Finance Committee
Meeting Agenda
September 9, 2025
4:30 PM
City Council Chambers

City Council Members:

Gayatri Agnew	**Ward 1, Position 2**
Cindy Acree	**Ward 2, Position 1**
Bill Burckart	**Ward 3, Position 2**

***If the public would like to attend virtually, please log on at the following link: https://us02web.zoom.us/j/89139307844?pwd=ZWMxNVhRby9RVElhd1pyZzluVmdHZz09**

Call to Order/Roll Call

Items For Discussion

1. **CIP Overview** — **Informational**

City Council Items To Be Considered

1. **Section I Item 5 from the City Council Agenda: Ordinance to Waive Competitive Bidding for Tech Logic** — **Ordinance***

   Ordinance to waive competitive bidding requirements in an amount not to exceed $141,000.0 to Tech Logic for a new and expanded automated materials handling RFID system in the drive-thru area. A budget adjustment is needed to move available funds to the correct account number.

2. **Section II Item 5 from the City Council Agenda: Ordinance Amending Municipal Code Article 98-IV Pertaining to the 2025 Wastewater Rates** — **Ordinance***

   Ordinance to amend Code Article 98-IV of the City of Bentonville Municipal Code pertaining to Sewer rates and other matters relating thereto. Proposed rate adjustments align with the 7% increase effective January 2026 and 7% increase each January to 2030 as discussed in the wastewater rate analysis prepared by Raftelis. Utility Board approved 5-0.

3. **Section II Item 6 from the City Council Agenda: Ordinance Authorizing Issuance of 2025 Revenue Bond** — **Ordinance***

Approve an Ordinance authorizing the issuance of a combined Electric, Water and Sewer system revenue bond for the purpose of financing the cost of improvements to the Water Resource Recovery Facility. Utility Board approved 5-0.

4. **Section II Item 10 from the City Council Agenda: Resolution Approving Town Branch Basin Sewer Improvements - Engineering and Final Design** **Resolution**

Resolution authorizing the Mayor and City Clerk to enter into an agreement with Garver Engineering, in the amount of $1,338,223.00 for final design of wastewater utility improvements within Town Branch Sewer Basin. This would include all TB sections in the Sewer Collections Analysis. Utility Board approved 5-0. A budget adjustment is needed.

THE CITY OF BENTONVILLE

City of Bentonville, Arkansas Agenda Item Form

Item Details

Council Meeting Date:	9/9/2025	**Submitted By:**	Hadi Dudley
Phone:	479-271-3194	**For Department(s):**	Library
Email:	hdudley@bentonvillear.com		

Item Type (Check all that apply)

- [ ] Informational
- [ ] Bid Award
- [x] Enter into an Agreement
- [ ] Change Order
- [ ] Recognizing Funds
- [x] Budget Adjustment
- [x] Waiver of Bid
- [x] Emergency Clause

- [x] Ordinance
- [ ] Resolution
- [ ] Informational

Title, Recommendation & Justification

Title:	Ordinance to Waive Competitive Bidding for Tech Logic
Action Recommendation & Justification:	Ordinance to waive competitive bidding requirements in an amount not to exceed $141,000.0 to Tech Logic for a new and expanded automated materials handling RFID system in the drive-thru area. A budget adjustment is needed to move available funds to the correct account number.
Additional Comments for Consideration (Optional):	Tech Logic is a sole source vendor for RFID hardware and software installed at the Library. An expanded book sorter is needed to expand the ability to meet public use. The project is being funded with remaining expansion funds and interest revenue and. Cost includes a trade-in discount. An emergency clause is needed to not impede specialty equipment orders and to align with the Library's renovation schedule.
Amount for Approval:	$ 141,000.00

Budget Impact

Is this Item Budgeted? [ ] YES [ ] NO [ ] ITEM HAS NO COST [x] OTHER: CIP item; funds available to proceed

Budget Adjustment *(to be completed by Finance when applicable)*

Account Number (ORG-OBJECT)	Account Description	Expense	Revenue
105050-47430	Furniture & Fixtures	$ (50,000.00)	$
105050-47410	Machinery & Equipment	$ 141,000.00	$
		$	$
		$	$

Fund(s) Impacted (check all that apply) [ ] General Fund [ ] Utility Fund [ ] Street Fund [ ] Other(s):

Budget Impact Notes for Consideration (Optional):

BPL's expansion project is well-under budget and there is interest revenue available to use. This back-of-house work was previously estimated to be more expensive and beyond scope due to the perceived conditions and technology required. With a new sorter configuration available for purchase, only interior demolition is required, reducing cost and scope for the Library.

MEMORANDUM

PURCHASING AND COMPLIANCE DEPARTMENT

TO: ADMINISTRATION

FROM: Kelsi Frederick, Purchasing and Compliance Manager

DATE: September 9, 2025

SUBJECT: The purchase of Tech Logic Automated Materials Handling RFID System

---

The Purchasing and Compliance Department recommends approval of the ordinance to waive competitive bidding requirements and authorize the purchase of the expanded AMH RFID system from Tech Logic in an amount not to exceed $141,000.00.

The Bentonville Public Library requires the purchase of a new and expanded Automated Materials Handling (AMH) RFID system for the drive-thru area to accommodate a larger book sorter and expand the Library's capacity to meet public demand.

The proposed purchase includes hardware, software, shipping, tax, and a trade-in discount, with a total cost not to exceed $141,000.00. Tech Logic is the vendor for specific RFID hardware and software currently in use at the Library, ensuring seamless integration with the existing system.

Please feel free to contact me with any questions.

Kelsi Frederick

(479) 271-3115

kfrederick@bentonvillear.com

August 28, 2025

835 Hale Avenue North
Oakdale, Minnesota, 55128
800.494.9330
www.tech-logic.com

Sole-Source Letter for Tech Logic's totalAMH System

To Bentonville Public Library:

Tech Logics' totalAMH systems are not available for purchase from any other vendors. Tech Logic's AMH is a complex and powerful system that works with all ILS systems, functions si-multaneously with RFID and uses Windows 10 2021 LTSC. Any specific hardware or software development related to the totalAMH can only be designed, built, integrated or programmed by Tech Logic's development team.

Tech Logic's totalAMH products offer several unique and highly beneficial automation solutions for libraries. In summary, they include the following technologies:

- smartBIN auto-height-adjusting sorting/storage containers (Patent no. 6,000,770)
- valueIT software, to automatically assess the online sales value of weeded or donated materials and assist with facilitation of online sales
- Multiple sorting strategies that can be pre-configured and changed by staff on the fly via drop-down menu. Staff can create up to 99 different sorting strategies within the interface.

The combination of these featured components by Tech Logic Corporation into one integrated material management system will allow maximum staffing efficiencies in the circulation department and provide for a significant reallocation of budgetary resources to other library departments. The unique Tech Logic features proposed for your library are unavailable from any other supplier of library automation technology; thus, the library's specification of a particular custom Tech Logic totalAMH system is appropriate for "sole source" designation.

Tech Logic totalAMH systems are comprised of modular components. The pricing for the components is always available from your Tech Logic representative as published. If Bentonville Public Library has any questions about this solution, please do not hesitate to contact us using the contact information shown, below.

Sincerely,

[redacted]

Gary Kirk
President, Tech Logic Corporation
gkirk@tech-logic.com
651-389-4912

[redacted]

Tim Lawson
Solutions Specialist, Tech Logic Corporation
tlawson@tech-logic.com
651-308-5743

835 Hale Avenue North
Oakdale, Minnesota 55128
(800) 494-9330
www.tech-logic.com

totalAMH RFID System

Bentonville Public Library

Quote Submitted:

8/28/2025

Quote Valid Until:
45 days from quote date

Tech Logic is pleased to submit this proposal for our totalAMH RFID system. We appreciate the opportunity to be considered for this project and believe that Tech Logic will provide the very best solution available.

Why Choose a Tech Logic AMH Solution?

Tech Logic has been in the automated material handling (AMH) business for over 22 years. We invented and developed the concept of automated material handling in libraries and have more automated material handling systems installed than any of our competitors. We design, develop, manufacture, install and service every AMH product and solution we sell. Our products are designed to be modular, flexible and turnkey because we understand that every library has different needs.

Most alternative library AMH systems were originally designed for use in warehouse settings or use generic components cobbled together to "work" for libraries. In these scenarios, the systems and components were built to handle uniform shapes, rather than the varied shapes and sizes of library materials. Many of these systems were converted from manufacturing to accommodate library materials. Tech Logic systems were designed from the ground up specifically for library materials so you can be assured that items are handled gently and accurately.

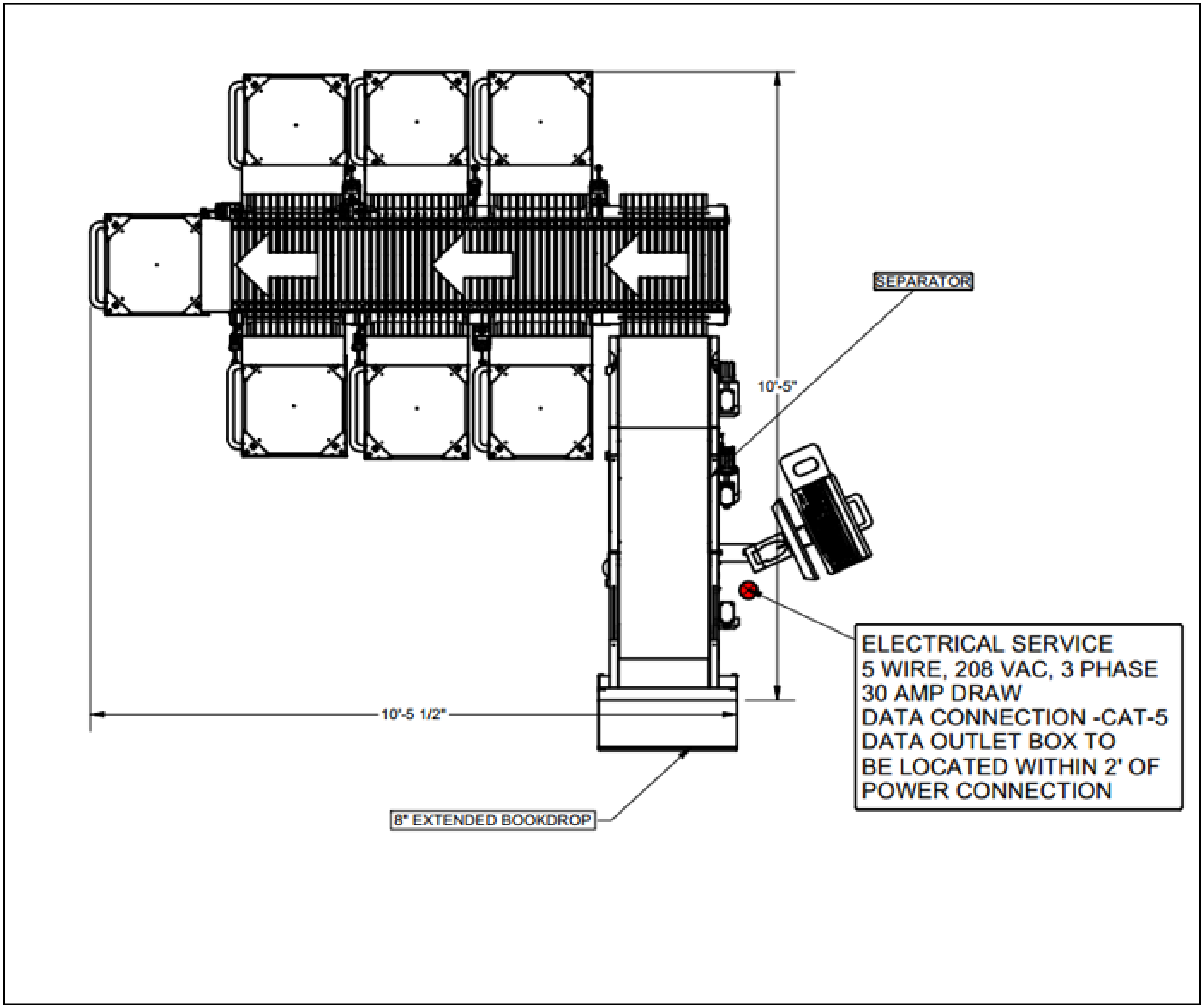
Tech Logic's patented SMARTBIN (used for loading, sorting and transporting items) includes a photoelectric eye that tells the bin to adjust its floor according to the level of materials. Even if you only have one book in a SMARTBIN, that book will still be at the top of the bin. If you've ever had to reach down into a bin as you empty it, you know how difficult this motion becomes when repeated over and over. Consider how much physical labor and repetitive motion injuries will be avoided over the 20+ years a SMARTBIN is expected to be in use.

Tech Logic's totalAMH SEPARATOR can actually separate material as they are moved from the patron's hands to the sorter. This means that patrons can return stacks of items (something they are already accustomed to) while the <u>system</u> separates them gently so they can then easily be checked in and sorted. Systems that force patrons to feed books into the return one by one basically force patrons to separate materials for the system. This process also forces patrons to perform check-in as well! We all have less time these days. Why invest in a system that <u>*takes*</u> more of it? Tech Logic's system design recognizes that patrons cannot be counted on to follow directions—so we design systems that assume they will not.

A Tech Logic totalAMH system will introduce greater efficiency, safer work environments and less physical work for both library staff and patrons. These time and labor savings are cumulative and will be part of the daily workflow, resulting in a significantly higher degree of patron satisfaction in the following ways:

- ✓ Our "Throw & Go" drops are weather-proof and can be located such that the AMH system sorts 100% of item returns.
- ✓ Returns are fast, easy and anticipate the least possible patron involvement as part of the core design.
- ✓ The totalAMH system is designed to allow patrons to return multiple items in a stack so that current patron behavior will not need to be modified.
- ✓ Checking in and sorting 100% of returns means a greater return on investment than any other vendor can deliver.
- ✓ SMARTBINS and chutes from Tech Logic handle library items with the care so that they last longer.
- ✓ Sorting parameters can be changed whenever necessary so that the library can react to changing volume-based needs and an eclectic patron base.
- ✓ Deliveries to and from regional and branch libraries can be done in containers that best meet the space and time constraints defined by those individual libraries and your delivery vehicles. This means that you can utilize existing totes or our SMARTBINS depending on materials volume and available space.
- ✓ Staff will not need to print hold slips at the circulation desk.
- ✓ When necessary or desirable, holds can be segregated from simple returns. Daily statistics can be gathered and viewed by appropriate staff from any PC.
- ✓ Our patented SMARTBIN) will improve efficiencies and reduce physical labor at any library. These bins include a photoelectric eye that tells the bin to adjust its floor according to the level of materials.

Any AMH solution that requires touch screens or receipts at the book return is **by design** establishing a lengthy one-at-a-time returns process. With this in mind, our totalAMH solutions deliver a simple Throw & Go returns process that your patrons already know how to use. No receipt printing, no touch screens and no barcode scanners. We know from many years of real-world experience that the most successful system is the one that allows your patrons to "Throw & Go".


SEPARATOR
10'-5"
10'-5 1/2"
8" EXTENDED BOOKDROP
ELECTRICAL SERVICE
5 WIRE, 208 VAC, 3 PHASE
30 AMP DRAW
DATA CONNECTION -CAT-5
DATA OUTLET BOX TO
BE LOCATED WITHIN 2' OF
POWER CONNECTION

Qty	Part Number	Description	Unit Price	1st Yr. Extended price
1	913XXXXX	7 Bin Exterior AMH with 90 Degree Turn and Extension	$99,632.84	$99,632.84
1	ASTSOFT	Multi-Bin System Control Software	$7,602.96	$7,602.96
1	LABOR1	Installation and Training	$6,933.90	$6,933.90
7	25016614	Tech Logic EZ Bin	$1,695.00	$11,865.00
1		Trade-In Discount	($3,486.86)	($3,486.86)
			Shipping	**$6,100.00**
			Total Contract Pricing	**$128,647.85**

Note: Due to an unusual level of volatility in the price and availability of some raw materials used in our manufacturing process, Tech Logic may find it necessary to increase some of the above prices should there be a delay between purchase order and delivery of these products. Tech Logic will do everything in our power to avoid this but these market-price changes are well outside of our control.

More information about these challenges can be found here: https://www.reuters.com/article/us-usa-economy-steel-insight/u-s-manufacturers-grapple-with-steel-shortages-soaring-prices-idUSKBN2AN0YQ

Please feel free to reach out to your Tech Logic Solutions Specialist if you have questions or concerns—we are committed to working closely and transparently with our libraries during these unique times.

AMH Payment Terms and Support:

I. A first payment, in an amount of forty percent (40%) of the Contract Price, shall be due within ten (10) days after the Effective Date. Work pursuant to this Agreement shall not begin until such payment is received and verified by Tech Logic.

II. A second payment, in an amount of fifty percent (50%) of the Contract Price, shall be due within ten (10) days after a Notice of Completion of Manufacturing Design is submitted to Library.

III. A third payment, in the amount of (5%) of the Contract Price, shall be due within ten (10) days of the date on which notification is made by Tech Logic to Library that manufacturing, final testing and pre-shipment inspection of the TLS is complete and ready to be shipped to Library. Library has the right and may elect to inspect the TLS (at the Library's expense) prior to actual shipment to Library. Failure of the Library to inspect the TLS prior to shipment to the Library shall not cause a delay of the third payment to Tech Logic.

IV. Final payment, in an amount of five percent (5%) of the Contract Price, plus all additional payments required under executed Change Orders, if any, shall be paid within ten (10) days of Tech Logic's delivery to the Library of the Notice of Completion.

Further, if a delay occurs then the final 5% payment hereunder shall be paid by Library within sixty (60) days of shipment from Tech Logic. In any event, the final 5% payment hereunder shall be paid by Library within ninety (90) days from the date on which notification is made by Tech Logic to Library that the TLS is ready for shipment to Library.

Performance Bond & Payment Bond:
Costs associated with Performance & Payment bond requirements are the sole responsibility of the library.

Payment Schedule for Change Orders:
The payment of any Change Order shall be made in installments, with the first installment being due ten (10) days after the execution of the Change Order. The amount and payment terms of the Change Order shall be as set forth as above.

Interest Charges:
If any payments due from Library to Tech Logic are deemed to be, in the sole discretion of Tech Logic, overdue, then interest charges thereon shall be paid by Library to Tech Logic at a rate of one and one-half percent (1.5%) per month

Software and Hardware Support

- Annual Support/Software License and Maintenance program costs are in addition to the item(s) quoted above. The Support/Software License(s) are required for the duration that the equipment is in use and is billed annually.

- Annual Support/Software and Maintenance Programs automatically increase 2% per year after the initial first year of paid annual support. Customer may qualify for savings with a multi-year pre-payment plan.

Notes:

1) SIP or SIP2 is required and needs to be acquired. Please ensure that the SIP & ILS implementations are of the latest versions.
2) The SIP interface which integrates AMH systems with ILS software is provided by the ILS vendor.

Lease Financing Option

Available Upon Request.

https://apply.peacsolutions.com/auth/EF?partnerid=6128031GVLEXAAR

The Value of Municipal Financing
Horizon Keystone Financials' initial emphasis in every sale is to identify and meet customer requirements. We structure lease terms that match your individual needs and budget. We will stay with you through the entire leasing process, from need identification through approval, documentation, and funding. We will work with you through every step of acquiring and financing equipment.

Who qualifies for a municipal finance agreement?
The government of states, counties, cities, towns, villages, boroughs, school districts, and state universities.

What kind of equipment can be financed?
All Tech Logic products and services.

How can a municipal finance agreement help our organization? A municipal finance agreement can improve your organization's financial situation by:

Reducing Monthly Outlays Because municipal interest payments are exempt from federal income taxes, Horizon Keystone Financial passes its tax savings on to you in the form of lower rates that keep your monthly payments affordable.
Leveraging Cash Position If your balance sheet is healthy, keep those cash reserves fully invested and use the income to off set the interest on your lease payments. Horizon Keystone Financials tax-exempt finance rates may even be lower than the rate you can earn on your invested funds.
Preserving Cash With no up-front cash required, you can use your available capital for operating requirements rather than down payments.
Simplifying Financial Transactions A master finance agreement line can eliminate the hassles of negotiating and bidding multiple purchases. Horizon Keystone Financial will fund your entire lease, eliminating the need for underwriting by investment bankers and the need to prepare lengthy documents.
Funding Immediate Needs You'll get the equipment you need now, without waiting for next year's budget cycle and without the costs and delays of a voter referendum.
Pooling Financial Needs for Discounts Consolidate the equipment needs of all your departments into a single finance agreement line and reap the rewards of lower interest rates.
Increasing Financial Control Coordinate the purchasing activities of multiple departments with a master finance agreement line that guarantees the same favorable terms for every transaction.
Non Appropriation Agreement - A municipal lease characterized by a non-appropriation clause specifies that the lease can be terminated in the event funds are not made available in subsequent fiscal years.
Early Buyout Options - Government body would be given an option to prepay the finance agreement at a *discounted buyout price* negotiated at the inception of the lease.
Variable Payments - Finance agreements could be structured with monthly, semi-annual, or annual payment structures to accommodate the government body financing.

Program Options Provided By:
PEAC Solutions
Robbie DeGaris: 856-505-4490 rdegaris@peacsolutions.com

ORDINANCE NO. _____________

AN ORDINANCE AUTHORIZING THE MAYOR AND THE CITY CLERK TO ENTER INTO AN AGREEMENT WITH TECH LOGIC., FOR THE PURCHASE OF AN EXPANDED BOOK SORTER FOR THE BENTONVILLE PUBLIC LIBRARY, IN THE AMOUNT OF ONE HUNDRED FORTY-ONE THOUSAND DOLLARS ($141,000.00); ADJUSTING THE 2025 BUDGET TO REALLOCATE FUNDS; WAIVING THE REQUIREMENT OF COMPETITIVE BIDDING; PROVIDING FOR THE EMERGENCY CLAUSE; AND FOR OTHER PURPOSES.

WHEREAS, the Bentonville Public Library requests to purchase an expanded book sorter from Tech Logic for the drive-thru book drop;

WHEREAS, this project is on the Library's CIP for 2027; and

WHEREAS, this purchase is funded with remaining budget dollars allocated for the Library expansion.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL FOR THE CITY OF BENTONVILLE, ARKANSAS.

Section 1: That the Mayor and City Clerk are hereby authorized to enter into an agreement with Tech Logic, in the amount of one hundred forty-one thousand dollars ($141,00.00), for an expanded book sorter at the Bentonville Public Library;

Section 2: The 2025 Budget is hereby adjusted to appropriate fifty thousand dollars ($50,000.00) from Account #105050-47430 – Furniture & Fixtures into Account #105050-47410 – Machinery & Equipment;

Section 3: Because Tech Logic is a sole source vendor of the software it would be neither practical nor feasible to advertise for competitive bidding so that requirement is herein waived;

Section 4 - Emergency Clause: The need to make this purchase is immediate and an emergency is hereby declared to exist, and this Ordinance shall be in full force and effect from and after the date of its passage and approval;

Section 5 - Severability Provision: If any part of this Ordinance is held invalid, the remainder of this Ordinance shall continue in effect as if such invalid portion never existed; and

Section 6 - Repeal of Conflicting Ordinances: All Ordinances of the City Council, or parts of Ordinances of the City Council, in conflict herewith are hereby repealed to the extent of such conflict.

PASSED and APPROVED this _____ day of _______________, 2025.

APPROVED:

ATTEST:

____
STEPHANIE ORMAN, Mayor

____
MALORIE MARRS, City Clerk

City of Bentonville, Arkansas Agenda Item Form

Item Details

Council Meeting Date:	9/9/2025	**Submitted By:**	Preston Newbill
Phone:	479-271-3140	**For Department(s):**	wastewater
Email:	pnewbill@bentonvillear.com		

Item Type (Check all that apply)

☐ Informational ☐ Bid Award ☐ Enter into an Agreement ☐ Change Order
☐ Recognizing Funds ☐ Budget Adjustment ☐ Waiver of Bid ☐ Emergency Clause

☑ Ordinance ☐ Resolution ☐ Informational

Title, Recommendation & Justification

Title:	Ordinance Amending Municipal Code Article 98-IV Pertaining to the 2025 Wastewater Rates
Action Recommendation & Justification:	Ordinance to amend Code Article 98-IV of the City of Bentonville Municipal Code pertaining to Sewer rates and other matters relating thereto. Proposed rate adjustments align with the 7% increase effective January 2026 and 7% increase each January to 2030 as discussed in the wastewater rate analysis prepared by Raftelis. Utility Board approved 5-0.
Additional Comments for Consideration (Optional):	
Amount for Approval:	$

Budget Impact

Is this Item Budgeted? ☐ YES ☐ NO ☐ ITEM HAS NO COST ☐ OTHER:______________________

Budget Adjustment *(to be completed by Finance when applicable)*

Account Number (ORG-OBJECT)	Account Description	Expense	Revenue
		$	$
		$	$
		$	$
		$	$

Fund(s) Impacted (check all that apply) ☐ General Fund ☐ Utility Fund ☐ Street Fund ☐ Other(s):______________________

Budget Impact Notes for Consideration (Optional):

RAFTELIS

City of Bentonville

Wastewater Rate Study

Utility Board – September 2, 2025

Agenda

1. Background
2. Wastewater Rate Recommendations
3. Next Steps

Background

1. 2023 - 5% increases July 2023 and January 2024
2. Changes since 2023
    a. NACA projects moving slower than anticipated ↓
    b. City Plant rehab and expansion costs increased ↑
    c. Collection I/I: $300k (evaluation) increased to $2 million (estimated annual cost) ↑
    d. Collection System Upsizing Alternative Financing ⟺
3. Recommendation
    a. 7% increases starting in 2026.
    b. Increases needed for existing and proposed debt obligations

Financial Planning

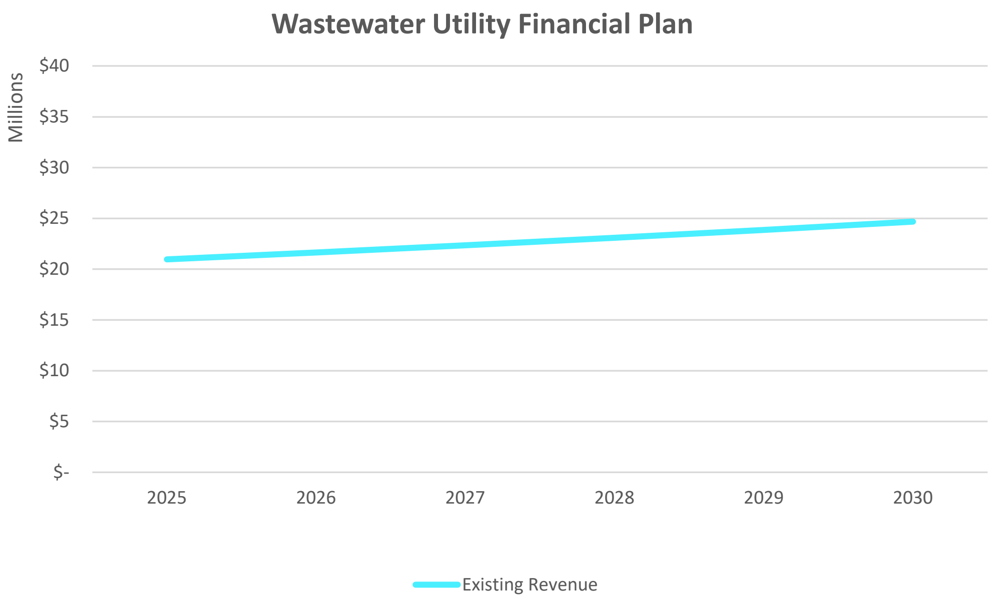
1. Forecast Baseline Revenue
2. Forecast Operating and Capital Expenditures
3. Develop Cash Flow Forecast and Revenue Sufficiency

Step 1: Baseline Revenue

1. Revenue projections under existing rates.

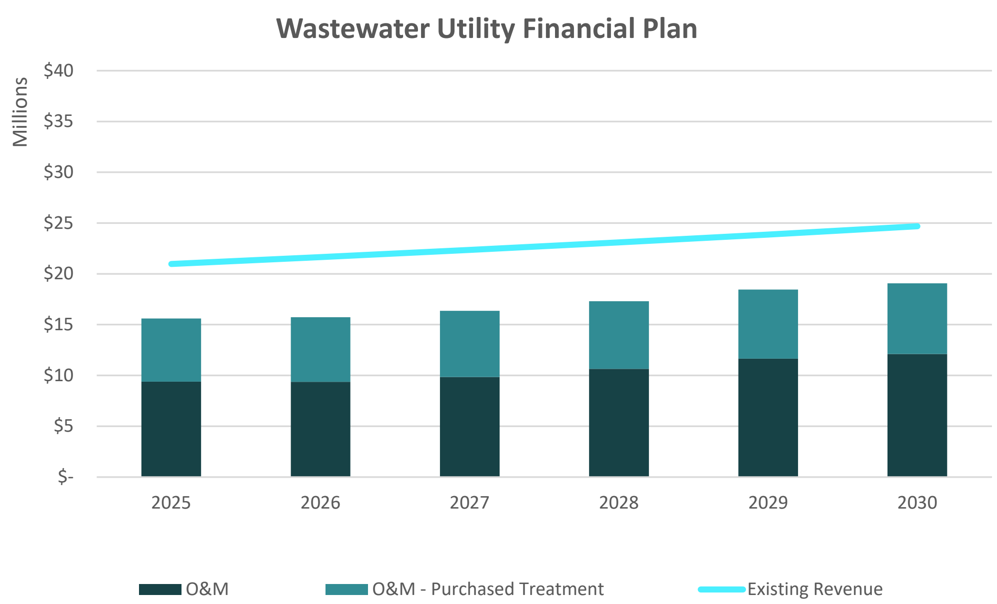
2. Usage Growth Assumptions
   a. Retail: ~4.5% / year (4% historically, ~90% of master plan)
   b. Wholesale: ~3% / year (90% of master plan)

3. Considerations
   a. Infrastructure planning numbers vs. history
   b. Population growth vs. account growth
   c. Macroeconomic impacts on growth



Step 2: Operating Expenses

1. 2025: Budget
2. 2026 and beyond:
   a. New staff included in 2027 and beyond
   b. Salaries and Wages (5%)
   c. Benefits (7.5%)
   d. General Inflation – 2.3% long-run Philadelphia Fed Forecast
3. Purchased Treatment – NACA
   a. Inflationary increases assumed
   b. Incremental cost of NACA line and NACA plant expansion debt projected separately

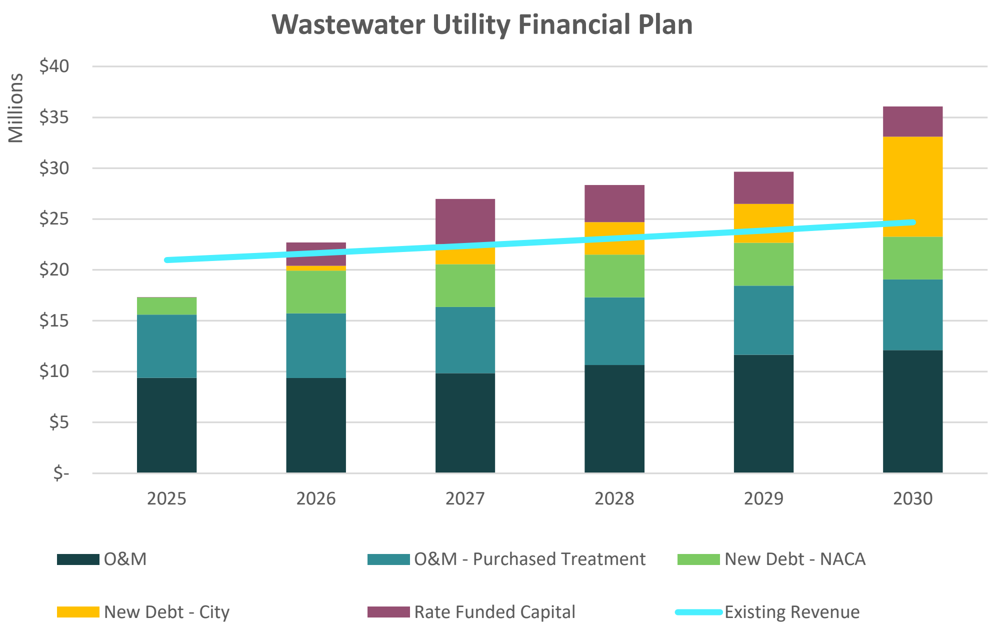


Step 2: Capital Costs

1. NACA
   a. Line: $30 million
   b. Expansion: $68 million (85% City Share)
2. City
   a. Plant Rehab/Expansion: $153 million
   b. Collection:
      i. $2 million/year I/I reduction
      ii. No collection system upsizing included (est. $260 million)
   c. Vehicles/Equipment: $4 million

Step 2: Capital Costs

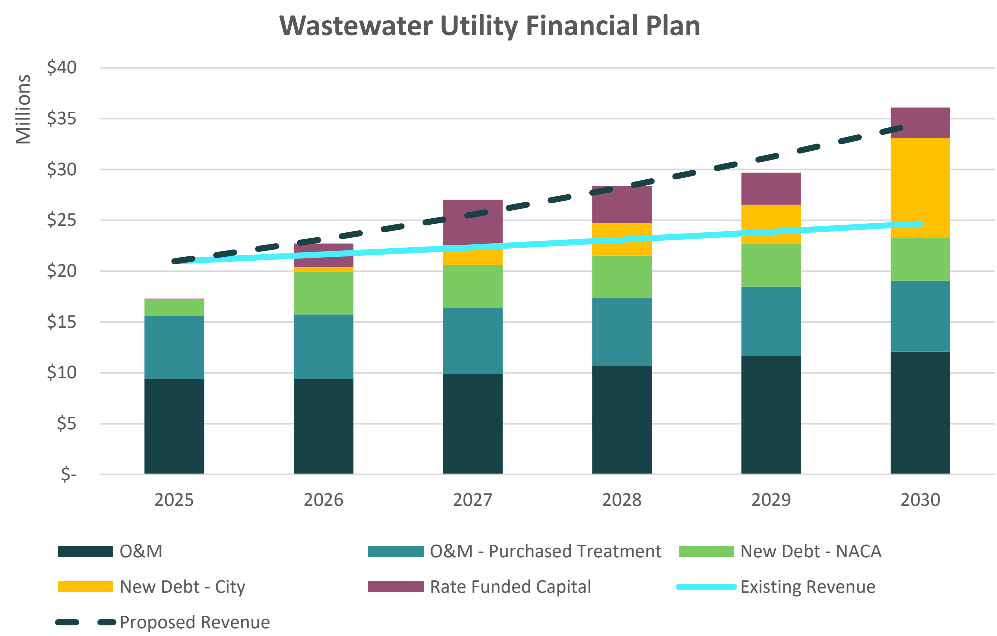
1. NACA
   a. ANRC Loans
   b. Projects taking longer than anticipated
   c. Delays repayment
      i. Line – full payment in 2026
      ii. Plant – full payment in 2026
2. City Plant
   a. ANRC Loan
      i. $98 million approved
      ii. Additional $55 million required
   b. Debt assumptions based monthly draw schedule from Crossland
   c. Full payment in 2030



8

Step 3: Revenue Sufficiency

1. Recommendation:
   a. Cost/timing of large wastewater projects mostly firm
   b. Multi-year adoption of slow escalation of rate increases
   c. Evaluate annually to see if adjustment needed
2. Key Driver - Capital Projects
   a. No collection system upsizing costs assumed.
   b. NACA Plant – full payment in 2026
   c. NACA Line – full payment in 2026
   d. City Plant –
      i. Loan of $98 million approved
      ii. Seeking approval of additional $55 million to complete project
   e. Will need to additional revenue to cover the new debt, only question is how quickly projects completed.



	2026	2027	2028	2029	2030
Rate Adjustment	7%	7%	7%	7%	7%
$/Mo Impact (Avg. User)	$3	$4	$4	$4	$4

Next Steps

1. September 2 – Utility Board
2. September 9
   a. Wastewater Rate Adoption
   b. WW Bond Adoption


Q&A
11
SHOWER

Cycle	Bill Date	Bill Count	Notice Date	Notice Count	Percent of Bills	Shutoff Date	Shutoff Count	Percent of Notices	Percent of Bills
1	1/15/2025	6726	2/12/2025	515	7.66%	3/3/2025	63	12.23%	0.94%
2	1/22/2025	7250	2/20/2025	742	10.23%	3/11/2025	61	8.22%	0.84%
3	1/28/2025	7665	2/26/2025	948	12.37%	3/18/2025	98	10.34%	1.28%
4	2/7/2025	7551	3/6/2025	819	10.85%	3/26/2025	74	9.04%	0.98%
1	2/13/2025	6749	3/12/2025	550	8.15%	4/2/2025	66	12.00%	0.98%
2	2/21/2025	7302	3/19/2025	635	8.70%	4/10/2025	67	10.55%	0.92%
3	2/27/2025	7748	3/26/2025	943	12.17%	4/17/2025	81	8.59%	1.05%
4	3/7/2025	7556	4/4/2025	826	10.93%	4/22/2025	78	9.44%	1.03%
1	3/13/2025	6731	4/11/2025	474	7.04%	4/28/2025	57	12.03%	0.85%
2	3/20/2025	7248	4/18/2025	678	9.35%	5/5/2025	39	5.75%	0.54%
3	3/27/2025	7724	4/25/2025	852	11.03%	5/13/2025	85	9.98%	1.10%
4	4/7/2025	7525	5/6/2025	764	10.15%	5/22/2025	82	10.73%	1.09%
1	4/14/2025	6728	5/13/2025	449	6.67%	5/29/2025	68	15.14%	1.01%
2	4/21/2025	7338	5/20/2025	611	8.33%	6/5/2025	44	7.20%	0.60%
3	4/28/2025	7800	5/28/2025	932	11.95%	6/11/2025	107	11.48%	1.37%
4	5/7/2025	7492	6/5/2025	833	11.12%	6/18/2025	85	10.20%	1.13%
1	5/14/2025	6710	6/12/2025	485	7.23%	6/25/2025	52	10.72%	0.77%
2	5/21/2025	7335	6/20/2025	610	8.32%	7/2/2025	69	11.31%	0.94%
3	5/29/2025	7756	6/26/2025	1072	13.82%	7/10/2025	144	13.43%	1.86%
4	6/6/2025	7474	7/7/2025	772	10.33%	8/4/2025	40	5.18%	0.54%
1	6/13/2025	6666	7/11/2025	510	7.65%	8/4/2025	30	5.88%	0.45%
2	6/23/2025	7322	7/18/2025	655	8.95%	8/5/2025	44	6.72%	0.60%
3	6/27/2025	7796	7/25/2025	1004	12.88%	8/14/2025	80	7.97%	1.03%
4	7/8/2025	7521	8/6/2025	777	10.33%	8/21/2025	67	8.62%	0.89%
1	7/15/2025	6668	8/13/2025	456	6.84%				
2	7/22/2025	7302	8/20/2025	641	8.78%				
3	7/28/2025	7792			0.00%				
4	8/7/2025	7522			0.00%				
1	8/14/2025	6697			0.00%				
2	8/22/2025	7350			0.00%				

Cycle	Average Bills	Average Notices	Average Shutoffs
1	6709	491	56
2	7306	653	54
3	7754	959	99
4	7520	799	71
Total	29290	2901	280
		AVG % of Bills	AVG % of Notices
		9.91%	9.66%

Utility Assistance – City of Bentonville, AR

Below is a list of agencies and churches that provide utility assistance. This is not an exhaustive list. Agencies may have eligibility criteria (e.g., income, service type, household size, etc.):

- **All Saints' Episcopal Church** – 479-715-5182
- **Arkansas 211** – [arkansas211.org]
- **Arkansas LIHWAP** – [arkansaslihwap.com]
- **First Baptist Church** – 479-273-3379
- **Hark NWA** – [harknwa.com]
- **Helping Hands** – 479-273-2511
- **Our Healthy Communities** – [ohcnwa.org]
- **Salvation Army** – 479-271-9545
- **St. Stephen's Benevolence** – 479-696-9361

ORDINANCE NO. ________

AN ORDINANCE AMENDING BENTONVILLE MUNICIPAL CODE ARTICLE 98-IV RATES AND FEES TO ADJUST SEWER RATES; AND FOR OTHER PURPOSES.

WHEREAS, the city contracted with Raftelis to prepare a wastewater rate analysis;

WHEREAS, the analysis recommends a seven percent (7%) annual increase in wastewater rates between 2026 and 2030.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL FOR THE CITY OF BENTONVILLE, ARKANSAS.

<u>Section 1</u>: That Bentonville Municipal Code Sec. 98-637 Rates to be for Services Rendered and Benefits Received shall be and is hereby amended with Attachment A: Sewer Rates Amendment, an electronic copy and paper copy of which is on file with the City Clerk, which is adopted by reference as though it were copied herein fully.

<u>Section 2 - Severability Provision:</u> If any part of this Ordinance is held invalid, the remainder of this Ordinance shall continue in effect as if such invalid portion never existed.

<u>Section 3 - Repeal of Conflicting Provisions:</u> All Ordinances, Resolutions, Orders of the City Council, or parts of the same, in conflict with this Ordinance are repealed to the extent of such conflict.

<u>Section 4 - Effective Date:</u> This Ordinance shall be in full force and effect for special events that will take place after January 1, 2026.

PASSED and APPROVED this ____ day of ______, 2025.

APPROVED:

____

Stephanie Orman, Mayor

ATTEST:

____

Malorie Marrs, City Clerk

ATTACHMENT A
Sewer Rates Amendment
Grey strikethrough text to be removed, red underlined text to be added

Sec 98-637 Rates To Be For Services Rendered And Benefits Received

The following sewer rates structure are hereby fixed as rates to be charged for services to be rendered and benefits to be received from the wastewater treatment plant.

(a) *Billing.* All bills for sewage collection and treatment shall be rendered to the user monthly, such statements to be rendered and collected by the city and shall cover the same period as corresponding water bills. All bills shall be rendered in the net amount due.

(b) *User charges*. For residential, commercial and industrial users, monthly user charges will be based on actual water usage. If a residential, commercial or industrial user has a consumptive use of water, or, in some other manner, uses water which is not discharged into the wastewater collection system, the user charge for that contributor may be based on readings of a wastewater meter(s) or separate water meter(s) installed and maintained at the user's expense. Should the customer's water meter be determined by the water utilities manager to be inoperative or faulty, the customer's usage shall be the same as set forth and defined by the existing water rate ordinance for such meter failures.

(c) *Sewer rate structure*. Commencing with bills due on or after January 1, 2026, the following shall be the schedule of rates to be applied to the water consumption of users . New rates take effect January 1 of the applicable year.

(1) *Rate calculation.* The charges for sewage collection and treatment for each customer shall be determined each month and shall be the sum of:

a. a service charge based on the customer's classification and water meter size in accordance with the rates of Schedule A below, and

b. a user charge based on the customer's metered water usage and computed using the rates of Schedule B below.

(2) *Schedule A - Monthly Service Rates*. The monthly service charge will be billed according to the customer's usage classification and size of water meter. This charge will be in addition to the monthly usage and will be at the following rates.

Schedule A – Monthly Service Rates						
Residential Customer						
In city limits	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**
5/8" x 3/4" meter	$14.78	$15.81	$16.92	$18.10	$19.37	$20.73
1" meter	48.69	52.10	55.75	59.65	63.83	68.30
1-1/2" meter	180.87	193.53	207.08	221.58	237.09	253.69

2" meter	193.10	206.62	221.08	236.56	253.12	270.84
3" meter	283.67	303.53	324.78	347.51	371.84	397.87
4" meter	795.26	850.93	910.50	974.24	1,042.44	1,115.41
6" meter	1,713.16	1,833.08	1,961.40	2,098.70	2,245.61	2,402.80
8" meter	3,446.29	3,687.53	3,945.66	4,221.86	4,517.39	4,833.61
10" meter	5,169.42	5,531.28	5,918.47	6,332.76	6,776.05	7,250.37
Outside city limits	All customers outside the city limits receiving electric and water and sewer services, or any of them, from the city, shall be charged an additional monthly service charge of $4.41					
Commercial Customer						
In city limits	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**
5/8" x 3/4" meter	15.80	16.91	18.09	19.36	20.72	22.17
1" meter	52.03	55.67	59.57	63.74	68.20	72.97
1-1/2" meter	193.28	206.81	221.29	236.78	253.35	271.08
2" meter	206.35	220.79	236.25	252.79	270.49	289.42
3" meter	303.13	324.35	347.05	371.34	397.33	425.14
4" meter	849.82	909.31	972.96	1,041.07	1,113.94	1,191.92
6" meter	1,830.70	1,958.85	2,095.97	2,242.69	2,399.68	2,567.66
8" meter	3,681.14	3,938.82	4,214.54	4,509.56	4,825.23	5,163.00
10" meter	5,521.70	5,908.22	6,321.80	6,764.33	7,237.83	7,744.48
Outside city limits	All customers outside the city limits receiving electric and water and sewer services, or any of them, from the city, shall be charged an additional monthly service charge of $4.41.					

(3) *Schedule B - Usage Rates*. In addition to the monthly service charge, each customer shall be billed for sewage collection and treatment based on water consumption and the following rates.

Schedule B – Usage Rates (per 1,000 gallons)						
Residential Customer						
	2025	**2026**	**2027**	**2028**	**2029**	**2030**
In city limits	$8.48	$9.07	$9.70	$10.38	$11.11	$11.89
Outside city limits	10.18	10.89	11.65	12.47	13.34	14.27
Commercial Customer						
	2025	**2026**	**2027**	**2028**	**2029**	**2030**

In city limits	9.06	9.69	10.37	11.10	11.88	12.71
Outside city limits	10.87	11.63	12.44	13.31	14.24	15.24

(d) *Surcharges:* Users generating sewage of unusually high strength may discharge such sewage into the sewage treatment works provided:

(1) The city has agreed to treat the waste as specified in the wastewater discharge permit issued to the user;

(2) The waste will not cause damage to the collection system;

(3) The waste will not impair the wastewater treatment process; and

(4) The user discharging such waste pays a monthly surcharge to the City of Bentonville in addition to the usual monthly sewer user charges. Computation of such surcharges shall be based on the following formula:

$$S = Vw \times 8.34[y(ss - 300) + z(BOD - 300)]$$

Where:

S	=	Surcharge in dollars
Vw	=	Volume of wastewater in million gallons
8.34	=	Weight of a gallon of water in pounds
ss	=	Suspended solids concentration of wastewater in milligrams per liter (if greater than 300 mg/l)
BOD	=	Five-day biochemical oxygen demand concentration of wastewater in milligrams per liter (if greater than 300mg/l)
y	=	Unit charge for suspended solids in dollars per pound
300	=	Allowable strength or suspended solids and BOD in mg/l
z	=	Unit charge for BOD in dollars per pound

Surcharges may be determined daily, weekly, or other such periods as deemed appropriate by the city. Surcharge bills shall be the sum of the surcharges determined during the billing period. The water utilities manager shall review annually, according to the city's fiscal year, the actual and projected cost of treating excess solids and BOD and shall increase or decrease the unit charges (y and z) in accordance with such review

(e) *Vacant property*. None of the facilities or services afforded by the sewage treatment works shall be furnished without a charge being made therefore. Any vacant, unoccupied property attached to the sewer system having an in-service water meter shall be considered to be a contributor to the sewer system at such time as a sewer tap is completed and as such is subject to the monthly usages and services set forth in the above-mentioned rate structure.

(f) *Wholesale customers.* Any municipality or wholesale customer desiring the City of Bentonville to accept and treat its wastewater shall be required to enter into a written contract with the City of Bentonville concerning the acceptance and treatment of its wastewater. Said contract shall establish the rates to be paid by said municipality or wholesale customer to the City of Bentonville for the treatment of said wastewater and the conditions under which said wastewater will be accepted by the City of Bentonville. Said contract shall also establish the method for adjusting said rates on a periodic basis. For purposes of this ordinance, a wholesale customer shall be defined as an entity having a collection system and a customer base.

(Code 1994, § 10.12.02; Ord. No. 2000-61, § 2; Ord. No. 2009-84, § 2, 8-25-2009; Ord. No. 2012-96, § 2, 12-11-2012)

HISTORY
Amended by Ord. Ord. No. 2020- on 4/25/2023

City of Bentonville, Arkansas Agenda Item Form

Item Details

Council Meeting Date:	9/9/2025	**Submitted By:**	Patrick Johndrow
Phone:	479-271-6781	**For Department(s):**	Finance
Email:	pjohndrow@bentonvillear.com		

Item Type (Check all that apply)

- ☐ Informational
- ☐ Bid Award
- ☐ Enter into an Agreement
- ☐ Change Order
- ☐ Recognizing Funds
- ☐ Budget Adjustment
- ☐ Waiver of Bid
- ☐ Emergency Clause

- ☑ Ordinance
- ☐ Resolution
- ☐ Informational

Title, Recommendation & Justification

Title:	Ordinance Authorizing Issuance of 2025 Revenue Bond
Action Recommendation & Justification:	Approve an Ordinance authorizing the issuance of a combined Electric, Water and Sewer system revenue bond for the purpose of financing the cost of improvements to the Water Resource Recovery Facility. Utility Board approved 5-0.
Additional Comments for Consideration (Optional):	A budget adjustment will be brought forth after closing.
Amount for Approval:	$ 55,000,000

Budget Impact

Is this Item Budgeted? ☐ YES ☐ NO ☐ ITEM HAS NO COST ☑ OTHER: Future budget adjustment needed

Budget Adjustment *(to be completed by Finance when applicable)*

Account Number (ORG-OBJECT)	Account Description	Expense	Revenue
		$	$
		$	$
		$	$
		$	$

Fund(s) Impacted (check all that apply) ☐ General Fund ☑ Utility Fund ☐ Street Fund ☐ Other(s):

Budget Impact Notes for Consideration (Optional):

ORDINANCE NO. __________

AN ORDINANCE AUTHORIZING THE CONSTRUCTION OF THE SECOND PHASE OF BETTERMENTS AND IMPROVEMENTS TO THE SEWER FACILITIES OF THE CITY OF BENTONVILLE, ARKANSAS; AUTHORIZING THE ISSUANCE OF A COMBINED ELECTRIC, WATER AND SEWER SYSTEM REVENUE BOND FOR THE PURPOSE OF FINANCING THE COST OF CONSTRUCTION; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BOND; PRESCRIBING OTHER MATTERS RELATING THERETO; AND DECLARING AN EMERGENCY.

WHEREAS, the City of Bentonville, Arkansas (the "City") owns and operates a combined electric, water and sewer system as a single, integrated municipal undertaking (the "System"); and

WHEREAS, the City Council has determined that betterments and improvements to the sewer facilities of the System, including particularly, without limitation, wastewater treatment facility improvements known as the Water Resource Recovery Facility Improvements Project (the "Improvements"), are necessary in order to make the services of the System adequate for the needs of the City; and

WHEREAS, the City is financing the costs of the second phase of the Improvements with the proceeds of the City's Combined Electric, Water and Sewer System Revenue Bond, Series 2024 (the "2024 Bond"); and

WHEREAS, a preliminary report, general plans and estimates of cost for the second phase the Improvements have been examined and approved by the City Council and a copy of such preliminary report, general plans and estimates of cost are on file at the offices of the City where they may be inspected by any interested person; and

WHEREAS, in order to finance the costs of the first phase of the Improvements, including bond issuance costs and interest during construction, the City is making arrangements for the sale of a bond in the principal amount of $55,000,000 to the Arkansas Development Finance Authority, as purchaser (the "Bondholder"), at a price of par for a bond bearing interest at the rate of 3% per annum pursuant to a Bond Purchase Agreement (the "Agreement") among the City, the Bondholder and the Arkansas Natural Resources Commission (the "Commission"), which has been presented to and is before this meeting; and

WHEREAS, the City has outstanding its Combined Electric, Water and Sewer System Refunding and Storm Recovery Revenue Bonds, Taxable Series 2022A and Series 2022B and the 2024 Bond (collectively, the "Prior Bonds"); and

WHEREAS, the City is authorized, under the provisions of Amendment No. 65 to the Arkansas Constitution, Title 14, Chapter 234, Subchapter 2 of the Arkansas Code of 1987 Annotated (the "Code"), Title 14, Chapter 164, Subchapter 4 of the Code, Title 14, Chapter 203 of the Code and Title 14, Chapter 235, Subchapter 2 of the Code (collectively, the "Authorizing Legislation"), to issue and sell the bond; and

WHEREAS, the Bondholder intends to pledge the bond as collateral for the payment of its revolving loan fund revenue bonds (the "ADFA Bonds"), which may be issued from time to time, to the bank or trust company to be named as trustee for the ADFA Bonds (the "ADFA Trustee"); and

WHEREAS, the City is required to pay to the Arkansas Development Finance Authority, as servicer (the "Authority"), a servicing fee equal to 1% per annum of the outstanding principal amount of the bond (the "Servicing Fee");

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Bentonville, Arkansas:

Section 1. The Improvements shall be accomplished and shall be a part of the System. The Mayor and City Clerk are hereby authorized to take, or cause to be taken, all action necessary to accomplish the Improvements and to execute all required contracts.

Section 2. The sale to the Bondholder of up to $55,000,000 in principal amount of a bond from the City at a price of par for a bond bearing interest at the rate of 3% per annum and otherwise subject to the terms and provisions hereafter in this Ordinance set forth in detail is hereby approved and the bond is hereby sold to the Bondholder. The Mayor is hereby authorized and directed to execute and deliver the Agreement on behalf of the City and to take all action required on the part of the City to fulfill its obligations under the Agreement. The Agreement is hereby approved in substantially the form submitted to this meeting with such changes as may be approved by the Mayor, her execution to constitute complete evidence of such approval.

Section 3. The City Council hereby finds and declares that the period of usefulness of the System after completion of the Improvements will be more than 25 years, which is longer than the term of the bond.

Section 4. Under the authority of the Constitution and laws of the State of Arkansas (the "State"), including particularly the Authorizing Legislation, a City of Bentonville, Arkansas Combined Electric, Water and Sewer System Revenue Bond, Series 2025 (the "bond") is hereby authorized and ordered issued in the principal amount of $55,000,000, the proceeds of the sale of which will be used to finance costs of the Improvements, pay expenses incidental thereto, pay expenses of issuing the bond and pay interest during construction.

The bond shall bear interest at the rate of 3% per annum based upon a 360-day year of twelve consecutive 30-day months. The bond shall be dated the date of delivery to the Bondholder. Interest shall be payable on the first day of each month after the bond is issued. Commencing on August 1, 2027, principal shall be paid in monthly installments as set forth in Exhibit A to the Agreement which is structured for the bond to be repaid in equal amortized monthly installments of principal and interest over a 20 year period with the final payment due July 1, 2047.

The bond will be registered as to both principal and interest, payable to the Bondholder, or registered assigns, as set forth hereinafter in the bond form, and shall be numbered R-1.

Payment of principal and interest shall be by check or draft mailed to the Bondholder at its address shown on the bond registration books of the City which shall be maintained by the City Clerk as Bond Registrar, without presentation or surrender of the bond (except upon final payment) and such payments shall discharge the obligation of the City to the extent thereof. The City Clerk shall keep a payment record and make proper notations thereon of all payments of principal and interest.

Payment of principal and interest shall be in any coin or currency of the United States of America which, as at the time of payment, shall be legal tender for the payment of debts due the United States of America. When the principal of and interest on the bond have been fully paid, it shall be canceled and delivered to the City Clerk.

Section 5. The bond shall be executed on behalf of the City by the Mayor and City Clerk and shall have impressed thereon the seal of the City. The bond is not a general obligation of the City but is a special obligation, the principal of and interest on which, and Servicing Fee in connection therewith, are secured by a pledge of and are payable from revenues derived from the System ("Revenues"). The pledge of Revenues in favor of the bond is on a parity with the pledge of Revenues in favor of the Prior Bonds. The bond and interest thereon shall not constitute an indebtedness of the City within any constitutional or statutory limitation.

Section 6. The bond shall be in substantially the following form and the Mayor and City Clerk are hereby authorized and directed to make all the recitals contained therein:

(form of single registered bond)
(To be typewritten)

UNITED STATES OF AMERICA
STATE OF ARKANSAS
COUNTY OF BENTON
CITY OF BENTONVILLE
3% COMBINED ELECTRIC, WATER AND SEWER SYSTEM
REVENUE BOND, SERIES 2025

No. R-1 $55,000,000

KNOW ALL MEN BY THESE PRESENTS:

That the City of Bentonville, Benton County, Arkansas (the "City"), for value received, hereby acknowledges itself to owe and promises to pay to the Arkansas Development Finance Authority, or registered assigns, solely from the special fund provided as hereinafter set forth, the principal sum of

FIFTY FIVE MILLION DOLLARS
the total principal amount outstanding as reflected
by the Record of Payment of Advances attached hereto)

with interest on the unpaid balance of the total principal amount at the rate of 3% per annum from the date of each advance. The principal and interest shall be payable in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of debts due the United States of America.

Interest on the unpaid balance of the total principal amount shall be payable on the first day of _________, 2025 and on the first day of each month thereafter. Principal shall be payable in installments on August 1, 2027 and on the first day of each month thereafter until the unpaid principal is paid in full as shown on Exhibit A attached hereto.

Payments of the principal and interest installments due hereon shall be made, except for final payment, without presentation and surrender of this bond, directly to the registered owner at his address shown on the bond registration book of the City maintained by the City Clerk as Bond Registrar, and such payments shall fully discharge the obligation of the City to the extent of the payments so made.

This bond is issued for the purpose of providing financing costs of constructing betterments and improvements to the sewer facilities of the combined electric, water and sewer system of the City (the "System"), costs of authorizing and issuing this bond and interest during construction, and is issued pursuant to and in full compliance with the Constitution and laws of the State of Arkansas (the "State"), including particularly Title 14, Chapter 234, Subchapter 2, Title 14, Chapter 164, Subchapter 4, Title 14, Chapter 235, Subchapter 2, and Title 14, Chapter 203, of the Arkansas Code of 1987 Annotated, and pursuant to Ordinance No. ______ of the City, duly adopted and approved on the 9th day of September, 2025 (the "Authorizing Ordinance"). Reference is hereby made to the Authorizing Ordinance for the details of the nature and extent of the security and of the rights and obligations of the City and the registered owner of this bond.

This bond may be assigned with the written approval of the Arkansas Natural Resources Commission (the "Commission"), and in order to effect such assignment the assignor shall promptly notify the City Clerk by registered mail, and the assignee shall surrender this bond along with a written approval of the Commission to the City Clerk for transfer on the registration records. Every assignee shall take this bond subject to all payments and prepayments of principal and interest (as reflected by the Payment Record maintained by the City Clerk), prior to such surrender for transfer.

This bond may be prepaid at the option of the City from funds from any source, in whole but not in part, at any time on or after October 15, 2035, at a prepayment price equal to the principal amount outstanding, plus accrued interest to the prepayment date. Notice shall be given of such prepayment to the owner of this bond or registered assigns at least 90 days prior to the prepayment date. Such notice shall be in writing mailed to the address of the owner of this bond or registered assigns at the address as reflected on the bond registration books of the City Clerk.

This bond does not constitute an indebtedness of the City within any constitutional or statutory limitation or provision. This bond is a special obligation payable solely from the revenues derived from the operation of the System. In this regard, the pledge of System revenues is on a parity with the pledge of System revenues in favor of the City's Combined Electric, Water and Sewer System Refunding and Storm Recovery Revenue Bonds, Taxable Series 2022A and Series 2022B, and Combined Electric, Water and Sewer System Revenue Bond, Series 2024, so long as any of such obligations are outstanding. A sufficient amount of System revenues to pay principal and interest has been duly set aside and pledged as a special fund for that purpose, identified as the "ADFA Bond Fund," in the Authorizing Ordinance. The City has fixed and has covenanted and agreed to maintain rates for use of the System which shall be sufficient at all times to at least provide for the payment of the reasonable expenses of operation and maintenance of the System, to provide for the payment of the principal of and interest on all the outstanding obligations to which System revenues are pledged as the same become due, to establish and maintain debt service reserves and to provide a depreciation fund, all as set forth in the Authorizing Ordinance.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the Constitution and statutes of the State to exist, happen and be performed precedent to and in the issuance of this bond do exist, have happened and have been performed in regular and due time, form and manner as required by law; that this bond does not exceed any constitutional or statutory limitation of indebtedness; and that provision has been made for the payment of the principal of and interest on this bond, as provided in the Authorizing Ordinance.

IN WITNESS WHEREOF, the City of Bentonville, Arkansas has caused this bond to be executed in its name by its Mayor and City Clerk, thereunto duly authorized, and its corporate seal to be affixed, all as of the ______ day of ____________________, 2025.

CITY OF BENTONVILLE, ARKANSAS

By ____________________________
Mayor

ATTEST:

____
City Clerk

(SEAL)

[A Registration Certificate and Record of Payment of Advances shall be attached to the bond along with an Exhibit A setting forth the monthly principal amounts to be paid.]

Section 7. The City has heretofore fixed electric, water and sewer rates by ordinances duly adopted. Reference is hereby made to the ordinances fixing the rates for the details thereof and other provisions pertaining thereto, which electric, water and sewer rates are hereby confirmed and continued.

The City covenants and agrees that the rates established will produce gross Revenues at least sufficient to pay monthly operation, maintenance and funded depreciation expenses of the System, pay the principal of and interest on all outstanding obligations to which Revenues are pledged ("System Bonds"), as the same become due, pay the Servicing Fee as the same become due, and create and maintain any required debt service reserves ("Required Payments"). The City covenants always to maintain rates (including increases as necessary) which will provide for the Required Payments. The rates currently in effect for sewer service shall not be reduced without the prior written consent of the Commission and the Bondholder. If any water or sewer charge is not paid within the time allowed by the applicable ordinances, the City shall take appropriate action to collect the delinquent account.

Section 8. The City covenants that it will continuously operate the System as a revenue-producing undertaking and will not sell or lease the same, or any substantial portion thereof, without the prior written approval of the Bondholder and the Commission; provided, however, that nothing herein shall be construed to prohibit the City from making such dispositions of properties of the System and such replacements and substitutions for properties of the System as shall be necessary or incidental to the efficient operation of the System as a revenue-producing undertaking.

Section 9. The City Treasurer shall be the custodian of the Revenues and shall give bond or provide other security for the faithful discharge of his or her duties. Such bond or other security shall be approved by the City Council and shall at all times be in such amount as approved by the City Council. All Revenues shall at all times be accounted for separately and distinctly from other moneys of the City. All Revenues shall be used and applied only as provided herein and shall be deposited in such depository or depositories for the City as may be lawfully designated from time to time by the City; subject, however, to the giving of security as now or as hereafter may be required by law and provided that such depository or depositories shall hold membership in the Federal Deposit Insurance Corporation ("FDIC"). All deposits shall be in the name of the City and shall be so designated as to indicate the particular fund to which the Revenues belong.

Section 10. All Revenues shall be paid as and when received into the fund heretofore created and designated " Revenue Fund" (the "Revenue Fund"). All moneys at any time in the Revenue Fund hereby established shall be applied to the payment of the reasonable and necessary expenses of operation and maintenance of the System, to the payment of the principal of and interest on System Bonds, to the maintenance of any required debt service reserves and depreciation reserves at the required levels and otherwise as described herein.

Section 11. There shall first be paid from the Revenue Fund into the fund heretofore created and designated "Operation and Maintenance Fund" (the "Operation and Maintenance Fund"), on the first business day of each month, an amount sufficient to pay the reasonable and necessary monthly expenses of operation, repair and maintenance of the System for such month and from which disbursements shall be made only for those purposes. Fixed annual charges, such as insurance premiums and the cost of major repair and maintenance expenses may be computed and set up on an annual basis and 1/12 of the amount thereof may be paid into the Operation and Maintenance Fund each month.

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

Section 12. (a) After making the required payments into the Operation and Maintenance Fund, there shall next be paid from the Revenue Fund, pro rata, into the bond funds (and any debt service reserves therein) being maintained in connection with the Prior Bonds and any additional parity bonds ("Parity Bond Funds") and into a special fund in the name of the City which is hereby created and designated "Series 2025" (the "ADFA Bond Fund") for the purpose of paying the principal of and interest on the bond the amounts specified in (b) below.

(b) There shall be deposited from moneys in the Revenue Fund, or at the direction of the City, from proceeds of the bond into the ADFA Bond Fund on the first day of each month after the bond is issued until July 1, 2027, the interest due on the bond on such dates. Commencing on the first day of each month thereafter, there shall be deposited from moneys in the Revenue Fund into the ADFA Bond Fund an amount equal to the interest on and principal of the bond due on such date. Moneys in the ADFA Bond Fund shall be used to pay the principal of and interest on the bond when due.

(c) When the moneys held in the ADFA Bond Fund shall be and remain sufficient to pay in full the principal of and interest on the bond, the City shall not be obligated to make any further payments into the ADFA Bond Fund.

(d) The bond shall be specifically secured by a pledge of all Revenues required to be placed into the ADFA Bond Fund. This pledge in favor of the bond is hereby irrevocably made according to the terms of this Ordinance, and the City and its officers and employees shall execute, perform and carry out the terms thereof in strict conformity with the provisions of this Ordinance.

(e) There shall be paid into the Parity Bond Funds the required monthly deposits pursuant to the ordinances authorizing the Prior Bonds and any additional parity bonds. The obligation to make the required monthly deposits into the ADFA Bond Fund and the Parity Bond Funds shall rank on a parity of security.

Section 13. After making the payment into the ADFA Bond Fund required by Section 12 hereof, there shall be paid from the Revenue Fund the Servicing Fee to the Authority. The Servicing Fee shall be payable on each date interest on the bond is due and shall be calculated on the same basis as interest on the bond. The payment of the Servicing Fee is expressly made subordinate to the payment of the principal of and interest on the bond.

Section 14. The City has heretofore created, and there is being maintained, a fund designated as the "Depreciation Fund" (the "Depreciation Fund"). After making the monthly payments and deposits described in Sections 11, 12 and 13 hereof, there shall be deposited on the first business day of each month into the Depreciation Fund from moneys in the Revenue Fund an amount equal to 2.50% of gross monthly Revenues for the preceding month. The moneys in the Depreciation Fund shall be used solely for the purpose of paying the costs of major repairs or replacements and extraordinary repairs of any part of the System. The City need not make the monthly deposit into the Depreciation Fund so long as there is at least $1,700,000 on deposit therein.

Section 15. On the last day of each month, the balance remaining in the Revenue Fund, and after setting aside an amount necessary to make the required payments into the Operation and Maintenance Fund, the Bond Fund and the Depreciation Fund and to pay the Servicing Fee in the next succeeding month, there shall be paid into the general fund of the City, (a) as a municipal utility franchise fee, an amount not to exceed eight percent (8%) of the gross electric revenues of the System for the prior fiscal year, plus five percent (5%) of the gross water revenues of the System for the prior fiscal year, plus five percent (5%) of the gross sewer revenues of the System for the prior fiscal year; plus (b) at the option of the City, as a payment in lieu of taxes, a payment equal to the amount of ad valorem taxes that would be due on properties of the System if the System were privately owned; provided, however, that the sum of items (a) and (b) shall not exceed the amount of Net System Revenues for the prior fiscal year. "Net System Revenues" shall mean for this Section gross Revenues less all required deposits into the Operation and Maintenance Fund, the Bond Fund and the Depreciation Fund and the amount of the Servicing Fee.

Section 16. Any surplus in the Revenue Fund after making all disbursements and providing for all funds described above may be used, at the option of the City, for any lawful municipal purpose authorized by the City.

Section 17. The City shall assure that (i) not in excess of 10% of the proceeds of the bond is used for Private Business Use if, in addition, the payment of more than 10% of the principal or 10% of the interest due on the bond during the term thereof is, under the terms of the bond or any underlying arrangement, directly or indirectly secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the City, in respect of property or borrowed moneys used or to be used for a Private Business Use; and (ii) that, in the event that both (A) in excess of 5% of the proceeds of the bond are used for a Private Business Use, and (B) an amount in excess of 5% of the principal or 5% of the interest due on the bond during the term thereof is, under the terms of the bond or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the City, in respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said 5% of proceeds of the bond used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the Improvements.

The City shall assure that not in excess of 5% of the proceeds of the bond are used, directly or indirectly, to make or finance a loan to persons other than state or local governmental units.

As used in this Section, "Private Business Use" means use directly or indirectly in a trade or business carried on by a natural person or in any activity carried on by a person other than a natural person, excluding, however, use by a state or local governmental unit and use as a member of the general public.

Section 18. The principal and interest installments shall be prepayable prior to maturity as provided in the bond form in Section 6 hereof.

Section 19. As long as the bond is outstanding, the City shall not issue or attempt to issue any bonds having or claimed to be entitled to a priority of lien on Revenues over the lien securing the bond, including any and all future extensions, betterments and improvements to the System.

The City may issue additional bonds on a parity with the lien on Revenues in favor of the bond to finance or pay the cost of constructing extensions, betterments and improvements to the System, to refund other outstanding System Bonds or for any other System purpose, if there shall have been procured and filed with the City Clerk and the Bondholder a statement by a certified public accountant not in the regular employ of the City ("Accountant") reciting the opinion that (i) the Net Revenues (Net Revenues being gross Revenues less operation and maintenance expenses, but not including interest and depreciation) for the fiscal year preceding the year in which such additional bonds are to be issued were not less than 110% of the maximum annual debt service requirements (including principal, interest and servicing and administrative fees) on all outstanding System Bonds and the bonds then proposed to be issued or (ii) the Net Revenues for the fiscal year succeeding the year in which such additional bonds are to be issued are projected to be sufficient in amount, taking in consideration any enacted increase in Revenues, to be not less than 110% of the maximum annual debt service requirements (including principal, interest and servicing and administrative fees) on all outstanding System Bonds and the bonds then proposed to be issued.

The additional bonds, the issuance of which is restricted and conditioned by this Section, shall not be deemed to mean bonds the security and source of payment of which are subordinate and subject to the priority of the bond and such additional bonds may be issued without complying with the terms and conditions of this Section.

Section 20. It is covenanted and agreed by the City with the Bondholder and the Commission that it will faithfully and punctually perform all duties with reference to the System required by the Constitution and laws of the State and by this Ordinance, including, without limitation, the making and collecting of reasonable and sufficient rates lawfully established for services rendered by the System, segregating Revenues and applying them to the respective funds maintained pursuant to the ordinance authorizing the Prior Bonds and this Ordinance.

The City covenants and agrees that the Bondholder shall have the protection of all the provisions of the Authorizing Legislation, and that the City will diligently proceed to enforce those provisions to the end of the Bondholder realizing fully upon its security. And, if the City shall fail to proceed within 30 days after written request shall have been filed by the Bondholder, the Bondholder may proceed to enforce all such provisions.

If there be any default in the payment of the principal of or interest on the bond, or if the City defaults in any ADFA Bond Fund requirement or in the performance of any of the other covenants contained in this Ordinance, the Bondholder may, by proper suit, compel the performance of the duties of the officials of the City under the laws of the State. In the case of a default in the payment of the principal of and interest on the bond, the Bondholder may apply in a proper action to a court of competent jurisdiction for the appointment of a receiver to administer the System on behalf of the City and the Bondholder with power to charge and collect (or by mandatory injunction or otherwise to cause to be charged and collected) rates sufficient to provide for the payment of the expenses of operation, repair and maintenance and to pay the bond and interest outstanding and to apply Revenues in conformity with this Ordinance. When all defaults in principal and interest payments have been cured, the custody and operation of the System shall revert to the City. No remedy herein conferred upon or reserved to the Bondholder is intended to be exclusive of any other remedy or remedies herein provided or provided by law, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or given by law. No delay or omission of the Bondholder to exercise any right or power accrued upon any default shall impair any such right or power or shall be construed to be a waiver of any default or an acquiescence therein; and every power and remedy given by this Ordinance to the Bondholder may be exercised from time to time and as often as may be deemed expedient.

No waiver of any default shall extend to or affect any other existing or any subsequent default or defaults or impair any rights or remedies consequent thereon. Any costs of enforcement of the bond or of any provision of this Ordinance, including reasonable attorney's fees, shall be paid by the City. The Authority may enforce all rights and exercise all remedies available to the Bondholder in the event the Servicing Fee is not paid when due.

<u>Section 21</u>. When the bond has been executed and sealed as herein provided, it shall be delivered to the Bondholder upon payment of all or a portion of the purchase price in accordance with the Agreement. Sale proceeds in the amount necessary to make all or a portion of the interest and Servicing Fee payments during the construction period shall be applied, unless otherwise directed by the City, to monthly payments of interest and Servicing Fee to and including July 1, 2027. The balance of the sale proceeds shall be deposited, as and when received, in a special account of the City hereby created in a bank selected by the City that is a member of the FDIC and designated the "2025 Sewer Construction Fund" (the "Construction Fund"). The moneys in the Construction Fund shall be used for reimbursing the City for the costs paid in accomplishing the Improvements, expenses incidental thereto and the expenses of issuing the bond approved in accordance with the Agreement. Payments from the Construction Fund shall be by check or voucher drawn on the depository signed manually or electronically by the Finance Director and the Assistant Finance Director. Each such check or voucher shall briefly specify the purpose of the expenditure.

<u>Section 22</u>. The terms of this Ordinance shall constitute a contract among the City, the Bondholder and the Commission and no variation or change in the undertaking herein set forth shall be made while the bond is outstanding unless consented to in writing by the Bondholder and the Commission.

Section 23. The City agrees that it will keep proper records, books and accounts relating to the operation of the System, which shall be kept separate from all other records and accounts of the City, in which complete and correct entries shall be made of all transactions relating to the operation of the System in accordance with generally accepted government accounting standards. Such books shall be available for inspection by the Bondholder and the Commission, or the agent or the representative of either, at reasonable times and under reasonable circumstances. The City agrees to have these records audited by an Accountant at least once each year and a copy of the audit report shall be furnished to the Commission and the Bondholder. In the event the City fails or refuses to furnish or cause such reports to be furnished, the Bondholder may have the reports made, and the cost thereof shall be charged against the Operation and Maintenance Fund.

Section 24. The City covenants and agrees that it will maintain the System in good condition and operate it in an efficient manner and at reasonable cost. The City agrees that, to the extent comparable protection is not otherwise provided to the satisfaction of the Bondholder and the Commission, it will insure, and at all times keep insured in a responsible insurance company or companies selected by the City and authorized and qualified under the laws of the State to assume the risk thereof, properties of the System, to the extent that such properties would be covered by insurance by private companies engaged in similar types of businesses, against loss or damage thereto from fire and other perils included in extended coverage insurance in effect in the State. In the event of loss, the proceeds of such insurance shall be applied solely toward the reconstruction, replacement or repair of the System, and in such event the City will, with reasonable promptness, cause to be commenced and completed the reconstruction, replacement and repair work.

Section 25. In the event the office of Mayor, City Clerk, City Treasurer, Finance Director or Assistant Finance Director shall be abolished, or any two or more of such offices shall be merged or consolidated, or in the event the duties of a particular office shall be transferred to another office or officer, or in the event of a vacancy in any such office by reason of death, resignation, removal from office or otherwise, or in the event any such officer shall become incapable of performing the duties of his office by reason of sickness, absence from the City or otherwise, all powers conferred and all obligations and duties imposed upon such office or officer shall be performed by the office or officer succeeding to the principal functions thereof, or by the office or officer upon whom such powers, obligations and duties shall be imposed by law.

Section 26. The City agrees that the Bondholder may pledge the bond as security for the ADFA Bonds, and the ADFA Trustee and/or the municipal bond insurer for the ADFA Bonds may exercise any rights and remedies available to the Bondholder under this Ordinance or the Agreement while the bond is pledged and/or the ADFA Bonds are insured. In addition, the City agrees that while the bond is pledged and/or the ADFA Bonds are insured, copies of all financial information shall be furnished to the ADFA Trustee and/or the municipal bond insurer.

Section 27. A copy of the Agreement shall be filed in the office of the City Clerk where it may be inspected by any interested person.

Section 28. Notice of the adoption of this Ordinance shall be posted at Bentonville Public Library, Bentonville City Hall, Bentonville Community Center, Bentonville Municipal Works Facility and Bentonville Police Department, being five of the most public places in the City.

Section 29. The provisions of this Ordinance are hereby declared to be separable, and if any provision shall for any reason be held illegal or invalid, it shall not affect the validity of the remainder of this Ordinance.

Section 30. References in this Ordinance to "Bondholder" shall include the original Bondholder or any registered assign thereof.

Section 31. It is hereby ascertained and declared that the Improvements are immediately needed for the preservation of the public peace, health and safety and to remove existing hazards thereto. The Improvements cannot be accomplished without the issuance of the bond, which cannot be sold at the interest rate specified herein unless this Ordinance is immediately effective. Therefore, it is declared that an emergency exists and this Ordinance being necessary for the preservation of the public peace, health and safety shall be in force and take effect immediately upon and after its passage.

PASSED: ____________, 2025.

APPROVED:

____
Mayor

ATTEST:

____
City Clerk

(SEAL)

CERTIFICATE

The undersigned, City Clerk of the City of Bentonville, Arkansas (the "City"), hereby certifies that the foregoing pages are a true and perfect copy of Ordinance No. ______, adopted at a regular session of the City Council of the City, held at the regular meeting place in the City at 6:00 o'clock p.m., on the 9th day of September, 2025, and that the Ordinance is of record in Ordinance Record Book No. _____, Page ______, now in my possession.

GIVEN under my hand and seal on this ________ day of September, 2025.

____
City Clerk

(SEAL)

THE CITY OF BENTONVILLE

City of Bentonville, Arkansas Agenda Item Form

Item Details

Council Meeting Date:	9/9/2025	**Submitted By:**	Beau Thompson
Phone:	479-271-3140	**For Department(s):**	Water Utilities - Sewer Rehab
Email:	bthompson@bentonvillear.com		

Item Type (Check all that apply)

- ☐ **Informational**
- ☐ **Bid Award**
- ☑ **Enter into an Agreement**
- ☐ **Change Order**
- ☐ **Recognizing Funds**
- ☑ **Budget Adjustment**
- ☐ **Waiver of Bid**
- ☐ **Emergency Clause**
- ☐ **Ordinance**
- ☑ **Resolution**
- ☐ **Informational**

Title, Recommendation & Justification

Title:	Resolution Approving Town Branch Basin Sewer Improvements - Engineering and Final Design
Action Recommendation & Justification:	Resolution authorizing the Mayor and City Clerk to enter into an agreement with Garver Engineering, in the amount of $1,338,223.00 for final design of wastewater utility improvements within Town Branch Sewer Basin. This would include all TB sections in the Sewer Collections Analysis. Utility Board approved 5-0. A budget adjustment is needed.
Additional Comments for Consideration (Optional):	This firm was selected following the City's Purchasing Policy for professional services.Garver will also provide financial impact assumptions for proceeding with an atypical construction sequence; and include a review of the existing interceptor model with input of projected developments within the basin. The project design cost is funded by Utility Fund Reserves.
Amount for Approval:	$ $1,338,223.00

Budget Impact

Is this Item Budgeted? ☐ YES ☑ NO ☐ ITEM HAS NO COST ☐ OTHER:___________________________________

Budget Adjustment *(to be completed by Finance when applicable)*

Account Number (ORG-OBJECT)	Account Description	Expense	Revenue
503040-47341	Sewer Line Improvements	$ 1,338,223.00	$
		$	$
		$	$
		$	$

Fund(s) Impacted (check all that apply) ☐ General Fund ☑ Utility Fund ☐ Street Fund ☐ Other(s):_______________________________________

Budget Impact Notes for Consideration (Optional):

PROFESSIONAL SERVICES AGREEMENT

PROJECT NAME: Town Branch Basin Sewer Improvements ("PROJECT")

THIS AGREEMENT ("AGREEMENT") is made in Benton County, Arkansas, by and between the City of Bentonville, Arkansas, hereinafter referred to as "CITY", and Garver, LLC, hereinafter referred to as "PROFESSIONAL CONSULTANT" (collectively, the "PARTIES").

The PARTIES have caused this AGREEMENT to be effective this ______________________________ ("EFFECTIVE DATE").

RECITALS:

A. WHEREAS, the CITY has a need to perform capital improvement projects for the City of Bentonville, Arkansas; and

B. WHEREAS, The CITY has selected the PROFESSIONAL CONSULTANT and negotiated this AGREEMENT using the procedures as set forth in Ark. Code Ann. § 19-11-801; and

C. WHEREAS, the CITY wishes to contract for Professional Services; and

D. WHEREAS, The PROFESSIONAL CONSULTANT has the skill, experience, ability, background, certifications and knowledge to provide these services; and

E. WHEREAS, The PROFESSIONAL CONSULTANT wishes to perform such professional services under this AGREEMENT with the CITY.

NOW, THEREFORE, in consideration of the terms in this AGREEMENT, the CITY and PROFESSIONAL CONSULTANT agree to the following:

ARTICLE I - PROJECT DESCRIPTION

The PROJECT shall be as described in APPENDIX A. "Project Description", attached hereto and incorporated herein by reference.

ARTICLE II - SCOPE OF SERVICE

Upon issuance of a written Notice to Proceed by the CITY, PROFESSIONAL CONSULTANT agrees to provide the CITY the necessary professional services related to the PROJECT, as set forth in APPENDIX B, "Scope of Services" ("SCOPE"), and APPENDIX C "Schedule of Fees and Services, Key Milestones, and Durations for Major Tasks" attached hereto and incorporated herein by reference.

ARTICLE III - STANDARD OF CARE

PROFESSIONAL CONSULTANT shall at all times material hereto adhere to the generally accepted standard of care typically exhibited by similarly situated professionals performing similar scope(s) of service on projects of like size, scope, nature, cost, schedule, and complexity, at the same time and in the same general regional locale ("Standard of Care").

ARTICLE IV - ADDITIONAL SERVICES

A. Any service outside of the work described herein or included by reference hereto must be pre-approved by the CITY and executed as an AMENDMENT to this AGREEMENT by the Parties prior to any such work being completed; any such AMENDMENT shall be in accordance with the CITY'S purchasing laws and guidelines and may require approval from the Bentonville City Council.

B. PROFESSIONAL CONSULTANT shall make no claims for additional services or changes in the services until an AMENDMENT has been fully executed by the Parties.

ARTICLE V - SCHEDULE OF FEES, SERVICES AND PAYMENT

A. The term of this AGREEMENT shall commence on the EFFECTIVE DATE and shall proceed in accordance with APPENDIX C, "Schedule of Fees and Services, Key Milestones, and Durations for Major Tasks", attached hereto and incorporated herein by reference.

B. The cost of this AGREEMENT shall be in accordance with APPENDIX C.

C. CITY agrees to pay PROFESSIONAL CONSULTANT for all services authorized by inclusion in this AGREEMENT which have been properly performed by PROFESSIONAL CONSULTANT in accordance with this AGREEMENT.

D. All fees paid to PROFESSIONAL CONSULTANT shall be based on invoices submitted by PROFESSIONAL CONSULTANT for work performed under this AGREEMENT, less any previous payments. PROFESSIONAL CONSULTANT shall submit invoices for services related to this AGREEMENT on a monthly basis.

E. CITY reserves the right to delay, without penalty, any partial payment when, in the reasonable opinion of the CITY, PROFESSIONAL CONSULTANT has not made satisfactory progress on the Project based on the SCOPE in consideration of the Standard of Care. If CITY objects to any portion of an invoice, the CITY shall notify PROFESSIONAL CONSULTANT and shall pay all other portions of the invoice which are not in dispute. In the event of dispute, CITY and PROFESSIONAL CONSULTANT shall immediately make every effort to settle the disputed portion of the invoice.

F. In the event that the CITY becomes credibly informed that any representations of PROFESSIONAL CONSULTANT provided in its invoicing are wholly or partially inaccurate, CITY may withhold payment of sums then, or in the future, otherwise due to PROFESSIONAL CONSULTANT until the inaccuracy and the cause thereof is corrected to the CITY's reasonable satisfaction.

G. If the CITY fails to make any payment, not in dispute, due to PROFESSIONAL CONSULTANT within thirty (30) days after receipt of an invoice, then the amount due to the PROFESSIONAL CONSULTANT will increase at the lesser of one percent (1 %) per month or the maximum amount allowed by law after the 30th day. In addition, PROFESSIONAL CONSULTANT may, after giving seven (7) days' written notice to CITY, suspend its services and any deliverables until PROFESSIONAL CONSULTANT has been paid in full for all amounts outstanding more than thirty (30) days.

ARTICLE VI - INSURANCE

A. PROFESSIONAL CONSULTANT shall during the term hereof maintain in full force and effect the following insurance:

1. A commercial general liability policy of insurance for bodily injury, death and property damage insuring against all claims, demands or actions relating to the PROFESSIONAL CONSULTANT's performance of services pursuant to this AGREEMENT with a combined single limit of not less than $1,000,000.00 per occurrence and $2,000,000 in the aggregate for injury to persons (including death), and for property damage;

2. A policy of automobile liability insurance covering any vehicles owned and/or operated by PROFESSIONAL CONSULTANT, its officers, agents, and employees, and used in the performance of this AGREEMENT with policy limits of not less than $1,000,000.00 combined single limit and aggregate for bodily injury and property damage;

3. Statutory Worker's Compensation Insurance at the statutory limits and Employers Liability covering all of PROFESSIONAL CONSULTANT's employees involved in the provision of services under this AGREEMENT with policy limit of not less than $1,000,000.00; and

4. Professional Liability/Errors and Omissions coverage covering negligent acts, errors and omissions in the performance of professional services with policy limit of not less than $1,000,000.00 per claim.

B. All insurance and certificate(s) of insurance shall contain the following provisions:

1. Include CITY as additional insured as to all applicable coverage with the exception of Workers Compensation Insurance and Professional Liability/Errors and Omissions coverage; and

2. provide for at least thirty (30) days prior written notice to CITY for cancellation or non-renewal of the insurance;

3. provide for a waiver of subrogation against CITY for injuries, including death, property damage, or any other loss to the extent the same is covered by the proceeds of insurance, except for Professional Liability/Errors and Omissions coverage.

C. PROFESSIONAL CONSULTANT shall provide 30 day written notice to CITY of any material change of or to the insurance required herein.

D. All insurance companies providing the required insurance shall be authorized to transact business in Arkansas and rated at least "A" by AM Best or other equivalent rating service. A certificate of insurance evidencing the required insurance and all endorsements required by this Agreement shall be submitted prior to commencement of services.

E. In the event that additional or greater insurance requirements are warranted, these requirements shall be included as an Appendix, which will be attached hereto and incorporated by reference.

ARTICLE VII - RIGHT OF ACCESS

A. CITY will obtain and/or furnish right-of-access for PROFESSIONAL CONSULTANT to perform any required studies, surveys, tests or other necessary investigations in relation to the PROJECT.

B. PROFESSIONAL CONSULTANT will take reasonable precautions to minimize damage to the personal or real property in the performance of such surveys, tests, studies and investigations.

ARTICLE VIII - RECORDS AND RETENTION

A. All surveys, studies, proposals, applications, drawings, plans, specifications and other documents, including those in electronic form, delivered by PROFESSIONAL CONSULTANT and its PROFESSIONAL CONSULTANTs, subcontractors, agents, representatives, and/or employees pursuant to the SCOPE in connection with this AGREEMENT ("PROJECT DOCUMENTS") are intended for the use and benefit of CITY. PROFESSIONAL CONSULTANT and its PROFESSIONAL CONSULTANTs, subcontractors, agents, representatives, and/or employees shall be deemed the authors of their respective part of the PROJECT DOCUMENTS. Notwithstanding anything to the contrary, CITY shall own, have, and retain all rights, title and interest in and to all PROJECT DOCUMENTS, whether in draft form or final form, which are produced at CITY's request or otherwise produced from PROFESSIONAL CONSULTANT's performance of the work described herein for CITY. The CITY's ownership of PROJECT DOCUMENTS shall not apply to PROFESSIONAL CONSULTANT's proprietary standard details that were developed by the PROFESSIONAL CONSULTANT prior to the commencement of this PROJECT.

B. CITY shall have full authority to reuse, reproduce, publish, disclose and distribute PROJECT DOCUMENTS, as needed, according to Arkansas State Law; provided, however, that CITY's reuse or modification of PROJECT DOCUMENTS without PROFESSIONAL CONSULTANT's involvement is at CITY's sole risk and without legal liability to PROFESSIONAL CONSULTANT.

C. PROFESSIONAL CONSULTANT shall, upon completion of the services and full payment for the PROFESSIONAL CONSULTANT'S services by the CITY, or earlier termination and appropriate compensation as provided by this AGREEMENT, provide the CITY with all PROJECT DOCUMENTS prepared by PROFESSIONAL CONSULTANT pursuant to this AGREEMENT in formats requested by the CITY.

D. All instruments of service (including plans, specifications, drawings, reports, designs, computations, computer programs, estimates, surveys, other data or work items, etc.) prepared under this AGREEMENT shall be submitted for approval to the CITY. All instruments of service shall be professionally sealed in accordance to applicable laws or at CITY's request.

E. Acceptance and approval of the PROJECT DOCUMENTS by the CITY shall not constitute nor be deemed a release of the responsibility and liability of PROFESSIONAL CONSULTANT, its employees, associates, agents and PROFESSIONAL CONSULTANTs for the technical accuracy or competency of their designs, working drawings and specifications, or other documents and work in accordance with the Standard of Care; nor shall such approval be deemed to be an assumption of such responsibility by the CITY for any defect in the designs, working drawings and specifications, or other documents and work prepared by

PROFESSIONAL CONSULTANT, its employees, contractor, agents and PROFESSIONAL CONSULTANTs.

F. PROFESSIONAL CONSULTANT will retain the PROJECT DOCUMENTS for a period of three years following project completion. During this three year period, any requests for document recovery and reproduction will be assessed a fee in accordance with PROFESSIONAL CONSULTANT's FEES.

ARTICLE IX - SAFETY

A. CITY agrees to inform PROFESSIONAL CONSULTANT in writing of any applicable site safety procedures and regulations known to CITY as well as any special safety concerns or dangerous conditions at the site of which the CITY is aware, which PROFESSIONAL CONSULTANT shall communicate to its employees. PROFESSIONAL CONSULTANT and its employees shall adhere to such procedures and regulations once written notice has been given by the CITY.

B. Unless specifically provided in the SCOPE, PROFESSIONAL CONSULTANT shall not have any responsibility for overall job safety at the site. If in the PROFESSIONAL CONSULTANT's opinion, its field personnel are unable to access required locations or perform required services in conformance with applicable safety standards, PROFESSIONAL CONSULTANT may immediately suspend performance until such safety standards can be attained.

C. PROFESSIONAL CONSULTANT agrees to indemnify and hold harmless the CITY for any third-party claim of tangible property damage or bodily injury (including death) to the extent caused by PROFESSIONAL CONSULTANT's negligent performance of the SCOPE under this AGREEMENT.

ARTICLE X - TERMINATION

A. CITY may suspend or terminate this AGREEMENT for cause or without cause at any time by giving written notice to PROFESSIONAL CONSULTANT. In the event suspension or termination is without cause, payment to PROFESSIONAL CONSULTANT, in accordance with the terms of this AGREEMENT, will be made on the basis of services reasonably determined by the CITY to be satisfactorily performed to the date of suspension or termination. Such payment will be due upon delivery of all instruments of service to CITY.

B. Should the CITY require a modification of this AGREEMENT with the PROFESSIONAL CONSULTANT, and in the event the CITY and PROFESSIONAL CONSULTANT fail to agree upon a modification to this AGREEMENT, the CITY shall have the option of terminating this AGREEMENT and the PROFESSIONAL CONSULTANT's services hereunder at no additional cost other than the payment to PROFESSIONAL CONSULTANT, in accordance with the terms of this AGREEMENT, for the services reasonably determined by the CITY to be properly performed by PROFESSIONAL CONSULTANT prior to such termination date.

C. If, for whatever adequate funding is not made available by CITY to support or justify continuation of the level of services to be provided by PROFESSIONAL CONSULTANT under this AGREEMENT, CITY may terminate or reduce the amount of services to be provided by PROFESSIONAL CONSULTANT under this AGREEMENT. In such event, CITY will notify PROFESSIONAL CONSULTANT in writing at least thirty (30) days in advance of such termination or reduction of services for lack of funds.

D. In no event shall the CITY pay to PROFESSIONAL CONSULTANT fees for termination outside of payment for services reasonably determined by the City to be properly performed prior to termination.

ARTICLE XI - INDEMNIFICATION

A. For purposes of this AGREEMENT, PROFESSIONAL CONSULTANT agrees to indemnify, hold harmless the CITY, its officers and employees from any third-party loss, damage, liability or expense, attributable to tangible property damage or bodily injury (including death) to the extent caused by the negligence, or willful misconduct of PROFESSIONAL CONSULTANT, its affiliates, subsidiaries, employees, agents, assignees, and subcontractors and their respective employees and agents in performance of the SCOPE under this AGREEMENT. PROFESSIONAL CONSULTANT is not required hereunder to indemnify and hold them harmless from liability based on the CITY's negligence

B. Nothing contained herein shall waive any governmental immunity CITY may be entitled to by law.

C. This provision shall survive the termination of this AGREEMENT.

ARTICLE XII - CONTINGENCY CLAUSE

A. The CITY may add a contingency amount to the contract to cover additional services as described in APPENDIX B. Any use of such contingency funds for additional services shall be executed as an AMENDMENT to this AGREEMENT.

B. The Contingency shall in no manner substitute for an official AMENDMENT.

ARTICLE XIII - RELATIONSHIP OF THE PARTIES

It is understood and agreed by and between the parties that the PROFESSIONAL CONSULTANT, in satisfying the conditions of this AGREEMENT, is acting independently, and that the CITY assumes no responsibility or liabilities to any third party in connection with PROFESSIONAL CONSULTANT's actions. All services to be performed by the PROFESSIONAL CONSULTANT pursuant to this AGREEMENT shall be in the capacity of an Independent Contractor, and not as an agent or employee of CITY. The PROFESSIONAL CONSULTANT shall supervise the performance of its services and shall be entitled to control the manner and means by which its services are to be performed, subject to the terms of this AGREEMENT. There is no intended third party beneficiary to the AGREEMENT and nothing contained herein shall create a contractual relationship with, or any rights in favor of, any third party.

ARTICLE XIV - DISPUTE RESOLUTION

A. CITY and PROFESSIONAL CONSULTANT agree that disputes relative to the services will first be addressed by negotiations between the Parties. If direct negotiations fail to resolve the dispute, the Party initiating the claim that is the basis for dispute may take such steps as it deems necessary to protect its interests; provided, however, that notwithstanding any such dispute, PROFESSIONAL CONSULTANT will proceed with the services as per this AGREEMENT as if no dispute existed, and CITY will continue to make payment for PROFESSIONAL CONSULTANT's completed services; and provided further that no dispute will be submitted to arbitration without both Parties' express written consent.

ARTICLE XV - OPINIONS OF PROBABLE COST

A. Since the PROFESSIONAL CONSULTANT has no control over the cost of labor, materials, equipment or services furnished by others, or over methods of determining prices, or over competitive bidding or market conditions, the PROFESSIONAL CONSULTANT's estimates of PROJECT costs and construction costs provided for herein are to be made on the basis of the PROFESSIONAL CONSULTANT's experience and qualifications and represent the PROFESSIONAL CONSULTANT's judgement in accordance with the "Standard of Care". The PROFESSIONAL CONSULTANT cannot and does not guarantee that proposals, bids or actual PROJECT or construction costs will not vary from estimates prepared by the PROFESSIONAL CONSULTANT.

B. The CITY understands that the construction cost estimates developed by the PROFESSIONAL CONSULTANT do not establish a limit for construction contract amount. If the actual amount of the low construction bid exceeds the construction budget established by the CITY, the PROFESSIONAL CONSULTANT will not be required to re-design the PROJECT or any part thereof without additional compensation.

ARTICLE XVI - APPLICABLE LAWS

PROFESSIONAL CONSULTANT shall comply with all Federal, State, Local laws, ordinances, resolutions, specifications, regulations and all other laws or regulations relating or applicable to service to be performed under this AGREEMENT. Interpretation of this AGREEMENT and disputes arising out of or related to this AGREEMENT will be subject to and governed by the laws of the State of Arkansas. Jurisdiction and venue for any suit arising out of or related to this AGREEMENT will be in the District Court of Benton County, Arkansas,

ARTICLE XVII - PRECEDENCE

This AGREEMENT shall take precedence over any inconsistent or contradictory provisions contained in any appendix, proposal, contract, purchase order, requisition, notice to proceed, or any other like document regarding the PROJECT or PROFESSIONAL CONSULTANT's services.

ARTICLE XVIII - SEVERABILITY

A. In the event that one or more provisions contained herein shall, for any reason, be deemed invalid, illegal, void or unenforceable, in whole or in part, the remaining provisions hereof shall remain in full force and effect.

B. In the event that any provision hereof is in conflict with any statutory provision of the State of Arkansas, said provision, which may be in conflict therewith, shall be deemed inoperative, null and void insofar as it may be in conflict therewith, and shall be deemed modified to conform to such statutory provisions; provided, however, that the remaining provisions of this AGREEMENT will be unaffected and will continue to be valid and enforceable.

ARTICLE XIX - SURVIVAL OF OBLIGATIONS

The obligations of the Parties contained in this AGREEMENT, which by their nature survive after the term of the AGREEMENT, shall survive the termination or expiration of this AGREEMENT and continue indefinitely or as otherwise provided by this AGREEMENT.

ARTICLE XIX – ENTIRE AGREEMENT

This AGREEMENT, including all documents and Appendices included by reference herein, constitutes the entire agreement between the PARTIES and supersedes all prior agreements, whether oral or written, covering the same subject matter. This AGREEMENT may not be modified or amended except in writing, mutually agreed upon and accepted by both PARTIES to this AGREEMENT.

[This page has been intentionally left blank]

The cost of this AGREEMENT including all reimbursable expenses as described in the FEES AND SCHEDULE, **shall not exceed** one million three hundred thirty eight thousand two hundred twenty-three dollars and zero cents ($1,338,223.00), unless otherwise approved by the CITY through an official AMENDMENT agreed and executed by CITY and PROFESSIONAL CONSULTANT.

IN WITNESS THEREOF, the CITY and PROFESSIONAL CONSULTANT have executed this AGREEMENT, the EFFECTIVE DATE of which is indicated on page 1 of this AGREEMENT.

CITY OF BENTONVILLE	**GARVER, LLC**
CITY	PROFESSIONAL CONSULTANT
BY	BY
MAYOR	
TITLE	TITLE
DATE SIGNED	DATE SIGNED

APPENDIX A

PROJECT DESCRIPTION

BASIC PROJECT INFORMATION:

Provide professional engineering services for the Town Branch Basin Sewer Improvements. These improvements will follow the guidelines for the Town Branch Basin, as outlined in the Sewer Collection Analysis and Peak Flow Management Program-Part II dated March 13, 2025.

APPENDIX B

SCOPE OF SERVICES

SERVICES BY THE CITY

- Furnish required information and approvals and perform responsibilities and activities in a timely manner to facilitate orderly progress of the work.
- Provide criteria and information as to the requirements for the PROJECT, including design objectives and constraints, right-of-way, capacity and performance requirements, and any budgetary limitations.
- Furnish copies of design and construction standards that the CITY will require to be included in the drawings and specifications.
- Assist the PROFESSIONAL CONSULTANT by placing at their disposal all available information pertinent to the PROJECT, including previous reports and other data relative to design or construction of the PROJECT.
- Arrange for access to public and private property as required for the PROJECT.
- Obtain the necessary lands, easements and rights-of-way for the PROJECT.
- Reimburse all plan review, advertising costs, permits and approvals in connection with the PROJECT.
- Pay the PROFESSIONAL CONSULTANT is accordance with the terms of the AGREEMENT.

If the CITY observes or otherwise becomes aware of any fault or defect in the PROJECT, the CITY shall give prompt written notice thereof to the PROFESSIONAL CONSULTANT.

SERVICES BY THE PROFESSIONAL CONSULTANT

- Meet all requirements of the AGREEMENT including any AMENDMENTS.
- Produce all documents and services needed for the PROJECT, including but not limited to:

  Topographical surveys, Right-of-Way Surveys, Utility Surveys and Coordination, Traffic Study, Geotechnical Investigations, Environmental Surveys, Permitting, Major Drainage Study, Conceptual Design Phase (30%), Preliminary Design Phase (60%), Final Design Phase (90%), Public Meetings, Bidding Services, Construction Support Services, Project Management Services, Project Closeout.
- Project Management services for the entire life of the project that align with the Project Management Institute Project Management Book of Knowledge Latest Edition.
- All Design and Construction shall conform to Federal, State and Local regulations.
- Coordinate PROJECT with Franchise Utility Companies to assure adequate space for all facilities and timely relocations.
- Coordinate and Furnish approvals and permits from all Regulatory Agencies having jurisdiction over the PROJECT.
- Provide all services relevant to City of Bentonville Plan Review procedures.
- Create and provide all documents for property acquisitions and assist with any layout or staking required.
- Coordinate and facilitate meetings with CITY and Agencies for plan review, project coordination and right-of-way.
- Subcontracting of services by the PROFESSIONAL CONSULTANT shall have prior approval of the CITY.

APPENDIX B

SCOPE OF SERVICES (CONT.)

Specific work orders will define the scope of services and schedule for each task required of PROFESSIONAL CONSULTANT. Each work order will be subject to the Terms and Conditions as set forth in this AGREEMENT. Any special contractual terms will also be noted in the work orders. The fee for each work order will be based on the work required within each work order and the fee schedule provided in APPENDIX C.

APPENDIX C

SCHEDULE OF FEES AND SERVICES, KEY MILESTONES, AND DURATIONS FOR MAJOR TASKS

PROPOSAL FOLLOWS

APPENDIX A
Project Description

This proposal will provide professional engineering services for the Town Branch Basin Sewer Improvements. These improvements will follow the guidelines for the Town Branch Basin, as outlined in the Sewer Collection Analysis and Peak Flow Management Program-Part II dated March 13, 2025. This report outlined six projects to help alleviate capacity issues in this basin. The six projects will be broken down into a West Phase and East Phase, as generally outlined below.

WEST PHASE

TB-25.1 is located in subbasin TB1, slightly upstream of the WRRF. The report is predicting surcharging of pipes in the near term, and the report identifies 4,019 linear feet (lf) of 12” sewer pipe that will need upsizing. The report recommends replacing with an 24” pipe.

TB-45.1 is located in subbasin TB3 and located north of the NW 5th Street and Hook Street intersection. The report is predicting surcharging of the pipe within the 2045 horizon and identifies 1,378 lf of 12” pipe that will need upsizing. The report recommends replacing with an 18” pipe.

EAST PHASE

TB-25.2 is located in subbasin TB7, and is located in the furthest reach of the Townbranch basin, west of the SE 8th Street and SE J Street intersection. The report is predicting surcharging of pipe in the near term and the report identifies 317 lf of 12” pipe that will need upsizing. The report recommends replacing with an 18” pipe.

TB-30.1 is located in subbasin TB6 and is connected to the downstream(north) end of the section outlined in TB-25.2. This report is predicting surcharging of the pipe within the 2030 horizon and identifies 1,543 lf of 12” pipe and 500 lf of 15” pipe that will need upsizing. The report recommends replacing both sizes of existing pipe with 18”.

TB-40.1 is located in subbasin TB4, and located on private property south of Crystal Bridges and east of the Downtown area. The report is predicting surcharging of pipe within the 2040 horizon and identifies 1,595 of 18” pipe that will need upsizing. The report recommends replacing with a 24” pipe.

TB-45.2 is located in subbasin TB2 and connects to the downstream(north) end of TB-45.1. It termination is near the WRRF and the termination of TB-45.2. The report is predicting surcharging of the pipe within the 2045 horizon and identifies 1,780 lf of 24” pipe that will need upsizing. The report recommends replacing with an 30” pipe.

Due to the continued unprecedented growth seen in this basin, Garver will provide a Basis of Design Report to the City. This report will verify the limits/sizes of upgrades recommended in the previously mentioned report and provide additional recommendations for upgrades and priority of projects to allow for expediting free capacity within the system; provide financial impact assumptions for proceeding with an atypical construction sequence; and include a review of the existing interceptor model with input of projected developments within the basin.

Upon review of the BODR by the Owner, Garver will provide conceptual, preliminary, and final design drawings for each of the 6 identified projects and any additional areas identified as critical. Upon completion of each phase of each project, Garver will provide an Opinion of Construction Cost to the Owner.

Garver will also provide surveying, geotechnical, and environmental deliverables to support the design plan production and required permitting.

Construction-related services will be handled through an additional amendment when directed by the Owner.

APPENDIX B

Scope of Services

1. Project Management

a. General Project Management & Document Control - Manage all efforts of the project team, individual team members, client coordination and sub-consultant management and coordination. Manage and maintain appropriate records and documentation of project decisions, modifications, activities, communication, correspondence, and schedules.

b. Kick-off Meeting – Conduct one (1) 2-hour in-person meeting with the Owner engineering staff to accelerate design process to hit accelerated design and construction timelines. Meeting minutes will be prepared and distributed by Garver.

c. Progress Meetings – Conduct monthly progress meetings with the Owner. These meetings will be held in-person with a virtual option. Meeting agenda and minutes will be prepared and distributed by Garver.

d. Quality Control - At the major milestones a Principal or Senior Engineer will conduct a review of the design. The quality review will follow the engineer's guidelines and procedures that have been established to ensure the application of industry design practices.

e. Permitting and Stakeholder Coordination

- Arkansas Department of Energy and Environment (ADEE) – This task includes submittal of Short Term Activity Authorizations (STAAs) and construction Stormwater Pollution Prevention Plans (SWPPPs) for regulatory compliance review and comments. Coordinate and develop responses to regulatory review comments as directed by the Owner.
- Arkansas Department of Health (ADH) – This task includes support for City of Bentonville in the submission of the preliminary and final design documents for review, coordination and comments. Coordinate and develop up to 2 responses to regulatory review comments as directed by the Owner.
- US Army Corps of Engineers (USACE) – This task includes coordination with USACE throughout the preliminary and final design phase. It is assumed that construction impacts will qualify under Nationwide Permit (NWP) 58. It is assumed that construction impacts of streambank restoration within the utility easement will qualify under NWP 13. This task does not include the preparation of an individual permit (IP).
- City of Bentonville (CoB) – This task includes submittal of an in-house large scale permit application and final design documents for CoB review and approval. This task also includes support for three rounds of CoB comments, including coordinating and developing responses to review comments as well as updating design documents as needed.
- Miscellaneous Stakeholder Coordination – identify and perform general coordination with remaining stakeholders to understand potential design impacts, permitting requirements,

and construction constraints. This coordination will be done via phone or email and does not include additional coordination meetings.

2. FEMA / No-Rise Certificate

a. City of Bentonville No-Rise Certification

The proposed project is located within the Town Branch floodplain, mapped as Zone AE with floodway by FEMA. The proposed project will involve replacement of underground pipe, so no permanent fill is planned, and any disturbed ground will be replaced to existing grade. Because no fill is anticipated, a hydraulic analysis of the project is not necessary. Garver H&H staff will review the project plans to confirm that no fill will be placed in the Effective floodplain or floodway. Based on this review, Garver will provide a no-rise certificate and memorandum of findings. Garver will coordinate with the floodplain administrator as needed to meet floodplain development requirements.

If the proposed project will require fill within the floodplain or floodway, a hydraulic analysis of the project will be required to determine no rise to the base flood elevations (BFEs). This analysis and any associated tasks, including data collection, hydrologic or hydraulic modeling, reports and mapping, coordination with FEMA, or a map revision application (CLOMR or LOMR) will be considered additional services.

3. Survey

a. Design Surveys

Garver will locate existing monumentation representing right of ways and/or easements based on record data which will be provided by an abstractor under a subconsultant agreement with Garver. The scope of services assumes up to 40 parcels. During property surveys, Garver will perform aerial photography using drone LiDAR (billed at $4,000 per day equipment fee) and coordinate FAA authorization.

b. Property Surveys

Garver will provide field survey data for designing the Project, and this survey will be tied to the Arkansas State Plane North Zone. The survey limits will be approximately 100' in width. Garver will conduct field surveys, utilizing radial topography methods, at intervals and for distances at and/or along the Project site as appropriate for modeling the existing ground, including locations of pertinent features or improvements. Garver will locate buildings and other structures, streets, drainage features, trees over eight inches in diameter, visible utilities as well as those underground utilities marked by their owners and/or representatives, and any other pertinent topographic features that may be present at and/or along the Project site. Garver will coordinate and pay for utility locates (ARKUPS). The Scope of Services assumes that the Owner will not charge Garver for locating the Owner's water and sewer utilities. Garver will establish up to 10 control points for use during construction..

Prepare right-of-entry (ROE) letters using the Owner's template for each affected property to perform necessary surveys. If property owners do not respond to the initial letter, send a follow-up request letter via certified U.S. Mail, return receipt requested. Furnish the return receipt to the Owner as evidence of its compliance with this paragraph.

4. Property Acquisition Documents (40 properties max)

a. Exhibits and Documentation

Garver will provide mapping as required for preparing easement acquisition documents to Garver's property acquisition sub-contractor to use in acquiring the easements necessary for the project. Documentation will include a key map showing all affected properties and an individual tract map with written description of temporary and permanent acquisition for each property. The fee for providing property acquisition documentation is based on permanent right of way and temporary construction easements for no more than forty (40) properties. Property acquisition document preparation will begin after receiving the Owner's comments from the Preliminary Design review.

Garver will develop property owner notification letters, project information cards, and a project information PDF. Garver will distribute the property owner notification letters to the surrounding property owners. The project information cards will be used by all team personnel onsite to distribute to the public. This information card will be used to direct interested parties to the information website. The city will use the project information PDF to host an informational website that will be updated throughout the course of the project.

b. Property Acquisition Services

Garver will provide title work/title search services and sub-contract a property acquisition service and provide acquisition documents to sub-contractor. Property appraisals and negotiations will be coordinated with the Owner for approval and provide negotiation services with property owners for required easements.

5. Geotechnical Investigation

Garver will determine geotechnical exploration locations for design and constructability of improvements. Garver will sub-contract geotechnical exploration services to determine general subsurface conditions at those locations and to gather data on which to base a geotechnical evaluation with respect to the proposed construction. The geotechnical exploration will gather data for testing of subsurface soils, depth and type of rock, ground water, and other information needed for identification of excavation, backfill type and depth, and foundation designs.

The work will include test borings, laboratory analysis and geotechnical evaluation appropriate to address the geotechnical aspects of the proposed construction. The geotechnical exploration results & report will be provided to BWU as a stand-alone document from the geotechnical consultant.

The scope of services will include geotechnical site reconnaissance and subsurface exploration by test bores and laboratory analysis. The proposed subsurface exploration will consist of fourteen (14) total test borings. During the advancement of each boring, disturbed samples will be collected using Standard Penetration Testing (SPT). Each boring will be advanced to the planned termination depth or auger refusal, whichever occurs first. Four (4) SPT samples will be collected in the upper 10 feet of each boring, followed by 5-foot sampling intervals thereafter. It should be noted that rock coring is not included in this proposal.

6. Environmental Services

Anticipated environmental services breakdown:

<u>WEST PHASE</u>

<u>TB-25.1</u>

- Wetland and Stream Delineation – 4,019 lf (approx. 4.6 ac Environmental Study Area)
- Section 404 Permitting
- Small Site SWPPP
- STAA x 5

<u>TB-45.1</u>

- Wetland and Stream Delineation – 1,378 lf (approx. 1.6 ac Environmental Study Area)
- Section 404 Permitting
- Small Site SWPPP
- STAA x 1

<u>EAST PHASE</u>

<u>TB-25.2</u>

- Wetland and Stream Delineation – 317 lf (approx. 0.4 ac Environmental Study Area)
- Small Site SWPPP
- STAA – none anticipated

<u>TB-30.1</u>

- Wetland and Stream Delineation – 2,043 lf (approx. 2.3 ac Environmental Study Area)
- Section 404 Permitting
- Small Site SWPPP
- STAA x 4

<u>TB-40.1</u>

- Wetland and Stream Delineation – 1,595 lf (approx. 1.8 ac Environmental Study Area)
- Section 404 Permitting
- Small Site SWPPP
- STAA x 2

<u>TB-45.2</u>

- Wetland and Stream Delineation – 1,780 lf (approx. 2.0 ac Environmental Study Area)
- Section 404 Permitting
- Small Site SWPPP
- STAA x 3

a. Wetland and Stream Delineation

Garver will complete a wetland and stream delineation of the above defined area including a 50-foot-wide corridor centered on the proposed pipeline. The delineation will include field evaluation and mapping of potentially jurisdictional waters of the United States, including streams, in accordance with the regulatory guidance as of the date of notice to proceed. Each potentially jurisdictional feature will be mapped with a sub-meter GPS, which will be used to create shapefiles for determining avoidance and minimization of impacts. The delineation will utilize methodologies outlined in the 1987 Corps of Engineers Wetlands Delineation Manual and the Regional Supplement to the Corps of Engineers Wetland Delineation Manual: Eastern Mountains and Piedmont Region (Version 2.0). Garver will accomplish the following as part of the wetland delineation:

- Review pertinent resources related to the Environmental Study Area's hydrology and soils, and review of historical topographic maps and aerial photographs.
- Field survey of wetlands and streams within the Environmental Study Area.
- Create shapefiles from field collected data to be utilized in wetland report exhibits and for quantification of wetland acreages and stream lengths within the Environmental Study Area.
- Complete a wetland delineation report of findings that includes necessary documentation for submittal to the U.S. Army Corps of Engineers (USACE) to obtain a Preliminary Jurisdictional Determination, if requested, and appropriate Section 404 NWP. This report will be delivered electronically.

Field verification with USACE is not anticipated and thus not included in this contract, but if required can be added by contract amendment.

b. Section 404 Nationwide Permit Package and USACE Coordination

Garver will coordinate with the USACE regarding impacts to potentially jurisdictional waters of the United States and will assist in coordinating the issuance of a Section 404 NWP. A Section 404 Individual Permit and any mitigation planning beyond the requirements identified with a NWP are not anticipated and would be considered extra work. Garver will:

- Assist with USACE coordination for the issuance of the appropriate Section 404 NWP for project impacts within the Environmental Study Area.
- Compile a Section 404 NWP package that will include the following:
    - Form 6082 (NWP).
    - Impact determinations (acreage and linear feet) shown on aerial exhibits and/or design plan sheets.
    - Functional Value Assessment for determining required wetland and/or stream mitigation credits.

- Locate a USACE-approved mitigation bank and coordinate with the Client to purchase the USACE-approved number of wetland and/or stream mitigation bank credits (if needed).
- Coordinate issuance of Section 404 NWP.

Garver will stay in close coordination with the design team regarding revisions and design changes throughout the permitting process.

In support of Section 404 permitting, Garver will conduct initial coordination with the U.S. Fish and Wildlife (USFWS) to ensure federally listed threatened and endangered species of concern listed for the Environmental Study Area are identified, as well as their preferred habitats, to avoid/minimize impacts. This coordination includes receipt of an automated response from USFWS through their Information for Planning and Consultation (IPaC) project planning tool, which will assist in providing information related to species existence, habitat, and mitigation. Additionally, a summary table outlining the anticipated habitat impacts and Garver's preliminary effect determinations for federally listed species will be prepared and submitted to USACE to assist with USACE's Section 7 responsibilities. If suitable habitat for any listed threatened or endangered species is encountered within the Environmental Study Area, it may be necessary to survey for certain species. However, presence/absence surveys for any listed threatened or endangered species are not anticipated and therefore not included as a part of this scope.

c. Water Quality Permitting

As there are no 303(d) listed streams in the Environmental Study Area, per Arkansas Division of Environmental Quality (DEQ) & ArcGIS Enviroview website, and Garver assumes that blanket Section 401 water quality certification from the DEQ will be obtained through issuance of the appropriate Section 404 NWP, if needed. Individual water quality certification planning is not anticipated and considered extra work.

Garver will prepare a Notice of Coverage (NOC) and small site construction SWPPP in accordance with DEQ standards in order to meet the National Pollutant Discharge Elimination System (NPDES) requirements for proposed work within the Environmental Study Area. Garver will:

- Review, comment on, and refine SWPPP design sheets to meet DEQ standard requirements for site plans.
- Work with designers on selection of best management practices (BMPs) for erosion and sediment control.
- Complete written SWPPP report per DEQ template.

Garver will coordinate issuance of up to 15 STAAs for The areas listed above in accordance with DEQ standards for stream crossings. Garver will pay the permitting fee for up to 15 STAAs (estimated at a total of $2,250).

7. Concept Design

a. The conceptual design phase submittal will include route studies and 30% design of the existing collection system to meet future growth and development needs, and the submittal will include conceptual plan and profile drawings for the proposed improvements. This will include evaluation of pipe sizing, routing, lift station sizing as required, and use of gravity sewer throughout the basin. This conceptual submittal will be for the purpose of coordinating the proposed improvements with the Owner, stakeholders, and the utility companies and developing an order of magnitude cost estimate for the Project. Once approved by Owner, Garver will incorporate comments from the Owner in the Preliminary Design (added as an amendment to services).

b. 30% OPCC – Prepare an estimate of construction quantities and develop an AACE Class 3 (-50% to +20%) preliminary opinion of probable construction cost (OPCC).

c. Utility coordination: identify utility potential conflicts and perform general coordination with the stakeholders to understand potential design impacts, permitting requirements, and construction constraints. This coordination will be done via phone or email and does not include additional coordination meetings.

d. Deliverables

   The following will be submitted to the Owner in Digital PDF format in conjunction with an online review session:

   - Design (30%) plans
   - AACE Class 3 OPCC

8. Preliminary Design

a. 50% Plans – Prepare alignment plan and profile drawings (1":20'). These plans will be to a 50% level and will include proposed interceptor and manhole locations, property ownership, trenchless construction identified, and spacing to existing infrastructure.

b. 50% OPCC – Prepare an estimate of construction quantities and develop an AACE Class 2 (-15% to +20%) preliminary opinion of probable construction cost (OPCC).

c. Utility coordination: identify utility potential conflicts and perform general coordination with the stakeholders to understand potential design impacts, permitting requirements, and construction constraints. This coordination will be done via phone or email and does not include additional coordination meetings.

d. Deliverables

   The following will be submitted to the Owner in Digital PDF format in conjunction with an online review session:

   - Design (50%) plans
   - AACE Class 2 OPCC
   - 50% Cost Recovery Matrix (based on Class 2 OPCC)

9. Final Design

a. 100% Plans – Following approval of the preliminary design plans, Garver will prepare final design plans (100%) for all sheets.

b. 100% Specifications – Following approval of the draft final specifications, Garver will prepare final design specifications (100%). These specifications will include all technical specifications and the front-end documents including proposal forms, notice to bidders, bid forms, and bond forms.

c. 100% OPCC – Prepare an estimate of construction quantities and develop an AACE Class 1 (-15% to +20%) opinion of probable construction cost (OPCC).

d. Utility coordination: identify utility potential conflicts and perform general coordination with the stakeholders to understand potential design impacts, permitting requirements, and construction constraints. This coordination will be done via phone or email and does not include additional coordination meetings.

e. 100% Design Review Meeting – Conduct one (1) 2-hour in-person workshop with the Owner to present and review the 100% design deliverables, discuss review comments, and confirm design path forward. Meeting minutes will be prepared and distributed by Garver.

f. Issued for Bid Documents – Incorporate comments received on the 100% submittal and regulatory permits and prepare bid ready documents.

g. Deliverables

The following will be submitted to the Owner in Digital PDF format in conjunction with an online review session:

- Final Design (100%) plans
- Design (100%) specifications
- AACE Class 1 OPCC
- 100% Design Cost Recovery Matrix (based on Class 1 OPCC)
- 50% Owner comment spreadsheet with comment responses
- Issued regulatory permits and bid ready documents.

10. Maintenance of Traffic

Garver will provide preliminary and final maintenance of traffic plans for sanitary sewer installation at the following locations:

- NE Tiger Boulevard (NW A Street to NE A Street)
- NW A Street (Near intersection with Tiger Boulevard)
- 8th Street Market Parking Lot (west side of market)
- Momentary Trail
- Town Branch Trail (near the SE F Street and 5th Street Intersection)
- Razorback Greenway (near the SE F Street and 5th Street Intersection)
- SE F Street and 5th Street Intersection

- NW 9th Street (near Bella Vista Road)
- NE Cub Circle

Preliminary maintenance of traffic plans will provide phased approaches to safely maintain two-way traffic for installation of the sewer line. This may include the use of flaggers, temporary traffic signals, or detours. Plan view drawings will be provided showing necessary advanced warning signage, temporary pavement markings, traffic control devices, and/or concrete barriers. Maintenance of traffic plans will adhere to the standards set forth in the Manual on Uniform Traffic Control Devices (MUTCD). Miscellaneous traffic control details will be provided as required. Quantities and an opinion of probable construction costs will be provided.

Final plans will include revisions to the preliminary MOT plan, quantities, and opinion of probable construction costs based on Preliminary Plan comments. Technical specifications for the traffic control plan and devices will be added.

11. Bidding Services

Bidding services will be provided for a maximum of two separate bids for this phase of improvements. The bidding period for bidders is anticipated to extend for a 60-day duration. During the bidding phase of the project, Garver will:

a. Provide support for bid advertisement, construction contract documents, and any associated information for download by prospective bidders.

b. Support the contract documents by preparing up to two (2) addenda as appropriate.

c. Support the contract documents by addressing bidding RFI’s.

d. Attend one (1) pre-bid meeting.

e. Attend the bid opening, evaluate bids and recommend award.

f. Issued for Construction Documents – Incorporate any required changes and addenda to construction ready documents.

g. Deliverables

   The following will be submitted to the Owner in Digital PDF format:

   - Issued for Bid Plans
   - Issued for Bid Specifications
   - AACE Class 1 OPCC
   - Bid opening agenda, meeting minutes and recommendation of award
   - Issued for Construction Plans
   - Issued for Construction Specifications
   - 100% Owner comment spreadsheet with comment responses

   Issued for Bid – Hardcopy Documents:

   - Two (2) full size (22”x34”) sets of plans

- Two (2) half sized (11”x17”) sets of plans
- Two (2) specification books

Extra Work Not Included

The following items are not included under this agreement but will be considered as extra work:

A. Construction related services outside those outlined in Bidding Services.
B. Redesign for the Owner’s convenience or due to changed conditions after previous alternate direction and/or approval
C. Tree survey by a certified arborist
D. Storm drainage design for street improvements
E. Profiling of street improvements
F. Subsurface Utility Engineering (SUE) (Owner to secure direct contract)
G. Submittals or deliverables in addition to those listed herein
H. Design of any utility’s relocation other than the water and wastewater segments listed
I. Traffic Control Plans other than those listed
J. Completion of a National Environmental Policy Act (NEPA) document
K. Conducting a quantitative air quality analysis or air quality modeling
L. Conducting a noise impact analysis
M. Conducting threatened or endangered species surveys
N. Obtaining Section 7 clearance from USFWS
O. Preparation of a detailed habitat assessment report
P. Tribal coordination
Q. Section 106 consultation or coordination with the State Historic Preservation Officer (SHPO) regarding project impacts to historic/cultural or archaeological sites
R. Conducting of a Phase I or Phase II cultural resources survey, architectural surveys, or archaeological site monitoring
S. Developing a cultural resources mitigation plan, Memorandum of Agreement (MOA), or completion of mitigation stipulations related to a MOA
T. Section 404 Individual Permit and any mitigation planning beyond the requirements identified with a NWP, including on-site and/or off-site permittee responsible mitigation
U. Individual water quality certification
V. Phase I or II Environmental Site Assessment
W. Coordination with FEMA for preparation/submittal of a CLOMR and/or LOMR, including Section 7 clearance for documenting “no take”
X. Environmental Handling and Documentation, including mitigation plans or other work related to environmentally or historically (culturally) significant items

Extra Work will be as directed by the Owner in writing for an additional fee as agreed upon by the Owner and Garver.

12. Schedule

Garver shall begin work under this Agreement within three (3) days of a Notice to Proceed (NTP). Subconsultants shall begin work under this agreement within ten (10) days of a signed contract and shall complete the work in accordance with a mutually agreed upon schedule.

Major task timelines with the accelerated design schedule are provided below:

Phase Description	Workdays
Topographic Survey	50 work days from NTP
Property Survey	70 work days from NTP
Geotechnical Investigation	60 work days from NTP
Environmental Services	30 work days from NTP
Conceptual Design – 30%	40 work days from NTP
Preliminary Design – 50%	60 work days from Conceptual Desing Approval
Easement Documentation	40 work days from Property Survey
Easement Acquisition	80 work days from Easement Documentation
Permitting Regulatory Coordination	80 work days from Preliminary Design Approval
Final Design – 100%	60 work days from Preliminary Design Approval
Bidding Services	60 work days from City Approval

GARVER

Appendix C
Schedule of Fees and Services, Key Milestones, and Durations for Major Tasks

The table below presents a summary of the fee amounts and fee types for this Agreement.

WORK DESCRIPTION	FEE AMOUNT	FEE TYPE
Project Management	$59,566.00	Hourly Rate + Expenses
FEMA / No-Rise Certificate	$6,000	
Survey	$209,626.00	
Property Acquisition Documents (40 properties max)	$289,950.00	
Geotechnical Investigation	$31,589.00	
Environmental Services	$104,896.00	
Conceptual Design – 30%	$188,296.00	
Preliminary Design - 50%	$204,602.00	
Final Design – 100%	$129,342.00	
Maintenance of Traffic	$56,912.00	
Regulatory Coordination	$32,636.00	
Bidding Services	$25,708.00	
TOTAL FEE	$1,338,223.00	

The Owner will pay Garver for Service rendered at the agreed upon rates for each classification of Garver's personnel (may include contract staff classified at Garver's discretion) plus reimbursable expenses including but not limited to printing, courier service, reproduction, and travel. The total amount paid to Garver under this Agreement is estimated to be $1,338,223.00. The agreed upon rates will be increased annually with the first increase effective on or about July 1, 2026.

Expenses other than salary costs that are directly attributable to performance of our Services will be billed as follows:

1. Direct cost for travel, long distance and wireless communications, outside reproduction and presentation material preparation, and mail/courier expenses.
2. Charges similar to commercial rates for reports, plan sheets, presentation materials, etc.

Garver shall provide Owner notice when Garver is within ten percent (10%) of the not-to-exceed amount. In which event, Owner may direct Garver to proceed with the Services up to the not-to-exceed budgetary threshold before ceasing performance of the Services or increase the not-to-exceed amount with notice to Garver. Underruns in any phase may be used to offset overruns in another phase as long as the overall Agreement amount is not exceeded. In no event shall the not-to-exceed amount be interpreted as a guarantee the Services can be performed for the not-to-exceed budgetary threshold.

GARVER

AGREED UPON RATES

Exhibit C
Bentonville Water Utilities
Townbranch Basin Sewer Improvements
Garver Hourly Rate Schedule: July 2025 - June 2026

Classification	Rates
Engineers / Architects	
E-1	$ 140.00
E-2	$ 164.00
E-3	$ 183.00
E-4	$ 223.00
E-5	$ 261.00
E-6	$ 320.00
E-7	$ 456.00
Planners	
P-1	$ 174.00
P-2	$ 217.00
P-3	$ 259.00
P-4	$ 303.00
P-5	$ 333.00
Designers	
D-1	$ 129.00
D-2	$ 144.00
D-3	$ 178.00
D-4	$ 208.00
D-5	$ 256.00
D-6	$ 271.00
Technicians	
T-1	$ 105.00
T-2	$ 122.00
T-3	$ 154.00
T-4	$ 194.00
Surveyors	
S-1	$ 64.00
S-2	$ 85.00
S-3	$ 115.00
S-4	$ 158.00
S-5	$ 207.00
S-6	$ 236.00
S-7	$ 287.00
S-8	$ 353.00
2-Man Crew (Survey)	$ 243.00
3-Man Crew (Survey)	$ 305.00
2-Man Crew (GPS Survey)	$ 307.00
3-Man Crew (GPS Survey)	$ 373.00
Construction Observation	
C-1	$ 121.00
C-2	$ 152.00
C-3	$ 190.00
C-4	$ 237.00
C-5	$ 293.00

Classification	Rates
Resource Specialists	
RS-1	$ 115.00
RS-2	$ 152.00
RS-3	$ 205.00
RS-4	$ 297.00
RS-5	$ 371.00
RS-6	$ 456.00
RS-7	$ 497.00
Environmental Specialists	
ES-1	$ 114.00
ES-2	$ 145.00
ES-3	$ 186.00
ES-4	$ 210.00
ES-5	$ 266.00
ES-6	$ 352.00
ES-7	$ 431.00
ES-8	$ 487.00
Project Controls	
PC-1	$ 117.00
PC-2	$ 156.00
PC-3	$ 198.00
PC-4	$ 254.00
PC-5	$ 311.00
PC-6	$ 401.00
PC-7	$ 491.00
Management / Administration	
AM-1	$ 82.00
AM-2	$ 103.00
AM-3	$ 146.00
AM-4	$ 180.00
AM-5	$ 232.00
AM-6	$ 287.00
AM-7	$ 377.00
M-1	$ 551.00

RESOLUTION NO. ____________

A RESOLUTION AMENDING THE 2025 BUDGET AND TO ALLOW THE MAYOR AND CITY CLERK TO ENTER INTO AN AGREEMENT WITH GARVER ENGINEERING IN THE AMOUNT OF ONE-MILLION THREE-HUNDRED THIRTY-EIGHT THOUSAND TWO-HUNDRED TWENTY-THREE DOLLARS ($1,338,223.00); AND FOR OTHER PURPOSES.

WHEREAS, the City desires to enter into an agreement with Garver Engineering for final design of wastewater utility improvements within Town Branch Sewer Basin. This would include all TB sections in the Sewer Collections Analysis.

WHEREAS, a budget adjustment is necessary.

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

Section 1: The Mayor and City Clerk are hereby authorized to enter into a contract with Garver Engineering in an amount of One-Million Three-Hundred Thirty-Eight Thousand Two-Hundred Twenty-Three Dollars ($1,338,223.00) for final design of wastewater utility improvements within Town Branch Sewer Basin.

Section 2: The 2025 Budget is hereby adjusted to appropriate One-Million Three-Hundred Thirty-Eight Thousand Two-Hundred Twenty-Three Dollars ($1,338,223.00) from the Utility Fund Reserves into Account #503040-47341 Sewer Line Improvements.

Section 3 - Severability Provision: If any part of this Resolution is held invalid, the remainder of this Resolution shall continue in effect as if such invalid portion never existed; and

Section 4 - Repeal of Conflicting Provisions: All Ordinances, Resolutions, or Orders of the City Council, or parts of the same, in conflict with this Resolution are repealed to the extent of such conflict.

PASSED this ______ day of __________________, 2025.

APPROVED:

____
Stephanie Orman, MAYOR

ATTEST:

____
Malorie Marrs, CITY CLERK