

October 23, 2017
Six o'clock P.M.
North Little Rock City Hall Council Chambers
300 Main Street
North Little Rock, Arkansas

The regular meeting of the North Little Rock City Council scheduled for Monday, October 23, 2017, was called to order at 6:00 p.m. by the Honorable Mayor Joe A. Smith.

The roll having been called and the following Council Members answered to their names: DEBI ROSS, BETH WHITE, LINDA ROBINSON, STEVE BAXTER, RON HARRIS, CHARLIE HIGHT and MURRY WITCHER (7/0). Council Member MAURICE TAYLOR was absent. City Clerk Diane Whitbey, Deputy City Clerk/Enforcement Shannon Carroll, City Attorney C. Jason Carter and Deputy City Attorney Amy Fields were also present.

The prayer and pledge of allegiance were led by Council Member Baxter.

On the motion of Council Member Witcher and seconded by Council Member Hight and by consent of all members present, the minutes from the North Little Rock City Council meeting held on Monday, October 9, 2017, were approved, accepted and filed as prepared by the City Clerk (7/0).

On the blanket motion of Council Member Robinson and seconded by Council Member Ross, and by consent of all members present, communication #1, 2, and 3, were accepted and filed (7/0).

1. Charlotte Thomas, Mayor's Office memorandum re: *Grocery Store Wine – NEW* for MAPCO #7328, 3401 John F. Kennedy Boulevard, by Clarice Hatter.
2. Karen Scott, Finance Director memorandum to City Council members re: Non-Uniform Pension Funding Recommendation.
4. Notice of Public Hearings and Funding Availability – Community Development Block Grant (CDBG) and Home Investment Partnership Funds (HOME). Ward 1 – 10-30-17, 6 pm, NLR Community Center, Ward 2 – 11-1-17, 6 pm, Rose City Police Substation, Ward 3 and 4 – 11-2-17, 6 pm North Heights Recreation Center.

On the motion of Council Member Baxter, and seconded by Council Member Ross, and by consent of all members present, communication #3 was read by title only, accepted and filed (7/0).

3. Mayor Joe A. Smith, letter to John Barber re: appointment as Chief Information Technology Officer, effective November 4, 2017. Annual salary \$100,000.00 plus benefits.

On the motion of Council Member Witcher and seconded by Council Member Ross, and by consent of all members present, communication #2 was read by title only, discussed, accepted and filed after having previously being accepted under the blanket motion (above) (7/0).

Finance Director Karen Scott discussed the memorandum and recommendation to increase the city's contribution to 10% and employee contributions to 5%. This would be an increase of 1% each. All employee contributions would be changed to pre-tax. Currently, employee contributions are post-tax. The effective date would be January 1, 2018. Mrs. Scott distributed the Actuaries projection of funding options and outcome. The Pension Attorney needs to work on the proposal and submit it to the IRS (Internal Revenue Service). Council Member Witcher serves on the Non-Uniformed Pension Board. Mayor Smith said this has been an issue that should have been addressed years ago. He spoke with a Financial Advisor who advised companies are no longer using pension funds, but offering 401K, etc. This allows employees to manage their own retirement. Beginning January 1, (2018), employee contributions would be kept up with separate to those made prior to January 1. Mrs. Scott said legislation will need to be presented in December.

Council Member Hight referenced communication #1 and said the council set limits on how close stores selling liquor could be from a church. Mr. Carter said this is covered under state law. Council Member Hight then referenced Park Hill Baptist Church. Ms. Whitbey advised the gas station cattycorner from this one has been selling beer. Council Member Hight wanted to be sure it wasn't within 1,000 feet of the church.

Mayor Smith asked Mr. Bill Barling to come forward. Mayor Smith then joined Mr. Barling at the podium to present him a Proclamation declaring November as Adoption Awareness Month. Mr. Barling said next year will mark 25 years for this effort. During that time, 765 children have been adopted in Arkansas. Adoption is the only chance thousands of children across America have to grow up in a permanent family environment. Mr. Barling said it costs tax payers \$50,000.00 per year for each child in Foster Care. Mr. Barling then asked that anyone who had provided foster care, adopted a child, or was adopted to stand for acknowledgement.

Mayor Smith announced public comment on legislation. Ms. Montine McNulty referenced the recent Sales Tax election. Mayor Smith worked hard to get support for the tax and the needs of the city. Today, the council is being asked to increase the hotel tax from three percent to four percent. This will result in a two percent increase for hotel guests beginning January 1, 2018. Ms. McNulty referenced hotel owners who were present who collect taxes and pay taxes. This increase does not include other taxes, including alcohol tax, food tax, etc. She asked the council to consider delaying the vote on this issue. Mr. Tom Roy is a member of the North Little Rock Advertising and Promotion (A&P) Commission. When this item came before the commission, he voted against it. The tax increase will put North Little Rock (hotels) at a competitive disadvantage. The assumption is that the tax will be charged to hotel guests, however, the loss of guest will result in lost revenue from shopping and restaurant taxes, too. If groups choose to stay elsewhere (due to the taxes), then costs will have to be cut. The major cost in the industry is employees. Most of those employees live in North Little Rock. Mr. Roy said he understood the tax would be used to construct a new downtown A&P building, lease payments, and operations. The building won't be built for at least a year. Mr. Roy asked if the tax is

for an A&P building, why are only hotels/motels being asked to pay for the costs. A&P represents hotels, restaurants, shopping malls, and other attractions. All of the burden of collecting the tax is on hotels. Mr. Roy also suggested a one-half cent tax instead, which would make the city competitive with (the City of) Little Rock. He noted that the newspaper indicated that none of the money will be used for operations of the (Downtown) Plaza, since he was under the impression that A&P would be managing it. Mr. Roy then asked where funds for operations would come from. He asked the council to consider delaying their vote or extend the effective date of the tax until it is time to start making mortgage payments. Mr. Manoj Patel is the Chairman of the A&P Commission. He said it was not explained that a one percent tax would be proposed a week following the A&P Commissions vote. This will put North Little Rock businesses at a disadvantage and they will lose business. Mr. Frank Fletcher has lived in North Little Rock all of his adult life and has supported the mayor and his efforts. Mr. Fletcher owns the Wyndham Hotel. When he was asked what could be done to improve the downtown area, he said move the (Greyhound) bus station. The city is unable to do this. Mr. Fletcher said he supported the one-percent sales tax increase and donated to the campaign. He is for the city's growth and health. He also supports the North Little Rock Chamber of Commerce and Police and Fire Fighters Awards. When he supported the sales tax, he did not think it would result in a two-percent increase January 1. The combination of taxes will bring North Little Rock's tax rate (hotel/motel) up to 15.5 percent with the passage of this ordinance. A room that is listed for \$100.00 will cost an additional \$15.50 in taxes. Mr. Fletcher agreed that an individual may not look at how much taxes would cost on one room, however, when a group or company are looking for a place to have meetings, they do consider room costs, taxes, etc. Mr. Fletcher referenced all of the hotel owners who were present and said they were all opposed to the tax increase. He then asked that the tax be delayed until all of the expenses were known for A&P and the Plaza as they are connected. Mr. Fletcher referenced the (U.S.S. Razorback) Submarine and U.S.S. Hoga boat which were both supposed to produce revenue. However, the costs may be \$150,000.00 for activities. He also referenced the Trolley's. If the Plaza brings good things to the city, his hotel will be the first to benefit. However, the increase in business (as a result of the Plaza) will not benefit other hotels in the city. Mayor Smith said, as elected officials, they sometimes have to vote against the wishes of their friends.

Without objection, O-17-82 was called.

O-17-82 (ORDINANCE NO. 8950 - MAYOR SMITH)

AN ORDINANCE INCREASING THE NORTH LITTLE ROCK ADVERTISING AND PROMOTION LODGING TAX ONE PERCENT; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES, was read. On the motion of Council Member Witcher and seconded by Council Member White, and by consent of all members present, with the exception of Council Member Hight who passed due to a conflict, the rules were suspended and the ordinance was placed on its second reading (6/1). Council Member Robinson said there are eight to ten hotel/motels in Ward 2. Some of the owners do not feel they are getting support from A&P or much business. They are having a hard time staying open and this increase would hurt them. Council Member Ross owned a small business

and understands the concerns. She reminded everyone that one-half of the one-percent tax will expire at the end of five years. These hotels are serving as collection agencies for the city. The majority of their payments are made with credit cards. Credit card companies charge the hotels a fee of two to four and one-half percent in fees. Those fees are coming out of the hotel owner's pocket. Currently, the city has a two-percent discount for businesses that pay their taxes early. Council Member Ross recommended increasing the discount for hotels that pay early. She added that taxes on hotels vary around the country. On the motion of Council Member Witcher and seconded by Council Member White, and by consent of all members present, with the exception of Council Member Robinson, who voted no, and Council Member Hight who passed, and the Mayor having voted yes, the rules were again suspended and the ordinance was placed on its third and final reading (6/1/1). On the motion of Council Member Harris and seconded by Council Member Baxter, and the roll having been called, and all members present having voted in the affirmative, with the exception of Council Member Robinson, who voted no, and Council Member Hight who passed, the ordinance was adopted (5/1/1). On the emergency clause, all members present voted in the affirmative, with the exception of Council Member Hight who passed. Emergency clause adopted (6/1).

UNFINISHED BUSINESS

O-17-77 (ORDINANCE NO. 8951 – MAYOR SMITH, COUNCIL MEMBERS WITCHER AND HIGHT)

AN ORDINANCE AMENDING CHAPTER 2 (ANIMAL CONTROL) OF THE NORTH LITTLE ROCK MUNICIPAL CODE REGARDING KEEPING OF HOGS, GOATS OR SHEEP UNDER CERTAIN CONDITIONS: DECLARING AN EMERGENCY, was read one time September 25,

2017, was read a second time. On the motion of Council Member Witcher and seconded by Council Member Ross, and by consent of all members present, the ordinance was amended as follows::

substitute copy provided this date which included an amendment to Section 7.2.3(D)(i) (7/0). On the

motion of Council Member Witcher and seconded by Council Member Hight, and by consent of all members present, the rules were suspended and the ordinance was placed on its third and final reading as amended (7/0). On the motion of Council Member Hight and seconded by Council Member Ross, and the roll having been called, and all members present having voted in the affirmative, the ordinance was adopted as amended (7/0). Emergency clause adopted (7/0).

CONSENT AGENDA

Mayor Smith called for the consent agenda, and by consent of all members present, consent items R-17-181, R-17-182 and R-17-183, were adopted (7/0).

R-17-181 (RESOLUTION NO. 9303 – MAYOR SMITH

A RESOLUTION DECLARING CERTAIN CITY-OWNED ITEMS AND OTHER EQUIPMENT AS SURPLUS; PROVIDING FOR AUCTION THEREOF: AND FOR OTHER PURPOSES, was adopted (7/0).

R-17-182 (RESOLUTION NO. 9304 – MAYOR SMITH)

A RESOLUTION AUTHORIZING THE MAYOR AND CITY CLERK TO SELL VACANT LAND LOCATED AT 1804 WEST 19TH STREET IN THE CITY OF NORTH LITTLE ROCK TO PULASKI COUNTY NEIGHBORHOOD ALLIANCE FOR HABITAT (PCNAH); AND FOR OTHER PURPOSES, was adopted (7/0).

R-17-183 (RESOLUTION NO. 9305 – MAYOR SMITH)

A RESOLUTION AUTHORIZING THE MAYOR AND CITY CLERK TO ENTER INTO AN IRREVOCABLE CONTRACT OF OBLIGATION WITH ARKANSAS DEPARTMENT OF ENVIRONMENTAL QUALITY FOR CLOSURE OF THE NORHT LITTLE ROCK AIRPORT LANDFILL; AND FOR OTHER PURPOSES, was adopted (7/0).

NEW BUSINESS

R-17-184 (RESOLUTION NO. 9306 – MAYOR SMITH)

A RESOLUTION APPROVING AND CERTIFYING AMOUNTS OF LIENS TO BE FILED WITH THE PULASKI COUNTY TAX COLLECTOR AGAINST CERTAIN REAL PROPERTIES IN THE CITY OF NORTH LITTLE ROCK, ARKANSAS AS A RESULT OF GRASS CUTTING EXPENSES AND ABATEMENT OF OTHER NUISANCES; AND FOR OTHER PURPOSES, was read. A motion to adopt was made by Council Member Ross and seconded by Council Member Baxter. Mayor Smith convened a public hearing. There being no one present wishing to be heard, the public hearing was adjourned. On the previous motion, and by consent of all members present, the resolution was adopted (7/0).

O-17-80

AN ORDINANCE ACCEPTING THE ANNEXATION OF PROPERTY TO THE CITY OF NORTH LITTLE ROCK MUNICIPAL PROPERTY OWNERS' MULTIPURPOSE IMPROVEMENT DISTRICT NO. 25 (NORTH BLUFFS PROJECT); DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES, was withdrawn by the sponsor, Mayor Smith.

O-17-81

AN ORDINANCE ACCEPTING THE ANNEXATION OF PROPERTY TO THE CITY OF NORTH LITTLE ROCK MUNICIPAL PROPERTY OWNERS' MULTIPURPOSE IMPROVEMENT DISTRICT NO. 34 (NORTH BLUFFS RECREATION DISTRICT); DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES, was withdrawn by the sponsor, Mayor Smith.

O-17-82 *was called earlier in meeting – see above.*

O-17-83 (ORDINANCE NO. 8953 – MAYOR SMITH)

AN ORDINANCE AMENDING NORTH LITTLE ROCK MUNICIPAL CODE CHAPTER 12 (PUBLIC SAFETY), SECTION 3.2.4 TO ADD A SUBSECTION ON OPEN BURNING; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES, was read. On the motion of

Council Member Ross and seconded by Council Member Robinson, and by consent of all members present, the readings were suspended (7/0). On the motion of Council Member Ross and seconded by Council Member Robinson, and the roll having been called, and all members present, having voted in the affirmative, the ordinance was adopted (7/0). Emergency clause adopted (7/0). North Little Rock Fire Department Lieutenant Dustin Free was asked to review the changes. He referenced Commercial Burn Permits, Bonfire Applications and all other Burn Permits.

O-17-84 (ORDINANCE NO. 8954 – MAYOR SMITH)

AN ORDINANCE AMENDING NORTH LITTLE ROCK MUNICIPAL CODE CHAPTER 4 (BUILDINGS AND BUILDING REGULATIONS) TO INCLUDE THE REQUIREMENT OF A PERMIT FOR GRADING AND LAND ALTERATIONS; ~~DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES~~, was read. On the motion of Council Member Hight and seconded by Council Member Ross, and by consent of all members present, the readings were suspended (7/0). On the motion of Council Member Hight and seconded by Council Member Baxter, and the roll having been called, and all members present having voted in the affirmative, the ordinance was adopted (7/0). Mr. Carter said this legislation would help with activities that previously affected water flow or removal of vegetation screening, etc. Council Member Ross referenced the work underway at Lake No. 1. Mayor Smith said that project was almost complete. Following additional discussion it was decided not to call for the Emergency Clause as included in the ordinance as filed. Therefore, the effective date will be 60 days from the date of passage. (7/0).

PUBLIC COMMENT

Ms. Courtney Mixon spoke about three pit bull dogs that were picked up by North Little Rock Animal Control. The animals had to be spayed or neutered. One of the female dogs, Diamond, died following being spayed. She and her husband helped the owner bury his dog. Breed Specific Legislation (BSL) is tearing families apart. Mr. Jimmy Ard said City Offices will be closed (Friday) November 10, 2017, in observance of Veteran's Day. There will be no delay in garbage and trash pickup. The Leaf Vacuums will start running in November. Mr. Ard then recited some of the rules. Mr. Bobby Taylor said he had a problem getting his Electric Bill in the mail. Mr. Taylor also said the number provided by the Electric Department for the Post Office is incorrect. He said this also affected his state sales tax payment (for his business) and resulted in a late fee. Mayor Smith suggested Mr. Taylor sign up for automatic withdrawal for utilities. Mr. Taylor also said the Street Sweeper needs to run closer to the edge of the street. Ms. Whitbey said she has also had problems with mail in her neighborhood for several months. Council Member Harris commended North Little Rock Police Chief Mike Davis for patrols in the Crystal Hill area recently. Mrs. Scott advised the proposed Budget will be delivered on November 1. A Public Budget Hearing will be held November 13, 2017, at 5:00 p.m. (Prior to the scheduled City Council Meeting). He encouraged Council Members to ask questions. Council Member Hight said he has had a lot of emails and telephone calls about the Service Line Warranty Program. He said it is an insurance policy. Following a recent water leak in his yard, he signed up too. Mayor Smith said there are about 4,000 North Little Rock residents who have taken advantage of

the program. Council Member Hight also referenced the recent Arkansas Municipal League City and Town magazine which had an article featuring Council Member Ross. Council Member Ross announced the Annual Dogtown Derby Event will be Saturday, October 28, 2017, at 9:30 a.m. and will include a Soapbox race between North Little Rock Police Chief Davis and Fire Chief Gerald Tucker. The City of North Little Rock has partnered with the Arkansas Department of Veterans Affairs the last few years regarding Veteran's Day Ceremonies. The ceremony this year will be held at the MacArthur Museum of Military History in Little Rock, Saturday, November 11, 2017, at 10:00 a.m. Council Member White referenced the city providing Free Wi-Fi to residents. Mayor Smith said the city of Chattanooga spent around \$1 billion. He said that ninety percent of the cities and utilities that have provided the service have lost money. Mr. Carter referenced Smart Cells which can address this issue. Council Member Baxter announced the Catfish Festival to be held in Burns Park, Sunday, October 29, 2017, from 2 pm to 7 pm. The event will have food trucks, bouncy houses, and more. Council Member Ross also advised Patio on Park Hill will be noon to 6 pm Saturday at the former Park Hill Elementary School property. Council Member White advised Halloween on the Levy Trail will be from 4 pm until 6 pm. Ms. Whitbey reintroduced Shannon Carroll who was with Community Development 19 years. He is now in the City Clerk's Office and spent the past couple of weeks with Code Enforcement. This week he will be spending time with Planning Inspectors learning about sign permits and special and conditional use requirements.

There being no further business to come before the Council, and on the motion of Council Member Ross and seconded by Council Member Robinson, and by consent of all members present, the meeting was adjourned at 7:10 p.m. (7/0), until the next regularly scheduled meeting which will be held on Monday, November 13, 2017, at six o'clock p.m. in the City Council Chambers in City Hall, located at 300 Main Street, North Little Rock, Arkansas.

APPROVED: _____
MAYOR JOE A. SMITH

ATTEST: _____
DIANE WHITBEY, CITY CLERK