CHERRYWOOD SUBDIVISION #1, SHERWOOD, ARKANSAS, FROM R-1 SINGLE FAMILY RESIDENTIAL TO C-3 GENERAL COMMERCIAL; AMENDING THE ZONING MAP; AND FOR OTHER PURPOSES”** was read. Alderman Vassar stated to Michael Clayton, Agent for property, that she did not agree with a C-3 zoning on this property. She would prefer that this not be a C-3 zoning, and have the area remain a safer and quieter area. Alderman Vassar stated that if it is insisted that the property be zoned C-3 she would prefer no ingress/egress onto Ash Street. Alderman Vassar stated that if Mr. Clayton would consider a C-2 zoning, she would be more favorable to the driveway on Ash Street. Mr. Clayton stated the original request from Kelly Powers was a C-3 rezoning. The rezoning request went back to the planning commission for a replat of the property to get the minimum width for commercial lot. The strip center of businesses is zoned C-3. Mr. Powers owns this property and wanted to tie all this together as a C-3 use. Mr. Powers stated he would go with a C-2 zoning if needed. Alderman Vassar, seconded by Alderman Brooks, made a motion to amend the ordinance to C-2 rezoning. The roll call vote was unanimous. **Ordinance No. 1789, entitled, “AN ORDINANCE REZONING THE PROPERTY AT LOTS ‘A’ AND ‘1-RR’ BLOCK 7, LAKE CHERRYWOOD SUBDIVISION #1, SHERWOOD, ARKANSAS, FROM R-1 SINGLE FAMILY RESIDENTIAL TO C-2 GENERAL COMMERCIAL; AMENDING THE ZONING MAP; AND FOR OTHER PURPOSES”** was read. Alderman Rankin, seconded by Alderman Harmon, made a motion to suspend the rules and place the ordinance on the second reading as amended. The roll call vote was unanimous. The ordinance was read for the second time as amended. Alderman Vassar, seconded by Alderman Brooks, made a motion to suspend the rules and place the ordinance on the third and final reading as amended. The roll call vote was unanimous. The ordinance was read for the third time as amended. Alderman Brooks, seconded by Alderman Rankin, made a motion to adopt the ordinance as amended. The roll call vote was unanimous. The emergency clause passed with a unanimous roll call vote.

Mayor Hillman stated that at the next council meeting there would possibly be an update on the sewer.

Alderman Fender, Chairman of the Street Committee, stated that the two new boom trucks on order should be in this fall. Alderman Vassar asked that Alderman Fender address the traffic light at Lee Avenue and Highway 107. Alderman Fender stated that the intersection was approved for a light by the Arkansas Highway Department. The city will need to come up with the money because it could take the highway department five years. Alderman Fender stated that in the next committee meeting there should be a resolution for this.

Steve Cobb, City Attorney, stated that Mayor Hillman requested item No. 7 on the agenda be tabled.

Ordinance No. 1790, entitled, “AN ORDINANCE APPROVING THE ISSUANCE OF REVENUE BONDS BY THE PUBLIC FACILITIES BOARD OF THE CITY OF SHERWOOD, ARKANSAS; AMENDING THE ORDINANCE WHEREBY

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THE BOARD WAS CREATED; DECLARING AN EMERGENCY; AND FOR RELATED PURPOSES” was read. Attorney Steve Cobb stated the ordinance is a statutory formality after the Public Facilities Board completed their duties with a public hearing that was held on July 28, 2008. This ordinance approves the public facility boards financing scheme. Mayor Hillman stated the decision was made last week at a special called council meeting to purchase the property, and tonight’s discussion is for the financing to go forward. Alderman Davis asked if \$6.1 million means this is how much is going to be financed. Mr. Cobb stated that the financing could go only up to \$6.1 million. Alderman Rankin, seconded by Alderman Harmon, made a motion to suspend the rules and place the ordinance on the second reading. The roll call vote was unanimous. The ordinance was read for the second time. Alderman Vassar, seconded by Alderman Harmon, made a motion to suspend the rules and place the ordinance on the third and final reading. The roll call vote was unanimous. The ordinance was read for the third time. Alderman Rankin, seconded by Alderman Vassar, made a motion to adopt the ordinance. The roll call vote was unanimous. The emergency clause passed with a unanimous roll call vote.

Mayor Hillman opened discussion for the bids on Trammel Road. Steve Cobb, City Attorney, stated the City received two bids. One was for \$135,000 and the other was for \$175,000 plus one acre donated to the City. Alderman Rankin, seconded by Alderman Davis, made a motion to accept the high bid of \$175,000 plus one acre. Mayor Hillman asked that it be clarified that the one-acre would be something the city agreed upon. The roll call vote was unanimous.

Steve Cobb, City Attorney, advised the settlement proposals from the North Little Rock Electric litigation would be addressed. Jason Carter, North Little Rock attorney for the litigation, was present for any questions from the council. Mr. Cobb stated the present proposal would be that the City agrees to stay with North Little Rock electric until 2015. The reason for this length of the agreement is North Little Rock’s bond counsel tells them that a significant amount of assets are physically located in the city of Sherwood and assets that are pledged for the payment of the bond issue that will pay off in 2015. Mr. Cobb stated that the document would reflect that there is a severance with North Little Rock electric at that time if the council so desires. The rates of North Little Rock residents will be the same as Sherwood residents. The final order in the lawsuit has not been filed. The final order grants a judgment against the city of Sherwood for \$2 million dollars and potential for attorney fees. The litigation will be dismissed with prejudice if the council decides to a settlement with North Little Rock. Alderman Vassar clarified that this only involves the present service area that North Little Rock currently serves. Mr. Cobb stated First Electric would keep the area that gave rise to the current litigation. Alderman Fender stated his understanding was that this would be discussed tonight, and was asking Steve Cobb if he wished for the council to make a decision tonight. Mr. Cobb stated if the council wished to. Mr. Cobb would like to have a decision so he will know if the litigation needs to be appealed. Alderman Fender would like another month to look this over. Mr. Cobb stated that if an agreement were reached with North Little Rock the franchise fees that are being withheld would be paid immediately. Mayor Hillman stated that when this was done in 2003 it seemed to be good for the citizens but the dynamics have changed and at this time the only service First Electric could offer would be better service. Alderman Vassar stated, at the workshop, the rate structure was discussed that First Electric had board members, was a coop, and it is regulated by the Public Service Commission. This was taken into comparison with the rates set by the North Little Rock city council. Alderman Harmon stated he was pleased with the ruling by Judge Fox that the city has the right to franchise with any utility it wanted. His concern is if the ruling is appealed to the Supreme Court and they rule that the city has no right to franchise with whomever. So it may be time to say this was a win and go into agreement with North Little Rock. Alderman Vassar requested that the city attorney research some type of settlement. Steve Cobb stated a document could be drafted with the plans of the council. Alderman Vassar also asked that in case of bad weather the North Little Rock would have a truck available to service Sherwood the same as it would service North Little Rock. Alderman Vassar, seconded by Alderman Davis, made a motion to have the City attorney to research a negotiation to settle with North Little Rock. Jason Carter stated

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that Sherwood would receive the same services as North Little Rock. Alderman Fender asked what the process would be to determine what the infrastructure is worth here in Sherwood if another provider is selected when the agreement ends in 2015. Mr. Carter stated the original proposal is North Little Rock and the City of Sherwood would each have an appraiser, and jointly the appraisers would select a third appraiser. Mr. Carter stated after seven years it would be an easy transfer of service if the City chooses another provider. The motion passed with a unanimous roll call vote.

Members from Boy Scout Troop 18 were in attendance at the council meeting. The following members were present: Noah Delashaw, Robert Sims, Cliff Ferren, Blake Tierney, Cathy Tierney, Aaron Tierney, Mark Delashaw, Jon Miller, Matthew Smith, Jeff Miller, Grant Moritz, Garth Moritz, Rob Moritz, Brad Harper, Mark Harper, Brandon Wilson, Dakota Chapman, Brian Chapman, and Davis Paes.

The following members of the Sherwood Mayor's Youth Council were present: Tristin Walker, Allycen Frymark, Jordan Pruitt, and Sydney Venus

Mayor Hillman made the following announcements:

National Night Out would be held August 5, 2008, from 6-9 p.m. at Sherwood Forrest.

A community cleanup would be held at the North Hills Country Club property once the City of Sherwood gains the privilege to be on the property.

Rachel Dennis, with the North Little Rock Youth Council, addressed the council and requested that the North Hills Country Club property be used for park and recreation.

Alderman Vassar made a motion to adjourn.

ATTEST:

Angela Nicholson, City Clerk

Virginia R. Hillman, Mayor