

CITY OF SPRINGDALE
Committee Agendas
Monday, October 18th, 2021
Tiered Training Room (2nd Floor)
201 Spring Street- New Criminal Justice Building
Meetings begin at 5:30 P.M.

Committee of the Whole

1. **A Discussion** regarding updates to request made after October 12th, 2021 Appeal to the City Council (1815 Bitter Lane). Discussion led by Zach Brothers. **Pgs 1-3**

Finance Committee by Chairman Jeff Watson

2. **A Resolution** authorizing the Mayor to enter into a professional services agreement with BKD, LLP, and Disaster Recovery Services, LLC, for accounting services associated with American Rescue Plan Act (ARPA) funds received by the City of Springdale, Arkansas. Presented by Colby Fulfer, Chief of Staff. **Pg. 4**
3. **A Resolution** designating a portion of American Rescue Plan Act (ARPA) Funds, received by the City of Springdale, Arkansas as lost revenue in accordance to the guidance provided by the United States Treasury. Presented by Colby Fulfer, Chief of Staff. **Pg. 5**
4. **A Resolution** to authorize Hazard Pay from the American Rescue Plan Act (ARPA) lost revenue funds for Police and Fire department staff that have been and remain in direct contact with the public during the COVID-19 Pandemic. Presented by Colby Fulfer, Chief of Staff. **Pg. 6**
5. **A Resolution** authorizing the expenditure of funds to acquire a portion of land from the Loneta M. Blevins Trust for the Dixieland Road Street Project (Apple Blossom to Wagon Wheel Road), Project No. 18BPS14. Presented by Ernest Cate, City Attorney. **Pg. 7**
6. **A Resolution** authorizing the City Attorney to settle a condemnation lawsuit wherein David Arthur and Sharon Arthur are defendants. Presented by Ernest Cate, City Attorney. **Pgs. 8-12**
7. **A Resolution** authorizing the Mayor and City Clerk to enter into an Addendum to a Railroad Crossing Easement Agreement with the Arkansas & Missouri Railroad Company (AMRR) as part of the Maple Avenue Extension (Project 18BPS2). Presented by Ernest Cate, City Attorney. **Pgs. 13-19**
8. **A Resolution** authorizing the Mayor to execute a Memorandum of Agreement with the Arkansas Natural Resources Commission pertaining to costs associated with the decommission and remediation of Wastewater Treatment Facilities in the territory formerly known as Bethel Heights, and assuring the payment of said costs by the Springdale Water and Sewer Commission. Presented by Heath Ward, Executive Director at SWU. **Pgs. 20-21**
9. **A Resolution** designating and authorizing the Mayor and Executive Director of Springdale Water Utilities to execute certain documents in connection with funding administered by the Arkansas Natural Resources Commission. Presented by Heath Ward, Executive Director of SWU. **Pgs. 22-27**

Conditional Use Permit Request to Allow Camping at 1815 Bitter Lane, a parcel zoned SF-2
Updates to request made after October 12th 2021 Appeal to the City Council
Property owned by Brothers Rentals, LLC and Taldo Properties, LLC
Request made by Zach Brothers / Brothers Rentals, LLC of 222. W. Allen Ave.

Please Note

My request has changed to 2 camper van/RV sites only, 26 feet max length, 4 people max per vehicle, NO CAMP SITES. This should alleviate the sanitation concerns. Hipcamp.com states the following on their platform: “If you aren't able to offer a toilet option right away, you can make your listing RV-only as Rvs are self contained.” This will allow time to investigate the feasibility of building a proper restroom facility onsite in the future.

<https://www.hipcamp.com/journal/hosting/hosting-requirements-beginners-guide-to-toilets-on-hipcamp/>

Operation Plan:

-To rent 2 camper van spots on a nightly basis, for no more than 5 continuous nights, 4 people max per vehicle

-To use an online platform for bookings (such as hipcamp.com or exploreeden.com) that holds guests and hosts to certain standards, requires the guest to acknowledge rules set by the host prior to booking, and states check in /check out procedures

<https://www.hipcamp.com/en-US/hipcamperstandards>

<https://www.hipcamp.com/en-US/hoststandards>

-Rules/acknowledgments on platform to include:

*Van campers/RVs 26' max in length, no trailers

*No tent sites

*This site is primitive and has no restroom facilities. Van campers/RV's must have self contained toilet option.

*There is no dumpster onsite and all trash must be packed out.

*There is one approved fire pit, and guest must agree to check the following website and make sure there are no burn bans in either Benton or Washington County prior to lighting any fire.

<https://www.arkfireinfo.org/m/>

Fire must be contained within the fire pit, and guest shall attempt to keep the flame at 2 feet or lower. Guests will agree to use provided wood only or wood pieces no longer than 2 feet.

Guests may only gather dead wood that is onsite and on the ground, and must stay within the boundaries of the camp property. A fire extinguisher and rain barrel with hose are located at the metal barn 17' South of the fire pit.

*Acknowledgment to avoid private property by staying on Fitzgerald Mountain trails or within Fitzgerald Mountain camp boundaries. Boundaries are marked by Bitter Lane and goat farm fence to the North, Fence to the South, and signs on Butterfield trail.

*Acknowledgment that the site is located in the city limits of Springdale and that city required quiet hours are between 11PM and 7AM

-To have onsite signs designating arrival to the property via Bitter Lane

-To have onsite tags that must be filled out with reservation name/date and be posted at site

-To have onsite signs designating the North and South edges of the property at Butterfield Trail

-To have onsite signs at the fire pit reiterating safety instructions, and alerting guests to location of the fire extinguisher and the rain barrel with hose

Site plan (map separate)

- 2 20'x40' Camper van/RV spots at the East end of bitter lane where it terminates on a gravel area
- 1 trail connecting Camper van/RV spots to Butterfield trail
- 1 fire pit no larger than 3feet x 3feet, in a clearing 17 feet North of the onsite Metal Barn

Public Statement:

I would like to thank all who have been involved in the process of determining the feasibility of allowing public camping on the land at 1815 Bitter Lane in Springdale. I'm thankful to those who were for the project, and I can appreciate the concerns of those who were against. I believe camping is a positive and healthy activity, and I believe the beauty of Fitzgerald Mountain and the proximity to the trails makes the subject property a good fit. Based on the feedback of the neighbors, the planning commission, the city council, and others, I am withdrawing my request to allow public tent camping. At this time, I plan to limit camping to personal use, and pursue a conditional use permit to allow 2 self contained RV parking spots. Since the overwhelming concern seems to be about sanitation issues, I plan to do a feasibility study for an onsite restroom.

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH BKD, LLP, AND DISASTER RECOVERY SERVICES, LLC, FOR ACCOUNTING SERVICES ASSOCIATED WITH AMERICAN RESCUE PLAN ACT (ARPA) FUNDS RECEIVED BY THE CITY OF SPRINGDALE.

WHEREAS, the City of Springdale, Arkansas, has received funds from the American Rescue Plan Act (ARPA), and anticipates that further funds will be received;

WHEREAS, the City wishes to ensure that proper documentation and procedures are followed related to the receipt and expenditure of ARPA funds received by the City of Springdale, and to ensure the City's ongoing compliance with ARPA;

WHEREAS, pursuant to Section 2-201 of the Code of Ordinances of the City of Springdale, Arkansas, accounting services have been declared to be professional services, pursuant to Ark. Code Ann. §19-11-801(c), thereby eliminating the requirement of competitive bidding for these professional services;

WHEREAS, the City of Springdale has undertaken steps to seek accounting services related to its ARPA funds, and have evaluated the qualifications of entities providing these services;

WHEREAS, BKD, LLP, and Disaster Recovery Services, LLC, are uniquely suited to provide accounting services associated with the City's ARPA funds;

WHEREAS, the City of Springdale wishes to enter into a professional services agreement with BKD, LLP, and Disaster Recovery Services, LLC, for accounting services associated with the City's ARPA funds;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SPRINGDALE, ARKANSAS that the Mayor is hereby authorized to execute a professional services agreement with BKD, LLP, and Disaster Recovery Services, LLC, for accounting services associated with the American Rescue Plan Act (ARPA), said services to paid from ARPA funds as provided in the professional services agreement.

PASSED AND APPROVED this _____ day of _____, 2021.

Doug Sprouse, Mayor

ATTEST:

Denise Pearce, CITY CLERK

APPROVED AS TO FORM:

Ernest B. Cate, CITY ATTORNEY

RESOLUTION NO. _____

**A RESOLUTION DESIGNATING A PORTION OF
AMERICAN RESCUE PLAN ACT (ARPA) FUNDS,
RECEIVED BY THE CITY OF SPRINGDALE,
ARKANSAS AS LOST REVENUE IN ACCORDANCE TO
THE GUIDANCE PROVIDED BY THE UNITED STATES
TREASURY.**

WHEREAS, the City of Springdale, Arkansas has received \$10,675,798 in ARPA funding from the United States Treasury, and;

WHEREAS, the City of Springdale, Arkansas has identified what the United States Treasury categorizes as lost revenue during the pandemic in 2020, and;

WHEREAS, the City of Springdale, Arkansas has followed proper procedures and calculations provided by the Arkansas Municipal League and the United States Treasury to identify lost revenue, and;

WHEREAS, the City of Springdale, Arkansas has confirmed that \$9,236,788 is eligible to be designated as Lost Revenue, and;

WHEREAS, Lost Revenue is a primary use of ARPA funds according to Treasury guidance, and;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SPRINGDALE, ARKANSAS that \$9,236,788 of funding received through the American Rescue Plan Act (ARPA) in 2021 be designated as Lost Revenue funds.

PASSED AND APPROVED this ____ day of _____, 2021.

Doug Sprouse, Mayor

ATTEST:

Denise Pearce, CITY CLERK

APPROVED AS TO FORM:

Ernest B. Cate, CITY ATTORNEY

RESOLUTION NO. _____

**A RESOLUTION TO AUTHORIZE HAZARD PAY FROM
THE AMERICAN RESCUE PLAN ACT (ARPA) LOST
REVENUE FUNDS FOR POLICE AND FIRE
DEPARTMENT STAFF THAT HAVE BEEN AND
REMAIN IN DIRECT CONTACT WITH THE PUBLIC
DURING THE COVID-19 PANDEMIC.**

WHEREAS, the City of Springdale, Arkansas has been directly affected by the COVID-19 global pandemic; and

WHEREAS, the City of Springdale, Arkansas continued to provide emergency services to its residents during the COVID-19 pandemic; and

WHEREAS, exposure to COVID-19 has led to illness, hospitalization and fatalities; and

WHEREAS, the Administration believes exposure to COVID-19 to be hazardous; and

WHEREAS, the City of Springdale, Arkansas desires to show its appreciation through monetary means to our police and fire staff who worked in direct and continuous contact with the public; and

WHEREAS, the City of Springdale, Arkansas desires to use a portion of the \$9,236,788 American Rescue Plan Act (ARPA) funds designated as lost revenue.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SPRINGDALE, ARKANSAS authorizes hazard pay totaling up to \$675,000.00 to eligible Police and Fire Department staff that have been and remain in direct contact with the public during the COVID-19 pandemic.

PASSED AND APPROVED this _____ day of _____, 2021.

Doug Sprouse, Mayor

ATTEST:

Denise Pearce, CITY CLERK

APPROVED AS TO FORM:

Ernest B. Cate, CITY ATTORNEY

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE EXPENDITURE OF FUNDS TO ACQUIRE A PORTION OF LAND FROM THE LONETA M. BLEVINS TRUST FOR THE DIXIELAND ROAD STREET PROJECT (APPLE BLOSSOM TO WAGON WHEEL ROAD), PROJECT NO. 18BPS14.

WHEREAS, the City of Springdale is in need of acquiring a portion of a tract of land for the Dixieland Road Street Project (Apple Blossom to Wagon Wheel Road), Project No. 18BPS14, Tract 2, said land being owned by the Loneta M. Blevins Trust;

WHEREAS, the City of Springdale has determined by appraisal that the sum of \$347,600.00 is the estimated just compensation for the property needed from the Blevins Trust;

WHEREAS, the property owner has extended a counter-offer that the City pay the sum of \$400,000.00 to acquire the lands needed for the project, said amount being additional compensation based on an increase in the market value of the property since the City's appraisal was conducted;

WHEREAS, it is the recommendation of the City Attorney and the Mayor's Office that the City Council approve the additional sum of \$52,400.00 to acquire the property needed from the Blevins Trust, as this amount is reasonable, is justified, and will avoid the cost, expense, and risk of filing an eminent domain action and a trial;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF SPRINGDALE, ARKANSAS, that the City is hereby authorized to acquire a portion of a tract of land for the Dixieland Road Street Project (Apple Blossom to Wagon Wheel Road), Project No. 18BPS14, Tract 2, said land being owned by the Loneta M. Blevins Trust, for the total sum of \$400,000.00 to be paid from the 2018 Street Bond Program.

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING THE CITY ATTORNEY
TO SETTLE A CONDEMNATION LAWSUIT WHEREIN
DAVID ARTHUR AND SHARON ARTHUR ARE
DEFENDANTS.**

WHEREAS, the City of Springdale has filed a lawsuit against David Arthur and Sharon Arthur to condemn easements across property owned by the Arthurs for the 40th Street Extension (Falcon Road to Spring Creek Bridge, Project 18BPS4, Tract 19);

WHEREAS, the City of Springdale deposited the sum of \$6,850.00 into the Registry of the Court as estimated just compensation for the easements across the property;

WHEREAS, the property owner has extended a counter-offer that the City pay the sum of \$11,850.00 to acquire the lands needed for the project, said amount being consistent with compensation paid for other easements for the Project;

WHEREAS, it is the recommendation of the City Attorney and the Mayor's Office that the City Council approve the additional sum of \$5,000.00 to acquire the property needed from the Arthurs, as this amount is reasonable, is justified, and will avoid the cost, expense, and risk of a trial;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF SPRINGDALE, ARKANSAS, that the City Attorney is hereby authorized to settle the Arthur condemnation lawsuit for the total sum of \$11,850.00, with the additional \$5,000.00 to be paid from the 2018 Street Bond Fund.

PASSED AND APPROVED this ____ day of _____, 2021.

Doug Sprouse, Mayor

ATTEST:

Denise Pearce, CITY CLERK

APPROVED AS TO FORM:

Ernest B. Cate, CITY ATTORNEY

Springdale v. David and Sharon Arthur (Washington Co. 04CV-20-2323)

Property Address: 3028 North 40th Street

Project: 18BPS4; 40th Street Extension (Falcon Road to Spring Creek Bridge)

SETTLEMENT OFFER

The following information is provided for settlement purposes only.

Background:

The Arthurs have owned this property consisting of 14 acres and a 1,620-sf home for over 30 years. The City took an 8,463-sf right-of-way, plus a 6,296-sf utility easement from the property. In addition, the project will result in the loss of two trees and 346 sf of gravel drive.

Appraisals

The Reed & Associates (“Reed”) appraisers determined that the property was well-suited for future residential development. They appraised the property at \$0.55 per sf. It is important to note that their appraisal was completed on December 3, 2019, before the taking and shortly before the unprecedented appreciation in local real estate values began. The exposure times of the comparable sales used, which occurred years prior to taking, were much longer than those seen in the current market. If they update their appraisal for trial, it is almost certain that their opinion of just compensation will significantly increase.

The Reed appraisers acknowledge that the City acquired 8,463 sf of right-of-way from the Arthurs, but they determined that the Arthurs were only entitled to compensation for 6,296 sf of the land taken. They do not provide significant support for this opinion. Also, they acknowledge that the City acquired 6,296 sf in a permanent utility easement, but they reduced the compensation

owed from \$0.55 per sf for this area of land to \$0.14. Arkansas law is clear that the City must pay full compensation for the acquisition of an easement that constitutes a serious interruption to the common uses of the property is equal to a taking of the property. The easement acquired by the City from the Arthurs allows the City to “lay, construct, remove, reconstruct, enlarge, maintain, inspect, repair and operate utility lines, including electric, water, sewer, drainage and other utilities, and appurtenances thereto, and to construct, alter or grade the easement as required with right of way of ingress and egress to and from” the land. In other words, the city, and other utilities, will be able to do whatever they feel is necessary to the land to use it for utility service. The easement also prevents the Arthurs from constructing any building, structures or other improvements or planting any trees in the easement. Clearly, the easement is a serious interruption of the Arthurs use of the land and they should be fully compensated for it.

The land value determined by the Reed appraisal is low. It should be noted that these same appraisers valued land that was also suited to residential development near this property at \$1.05 per sf. That was in the Dollie McCollough and Earlene Baker cases that went to trial. Mark Risk, an appraiser who has evaluated several properties in this area, determined that a similar parcel was worth \$1.20 per sf. It should be noted that these were all 2018 valuations.

Potential Trial Outcome:

Reed & Associates assessed just compensation owed at **\$6,850.00**. This valuation did not include any compensation for 1,987 sf of the property that was taken for the right-of-way and only allowed for 25% of the value of the 6,296-sf easement that was acquired. If you apply their valuation to all the land taken, the just compensation owed is **\$10,467.45**. We feel an independent appraisal will support a land value more than \$1.00 per sf which would result in compensation owed of **\$17,209.00**. The landowners have deferred hiring an appraiser to facilitate settlement

because if they incur the cost of an appraisal, the city stands to reimburse them for that cost at trial. At trial they will be entitled to pre-judgment interest and “the costs occasioned by the assessment” (under Ark. Code Ann. §18-15-303(c)) which would be at least \$3,000.00 but could be more as determined by the Court. The total judgment would be more than **\$20,209.00**.

For settlement purposes only, my clients have authorized me to accept settlement of their damages, including severance damages, pre-judgment interest, and the costs of assessment at **\$11,850.00**. The city has previously tendered \$6,850.00 of the \$11,850.00. The total additional compensation for settlement would be **\$5,000.00**.

PASSED AND APPROVED this ____ day of _____, 2021.

Doug Sprouse, Mayor

ATTEST:

Denise Pearce, CITY CLERK

APPROVED AS TO FORM:

Ernest B. Cate, CITY ATTORNEY

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR AND CITY CLERK TO ENTER INTO AN ADDENDUM TO A RAILROAD CROSSING EASEMENT AGREEMENT WITH THE ARKANSAS & MISSOURI RAILROAD COMPANY (AMRR) AS PART OF THE MAPLE AVENUE EXTENSION (PROJECT 18BPS2).

WHEREAS, on August 27, 2019, the City Council for the City of Springdale, Arkansas, passed Resolution No. 86-19, authorizing the Mayor and City Clerk to execute a Railroad Crossing Easement Agreement with the Arkansas & Missouri Railroad Company (AMRR) relating to the construction of a new railroad crossing as part of the Maple Avenue Extension Project (18BPS2);

WHEREAS, the new railroad crossing has been constructed on Maple Avenue as part of the Maple Avenue Extension Project (18BPS2);

WHEREAS, the City and AMRR wish to enter into an Addendum to the Railroad Crossing Easement Agreement, a copy of which is attached hereto and incorporated by reference, to provide for improvements to existing railroad crossings in the City of Springdale;

WHEREAS, AMRR has agreed to the terms of the attached addendum to the Railroad Crossing Easement Agreement;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF SPRINGDALE, ARKANSAS that the Mayor and City Clerk are hereby authorized to execute the Addendum to the Railroad Crossing Easement Agreement, attached hereto, with the Arkansas & Missouri Railroad Company, relating to improvements to existing railroad crossings in the City of Springdale;

PASSED AND APPROVED this _____ day of _____, 2021.

Doug Sprouse, Mayor

ATTEST:

Denise Pearce, City Clerk

APPROVED AS TO FORM:

Ernest B. Cate, City Attorney

ADDENDUM TO RAILROAD CROSSING EASEMENT AGREEMENT

DATED AUGUST 27, 2019

BETWEEN AMRR AND THE CITY OF SPRINGDALE

This Addendum, made and entered into this ____ day of _____, 2021, by and between the City of Springdale, Arkansas (hereinafter "City") and the Arkansas and Missouri Railroad Company, (hereinafter "AMRR"),

WITNESSETH:

WHEREAS, City and AMRR entered into a Railroad Crossing Easement Agreement (hereinafter "Agreement") dated August 27, 2019 concerning a new crossing at Maple Street; and

WHEREAS, pursuant to the terms of that Agreement, the new crossing was constructed; and

WHEREAS, the City and AMRR wish to amend the Agreement to provide that the City will fund various improvements and/or repairs to existing railroad crossings in the City of Springdale in lieu of the insurance requirement contemplated in the Agreement.

NOW, THEREFORE, the parties hereby agree to the following Addendum to the Agreement:

1. This addendum only applies to paragraph 7 of the Agreement and all other provisions of the Agreement except as specifically modified herein remain in full force and effect.
2. In lieu of the insurance requirements provided in paragraph 7 of the Agreement, the City agrees to fund improvements to existing railroad crossings within the City limits in an amount not to exceed Three Million Dollars over a six-year period from the date of this agreement (\$1.5 Million in years 1-3 and \$1.5 Million in years 4-6). The City understands that ARDOT may be involved in this process but also understands that other improvements outside the purview of ARDOT will be contemplated and included. The term "improvements" is general in

nature and can include any improvement to a crossing including drainage improvements or other improvements or repairs to the infrastructure.

3. Either party may propose improvements or repairs and the parties will endeavor to agree on the scope and estimated costs within 60 days from the date of the proposal. The date of each proposal shall be the benchmark to establish in which 3-year period the improvement or repair will apply. The parties acknowledge there are difficulties associated with Covid 19, manpower, sourcing and delivery of materials so the actual completion of the improvements or repairs may fall beyond the end of either 3-year period. Thus, the benchmark is the date of the proposals.
4. The representatives of each party that will make proposals and agree to the scope and costs will be the Mayor of the City (currently Doug Sprouse) and the President of AMRR (currently Caren Kraska). In the event the President's position becomes vacant for any reason then the AMRR representative will be the Chief Engineer on an interim basis (currently Jeromy Houchin). Upon adoption of this Addendum by Resolution of the Springdale City Council, the Mayor will be authorized to recommend the improvements or repairs contemplated by this addendum and seek funding approval by the Council as required by Arkansas law. The City acknowledges its monetary commitment agreed to herein and will not disapprove projects for the purpose of avoiding this commitment.
5. The City's monetary commitment will include amounts not covered by state/federal funds and/or grants and amounts it is obligated to pay towards any matching funds that may be associated with state/federal funds and/or grants.
6. In the event the City desires to provide city resources, manpower or equipment toward completion of a project, the parties will agree to an amount to be associated with the resources, manpower or equipment furnished and the City will be given a credit for that amount toward their monetary commitment agreed to herein.
7. The City agrees to provide administrative support (which would involve submitting invoices or reimbursement requests prepared by AMRR if

required by the grant process) and sponsorship of AMRR grant applications for improvements in Washington and Benton County, regardless of the purpose of the grant.

8. The City agrees to close the Caudle Avenue crossing to vehicular traffic simultaneously with the opening of the Maple Street crossing, and to undertake vacating any right-of-way associated with the closing of the Caudle Avenue crossing as soon as possible by approval of the City Council as required by Arkansas law.
9. Both parties acknowledge that the signatories below have the appropriate authority to sign on behalf of the party they represent.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals this ____ day of _____, 2021.

SIGNATURES AND ACKNOWLEDGMENTS FOLLOW ON SUBSEQUENT PAGES

CITY OF SPRINGDALE, ARKANSAS

Approved by: _____

Signature

DOUG SPROUSE

Print Name

MAYOR, CITY OF SPRINGDALE, ARKANSAS

Title

ACKNOWLEDGMENT

STATE OF ARKANSAS)
COUNTY OF _____)

On this _____ day of _____, 2021, before me, the undersigned, a Notary Public, duly commissioned, qualified, and acting, within and for said County and State, appeared in person, DOUG SPROUSE, to me personally well-known who stated that he is the Mayor for the **CITY OF SPRINGDALE, ARKANSAS**, and is duly authorized in his capacity to execute the foregoing instrument and for and in the name and behalf of the City of Springdale, Arkansas, and further stated and acknowledged that he/she had so signed, executed, and delivered said foregoing instrument for the consideration, uses, and purposes therein mentioned and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal the day and year stated above.

Notary Public

My Commission Expires: _____

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CITY OF SPRINGDALE, ARKANSAS

Approved by: _____
Signature

DENISE PEARCE

Print Name

CITY CLERK

Title

ACKNOWLEDGMENT

STATE OF ARKANSAS)

COUNTY OF _____)

On this _____ day of _____, 2021, before me, the undersigned, a Notary Public, duly commissioned, qualified, and acting, within and for said County and State, appeared in person, DENISE PEARCE, to me personally well-known who stated that she is the CITY CLERK for the **CITY OF SPRINGDALE, ARKANSAS**, and is duly authorized in her capacity to execute the foregoing instrument and for and in the name and behalf of the City of Springdale, Arkansas, and further stated and acknowledged that she had so signed, executed, and delivered said foregoing instrument for the consideration, uses, and purposes therein mentioned and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal the day and year stated above.

Notary Public

My Commission Expires: _____

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ARKANSAS & MISSOURI RAILROAD COMPANY

Approved by: _____
Signature

Caren L. Kraska
Print Name

President
Title

ACKNOWLEDGMENT

STATE OF ARKANSAS)
) §§
COUNTY OF WASHINGTON)

On this _____ day of _____, 2021, before me, the undersigned, a Notary Public, duly commissioned, qualified, and acting, within and for said County and State, appeared in person, **CAREN L. KRASKA**, to me personally well-known who stated that she is the President of **ARKANSAS & MISSOURI RAILROAD COMPANY** and is duly authorized in her capacity to execute the foregoing instrument and for and in the name and behalf of Arkansas & Missouri Railroad Company, and further stated and acknowledged that she had so signed, executed, and delivered said foregoing instrument for the consideration, uses, and purposes therein mentioned and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal the day and year stated above.

Notary Public

My Commission Expires:

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A MEMORANDUM OF AGREEMENT WITH THE ARKANSAS NATURAL RESOURCES COMMISSION PERTAINING TO COSTS ASSOCIATED WITH THE DECOMMISSION AND REMEDIATION OF WASTEWATER TREATMENT FACILITIES IN THE TERRITORY FORMERLY KNOWN AS BETHEL HEIGHTS, AND ASSURING THE PAYMENT OF SAID COSTS BY THE SPRINGDALE WATER AND SEWER COMMISSION.

WHEREAS, the Springdale Water and Sewer Commission ("the Commission") currently owns, operates and maintains wastewater collection and treatment facilities serving residential, commercial and industrial customers within the City of Springdale and surrounding areas;

WHEREAS, in August of 2020, the City of Bethel Heights was consolidated into the City of Springdale pursuant to Ark. Code Ann. §14-40-1201, *et. seq.*;

WHEREAS, due to the aforementioned consolidation, the City of Springdale acquired two wastewater treatment facilities and an associated sewage collection system of the former City of Bethel Heights;

WHEREAS, the Commission is currently providing public sewer collection and treatment of the wastewater generated in the territory formerly known as Bethel Heights, and is conveying said wastes to treatment facilities of the Commission for ultimate disposal;

WHEREAS, it is the desire of the Commission to fully decommission and remediate the former treatment works of Bethel Heights and to provide a permanent interconnection between the collection systems to Springdale for the ultimate treatment and disposal of wastewater;

WHEREAS, the staff of Springdale Water Utilities has completed plans and specifications for said work to decommission and remediate the treatment works and has completed plans and specifications for the design and construction of a permanent connection between the two collection systems (hereinafter referred to as "the Project");

WHEREAS, in an effort to finance the remediation and construction contemplated herein for the Project, Springdale Water Utilities has made application to the State Revolving Loan Fund consisting of a not to exceed loan in the amount of \$2,054,083.00 and a loan with principal forgiveness in the amount not to exceed of \$1,000,000.00;

WHEREAS, the nature of the loan requires that it be made to and approved by the governing body of the City of Springdale;

WHEREAS, the Commission has committed to repay to the City of Springdale all loans, bonds, indebtedness and all other costs associated with the remediation of the former Bethel Heights treatment works and sewer main line work associated with the interconnection of the two collection systems; and

WHEREAS, the Commission understands the commitment and requirements of the City of Springdale in executing a Memorandum of Agreement with the Arkansas Natural Resources Commission establishing certain provisions, procedures and schedules to be utilized throughout the Project and the Commission agrees to repay all costs associated with said Project to the City.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF SPRINGDALE, ARKANSAS, that the Mayor is hereby authorized to execute a Memorandum of Agreement with the Arkansas Natural Resources Commission, a copy of which is attached hereto and incorporated herein by reference, pertaining to costs associated with the remediation of the former Bethel Height wastewater treatment facilities and sewer main line

work associated with the interconnection of the two collection systems; said Memorandum of Agreement to be signed upon the Springdale Water and Sewer Commission adopting a Resolution agreeing to repay all costs associated therewith to the City.

PASSED AND APPROVED this ____ day of _____, 2021.

Doug Sprouse, Mayor

ATTEST:

Denise Pearce, City Clerk

APPROVED:

Ernest B. Cate, City Attorney

RESOLUTION NO. _____

**A RESOLUTION DESIGNATING AND AUTHORIZING
THE MAYOR AND EXECUTIVE DIRECTOR OF
SPRINGDALE WATER UTILITIES TO EXECUTE
CERTAIN DOCUMENTS IN CONNECTION WITH
FUNDING ADMINISTERED BY THE ARKANSAS
NATURAL RESOURCES COMMISSION.**

WHEREAS, the Springdale Water and Sewer Commission ("the Commission") currently owns, operates and maintains wastewater collection and treatment facilities serving residential, commercial and industrial customers within the City of Springdale and surrounding areas;

WHEREAS, the City Council has determined that it is in the best interest of the City and its inhabitants to apply for assistance from the Arkansas Natural Resources Commission (the "ANRC"), in order to make certain improvements to the System;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF SPRINGDALE, ARKANSAS, that:

Section 1. That the Mayor of the City, as a Signatory Agent or the successor of said Agent, is hereby authorized and directed to make application for assistance administered by the ANRC and to execute, when approved by the City Council, a bond purchase agreement and instruments issued or made pursuant thereto on behalf of the City from time to time.

Section 2. That the Executive Director of Springdale Water Utilities, as a Signatory Agent or the successor of said Agent, is hereby authorized to execute, for and on behalf of the City, all other documents and certificates required.

PASSED AND APPROVED this ____ day of _____, 2021.

Doug Sprouse, Mayor

ATTEST:

Denise Pearce, City Clerk

APPROVED:

Ernest B. Cate, City Attorney

MEMORANDUM OF AGREEMENT

Between

**The Arkansas Natural Resources Commission and
the City of Springdale**

**Agreement No. 01366-CWRLF-L and 01367-CWRLF-F
Project No. WRD-004-252**

The Memorandum of Agreement, hereinafter referred to as the MOA, will establish the project funding, and the planning and design schedule for the wastewater improvements funded by the State Revolving Loan Fund programs, hereinafter referred to as the RLF. Where noted some applications are specific for the Clean Water Revolving Loan Fund program, CWRLF, or the Drinking Water State Revolving Loan Fund Program, DWSRF.

I. INTRODUCTION AND PURPOSE:

- A. The **City of Springdale** hereinafter referred to as the "BORROWER," is applying for funding assistance from the Clean Water Revolving Loan Fund Program (CWRLF) administered by the Arkansas Natural Resources Commission, hereinafter referred to as the ANRC.
- B. Project funding, along with planning and design requirements of the program, must be fulfilled and the RLF application must be certified complete in accordance with the program requirements of the ANRC.
- C. The purpose of this MOA is to establish project funding and define the conditions and terms under which planning, design and application documents will be submitted by the BORROWER and reviewed by the ANRC.

II. GENERAL PROVISIONS:

- A. Funds have been approved from the RLF program. Funding shall consist of a loan in an amount not to exceed **\$2,054,083.00** with a maximum **twenty (20) year** repayment and a loan with principal forgiveness in an amount not to exceed **\$1,000,000.00** of which the total amount will be in the form of principal forgiveness. The interest rate will be determined at the time the bond term sheet is provided. At loan closing, ANRC will forgive the principal forgiveness amount. If, for any reason, the Borrower does not utilize the entire Funding Amount, then in such event the Principal Forgiveness Amount will be reduced proportionally to equal the amount of actual funds disbursed.

- B. Approval is contingent upon the Borrower establishing and maintaining a depreciation reserve fund in an amount equal to ten percent (10%) of the combined principal amount of the bonds (**\$305,408.00**). The depreciation reserve fund is to be accumulated at a rate equal to six percent (6%) of the gross monthly revenue of the system. This fund is for the replacement or repairs to the system and may not be used without prior written consent from ANRC. Once the Fund reaches the specified amount, the Borrower may suspend deposits into the Fund. When funds are withdrawn from the Fund, the monthly deposits will resume until the Fund again reaches the specified amount.
- C. Any change in project cost, source of funds, scope of services, or any other significant change in the project or application must be reported by the BORROWER or its designated representative to and approved by the ANRC by written amendment to this agreement. Any change not approved by ANRC shall be cause for discontinuing the project.
- D. The applicable federal and state statutes, and the Environmental Protection Agency, hereinafter referred to as the EPA, and ANRC rules and regulations will be complied with through all phases of this project. These requirements include, but are not limited to, Davis Bacon Wage Act (DBA), State Environmental Review Process (SERP), Disadvantaged Business Enterprise (DBE), American Iron and Steel (AIS) and Signage.
- E. No document submittal date contained herein shall take precedence over document submittal dates contained in any EPA, ANRC, or the Arkansas Department of Health, hereinafter referred to as the ADH, compliance schedule.
- F. The refusal of ANRC to accept and review project documents submitted in violation of this MOA schedule does not discharge the BORROWER from meeting any requirements of its compliance schedule.
- G. If the BORROWER fails to meet a date contained in the submittal schedule and has not requested a change to that date in accordance with Section IV.B of this MOA, then the ANRC may add up to one percent (1.0%) to the combined rate of any loan agreement that the BORROWER may enter into based on this MOA.
- H. The BORROWER must sign, attest, and return this MOA to certify the BORROWER's intent to meet these conditions by **November 01, 2021**. if the BORROWER desires further consideration be given to its project.

III. PROCEDURES:

- A. The detailed project funding requirements for this RLF project will be in accordance with the official bond documents, including system revenues

and loan security.

- B. The BORROWER will develop all planning and design documents in accordance with the requirements of EPA, ADH, ADEQ and ANRC rules and regulations.
- C. All agreements for planning and design engineering services shall contain a damages paragraph addressing the nonperformance or negligence of the consulting engineering firm as required by the ANRC. This paragraph shall incorporate the submittal schedule from this MOA as a part of the agreement and provide protection to the BORROWER for failure of performance by the consulting engineering firm. The executed agreement shall be submitted to ANRC for review and approval of this paragraph when this MOA is signed by the BORROWER.
- D. The BORROWER will submit all planning, design and application documents under the schedule presented on the following page.

SUBMITTAL SCHEDULE	Receipt Date
A. Procurement Certification	11/01/2021
B. Professional Services Agreements	12/01/2021
C. Draft Environmental Information Document (EID)	12/01/2021
D. I & I Analysis (CWRLF only)	N/A
E. Draft Facility Plan	N/A
F. Proposed User Rate Ordinance or Resolution	11/12/2019
G. Proposed Sewer Use Ordinance (CWRLF only)	N/A
H. Final EID with Public Participation	02/01/2022
I. Final Facility Plan	N/A
J. First Submittal of Plans and Specifications (P&S)	10/25/2021
K. Enacted User Rate Ordinance or Resolution	11/12/2019
L. Enacted Sewer Use Ordinance (CWRLF only)	N/A
M. Final Plans and Specifications (P&S)	11/08/2021

* NOTE: At this time, review public participation requirements:

- Public meetings require a thirty (30) day notice.

~~If project receives a categorical exclusion, the above note does not apply and may be removed.~~

TARGET DATES		Receipt Date
A.	Loan Certification	02/15/2022
B.	Loan Closing	05/16/2022
C.	Bid Award	05/16/2022
D.	Start Construction	06/01/2022
E.	Certified Completion (Final Inspection)	10/01/2023
F.	Disbursement Cut-off Date	10/15/2023

IV. REVISIONS:

Revision(s) of dates contained in the Submittal Schedule above can be made, if requested fifteen (15) days prior to the scheduled date, and upon the determination by ANRC that adequate justification for those revisions has been supplied.

The Commission may remind the applicant, through written notification, of each document due date at least 30 days prior to its scheduled submittal.

V. EFFECTIVE DATE:

This agreement will be in effect on the date executed by ANRC.

For the Arkansas Natural
Resources Commission

For the City of
Springdale, Arkansas

A. Mark Bennett, III
Chief, WRDD

Doug Sprouse, Mayor

Date

Date